



**BOARDWALK REAL ESTATE INVESTMENT TRUST  
ANNUAL INFORMATION FORM**

February 19, 2026

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## GLOSSARY OF TERMS

In this Annual Information Form ("**AIF**"), unless otherwise indicated or the context otherwise requires, the following terms shall have the indicated meanings. Words importing the singular include the plural and vice versa and words importing any gender include all genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

"**2004 Assets**" has the meaning set forth under "*Corporate Structure*" in this AIF;

"**ABCA**" means the *Business Corporations Act* (Alberta) and the regulations thereunder, as amended from time to time;

"**Acquisition and the Arrangement**" has the meaning set forth under "*Corporate Structure*" in this AIF;

"**affiliate**" has the meaning ascribed thereto in the *Securities Act* (Alberta), as amended from time to time;

"**Associates**" means the employees of the Trust and its affiliates;

"**BEI Subco**" means 1103891 Alberta Ltd., a corporation incorporated immediately prior to the Effective Date pursuant to the laws of Alberta as a wholly owned subsidiary of the Corporation;

"**Board**" means the board of trustees of the Trust as it may be comprised from time to time;

"**Boardwalk REIT**", "**Boardwalk**" or the "**Trust**" means Boardwalk Real Estate Investment Trust;

"**Boardwalk REIT Administrative Services Agreement**" means the administrative services agreement dated the Effective Date among Boardwalk REIT, the General Partner and the Operating Trust;

"**BPCL**" means Boardwalk Properties Company Limited, a corporation incorporated in 1984 pursuant to the laws of Alberta and under the control and direction of Sam Koliass;

"**business day**" means a day, other than a Saturday or Sunday, on which Schedule 1 Canadian chartered banks are open for business in Calgary, Alberta and Toronto, Ontario;

"**CORRA**" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor thereto);

"**CMHC**" means Canada Mortgage and Housing Corporation;

"**Common Shares**" means the common shares of the Corporation;

"**Consolidated EBITDA**" of the Trust for any period means Consolidated Profit increased by the sum of: (i) Consolidated Interest Expense, excluding interest that has been capitalized on projects that are under development or held for future development for such period; (ii) tax expense of the Trust for such period (including both income tax and large corporations tax other than income taxes, either positive or negative, attributable to extraordinary or non-recurring gains or losses) determined on a consolidated basis in accordance with IFRS Accounting Standards; (iii) amortization of income properties (including provisions for diminution of income properties for such period, determined on a consolidated basis in accordance with IFRS Accounting Standards; (iv) amortization of deferred expenses of the Trust for such period, determined on a consolidated basis in accordance with IFRS Accounting Standards; and (v) other non-cash items reducing Consolidated Profit resulting from a change in accounting principles in determining Consolidated Profit for such period;

"**Consolidated Interest Expense**" of the Trust for any period means the aggregate amount of interest expense of the Trust in respect of indebtedness, capital lease obligations, the original issue discount of any indebtedness issued at a price less than the face amount thereof paid, accrued or scheduled to be paid or accrued by the Trust during such period and, to the extent interest has been capitalized on projects that are under development or held for future development during the period, the amount of interest so capitalized, all as determined on a consolidated basis in accordance with IFRS Accounting Standards (provided that, notwithstanding its presentation under IFRS Accounting Standards, all interest expense of the Trust in respect of convertible debt indebtedness will be included (without duplication) and all amortized deferred financing charges will be excluded in determining Consolidated Interest Expense). Consolidated Interest Expense shall not include: (i) Distributions or other distributions paid or payable on any LP Units or other equity securities convertible or exchangeable into Units; or (ii) any rent payable by the Trust, any subsidiary or any affiliate of the Trust and/or a subsidiary of the Trust pursuant to any lease under which one or more of them are a lessee;

"**Consolidated Profit**" of the Trust for any period means the net income (loss) of the Trust for such period determined in accordance with IFRS Accounting Standards, excluding: (i) any gain or loss (net of any tax impact) attributable to the sale or other disposition of any asset of the Trust, or other than the sale or disposition of income properties specifically acquired and held for resale; (ii) any extraordinary gains and losses of the Trust, determined on a consolidated basis in accordance with IFRS Accounting Standards; (iii) any fair value adjustment(s) of any asset(s) of the Trust required by IFRS Accounting Standards; and (iv) other non-recurring items;

"**Corporation**" means BPCL Holdings Inc. (formerly called Boardwalk Equities Inc.);

"**CRA**" means Canada Revenue Agency;

"**Credit Agreement**" means the fourth amended and restated credit agreement between the Partnership and the Toronto Dominion Bank dated July 8, 2024 providing for the Credit Facility;

"**Credit Facility**" means the Partnership's credit facility in the form of a committed revolving credit facility and demand revolving credit facility up to a maximum of \$250 million pursuant to the Credit Agreement.

"**Declaration of Trust**" means the declaration of trust dated January 9, 2004, as amended and restated on May 3, 2004, May 10, 2006, May 10, 2007, May 13, 2008, May 13, 2009, May 18, 2010, May 12, 2011, May 15, 2012, May 15, 2014, May 12, 2016, May 11, 2017, May 15, 2018 and May 6, 2024, creating the Trust as may be further amended and restated from time to time;

"**Distribution Date**" means, with respect to a Distribution by Boardwalk REIT, a business day determined by the Trustees for any calendar month to be on or about the 15th day of the following month;

"**Distribution Record Date**" means, until otherwise determined by the Trustees, the last business day of each month of each year, except for the month of December where the Distribution Record Date shall be December 31;

"**Effective Date**" means May 3, 2004;

"**Effective Time**" means the effective time of the Acquisition and the Arrangement;

"**Entity Value**" means the amount determined by multiplying the total number of Trust Units issued and outstanding (on a fully diluted basis, including, without limitation, Trust Units issuable on the exchange of LP Class B Units) by the 10-day weighted average trading price of the Trust Units on the TSX for the 10 trading days immediately following the Effective Date, which was \$15.95 per Trust Unit for a total of \$149 million;

"**Exchange and Support Agreement**" means the exchange and support agreement dated the Effective Date among Boardwalk REIT, the Operating Trust, the Partnership, the Corporation and BEI Subco;

"**FFO**" has the meaning set forth under "*Presentation of Financial Information and Non-GAAP Measures*" in this AIF;

"**GAAP**" means generally accepted accounting principles;

"**General Partner**" or "**GP**" means Boardwalk Real Estate Management Ltd., a corporation incorporated pursuant to the laws of Alberta and the general partner of the Partnership;

"**Gross Book Value**" means, at any time, the book value of the assets of Boardwalk REIT and its subsidiaries, shown on its then most recent publicly issued consolidated balance sheet prepared in accordance with IFRS Accounting Standards as of January 1, 2011;

"**gross book value**" means, for the purposes of the Credit Agreement, at any time, the book value of the assets of Boardwalk REIT and its subsidiaries, shown on its then most recent publicly issued consolidated balance sheet prepared in accordance with IFRS Accounting Standards as at the end of any two consecutive fiscal quarters, plus the amount of accumulated depreciation and amortization shown thereon or in the notes thereto;

"**IFRS**" means International Financial Reporting Standards;

"**Independent Trustees**" has the meaning ascribed to such term in National Policy 58-201 – *Corporate Governance Guidelines*;

"**LBA**" means the large borrower agreement, dated September 13, 2002, which was amended and restated on January 19, 2005, April 25, 2006 and April 22, 2021 between the Trust, CMHC, the Corporation, the Partnership, the General Partner, BEI Subco and the Operating Trust, and which matured on April 25, 2023;

"**Limited Partnership Agreement**" means the limited partnership agreement dated January 9, 2004, as amended and restated on May 3, 2004, creating the Partnership;

"**LP Class A Units**" means the units of the Partnership designated as LP Class A Units;

"**LP Class B Units**" means the units of the Partnership designated as LP Class B Units;

"**LP Class C Units**" means the units of the Partnership designated as LP Class C Units;

"**LP Units**" means, collectively, the LP Class A Units, LP Class B Units and LP Class C Units;

"**Master Asset Contribution Agreement**" means the master asset contribution agreement between the Corporation and the Operating Trust dated the Effective Date;

"**MD&A**" means management's discussion and analysis;

"**NAV**" means net asset value;

"**NHA**" the *National Housing Act* (Canada);

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*;

"**Notes**" means the promissory notes, bonds, debentures, debt securities or similar evidence of indebtedness issued by a person;

"**Operating Trust**" means Top Hat Operating Trust, an open-ended unit trust formed under the laws of the Province of British Columbia, all of the units of which are owned by Boardwalk REIT;

"**Operating Trust Declaration of Trust**" means the declaration of trust dated January 9, 2004, as amended and restated on May 3, 2004, establishing the Operating Trust;

"**Operating Trust Notes**" means the Series 1 Notes and the Series 2 Notes. Instead of issuing Series 2 Notes on the maturity of the Series 1 Notes, Boardwalk REIT exchanged the Series 1 Notes for an equal value of Operating Trust Units. As a result, there are no Operating Trust Notes outstanding and the trust indenture governing the Operating Trust Notes between the Trust and Computershare Trust Company of Canada were cancelled;

"**Operating Trust Unitholder**" means a holder of Operating Trust Units;

"**Operating Trust Units**" means units of the Operating Trust;

"**Partnership**" means Boardwalk REIT Limited Partnership;

"**Partnership Income**" or "**Partnership Loss**" mean the net income or loss of the Partnership for a fiscal year determined in accordance with the provisions of the Tax Act, including the amount of any gain or loss of the Partnership from the disposition of any of the property, assets and undertaking of the Partnership after deducting all expenses of the Partnership in connection with such disposition, subject to any adjustments in respect of such fiscal year that the General Partner determines appropriate;

"**Partnership Tax Income**" or "**Partnership Tax Loss**" mean, in respect of any fiscal year, income or loss of the Partnership for that fiscal year, including any taxable capital gain or allowable capital loss, determined in accordance with the provisions of the Tax Act;

"**person**" means an individual, partnership, limited partnership, corporation, unlimited liability company, trust, unincorporated organization, association, government or any department or agency thereof and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual thereof, or any other entity recognized by law;

"**Plans**" means, collectively, deferred profit-sharing plans, registered retirement savings plans, registered education savings plans, registered disability savings plans, registered retirement income funds, first home savings accounts and tax-free savings accounts;

"**Reference Period**" means the most recently completed four fiscal quarters preceding the date of a calculation pursuant to subsection (c) under the heading "*Investment Guidelines and Operating Policies of Boardwalk REIT – Operating Policies*" in this AIF for which consolidated financial statements of the Trust have been publicly released;

"Resident Members" means the tenants of the Trust;

"Retained Debt" means indebtedness of the Corporation that related to and was secured by a charge of certain real property of the Corporation beneficially transferred, assigned, conveyed and set over by the Corporation to the Partnership, which indebtedness was not assumed by the Partnership on such transfer, assignment, conveyance and set over and remained indebtedness of the Corporation in respect of which the Corporation was the primary obligor to make principal, interest and other payments in respect of such indebtedness as such amounts became due and payable;

"SEDAR+" means the System for Electronic Data Analysis and Retrieval +;

"Series 1 Notes" means the Series 1 Notes issued by the Operating Trust exclusively to Boardwalk REIT on May 3, 2004 in the principal amount of \$640 million;

"Series 2 Notes" means the Series 2 Notes to be issued by the Operating Trust exclusively as full or partial payment of the Series 1 Notes and Operating Trust Units;

"Shareholders" means the holders of Common Shares;

"Special Voting Unit" means a unit of interest in Boardwalk REIT to be issued to the holders of LP Units providing rights to vote as a Unitholder;

"Tax Act" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

"Trust Units" means the units of Boardwalk REIT;

"Trustees" means the trustees of Boardwalk REIT;

"TSX" means the Toronto Stock Exchange; and

"Unitholders" means the holders of Trust Units.

## ADVISORY

### Forward Looking Statements

Certain information included in this AIF contains forward-looking statements and forward-looking information (collectively, "**forward-looking statements**") within the meaning of applicable securities laws. These statements 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 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, Boardwalk's 2025 objectives and plans to achieve those objectives, 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 as a "mutual fund trust" and a "real estate investment trust" (each as defined in the Tax Act), joint venture developments and future acquisition and development opportunities, its long-term strategic plan of high-grading and expanding its platform and its strategies to achieve those objectives, expected increases in operating costs (including property taxes, utilities and insurance costs), the expected timing for release of the Trust's 2024 environmental, social and governance ("ESG") Report; the expectation the Trust will continue to make purchases under its normal course issuer bid ("NCIB"), the impact of inflation and elevated interest rates on both Resident Members and the Trust, and the impact of a potential recession and economic downturn, as well as statements with respect to management of the Trust's beliefs, plans, estimates, and 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", "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. All forward-looking statements in this AIF are qualified by this cautionary statement.

Forward-looking statements are not guarantees of future events or performance and, by their nature, are based on Boardwalk's estimates and assumptions, which are subject to risks and uncertainties, including those described under "Challenges and Risks" in this AIF, which could cause events or results to differ materially from the forward-looking statements contained in this AIF. Those risks and uncertainties include, but are not limited to, those related to: liquidity in the global marketplace associated with current economic conditions, tenant rental rate concessions, occupancy levels, access to debt and equity capital, changes to CMHC rules regarding mortgage insurance, interest rates, joint ventures/partnerships, the relative illiquidity of real property, unexpected costs or liabilities related to acquisitions, construction, environmental matters, physical impacts of climate change, the transition to a lower-carbon economy, uninsured perils, legal matters, reliance on key personnel, availability of employees and contractors, breaches or failure of information systems and security (including risks associated with cyber-attacks), Unitholder liability, income taxes and changes to income tax rules that impair the ability of Boardwalk to qualify as a "mutual fund trust" and a "real estate investment trust" (each as defined in the Tax Act). 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, the rental environment, interest costs, access to equity and debt capital markets to fund (at acceptable costs) the future growth program and to enable the Trust to refinance debts as they mature, the availability of acquisition opportunities for growth in Canada, the ability 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 rent control legislation, tax laws, mortgage rules and other factors, increased competition, the availability of qualified personnel, fluctuations in foreign exchange or interest rates, inflation and stock market volatility. Although the forward-looking statements contained in this AIF are based upon what management 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.

Provided all of the Trust's income each year is paid or made payable to Unitholders, then the Trust itself would generally not be subject to income tax. Boardwalk intends to distribute or allocate all of the taxable income of the Trust to its Unitholders and to deduct these distributions for income tax purposes. 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 corporations 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 the SIFT Legislation (the "REIT Exemption"). Boardwalk intends to qualify for the REIT Exemption on an ongoing basis, which may require certain statements contained in this AIF to be modified.

Except as required by applicable law, neither Boardwalk nor the Corporation undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

***The following should also be read in conjunction with Boardwalk REIT's consolidated financial statements and the notes thereto, together with the related MD&A, for the year ended December 31, 2025. These documents are available in written and electronic versions either from the Trust on request, on the Trust's profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) or on the Trust's website at [www.bwalk.com/en-ca](http://www.bwalk.com/en-ca). Information contained in or otherwise accessible through the Trust's website at [www.bwalk.com](http://www.bwalk.com) or under the Trust's profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) does not form a part of this AIF and is not incorporated by reference in this AIF unless otherwise explicitly indicated.***

## **Presentation of Financial Information and Non-GAAP Measures**

Financial results, including related historical comparatives, contained in this AIF are based on the Trust's consolidated financial statements, unless otherwise specified. The Trust's consolidated financial statements are prepared in accordance with IFRS Accounting Standards.

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 measurements called Funds From Operations ("**FFO**") and Adjusted Funds From Operations ("**AFFO**") to supplement operating income and profits (or earnings) as measures of operating performance, as well as a cash flow metric called Adjusted Cash Flow From Operations ("**ACFO**"). The Trust also discloses Net Asset Value ("**NAV**") in this AIF. These measurements are considered to be meaningful and useful measures of real estate operating performance. However, they are not measures defined by IFRS Accounting Standards. As they do not have standardized meanings prescribed by IFRS Accounting Standards, they may not be comparable to similar measurements presented by other entities and should not be construed as an alternative to IFRS Accounting Standards defined measures. Additional disclosures for these specified non-GAAP financial measures, as well as a discussion of the other non-GAAP financial measures and non-GAAP ratios utilized by the Trust, can be found in the section entitled "*Presentation of Non-GAAP Measures*" of the Trust's MD&A for the year ended December 31, 2025, which section has been incorporated by reference in this AIF and is available under the Trust's profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

## CORPORATE STRUCTURE

### General Development of the Trust

Boardwalk REIT is an unincorporated, open-ended real estate investment trust created by the Declaration of Trust in accordance with the laws of the Province of Alberta. Its principal office is located at Suite 200, 1501 – 1<sup>st</sup> Street SW, Calgary, Alberta T2R 0W1; and its registered office is located at Suite 1400, 700 – 2<sup>nd</sup> Street S.W., Calgary, Alberta T2P 4V5.

The Trust commenced operations on May 3, 2004 following completion of a plan of arrangement under section 193 of the ABCA pursuant to which substantially all of the assets of the Corporation (the "**2004 Assets**") were acquired by Boardwalk REIT (the "**Acquisition and the Arrangement**").

The Acquisition and the Arrangement were multi-step transactions that resulted in:

- (i) the indirect acquisition by Boardwalk REIT of all of the 2004 Assets;
- (ii) the indirect acquisition of the Corporation by BPCL, itself a control block holder of Trust Units, by the acquisition of all of the outstanding Common Shares; and
- (iii) the indirect interest of the public holders of Common Shares, being all of the holders of Common Shares other than BPCL, in approximately 73% of the 2004 Assets through the ownership of the outstanding Trust Units, and the indirect interest of BPCL in approximately 27% of the 2004 Assets, after taking into account the preferred partnership distribution and other entitlements of the units of interest in the Partnership designated as "**LP Class C Units**" held indirectly by BPCL through the Corporation at such time. See "*Information Concerning the Operating Trust, Partnership and Corporation*" in this AIF.

After giving effect to the Acquisition and the Arrangement:

- (i) BPCL acquired the Corporation, and the Corporation is now an indirect wholly owned subsidiary of BPCL;
- (ii) the former Shareholders were the initial owners of all of the outstanding Trust Units, which are listed for trading on the TSX;
- (iii) Boardwalk REIT indirectly holds, through its indirect interest in the LP Class A Units, an approximately 92% interest in the Partnership, which holds, directly or indirectly, all of the assets of the Trust, including the 2004 Assets, as applicable; and
- (iv) the remaining approximately 8% interest in the Partnership is indirectly held by BPCL through its indirect interest in LP Class B Units.

Pursuant to the Exchange and Support Agreement, the LP Class B Units have equivalent voting and distribution entitlements to the Trust Units into which they are exchangeable.

On May 6, 2024, the Unitholders approved amendments to the REIT's Declaration of Trust to: (i) authorize the Trustees to appoint additional Trustees in between annual meetings of Unitholders; and (ii) provide advance notice provisions for the election of Trustees.

## Arrangements with BPCL

As part of the Acquisition and the Arrangement, BPCL agreed to take certain steps in order to effect the transactions. Specifically, BPCL:

- (i) acquired control of the Corporation;
- (ii) indirectly held unlisted LP Class B Units;
- (iii) indirectly held unlisted LP Class C Units;
- (iv) indirectly retained the Retained Debt as its indebtedness; and
- (v) entered into certain agreements providing for ongoing arrangements with Boardwalk REIT and the Partnership in order to facilitate the foregoing.

In order to effect these steps, various commercial arrangements between the Partnership, the Corporation and BPCL were necessary. Among these arrangements are the following:

- (i) pursuant to the Master Asset Contribution Agreement, although the Partnership acquired the beneficial interest in the 2004 Assets associated with the Retained Debt, the Retained Debt was not assumed by the Partnership and remained indebtedness of the Corporation until it was extinguished effective December 31, 2025;
- (ii) since the Master Asset Contribution Agreement represented a transfer of the existing business of the Corporation, the Partnership indemnified the Corporation for all claims and losses relating to the 2004 Assets from and after the Effective Time, except if the claim or loss is a result of gross negligence or wilful misconduct of the Corporation after the Effective Date;
- (iii) as the beneficial owner of the 2004 Assets associated with the Retained Debt then outstanding, the Partnership indemnified the Corporation for losses resulting from the Partnership's failure to manage the 2004 Assets in a safe and prudent manner where such failure results in a claim against the Corporation; and
- (iv) since the legal title to the 2004 Assets associated with the Retained Debt then outstanding remained with the Corporation but all beneficial interest in such 2004 Assets as well as all other assets were transferred to the Partnership, the Partnership provided guarantees of the Corporation's former obligations under the Retained Debt in favour of the lenders of such indebtedness and Boardwalk REIT provided a guarantee of the Partnership's obligations.

See "*Information Concerning the Operating Trust, Partnership and Corporation*" in this AIF.

## Pre-Arrangement Reorganization

Immediately prior to the Effective Time, the Corporation and certain of its subsidiaries effected a series of transactions to facilitate the transfer of the 2004 Assets to the Partnership.

Prior to the transfer of the 2004 Assets, the Corporation subscribed for 4,475,000 LP Class B Units and 334,168,959 LP Class C Units, both for nominal consideration. Following this subscription and immediately prior to the commencement of the plan of arrangement on the Effective Date, the Corporation caused the beneficial ownership of all of the 2004 Assets to be transferred to the Partnership at fair market value, including in respect of 2004 Assets to which the Retained Debt related, pursuant to the Master Asset Contribution Agreement.

Effective December 31, 2025, the Retained Debt was extinguished and there are no issued and outstanding LP Class C Units. As a result, the related Partnership distributions, guarantees and indemnification arrangements between the Partnership and the Corporation that existed are no longer applicable.

## Material Agreements in Connection with the Acquisition and the Arrangement Which Remain in Effect

### ***Exchange and Support Agreement***

On the Effective Date, Boardwalk REIT, the Operating Trust, the Partnership, the Corporation and BEI Subco entered into the Exchange and Support Agreement to create certain support obligations with respect to the LP Class B Units.

Under the Exchange and Support Agreement, Boardwalk REIT and/or the General Partner, as applicable, agreed to take such actions as are reasonably necessary to ensure that the distributions on the LP Class B Units will be of the same nature and amount, on a per unit basis, as the corresponding distributions on the Trust Units (except to the extent that the holder of the LP Class B Units has elected to receive distributions in the form of LP Class B Units and/or Trust Units pursuant to the Limited Partnership Agreement).

The Exchange and Support Agreement also provides that Boardwalk REIT will not, subject to certain exceptions, issue or distribute Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) to the holders of all or substantially all of the then outstanding Trust Units; issue or distribute rights, options or warrants to the holders of all or substantially all of the then outstanding Trust Units entitling them to subscribe for or to purchase Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units); or issue or distribute to the holders of all or substantially all of the then outstanding Trust Units evidences of indebtedness of Boardwalk REIT or assets of Boardwalk REIT except in accordance with the provisions of the Trust Units; unless the economic equivalent (as determined by the General Partner in accordance with the terms of the Exchange and Support Agreement) on a per unit basis of such rights, options, securities, units, evidences of indebtedness or other assets is issued or distributed simultaneously to the holders of LP Class B Units, the approval of which will not be required by the holders of the LP Class B Units. In addition, Boardwalk REIT will not, subject to certain exceptions and without the prior approval of the Partnership and the prior approval of the LP Class B Units:

- (i) subdivide, re-divide or change the then outstanding Trust Units into a greater number of Trust Units;
- (ii) reduce, combine, consolidate or change the then outstanding Trust Units into a lesser number of Trust Units; or
- (iii) reclassify, amend the terms of, or otherwise change the Trust Units or effect an amalgamation, merger, reorganization or other transaction affecting the Trust Units;

unless the same or an economically equivalent change is made simultaneously to, or in the rights of the holders of LP Class B Units, in which case, no approval by the holders of the LP Class B Unit will be required.

Pursuant to the Exchange and Support Agreement, upon notice from the Partnership that a holder of LP Class B Units has:

- (i) surrendered LP Class B Units for withdrawal in accordance with the terms of the Limited Partnership Agreement; or
- (ii) elected pursuant to the Limited Partnership Agreement to receive Trust Units from the Partnership in lieu of cash distributions from the Partnership to which such holder is entitled,

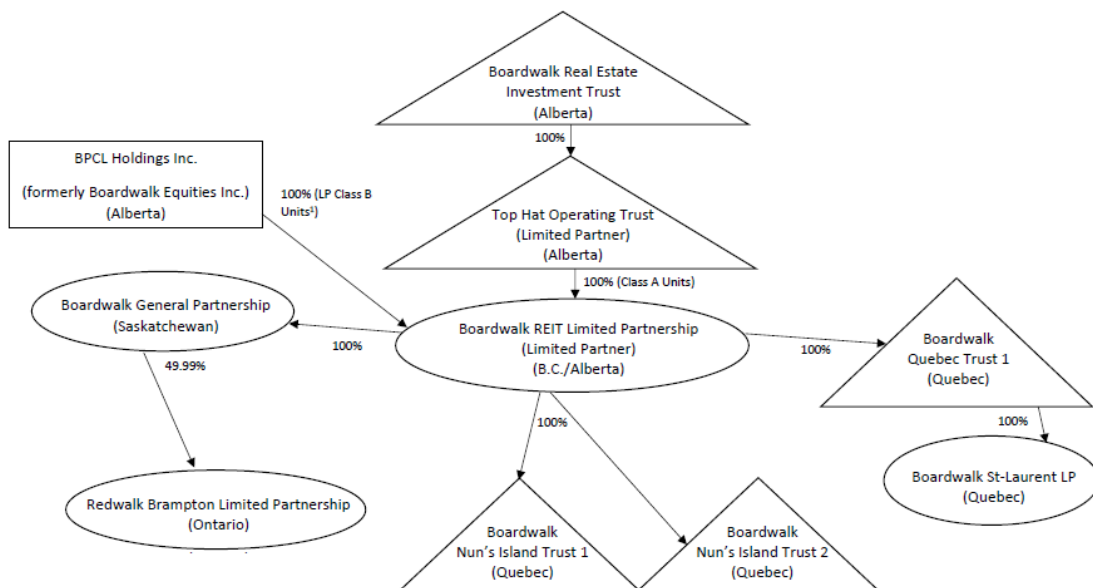
Boardwalk REIT will issue and deliver or cause to be issued and delivered to the Partnership the requisite number of Trust Units to be received by, and issued to or to the order of, the holder of LP Class B Units.

Pursuant to the Exchange and Support Agreement, the Operating Trust granted to all holders of LP Class B Units the right to require the Operating Trust to purchase from each such holder all or any whole number of LP Class B Units held by such holder and not surrendered for withdrawal in accordance with the Limited Partnership Agreement (the "**Initial Exchange Right**"). The purchase price payable by the Operating Trust for each LP Class B Unit is an amount per Class B Unit equal to the current market price, calculated in accordance with the provisions of the Exchange and Support Agreement, of a Trust Unit on the last business day prior to the day of closing of the purchase. The purchase price will be satisfied by the Operating Trust issuing demand Notes having a maximum term of 10 years less a day (the "**Initial Exchange Consideration**").

In addition to the Initial Exchange Right, Boardwalk REIT granted to each holder of LP Class B Units the right to at any time following the exercise of the Initial Exchange Right, require Boardwalk REIT to purchase from such holders immediately following the close of the purchase pursuant to the exercise of the Initial Exchange Right, all but not less than all of the Initial Exchange Consideration held by such holder.

### **Intercorporate Relationships**

The following sets forth the principal operating structure of the Trust. Each principal subsidiary is directly or indirectly owned by the Trust.



<sup>(1)</sup> Through BEI Subco, a wholly owned subsidiary of BPCL Holdings Inc.

## BUSINESS OF BOARDWALK REIT

### Overview

Boardwalk REIT is a fully integrated, Resident Member/customer-oriented real estate investment trust focused on and specializing in the acquisition, refurbishment, management, ownership and development of affordable multi-family residential communities.

Boardwalk looks to acquire, develop, own and manage quality rental communities concentrated in attractive growth markets. While focusing on maximizing internal growth combined with a disciplined acquisition program, Boardwalk also pursues growth opportunities by forming strategic partnerships and joint ventures to develop multi-family residential assets. Due to the Trust's size and relationship with various commercial lenders and CMHC, financing for acquisitions can often be negotiated on favourable terms. Boardwalk REIT is committed to being an industry leader in Canada's multi-family rental industry and in continuing to expand its operations through accretive measures.

As at December 31, 2025, Boardwalk owned over 200 properties containing 34,576 residential suites (December 31, 2024 – 34,405) in British Columbia, Alberta, Saskatchewan, Ontario, and Quebec, representing over 29 million net rentable square feet. As at December 31, 2025, there were approximately 1,590 Associates working in 24 cities across Canada, including management, administrative, site-specific rental/customer care, maintenance, cleaning, landscaping and security staff.

### General Development of the Business

#### ***Acquisitions, Dispositions and Development***

During the year ended December 31, 2025, Boardwalk acquired 1,377 residential suites in Calgary, Alberta, Saskatoon, Saskatchewan and Montreal, Quebec, and disposed of 1,206 suites in Edmonton, Alberta and Quebec City, Quebec.

During the year ended December 31, 2024, Boardwalk acquired 376 residential suites in Calgary and Chestermere, Alberta and did not sell any residential properties.

During the year ended December 31, 2023, Boardwalk (directly or indirectly) acquired 124 residential suites in Victoria, British Columbia and transferred from development 95 residential suites in Brampton, Ontario. Boardwalk did not sell any residential properties in 2023.

The Trust's three-year acquisition and disposition summary is set out below:

	Purchased		Sold	
	# Units	Cost (\$m)	# Units	Proceeds (\$m)
2025	1,377	\$551.1	1,206	\$240.7
2024	376	\$109.0	-	-
2023	124	\$60.3	-	-
<b>TOTALS:</b>	<b>1,877</b>	<b>\$720.4</b>	<b>1,206</b>	<b>\$240.7</b>

Boardwalk's development opportunities include additional projects to be built on the Trust's excess land density as well as land that has been acquired in Calgary, Alberta and Victoria, British Columbia. These developments are in various stages of planning and approval and will add newly constructed assets to the Trust's portfolio. For the year ended December 31, 2025, the Trust expended \$41.1 million on total development costs compared to \$53.7 million in 2024 and \$23.3 million in 2023.

In 2018, Boardwalk entered into a 50:50 joint venture partnership agreement with Redwood Properties to develop a 365-unit multi-residential, purpose-built rental complex, located near downtown Brampton, Ontario (the "**Brampton Development**"). Phase 1 of the Brampton Development was delivered for occupancy in the fourth quarter of 2022, and phase 2 was delivered in the fourth quarter of 2023, with both phases now fully leased. Boardwalk has contributed \$29.8 million to this arrangement.

#### **Securities Offering**

On December 22, 2023, Boardwalk completed a bought deal equity offering of 3,662,750 Trust Units at a price of \$68.50 per Trust Unit for gross proceeds of \$250,898,375 (the "**Offering**"). Transaction costs for the Offering totaled \$10.9 million resulting in net proceeds to the Trust of \$240.0 million.

In January 2024, the Trust used a portion of the net proceeds to: (i) finance the purchase price for The Circle, a 295 suite newly built construction apartment complex in Calgary, Alberta; and (ii) to repay its portion of a floating rate construction loan facility in respect of a joint venture partnership in Brampton, Ontario. Throughout 2024, the Trust made additional acquisitions with the use of the proceeds from the Offering, including the purchase of Dawson Landing in Chestermere, Alberta and The Brenda Apartments, The Samantha Apartments and The Vanessa Apartments in Calgary, Alberta. The Trust used the remainder of the net proceeds to fund Elbow 5 Eight, which closed in the first quarter of 2025, as well as other acquisition and development opportunities.

#### **Normal Course Issuer Bid**

On November 18, 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 22, 2025, and will terminate on the earlier of November 21, 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. All purchases under the NCIB are made in open market transactions on the TSX and alternative Canadian trading systems, or by such other means as may be permitted by the TSX and applicable securities laws. All Trust Units purchased by Boardwalk pursuant to the NCIB are cancelled.

During 2025, the Trust purchased and cancelled 897,983 Trust Units at an average purchase cost of \$63.81 under the NCIB (including commissions). During 2024, the Trust purchased and cancelled 149,096 Trust Units at an average purchase cost of \$67.08 per Trust Unit (including commissions). During 2023, the Trust did not purchase any Trust Units under its NCIB.

#### **Strategy**

**Community, Team, Performance.** *Boardwalk strives to be the first choice in multi-family apartment communities to work, invest and call home with our Boardwalk Family Forever.*

Driven by the Trust's dynamic culture and performance-focused team, Boardwalk is dedicated to creating the best multi-family communities across diverse, affordable, high-growth markets. Boardwalk aims to deliver consistent, strong total unitholder returns through operational excellence, innovation and strategic capital allocation.

### ***Portfolio Growth and Diversification***

Organic portfolio growth remains Boardwalk's largest opportunity in 2026. With strong fundamentals across its core non-price-controlled markets (driven primarily by high affordability and strong population growth) and continued evolution of its platform, the Trust is confident that it can continue to provide Resident Members with the best value in housing. Affordability of Boardwalk's product remains high, particularly in the Trust's largest market of Alberta, with rent-to-income ratios in Edmonton and Calgary well below other major urban centers in Canada. These factors, together with the Trust's self-moderation of rent adjustments on new leases and renewals, drive sustainable revenue growth and operating margin expansion.

Boardwalk continues to take a disciplined approach to acquisitions, dispositions, and development, pursuing opportunities in targeted, high-growth markets with limited price controls, which are accretive to FFO per Trust Unit on a sustainable and long-term basis.

In reviewing acquisitions and other development opportunities, Boardwalk considers, among other things, the economic outlook of the geographic market (regulatory environment, population growth, vacancy rates, etc.), attributes of the property, short- and long-term accretion of the transaction, and contribution to geographic and brand diversification of the overall portfolio. The Trust also strategically sells its non-core properties and redeploys the capital to more accretive acquisitions or development opportunities, value-add capital investments, and/or distributions to Unitholders.

In addition to geographic diversification, Boardwalk, diversifies its brand through its value-add capital upgrades property re-positioning, which includes common area upgrades, building improvements and suite renovations. Currently, the brand is segmented into three categories: (1) *Boardwalk Living* – affordable value product featuring classic suites for Resident Members who appreciate flexibility, reliability, and value that comes with a quality home; (2) *Boardwalk Communities* – enhanced value product featuring modernized suites and choice amenities for those who value flexibility with all the comforts that come with the perfect place to call home; and (iii) *Boardwalk Lifestyle* –affordable luxury product featuring luxury living with modern amenities, designer suites and a contemporary style for those who value life experiences and prefer the freedom to enjoy them.

Boardwalk is disciplined in its management of capital and liquidity. Boardwalk uses a combination of fixed rate debt financing and the NHA insurance programs, staggers debt maturity, and builds on lender relationships to access capital from multiple sources. In December 2023, the Trust completed the Offering, a portion of the proceeds of which were or will be used to repay debt and fund future acquisitions and development. See "*Business of Boardwalk REIT – General Development of the Business – Securities Offering*" in this AIF. Management of Boardwalk believes this approach provides it with the financial strength, liquidity and flexibility to drive growth.

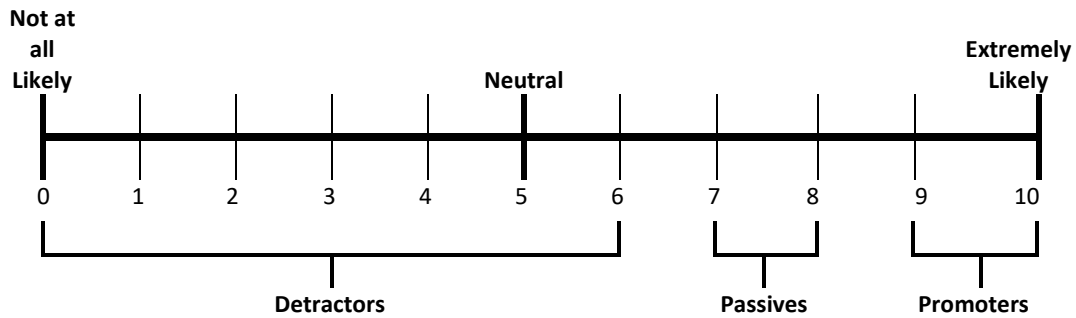
### ***Maximizing Associate and Resident Member Engagement and Satisfaction***

Boardwalk's success is driven by our people – our Associates operating at our communities and offices across the country. We strive to provide a safe, happy and healthy working and living environment for everyone. We focus on treating everyone equally and with respect, so that the same culture translates into the communities we build.

Boardwalk also strives to be an industry leader in customer service to Resident Members, believing that this is a key differentiator and source of competitive advantage and, ultimately, FFO growth in today's very competitive multi-family housing industry. Among other things, Boardwalk offers its Resident Members on-call maintenance service as well as on-site managers, a toll-free call centre and online Resident Member portal. Boardwalk properties are of high quality and, in most cases, recently renovated.

To assess customer service, the Trust uses a measurement tool focused on feedback received directly from Resident Members following an interaction with Boardwalk such as a maintenance request or move out inspection. For 2025, customer service results were gauged by a "net-promoter" score ("*NPS*"), using the following scale:

How likely is it that you would recommend Company X to a friend or colleague?



$$\% \text{ Promoters} - \% \text{ Detractors} = \text{Net Promotor Score}$$

The final NPS each year is the result of hundreds of Resident Member interviews, which ensures regular feedback and improvement in our customer service.

Beginning in 2021, Boardwalk implemented an Associate NPS (“aNPS”), as we do with our Resident Members. Administered quarterly, the aNPS allows us to assess and improve upon employee engagement and satisfaction, thereby ensuring we can attract and retain our top talent.

### Competitive Environment

The Trust faces competition for the acquisition of suitable properties in its target market areas from developers, property owners or investors, both domestic and foreign. There is also competition for residents, which may be increased by the addition of new supply of multi-family suites in the market. Boardwalk believes that its focus on Resident Member satisfaction, providing an attractive and affordable product, the continued evolution of its vertically integrated platform, and its established property management experience, among other things, provides it with a competitive advantage in the multi-family industry.

### Boardwalk Property Portfolio

#### Geographic Markets and Properties

The following table summarizes Boardwalk’s residential property portfolio by city as at December 31, 2025:

By City					
Core Cities	Number of Suites	% of Suites	Net Rentable Square Footage	% of Square Footage	Average Suite Size
Calgary, AB	6,605	19.1%	5,296,151	17.7%	802
Edmonton, AB	11,543	33.4%	10,199,210	34.0%	884
Spruce Grove, AB	160	0.5%	122,640	0.4%	767
Fort McMurray, AB	352	1.0%	281,954	0.9%	801
Grande Prairie, AB	645	1.9%	539,052	1.8%	836
Red Deer, AB	939	2.7%	775,615	2.6%	826
Other, AB	811	2.3%	779,256	2.6%	961
Victoria, BC	238	0.7%	218,571	0.7%	918
Regina, SK	2,040	5.9%	1,800,065	6.0%	882
Saskatoon, SK	1,806	5.2%	1,552,046	5.2%	859
Montreal, QC	5,222	15.1%	4,813,213	16.0%	922
Quebec City, QC	1,013	2.9%	857,887	2.9%	847
Brampton, ON	335	1.0%	322,399	1.1%	962
Cambridge, ON	92	0.3%	108,510	0.4%	1,179
Kitchener, ON	459	1.3%	395,592	1.3%	862
London, ON	2,256	6.5%	1,867,146	6.2%	828
Waterloo, ON	60	0.2%	61,440	0.2%	1,024
<b>Total (as at Dec 31, 2025)</b>	<b>34,576</b>	<b>100%</b>	<b>29,990,747</b>	<b>100%</b>	<b>867</b>

### **Occupancy Rates and Average Rents**

While the apartment rental market remains one of the most affordable housing options in Canada, Boardwalk continues to monitor demand for more valued accommodations (such as rental housing) and adjusts its suite- and community-specific incentives, as well as rental rates in select markets where required, in order to address demand, maintain occupancy levels above market rates and optimize turnover costs.

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 one percent (1%) annualized change in reported occupancy is estimated to impact overall rental revenue by approximately \$6.2 million, or \$0.11 per Trust Unit on a fully diluted basis.

In fiscal 2025, the Trust reported a year-over-year decrease of 79 basis points in its overall same property occupancy rate, a decrease from 98.54% to 97.75%. As markets stabilize, the Trust expects some up and down movements in occupancy as the Trust aims to maintain occupancy levels at approximately 97%. 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.

The following table sets out same property occupancy by geographic market year-over-year:

	<b>2026 (Jan)</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Brampton	97.29%	97.17%	98.16%	-
Calgary	96.90%	97.15%	98.49%	99.14%
Cambridge	96.77%	97.40%	98.21%	97.67%
Edmonton	97.16%	97.29%	98.18%	97.68%
Fort McMurray	97.73%	97.06%	96.63%	97.15%
Grande Prairie	97.98%	98.00%	98.27%	97.46%
Kitchener	98.47%	97.98%	97.71%	98.18%
London	98.14%	98.79%	98.85%	98.67%
Montreal	98.93%	98.69%	99.34%	98.54%
Quebec City	97.74%	98.92%	99.33%	98.20%
Red Deer	98.50%	99.18%	99.52%	99.43%
Regina	96.56%	97.05%	97.69%	98.59%
Saskatoon	97.06%	98.45%	98.95%	99.23%
Verdun	98.29%	98.89%	99.60%	99.77%
Victoria	94.54%	97.06%	99.12%	99.90%
Waterloo	98.33%	97.08%	97.78%	99.17%
<b>Total</b>	<b>97.40%</b>	<b>97.75%</b>	<b>98.54%</b>	<b>98.45%</b>

Average monthly rents were \$1,551 in December 2025 compared to \$1,491 in December 2024, and average occupied rents were \$1,590 compared to \$1,524. Average market rents, including incentives, increased to \$1,673 in December 2025 from \$1,631 in December of 2024 as markets stabilize and the demand for rental suites increases. Additionally, the Trust has increased market rents at its communities where improvements have been made through the Trust's renovation and re-positioning efforts. The Trust continues to see positive loss to lease spreads from marginal increases to market rents in certain rental markets.

### **Capital Improvements and Property Re-Positioning**

Boardwalk has a continuous capital improvement program with respect to its investment properties that is designed to extend their useful lives, improve operating efficiency, enhance appeal and Resident Member satisfaction, and increase earnings capacity. The Trust invested \$139.0 million in 2025 in its properties (\$131.1 million of capital improvements and \$7.9 million on additions to property, plant and equipment) to upgrade individual suites, common areas, building exteriors, and amenities and systems (2024 - \$133.4 million).

Boardwalk's operating structure allows for many repair and maintenance functions, including landscaping, painting and certain suite renovations, to be completed in-house. This has resulted in improved quality and consistency of work, efficient use of resources, and a better overall execution of the Trust's capital improvement program, leading to sustainable value for the Trust's Resident Members and long-term growth for Unitholders.

Since 2000, Boardwalk has invested over \$1.7 billion in its own portfolio in the form of capital improvements and, by focusing on suite renovations to provide Resident Members with additional value and a superior product, the Trust aims to improve the quality of its portfolio while also reducing the use of rental incentives in this current environment.

### Borrowing

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. Total mortgages payable (net of unamortized transaction costs) at December 31, 2025 were \$3.5 billion (net of unamortized deferred financing costs and unamortized market debt adjustments), compared to \$3.3 billion reported at December 31, 2024.

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, primarily due to increased mortgage interest. Boardwalk REIT's overall weighted average interest rate on its long-term debt increased from 3.19% at December 31, 2024 to 3.35% at December 31, 2025. To better maintain cost effectiveness and flexibility of capital, Boardwalk REIT continuously monitors short- and long-term interest rates. As market conditions change, and as determined to be in the best interest of the Trust, the Trust will convert short-term, floating rate debt, if any, to longer-term, fixed-rate mortgages to reduce interest rate renewal risk. The average term to maturity of the Trust's mortgage portfolio is approximately 3.4 years.

Year of Term Maturity	Principal Outstanding as at Dec. 31, 2025 \$ <sup>(1)</sup>	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%
<b>Total Principal Outstanding</b>	<b>\$3,623,470</b>	<b>3.35%</b>	<b>100.00%</b>
<b>Unamortized Deferred Financing Costs</b>	<b>(124,308)</b>		
<b>Unamortized Market Debt Adjustment</b>	<b>(8,767)</b>		
<b>Total Per Financial Statements</b>	<b>\$3,490,395</b>		

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

Boardwalk REIT concentrates on multi-family residential real estate and is therefore eligible to obtain government-backed insurance through the NHA program, administered by CMHC. The benefits of purchasing this insurance are:

- (1) Boardwalk REIT can normally obtain lower interest rate spreads on its property financing as 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.

Despite past volatility in the overall credit markets, the Trust has been able to find a number of 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 NHA insurance with a weighted average amortization period of approximately 31 years.

Previously, in accordance with CMHC's normal practice for large borrowers, Boardwalk REIT was required to enter into the LBA. CMHC is not a lender to Boardwalk REIT; however, pursuant to the LBA, each of the Trust and the Partnership agreed to provide certain financial information to CMHC and be subject to certain restrictive covenants, including limitations on additional debt, payment of Distributions in the event of default, and maintenance of certain financial ratios. In the event of a default under the agreement, the Trust's total financial liability under the LBA was limited to a one-time penalty payment of \$250,000 under an irrevocable standby letter of credit by the Partnership issued in favor of CMHC plus any amounts payable to CMHC under the LBA. The LBA matured in 2023 and in agreement with CMHC was not renewed.

### Seasonality

Our revenues and operations are not materially impacted by seasonality; however, the Trust tends to see higher operating costs in the first and fourth quarter due to higher utility expenses.

### ESG Initiatives

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. For additional discussion of Boardwalk's approach to ESG, please refer to the Trust's 2025 Annual Report and 2024 ESG Report available at [www.bwalk.com/en-ca/investors](http://www.bwalk.com/en-ca/investors). The Trust expects to issue its 2025 ESG Report in May 2026.

## CHALLENGES AND RISKS

Boardwalk REIT is exposed to a variety of risk areas that may directly or indirectly affect its business. These include general risks that affect the real estate industry as a whole, such as economic and market conditions; and more specific risks that affect the Trust, such as credit, liquidity, and operational risks. The risks set out below are not an exhaustive list and should not be taken as a complete summary or description of all the risks associated with the Trust's business and the real estate business generally. Additional risk factors not presently known or that are currently believed to be immaterial could also materially adversely affect investments, prospects, cash flows, results of operations or financial condition and the Trust's ability to make Distributions and adversely affect the value of the Units.

### General Economic, Political and Regulatory Conditions

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 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 US tariffs and trade policy uncertainty amid elevated geopolitical tensions and questions regarding the sustainability of the current pace of AI-driven investment. Prolonged economic uncertainty, slower growth and structural adjustment in affected industries may adversely impact tenant demand, occupancy levels, rental revenues and property values and, as a result, may have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions.

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 continues to monitor the Government's immigration policies. 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.

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 ultimately be implemented. Such measures could result in, among other things, a high degree of both cost and price volatility and a relative weakening of the Canadian dollar. The Trust continues to monitor these developments, however, the measures implemented, if any, as well as their scope, impact and duration remain uncertain at this time.

### **Multi-Family Residential Sector Risk**

The Trust's income producing properties generate revenue through rent payments made by their Resident Members under residential leases. Upon the expiry of any lease, there can be no assurance that the lease will be renewed on existing terms, or at all, or that the vacated unit will be re-leased in a timely manner.

The Trust has a large number of Resident Members, and no individual or small group of Resident Members accounts for a material portion of rental revenue. While this diversification may mitigate exposure to the loss of any single Resident Member, the majority of residential leases are for terms of 12 months or less, resulting in continual exposure to prevailing leasing market conditions. Accordingly, the Trust is dependent on local and regional rental markets to ensure that vacant units are leased, expiring leases are renewed, and rental rates remain competitive.

Rental demand, occupancy levels, and achievable rental rates are influenced by broader economic conditions, including employment levels, wage growth, inflation, interest rates, migration patterns, and consumer confidence. Although the markets in which the Trust operates have recently experienced periods of job growth across various industries, there can be no assurance that such conditions will continue. An economic slowdown or recession could reduce demand for rental housing, increase vacancy rates, and place downward pressure on rental rates, all of which could have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions.

In addition, elevated inflation and higher interest rates may contribute to slower economic growth across Canada and increase the Trust's operating costs, including utilities, property taxes, insurance, maintenance, and labour. These factors may not be fully recoverable through rental rate increases, particularly in periods of weaker demand or heightened regulatory constraints, which could further adversely affect net operating income.

The Trust's ability to maintain occupancy levels, optimize rental rates, and manage turnover costs depends on its ongoing ability to respond to changing market conditions through leasing strategies, incentives, and capital investment decisions. There can be no assurance that these measures will be successful in mitigating the adverse effects of unfavourable market conditions on the Trust's financial performance.

### **Supply Risk**

Supply risk is the risk that the Trust's operating results and financial condition could be adversely affected by an increase in the supply of multi-family residential rental units in its principal markets without a corresponding increase in demand. Demand for rental housing is influenced by a number of factors, including employment levels, population growth, demographic trends and consumer confidence. A material increase in new rental supply, particularly if it exceeds household formation or occurs during periods of economic weakness, may result in an imbalance between supply and demand, leading to increased vacancy rates and downward pressure on rental rates.

Although there has been new multi-family rental construction in certain of the Trust's key markets, the timing, scale, and location of new development may not align with local demand dynamics. New construction, including purpose-built rental developments and the conversion of existing properties to the rental market, may increase

competitive pressures, particularly if concentrated in specific submarkets or delivered during periods of slowing economic growth.

Market conditions in Canada's multi-family sector have evolved in recent years, including increased market values for rental apartments and changes in investor return expectations. These conditions have supported development activity in certain markets, including on excess or underutilized land and at transit-oriented locations. However, there can be no assurance that additional supply introduced by the Trust or by third-party developers will be successfully absorbed by the market or that rental demand will remain sufficient to sustain projected occupancy levels and rental rates.

The Trust's financial performance is dependent on maintaining a balance between the supply of and demand for multi-family residential rental properties in its operating markets. An oversupply of rental units, adverse economic conditions, or a downturn in regional or national economic activity could reduce rental demand, increase vacancy rates, or limit the Trust's ability to increase or maintain rental rates. Any such developments could adversely affect the Trust's rental revenues, net operating income, and cash flows, which in turn could also impact its ability to make Distributions.

While the Trust seeks to manage these risks through portfolio diversification, capital improvements, property repositioning, and resident-focused operating strategies, there can be no assurance that such measures will be sufficient to offset the effects of increased supply or weaker demand in any given market or period.

### **Competition Risk**

Each segment of the real estate business is competitive, with numerous other owners, operators and residential developers competing for Resident Members. Although the Trust seeks to own multi-family properties in premier locations within its markets, competing properties may be newer, better located, better capitalized or offer pricing or features that are more attractive to prospective or existing Resident Members. In addition, alternative housing options may increase competitive pressures in certain markets.

Heightened competition may limit the Trust's ability to attract and retain Resident Members, maintain occupancy levels, or achieve or sustain desired rental rates without offering additional concessions, incentives, or capital investment. If the Trust is unable to compete effectively in one or more of its operating markets, its rental revenues, net operating income, financial condition, results of operations, and ability to make Distributions to Unitholders could be materially adversely affected.

### **Cybersecurity Risk**

A cyber incident is an event that threatens the confidentiality, integrity or availability of Boardwalk's information systems and data. Such incidents may result from intentional attacks or unintentional events and may include gaining unauthorized access to information systems, operational disruptions, data corruption, or the theft or exposure of confidential or personal information. As Boardwalk's reliance on technology has increased, so too have the risks associated with cybersecurity threats. A cyber incident could result in, among other things, interruptions to operations, loss or corruption of data, reputational harm, disruption of business relationships with Resident Members and other stakeholders, regulatory scrutiny, and the unauthorized disclosure of confidential or personal information relating to Resident Members, associates, or other parties.

The Trust has implemented processes, procedures, and controls designed to mitigate cybersecurity and technology risks. However, cyber threats are continually evolving, and no security measures can provide absolute protection. The Trust's systems may be vulnerable to cyberattacks, employee error, third-party service provider failures, or other security breaches, and there can be no assurance that the Trust will be able to prevent, detect, or respond to all such incidents in a timely or effective manner. The occurrence of a cyber incident could have a material adverse effect on the Trust's business, financial condition, results of operations and ability to make Distributions.

The increasing prevalence of artificial intelligence ("AI") tools may also increase cybersecurity and technology risks, as AI may be used to conduct more automated, targeted, and coordinated attacks. In addition, the Trust's adoption of emerging technologies, such as cloud computing, automation and AI-enabled solutions, may introduce new and complex risks that require ongoing investment and oversight to manage effectively. The Trust may incorporate AI-based applications into its information technology infrastructure over time. If the outputs generated or supported by such applications are, or are alleged to be, inaccurate, biased, deficient, or unreliable, or if such applications fail to perform as intended, the Trust's operations, decision-making processes, reputation, and compliance obligations could be adversely affected. Further, the rapid evolution of AI technologies and the potential for increased regulatory oversight or legislative

requirements relating to AI may require the Trust to incur significant additional costs to develop, implement, monitor, and maintain its systems and controls. Any failure to do so effectively could have a material adverse effect on the Trust's business, financial condition, results of operations and ability to make Distributions.

### **Environmental Risks**

As an owner and manager of real property, the Trust is subject to various Canadian federal, provincial, and municipal laws and regulations related to environmental protection, health and safety. These laws may impose liability on the Trust for the investigation, removal, remediation or management of hazardous substances or wastes present at or migrating from its properties, regardless of fault or knowledge.

Environmental contamination, whether discovered during ongoing operations, redevelopment, or in connection with a disposition or financing transaction, could adversely affect the Trust's ability to sell properties, refinance existing debt, or use affected properties as collateral. The Trust could also be subject to regulatory orders, civil claims, penalties, or other proceedings, any of which could result in significant costs and could have a material adverse effect on the Trust's business, financial condition, results of operations, and ability to make Distributions.

The Trust maintains policies and procedures intended to identify and manage environmental risks, including environmental due diligence and ongoing monitoring programs, and expects to continue to incur capital and operating expenditures to comply with applicable environmental laws and regulations. The Trust is 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. However, environmental laws and regulatory standards may change, and may become more stringent, retroactive, or more costly to comply with in the future. There can be no assurance that existing or future environmental liabilities or compliance costs will not be material.

### **Climate-Related Risk**

The Trust's properties and operations are exposed to risks associated with climate change, including both physical risks and transition risks. Physical climate risks include the increased frequency or severity of extreme weather events and longer-term shifts in climate patterns. These risks may be acute or chronic in nature and may include wildfires, flooding, hailstorms, extreme temperatures, and other weather-related events. Such events could result in direct physical damage to properties, increased repair and maintenance costs, business interruption, reduced occupancy, or temporary loss of use of affected properties. Climate-related events may also increase operating expenses, including insurance, utilities, and capital expenditures, and may adversely affect the insurability of certain properties or result in higher insurance premiums, deductibles, or coverage limitations.

The Trust also faces transition risks arising from evolving public policy, regulatory developments, market expectations, and stakeholder preferences related to climate change and greenhouse gas emissions. Carbon pricing mechanisms and related measures in Canada have been subject to change and may change further, and there can be no assurance that future federal, provincial, or municipal governments will not introduce, re-introduce, amend, reduce, or expand carbon pricing or implement other climate-related regulations, standards, or taxes. In addition, climate and energy policies may take forms other than carbon taxes, including stricter building codes, energy efficiency requirements, emissions disclosure obligations, or restrictions affecting utilities, development, or retrofits. Compliance with existing or future climate-related regulations could increase capital and operating costs, some of which may not be recoverable from Resident Members.

In response to climate-related risks, the Trust may implement or expand initiatives aimed at reducing greenhouse gas emissions, improving energy efficiency, increasing water efficiency, or enhancing climate resilience. While such initiatives may help manage long-term risk, they may also require significant capital investment and ongoing operating expenditures, and there can be no assurance that they will fully mitigate climate-related risks or generate anticipated benefits.

Lenders, investors, credit rating agencies, regulators, and other market participants are increasingly incorporating climate-related considerations into their investment, underwriting, and regulatory frameworks. A failure, or perceived failure, to effectively assess, manage, or disclose climate-related risks could adversely affect the Trust's access to capital, cost of borrowing, market perception, and investor demand for its units. Any of the foregoing risks could have a material adverse effect on the Trust's business, financial condition, results of operations and ability to make Distributions.

## Rent Control Risk

Rent control risk is the risk that existing or new legislative rent controls in the markets in which the Trust operates may limit the Trust's ability to increase rents, recover rising operating or capital costs, or otherwise respond to market conditions. Certain provinces in which the Trust operates, including British Columbia, Ontario and Quebec, have rent regulation regimes that restrict the frequency and amount of rent increases.

In Ontario, a landlord is entitled to increase the rent for existing Resident Members once every 12 months by no more than the guideline amount established by regulation; for 2026, the guideline amount is 2.1% (down from 2.5% 2025). Landlords can apply to the Landlord and Tenant Board for an above guideline increase where, among other things, there has been a significant increase in the cost of taxes and charges, or the landlord has incurred significant capital expenditures. When a unit is vacated, the landlord is entitled to lease the unit to a new Resident Member at any rental amount, after which annual increases are limited to the applicable guideline amount. The cap does not apply to rental units first occupied after November 15, 2018.

In Quebec, a landlord is entitled to increase the rent for existing tenants once every 12-month period. While there is no fixed rate increase specified by regulation, the Quebec housing authority provides guidelines on the factors to consider in determining the appropriate rent increase, such as utility costs, management costs and capital expenditures. For 2026, Quebec's housing authority has recommended an average rent increase of 3.1% (5.9% in 2025).

In British Columbia, 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%).

By contrast, Alberta and Saskatchewan do not have rent control legislation that caps the amount of rent increases, although restrictions apply to the frequency of increases. In Alberta, rent increases are limited to once per year, and in Saskatchewan, prescribed landlords like the Trust may increase rent every six months following the first twelve months of a tenancy. Although unlikely in management of the Trust's view, there can be no assurance that rent control or other tenant protection legislation will not be introduced in either province in the future. Any such changes could have a disproportionate impact on the Trust, particularly given the concentration of a significant portion of the portfolio in these regions.

The Trust considers applicable rent regulation frameworks when underwriting acquisitions and managing its portfolio and adopts internal practices to self-regulate the timing and amount of rent adjustments. However, any introduction or expansion of rent control or other tenant protection legislation, changes in guideline methodologies or allowable increases, or changes in regulatory interpretation or enforcement could materially adversely affect the Trust's rental revenues, operations, and financial performance.

## Development, Redevelopment, Re-positioning and Renovation Risk

Development risk arises from the possibility that development, redevelopment, re-positioning or major renovation projects may not be completed on schedule, within budget or under anticipated market conditions, and that completed developments may not achieve expected occupancy levels or rental rates within anticipated timeframes. As a result, the Trust may not achieve the expected return on invested capital.

The Trust's development activities are subject to risks commonly associated with construction and development projects, including: (i) delays arising from municipal approval, zoning or permitting process, labour availability, supply chain disruptions or unforeseen site conditions; (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; (v) insufficient demand, failure to achieve anticipated occupancy levels or rental rates, or the inability of prospective residents to enter into or satisfy lease commitments as expected; (vi) 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.

Any of the foregoing risks could result in increased capital expenditures or reduced returns, and could have an adverse impact on the Trust's business, financial condition, results of operations, and ability to make Distributions.

## **Workforce Availability and Key Personnel**

Boardwalk's ability to operate its properties and provide services to Resident Members is dependent on the availability of qualified employees and contractors to support day-to-day operations, property management, maintenance activities and capital improvements. The Trust must compete with other employers for skilled labour in its operating markets, and balance staffing requirements with overall compensation and operating costs.

In addition, the Trust's success depends in part on the continued service and performance of its executive officers and other members of senior management, who play a significant role in overseeing the Trust's strategy, operations and capital allocation decisions. The Trust's ability to retain its management team or attract qualified replacements is influenced by, among other things, competitive labour market conditions. Boardwalk has experienced departures of key personnel in the past and may do so in the future. The loss or reduced availability of one or more members of senior management, or a failure to attract suitable replacements, could disrupt operations, delay strategic initiatives, and adversely affect the Trust's business, financial condition and results of operations, and ability to make Distributions.

## **Ground Lease Risk**

Certain of the Trust's properties – two in Banff, Alberta and two in Montreal, Quebec – are subject to long-term ground (or land) leases and similar arrangements under which the Trust leases the land from third-party owners. Under typical ground lease terms, the Trust, as 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 otherwise extended, upon expiration of the ground lease, the land together with all improvements made will revert to the owner of the land. These leases are set to expire between 2029 and 2064. Approximately 14% of the Trust's FFO is derived from properties held under 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 underlying lands prior to expiry of the ground leases. However, if the Trust is unable or elects not to renew such leases, or buy the underlying land, the net operating income and cash flow generated by such properties would cease to contribute to Boardwalk's results of operations, which could materially adversely impact its business, financial condition and results of operations and its ability to make Distributions.

In addition, an event of default by the Trust under the terms of an applicable ground lease could, if not cured within applicable notice and cure periods, result in the termination of the lease and the loss of the Trust's interest in such property. The Trust is not aware of any default under the terms of its ground leases.

## **Insurance and Uninsured Loss Risk**

Boardwalk maintains a comprehensive insurance program to cover property and general liability risk, such as fire, flood and loss of rental income, with policy limits, deductibles and other terms that management considers customary and appropriate for similar properties, the nature of the risk and industry standards. In response to increased insurance costs in recent years, the Trust has gradually increased deductibles and self-insured retention amounts, with any excess losses being covered by insurance. Despite this insurance program, certain types of risks, particularly those of a catastrophic nature such as war, terrorism, pandemics or environmental contamination, may be uninsurable, economically impracticable to insure, or may be subject to significant exclusions or limits. The Trust maintains insurance for certain catastrophic risks, including earthquake risk, subject to specified policy limits, deductibles and self-insurance arrangements; however, there can be no assurance that such coverage will remain available on acceptable terms or at all.

If the Trust experiences an uninsured or underinsured loss, including a loss exceeding policy limits or subject to significant deductibles or exclusions, it could lose some or all of its investment in, and the anticipated cash flows from, one or more properties. In addition, the Trust would generally remain obligated to service any recourse mortgage indebtedness or other obligations related to affected properties. The payment of uninsured or underinsured losses could materially reduce the Trust's cash available for operations and Distributions.

## **Credit Risk**

Credit risk is the risk of loss due to failure of a contracted Resident Member/customer to fulfill payment obligations or lease term commitments. Due to the very nature of the business of renting multi-family residential apartment suites, management believes that credit risk is generally mitigated by a broad and diversified Resident Member base. However, credit risk could nonetheless increase during periods of economic stress, rising unemployment or other adverse conditions. The Trust currently has 34,405 rental apartment suites and is not reliant on, and has no material

financial exposure to, any individual Resident Member (or group of Resident Members) or lease. To further manage this risk, the Trust has and continues to diversify its portfolio in various major centers across Canada. The Trust also continues to utilize extensive screening processes for all potential Resident Members including, but not limited to, detailed credit checks and a requirement for Resident Members to carry adequate tenant insurance. There can be no assurance that screening procedures will prevent losses.

### **Market Risk**

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. The Trust's principal exposures to market risk are in the areas of new multi-family housing supply, changes to rent controls, utility price increases, property tax increases, higher interest rates and mortgage renewal risk. The Bank of Canada increased interest rates in 2023 and lowered rates in 2024 and 2025. Another increase in rates may affect the Trust's ability to finance mortgages at rates and on terms acceptable to the Trust or at all, which could have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions.

### **Aging Portfolio Risk**

Aging portfolio risk is the risk that portions of the Trust's residential portfolio may experience reduced demand or increased competitive pressure due to the age of the underlying assets, particularly as new supply increases in the Trust's operating markets. Older properties may require higher ongoing maintenance and capital expenditures to preserve functionality or remain competitive in attracting and retaining Resident Members. While certain older properties may benefit from established locations or larger suite sizes, as well as value added capital upgrades through Boardwalk's Re-Positioning Program, there can be no assurance that these attributes will fully offset the effects of asset aging or mitigate the capital and operating cost pressures of maintaining an aging portfolio.

### **Risks Due to Investment in Real Estate**

Investments in multi-family residential real estate are subject to risks arising from general economic conditions, regional market dynamics, and property-specific factors. Changes in interest rates, inflation, housing supply and demand, employment conditions, and regulatory environments may adversely affect occupancy levels, rental rates, operating costs, property values, and access to financing.

Real estate assets are relatively illiquid, which may limit the Trust's ability to respond quickly to changing market conditions or to dispose of properties on favourable terms. In addition, certain operating costs, including property taxes, utilities, insurance, maintenance, and debt service, must be incurred regardless of a property's revenue-generating performance.

The Trust's exposure to these risks is influenced by its concentration in the multi-residential sector and its regional footprint. In particular, although Boardwalk has become more diversified by asset class and geographic location in recent years, it remains primarily focused on the multi-family residential sector and the majority of its suites are concentrated in western Canada. As a result, the Trust is exposed to adverse developments affecting that segment of the real estate market and/or that geographic region and does not benefit by significant diversification by property type or geography.

While the Trust seeks to mitigate these risks through diversification, conservative leverage and active asset management, adverse market conditions could result in declines in cash flows or property values, which could have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions.

### **Risks Due to Real Estate Financing**

Management of the Trust expects that future acquisitions will be financed, in whole or in part, through a combination of credit facilities, secured or unsecured financing arrangements, or the issuance of additional debt or equity. Boardwalk periodically reviews its financing options to determine the appropriate balance between debt and equity. Financing future acquisitions or developments using equity rather than debt may dilute the interests of existing Unitholders. Conversely, financing through debt involves certain inherent risks, including those described below. Where new developments are financed through construction loans, there is a risk that permanent financing for such properties may not be available upon completion, may be available only on disadvantageous terms, or that the cash flow from new properties will be insufficient service the related debt. If a newly developed or acquired property performs below expectations, Boardwalk's losses may exceed its investment in the property. Any of the foregoing could have a material

adverse effect on the Trust's business, financial condition and results of operations, its ability to make Distributions and its ability to meet its debt obligations.

***The Trust may be Unable to Renew, Repay or Refinance its Outstanding Debt***

The Trust is subject to the customary risks associated with debt financing, including the risk that its cash flow may be insufficient to meet required payments of principal and interest, the risk that indebtedness (whether secured or unsecured) may not be renewed, repaid or refinanced when due, or may only be renewed or refinanced on terms less favourable than the existing terms of such indebtedness. If the Trust is unable to refinance its indebtedness on acceptable terms, or at all, it may be required to dispose of one or more properties on disadvantageous terms, which might result in losses to the Trust. Furthermore, if a property is mortgaged to secure indebtedness and the Trust is unable to meet mortgage payment obligations, the mortgagee may exercise remedies including foreclosure, appointment of a receiver, or the assignment of rents and leases. Such actions could result in the loss of revenues and asset value. Foreclosures may also give rise to taxable income without corresponding cash proceeds, which could adversely affect the Trust's ability to meet its distribution requirements under applicable tax legislation. Any of the foregoing could have a material adverse effect on the Trust's business, financial condition, results of operations, and ability to make Distributions and meet its debt obligations.

The Trust continues to manage its refinancing and renewal risk by maintaining a well-balanced debt maturity profile, with no significant concentration of maturities in any single period. In addition, the majority of the Trust's debt is insured with NHA insurance, which enhances the credit quality of insured mortgages, and enables the Trust to obtain favorable interest rates and facilitate renewal on maturity. However, there can be no assurance that future renewals will be available on terms as favorable as those currently in place.

To date, the Trust has been successful in renewing mortgages and, where applicable, obtaining additional funds secured by its investment properties. Although the Trust continues to see fluctuations in credit spreads relative to the corresponding benchmark bonds, current all-in quoted rates exceed the rates on maturing debt and may therefore be dilutive to the Trust as a whole.

In 2013, the Government of Canada imposed an aggregate limit of \$600 billion on the total amount of NHA insurance that CMHC can provide. This cap has primarily affected the availability of portfolio or bulk insurance CMHC to banks and, to date, has had minimal impact on the Trust's ability to renew its mortgages or on the cost of secured debt capital. However, there is no assurance that this limitation will not adversely affect the availability or cost of insured financing for multi-family residential properties in future periods.

The Trust manages its interest rate risk by selectively entering into forward-rate contracts with major financial institutions to hedge against fluctuations in Canadian bond yields. When financing its secured mortgage portfolio, interest rates are generally based on the yield of the applicable Government of Canada Bond plus a market-determined credit spread. Although the market spread on these transactions may vary over time, the underlying benchmark bond yield remains a key determinant of the Trust's borrowing costs.

The Trust also maintains a prudent level of liquidity to support the execution of its strategy and to provide a contingency for unforeseen circumstances. At December 31, 2025, the Trust's liquidity position, or "**Cash Available**", coupled with any unused revolving credit facilities and committed secured up-financing, totaled over \$342.9 million (December 31, 2024 - \$368.2 million). Boardwalk defines liquidity as the aggregate of cash and cash equivalents on hand, unused committed revolving credit facility, and committed secured financings. The Trust's current liquidity position remains stable. As of December 31, 2025, the Trust's cash position was \$97.1 million, compared to the \$122.4 million reported as of December 31, 2024. As at December 31, 2025, the Trust also had \$245.8 million of unused credit facility (December 31, 2024 - \$245.8 million) and committed secured up-financing of approximately \$123.1 million (December 31, 2024 - \$nil).

***The Trust's Degree of Leverage Could Limit its Ability to Obtain Additional Financing***

As at December 31, 2025, the Trust's Consolidated EBITDA to Consolidated Interest Expense was 3.08 to 1. The Trust's degree of leverage may have important consequences to Unitholders. In particular, higher leverage could limit the Trust's ability to obtain additional financing for working capital, capital expenditures, acquisitions, development or other general corporate purposes, making it more vulnerable to adverse changes in business conditions or broader economic downturns. Under the Declaration of Trust, the Trust is required to maintain a Consolidated EBITDA to Consolidated

Interest Expense of 1.5 to 1. For more information, see "*Investment Guidelines and Operating Policies of the Trust – Operating Policies*" in this AIF.

### **Structural Subordination**

The Trust is a holding entity whose assets are held primarily through subsidiary entities. As a result, indebtedness at the Trust level is structurally subordinated to the indebtedness and other liabilities of its subsidiaries. The Trust's right to receive any distributions from its subsidiaries is subordinate to the prior satisfaction of the subsidiaries' obligations, including indebtedness to third-party lenders. In the event of a bankruptcy, liquidation or reorganization of the Trust, creditors of the subsidiaries would generally have priority with respect to the assets of those subsidiaries over the holders of indebtedness of the Trust.

Certain subsidiaries of the Trust that own material assets have provided guarantees of Trust-level indebtedness, pursuant to which lenders may seek recourse against such subsidiaries for the guaranteed obligations. These guarantees are intended to mitigate the effects of structural subordination arising from the Trust's use of subsidiary entities. However, not all subsidiaries of the Trust provide such guarantees, and the guarantees may be subject to contractual limitations or restrictions under applicable law. In addition, there can be no assurance that a lender will be able to effectively enforce the guarantee. Accordingly, holders of indebtedness of the Trust may remain subject to structural subordination risks.

### **Utility and Property Tax Risk**

Over the past several years, property taxes have increased as a result of municipal property re-evaluations and changes in applicable tax rates. For the Trust, these re-valuations have, in certain cases, resulted in significant increases in assessed values due to capital enhancements that are not reflected on the Trust's balance sheet, as such recognition is not permitted under IFRS. To manage this risk, the Trust has compiled a dedicated team of property reviewers who, with the assistance of outside specialists, regularly review property tax assessments and pursue appeals where warranted. However, there can be no assurance that such appeals will be successful or that property tax increases can be mitigated or recovered, and property tax increases could materially adversely affect the Trust's business, financial condition and results of operations and its ability to make Distributions.

Utility expenses – primarily water, natural gas and electricity charges – have also been subject to significant price volatility in recent years. Water and sewer costs, in particular, have increased materially and are used by municipalities as an additional revenue-generating mechanism. Any significant increase in these resource costs that cannot be recovered from Resident Members may have a material adverse effect on the Trust. The Trust seeks to manage this risk through the use of financial instruments and resource contracts with staggered maturity dates. In addition, the Trust has implemented several operational measures, including: (i) installing electrical sub-metering devices, where feasible, to pass electricity costs directly to Resident Members; and (ii) adjusting rental rates, where appropriate, to partially or fully recover increased utility expenses. However, there can be no assurance that these measures will be available, effective or sufficient in any given period. On April 1, 2025, the federal consumer carbon tax was eliminated, thereby reducing utility costs for the year; however, there can be no assurance that future regulatory or tax changes (including changes to carbon pricing mechanisms or related levies) will not result in increased utility expenses.

### **Outstanding Indebtedness**

The ability of Boardwalk to make Distributions or to make other payments is subject to applicable law and contractual restrictions contained in instruments governing its indebtedness. Although Boardwalk is not currently in default under any existing loan agreements or guarantee agreements, any future default could have significant consequences for Unitholders. The level of Boardwalk's indebtedness may have important implications for Unitholders, including limiting the Trust's ability to obtain additional financing for working capital, capital expenditures, acquisitions or other corporate purposes. In addition, a significant portion of Boardwalk cash flow from operations may be required to service principal and interest on indebtedness, thereby reducing funds available for operations and Distributions. Certain indebtedness may be at variable rates of interest or renewed at higher rates, which could further reduce cash flow available for Distributions. In the event of a significant economic downturn or recession, there can be no assurance that Boardwalk will generate sufficient cash flow to meet its debt service obligations. These factors may have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions.

In addition to mortgages associated with the majority of its properties, Boardwalk REIT, through the Partnership, has an outstanding Credit Facility. Certain properties are subject to first or second mortgages and charges as security for

the Credit Facility (the "**Secured Properties**"). The Credit Facility also provides for an assignment of rents, an assignment of insurance proceeds in the event of loss of any of the Secured Properties and guarantees from various subsidiary entities.

The interest payable under the Credit Agreement for prime rate advances is (a) the greater of (i) the lender's prime rate of interest, and (ii) the one-month Adjusted Term CORRA (as defined in the Credit Agreement) plus 1.0%, plus (b) the applicable margin, as determined in accordance with the Credit Agreement. The interest payable under the Credit Agreement for CORRA advances is (x) the applicable CORRA advance rate, plus (y) the applicable margin, as determined in accordance with the Credit Agreement. The Credit Facility also has various other fees including, as applicable, letter of credit fees, commitment fees, extension fees and agency fees, which in the aggregate are not material to Boardwalk.

Repayment of the Credit Facility shall be by way of instalments comprising of: (i) principal repayment in the amount of all outstanding principal, as calculated in accordance with the Credit Agreement, under the Credit Facility due on the repayment date which is July 25, 2030; and (ii) payment of accrued interest due and payable monthly in arrears on the third business day of each calendar month until July 25, 2030.

The Partnership and subsidiaries of Boardwalk REIT which have guaranteed the Credit Facility are prohibited from paying distributions to Unitholders in the event that any mortgage on real property owned by or for the benefit of Boardwalk REIT is in default in payment, unless a specific reserve in respect of such mortgage is retained in the amount of such default in payment or unless such distribution is required by the terms of the Declaration of Trust.

In the event that Boardwalk REIT defaults in payment of any mortgage and is unable or unwilling to establish an appropriate reserve, distributions to Unitholders would be prohibited.

In addition, the Credit Facility has certain operational covenants, including that the debt service coverage ratio is to be maintained at not less than 1.20:1, the debt service coverage ratio specific to all of the Secured Properties is to be maintained at not less than 1.15:1 and the total indebtedness of Boardwalk REIT will not exceed 75% of the gross book value of Boardwalk REIT and its subsidiaries as at the end of any two consecutive fiscal quarters.

### **Acquisition Performance Risk**

The Trust's strategy includes the acquisition of additional rental properties. Acquisition decisions are based on assumptions regarding operational performance, financing and market conditions. Actual performance may differ materially from expectations, which could result in adverse financial outcomes.

Acquired properties may also be subject to undisclosed or unknown liabilities for which the Trust may not be fully indemnified. Discovery of such liabilities following acquisition could have a material adverse effect on the Trust.

### **Operational Risk**

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, systems, human error or external events. Such losses may include financial loss, reputational harm, or legal and regulatory consequences. While the Trust maintains systems and controls designed to manage these risks, there can be no assurance that such controls will prevent all losses.

### **Dependence on the Operating Trust and the Partnership**

Boardwalk REIT is entirely dependent on distributions from the Operating Trust and the Partnership. The ability of these entities to make distributions is subject to their operating performance and to restrictions under their respective debt agreements. Any limitation on their ability to make distributions could adversely affect the Trust's ability to make distributions to Unitholders.

### **Fluctuations of Cash Distributions**

The amount of cash distributed by Boardwalk REIT may vary based on numerous factors, including capital expenditures, principal repayments, leasing costs, redemptions, and other items beyond the Trust's control. The Trustees retain discretion to modify the distribution policy, and there can be no assurance as to the level or continuity of future Distributions. See "*Distributions*" in this AIF.

## **Market Price of Trust Units**

The market price of Trust Units may be adversely affected by increases in interest rates, general market conditions, fluctuations in equity markets, and factors specific to real estate investment trusts. Reductions or suspensions of distributions may also negatively affect the market price of Trust Units.

## **Access to Capital Risk**

The Trust operates in a capital-intensive industry and requires ongoing access to capital to execute its strategy. There can be no assurance that capital will be available on acceptable terms, or at all, for acquisitions, development, refinancing or other purposes. Restrictions under the Declaration of Trust or debt agreements may further limit access to capital. Failure by Boardwalk to access required capital could have a material adverse effect on the Trust's business, financial condition and results of operations and ability to make Distributions.

## **Litigation**

The Trust may become involved in legal proceedings in the ordinary course of business. The outcome of such proceedings cannot be predicted and may be adverse, resulting in material financial loss, increased costs, or management distraction.

## **Joint Ventures and Co-Ownerships**

The Trust participates in joint ventures and may enter into additional arrangements in the future. These arrangements involve risks, including differing objectives of partners, funding defaults, disputes, and reputational harm, any of which could materially adversely affect the Trust.

## **Legal Rights Normally Associated with the Ownership of Shares of a Corporation**

Trust Units do not carry all rights associated with share ownership; rather, Unitholders' rights are governed by the Declaration of Trust. In addition, Trust Units are not "deposits" and are not insured under Canadian deposit insurance legislation.

## **Unitholder Liability**

There is a risk that Unitholders could become subject to liability. The Declaration of Trust provides that no Unitholder or annuitant under a plan of which a Unitholder acts as trustee or carrier will be held to have any personal liability as such, and that no resort shall be had to the private property of any Unitholder or annuitant for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of Boardwalk. Only Boardwalk's assets are intended to be subject to levy or execution. The Declaration of Trust further provides that, whenever possible, certain written instruments signed by Boardwalk must contain a provision to the effect that such obligation will not be binding upon Unitholders personally or upon any annuitant under a plan of which a Unitholder acts as trustee or carrier. In conducting its affairs, Boardwalk has acquired and may acquire real property investments subject to existing contractual obligations, including obligations under mortgages and other contractual obligations that do not include such provisions. Boardwalk will use its best efforts to ensure that provisions disclaiming personal liability are included in contractual obligations related to properties acquired in the future.

Certain Provinces have legislation relating to unitholder liability protection, including British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec. To Boardwalk's knowledge, these statutes have not yet been judicially considered, and it is possible that reliance on such statute by a Unitholder could be successfully challenged on jurisdictional or other grounds.

## **Redemption of Trust Units**

Redemption rights attached to Trust Units are subject to significant limitations and are not intended to provide liquidity. In particular, upon redemption: (i) the total amount payable by Boardwalk REIT in respect of such Trust Units and all other Trust Units, other than Special Voting Units, tendered for redemption in the same calendar month shall not exceed \$50,000 (provided that such limitation may be waived at the discretion of the Trustees); (ii) at the time such Trust Units are tendered for redemption, the outstanding Trust Units shall be listed for trading on a stock exchange or traded or quoted on another market which the Trustees consider, in their sole discretion, provides representative fair market value prices for such Trust Units; and (iii) the normal trading of the Trust Units is not suspended or halted on any stock exchange on which such Trust Units are listed (or, if not listed on a stock exchange, on any market on which such Trust Units are

quoted for trading) on the redemption date or for more than five trading days during the 20-day trading period commencing immediately after the redemption date.

Regulatory approvals may be required for distributions of securities on redemption or termination of the Trust, and no market may exist for such securities. In addition, the securities distributed may not be qualified investments for Plans, depending upon the circumstances at the time.

### **An Investment in Trust Units is Subject to Certain Tax Risks**

#### ***SIFT Legislation***

Management of the Trust believes 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 so 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 the tax. The SIFT Legislation is not applicable to a real estate investment trust that meets prescribed conditions relating to the nature of its assets and revenue. Unless the exclusion for a trust qualifying as a "real estate investment trust" under the Tax Act (i.e., REIT Exemption) applies to the Trust, 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. In the event the SIFT Legislation applies to the Trust, the impact to Unitholders will depend on the status of the Unitholder and, in part, on the amount of income distributed which would not be deductible by the Trust in computing its income in a particular year and what portions of the Trust's distributions constitute "non-portfolio earnings", other income and returns of capital. 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 2025 or any subsequent year until the end of the particular year, and there can be no assurance in this regard.

Management of the Trust believes that each of the Operating Trust, the Partnership and each other 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 the Operating Trust, the Partnership or any other subsidiary were to not to qualify, the SIFT Legislation could apply to such entities. The SIFT Legislation (if such legislation 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 Declaration of Trust 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***

The Tax Act includes rules (the "**EIFEL Rules**"), that generally limit the deductibility of certain interest and financing expenses of 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 to no more than a fixed ratio of its "adjusted taxable income" (as defined in the Tax Act). If the EIFEL Rules apply to the Trust, the income of the Trust 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. The EIFEL Rules may also apply to a corporation or trust held directly or indirectly by the REIT. Management 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: (a) affect the Trust's ability to qualify as a "mutual fund trust" or the Trust's eligibility for the REIT Exemption; (b) increase the amount of tax payable by the Trust or its affiliates; (c) affect the Trust's status as a "registered investment" for purposes of the Tax Act; (d) affect the status of the Trust Units for purposes of the Tax Act as a "qualified investment" for the Plans; or (e) 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 received notices of reassessment from the CRA dated February 28, 2024, increasing the Trust's taxable income for its taxation years ended December 31, 2011, 2012, 2013, and 2014 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 the Operating Trust. The Trust filed objections to each reassessment with the CRA Appeals Division on May 24, 2024, as it disagrees with the CRA's position. However, there can be no assurance that such objections will be successful. 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.

## **Non-Resident Ownership**

Persons not resident in Canada within the meaning of the Tax Act ("**Non-Residents**") may not be the beneficial owners of more than 49% of the Trust Units and the Trustees will have various powers that can be used for the purpose of monitoring and controlling the extent of Non-Resident ownership of Trust Units, as set out in the Declaration of Trust. See "*Declaration of Trust and Description of Trust Units – Limitation on Non-Resident Ownership*" in this AIF.

These restrictions may affect the Trust's ability to raise capital and may impact liquidity and market price. Distributions to non-residents may also be subject to withholding or other taxes. Such tax and any reduction thereof under a tax treaty between Canada and another country may change from time to time. Non-Resident Unitholders should consult their own tax advisors concerning their investment in the Trust.

## **Risks Associated with Disclosure Controls and Procedures and Internal Control over Financial Reporting**

The Trust's business could be materially adversely impacted if it has deficiencies in its disclosure controls and procedures or internal control over financial reporting.

The design and effectiveness of the Trust's disclosure controls and procedures and internal control over financial reporting may not prevent all errors, misstatements or misrepresentations. While management continues to review the design and effectiveness of the Trust's disclosure controls and procedures and internal control over financial reporting, the Trust provides no assurance that its disclosure controls and procedures or internal control over financial reporting will be effective in accomplishing all control objectives all of the time. Deficiencies, particularly material weaknesses, in internal control over financial reporting which may occur in the future could result in misstatements of the Trust's results of operations, restatements of its financial statements, a decline in the Trust Unit price, or otherwise have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions.

The design of the Trust's disclosure controls and procedures and internal control over financial reporting has been limited to exclude controls, policies and procedures of:

- (i) a proportionately consolidated entity in which the Trust has an interest;

- (ii) a variable interest entity in which the Trust has an interest; or
- (iii) a business that the Trust has acquired not more than 365 days before its financial year end.

### 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. Boardwalk may also be affected by changes in policy enacted by new or incoming local or foreign governments including as a result of intergovernmental relations and the implementation of tariffs or other restrictive trade measures or countermeasures.

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. 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.

### Exposure to Widespread Pandemic and Risks Related Thereto

A pandemic and the corresponding measures the Trust takes to protect the health and safety of the Trust's Associates and Resident Members and the continuity of its business may result in new legal challenges and disputes. Actions taken by various levels of government and health authorities in the event of a pandemic, epidemic or outbreak may result in a reduction in the demand for, and prices of, commodities that are closely linked to the Trust's financial performance and may negatively impact its business, results of operations and financial condition. The Trust may also be exposed to human capital risks due to issues related to health and safety matters, and other environmental stressors as a result of measures which may be implemented in response to a pandemic.

In virtually all aspects of the Trust's business and strategy, the Trust's view of risks is not static as its business activities expose it to a variety of risks, which may have short- or long-term effects and could materially adversely impact Resident Members and/or the debt and equity markets, both of which could have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions. The Trust continues to evaluate the impacts, and any potential residual impacts that the novel coronavirus had and may continue to have on the Trust's business, including the impact on the Trust's principal and emerging risks, operational and reputational risks as well as credit, market and liquidity and funding risks and ESG risks.

## DISTRIBUTIONS

### Distribution Policy

Boardwalk REIT may distribute to holders of Trust Units on or about each Distribution Date an amount equal to the percentage of the income of the Trust for the calendar month then ended as the Trustees determine in their discretion (each a "**Distribution**"), but in no event will Distributions for the year be less than Boardwalk REIT's taxable income, unless the Trustees, in their absolute discretion, determine otherwise.

The Board reviews 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-added renovation program, brand diversification initiative or new construction of multi-family communities in supply-constrained markets.

Holders of LP Class B Units may surrender such units in exchange for Trust Units in accordance with the terms of the Limited Partnership Agreement. Prior to such surrender, holders of LP Class B Units will be entitled to receive Distributions from the Partnership *pro rata* with Distributions made by Boardwalk REIT on Trust Units.

In accordance with the Exchange and Support Agreement, Boardwalk REIT cannot pay Distributions on Trust Units unless an equivalent Distribution per Trust Unit is paid on the LP Class B Units. Distributions in respect of a month will be paid on or about each Distribution Date to such Unitholders of record as at the close of business on each Distribution

Record Date. In addition, the Trustees may declare to be payable and make Distributions from time to time out of income, net realized capital gains, net recapture income, capital or otherwise, in any year, in such amount or amounts and on such dates on or before the last business day of that year as the Trustees may determine, to the extent such income, capital gains or capital has not already been paid, allocated or distributed to the holders of Trust Units that are Unitholders at the record date for such Distribution. The Trustees shall not make cash Distributions in respect of any calendar month or any other period where, at the end of such month or period or at the time proposed for Distribution, to the knowledge of the Trustees, the Trust or any of its subsidiaries are in default in payment under any mortgage on real property held by or for the benefit of the Trust or any subsidiary, unless a specific reserve in respect of such mortgage in default is retained in the amount of such default in payment. There will be no Distributions in respect of the Special Voting Units.

Where the Trustees determine that Boardwalk REIT does not have available cash in an amount sufficient to make payment of the full amount of any Distribution which has been declared to be payable pursuant to the provisions of the Declaration of Trust on the due date for such payment, the payment may, at the option of the Trustees, include the issuance of additional Trust Units, or fractions of such Trust Units, if necessary, having a fair market value as determined by the Trustees equal to the difference between the amount of such Distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such Distribution in the case of Trust Units.

Unless the Trustees determine otherwise, immediately after any *pro rata* Distribution of additional Trust Units to all holders of Trust Units in the circumstances described in the immediately preceding paragraph, the number of the outstanding Trust Units will automatically be consolidated such that each of such holders will hold after the consolidation the same number of Trust Units as such holder held before the Distribution of additional Trust Units. In this case, each Trust Unit certificate representing the number of units prior to the Distribution of additional Trust Units will be deemed to represent the same number of Trust Units after the non-cash Distribution of additional Trust Units and the consolidation.

Notwithstanding the foregoing, where tax is required to be withheld from a Unitholder's share of the Distribution, the consolidation will result in such Unitholder holding that number of Trust Units equal to:

- (i) the number of Trust Units held by such Unitholder prior to the Distribution plus the number of Trust Units received by such Unitholder in connection with the Distribution (net of the number of whole and part Trust Units withheld on account of withholding taxes);

multiplied by

- (ii) the fraction obtained by dividing the aggregate number of Trust Units outstanding prior to the Distribution by the aggregate number of Trust Units that would be outstanding following the Distribution and before the consolidation if no withholding were required in respect of any part of the Distribution payable to any Unitholder.

Such Unitholder will be required to surrender the Trust Unit certificates, if any, representing such Unitholder's original Trust Units, in exchange for a unit certificate representing such Unitholder's post-consolidation Units.

Boardwalk REIT commenced monthly Distributions on June 15, 2004 to holders of Trust Units on May 31, 2004.

### Annual Distributions

During the last three most recently completed financial years, Boardwalk REIT paid the following Distribution amount per Trust Unit:

Year	Total Distribution Per Trust Unit
2025	\$1.59
2024	\$1.395
2023	\$1.1155

LP Class B Units are entitled to an equivalent distribution as the Trust Units.

The Board reviews the Trust's allocation of capital, including its monthly Distributions, on a quarterly basis. Despite the improving fundamentals in the Trust's core markets of Alberta and Saskatchewan, the Trust's management and Board believe that the Trust's capital allocation opportunities, which include the current suite renovation/Re-positioning Program along with growth opportunities consistent with Boardwalk's focus on FFO per Trust Unit and NAV

per Trust Unit growth and creation, provides an opportunity for the Trust to utilize its cashflow to maximize value for all Unitholders. Beginning in 2018, the Trust's distribution policy was aligned with the Trust's long-term focus of NAV growth and comprises an annual distribution, paid monthly, at least equal to the taxable portion of the Trust's income. This formal policy allows the Trust to retain a significant portion of cashflow to re-invest in capital growth opportunities. The Board reviews the taxable portion of the Trust's income on a quarterly basis and may announce an increase or a special distribution from time to time to ensure that all taxable income is distributed to Unitholders.

The Trust declared a special non-cash distribution of \$1.425 per Trust Unit (the "**Special Distribution**"), paid on December 31, 2025 to Unitholders of record at the close of business on December 31, 2025 by the issuance of additional Trust Units having a fair market value equal to the dollar amount of the Special Distribution. Immediately after payment thereof, the issued and outstanding Trust Units were consolidated such that the aggregate number of issued and outstanding Trust Units immediately after the Special Distribution was the same as immediately before the Special Distribution.

## INVESTMENT GUIDELINES AND OPERATING POLICIES OF THE TRUST

### Investment Guidelines

Pursuant to the Declaration of Trust, any investment by Boardwalk REIT or its subsidiaries must be in accordance with the following investment guidelines (the "**Investment Guidelines**"):

- (a) Boardwalk REIT will focus its activities primarily on the acquisition, holding, developing, maintaining, improving, leasing or managing of multi-unit residential revenue producing properties, and ancillary real estate ventures, including, but not limited to, condominium conversions and sales of properties in which the Trust has (or will have) an interest, as well as, subject to subparagraph (l) below, the development of raw land (including the financing thereof) for the purpose of carrying out the above noted activities ("**focus activities**");
- (b) notwithstanding anything contained in the Declaration of Trust to the contrary, no investment will be made that would result in:
  - (i) Trust Units being disqualified for investment by Plans;
  - (ii) Boardwalk REIT ceasing to qualify as a "mutual fund trust" or "a "registered investment" for purposes of the Tax Act; or
  - (iii) the Trust not qualifying as a "real estate investment trust", as defined in subsection 122.1(1) of the Tax Act, if as a consequence of the Trust not so qualifying, the Trust would be subject to tax on its "**taxable SIFT trust distributions**";
- (c) the Trust may, directly or indirectly, invest in a joint venture arrangement for the purposes of owning interests or investments otherwise permitted to be held by the Trust, provided that such joint venture arrangement contains terms and conditions which, in the opinion of the Trustees, are commercially reasonable, including without limitation such terms and conditions relating to restrictions on transfer and the acquisition and sale of the Trust's and any joint venturer's interest in the joint venture arrangement, provisions to provide liquidity to the Trust, such as buy-sell mechanisms, provisions that limit the liability of the Trust to third parties, and provisions that provide for the participation of the Trust in the management of the joint venture arrangement. For purposes of this provision, a joint venture arrangement is an arrangement between the Trust and one or more other person ("**joint venturers**") pursuant to which the Trust, directly or indirectly, conducts an undertaking for one or more of the purposes set out above and in respect of which the Trust may hold its interest jointly or in common or in another manner with others either directly or through the ownership of securities of a corporation or other entity "a "**joint venture entity**"", including without limitation a general partnership, limited partnership or limited liability company;
- (d) unless otherwise permitted in the provisions of the Declaration of Trust setting out the Investment Guidelines and except for temporary investments held in cash, deposits with a Canadian or U.S. chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities or in money market instruments of, or guaranteed by, a Schedule I Canadian chartered bank maturing prior to one year from the date of issue, Boardwalk REIT, directly or indirectly, may not hold securities other than:

- (i) currency or interest rate futures contracts for hedging purposes to the extent that such hedging activity complies with the National Instrument 81-102 – Investment Funds or any successor instrument or rule;
  - (ii) securities of a joint venture entity, or any entity formed and operated solely for the purpose of carrying on ancillary activities to any real estate owned (or to be owned) or developed (or to be developed), directly or indirectly, by Boardwalk REIT, or an entity wholly-owned (or to be wholly-owned), directly or indirectly, by Boardwalk REIT formed and operated solely for the purpose of holding and/or developing a particular real property or real properties or for any other purpose relating to the activities of the Trust; and
  - (iii) securities of another issuer, including, but not limited to, a real estate investment trust, provided either: (A) such securities derive their value, directly or indirectly, principally from real property; or (B) the principal business of the issuer of the securities is the ownership, development or operation, directly or indirectly, of real property, and provided in either case the entity whose securities are being acquired are engaged in a focus activities no investment will be made in a real property located in the United States unless Boardwalk REIT has obtained an opinion from legal counsel to the effect that the making of the investment should not result in interest paid by any U.S. entity in which Boardwalk REIT, directly or indirectly, owns an interest to any affiliate of Boardwalk REIT ceasing to be deductible for U.S. federal income tax purposes or becoming subject to U.S. withholding tax;
- (f) no investment will be made, directly or indirectly, in operating businesses unless such investment is through a corporation, limited partnership or trust;
- (g) notwithstanding any other provisions of the Declaration of Trust setting out the Investment Guidelines, the securities of a reporting issuer in Canada may be acquired provided that:
- (i) the activities of the issuer are focused on focus activities; and
  - (ii) in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding units of the securities issuer (the "**acquired issuer**"), the investment is made for the purpose of subsequently effecting the merger or combination of the business and assets of Boardwalk REIT and the acquired issuer or for otherwise ensuring that Boardwalk REIT will control the business and operations of the acquired issuer;
- (h) no investments will be made in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;
- (i) the Trust may not invest in mortgages, mortgage bonds, Notes (other than Operating Trust Notes) or debentures ("**Debt Instruments**") (including participating or convertible) unless the real property which is security therefore is real property which otherwise meets the Investment Guidelines, including, but not limited to, subparagraph (b) above, provided that, notwithstanding the foregoing, an investment may be made in Debt Instruments if the primary intention is to use such investment as a method of acquiring control of a revenue producing real property which would otherwise be a permitted investment pursuant to the Investment Guidelines, including, but not limited to, subparagraph (b) above;
- (j) notwithstanding paragraph (i) above, Boardwalk REIT may also invest in mortgages where:
- (i) the mortgage is a "vendor take-back" mortgage granted to Boardwalk REIT in connection with the sale by it of existing real property and as a means of financing the purchaser's acquisition of such property from Boardwalk REIT;
  - (ii) the mortgage is interest bearing
  - (iii) the mortgage is registered on title to the real property which is security therefore;
  - (iv) the mortgage has a maturity not exceeding five years;

- (v) the amount of the mortgage loan is not in excess of 85% of the selling price of the property securing the mortgage; and
  - (vi) the aggregate value of these mortgages (including mortgages and mortgage bonds in which Boardwalk REIT is permitted to invest by virtue of paragraph (i) above, (after giving effect to the proposed investment, will not exceed 15% of Gross Book Value) calculated at the time of such investment);
- (k) subject to subparagraph (b) above, the Trust may invest directly in raw land for development provided such investment is through a corporation, limited partnership or trust established for the purpose of:
- (i) the renovation or expansion of existing facilities that are capital property of the Trust; or
  - (ii) the development of new facilities which will be capital property of the Trust; and
- (l) notwithstanding any other provisions of the Declaration of Trust, investments may be made which do not comply with the investment policy provisions of the Declaration of Trust provided:
- (i) the aggregate cost thereof (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any indebtedness assumed or incurred in connection with the acquisition and secured by a mortgage on such property) does not exceed 15% of the Adjusted Unitholders' Equity of the Trust (as defined in the Declaration of Trust); and
  - (ii) the making of such investment would not contravene subparagraph (b) above.

Pursuant to the Declaration of Trust, the Investment Guidelines set forth above may only be amended with the approval of at least 66 <sup>2</sup>/<sub>3</sub>% of the votes cast at a meeting of Unitholders called for that purpose.

### **Operating Policies**

The Declaration of Trust provides that the operations and affairs of Boardwalk REIT and its subsidiaries will be conducted in accordance with the following policies:

- (a) the construction and/or development of real property (including the financing thereof) may be engaged in order to maintain its real properties in good repair or to enhance the revenue-producing potential of real properties in which it has, or will have, an interest;
- (b) except for properties encumbered by the Retained Debt, title to each real property shall be held by and registered in the name of the Partnership, the General Partner or a corporation or other entity wholly-owned indirectly by Boardwalk REIT or jointly owned indirectly by Boardwalk REIT with joint venturers; provided, that where land tenure will not provide fee simple title, the Partnership, the General Partner or a corporation or other entity wholly-owned, directly or indirectly by the Partnership or jointly owned, directly or indirectly, by Boardwalk REIT with joint venturers shall hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;
- (c) the Trust will maintain a ratio of Consolidated EBITDA to Consolidated Interest Expense of not less than 1.50 to 1, calculated from time to time in respect of the most recently completed Reference Period;
- (d) the Trust may, directly or indirectly, guarantee indebtedness or liabilities of a third party, provided that such guarantee is related to the direct or indirect ownership or acquisition by the Trust of real property that would otherwise comply with the investment restrictions and operating guidelines set out in the Declaration of Trust;
- (e) except for the 2004 Assets acquired pursuant to the Master Asset Contribution Agreement, an engineering survey or physical review by an experienced third-party consultant will be obtained for each real property intended to be acquired with respect to the physical condition thereof;
- (f) at all times insurance coverage will be obtained and maintained in respect of potential liabilities of Boardwalk REIT and the accidental loss of value of the assets of Boardwalk REIT from risks, in amounts and with such insurers, in each case as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties;

- (g) except for the 2004 Assets acquired pursuant to the Master Asset Contribution Agreement, a Phase I environmental audit shall be conducted for each real property to be acquired and, if the Phase I environmental audit report recommends that further environmental audits be conducted, such further environmental audits shall be conducted, in each case by an independent and experienced environmental consultant; and
- (h) at least 8.5% of gross consolidated annual rental revenues generated from properties where the associated mortgage financing is insured by CMHC ("**insured properties**") as determined pursuant to GAAP shall be expended annually on sustaining capital expenditures, repairs and maintenance, all determined on a portfolio basis for all insured properties. For this purpose, capital expenditures and repairs and maintenance include all onsite labour costs and other expenses and items associated with such capital expenditures, repairs and maintenance.

Pursuant to the Declaration of Trust, the operating policies set forth above may only be amended with the approval of a majority of the votes cast at a meeting of Unitholders called for that purpose.

### **DECLARATION OF TRUST AND DESCRIPTION OF TRUST UNITS**

Boardwalk REIT is an open-ended trust established under the Declaration of Trust. The Declaration of Trust authorizes the issuance of an unlimited number of two classes of units of Boardwalk REIT: (i) Trust Units; and (ii) Special Voting Units. The Special Voting Units may only be issued to holders of LP Units, including, without limitation, the LP Class B Units, and are not transferable separately from the LP Units to which they relate.

#### **Trust Units**

Each Trust Unit represents an undivided beneficial interest in Boardwalk REIT and in distributions made by Boardwalk REIT, whether of net income, net realized capital gains or other amounts and, in the event of liquidation, dissolution, winding-up or other termination of Boardwalk REIT, in the net assets of Boardwalk REIT remaining after the satisfaction of all liabilities. No Trust Unit has preference or priority over any other. The distribution entitlement of each Trust Unit is derived from the same sources.

The Trust Units are issued as fully paid and non-assessable and are freely transferable, subject to applicable securities regulatory requirements, and at no time may more than 49% of the Trust Units then outstanding be held by or for the benefit of persons who are not resident in Canada within the meaning of the Tax Act. Each whole Trust Unit entitles the holder thereof to one vote for each whole Trust Unit held at all meetings of Unitholders.

Except as set out under the subheadings "*Issuance of Trust Units*" and "*Trust Unit Redemption Right*" in this AIF, the Trust Units have no conversion, retraction, redemption or pre-emptive rights. Issued and outstanding Trust Units may be subdivided or consolidated from time to time by the Trustees with the approval of a majority of the Unitholders. Unitholder approval will not be required for an automatic consolidation as described in the section entitled "*Distribution Policy*" in this AIF.

The Trust Units are not "deposits" within the meaning of the *Deposit Insurance Corporation Act (Canada)* and are not insured under the provisions of such Act or any other legislation. Furthermore, Boardwalk REIT is not a trust company and, accordingly, is not registered under any trust and loan company legislation as it does not carry on nor intend to carry on the business of a trust company.

#### **Special Voting Units**

The Declaration of Trust provides for the issuance of an unlimited number of Special Voting Units that are used to provide voting rights with respect to Boardwalk REIT to persons holding LP Class B Units or other securities that are, directly or indirectly, exchangeable for Trust Units. BEI Subco is currently the owner, through its direct ownership of all of the issued and outstanding LP Class B Units, of all of the issued and outstanding Special Voting Units.

The Special Voting Units are not transferable separately from the LP Class B Units to which they relate. The Special Voting Units will automatically be transferred upon a transfer of the corresponding LP Class B Units. In addition, as LP Class B Units are surrendered for Trust Units and are no longer outstanding, the corresponding Special Voting Units will automatically be cancelled by Boardwalk REIT for no consideration and shall no longer be outstanding.

Each Special Voting Unit entitles the registered holder thereof to the number of votes at any meeting of Unitholders or in respect of any written resolution of Unitholders which is equal to the number of Trust Units which may

be obtained upon the surrender of the LP Class B Unit to which the Special Voting Unit relates. The Special Voting Units do not entitle or give any rights to the holders thereof to receive distributions or any amount upon liquidation, dissolution or winding-up of Boardwalk REIT. Holders of Special Voting Units are not entitled to receive a certificate or other written instrument evidencing ownership of such units.

### Purchase of Trust Units

Boardwalk REIT may at any time or from time-to-time purchase for cancellation all or part of the outstanding Trust Units at a price per Trust Unit and on a basis determined by the Trustees in accordance with applicable securities legislation and the applicable rules of the stock exchange(s) on which the Trust Units are listed.

### Trust Unit Redemption Right

Trust Units are redeemable at any time, in whole or in part, on demand by the Unitholder thereof by sending a notice to Boardwalk REIT at its head office in a form approved by the Trustees and completed and executed in a manner satisfactory to the Trustees, who may require supporting documentation as to identity, capacity or authority. A Unitholder not otherwise holding a fully registered Trust Unit certificate who wishes to exercise the redemption right will be required to obtain a redemption notice from his or her investment dealer or other intermediary who will be required to deliver the completed redemption form to Boardwalk REIT. Upon receipt by Boardwalk REIT of a written redemption notice and other documents that may be required, all in a manner satisfactory to the Trustees, a holder of Trust Units shall cease to have any rights with respect to the tendered Trust Units (other than to receive the redemption payment therefor), including any right to receive any distributions thereon which are declared payable to the Unitholders of record on a date which is subsequent to the day of receipt of the redemption notice by Boardwalk REIT. Following receipt by Boardwalk REIT of a written redemption notice, the holder of the rights tendered for redemption shall be entitled to receive a price per Trust Unit (the "**Redemption Price**") 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 on the trading day prior to the day on which the Trust Units were surrendered to Boardwalk REIT for redemption (the "**Redemption Date**"); 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.

For the purposes of this calculation, "**market price**" in respect of Trust Units will be an amount equal to the 20-day daily volume weighted average of the closing price of the Trust Units for each of the trading days on which there was a closing price; provided that if the applicable exchange or market does not provide a closing price, but only provides the highest and lowest prices of the Trust Units traded on a particular day, the "**market price**" shall be an amount equal to the average of the highest and lowest prices for each of the trading days on which there was a trade; and provided further that if there was trading on the applicable exchange or market for fewer than five of the 20 trading days, the "**market price**" shall be the average of the following prices established for each of the 20 trading days:

- (i) the average of the last bid and last asking prices of the Trust Units for each day on which there was no trading;
- (ii) the closing price of the Trust Units for each day on which there was trading if the exchange or market provides a closing price; and
- (iii) the average of the highest and lowest prices of the Trust Units for each day that there was trading if the exchange or market does not provide a closing price but provides only the highest and lowest prices of the Trust Units traded on a particular day.

The "**closing market price**" in respect of Trust Units shall be:

- (i) an amount equal to the closing price of the Trust Units if there was a trade on the date and the exchange or market provides a closing price;
- (ii) an amount equal to the average of the highest and lowest prices of the Trust Units if there was trading and the exchange or other market does not provide a closing price but provides only the highest and lowest trading prices of the Trust Units traded on a particular day; or
- (iii) the average of the last bid and last asking prices of the Trust Units if there was no trading on that date.

If a Unitholder is not entitled to receive cash upon redemption of Trust Units as a result of the limitations in subparagraphs (b) and (c) below, the Redemption Price will be equal to the fair market value of the Trust Units as determined by the Trustees.

The aggregate Redemption Price payable by Boardwalk REIT in respect of any Trust Units tendered for redemption during any calendar month shall be satisfied by way of a cheque drawn on a Canadian chartered bank or a trust company in Canadian funds, payable no later than the last day of the calendar month following the month in which the Trust Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Trust Units is subject to the limitations that:

- (a) the total amount payable by Boardwalk REIT in respect of such Trust Units and all other Trust Units tendered for redemption in the same calendar month shall not exceed \$50,000, provided that the Trustees may, in their sole discretion, waive such limitation in respect of all Trust Units tendered for redemption in any particular calendar month;
- (b) at the time such Trust Units are tendered for redemption, the outstanding Trust Units shall be listed for trading or quoted on a stock exchange or market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Trust Units; and
- (c) the normal trading of outstanding Trust Units is not suspended or halted on any stock exchange on which the Trust Units are listed for trading or, if not so listed, on any market on which the Trust Units are quoted for trading, on the Redemption Date for the Trust Units or for more than five trading days during the 10-day trading period commencing immediately after the Redemption Date for such Trust Units.

If a Unitholder is not entitled to receive cash upon the redemption of Trust Units as a result of the foregoing limitations in sub-paragraphs (b) and (c) above, then each Trust Unit tendered for redemption shall, subject to obtaining all applicable regulatory approvals, be paid and satisfied by way of a distribution *in specie* to such Unitholder of Series 2 Notes having a principal amount equal to the product of:

- (i) the Redemption Price per unit of the Trust Units tendered for redemption; and
- (ii) the number of Trust Units tendered by such Unitholder for redemption. No Series 2 Notes in a principal amount of less than \$100 will be transferred and, where the principal amount of Series 2 Notes to be received by the former Unitholder upon redemption, *in specie*, would otherwise include a principal amount of less than a multiple of \$100, such number will be rounded down to the next lowest multiple of \$100 and the excess shall be paid in cash. The term of such Notes will be 10 years, less a day, subject to earlier repayment at the option of Boardwalk REIT, and they would bear interest at a market rate determined by the trustees of the Operating Trust at the time of issuance thereof, payable on the 30<sup>th</sup> day of each calendar month that such Series 2 Notes are outstanding. In such circumstances, Operating Trust Units will be redeemed. Boardwalk REIT shall be entitled to all interest paid or declared payable on the Series 2 Notes being transferred, to and including the Transfer Date. The Series 2 Notes issued by the Operating Trust will then be distributed in satisfaction of the Redemption Price of Trust Units.

If a Unitholder is not entitled to receive cash upon the redemption of Trust Units as a result of the limitation in sub-paragraph (a) above, the Unitholder will receive a combination of:

- (i) a portion of the Redemption Price per Trust Unit equal to the Monthly Limit (as defined in the Declaration of Trust) divided by the number of Trust Units tendered for redemption in the month shall be paid and satisfied in cash applied *mutatis mutandis*; and
- (ii) subject to obtaining all necessary regulatory approvals, the remainder of the Redemption Price per Trust Unit shall be paid and satisfied by way of a distribution *in specie* to such Unitholder of Series 2 Notes, applied *mutatis mutandis*.

It is anticipated that the redemption right described above will not be the primary mechanism for holders of Trust Units to dispose of their Trust Units. Series 2 Notes which may be distributed to Unitholders *in specie* in connection with a redemption will not be listed on any stock exchange, no market is expected to develop and such securities may be subject to an indefinite "hold period" or other resale restrictions under applicable securities laws. The Series 2 Notes so distributed may not be qualified investments for the Plans depending upon the circumstances at the time.

There are no redemption rights afforded to Special Voting Units. Special Voting Units will be cancelled for no consideration in the event of the surrender, exchange or sale to Boardwalk REIT of the related LP Units.

## Meetings of Unitholders

The Declaration of Trust provides that annual meetings of Unitholders shall be called and held at any place in Canada determined by the Trustees for the election of Trustees (other than the BPCL appointee), the appointment or changing of the auditors of Boardwalk REIT, the Operating Trust and the Partnership, and transacting such other business as the Trustees may determine or as may properly be brought before the meeting.

The Trustees have the power at any time to call special meetings of Unitholders at such time and place in Canada as the Trustees determine. Unitholders holding in the aggregate not less than five percent (5%) of the votes attaching to all outstanding Trust Units (on a fully diluted basis) may requisition the Trustees in writing to call a special meeting of Unitholders and the Trustees shall, subject to certain limitations, call a meeting of Unitholders for the purposes stated in the Unitholder requisition. A requisition must state in reasonable detail the business proposed to be transacted at the meeting. Unitholders have the right to obtain a list of Unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the ABCA.

All business to be conducted at a special meeting of Unitholders and all business to be transacted at an annual meeting of Unitholders, except consideration of financial statements, auditor's report, election of Trustees, and re-appointment of the incumbent auditor, is deemed to be special business. Subject to the Declaration of Trust, none of the following shall occur unless the same has been approved by 66⅔% of the votes cast by Unitholders who vote in respect of that resolution at a meeting duly called and held: approval of amendments to the Declaration of Trust (except as described below under "*Declaration of Trust and Description of Trust Units – Amendments to the Declaration of Trust and Other Documents*"), the sale of the assets of Boardwalk REIT as an entirety or substantially as an entirety (or other than as part of an internal reorganization of the assets of Boardwalk REIT, as approved by the Trustees), the termination of Boardwalk REIT in accordance with the Declaration of Trust, any other matters which expressly require the approval of the Unitholders pursuant to the Declaration of Trust or any other matters which the Trustees determine to submit to Unitholders for approval or ratification notwithstanding not being expressly required to do so under the Declaration of Trust. Except with respect to the above-noted matters, or a vote to terminate Boardwalk REIT or such other matters submitted to a vote of Unitholders by the Trustees, no vote of the Unitholders will bind Boardwalk REIT or the Trustees in any way. Meetings of Unitholders will be called and held annually within 180 days after the end of the fiscal year of Boardwalk REIT for the election of the Trustees (except for the BPCL appointee) and appointment of auditors of Boardwalk REIT, the Operating Trust and the Partnership. The first annual meeting of Unitholders was held on May 10, 2005. The last annual meeting of Unitholders was on May 6, 2024.

Unitholders may attend and vote at all meetings of the Unitholders either in person or by proxy and a proxy holder need not be a Unitholder. Two persons present in person or represented by proxy and representing in the aggregate not less than 25% of the votes attaching to all outstanding Trust Units (on a fully diluted basis) shall constitute a quorum for the transaction of business at any meeting of Unitholders, provided that if Boardwalk REIT has only one Unitholder, such Unitholder present in person or by proxy constitutes a meeting and a quorum for such meeting. If no quorum is present at any meeting of Unitholders within 30 minutes after the time fixed for holding the meeting, the meeting, if convened on the requisition of Unitholders, will be dissolved and otherwise will be adjourned for not less than 10 days. If at such adjourned meeting a quorum is not present, the Unitholders present either personally or by proxy shall form a quorum, and any business may be brought before or dealt with at such an adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

The Declaration of Trust contains provisions as to the notice required and other procedures with respect to the calling and holding of meetings of Unitholders.

## Limitation on Non-Resident Ownership

In order for Boardwalk REIT to maintain its status as a mutual fund trust under the Tax Act, Boardwalk REIT must not be established or maintained primarily for the benefit of Non-Residents. Accordingly, the Declaration of Trust provides that, notwithstanding any provision of the Declaration of Trust to the contrary, at no time may Non-Residents be the beneficial owners of more than 49% of the Trust Units or the Special Voting Units then outstanding. The Trustees may require declarations as to the jurisdictions in which beneficial owners of Trust Units are resident or declarations from Unitholders or holders of Special Voting Units as to whether such Trust Units or Special Voting Units, as the case may be, are held for the benefit of Non-Residents.

If the Trustees become aware that the beneficial owners of more than 49% of the Trust Units or the Special Voting Units then outstanding are, or may be, Non-Residents or that such a situation is imminent, the Trustees may make a public announcement thereof and shall not accept a subscription for Trust Units or Special Voting Units, as the case may be, from or issue or register a transfer of Trust Units or Special Voting Units, as the case may be, to a person unless the person provides a declaration that he or she is not a Non-Resident and does not hold his or her Trust Units or Special Voting Units, as the case may be, for the benefit of a Non-Resident. If, notwithstanding the foregoing, the Trustees determine that more than 49% of the Trust Units or Special Voting Units then outstanding are beneficially owned by Non-Residents, the Trustees may send a notice to Non-Resident registered and beneficial holders of Trust Units or Special Voting Units, as the case may be, chosen in inverse order to the order of acquisition or registration or in such other manner as the Trustees may consider equitable and practicable, requiring them to sell or redeem their Trust Units or Special Voting Units, as the case may be, or a portion thereof within a specified period of not more than 60 days (unless the CRA has confirmed in writing that a longer period is acceptable). If the holders of Trust Units or Special Voting Units, as the case may be, receiving such notice have not sold or redeemed the specified number of Trust Units or Special Voting Units, as the case may be, or provided the Trustees with satisfactory evidence that they are not Non-Residents and do not hold their Trust Units or Special Voting Units, as the case may be, for the benefit of a Non-Resident within such period, the Trustees may sell or redeem such Trust Units or Special Voting Units, as the case may be, on behalf of such Non-Resident holder of Trust Units or Special Voting Units, as the case may be, (and the Trustees shall have the power of attorney of such holders to do so) and, in the interim, the voting and distribution rights, if any, attached to such Trust Units or Special Voting Units, if any, as the case may be shall be suspended. Upon such sale, the affected holders shall cease to be holders of the Trust Units or Special Voting Units, as the case may be, and their rights shall be limited to receiving the net proceeds of sale upon surrender of such Trust Units or Special Voting Units, as the case may be.

#### **Amendments to the Declaration of Trust and Other Documents**

Subject to the provisions of the Declaration of Trust, the Declaration of Trust may only be amended or altered by the vote of at least 66⅔% of the votes cast at a meeting of the Unitholders called for that purpose. The following amendments require the approval of at least 66⅔% of the votes cast by all Unitholders entitled to vote thereon at a meeting called for that purpose:

- (a) an exchange, reclassification or cancellation of all or part of the Trust Units;
- (b) the addition, change or removal of the rights, privileges, restrictions or conditions attached to the Trust Units, including, without limiting the generality of the foregoing;
  - (i) the removal or change of rights to distributions; or
  - (ii) the addition or removal of or change to conversion privileges, redemption privileges, voting, transfer or pre-emptive rights;
- (c) the creation of new rights or privileges attaching to certain of the Trust Units and Special Voting Units; and
- (d) any change to the existing constraints on the issue, transfer or ownership of the Trust Units and Special Voting Units.

Other amendments to the Declaration of Trust require either unanimous approval of the Unitholders or approval by a majority of all Trustees including a majority of the Independent Trustees, without the approval of the Unitholders.

In addition, the Declaration of Trust provides that Boardwalk REIT will not agree to or approve any material change to the Limited Partnership Agreement, the Operating Trust Declaration of Trust or the Exchange and Support Agreement without the approval of at least 66⅔% of the votes cast at a meeting of Unitholders called for such purpose. However, no Unitholder approval is required to approve any change to the Limited Partnership Agreement for the purposes of providing a distribution reinvestment entitlement to holders of LP Class B Units that is substantially equivalent to that provided by the distribution reinvestment plan that Boardwalk REIT has adopted (but suspended) pursuant to which holders of Trust Units will be entitled to elect to have cash Distributions in respect of such units automatically reinvested in additional Trust Units.

Furthermore, Boardwalk REIT may not agree to or approve any change to the provisions of the Declaration of Trust governing distributions on the Units, or the rights and attributes of the LP Class A Units, LP Class B Units or LP Class

C Units without the approval of at least 66⅔% of the votes cast at any meeting of holders of Trust Units or Special Voting Units, as the case may be, called for that purpose.

A majority of all Trustees, including a majority of the Independent Trustees, may, without the approval of the Unitholders, make certain amendments to the Declaration of Trust, including amendments:

- (a) for the purpose of ensuring continuing compliance with applicable laws (including the Tax Act), regulations, requirements or policies of any governmental authority having jurisdiction over: (i) the Trustees or Boardwalk REIT; (ii) the status of Boardwalk REIT as a "mutual fund trust", "registered investment" and a "real estate investment trust" under the Tax Act; or (iii) the distribution of Trust Units;
- (b) which, in the opinion of the Trustees, acting reasonably, are necessary to maintain the rights of the Unitholders set out in the Declaration of Trust;
- (c) to remove any conflicts or inconsistencies in the Declaration of Trust or to make minor corrections which are, in the opinion of the Trustees, necessary or desirable and not prejudicial to the Unitholders;
- (d) which, in the opinion of the Trustees, are necessary or desirable as a result of changes in taxation or other laws, or accounting standards (including the implementation of IFRS Accounting Standards) from time to time which may affect Boardwalk REIT or its beneficiaries to ensure that the Trust Units qualify as equity for the purposes of IFRS Accounting Standards, or the administration or enforcement thereof;
- (e) for any purpose (except one in respect of which a Unitholder vote is specifically otherwise required) which, in the opinion of the Trustees, is not prejudicial to Unitholders and is necessary or desirable;
- (f) deemed necessary or desirable to ensure that Boardwalk REIT has not been established nor maintained primarily for the benefit of persons who are not resident Canadians; and
- (g) to implement a distribution reinvestment plan or any amendments to such plan.

In no event may the Trustees amend the Declaration of Trust if such amendment would:

- (i) amend the provisions of the Declaration of Trust governing amendments to same;
- (ii) amend the Unitholders' voting rights; or
- (iii) cause Boardwalk REIT to fail or cease to qualify as a "mutual fund trust", "real estate investment trust" or "registered investment" under the Tax Act.

#### MARKET FOR SECURITIES OF THE TRUST

As at December 31, 2025 there were 48,752,330 Trust Units outstanding, and 4,200,000 LP Class B Units issued and outstanding for a fully diluted Trust Unit capital of 52,952,330 Trust Units.

The Trust Units are listed for trading on the TSX under the symbol "BEI.UN." The monthly trading volume and price range of the Trust Units on the TSX for fiscal 2025 are set forth in the following table:

Month	High (\$)	Low (\$)	Volume
January	\$65.92	\$60.27	3,263,787
February	\$66.61	\$59.53	2,731,219
March	\$67.81	\$63.50	3,188,897
April	\$67.82	\$59.10	2,397,648
May	\$70.87	\$63.73	2,221,636
June	\$71.24	\$67.83	1,934,633
July	\$75.37	\$68.53	2,000,566
August	\$72.36	\$68.05	2,195,605
September	\$72.71	\$68.04	1,963,727
October	\$69.45	\$63.51	2,369,530
November	\$65.24	\$62.75	1,573,540
December	\$65.68	\$60.75	2,488,534

## ESCROWED SECURITIES AND RESTRICTIONS ON TRANSFER

As at the end of the most recently completed financial year, the following securities of Boardwalk REIT were subject to contractual restrictions on transfer:

<b>Class of Security</b>	<b>Number of Securities Subject to Contractual Restriction</b>	<b>Percentage of Outstanding Securities of That Class</b>
LP Class B Units	4,200,000	100%
Special Voting Units	4,200,000	100%

The Special Voting Units are not transferable separately from the LP Class B Units and will automatically be transferred or cancelled upon surrender or transfer of the corresponding LP Class B Units.

## MANAGEMENT OF THE TRUST

### **Trustees**

The assets and operations of Boardwalk REIT, including management of the Trust's investments, are subject to the control and direction of the Board of Trustees. The Trustees have powers and responsibilities comparable to those applicable to boards of directors of corporations. The Declaration of Trust provides for a minimum of five Trustees and a maximum of 12 Trustees, a majority of whom shall be Independent Trustees; currently the Board is fixed at, and there are, seven Trustees. Pursuant to the Declaration of Trust, BPCL is entitled to appoint one Trustee to serve on the Board provided that BPCL and its affiliates continue to beneficially own, in the aggregate, a number of Trust Units and/or LP Class B Units that, upon surrender or exchange of the LP Class B Units would equal at least five percent (5%) of the outstanding Trust Units (on a fully diluted basis). The remaining Trustees are elected by Unitholders.

The Trustees, other than the appointee of BPCL, hold office for a term expiring at the next annual meeting of the Unitholders or until their respective successors are elected or appointed and are eligible for re-election. BPCL will, if it exercises its right to, appoint its Trustee at each annual meeting of Boardwalk REIT for a term expiring at the next annual meeting unless removed prior to such meeting at the direction of BPCL. A Trustee appointed by the Trustees between meetings of Unitholders or to fill a vacancy will be appointed for a term expiring at the conclusion of the next annual meeting of Boardwalk REIT or until his or her successor is elected or appointed and will be eligible for election or re-election.

The Declaration of Trust provides that a Trustee may resign at any time upon written notice delivered to the Chair or, if there is no Chair, the President of Boardwalk REIT. A Trustee (other than an appointee of BPCL) may be removed with or without cause by a majority of the votes cast at a meeting of Unitholders called for that purpose or by the written consent of the Unitholders holding in the aggregate not less than a majority of the outstanding Trust Units entitled to vote thereon or with cause by a resolution passed by an affirmative vote of not less than two-thirds ( $\frac{2}{3}$ ) of the remaining Trustees.

Each Trustee is required to exercise the powers and discharge the duties of his or her office honestly and in good faith with a view to the best interests of Boardwalk REIT and the Unitholders and, in connection therewith, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The following table sets forth the name, place of residence and biographical information of each of the current Trustees:

<b>Name, Position and Place of Residence</b>	<b>Trustee Since</b>	<b>Principal Occupation</b>
Mandy Abramsohn <sup>(1) (2)</sup> Independent Trustee Ontario, Canada	May 9, 2022	President of Wand Advisory & Investments Inc., an advisory and investments company, since 2020. Prior thereto, SVP, Real Estate at Morningstar DBRS from 2017 to 2019, and prior thereto Ms. Abramsohn held several senior capital market roles including leading real estate capital markets at EY Canada, leading Canadian real estate equity research at Raymond James Ltd. and as an investment manager of a \$2 billion top performing Canadian equity dividend fund at Great West Life. Ms. Abramsohn's extensive capital markets experience spans many complex, high-profile and market leading transactions and entities including mergers and acquisitions, initial public

Name, Position and Place of Residence	Trustee Since	Principal Occupation
		offerings, portfolio transactions, privatizations, strategic reviews, complex valuations, as well as a variety of debt and equity financings and investments. Ms. Abramsohn began her career in public accounting with one of the Big 5 accounting firms, ultimately specializing in business valuations. Ms. Abramsohn serves on the boards of West Side Square Development Fund, Seasons Retirement Communities and the External Investment Committee for Starlight Capital. She previously served on the board of Northwest Healthcare Properties REIT. Ms. Abramsohn holds a Bachelor of Commerce degree (with Distinction) from the University of Toronto and holds the CA, CPA, CBV, CFA and CPA (Illinois) professional designations. She is a member of the Chartered Professional Accountants of Canada and Ontario, Canadian Institute of Chartered Business Valuators, CFA Institute and the Toronto CFA Society, and is also registered as a CPA in the state of Illinois.
Andrea Goertz <sup>(1)</sup> (2) Independent Trustee British Columbia, Canada	May 15, 2019	Corporate director and independent businessperson since 2018. Ms. Goertz has extensive experience as an executive and board member. Ms. Goertz was Chief Communications and Sustainability Officer at TELUS from 2011 to 2018, stewarding real estate, provincial government relations, corporate communications and marketing, privacy, and corporate social responsibility. She is a 2-time recipient of WXN Canada's Most Powerful Women: Top 100 Awards. In addition to Boardwalk, Ms. Goertz serves on the board of directors of the YYC Airport Authority and TriSummit Utilities Inc. and is a co-founder of Women on Boards. Ms. Goertz holds a Bachelor of Commerce degree in Finance (Distinction) and a Master of Business Administration degree, both from the University of Alberta and is a graduate of the Institute of Corporate Directors ("ICD") program.
Gary Goodman <sup>(1)</sup> Independent Trustee Ontario, Canada	May 13, 2009	Corporate director since 2009. Previously, Executive Vice-President of Reichmann International Development Corporation and International Property Corporation (December 2007 - June 2010). Prior thereto, Chief Financial Officer (December 2001 - November 2006) and President & Chief Executive Officer (December 2006 - December 2007) of IPC US REIT, a TSX listed Real Estate Investment Trust which was sold to Behringer Harvard in December 2007. Prior thereto, Mr. Goodman also served as a Director and Senior Vice President of Olympia & York Developments Limited, as well as a Director of Campeau Corporation, Trilon Financial Corporation, Huntingdon Capital Corporation, Catellus Corporation, Gazit America, Brightpath Early Learning Inc. and Brinco Mining. Mr. Goodman is a member of the Advisory Board of Vision Opportunity Fund, a limited partnership which invests in real estate securities. Mr. Goodman currently serves as a director of Eddy Smart Home Solutions Ltd. (TSXV: EDY), a TSX Venture Exchange listed entity. Mr. Goodman is a Chartered Accountant (Gold Medalist) and has a Bachelor of Commerce degree from the University of Toronto. He is also a graduate of the ICD program and the Rotman School of Management of the University of Toronto.
James Ha President Non-Independent Trustee Alberta, Canada	May 5, 2025	President of the Trust since March 1, 2022; prior thereto, Vice President, Finance and Investor Relations (February 1, 2018 - March 1, 2022). Mr. Ha holds a Bachelor of Arts in Economics from the University of Calgary and an MBA from the University of Fredericton.
Sam Kalias CEO & Chairman of the Board Non-Independent Trustee Alberta, Canada	Incorporation (July 1993)	Executive of the Trust since the Effective Date; prior thereto, from August 1993 until the Effective Date, President of the Corporation. Mr. Kalias has a Bachelor of Science in Civil Engineering from the University of Calgary, and a designation as a Certified Property Manager from the Real Estate Institute of Canada. Mr. Kalias has been a fellow of the Real Estate Institute of Canada

Name, Position and Place of Residence	Trustee Since	Principal Occupation
		since 1985. Prior to July 1993, Mr. Kolas was President and co-founder of Boardwalk Equities Inc. (now called BPCL Holdings Inc.) and President and co-founder of Boardwalk Properties Co. Ltd. Mr. Kolas co-founded the Trust's predecessor, BEI, in 1984.
Samantha Kolas-Gunn SVP Corporate Development & Governance Non-Independent Trustee Alberta, Canada	May 15, 2013	Chief Financial Officer of BPCL since January 2015. Prior thereto, Controller of BPCL (September 2012 to January 2015) and head of ownership succession plan for BPCL. Prior thereto, Senior Accountant at KPMG LLP (September 2009 - August 2012). Ms. Kolas-Gunn is a Chartered Professional Accountant and has a Bachelor of Commerce from Queen's University. Ms. Kolas-Gunn is also a graduate of the ICD program.
Scott Morrison <sup>(1)</sup> Independent Trustee Ontario, Canada	May 15, 2018	Chief Executive Officer and Chief Investment Officer of Wealhouse Capital Management, a firm he co-founded in 2008 that has \$2 billion in assets under management. Prior thereto, Mr. Morrison held several portfolio management and analyst positions in the financial services industry from 1994 to 2008. Mr. Morrison is a former owner of MDC Property Services, an integrated commercial real estate company that manages direct real estate investments in the United States and Canada. Since 2008, Mr. Morrison has been a trustee of the Centre for International Governance Innovation. Mr. Morrison was a Trustee of Timbercreek REIT from 2006 to 2011 and on the Investment Committee of Empire Life Financial (TSX: ELF) from 2003 to 2008. Mr. Morrison is a Chartered Financial Analyst and has a Bachelor of Commerce in Finance from Concordia University of Montreal.
Brian G. Robinson <sup>(2)</sup> Independent Lead Trustee Alberta, Canada	May 11, 2017	Director, Vice President, Finance and Chief Financial Officer of Tourmaline Oil Corp. (TSX: TOU), a public oil and gas exploration and production company, since October 27, 2008. Prior thereto, Mr. Robinson was Vice President, Finance and Chief Financial Officer of Duvernay Oil Corp. from 2001 to 2008, and prior to that was Vice President, Finance and Chief Financial Officer of Berkley Petroleum Corp. from 2000 to 2001. Previously, Mr. Robinson held numerous positions in finance and accounting with intermediate and senior oil and gas companies, commencing his career with a large public accounting firm. In addition to Boardwalk and Tourmaline Oil Corp., Mr. Robinson serves on the board of directors of Topaz Energy Corp. (TSX: TPZ), a public hybrid royalty and energy infrastructure company. Mr. Robinson has over 35 years of experience in the oil and gas industry in the disciplines of finance, financial reporting, budgeting, accounting, management, treasury, tax and business development. Mr. Robinson holds a Bachelor of Commerce degree from the University of Calgary and is a Chartered Accountant.

**Notes:**

- (1) Member of the Audit and Risk Management Committee.  
(2) Member of the Compensation, Governance, Nominations and Sustainability Committee.

**Executive Officers**

The following table sets forth the name, place of residence and principal occupation of each of the current executive officers of the Trust:

Name and Place of Residence	Position Held	Principal Occupation
Sam Kolas Alberta, Canada	Chairman and Chief Executive Officer	Mr. Kolas' biographical information is listed under "Trustees" above.
Samantha Adams British Columbia, Canada	Senior Vice President, Investments	Senior Vice President, Investments since April 15, 2024. Prior to joining Boardwalk, Ms. Adams was a consultant advising private real estate groups on growth strategy, platform and public company considerations

Name and Place of Residence	Position Held	Principal Occupation
		(from September 2019-April 2024); and the Senior Vice President of PURE Multi-Family REIT LP (from May 2016 to September 2019).
John Eric Bowers Alberta, Canada	Vice President, Finance and Investor Relations	Vice President, Finance and Investor Relations since March 1, 2022; prior thereto, Director of Acquisitions.
James Ha Alberta, Canada	President	Mr. Ha's biographical information is listed under "Trustees" above.
Bhavnesht Jaraim Alberta, Canada	Vice President, Technology & Chief Information Officer	Vice President, Technology and Chief Information Officer since January 1, 2018; prior thereto, Director of Product Operations (January 2017 – January 2018).
Jeff Klaus Alberta, Canada	Vice President, Asset Management & Development	Vice President, Asset Management and Development since February 1, 2018; prior thereto, Director of Acquisitions and Analysis.
Samantha Koliass-Gunn Alberta, Canada	Senior Vice President of Corporate Development and Governance	Ms. Koliass Gunn's biographical information is listed under "Trustees" above.
Nandini Somayaji Alberta, Canada	General Counsel & Corporate Secretary	General Counsel and Corporate Secretary since December 4, 2023. Prior to joining Boardwalk, Ms. Somayaji held various roles at DIRT Environmental Solutions Ltd. (TSX: DRT) from March 2017-June 2023, including SVP General Counsel and Corporate Secretary and Associate General Counsel and Corporate Secretary.
Gregg Tinling Alberta, Canada	Chief Financial Officer	Chief Financial Officer since August 1, 2024; prior thereto, Senior Director, Financial Reporting (from April 2020). Mr. Tinling was the Finance Director, Operations at Northview Apartment REIT from January 2017-April 2020.

### Trustee and Executive Officer Equity Ownership

As of December 31, 2025, the Trustees and executive officers of Boardwalk REIT as a group beneficially own, directly or indirectly, or exercise control or direction over, 8,885,460 Trust Units, representing approximately 18.2% of the outstanding Trust Units. BPCL, under the control and direction of Sam Koliass, Chairman, Chief Executive Officer and a Trustee of Boardwalk REIT, owns (directly or indirectly) a further 4,200,000 LP Class B Units, which, if exchanged into Trust Units, would give him an additional 7.9% of the outstanding Trust Units (on a fully diluted basis). The LP Class B Units are non-transferable, except under certain circumstances. On June 16 and December 16, 2025, BEI Subco, the holder of the LP Class B Units, exchanged 165,000 LP Class B Units and 50,000 LP Class B Units, respectively, for Trust Units on a one-for-one basis pursuant to their terms. Following completion of the exchanges, 4,200,000 LP Class B Units remain outstanding.

### Conflict of Interest Restrictions and Provisions

The Declaration of Trust contains "conflict of interest" provisions similar to those applicable to corporations under Section 120 of the ABCA, which serve to protect Unitholders without creating undue limitations on Boardwalk REIT. Given that the Trustees and the officers of Boardwalk REIT are engaged in a wide range of real estate and other business activities, the Declaration of Trust requires each Trustee or officer of Boardwalk REIT to disclose to Boardwalk REIT if he or she is a party to a material contract or transaction or proposed material contract or transaction with Boardwalk REIT or its subsidiaries or the fact that such person is a director or officer of, or otherwise has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with Boardwalk REIT or its subsidiaries.

Such disclosure is required to be made by a Trustee at the first meeting at which a proposed contract or transaction is considered, at the first meeting after a Trustee becomes interested in a proposed or pending contract or transaction or at the first meeting after an interested party becomes a Trustee. Disclosure is required to be made by an officer of Boardwalk REIT as soon as the officer becomes aware that a contract or transaction or proposed contract or transaction is to be, or has been, considered by the Trustees, as soon as the officer becomes aware of his or her interest

in a contract or transaction or, if not currently an officer of Boardwalk REIT, as soon as such person becomes an officer of Boardwalk REIT.

In the event that a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Trustees, a Trustee or officer of Boardwalk REIT is required to disclose in writing to Boardwalk REIT or request to have entered into the minutes of the meeting of the Trustees the nature and extent of his or her interest forthwith after the Trustee or officer of Boardwalk REIT becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating primarily to his or her remuneration as a Trustee, officer, employee or agent of Boardwalk REIT or one for indemnity under the indemnity provisions of the Declaration of Trust or the purchase of liability insurance.

The Declaration of Trust also contains provisions to address potential conflicts of interest arising between Boardwalk REIT and any "**Related Party**" (as defined in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*). In particular, Boardwalk REIT will obtain a valuation in respect of any real property that the Partnership intends to purchase from or sell to a Related Party prepared by a valuator engaged by, and prepared under the supervision of, a committee of two or more Independent Trustees who have no interest in such transaction. In addition, Boardwalk REIT will not permit the Partnership to effect a transaction with a Related Party unless the transaction is determined to be on commercially reasonable terms by, and is approved by, a majority of Boardwalk REIT's Independent Trustees who have no interest in such transaction.

As of the date of this AIF, the Trust is not aware of any existing or potential material conflicts of interest between the Trust (or a subsidiary of the Trust) and any Trustee or executive officer of the Trust (or a subsidiary of the Trust).

#### **Cease Trade Orders, Bankruptcies, Penalties, Sanctions**

None of the Trustees or the Trust's executive officers are, at the date of this AIF, or have been, within 10 years prior to the date of this AIF, a director, chief executive officer or chief financial officer of a company that: (a) while such person was acting in that capacity was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or (b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days that was issued after that person ceased to be a director, chief executive officer or chief financial officer of the relevant company and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of the Trustees or the Trust's executive officers: (a) are, at the date of this AIF, or have been, within 10 years prior to the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within 10 years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer, as applicable.

None of the Trustees or the Trust's executive officers have been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

#### **Boardwalk REIT Administrative Services Agreement**

##### ***Management and General Administrative Services***

Boardwalk REIT, the General Partner and the Operating Trust entered into the Boardwalk REIT Administrative Services Agreement on the Effective Date.

The Boardwalk REIT Administrative Services Agreement sets out the terms and conditions pursuant to which the General Partner or its subsidiaries provide certain management and general administrative services to Boardwalk REIT, the Operating Trust and their subsidiaries, including:

- (i) undertaking any matters required to be performed by the Trustees and the Operating Trust not otherwise delegated under the respective declarations of trust;
- (ii) keeping and maintaining books and records;
- (iii) preparing returns, filings and documents and making determinations necessary for the discharge of the obligations of the Trustees and the trustees of Operating Trust;
- (iv) providing Unitholders with annual audited and interim financial statements and relevant tax information;
- (v) preparing and filing income tax returns and filings;
- (vi) ensuring compliance by Boardwalk REIT with all applicable securities legislation and stock exchange requirements including, without limitation, continuous disclosure obligations;
- (vii) preparing and approving on behalf of Boardwalk REIT any circular or other disclosure document required under applicable securities legislation in response to an offer to purchase Trust Units;
- (viii) providing investor relations services to Boardwalk REIT;
- (ix) calling and holding annual and/or special meetings of Unitholders in respect of Boardwalk REIT and the Operating Trust and preparing, approving and arranging for the distribution of meeting materials;
- (x) preparing and providing to Unitholders information such as monthly and annual reports, notices, financial reports and tax information relating to Boardwalk REIT;
- (xi) attending to administrative and other matters arising in connection with redemptions of Trust Units;
- (xii) ensuring that Boardwalk REIT elects to be a "**mutual fund trust**" from the date it is established and a "**registered investment**" within the meaning of the Tax Act and monitoring Boardwalk REIT's status as such;
- (xiii) monitoring the investments of Boardwalk REIT to ensure that the foreign property of REIT does not exceed the limits prescribed in the Tax Act;
- (xiv) determining the amount of income, including net realized capital gains and net realized income of Boardwalk REIT and the Operating Trust and arranging for Distributions to be paid to Unitholders;
- (xv) promptly notifying Boardwalk REIT and the Operating Trust of any event that might reasonably be expected to have a material adverse effect on their respective business, financial condition and results of operations; and
- (xvi) generally providing all other services as may be necessary or requested by Boardwalk REIT and the Operating Trust.

#### ***Administrative and Support Services***

Pursuant to the Boardwalk REIT Administrative Services Agreement, the General Partner has also agreed to provide or cause its subsidiaries to provide certain administrative and support services to Boardwalk REIT and the Operating Trust. The administrative and support services provided by the General Partner include providing office space, office equipment, communications services, computer systems, providing secretarial support personnel, reception, telephone answering services, installing and maintaining signage, promotional materials and providing such other administrative and secretarial support services as may be reasonably required from time to time.

The Boardwalk REIT Administrative Services Agreement provides for the payment to the General Partner or its subsidiaries by the Operating Trust or its subsidiaries of an amount sufficient to reimburse the General Partner or its subsidiaries for the expenses incurred by it in providing services under the Boardwalk REIT Administrative Services Agreement as long as the expenses are identified in the current annual budget for Boardwalk REIT or are otherwise approved in writing by Boardwalk REIT and the Operating Trust prior to being incurred by the General Partner. The General Partner and its subsidiaries are only reimbursed for expenses incurred by them in providing services under the Boardwalk REIT Administrative Services Agreement and are not paid a separate management fee or any other compensation under such agreement. Each of Boardwalk REIT and the Operating Trust will fund its payments to the General Partner or its subsidiaries through their direct or indirect receipt of the LP Class A Preferred Distribution (as defined below) on the LP Class A Units owned by the Operating Trust. See "*Information Concerning the Operating Trust, Partnership and Corporation*" in this AIF.

## **INFORMATION CONCERNING THE OPERATING TRUST, PARTNERSHIP AND CORPORATION**

The Operating Trust has been established under the Operating Trust Declaration of Trust for an indeterminate term. Boardwalk REIT is currently the sole Operating Trust Unitholder.

### **The Operating Trust**

The Operating Trust is an unincorporated open-ended unit trust established under the laws of the Province of British Columbia pursuant to the Operating Trust Declaration of Trust. The Operating Trust qualifies as a "unit trust" pursuant to the Tax Act on the basis that its units are redeemable on demand by the holder thereof. The following is a summary, which does not purport to be complete, of certain terms of the Operating Trust Declaration of Trust.

The Operating Trust is a limited purpose trust, the activities of which are restricted to, among other things:

- (i) investing in units and Notes or other indebtedness of Boardwalk REIT and/or the Partnership and shares of the General Partner, amounts receivable in respect of such units, Notes and other indebtedness and shares and in cash and similar deposits in a Canadian chartered bank or trust company;
- (ii) issuing Operating Trust Units;
- (iii) issuing debt securities, including the Series 1 Notes and Series 2 Notes;
- (iv) redeeming Operating Trust Units;
- (v) guaranteeing the obligations of any of its subsidiaries (for greater certainty the Operating Trust will not guarantee the obligations of Boardwalk REIT) pursuant to any good faith debt for borrowed money incurred by such subsidiary and pledging securities held by the Operating Trust as security for such guarantee;
- (vi) satisfying the obligations, liabilities or other indebtedness of the Operating Trust; and
- (vii) fulfilling its obligations under the Exchange and Support Agreement.

The Operating Trust may also carry on such other activities as may be reasonably incidental to the foregoing or necessary in connection with the performance by the trustees of the Operating Trust of their obligations under any agreement to which they are or may become a party for such purposes or in connection with such activities. It is the intention of the foregoing that the Operating Trust carry on its business and activities only indirectly through the Partnership. The Operating Trust cannot engage, directly or indirectly, in any activity other than those described above.

The Operating Trust Declaration of Trust provides that there shall be no fewer than one and no more than seven trustees of the Operating Trust. A vacancy occurring among the trustees of the Operating Trust shall be filled by appointment by the Operating Trust Unitholder.

### ***Trustees***

The trustees of the Operating Trust shall hold term until such time as removed by the Operating Trust Unitholder, or a trustee of the Operating Trust resigns in accordance with the terms of the Operating Trust Declaration of Trust.

The trustees of the Operating Trust shall not, through voting units in the Partnership, effect any material change to the Limited Partnership Agreement, any amendment to the rights and attributes of the LP Units, or undertake any activity, take any action, or make any investment which would result in Boardwalk REIT breaching or being in default of the Investment Guidelines or operating policies as set out in the Declaration of Trust, without the approval of at least 66⅔% of the Operating Trust Unitholder.

### ***Operating Trust Units***

The Operating Trust may issue an unlimited number of Operating Trust Units. The issued and outstanding Operating Trust Units may be subdivided or consolidated from time to time by the trustees of the Operating Trust without unitholder approval. Boardwalk REIT is, and is intended to continue as, the sole unitholder of the Operating Trust at all times.

Each Operating Trust Unit represents an equal undivided beneficial interest in any distributions by the Operating Trust, whether of net income, net realized capital gains or other amounts, and, in the event of termination or winding up of the Operating Trust, in the net assets of the Operating Trust remaining after satisfaction of all liabilities, and no Operating Trust Unit shall have preference or priority over any other.

Each Operating Trust Unit entitles the holder of record thereof to one vote at all meetings of Operating Trust Unitholders or in respect of any written resolution of Operating Trust Unitholders.

### ***Redemption Right***

The Operating Trust Declaration of Trust provides that the Operating Trust Units are redeemable, in whole or in part, at any time on demand by the holder thereof upon delivery to Operating Trust of a duly completed and properly executed notice requiring the Operating Trust to redeem the Operating Trust Units, in form reasonably acceptable to the trustees of the Operating Trust, together with the certificate(s) representing the Operating Trust Units to be redeemed and written instructions as to the number of Operating Trust Units to be redeemed. No form or manner of completion or execution shall be sufficient unless the same is in all respects satisfactory to the trustees of the Operating Trust and is accompanied by any further evidence the trustees of the Operating Trust may reasonably require with respect to the identity, capacity or authority of the Person giving such notice.

Upon tender of the Operating Trust Units by a holder thereof for redemption, the holder of the Operating Trust Units tendered for redemption will no longer have any rights with respect to such tendered Operating Trust Units (other than the right to receive the redemption price for such Operating Trust Units) including the right to receive distributions thereon which are declared payable to unitholders of record on a date which is subsequent to the day of receipt by the Operating Trust of the redemption notice.

The redemption price for each of the Operating Trust Units tendered for redemption will be equal to:

$$\frac{(A \times B) - C}{D}$$

D

Where:

**A** = the redemption price per Trust Unit calculated as of the close of business on the date the Operating Trust Units were so tendered for redemption by the holder thereof;

**B** = the aggregate number of Trust Units outstanding as of the close of business on the date the Operating Trust Units were so tendered for redemption by the holder thereof;

**C** = (i) the aggregate unpaid principal amount and accrued interest thereon of the Operating Trust Notes held by or owed to Boardwalk REIT and the fair market value of any other assets or investments held by Boardwalk REIT (other than Operating Trust Units) as of the close of business on the date the Operating Trust Units were so tendered for redemption by the holder thereof; minus (ii) the aggregate unpaid principal of any indebtedness and any accrued liabilities owed by Boardwalk REIT; and

**D** = the aggregate number of Operating Trust Units outstanding held by Boardwalk REIT as of the close of business on the date the Operating Trust Units were so tendered for redemption by the holder thereof.

The trustees of the Operating Trust are also entitled to call for redemption, at any time, all or part of the outstanding Operating Trust Units registered in the name of Boardwalk REIT or any other holder of Operating Trust Units at the same redemption price as described above for each Operating Trust Unit called for redemption, calculated with reference to the date the trustees of the Operating Trust approved the redemption of the Operating Trust Units.

Subject to certain exemptions contained in the Operating Trust Declaration of Trust, the aggregate redemption price payable by the Operating Trust in respect of any Operating Trust Units tendered for redemption by the holders thereof during any month will be satisfied, at the option of the trustees of the Operating Trust, in immediately available funds by cheque or by such other manner of payment approved by the trustees of the Operating Trust from time to time.

In certain circumstances and in accordance with the terms of the Operating Trust Declaration of Trust, the trustees of the Operating Trust may satisfy the redemption price in respect of the Operating Trust Units by issuing Series 2 Notes with an aggregate value equal (as determined by the trustees of the Operating Trust) to the aggregate redemption price of Operating Trust Units to be redeemed.

### ***Cash Distributions***

The Operating Trust will distribute to Boardwalk REIT as the sole unitholder of the Operating Trust, to the extent possible, and Boardwalk REIT will have the right to receive, all of the distributable cash on hand of the Operating Trust which is derived from distributions on its LP Units (other than the preferred distribution on the LP Class A Units as described in the Limited Partnership Agreement) and that is determined by the trustees of the Operating Trust not to be required for use in connection with the activities of the Operating Trust ("**Distributable Cash**"). Such distributions will be made on or about the tenth (10<sup>th</sup>) business day following each calendar month end and are intended to be received by Boardwalk REIT prior to its related cash Distribution to Unitholders.

If the trustees of the Operating Trust determine that it would be in the best interests of the Operating Trust, they may reduce for any period the percentage of Distributable Cash to be distributed to Boardwalk REIT and may choose to repay principal on the Series 1 Notes in lieu of making distributions. In addition, the trustees of the Operating Trust may declare to be payable and make distributions out of income of the Operating Trust, net realized capital gains of the Operating Trust, the net recapture income of the Operating Trust, the capital of the Operating Trust or otherwise, in any year, in such amount or amounts, and on such dates as the trustees of the Operating Trust may determine, to the extent such income, capital gains and capital has not already been paid, allocated or distributed to the unitholder at the record date for such distribution. The trustees of the Operating Trust may designate and make payable any income or capital gains realized by the Operating Trust as a result of the redemption of Operating Trust Units (including any income or capital gains realized by the Operating Trust on the redemption of Operating Trust Units *in specie*).

Given the intention of the Operating Trust is to allocate, distribute and make payable to unitholders all of the income of the Operating Trust, net realized capital gains of the Operating Trust and any other applicable amount so the Operating Trust will not have any liability under Part I of the Tax Act in any taxation year, the Operating Trust shall, in accordance with the terms of the Operating Trust Declaration of Trust, make a distribution on or before the January 10<sup>th</sup> distribution date to ensure the Operating Trust shall not be liable to pay income tax under Part I of the Tax Act for the preceding taxation year and such distribution shall be payable without any further actions on the part of the trustees of the Operating Trust. The Operating Trust Unitholders shall have a legal right to enforce payment of any amount on December 31 of any taxation year which is required to be distributed to the Operating Trust Unitholders on or before January 10<sup>th</sup> of the following year.

Notwithstanding the foregoing, if the trustees of the Operating Trust determine that the Operating Trust does not have cash in an amount sufficient to make payment of the full amount of any distribution, the payment may include the issuance of additional Operating Trust Units and/or Series 1 Notes if necessary, having a value equal to the difference between the amount of such distribution and the amount of cash which has been determined by the trustees of the Operating Trust to be available for the payment of such distribution. The value of each Operating Trust Unit so issued will be the redemption price thereof.

Any Operating Trust Units transferred to Unitholders pursuant to a distribution *in specie* may be subject to resale and transfer restrictions under applicable securities laws.

### **The Partnership**

The Partnership is a limited partnership formed under the laws of the Province of British Columbia. As a result of the Acquisition and the Arrangement, the Partnership holds all of the direct and indirect interests in the assets of the Trust.

#### ***The General Partner***

Boardwalk Real Estate Management Ltd. is the general partner of the Partnership. The General Partner is a wholly owned subsidiary of Boardwalk REIT.

### **LP Units**

The Partnership is authorized to issue an unlimited number of LP Class A Units, an unlimited number of LP Class B Units and an unlimited number of LP Class C Units and, subject to certain restrictions, such other classes of partnership interests as the General Partner may decide from time to time. All of the LP Class A Units are held by the Operating Trust and all of the LP Class B Units are held by BEI Subco. There are no LP Class C Units issued and outstanding.

The LP Class B Units, together with the accompanying Special Voting Units, except as otherwise noted, have economic and voting rights equivalent in all material respects to the Trust Units. In particular, subject to certain limitations contained in the Limited Partnership Agreement and the Exchange and Support Agreement, each LP Class B Unit entitles the holder thereof to receive and, subject to applicable law, a distribution, as declared by the General Partner, on each LP Class B Unit equal to the amount of a Distribution declared by Boardwalk REIT on each Trust Unit on the date on which the General Partner declares a distribution on the LP Class B Units. Additional principal terms of the LP Class B Units are as follows: (i) the LP Class B Units may be surrendered, on a one-for-one basis (subject to customary anti-dilution provisions) for Trust Units at the option of the holder, at any time unless this would jeopardize Boardwalk REIT's status as a "unit trust", "mutual fund trust" or "registered investment" under the Tax Act; (ii) each LP Class B Unit is accompanied by a Special Voting Unit which will entitle the holder thereof to receive notice of, to attend and to vote at all meetings of Unitholders (except in respect of LP Class B Units previously surrendered); and (iii) except as required by law and in certain specified circumstances where the rights of a holder of LP Class B Units are affected, holders of the LP Class B Units are not entitled to vote at any meeting of the limited partners of the Partnership.

The Partnership, the Operating Trust, Boardwalk REIT, the Corporation, BEI Subco and the holders of LP Class B Units have and will enter into any agreements necessary to give effect to the foregoing terms of the LP Class B Units, including the Exchange and Support Agreement.

Pursuant to a letter agreement, dated effective January 6, 2005, as long as Mr. Sam Kolas indirectly controls BEI Subco, the LP Class B Units shall not be sold to a third party without the consent of Boardwalk REIT. Such agreement does not limit the right of Mr. Kolas or any related or controlled entity to use the LP Class B Units as collateral for any liability or obligation, corporate or otherwise. The agreement also allows Mr. Kolas the freedom to deal with the LP Class B Units in response to a business combination proposal involving Boardwalk REIT without the consent of the Trust, whether in connection with a lock-up agreement, voting agreement or commitment to tender, to sell or any other obligation.

Pursuant to the Declaration of Trust and the Exchange and Support Agreement, if an offer, issuer bid (other than an exempt issuer bid), take-over bid (other than an exempt take-over bid) or similar transaction with respect to the Trust Units is proposed by Boardwalk REIT or is proposed to Boardwalk REIT or holders of Trust Units, and is recommended by the Trustees, or is otherwise effected or to be effected with or without the consent or approval of the Trustees (each an "Offer"), and the LP Class B Units are not acquired by the Partnership in accordance with their terms or exchanged for Trust Units in accordance with the Exchange and Support Agreement, Boardwalk REIT will, to the extent possible in the circumstances, expeditiously and in good faith, take all such actions and do all such things as are necessary or desirable to enable and permit holders of those LP Class B Units to participate in such Offer to the same extent and on an economically equivalent basis as the holders of Trust Units, without discrimination. Without limiting the generality of the foregoing, Boardwalk REIT will, to the extent possible in the circumstances, expeditiously and in good faith, use commercially reasonable efforts to ensure that holders of LP Class B Units may participate in all such Offers without being required to exercise any available right to surrender such units for withdrawal or exercise their right to exchange such LP Class B Units (or, if so required, to ensure that any such surrender or exchange will be effective only upon, and will be conditional upon, the successful closing of the Offer and only to the extent necessary to tender to or deposit under the offer). In the event of the liquidation, dissolution or winding-up of the Partnership or any other distribution of the assets of the Partnership among the holders of the LP Units of the Partnership for the purpose of winding up its affairs, a holder of LP Class B Units will be entitled, subject to applicable law, to receive in respect of each LP Class B Unit held by such holder on the effective date of such liquidation, dissolution or winding-up, one Trust Unit for each LP Class B Unit.

As long as any of the LP Class B Units are outstanding, the Partnership will not at any time without, but may at any time with, the approval of the holders of the LP Class B Units: (a) pay any distribution on the LP Class A Units, other than LP Class A Preferred Distributions, unless distributions payable on the LP Class B Units have been paid; (b) offer to accept a withdrawal or make any capital distribution in respect of the LP Class A Units, unless the Partnership makes a contemporaneous offer to accept the withdrawal of a proportionate number of LP Class B Units on the same terms and conditions and for identical consideration per LP Unit or makes an equivalent capital distribution per LP Unit in respect of

the LP Class B Units; or (c) issue any additional LP Class A Units unless Boardwalk REIT has issued the same number of Trust Units.

The LP Class B Units may be issued in respect of other transactions involving the Partnership from time to time.

The LP Class A Units, all of which are owned by the Operating Trust, are entitled to receive a preferred distribution on the LP Class A Units in an amount sufficient to allow Boardwalk REIT and the Operating Trust to pay their expenses but will not be entitled to receive a distribution equal to the Distribution on Trust Units. Holders of the LP Class A Units are entitled to receive notice of, to attend and vote at all meetings of the partners of the Partnership, but will not be entitled to receive notice of, to attend or vote at meetings of the Unitholders.

There are no issued and outstanding LP Class C Units. If issued, the LP Class C Units would have priority over the LP Class A Units and LP Class B Units with respect to distributions and liquidation proceeds and would be entitled to receive notice of, to attend and to vote (on the basis of one vote for every 1,000 LP Class C Units held) at all meetings of holders of LP Units. The LP Class C Units were previously issued in connection with the Retained Debt, which has been extinguished effective December 31, 2025.

### ***Distributions***

The Partnership will distribute to the General Partner and to the limited partners holding LP Units, their respective portions of distributable cash as set out below.

Distributions will be made forthwith after the General Partner determines the distributable cash of the Partnership and determines the amount of all expenses incurred by it in performing its duties in the Limited Partnership Agreement as General Partner (the "**Reimbursement Distribution Amount**"), which shall take place monthly and no later than the 10<sup>th</sup> day of each month.

Distributable cash will represent, in general, all of the Partnership's cash on hand that is derived from any source (other than amounts received in connection with the subscription for additional interests in the Partnership) and the aggregate of expenditures and payments in respect of any financing. Such amount will be determined by the General Partner in a manner analogous to the manner in which Boardwalk REIT calculates its Distributions (without reference to the "**LP Class A Preferred Distribution**", or the "**LP Class C Preferred Distribution**" (each as defined below)).

Following such determination, the distributable cash will be distributed to the holders of the LP Units of the Partnership as follows:

- (a) to holders of LP Class C Units, if issued (the "**LP Class C Preferred Distribution**"), an amount, if paid, expected to be sufficient to permit the holder to meet its obligations under the Retained Debt. As the Retained Debt was extinguished effective December 31, 2025 and there are no issued and outstanding LP Class C Units, these distribution priorities are no longer applicable;
- (b) the Reimbursement Distribution Amount to the General Partner;
- (c) an amount to the holders of LP Class A Units sufficient to allow Boardwalk REIT and the Operating Trust to pay their expenses (including, without limitation, any fees or commissions payable to agents or underwriters in connection with the sale of securities by Boardwalk REIT or the Operating Trust) on a timely basis (the "**LP Class A Preferred Distribution**");
- (d) an amount to the General Partner equal to 0.001% of the balance of the distributable cash of the Partnership; and
- (e) an amount equal to the remaining balance of the distributable cash of the Partnership to the holders of LP Class A Units and LP Class B Units in accordance with their entitlements as holders of LP Class A Units and LP Class B Units, as the case may be and as provided for in the Limited Partnership Agreement.

However, holders of LP Class B Units are entitled to receive distributions on each such unit equal to the amount of the Distribution declared on each Trust Unit. The record date and the payment date for any distribution declared on the LP Class B Units will be the same as those declared for the Trust Units.

The holder of any LP Class A Unit or LP Class B Unit will be entitled to elect to:

- (a) reinvest all or any portion (the "**Elected Amount**") of any distribution declared by the Partnership to be payable to such holder of such LP Class A Unit or LP Class B Unit provided that the election is in writing, specifies the Elected Amount and whether such distribution shall be made by the issuance of further LP Units of the same class, or in the case of LP Class B Units, Trust Units and is received by the Partnership before the payment date for such distribution. Where the election is duly made by the holder of the LP Class A Unit or LP Class B Unit, the Elected Amount will be deemed for all purposes of the Limited Partnership Agreement:
- (i) to be paid to and received by such holder on the payment date for such distribution; and
  - (ii) to be reinvested by such holder as the subscription price of that number of LP units of the particular class (or Trust Units, as the case may be) calculated by the formula:

$$\frac{A}{B}$$

$$B$$

Where:

**A** = the Elected Amount, and

**B** = the 20-day daily-volume weighted average trading price of Trust Units determined as of the payment date for such distribution; or

- (b) in lieu of receiving all or a portion (the "**Selected Amount**") of the distribution declared by the Partnership, choose to be loaned an amount from the Partnership equal to the Selected Amount, and to have the distribution of the Selected Amount made to it on the first business day following the end of the fiscal year in which such distribution would otherwise have been made. Each such loan made in a fiscal year will not bear interest and will be due and payable in full on the first business day following the end of the fiscal year during which the loan was made.

***Allocation of Partnership Income and Partnership Losses***

The aggregate Partnership Income or Partnership Loss for a fiscal year will be allocated as follows at the end of each fiscal year:

- (a) the holders who held LP Class A Units or LP Class B Units at any time in such fiscal year will be allocated all Partnership Income or Partnership Loss remaining after giving effect to the amounts of Partnership Income or Partnership Loss allocated pursuant to sub-paragraphs (b), (c) and (d) below, in an amount calculated by the formula:

$$\frac{A \times C}{B}$$

$$B$$

Where:

**A** = the aggregate amount of the distributions of distributable cash paid or payable to such partner with respect to such fiscal year as set forth below in sub-paragraph (e) under the previous subheading entitled "*Distributions*";

**B** = the aggregate amount of the distributions of distributable cash paid or payable to all such partners with respect to such fiscal year as set forth below in sub-paragraph (e) under the previous subheading entitled "*Distributions*"; and

**C** = such remaining Partnership Income or Partnership Loss allocated to all such partners with respect to such fiscal year; and

- (b) the General Partner will be allocated Partnership Income equal to the aggregate of:
- (i) all Reimbursement Distribution Amounts that are paid to it (whether in such fiscal year or within 30 days thereafter) in respect of expenses incurred by it in the fiscal year; and

- (ii) all amounts distributed to it in such period as set forth below in sub-paragraph (d) under the previous subheading entitled "*Distributions*" to the extent not taken into account in the determination of the allocation of Partnership Income;
- (c) if issued, the holder of LP Class C Units will be allocated Partnership Income or Partnership Loss (which Partnership Loss is not to exceed \$1,000), as applicable, equal to the amount that the General Partner determines is reasonable in respect of such fiscal year;
- (d) the holder of LP Class A Units will be allocated Partnership Income equal to the aggregate amount of LP Class A Preferred Distributions paid or payable to such holder with respect to such fiscal year;
- (e) in respect of each fiscal year of the Partnership, the General Partner will credit (or debit) the current account of each class of LP Units held by a partner by the amount of the Partnership Income (or Partnership Loss) of such fiscal year that is allocated to the partner under any of the foregoing sub-paragraphs or in accordance with the Limited Partnership Agreement in the case of no distributions, in respect of such class of LP Units; and
- (f) in respect of each distribution that is made by the Partnership to a partner in respect of a class of LP Units, whether a distribution of distributable cash or as a capital distribution or otherwise, the General Partner will:
  - (i) determine the portion of such distribution, if any, that is a distribution of the Partnership Income for such fiscal year and will debit the current account of the partner in respect of such class of LP Units by an amount equal to the amount of such portion; and
  - (ii) determine the portion of such distribution, if any, that is a distribution or return of the capital of the Partnership and will debit the capital account of the partner in respect of such class of LP Units by an amount equal to the amount of such portion.

If, with respect to a given fiscal year, no distribution of distributable cash is made to the partners, the Partnership Income or Partnership Loss for such fiscal year (after deducting the amounts, if any, of the LP Class C Preferred Distribution, the Reimbursement Distribution Amount to the General Partner and the LP Class A Preferred Distribution for such fiscal year) will be allocated to each person who was a limited partner at any time in such fiscal year in the proportion determined by the General Partner in its sole discretion.

***Allocation of Partnership Tax Income and Partnership Tax Loss***

The Partnership Tax Income or Partnership Tax Loss for a fiscal year will be allocated as follows at the end of each fiscal year:

- (a) the holders who held LP Class A Units or LP Class B Units at any time in such Fiscal Year, all Tax Income or Tax Loss remaining after giving effect to the amounts of Tax Income allocated pursuant to sub-paragraphs (b), (c) and (d) below, in an amount calculated by the formula:

$$\frac{A \times C}{B}$$

B

Where:

**A** = the aggregate amount of the cash Distributions paid or payable to such partner with respect to such fiscal year as set forth above in sub-paragraph (e) under the subheading entitled "*Distributions*" in this AIF;

**B** = the aggregate amount of the cash Distributions paid or payable to all such partners with respect to such fiscal year as set forth above in sub-paragraph (e) under the subheading entitled "*Distributions*" in this AIF; and

**C** = such remaining Partnership Tax Income or Partnership Tax Loss allocated to all such partners with respect to such fiscal year.

- (a) the General Partner will be allocated Partnership Income equal to the aggregate of:

- (i) all Reimbursement Distribution Amounts that are paid to it (whether in such fiscal year or within 30 days thereafter) in respect of expenses incurred by it in the fiscal year; and
- (ii) all amounts distributed to it in such period as set forth below in sub-paragraph (d) above under the subheading entitled "*Distributions*" in this AIF to the extent not taken into account in the determination of the allocation of Partnership Tax Income;
- (b) if issued, to the partner holding LP Class C Units, Partnership Tax Income or Partnership Tax Loss (which Partnership Tax Loss is not to exceed \$1,000), as applicable, equal to the amount that the General Partner determines is reasonable for such fiscal year; and
- (c) to the partner holding LP Class A Units, Partnership Tax Income equal to the aggregate amount of LP Class A Preferred Distributions paid or payable to such partner with respect to such fiscal year.

If, with respect to a given fiscal year, no cash distribution is made by the Partnership to its partners, the Partnership Tax Income or Partnership Tax Loss, as the case may be, for that fiscal year, reduced by the amounts, if any, of the LP Class C Preferred Distribution, the Reimbursement Distribution Amount to the General Partner and the LP Class A Preferred Distribution for such fiscal year, will be allocated to each person who was a limited partner at any time in such fiscal year in the proportion determined by the General Partner, in its sole discretion.

## **The Corporation**

### ***History***

The Corporation was incorporated under the ABCA on July 14, 1993. Effective December 30, 2004, the Corporation was amalgamated pursuant to the provisions of the ABCA to form a corporation also known as "**BPCL Holdings Inc.**" Such amalgamation was effected to increase the adjusted cost base of the LP Class C Units by an amount equal to the principal amount of the Retained Debt then outstanding.

The Corporation's principal office is located at Suite 200, 1501 – 1<sup>st</sup> Street SW, Calgary, Alberta T2R 0W1. Its registered office is located at 908 Riverdale Avenue SW, Calgary, Alberta T2S 0Y6.

The Corporation was incorporated in 1993 for the purpose of making a public offering pursuant to the junior capital program on the Alberta Stock Exchange. The Corporation's major transaction pursuant to the requirements of that program was the acquisition of seven multi-family residential projects located in Calgary and Edmonton from BPCL. The transaction closed effective April 15, 1994, although pursuant to a management agreement, BPCL continued to manage the properties. The Corporation, since completing its major transaction and prior to the Effective Date, continued to acquire new properties and sold selected properties. The management agreement with BPCL was terminated effective May 31, 1996, at which time the Corporation took over management of all its properties, until the transfer of such properties to the Partnership on the Effective Date.

### ***Business of the Corporation Following the Acquisition and the Arrangement***

On successful completion of the Acquisition and the Arrangement, the Corporation became owned by BPCL and the Corporation retains an interest in the Partnership as a limited partner. The Corporation retains an approximate 8% equity interest (after the preferred distribution and other entitlements of the LP Class C Units, if issued) in the Partnership and thereby in the 2004 Assets transferred to the Partnership through its indirect interest in the LP Class B Units.

In order to effect the Acquisition and the Arrangement for the benefit of all Shareholders, the Corporation retained legal title to certain real properties that were beneficially transferred to the Partnership pursuant to the Master Asset Contribution Agreement and the Corporation remained liable for the associated Retained Debt until it was extinguished effective December 31, 2025.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

During the financial year ended December 31, 2025, neither Boardwalk REIT nor the Corporation was a party to any legal proceeding, nor was either a party to, nor are or were any of either party's property the subject of any legal proceeding, involving claims for damages where the amount involved, exclusive of interest and costs, is in excess of ten percent (10%) of the current assets of the Trust, nor are there any such proceedings known to be contemplated.

During the financial year ended December 31, 2025, there were no: (i) penalties or sanctions imposed against either the Trust or the Corporation by a court relating to securities legislation or by a securities regulatory authority; (ii) penalties or sanctions imposed by a court or regulatory body against either the Trust or the Corporation that would likely be considered important to a reasonable investor in making an investment decision; or (iii) settlement agreements entered into by either the Trust or the Corporation before a court relating to securities legislation or with a securities regulatory authority.

#### **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed in this AIF, no transaction has been entered into within the three most recently completed financial years or during the current financial year or is proposed to be entered into by the Trust or Corporation involving an executive officer or director of the Corporation, an officer or Trustee of Boardwalk REIT, the principal shareholder of the Corporation, any Unitholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Units of the Trust, or any associate or affiliates of any of such persons or companies which has materially affected or would materially affect the Corporation, Boardwalk REIT or any affiliates thereof.

#### **MATERIAL CONTRACTS**

Other than as set forth below or contracts entered into in the ordinary course of business, during the year ended December 31, 2025, the Corporation, Boardwalk REIT, the Partnership, the Operating Trust and the General Partner, as applicable, did not enter into any contracts, nor are there any contracts still in effect, that are material:

- (i) the Limited Partnership Agreement;
- (ii) the Declaration of Trust;
- (iii) the Operating Trust Declaration of Trust;
- (iv) the Exchange and Support Agreement;
- (v) the Boardwalk REIT Administrative Services Agreement; and
- (vi) the Credit Agreement establishing the Credit Facility.

Copies of these agreements are available on under the Trust's profile on SEDAR+ ([www.sedarplus.com](http://www.sedarplus.com)).

#### **AUDITORS, TRANSFER AGENTS AND REGISTRARS**

The auditors of the Trust are Deloitte LLP, Chartered Professional Accountants, at its offices in Calgary, Alberta and are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

The transfer agent and registrar of the Trust Units is Odyssey Trust Company at its principal offices in Calgary, Alberta and Toronto, Ontario.

#### **BOARD COMMITTEE INFORMATION**

The Board of Trustees has established two committees: the Audit and Risk Management Committee ("**ARMC**") and the Compensation, Governance, Nominations and Sustainability Committee.

##### **Audit and Risk Management Committee**

The ARMC consists of Gary Goodman (Chair), Mandy Abramsohn, Andrea Goertz and Scott Morrison, each of whom is independent and financially literate in accordance with *National Instrument 52-110 - Audit Committees*. The relevant education and experience of each member of the ARMC is outlined in the "*Trustees and Executive Officers – Trustees*" section above.

The ARMC assists the board in fulfilling its oversight responsibilities with respect to the Trust's accounting and finance, reporting, and risk management practices. Pursuant to the ARMC Charter, a copy of which is included as Schedule "A", the ARMC is responsible for, among other things:

- (i) reviewing Boardwalk REIT's procedures for internal control with the auditors and Chief Financial Officer of Boardwalk REIT;

- (ii) reviewing the independence of the engagement and approving the fees of the auditors and other professional advisors;
- (iii) reviewing and recommending to the Trustees for their approval annual and quarterly financial statements, as well as management's discussion and analysis of financial condition and results of operation;
- (iv) reviewing and approving the public disclosure documents of Boardwalk REIT, including press releases;
- (v) reviewing the principal business risks of the REIT on behalf of the Board;
- (vi) approving all non-audit services proposed to be provided by the external auditors; and
- (vii) reviewing any significant transactions outside Boardwalk REIT's ordinary activities and all pending litigation involving Boardwalk REIT.

#### **External Auditor Service Fees**

The table below provides disclosure of the services provided by the Trust's external auditors in fiscal 2025 and fiscal 2024, dividing the services into the categories of work performed.

Type of Work	2025 Fees	2025	2024 Fees	2024
<b>Audit Fees<sup>(1)</sup></b>	1,007,890	86%	<b>\$965,648</b>	<b>76%</b>
Audit of annual financial statements	<b>854,533</b>	<b>73%</b>	\$819,593	64%
Review of interim financial statements and MD&A	<b>153,358</b>	<b>13%</b>	\$146,055	11%
<b>Audit Related Fees<sup>(1)(2)</sup></b>	133,178	11%	<b>\$130,814</b>	<b>10%</b>
<b>Tax Related Fees<sup>(1)(3)</sup></b>	30,816	3%	<b>\$180,108</b>	<b>14%</b>
Tax compliance and consulting services for the Trust and partnerships	<b>30,816</b>	<b>3%</b>	\$180,108	14%
<b>Other</b>	-	-	-	-
<b>Total<sup>(1)</sup></b>	<b>1,171,884</b>	<b>100%</b>	<b>\$1,276,571</b>	<b>100%</b>

(1) Includes GST.

(2) Audit Related Fees include fees for services that are related to securities offerings, internal controls review, translation services, compliance with new National Instrument 52-112 – *Non-GAAP and Other Financial Measures Disclosure* and CPAB fee.

(3) Tax Related Fees include fees for tax compliance and consulting services for the Trust and partnerships.

#### **Compensation, Governance, Nominations and Sustainability Committee**

The Compensation, Governance and Sustainability Committee ("**CGN&SC**") generally responsible for overseeing Boardwalk's human resources, compensation, corporate governance and sustainability policies. The CGN&S Committee consists of Andrea Goertz (Chair), Mandy Abramsohn and Brian Robinson, each of whom is independent in accordance with NI 51-110. The CGN&SC Charter is available on Boardwalk's website at [www.bwalk.com/ca-en/investors](http://www.bwalk.com/ca-en/investors).

#### **ADDITIONAL INFORMATION**

Additional information relating to Boardwalk REIT, including information as to Trustees and officers' remuneration and indebtedness, principal holders of Boardwalk REIT's securities and securities authorized for issuance under equity compensation plans, where applicable, is set out in the Trust's management information and proxy circular for its most recent annual meeting of Unitholders that involved the election of Trustees.

Additional financial information is provided in Boardwalk REIT's consolidated financial statements and related MD&A for the year ended December 31, 2025.

Additional information relating to Boardwalk REIT may also be found under the Trust's profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

## SCHEDULE A: AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

### ***Policy Statement***

It is the policy of Boardwalk Real Estate Investment Trust and its subsidiary entities (the "**REIT**") to establish and maintain an audit and risk management committee (the "**Audit Committee**"), composed entirely of independent trustees, to assist the Board of Trustees (the "**Board**") in carrying out its oversight responsibility for the REIT's internal controls, financial reporting and risk management processes. The Audit Committee will be provided with resources commensurate with the duties and responsibilities assigned to it by the Board including administrative support. If determined necessary by the Audit Committee, it will have the discretion to institute investigations of improprieties, or suspected improprieties within the scope of its responsibilities, including the authority to retain independent advisors.

### ***Composition of the Committee***

1. The Audit Committee shall consist of at least three (3) trustees. The Board shall appoint the members of the Audit Committee and the Chair of the Audit Committee.
2. Each trustee appointed to the Audit Committee by the Board shall be an independent trustee. An independent trustee is a trustee who is independent of management and is free from any interest, any business or other relationship which, in the view of the Board, could, or could reasonably be perceived, to directly or indirectly interfere with the exercise of the trustee's independent judgement. Although unit holding may be a factor in such determination, unit holding alone will not lead to a conclusion that there is a lack of independence. In determining whether a trustee is independent of management, the Board shall make reference to the then current legislation, rules, policies and instruments of applicable regulatory authorities.
3. Each member of the Audit Committee shall be "**financially literate**". In order to be financially literate, a trustee must be, at a minimum, able to read and understand a set of financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the REIT's financial statements and the accounting principles used in their preparation, as well as an understanding of internal controls and procedures for financial reporting. In addition, at least one member of the Audit Committee shall have experience as a certified public accountant, chief financial officer or corporate controller of similar experience, or demonstrably meaningful experience overseeing such functions as senior executive officers.
4. A trustee appointed by the Board to the Audit Committee shall be a member of the Audit Committee until replaced by the Board or until his or her resignation.

### ***Meetings of the Committee***

1. The Audit Committee shall convene a minimum of five (5) times each year at such times and places as may be designated by the Chair of the Audit Committee and whenever a meeting is requested by the Board, a member of the Audit Committee, the auditors, or an executive officer of the REIT. Meetings of the Audit Committee shall correspond with the review of the quarterly and annual financial statements and management discussion and analysis.
2. Notice of each meeting of the Audit Committee shall be given to each member of the Audit Committee.
3. Notice of a meeting of the Audit Committee shall:
  - (a) be in writing;
  - (b) state the nature of the business to be transacted at the meeting in reasonable detail;
  - (c) to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and
  - (d) be given at least five (5) business days prior to the time stipulated for the meeting or such shorter period as the members of the Audit Committee may permit.

4. A quorum for the transaction of business at a meeting of the Audit Committee shall consist of at least half (½) of the members of the Audit Committee.
5. A member or members of the Audit Committee may participate in a meeting of the Audit Committee by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
6. In the absence of the Chair of the Audit Committee, the members of the Audit Committee shall choose one of the members present to be Chair of the meeting. In addition, the members of the Audit Committee may invite the Secretary of the REIT or such other person, who need not be a member of the Committee, as they may choose to be Secretary of the meeting.
7. Senior management of the REIT and other parties may attend meetings of the Audit Committee at the Audit Committee's invitation; however, the Audit Committee: (i) shall meet with the external auditors independent of management at each meeting; and (ii) may meet separately with management.
8. Minutes shall be kept of all meetings of the Audit Committee and shall be signed by the Chair and the Secretary of the meeting.

#### ***Duties and Responsibilities of the Committee***

1. The Audit Committee's primary duties and responsibilities are to:
  - (a) identify and monitor the management of the principal risks that could impact the financial reporting and business of the REIT;
  - (b) monitor the integrity of the REIT's financial reporting process and system of internal controls regarding financial reporting and accounting compliance;
  - (c) monitor the independence and performance of the REIT's external auditors;
  - (d) deal directly with the external auditors to approve external audit plans, other non-audit services (if any) and fees;
  - (e) directly oversee the external audit process and results, including the resolution of disagreements between management and the external auditor regarding financial reporting (in addition to items described in Section 4 below);
  - (f) provide an avenue of communication among the external auditors, management and the Board; and
  - (g) ensure that an effective anonymous "whistle blowing" procedure exists to permit stakeholders to express concerns regarding accounting or financial matters to an appropriately independent individual.
2. The Audit Committee shall have the authority to:
  - (a) inspect any and all of the books and records of the REIT, its subsidiaries and affiliates;
  - (b) communicate directly with the management of the REIT, its subsidiaries and affiliates and senior staff of the REIT, any affected party and any internal and external auditors, such accounts, records and other matters as any member of the Audit Committee considers necessary and appropriate;
  - (c) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
  - (d) set and pay the compensation for any advisors employed by the Audit Committee.

The Chair of the Audit Committee shall have the authority between meetings of the Audit Committee to engage the external auditors of the REIT to perform non-audit services to the REIT or its subsidiaries or affiliated entities.

3. The Audit Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate.

4. The Audit Committee shall:

- (a) review the audit plan with the REIT's external auditors and with management;
- (b) discuss with management and the external auditors any proposed changes in major accounting policies or principles, the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to financial reporting;
- (c) review with management and with the external auditors significant financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;
- (d) review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
- (e) review with senior management the process of identifying, monitoring and reporting the principal risks affecting financial reporting and the business of the REIT;
- (f) review audited annual financial statements and related documents in conjunction with the report of the external auditors and obtain an explanation from management of all significant variances between comparative reporting periods;
- (g) consider and review with management, the internal control memorandum or management letter containing the recommendations of the external auditors and management of the Trust's response, if any, including an evaluation of the adequacy and effectiveness of the internal financial controls of the REIT and subsequent follow-up to any identified weaknesses;
- (h) review with financial management and the external auditors the quarterly unaudited financial statements and management discussion and analysis before release to the public; and
- (i) before release to the public, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including any prospectuses, annual reports, annual information forms, management discussion and analysis and press releases.

5. The Audit Committee shall:

- (a) evaluate the independence and performance of the external auditors and annually recommend to the Board the appointment of the external auditor or the discharge of the external auditor when circumstances are warranted and the compensation of the external auditor;
- (b) approve all non-audit services to be provided to the REIT or its subsidiary or affiliated entities by the REIT's external auditors;
- (c) approve the engagement letter for non-audit services to be provided by the external auditors or affiliates, together with estimated fees, considering the potential impact of such services on the independence of the external auditors;
- (d) when there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to National Instrument 51-102 (or any successor legislation) of the Canadian Securities Administrators and the planned steps for an orderly transition period; and
- (e) review all reportable events as determined on the advice of counsel, including disagreements, unresolved issues and consultations, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors.

6. The Audit Committee shall:

- (a) evaluate the REIT's policies with respect to ensuring compliance with environmental regulations applicable to the REIT's assets and shall periodically obtain assurance from management that such policies have been applied;

- (b) evaluate the REIT's policies with respect to derivative trading and hedge transactions and periodically obtain assurance from management that such policies have been adhered to;
  - (c) evaluate the REIT's policies with respect to disaster recovery, including policies and programs for computer systems and buildings;
  - (d) annually review the amount and terms of any insurance to be obtained or maintained by the REIT with respect to risks inherent in its operations and potential liabilities incurred by the trustees or officers in the discharge of their duties and responsibilities;
  - (e) review information technology risks, including cybersecurity and privacy, and periodically receive reports from management with respect thereto;
  - (f) review all material related party transactions as part of the quarterly financial reporting process;
  - (g) evaluate risks related to fraud in financial reporting and provide recommendations to management of procedures to manage such risks; and
  - (h) monitor the REIT's strategy on social responsibility and sustainability activities and its progress in respect of meeting any targets implemented by the Board regarding such activities.
7. The Audit Committee shall provide advice to the Board regarding the appointment of the Chief Financial Officer.
  8. The Audit Committee shall enquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters, which are directed to the Audit Committee by any member of the Board, a unitholder of the REIT, the external auditors, or senior management.
  9. The Audit Committee shall annually review with management the need for an internal audit function.
  10. The Audit Committee shall establish and maintain procedures for:
    - (a) the receipt, retention and treatment of complaints received by the REIT regarding accounting, internal accounting controls, or auditing matters; and
    - (b) the confidential, anonymous submission by employees of the REIT on concerns regarding questionable accounting or auditing matters.
  11. The Audit Committee shall review and approve the REIT's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the REIT.
  12. The Audit Committee shall satisfy itself that adequate procedures are in place for the review of the REIT's public disclosure of financial information extracted or derived from the REIT's financial statements, other than public disclosure referred to in Section 4(i), and shall periodically assess the adequacy of those procedures.
  13. The Audit Committee shall review with the REIT's internal or external legal counsel as required but at least annually, any legal or taxation matter that could have a significant impact on the REIT's business or financial statements, and any enquiries received from regulators, or government agencies.
  14. The Audit Committee shall assess, on an annual basis, the adequacy of this Charter and the performance of the Audit Committee.
  15. In contributing to the Audit Committee's discharging of its duties under this Charter, each member shall be entitled to rely in good faith upon:
    - (a) accounting information of the REIT represented to him or her by an officer of the REIT or in a written report of the auditors; and
    - (b) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

16. In contributing to the Audit Committee's discharging of its duties under this Charter, each member shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any member a standard of care or diligence that is in any way more onerous or extensive than the standard to which all trustees are subject. The essence of the Audit Committee's duties is the monitoring and reviewing to gain reasonable assurance (but not to ensure) that the REIT's business activities are being conducted effectively and that the financial reporting objectives are being met and to enable the Audit Committee to report thereon to the Board.