boardwalk

2025 ANNUAL REPORT

FLOW MADE *FRICTIONLESS*

The Pavilion
Kids Zone
Edmonton , AB

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Le Jardin de Merici
Lobby entrance
Quebec, QC

Le Jardin de Merici
Fitness Centre
Quebec, QC

At Boardwalk, the way we work shapes everything we do.
Guided by a frictionless approach, we act with precision and alignment,
allowing our purpose to flow seamlessly from intention to impact.
Clarity leads. Momentum follows.

FLOW MADE *FRICTIONLESS*

This is where *Love Always* becomes *Action Always*.

Our Boardwalk Family listens with intention, makes thoughtful decisions, and removes unnecessary barriers as part of our everyday work. This mindset guides how we design services, strengthens how we collaborate across teams, and shapes how we show up for one another, creating experiences that are respectful, supportive, and human by design.

We don't see turbulence as a disruption. We move through it with discipline and confidence. By staying composed, prepared, and focused on what matters most, we adapt without losing momentum. Friction is reduced. Purpose moves freely. Trust is strengthened. Growth is sustained, deepening the connections that define our communities.

This is Boardwalk. As we evolve, so does our approach. We recalibrate with care, prioritize clarity and consistency, and design for ease in how we operate. By minimizing friction, we move forward with confidence, creating steady progress, resilient communities, and a culture where people thrive together.

Palace Gates
Saskatoon SK

Southgate Tower
Fitness Centre

Palace Gates
Saskatoon SK

CORPORATE PROFILE

Boardwalk REIT ("Boardwalk", the "Trust") strives to be Canada's friendliest community provider and the first choice in multi-family communities to work, invest, and call home with our Boardwalk Family Forever.

Providing homes in more than 200 communities, with over 34,000 residential suites totaling approximately 30 million net rentable square feet, Boardwalk has a proven long-term track record of building better communities, Where Love Always Lives™. Our three-tiered and distinct brands – Boardwalk Living, Boardwalk Communities, and Boardwalk Lifestyle – cater to a large diverse demographic and have evolved to capture the life cycle of all Resident Members.

Boardwalk's disciplined approach to capital allocation, acquisition, development, purposeful re-positioning, and management of apartment communities allows the Trust to provide its brand of community across Canada creating exceptional Resident Member experiences. Differentiated by its peak performance culture, Boardwalk is committed to delivering exceptional service, product quality and experience to our Resident Members who reward us with high retention and market leading operating results, which in turn, lead to higher free cash flow and investment returns, stable monthly distributions, and value creation for all our stakeholders.

Boardwalk REIT's Trust Units are listed on the Toronto Stock Exchange, trading under the symbol BEI.UN. Additional information about Boardwalk REIT can be found on the Trust's website at bwalk.com/investors.

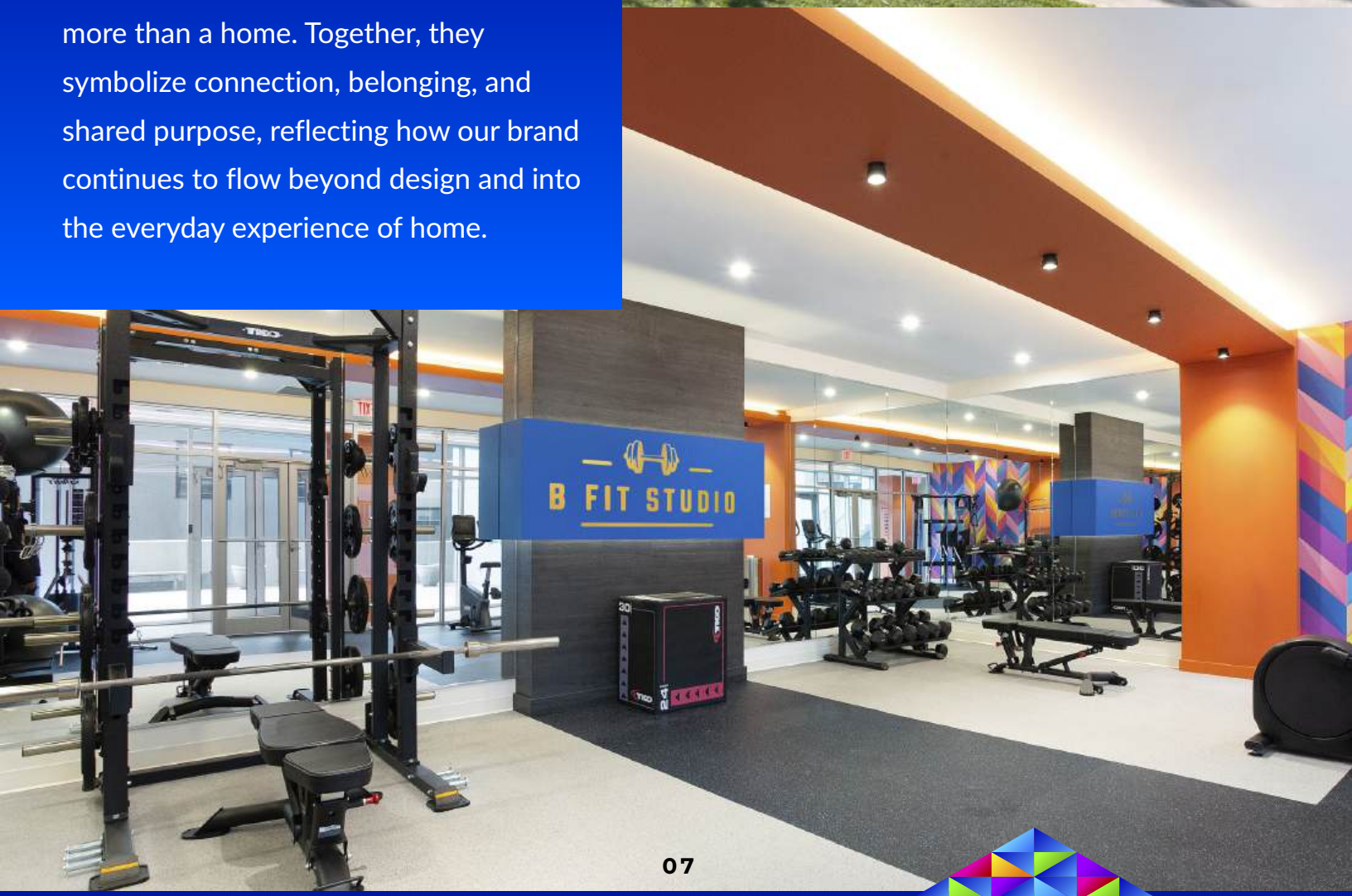
The Pavilion
Edmonton

The Pavilion
Edmonton

Communities in Motion

Brought to Life

As part of our Flow Made Frictionless journey, we continue to evolve how our brand shows up in our communities. At The Arch, a newly acquired building in 2025, the Communities in Motion mark was incorporated into the podium signage, marking the first time this symbol has been brought to life in a physical space. Each roof represents more than a home. Together, they symbolize connection, belonging, and shared purpose, reflecting how our brand continues to flow beyond design and into the everyday experience of home.



2025 HIGHLIGHTS

$4.65[1]
FFO per Unit

+11.2%
Growth in FFO per Unit

34.1%
FFO Payout Ratio

$96.23[1]
Net Asset Value per Unit

$4.9 billion
Unitholders' Equity

$1,590
Occupied Rent (December 2025)

$196.9 million
Profit

10.0x[1]
Trailing 12 Months Debt to EBITDA

42.3%[1]
Debt to Total Assets

$466.0 million
Total Available Liquidity at the end of 2025

>24.0%
Management Ownership

$139.0 million
Investment in Capital Assets

$57.3 million at $63.80[2]
Unit Repurchases
(Normal Course Issuer Bid)

$829.1 million
Acquisitions and dispositions closed in 2025

(1) Please refer to the section titled "Presentation of Non-GAAP Measures" in the MD&A for more information.
(2) Volume weighted average price, excludes commissions

Fontana Place
Edmonton, AB

Watson Tower
Red Deer, AB

Fontana Place
Edmonton, AB

LETTER TO UNITHOLDERS

At Boardwalk, how we work and what we achieve are inseparable. A frictionless approach brings clarity to our decisions and momentum to our execution, allowing our purpose to flow from intention to impact.

sam kolias
Chairman and Chief Executive Officer

Dear Boardwalk Family Forever,

At Boardwalk, how we work and what we achieve are inseparable. A frictionless approach brings clarity to our decisions and momentum to our execution, allowing our purpose to flow from intention to impact. In 2025, this discipline delivered exceptional results for our Resident Members and Unitholders, while reinforcing our commitment to building communities with Love Always.

Over many years and housing cycles, we have seen persistent demand for affordable housing. As Canada's housing market continues to move toward greater balance over the shorter term, our significant presence in some of the country's most affordable self-regulated markets with ongoing demand drivers, along with our differentiated value proposition, positions the Trust for sustainable performance. >>

Key financial highlights for 2025 include:

- Rental Revenue of $638.6 million, +5.9% from 2024
- Net Operating Income of $417.6 million, +9.2% from 2024
- Net Asset Value per Unit of $96.23, +2.7% from 2024
- Operating Margin of 65.4%, compared to 63.4% in 2024
- Same Property Rental Revenue of $608.9 million, +5.8% from 2024
- Same Property Net Operating of $404.3 million, +9.0% from 2024
- Same Property Operating Margin of 66.4%, compared to 64.5% in 2024
- Funds from Operations (“FFO”) per Unit of $4.65, +11.2% from 2024
- Unitholders’ Equity of $4.9 billion
- Occupied Rent of $1,590 (December 2025)
- Profit of $196.9 million

>> As we enter 2026, our focus on Flow Made Frictionless, disciplined performance, and resident centered innovation will continue to guide our strategy, ensuring Boardwalk remains the first choice to work, invest, and call home with our Boardwalk Family Forever. Supported by our resident focused model, vertically integrated operating platform, effective capital allocation, and continued investment in our communities, we are well positioned to deliver consistent strong total shareholder return in 2026 and beyond.

Our Value Proposition

Resident Members are at the core of our purpose of Bringing them Home to Love Always. In 2025, our residents re-emphasized their positive experience with us. Our NPS score of 82 reflects our team’s commitment to excellence. Throughout 2025, the Trust prioritized high retention rates in its non-price controlled markets through sustainable positive adjustments on its lease renewals. This positions the Trust favorably for consistent operational and financial performance, as overall supply and demand fundamentals balance, and creates a win-win outcome for Residents and Unitholders. >>

>> The Trust is focused on providing high-quality communities at an affordable price point that maximizes the value proposition for Residents with larger suites compared to most newly-built supply and an unmatched resident experience that can only be delivered through a best-in-class, fully vertically-integrated operating platform.

Capital Allocation

The Trust has demonstrated that the best and most cost-effective source of capital for re-investment in its communities is the cash flow generated by its operations. The Trust employs a maximum cash flow retention policy, to further improve our communities and experience for Residents and compound total returns for Unitholders. As the Trust has grown its cash flow over time, it has increased the capital available for re-investment in its communities and other accretive uses, while consistently growing distributions to unitholders. The $1.0B investment over the last 10 years in our value-add and repositioning efforts continues to deliver returns, enhance our brand, presence and customer experience. This remains an integral focus for the Trust moving into 2026.

In 2025, the Trust's FFO of $248.5 million grew 10% year-over-year and once again more than covered its investment in capital assets (value-add and maintenance capital) of $139.0 million and distributions of $84.7 million (includes B units), which is a key differentiator for the Trust within the Canadian multi-family REIT environment.

In 2025, Boardwalk maintained a disciplined and strategic approach to capital allocation and up-cycling focused on value creation. The Trust's ability to remain flexible and direct capital to its highest-value opportunities supported optimal outcomes. >>

>> More specifically, during the year, the Trust reached a milestone in transaction activity of $829.1 million (acquisitions and dispositions), executing an opportunity for capital upcycling out of ten non-core, higher capital needs communities in Edmonton and Quebec City at attractive cap rates with opportunistic redeployment into six new/nearly new communities with strong yields. Illustrating the Trust's ability to source opportunistic acquisitions that are accretive to FFO per unit and Net Asset Value per unit over the short to medium term. These acquisitions strategically increase the scale of the Trust's portfolio in growing regions where it has an existing presence, improve the overall quality of its portfolio while providing accretion to Unitholders.

In November 2025, the Trust renewed its Normal Course Issuer Bid ("NCIB") to enable it to tactically capitalize on significant disconnects between its unit price and the intrinsic value of its own high-quality portfolio. Throughout 2025 and to date in 2026, the Trust has re-purchased approximately $75.0 million of its own Units at a volume weighted average price of $64.66. Management was able to repurchase units at an implied going-in cap rate in excess of 6% for its own low-risk, high-quality portfolio, which compares very favorably to alternatives available in the private market. In allocating capital to unit repurchases, management takes into account a number of considerations including implied returns of repurchasing its own units, opportunity set available for external re-deployment, long-term strategic vision, its current cash availability, impact on leverage, and overall trading liquidity implications. >>

As part of its long-term growth strategy, the Trust maintains a selective development pipeline in order to incrementally improve the quality and breadth of its product offering and scale up in supply-constrained markets that are difficult to access. During 2025, the Trust delivered Phase 1 of its Aspire development in View Royal, British Columbia which will be fully completed in Q1 of 2026. As a result of current market conditions, where increased supply of smaller, higher-priced apartment units is exerting pressure on market rents, as well as other uses of capital having superior returns on a risk-adjusted basis, the Trust has deferred breaking ground on additional sites within its development pipeline. >>

Aspire
View Royal, BC

Central Heights
Games Room
Saskatoon, SK

Central Heights
Community Room
Saskatoon, SK

Central Heights
B Fit Studio
Saskatoon, SK

GOALS AND TARGETS

Objective	2025 Performance
Organic Growth	>> Rental revenue growth of 5.9% >> Same property NOI growth of 9.0% >> Expansion of Operating Margin to 65.4%, compared to 63.4% in the prior year >> Maintained occupancy above 97.0%
Compelling Value	>> Cumulatively repositioned/renovated 146 properties and renovated over 42% of suites since 2017 >> Average Occupied Rent of $1,590 as of December 2025 >> Resident satisfaction and retention, met NPS target of 82 >> Leading performance culture, aNPS of 76 compared to target of 72
Accretive Capital Recycling	>> Re-invested $105.4 million of value-add capital into our communities >> Continuation of the capital upcycling program selling 1,206 suites in 2025; completed or finalized sale of 456 suites subsequent to year-end >> Acquired 541 suites in Laval, QC; 494 suites in Calgary, AB; 275 suites in Saskatoon, SK; and 66 Suites in Regina, SK >> Invested $57.3 million into Normal Course Issuer Bid in 2025 at $63.80; $17.7 million invested subsequently to year-end at $67.63
Solid Financial Foundation	>> 96% of mortgages are CMHC insured >> Liquidity of $466 million as at February 2026 >> Debt to EBITDA of 10.0x;(1) Debt to Assets of 42.3%(1)
Compounding Per Unit Growth	>> FFO(1) of $248.5 million; AFFO(1) of $214.9 million >> FFO per Unit(1) of $4.65 (Initial 2025 Guidance range of $4.25 to $4.55) >> AFFO per Unit(1) of $4.02 (Initial 2025 Guidance range of $3.62 to $3.92) >> Net Asset Value per Unit(1) growth of 2.7% >> Profit of $196.9 million

(1) A non-GAAP measure. Please refer to the Trust's Management Discussion & Analysis for the years ended December 31, 2025 and 2024 for definitions, reconciliations and the basis of presentation of Boardwalk REIT's non-GAAP measures.

Balance Sheet Strength

The Trust continues to improve its balance sheet strength over time while selectively supplementing organic growth through accretive capital deployment when its cost of capital permits. In 2025, the Trust's Debt to EBITDA ratio improved slightly to 10.0x from 10.1x on a trailing 12-month basis as a result of the Trust's growing cash flows, partially offset by sourcing low-cost CMHC financing to re-invest into accretive growth opportunities. Debt to Total Assets increased to 42.3% as a result of increased debt from recent acquisitions at attractive rates.

The Trust's strategy of maintaining a well-laddered maturity curve on its mortgages has proven effective in minimizing mortgage renewal risk in any individual year. The Trust's presence in primarily non-price controlled markets has also increased its ability to offset higher interest costs over time. As of the end of 2025, approximately 96% of the Trust's outstanding mortgage principal balance is CMHC insured which provides the Trust with low-cost financing and lowers the renewal risk of its mortgage portfolio.

Ongoing improvement in our balance sheet combined with our maximum cash flow retention, minimum distribution policy, positions us well to capitalize on opportunities to supplement the Trust's organic growth in both stable periods and in periods of increased volatility in the overall market.

2026 Outlook

There is one constant that remains amid ongoing volatility in the macroeconomic and geopolitical environment: the sustained demand for affordable, high-quality rental communities. This enduring demand underpins stable long-term growth and reinforces our purpose.

In an increasingly competitive environment, Boardwalk's experience, operational excellence, quality and unwavering commitment to our Resident Mem-

Executive Group

bers clearly differentiates us. Continuous improvement is part of our DNA, and it drives how the Trust operates, invests and delivers value. Boardwalk's position in our largest market of Alberta remains a differentiator for the Trust. Alberta continues to attract migration from more expensive areas of Canada and overseas, has the youngest population among Canadian provinces in 2025 and create jobs in a broad range of sectors as the economy continues to diversify. The Alberta economy is forecasted to outpace Canadian GDP growth and play an essential role in Canada's competitive position in the rapidly changing global energy landscape.

The Trust's focus remains on our people, our culture and our Boardwalk Family. By raising service standards, improving consistency across our portfolio, and fostering strong cross-functional collaboration, the Trust continues to support high occupancy levels and deliver a seamless, frictionless experience for our Resident Members. Our approach to sustainable self-moderation of rent adjustments in our non-price controlled markets has strengthened our reputation as a community provider of choice and helps to provide stability across various market conditions for all our stakeholders.

The Trust continues to leverage technology and innovation to enhance operational efficiency, simplify processes and improve decision-making across the organization. Our teams continue to be laser focused on service, performance, and building community.

Design and brand have evolved to a levelled-up experience. The Trust continues to thoughtfully invest in our communities to ensure that form and function work in harmony. We have re-invested into the majority of our communities since 2017, positioning the Trust to hold occupancy above the level of the overall market, while providing an affordable and attractive alternative to newer supply and across various market conditions. This enhances everyday living, strengthens our brand and builds on our legacy. Love Always leads us, a timeless commitment that guides how we design, operate and serve.

Above all we remain focused on disciplined capital allocation, strong free cash flow generation and balance sheet strength. There is continued demand for affordable housing in our markets and our growing cash flow provides a means to further compound growth through re-investment in our communities. We are pairing this additional cash flow with our capital upcycling initiatives, through the disposition of select non-core communities, to expand the reach of our Love Always into the highest and best use of our existing, undervalued communities via our NCIB or new communities that will further enhance value for Resident Members and Unitholders.

The Trust is introducing its 2026 financial guidance as follows:

	2026 Guidance	2025 Actual (in $ thousands except per unit)
Same Property NOI Growth	+1.5% to +4.5%	9.0%
Profit	N/A	$196,839
FFO	N/A	$248,498
AFFO	N/A	$214,886
FFO Per Unit	$4.65 to $4.90	$4.65
AFFO Per Unit	$3.99 to $4.24	$4.02

Organic growth remains a primary driver in 2026. While anticipated performance by market varies, we are well-positioned to deliver strong relative performance. Renewal spreads in the Trust's non-price controlled and Quebec markets are expected to be primary drivers for FFO per unit growth in 2026. The Trust will look to supplement this organic growth with accretive capital deployment of excess cash flow and proceeds from select non-core dispositions.

As a result of improving cash flow and higher taxable income, the Trust is increasing its regular monthly distribution by 11.1% to $0.15 per Unit or $1.80 per Unit on an annualized basis for the months of March, April and May 2026.

At $68, Boardwalk's Trust Units are currently trading at an equivalent value of $201 thousand per suite, and at an approximate 6.2% cap rate on our most recent fiscal year NOI. This compares to our estimated NAV of approximately $247 thousand per suite which represents a 5.1% cap rate on our last twelve months of NOI. We are excited by the opportunity this presents for Unitholders to capture the underlying value of the Trust's low-risk, high-quality asset base, and growth profile, as validated by transactions in the private market.

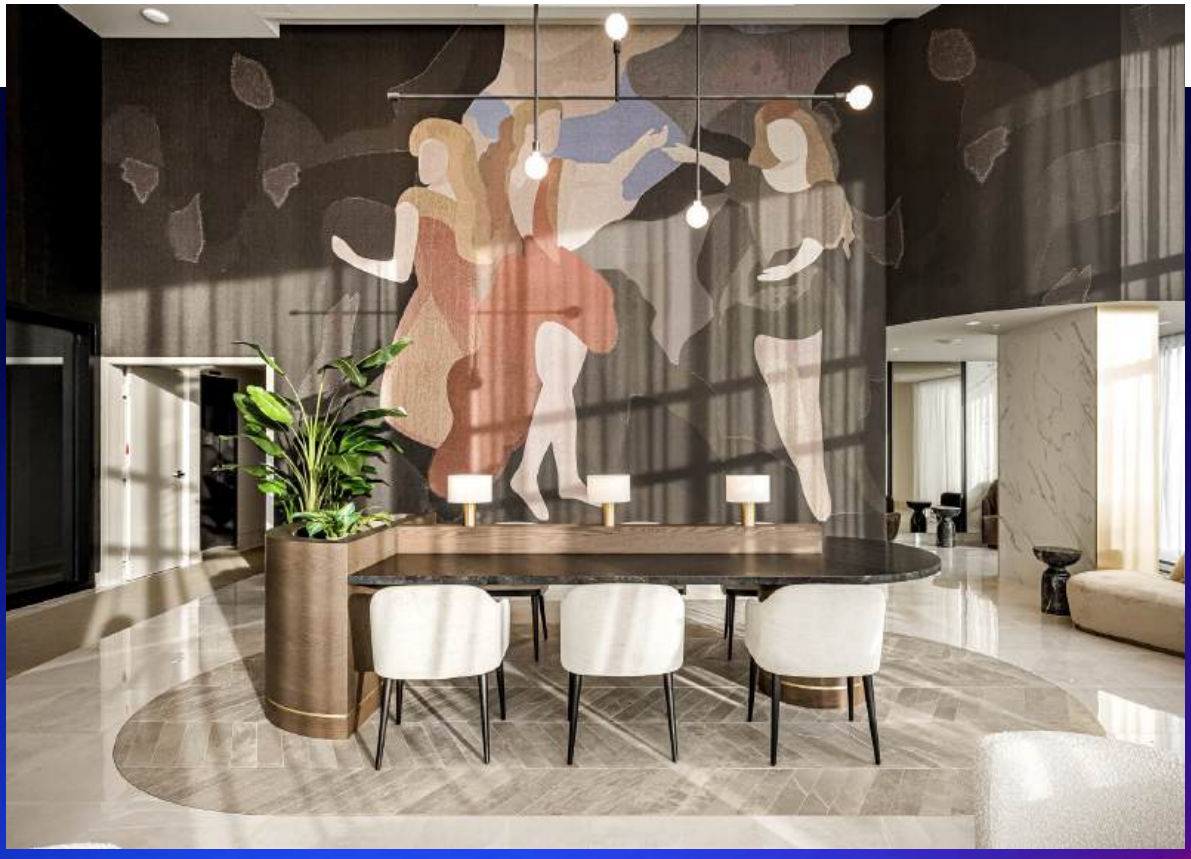
With gratitude, thank you to you, our Unitholders, for your continued partnership as we work together to deliver strong, sustainable financial performance with momentum and purpose.

We are equally grateful to our lenders, CMHC, and our government partners, whose collaboration and shared commitment help remove friction across the housing continuum and enable the delivery of affordable housing, exceptional product quality and seamless service experience for our Resident Members.

To our exceptional team, you are the engine of our flow. Through dedication, commitment and accountability you simplify complexity, elevate performance and bring our purpose to life every day.

Finally, thank you to our Family Resident Members, who are the heart of everything we do. Thank you for making Boardwalk vibrant, connected and a place where life flows. Boardwalk is not just a place to live, but a place to truly call home, where love always lives.

With love always,
sam kolias



Aspire
View Royal, BC

ESG UPDATE

Our ESG strategy ensures that environmental stewardship, social responsibility and strong governance are integrated into how we operate, invest and grow. Boardwalk is committed to integrating environmental, social and governance practices throughout our business, to positively impact our associates, resident members and stakeholders.

Management works closely with the Board of Trustees to oversee a comprehensive ESG governance framework that aligns with our overall business strategy. Management is responsible for identifying, assessing and prioritizing ESG risks and opportunities, taking into account their economic, environmental and social impacts. Cross-functional collaboration across the organization supports the effective implementation of our ESG program.

In 2025 we published our sixth annual ESG Report, highlighting our 2024 initiatives and achievements, and setting out our 2025 objectives aimed at advancing sustainable operations and efficient resource use, supporting employee well-being and culture, building strong communities, and upholding a comprehensive governance framework.

KEY 2025 ACCOMPLISHMENTS

Environmental

>> Maintained our **15% GHG emissions reduction target** through capital investments, operational efficiencies and ongoing performance monitoring.

>> **$16.4 million invested in energy and water efficiency upgrades**, such as window and building envelope, building HVAC, LED lighting.

>> Completed **first solar PV installation** at a property in Edmonton, Alberta.

>> Installed **water conservation devices** at over 200 suites across 10 properties, advancing progress towards our **15% water use intensity reduction target.**

>> Completed **water and thermal submetering** at 825 suites, and **expanded RUBS program** to 19 additional communities.

>> **Certified four additional buildings** under the Certified Rental Building Program.

Social

>> Supported **environmental restoration through the planting of 1,801 trees** at the Peace River Country Project in Grande Prairie, in partnership with TELUS Environmental Solutions, contributing to long-term ecosystem health and community impact.

>> Distributed **over 350 school supply-filled backpacks** to resident members through our nomination program, helping students begin the year with confidence and easing back-to-school financial pressures.

>> Achieved **91% completion of mental health training** among people leaders, strengthening support resources for associates in partnership with the Canadian Mental Health Association.

>> **Reduced total recordable injuries** from prior year, reflecting the continued strengthening of our health and safety program and training.

>> Achieved a **Net Promoter Score** of 82 and **Associate Net Promoter Score** of 76, demonstrating improved Resident Member satisfaction and Associate engagement.

Governance

>> **Improved ESG disclosure and performance ratings**, achieving higher scores across key external assessments such as GRESB, CDP and CSA scores.

>> Completed a **pilot climate scenario analysis** of 10 properties as part of our climate risk assessment process, supporting a better understanding of physical and transition risks within our portfolio.

>> **Delivered measurable progress in our cybersecurity program**, including independent assessments to guide targeted enhancements, ongoing phishing simulations and training to strengthen organizational resilience, and improving risk awareness across the business.

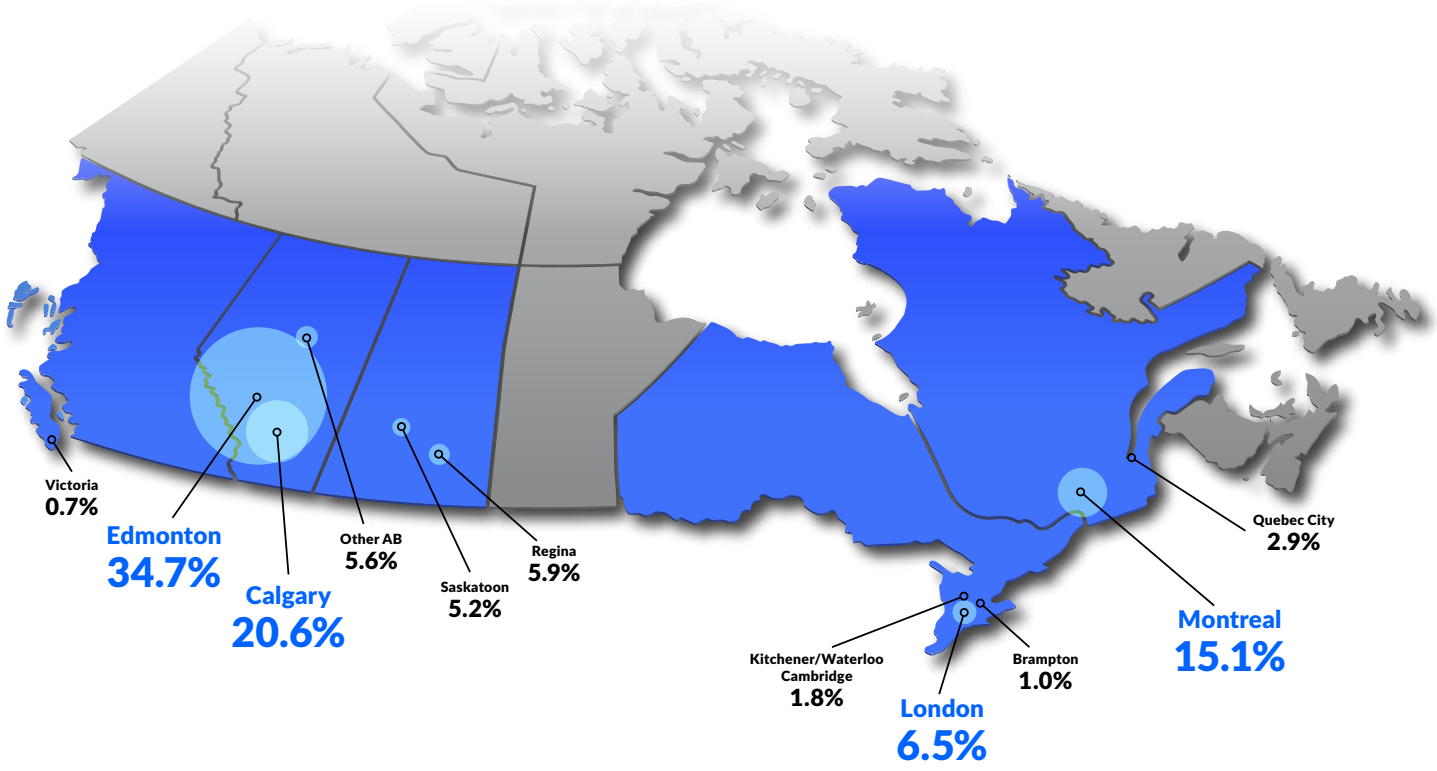
>> Advanced **sustainable procurement initiatives**, including the evaluation of environmentally preferable products and ongoing engagement with vendors to support responsible sourcing and sustainability practices.

ESG UPDATE

We are grateful for our Associates, Resident Members and Stakeholders, whose continued engagement and support has driven our ESG progress to date. We remain committed to reviewing and refining our ESG strategy to deliver meaningful, measurable improvements across our operations and our communities. For additional information, refer to Boardwalk's 2024 ESG report at bwalk.com/en-ca/investors/esg. Our 2025 ESG report will be published in May 2026.

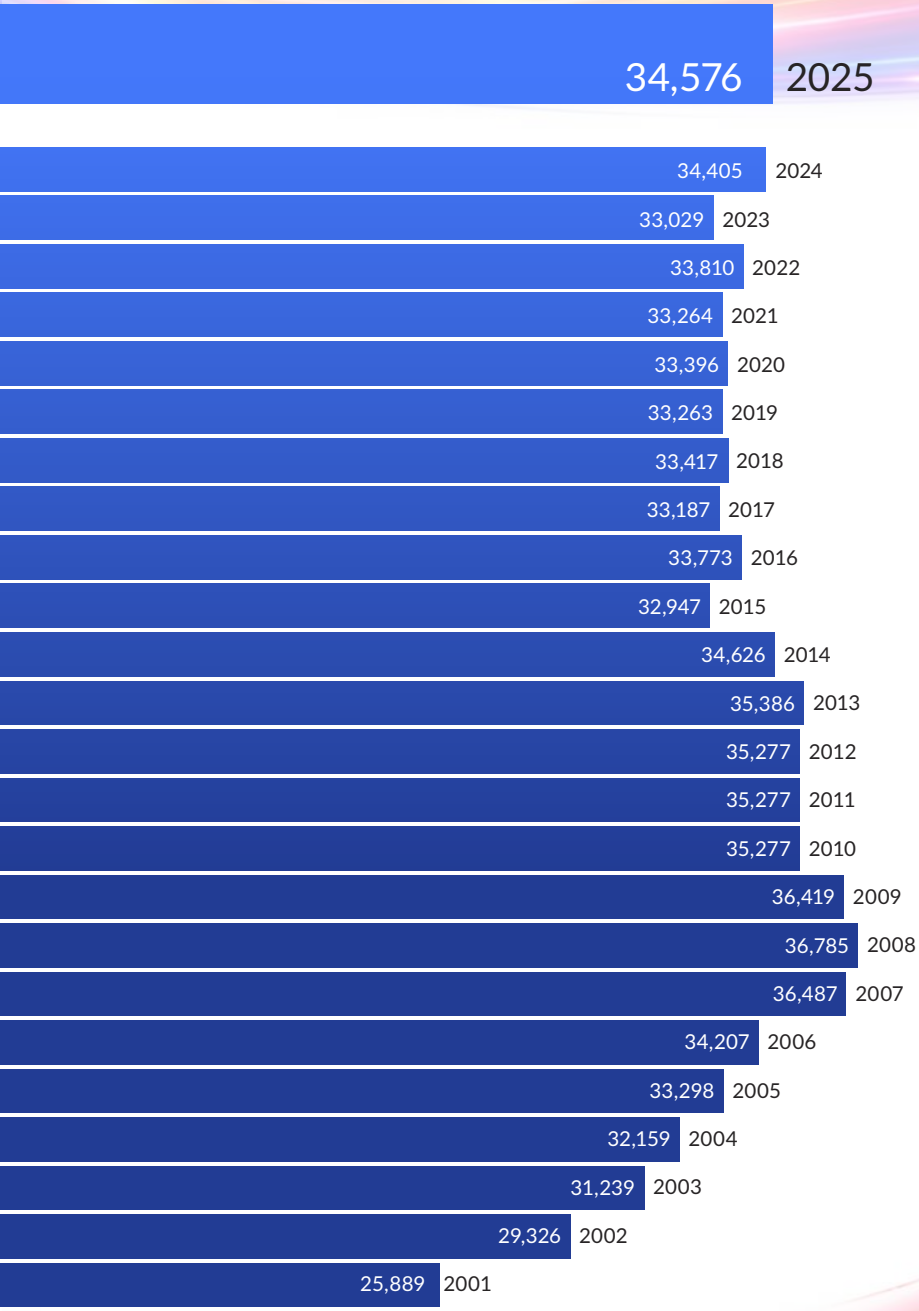
THE BOARDWALK PORTFOLIO

Comprised of over 34,000 apartment suites across Canada, with three distinct brands, Boardwalk aims to serve all rental demographics Where Love Always Lives™.



Edmonton/St. Albert/Spruce Grove	11,983	34.7%
Calgary/Airdrie/Canmore/Banff/Chestermere	7,136	20.6%
Montreal	5,222	15.1%
London	2,256	6.5%
Regina	2,040	5.9%
Red Deer/Fort McMurray/Grande Prairie	1,936	5.6%
Saskatoon	1,806	5.2%
Quebec City	1,013	2.9%
Kitchener/Waterloo/Cambridge	611	1.8%
Brampton	335	1.0%
Victoria	238	0.7%
Under Development: Aspire - 234 suites with anticipated completion in Q1 2026		

RESIDENTIAL PORTFOLIO



Central Park
Laval, QC

MULTI-FAMILY PROPERTY PORTFOLIO

Property [1]	Brand	Year of Renovation [2]	Building Type [3]	# Suites	Net Rentable Sq. Ft.	Average Suite Size
Victoria, BC						
Aurora	Lifestyle		Walk-Up	114	95,756	840
The Vue	Lifestyle		Highrise	124	122,815	990
Subtotal:				**238**	**218,571**	**918**
Edmonton, Spruce Grove, St. Albert, AB						
West Edmonton Village	Living	2021 & 2025	HR, WU & TH	1,176	1,138,368	968
Whitehall Square	Living	2019 & 2024	HR & WU	598	545,934	913
Boardwalk Centre	Living	2022 & 2023	Highrise	597	471,871	790
Fairmont Village	Living	2022 & 2024	Walk-Up	424	362,184	854
Meadowview Manor	Living	2023 & 2025	Walk-Up	348	284,490	818
Sturgeon Point Villas	Living	2022	Walk-up	280	284,953	1,018
Boardwalk Villages	Living		Townhouse	255	258,150	1,012
Riverview Plaza	Living	2020	Walk-Up	252	203,740	808
Morningside Estates	Living	2015	Walk-Up	223	167,064	749
Sir William Place	Living	2022 & 2023	HR & WU	220	126,940	577
Pembroke Estates	Living	2015	Walk-Up	198	198,360	1,002
Greentree Village	Living	2021	Walk-Up	192	156,000	813
Maple Gardens	Living	2020	Walk-Up	181	163,840	905
Northridge Estates	Living	2020	Walk-Up	180	103,270	574
Briarwynd Court	Living		TH & WU	172	144,896	842
Westbrook Estates	Living	2022 & 2024	Walk-Up	172	148,616	864
Springwood Place Apartments	Living	2019	Lowrise	160	122,640	767
Lord Byron Towers	Living	2022 & 2023	Highrise	158	133,994	848
Corian Apartments	Living	2020	Garden	153	167,400	1,094
Primrose Lane Apartments	Living	2020	Walk-Up	153	151,310	989
Habitat Village	Living	2024 & 2025	Townhouse	151	129,256	856
Meadowside Estates	Living	2016 & 2025	Walk-Up	148	104,036	703

[1] Ordered by brand, followed by descending number of suites
[2] Year of renovation is provided for those properties participating in the Trust's brand diversification initiative
[3] HR - Highrise; MR - Midrise; TH - Townhouse; WU - Walk-Up

Property [1]	Brand	Year of Renovation [2]	Building Type [3]	# Suites	Net Rentable Sq. Ft.	Average Suite Size
Edmonton, Spruce Grove, St. Albert, AB (continued from previous page)						
Lord Byron Townhouses	Living		Townhouse	148	172,369	1,165
Cedarville Apartments	Living	2020	Walk-Up	144	122,120	848
Leewood Village	Living	2024	Walk-Up	142	129,375	911
Pinetree Village	Living	2015 & 2020	Walk-Up	142	106,740	752
The Westmount	Living	2022 & 2023	Highrise	133	124,825	939
Tamarack East & West	Living		Garden	132	212,486	1,610
Brookside Terrace	Living		TH & WU	131	196,779	1,502
Carmen	Living	2022	Walk-Up	128	109,250	854
Redwood Court	Living	2024	Lowrise	116	107,680	928
Castleridge Estates	Living	2015	Townhouse	108	124,524	1,153
Kew Place	Living		Walk-Up	108	105,776	979
Cambrian Place	Living	2020	Walk-Up	105	105,008	1,000
Monterey Pointe	Living		Walk-Up	104	83,548	803
Parkview Estates	Living		Townhouse	104	88,432	850
Victorian Arms	Living		Walk-Up	96	91,524	953
Westridge Estates B	Living	2024	Lowrise	91	56,950	626
Westridge Estates C	Living	2024	Lowrise	90	56,950	633
Castle Court	Living	2025	Walk-Up	89	93,950	1,056
West Edmonton Court	Living	2025	Walk-Up	82	73,209	893
Sandstone Pointe	Living		Walk-Up	81	83,800	1,035
Aspen Court	Living		Walk-Up	80	68,680	859
Kingsway Tower	Living	2022	Highrise	74	41,550	561
Point West Townhouses	Living		Townhouse	69	72,810	1,055
Village Plaza	Living	2020	Townhouse	68	65,280	960
Breton Manor	Living	2024	Walk-Up	66	57,760	875
Westridge Manor	Living		Garden	64	69,038	1,079
Fontana Place	Living	2025	Lowrise	62	40,820	658
Suncourt Place	Living		Walk-Up	62	55,144	889
Warwick Apartments	Living		Walk-Up	60	49,092	818
Westborough Court	Living		Walk-Up	60	50,250	838
Garden Oaks	Living		Garden	56	47,250	844
Marlborough Manor	Living	2020 & 2023	Walk-Up	56	49,582	885
Valley Ridge Tower	Living	2024	Highrise	49	30,546	623
Granville Square	Living		Townhouse	48	53,376	1,112
Westwinds of Summerlea	Living		Garden	48	53,872	1,122
Christopher Arms	Living		Lowrise	45	29,900	664
Summerlea Place	Living		Garden	39	43,297	1,110
Viking Arms	Communities	2018	Highrise	240	257,410	1,073
The Pavilion	Communities	2020 & 2025	Highrise	226	181,788	804
Southgate Tower	Communities	2020 & 2025	Highrise	170	153,385	902
Wimbledon	Communities	2019	Highrise	165	117,216	710
Capital View Tower	Communities	2019	Highrise	115	71,281	620

[1] Ordered by brand, followed by descending number of suites
[2] Year of renovation is provided for those properties participating in the Trust's brand diversification initiative
[3] HR - Highrise; MR - Midrise; TH - Townhouse; WU - Walk-Up

Property [1]	Brand	Year of Renovation [2]	Building Type [3]	# Suites	Net Rentable Sq. Ft.	Average Suite Size
Edmonton, Spruce Grove, St. Albert, AB (continued from previous page)						
Tower On The Hill	Communities	2019	Highrise	100	85,008	850
Fort Garry House	Communities	2019	Highrise	93	70,950	763
Maureen Manor	Communities		Highrise	91	64,918	713
Prominence Place	Communities	2018	Highrise	91	73,310	806
Solano House	Communities	2018 & 2024	Highrise	91	79,325	872
Terrace Tower	Communities	2020	Highrise	84	66,000	786
Riverview Manor	Communities	2020	Highrise	81	62,092	767
Deville Apartments	Communities	2020	Highrise	66	47,700	723
The Edge	Lifestyle	2020	Lowrise	182	163,103	896
Park Place Tower	Lifestyle	2019	Highrise	179	162,049	905
Vita Estates	Lifestyle	2020	Lowrise	162	135,454	836
Dispositions Subsequent to Year End						
The Palisades	Living	2020	Highrise	94	77,200	821
Tower Hill	Communities	2020	Highrise	82	46,360	565
Subtotal - December 31, 2025				**11,983**	**10,605,403**	**885**
Subtotal - Excluding Dispositions Closed Subsequently to Year End				**11,807**	**10,481,843**	**888**
Calgary, Airdrie, Chestermere, Banff & Canmore, AB						
Russet Court	Living	2018	Garden	206	213,264	1,035
Radisson Village I	Living	2019	TH & WU	124	108,269	873
Radisson Village II	Living	2019	TH & WU	124	108,015	871
Radisson Village III	Living	2019	Townhouse	118	124,379	1,054
Vista Gardens	Living	2020	Townhouse	100	121,040	1,210
Travois Apartments	Living	2021	Walk-Up	89	61,350	689
Hillside Estates	Living	2020	Walk-Up	76	58,900	775
Pineridge Apartments	Living	2019	Lowrise	76	52,275	688
Flintridge Place	Living	2018	Midrise	68	55,023	809
Willow Park Gardens	Living	2022	Walk-Up	66	44,563	675
McKinnon Manor Apartments	Living		Walk-Up	60	43,740	729
McKinnon Court Apartments	Living	2021	Walk-Up	48	36,540	761
Patrician Village	Communities	2018 & 2024	Walk-Up	392	295,600	754
Richmond Towers	Communities	2020	HR & MR	376	301,720	802
The Circle	Communities	2024	Walk-up/Elevatored	295	212,570	721
Spruce Ridge Estates	Communities	2020	Walk-Up	284	196,464	692
Oak Hill Estates	Communities	2020	Townhouse	240	236,040	984
Boardwalk Heights	Communities	2018 & 2024	Highrise	202	160,894	797
O'Neil Tower	Communities	2019 & 2025	Highrise	187	131,281	702
Westwinds Village	Communities	2019	Walk-Up	180	137,815	766
Tower Lane Terrace Apartments	Communities	2018	Walk-Up	163	130,920	803
Ridgeview Gardens	Communities	2020	Townhouse	160	151,080	944
The Level	Communities	2023	Walk-up/Elevatored	158	114,550	725

[1] Ordered by brand, followed by descending number of suites
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[3] HR - Highrise; MR - Midrise; TH - Townhouse; WU - Walk-Up

Property [1]	Brand	Year of Renovation [2]	Building Type [3]	# Suites	Net Rentable Sq. Ft.	Average Suite Size
Calgary, Airdrie, Chestermere, Banff & Canmore, AB (continued from previous page)						
Northwest Pointe	Communities	2018 & 2024 & 2025	Walk-Up	150	102,750	685
Skygate Tower	Communities	2018 & 2023	Highrise	142	113,350	798
Boardwalk Retirement Community	Communities	2019	Highrise	124	43,760	353
Lakeview Apartments	Communities	2021	Walkup	120	107,680	897
Brentview Tower	Communities	2018	Highrise	115	69,310	603
Dorsett Square	Communities	2021	Highrise	109	98,948	908
Spruce Ridge Gardens	Communities		Walk-Up	109	86,351	792
Lakeside Estates	Communities		Walk-Up	89	77,732	873
Glamorgan Manor	Communities	2022	Walk-Up	86	63,510	738
Royal Park Plaza	Communities	2018	Highrise	86	66,137	769
Mountainview Estates	Communities		Walk-Up/ Townhouses	81	75,624	934
Elk Valley Estates	Communities		Walk-Up	76	53,340	702
Prominence Place Apartments	Communities	2021	Walk-Up	75	55,920	746
Randal House	Communities	2019	Highrise	70	56,600	809
Varsity Place Apartments	Communities	2018	Walk-up	70	47,090	673
Beddington Court	Communities	2020	Walk-Up	66	50,919	772
Dawson Landing	Communities		Townhouse	63	84,730	1,345
Village Vale	Communities		Townhouse	54	66,366	1,229
The Bella	Communities		Lowrise	6	5,250	875
The Samantha	Communities		Lowrise	6	5,750	958
The Vanessa	Communities		Lowrise	6	5,150	858
Varsity Square Apartments	Lifestyle	2018	MR & LR	297	241,128	812
Elbow 5 Eight	Lifestyle		Lowrise	255	190,533	747
Auburn Landing	Lifestyle	2023	Lowrise	238	209,976	882
BRIO	Lifestyle		Highrise	162	143,000	883
The Arch	Lifestyle	2025	Highrise	158	155,119	982
Peak Estates	Lifestyle		Walk-up/Elevatored	148	149,689	1,011
Chateau Apartments	Lifestyle	2017	Highrise	145	110,545	762
Centre Pointe West	Lifestyle	2017	Midrise	123	110,611	899
Broadway Centre	Lifestyle	2018	Highrise	115	80,424	699
Subtotal:				**7,136**	**5,823,584**	**816**
Red Deer, Fort McMurray & Grande Prairie, AB						
Boardwalk Park Estates I	Living		TH & WU	369	306,850	832
Prairie Sunrise	Living	2022	HR & WU	244	201,992	828
Canyon Pointe Apartments	Living	2018	Walk-Up	163	114,039	700
Riverbend Village Apartments	Living	2025	Walk-Up	150	114,750	765
Taylor Heights Apartments	Living	2019	Walk-Up	140	103,512	739
Chanteclair Apartments	Living	2024	Walk-Up	79	68,138	863
Inglewood Terrace Apartments	Living	2025	Lowrise	68	42,407	624

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[3] HR - Highrise; MR - Midrise; TH - Townhouse; WU - Walk-Up

Property [1]	Brand	Year of Renovation [2]	Building Type [3]	# Suites	Net Rentable Sq. Ft.	Average Suite Size
Red Deer, Fort McMurray & Grande Prairie, AB (continued from previous page)						
McMurray Manor	Living		Lowrise	44	30,350	690
The Granada	Living		Walk-Up	44	35,775	813
The Valencia	Living		Walk-Up	40	33,850	846
Mallard Arms	Living		Walk-Up	36	30,497	847
Edelweiss Terrace	Living		Walk-Up	32	27,226	851
Boardwalk Park Estates II	Living		Townhouse	32	30,210	944
Hillside Manor	Living		Walk-Up	30	21,248	708
Birchwood Manor	Living	2025	Walk-Up	24	18,120	755
Heatherton Apartments	Living		Walk-Up	23	16,750	728
Cloverhill Terrace	Communities	2018	Midrise	120	102,225	852
Westridge Estates	Communities		Townhouse	112	113,664	1,015
Parke Avenue Square	Communities	2021	Walk-up	88	87,268	992
Watson Tower	Communities	2017 & 2025	Midrise	50	43,988	880
Saratoga Tower	Communities	2019	Midrise	48	53,762	1,120
Subtotal:				**1,936**	**1,596,621**	**825**
Regina, SK						
Wascana Park Estates	Living		Townhouse	316	303,360	960
Qu'appelle Village III	Living		Walk-Up	180	144,160	801
Centennial South	Living		Garden	170	129,080	759
Qu'appelle Village I & II	Living		TH & WU	154	133,200	865
Eastside Estates	Living		Townhouse	150	167,550	1,117
Evergreen Estates	Living		Walk-Up	150	125,660	838
Pines of Normanview	Living	2021	Garden	133	115,973	872
Lockwood Arms Apartments	Living		Walk-Up	96	69,000	719
Grace Manors	Living		Townhouse	72	69,120	960
Greenbriar Apartments	Living	2020	Walk-Up	72	57,600	800
Centennial West	Living		Garden	60	46,032	767
The Meadows	Living		Townhouse	52	57,824	1,112
Southpointe Plaza	Communities	2021	Midrise	140	117,560	840
Pines Edge	Communities		Garden	79	67,298	852
Beacon Townhomes	Communities		Townhouse	66	66,532	1,008
Pines Edge II	Lifestyle		Garden	79	67,298	852
Pines Edge III	Lifestyle		Garden	71	62,818	885
Subtotal:				**2,040**	**1,800,065**	**882**
Saskatoon, SK						
Palace Gates	Living	2025	Walk-Up	206	142,525	692
Meadow Park Estates	Living	2023	Townhouse	200	192,000	960
Central Heights Apartments	Living	2025	Walk-Up	162	131,864	814
St. Charles Place	Living		Walk-Up	156	123,000	788
Heritage Townhomes	Living		Townhouse	104	99,840	960
Central Heights Townhomes	Living		Townhouse	100	135,486	1,355

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Property [1]	Brand	Year of Renovation [2]	Building Type [3]	# Suites	Net Rentable Sq. Ft.	Average Suite Size
Saskatoon, SK (continued from previous page)						
Lawson Village	Living		Walk-Up	96	75,441	786
Wildwood Ways B	Living		Walk-Up	54	43,961	814
Regal Towers	Communities	2020	Highrise	161	122,384	760
Carlton Tower	Communities	2019	Highrise	158	155,138	982
Bravo Townhomes	Communities		Townhouse	86	70,396	826
Westpoint Townhomes	Communities		Townhouse	83	66,532	848
Penthouse Apartments	Communities	2021	Lowrise	82	61,550	751
Dorchester Tower	Communities	2020	Highrise	52	48,608	935
639 Main	Lifestyle		Highrise	106	78,807	743
Subtotal:				**1,806**	**1,547,532**	**857**
London, ON						
Noel Meadows	Living		Walk-Up	105	72,600	691
Heritage Square	Communities	2019	MR & WU	359	270,828	754
Forest City Estates	Communities	2019	Highrise	272	221,000	813
Maple Ridge On The Parc	Communities	2019	Highrise	257	247,166	962
Landmark Towers	Communities	2020	Highrise	213	173,400	814
Topping Lane Terrace	Communities		Midrise	189	177,880	941
Westmount Ridge	Communities	2019	Midrise	179	131,700	736
Meadowcrest Apartments	Communities		Walk-Up	162	110,835	684
Castlegrove Estates	Communities		Lowrise	144	126,420	878
The Bristol	Communities	2025	Highrise	138	109,059	790
Sandford Apartments	Communities	2019	Walk-Up	96	77,594	808
Villages of Hyde Park	Communities		Townhouse	60	57,850	964
Abbey Estates	Communities		Townhouse	53	59,794	1,128
Ridgewood Estates	Communities		Townhouse	29	31,020	1,070
Subtotal:				**2,256**	**1,867,146**	**828**
Kitchener, Waterloo, Cambridge & Brampton, ON						
Ardglen Place	Living		Townhouse	152	159,696	1,051
Kings Tower	Communities	2021	Highrise	226	171,100	757
Westheights Place	Communities		Midrise	103	91,920	892
Elmridge Heights	Communities		Walk-Up	70	71,420	1,020
Courtland Place	Communities		Walk-Up	60	61,152	1,019
Mayfieldview Court	Communities		Walk-Up	60	61,440	1,024
Cambridge Court	Communities		Townhouse	56	66,550	1,188
Wesley Park	Communities		Walk-Up	36	41,960	1,166
45 Railroad	Lifestyle		Highrise	183	162,703	889
Subtotal:				**946**	**887,941**	**939**

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Property [1]	Brand	Year of Renovation [2]	Building Type [3]	# Suites	Net Rentable Sq. Ft.	Average Suite Size
Montreal, QC						
Le Bienville	Living		Walk-up	168	115,600	688
Jardins Viva	Living		Walk-up	112	91,000	813
Nuns' Island Portfolio	Communities	2021 & 2023	HR, WU & TH	3,100	3,106,110	1,002
Domaine d'Iberville Apartments	Communities		Highrise	720	560,880	779
Complexe Deguire	Communities		Highrise	322	276,324	858
Le Quatre Cent	Communities		Highrise	259	153,500	593
Central Parc Laval	Lifestyle		Highrise	541	509,799	942
Subtotal:				**5,222**	**4,813,213**	**922**
Quebec City, QC						
Place Chamonix	Living		Townhouse	246	236,630	962
Les Jardins de Merici	Communities	2024 & 2025	Highrise	346	300,000	867
L'Astre	Communities	2021	Midrise	183	134,480	735
Place Samuel de Champlain	Communities		Highrise	130	104,153	801
Place Charlesbourg	Communities		Midrise	108	82,624	765
Subtotal:				**1,013**	**857,887**	**847**
Total Portfolio - As at Dec. 31, 2025				**34,576**	**30,017,963**	**868**
Total Portfolio - Excluding Dispositions Closed Subsequently to Year End				**34,400**	**29,894,403**	**869**

Central Parc
Laval, QC

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Management's Discussion and Analysis

For the Years Ended, December 31, 2025 and 2024

GENERAL AND FORWARD-LOOKING STATEMENTS ADVISORY

General

The terms "Boardwalk", "Boardwalk REIT", the "REIT", the "Trust", "we", "us" and "our" in the following Management's Discussion and Analysis ("MD&A") refer to Boardwalk Real Estate Investment Trust. Financial data, including related historical comparatives, provided in this MD&A has been prepared in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). This MD&A is current as of February 18, 2026, unless otherwise stated, and should be read in conjunction with Boardwalk's audited annual consolidated financial statements for the years ended December 31, 2025 and 2024, which have been prepared in accordance with IFRS Accounting Standards, together with this MD&A, copies of which have been filed electronically with securities regulators in Canada through the System for Electronic Document Analysis and Retrieval ("SEDAR+") and may be accessed through the SEDAR+ website at www.sedarplus.ca. Historical results and percentage relationships contained in the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024 and this MD&A, including trends, should not be read as indicative of future operations.

Provided all of the Trust's income each year is paid or made payable to Unitholders (as defined below), then the Trust itself would generally not be subject to income tax. Boardwalk intends to distribute or allocate all of its taxable income of the Trust to its Unitholders and to deduct these distributions for income tax purposes. The Income Tax Act (Canada) (the "Tax Act") contains legislation affecting the tax treatment of publicly traded trusts (the "SIFT Legislation"), which if applicable, would tax the Trust in a manner similar to a corporation and tax certain distributions from such trusts as taxable dividends from a taxable Canadian corporation. A trust which qualifies under the Tax Act as a real estate investment trust is not subject to tax under SIFT Legislation (the "REIT Exemption"). Boardwalk qualified for the REIT Exemption for the years ended December 31, 2025 and 2024 and intends to continue to qualify for the REIT Exemption on an ongoing basis. Further discussion of this is contained in this MD&A.

Certain information contained in this MD&A concerning the economy generally and relating to the industry in which the Trust operates has been obtained from publicly and/or industry available information from third party sources, including both the Bank of Canada's January 2026 Monetary Policy Report and the Royal Bank of Canada's December 2025 Provincial Report. The Trust has not verified the accuracy or completeness of any information contained in such publicly available information. In addition, the Trust has not determined if there has been any omission by any such third party to disclose any facts, information, or events which may have occurred prior to or subsequent to the date as of which any such information contained in such publicly available information has been furnished or which may affect the significance or accuracy of any information contained in any such information and summarized herein.

Unless otherwise indicated, all amounts are expressed in Canadian dollars.

Forward-Looking Statements Advisory

Certain information included in this MD&A, including information described under the heading "Risks and Risk Management", contains forward-looking statements and information (collectively "forward-looking statements") within the meaning of applicable securities laws. These forward-looking statements relate to, among other things, Boardwalk's objectives, including, but not limited to, the REIT's 2026 financial outlook and market guidance, the expectation that Boardwalk will continue to qualify for the REIT Exemption, increasing and maintaining its occupancy rates, environmental, social and governance ("ESG") initiatives and objectives, including the anticipated timing for issuing its 2026 ESG report, and future acquisition and development opportunities, including its plans for land in Victoria, British Columbia and its long-term strategic plan of opportunistic acquisitions and investments, the anticipated timing to complete the Aspire development and close the sale of non-core assets in Montreal, Quebec, its strategies to achieve objectives and business optimization, expectations regarding Boardwalk's vision and its strategies to achieve that vision, expected value enhancements through Boardwalk's branding initiative and suite renovation program, expected demand for housing and expected occupancy rates, the Trust's ability to provide the optimal return to Unitholders and payment of all of the REIT's taxable income to Unitholders, the Trust's intention to redeploy capital towards long-term value creation and maintain consistent and sustainable distributions while optimizing capital allocation, Boardwalk's goal of expanding geographically and diversifying its brand, expected increases in property taxes, utilities, and insurance costs, the anticipated impact of inflation and higher interest rates and fluctuations related thereto, the possibility of economic contractions as a result of a potential recession, Boardwalk's goal to

offer select incentives implemented to maintain occupancy levels, Boardwalk's operational sensitivities, Boardwalk's focus on optimizing performance measures, the competitive nature of the real estate industry, Boardwalk's competitive status and strategies to remain competitive, the Trust's plans with respect to adjustment of rental rates, real estate trends and the seasonality of the industry, depreciation adjustments, the Trust's intention to dispute the notices of reassessment with Canada Revenue Agency ("CRA") Appeals Division, plans for capital improvement projects, maintenance, capital expenditure, and investment properties, changes in Boardwalk's community classifications, financing costs, conversion of short-term mortgages to long-term, use, review and alteration of critical accounting policies and IFRS Accounting Standards, factors impacting the Trust's ability to manage economic rental revenue, as well as statements with respect to management of the Trust's beliefs, plans, estimates, assumptions, intentions, and similar statements concerning anticipated future events, results, circumstances, performance, or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management of the Trust's current beliefs and are based on information currently available to management of the Trust at the time such statements are made. Management of the Trust's estimates, beliefs, and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. All forward-looking statements in this MD&A are qualified by these cautionary statements.

Forward-looking statements are not guarantees of future events or performance and, by their nature, are based on Boardwalk's current estimates and assumptions, which are subject to risks and uncertainties, including those described in Boardwalk REIT's Annual Information Form for the year ended December 31, 2025, ("AIF") dated February 18, 2026, under the heading "Challenges and Risks" and in this MD&A under the heading "Risks and Risk Management", which could cause actual events or results to differ materially from the forward-looking statements contained in this MD&A. Those risks and uncertainties include, but are not limited to, those related to liquidity in the global marketplace associated with current economic conditions, the imposition of any tariffs, surtaxes or other restrictive trade measures or countermeasures affecting trade between Canada and the United States, real estate industry risks, changes in regulation and applicable law, including rent control regulations, tenant rental rate concessions, occupancy levels, access to debt and equity capital, changes to Canada Mortgage and Housing Corporation ("CMHC") rules regarding mortgage insurance, interest rates, joint arrangements/partnerships, the relative illiquidity of real property, unexpected costs or liabilities related to acquisitions, construction, environmental matters, climate-related risks, competition in the real estate industry, ground lease interruption, fluctuation in cash distributions, cyber incidents, availability of workforce, credit risk respecting tenants, supply and demand fluctuations, utility and tax expenses, increased costs of materials used in construction including increased costs as a result of increased or new tariffs imposed by local or foreign governments, uninsured perils, legal matters, reliance on key personnel, Unitholder liability, income taxes, limitations on interest deductibility and changes to income tax rules that impair the ability of Boardwalk to qualify for the REIT Exemption. This is not an exhaustive list of the factors that may affect Boardwalk's forward-looking statements. Other risks and uncertainties not presently known to Boardwalk could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements may include, but are not limited to, the impact of economic conditions in Canada and globally, the REIT's future growth potential, prospects and opportunities, interest costs, access to equity and debt capital markets to fund (at acceptable costs), the future growth program to enable the Trust to refinance debts as they mature, the availability of purchase opportunities for growth in Canada, the timing to deploy equity proceeds, the impact of accounting principles under IFRS Accounting Standards, general industry conditions and trends, changes in laws and regulations including, without limitation, changes in tax laws, increased competition, the availability of qualified personnel, fluctuations in foreign exchange or interest rates, and stock market volatility. Although the forward-looking statements contained in this MD&A are based upon what management of the Trust believes are reasonable assumptions, there can be no assurance actual results will be consistent with these forward-looking statements and no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur at all, or if any of them do so, what benefits that Boardwalk will derive from them. As such, undue reliance should not be placed on forward-looking statements. Certain statements included in this MD&A may be considered "financial outlook" or "future oriented financial information ("FOFI") for purposes of applicable securities laws, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth above. The actual results of operations of the Trust and the resulting financial results will likely vary from the amounts set forth in this MD&A and such variation may be material. Boardwalk REIT and its management believe that the FOFI contained in this MD&A has been prepared on a reasonable basis, reflecting management of the Trust's best estimates and judgements. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. FOFI contained in this MD&A was made as of the date of this MD&A and was provided for the purpose of providing further information about the Trust's anticipated future business operations. Readers are cautioned that the FOFI contained in this MD&A should not be used for purposes other than for which it is disclosed herein.

Except as required by applicable law, Boardwalk undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Executive Summary

BUSINESS OVERVIEW

Boardwalk REIT is an unincorporated, open-ended real estate investment trust created pursuant to a Declaration of Trust, dated January 9, 2004, as amended and restated on various dates between May 3, 2004, and May 6, 2024 (the "Declaration of Trust" or "DOT"), under the laws of the Province of Alberta. Boardwalk REIT was created to provide affordable multi-family homes where love always lives, investing in multi-family residential properties, or interests, initially through the acquisition of assets and operations of Boardwalk Equities Inc. (the "Corporation").

Boardwalk REIT's units (the "Trust Units") trade on the Toronto Stock Exchange ("TSX") under the trading symbol 'BEI.UN'. Additionally, the Trust has 4,200,000 special voting units issued to holders of "Class B Units" of Boardwalk REIT Limited Partnership ("LP Class B Units" and, together with the Trust Units, the "Units"), each of which also has a special voting unit in the REIT. Boardwalk REIT's principal objectives are to provide Resident Members (as defined herein) with superior quality rental communities and the best tenant/customer service, provide its holders ("Unitholders") of Trust Units with stable monthly cash distributions, and to increase the value of the Trust Units through the effective management of its residential multi-family revenue producing properties, renovations and upgrades to its current portfolio, and the acquisition and/or development of additional, accretive properties or interests therein. As at December 31, 2025, Boardwalk REIT owned and operated in excess of 200 properties, comprised of approximately 34,000 residential suites, and totaling over 30 million net rentable square feet. At the end of 2025, Boardwalk REIT's property portfolio was located in the provinces of British Columbia, Alberta, Saskatchewan, Ontario, and Quebec.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE OVERVIEW

The Trust is committed to ESG objectives and initiatives, including working towards reducing greenhouse gas emissions as well as electricity and natural gas consumption, water conservation, waste minimization, Resident Member satisfaction and a continued focus on governance and oversight. As part of its 2025 annual reporting, the Trust will be publishing its ESG Report in May 2026, which will be available on the Trust's website at www.bwalk.com/en-ca/investors/esg. The ESG Report does not form a part of this MD&A.

MD&A OVERVIEW

This MD&A focuses on key areas from the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024, and pertains to major known risks and uncertainties relating to the real estate industry, in general, and the Trust's business, in particular. This discussion should not be considered all-inclusive as it excludes changes that may occur in general economic, political, and environmental conditions. Additionally, other elements may or may not occur, which could affect the organization in the future. Please refer to the section titled "General and Forward-Looking Statements Advisory – Forward-Looking Statements Advisory" in this MD&A. To ensure that the reader is obtaining the best overall perspective, this discussion should be read in conjunction with material contained in Boardwalk REIT's 2025 Annual Report, the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024, and the AIF, each of which are available under the REIT's profile on www.sedarplus.ca.

OUTLOOK

The Bank of Canada's January 2026 Monetary Policy Report, released on January 28, 2026, highlights that elevated U.S. tariffs and geopolitical uncertainty, including the upcoming review of the Canada-United States-Mexico Agreement ("CUSMA"), are restraining Canada's economic growth and contributing to a prolonged and potentially costly period of structural adjustment. As a result, the Bank of Canada expects GDP growth to remain modest at 1.1% in 2026 and 1.5% in 2027, as businesses reconfigure supply chains, diversify export markets, and gradually shift labour and capital from industries that are most affected by tariffs toward other sectors and opportunities. Inflation is currently near the Bank of Canada's target of 2% and is projected to remain close to that level, as downward pressure from excess supply offsets upward cost pressures from trade disruptions and supply chain shifts. Despite global economic growth projected at around 3%, the Bank of Canada remains cautious, noting that the global economy is still adapting to U.S. tariffs and trade policy uncertainty amid elevated geopolitical tensions and questions regarding the sustainability of the current pace of AI-driven investment.

The Royal Bank of Canada ("RBC") December 2025 Quarterly Canadian outlook noted that Canada's economic momentum improved in 2025 despite significant trade uncertainty and the impact of U.S. tariffs. Overall GDP growth proved more resilient than anticipated, largely due to stronger activity in the second half of the year. Notably, per-capita GDP growth, a measure of how individual households and workers experience the economy, is expected to increase in 2025 for the first time in three years. Slower population growth, combined with easing monetary policy following cumulative interest rate cuts and rising fiscal support, has contributed to improved labour market conditions, with unemployment likely having peaked and wages continuing to outpace inflation. Despite this improvement, RBC remains cautiously optimistic citing ongoing structural challenges, including weak productivity growth and ongoing trade uncertainties that continue to present downside risks to the economic outlook.

At the provincial level, RBC anticipates the economic outlook to vary due to exposure to U.S. tariffs, demographic trends, and sector specific dynamics. Resource driven provinces are expected to continue to lead the growth, with Alberta continuing as the national leader at 2.3% growth. Alberta's outlook is supported by record oil production, rising non-U.S. exports, and resilient consumer spending driven by the province's natural population growth and its affordability advantage that continues to draw strong migration inflows. Saskatchewan is expected to grow at 2.1% as it continues to benefit from strong construction activity and robust crop output, with diversification in export destinations helping maintain stability. In contrast, Ontario and Quebec face slower growth at 1.1% as the provinces continue to face significant headwinds due to their manufacturing-heavy economies and exposure to tariff-affected sectors like steel, aluminum, and lumber. Despite these challenges, RBC anticipates that domestically oriented sectors, stabilizing labour markets and supportive policies should help sustain steady, albeit moderate growth in both provinces. British Columbia is expected to post growth at 1.2%, slightly behind the national average, as slowing population growth driven by new federal immigration targets combines with continued tariff-related pressures in the lumber and aluminum sectors.

On November 27, 2025, the Government of Canada and the Government of Alberta signed a Memorandum of Understanding ("MOU") to boost production, exports, infrastructure, and economic growth while working toward net-zero emissions by 2050. The MOU commits to cooperation on major projects, including an oil pipeline that may serve Asian markets with Indigenous co-ownership and economic benefits, the world's largest carbon capture and storage network, expanded electricity generation, AI data-centre infrastructure, and streamlined regulatory approvals and coordinated carbon pricing. The federal government has also agreed to suspend certain federal emissions regulations and recognize Alberta's industrial carbon pricing framework. Together, these measures seek to unlock and fully harness Western Canada's resources, positioning Canada as a global energy leader. As Prime Minister Mark Carney has previously stated, "Canada has a tremendous opportunity to be the world's leading energy superpower, in both clean and conventional energy". Upon signing of the MOU, he further observed that the agreement "sets the stage for an industrial transformation. At the core of the agreement…is a priority to have a pipeline to Asia. That's going to make Canada stronger, more independent, more resilient, more sustainable."

In January 2026, to forge a new Canada-China partnership, Prime Minister Carney undertook an official visit to China, the first by a Canadian Prime Minister since 2017. The new strategic partnership announced includes agreements to expand two-way energy collaboration, attract new investment in Canada's manufacturing and clean energy sectors, and deepen collaboration in areas such as public safety, security, multilateral cooperation, culture and tourism. The partnership is also set to reduce tariffs on certain Canadian agricultural exports, including a reduction in tariffs on canola seed from roughly 85% to 15%, effectively reopening access to China's $4.0 billion canola seed market. Tariffs on canola meal, lobsters, crabs, and peas will also be removed. Collectively, these measures will help unlock nearly $3.0 billion in export orders for Canadian workers and businesses, while Canada aims to increase exports to China by 50% by 2030.

On November 4, 2025, the Government of Canada announced its 2026-2028 Immigration Levels Plan ("Immigration Levels Plan"), aimed at recalibrating the immigration system to enable sustainable long-term development and growth. This plan introduces controlled targets for both temporary residents, such as international students and foreign workers, and permanent residents. The Government of Canada acknowledged the vital role that immigration plays in the economy and is prioritizing economic immigration to support the Government's commitment to attract top talent and fill labour gaps in high-demand occupations, while alleviating pressure on housing, infrastructure, and social services. The Immigration Levels Plan outlines targets for temporary residents of 385,000 in 2026 and 370,000 in 2027 and 2028, with a goal of reducing the temporary population to less than 5% of the total population by the end of 2027. Permanent resident admissions will stabilize at 380,000 from 2026 to 2028, with a focus on attracting high-skilled workers while addressing distinct regional labour market needs. Management of the Trust is monitoring the Carney Government's immigration policies relative to the Immigration Levels Plan announced by the previous government. Although moderate levels of immigration may affect demand in the Trust's markets, the impact is expected to be managed by the fact that the

majority of the Trust's portfolio is affordable housing in regions where demand remains strong relative to other regions in Canada. Relative to other provinces, Alberta is expected to be less impacted by the new Immigration Levels Plan due to its strong interprovincial migration and lower concentration of non-permanent residents as a percentage of the population. However, there can be no assurance that these portfolio characteristics or regional dynamics will offset reduced immigration levels, and any sustained decline in population growth could have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make distributions.

When considering rent as compared to median renter household income, the Trust's core, non-price controlled markets remain among the most affordable in the country, continuing to attract migrants and bolster demand, positioning the REIT for stable organic growth. In addition to affordability, demand is further driven by quality of life. For example, Calgary remains in the top 20 most livable cities in the world according to the 2025 Economist Intelligence Unit's Global Liveability Index. Lastly, economic resilience continues to underpin performance in our core markets. Diversification across regional economies and the financial strengthening of resource companies have enhanced stability, supporting Alberta and Saskatchewan's position as the top provinces in Canada by GDP per capita. Together these three key factors – affordability, high liveability, and economic resilience – indicate the strength of the markets in which we operate.

The real estate industry may also be negatively impacted by evolving geopolitical tensions and trade uncertainty, ongoing actual or threatened tariffs, surtaxes or other restrictive trade measures or countermeasures affecting trade between Canada and the United States, and specifically the goods and materials used in construction. The formal review of CUSMA, under which most Canadian exports to the United States are exempt, is set to begin in 2026. There remains significant uncertainty regarding the outcome of that review and the nature of restrictive trade measures or countermeasures that may be implemented. Such measures could result in, among other things, a high degree of both cost and price volatility. The Trust continues to monitor these developments and take proactive measures; however, the measures implemented, if any, as well as their scope, impact and duration remain uncertain at this time.

Boardwalk's Strategy

Community, Team, Performance. Boardwalk, the first choice in multi-family apartment communities to work, invest and call home with our Boardwalk Family Forever. Providing consistent strong total shareholder return through a strategy of operational excellence, innovation, and effective capital allocation.

Driven by our dynamic culture and performance-focused team, Boardwalk is dedicated to creating the best multi-family communities across diverse, affordable, growing housing markets. This is our purpose: to build better communities, where love always lives. Our initiatives include strategic acquisitions in targeted, high-growth markets with limited price controls, high-return new development, tactical re-investment in the Trust's high-quality portfolio through its normal course issuer bid, dispositions of non-core assets and accretively redeploying capital. Our investment principles prioritize sustainable, long-term growth in funds from operations ("FFO") and Net Asset Value ("NAV") per Unit. Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information on FFO and NAV. Built into this strategic plan is Boardwalk's brand diversification through common area upgrades, building improvements, and suite renovations to ensure long-term value for Unitholders and stakeholders.

Strong rental apartment housing fundamentals in most of Boardwalk's core markets, paired with the Trust's proven platform, positions Boardwalk for optimized cash flow growth. Management of the Trust believes that reinvesting maximum cash flow and maintaining a strong balance sheet enables the Trust to pursue external growth opportunities, develop communities in undersupplied markets, enhance value through capital investments, and, when appropriate, invest in our own portfolio through the purchase and cancellation of Trust Units through the REIT's normal course issuer bid ("NCIB") implemented in both 2025 and 2024. Management of the Trust continues to review all available options to provide the optimal return to Unitholders.

Brand Diversification

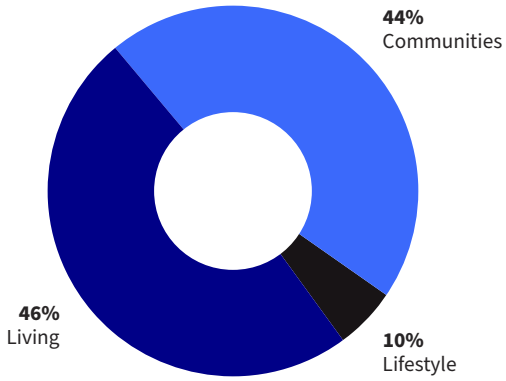
The medium- to long-term goal of the Trust is to not only expand geographically, but also diversify its product offering through its three distinct brands.

The Canadian rental housing market has evolved in recent years, with rental demand evident across the price spectrum, from affordability to affordable high-end luxury. In this context, the ability to offer a diverse product offering will allow us to attract and retain a broader demographic to the Boardwalk brand. We believe that our long-term success is closely linked to the vitality of the communities in which we operate. Accordingly, we pursue a multi-brand approach and undertake community renovation and reinvestment programs designed to build communities where our Resident Members can feel at home.

Our Multi-brand Strategy

Boardwalk Lifestyle: Our refined Lifestyle communities go above and beyond to provide an elevated experience. Situated in central neighbourhoods, our buildings offer the perfect blend of elegance and convenience, granting Resident Members access to the best shopping, dining, and entertainment options. Resident Members can immerse themselves in upscale amenities, including fully equipped fitness centres, inviting BBQ patios, spacious Wi-Fi lounges and multi-use community rooms.

Boardwalk Communities: Our vibrant Boardwalk Communities provide our Resident Members with excitement and endless fun. These spacious and affordable homes are the perfect backdrop for unforgettable adventures and making lifelong memories. Resident Members are able to connect with neighbours at community events and find a community where they truly belong.



Boardwalk Living: The perfect home for our Resident Members' stories. With a focus on exceptional security, customer service, and affordability, we aim to provide our Resident Members with a sense of belonging. At our Living communities, our Resident Members are cherished members of our family.

Boardwalk's Branding Initiative and Suite Renovation Program

In 2025, Boardwalk invested $139.0 million in capital assets (year ended December 31, 2024 – $133.4 million), including $105.2 million in value-add capital ($99.6 million in 2024), focusing on building improvements, energy efficiency projects, upgrading common areas, and suite renovations. Please refer to the section titled "Financial Condition – Review of Cash Flows – Investing Activities – Maintenance of Productive Capacity" in this MD&A for further discussion on value-add capital. Each of the three brands have different renovation specifications depending on needs and anticipated returns. Market rents are adjusted upward based on an expected rate of return on the strategic investment. Management of the Trust believes these renovations and upgrades will continue to achieve future upward excess market rent adjustments, increased occupancy, as well as cost savings on turnovers. Historic investment in our assets and brands has resulted in a diversified product mix to match varying demand while allowing us to gain and maintain market share with increasing choice for existing and new Resident Members.

Boardwalk's most affordable brand, 'Boardwalk Living', receives suite enhancements on an as needed basis, with the focus being on providing affordable suites to this demographic segment. 'Boardwalk Communities', the Trust's core brand, conveys enhanced value and receives major suite upgrades based on need as well as upgrades to existing common areas. 'Boardwalk Lifestyle', which exemplifies upgraded, luxury suites, receives the highest level of overall renovations, including significant upgrades to suites and common areas. Additional amenities such as upgraded fitness facilities, Wi-Fi lounges and concierge services may be added when appropriate. In determining a brand that a particular rental community will represent, the Trust looks at a number of criteria, including the building's location, proximity to existing amenities, suite size, and suite layout. Once renovations are completed, Boardwalk adjusts the rents on these individual suites with the goal of achieving an 8% return on investment. Overall, Boardwalk has and continues to achieve more than its targeted rate of return.

While management of the Trust believes these investments will enhance long-term value, we also recognize the short-term effects of this program, such as temporary higher vacancies and incentives, though with the increase in apartment demand, this impact has been significantly reduced. Rebranding and repositioning communities will take time. Construction causes disruption to existing Resident Members and, depending on the level of investment, may result in higher turnover. Boardwalk continues to reduce the vacancy loss associated with suites being renovated by reducing the time to completion while still lowering the cost of the renovations.

DECLARATION OF TRUST

The investment guidelines and operating policies of the Trust are outlined in the DOT, a copy of which is available on request to all Unitholders and is also available under the REIT's profile on www.sedarplus.ca. A more detailed summary of the DOT can also be located in the AIF. Some of the main financial guidelines and operating policies set out in the DOT are as follows:

Investment Guidelines

1. Acquire, hold, develop, maintain, improve, lease, and manage multi-family residential properties and ancillary real estate ventures; and
2. No investment will be made that would disqualify Boardwalk REIT as a "mutual fund trust" or a "registered investment" as defined in the Tax Act.

Operating Policies

1. Interest Coverage Ratio of at least 1.5 to 1;
2. No guaranteeing of third-party debt unless related to direct or indirect ownership or acquisition of real property, including potential joint arrangement partner structures;
3. Third-party surveys of structural and environmental conditions are required prior to the acquisition of a multi-family asset; and
4. Commitment to expending at least 8.5% of its gross consolidated annual rental revenue generated from properties that have been insured by CMHC on on-site maintenance compensation to the employees of the Trust ("Associates"), repairs and maintenance, as well as capital upgrades.

Distribution Policy

Boardwalk REIT may distribute to holders of Trust Units and LP Class B Units on or about each distribution date such percentage of FFO for the calendar month then ended as the Trust's board of trustees (the "Board of Trustees") determines in its discretion. Distributions will not be less than Boardwalk REIT's taxable income, unless the Board of Trustees, in its absolute discretion, determines another amount. The Board of Trustees reviews the distributions on a quarterly basis and takes into consideration distribution sustainability and whether there are more attractive alternatives to the Trust's current capital allocation strategy, such as its value-add capital renovation program, brand diversification initiative, acquisitions, repurchases of Trust Units and new construction of multi-family communities in supply-constrained markets.

Compliance with DOT

As at December 31, 2025, the Trust was in compliance with all investment guidelines and operating policies as stipulated in the DOT. More details are provided later in this MD&A with respect to certain detailed calculations.

For the year ended December 31, 2025, Boardwalk REIT's interest coverage ratio of consolidated EBITDA (i.e. Earnings Before Interest, Taxes, Depreciation and Amortization) to consolidated interest expense was 3.08 (year ended December 31, 2024 – 2.95). Further details of the Trust's interest coverage ratio can be found in NOTE 23 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024, which are available under the Trust's profile at www.sedarplus.ca.

PRESENTATION OF FINANCIAL INFORMATION

Financial results, including related historical comparatives, contained in this MD&A are based on the Trust's audited annual consolidated financial statements for the years ended December 31, 2025 and 2024, unless otherwise specified.

PRESENTATION OF NON-GAAP MEASURES

Non-GAAP Financial Measures

Boardwalk REIT prepares its consolidated financial statements in accordance with IFRS Accounting Standards and with the recommendations of REALPAC, Canada's senior national industry association for owners and managers of investment real estate. REALPAC has adopted non-GAAP financial measures called FFO and Adjusted Funds From Operations ("AFFO") to supplement operating income and profits as measures of operating performance, as well as a cash flow metric called Adjusted Cash Flow From Operations ("ACFO"). These non-GAAP financial measures are considered to be meaningful and useful measures of real estate operating performance, however, are not measures defined by IFRS Accounting Standards. The discussion below outlines these measurements and the other non-GAAP financial measures used by the Trust. Non-GAAP financial measures are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other entities. Non-GAAP financial measures should not be construed as alternatives to IFRS Accounting Standards defined measures.

Funds From Operations

The IFRS Accounting Standards measurement most comparable to FFO is profit. Boardwalk REIT considers FFO to be an appropriate measurement of the performance of a publicly listed multi-family residential entity as it is the most widely used and reported measure of real estate investment trust performance. Profit includes items such as fair value changes of investment property that are subject to market conditions and capitalization rate fluctuations which are not representative of recurring operating performance. Consistent with REALPAC, we define FFO as profit adjusted for fair value gains or losses, distributions on the LP Class B Units, gains or losses on the sale of the Trust's investment properties, depreciation, deferred income tax, and certain other non-cash adjustments, if any, but after deducting the principal repayment on lease liabilities. Management of the Trust believes that such income is volatile and unpredictable and would significantly dilute the relevance of FFO as a measure of performance. Excluding gains or losses in the calculation of FFO is consistent with the REALPAC definition of FFO. Under IFRS Accounting Standards, the LP Class B Units are considered financial instruments in accordance with IFRS 9 – Financial Instruments ("IFRS 9"). As a result of this classification, their corresponding distribution amounts are considered "financing costs" under IFRS Accounting Standards. REALPAC recognizes this classification, however, adds the distributions that were treated as an interest expense back when calculating FFO, which suggests these puttable instruments are similar to equity. Management of the Trust agrees these distribution payments, are similar to equity, as these amounts are only payable if the Trust declares distributions, and only for the amount of any distributions declared, both of which are at the discretion of the Board of Trustees as outlined in the DOT. Therefore, these distributions are excluded from the calculation of FFO, consistent with the treatment of distributions paid to all other Unitholders. The reconciliation from profit under IFRS Accounting Standards to FFO can be found under the section titled "Performance Review of 2025 – FFO and AFFO Reconciliations" in this MD&A. The Trust uses FFO to assess operating performance and its distribution paying capacity, determine the level of Associate incentive-based compensation, and decisions related to investment in capital assets. To facilitate a clear understanding of the combined historical operating results of Boardwalk REIT, management of the Trust believes FFO should be considered in conjunction with profit as presented in the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024.

Adjusted Funds From Operations

Similar to FFO, the IFRS Accounting Standards measurement most comparable to AFFO is profit. Boardwalk REIT considers AFFO to be an appropriate measurement of a publicly listed multi-family residential entity as it measures economic performance after deducting for maintenance capital expenditures to the existing portfolio of investment properties. AFFO is determined by taking the amounts reported as FFO and deducting what is commonly referred to as "Maintenance Capital Expenditures" or "Maintenance CAPEX". Maintenance Capital Expenditures are expenditures that, by standard accounting definition, are accounted for as capital in that the expenditure itself has a useful life in excess of the current financial year and maintains the value of the related assets. The reconciliation of AFFO can be found under the section titled "Performance Review of 2025 – FFO and AFFO Reconciliations" in this MD&A. The Trust uses AFFO to assess operating performance and its distribution paying capacity, and decisions related to investment in capital assets. A more detailed discussion is provided under the section titled "Financial Condition – Review of Cash Flows – Investing Activities – Maintenance of Productive Capacity" in this MD&A.

Adjusted Cash Flow From Operations

The IFRS Accounting Standards measurement most comparable to ACFO is cash flow from operating activities. ACFO is a non-GAAP financial measure of sustainable economic cash flow available for distributions. ACFO should not be construed as an alternative to cash flow from operating activities as determined under IFRS Accounting Standards. A reconciliation of ACFO to cash flow from operating activities as shown in the Trust's Consolidated Statements of Cash Flows is also provided under the section titled "Financial Condition – Review of Cash Flows – Operating Activities" in this MD&A, along with added commentary on the sustainability of Trust Unit distributions. The Trust uses ACFO to assess its distribution paying capacity.

Boardwalk REIT's presentation of FFO, AFFO, and ACFO are materially consistent with the definitions provided by REALPAC. These measurements are not, however, necessarily indicative of cash that is available to fund cash needs and should not be considered alternatives to cash flow as a measure of liquidity. FFO, AFFO, and ACFO do not represent earnings or cash flow from operating activities as defined by IFRS Accounting Standards. FFO and AFFO should not be construed as an alternative to profit determined in accordance with IFRS Accounting Standards as indicators of Boardwalk REIT's performance. In addition, Boardwalk REIT's calculation methodology for FFO, AFFO, and ACFO may differ from that of other real estate companies and trusts.

Adjusted Real Estate Assets

The IFRS Accounting Standards measurement most comparable to Adjusted Real Estate Assets is investment properties. Adjusted Real Estate Assets is comprised of investment properties, equity accounted investment, investment properties related to assets held for sale, loan receivable, and cash and cash equivalents. Adjusted Real Estate Assets is useful in summarizing the real estate assets owned by the Trust and it is used in the calculation of NAV, which management of the Trust believes is a useful measure in estimating the entity's value. The reconciliation from Investment Properties under IFRS Accounting Standards to Adjusted Real Estate Assets can be found under the section titled "Capital Structure and Liquidity – Net Asset Value Per Unit" in this MD&A.

Adjusted Real Estate Debt

The IFRS Accounting Standards measurement most comparable to Adjusted Real Estate Debt is total mortgage principal outstanding. Adjusted Real Estate Debt is comprised of total mortgage principal outstanding, mortgage principal outstanding related to assets held for sale, total lease liabilities attributable to land leases, and construction loan payable. It is useful in summarizing the Trust's debt which is attributable to its real estate assets and is used in the calculation of NAV, which management of the Trust believes is a useful measure in estimating the entity's value. The reconciliation from total mortgage principal outstanding under IFRS Accounting Standards to Adjusted Real Estate Debt can be found under the section titled "Capital Structure and Liquidity – Net Asset Value per Unit" in this MD&A.

Adjusted Real Estate Debt, net of Cash

Adjusted Real Estate Debt, net of Cash, is most directly comparable to the IFRS Accounting Standards measure of total mortgage principal outstanding. Adjusted Real Estate Debt, net of Cash is comprised of the sum of total mortgage principal outstanding, mortgage principal outstanding related to assets held for sale, total lease liabilities attributable to land leases, and construction loan payable, then reduced by cash and cash equivalents. It is useful in summarizing the Trust's debt which is attributable to its real estate assets and is used in the calculation of Debt to EBITDA. The reconciliation from total mortgage principal outstanding under IFRS Accounting Standards to Adjusted Real Estate Debt, net of Cash can be found under the section titled "Capital Structure and Liquidity – Debt to EBITDA" in this MD&A.

Net Asset Value

The IFRS Accounting Standards measurement most comparable to NAV is Unitholders' Equity. With real estate entities, NAV is the total value of the entity's investment properties, equity accounted investment, investment properties related to assets held for sale, loan receivable, and cash and cash equivalents minus the total value of the entity's debt. The Trust determines NAV by taking Adjusted Real Estate Assets and subtracting Adjusted Real Estate Debt, which management of the Trust believes is a useful measure in estimating the entity's value. The reconciliation from Unitholders' Equity under IFRS Accounting Standards to NAV can be found under the section titled "Capital Structure and Liquidity – Net Asset Value per Unit" in this MD&A.

Non-GAAP Ratios

The discussion below outlines the non-GAAP ratios used by the Trust. Each non-GAAP ratio has a non-GAAP financial measure as one or more of its components, and, as a result, does not have a standardized meaning prescribed by IFRS Accounting Standards and therefore may not be comparable to similar financial measurements presented by other entities. Non-GAAP financial measures should not be construed as alternatives to IFRS Accounting Standards defined measures.

FFO per Unit, AFFO per Unit, ACFO per Unit, and NAV per Unit

FFO per Unit includes the non-GAAP financial measure FFO as a component in the calculation. The Trust uses FFO per Unit to assess operating performance on a per Unit basis, as well as determining the level of Associate incentive-based compensation.

AFFO per Unit includes the non-GAAP financial measure AFFO as a component in the calculation. The Trust uses AFFO per Unit to assess operating performance on a per Unit basis and its distribution paying capacity.

ACFO per Unit includes the non-GAAP financial measure ACFO as a component in the calculation. The Trust uses ACFO per Unit to assess its distribution paying capacity.

FFO per Unit, AFFO per Unit, and ACFO per Unit are calculated by taking the non-GAAP ratio's corresponding non-GAAP financial measure and dividing by the weighted average Trust Units outstanding for the period on a fully diluted basis, which assumes conversion of the LP Class B Units and vested deferred units determined in the calculation of diluted per Trust Unit amounts in accordance with IFRS Accounting Standards.

NAV per Unit includes the non-GAAP financial measure NAV as a component in the calculation. Management of the Trust believes it is a useful measure in estimating the entity's value on a per Unit basis, which an investor can compare to the entity's Trust Unit price which is publicly traded to help with investment decisions.

NAV per Unit is calculated as NAV divided by the Trust Units outstanding as at the reporting date on a fully diluted basis which assumes conversion of the LP Class B Units and vested deferred units outstanding.

Debt to EBITDA

Debt to EBITDA is calculated by dividing Adjusted Real Estate Debt, net of Cash by consolidated EBITDA. The Trust uses Debt to EBITDA to understand its capacity to pay off its debt.

Debt to Total Assets

Debt to Total Assets is calculated by dividing Adjusted Real Estate Debt by Total Assets. The Trust uses Debt to Total Assets to determine the proportion of assets which are financed by debt.

FFO per Unit Future Financial Guidance

FFO per Unit Future Financial Guidance is calculated as FFO Future Financial Guidance divided by the estimated weighted average Trust Units and LP Class B Units outstanding throughout the year. Boardwalk REIT considers FFO per Unit Future Financial Guidance to be an appropriate measurement of the estimated future financial performance based on information currently available to management of the Trust at the date of this MD&A.

AFFO per Unit Future Financial Guidance

AFFO per Unit Future Financial Guidance is calculated as AFFO Future Financial Guidance divided by the estimated weighted average Trust Units and LP Class B Units outstanding throughout the year. Boardwalk REIT considers AFFO per Unit Future Financial Guidance to be an appropriate measurement of the estimated future profitability based on information currently available to management of the Trust at the date of this MD&A.

FFO Payout Ratio, AFFO Payout Ratio, and ACFO Payout Ratio

FFO Payout Ratio, AFFO Payout Ratio, and ACFO Payout Ratio represent the REIT's ability to pay distributions. These non-GAAP ratios are computed by dividing regular distributions paid on the Trust Units and LP Class B Units by the non-GAAP financial measure of FFO, AFFO, and ACFO, respectively. Management of the Trust use these non-GAAP ratios to assess its distribution paying capacity.

PERFORMANCE REVIEW OF 2025

Boardwalk REIT generates revenues, cash flows, and earnings from two separate sources: primarily rental operations and also the sale of “non-core” real estate properties.

Boardwalk REIT’s most consistent and largest source of income comes from its rental operations. Income from this source is derived from leasing individual suites to customers (referred to as “Resident Members”). Periodically, Boardwalk REIT has generated additional income from the sale of selective non-core real estate properties and utilized the equity for the acquisition and/or development of new rental properties and/or for the purchase for cancellation of Trust Units pursuant to its NCIB. The Trust, however, will only proceed with the sale of non-core real estate properties if market conditions justify the dispositions and Boardwalk has an alternative use for the net proceeds generated.

Performance Measures

The Trust intends to continue to pay out, at a minimum, all taxable income to Unitholders in the form of monthly distributions, unless the Board of Trustees, in its absolute discretion, determines a different amount. For 2025, the Board of Trustees approved an increase to the distribution to $0.1350 per Trust Unit on a monthly basis (or $1.62 on an annualized basis) beginning March 2025. This was an increase of $0.0150 per Trust Unit from the monthly $0.1200 per Trust Unit distributed for January and February 2025. The Trust intends to continue to redeploy its capital towards long-term value creation, including its suite renovation program, brand diversification initiative, and acquisition and development of new multi-family suites in supply-constrained markets.

For the three months and year ended December 31, 2025 and 2024, the Trust declared regular distributions of $21.5 million and $84.7 million (inclusive of distributions paid to holders of the LP Class B Units), respectively (three months and year ended December 31, 2024 – $19.3 million and $75.1 million, respectively), and recorded a loss of $50.8 million and profit of $196.9 million, respectively (three months and year ended December 31, 2024 – profit of $65.9 million and $588.2 million, respectively).

In addition, the Board declared a special non-cash distribution on December 31, 2025, of 1,077,420 Trust Units at $1.425 per Trust Unit totaling $69.5 million (December 31, 2024 – $nil). This was issued primarily due to the sale transactions that occurred in 2025. Immediately following the issuance of Trust Units, the Trust Units were consolidated such that each Unitholder held the same number of Trust Units after the consolidation as each Unitholder held prior to the special non-cash distribution. As at December 31, 2025, the special distribution declared was recorded to Trust Units.

The FFO Payout Ratio for the three months ended December 31, 2025, was 33.6% (three months ended December 31, 2024 – 33.1%). For the year ended December 31, 2025, the FFO Payout Ratio was 34.1% (year ended December 31, 2024 – 33.3%). Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information on FFO Payout Ratio. The overall operating performance of the first and fourth quarters tends to generate the highest payout ratio, mainly due to the high seasonality in total rental expenses. In particular, these quarters tend to be the highest demand periods for natural gas, a major operational cost for the Trust. It is, therefore, important to not simply annualize the reported results of a particular quarter. On a quarterly basis, the Board of Trustees reviews the current level of distributions and determines if any adjustments to the distributed amount is warranted. On an overall basis, the Trust aims to maintain a consistent and sustainable payout ratio while optimizing its capital allocation strategy, and reviews this with its Board of Trustees.

FFO per Unit Reconciliations from 2024 to 2025

The following table shows reconciliations of changes in FFO per Unit from December 31, 2024, to December 31, 2025. As previously noted, we define the calculation of FFO as profit before fair value adjustments, distributions on the LP Class B Units, gains or losses on the sale of the Trust’s investment properties, depreciation, deferred income taxes, and certain other non-cash items. A more detailed disclosure of the calculation of FFO is included later in this MD&A.

FFO per Unit Reconciliation	3 Months	12 Months
FFO per Unit [1] – Dec. 31, 2024	$ 1.08	$ 4.18
Same Property Net Operating Income ("NOI") [2]	0.13	0.63
Non-same Property NOI [2]	0.11	0.22
NOI attributable to Sold Properties	(0.04)	(0.10)
Administration	0.02	(0.02)
Financing Costs	(0.09)	(0.16)
Interest Income	(0.02)	(0.14)
Unit Buyback	0.01	0.04
FFO per Unit – Dec. 31, 2025	**$ 1.20**	**$ 4.65**

(1) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.
(2) The definition of same property and non-same property can be found in the section titled "Same Property Results" in this MD&A.

FFO and AFFO Reconciliations

In the following table, Boardwalk REIT provides a reconciliation of FFO to Profit, the most comparable related financial statement measurement, for the three and 12 months ended December 31, 2025 and 2024.

FFO Reconciliation *(In $000's, except per Unit amounts)*	**3 Months Dec. 31, 2025**	3 Months Dec. 31, 2024	% Change	**12 Months Dec. 31, 2025**	12 Months Dec. 31, 2024	% Change
(Loss) profit	**$ (50,792)**	$ 65,924		**$ 196,868**	$ 588,218	
Adjustments						
Loss on sale of assets	**1,230**	-		**9,875**	-	
Fair value losses (gains), net	**111,112**	3,357		**24,948**	(359,888)	
Fair value (gain) loss from equity accounted investment	**(749)**	(13,830)		**4,564**	(13,830)	
LP Class B Unit distributions	**1,714**	1,603		**6,857**	6,235	
Deferred tax (recovery) expense	**(11)**	(12)		**(14)**	70	
Depreciation	**2,375**	2,327		**8,857**	8,318	
Principal repayments on lease liabilities	**(878)**	(826)		**(3,457)**	(3,275)	
FFO [1][2]	**$ 64,001**	$ 58,543	9.3%	**$ 248,498**	$ 225,848	10.0%
FFO per Unit [2]	**$ 1.20**	$ 1.08	11.1%	**$ 4.65**	$ 4.18	11.2%

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

The following table is the calculation of the fully diluted weighted average Trust Units used to calculate the FFO per Unit, AFFO per Unit, and ACFO per Unit amounts within this MD&A and includes all items that can be convertible into Trust Units.

Fully Diluted Trust Units	**3 Months Dec. 31, 2025**	3 Months Dec. 31, 2024	**12 Months Dec. 31, 2025**	12 Months Dec. 31, 2024
Weighted average Trust Units outstanding – basic	**48,976,473**	49,415,840	**49,005,995**	49,403,967
Conversion of LP Class B Units	**4,241,304**	4,469,130	**4,322,849**	4,473,525
Unexercised vested deferred units	**126,996**	109,467	**132,743**	107,068
Weighted average Trust Units outstanding – fully diluted	**53,344,773**	53,994,437	**53,461,587**	53,984,560

For the fourth quarter of 2025, the Trust recorded a loss of $50.8 million compared to a profit of $65.9 million in the fourth quarter of 2024. The decrease is primarily attributable to a lower fair value gain on the LP Class B Units compared to the same quarter last year, due to the Trust Unit closing price decreasing much more in the fourth quarter of 2024 compared to the current quarter. Fair value losses on investment properties also contributed to the overall decrease. While both periods recorded losses on investment properties, the fair value loss was greater in the current quarter compared to the same period last year due to higher cap rates in select markets (details provided subsequently below). Profit for the year ended December 31, 2025, was $196.9 million, compared to profit of $588.2 million in the prior year. The decrease is primarily due to fair value losses recorded on both the investment properties and LP Class B Units in the current year, whereas the Trust realized substantial gains in 2024. For the year ended December 31, 2025, the fair value loss on investment properties was due to higher cap rates in select markets. In Ontario, cap rates increased in response to more moderate lease spreads. In Victoria, cap rates increased due to increased pressure on market rents, and in Alberta, cap rates increased in the Trust's secondary markets (Fort McMurray, Grand Prairie, Spruce Grove, and Red Deer) to reflect slightly higher risk fundamentals. Throughout 2025, sustained demand for affordable housing continued to drive market rent growth in certain markets. The weighted average capitalization rates for the Trust were 5.19% and 5.12% as at December 31, 2025 and 2024, respectively. For more information on the Trust's capitalization rates, please refer to the section titled “Financial Condition – Review of Cash Flows – Investing Activities – Investment Properties” in this MD&A.

Overall, Boardwalk REIT earned FFO of $64.0 million for the fourth quarter of 2025 compared to $58.5 million for the same period in 2024. FFO, on a per Unit basis, for the quarter ended December 31, 2025, increased approximately 11.1% compared to the same quarter in the prior year from $1.08 to $1.20. Additionally, the Trust earned FFO of $248.5 million for fiscal 2025 compared to $225.8 million for fiscal 2024. FFO per Unit for the year ended December 31, 2025, increased approximately 11.2% compared to the prior year from $4.18 to $4.65. The increase for the three and 12 months ended December 31, 2025, was mainly driven by higher occupied rents, net operating income from equity accounted investment, combined with lower incentives, utilities, and property taxes, partially offset by an increase in vacancy loss, operating expenses, financing costs, and lower interest income.

The following table provides a reconciliation of FFO to AFFO:

(000's)	**3 Months Dec. 31, 2025**	3 Months Dec. 31, 2024	**12 Months Dec. 31, 2025**	12 Months Dec. 31, 2024
FFO [1][2]	**$ 64,001**	$ 58,543	**$ 248,498**	$ 225,848
Maintenance Capital Expenditures [3]	**7,966**	7,732	**33,612**	33,575
AFFO [1][2]	**$ 56,035**	$ 50,811	**$ 214,886**	$ 192,273
FFO per Unit [2]	**$ 1.20**	$ 1.08	**$ 4.65**	$ 4.18
AFFO per Unit [2]	**$ 1.05**	$ 0.94	**$ 4.02**	$ 3.56
Regular Distributions	**$ 21,522**	$ 19,390	**$ 84,736**	$ 75,152
FFO Payout Ratio [2]	**33.6%**	33.1%	**34.1%**	33.3%
AFFO Payout Ratio [2]	**38.4%**	38.2%	**39.4%**	39.1%
(Loss) Profit	**$ (50,792)**	$ 65,924	**$ 196,868**	$ 588,218

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled “Presentation of Non-GAAP Measures” in this MD&A for more information.
(3) Details of the calculation of Maintenance Capital Expenditures can be found in the section titled “Financial Condition – Review of Cash Flows – Investing Activities – Value-add Capital and Maintenance Capital Expenditures” in this MD&A.

FINANCIAL PERFORMANCE SUMMARY

At a Glance

(In $000's, except per Unit amounts)	**2025**	2024	% Change
Total assets	**$ 8,994,844**	$ 8,626,490	4.3%
Rental revenue	**$ 638,638**	$ 603,293	5.9%
NOI	**$ 417,561**	$ 382,334	9.2%
Profit	**$ 196,868**	$ 588,218	(66.5)%
FFO [1][2]	**$ 248,498**	$ 225,848	10.0%
FFO per Unit [2]	**$ 4.65**	$ 4.18	11.2%

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled “Presentation of Non-GAAP Measures” in this MD&A for more information.

Total assets increased from the amounts reported in the prior year, mainly as a result of new building acquisitions that occurred in 2025 and investment in capital assets on the Trust's investment properties, partially offset by a decrease in cash and cash equivalents, dispositions of non-core investment properties, and the Trust receiving full repayment on the loan receivable from the joint venture. Rental revenue increased by 5.9%, due to higher in-place occupied rents across all regions and lower incentives in Alberta and Saskatchewan, partially offset by higher vacancy loss. The decrease in profit compared to the prior year was primarily due to a fair value loss recognized in the current year, compared to a fair value gain in 2024.

Consolidated Operations and Earnings Review

OVERALL REVIEW

Consolidated Statements of Comprehensive Income

Rental Operations

Boardwalk REIT's NOI strategy includes a rental revenue strategy that focuses on enhancing overall rental revenue by balancing market rents, rental incentives, turnovers, and occupancy gains. The application of this rental revenue strategy is ongoing, on a market-by-market basis, with the focus on obtaining the optimal balance of these variables given existing market conditions. In addition, the NOI strategy focuses on minimizing expenses.

(In $000's, except number of suites)	**3 Months Dec. 31, 2025**	3 Months Dec. 31, 2024	% Change	**12 Months Dec. 31, 2025**	12 Months Dec. 31, 2024	% Change
Rental revenue	**$ 164,852**	$ 155,565	6.0%	**$ 638,638**	$ 603,293	5.9%
Expenses						
Operating expenses	**29,123**	27,484	6.0%	**113,059**	109,617	3.1%
Utilities	**13,351**	14,916	(10.5)%	**53,175**	55,969	(5.0)%
Property taxes	**13,908**	14,130	(1.6)%	**54,843**	55,373	(1.0)%
Total rental expenses	**$ 56,382**	$ 56,530	(0.3)%	**$ 221,077**	$ 220,959	0.1%
Net operating income	**$ 108,470**	$ 99,035	9.5%	**$ 417,561**	$ 382,334	9.2%
Operating margin [1]	**65.8%**	63.7%		**65.4%**	63.4%	
Number of suites at December 31 [2]	**34,393**	34,222		**34,393**	34,222	

(1) Operating margin is calculated by dividing NOI by rental revenue allowing management to assess the percentage of rental revenue which generated profit.
(2) Excludes 183 suites related to the Trust's joint venture in Brampton, Ontario.

(In $000's, except number of suites)	**3 Months Dec. 31, 2025**	3 Months Dec. 31, 2024	% Change	**12 Months Dec. 31, 2025**	12 Months Dec. 31, 2024	% Change
Gross rental revenue [1]	**$ 170,042**	$ 160,482	6.0%	**$ 661,931**	$ 620,845	6.6%
Vacancy loss [2]	**(4,569)**	(2,929)	56.0%	**(18,775)**	(8,280)	126.8%
Incentives [3]	**(621)**	(1,988)	(68.8)%	**(4,518)**	(9,272)	(51.3)%
Rental revenue	**$ 164,852**	$ 155,565	6.0%	**$ 638,638**	$ 603,293	5.9%

(1) Gross rental revenue is a component of rental revenue and represents rental revenue based on 100% occupancy before adjustments for vacancy loss and incentives.
(2) Vacancy loss is a component of rental revenue and represents the estimated loss of gross rental revenue from unoccupied suites during the period.
(3) Incentives is a component of rental revenue and represents any suite specific rental discount offered or initial direct costs incurred in negotiating and arranging an operating lease amortized over the term of the operating lease.

Boardwalk REIT's rental operations for the three and 12 months ended December 31, 2025, reported higher results compared to the same periods in the prior year, with rental revenue increasing 6.0% and 5.9%, respectively. For the three and 12 months ended December 31, 2025, the increase in rental revenue was primarily due to higher in-place occupied rents, and lower incentives, partially offset by higher vacancy loss. As outlined in the table above, although vacancy loss increased, the Trust was able to reduce incentives year-over-year. The Trust intends to continue to offer selective incentives in certain communities to maintain occupancy levels, with an overall goal of limiting incentives on new leases and decreasing incentives altogether. Vacancy loss increased due to increased competition from new supply of multi-family suites and a decrease in immigration.

For the three and 12 months ended December 31, 2025, total rental expenses remained flat as savings from lower utilities and property taxes were offset by higher operating expenses.

The Trust continues to track, in detail, the actual work performed by our onsite Associates to assist in the operating effectiveness of its overall operations. This program results in overall lower costs while allowing the Trust greater control over the timing of its capital improvement projects, compared to contracting these same projects out to third parties. The Trust has been able to utilize our Associates to maintain quality customer services as well as to continue normal operations for both our repairs and maintenance as well as capital improvement projects. As with other estimates used by the Trust, key assumptions applied in estimating capitalized salaries and wages are reviewed regularly and, based on this review, management of the Trust will adjust the amount allocated to more accurately reflect the level of internal resources directed towards specific capital improvements.

For the three and 12 months ended December 31, 2025, operating expenses increased by 6.0% and 3.1%, respectively, compared to the same periods in the prior year due to higher wages and salaries and higher building repairs and maintenance, as well as higher advertising cost and bad debt expense, partially offset by lower insurance premiums upon renewal in July 2025.

Utility costs decreased by 10.5% and 5.0% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in 2024, mainly attributable to lower carbon levies following the removal of the federal carbon tax on April 1, 2025 and increased sub-metering recoveries, partially offset by higher water and sewer costs, electricity and natural gas costs. Fixed price physical commodity contracts have helped to partially or fully mitigate the Trust's exposure to fluctuating natural gas and electricity prices. Further details regarding the contracts on natural gas, as well as electricity prices in Alberta, can be found in NOTE 22 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024.

Property taxes decreased 1.6% and 1.0% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in the prior year. The decrease in property taxes is due to revised lower property tax assessments from successful tax appeals in Alberta. The Trust routinely reviews property tax assessments and related charges and, where management of the Trust believes appropriate, will appeal all or a portion of the related assessment. It is not uncommon for the Trust to receive property tax refunds and adjustments; however, due to the uncertainty of the amount and timing of the refunds and adjustments, these amounts are only reported when they are received.

Overall, operating margin for the three months ended December 31, 2025, is 65.8%, compared to 63.7% for the same period in 2024, an increase of 210 basis points ("bps"). Similarly, operating margin for the 12 months ended December 31, 2025 and 2024, is 65.4% and 63.4% respectively, an increase of 200 bps year-over-year.

Boardwalk REIT closely monitors and individually manages the performance of each of its rental properties. For the reader's convenience, we have provided the following summary of our operations on a province-by-province basis.

SEGMENTED OPERATIONAL REVIEWS

Alberta Rental Operations (Total)

(In $000's, except number of suites)	3 Months Dec. 31, 2025	3 Months Dec. 31, 2024	% Change	12 Months Dec. 31, 2025	12 Months Dec. 31, 2024	% Change
Rental revenue	$ 103,130	$ 100,438	2.7%	$ 407,494	$ 389,038	4.7%
Expenses						
Operating expenses	18,135	16,692	8.6%	69,896	67,140	4.1%
Utilities	8,449	10,058	(16.0)%	33,587	36,884	(8.9)%
Property taxes	8,400	9,132	(8.0)%	34,499	35,871	(3.8)%
Total rental expenses	$ 34,984	$ 35,882	(2.5)%	$ 137,982	$ 139,895	(1.4)%
Net operating income	$ 68,146	$ 64,556	5.6%	$ 269,512	$ 249,143	8.2%
Operating margin	66.1%	64.3%		66.1%	64.0%	
Number of suites at December 31	21,055	21,460		21,055	21,460	

Alberta Rental Operations (Same Property)

(In $000's, except number of suites)	3 Months Dec. 31, 2025	3 Months Dec. 31, 2024	% Change	12 Months Dec. 31, 2025	12 Months Dec. 31, 2024	% Change
Rental revenue	$ 98,527	$ 94,339	4.4%	$ 388,207	$ 366,609	5.9%
Expenses						
Operating expenses	17,536	15,869	10.5%	66,926	63,981	4.6%
Utilities	8,176	9,521	(14.1)%	32,310	34,821	(7.2)%
Property taxes	7,993	8,524	(6.2)%	32,545	33,488	(2.8)%
Total rental expenses	$ 33,705	$ 33,914	(0.6)%	$ 131,781	$ 132,290	(0.4)%
Net operating income	$ 64,822	$ 60,425	7.3%	$ 256,426	$ 234,319	9.4%
Operating margin	65.8%	64.1%		66.1%	63.9%	
Number of suites at December 31	20,266	20,266		20,266	20,266	

Alberta is Boardwalk's largest operating segment, representing 62.8% and 64.5% of total reported NOI for the three and 12 months ended December 31, 2025, respectively. In addition, Alberta represents 61.2% of total suites. Boardwalk REIT's Alberta operations for three and 12 months ended December 31, 2025 reported a NOI increase of 5.6% and 8.2%, respectively.

Boardwalk REIT's Alberta same property operations for three and 12 months ended December 31, 2025 reported a 4.4% and 5.9% increase, respectively, in rental revenue compared to the same periods in the prior year due to higher in-place occupied rents and lower incentives, partially offset by higher vacancy loss. Increases were also driven, in part, by the high migrations into the province in 2024 and continuing into 2025.

For the three and 12 months ended December 31, 2025, same property total rental expenses decreased by 0.6% and 0.4%, respectively, compared to the same periods in the prior year due to lower utilities and property taxes, largely offset by higher operating expenses.

Overall same property operating expenses increased by 10.5% and 4.6% for the three months and year ended December 31, 2025, respectively, compared to the same periods in the prior year. For both periods, the increase was due to higher wages and salaries, building repairs and maintenance, advertising costs, and bad debt expense, partially offset by lower insurance premiums upon renewal in July 2025.

Utilities for the three and 12 months ended December 31, 2025 decreased by 14.1% and 7.2%, respectively, on a same property basis, primarily due to lower carbon levies that were partially offset by higher natural gas costs. Currently, the Trust has three outstanding natural gas contracts to mitigate the price of its natural gas usage. The Trust also has two outstanding electricity contracts with two utility retailers to supply the Trust with its electrical power needs. More details can be found in NOTE 22 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024.

On a same property basis, property taxes for the three and 12 months ended December 31, 2024 decreased 6.2% and 2.8%, respectively, compared to the same periods in the prior year. The decrease is a result of the Trust's proactive efforts to review and appeal property tax assessments and successfully obtain revised valuations at lower amounts.

Alberta's same property operating margin for the year ended December 31, 2025, was 66.1%, which is 220 bps higher compared to the same period in 2024.

British Columbia Rental Operations (Total and Same Property)

(In $000's, except number of suites)	**3 Months Dec. 31, 2025**	3 Months Dec. 31, 2024	% Change	**12 Months Dec. 31, 2025**	12 Months Dec. 31, 2024	% Change
Rental revenue	**$ 1,765**	$ 1,713	3.0%	**$ 7,035**	$ 6,774	3.9%
Expenses						
Operating expenses	**137**	148	(7.4)%	**565**	685	(17.5)%
Utilities	**72**	62	16.1%	**284**	272	4.4%
Property taxes	**133**	113	17.7%	**494**	452	9.3%
Total rental expenses	**$ 342**	$ 323	5.9%	**$ 1,343**	$ 1,409	(4.7)%
Net operating income	**$ 1,423**	$ 1,390	2.4%	**$ 5,692**	$ 5,365	6.1%
Operating margin	**80.6%**	81.1%		**80.9%**	79.2%	
Number of suites at December 31	**238**	238		**238**	238	

British Columbia operations consist of two rental buildings in Victoria with a total of 238 suites. Overall, net operating income for the three and 12 months ended December 31, 2025, increased 2.4% and 6.1%, respectively, when compared to the same periods in the prior year.

Operating expenses decreased 7.4% and 17.5% for the three and 12 months ended December 31, 2025, compared to the same periods in the prior year, mainly due to a decrease in building repairs and maintenance and insurance premiums.

Utilities increased 16.1% and 4.4%, respectively, for the three and 12 months ended December 31, 2025, compared to the same periods in the prior year. The increase is mainly due to higher electricity, natural gas, and water and sewer costs and that were partially offset by lower carbon levies.

Property taxes increased by 17.7% and 9.3% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in the prior year due to higher property tax assessments.

British Columbia's operating margin for the year ended December 31, 2025, was 80.9%, which is 170 bps higher compared to the same period in 2024.

Saskatchewan Rental Operations (Total)

(In $000's, except number of suites)	3 Months Dec. 31, 2025	3 Months Dec. 31, 2024	% Change	12 Months Dec. 31, 2025	12 Months Dec. 31, 2024	% Change
Rental revenue	$ 18,609	$ 16,487	12.9%	$ 70,269	$ 63,461	10.7%
Expenses						
Operating expenses	2,741	2,535	8.1%	10,139	9,822	3.2%
Utilities	1,661	1,789	(7.2)%	6,904	7,016	(1.6)%
Property taxes	1,369	1,248	9.7%	4,920	4,868	1.1%
Total rental expenses	$ 5,771	$ 5,572	3.6%	$ 21,963	$ 21,706	1.2%
Net operating income	$ 12,838	$ 10,915	17.6%	$ 48,306	$ 41,755	15.7%
Operating margin	69.0%	66.2%		68.7%	65.8%	
Number of suites at December 31	3,846	3,505		3,846	3,505	

Saskatchewan Rental Operations (Same Property)

(In $000's, except number of suites)	3 Months Dec. 31, 2025	3 Months Dec. 31, 2024	% Change	12 Months Dec. 31, 2025	12 Months Dec. 31, 2024	% Change
Rental revenue	$ 17,201	$ 16,487	4.3%	$ 67,890	$ 63,461	7.0%
Expenses						
Operating expenses	2,593	2,535	2.3%	9,916	9,822	1.0%
Utilities	1,612	1,789	(9.9)%	6,810	7,016	(2.9)%
Property taxes	1,267	1,248	1.5%	4,722	4,868	(3.0)%
Total rental expenses	$ 5,472	$ 5,572	(1.8)%	$ 21,448	$ 21,706	(1.2)%
Net operating income	$ 11,729	$ 10,915	7.5%	$ 46,442	$ 41,755	11.2%
Operating margin	68.2%	66.2%		68.4%	65.8%	
Number of suites at December 31	3,505	3,505		3,505	3,505	

Saskatchewan operations for the three and 12 months ended December 31, 2025 reported a NOI increase of 17.6% and 15.7%, respectively, compared to the same periods in the prior year. Contributing to Saskatchewan's strong growth is new acquisitions in 2025, where the Trust acquired a total of 341 suites in its Saskatoon and Regina markets.

For the three months and 12 months ended December 31, 2025, Saskatchewan same property rental revenue increased by 4.3% and 7.0%, respectively, compared to the same periods in the prior year due to higher in-place occupied rents coupled with lower incentives, partially offset by higher vacancy loss. For the three months ended December 31, 2025, same property total rental expenses decreased by 1.8%, compared to the same period in the prior year due to lower utilities, partially offset by higher operating expenses and property taxes. For the 12 months ended December 31, 2025, same property total rental expenses decreased by 1.2%, compared to the same period in the prior year due to lower utilities and property taxes, partially offset by higher operating expenses.

Same property operating expenses for the three and 12 months ended December 31, 2025, increased by 2.3% and 1.0%, respectively, compared to the same periods in the prior year primarily due to higher building repairs and maintenance, and to a lesser extent, higher advertising costs and wages and salaries. The overall increase was partially offset by lower bad debt expense and insurance premiums upon renewal in July 2025.

Same property utilities decreased by 9.9% and 2.9% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in the prior year. The decrease was attributable to lower carbon levies, partially offset by higher electricity, water and sewer costs, and higher natural gas costs due to increased consumption. The Trust has one outstanding fixed price contract to mitigate its natural gas price for its Saskatchewan natural gas usage. Details of the contract can be found in NOTE 22 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024.

Property taxes for Saskatchewan's same property for the three months ended December 31, 2025, remained relatively consistent compared to the same period in the prior year. For the year ended December 31, 2025, property taxes on a same property basis decreased 3.0% due to lower property tax assessments.

Reported same property operating margin for the year ended December 31, 2025, was 68.4% compared to 65.8%, a 260 bps increase compared to the same period in 2024.

Ontario Rental Operations (Total and Same Property)

(In $000's, except number of suites)	3 Months Dec. 31, 2025	3 Months Dec. 31, 2024	% Change	12 Months Dec. 31, 2025	12 Months Dec. 31, 2024	% Change
Rental revenue	$ 12,837	$ 12,202	5.2%	$ 50,668	$ 47,952	5.7%
Expenses						
Operating expenses	2,129	2,176	(2.2)%	8,629	8,753	(1.4)%
Utilities	956	1,084	(11.8)%	4,333	4,633	(6.5)%
Property taxes	1,339	1,299	3.1%	5,245	4,914	6.7%
Total rental expenses	$ 4,424	$ 4,559	(3.0)%	$ 18,207	$ 18,300	(0.5)%
Net operating income	$ 8,413	$ 7,643	10.1%	$ 32,461	$ 29,652	9.5%
Operating margin	65.5%	62.6%		64.1%	61.8%	
Number of suites at December 31 [1]	3,019	3,019		3,019	3,019	

(1) Excludes 183 suites related to the Trust's joint venture in Brampton, Ontario.

Boardwalk REIT's Ontario operations for the three and 12 months ended December 31, 2025, reported a 5.2% and 5.7% increase, respectively, in rental revenue compared to the same periods in the prior year due to higher in-place occupied rents and lower vacancy loss. Total rental expenses decreased 3.0% and 0.5% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in the prior year due to lower utilities costs and operating expenses that were largely offset by higher property taxes.

Operating expenses decreased by 2.2% and 1.4% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in the prior year due to lower bad debt expense and insurance premiums upon renewal in July 2025. The overall decrease was partially offset by higher building repairs and maintenance, and to a lesser extent, higher advertising costs.

Utilities for the three months ended December 31, 2025, decreased by 11.8% compared to the same period in the prior year, primarily due to lower carbon levies, partially offset by higher electricity and natural gas costs due to increased consumption. For the year ended December 31, 2025, utilities decreased by 6.5%, as lower carbon levies were partially offset by higher water and sewer costs. The Trust had one outstanding fixed price natural gas contract for approximately 69% of price risk for London natural gas usage. Details of the contract can be found in NOTE 22 to the audited annual consolidated financial statements years ended December 31, 2025 and 2024.

Property taxes increased 3.1% and 6.7% for the three months and year ended December 31, 2025, respectively, compared to the same periods in the prior year due to higher property tax assessments.

Ontario's reported operating margin for the year ended December 31, 2025, was 64.1%, a 230 bps increase compared to 61.8% for the same period prior year.

Quebec Rental Operations (Total)

(In $000's, except number of suites)	3 Months Dec. 31, 2025	3 Months Dec. 31, 2024	% Change	12 Months Dec. 31, 2025	12 Months Dec. 31, 2024	% Change
Rental revenue	$ 28,094	$ 24,267	15.8%	$ 101,939	$ 94,884	7.4%
Expenses						
Operating expenses	4,195	4,250	(1.3)%	16,332	16,207	0.8%
Utilities	2,127	1,812	17.4%	7,713	6,763	14.0%
Property taxes	2,620	2,291	14.4%	9,512	9,093	4.6%
Total rental expenses	$ 8,942	$ 8,353	7.1%	$ 33,557	$ 32,063	4.7%
Net operating income	$ 19,152	$ 15,914	20.3%	$ 68,382	$ 62,821	8.9%
Operating margin	68.2%	65.6%		67.1%	66.2%	
Number of suites at December 31	6,235	6,000		6,235	6,000	

Quebec Rental Operations (Same Property)

(In $000's, except number of suites)	3 Months Dec. 31, 2025	3 Months Dec. 31, 2024	% Change	12 Months Dec. 31, 2025	12 Months Dec. 31, 2024	% Change
Rental revenue	$ 24,275	$ 23,205	4.6%	$ 95,120	$ 90,733	4.8%
Expenses						
Operating expenses	3,900	4,129	(5.5)%	15,650	15,675	(0.2)%
Utilities	2,111	1,767	19.5%	7,543	6,575	14.7%
Property taxes	2,169	2,161	0.4%	8,664	8,579	1.0%
Total rental expenses	$ 8,180	$ 8,057	1.5%	$ 31,857	$ 30,829	3.3%
Net operating income	$ 16,095	$ 15,148	6.3%	$ 63,263	$ 59,904	5.6%
Operating margin	66.3%	65.3%		66.5%	66.0%	
Number of suites at December 31	5,694	5,694		5,694	5,694	

Boardwalk REIT's Quebec operations reported a NOI increase of 20.3% and 8.9% for the three and 12 months ended December 31, 2025, respectively, partially due to new acquisitions, net of dispositions.

Same property operations reported rental revenue increases of 4.6% and 4.8% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in the prior year primarily due to higher in-place occupied rents, partially offset by increased vacancy loss. Same property total rental expenses for the three months ended December 31, 2025, increased 1.5%, as higher utilities were largely offset by lower operating expenses. For the 12 months ended December 31, 2025, same property total rental expenses increased by 3.3%, primarily due to higher utilities, and to a lesser extent, property taxes.

For the three months ended December 31, 2025, same property operating expenses decreased 5.5%, compared to the same period in the prior year due to lower wages and salaries paired with savings on insurance premiums, partially offset by higher advertising costs. For the year ended December 31, 2025, overall same property operating expenses were consistent compared to the same period in the prior year, with lower wages and salaries and insurance premiums were largely offset by higher building repairs and maintenance.

For the three and 12 months ended December 31, 2025, same property utilities increased 19.5% and 14.7%, respectively, compared to the same periods in the prior year due to higher carbon levies, increased electricity costs resulting from higher consumption, and higher natural gas rates. The Trust has one outstanding fixed price natural gas contract to mitigate approximately 74% of price risk for Nuns' Island natural gas usage. Details of the contract can be found in NOTE 22 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024.

Property taxes for same property in Quebec increased slightly for both the three and 12 months ended December 31, 2025, compared to the same periods in the prior year, due to higher property tax assessments.

Reported operating margin for Quebec's same property for the 12 months ended December 31, 2025, is 66.5%, a 50 bps increase from 66.0% for the same period in the prior year.

OPERATIONAL SENSITIVITIES

Net Operating Income Optimization

Boardwalk continues to focus on optimizing its NOI. This approach requires the Trust to actively manage both revenue and related operating costs, with both considered in determining its service and pricing model. Lowering overall turnover while maintaining competitive lease rental rates and a strong focus on service quality has consistently delivered the most stable and long-term income source to date. This strategy is region specific and responsive to changing market conditions.

In competitive markets, the Trust takes a more proactive approach by increasing the use of suite-specific rental incentives and, where appropriate, adjusting reported market rents. The increased use of these incentives, particularly in Alberta, was intended to keep occupancy levels above the overall market. With the undersupply of housing over the last several years, the Trust has generally reduced the use of these incentives while increasing market rents. This is evidenced in the current quarter with incentives decreasing 68.8% and 51.3% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in the prior year. It has been our experience that this proactive approach has resulted in optimizing NOI.

In addition, in these competitive, non-price controlled markets, the Trust actively seeks to renew leases prior to term maturity. In select markets, the Trust may also forward-lock future rentals, whereby a suite is leased in advance of a resident's move-in date. For example, a suite may be leased in December, with occupancy not commencing until the following year. Although the suite is rented, it will not generate revenue until the Resident Member takes possession, which typically corresponds to the next fiscal period. Accordingly, reported occupancy levels (see table on the following page) represent only those occupied suites generating revenue for the period noted. The Trust also closely monitors 'apartment availability', which represents unoccupied suites not generating revenue for the period, adjusted for forward-committed leases. Although occupancy rates provide a useful measure of current revenue, apartment availability is a more relevant indicator of future potential revenue. Due to recent acquisitions and newer developments, portfolio occupancy is presented on a same property basis.

Management of the Trust believes that combining the NOI optimization strategy with our strategic investment program will result in a more diverse product offering for our Resident Members and greater overall value creation for the Trust. The Trust recognizes that the implementation and execution of these strategies may have some short-term impacts, as the timing of capital enhancements can result in longer periods of time that suites are unavailable for rent, leading to temporary increases in vacancy losses. However, renovation activity has slowed in response to the current higher occupancy levels, and the Trust will selectively pursue renovation opportunities as they arise. Management believes that a focus on longer-term value creation is in the best interest of all stakeholders.

Boardwalk regularly reviews its existing programs, evaluating them against resident demand, viability and expected return, and refines them as appropriate.

Boardwalk REIT's Portfolio Occupancy (Same Property):

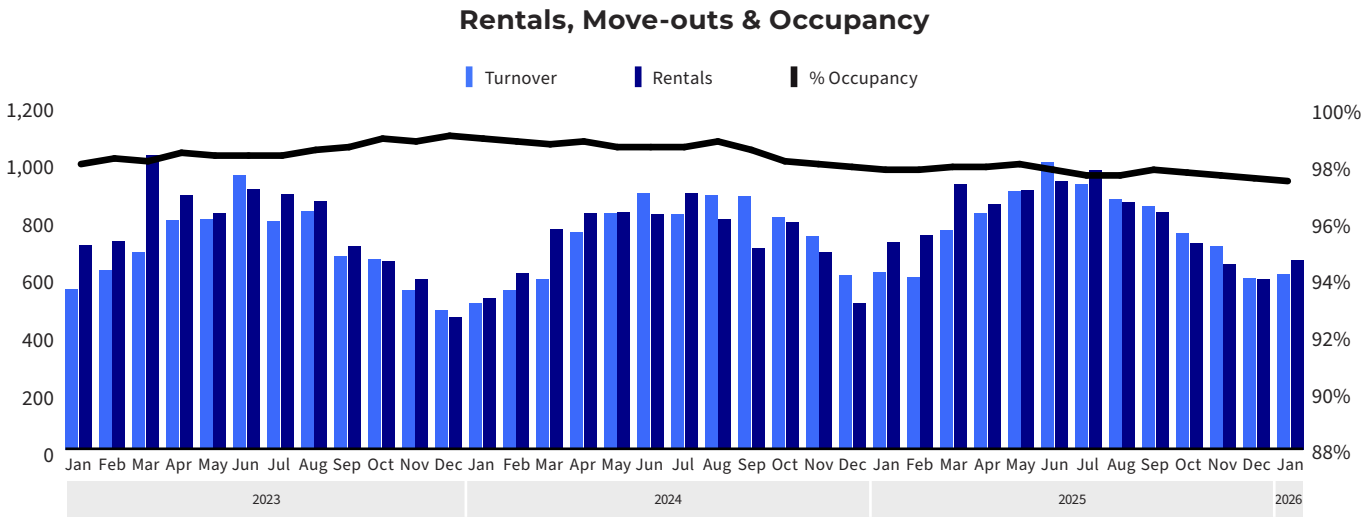
City	Q4 2025	Q4 2024
Brampton	**97.55%**	98.90%
Calgary	**97.16%**	97.19%
Cambridge	**97.49%**	98.21%
Edmonton	**97.21%**	97.75%
Fort McMurray	**97.25%**	95.74%
Grande Prairie	**97.77%**	97.92%
Kitchener	**97.75%**	97.89%
London	**98.67%**	98.89%
Montreal	**98.72%**	99.31%
Quebec City	**98.10%**	99.39%
Red Deer	**99.04%**	99.39%
Regina	**97.04%**	96.81%
Saskatoon	**97.63%**	98.69%
Verdun	**98.44%**	99.32%
Victoria	**97.90%**	98.54%
Waterloo	**98.33%**	93.33%
Portfolio	**97.61%**	98.02%

In Q4 2025, the Trust reported a decrease of 41 bps in its overall same property occupancy rate compared to the same quarter in the prior year, a decrease from 98.02% to 97.61%. Despite recent new supply entering the market, overall occupancy remains high in Alberta, driven by record net migration into the province in 2024, and strong migration (by historical standards) continuing into 2025, as the province continues to attract newcomers due to the affordability, growing economy, and favourable lifestyle opportunities. In Calgary, overall occupancy remained consistent with the same quarter of the prior period. The Trust increased advertising spend and adjusted occupied rents to align with current market conditions, contributing to maintaining high occupancy levels. In Edmonton, markets remain steady as the Trust reported a slight decrease in overall occupancy of 54 bps from 97.75% to 97.21% due to a decrease in international students and immigration as a result of policy changes announced by the federal government, and increased competition and supply in the market. In Fort McMurray, Q4 2025 occupancy increased by 151 bps year-over-year as occupancy levels normalized following the decline experienced in 2024 due to wildfires.

In Quebec and Ontario, occupancy levels remained relatively high and were consistent with the same period in the prior year for most cities. In Waterloo, occupancy increased by 500 bps compared to the same period in the prior year mainly due to an increase in students. In Brampton, occupancy levels decreased by 135 bps when compared to the same quarter in the prior year due to increased competition and supply in this market.

In Saskatchewan, overall occupancy in Q4 2025 remained high due to the continued momentum of economic conditions in the agricultural sector driven by strong demand for potash, paired with a healthy construction and labour market. Saskatoon occupancy levels were 97.63% in Q4 2025, compared to 98.69% in Q4 2024, while Regina occupancy levels for Q4 2025 were 97.04% compared to 96.81% in the same quarter in prior year. In British Columbia, occupancy levels decreased by 64 bps due to increased competition and supply in the Victoria market. As overall markets stabilize, we expect some up and down movements in occupancy as the Trust aims to maintain occupancy near current levels.

Rentals, Move-Outs and Impact on Reported Occupancy (Same Property)



Demand and supply, as with any industry, is an essential performance indicator for multi-family real estate. The above chart shows the turnover or total move-outs (supply) compared to total rentals (demand) and the resulting impact on reported occupancy relating to our portfolio. The cumulative impact of demand exceeding supply, or vice versa, is the primary driver in the reported occupancy rate. In recent years, Boardwalk focused on maintaining high occupancy levels while optimizing turnover costs. Adjusting market rental rates is an ongoing process for the Trust and is consistent with its overall NOI optimization strategy; accordingly, the Trust expects to adjust rents upward or downward as market conditions warrant.

Occupancy Sensitivity

As with all real estate rental operators, Boardwalk REIT's financial performance is sensitive to occupancy rates. Based on the current reported market rents, a 1% annualized change in reported occupancy is estimated to impact overall rental revenue by approximately $6.2 million, or $0.12 per Trust Unit on a fully diluted basis.

SAME PROPERTY RESULTS

Boardwalk defines same property as one that has been owned by the Trust for a period of 24 months or more from the reporting date. Boardwalk REIT's overall percentage of same properties was 95.1% of its total rental suite portfolio as at December 31, 2025, or a total of 32,722 suites. The tables below provide a regional breakdown on these properties for the fourth quarter of 2025, compared to the fourth quarter of 2024, and fiscal 2025 compared to fiscal 2024.

Same Property Dec. 31 2025 – 3 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	11,983	5.1%	(2.4)%	10.1%	34.1%
Calgary	6,347	3.0%	3.2%	2.9%	24.1%
Other Alberta	1,936	6.1%	(0.7)%	10.4%	5.1%
Alberta	20,266	4.4%	(0.6)%	7.3%	63.3%
Quebec	5,694	4.6%	1.5%	6.3%	15.7%
Saskatchewan	3,505	4.3%	(1.8)%	7.5%	11.4%
Ontario	3,019	5.2%	(3.0)%	10.1%	8.2%
British Columbia	238	3.0%	5.9%	2.4%	1.4%
	32,722	4.5%	(0.6)%	7.3%	100.0%

Same Property Dec. 31 2025 – 12 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	11,983	6.5%	(1.7)%	11.8%	33.9%
Calgary	6,347	4.7%	1.8%	6.0%	24.5%
Other Alberta	1,936	7.3%	2.0%	11.1%	5.1%
Alberta	20,266	5.9%	(0.4)%	9.4%	63.5%
Quebec	5,694	4.8%	3.3%	5.6%	15.6%
Saskatchewan	3,505	7.0%	(1.2)%	11.2%	11.5%
Ontario	3,019	5.7%	(0.5)%	9.5%	8.0%
British Columbia	238	3.9%	(4.7)%	6.1%	1.4%
	32,722	5.8%	0.1%	9.0%	100.0%

Same property rental revenue increased by 4.5% and 5.8%, respectively, for the three and 12 months ended December 31, 2025, compared to the same periods in the prior year. Total rental expenses decreased by 0.6% and increased 0.1%, respectively, for the three and 12 months ended December 31, 2025, compared to the same periods in 2024, resulting in a NOI increase of 7.3% and 9.0%, respectively. The increase in reported rental revenue was driven by the higher in-place occupied rents across all regions as well as continued reductions in incentives in the Alberta and Saskatchewan markets, partially offset by higher vacancy loss in Alberta, Saskatchewan, and Quebec. The positive gains in rental revenue have led to same property NOI growth in Alberta of 7.3% and 9.4% for the three and 12 months ended December 31, 2025, respectively, compared to the same periods in the prior year.

In Edmonton, markets continue to perform well with the Trust's portfolio realizing 6.5% year-over-year same property revenue growth for the 12 months ended December 31, 2025. Total same property total rental expenses decreased by 1.7% for the 12 months ended December 31, 2025, driven by lower utilities, insurance premiums, and property tax expense. These decreases were partially offset by higher wages and salaries, increased bad debt expense, and higher advertising costs incurred to maintain strong occupancy levels. As a result, Edmonton delivered 11.8% in NOI growth for the 12 months ended December 31, 2025, when compared to the same period in the prior year. In Calgary, for the 12 months ended December 31, 2025, same property total rental revenue grew by 4.7%, while total rental expenses increased by 1.8%, compared to the same period in the prior year. The increase in total rental expenses was primarily driven by higher building repairs and maintenance, wages and salaries, advertising, and bad debt expense resulting from changing financial and market conditions. These increases were partially offset by savings in utilities, property taxes, and lower insurance premiums. In Other Alberta markets, the Trust realized 11.1% NOI growth year-over-year that was largely driven by strong revenue growth in the Red Deer and Grand Prairie markets due to higher in-place rents.

In Québec, same property revenue increased by 4.8% and total rental expenses increased by 3.3% for the 12 months ended December 31, 2025, compared to the same period in the prior year. The total rental expenses increase was primarily attributable to higher utility costs resulting from increased carbon levies, higher electricity consumption, and higher natural gas rates. The increases were also driven, to a lesser extent, by higher advertising costs and increased property taxes, and were partially offset by lower wages and salaries and reduced insurance premiums.

In Saskatchewan, the Trust maintained positive momentum, with same property rental revenue increasing by 7.0% for the 12 months ended December 31, 2025, compared to the same period in the prior year. Total rental expenses decreased by 1.2% over the same period, primarily driven by lower utility costs and reduced insurance premiums, as well as, to a lesser extent, lower property taxes. Collectively, Saskatchewan delivered NOI growth of 11.2% for the 12 months ended December 31, 2025, compared to the prior year.

Same Property Rental Revenue Growth	# of Suites	Q4 2025 vs Q3 2025	Q4 2025 vs Q2 2025	Q4 2025 vs Q1 2025	Q4 2025 vs Q4 2024
Edmonton	11,983	1.2%	2.7%	4.0%	5.1%
Calgary	6,347	(0.2)%	1.3%	1.9%	3.0%
Other Alberta	1,936	1.0%	2.4%	4.4%	6.1%
Quebec	5,694	1.2%	3.2%	4.0%	4.6%
Saskatchewan	3,505	0.5%	1.7%	3.2%	4.3%
Ontario	3,019	0.8%	2.0%	2.6%	5.2%
British Columbia	238	0.6%	0.9%	0.2%	3.1%
	32,722	0.7%	2.3%	3.3%	4.5%

The Calgary and total portfolio results in the above table include 100% of BRIO effective August 6, 2025. Excluding BRIO altogether, the same property rental revenue growth would have been as follows:

Stabilized Revenue Growth (excluding BRIO)	# of Suites	Q4 2025 vs Q3 2025	Q4 2025 vs Q2 2025	Q4 2025 vs Q1 2025	Q4 2025 vs Q4 2024
Edmonton	11,983	1.2%	2.7%	4.0%	5.1%
Calgary	6,185	0.1%	1.2%	1.7%	2.9%
Other Alberta	1,936	1.0%	2.4%	4.4%	6.1%
Quebec	5,694	1.2%	3.2%	4.0%	4.6%
Saskatchewan	3,505	0.5%	1.7%	3.2%	4.3%
Ontario	3,019	0.8%	2.0%	2.6%	5.2%
British Columbia	238	0.6%	0.9%	0.2%	3.1%
	32,560	0.8%	2.2%	3.3%	4.5%

On a sequential basis, same property rental revenue reported in the fourth quarter of 2025 increased by 0.8% over Q3 2025, increased by 2.2% compared to Q2 2025, increased by 3.3% compared to Q1 2025, and increased by 4.5% compared to Q4 2024. The change over each quarter is a reflection of Boardwalk's ongoing strategy to balance market rents, rental incentives, and occupancy levels in support of its NOI optimization strategy. The significant increases over the same quarter in the prior year also reflect demand for the Trust's product, driven by its focus on affordability, quality, and customer service. This demand has contributed to the rental growth seen across Alberta and Saskatchewan. The Trust remains focused on achieving sustainable rental rate increases while maintaining an emphasis on resident retention.

Estimated Mark-to-Market Revenue Gain Calculation

Boardwalk REIT's projected mark-to-market revenue gain, representing the difference between estimated market rents and actual occupied rents in December 2025, and adjusted for current occupancy levels, totaled approximately $31.7 million on an annualized basis, representing $0.59 per Unit (Trust Units and LP Class B Units). In general, Boardwalk REIT's rental lease agreements have terms of no more than 12 months. By managing market rents and providing suite-specific incentives to our Resident Members, the Trust and all its stakeholders continue to benefit from lower turnover, reduced expenses, and high occupancy. Estimated mark-to-market revenue gain is measured at a point in time and is not intended to depict expected future financial performance. Reported market rents can be very seasonal and, as such, will vary from quarter to quarter. The significance of this change could materially affect Boardwalk REIT's "estimated mark-to-market revenue gain" amount. The importance of this estimate, however, is that it can be an indicator of future rental performance, assuming continuing economic conditions and trends. It would take significant time for these market rents to be recognized by the Trust due to internal and external limitations on its ability to charge these new market-based rents in the short term, particularly on renewals.

	Without Incentives				With Incentives					
Same Property	Dec. 2025 Market Rent [1]	Dec. 2025 Occupied Rent [2]	Mark-to-Market Per Month [3]	Annualized Mark-to-Market Adjusted for Current Occupancy Levels ($000's)	Dec. 2025 Market Rent, Including Incentives [4]	Dec. 2025 Occupied Rent [2]	Mark-to-Market Per Month [3]	Annualized Mark-to-Market Adjusted for Current Occupancy Levels ($000's)	Weighted Average Apartment Suites	% of Portfolio
Edmonton	$ 1,582	$ 1,545	$ 37	$ 5,129	$ 1,575	$ 1,545	$ 30	$ 3,979	11,983	37%
Calgary	1,902	1,863	39	2,915	1,899	1,863	36	2,535	6,347	19%
Other Alberta	1,466	1,419	47	1,079	1,463	1,419	44	1,008	1,936	6%
Alberta	$ 1,671	$ 1,632	$ 39	$ 9,123	$ 1,666	$ 1,632	$ 34	$ 7,522	20,266	62%
Quebec	$ 1,533	$ 1,435	$ 98	$ 6,573	$ 1,532	$ 1,435	$ 97	$ 6,568	5,694	17%
Saskatchewan [5]	1,689	1,671	18	730	1,687	1,671	16	603	3,505	11%
Ontario	1,902	1,438	464	16,541	1,901	1,438	463	16,699	3,019	9%
British Columbia	2,654	2,507	147	409	2,621	2,507	114	322	238	1%
Total Portfolio	$ 1,678	$ 1,590	$ 88	$ 33,376	$ 1,673	$ 1,590	$ 83	$ 31,714	32,722	100%

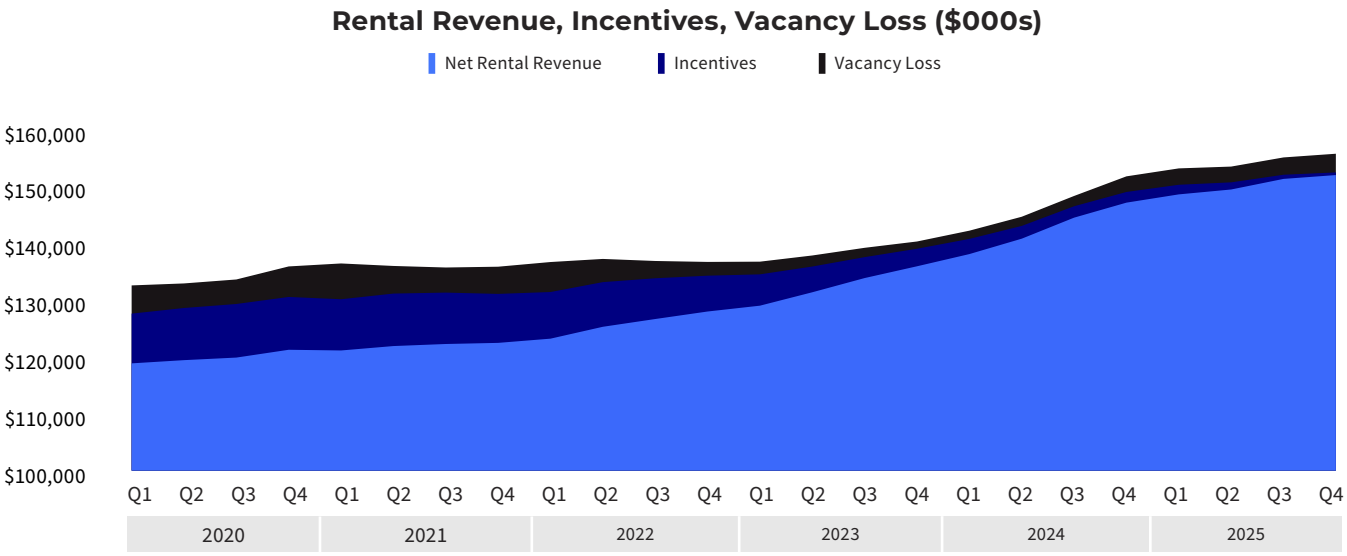
(1) Market rent is a component of rental revenue and represents same properties only. It is calculated as of the first day of each month as the average rental revenue amount a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay, for a tenancy, before adjustments for other rental revenue items such as, incentives, vacancy loss, fees, specific recoveries, and revenue from commercial tenants.
(2) Occupied rent is a component of rental revenue and represents same properties only. It is calculated for occupied suites as of the first day of each month as the average rental revenue, adjusted for other rental revenue items such as fees, specific recoveries, and revenue from commercial tenants.
(3) Mark-to-market represents the difference between market rent and occupied rent, or market rent including incentives and occupied rent, where indicated.
(4) Market rent including incentives is market rent, as described, adjusted for incentives.
(5) Saskatchewan market rent includes an increase for cable and internet service.

The decrease in the mark-to-market revenue gain for our portfolio, from $35.0 million at September 2025, to $31.7 million at December 2025, was mainly due to higher occupied rents in Edmonton and Quebec. Included in the mark-to-market revenue gain calculation of $31.7 million is approximately $5 per suite per month of incentives, representing the difference of the mark-to-market calculated excluding incentives and the mark-to-market calculated including incentives, resulting in potential additional revenue of approximately $2.0 million per annum or a total mark-to-market opportunity of $33.4 million.

In fiscal 2025, as with prior periods, Boardwalk REIT continued to focus on the optimization of all rental revenue, with attention to appropriate levels of market rents and certain occupancy level targets, as well as suite-selective incentives when warranted.

Vacancy Loss and Incentives

Vacancy loss and rental incentives are key indicators of current and future revenue performance. Depending on prevailing market conditions, achieving an appropriate balance between rental incentives and vacancy loss is essential to effectively managing overall economic rental revenue. On a quarterly basis, the chart below presents a comparison of rental incentives offered and vacancy loss on a same property basis. Incentives continue to be selectively used in the Alberta and Saskatchewan markets to maintain and increase occupancy levels. However, both incentives and vacancy loss in these markets have been trending downward, as noted previously in the "Segmented Operational Reviews" section of this MD&A. This reflects a reduction in incentives on lease renewals and minimal to no incentives being offered on new leases. Boardwalk REIT remains focused on maximizing overall revenues through the management of three key revenue variables, namely, market rents, occupancy levels, and suite-specific incentives.



FINANCING COSTS

Financing costs, including interest expense on the Trust's secured mortgages and lease obligations for the year ended December 31, 2025 increased from the same period in the prior year, from $121.2 million to $128.4 million. At December 31, 2025, the reported weighted average interest rate for mortgages payable of 3.35% was up from the weighted average interest rate of 3.19% at December 31, 2024. Boardwalk REIT has continued to refinance and renew certain mortgages with a focus on balancing the renewing interest rate as well as staggering the mortgage maturity curve. The average term to maturity of the Trust's mortgage portfolio is approximately 3.4 years.

Boardwalk REIT concentrates on multi-family residential real estate which makes it eligible to obtain government-backed insurance through the NHA (as defined herein) program, administered by CMHC. The benefits of purchasing this insurance are:

1. CMHC insurance allows Boardwalk REIT to obtain mortgages with lower interest rate spreads on its property financing compared to other financing alternatives in either the residential or any other real estate class, leading to lower overall cost of debt, after including the cost of the NHA insurance; and
2. CMHC insurance lowers Boardwalk REIT's overall renewal risk. Once insurance is obtained on the related mortgage, the insurance is transferable and follows the mortgage for the complete amortization period, typically between 25 and 40 years, depending on the type of asset being insured. With the insurance being transferable between approved lenders, it lowers the overall risk of Boardwalk REIT not being able to refinance the asset on maturity.

This government-backed mortgage insurance program administered by CMHC provides significant benefits to the Trust, which in turn improves quality and affordability for the Trust's Resident Members. Despite periods of volatility in the broader credit markets, the Trust has been able to maintain access to multiple mortgage lenders willing to assume, or underwrite, additional mortgages under this program.

At December 31, 2025, approximately 96% of Boardwalk REIT's mortgages were backed by this NHA insurance, with a weighted average amortization period of approximately 31 years.

As the LP Class B Units are classified as financial liabilities in accordance with IFRS Accounting Standards, the corresponding distributions paid to the Unitholders are classified as financing costs under IFRS Accounting Standards. In its definition of FFO, REALPAC notes that puttable instruments are classified as financial liabilities and distributions are therefore treated as interest expense, however, adds the distributions that were treated as interest expense back when calculating FFO, which suggests those puttable instruments are similar to equity. The total amount of distributions paid to the holders of LP Class B Units for the year ended December 31, 2025, which have been recorded as financing costs, was $6.8 million (year ended December 31, 2024 – $6.2 million). Based on this rationale, these amounts have been added back into the calculation of FFO.

Amortization of Deferred Financing Costs

The amortization of deferred financing costs relates primarily to the amortization of CMHC premiums, which are paid as part of mortgage financing. If Boardwalk REIT replaces an existing mortgage with a new mortgage, all costs associated with the original mortgage, including the unamortized balance of the CMHC premium, are required to be charged to income in the period that this occurs. As a result, and due to the variable timing and strategy of each mortgage at maturity, the amounts reported will vary. Rather than refinance the entire mortgage on term maturity to a higher amount, Boardwalk REIT takes advantage of supplementing, rather than extinguishing, the original mortgage to increase its leverage.

Boardwalk reviews its amortization estimates on an ongoing basis and, if warranted, will adjust these estimates prospectively.

The total amortization of deferred financing costs for the year ended December 31, 2025, was $7.2 million compared to $7.3 million recorded for the prior year. Amortization of deferred financing costs is included in financing costs.

Interest Rate Sensitivity

Although Boardwalk REIT manages its financing risk in a variety of ways, significant interest rate changes could still impact the Trust as a whole. Due to the size of Boardwalk's overall mortgage portfolio, it has been prudent to spread out the maturity of these mortgages over a number of years. In fiscal 2026, the Trust anticipates having approximately $832.3 million of secured mortgages maturing with a weighted average rate of 2.72%. If we were to renew these mortgages today with a five-year term, the Trust estimates, based upon interactions with possible lenders, the new rate would be approximately 3.45% (as of February 2026).

To date, the Trust has renewed or forward locked the interest rate on $227.9 million or 27.3% of its total 2026 mortgage maturities at an average interest rate of 3.72%, while extending the term of these mortgages by an average of 7.7 years.

ADMINISTRATION

Included in administration expenses are costs associated with Boardwalk REIT's centralized administrative functions. The amount reported for the year ended December 31, 2025, which relates to corporate administration from continuing operations, was $45.9 million compared to $44.8 million in the prior year, an increase of approximately 2.5% for the year. The increase was primarily attributable to higher administrative wages and severance costs relating to an executive retirement, paired with higher profit share/bonus considerations.

DEPRECIATION

Depreciation recorded on the Consolidated Statements of Comprehensive Income is made up of the depreciation of property, plant and equipment.

The Trust has elected to use the cost model under IAS 16 – Property, Plant and Equipment ("IAS 16") to value its property, plant and equipment, and, as a result of this method, depreciation expense is a charge taken against earnings to reflect the estimated depreciation that has occurred to these assets as a result of their use during the reporting period in question.

Boardwalk reviews its key depreciation estimates on an ongoing basis and, if warranted, will adjust these estimates on a prospective basis.

The total amount reported as depreciation for the year ended December 31, 2025 was $8.9 million, which was consistent with the $8.3 million recorded for the same period in the prior year.

OTHER INCOME AND EXPENSES

Income Tax Expense

Boardwalk REIT qualifies as a "mutual fund trust" as defined in the Tax Act. The Tax Act also contains legislation affecting the tax treatment of publicly traded trusts and the criteria for qualifying for the REIT Exemption, which would exempt Boardwalk REIT from income tax under the SIFT Legislation. For 2024 and 2025, the Trust qualified for the REIT Exemption.

Although Boardwalk REIT is exempted from income taxes provided it distributes all of its taxable income to its Unitholders, this exemption does not apply to its corporate subsidiaries, which are subject to income taxes.

Boardwalk REIT has received notices of reassessment dated February 28, 2024 from the CRA increasing the Trust's taxable income by $5.6 million, $20.6 million, $14.1 million, and $0.06 million for its taxation years ended December 31, 2011, 2012, 2013, and 2014, respectively, on the basis that the Trust did not report deemed taxable capital gains in each of those taxation years resulting from alleged negative adjusted cost base in the Trust's units of Top Hat Operating Trust, a trust 100% owned by Boardwalk REIT. Management of the Trust assessed the implications of the CRA notices of reassessment and filed an objection on May 24, 2024, with the CRA Appeals Division as it disagrees with the CRA's proposed assessment. It is the opinion of the Trust that it will not be required to pay any amount to the CRA in order to dispute this matter. Furthermore, it is the Trust's opinion that should these reassessments be upheld on appeal, given the Trust is not a taxable entity, it will not be required to pay any income taxes payable as the Trust distributes all taxable income to its Unitholders. It is difficult to estimate the amount of time it could take to resolve the dispute with the CRA Appeals Division and it is possible that an appeal to the Tax Court of Canada could be required in order to resolve this dispute. Please refer to the section titled "Risks and Risk Management – Certain Tax Risks – Change of Tax Laws" in this MD&A for more information.

LP Class B Units and the Deferred Unit Compensation Plan

The LP Class B Units are non-transferable, except under certain circumstances, but are exchangeable, on a one-for-one basis, into Trust Units at any time at the option of the holder. The LP Class B Units and the deferred unit-based compensation plan are recorded at their fair value at each reporting date. As at December 31, 2025, the Trust used a price of $64.48 based on the closing price of the Trust Units on the TSX to determine the fair value of these liabilities at that date. The total fair value of the LP Class B Units recorded on the Consolidated Statements of Financial Position at December 31, 2025, was $270.8 million (December 31, 2024 – $283.7 million), and a corresponding fair value loss of $1.6 million (year ended December 31, 2024 – fair value gain of $31.8 million) was recorded on the Consolidated Statements of Comprehensive Income for the year ended December 31, 2025.

The deferred unit-based compensation plan had a fair value of $17.3 million (December 31, 2024 – $18.0 million), and a corresponding fair value loss of $0.9 million (year ended December 31, 2024 – fair value loss of $0.5 million) was recorded on the Consolidated Statements of Comprehensive Income for the year ended December 31, 2025.

Financial Condition

REVIEW OF CASH FLOWS

Operating Activities

Cash flow from operating activities increased by 7.7% from $241.2 million for the year ended December 31, 2024 to $259.8 million for the year ended December 31, 2025. For the year ended December 31, 2025, Boardwalk REIT reported ACFO of $214.9 million, or $4.02 per Unit. This represented an increase of approximately 11.8%, compared to $192.3 million, or $3.56 per Unit, reported for the same 12 months in 2024. The increase in cash flow from operating activities was mainly the result of higher rental revenue, and lower utilities and property taxes, partially offset by higher interest paid on secured debt (mortgages payable) due to higher interest rates, higher operating expenses, higher administration costs, and lower interest income. The increase in ACFO was primarily due to higher rental revenue from higher occupied rent and lower incentives.

A reconciliation of ACFO to cash flow from operating activities as shown in the Consolidated Statements of Cash Flows prepared in accordance with IFRS Accounting Standards is highlighted below.

ACFO Reconciliation *(In $000's, except per Unit amounts)*	**3 Months Dec. 31, 2025**	3 Months Dec. 31, 2024	% Change	**12 Months Dec. 31, 2025**	12 Months Dec. 31, 2024	% Change
Cash flow from operating activities	**$ 67,751**	$ 58,245		**$ 259,826**	$ 241,200	
Adjustments						
Net change in operating working capital	**(1,165)**	3,041		**(3,508)**	(4,674)	
Income (loss) from equity accounted investment	**1,132**	14,272		**(2,693)**	13,226	
Fair value (gain) loss from equity accounted investment	**(749)**	(13,830)		**4,564**	(13,830)	
Deferred unit-based compensation	**(1,281)**	(2,048)		**(4,743)**	(5,374)	
LP Class B Unit distributions	**1,714**	1,603		**6,857**	6,235	
Government grant amortization	**94**	94		**378**	378	
Interest paid	**32,240**	28,929		**119,641**	113,123	
Financing costs	**(34,857)**	(30,937)		**(128,367)**	(121,161)	
Principal repayments on lease liabilities	**(878)**	(826)		**(3,457)**	(3,275)	
Maintenance Capital Expenditures [1]	**(7,966)**	(7,732)		**(33,612)**	(33,575)	
ACFO [2][3]	**$ 56,035**	$ 50,811	10.3%	**$ 214,886**	$ 192,273	11.8%
ACFO per Unit [3]	**$ 1.05**	$ 0.94	11.7%	**$ 4.02**	$ 3.56	12.9%

(1) Details of the calculation of Maintenance Capital Expenditures can be found in the section titled, "Financial Condition – Review of Cash Flows – Investing Activities – Value-add Capital and Maintenance Capital Expenditures" in this MD&A.
(2) This is a non-GAAP financial measure.
(3) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

For the current quarter, the FFO Payout Ratio and ACFO Payout Ratio were 33.6% and 38.4%, respectively, compared to 33.1% and 38.2%, respectively, for the same period in the prior year. For the year ended December 31, 2025, FFO Payout Ratio and ACFO Payout Ratio were 34.1% and 39.4%, respectively, compared to 33.3% and 39.1%, respectively, in the prior year. Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information on ACFO Payout Ratio.

ACFO, in the longer term, is indicative of the Trust's ability to pay distributions to its Unitholders. ACFO Payout Ratio is a non-GAAP ratio. Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information on ACFO Payout Ratio. As regular distributions are funded by the Trust's liquidity, cash flow from operating activities, and mortgage upfinancings tied to investment property capital appreciation (when needed), these distributions are reviewed on a quarterly basis by the Board of Trustees to assess whether they are sustainable. As a result of the review at the beginning of 2025, the Board of Trustees had approved distributions of $1.62 per Trust Unit on an annualized basis effective March 2025. With the completion of 2025, the Board of Trustees has approved distributions of $1.80 per Trust Unit on an annualized basis effective March 2026.

Investing Activities

Capital Improvements

Boardwalk has a continuous capital improvement program across its investment properties and as part of its brand diversification strategy. The program is designed to extend the useful lives of properties, improve operating efficiency, enhance property appeal, maintain and grow earnings capacity, meet Resident Members' expectations, and ensure compliance with health and safety regulations.

A select number of the Trust's communities are designated under the 'Boardwalk Lifestyle' brand based on defined criteria. These communities are generally located in prime locations and highly desirable neighbourhoods. Rebranding is the highest level of investment the Trust will place in this community and is holistic in nature, including significant enhancement to the exterior. Common areas may be refreshed and modernized to include community areas with Wi-Fi lounges, barbeque areas, and other in-demand amenities. Suites in these buildings will be significantly modernized and may include reconfigured layouts through the removal of existing walls, as well as comprehensive upgrades such as all new appliances, upgraded kitchens and extensive flooring, electrical and plumbing upgrades. These communities are targeted to renters commonly referred to as 'renters by choice'.

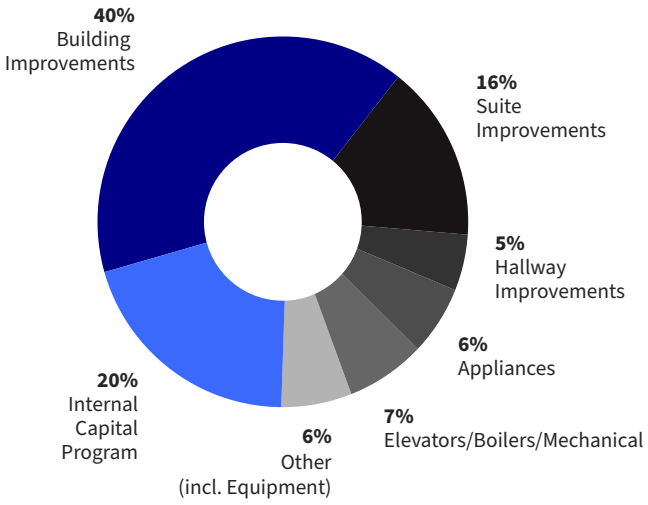
A number of the Trust's communities are repositioned within the 'Boardwalk Communities' category. These communities are targeted based on location and are typically located in mature areas near schools, parks, the downtown core, shopping and other desirable amenities. Investments in these communities focuses on modernization initiatives that enhance the already large suite size and significantly upgrade most aspects of the suite, including new upgraded flooring, modernized kitchens with all new appliances, and updated electrical, plumbing and hardware fixtures. Improvements to common areas such as hallways and lobbies are also considered as part of these programs.

The majority of Boardwalk's portfolio is categorized under 'Boardwalk Living'. Resident Members in this area are looking for value but tend to be more price sensitive. Again, many of these Boardwalk communities are located in established communities with extensive local amenities. Capital investment in these communities is more targeted and value-focused compared to re-positioned and rebranded communities, concentrated on improvements that price sensitive renters appreciate most, such as upgraded flooring, and modernized electrical, plumbing and hardware fixtures.

In 2025, Boardwalk REIT invested $139.0 million in capital assets (comprised of $131.1 million on its investment properties and $7.9 million on property, plant and equipment) back into its properties in the form of equipment and project enhancements to upgrade existing suites, common areas, and building exteriors and systems, compared to the $133.4 million ($124.4 million on its investment properties and $9.0 million on property, plant and equipment) invested in 2024.

A significant part of Boardwalk's capital improvement relates to projects performed by Boardwalk Associates through its internal capital program, which was initiated in 1996 as a way to create more value for the Trust. The Trust recognizes the efficiencies and economies of scale achieved by performing certain capital projects in-house, including faster execution, greater project control, and elimination of third-party contractor profit margins. The Trust focuses its internal resources on projects with the largest opportunity for value creation, like flooring and painting. Over the last few years, the Trust has increased its emphasis on performing capital projects internally rather than outsourcing these services. Included in capital asset investment for 2025 is approximately $36.0 million of on-site wages and salaries incurred in connection with these projects, compared to $33.3 million for 2024.

2025 12 M Investment in Capital Assets



Maintenance of Productive Capacity

The Trust invests capital in its residential buildings through two areas: Maintenance CAPEX and value-add capital investments.

Maintenance CAPEX over the longer term is funded from cash flow from operating activities. These expenditures are deducted from FFO in order to estimate a sustainable amount, AFFO, which can be distributed to Unitholders. Maintenance CAPEX includes those expenditures that, while capital in nature, are not considered betterments, as they relate more to maintaining the existing earnings capacity of our property portfolio, while also extending the useful life of the asset. In contrast, value-add capital investments are more discretionary in nature and focus on increasing the productivity of the property, with the goal of increasing NOI through revenue growth and/or decreased operating expenses. Management of the Trust believes that significant judgement is required to determine whether a capital expenditure is needed to maintain the earning capacity of an asset or to increase it. In addition, the Trust invests funds in its portfolio in the form of ongoing repairs and maintenance as well as on-site maintenance Associates. These expenditures are designed to maintain the operating capacity of our assets.

Value-add Capital and Maintenance Capital Expenditures

As discussed above, value-add capital investments include building improvements, suite upgrades, technology initiatives, and other investments which support NOI growth. Building improvements include investments which improve energy efficiency, enhance building envelopes, increase curb appeal of the property, as well as renovations of common areas and amenity spaces. Suite upgrades included in value-add capital result in revenue growth above market growth. In addition, internal capital required to complete building improvements and suite upgrades is considered value-add capital.

Maintenance CAPEX are expenditures which relate to sustaining and maintaining the existing asset. Boardwalk's determination of Maintenance CAPEX is based on an estimated reserve amount per suite using a three-year average of the capital invested to maintain and sustain the existing properties. The allocations on the following page were the result of a detailed review of the Trust's historical capital investment. As previously discussed, significant judgement was required to allocate capital between value-add and Maintenance CAPEX. For 2025, the three-year rolling average is based on actual expenditures invested from 2023 to 2025. For 2024, the three-year rolling average is based on actual expenditures invested from 2022 to 2024.

The Trust's calculation of standardized Maintenance CAPEX per suite is outlined in the following table:

Category	2025 Capital Expenditures ($000's)	2024 Capital Expenditures ($000's)	2023 Capital Expenditures ($000's)	2022 Capital Expenditures ($000's)
Building Exterior, Grounds & Parking	$ 39,304	$ 40,077	$ 36,136	$ 40,794
Hallways & Lobbies	9,642	8,151	8,999	6,628
Elevators	3,344	3,273	3,605	2,160
Mechanical & Electrical	8,721	10,654	9,023	6,086
Other – Information Technology	4,663	4,906	3,978	3,707
Site Equipment & Vehicles	1,498	2,478	2,204	1,342
Total Common Area	$ 67,172	$ 69,539	$ 63,945	$ 60,717
Paint & General	$ 9,817	$ 8,140	$ 6,575	$ 8,891
Flooring	9,650	8,469	8,512	10,823
Cabinets & Counters	6,986	5,931	5,495	6,760
Appliances	5,871	4,704	4,419	4,799
Suite Mechanical	1,675	1,376	1,287	1,549
Furniture, Fixtures & Equipment	1,161	911	980	771
Total Suites	$ 35,160	$ 29,531	$ 27,268	$ 33,593
Internal Capital Program	$ 35,977	$ 33,329	$ 33,810	$ 34,435
Subtotal	$ 138,309	$ 132,399	$ 125,023	$ 128,745
Corporate Capital Expenditures	716	1,028	949	607
Investment in Capital Assets	$ 139,025	$ 133,427	$ 125,972	$ 129,352
Cash Flow used in Investing Activities				
Improvements to Investment Properties	$ 131,089	$ 124,395	$ 119,012	$ 123,885
Additions to Property, Plant & Equipment	7,936	9,032	6,960	5,467
Investment in Capital Assets	$ 139,025	$ 133,427	$ 125,972	$ 129,352
Number of suites	34,393	34,222	33,846	33,722
Value-add Capital Investment				
Building Improvements	$ 38,855	$ 41,002	$ 34,786	$ 34,443
Common Area Renovations	9,642	8,151	8,999	6,628
Suite Upgrades	26,570	22,054	20,749	25,999
Internal Capital	28,929	27,137	27,873	28,289
Other – Information Technology	1,166	1,227	996	927
	$ 105,161	$ 99,571	$ 93,403	$ 96,286
Maintenance CAPEX	33,864	33,856	32,569	33,066
Investment in Capital Assets	$ 139,025	$ 133,427	$ 125,972	$ 129,352
Maintenance CAPEX per Suite	$ 985	$ 989	$ 962	$ 981
Three-year Rolling Average Reserve				
2023	$ 962			
2024	$ 989			
2025	$ 985			
2025 Maintenance CAPEX Per Suite	**$ 979**			
Three-year Rolling Average Reserve				
2022		$ 981		
2023		$ 962		
2024		$ 989		
2024 Maintenance CAPEX Per Suite		**$ 977**		

Using the three-year rolling average reserve, Boardwalk's 2025 estimate of Maintenance CAPEX is $33.6 million, or $979 per suite, for the year, which was relatively consistent with Boardwalk's estimate of Maintenance CAPEX for the prior year, using the three-year average reserve, which was $33.6 million, or $977 per suite, for the year.

The following table provides management of the Trust's estimate of these expenditure categories for the three and 12 months ended December 31, 2025 and 2024.

(In $000's, except for per suite amounts)	**3 Months Dec. 31, 2025**	**Per Suite**	3 Months Dec. 31, 2024	Per Suite	**12 Months Dec. 31, 2025**	**Per Suite**	12 Months Dec. 31, 2024	Per Suite
Maintenance CAPEX	**$ 7,966**	**$ 231**	$ 7,732	$ 225	**$ 33,612**	**$ 979**	$ 33,575	$ 977
Value-add capital	**35,225**	**1,020**	33,095	962	**105,413**	**3,070**	99,852	2,906
Investment in capital assets	**$ 43,191**	**$ 1,251**	$ 40,827	$ 1,187	**$ 139,025**	**$ 4,049**	$ 133,427	$ 3,883

Management of the Trust has estimated that for the fourth quarter of fiscals 2025 and 2024, the amount allocated to maintenance capital was approximately $8.0 million, or $231 per suite, and $7.7 million, or $225 per suite, respectively, with investment in value-add capital expenditures to its investment properties totaling $35.2 million and $33.1 million, respectively, or $1,020 and $962 per suite, respectively.

For the years ended December 31, 2025 and 2024, the amount allocated to maintenance capital was approximately $33.6 million, or $979 per suite, and $33.6 million, or $977 per suite, respectively, with investment in value-add capital expenditures to its investment properties totaling $105.4 million and $99.9 million, respectively, or $3,070 and $2,906 per suite, respectively.

Investment Properties

The Trust has elected to use the fair value model in accordance with IAS 40 – Investment Properties ("IAS 40") to report the value of its investment properties at each reporting date.

External valuations were obtained from third-party appraisers (the "Appraisers") based on a cross section of properties from different geographical locations and markets across the Trust's rental portfolio, as determined by management, to corroborate the Trust's internal fair value calculation for its entire investment property portfolio. Appraisals were obtained as follows:

Date	Number of Properties	Aggregate Fair Value	Percentage of Portfolio as of that Date
December 31, 2025	**4**	**$ 926,687**	**10.7%**
September 30, 2025	5	$ 323,025	3.7%
June 30, 2025	5	$ 174,938	2.1%
March 31, 2025	5	$ 274,860	3.3%
December 31, 2024	6	$ 866,671	10.4%
September 30, 2024	5	$ 203,269	2.4%
June 30, 2024	5	$ 254,010	3.1%
March 31, 2024	4	$ 180,971	2.2%

The fair value of the Trust's investment property portfolio was determined internally by the Trust using the same assumptions and valuation techniques used by the Appraisers. In addition to performing valuations on a selection of the Trust's properties (rather than the entire portfolio) for comparison purposes, the Appraisers provided the Trust with a summary of the key assumptions and market data by city to support the Trust's internal valuations process.

The key valuation metrics for the Trust's investment properties using the stabilized approach are set out in the following table:

As at	Dec. 31, 2025		Dec. 31, 2024	
	Capitalization Rate Weighted Average	Forecasted Total Stabilized Net Operating Income	Capitalization Rate Weighted Average	Forecasted Total Stabilized Net Operating Income
Alberta	5.14%	$ 267,234	5.14%	$ 261,691
British Columbia	4.50%	5,601	4.38%	5,703
Saskatchewan	5.68%	45,669	5.68%	43,757
Ontario	4.81%	34,385	4.52%	32,604
Quebec	5.07%	17,029	4.95%	21,172
	5.16%	369,918	5.11%	364,927
Land Leases	5.50%	42,282	5.22%	41,160
Total	5.19%	$ 412,200	5.12%	$ 406,087

Overall portfolio weighted average stabilized capitalization rate ("Cap Rate") was 5.19% as at December 31, 2025 and 5.12% as at December 31, 2024, using a forecasted stabilized NOI.

The "Overall Capitalization Rate" method requires a forecasted stabilized NOI be divided by a Cap Rate to determine a fair value. As such, fluctuations in both NOI and Cap Rates could significantly alter the fair value. Generally, an increase in NOI will result in an increase to the fair value of an investment property. An increase in Cap Rate will result in a decrease to the fair value of an investment property. When the Cap Rate is applied to NOI to calculate fair value, there is a significant impact whereby the lower the Cap Rate, the larger the impact. The tables below summarize the sensitivity impact of changes in both Cap Rates and forecasted stabilized NOI on the Trust's fair value of its investment properties (excluding building acquisitions valued at Level 2 inputs, developments, and the right-of-use assets related to lease liabilities) as at December 31, 2025, and December 31, 2024:

As at December 31, 2025		Stabilized Net Operating Income				
		-3%	-1%	As Forecasted	+1%	+3%
Cap Rate		$ 399,834	$ 408,078	$ 412,200	$ 416,322	$ 424,566
-0.25%	4.94%	$ 151,774	$ 318,708	$ 402,175	$ 485,643	$ 652,577
Cap Rate As Reported	5.19%	(238,336)	(79,445)	7,944,533	79,445	238,336
+0.25%	5.44%	(592,580)	(440,994)	(365,200)	(289,407)	(137,820)

As at December 31, 2024		Stabilized Net Operating Income				
		-3%	-1%	As Forecasted	+1%	+3%
Cap Rate		$ 393,904	$ 402,026	$ 406,087	$ 410,148	$ 418,270
-0.25%	4.87%	$ 157,056	$ 323,844	$ 407,238	$ 490,632	$ 657,421
Cap Rate As Reported	5.12%	(237,965)	(79,322)	7,932,173	79,322	237,965
+0.25%	5.37%	(596,202)	(444,945)	(369,317)	(293,688)	(142,431)

Investment properties with a fair value of $839.5 million as at December 31, 2025 (December 31, 2024 – $859.7 million), are situated on land held under ground (or land) leases.

Investment properties with a fair value of $1.1 billion as at December 31, 2025 (December 31, 2024 – $1.1 billion), are pledged as security against the Trust's credit facility, which includes a committed revolving credit facility and demand revolving credit facility (collectively, the "Credit Facility"). In addition, investment properties with a fair value of $8.0 billion as at December 31, 2025 (December 31, 2024 – $7.9 billion), are pledged as security against the Trust's mortgages payable.

For the year ended December 31, 2025, the Trust capitalized $131.8 million in improvements to investment properties (and $41.1 million in development of investment properties) and recorded a fair value loss of $22.5 million on its financial statements as a result of changes in the fair value of investment properties. For the year ended December 31, 2024, the Trust capitalized $124.4 million in improvements to investment properties (and $53.7 million in development of investment properties) and recorded a fair value gain of $328.7 million. Capitalized building improvements represent expenditures that provide future benefits to the Trust for a period greater than 12 months, some of which may not be immediately reflected in the fair value of the investment properties, under IFRS Accounting Standards, for the current reporting period.

Joint Arrangements

In 2020, Boardwalk completed its first joint venture development project known as BRIO, located in Calgary, Alberta. BRIO is an amenity-rich affordable luxury 12-storey tower with approximately 130,000 square feet of residential space, consisting of 162 suites, and 10,000 square feet of retail space. The property provides premium rental housing at a desirable location that is along the Calgary Light Rail Transit Line, and in close proximity to the University of Calgary, Foothills Hospital, and McMahon Stadium. The joint venture was structured as an equal 50% interest between each partner, with Boardwalk managing the residential component and the other partner managing the retail component, each on a cost basis. On August 6, 2025, the Trust acquired the other 50% interest in BRIO in an off-market transaction, for a purchase price of $37.4 million (including transaction costs). The Trust now has 100% ownership of BRIO.

Boardwalk has a 50:50 joint venture partnership, with a private partner, through which it developed a 365-suite multi-residential, purpose-built rental complex, located near downtown Brampton, Ontario. The project is a rental complex with approximately 10,700 square feet of retail space, above and underground parking, and 380,000 square feet of residential space over two concrete high-rise towers. Construction of the project was completed on time and on the low end of the budget for a total of $203 million. During the fourth quarter of 2022, one of the high-rise towers, which includes 176 residential suites, was substantially completed and during the fourth quarter of 2023, the second high-rise tower, which includes 189 residential suites, was substantially completed. The partnership had committed to a construction facility loan for 60% of the budgeted costs to construct. In September 2025, the joint venture received $146.8 million in proceeds from mortgage financings. The joint venture used the proceeds to repay the outstanding loan receivable balance to the Trust of $58.2 million, repay the revolving construction facility loan of $58.2 million, and made a return of capital of $11.4 million to each joint venture partner. The mortgage has a maturity date of October 1, 2030, and bears interest at 3.28%.

Development

Boardwalk's development opportunities include additional projects to be built on the Trust's excess land density, as well as new land that was acquired in Victoria, British Columbia. These developments are in various stages of market analysis, planning and approval, and will further add newly constructed assets to the Trust's portfolio when timing is appropriate.

For the year ended December 31, 2025, the Trust expended $41.1 million on development of investment properties compared to $53.7 million for the prior year. Interest costs of $3.7 million were capitalized to properties under development for the year ended December 31, 2025 (December 31, 2024 – $2.3 million).

In December 2025, the Trust completed development and welcomed Resident Members to one of its three buildings from the Aspire development project in Victoria, British Columbia. The Trust anticipates the completion of the remaining two buildings in early 2026.

During the second quarter of 2024, the Trust purchased a parcel of land in Calgary, Alberta, for a purchase price of $12.0 million (excluding transaction costs). The acquisition was funded with cash on hand and is planned for a development project of new rental suites. The site is located in one of central Calgary's most desirable and amenity-rich neighbourhoods and is a short drive from downtown, 17th Avenue, University of Calgary, and Mount Royal University. The Trust estimates that the site allows for approximately 124 residential suites and supporting ground-level retail. The Trust continues toward obtaining Development Permit approvals in 2026 and will reassess the development timeline once approvals are obtained.

It is our intention to continue to investigate further development opportunities, however, each future opportunity will require a separate analysis and, depending on the analysis and economic conditions, the Trust will determine if additional development projects are warranted and if continued development is appropriate due to current market conditions. Historically, one of the biggest risks to real estate valuations is the building of oversupply in a particular market, which results in significant corrections of property values market-wide.

Property Acquisitions

On December 17, 2025, the Trust acquired a property in Saskatoon, Saskatchewan. The property is comprised of 106 suites and had a purchase price of $38.8 million (including transaction costs).

On September 23, 2025, the Trust acquired a property in Laval, Quebec. The property is comprised of 541 suites and had a purchase price of $241.2 million (including transaction costs).

On August 7, 2025, the Trust acquired a property in Calgary, Alberta. The property is comprised of 158 suites and had a purchase price of $61.8 million (including transaction costs).

On August 6, 2025, the Trust acquired the other 50% interest of the joint operation multi-residential rental property consisting of 162 suites known as BRIO, located in Calgary, Alberta. The 50% interest was purchased in an off-market transaction for $37.4 million (including transaction costs).

On July 23, 2025, the Trust acquired three properties, two of which are located in Saskatoon, Saskatchewan, and the other in Regina, Saskatchewan. The properties comprised a total of 235 suites and had a purchase price of $71.0 million (including transaction costs).

On March 31, 2025, the Trust acquired a property in Calgary, Alberta. The property is comprised of 255 suites and had a purchase price of $93.3 million (including transaction costs).

On November 18, 2024, the Trust acquired two adjacent properties in Calgary, Alberta. The properties comprised a total of 12 suites and had a purchase price of $3.1 million (including transaction costs).

On June 24, 2024, the Trust acquired a property in Chestermere, Alberta comprised of 63 suites, and a property in Calgary, Alberta comprised of 6 suites. The Chestermere property had a purchase price of $26.4 million (including transaction costs) and the Calgary property had a purchase price of $1.9 million (including transaction costs).

On January 24, 2024, the Trust acquired a property in Calgary, Alberta. The property is comprised of 295 suites and had a purchase price of $77.6 million (including transaction costs and net of a deficiency credit received).

Property Dispositions

On November 28, 2025, the Trust sold a non-core asset, Terrace Garden Estates (comprised of 114 units), in Edmonton, Alberta for total proceeds (excluding transaction costs) of $19.5 million.

On September 10, 2025, the Trust sold two non-core assets, Lorelei House and Westmoreland House (comprised in total of 134 units), in Edmonton, Alberta for total proceeds (excluding transaction costs) of $24.1 million.

On August 18, 2025, the Trust sold two non-core assets, Imperial Tower and Insignia Tower (comprised in total of 262 units), in Edmonton, Alberta for total proceeds (excluding transaction costs) of $65.0 million.

On August 13, 2025, the Trust sold two non-core assets, Les Appartements du Verdier and Place du Parc (comprised in total of 306 suites), in Quebec City, Quebec for total proceeds (excluding transaction costs) of $52.2 million.

On January 21, 2025, the Trust sold three non-core assets, Axxess, Galbraith House, and Lansdowne Park (comprised in total of 390 suites), in Edmonton, Alberta for total proceeds (excluding transaction costs) of $80.0 million.

The Trust committed to sell two non-core assets that are included in assets held for sale, totaling 176 units, in Edmonton, Alberta, for the combined sale price of $37.0 million (excluding transaction costs). The transaction closed on January 13, 2026.

The Trust committed to sell two non-core assets that are included in assets held for sale, totaling 280 suites, in Montreal (Longueuil and Brossard), Quebec, for the combined sale price of $47.0 million (excluding transaction costs). Subsequently to December 31, 2025, the purchaser waived conditions on the sale. The transaction is expected to close in the first quarter of 2026.

Financing Activities

Distributions

Boardwalk distributes payments monthly to its Unitholders and holders of LP Class B Units. These payments are referred to as regular distributions. The distinct nature and classification of these payments are unique to each real estate investment trust and the components of these distributions may have differing tax treatments. For the year ended December 31, 2025, the Trust declared regular distributions of $84.7 million, an increase from the $75.1 million declared in 2024. The increase is due to the increased distribution rate to $1.62 per Trust Unit on an annualized basis as previously noted. Regular distributions declared for both the 12 months ended December 31, 2025 and 2024, represent an FFO payout ratio of 34.1% and 33.3%, respectively. For the year ended December 31, 2025, the Trust recorded profit of $196.9 million (year ended December 31, 2024 – profit of $588.2 million).

Financing of Revenue Producing Properties

During the 12 months ended December 31, 2025, proceeds from mortgage financings, excluding mortgages assumed on new acquisitions, totaled $167.1 million (year ended December 31, 2024 – $60.3 million). During the financing and refinancing process, the weighted average interest rate on its mortgage portfolio increased from 3.19% at December 31, 2024, to 3.35% at December 31, 2025. The Trust made mortgage principal repayments totalling $78.6 million for the year ended December 31, 2025 (year ended December 31, 2024 – $75.3 million).

Due to the nature of multi-family residential real estate, the amount paid for apartments may vary significantly based on a number of parameters, including location, type of ownership (free hold versus land lease), and type of construction. As required under IFRS Accounting Standards, on acquisition, an analysis is performed on the mortgage debt assumed, if any. The analysis focuses on the interest rates of the debt assumed. If it is determined that the in-place rates are materially below or above market rates, an adjustment is made to the book cost of the recorded asset. During 2025, $275.4 million of mortgage financing were assumed on acquisitions. These mortgages had in-place rates below market rates, resulting in market debt adjustments totaling $9.5 million that was made to the book cost of the corresponding assets.

CAPITAL STRUCTURE AND LIQUIDITY

Liquidity refers to the Trust's ability to generate, and have available, sufficient cash to fund its ongoing operations and capital commitments as well as its distributions to Unitholders. Generally, distributions are funded from ACFO, a non-GAAP financial measure cash flow metric as previously defined. In addition to ACFO, the Trust relies on a combination of debt capital, and equity to fund a portion of its capital expenditures, acquisitions, development, and other uses of capital. As previously mentioned, the DOT outlines the investment and operating policies of the Trust, however, the Trust has no specific working capital requirements. Over the past number of years, Boardwalk has observed a significant increase in borrowing standards of many of our key lending partners as a result of heightened sensitivity to possible weaknesses in the economy. To mitigate the risk of renewal, the Trust utilizes NHA mortgage insurance, the benefits of which are discussed in detail in this MD&A. Approximately 96% of Boardwalk REIT's secured mortgages carry NHA insurance. In volatile times, the ability to access this product is very beneficial to the Trust as a whole.

Access to liquidity is essential in enabling the Trust to effectively implement its overall strategy. The previous low interest rate environment had allowed Boardwalk to renew its existing maturing mortgages at favourable interest rates. In addition, Boardwalk has been able to access additional capital from its properties through the continued use of the current NHA insurance program, which provides mortgage financing at attractive rates. During the early part of the COVID-19 pandemic we saw declining interest rates, however, as a result of inflation, global conflicts, and various other economic factors, interest rates have increased significantly from where they were during 2021 and at the beginning of 2022. In 2024 and to-date in 2026, the Bank of Canada has cut interest rates nine times, yet interest rates remain high relative to levels seen during the COVID-19 pandemic. As such, financing costs over the near to medium term are expected to increase as compared to maturing rates.

Boardwalk defines total available liquidity to include cash and cash equivalents on hand and any unused committed revolving credit facility, plus any subsequent committed/funded financing. The Trust's cash and cash equivalents was $97.1 million at December 31, 2025, compared to $122.4 million reported on December 31, 2024. As at December 31, 2025, the Trust also had $245.8 million of unused committed revolving credit facilities (December 31, 2024 – $245.8 million), and subsequent committed/funded financing of $123.1 million (December 31, 2024 – $nil), bringing total available liquidity to $466.0 million (December 31, 2024 – $368.2 million).

The Trust's liquidity position as at December 31, 2025, remains stable as the following table highlights:

($000)		
Cash and cash equivalents	$	97,093
Subsequent committed/funded financing		123,100
Unused credit facilities		245,800
Total available liquidity	$	465,993

In addition to this, the Trust currently has 1,438 rental suites of unencumbered assets. It is estimated that, under current CMHC underwriting criteria, the Trust could obtain an additional $238.9 million of new proceeds from the financing of its currently unencumbered assets.

Of the $832.3 million of secured mortgages coming due in 2026 (as shown in the table included under "Mortgage Schedule"), approximately 83% have NHA insurance, and represent in aggregate approximately 46% of current estimated "underwriting" values on those individual secured assets. Interest rates on 5 and 10-year NHA-insured mortgages as of February 2026 are estimated to be approximately 3.45% and 4.00%, respectively. These rates do fluctuate and, by the time these maturing mortgages are set for renewal, with or without additional financing, interest rates may have changed materially. Even with the NHA insurance program attached to its secured mortgages, the Trust is still susceptible to changes in market interest rates. To address a portion of this risk, the Trust has forward locked or renewed $227.9 million, or 27.3%, of its $832.3 million of 2026 mortgage maturities. The weighted average contracted interest rate on these renewals is 3.72%, for an average term of 7.7 years.

In June 2025, the Trust extended its Credit Facility for another year with a maturity date of July 25, 2030.

Mortgage Schedule

Boardwalk REIT's long-term debt consists entirely of low-rate, fixed-term secured mortgage financing. The maturity dates on the secured mortgages have been staggered to lower the overall interest rate risk on renewal.

Mortgages payable as at December 31, 2025, were $3.5 billion, compared to $3.3 billion as at December 31, 2024.

Boardwalk REIT's overall weighted average interest rate on its long-term debt has increased from the prior year. The weighted average interest rate as at December 31, 2025, was 3.35% compared to 3.19% as at December 31, 2024. To better maintain cost effectiveness and flexibility of capital, Boardwalk REIT continuously monitors short and long-term interest rates. If the environment warrants, the Trust will convert short-term, floating rate debt, if any, to longer term, fixed rate mortgages to reduce interest rate renewal risk.

Year of Maturity		Principal Outstanding as at Dec. 31, 2025 [1]	Weighted Average Interest Rate By Maturity	% of Total
2026	$	832,256	2.72%	23.0%
2027		621,216	3.15%	17.1%
2028		390,148	3.81%	10.8%
2029		532,776	3.38%	14.7%
2030		448,574	3.22%	12.4%
2031		179,894	2.87%	5.0%
2032		74,508	4.12%	2.0%
2033		102,901	4.04%	2.8%
2034		333,244	4.52%	9.2%
2035		107,953	4.12%	3.0%
Total mortgage principal outstanding	$	3,623,470	3.35%	100.0%
Unamortized deferred financing costs		(124,308)		
Unamortized market debt adjustments		(8,767)		
Mortgages payable	$	3,490,395		

(1) Excludes mortgages related to assets held for sale.

Other contractual obligations of the Trust include lease obligations (see NOTE 25(c) to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024).

Interest Coverage

Boardwalk's liquidity and access to capital resources is constrained by certain tests that have been adopted in both its DOT, as well as in its Credit Facility. The DOT stipulates an interest coverage ratio limit of 1.5 to 1. For the purpose of the interest coverage ratio calculation, gains or losses on the sale or disposition of investment properties are excluded from earnings. Additionally, distributions on the LP Class B Units are excluded from interest expense, despite the LP Class B Units being classified as a financial liability under IFRS Accounting Standards.

The following table sets out the Trust's interest coverage ratio calculation as at December 31, 2025, and December 31, 2024, based on the most recently completed four fiscal quarters.

As at	Dec. 31, 2025	Dec. 31, 2024
Net operating income	$ 417,561	$ 382,334
Administration	(45,860)	(44,791)
Deferred unit-based compensation	(4,743)	(5,374)
EBITDA [1] from equity accounted investment	4,393	3,357
Consolidated EBITDA (12 months ended)	$ 371,351	$ 335,526
Interest expense	$ 118,026	$ 109,945
Interest expense from equity accounted investment	2,518	3,956
Consolidated interest expense (12 months ended)	$ 120,544	$ 113,901
Interest coverage ratio	3.08	2.95
Minimum threshold	1.50	1.50

(1) Earnings before interest, taxes, depreciation and amortization.

For the year ended December 31, 2025, Boardwalk REIT's overall interest coverage ratio of consolidated EBITDA to consolidated interest expense, excluding distributions on LP Class B Units and fair value adjustments, was 3.08, compared to 2.95 for the year ended December 31, 2024. Under IFRS Accounting Standards, the distributions made to the holders of LP Class B Units are considered financing costs and are the result of the reclassification of the LP Class B Units as financial liabilities. The calculation of the interest coverage ratio above does not include these distribution payments in the calculation of consolidated interest expense.

Debt to EBITDA

For the year ended December 31, 2025, Boardwalk REIT's Debt to EBITDA was 9.99, compared to 10.08 for the year ended December 31, 2024. The improving DEBT to EBITDA is a result of the Trust's increasing NOI largely driven by increased rental revenue, which was partially offset by increase in total mortgage principal outstanding due to recent acquisitions and an increase in construction loan payable due to the Trust drawing on its construction facility for the Aspire development in Victoria, British Columbia as it nears completion. The following table sets out the Trust's Debt to EBITDA calculation as at December 31, 2025, and December 31, 2024, based on the most recently completed four fiscal quarters.

As at	Dec. 31, 2025	Dec. 31, 2024
Total mortgage principal outstanding	$ 3,623,470	$ 3,410,173
Mortgage principal outstanding related to assets held for sale	40,523	21,645
Total lease liabilities attributable to land leases [1]	70,119	71,181
Construction loan payable	72,353	1,478
Adjusted Real Estate Debt [2][3]	$ 3,806,465	$ 3,504,477
Cash and cash equivalents	(97,093)	(122,408)
Adjusted Real Estate Debt, net of Cash [2][3]	$ 3,709,372	$ 3,382,069
Consolidated EBITDA (12 months ended)	$ 371,351	$ 335,526
Debt to EBITDA [3]	9.99	10.08

(1) Total lease liabilities attributable to land leases is a component of lease liabilities as calculated in accordance with IFRS Accounting Standards.
(2) This is a non-GAAP financial measure.
(3) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

Debt to Total Assets

The Trust's Debt to Total Assets as at December 31, 2025 and December 31, 2024 are presented in the table below. The increase in the Trust's Debt to Total Assets and an increase in Total Assets and an increase in Adjusted Real Estate Debt from the recent acquisitions and construction loan draw as discussed previously.

As at	Dec. 31, 2025	Dec. 31, 2024
Adjusted Real Estate Debt [1][2]	$ 3,806,465	$ 3,504,477
Total Assets	8,994,844	8,626,490
Debt to Total Assets [2]	42.3%	40.6%

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

Unitholders' Equity

The following table discloses the changes in Trust Units issued and outstanding:

Summary of Unitholders' Capital Contributions	Trust Units
December 31, 2023	49,388,174
Trust Units issued for vested deferred units	47,033
Trust Units purchased and cancelled	(149,096)
Trust Units issued on exchange of LP Class B Units	60,000
December 31, 2024	49,346,111
Trust Units issued for vested deferred units	89,202
Trust Units purchased and cancelled	(897,983)
Trust Units issued on exchange of LP Class B Units	215,000
Distribution in Trust Units	1,077,420
Consolidation of Trust Units	(1,077,420)
December 31, 2025	**48,752,330**

Boardwalk REIT has one class of publicly traded voting securities, being the Trust Units. As at December 31, 2025, there were 48,752,330 Trust Units issued and outstanding. In addition, there were 4,200,000 LP Class B Units, each of which also has a special voting unit in the REIT. Each LP Class B Unit is exchangeable for a Trust Unit on a one-for-one basis at the option of the holder. Each LP Class B Unit, through the special voting unit, entitles the holder to one vote at any meeting of Unitholders. Accordingly, if all of the LP Class B Units were exchanged for Trust Units, the total issued and outstanding Trust Units would be 52,952,330. These LP Class B Units are classified as "FVTPL" financial liabilities under IFRS Accounting Standards and are recorded at their fair value as liabilities on the Consolidated Statements of Financial Position as at December 31, 2025 and 2024.

On November 20, 2025, the Trust received TSX approval for the renewal of its NCIB to purchase and cancel up to 4,018,000 Trust Units, representing 10% of the public float at the time of the TSX approval. The NCIB commenced on November 24, 2025, and will terminate on the earlier of November 23, 2026, or when the maximum number of Trust Units have been purchased. The Trust's daily purchases under this NCIB are limited to 24,822 Trust Units.

Previously, the Trust's NCIB commenced on November 22, 2024 and terminated on November 21, 2025.

During 2025, the Trust purchased and cancelled 897,983 Trust Units at an average purchase cost of $63.81 per Trust Unit under its NCIB (includes commissions but excludes 2% tax on Trust Units repurchased). During 2024, the Trust purchased and cancelled 149,096 Trust Units at an average price of $67.08 under its NCIB (includes commissions but excludes 2% tax on Trust Units repurchased).

On June 16, 2025, 165,000 LP Class B Units were exchanged for Trust Units on a one-for-one basis pursuant to their terms. On December 16, 2025, 50,000 LP Class B Units were exchanged for Trust Units on a one-for-one basis pursuant to their terms. As at December 31, 2025, 4,200,000 LP Class B Units remain issued and outstanding (December 31, 2024 – 4,415,000 LP Class B Units).

On December 23, 2024, 60,000 LP Class B Units were exchanged for Trust Units on a one-for-one basis pursuant to their terms. Following completion of the exchange, 4,415,000 LP Class B Units were outstanding.

Equity

Boardwalk has an equity market capitalization of $3.4 billion based on the Trust Unit closing price of $64.48 on the TSX on December 31, 2025.

With an enterprise value of approximately $7.0 billion (comprised of total mortgage principal outstanding, excluding mortgages payable related to assets held for sale, of $3.6 billion and equity market capitalization of $3.4 billion) as at December 31, 2025, Boardwalk's total mortgage principal outstanding is approximately 51% enterprise value.

Net Asset Value per Unit

The Trust's NAV per Unit is calculated below:

As at	Dec. 31, 2025	Dec. 31, 2024
Investment properties	$ 8,694,906	$ 8,238,024
Equity accounted investment	38,936	52,984
Investment properties related to assets held for sale	83,951	79,920
Loan receivable	-	58,170
Cash and cash equivalents	97,093	122,408
Adjusted Real Estate Assets [1][2]	$ 8,914,886	$ 8,551,506
Total mortgage principal outstanding	$ (3,623,470)	$ (3,410,173)
Mortgage principal outstanding related to assets held for sale	(40,523)	(21,645)
Total lease liabilities attributable to land leases [3]	(70,119)	(71,181)
Construction loan payable	(72,353)	(1,478)
Adjusted Real Estate Debt [1][2]	$ (3,806,465)	$ (3,504,477)
Net Asset Value [1][2]	$ 5,108,421	$ 5,047,029
Net Asset Value per Unit [2]	$ 96.23	$ 93.68

Reconciliation of Unitholders' Equity to Net Asset Value	Dec. 31, 2025	Dec. 31, 2024
Unitholders' equity	$ 4,918,159	$ 4,836,809
Total Assets	(8,994,844)	(8,626,490)
Investment properties	8,694,906	8,238,024
Equity accounted investment	38,936	52,984
Investment properties related to assets held for sale	83,951	79,920
Loan receivable	-	58,170
Cash and cash equivalents	97,093	122,408
Total Liabilities	4,076,685	3,789,681
Total mortgage principal outstanding	(3,623,470)	(3,410,173)
Mortgage principal outstanding related to assets held for sale	(40,523)	(21,645)
Total lease liabilities attributable to land leases [3]	(70,119)	(71,181)
Construction loan payable	(72,353)	(1,478)
Net Asset Value [1][2]	$ 5,108,421	$ 5,047,029

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.
(3) Total lease liabilities attributable to land leases is a component of lease liabilities as calculated in accordance with IFRS Accounting Standards.

Overall NAV per Unit has increased 2.7% to $96.23 as at December 31, 2025, compared to $93.68 as at December 31, 2024, primarily attributable to an increase in investment properties. NAV is a key metric used by real estate entities to measure the value of an organization.

Risks and Risk Management

Boardwalk REIT, like most other real estate rental entities, is exposed to a variety of risk areas. These areas are categorized between general and specific risks. General risks are the risks associated with general conditions in the real estate sector and consist mainly of commonly exposed risks that affect the real estate industry. Specific risks focus more on risks uniquely identified with the Trust, such as credit, market, liquidity, and operational risks. The following will address each of these risks. In addition, this section should be read in conjunction with the risks and uncertainties included in the Trust's AIF under the heading "Challenges and Risks", which is available under the Trust's profile at www.sedarplus.ca, where additional risks are discussed.

GENERAL RISKS

Real Estate Industry Risk: Real estate investments are generally subject to varying degrees of risk depending on the nature of the property. These risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations (such as new or revised residential tenant legislation or change to immigration policies), the attractiveness of the properties to tenants, competition from others with available space, and the ability of the owner to provide adequate maintenance at an economic cost. Because real estate, like many other types of long-term investment, experiences significant fluctuations and cycles in value, specific market conditions may result in occasional or permanent reductions in value of Boardwalk REIT's portfolio. Furthermore, the Trust may buy and/or sell properties at less than optimal times. As interest rates fluctuate in the lending market, in general, so do capitalization rates, which affect the underlying value of real estate. As such, when interest rates rise, generally capitalization rates should be expected to rise. Over the period of investment, capital gains and losses at the time of disposition can occur due to the increase or decrease of these capitalization rates.

Currently, we operate in Canada, in the provinces of British Columbia, Alberta, Saskatchewan, Ontario, and Quebec. Neither of Alberta nor Saskatchewan is subject to rent control legislation; however, under Alberta legislation, a landlord is only entitled to increase rents once every 12 months. Please refer to the section titled "Risks and Risk Management – Specific Risks – Rent Control Risk" in this MD&A for a more detailed discussion on rent controls. Boardwalk REIT is not widely diversified either by asset class or geographic location. By focusing on the multi-residential sector and having a majority of its apartments located in Western Canada, Boardwalk is exposed to adverse effects on that segment of the real estate market and/or for that geographic region and does not benefit from a diversification of its portfolio by property type and, to a lesser extent, geographic location. The marketability and value of the Trust's portfolio as well as the REIT's revenues will depend on many factors beyond the control of Boardwalk REIT.

Certain significant expenditures, including property taxes, utilities, maintenance costs, mortgage payments, insurance costs and related charges, must be made regardless of whether or not a property is producing sufficient income to service these expenses. Boardwalk REIT's properties are subject to mortgages, which require significant debt service payments. If the Trust were unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or of sale. Real estate is relatively illiquid. Such illiquidity will tend to limit our ability to vary our portfolio promptly in response to changing economic or investment conditions. In addition, financial difficulties of other property owners resulting in distress sales may depress real estate values in the markets in which the Trust operates.

Multi-Family Residential Sector Risk: Income producing properties generate income through rent payments made by tenants of the properties. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favourable than the existing lease. To mitigate this risk, the Trust does not have any one or small group of significant tenants. The majority of operating leases signed are for a period of 12 months or less. The Trust is dependent on leasing markets to ensure vacant residential space is leased, expiring leases are renewed and new tenants are found to fill vacancies. More recently, the markets in which the Trust operates have had job growth in various industries, however, a disruption in the economy could still have an impact on how much space tenants will lease, and the rental rates paid by tenants. This would affect the income produced by our properties as a result of downward pressure on rents.

Regulation and Changes in Applicable Laws: Boardwalk REIT is subject to laws and regulations governing the ownership and leasing of real property, zoning, building standards, landlord/tenant relationships, employment standards, environmental matters, taxes and other matters. It is possible that future changes in applicable federal, provincial, municipal or common laws or regulations or changes in their enforcement or regulatory interpretation could result in changes in the legal requirements affecting Boardwalk (including with retroactive effect). Any changes in the laws to which Boardwalk REIT is subject could materially adversely affect the Trust's rights and title to its assets. It is not possible to predict whether there will be any further changes in the regulatory regimes to which Boardwalk REIT is subject or the effect of any such changes on its investments. Lower revenue growth or significant unanticipated expenditures may result from Boardwalk's need to comply with changes in applicable laws or the enactment of new laws, including: (i) laws imposing environmental remedial requirements and the potential liability for environmental conditions existing on properties or the restrictions on discharges or other conditions; (ii) rent control or rent stabilization laws or other residential landlord/tenant laws; or (iii) other governmental rules and regulations or enforcement policies affecting the development, use and operation of the REIT's properties, including changes to building codes and fire and life-safety codes. Further, residential landlord/tenant laws in certain provinces may provide tenants with the right to bring certain claims to the applicable judicial or administrative body seeking an order to, among other things, compel landlords to comply with health, safety, housing and maintenance standards. As a result, Boardwalk may, in the future, incur capital expenditures, which may not be fully recoverable from tenants, which could further have a material adverse effect on our business, financial condition, or results of operations.

Development, Redevelopment, Re-positioning and Renovation Risk: Development risk arises from the possibility that development, redevelopment, re-positioning or major renovation projects will not be completed on schedule, within budget or under anticipated market conditions, and that completed developments may not achieve occupancy levels or rental rates within anticipated timeframes. As a result, Boardwalk may not achieve the expected return on invested capital. Boardwalk's development commitments are subject to those risks commonly associated with construction and development projects, which include: (i) construction or other unforeseen delays including municipal approvals; (ii) cost overruns or expenditures exceeding original estimates, including as a result of increased costs of materials, goods and labour, tariffs, surtaxes or other restrictive trade measures; (iii) the potential abandonment of projects after incurring preliminary or exploratory costs; (iv) delays in construction completion or lease-up timelines; (iv) insufficient demand, failure to achieve anticipated occupancy levels or rental rates, or the inability of residents to occupy and pay rent in accordance with existing lease agreements; limitations on the Trust's ability to dispose of redeveloped or renovated properties on favourable terms, including due to constrained credit market conditions affecting prospective purchasers; and (vii) the availability and cost of financing to fund development or renovation activities on acceptable terms or at all. Development risks are minimized by utilizing established construction managers and knowledgeable third-party consultants.

Environmental Risks: As an owner and manager of real property, Boardwalk REIT is subject to various Canadian federal, provincial, and municipal laws relating to environmental matters. These laws could encumber us with liability for the costs of removal and remediation of certain hazardous substances or wastes released or deposited on or in its properties or disposed of at other locations. The failure to remove or remediate such substances, if any, could adversely affect Boardwalk's ability to sell its real estate, or to borrow using real estate as collateral, and could also result in claims or other proceedings against Boardwalk REIT. Boardwalk REIT is not aware of any material non-compliance with environmental laws at any of its properties. The Trust is also not aware of any pending or threatened investigations or actions by environmental regulatory authorities in connection with any of its properties or any material pending or threatened claims relating to environmental conditions at its properties. Boardwalk REIT has formal policies and procedures to review and monitor environmental exposure. The Trust has made, and will continue to make, the necessary capital expenditures for compliance with environmental laws and regulations. Environmental laws and regulations can change rapidly and may become more stringent in the future. Compliance with more stringent environmental laws and regulations could have a material adverse effect on our business, financial condition, or results of operations.

Climate-related Risks: The Trust's properties may be impacted by both physical and climate-related events and the transition to a lower-carbon economy. Among the most significant of the physical risks is the risk of wildfires and flash flooding. Based on the Trust's current understanding, the potential physical risks resulting from climate change are long-term in nature and associated with a high degree of uncertainty regarding timing, scope, and severity of potential impacts. These risks may be event driven (acute) or longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications such as direct damage to assets or indirect impacts. Climate-related events also may negatively impact certain costs of operation of the REIT's properties, including the cost of utility consumption due to abnormally hot or cold temperatures. More generally, the increase in catastrophic losses worldwide from climate-related events has resulted in significant payouts by property insurers. There is a risk of insurers being required to make payments on account of future climate-related catastrophic losses, which may result in increases in the property insurance premiums payable by the Trust.

Given the evolving nature of climate change policy and control of greenhouse gas emissions and resulting requirements, including carbon taxes and carbon pricing schemes implemented by varying levels of government, it is expected that current and future climate change regulations may give rise to expenses that cannot be passed on to the Resident Members. The Trust focuses on implementing policies which promote the adaptation to climate-change, including ways to reduce greenhouse gas emissions, adopting energy efficient solutions, and encouraging greater water efficiency, etc.; however, each of these policies have a financial impact.

Lenders, investors, investment advisors, credit rating agencies and regulators are increasingly viewing climate change as an important issue that requires greater consideration due to the perceived elevated long-term risks associated with policy development, regulatory changes, public and private legal challenges or other market developments related to climate change. A lack of investment strategy and operational management plan concerning climate change may have an adverse effect on the Trust's ability to raise funds via debt and/or equity, as well as related investment returns and sentiment.

Ground Lease Risk: Four of our properties, two located in Banff, Alberta, and two in Montreal, Quebec, are subject to long-term ground (or land) leases and similar arrangements; in each instance, the underlying land is owned by a third party and leased to the Trust. Under the terms of a typical ground lease, the lessee must pay rent for the use of the land and is generally responsible for all costs and expenses associated with the building and improvements, including taxes, utilities, insurance, maintenance, repairs and replacements. Unless the lease term is extended, the land together with all improvements made will revert to the owner of the land upon the expiration of the lease term. These leases are set to expire between 2029 and 2064. Approximately 14.0% of the Trust's FFO is derived from these properties in its portfolio that are held as long-term ground leases. The Trust intends to actively seek to either renew the terms of such leases or purchase the freehold interest in the lands forming the subject matter of such leases prior to the expiry of their terms. However, if the Trust cannot or chooses not to renew such leases, or buy the land of which they form the subject matter, as the case may be, the NOI and cash flow associated with such properties would no longer contribute to Boardwalk's results of operations and could adversely impact its ability to make distributions to Unitholders. The ground lease for the largest Montreal property, known as the Nuns' Island portfolio, provides for fixed rent through 2064 following a rent revision completed in 2018. An event of default by us, under the terms of a ground lease, could also result in a loss of the property, subject to such ground lease, should the default not be rectified in a reasonable period of time. The Trust is not aware of any default under the terms of the ground leases.

Competition Risk: Each segment of the real estate business is competitive. Numerous other residential developers and apartment owners compete in seeking tenants. Although it is our strategy to own multi-family properties in premier locations in each market in which we operate, some of the apartments of our competitors may be newer, better located or better capitalized. The existence of alternative housing could have a material adverse effect on our ability to lease space in our properties and on the rents charged or concessions granted and could adversely affect Boardwalk REIT's revenues and its ability to meet its obligations, which could have a material adverse effect on our business, financial condition, or results of operations.

General Uninsured Losses or Catastrophic Loss: Boardwalk REIT carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks (generally of a catastrophic nature such as war or environmental contamination), which are either uninsurable or not economically insurable. Boardwalk REIT currently has insurance for earthquake risks, subject to certain policy limits, deductibles and self-insurance arrangements, and will continue to carry such insurance if it is economical to do so. Should an uninsured or underinsured loss occur, Boardwalk REIT could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, and would continue to be obligated to repay any recourse mortgage indebtedness on such properties.

Fluctuations of Cash Distributions: Although Boardwalk REIT intends to continue to make distributions on the Trust Units, the actual amount of distributions in respect of the Trust Units will depend upon numerous factors, including, but not limited to, the amount of principal repayments, tenant allowances, leasing commissions, capital expenditures and Trust Unit redemptions and other factors that may be beyond the control of Boardwalk REIT. The distribution policy of Boardwalk REIT was established by the Board of Trustees and is subject to change at the discretion of the Board of Trustees. The recourse of Unitholders who disagree with any change in policy is limited and could require such Unitholders to seek to replace the Board of Trustees. Distributions may exceed cash available to Boardwalk REIT from time to time because of items such as principal repayments, tenant allowances, leasing commissions, capital expenditures, and redemption of Trust Units, if any. Boardwalk REIT may be required to use part of its debt capacity or to reduce distributions in order to accommodate such items. Boardwalk REIT may temporarily fund such items, if necessary, through an operating line of credit in expectation of refinancing long-term debt on its maturity.

Liquidity Risk: An investment in real estate is relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity will tend to limit Boardwalk's ability to vary its portfolio of properties promptly in response to changing economic, investment or other conditions. If Boardwalk were required to quickly liquidate its real property investments, the proceeds to the Trust might be significantly less than the aggregate carrying or net asset value of its properties or less than what would be expected to be received under normal circumstances, which could have an adverse effect on Boardwalk's financial condition and financial performance and decrease the amount of cash available for distribution. Illiquidity may result from the absence of an established market for real property investments, as well as from legal or contractual restrictions on their resale. In addition, in recessionary times, it may be difficult to dispose of certain types of real estate. The costs of holding real estate are considerable and, during an economic recession, Boardwalk REIT may be faced with ongoing expenditures with a declining prospect of incoming receipts. In such circumstances, it may be necessary for Boardwalk REIT to dispose of properties at lower prices in order to generate sufficient cash for operations and making distributions. There can be no assurance that the fair market value of any properties held by the REIT will not decrease in the future.

Access to Capital Risk: The real estate industry is highly capital intensive. Boardwalk REIT will require access to capital to maintain its properties, as well as to fund its growth strategy and certain capital expenditures from time to time. There can be no assurances that Boardwalk REIT will have access to sufficient capital or access to capital on terms favourable to the Trust for future property acquisitions, development, financing or refinancing of properties, funding operating expenses or other purposes. Furthermore, in certain circumstances, Boardwalk REIT may not be able to borrow funds due to the limitations set forth in its DOT and/or other loan agreements. Market conditions and unexpected volatility or illiquidity in financial markets may inhibit Boardwalk REIT's access to long-term financing in the capital markets. As a result, it is possible that financing, which the Trust may require in order to grow and expand its operations, upon the expiry of the term of financing, upon refinancing any particular property owned by Boardwalk REIT or otherwise, may not be available or, if it is available, may not be available on favourable terms to the Trust. Failure by Boardwalk to access required capital could have a material adverse effect on our business, financial condition, or results of operations.

Cybersecurity Risk: A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of Boardwalk REIT's information resources. More specifically, a cyber incident is an intentional attack or an unintentional event that can include gaining unauthorized access to information systems to disrupt operations, corrupt data or steal confidential information. As Boardwalk REIT's reliance on technology has increased, so have the risks posed to its systems. Boardwalk REIT's primary risks that could directly result from the occurrence of a cyber incident include operational interruption, damage to its reputation, damage to Boardwalk's business relationships with its Resident Members and disclosure of confidential information regarding its Resident Members and Associates. Boardwalk REIT has implemented processes, procedures and controls to help mitigate these risks, but these measures, as well as its increased awareness of a risk of a cyber incident, do not guarantee that its financial results will not be negatively impacted by such an incident.

Workforce Availability and Talent Management: Boardwalk's ability to provide services to its existing Resident Members is somewhat dependent on the availability of well-trained Associates and contractors to service our Resident Members as well as complete required maintenance and capital upgrades on our buildings. The Trust must also balance requirements to maintain adequate staffing levels while balancing the overall cost to the Trust.

Within Boardwalk, our most experienced Associates are employed full-time; this full-time force is supplemented by additional part-time Associates as well as specific contract services needed by the Trust. We are constantly reviewing existing overall market factors to ensure that our existing compensation program is in-line with existing levels of responsibility and, if warranted, we adjust the program accordingly. We also encourage Associate feedback in these areas to ensure the existing programs are meeting their personal needs.

SPECIFIC RISKS

Credit Risk is the risk of loss due to failure of a contracted customer to fulfill the obligation of required payments.

One of the key credit risks involves the possibility that our Resident Members will be unable or unwilling to fulfill their lease term commitments. Due to the very nature of the multi-family business, credit risk is not deemed to be very high. The Trust currently has 34,576 rental suites. As a result, we are not unduly reliant on any one Resident Member or lease. To further mitigate this risk, Boardwalk REIT continues to diversify its portfolio to various major centers across Canada. Further, each of our rental suites has its own individual lease agreement, thus Boardwalk REIT has no material financial exposure to any particular Resident Member or group of Resident Members. The Trust continues to utilize extensive screening processes for all potential Resident Members including, but not limited to, detailed credit checks.

Market Risk is the risk that the Trust could be adversely affected due to market changes in product supply, interest rates, and regional rent controls.

Our principal exposures to market risk are in the areas of new multi-family housing supply, changes to rent controls, supply chain price increases, utility price increases, property tax increases, higher interest rates, and mortgage renewal risk.

Supply Risk is the risk that the Trust would be negatively affected by the new supply of, and demand for, multi-family residential suites in its major market areas.

Key drivers of demand include employment levels, population growth, demographic trends and consumer confidence. Any significant amount of new construction will typically result in an imbalance in supply and cause downward price pressure on rents. Although outlook varies by region, the Trust is anticipating a more balanced supply-demand backdrop over the medium term as Canadian housing demand gradually returns to historical norms. Past studies have shown that in order to economically justify new rental construction in Boardwalk REIT's major markets, an increase in existing rental rates of hundreds of dollars will be necessary. In recent years, however, there has been a change in the multi-family apartment environment in Canada. During this period, we have witnessed a significant increase in the market value of rental apartments. This increase, although somewhat helped by a steady increase in reported market rental rates, has been mainly driven by a significant compression in market capitalization rates, which in turn has been the result of a prolonged low interest rate environment here in Canada. With this increase in the market value of apartments, there has been a significant decrease in the expected returns from the acquisition of existing multi-family rental properties to a level that warrants a measured allocation of capital to the area of new apartment development, particularly on excess land Boardwalk REIT currently owns. Accordingly, the Trust has pursued new apartment development on some of its excess density or newly acquired land. Despite a rise in interest rates, market value of apartments has remained consistent as the increased demand for rental housing has led to NOI growth.

The balance of housing supply relative to demand is a risk factor for operating and financial performance. In addition, housing supply may be impacted by changes to government policy, immigration, and potential tariffs, which affects the demand for product and costs for resources for housing. The potential for reduced rental revenue exists in the event that Boardwalk REIT is not able to competitively optimize occupancy levels or rental rates in an increased competitive housing environment. Boardwalk REIT attempts to minimize these risks by, among other things, focusing on Resident Member satisfaction, diversifying and upgrading its portfolio, and self-regulating rental adjustments.

Interest Risk is the combined risk that the Trust would experience a loss as a result of its exposure to a higher interest rate environment (Interest Rate Risk) and the possibility that at the term end of a mortgage the Trust would be unable to renew the maturing debt with either the existing or an additional lender (Renewal Risk).

The Trust continues to manage interest risk by maintaining a balanced maturing portfolio with no significant amount coming due in any one particular period. In addition, the majority of Boardwalk REIT's debt is insured with NHA insurance. This insurance allows us to increase the overall credit quality of the mortgage and, as such, enables the Trust to obtain preferential interest rates as well as facilitating easier renewal on its due dates.

The use of NHA insurance also assists Boardwalk REIT in managing its renewal risk. Given the increased credit quality of such debt, the probability of the Trust being unable to renew the maturing debt or transfer this debt to another accredited lending institution is significantly reduced.

To date, the Trust has had no problem obtaining mortgage renewals on term maturing loans, and additional funds, if needed, continue to be available on its investment properties. The previous low interest rate environment had allowed the Trust to renew its existing maturing mortgages at favourable interest rates, however, as a result of inflation, interest rates have significantly increased from where they previously were during 2021 and at the beginning of 2022. As such, financing costs over the near to medium term are expected to increase.

Currently, the Canadian government has capped the securitization guarantee-in-force for CMHC at $1,000 billion. This primarily affects the amount of portfolio or bulk insurance CMHC offers to banks, and, to date, has had a minimal impact on the renewal of Boardwalk's mortgages, or the cost of secured debt capital. However, there is no assurance the cap on the amount of CMHC insurance will not affect mortgages for multi-family residential properties in future periods.

If any changes are made by the Government of Canada on the NHA insurance product, such changes could have a negative impact on the Trust. However, it is management of the Trust's understanding that any change to the cap would not affect any pre-existing insurance agreements. Over 96% of Boardwalk's secured debt has this insurance on it with an average of 31 years of amortization remaining. The larger risk to the Trust may be the ability to issue new secured debt under this program at a much lower cost due to the use of this insurance, the proceeds of which the Trust uses to assist in the execution of its overall strategy.

Joint Arrangements and Co-ownerships

Boardwalk participates in joint arrangements and partnerships that may involve risks and uncertainties associated with third-party involvement, including, but not limited to, Boardwalk's dependency on partners, co-tenants or co-venturers that are not under our control and that might compete with Boardwalk for opportunities, become bankrupt or otherwise fail to fund their share of required capital contributions, or suffer reputational damage that could have an adverse impact on the Trust. Additionally, our partners might at any time have economic or other business interests or goals that are different than or inconsistent with those of the Trust and may require Boardwalk to take actions that are in the interest of the partners collectively, but not in Boardwalk's sole best interests. Accordingly, Boardwalk may not be able to favourably resolve issues with respect to such decisions, or the Trust could become engaged in a dispute with any of them that might affect its ability to operate the business or assets in question.

Structural Subordination

Liabilities of a parent entity with assets held by various subsidiaries may result in the structural subordination of the lenders of the parent entity. The parent entity is entitled only to the residual equity of its subsidiaries after all debt obligations of its subsidiaries are discharged. In the event of bankruptcy, liquidation or reorganization of the Trust, holders of indebtedness of the Trust may become subordinate to lenders to the subsidiaries of the Trust.

Certain subsidiaries of the Trust provide a form of guarantee pursuant to which a trustee will, subject to the documentation governing the guarantee, be entitled to seek redress from such subsidiaries for the guaranteed indebtedness. These guarantees are intended to eliminate structural subordination, which arises as a consequence of the Trust's assets being held in various subsidiaries. Although all subsidiaries, which own material assets, have provided a guarantee, not all subsidiaries of the Trust provide such a guarantee. In addition, there can be no assurance such a trustee will, or will be able to, effectively enforce the guarantee.

Rent Control Risk is the risk of the implementation or amendment of new or existing legislative rent controls in the markets Boardwalk REIT operates, which may have an adverse impact on the Trust's operations.

Under Ontario's rent control legislation, commonly known as "rent de-control", a landlord is entitled to increase the rent for existing tenants once every 12 months by no more than the "guideline amount" established by regulation. For the calendar years 2024 and 2025, the guideline amounts were established at 2.5% for both years, and for 2026 the guideline amount is set at 2.1%. Further details on Ontario's Annual Rental Increase Guidelines can be found at https://www.ontario.ca/page/residential-rent-increases. This adjustment is meant to take into account the income of the building, the municipal and school taxes, the insurance bills, the energy costs, maintenance, and service costs. Landlords may apply to the Ontario Rental Housing Tribunal for an increase above the guideline amounts if annual costs for heat, hydro, water, or municipal taxes have increased significantly, or if building security costs have increased. In April 2017, the Ontario Government introduced legislation that would expand rent control to all rental suites. Previously, rent control in Ontario applied only to rental suites constructed before November 1, 1991. The new legislation did not have a material impact on Boardwalk, as almost all of its Ontario properties were built prior to November 1, 1991. When a suite is vacated, however, the landlord is entitled to lease the suite to a new tenant at any rental amount, after which annual increases are limited to the applicable guideline amount. The landlord may also be entitled to a greater increase in rent for a suite under certain circumstances, including, for example, where extra expenses have been incurred as a result of a renovation of that suite. In November 2018, the Ontario Government removed such rent control for new residential suites that were not previously occupied before November 15, 2018.

Under Quebec's rent control legislation, a landlord is entitled to increase the rent for existing tenants once a year for the rent period starting after April 1st of the year but before April 1st of the following year. There is no fixed rate increase specified by the regulation. Rent increases also take into account a return on capital expenditures (for 2025 this return is 4.7% compared to 4.8% for 2024 and compared to 3.8% for 2023), if such expenditures were incurred, and an indexing of the net income of the building. For multi-family residential buildings, average rent increase estimates for the period starting after April 2, 2025, and before April 1 2026, before any consideration for increases to municipal and school taxes as well as capital expenditures, are: 2.9% for electricity heated dwellings, -5.8% for gas heated dwellings, and -2.9% for oil heated dwellings, plus 6.9%, 4.5%, and 8.2% to cover the cost of maintenance, service, and management contracts, respectively. Tools to calculate the Quebec rent increase can be found at https://www.tal.gouv.qc.ca/en/calculation-for-rent-increase.

Under British Columbia's rent control legislation, a landlord is entitled to increase the rent for existing tenants once per year with the 2026 rate being 2.3% (2025 rate was 3.0%).

Currently, Alberta and Saskatchewan do not have rent control legislation, nor is such legislation planned to management of the Trust's knowledge. In Alberta, rent increases are limited to once per year, but there is no limit on the amount of the increase. Similarly, in Saskatchewan, prescribed landlords like the Trust can increase rent every six months after the first 12 months of the tenancy start date.

To manage this risk prior to entering a market where rent controls are in place, an extensive amount of time is spent researching the existing rules, and, where possible, the Trust will ensure it employs Associates who are experienced in working in these controlled environments. In addition, the Trust adjusts forecast assumptions on new acquisitions to ensure they are reasonable given the rent control environment.

Utility and Property Tax Risk relates to the potential loss the Trust may experience as a result of higher resource prices as well as its exposure to significant increases in property taxes.

Over the past few years, property taxes have increased as a result of re-valuations of municipal properties and their adherent tax rates. For Boardwalk, these re-valuations have resulted in significant increases in some property assessments due to enhancements, which are not represented on our balance sheet (as such representations are contrary to existing IFRS Accounting Standards). To address this risk, Boardwalk REIT has compiled a specialized team of property reviewers who, with the assistance of outside authorities, constantly review property tax assessments and, where warranted, appeal them.

Utility expenses, mainly consisting of water, natural gas and electricity charges, have been subject to considerable price fluctuations over the past several years. In recent years, water and sewer costs have increased significantly as another form of "taxes" imposed by various municipalities. Any significant increase in these resource costs that Boardwalk REIT cannot pass on to the Resident Member may have a negative material impact on the Trust. To mitigate this risk, the Trust has begun to play a more active role in controlling the fluctuation and predictability of this risk. Through the combined use of financial instruments and resource contracts with varying maturity dates, exposure to these fluctuations has been reduced. In addition to this, the following steps have been implemented:

- Where possible, economical sub-metering devices or a ratio utility billing system are being implemented, passing on the responsibility for utility charges to the end Resident Member; and
- In other cases, rents have been, or will be, adjusted upward to cover these increased costs.

Operational Risk is the risk that a direct or indirect loss may result from an inadequate or failed technology, from a human process, or from external events. The impact of this loss may be financial loss, loss of reputation, or legal and regulatory proceedings.

The Trust endeavors to minimize losses in this area by ensuring that effective infrastructure and controls exist. These controls are constantly reviewed and improvements are implemented, if deemed necessary.

Aging Portfolio Risk relates to the decrease in demand for Boardwalk's asset portfolio due to the age of the asset.

Boardwalk's primary exposure to aging portfolio risk relates to an increase in demand for new product. This risk is mitigated partially due to the fact that older assets tend to be in more desired locations and tend to have larger suite sizes. In addition, Boardwalk mitigates this risk through its value-added capital upgrades and property re-positioning.

CERTAIN TAX RISKS

SIFT Legislation

Management of the Trust believe the Trust currently qualifies as a "mutual fund trust" and a "real estate investment trust" for Canadian income tax purposes. If the Trust were not to qualify the consequences could be material and adverse. The Tax Act contains the SIFT Legislation, which tax certain publicly traded or listed trusts in a manner similar to corporations and tax certain distributions from such trusts as taxable dividends from a taxable Canadian corporation. The SIFT Legislation applies to a trust that is a "SIFT trust" and a partnership that is a "SIFT partnership", each as defined in the Tax Act. Distributions paid by a specified investment flow-through ("SIFT") trust as return of capital will generally not be subject to tax. The SIFT Legislation is not applicable to a real estate investment trust that meets the REIT Exemption conditions relating to the nature of its assets and revenue. Unless the Trust qualifies for exclusion from the definition of "SIFT trust" in the Tax Act (i.e., REIT Exemption), the SIFT Legislation could impact the level of cash distributions which would otherwise be made by the Trust and the taxation of such distributions to Unitholders. If the Trust were to no longer qualify for the REIT Exemption, it would not be able to flow through its taxable income to Unitholders and the Trust would therefore be subject to tax. The REIT Exemption is applied on an annual basis. As such, it will not be possible to determine if the Trust will satisfy the conditions of the REIT Exemption for 2026 or any subsequent year until the end of the particular year.

Management of the Trust believes that each direct or indirect subsidiary of the Trust that is a partnership or trust currently qualifies as an excluded subsidiary entity (as defined in the Tax Act) for Canadian income tax purposes. If any subsidiary were to not so qualify, the SIFT Legislation could apply to such entities. The SIFT Legislation (if such rules were to apply) may have an adverse impact on the Trust, on the Unitholders, on the value of the Trust Units and on the ability of the Trust to undertake financings and acquisitions, and if the SIFT Legislation were to apply, the distributable cash of the Trust may be materially reduced. The effect of the SIFT Legislation, if such rules were to apply, on the market for the Trust Units is uncertain. The DOT provides that a sufficient amount of Boardwalk REIT's net income and net realized capital gains will be distributed each year to Unitholders, in cash or otherwise, in order to eliminate Boardwalk REIT's liability for tax under Part I of the Tax Act. Where such amount of net income and net realized capital gains of Boardwalk REIT in a taxation year exceeds the cash available for distribution in the year, such excess net income and net realized capital gains will be distributed to Unitholders in the form of additional Trust Units. Unitholders will generally be required to include an amount equal to the fair market value of those Trust Units in their taxable income, in circumstances where they do not directly receive a cash distribution.

Limits on Interest Deductibility

Under the Tax Act, the excessive interest and financing expenses limitation rules (the "EIFEL Rules"), where applicable, limit the deductibility of certain interest and financing expenses. Under the EIFEL Rules, for taxation years beginning on or after October 1, 2023, the amount of net interest and financing expenses incurred by a Canadian resident corporation or trust that is not an "excluded entity" (as defined in the Tax Act), whether incurred directly or through a partnership, that may be deducted in computing its income for Canadian income tax purposes will generally be limited to no more than a fixed ratio of its adjusted taxable income, which is intended to reflect the taxable income generated by its activities in Canada. If the EIFEL Rules apply to the REIT, the income of the REIT for Canadian income tax purposes may be increased which could change the taxable component of Distributions to Unitholders and have an adverse impact on the after tax return of a Unitholder and on the value of Trust Units in the REIT. The EIFEL Rules may also apply to a corporation or trust held directly or indirectly by the REIT. Management of the REIT intends to monitor the EIFEL Rules and assess their potential impact, if any, on the REIT. Unitholders who make a leveraged investment in Trust Units of the REIT should consult their own tax advisors on this matter.

Change of Tax Laws

There can be no assurance that Canadian tax laws, the judicial interpretation thereof, the terms of any income tax treaty applicable to the Trust or its affiliates or the administrative policies and assessing practices of the CRA will not change in a manner that adversely affects the Trust, its affiliates or Unitholders. Any such change could affect the Trust's eligibility for the REIT Exemption, increase the amount of tax payable by the Trust or its affiliates, or otherwise adversely affect Unitholders by reducing the amount available to pay distributions or changing the tax treatment applicable to Unitholders in respect of such distributions.

In addition, tax authorities having jurisdiction over the Trust, its affiliates or Unitholders may disagree with the manner in which the Trust calculates its income for tax purposes or could change their administrative practices to the Trust's detriment or the detriment of Unitholders. Boardwalk files all required income tax returns and believes that it is in full compliance with the applicable tax legislation. However, such returns are subject to audit and reassessment by the applicable taxation authority. Any such reassessment may have an impact on current and future taxes payable and incur penalties and interest on such amounts payable which could be material.

Boardwalk REIT has received notices of reassessment dated February 28, 2024, from the CRA increasing the Trust's taxable income for its taxation years ended December 31, 2011, 2012, 2013, and 2014, respectively, on the basis that the Trust did not report deemed taxable capital gains in each of those taxation years resulting from alleged negative adjusted cost base in the Trust's units of Top Hat Operating Trust, a trust 100% owned by Boardwalk REIT. Management of the Trust assessed the implications of the CRA notices of reassessment and filed an objection on May 24, 2024, with the CRA Appeals Division as it disagrees with the CRA's proposed assessment. It is the opinion of the Trust that it will not be required to pay any amount to the CRA in order to dispute this matter. Furthermore, it is the Trust's opinion that should a payment be required to settle this matter, provided the Trust continues to remain eligible for the REIT Exemption, it will not be required to pay any income taxes payable as the Trust distributes all taxable income to its Unitholders. It is difficult to estimate the amount of time it could take to resolve the dispute with the CRA Appeals Division and it is possible that an appeal to the Tax Court of Canada could be required in order to resolve this dispute. Further, the position adopted by the CRA in its reassessment may have implications for other taxation years resulting in additional taxes, penalties and interest payable which, in aggregate, could be material. Any reassessment that cannot be successfully challenged could increase the amount of tax payable by the Trust, its affiliates or any Unitholders during the applicable taxation years of the Trust, adversely affect Unitholders by reducing the amount available to pay distributions, or otherwise adversely affect the Trust or the Unitholders. Please refer to the section titled "Other Income and Expenses – Income Tax Expense" in this MD&A for more information.

RISKS ASSOCIATED WITH DISCLOSURE CONTROLS AND PROCEDURES & INTERNAL CONTROL OVER FINANCIAL REPORTING

Our business could be adversely impacted if we have deficiencies in our disclosure controls and procedures ("DC&P") or internal control over financial reporting ("ICFR").

The design and effectiveness of our DC&P and ICFR may not prevent all errors, misstatements, or misrepresentations. While management continues to review the design and effectiveness of our DC&P and ICFR, we cannot assure you that our DC&P or ICFR will be effective in accomplishing all control objectives all of the time. Deficiencies, particularly material weaknesses, in ICFR which may occur in the future could result in misstatements of our results of operations, restatements of our financial statements, a decline in our Trust Unit price, or otherwise materially adversely affect our business, reputation, results of operations, financial condition, or liquidity. Additionally, controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override. The design of any control system is also based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving its stated goals under all potential conditions. Projections of any evaluations of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Accounting and Control Matters

CRITICAL ACCOUNTING POLICIES

The Trust adopted IFRS Accounting Standards as its basis of financial reporting, effective January 1, 2011. The material accounting policies adopted by the Trust are included in NOTE 2 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024.

The preparation of the audited annual consolidated financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates under different assumptions and conditions. In determining estimates, management uses the information available to the Trust at the time. Management reviews key estimates on a quarterly basis to determine their appropriateness. Any change to these estimates is applied prospectively in compliance with IFRS Accounting Standards. We believe that the application of judgements and assessments is consistently applied and produces financial information that fairly depicts the results of operations for all periods presented. Boardwalk REIT considers the following policies to be critical in determining the judgements that are involved in the preparation of the audited annual consolidated financial statements and the uncertainties that could affect the reported results.

(a) Investment Properties

Investment properties consist of multi-family residential properties held to earn rental income and properties being constructed or developed for future use to earn rental income, and include interests held under long-term operating land leases. Investment properties are measured initially at cost (which is equivalent to fair value). Cost includes all amounts relating to the acquisition (excluding transaction costs related to a business combination) and improvement of the properties. All costs associated with upgrading and extending the economic life of the existing facilities, other than ordinary repairs and maintenance, are capitalized to investment property. Included in these costs are internal amounts that are directly attributable to a specific investment property, which are capitalized to the extent that they upgrade or extend the economic life of the asset.

Subsequent to initial recognition, investment properties are recorded at fair value, in accordance with IAS 40. Fair value is determined based on a combination of internal and external processes and valuation techniques. Gains or losses arising from differences between current period fair value and the sum of previously measured fair value and capitalized costs as described above are recorded in profit or loss in the period in which they arise. The fair value of an investment property held by a lessee as a right-of-use asset reflects expected cash flows (including variable lease payments) that are expected to become payable. Accordingly, if the valuation obtained for an investment property is net of all payments expected to be made, it will be necessary to add back any recognized lease liability, to arrive at the carrying amount of the investment property using the fair value model.

Properties owned by the Trust where a significant portion of the property is used for administrative purposes by the Trust are considered “Property, Plant and Equipment” and, therefore, fall within the scope of IAS 16 and are recorded in accordance with that standard. Where part of a building is used for administrative purposes by the Trust, but this portion is considered insignificant, this space is included as part of Investment Property under IAS 40.

Investment properties are reclassified to “Assets Held for Sale” when the criteria set out in IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations (“IFRS 5”) are met (see NOTE 2(i)) to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024).

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Prior to its disposal, the carrying value of the investment property is adjusted to reflect its fair value as outlined in the purchase and sale agreement (as the purchase and sale agreement is the best evidence of fair value). This adjustment shall be recorded as a fair value gain or loss. Any remaining gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Excess land represents land owned by the Trust located contiguous to land included as investment property. For some of the Trust's excess land, the Trust has the ability to develop additional multi-family residential buildings on this land or sell it separately from the investment property at a later date. Excess land is held for capital appreciation and, therefore, is treated as Investment Property and recorded in accordance with IAS 40 as outlined above. When determining the fair value of a project with excess land, the capitalization rate used in determining the value is adjusted accordingly.

(b) Properties Under Development

Properties under development include new development on excess land density or acquired land, redevelopment or repositioning of buildings the Trust currently owns that require substantial renovations, and incomplete apartment suites acquired from third parties that will take 12 months or longer to complete. The cost of land, if applicable, and buildings under development or redevelopment (consisting of development sites, density or intensification rights and related infrastructure) are specifically identifiable costs incurred in the period before construction is complete. Capitalized costs include pre-construction costs essential to the development or redevelopment of the property, construction costs, borrowing costs directly attributable to the development, real estate taxes, and other costs incurred during the period of development or redevelopment. Additions to investment properties consist of costs of a capital nature and, in the case of properties under development and/or redevelopment, capitalized interest. Directly attributable borrowing costs are also capitalized on land or properties acquired specifically for development or redevelopment when activities necessary to prepare the asset for development or redevelopment are in progress in accordance with IAS 23 – Borrowing Costs. Where borrowings are associated with specific developments, the amount capitalized is the total cost incurred on those borrowings.

The capitalization of borrowing costs commences when the activities necessary to prepare an asset for development or redevelopment begins, and continues until the date that substantially all of the construction is complete and all necessary occupancy and related permits have been received, whether or not the space is leased. If the Trust is required, as a condition of a lease, to construct tenant improvements that enhance the value of the property, then capitalization of costs continues until such improvements are completed. Capitalization ceases if there is a prolonged period where development activity is interrupted.

Properties under active development are generally valued at market land values, if applicable, plus costs invested to date. Where significant leasing and construction is in place and the future income stream is reasonably determinable, the valuation methodology used is similar to that of revenue-producing properties, less estimates of future capital outlays, construction and development costs, to determine a net "as-is" market value. Development risks such as planning, zoning, licenses, and building permits are considered in the valuation process. Properties not under active development, such as land parcels held for future development, are valued based on comparable sales of land. Significant increases (decreases) in construction costs, cost escalation rates, and estimated time to complete construction in isolation would result in a significantly lower (higher) fair value for properties under development.

(c) Property, Plant and Equipment

Tangible assets that are held for use in the production or supply of goods and services, or for administrative purposes, and are expected to be used during more than one period, except when another accounting standard requires or permits a different accounting treatment, are recorded in accordance with IAS 16 using the cost model. IAS 16, therefore, excludes tangible assets that are accounted for in accordance with IFRS 5 and IAS 40 (see NOTE 2(f) to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024).

In accordance with IAS 16, the cost model, after initial recognition of the property, plant and equipment, requires the tangible asset to be carried at its cost less accumulated depreciation and any accumulated impairment losses. Depreciation is recognized in a manner that reflects the pattern in which the future economic benefits of the tangible asset are expected to be consumed and realized by the Trust. The amount of depreciation will be charged systematically to the consolidated statement of comprehensive income and is the cost less residual value of the asset over its useful economic life. IAS 16 also requires that the cost and useful economic life of each significant component of a tangible asset be determined based on the circumstances of each tangible asset. The method of depreciation, residual values, and estimates of the useful economic life of a tangible asset, or other property, plant and equipment, are reviewed at each financial year-end and any changes are accounted for as a change in accounting estimate in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

Property, Plant and Equipment ("PP&E") is valued using the cost model under IAS 16. PP&E is categorized into the following classes and their respective useful economic life is used to calculate the amount of depreciation or amortization for each period. Categories of PP&E with the same or similar useful lives are included in the same class.

PP&E Class	PP&E Category	Useful Life / Depreciation Rate	Depreciation Method Used
Administrative building	Administrative building	40 years	Straight-line
Site equipment	Site equipment and other assets	15%	Declining balance
Automobiles	Site equipment and other assets	20%	Declining balance
Warehouse and corporate assets	Site equipment and other assets	10% to 20%	Declining balance
Computer hardware	Corporate technology assets	35%	Declining balance
Computer software [(1)]	Corporate technology assets	35%	Declining balance

(1) In addition to the purchase of software from external sources, the Trust capitalizes certain programmers' salaries related to internally developed software applications used in the normal course of operations of Boardwalk REIT. The programmers' work is directly attributable to software development.

(d) Assets Held for Sale

Assets are classified as assets held for sale in accordance with IFRS 5 when the Trust has committed to a plan to sell the asset, the properties are available for immediate sale in present condition, and the asset is actively marketed for sale at a price that is reasonable in relation to its estimated fair value. Investment properties transferred to assets held for sale will have carrying amounts that will be recovered principally through a sale, and continue to be held at fair value, in accordance with IAS 40. The Trust presents assets held for sale and their related liabilities separately from other assets and liabilities on the consolidated statements of financial position and in the notes to the consolidated financial statements beginning from the period in which they were first classified as held for sale.

(e) Leases

The Trust as a Lessee

The Trust assesses whether a contract is, or contains, a lease at inception of the contract. The Trust recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Trust recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Trust uses its incremental borrowing rate. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made (see NOTE 2(o) to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024, for definition of effective interest method).

The Trust remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate; or
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured either at fair value (in the case of right-of-use assets which are considered part of investment properties) or at cost less accumulated depreciation and impairment losses (for right-of-use assets which are considered property, plant and equipment). Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The Trust applied IAS 36 – Impairment of Assets to determine whether a right-of-use asset is impaired.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments and are included in operating expenses in the consolidated statement of comprehensive income.

As a practical expedient, IFRS 16 – Leases ("IFRS 16") permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Trust has used this practical expedient on those contracts (warehouse space and office space) which contain both lease and non-lease components.

The Trust as a Lessor

The Trust enters into lease agreements as a lessor with respect to its investment properties. Leases for which the Trust is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. As the Trust has retained substantially all of the risks and benefits of ownership of its investment properties, it accounts for leases with its tenants as operating leases. As operating leases, lease payments are recognized as revenue when the tenant has a right to use the leased asset. The leased asset is recognized in the consolidated statements of financial position according to the nature of the underlying asset.

(f) Taxation

For fiscal 2025 and 2024, Boardwalk REIT qualified as a "mutual fund trust" as defined under the Tax Act and as a real estate investment trust eligible for the REIT Exemption in accordance with the rules affecting the tax treatment of publicly traded trusts. Accordingly, the Trust is not taxable on its income provided that all of its taxable income is distributed to Unitholders. This exemption does not, however, extend to the corporate subsidiaries of Boardwalk REIT that are subject to income tax. The Trust establishes provisions for taxes when, despite the belief that its tax positions are fully supportable, it is probable that its positions may be challenged and disallowed by the relevant tax authorities. The consolidated tax expense (recovery) and related accruals include the impact of such reasonably estimated disallowances as deemed appropriate. To the extent that the probable tax outcome of these matters changes, such changes in estimates will impact the income tax expense (recovery) in the period in which such determination is made.

Current Tax

The tax currently payable, if any, is based on taxable profit for the year for certain corporate subsidiaries of the Trust. Taxable profit differs from profit as reported in the consolidated statements of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Trust's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the audited annual consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax liabilities are generally recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits, and unused tax losses, to the extent that it is probable that deductions, tax credits, and tax losses can be utilized. The carrying amounts of deferred income tax assets are reviewed at each reporting date and reduced to the extent it is no longer probable that the income tax assets will be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability settled, based on tax rates and laws that have been enacted or substantively enacted at the reporting date. In addition, deferred income tax assets and liabilities are measured using the rate that is consistent with the expected manner of recovery (i.e. using the asset versus selling the asset). Where applicable, current and deferred income taxes relating to items recognized directly in equity or comprehensive income are also recognized directly in equity or comprehensive income, respectively.

(g) Provisions

In accordance with IAS 37 – Provisions, contingent liabilities and contingent assets, a provision is a liability of uncertain timing or amount. Provisions are recognized when the entity has a present legal or constructive obligation as a result of past events and when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discounted rate that reflects current market assessment of the time value of money and the risks and uncertainties specific to the obligation. Provisions are remeasured at each reporting date using the current discount rate. The increase in the provision due to the passage of time is recognized as a financing cost.

(h) Unit-based Payments

Deferred unit-based payments to employees and Board of Trustees are measured at the fair value of the deferred unit at the grant date and expensed over the vesting period based on the Trust's estimate of the deferred units that will actually vest, unless earlier recognition is triggered in certain events. At the end of each reporting period, the Trust revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss prospectively such that the cumulative expense reflects the revised estimate. In accordance with IFRS 2 – Share-based payments ("IFRS 2"), the deferred units are presented as a liability on the Consolidated Statements of Financial Position as the Trust is obliged to provide the holder with Trust Units once the deferred units vest. Under IFRS 2, the deferred units are measured at each reporting period at fair value with changes in fair value recognized in the consolidated statements of comprehensive income. Fair value of the deferred units is calculated based on the observable market price of Boardwalk REIT's Trust Units.

(i) Revenue Recognition

(i) Rental Revenue

The Trust has retained substantially all of the risks and benefits of ownership of its investment properties, and, therefore, accounts for leases with its tenants as operating leases. Revenue recognition under a lease commences when the tenant has a right to use the leased asset. Generally, this occurs on lease inception date when the tenant occupies their leased space. Rental revenue is recognized systematically over the term of the lease, which is generally not more than 12 months. Any suite specific incentives offered or initial direct costs incurred in negotiating and arranging an operating lease are also amortized over the term of the operating lease. Rental revenue is recorded based on the amount received or to be received in accordance with the operating lease.

Lease revenue earned directly from leasing the asset is recognized and measured in accordance with IFRS 16. In addition to revenue generated directly from the operating lease, rental revenue includes non-lease revenue earned from the tenant, which is recognized and measured under IFRS 15 – Revenue from Contracts with Customers ("IFRS 15"). Non-lease revenue includes parking revenue, other service revenue and fees, and recovery of certain operating costs, including retirement services and cable (internet and television). These revenues are recognized when earned.

IFRS 15 requires revenue recognized from customer contracts (non-lease components) to be disclosed separately from its other sources of revenue (NOTE 18 and NOTE 29 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024).

(ii) Building Sales

The gain or loss from the sale of an investment property is recognized when title passes to the purchaser (control is transferred) upon closing at which time all or substantially all of the funds are receivable, or have been received, and the conditions of the sale have been completed.

(iii) Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest income is accrued on a time basis when earned, by reference to the principal outstanding and at the effective interest rate applicable.

(j) Financial Instruments and Derivatives

Financial instruments and derivatives are accounted for, presented, and disclosed in accordance with IFRS 7 – Financial Instruments: Disclosures ("IFRS 7"), IFRS 9 and IAS 32 – Financial Instruments: Presentation ("IAS 32"). Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

Financial assets are classified and measured on the basis of the Trust's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. As such, after initial recognition, financial assets are classified and measured based on three categories: (i) amortized cost, (ii) fair value through other comprehensive income (FVTOCI), or (iii) fair value through profit and loss (FVTPL). The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition. Financial assets are classified as at FVTPL when the financial asset either is held for trading or is designated as at FVTPL. Financial assets categories are defined and measured as follows:

Classification	Definition	Measurement
Amortized cost	Debt instrument is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.	Measured at amortized cost using the effective interest rate method less any expected credit loss. [(1)(2)]
FVTOCI	Debt instrument is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.	Stated at fair value, with gains or losses arising on measurement recognized in other comprehensive income.
FVTPL	Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically, investments in equity instruments or debt instruments which do not meet the amortized cost or FVTOCI definitions.	Measured at fair value, with gains or losses recognized in profit or loss.

(1) The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

(2) Financial assets, other than those at FVTPL, are required to use an expected credit loss impairment model. The expected credit loss model requires the Trust to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in the credit risk since initial recognition of the financial asset. It results in an allowance for estimated credit losses being recorded on financial assets regardless of whether there has been an actual loss event.

Boardwalk REIT's financial assets are as follows:

Financial Asset	Classification and Measurement
Loan receivable	FVTPL
Trade and other receivables	Amortized cost
Segregated tenants' security deposits	Amortized cost
Cash and cash equivalents	Amortized cost

The Trust derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial Liabilities and Equity

Debt and equity instruments issued are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Trust are recognized at the proceeds received, net of direct issue costs. Repurchase of Boardwalk REIT's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the Trust's own equity instruments. Distributions paid on the Trust's equity instruments subsequent to, declared prior to, and with a record date at or prior to, the reporting date, are recorded as a liability.

Financial liabilities are classified and measured as either amortized cost or FVTPL. Financial liabilities categories are defined and measured as follows:

Classification	Definition	Measurement
FVTPL	Classified as FVTPL when the financial liability is either held for trading or it is designated as at FVTPL as discussed below:	
	Classified as held for trading if: it has been acquired principally for the purpose of repurchasing it in the near term; or, on initial recognition, it is part of a portfolio of identified financial instruments that the Trust manages together and has a recent actual pattern of short-term profit taking; or, it is a derivative that is not designated and effective as a hedging instrument.	Stated at fair value, with gains or losses arising on measurement recognized in profit or loss.
	Classified as FVTPL upon initial recognition if: such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or the financial liability forms part of a group which is managed and its performance is evaluated on a fair value basis; or it forms part of a contract containing one or more embedded derivatives.	Stated at fair value, with gains or losses arising on measurement recognized in profit or loss.
Amortized cost	All other liabilities.	Measured at amortized cost using the effective interest method. (1)

(1) The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Boardwalk REIT's financial liabilities are as follows:

Financial Liability	Classification and Measurement
Mortgages payable	Amortized cost
LP Class B Units	FVTPL
Construction loan payable	Amortized cost
Refundable tenants' security deposits	Amortized cost
Trade and other payables	Amortized cost

The Trust derecognizes a financial liability when, and only when, the Trust's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivatives

The Trust may enter into a variety of derivative financial instruments to manage its exposure to interest rate risks, including interest rate swaps and bond forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently measured at their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives embedded in host contracts are treated as separate derivatives when their risks and characteristics are not closely related to the host contracts and the host contracts are not measured at FVTPL. For the years ended December 31, 2025 and 2024, the Trust had no embedded derivatives requiring separate recognition.

(k) Cash and Cash Equivalents

Cash is comprised of bank balances, interest-earning bank accounts, and term deposits with maturities of 90 days or less.

(l) Critical Judgment in Applying Accounting Policies

The following are the critical judgements, apart from those involving estimations (see NOTE 2(r) to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024), that have been made in applying the Trust's accounting policies and that have the most significant effect on the reported amounts in the audited annual consolidated financial statements:

(i) Investment Property and Internal Capital Program

The Trust's accounting policy relating to investment property is described in NOTE 2(f) to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024. In applying this policy, judgment is applied in determining the appropriate classes of investment properties, which impacts the appropriate Cap Rate used in order to measure fair value. The Trust also undertakes internal capital improvements and upgrades. Such work is specifically identified, and the Trust applies judgment in the estimated amount of directly attributable on-site wages to be allocated to capital improvements and upgrades of its real estate assets.

(ii) Taxation Provisions

The Trust's accounting policy relating to provisions is described in (g) above. In applying this policy, judgement is applied in determining if the Trust has a present legal or constructive obligation as a result of past events and if it is probable that an outflow of resources will be required to settle the obligation and if the amount can be reliably estimated. For uncertain tax items no provision has been recorded based on the interpretation of tax legislation. Due to the uncertainty associated with such tax items, there is a possibility that, on conclusion of open matters at a future date, the final outcome may differ significantly from the Trust's judgements or estimates. Please refer to NOTE 22 for additional details.

(m) Material Accounting Estimates and Assumptions

Below are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Actual results could differ from estimates.

(i) Investment Properties

The choice of valuation method for fair valuing and the critical estimates and assumptions underlying the fair value determination of investment properties are set out in NOTE 4 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024. Significant estimates used in determining the fair value of the Trust's investment properties includes capitalization rates and NOI (which is influenced by market rents, vacancy rates, and standard costs) used in the overall capitalization rate valuation method as well as discount rates and forecasted cash flows used in the discounted cash flow valuation method. A change to any one of these inputs could materially alter the fair value of an investment property. Please refer to NOTE 4 to the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024, for sensitivity analysis.

(ii) Internal Capital Program

The Trust's internal capital program is based on internal allocations, including parts, supplies, and on-site wages identified as part of a specific upgrade or capital improvement. Elements included under the internal capital program are capitalized to investment properties.

FUTURE ACCOUNTING POLICIES

Boardwalk REIT monitors new IFRS Accounting Standards pronouncements to assess the applicability and impact, if any, these new pronouncements may have on the audited annual consolidated financial statements and note disclosures.

The following accounting standards under IFRS Accounting Standards have been issued or revised; however, they were not yet effective for the years ended December 31, 2025 and 2024, and, as such, have not been applied to the audited annual consolidated financial statements:

New or Amended Standards	Summary of Requirements	Possible Impact on Consolidated Financial Statements
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	Multiple amendments were made to these IFRS Accounting Standards. The amendments deal with the derecognition of a financial liability at the settlement date and when settled through electronic transfer. It also provides additional guidance regarding the classification of financial assets, as well as additional disclosure requirements for financial instruments with contingent features and equity instruments classified at FVTOCI. The effective date of the amendments is for annual reporting periods beginning or after January 1, 2026, however, earlier application is permitted.	The Trust is assessing the potential impact and does not expect any material impact on the consolidated financial statements.
IFRS 18 – Presentation and Disclosures in the Financial Statements	The new standard replaces IAS 1 regarding requirements for the presentation and disclosure of information in the general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity income and expenses. Specifically, it introduces requirements to classify income and expenses into categories and to include specified subtotals in the Statement of Profit or Loss, along with other enhanced guidance on the aggregation of information and mandatory disclosures about management-defined performance measures. The effective date of the amendments is for annual reporting periods beginning on or after January 1, 2027, and are to be applied retrospectively with earlier application permitted.	The Trust is assessing the impact of the new standard and expects some changes to the aggregation of information in the financial statements as well as the presentation of income and expenses in the Consolidated Statement of Comprehensive Income. In addition, the Trust expects to include increased disclosures on management-defined performance measures in the financial statements.
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The amendments deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The effective date of the amendments has yet to be set, however, earlier application is permitted.	The Trust is assessing the potential impact but does not expect any material impact on the consolidated financial statements.

IFRS ACCOUNTING STANDARDS

The Trust's audited annual consolidated financial statements have been prepared in accordance with IFRS Accounting Standards.

DISCLOSURE CONTROLS AND PROCEDURES ("DC&P") & INTERNAL CONTROL OVER FINANCIAL REPORTING

DC&P are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as applicable, on a timely basis so appropriate decisions can be made regarding public disclosure.

The preparation of this information is supported by a set of DC&P implemented by management. In fiscal 2025, these controls and procedures were reviewed and the effectiveness of their design and operation was evaluated. This evaluation confirmed the effectiveness of both the design and the operation of DC&P as at December 31, 2025. The evaluation was performed in accordance with the Committee of Sponsoring Organizations of the Treadway Commission control framework adopted by the Trust and the requirements of National Instrument 52-109 of the Canadian Securities Administrators titled, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109").

There were no changes made to our DC&P during the year ended December 31, 2025. Boardwalk REIT continues to review the design of DC&P to provide reasonable assurance that material information relating to Boardwalk REIT is properly communicated to certifying officers responsible for establishing and maintaining DC&P, as those terms are defined in NI 52-109.

As at December 31, 2025, Boardwalk REIT can confirm the effectiveness of both the design and the operation of its ICFR to provide reasonable assurance regarding the reliability of financial statements and information. Boardwalk REIT may, from time to time, make changes aimed at enhancing their effectiveness and ensuring that our systems evolve with our business. There were no changes made in our ICFR during the year ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, our ICFR, which have been designed using the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

2026 Financial Outlook and Market Guidance

As is customary, the Trust is providing its outlook and financial guidance for the upcoming 2026 fiscal year as part of its year end results. The Trust's 2026 objectives are as follows:

Description	2026 Guidance	2025 Actual
Same Property NOI Growth	+1.5% to +4.5%	9.0%
Profit	N/A	$196,868
FFO [1][2]	N/A	$248,498
AFFO [1][2]	N/A	$214,886
FFO per Unit [2]	$4.65 to $4.90	$4.65
AFFO per Unit [2]	$3.99 to $4.24 utilizing a Maintenance CAPEX of $1,009/suite/year	$4.02 utilizing a Maintenance CAPEX of $979/suite/year

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

In deriving these forecasts, the Trust has adjusted for the treatment of the LP Class B Units to be treated as equity (versus debt under IFRS Accounting Standards) and their related treatment of the distributions paid (which are classified as financing costs under IFRS Accounting Standards).

This information is forward-looking and actual results may vary materially from those reported. One of the key estimates is the performance of the Trust's same properties. Any significant change in assumptions deriving "Same property NOI performance" would have a material effect on the final reported amount. The Trust reviews these key assumptions quarterly and, based on this review, may change its outlook on a going-forward basis. Please refer to the section titled "General and Forward-Looking Statements Advisory – Forward-Looking Statements Advisory" in this MD&A.

In addition to the above financial guidance for 2026, the Board of Trustees approved the 2026 Capital Budget as follows:

Capital Budget *($000's)*	2026 Budget	Per Suite	2025 Actual	Per Suite
Maintenance CAPEX	$ 34,896	$ 1,009	$ 33,612	$ 979
Value-add capital	113,854	3,293	105,413	3,070
Investment in capital assets	$ 148,750	$ 4,302	$ 139,025	$ 4,049
Development of investment properties	$ 10,085		$ 41,065	

In total, the Trust expects to invest $148.8 million (or $4,302 per suite) in capital assets in 2026, compared to $139.0 million (or $4,049 per suite) actually spent in 2025. The Trust has estimated its Maintenance Capital Expenditures for 2026 at $1,009 per suite per year, compared to $979 per suite per year in 2025, using a three-year rolling average. Additionally, for 2026, Boardwalk is estimating $10.1 million will be spent on development of investment properties.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following selected financial information should be read in conjunction with this MD&A and the audited annual consolidated financial statements for the years ended December 31, 2025 and 2024, and the applicable unaudited condensed consolidated interim financial statements of the Trust for the various quarterly interim periods, which are available under the Trust's profile at www.sedarplus.ca.

The consolidated statements of comprehensive income and consolidated statements of financial position information set forth in the following tables has been derived from the audited annual consolidated financial statements referred to above and the unaudited condensed consolidated interim financial statements of the Trust for various quarterly interim periods.

Annual Comparative *(Cdn$ Thousands, except per Unit amount)*	Year Ended Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2023
Rental revenue	**$ 638,638**	$ 603,293	$ 545,658
Profit	**196,868**	588,218	666,099
FFO [1][2]	**248,498**	225,848	181,353
Profit per Trust Unit			
– Basic	**$ 4.02**	$ 11.91	$ 14.54
– Diluted	**$ 3.84**	$ 10.41	$ 14.54
FFO per Unit [2]			
– Basic	**$ 5.07**	$ 4.57	$ 3.96
– Diluted	**$ 4.65**	$ 4.18	$ 3.60
Mortgages payable [3]	**3,490,395**	3,286,081	3,318,417
Total assets	**8,994,844**	8,626,490	8,141,876
Regular Distributions per Unit [4]	**$ 1.590**	$ 1.395	$ 1.155
Number of suites [5]	**34,576**	34,405	34,029
Rentable square feet (000's)	**29,991**	29,829	29,515

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.
(3) Excludes mortgages related to assets held for sale for December 31, 2024 and 2025.
(4) Regular Distributions per Unit represent the regular distributions declared during the year.
(5) Includes 183 suites related to the Trust's joint venture in Brampton, Ontario.

Variations on an annual basis are primarily attributable to reported fair value gains/losses. Please refer to the section titled "Executive Summary – Financial Performance Summary" for additional details.

Quarterly Comparative *(Cdn$ Thousands, except per Unit amount)*	Three Months Ended							
	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024
Rental revenue	**$ 164,852**	$ 160,772	$ 157,306	$ 155,708	$ 155,565	$ 153,413	$ 149,067	$ 145,248
(Loss) profit	**(50,792)**	37,606	76,304	133,750	65,924	55,419	159,154	307,721
FFO [(1)(2)]	**64,001**	65,948	61,861	56,688	58,543	60,185	56,085	51,035
(Loss) profit per Trust Unit								
– Basic	**$ (1.04)**	$ 0.77	$ 1.56	$ 2.73	$ 1.33	$ 1.12	$ 3.22	$ 6.23
– Diluted	**$ (1.30)**	$ 0.66	$ 1.56	$ 2.73	$ (0.57)	$ 1.12	$ 2.33	$ 6.23
FFO per Unit [(2)]	**$ 1.20**	$ 1.23	$ 1.16	$ 1.06	$ 1.08	$ 1.11	$ 1.04	$ 0.95

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

Variations in the quarterly comparative results presented above are primarily attributable to reported fair value gains/losses on investment properties and the LP Class B Units, and from seasonality in total rental expenses in the first and fourth quarters when demand for natural gas is at the highest. Please refer to the section titled "Executive Summary – Financial Performance Summary" for additional details.

Additional Information

Additional information relating to Boardwalk Equities Inc. and Boardwalk REIT, including the AIF, is available under the Trust's profile on SEDAR+ at www.sedarplus.ca.

Independent Auditor's Report

To the Unitholders and Board of Trustees of Boardwalk Real Estate Investment Trust

OPINION

We have audited the consolidated financial statements of Boardwalk Real Estate Investment Trust (the "Trust"), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in unitholder's equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Fair Value of Investment Properties – Refer to Notes 2(f) and 4 of the Financial Statements

Key Audit Matter Description

The Trust has elected the fair value model for all investment properties and accordingly measures all investment properties at fair value subsequent to initial recognition on the statement of financial position. The Trust uses a combination of internal and external processes and valuation techniques to estimate fair value based on a number of inputs.

While several inputs are required to determine the fair value of the investment properties, the assumptions with the highest degree of subjectivity and impact on fair values are the forecast of rental income and capitalization rates. Auditing these assumptions required a high degree of auditor judgment as the estimations made by management are subject to a high degree of estimation uncertainty. This resulted in an increased extent of audit effort, including the need to involve fair value specialists.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecast of rental income and capitalization rates used to determine the fair value of the investment properties included the following, among others:

- Evaluated the effectiveness of controls over determination of investment properties' fair value, including those over the determination of the forecast of rental income and capitalization rates.
- Evaluated the reasonableness of management's forecast of rental income by comparing management's forecast with historical results, internal communications to management and the Board of Trustees, contractual information and market rents at the valuation date, where applicable.
- With the assistance of fair value specialists, evaluated the reasonableness of capitalization rates by developing a range of estimates based on recent market transactions and industry surveys and comparing them to the capitalization rates selected by management.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis and the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Trust as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor’s report is Andrew Coutts.

/s/ Deloitte LLP

Chartered Professional Accountants

Calgary, Alberta
February 18, 2026

Consolidated Statements of Financial Position

(CDN $ THOUSANDS)

	Note	Dec. 31, 2025	Dec. 31, 2024
ASSETS			
Non-current assets			
Investment properties	4	$ 8,694,906	$ 8,238,024
Equity accounted investment	6	38,936	52,984
Other	7	35,853	34,291
		8,769,695	8,325,299
Current assets			
Loan receivable	6	-	58,170
Assets held for sale	5	84,000	80,000
Other	7	44,056	40,613
Cash and cash equivalents	9	97,093	122,408
		225,149	301,191
Total Assets		$ 8,994,844	$ 8,626,490
LIABILITIES			
Non-current liabilities			
Mortgages payable	10	$ 2,603,747	$ 2,661,345
Lease liabilities	11	72,100	72,671
Deferred government grant		2,616	2,994
		2,678,463	2,737,010
Current liabilities			
Mortgages payable	10	886,648	624,736
Lease liabilities	11	3,597	3,210
LP Class B Units	12	270,816	283,664
Construction loan payable	13	72,353	1,478
Liabilities related to assets held for sale	5	38,982	21,817
Other	14	125,826	117,766
		1,398,222	1,052,671
Total Liabilities		4,076,685	3,789,681
Equity			
Unitholders' equity	17	4,918,159	4,836,809
Total Equity		4,918,159	4,836,809
Total Liabilities and Equity		$ 8,994,844	$ 8,626,490

See accompanying notes to these consolidated financial statements.

On behalf of the Trust:

[signed]

SAM KOLIAS
Trustee

[signed]

GARY GOODMAN
Trustee

Consolidated Statements of Comprehensive Income

(CDN $ THOUSANDS)

	Note	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Rental revenue	18	$ 638,638	$ 603,293
Rental expenses			
Operating expenses		113,059	109,617
Utilities		53,175	55,969
Property taxes		54,843	55,373
Total rental expenses		221,077	220,959
Net operating income		417,561	382,334
Financing costs	19	128,367	121,161
Administration		45,860	44,791
Deferred unit-based compensation	15	4,743	5,374
Depreciation	8	8,857	8,318
Profit before the undernoted		229,734	202,690
(Loss) income from equity accounted investment	6	(2,693)	13,226
Loss on sale of assets	20	(9,875)	-
Fair value (losses) gains, net	21	(24,948)	359,888
Interest income		4,621	12,498
Profit before income tax		196,839	588,302
Income tax recovery (expense)	16	29	(84)
Profit		196,868	588,218
Other comprehensive income		-	-
Total comprehensive income		$ 196,868	$ 588,218

See accompanying notes to these consolidated financial statements.

Consolidated Statements of Changes in Unitholders' Equity

	Trust Units	Cumulative Profit (Loss)	Cumulative Distributions to Unitholders	Retained Earnings	Total Unitholders' Equity
Balance, December 31, 2023	$ 452,043	$ 5,513,187	$ (1,645,158)	$ 3,868,029	$ 4,320,072
Trust Units issued for vested deferred units	3,754	-	-	-	3,754
Trust Units purchased and cancelled	(2,058)	(8,069)	-	(8,069)	(10,127)
Trust Units issued on exchange of LP Class B Units	3,809	-	-	-	3,809
Total comprehensive income	-	588,218	-	588,218	588,218
Distributions	-	-	(68,917)	(68,917)	(68,917)
Balance, December 31, 2024	$ 457,548	$ 6,093,336	$ (1,714,075)	$ 4,379,261	$ 4,836,809
Trust Units issued for vested deferred units	6,256	-	-	-	6,256
Trust Units purchased and cancelled	(13,570)	(44,751)	-	(44,751)	(58,321)
Trust Units issued on exchange of LP Class B Units	14,426	-	-	-	14,426
Total comprehensive income	-	196,868	-	196,868	196,868
Distributions	-	-	(77,879)	(77,879)	(77,879)
Distribution in Units	69,472	-	(69,472)	(69,472)	-
Balance, December 31, 2025	**$ 534,132**	**$ 6,245,453**	**$(1,861,426)**	**$ 4,384,027**	**$ 4,918,159**

See accompanying notes to these consolidated financial statements.

Consolidated Statements of Cash Flows

(CDN $ THOUSANDS)

	Note	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Operating activities			
Profit		$ 196,868	$ 588,218
Loss on sale of assets	20	9,875	-
Financing costs	19	128,367	121,161
Interest paid		(119,641)	(113,123)
Deferred unit-based compensation	15	4,743	5,374
Loss (income) from equity accounted investment	6	2,693	(13,226)
Fair value losses (gains), net	21	24,948	(359,888)
Income tax (recovery) expense	16	(29)	84
Income tax received (paid)		15	(14)
Government grant amortization		(378)	(378)
Depreciation	8	8,857	8,318
		256,318	236,526
Net change in operating working capital	28	3,508	4,674
Cash flow from operating activities		259,826	241,200
Investing activities			
Purchase of investment properties, net of financing	4	(285,230)	(108,956)
Investment in capital assets	28	(139,025)	(133,427)
Development of investment properties	4	(41,065)	(53,719)
Loan receivable	6	58,170	(58,170)
Net cash proceeds from sale of investment properties	20	235,063	-
Return of capital from equity accounted investment	6	11,355	-
Net change in investing working capital	28	1,002	2,644
Cash flow used in investing activities		(159,730)	(351,628)
Financing activities			
Distributions paid	28	(77,219)	(67,810)
Trust Units purchased and cancelled	17	(58,321)	(10,127)
Proceeds from mortgage financings		167,097	60,300
Mortgage payments upon refinancing		(22,196)	-
Mortgage principal repayments		(78,641)	(75,282)
Mortgages discharged on sale of investment properties		(109,444)	-
Proceeds from construction loan financing	13	70,875	1,478
Deferred financing costs incurred		(13,796)	(3,173)
Principal repayments on lease liabilities		(3,457)	(3,275)
Net change in financing working capital	28	(309)	(479)
Cash flow used in financing activities		(125,411)	(98,368)
Net decrease in cash		(25,315)	(208,796)
Cash and cash equivalents, beginning of year		122,408	331,204
Cash and cash equivalents, end of year	9	$ 97,093	$ 122,408

See accompanying notes to these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the Years Ended, December 31, 2025 and 2024

(Tabular amounts in Cdn $ thousands, except number of units and per unit amounts UNLESS OTHERWISE STATED)

NOTE 1: ORGANIZATION OF THE TRUST

Boardwalk Real Estate Investment Trust ("Boardwalk REIT" or the "Trust") is an unincorporated, open-ended real estate investment trust created pursuant to the Declaration of Trust ("DOT"), dated January 9, 2004, and as amended and restated on various dates between May 3, 2004 and May 6, 2024, under the laws of the Province of Alberta. Boardwalk REIT was created to invest in multi-family residential investment properties or similar interests, initially through the acquisition of the assets and operations of Boardwalk Equities Inc. (the "Corporation"), which was acquired on May 3, 2004. Boardwalk REIT Trust Units (or "Trust Units") are listed on the Toronto Stock Exchange under the symbol 'BEI.UN'. The registered office of the Trust and its head office operations are located at First West Place, Suite 200, 1501 1st Street SW, Calgary, Alberta, T2R 0W1.

NOTE 2: MATERIAL ACCOUNTING POLICIES

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

(b) Basis of Presentation

The Trust's consolidated financial statements have been prepared on the historical cost basis, except for investment properties, assets held for sale, and certain financial instruments that are measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. These consolidated financial statements were prepared on a going concern basis and have been presented in Canadian dollars rounded to the nearest thousand. The accounting policies set out below have been applied consistently in all material respects. Standards and guidelines not effective for the current accounting period are described in NOTE 3.

(c) Basis of Consolidation

These consolidated financial statements include the accounts of the Trust and its consolidated subsidiaries which are the entities over which Boardwalk REIT has control. Control is achieved when the entity has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns. The Trust reassesses whether or not it controls an investee if facts, circumstances, and events indicate that there are changes to one or more of the three elements of control listed above.

In accordance with IFRS 10 – Consolidated Financial Statements ("IFRS 10"), an entity can exercise control on a basis other than ownership of voting interests. When the Trust has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Trust considers all relevant facts and circumstances in assessing whether or not the Trust's voting rights in an investee are sufficient to give it power. These facts and circumstances can include: the size of the Trust's holding of voting rights relative to the size and dispersion of holdings of the other vote holders; potential voting rights held by the Trust, other vote holders or other parties; rights arising from contractual arrangements; and any other additional facts or circumstances.

Currently, the Trust has control over all of the subsidiaries reported in the consolidated financial statements (either directly or indirectly) and non-controlling interests either do not exist or are immaterial for the Trust at this time. All intra-group transactions, balances, revenues and expenses eliminate on consolidation.

(d) Interest in Joint Operations

In accordance with IFRS 11 – Joint Arrangements ("IFRS 11"), a joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The Trust records only its share of the assets, liabilities, and share of the revenue and expenses of the joint operation. The assets, liabilities, revenue and expenses of joint operations are included within the respective line items of the consolidated statements of financial position and consolidated statements of comprehensive income.

(e) Interest in Associates and Joint Ventures

In accordance with IAS 28 – Investments in associates and joint ventures ("IAS 28"), an associate is defined as an entity over which the investor has significant influence, however the investor does not have control or joint control. Significant influence generally arises when an entity holds, directly or indirectly, 20% or more of the voting power of the investee. Significant influence is usually evidenced by representation on the board of directors or equivalent of the investee, participation in policy-making processes, material transactions between the entity and its investee, interchange of managerial personnel, or provision of essential technical information.

In accordance with IFRS 11, a joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

Investments in associates and joint ventures are accounted for using the equity method. Under the equity method, the investment is initially recorded at cost, and the carrying amount is increased or decreased to recognize the investor's share of profit or loss of the investee after the date of acquisition. The Trust's share of the investee's profit or loss is recognized in the Trust's profit or loss. Distributions received from an investee reduce the carrying amount of the investment.

(f) Investment Properties

Investment properties consist of multi-family residential properties held to earn rental income and properties being constructed or developed for future use to earn rental income, and include interests held under long-term operating land leases. Investment properties are measured initially at cost (which is equivalent to fair value). Cost includes all amounts relating to the acquisition (excluding transaction costs related to a business combination) and improvement of the properties. All costs associated with upgrading and extending the economic life of the existing facilities, other than ordinary repairs and maintenance, are capitalized to investment property. Included in these costs are internal amounts that are directly attributable to a specific investment property, which are capitalized to the extent that they upgrade or extend the economic life of the asset.

Subsequent to initial recognition, investment properties are recorded at fair value, in accordance with IAS 40 – Investment Property ("IAS 40"). Fair value is determined based on a combination of internal and external processes and valuation techniques. Gains or losses arising from differences between current period fair value and the sum of previously measured fair value and capitalized costs as described above are recorded in profit or loss in the period in which they arise. The fair value of an investment property held by a lessee as a right-of-use asset reflects expected cash flows (including variable lease payments) that are expected to become payable. Accordingly, if the valuation obtained for an investment property is net of all payments expected to be made, it will be necessary to add back any recognized lease liability, to arrive at the carrying amount of the investment property using the fair value model.

Properties owned by the Trust where a significant portion of the property is used for administrative purposes by the Trust are considered "Property, Plant and Equipment" and, therefore, fall within the scope of IAS 16 – Property, Plant and Equipment ("IAS 16") and are recorded in accordance with that standard. Where part of a building is used for administrative purposes by the Trust, but this portion is considered insignificant, this space is included as part of Investment Property under IAS 40.

Investment properties are reclassified to “Assets Held for Sale” when the criteria set out in IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations (“IFRS 5”) are met (see NOTE 2(i)).

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Prior to its disposal, the carrying value of the investment property is adjusted to reflect its fair value as outlined in the purchase and sale agreement (as the purchase and sale agreement is the best evidence of fair value). This adjustment shall be recorded as a fair value gain or loss. Any remaining gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Excess land represents land owned by the Trust located contiguous to land included as investment property. For some of the Trust's excess land, the Trust has the ability to develop additional multi-family residential buildings on this land or sell it separately from the investment property at a later date. Excess land is held for capital appreciation and, therefore, is treated as investment property and recorded in accordance with IAS 40 as outlined above. When determining the fair value of a project with excess land, the capitalization rate used in determining the value is adjusted accordingly.

(g) Properties Under Development

Properties under development include new development on excess land density or acquired land, redevelopment or repositioning of buildings the Trust currently owns that require substantial renovations, and incomplete apartment suites acquired from third parties that will take 12 months or longer to complete. The cost of land, if applicable, and buildings under development or redevelopment (consisting of development sites, density or intensification rights and related infrastructure) are specifically identifiable costs incurred in the period before construction is complete. Capitalized costs include pre-construction costs essential to the development or redevelopment of the property, construction costs, borrowing costs directly attributable to the development, real estate taxes, and other costs incurred during the period of development or redevelopment. Additions to investment properties consist of costs of a capital nature and, in the case of properties under development and/or redevelopment, capitalized interest. Directly attributable borrowing costs are also capitalized on land or properties acquired specifically for development or redevelopment when activities necessary to prepare the asset for development or redevelopment are in progress in accordance with IAS 23 – Borrowing Costs. Where borrowings are associated with specific developments, the amount capitalized is the total cost incurred on those borrowings.

The capitalization of borrowing costs commences when the activities necessary to prepare an asset for development or redevelopment begins, and continues until the date that substantially all of the construction is complete and all necessary occupancy and related permits have been received, whether or not the space is leased. If the Trust is required, as a condition of a lease, to construct tenant improvements that enhance the value of the property, then capitalization of costs continues until such improvements are completed. Capitalization ceases if there is a prolonged period where development activity is interrupted.

Properties under active development are generally valued at market land values, if applicable, plus costs invested to date. Where significant leasing and construction is in place and the future income stream is reasonably determinable, the valuation methodology used is similar to that of revenue-producing properties, less estimates of future capital outlays, construction and development costs, to determine a net “as-is” market value. Development risks such as planning, zoning, licenses, and building permits are considered in the valuation process. Properties not under active development, such as land parcels held for future development, are valued based on comparable sales of land. Significant increases (decreases) in construction costs, cost escalation rates, and estimated time to complete construction in isolation would result in a significantly lower (higher) fair value for properties under development.

(h) Property, Plant and Equipment

Tangible assets that are held for use in the production or supply of goods and services, or for administrative purposes, and are expected to be used during more than one period, except when another accounting standard requires or permits a different accounting treatment, are recorded in accordance with IAS 16 using the cost model. IAS 16, therefore, excludes tangible assets that are accounted for in accordance with IFRS 5 (see NOTE 2(i)) and IAS 40 (see NOTE 2(f)).

In accordance with IAS 16, the cost model, after initial recognition of the property, plant and equipment, requires the tangible asset to be carried at its cost less accumulated depreciation and any accumulated impairment losses. Depreciation is recognized in a manner that reflects the pattern in which the future economic benefits of the tangible asset are expected to be consumed and realized by the Trust. The amount of depreciation will be charged systematically to the consolidated statement of comprehensive income and is the cost less residual value of the asset over its useful economic life. IAS 16 also requires that the cost and useful economic life of each significant component of a tangible asset be determined based on the circumstances of each tangible asset. The method of depreciation, residual values, and estimates of the useful economic life of a tangible asset, or other property, plant and equipment, are reviewed at each financial year-end and any changes are accounted for as a change in accounting estimate in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

Property, Plant and Equipment ("PP&E") is valued using the cost model under IAS 16. PP&E is categorized into the following classes and their respective useful economic life is used to calculate the amount of depreciation or amortization for each period. Categories of PP&E with the same or similar useful lives are included in the same class.

PP&E Class	PP&E Category (NOTE 8)	Useful Life / Depreciation Rate	Depreciation Method Used
Administrative building	Administrative building	40 years	Straight-line
Site equipment	Site equipment and other assets	15%	Declining balance
Automobiles	Site equipment and other assets	20%	Declining balance
Warehouse and corporate assets	Site equipment and other assets	10% to 20%	Declining balance
Computer hardware	Corporate technology assets	35%	Declining balance
Computer software [(1)]	Corporate technology assets	35%	Declining balance

(1) In addition to the purchase of software from external sources, the Trust capitalizes certain programmers' salaries related to internally developed software applications used in the normal course of operations of Boardwalk REIT. The programmers' work is directly attributable to software development.

(i) Assets Held for Sale

Assets are classified as assets held for sale in accordance with IFRS 5 when the Trust has committed to a plan to sell the asset, the properties are available for immediate sale in present condition, and the asset is actively marketed for sale at a price that is reasonable in relation to its estimated fair value. Investment properties transferred to assets held for sale will have carrying amounts that will be recovered principally through a sale, and continue to be held at fair value, in accordance with IAS 40. The Trust presents assets held for sale and their related liabilities separately from other assets and liabilities on the consolidated statements of financial position and in the notes to the consolidated financial statements beginning from the period in which they were first classified as held for sale.

(j) Leases

The Trust as a Lessee

The Trust assesses whether a contract is, or contains, a lease at inception of the contract. The Trust recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Trust recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Trust uses its incremental borrowing rate. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made (see NOTE 2(o)) for definition of effective interest method).

The Trust remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate; or
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured either at fair value (in the case of right-of-use assets which are considered part of investment properties) or at cost less accumulated depreciation and impairment losses (for right-of-use assets which are considered property, plant and equipment). Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The Trust applied IAS 36 – Impairment of Assets to determine whether a right-of-use asset is impaired.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments and are included in operating expenses in the consolidated statement of comprehensive income.

As a practical expedient, IFRS 16 – Leases (“IFRS 16”) permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Trust has used this practical expedient on those contracts (warehouse space and office space) which contain both lease and non-lease components.

The Trust as a Lessor

The Trust enters into lease agreements as a lessor with respect to its investment properties. Leases for which the Trust is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. As the Trust has retained substantially all of the risks and benefits of ownership of its investment properties, it accounts for leases with its tenants as operating leases. As operating leases, lease payments are recognized as revenue when the tenant has a right to use the leased asset. The leased asset is recognized in the consolidated statements of financial position according to the nature of the underlying asset.

(k) Taxation

For fiscal 2025 and 2024, Boardwalk REIT qualified as a "mutual fund trust" as defined under the Income Tax Act (Canada) (the "Tax Act") and as a Real Estate Investment Trust ("REIT") eligible for the 'REIT Exemption' in accordance with the rules affecting the tax treatment of publicly traded trusts. Accordingly, the Trust is not taxable on its income provided that all of its taxable income is distributed to Unitholders. This exemption, however, does not extend to the corporate subsidiaries of Boardwalk REIT that are subject to income tax. The Trust establishes provisions for taxes when, despite the belief that its tax positions are fully supportable, it is probable that its positions may be challenged and disallowed by the relevant tax authorities. The consolidated tax expense (recovery) and related accruals include the impact of such reasonably estimated disallowances as deemed appropriate. To the extent that the probable tax outcome of these matters changes, such changes in estimates will impact the income tax expense (recovery) in the period in which such determination is made.

Current Tax

The tax currently payable, if any, is based on taxable profit for the year for certain corporate subsidiaries of the Trust. Taxable profit differs from profit as reported in the consolidated statements of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Trust's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred income tax liabilities are generally recognized for all taxable temporary differences. Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits, and unused tax losses, to the extent that it is probable that deductions, tax credits, and tax losses can be utilized. The carrying amounts of deferred income tax assets are reviewed at each reporting date and reduced to the extent it is no longer probable that the income tax assets will be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability settled, based on tax rates and laws that have been enacted or substantively enacted at the reporting date. In addition, deferred income tax assets and liabilities are measured using the rate that is consistent with the expected manner of recovery (i.e. using the asset versus selling the asset). Where applicable, current and deferred income taxes relating to items recognized directly in equity or comprehensive income are also recognized directly in equity or comprehensive income, respectively.

(l) Provisions

In accordance with IAS 37 – Provisions, contingent liabilities and contingent assets ("IAS 37"), a provision is a liability of uncertain timing or amount. Provisions are recognized when the entity has a present legal or constructive obligation as a result of past events and when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discounted rate that reflects current market assessment of the time value of money and the risks and uncertainties specific to the obligation. Provisions are remeasured at each reporting date using the current discount rate. The increase in the provision due to the passage of time is recognized as a financing cost.

(m) Unit-based Payments

Deferred unit-based payments to employees and Board of Trustees are measured at the fair value of the deferred unit at the grant date and expensed over the vesting period based on the Trust's estimate of the deferred units that will actually vest, unless earlier recognition is triggered in certain events. At the end of each reporting period, the Trust revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss prospectively such that the cumulative expense reflects the revised estimate. In accordance with IFRS 2 – Share-based payments ("IFRS 2"), the deferred units are presented as a liability on the Consolidated Statements of Financial Position as the Trust is obliged to provide the holder with Trust Units once the deferred units vest. Under IFRS 2, the deferred units are measured at each reporting period at fair value with changes in fair value recognized in the consolidated statements of comprehensive income. Fair value of the deferred units is calculated based on the observable market price of Boardwalk REIT's Trust Units.

(n) Revenue Recognition

(i) Rental Revenue

The Trust has retained substantially all of the risks and benefits of ownership of its investment properties, and, therefore, accounts for leases with its tenants as operating leases. Revenue recognition under a lease commences when the tenant has a right to use the leased asset. Generally, this occurs on lease inception date when the tenant occupies their leased space. Rental revenue is recognized systematically over the term of the lease, which is generally not more than 12 months. Any suite specific incentives offered or initial direct costs incurred in negotiating and arranging an operating lease are also amortized over the term of the operating lease. Rental revenue is recorded based on the amount received or to be received in accordance with the operating lease.

Lease revenue earned directly from leasing the asset is recognized and measured in accordance with IFRS 16. In addition to revenue generated directly from the operating lease, rental revenue includes non-lease revenue earned from the tenant, which is recognized and measured under IFRS 15 – Revenue from Contracts with Customers ("IFRS 15"). Non-lease revenue includes parking revenue, other service revenue and fees, and recovery of certain operating costs, including retirement services and cable (internet and television). These revenues are recognized when earned.

IFRS 15 requires revenue recognized from customer contracts (non-lease components) to be disclosed separately from its other sources of revenue (NOTE 18 and NOTE 29).

(ii) Building Sales

The gain or loss from the sale of an investment property is recognized when title passes to the purchaser (control is transferred) upon closing at which time all or substantially all of the funds are receivable, or have been received, and the conditions of the sale have been completed.

(iii) Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest income is accrued on a time basis when earned, by reference to the principal outstanding and at the effective interest rate applicable.

(o) Financial Instruments and Derivatives

Financial instruments and derivatives are accounted for, presented, and disclosed in accordance with IFRS 7 – Financial Instruments: Disclosures ("IFRS 7"), IFRS 9 – Financial Instruments ("IFRS 9") and IAS 32 – Financial Instruments: Presentation ("IAS 32"). Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets

Financial assets are classified and measured on the basis of the Trust's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. As such, after initial recognition, financial assets are classified and measured based on three categories: (i) amortized cost, (ii) fair value through other comprehensive income (FVTOCI), or (iii) fair value through profit and loss (FVTPL). The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition. Financial assets are classified as at FVTPL when the financial asset either is held for trading or is designated as at FVTPL. Financial assets categories are defined and measured as follows:

Classification	Definition	Measurement
Amortized cost	Debt instrument is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.	Measured at amortized cost using the effective interest rate method less any expected credit loss. (1)(2)
FVTOCI	Debt instrument is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.	Stated at fair value, with gains or losses arising on measurement recognized in other comprehensive income.
FVTPL	Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically, investments in equity instruments or debt instruments which do not meet the amortized cost or FVTOCI definitions.	Measured at fair value, with gains or losses recognized in profit or loss.

(1) The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

(2) Financial assets, other than those at FVTPL, are required to use an expected credit loss impairment model. The expected credit loss model requires the Trust to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in the credit risk since initial recognition of the financial asset. It results in an allowance for estimated credit losses being recorded on financial assets regardless of whether there has been an actual loss event.

Boardwalk REIT's financial assets are as follows:

Financial Asset	Classification and Measurement
Loan receivable	FVTPL
Trade and other receivables	Amortized cost
Segregated tenants' security deposits	Amortized cost
Cash and cash equivalents	Amortized cost

The Trust derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial Liabilities and Equity

Debt and equity instruments issued are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Trust are recognized at the proceeds received, net of direct issue costs. Repurchase of Boardwalk REIT's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the Trust's own equity instruments. Distributions paid on the Trust's equity instruments subsequent to, declared prior to, and with a record date at or prior to, the reporting date, are recorded as a liability.

Financial liabilities are classified and measured as either amortized cost or FVTPL. Financial liabilities categories are defined and measured as follows:

Classification	Definition	Measurement
FVTPL	Classified as FVTPL when the financial liability is either held for trading or it is designated as at FVTPL as discussed below:	
	Classified as held for trading if: it has been acquired principally for the purpose of repurchasing it in the near term; or, on initial recognition, it is part of a portfolio of identified financial instruments that the Trust manages together and has a recent actual pattern of short-term profit taking; or, it is a derivative that is not designated and effective as a hedging instrument.	Stated at fair value, with gains or losses arising on measurement recognized in profit or loss.
	Classified as FVTPL upon initial recognition if: such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or the financial liability forms part of a group which is managed and its performance is evaluated on a fair value basis; or it forms part of a contract containing one or more embedded derivatives.	Stated at fair value, with gains or losses arising on measurement recognized in profit or loss.
Amortized cost	All other liabilities.	Measured at amortized cost using the effective interest method. (1)

(1) The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Boardwalk REIT's financial liabilities are as follows:

Financial Liability	Classification and Measurement
Mortgages payable	Amortized cost
LP Class B Units	FVTPL
Construction loan payable	Amortized cost
Refundable tenants' security deposits	Amortized cost
Trade and other payables	Amortized cost

The Trust derecognizes a financial liability when, and only when, the Trust's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivatives

The Trust may enter into a variety of derivative financial instruments to manage its exposure to interest rate risks, including interest rate swaps and bond forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently measured at their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Derivatives embedded in host contracts are treated as separate derivatives when their risks and characteristics are not closely related to the host contracts and the host contracts are not measured at FVTPL. For the years ended December 31, 2025 and 2024, the Trust had no embedded derivatives requiring separate recognition.

(p) Cash and Cash Equivalents

Cash is comprised of bank balances, interest-earning bank accounts, and term deposits with maturities of 90 days or less.

(q) Critical Judgement in Applying Accounting Policies

The following are the critical judgements, apart from those involving estimations (see NOTE 2(r) below), that have been made in applying the Trust's accounting policies and that have the most significant effect on the reported amounts in the consolidated financial statements:

(i) Investment Property and Internal Capital Program

The Trust's accounting policy relating to investment property is described in NOTE 2(f) above. In applying this policy, judgement is applied in determining the appropriate classes of investment properties, which impacts the appropriate capitalization rate ("Cap Rate") used in order to measure fair value. The Trust also undertakes internal capital improvements and upgrades. Such work is specifically identified, and the Trust applies judgement in the estimated amount of directly attributable on-site wages to be allocated to capital improvements and upgrades of its real estate assets.

(ii) Taxation Provisions

The Trust's accounting policy relating to provisions is described in NOTE 2(l) above. In applying this policy, judgement is applied in determining if the Trust has a present legal or constructive obligation as a result of past events and if it is probable that an outflow of resources will be required to settle the obligation and if the amount can be reliably estimated. As outlined in NOTE 22, no provision has been recorded for the Trust's dispute with the CRA for uncertain tax items based on the interpretation of tax legislation. Due to the uncertainty associated with such tax items, there is a possibility that, on conclusion of open matters at a future date, the final outcome may differ significantly from the Trust's judgements or estimates.

(r) Material Accounting Estimates and Assumptions

Below are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Actual results could differ from estimates.

(i) Investment Properties

The choice of valuation method for fair valuing and the critical estimates and assumptions underlying the fair value determination of investment properties are set out in NOTE 4. Significant estimates used in determining the fair value of the Trust's investment properties includes capitalization rates and net operating income (which is influenced by market rents, vacancy rates, and standard costs) used in the overall capitalization rate valuation method as well as discount rates and forecasted cash flows used in the discounted cash flow valuation method. A change to any one of these inputs could materially alter the fair value of an investment property. Please refer to NOTE 4 for sensitivity analysis.

(ii) Internal Capital Program

The Trust's internal capital program is based on internal allocations, including parts, supplies, and on-site wages identified as part of a specific upgrade or capital improvement. Elements included under the internal capital program are capitalized to investment properties.

NOTE 3: FUTURE ACCOUNTING POLICIES

The following accounting standards under IFRS Accounting Standards have been issued or revised; however, they are not yet effective for the years ended December 31, 2025 and 2024, and, as such, have not been applied to these consolidated financial statements:

New or Amended Standards	Summary of Requirements	Possible Impact on Consolidated Financial Statements
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	Multiple amendments were made to these IFRS Accounting Standards. The amendments deal with the derecognition of a financial liability at the settlement date and when settled through electronic transfer. It also provides additional guidance regarding the classification of financial assets, as well as additional disclosure requirements for financial instruments with contingent features and equity instruments classified at FVTOCI. The effective date of the amendments is for annual reporting periods beginning or after January 1, 2026, however, earlier application is permitted.	The Trust is assessing the potential impact but does not expect any material impact on the consolidated financial statements.
IFRS 18 – Presentation and Disclosures in the Financial Statements	The new standard replaces IAS 1 regarding requirements for the presentation and disclosure of information in the general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity income and expenses. Specifically, it introduces requirements to classify income and expenses into categories and to include specified subtotals in the Statement of Profit or Loss, along with other enhanced guidance on the aggregation of information and mandatory disclosures about management-defined performance measures. The effective date of the amendments is for annual reporting periods beginning on or after January 1, 2027, and are to be applied retrospectively with earlier application permitted.	The Trust is assessing the impact of the new standard and expects some changes to the aggregation of information in the financial statements as well as the presentation of income and expenses in the Consolidated Statement of Comprehensive Income. In addition, the Trust expects to include increased disclosures on management-defined performance measures in the financial statements.
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The amendments deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognized in the parent's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The effective date of the amendments has yet to be set, however, earlier application is permitted.	The Trust is assessing the potential impact but does not expect any material impact on the consolidated financial statements.

NOTE 4: INVESTMENT PROPERTIES

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Balance, beginning of year	$ 8,238,024	$ 7,702,214
Additions		
Building acquisitions	551,129	108,956
Building improvements (incl. internal capital program)	131,765	124,395
Development of investment properties [1]	41,065	53,719
Dispositions	(160,613)	-
Transferred to assets held for sale (NOTE 5)	(83,951)	(79,920)
Fair value (losses) gains, net (unrealized)	(22,513)	328,660
Balance, end of year	$ 8,694,906	$ 8,238,024

As at	Dec. 31, 2025	Dec. 31, 2024
Fair value of investment properties, before buildings valued at Level 2 inputs, right-of-use assets, and developments	$ 7,944,533	$ 7,932,173
Buildings valued at Level 2 inputs	513,475	108,956
Fair value, right-of-use assets (IFRS 16 – Leases)	70,119	71,181
Revenue producing properties	8,528,127	8,112,310
Properties under development	166,779	125,714
Total	$ 8,694,906	$ 8,238,024

(1) On June 13, 2024, the Trust purchased a parcel of land in Calgary, Alberta for a purchase price of $12.0 million. The acquisition was funded with cash on hand for planned development of new rental suites.

On December 17, 2025, the Trust acquired a property in Saskatoon, Saskatchewan. The property is comprised of 106 suites and was purchased for $39.0 million. The acquisition was funded with cash on hand of $10.5 million and the assumption of a mortgage of $28.5 million. The mortgage assumed had an in-place interest rate below market rate, resulting in a market debt adjustment totaling $0.5 million that was made to the cost of the acquisition.

On September 23, 2025, the Trust acquired a property in Laval, Quebec. The property is comprised of three towers totaling 541 suites and was purchased for $249.0 million. The acquisition was funded with cash on hand of $70.8 million and the assumption of mortgages totaling $178.2 million. The mortgages assumed had an in-place interest rate below market rate, resulting in a market debt adjustment totaling $8.1 million that was made to the cost of the acquisition.

On August 7, 2025, the Trust acquired a property in Calgary, Alberta. The property is comprised of 158 suites and was purchased for $62.0 million. The acquisition was funded with cash on hand of $34.9 million and the assumption of a mortgage of $27.1 million. The mortgage assumed had an in-place interest rate below market rate, resulting in a market debt adjustment totaling $0.4 million that was made to the cost of the acquisition.

On August 6, 2025, the Trust acquired the other 50% interest of the joint operation multi-residential rental property consisting of 162 suites known as BRIO, located in Calgary, Alberta. This acquisition now gives the Trust 100% ownership of Brio. The 50% interest was purchased off-market for $37.4 million and was funded with cash on hand of $15.0 million and the assumption of the vendor's portion of the mortgage of $22.4 million. No market debt adjustment was required as the Trust already held the other portion of the mortgage.

On July 23, 2025, the Trust acquired three properties, two of which are located in Saskatoon, Saskatchewan, and the other in Regina, Saskatchewan. The properties, totaling 235 suites, were purchased for $71.1 million. The acquisition was funded with cash on hand of $52.0 million and the assumption of mortgages totaling $19.1 million. The mortgages assumed had an in-place interest rate below market rate, resulting in a market debt adjustment totaling $0.4 million that was made to the cost of the acquisition.

On March 31, 2025, the Trust acquired a property in Calgary, Alberta. The property is comprised of 255 suites and was purchased using cash on hand for $93.0 million.

On November 18, 2024, the Trust acquired two adjacent properties in Calgary, Alberta. The properties, totaling 12 suites, were purchased using cash on hand for $3.1 million.

On June 24, 2024, the Trust acquired a property in Chestermere, Alberta and a property in Calgary, Alberta. The Chestermere property is comprised of 63 townhome suites and was purchased for $26.3 million. The Calgary property is comprised of 6 suites and was purchased for $1.9 million. Both properties were purchased using cash on hand.

On January 24, 2024, the Trust acquired a property in Calgary, Alberta. The property is comprised of 295 suites and was purchased using cash on hand for $77.6 million.

Building Acquisitions	**Year Ended Dec. 31, 2025**	Year Ended Dec. 31, 2024
Purchase price	**$ 551,755**	$ 108,988
Transaction costs	**8,833**	427
Market debt adjustment	**(9,459)**	-
Deficiency credit	**-**	(459)
Allocation of fair value to investment properties	**$ 551,129**	$ 108,956
Multi-family suites acquired	**1,377**	376

Purchase price	**$ 551,755**	$ 108,988
Transaction costs	**8,833**	427
Deficiency credit	**-**	(459)
Mortgage financing assumed	**(275,358)**	-
Net cash paid	**$ 285,230**	$ 108,956

Subsequent to initial recognition at cost, investment properties are recorded at fair value in accordance with IAS 40. Fair value is determined based on a combination of internal and external processes and valuation techniques. Fair value under IFRS Accounting Standards is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment properties are valued on a highest and best use basis. For all of the Trust's investment properties, the current use is considered to be the highest and best use. For the year ended December 31, 2025, there has been no change to the valuation techniques.

In determining the appropriate classes of investment properties in order to determine the fair value measurement, the Trust has considered the nature, characteristics, and risk of its properties. The classification of investment properties is based primarily on the geographical location of the asset, with the exception of properties situated on land leases. Below is a continuity schedule based on geography and segregating investment properties held on land leases:

	Year Ended December 31, 2025							
	Balance, Beginning of Year	Building Acquisitions	Improvements to Investment Properties	Development of Investment Properties	Dispositions (NOTE 20)	Transferred to Assets Held for Sale (NOTE 5)	Fair Value Gains (Losses)	Balance, End of Year
Alberta	$5,217,851	$ 192,730	$ 78,273	$ 630	$ (108,459)	$ (36,977)	$ 20,881	$5,364,929
British Columbia	242,018	-	342	40,431	-	-	(6,078)	276,713
Saskatchewan	770,244	109,716	18,661	4	-	-	14,935	913,560
Ontario	720,674	-	11,038	-	-	-	(16,302)	715,410
Quebec	427,536	248,683	7,610	-	(52,154)	(46,974)	62	584,763
Land leases	859,701	-	15,841	-	-	-	(36,011)	839,531
Total	$8,238,024	$ 551,129	$ 131,765	$ 41,065	$ (160,613)	$ (83,951)	$ (22,513)	$8,694,906

	Year Ended December 31, 2024							
	Balance, Beginning of Year	Building Acquisitions	Improvements to Investment Properties	Development of Investment Properties	Dispositions (NOTE 20)	Transferred to Assets Held for Sale (NOTE 5)	Fair Value Gains (Losses)	Balance, End of Year
Alberta	$ 4,827,914	$ 108,956	$ 72,302	$ 12,160	$ -	$ (48,943)	$ 245,462	$ 5,217,851
British Columbia	198,497	-	442	41,554	-	-	1,525	242,018
Saskatchewan	693,353	-	19,192	5	-	-	57,694	770,244
Ontario	723,770	-	11,584	-	-	-	(14,680)	720,674
Quebec	383,810	-	8,700	-	-	-	35,026	427,536
Land leases	874,870	-	12,175	-	-	(30,977)	3,633	859,701
Total	$ 7,702,214	$ 108,956	$ 124,395	$ 53,719	$ -	$ (79,920)	$ 328,660	$ 8,238,024

Investment properties measured at fair value in the consolidated statements of financial position are categorized by level according to the significance of the inputs used in making the measurements. The levels of inputs are defined as follows:

Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs: Inputs other than quoted prices included within Level 1 that are observable for the asset or the liability, either directly or indirectly.

Level 3 inputs: Unobservable inputs for the asset or liability.

The Trust's policy is to recognize transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. As at December 31, 2025, all of the Trust's investment properties were Level 3 inputs, except the buildings acquired in 2025 and assets held for sale (NOTE 5) which were valued at Level 2 inputs as they are valued based on unconditional purchase and sale agreements between two willing market participants. For investment properties measured at fair value as at December 31, 2025, and December 31, 2024, transfers into and out of Level 3 fair value measurements include the following:

(i) There were four investment properties transferred during the year ended December 31, 2025, from Level 3 into Level 2 fair value measurements and are included in assets held for sale. The fair value of these four investment properties as at December 31, 2025, using Level 2 inputs totaled $84.0 million (December 31, 2024 – $81.6 million valued using Level 3 inputs).

(ii) There were five investment properties transferred from Level 2 into Level 3 fair value measurements. The fair value of these five investment properties as at December 31, 2025, using Level 3 inputs totaled $125.2 million (December 31, 2024 – $109 million valued using Level 2 inputs).

(iii) There were three investment properties transferred during the year ended December 31, 2024, from Level 3 into Level 2 fair value measurements and were included in assets held for sale. The fair value of these three investment properties as at December 31, 2024, using Level 2 inputs totaled $79.9 million (December 31, 2023 – $76.4 million valued using Level 3 inputs).

External valuations were obtained from third-party external valuation professionals (the “Appraisers”) based on a cross section of properties from different geographical locations and markets across the Trust’s rental portfolio as determined by the Trust’s management and approved by the Trust’s Board of Trustees. The Appraisers are an independent valuation firm not related to the Trust and employ valuation professionals who are members of the Appraisal Institute of Canada and the Ordre des Evaluateurs Agrees du Quebec who have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. External appraisals were obtained as follows:

Date	Number of Properties		Aggregate Fair Value	Percentage of Portfolio as of that Date
December 31, 2025	**4**	**$**	**926,687**	**10.7%**
September 30, 2025	5	$	323,025	3.7%
June 30, 2025	5	$	174,938	2.1%
March 31, 2025	5	$	274,860	3.3%
December 31, 2024	6	$	866,671	10.4%
September 30, 2024	5	$	203,269	2.4%
June 30, 2024	5	$	254,010	3.1%
March 31, 2024	4	$	180,971	2.2%

The fair value of the remainder of the Trust’s investment property portfolio was determined internally by the Trust using the same assumptions and valuation techniques used by the Appraisers. In addition to performing a valuation on a selection of the Trust’s properties (and not performing a valuation on all of the Trust's properties) to corroborate the Trust’s internal valuation, the Appraisers provided the Trust with a summary of the major assumptions and market data by city in order for the Trust to complete its internal valuations. This summary includes the Appraisers’ estimates of Cap Rates for each region (city) as well as confirmation of the reasonableness of the assumptions used in determining stabilized net operating income ("NOI") used in calculating fair values.

The third-party valuation technique of the Trust’s investment property portfolio primarily utilizes the “Overall Capitalization Rate” method. This method requires that a forecasted stabilized NOI for each individual property be divided by a Cap Rate to determine a property’s fair value. NOI is calculated as a one-year income forecast based on rental income from current leases and key assumptions about rental income, vacancies and inflation rates, among other factors, less property operating costs. Fair value also considers any forecasted capital expenditures within the year to maintain the property in good condition. Given the short-term nature of residential leases (typically one year), revenue and costs are not discounted. A Cap Rate was also determined for each property based on market information related to the external sale of similar buildings within a similar geographic location. These factors were used to determine the fair value of investment properties at each reporting date.

Four of the Trust's properties: two in Banff, Alberta, and two in Montreal, Quebec, are subject to long-term land leases and similar arrangements in which the underlying land is owned by a third party and leased to the Trust. Under the terms of a typical land lease, the lessee must pay rent for the use of the land and is generally responsible for all costs and expenses associated with the building and improvements, including taxes, utilities, insurance, maintenance, repairs and replacements in respect of all the leased premises. Unless the lease term is extended, the land together with all improvements made will revert to the owner of the land upon the expiration of the lease term. Due to the relatively short-term remaining on one of the land leases in Montreal (with an expiry date of 2029), this property utilized the Discounted Cash Flow (“DCF”) approach to derive the fair value. The DCF Method calculates the present value of the future cash flows over a specified time period to determine the fair value for each property at each reporting date. The most significant assumption using the DCF method is the discount rate applied over the term of the lease. The discount rate reflects the uncertainty regarding the renegotiation of the land lease payments and the ability to extend the land lease at the expiry date. Forecasted cash flows are reduced for contractual land lease payments during the term of the leases. For the other land lease in Montreal, which has an expiry date of 2064, a DCF approach was prepared to substantiate the income approach that was used to derive fair value, with no significant differences between the two methods.

The key valuation metrics (and significant unobservable inputs in Level 3) for the Trust's investment properties are set out in the following table:

As at	Dec. 31, 2025		Dec. 31, 2024	
	Capitalization Rate Weighted Average	**Forecasted Total Stabilized Net Operating Income**	Capitalization Rate Weighted Average	Forecasted Total Stabilized Net Operating Income
Alberta	**5.14%**	**$ 267,234**	5.14%	$ 261,691
British Columbia	**4.50%**	**5,601**	4.38%	5,703
Saskatchewan	**5.68%**	**45,669**	5.68%	43,757
Ontario	**4.81%**	**34,385**	4.52%	32,604
Quebec	**5.07%**	**17,029**	4.95%	21,172
	5.16%	**369,918**	5.11%	364,927
Land Leases	**5.50%**	**42,282**	5.22%	41,160
Total	**5.19%**	**$ 412,200**	5.12%	$ 406,087

The overall weighted average stabilized Cap Rates for measuring the Trust's investment properties at fair value using a forecasted stabilized NOI as at December 31, 2025 and 2024, was 5.19% and 5.12%, respectively.

The Overall Capitalization Rate method requires inputs of both stabilized NOI and Cap Rate to determine a fair value. As such, fluctuations in both NOI and Cap Rates could materially alter the fair value. Generally, an increase in stabilized NOI will result in an increase to the fair value of an investment property. An increase in Cap Rate will result in a decrease to the fair value of an investment property. When the Cap Rate is applied to NOI to calculate fair value, there is a significant impact as the lower the Cap Rate, the larger the impact. The following tables summarize the impact of changes in both the Cap Rates and forecasted stabilized NOI on the Trust's fair value of investment properties (excluding building acquisitions valued at Level 2 inputs, right-of-use assets, and developments):

As at December 31, 2025		**Stabilized Net Operating Income**				
		-3%	**-1%**	**As Forecasted**	**+1%**	**+3%**
Cap Rate		**$ 399,834**	**$ 408,078**	**$ 412,200**	**$ 416,322**	**$ 424,566**
-0.25%	4.94%	**$ 151,774**	**$ 318,708**	**$ 402,175**	**$ 485,643**	**$ 652,577**
Cap Rate As Reported	5.19%	**(238,336)**	**(79,445)**	**7,944,533**	**79,445**	**238,336**
+0.25%	5.44%	**(592,580)**	**(440,994)**	**(365,200)**	**(289,407)**	**(137,820)**

As at December 31, 2024		Stabilized Net Operating Income				
		-3%	-1%	As Forecasted	+1%	+3%
Cap Rate		$ 393,904	$ 402,026	$ 406,087	$ 410,148	$ 418,270
-0.25%	4.87%	$ 157,056	$ 323,844	$ 407,238	$ 490,632	$ 657,421
Cap Rate As Reported	5.12%	(237,965)	(79,322)	7,932,173	79,322	237,965
+0.25%	5.37%	(596,202)	(444,945)	(369,317)	(293,688)	(142,431)

Investment properties with a fair value of $839.5 million as at December 31, 2025 (December 31, 2024 – $859.7 million) are situated on land held under land leases.

Investment properties with a fair value of $1.1 billion as at December 31, 2025 (December 31, 2024 – $1.1 billion) are pledged as security against the Trust's credit facility, which includes a committed revolving credit facility and demand revolving credit facility (collectively, the "Credit Facility"). In addition, investment properties with a fair value of $8.0 billion as at December 31, 2025 (December 31, 2024 – $7.9 billion) are pledged as security against the Trust's mortgages payable. As at December 31, 2025, there are no contractual obligations to purchase, construct, or develop investment properties, or for repairs, maintenance, and enhancements, except for the fixed-price contract in place related to the construction of the new development project in Victoria, British Columbia.

For the years ended December 31, 2025 and 2024, investment properties earned rental revenue (including ancillary rental income) of $638.6 million and $603.3 million, respectively. Total rental expenses in relation to investment properties were $221.1 million and $221.0 million for the years ended December 31, 2025 and 2024, respectively.

NOTE 5: ASSETS HELD FOR SALE

As at December 31, 2025, the Trust classified four properties as assets held for sale, totaling $84.0 million (December 31, 2024 – $80.0 million), along with the liabilities related to assets held for sale totaling $39.0 million (December 31, 2024 – $21.8 million). The Trust had committed to a plan to sell these properties, and the sales were considered highly probable as at December 31, 2025. Two of the properties were disposed of on January 13, 2026, and the other two properties are expected to close in the first quarter of 2026, please refer to NOTE 30 for additional details. For the properties classified as assets held for sale at December 31, 2024, see NOTE 20 for additional details.

The following table summarizes the assets held for sale and liabilities related to assets held for sale:

As at	Note	Dec. 31, 2025	Dec. 31, 2024
Investment properties	4	$ 83,951	$ 79,920
Property, plant and equipment	8	49	80
Assets held for sale		$ 84,000	$ 80,000
Mortgages payable		$ 38,878	$ 21,645
Refundable tenants' security deposits		104	172
Liabilities related to assets held for sale		$ 38,982	$ 21,817

NOTE 6: EQUITY ACCOUNTED INVESTMENT AND LOAN RECEIVABLE

The Trust is a participant in a joint venture with the principal activity to operate a mixed-use property in Brampton, Ontario. The mixed-use property includes residential space over two concrete high-rise towers.

The following table shows the changes in the carrying value of the investment in the partnership:

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Balance, beginning of year	$ 52,984	$ 39,758
Share of (loss) income	(2,693)	13,226
Return of capital	(11,355)	-
Balance, end of year	$ 38,936	$ 52,984

The following tables present the Trust's share of the summarized financial information of the partnership:

As at	Dec. 31, 2025	Dec. 31, 2024
Non-current assets	$ 216,102	$ 224,857
Current assets	3,724	2,112
Non-current liabilities	(140,062)	(116,340)
Current liabilities	(1,892)	(4,661)
Net assets	$ 77,872	$ 105,968
Trust's share	$ 38,936	$ 52,984

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Revenue	$ 11,844	$ 9,852
Expenses	8,103	11,058
Net operating income (loss)	3,741	(1,206)
Fair value (loss) gain	(9,127)	27,660
(Loss) income	$ (5,386)	$ 26,454
Trust's share	$ (2,693)	$ 13,226

During 2021, the Trust, in conjunction with its joint venture partner, entered into a $122 million revolving construction facility loan with a third-party financial institution. The facility was interest payable only and had a maturity date of October 31, 2025. On May 24, 2024, the facility was amended to replace Bankers' Acceptance fee with the Canadian Overnight Repo Rate Average ("CORRA"). The terms of the loan included interest at prime plus 0.25%, or Daily Compounded CORRA Loans with advances bearing an interest rate of Daily Compounded CORRA plus 1.525% per annum, or Term CORRA Loans with advances bearing an interest rate of 1 Month Term CORRA plus 1.525% per annum or 3 Month Term CORRA plus 1.551% per annum.

On January 12, 2024, the Trust made a loan to the joint venture for $57.2 million, of which the proceeds were used by the joint venture to repay 50% of the revolving construction facility loan payable. The loan receivable was recorded on the consolidated statements of financial position and had the same terms as the revolving construction facility loan.

In September 2025, with respect to the equity accounted investment in the joint venture, the joint venture received $146.8 million in proceeds from mortgage financing. The joint venture used the proceeds to repay the outstanding loan receivable balance to the Trust of $58.2 million, repay the revolving construction facility loan of $58.2 million, and made a return of capital of $11.4 million to each joint venture partner. The mortgage has a maturity date of October 1, 2030, and bears interest at 3.28%.

NOTE 7: OTHER ASSETS

As at	Note	Dec. 31, 2025	Dec. 31, 2024
Other non-current assets			
Property, plant and equipment	8	$ 35,127	$ 33,579
Deferred tax assets	16	726	712
		$ 35,853	$ 34,291

As at	Dec. 31, 2025	Dec. 31, 2024
Other current assets		
Inventories	$ 6,957	$ 5,995
Prepaid expenses and other	13,188	13,065
Trade and other receivables	10,454	9,387
Segregated tenants' security deposits	13,457	12,166
	$ 44,056	$ 40,613

Inventories

Inventories consists of parts and supplies and items such as baseboards, carpet and linoleum, which the Trust routinely uses in the maintenance and upgrading of its investment properties. These items are kept on hand so they are readily available for use. When items of inventory are used, they are expensed as part of operating expenses or they are capitalized to investment properties, depending on the nature of the inventory used and whether or not the useful life of an asset has been extended as a result of its use.

Prepaid Expenses and Other

The major components of prepaid expenses and other relate to property taxes, land leases, prepaid expenses, and deposits.

Trade and Other Receivables

Trade and other receivables consist mainly of mortgage holdbacks, refundable mortgage fees, and amounts owed to Boardwalk REIT by tenants, insurers, and revenue-sharing business partners. Refer to NOTE 25(b) for the Trust's exposure to credit risk in relation to its trade and other receivables and how the Trust accounts for past due balances.

Segregated Tenants' Security Deposits

Segregated tenants' security deposits are considered restricted cash as they are held in trust bank accounts and subject to the contingent rights of third parties.

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

The carrying amounts of PP&E were as follows:

	Dec. 31, 2025				Dec. 31, 2024			
	Cost	Accumulated Depreciation	Transferred to Assets Held for Sale (NOTE 5)	Carrying Amount	Cost	Accumulated Depreciation	Transferred to Assets Held for Sale (NOTE 5)	Carrying Amount
Administration building	$ 7,698	$ (5,160)	$ -	$ 2,538	$ 7,668	$ (4,923)	$ -	$ 2,745
Site equipment and other	71,099	(48,860)	(49)	22,190	67,771	(46,770)	(80)	20,921
Corporate technology assets	39,033	(28,634)	-	10,399	35,513	(25,601)	-	9,913
Total	$ 117,830	$ (82,654)	$ (49)	$ 35,127	$ 110,952	$ (77,294)	$ (80)	$ 33,579

The following table outlines a reconciliation of the carrying amount of PP&E as at December 31, 2025:

	Balance, Beginning of Year	Additions to PP&E	Dispositions (NOTE 20)	Transferred to Assets Held for Sale (NOTE 5)	Depreciation	Balance, End of Year
Administration building	$ 2,745	$ 30	$ -	$ -	$ (237)	$ 2,538
Site equipment and other	20,921	5,703	(80)	(49)	(4,305)	22,190
Corporate technology assets [1]	9,913	4,804	(3)	-	(4,315)	10,399
Total	$ 33,579	$ 10,537	$ (83)	$ (49)	$ (8,857)	$ 35,127

(1) Included in corporate technology assets for the year ended December 31, 2025, was $2.1 million of capitalized programmers' salaries related to the internally developed software applications used by the Trust in the normal course of its operations.

The following table outlines a reconciliation of the carrying amount of PP&E as at December 31, 2024:

	Balance, Beginning of Year	Additions to PP&E	Dispositions (NOTE 20)	Transferred to Assets Held for Sale (NOTE 5)	Depreciation	Balance, End of Year
Administration building	$ 2,469	$ 505	$ -	$ -	$ (229)	$ 2,745
Site equipment and other	19,456	5,688	-	(80)	(4,143)	20,921
Corporate technology assets [1]	8,660	5,199	-	-	(3,946)	9,913
Total	$ 30,585	$ 11,392	$ -	$ (80)	$ (8,318)	$ 33,579

(1) Included in corporate technology assets for the year ended December 31, 2024, was $1.6 million of capitalized programmers' salaries related to the internally developed software applications used by the Trust in the normal course of its operations.

NOTE 9: CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash of $27.0 million and term deposits with maturities of 90 days or less of $70.1 million (December 31, 2024 – cash of $52.2 million and term deposits of $70.2 million).

NOTE 10: MORTGAGES PAYABLE

As at	Dec. 31, 2025 [1]		Dec. 31, 2024 [1]	
	Weighted Average Interest	Debt Balance	Weighted Average Interest	Debt Balance
Mortgages payable				
Fixed rate	3.35%	$ 3,490,395	3.19%	$ 3,286,081
Total		$ 3,490,395		$ 3,286,081
Current		$ 886,648		$ 624,736
Non-current		2,603,747		2,661,345
		$ 3,490,395		$ 3,286,081

(1) Excludes mortgages related to assets held for sale.

Estimated future principal payments required to meet mortgage obligations as at December 31, 2025, excluding mortgages related to assets held for sale, are as follows:

	Secured By Investment Properties
12 months ending December 31, 2026	$ 886,648
12 months ending December 31, 2027	649,866
12 months ending December 31, 2028	408,034
12 months ending December 31, 2029	521,275
12 months ending December 31, 2030	429,477
Subsequent	728,170
Total mortgage principal outstanding	3,623,470
Unamortized deferred financing costs	(124,308)
Unamortized market debt adjustments	(8,767)
	$ 3,490,395

During the years ended December 31, 2025 and 2024, the Trust had a Credit Facility with a major financial institution with a committed revolving credit facility and demand revolving credit facility. This Credit Facility is secured by a first or second mortgage charge on specific real estate assets. The maximum amount available varies with the value of the pledged assets and amounts drawn, with a maximum limit not to exceed $250.0 million (committed revolving credit facility of $200.0 million and demand revolving credit facility of $50.0 million), and an available limit of $250.0 million as at December 31, 2025 (December 31, 2024 – $250.0 million). The Credit Facility requires monthly interest payments, is for a five-year term maturing on July 25, 2030 (or upon demand with respect to the demand revolving credit facility), and can be extended annually thereafter, subject to the mutual consent of the lender and the Trust. Unless otherwise extended, all principal and accrued interest is due and payable upon maturity of the Credit Facility.

There was no amount outstanding at December 31, 2025 (December 31, 2024 – $nil) under this Credit Facility, except for Letters of Credit (“LCs”) issued and outstanding. The LCs totaled $4.2 million as at December 31, 2025 (December 31, 2024 – $4.2 million). As such, approximately $245.8 million was unused and available from this Credit Facility on December 31, 2025 (December 31, 2024 – $245.8 million). The Credit Facility carries interest rates ranging from prime to prime plus 1.0% per annum, or Daily Compounded CORRA plus 1.95% per annum, or Term CORRA plus 1.95% per annum, and has no fixed terms of repayment. The covenants in relation to the Credit Facility are discussed in NOTE 25(d).

NOTE 11: LEASE LIABILITIES

As lessee, the Trust leases several assets which are secured by the lessor's title to the leased assets for such leases. The following represents the major type of leases the Trust maintains as lessee:

(i) Land Leases

The Trust has entered into non-cancellable land leases for land related to four of its properties, which sit on land that is not owned by the Trust. Approximate remaining terms of the Trust's land leases range from three to 39 years as at December 31, 2025. Two of the land leases provide for annual rent.

(ii) Warehouse and Office Space Leases

The Trust has entered into lease agreements for warehouse and some office and data centre space it utilizes but does not own. Approximate remaining terms of all of the leasing arrangements related to warehouse space are for two to five years.

	Dec. 31, 2025		Dec. 31, 2024	
	Weighted Average Interest	Lease Balance	Weighted Average Interest	Lease Balance
Lease liabilities				
Fixed rate	3.35%	$ 75,697	3.34%	$ 75,881
Total		$ 75,697		$ 75,881
Current		$ 3,597		$ 3,210
Non-current		72,100		72,671
		$ 75,697		$ 75,881

Estimated future principal payments required to meet lease liabilities as at December 31, 2025 are as follows:

	Amount
12 months ending December 31, 2026	$ 3,597
12 months ending December 31, 2027	3,664
12 months ending December 31, 2028	2,903
12 months ending December 31, 2029	1,728
12 months ending December 31, 2030	1,246
Subsequent	62,559
Total lease liabilities	$ 75,697

The Trust has short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Trust recognizes the lease payments as an operating expense. For the year ended December 31, 2025, lease payments on short-term leases or leases of low value assets totaled $2.2 million (year ended December 31, 2024 – $2.0 million).

NOTE 12: LP CLASS B UNITS

The Class B Limited Partnership Units ("LP Class B Units"), as defined in NOTE 17, representing an aggregate fair value of $270.8 million at December 31, 2025 (December 31, 2024 – $283.7 million), are non-transferable, except under certain circumstances, but are exchangeable, on a one-for-one basis, into Trust Units at any time at the option of the holder. Prior to such exchange, distributions will be made on these exchangeable units in an amount equivalent to the distributions which would have been made had the units been exchanged for Trust Units. Each LP Class B Unit is accompanied by a Special Voting Unit, which entitles the holder to receive notice of, attend, and vote at all meetings of Unitholders. There is no value assigned to the Special Voting Units. The LP Class B Units have been classified as "FVTPL" financial liabilities in accordance with IFRS 9. Gains or losses resulting from changes in the fair value at each reporting date are recorded in the consolidated statement of comprehensive income and are included in NOTE 21.

On December 16, 2025, 50,000 LP Class B Units were exchanged for Trust Units on a one-for-one basis.

On June 16, 2025, 165,000 LP Class B Units were exchanged for Trust Units on a one-for-one basis.

On December 23, 2024, 60,000 LP Class B Units were exchanged for Trust Units on a one-for-one basis.

As at	Dec. 31, 2025		Dec. 31, 2024	
	Number of LP Class B Units	Value	Number of LP Class B Units	Value
Balance, beginning of year	4,415,000	$ 283,664	4,475,000	$ 319,247
LP Class B Units exchanged for Trust Units	(215,000)	(14,426)	(60,000)	(3,809)
Fair value adjustment	-	1,578	-	(31,774)
Balance, end of year	4,200,000	$ 270,816	4,415,000	$ 283,664

NOTE 13: CONSTRUCTION LOAN PAYABLE

On September 29, 2025, the Trust made an additional draw of $70.9 million on the non-revolving construction facility loan. As at December 31, 2025, $72.4 million has been drawn on this loan (December 31, 2024 – $1.5 million). The facility is interest payable only and has a maturity date of February 27, 2026. The facility bears interest at prime, or a CORRA plus 1.40%. The construction loan payable is a financial liability classified as amortized cost and is measured at amortized cost using the effective interest rate method.

NOTE 14: OTHER LIABILITIES

As at	Note	Dec. 31, 2025 [1]	Dec. 31, 2024 [1]
Other current liabilities			
Deferred unit-based compensation	15	$ 17,316	$ 17,973
Deferred government grant		378	378
Refundable tenants' security deposits		18,855	16,376
Trade and other payables		89,277	83,039
		$ 125,826	$ 117,766

(1) Excludes refundable tenants' security deposits related to assets held for sale.

Trade and Other Payables

Trade and other payables are comprised of trade payables, accrued liabilities, distribution payable, and provisions. As at December 31, 2025, the Trust's most significant provision relates to vacation payable to its employees within each employee's individual employment agreement totaled $6.8 million (December 31, 2024 – $6.5 million).

NOTE 15: DEFERRED UNIT-BASED COMPENSATION

The total of $17.3 million represents the fair value of the underlying deferred units at December 31, 2025 (December 31, 2024 – $18.0 million). Gains or losses resulting from changes in the fair value at each reporting date are recorded in the consolidated statement of comprehensive income and are included in NOTE 21.

Details of the Deferred Unit-based Compensation Plan

During 2006, the Trust implemented a deferred unit-based compensation plan. The plan entitles executives, leaders, and the Board of Trustees at the participant's option, to receive deferred units in consideration for trustee fees or a portion of executive cash bonuses, respectively, with the Trust matching the number of units received. The deferred units in consideration for trustee fees or a portion of executive cash bonuses vest immediately while the matching number of units received vest 50% on the third anniversary and 25% on each of the fourth and fifth anniversaries, subject to provisions for earlier vesting in certain events. The deferred units earn additional deferred units for the distributions that would otherwise have been paid on the deferred units (i.e. had they instead been issued as Trust Units on the date of grant). Once vested, participants are entitled to receive an equivalent number of Trust Units representing the vesting deferred units and the corresponding additional deferred units. Cash is granted for any fractional units. The deferred unit plan was approved by Unitholders on May 10, 2006 and was most recently amended on June 9, 2021.

As at December 31, 2025 and 2024, the deferred units outstanding, in whole or in part, were granted as follows:

Deferred Units Granted in	Number	Grant Date	Fair Value at Grant Date	Vesting Date	Deferred Units Outstanding
2015	55,236	February, June & December 2015	$ 3,094	February, June & December 2020	560
2016	63,697	February, June & December 2016	3,065	February, June & December 2021	1,375
2017	34,858	June & December 2017	1,614	June & December 2022	4,385
2018	41,238	June & December 2018	1,771	June & December 2023	9,292
2019	51,692	March, June & December 2019	2,188	March, June & December 2024	15,435
2020	99,357	March, June & December 2020	3,710	March, June & December 2025	39,708
2021	65,270	March, June & December 2021	2,676	March, June & December 2026	32,730
2022	77,908	March, June & December 2022	3,966	March, June & December 2027	48,161
2023	75,940	March, June & December 2023	4,627	March, June & December 2028	56,397
2024	81,749	March, June & December 2024	5,959	March, June & December 2029	65,693
2025	55,262	March, June & December 2025	3,636	March, June & December 2030	49,769
			$ 36,306		323,505
Additional deferred units earned on units					24,145
					347,650

The initial cost of the deferred unit-based transactions is determined, in accordance with IFRS 2, as the fair value of the units on the grant date. The fair value of each unit granted is determined based on the weighted average observable closing market prices of Boardwalk REIT's Trusts Units ten trading days preceding the grant date. This initial cost of deferred units in consideration for trustee fees or a portion of executive cash bonuses is expensed immediately while the cost of the matching deferred units is generally expensed over the vesting period, unless earlier recognition is triggered in certain events.

The status of the outstanding deferred units was as follows:

	# of Units Outstanding	# of Units Vested
Balance, December 31, 2023	338,085	84,557
Deferred units granted	81,749	65,548
Additional deferred units earned on units	6,817	11,602
Deferred units forfeited	(4,529)	-
Deferred units converted to Trust Units	(47,033)	(47,033)
Balance, December 31, 2024	375,089	114,674
Deferred units granted	55,262	95,773
Additional deferred units earned on units	8,672	9,252
Deferred units forfeited	(2,171)	-
Deferred units converted to Trust Units	(89,202)	(89,202)
Balance, December 31, 2025	**347,650**	**130,497**

For the year ended December 31, 2025, total costs of $4.7 million (year ended December 31, 2024 – $5.4 million) were recorded in expenses related to executive bonuses, leader bonuses, and trustee fees under the deferred unit plan.

NOTE 16: INCOME TAXES

Current Income Tax

For the year ended December 31, 2025, one of the Trust's corporate entities had $15 thousand in current tax recoveries (year ended December 31, 2024 – $14 thousand in current tax expense). All other corporate entities either have sufficient tax deductions to offset any taxable income or have operating losses from previous years to apply against any taxable income.

Deferred Income Tax

For fiscal 2025 and 2024, Boardwalk REIT is a “mutual fund trust” as defined under the Tax Act and as a REIT is eligible for the “REIT Exemption” in accordance with the rules affecting the tax treatment of publicly traded trusts. Accordingly, the Trust is not taxable on its income provided all of its taxable income is distributed to Unitholders. This exemption, however, does not extend to the corporate subsidiaries of Boardwalk REIT that are subject to income tax.

The sources of deferred tax balances and movements were as follows:

As at	Dec. 31, 2024	Recognized in Profit	**Dec. 31, 2025**
Deferred tax assets related to:			
Operating losses	$ 712	$ 14	**$ 726**
Net deferred tax assets	$ 712	$ 14	**$ 726**

As at	Dec. 31, 2023	Recognized in Profit	Dec. 31, 2024
Deferred tax assets related to:			
Operating losses	$ 782	$ (70)	$ 712
Net deferred tax assets	$ 782	$ (70)	$ 712

No current income taxes or deferred income taxes were recognized in equity, other than through profit or other comprehensive income, for the years ended December 31, 2025 and 2024.

As at December 31, 2025, wholly-owned Canadian corporate subsidiaries have deferred tax assets of $0.7 million (December 31, 2024 – $0.7 million) related to operating losses, which expire over the next six to nineteen years. The Trust believes that the future income of these entities will be sufficient to utilize these deferred tax assets prior to their expiration.

The major components of income tax (recovery) expense include the following:

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Current tax (recovery) expense	**$ (15)**	$ 14
Deferred tax (recovery) expense	**(14)**	70
Total income tax (recovery) expense	**$ (29)**	$ 84

The income tax (recovery) expense for the year can be reconciled to the accounting profit as follows:

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Profit before income tax	$ 196,839	$ 588,302
Remove (profit) from non-taxable entities	(133,161)	(529,650)
Accounting profit subject to tax	63,678	58,652
Deduct management fee charged to corporate entities	(63,877)	(58,601)
Taxable (loss) profit	(199)	51
Weighted average substantively enacted tax rate	26.46%	26.51%
Calculated income tax (recovery) expense	(53)	14
Changes to other deferred tax balances	24	70
Total income tax (recovery) expense	$ (29)	$ 84

NOTE 17: UNITHOLDERS' EQUITY

The Plan of Arrangement (the "Arrangement") converting the Corporation to a real estate investment trust was completed on May 3, 2004. Under the Arrangement, the former shareholders of the Corporation received Boardwalk REIT Trust Units or LP Class B Units of a controlled limited partnership of the Trust, Boardwalk REIT Limited Partnership. The interests in Boardwalk REIT are represented by two classes of units: a class described and designated as "Trust Units" and a class described and designated as "Special Voting Units". The LP Class B Units are classified as a financial liability and are discussed in NOTE 12.

(a) Trust Units

Trust Units represent an undivided beneficial interest in Boardwalk REIT and in distributions made by Boardwalk REIT. The Trust Units are freely transferable, subject to applicable securities regulatory requirements. Each Trust Unit entitles the holder to one vote at all meetings of Unitholders. Except as set out under the redemption rights below, the Trust Units have no conversion, retraction, redemption or pre-emptive rights.

Trust Units are redeemable at any time, in whole or in part, on demand by the holders. Upon receipt by Boardwalk REIT of a written redemption notice and other documents that may be required, all rights to and under the Trust Units tendered for redemption shall be surrendered and the holder shall be entitled to receive a price per Trust Unit equal to the lesser of:

(i) 90% of the "market price" of the Trust Units on the principal market on which the Trust Units are quoted for trading during the 20-day period ending on the trading day prior to the day on which the Trust Units were surrendered to Boardwalk REIT for redemption; and,

(ii) 100% of the "closing market price" of the Trust Units on the principal market on which the Trust Units are quoted for trading on the redemption date.

By virtue of Boardwalk REIT being an open-ended mutual fund trust, Unitholders of Trust Units are entitled to redeem their Trust Units at any time at prices determined and payable in accordance with the conditions specified in the DOT. As a result, under IFRS Accounting Standards, Trust Units are defined as financial liabilities; however, the Trust Units meet the limited exemption conditions set out in IAS 32 and are therefore presented as equity in the consolidated statements of financial position.

The DOT authorizes Boardwalk REIT to issue an unlimited number of Trust Units for the consideration and on terms and conditions established by the Board of Trustees without the approval of any Unitholders.

The Trust has the following capital securities outstanding:

As at	Dec. 31, 2025		Dec. 31, 2024	
	Trust Units	Amount	Trust Units	Amount
Trust Units outstanding, beginning of year	49,346,111	$ 457,548	49,388,174	$ 452,043
Trust Units issued for vested deferred units	89,202	6,256	47,033	3,754
Trust Units purchased and cancelled	(897,983)	(13,570)	(149,096)	(2,058)
Trust Units issued on exchange of LP Class B Units	215,000	14,426	60,000	3,809
Distribution in Trust Units	1,077,420	69,472	-	-
Consolidation of Trust Units	(1,077,420)	-	-	-
Trust Units outstanding, end of year	48,752,330	$ 534,132	49,346,111	$ 457,548

On a periodic basis, Boardwalk REIT will apply to the Toronto Stock Exchange ("TSX") for approval of a Normal Course Issuer Bid ("NCIB"). Pursuant to regulations of the NCIB, Boardwalk REIT will receive approval to purchase and cancel a specified number of Trust Units, representing 10% of the public float of its Trust Units at the time of the TSX approval. The NCIB will terminate on the earlier of the termination date or at such time as the purchases under the NCIB are completed.

On November 20, 2025, Boardwalk REIT requested and received regulatory approval for an NCIB, which commenced on November 24, 2025, and terminates on November 23, 2026. The NCIB allows Boardwalk REIT to purchase and cancel up to 4,018,000 Trust Units.

On November 20, 2024, Boardwalk REIT requested and received regulatory approval for an NCIB, which commenced on November 22, 2024, and terminates on November 21, 2025. The NCIB allowed Boardwalk REIT to purchase and cancel up to 4,068,000 Trust Units.

For the year ended December 31, 2025, Boardwalk REIT purchased and cancelled the following Trust Units:

Year Ended Dec. 31, 2025		
Number of Trust Units Purchased and Cancelled	Purchase Cost [1]	Cost per Trust Unit [1]
897,983	$ 57,301	$ 63.81

(1) The purchase cost presented and the cost per Trust Unit include commissions but exclude an aggregate amount of $1.0 million relating to the 2% tax on Trust Units repurchased, which became effective on January 1, 2024.

For the year ended December 31, 2024, Boardwalk REIT purchased and cancelled the following Trust Units:

Year Ended Dec. 31, 2024		
Number of Trust Units Purchased and Cancelled	Purchase Cost [1]	Cost per Trust Unit [1]
149,096	$ 10,001	$ 67.08

(1) The purchase cost presented and the cost per Trust Unit include commissions but exclude an aggregate amount of $126 thousand relating to the 2% tax on Trust Units repurchased, which became effective on January 1, 2024.

Distribution in Trust Units and Consolidation of Trust Units

As a result of the increase in taxable income generated primarily from sale transactions in the year ended December 31, 2025, the Board declared a special non-cash distribution on December 31, 2025, of 1,077,420 Trust Units at $1.425 per Trust Unit totaling $69.5 million (December 31, 2024 – $nil).

Immediately following the issuance of Trust Units, the Trust Units were consolidated such that each Unitholder held the same number of Trust Units after the consolidation as each Unitholder held prior to the special non-cash distribution. As at December 31, 2025, the special distribution declared was recorded to Trust Units in accordance with IAS 32.

(b) Special Voting Units

The Declaration of Trust provides for the issuance of an unlimited number of Special Voting Units that will be used to provide voting rights to holders of LP Class B Units or other securities that are, directly or indirectly, exchangeable for Trust Units. Each Special Voting Unit entitles the holder to the number of votes at any meeting of Unitholders, which is equal to the number of Trust Units that may be obtained upon surrender of the LP Class B Units or other securities to which the Special Voting Unit relates. The Special Voting Units do not entitle or give any rights to the holders to receive distributions or any amount upon liquidation, dissolution or winding-up of Boardwalk REIT.

In summary, the Trust has the following capital securities outstanding:

	Units Outstanding Dec. 31, 2025	Monthly Distribution	Units Outstanding Dec. 31, 2024	Monthly Distribution
Boardwalk REIT Trust Units	48,752,330	$0.1350/unit	49,346,111	$0.1200/unit
Special Voting Units	4,200,000	N/A	4,415,000	N/A

Distributions

Monthly distributions and special distributions are determined at the discretion of the Board of Trustees, however the total income distributed will not be less than the amount necessary to ensure the Trust will not be liable to pay income taxes under the Tax Act. The taxable income allocated to the Unitholders and holders of LP Class B Units may vary in certain taxation years. Over time, such differences, in aggregate, are expected to be minimal.

The Trust increased cash distributions from $0.1200 per Trust Unit on a monthly basis ($1.44 on an annualized basis) in January and February 2025, to $0.1350 per Trust Unit on a monthly basis ($1.62 on an annualized basis) beginning March 2025, for total declared cash distributions for the year ended December 31, 2025 of $77.9 million (year ended December 31, 2024 – $68.9 million). The Board of Trustees declares distributions to be paid on, or about, the 15th of the month following the record date. Distributions to be paid on the Boardwalk REIT Trust Units with a record date of January 30, 2026 (to be paid on February 16, 2026) totaled $6.6 million ($0.135 per unit) and have not been included as a liability in the consolidated statements of financial position as at December 31, 2025.

(c) Profit per Trust Unit

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Numerator		
Profit – basic	$ 196,868	$ 588,218
Distribution declared on LP Class B Units	6,857	6,235
Loss (gain) on fair value adjustments on LP Class B Units	1,578	(31,774)
	205,303	562,679
Loss (gain) on fair value adjustment to unexercised vested deferred units	30	(813)
Profit – diluted	$ 205,333	$ 561,866
Denominator		
Weighted average Trust Units outstanding – basic	49,005,995	49,403,967
Conversion of LP Class B Units	4,322,849	4,473,525
	53,328,844	53,877,492
Unexercised vested deferred units	132,743	107,068
Weighted average Trust Units outstanding – diluted	53,461,587	53,984,560
Profit per Trust Unit		
– basic	$ 4.02	$ 11.91
– diluted	$ 3.84	$ 10.41

All dilutive elements were included in the calculation of diluted per Trust Unit amounts. For the years ended December 31, 2025 and 2024, both the conversion of the LP Class B Units and the exercise of vested deferred units were dilutive and were included in the calculation of diluted profit per Trust Unit.

NOTE 18: RENTAL REVENUE

As lessor, the Trust leases residential rental properties under operating leases generally with a term of not more than 12 months and in many cases tenants lease rental space on a month-to-month basis. Rental incentives may be offered as part of a rental agreement and the costs associated with these incentives are amortized over the term of the lease and netted against residential rental revenue. Rental revenue represents all revenue earned from the Trust's operating leases, as well as ancillary rental income earned from revenue share service agreements with third parties, and totaled $638.6 million for the year ended December 31, 2025 (year ended December 31, 2024 – $603.3 million).

Rental revenue is comprised of the following:

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Lease revenue	$ 609,929	$ 576,471
Parking revenue	12,005	10,943
Recoveries (cable, retirement) and revenue from telephone and cable providers	6,356	7,314
Revenue from coin laundry machines	5,147	4,342
Other	5,201	4,223
Total	$ 638,638	$ 603,293

As at December 31, 2025, under its non-cancellable operating leases, Boardwalk REIT was entitled to the following minimum future payments:

	Within 12 months	2 to 5 years	Over 5 years
Operating leases	$ 340,380	$ 27,603	$ 3,200

NOTE 19: FINANCING COSTS

Financing costs are comprised of interest on mortgages payable, distributions paid to the holders of LP Class B Units, other interest charges, interest on lease liabilities under IFRS 16, and the amortization of deferred financing costs. Financing costs total $128.4 million for the year ended December 31, 2025 (year ended December 31, 2024 – $121.2 million), and can be summarized as follows:

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Interest on secured debt (mortgages payable)	$ 112,444	$ 105,204
Interest capitalized to properties under development	(3,746)	(2,332)
LP Class B Unit distributions	6,857	6,235
Other interest charges	3,040	2,164
Interest on lease liabilities	2,542	2,577
Amortization of deferred financing costs	7,230	7,313
Total	$ 128,367	$ 121,161

For the year ended December 31, 2025, interest was capitalized to properties under development at a weighted average effective interest rate of 3.73% (year ended December 31, 2024 – 4.46%).

NOTE 20: LOSS ON SALE OF ASSETS AND NET CASH PROCEEDS

On November 28, 2025, the Trust sold 114 suites in Edmonton, Alberta, which forms part of the Alberta geographical segment, for the sale price of $19.5 million.

On September 10, 2025, the Trust sold 134 suites in Edmonton, Alberta, for the sale price of $24.1 million.

On August 18, 2025, the Trust sold 262 suites in Edmonton, Alberta, for the sale price of $65.0 million.

On August 13, 2025, the Trust sold 306 suites in Quebec City, Quebec, which forms part of the Quebec geographical segment, for the sale price of $52.2 million.

On January 21, 2025, the Trust sold 390 suites in Edmonton, Alberta, for the sale price of $80.0 million.

The loss on sale of assets and net cash proceeds are outlined below.

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Sales price	$ 240,696	$ -
Costs of dispositions	(9,875)	-
Net proceeds	230,821	-
Net book value		
Investment properties	240,533	-
Property, plant and equipment	163	-
	240,696	-
Loss on sale of assets	$ (9,875)	$ -
Net proceeds	$ 230,821	$ -
Non-cash costs of dispositions	4,242	-
Net cash proceeds	$ 235,063	$ -

NOTE 21: FAIR VALUE (LOSSES) GAINS

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Investment properties (NOTE 4)	$ (22,513)	$ 328,660
Financial liability designated as FVTPL		
LP Class B Units	(1,578)	31,774
Deferred unit-based compensation	(857)	(546)
Total fair value (losses) gains, net	$ (24,948)	$ 359,888

NOTE 22: GUARANTEES, CONTINGENCIES, COMMITMENTS AND OTHER

As discussed in NOTE 11, the Trust has four properties that are situated on land leases. One of the land leases situated in Montreal, Quebec is set to expire in 2029. The Trust is seeking to either renew the term of this lease or purchase the freehold interest in the land prior to the expiry of the lease term. However, if the Trust cannot or chooses not to renew the lease, or buy the land, as the case may be, the net operating income and cash flow associated with the property would no longer contribute to Boardwalk's results of operations.

From time to time, the Trust enters into various physical supply contracts for energy commodities to hedge its own usage, which is summarized below:

Natural Gas:

Area	Estimated Usage Coverage	Term	Cost
Alberta	25%	November 1, 2019 to October 31, 2024	$2.21/Gigajoule (“GJ”)
Alberta	25%	November 1, 2020 to October 31, 2025	$2.78/GJ
Alberta	23%	November 1, 2023 to October 31, 2026	$3.83/GJ
Alberta	22%	November 1, 2024 to October 31, 2027	$3.25/GJ
Alberta	25%	November 1, 2025 to October 31, 2028	$3.32/GJ
Saskatchewan	40%	November 1, 2020 to October 31, 2025	$2.99/GJ
Saskatchewan	62%	November 1, 2025 to October 31, 2026	$3.19/GJ
Verdun, Quebec	74%	November 1, 2021 to October 31, 2025	$4.29/GJ
Verdun, Quebec	75%	November 1, 2025 to October 31, 2029	$4.65/GJ
London, Ontario	69%	November 1, 2021 to October 31, 2024	$4.52/GJ
London, Ontario	69%	November 1, 2024 to October 31, 2026	$4.00/GJ

Electrical:

Area	Estimated Usage Coverage	Term	Cost
Alberta	45%	November 1, 2020 to October 31, 2024	$0.06/Kilowatt-hour (“kWh”)
Alberta	53%	October 1, 2022 to September 30, 2027	$0.10/kWh
Alberta	45%	November 1, 2024 to October 31, 2029	$0.06/kWh

Boardwalk REIT, in the normal course of operations, will become subject to a variety of legal and other claims against the Trust, most of which are minor in nature. Management and the Trust’s legal counsel evaluate all claims on their apparent merits and accrue management’s best estimate of the estimated costs to satisfy such claims. Management believes the outcome of claims of this nature at December 31, 2025, will not have a material impact on the Trust.

Boardwalk REIT has received notices of reassessment dated February 28, 2024, from the CRA increasing the Trust’s taxable income by $5.6 million, $20.6 million, $14.1 million, and $0.06 million for its taxation years ended December 31, 2011, 2012, 2013, and 2014, respectively, on the basis that the Trust did not report deemed taxable capital gains in each of those taxation years resulting from alleged negative adjusted cost base in the Trust’s units of Top Hat Operating Trust, a trust 100% owned by Boardwalk REIT. Management of the Trust assessed the implications of the notices of reassessment and filed an objection on May 24, 2024, with the CRA Appeals Division as it disagrees with the CRA’s proposed assessment. It is the opinion of the Trust that it will not be required to pay any amount to the CRA in order to dispute this matter. Furthermore, it is the Trust’s opinion that should these reassessments be upheld on appeal, given the Trust continues to remain eligible for the REIT Exemption, it will not be required to pay any income taxes payable as the Trust distributes all taxable income to its Unitholders. It is difficult to estimate the amount of time it could take to resolve the dispute with the CRA Appeals Division and it is possible that an appeal to the Tax Court of Canada could be required in order to resolve this dispute.

NOTE 23: CAPITAL MANAGEMENT AND LIQUIDITY

The Trust defines capital resources as the aggregate of Unitholders' equity at market value, debt (both secured and unsecured), cash flows from operations, and amounts available under credit facilities net of cash on hand. The Trust's capital management framework is designed to maintain a level of capital that allows it to implement its business strategy while complying with investment and debt restrictions pursuant to Boardwalk REIT's DOT as well as existing debt covenants and continue building long-term Unitholder value while maintaining sufficient capital contingency. The main components of the Trust's capital allocation are reviewed on a regular basis by its Board of Trustees (the "Board") through its annual review of the Trust's strategic plan and budget, supplemented by periodic Board and Board Committee meetings. Capital adequacy is monitored by the Trust by assessing performance against the approved annual plan throughout the year, which is updated accordingly, and by monitoring adherence to investment and debt restrictions contained in the DOT and debt covenants. Boardwalk REIT's DOT, as amended, provides for a minimum interest coverage ratio of 1.5 to 1 calculated on the most recently completed four fiscal quarters. The DOT also defines interest expense to exclude distributions on the LP Class B Units, which under IFRS Accounting Standards are considered financing costs.

The following table highlights Boardwalk REIT's interest coverage ratio in accordance with the DOT:

As at	Dec. 31, 2025	Dec. 31, 2024
Net operating income	$ 417,561	$ 382,334
Administration	(45,860)	(44,791)
Deferred unit-based compensation	(4,743)	(5,374)
EBITDA [1] from equity accounted investment	4,393	3,357
Consolidated EBITDA (12 months ended)	$ 371,351	$ 335,526
Interest expense	$ 118,026	$ 109,945
Interest expense from equity accounted investment	2,518	3,956
Consolidated interest expense (12 months ended)	$ 120,544	$ 113,901
Interest coverage ratio	3.08	2.95
Minimum threshold	1.50	1.50

(1) Earnings before interest, taxes, depreciation and amortization.

The Trust employs a broad range of financing strategies to facilitate growth and manage financial risk. The Trust's objective is to reduce its weighted average cost of capital and improve Unitholder distributions through value enhancement initiatives and consistent monitoring of the balance between debt and equity financing. As at December 31, 2025, the Trust's weighted average cost of capital was calculated to be 4.78%.

The following schedule details the components of the Trust's capital and the related costs thereof:

As at	Dec. 31, 2025 [1]		Dec. 31, 2024 [1]	
	Cost of Capital [2]	Underlying Value [3]	Cost of Capital [2]	Underlying Value [3]
Liabilities				
Mortgages payable	3.35%	$ 3,472,051	3.19%	$ 3,241,736
LP Class B Units	6.23%	270,816	5.54%	283,664
Deferred unit-based compensation	6.23%	17,316	5.54%	17,973
Unitholders' equity				
Boardwalk REIT Trust Units	6.23%	3,143,550	5.54%	3,170,488
Total	4.78%	$ 6,903,733	4.41%	$ 6,713,861

(1) Excludes mortgages related to assets held for sale.
(2) As a percentage of average carrying value unless otherwise noted.
(3) Underlying value of liabilities represents market value or the cost to retire on maturity. Underlying value of equity is based on the closing stock price of the Trust Units.

Mortgages payable – The debt is primarily fixed rate debt and approximately 96% of this debt at December 31, 2025 is insured under the National Housing Act ("NHA") and administered by CMHC (December 31, 2024 – approximately 96%). These financings can be structured on a loan to CMHC appraised value basis of between 75-80%. The Trust currently has a level of indebtedness of approximately 40% of the fair value of the Trust's investment properties (December 31, 2024 – approximately 40%). This level of indebtedness is considered by the Trust to be within its target.

LP Class B Units – These units are non-transferable, except under certain circumstances, but are exchangeable, on a one-for-one basis, into Boardwalk REIT Trust Units at any time at the option of the holder. Prior to such exchange, distributions will be made on the exchangeable units in an amount equivalent to the distributions which would have been made had the Trust Units of Boardwalk REIT been issued. Each LP Class B Unit was accompanied by a Special Voting Unit, which entitles the holder to receive notice of, attend, and vote at all meetings of Unitholders. There is no value assigned to the Special Voting Units. The LP Class B Units have been classified as FVTPL financial liabilities in accordance with IFRS 9. Gains or losses resulting from changes in the fair value at each reporting date are recorded in the consolidated statement of comprehensive income.

As outlined in NOTE 25(d), Boardwalk REIT's Credit Facility agreement, which includes a committed revolving credit facility and demand revolving credit facility, contains financial covenants.

The Trust had $466.0 million in total available liquidity as at December 31, 2025 (December 31, 2024 – $368.2 million), consisting of cash and cash equivalents on hand of $97.1 million (December 31, 2024 – $122.4 million), subsequent committed/funded financing of $123.1 million (December 31, 2024 – $nil), as well as unused credit facilities of $245.8 million (December 31, 2024 – $245.8 million). The Trust monitors its ratios and as at December 31, 2025, and December 31, 2024, the Trust was in compliance with all covenants in both its DOT and all existing debt facilities.

NOTE 24: FAIR VALUE MEASUREMENT

(a) Fair Value of Financial Instruments

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of interest bearing financial assets and liabilities is determined by discounting the contractual principal and interest payments at estimated current market interest rates for the instrument. Current market rates are determined by reference to current benchmark rates for similar term and current credit spreads for debt with similar terms and risk. The fair values of the Trust's financial instruments were determined as follows:

(i) the carrying amounts of loan receivable, trade and other receivables, segregated tenants' security deposits, cash and cash equivalents, construction loan payable, refundable tenants' security deposits, and trade and other payables approximate their fair values due to their short-term nature.

(ii) the fair value of the Trust's mortgages payable is an estimate made at a specific point in time, based on relevant market information. The estimate is based on quoted market prices for the same or similar issues or on the current rates offered to the Trust for similar financial instruments subject to similar risks and maturities.

(iii) the fair value of the LP Class B Units are estimates at a specific point in time, based on the closing market price of the Trust Units listed on the Toronto Stock Exchange.

These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore, cannot be determined with precision. Changes in estimates could materially affect fair values. The significant financial instruments of Boardwalk REIT and their carrying values as at December 31, 2025, and December 31, 2024, are as follows:

As at	Dec. 31, 2025 [1]		Dec. 31, 2024 [1]	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial asset carried at FVTPL				
Loan receivable	$ -	$ -	$ 58,170	$ 58,170
Financial liabilities carried at amortized cost				
Mortgages payable	3,490,395	3,472,051	3,286,081	3,241,736
Construction loan payable	72,353	72,353	1,478	1,478
Financial liability carried at FVTPL				
LP Class B Units	270,816	270,816	283,664	283,664

(1) Excludes mortgages related to assets held for sale.

The fair value of the Trust's mortgages payable was lower than the recorded value by approximately $18.3 million at December 31, 2025 (December 31, 2024 – lower by $44.3 million), due to changes in interest rates since the dates on which the individual mortgages were last contracted. The fair values of the mortgages payable have been estimated based on the current market rates for mortgages with similar terms and conditions. The fair value of the Trust's mortgages payable is an amount computed based on the interest rate environment prevailing at December 31, 2025, and December 31, 2024, respectively; the amount is subject to change and the future amounts will converge. There are no additional costs or penalties to Boardwalk REIT if the mortgages are held to maturity.

As at December 31, 2025, and December 31, 2024, the Trust had no embedded derivatives requiring separate recognition.

The nature of these financial instruments and the Trust's operations expose the Trust to certain principal financial risks. The main objective of the Trust's risk management process is to properly identify financial risks and minimize the exposure to potential losses arising from those risks. The principal financial risks to which the Trust is exposed are described in NOTE 25.

(b) Assets and Liabilities Measured at Fair Value

The fair value hierarchy of assets and liabilities measured at fair value on a recurring basis in the consolidated statements of financial position is as follows:

As at	Dec. 31, 2025			Dec. 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investment properties	$ -	$ 513,475	$ 8,181,431	$ -	$ 108,956	$ 8,129,068
Assets held for sale	-	84,000	-	-	80,000	-
Loan receivable	-	-	-	-	-	58,170
Liabilities						
LP Class B Units	270,816	-	-	283,664	-	-
Deferred unit-based compensation	17,316	-	-	17,973	-	-

The three levels of the fair value hierarchy are described in NOTE 4.

Transfers between levels in the fair value hierarchy are recognized on the date of the event or change in circumstances that caused the transfer. For assets and liabilities measured at fair value as at December 31, 2025, and December 31, 2024, transfers into and out of Level 3 fair value measurements are discussed in NOTE 4. Other than those discussed in NOTE 4, there were no other transfers between Level 1, Level 2, and Level 3 assets and liabilities.

NOTE 25: RISK MANAGEMENT

(a) Interest Rate Risk

The Trust is exposed to interest rate risk as a result of its mortgages payable and credit facilities; however, this risk is minimized through the Trust's current strategy of having the majority of its mortgages payable in fixed-term arrangements. As such, the Trust's cash flows are not significantly impacted by a change in market interest rates. In addition, the Trust structures its financings so as to stagger the maturities of its debt, thereby minimizing the Trust's exposure to interest rates in any one year. The majority of the Trust's mortgages are also insured by the CMHC under the NHA mortgage program. This added level of insurance offered to lenders allows the Trust to receive advantageous interest rates while minimizing the risk of mortgage renewals or extensions, and significantly reduces the potential for a lender to call a loan prematurely. In addition, management is constantly reviewing its Credit Facility (floating-rate debt) and, if market conditions warrant, the Trust has the ability to convert its existing floating-rate debt to fixed rate debt.

As at December 31, 2025, the Trust had no amount outstanding on its Credit Facility and its mortgages payable are fixed-rate debt. However, the Trust has a non-revolving construction facility loan which is carried at variable-rate interest with $72.4 million outstanding (December 31, 2024 – $1.5 million) (NOTE 13). As such, for the year ended December 31, 2025, all else being equal, the increase or decrease in net earnings for each 1% change in market interest rates would be $0.2 million (year ended December 31, 2024 – nominal). For the mortgages payable that have fixed-rate debt, the Trust is exposed to interest rate risk on renewals. Please refer to NOTE 25(c) for details on the Trust's remaining contractual maturity for its mortgages payable listed by year of maturity date.

(b) Credit Risk

The Trust is exposed to credit risk as a result of its trade and other receivables. The trade and other receivables balance is comprised of mortgage holdbacks and refundable mortgage fees, accounts receivable from significant customers and insurers, and tenant receivables. As at December 31, 2025, and December 31, 2024, no balance relating to mortgage holdbacks, refundable mortgage fees, or accounts receivable from significant customers and insurers was past due.

In relation to mortgage holdbacks and refundable mortgage fees, the Trust's exposure to credit risk is low given the nature of these balances. These funds will be advanced when the Trust has met the conditions pursuant to the mortgage agreement (in the case of the mortgage holdback) or when financing is completed (in the case of refundable mortgage fees), both of which are expected to occur.

Similar to mortgage holdbacks and refundable mortgage fees, the Trust assesses the credit risk on accounts receivable to be low due to the assured collection of these balances. The majority of the balance relates to money owing from the Trust's revenue sharing initiatives. Given the Trust's collection history and the nature of these customers, credit risk is assessed as low. Additionally, an amount is owed by insurance companies in relation to current outstanding claims (NOTE 7). In all circumstances, the insurance deductible has been paid and amounts incurred and owing for reimbursement are due to an insurable event. Recoverability may differ from the amount owing solely due to discrepancies between the Trust and the insurance provider regarding the value of replacement costs.

With tenant receivables, credit risk arises from the possibility tenants may experience financial difficulty and be unable to fulfill their lease term commitments. The maximum exposure to credit risk is equal to the carrying value of the financial assets. Rent payments from tenants are due on the first of the month and tenants generally pay a security deposit – both of these actions mitigate against bad debts.

As stated above, the carrying amount of tenant receivables reflects management's assessment of the credit risk associated with its tenants; however, the Trust mitigates this risk of credit loss by geographically diversifying its existing portfolio, by limiting its exposure to any one tenant and by conducting thorough credit checks with respect to all new rental-leasing arrangements. In addition, where legislation allows, the Trust obtains a security deposit from a tenant to assist in the recovery of monies owed to the Trust.

Past due receivables (receivables which are greater than 30 days) are reviewed by management on a monthly basis and tenant receivables are considered for impairment on a case-by-case basis. The Trust takes into consideration the tenant's payment history, their credit worthiness, and the current economic environment; however, tenant receivable balances exceeding 60 days are typically written off to bad debt expense as the Trust does not utilize an allowance for estimated credit losses. The amount of the loss is recognized in the consolidated statement of comprehensive income as part of operating expenses. Subsequent recoveries of amounts previously written off are credited against operating expenses during the period of settlement. As tenant receivables are typically written off after 60 days, none of the balance is considered to be past due by the Trust. For the year ended December 31, 2025, bad debt expense totaled $3.4 million (year ended December 31, 2024 – $2.8 million).

The credit risk of both Boardwalk REIT and the counter party have been taken into account in determining the fair value of Boardwalk REIT's trade and other receivables.

(c) Liquidity Risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they become due. The Trust maintains what it believes to be conservatively leveraged assets and can finance any future growth through one or a combination of internally generated cash flows, borrowing under an existing Credit Facility, the issuance of debt, or the issuance of equity, according to its capital management objectives. In addition, the Trust structures its financings so as to stagger the maturities of its debt, thereby minimizing the Trust's exposure to liquidity risk in any one year. In addition, cash flow projections are completed and reviewed on a regular basis to ensure the Trust has sufficient cash flows to make its monthly distributions to Unitholders. Finally, financial assets, such as cash and trade and other receivables, will be realized within the next 12 months and can be utilized to satisfy the Trust's financial liabilities. Given the Trust's currently available liquid resources (from both financial assets and on-going operations) as compared to its contractual obligations, Management assesses the Trust's liquidity risk to be low.

The following table details the Trust's remaining contractual maturity for its financial liabilities listed by year of maturity date:

Year of Maturity	Weighted Average Interest Rate [1]	Mortgage Principal Outstanding [1]	Mortgage Interest [1][2]	Lease Liabilities Principal Outstanding	Construction Loan Payable	Tenants' Security Deposits [1]	Distribution Payable [3]	Trades and Other Payables	Total
2026	2.72%	$ 832,256	$ 106,458	$ -	$ 72,353	$ 18,855	$ 7,149	$ 82,128	$ 1,119,199
2027	3.15%	621,216	87,757	1,818	-	-	-	-	710,791
2028	3.81%	390,148	67,633	21	-	-	-	-	457,802
2029	3.38%	532,776	50,101	4,374	-	-	-	-	587,251
2030	3.22%	448,574	36,642	2,208	-	-	-	-	487,424
Subsequent	3.99%	798,500	78,424	67,276	-	-	-	-	944,200
	3.35%	3,623,470	427,015	75,697	72,353	18,855	7,149	82,128	4,306,667
Unamortized deferred financing costs		(124,308)	-	-	-	-	-	-	(124,308)
Unamortized market debt adjustments		(8,767)	-	-	-	-	-	-	(8,767)
		$ 3,490,395	$ 427,015	$ 75,697	$ 72,353	$ 18,855	$ 7,149	$ 82,128	$ 4,173,592

(1) Excludes liabilities related to assets held for sale.
(2) Based on current in-place interest rates for the remaining term to maturity.
(3) Distribution payable includes distributions owed on the Boardwalk REIT Trust Units and the LP Class B Units.

(d) Debt Covenants

As outlined in its mortgages payable agreements, the Trust is required to make equal monthly payments of principal and interest based on the respective amortization period. Additionally, the Trust must ensure that all property taxes have been paid in full when they become due and that no arrears exist.

The Trust has a Credit Facility with a major financial institution with a committed revolving credit facility and demand revolving credit facility. This Credit Facility is secured by a pledge of a group of specific real estate assets with a fair value at December 31, 2025 of approximately $1.1 billion (December 31, 2024 – $1.1 billion). Assets pledged as security for the Credit Facility may also be pledged as security on mortgages. The amount available through the Credit Facility varies with the value of the pledged assets and amounts drawn, with a maximum limit not to exceed $250.0 million (committed revolving credit facility of $200.0 million and demand revolving credit facility of $50.0 million), and an available limit of $245.8 million as at December 31, 2025 (December 31, 2024 – $245.8 million). The Credit Facility requires monthly interest payments, is for a five-year term maturing on July 25, 2030 (or upon demand with respect to the demand revolving credit facility), and can be extended annually thereafter, subject to the mutual consent of the lender and the Trust. Unless otherwise extended, all principal and accrued interest is due and payable upon maturity of the Credit Facility.

Unless otherwise extended, the drawn-down principal and accrued interest would be due on the maturity date of the Credit Facility.

The Credit Facility contains three financial covenants as follows:

(i) The Trust will maintain an overall Debt Service Coverage Ratio of at least 1.20, calculated on the most recent completed trailing four fiscal quarter basis. As at December 31, 2025, this ratio was 1.86 (December 31, 2024 – 1.85).

(ii) The Trust will maintain a Debt Service Coverage Ratio, specific to the Security Portfolio of at least 1.15, calculated on the most recent completed trailing four fiscal quarter basis. As at December 31, 2025, this ratio was 2.64 (December 31, 2024 – 2.48).

(iii) Total indebtedness of the Trust will not exceed 75% of the Gross Book Value of all assets for the two most recent quarters as defined in the credit agreement. As at December 31, 2025, this ratio was 40.0% (December 31, 2024 – 38.9%).

As at December 31, 2025, and December 31, 2024, the Trust was in compliance with all financial covenants.

(e) Market Risk

The Trust is exposed to market risk related to utilities as a result of fluctuations in the prices of natural gas and electricity. As outlined in NOTE 22, the Trust has commitments to certain utility contracts to reduce the risk of exposure to adverse changes in commodity prices.

NOTE 26: SUBSIDIARIES

The entities included in the Trust's consolidated financial statements are as follows:

Entity	Type	Relationship
Boardwalk Real Estate Investment Trust (“BREIT”)	Trust	Parent
Boardwalk Real Estate Management Ltd.	Corporation	100% owned by BREIT
Top Hat Operating Trust (“TOT”)	Trust	100% owned by BREIT
BPCL Holdings Inc. (“BPCL”)	Corporation	Meets the principle of control
Boardwalk REIT Limited Partnership (“BLP”)	Partnership	A Units are 100% owned by TOT
		B Units and C Units are 100% owned by BPCL
Boardwalk REIT Properties Holdings (Alberta) Ltd.	Corporation	100% owned by BLP
Boardwalk REIT Quebec Inc.	Corporation	100% owned by BLP
Boardwalk Quebec Trust 1	Trust	100% owned by BLP
Boardwalk St. Laurent Limited Partnership	Partnership	99.99% owned by Boardwalk Quebec Trust
		0.01% owned by 9165-5795 Quebec Inc.
9108-4749 Quebec Inc.	Corporation	100% owned by BLP
9165-5795 Quebec Inc.	Corporation	100% owned by 9108-4749 Quebec Inc.
Nuns’ Island Trust 1	Trust	100% owned by BLP
Nuns’ Island Trust 2	Trust	100% owned by BLP
Metropolitan Structures (MSI) Inc.	Corporation	100% owned by BLP
Boardwalk GP Holding Trust	Trust	100% owned by BLP
6222285 Canada Inc.	Corporation	100% owned by BLP
Boardwalk GP Operating Trust	Trust	100% owned by 6222285 Canada Inc.
Boardwalk General Partnership (“BGP”)	Partnership	99.99% owned by Boardwalk GP Holding Trust
		0.01% owned by Boardwalk GP Operating Trust
Boardwalk REIT Properties Holdings Ltd.	Corporation	100% owned by BGP
Helmcken Rd. Development B.C Ltd.	Corporation	100% owned by BGP
Carlisle Ave Development B.C. Ltd.	Corporation	100% owned by BGP
Island Highway Development (B.C.) Ltd.	Corporation	100% owned by BGP
Watkiss Eagle Creek Property Ltd.	Corporation	100% owned by BGP
BRIO Holdings Ltd.	Corporation	100% Owned by BGP
Redwalk Brampton Limited Partnership	Partnership	49.99% owned by BGP
		0.01% owned by Redwalk Brampton Inc.
Redwalk Brampton Inc.	Corporation	50% owned by Boardwalk REIT Properties Holdings Ltd.
1082116 B.C. Ltd.	Corporation	100% owned by BGP

BPCL represents the only entity which is included in the Trust's consolidated financial statements by meeting the principle of control and not based on the Trust's ownership percentage. BPCL (formerly called Boardwalk Equities Inc.) was created to accomplish a narrow and well-defined objective, which was to transfer the beneficial interest in the Corporation's assets (the "Assets") pursuant to the Master Asset Contribution Agreement. The Trust does not have any voting interest in BPCL; however, the Trust controls BPCL because the Trust has the decision-making powers to obtain the majority of the benefits of the activities of BPCL and the Trust retains the majority of the residual or ownership risks related to BPCL. Specifically, BLP controls all of the Assets previously held by BPCL and is responsible for BPCL's debt by guaranteeing the principal and interest owed to the lenders. BLP must make distributions to the LP Class C Units equivalent to the principal and interest owed on BPCL's debt. As beneficial owner of the Assets, BLP has power over BPCL as it can direct their relevant activities (i.e. impose and collect rental income, manage and pay operating costs, etc.) in order to generate cash flows and make distributions on the LP Class C Units. It has exposure, or rights, to variable returns based on its beneficial ownership of the Assets. The Trust controls BPCL, because the Trust has the decision making power to obtain the majority of the benefits from the activities of BPCL. Due to the above, BPCL is part of the Trust's consolidated group.

NOTE 27: RELATED PARTY DISCLOSURES

IAS 24 – Related Party Disclosures requires entities to disclose in their financial statements information about transactions with related parties. Generally, two parties are related to each other if one party controls, or significantly influences, the other party. Balances and transactions between the Trust and its subsidiaries, which are related parties of the Trust, have been eliminated on consolidation and are not disclosed in this note disclosure.

The individuals considered key management personnel of the Trust as at December 31, 2025, were as follows:

- Chief Executive Officer
- President
- Chief Financial Officer
- CIO, VP, Technology
- Senior VP, Investments
- Members of the Board of Trustees

The remuneration of the Trust's key management personnel was as follows:

	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Short-term benefits	$ 3,272	$ 3,316
Post-employment benefits	67	70
Other long-term benefits	4	4
	$ 3,343	$ 3,390

In addition, the LP Class B Units are held by Mr. Sam Kolias (Chairman of the Board, Chief Executive Officer and Trustee) and Mr. Van Kolias (Senior Vice President, Quality Control). Under IAS 32, the LP Class B Units issued by a wholly-owned subsidiary of the Trust are considered financial liabilities and are reclassified from equity to liabilities on the consolidated financial statements. Additionally, as the LP Class B Units are liabilities, all distributions paid (both regular and special) are recorded as financing costs under IFRS Accounting Standards. For the year ended December 31, 2025, distributions on the LP Class B Units totaled $6.8 million (year ended December 31, 2024 – $6.2 million). Distributions on the LP Class B Units are made on terms equal to distributions made on Boardwalk REIT Trust Units.

As at December 31, 2025, there was $0.6 million owed to related parties (December 31, 2024 – $0.5 million) based on the LP Class B Units distribution outlined above.

On January 12, 2024, with respect to the equity accounted investment in the joint venture, the Trust made a loan to the joint venture for $57.2 million with the proceeds used by the joint venture to repay 50% of the revolving construction facility loan payable. In September 2025, the joint venture repaid the outstanding loan receivable balance to the Trust of $58.2 million using proceeds received from mortgage financing (NOTE 6).

NOTE 28: OTHER INFORMATION

(a) Supplemental Cash Flow Information

	Note	Year Ended Dec. 31, 2025	Year Ended Dec. 31, 2024
Net change in operating working capital			
Net change in inventories		$ (962)	$ 880
Net change in prepaid assets		(123)	2,632
Net change in trade and other receivables		(1,067)	(4,447)
Net change in segregated and refundable tenants' security deposits		1,120	470
Net change in trade and other payables		4,540	5,139
		$ 3,508	$ 4,674
Net change in investing working capital			
Net change in trade and other payables		$ 1,002	$ 2,644
Net change in financing working capital			
Net change in trade and other payables		$ (309)	$ (479)
Investment in capital assets			
Improvements to investment properties	4	$ (131,089)	$ (124,395)
Additions to property, plant and equipment		(7,936)	(9,032)
		$ (139,025)	$ (133,427)
Distributions paid			
Distributions declared		$ (77,879)	$ (68,917)
Distributions declared in prior year paid in current year		(5,922)	(4,815)
Distributions declared in current year paid in next year		6,582	5,922
		$ (77,219)	$ (67,810)

(b) Included in administration costs was $4.7 million relating to Registered Retirement Savings Plan matching for the year ended December 31, 2025 (year ended December 31, 2024 – $4.2 million).

(c) The Trust declared regular distributions of $84.7 million for the year ended December 31, 2025, which includes $77.9 million of distributions on the Trust Units and $6.8 million of distributions on the LP Class B Units, which under IFRS Accounting Standards are considered financing costs (year ended December 31, 2024 – $75.1 million, which includes $68.9 million of distributions on the Trust Units and $6.2 million of distributions on the LP Class B Units).

NOTE 29: SEGMENTED INFORMATION

Boardwalk REIT specializes in multi-family residential housing and operates within one business segment in five provinces located wholly in Canada along with a corporate segment. Each provincial segment operates with a high degree of autonomy. Management monitors the operating results on a province-by-province basis. Segment performance is evaluated on a number of measures, including profit. Financial information reported is on the same basis as used for internal evaluation and allocation of resources. Boardwalk REIT does not have any one major tenant or a significant group of tenants. Either expiring leases are renewed or new tenants are found.

Net debt, interest income and expenses, and income taxes are managed on a group basis. Transfer prices between locations are set on an arm's-length basis in a manner similar to transactions with third parties and are eliminated upon inter-company consolidation.

Corporate represents corporate functions, technology assets, activities incidental to operations, development of investment properties, and certain comparative data for divested assets.

Details of segmented information are as follows:

As at	December 31, 2025						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Assets	$ 5,456,692	$ 124,476	$ 915,064	$ 755,375	$ 1,418,657	$ 324,580	$ 8,994,844
Liabilities	2,272,105	74,312	346,844	266,682	694,784	421,958	4,076,685

As at	December 31, 2024						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Assets	$ 5,353,427	$ 130,226	$ 771,112	$ 819,882	$ 1,235,657	$ 316,186	$ 8,626,490
Liabilities	2,221,228	75,139	305,713	271,521	556,063	360,017	3,789,681

As at	Year Ended December 31, 2025						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	$407,494	$ 7,035	$ 70,269	$ 50,668	$101,939	$ 1,233	$638,638
Rental expenses							
Operating expenses	69,896	565	10,139	8,629	16,332	7,498	113,059
Utilities	33,587	284	6,904	4,333	7,713	354	53,175
Property taxes	34,499	494	4,920	5,245	9,512	173	54,843
Total rental expenses	137,982	1,343	21,963	18,207	33,557	8,025	221,077
Net operating income (loss)	269,512	5,692	48,306	32,461	68,382	(6,792)	417,561
Financing costs (b)	78,348	3,079	9,904	10,064	20,189	6,783	128,367
Administration	2,991	10	460	374	675	41,350	45,860
Deferred unit-based compensation	-	-	-	-	-	4,743	4,743
Depreciation (c)	859	5	152	88	148	7,605	8,857
Profit (loss) before the undernoted	187,314	2,598	37,790	21,935	47,370	(67,273)	229,734
Loss from equity accounted investment	-	-	-	(2,693)	-	-	(2,693)
Loss on sale of assets	(7,355)	-	-	-	(2,520)	-	(9,875)
Fair value gains (losses)	22,049	(6,078)	14,925	(16,301)	(37,109)	(2,434)	(24,948)
Interest income	18	-	-	1,871	-	2,732	4,621
Profit (loss) before income tax	202,026	(3,480)	52,715	4,812	7,741	(66,975)	196,839
Income tax recovery (d)	-	-	-	-	-	29	29
Profit (loss)	$202,026	$ (3,480)	$ 52,715	$ 4,812	$ 7,741	$ (66,946)	$196,868
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	$202,026	$ (3,480)	$ 52,715	$ 4,812	$ 7,741	$ (66,946)	$196,868
Additions to non-current assets (e)	$272,374	$ 306	$ 128,673	$ 11,103	$269,264	$ 52,776	$734,496

	Year Ended December 31, 2024						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	$ 389,038	$ 6,774	$ 63,461	$ 47,952	$ 94,884	$ 1,184	$ 603,293
Rental expenses							
Operating expenses	67,140	685	9,822	8,753	16,207	7,010	109,617
Utilities	36,884	272	7,016	4,633	6,763	401	55,969
Property taxes	35,871	452	4,868	4,914	9,093	175	55,373
Total rental expenses	139,895	1,409	21,706	18,300	32,063	7,586	220,959
Net operating income (loss)	249,143	5,365	41,755	29,652	62,821	(6,402)	382,334
Financing costs (b)	74,201	3,114	9,135	9,189	18,987	6,535	121,161
Administration	3,119	5	497	257	499	40,414	44,791
Deferred unit-based compensation	-	-	-	-	-	5,374	5,374
Depreciation (c)	836	4	145	81	154	7,098	8,318
Profit (loss) before the undernoted	170,987	2,242	31,978	20,125	43,181	(65,823)	202,690
Income from equity accounted investment	-	-	-	13,226	-	-	13,226
Fair value gains (losses)	249,349	1,525	57,695	(14,681)	34,773	31,227	359,888
Interest income	16	-	-	3,870	-	8,612	12,498
Profit (loss) before income tax	420,352	3,767	89,673	22,540	77,954	(25,984)	588,302
Income tax expense (d)	-	-	-	-	-	(84)	(84)
Profit (loss)	$ 420,352	$ 3,767	$ 89,673	$ 22,540	$ 77,954	$ (26,068)	$ 588,218
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	$ 420,352	$ 3,767	$ 89,673	$ 22,540	$ 77,954	$ (26,068)	$ 588,218
Additions to non-current assets (e)	$ 183,962	$ 425	$ 19,448	$ 11,833	$ 19,097	$ 63,696	$ 298,461

(a) Rental Revenue

	Year Ended December 31, 2025						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Lease revenue	$388,475	$ 6,903	$ 67,646	$ 49,353	$ 96,942	$ 610	$609,929
Parking revenue	7,567	138	739	631	2,894	36	12,005
Recoveries (cable, retirement) and revenue from telephone and cable providers	4,308	34	1,036	131	761	86	6,356
Revenue from coin laundry machines	3,335	-	349	705	758	-	5,147
Other	3,809	(40)	499	(152)	584	501	5,201
Total	$407,494	$ 7,035	$ 70,269	$ 50,668	$101,939	$ 1,233	$638,638

	Year Ended December 31, 2024						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Lease revenue	$ 371,197	$ 6,679	$ 60,782	$ 46,976	$ 90,241	$ 596	$ 576,471
Parking revenue	7,047	110	728	501	2,557	-	10,943
Recoveries (cable, retirement) and revenue from telephone and cable providers	4,985	8	1,135	133	968	85	7,314
Revenue from coin laundry machines	2,879	-	278	512	673	-	4,342
Other	2,930	(23)	538	(170)	445	503	4,223
Total	$ 389,038	$ 6,774	$ 63,461	$ 47,952	$ 94,884	$ 1,184	$ 603,293

(b) Financing Costs

	Year Ended December 31, 2025						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	$ 73,846	$ 2,989	$ 9,240	$ 9,484	$ 16,885	$ -	$112,444
Interest capitalized to properties under development	-	-	-	-	-	(3,746)	(3,746)
LP Class B Unit distributions	-	-	-	-	-	6,857	6,857
Other interest charges	(269)	-	(86)	53	(44)	3,386	3,040
Interest on lease liabilities	-	-	-	-	2,256	286	2,542
Amortization of deferred financing costs	4,771	90	750	527	1,092	-	7,230
Total	$ 78,348	$ 3,079	$ 9,904	$ 10,064	$ 20,189	$ 6,783	$128,367

	Year Ended December 31, 2024						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	$ 69,546	$ 3,023	$ 8,459	$ 8,578	$ 15,601	$ (3)	$ 105,204
Interest capitalized to properties under development	-	-	-	-	-	(2,332)	(2,332)
LP Class B Unit distributions	-	-	-	-	-	6,235	6,235
Other interest charges	(160)	3	(81)	51	(20)	2,371	2,164
Interest on lease liabilities	-	-	-	-	2,314	263	2,577
Amortization of deferred financing costs	4,815	88	757	560	1,092	1	7,313
Total	$ 74,201	$ 3,114	$ 9,135	$ 9,189	$ 18,987	$ 6,535	$ 121,161

(c) Depreciation

This represents depreciation on items carried at cost and primarily includes corporate assets, technology assets, site equipment and other assets. These figures exclude any impairment charges.

(d) Income Tax Recovery (Expense)

This relates to any current and deferred taxes.

(e) Additions to Non-current Assets (Other Than Financial Instruments and Deferred Tax Assets)

This represents the total cost incurred during the year to acquire non-current assets (other than financial instruments and deferred tax assets), measured on an accrual basis.

NOTE 30: SUBSEQUENT EVENTS

On January 13, 2026, the Trust sold two non-core assets, that were included in assets held for sale (NOTE 5), totaling 176 suites, in Edmonton, Alberta, which forms part of the Alberta geographical segment, for the combined sale price of $37.0 million.

Subsequent to December 31, 2025, the purchaser waived conditions on the sale of two non-core assets that are included in assets held for sale (NOTE 5), totaling 280 suites, in Montreal, Quebec, which forms part of the Quebec geographical segment, for the combined sale price of $47.0 million. The transaction is expected to close in the first quarter of 2026.

NOTE 31: APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Trustees and authorized on February 18, 2026.

Five Year Summary

($000's except per unit and per square foot)	2021	2022	2023	2024	**2025**
Assets					
Total Assets	$ 6,660,653	$ 7,067,275	$ 8,141,876	$ 8,626,490	**$ 8,994,844**
Liabilities					
Total Liabilities	$ 3,407,475	$ 3,600,277	$ 3,821,804	$ 3,789,681	**$ 4,076,685**
Equity					
Unitholders' equity	3,253,178	3,466,998	4,320,072	4,836,809	**4,918,159**
Total Liabilities and Equity	$ 6,660,653	$ 7,067,275	$ 8,141,876	$ 8,626,490	**$ 8,994,844**
Trust Units outstanding (000) (including LP Class B Units)	50,612	50,198	53,863	53,761	**52,952**
Trust Unit price at year-end ($)	54.83	49.43	71.34	64.25	**64.48**
Market capitalization ($MM)	2,775.1	2,481.3	3,842.6	3,454.2	**3,414.4**
Number of rental suites	33,264	33,810	34,029	34,405	**34,576**
Total Assets per suite ($000)	200	209	239	251	**260**
Total Liabilities per suite ($000)	102	106	112	110	**118**
Net rentable square feet (000)	28,888	29,390	29,515	29,829	**29,991**
Total Assets per square foot ($)	231	240	276	289	**300**
Total Liabilities per square foot ($)	118	123	129	127	**136**
Average net rentable SF per unit	868	869	867	867	**867**
L/T debt weighted average interest rate	2.46%	2.72%	3.00%	3.19%	**3.35%**

Five Year Summary

($000's except per unit)	2021	2022	2023	2024	2025
Rental revenue	$ 472,312	$ 496,360	$ 545,658	$ 603,293	$ 638,638
Rental expenses					
Operating expenses	98,626	104,081	106,190	109,617	113,059
Utilities	49,751	52,572	53,392	55,969	53,175
Property taxes	49,595	51,047	53,087	55,373	54,843
Total rental expenses	197,972	207,700	212,669	220,959	221,077
Net operating income	274,340	288,660	332,989	382,334	417,561
Operating margin	58%	58%	61%	63%	65%
Financing costs	90,080	97,021	111,172	121,161	128,367
Administration	33,282	33,859	41,172	44,791	45,860
Deferred unit-based compensation	2,392	2,556	3,328	5,374	4,743
Depreciation	7,809	7,782	7,921	8,318	8,857
Profit from continuing operations before the undernoted	140,777	147,442	169,396	202,690	229,734
(Loss) income from equity accounted investment	-	(247)	(1,113)	13,226	(2,693)
Loss on sale of assets	(1,953)	-	(928)	-	(9,875)
Fair value gains (losses)	307,002	132,256	494,877	359,888	(24,948)
Interest Income	331	935	3,059	12,498	4,621
Other income	-	2,788	886	-	-
Profit before income taxes	446,157	283,174	666,177	588,302	196,839
Income tax recovery (expense)	110	(78)	(78)	(84)	29
Profit	446,267	283,096	666,099	588,218	196,868
Other comprehensive income	-	-	-	-	-
Total comprehensive income	$ 446,267	$ 283,096	$ 666,099	$ 588,218	$ 196,868
Profit per Trust Unit – diluted	$ 9.59	$ 5.23	$ 14.54	$ 10.41	$ 3.84
Funds from operations [(1)(2)]	$ 150,207	$ 157,444	$ 181,353	$ 225,848	$ 248,498
Funds from operations per Unit – fully diluted [(2)]	$ 2.94	$ 3.13	$ 3.60	$ 4.18	$ 4.65
Interest Coverage Ratio	2.96	2.90	2.83	2.95	3.08

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in the MD&A for more information.

2025 Quarterly Results

	Q1	Q2	Q3	Q4	Dec. 31, 2025
Rental revenue	$ 155,708	$ 157,306	$ 160,772	$ 164,852	**$ 638,638**
Rental expenses					
Operating expenses	27,242	28,223	28,471	29,123	**113,059**
Utilities	18,314	11,242	10,268	13,351	**53,175**
Property taxes	13,608	13,635	13,692	13,908	**54,843**
Total rental expenses	59,164	53,100	52,431	56,382	**221,077**
Net operating income	96,544	104,206	108,341	108,470	**417,561**
Financing costs	30,835	31,179	31,496	34,857	**128,367**
Administration	10,768	12,254	12,170	10,668	**45,860**
Deferred unit-based compensation	1,086	1,149	1,227	1,281	**4,743**
Depreciation and amortization	2,019	2,156	2,307	2,375	**8,857**
Profit before the undernoted	51,836	57,468	61,141	59,289	**229,734**
(Loss) income from equity accounted investment	(694)	482	(3,613)	1,132	**(2,693)**
Loss on sale of assets	(2,291)	-	(6,354)	(1,230)	**(9,875)**
Fair value gains (losses)	83,089	17,449	(14,374)	(111,112)	**(24,948)**
Interest Income	1,848	867	791	1,115	**4,621**
Profit (loss) before income tax	133,788	76,266	37,591	(50,806)	**196,839**
Income tax (expense) recovery	(38)	38	15	14	**29**
Profit (loss) for the period	133,750	76,304	37,606	(50,792)	**196,868**
Other comprehensive income	-	-	-	-	**-**
Total comprehensive income (loss)	$ 133,750	$ 76,304	$ 37,606	$ (50,792)	**$ 196,868**
Profit (loss) per unit - diluted	$ 2.73	$ 1.56	$ 0.77	$ (1.30)	**$ 3.84**
Funds from operations [(1)(2)]	$ 56,688	$ 61,861	$ 65,948	$ 64,001	**$ 248,498**
Funds from operations per unit - fully diluted [(2)]	$ 1.06	$ 1.16	$ 1.23	$ 1.20	**$ 4.65**

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in the MD&A for more information.

2024 Quarterly Results

	Q1	Q2	Q3	Q4	Dec. 31, 2024
Rental revenue	$ 145,248	$ 149,067	$ 153,413	$ 155,565	**$ 603,293**
Rental expenses					
Operating expenses	27,082	27,082	27,969	27,484	**109,617**
Utilities	17,116	12,777	11,160	14,916	**55,969**
Property taxes	13,503	13,640	14,100	14,130	**55,373**
Total rental expenses	57,701	53,499	53,229	56,530	**220,959**
Net operating income	87,547	95,568	100,184	99,035	**382,334**
Financing costs	29,704	30,255	30,265	30,937	**121,161**
Administration	10,293	11,708	11,710	11,080	**44,791**
Deferred unit-based compensation	671	1,418	1,237	2,048	**5,374**
Depreciation and amortization	1,865	2,002	2,124	2,327	**8,318**
Profit before the undernoted	45,014	50,185	54,848	52,643	**202,690**
(Loss) income from equity accounted investment	(596)	(302)	(148)	14,272	**13,226**
Fair value gains (losses)	259,205	105,878	(1,838)	(3,357)	**359,888**
Interest Income	4,180	3,392	2,572	2,354	**12,498**
Profit before income tax	307,803	159,153	55,434	65,912	**588,302**
Income tax (expense) recovery	(82)	1	(15)	12	**(84)**
Profit for the period	307,721	159,154	55,419	65,924	**588,218**
Other comprehensive income	-	-	-	-	**-**
Total comprehensive income	$ 307,721	$ 159,154	$ 55,419	$ 65,924	**$ 588,218**
Profit (loss) per unit – diluted	$ 6.23	$ 2.33	$ 1.12	$ (0.57)	**$ 10.41**
Funds from operations [(1)(2)]	$ 51,035	$ 56,085	$ 60,185	$ 58,543	**$ 225,848**
Funds from operations per unit – fully diluted [(2)]	$ 0.95	$ 1.04	$ 1.11	$ 1.08	**$ 4.18**

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in the MD&A for more information.

Market & Unitholder Information

SOLICITORS

Gowling WLG (Canada) LLP
1600, 421 – 7th Avenue SW
Calgary, Alberta T2P 4K9

First West Law LLP
100, 1501 – 1st Street SW
Calgary, Alberta T2R 0W1

BANKERS

TD Commercial Banking
1100, 421 – 7th Avenue SW
Calgary, Alberta T2P 4K9

AUDITORS

Deloitte LLP
700, 850 – 2nd Street SW
Calgary, Alberta T2P 0R8

REGISTRAR AND TRANSFER AGENT

Odyssey Trust Company
Our Transfer Agent can help you with a variety of unitholder related services, including change of address, tax forms, accounts consolidation and transfer of stock.

Stock Exchange Tower
1230 - 300 5th Avenue SW
Calgary, AB T2P 3C4
Telephone: 587-885-0960

INVESTOR RELATIONS

Unitholders seeking financial and operating information may contact:

Eric Bowers
Vice President, Finance & Investor Relations
Telephone: 403-531-9255
Web: www.bwalk.com/investors
Email: investor@bwalk.com

ONLINE INFORMATION

For an online version of the current and past annual reports, quarterly reports, press releases and other Trust information, please visit our investor website at www.bwalk.com/investors.

ANNUAL GENERAL MEETING

The Annual General and Special Meeting of the Unitholders of Boardwalk REIT will be held at the Calgary Petroleum Club: 319 – 5th Avenue SW, Calgary, Alberta at 4:00 PM (MT) on Monday, May 4, 2026.

Unitholders are encouraged to attend. Those unable to do so are requested to complete the Form of Proxy and forward it at their earliest convenience. Information available on www.bwalk.com/investors.

EXCHANGE LISTINGS

The Toronto Stock Exchange
Symbol: BEI.UN

TRADING PROFILE

TSX: January 1, 2025 to December 31, 2025
High: $73.54
Low: $60.32
Year-end Closing Price: $64.48

REGULAR MONTHLY DISTRIBUTIONS				
Month	**Per Unit**	**Annualized**	**Record Date**	**Distribution Date**
Jan-25	$0.1200	**$1.44**	31-Jan-25	17-Feb-25
Feb-25	$0.1200	**$1.44**	28-Feb-25	17-Mar-25
Mar-25	$0.1350	**$1.62**	31-Mar-25	15-Apr-25
Apr-25	$0.1350	**$1.62**	30-Apr-25	15-May-25
May-25	$0.1350	**$1.62**	30-May-25	16-Jun-25
Jun-25	$0.1350	**$1.62**	30-Jun-25	15-Jul-25
Jul-25	$0.1350	**$1.62**	31-Jul-25	15-Aug-25
Aug-25	$0.1350	**$1.62**	29-Aug-25	15-Sep-25
Sep-25	$0.1350	**$1.62**	30-Sep-25	15-Oct-25
Oct-25	$0.1350	**$1.62**	31-Oct-25	17-Nov-25
Nov-25	$0.1350	**$1.62**	28-Nov-25	15-Dec-25
Dec-25	$0.1350	**$1.62**	31-Dec-25	15-Jan-26
Jan-26	$0.1350	**$1.62**	30-Jan-26	16-Feb-26
Feb-26	$0.1350	**$1.62**	27-Feb-26	16-Mar-26
Mar-26	$0.1500	**$1.80**	31-Mar-26	15-Apr-26
Apr-26	$0.1500	**$1.80**	30-Apr-26	15-May-26
May-26	$0.1500	**$1.80**	29-May-26	15-Jun-26

Corporate Information

EXECUTIVE OFFICE

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200-1501 1 St. SW
Calgary, Alberta T2R 0W1
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BOARD OF TRUSTEES

Sam Kolias
Chairman of the Board
Calgary, Alberta

Mandy Abramsohn [2][3]
Toronto, Ontario

Andrea Goertz [2][3]
Calgary, Alberta

Gary Goodman [2]
Toronto, Ontario

James Ha
Calgary, Alberta

Samantha Kolias-Gunn
Calgary, Alberta

Scott Morrison [2]
Toronto, Ontario

Brian Robinson [1][3]
Calgary, Alberta

(1) Lead Trustee
(2) Member of the Audit & Risk Management Committee
(3) Compensation, Governance, Nominations & Sustainability Committee

SENIOR MANAGEMENT

Samantha Adams
Senior Vice President,
Investments

Eric Bowers
Vice President,
Finance & Investor Relations

Razvan Costin
Vice President,
Operations,
Northern Alberta and Saskatchewan

Arvinder Dhol
Vice President, Special Projects,
Engineering & Design

Gillian Calderon Dominguez
Vice President, People

James Ha
President

Bhavnesh Jairam
CIO, Vice President,
Technology

Haroon Khan
Vice President,
Operations, British Columbia,
Southern Alberta, Ontario and Quebec

Jeff Klaus
Vice President,
Asset Management & Development

Sam Kolias
Chief Executive Officer

Samantha Kolias-Gunn
Senior Vice President,
Corporate Development & Governance

Marie Ma
Vice President,
Resident Care & Tribunal Affairs

Michelle Poulin
Vice President, Supply Chain

Nandini Somayaji
General Counsel & Corporate Secretary

Gregg Tinling
Chief Financial Officer

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