BOARDWALK REIT 2023 Q1 REPORT

Corporate Profile

Boardwalk REIT ("Boardwalk", the "Trust") strives to be Canada's friendliest community provider and is a leading owner/operator of multi-family rental communities. Providing homes in more than 200 communities, with over 33,000 residential suites totaling over 29 million net rentable square feet, Boardwalk has a proven long-term track record of building better communities, where love always lives™. Our three tiered and distinct brands: Boardwalk Living, Boardwalk Communities, and Boardwalk Lifestyle, cater to a large diverse demographic and has evolved to capture the life cycle of all Resident Members. Boardwalk's disciplined approach to capital allocation, acquisition, development, purposeful re-positioning, and management of apartment communities allows the Trust to provide its brand of community across Canada creating exceptional Resident Member experiences. Differentiated by its peak performance culture, Boardwalk is committed to delivering exceptional service, product quality and experience to our Resident Members who reward us with high retention and market leading operating results, which in turn, lead to higher free cash flow and investment returns, stable monthly distributions, and value creation for all our stakeholders. Boardwalk REIT's Trust units are listed on the Toronto Stock Exchange, trading under the symbol BEI.UN. Additional information about Boardwalk REIT can be found on the Trust's website at www.bwalk.com/investors.

LETTER TO UNITHOLDERS

Dear Unitholders,

We are pleased to report on another solid quarter, with our highest same property net operating income growth since 2007. In our largest markets of Edmonton and Calgary, we continue to see large international and interprovincial inflows as individuals search for economic opportunities, an attractive lifestyle and affordable places to call home.

As of the beginning of May, same property portfolio occupancy has reached 98.3%. Positive market rent adjustments are being implemented in communities reflecting near full occupancy across our portfolio. All of our regions are seeing strong demand on new leases, while our measured approach on lease renewals continues to promote high Resident Member satisfaction and provide coverage for expense inflation, ensuring financial sustainability for all stakeholders.

Higher interest rates and expense inflation continue to provide a challenge for community providers so far in 2023. However, rental housing fundamentals remain strong in our core markets and we are confident that our team's Resident focused approach, commitment to innovation and peak performance culture will deliver strong organic growth in the quarters and years to come.

FIRST QUARTER FINANCIAL HIGHLIGHTS

Highlights of the Trust's First Quarter 2023 Financial Results *($ millions, except per Unit amounts)*		**3 Months Mar. 31, 2023**		3 Months Mar. 31, 2022	% Change
Operational Highlights					
Rental Revenue	$	130.5	$	118.3	10.4%
Same Property Rental Revenue	$	126.8	$	116.9	8.5%
Net Operating Income (NOI)	$	75.8	$	64.9	16.8%
Same Property NOI	$	74.7	$	65.7	13.7%
Operating Margin (1)		58.1%		54.9%	
Same Property Operating Margin		58.9%		56.2%	
Financial Highlights					
Funds From Operations (FFO) (2)(3)	$	39.6	$	34.5	14.8%
Adjusted Funds From Operations (AFFO) (2)(3)	$	31.7	$	26.4	20.1%
Profit	$	221.4	$	69.4	218.9%
FFO per Unit (3)	$	0.79	$	0.68	16.2%
AFFO per Unit (3)	$	0.63	$	0.52	21.2%
Regular Distributions Declared (Trust Units & LP Class B Units)	$	13.9	$	13.0	7.5%
Regular Distributions Declared Per Unit (Trust Units & LP Class B Units)	$	0.278	$	0.257	8.1%
FFO Payout Ratio (3)		35.2%		37.6%	
Stabilized Apartment Suites		33,069		32,787	
Un-Stabilized Suites		741		777	
Total Apartment Suites		33,810		33,564	

(1) Operating margin is calculated by dividing NOI by rental revenue allowing management to assess the percentage of rental revenue which generated profit.
(2) This is a non-GAAP financial measure.
(3) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

In Q1 2023, same property operating margin increased compared to the same period in the prior year, as the Trust's same property rental revenue continued to accelerate throughout the quarter to offset increases in operating costs due to higher inflation. The Trust anticipates that as same property rental revenue remains strong throughout 2023 and the Trust continues to optimize its operating platform, operating margins will continue to improve as compared to the same period in 2022.

Continued Highlights of the Trust's First Quarter 2023 Financial Results		**Mar. 31, 2023**		Dec. 31, 2022
Equity				
Unitholders' Equity	$	3,675,771	$	3,466,998
Net Asset Value (NAV)				
Net asset value (1)(2)	$	3,812,153	$	3,583,904
Net asset value per Unit (2)	$	75.85	$	71.35
Liquidity, Debt and Distributions				
Cash and cash equivalents	$	44,145		
Subsequent committed/funded financing	$	3,715		
Unused committed revolving credit facility	$	196,100		
Total Available Liquidity (3)	$	243,960		
Total mortgage principal outstanding	$	3,333,049	$	3,336,026
Interest Coverage Ratio (Rolling 4 quarters)		2.91		2.93

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.
(3) Please refer to the section titled "Accretive and Strategic Capital Allocation" below for discussion on subsequent acquisition.

The Trust's fair value of its investment properties as at March 31, 2023 increased from the previous quarter primarily as a result of increased market rents in many of its markets reflecting improving rental fundamentals. During the first quarter, the Trust also increased some of its expense assumptions in its estimate of fair value to account for annual increases in wages and repairs and maintenance. The Trust's stabilized capitalization rate ("cap rate") was unchanged from the prior quarter, and the cap rate ranges utilized continue to be in-line with recently published third party quarterly cap rate reports. The Trust's current fair value cap rate remains at a positive spread to interest rates.

SOLID OPERATIONAL RESULTS

Portfolio Highlights for the First Quarter of 2023	**Mar. 2023**	Mar. 2022
Average Occupancy (Quarter Average) (1)	**98.10%**	95.53%
Average Monthly Rent (Period Ended)	**$ 1,267**	$ 1,163
Average Market Rent (Period Ended) (2)	**$ 1,444**	$ 1,362
Average Occupied Rent (Period Ended) (3)	**$ 1,292**	$ 1,217
Loss-to-Lease (Period Ended) ($ millions)	**$ 59.5**	$ 55.0
Loss-to-Lease Per Unit (Period Ended)	**$ 1.18**	$ 1.09

(1) Average occupancy is adjusted to be on a same property basis.
(2) Market rent is a component of rental revenue as calculated in accordance with International Financial Reporting Standards ("IFRS") and is calculated as of the first day of each month as the average rental revenue amount a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay, for a tenancy, before adjustments for other rental revenue items such as incentives, vacancy loss, fees, specific recoveries, and revenue from commercial tenants.
(3) Occupied rent is a component of rental revenue as calculated in accordance with IFRS and is calculated for occupied suites as of the first day of each month as the average rental revenue, adjusted for other rental revenue items such as fees, specific recoveries, and revenue from commercial tenants.

	Apr. 2022	May 2022	Jun. 2022	Jul. 2022	Aug. 2022	Sep. 2022	Oct. 2022	Nov. 2022	Dec. 2022	Jan. 2023	Feb. 2023	Mar. 2023	Apr. 2023	May 2023
Stabilized Property Portfolio Occupancy	95.8%	96.6%	96.9%	97.0%	97.1%	97.6%	98.1%	97.9%	98.0%	98.0%	98.2%	98.1%	98.4%	98.3%

The Trust improved occupancy compared to the same period a year ago by focusing on gaining market share and retention. Market rents were adjusted in many communities where rental market fundamentals continue to improve. Turnover rates continued to decline as compared to the previous year across the Trust's portfolio. Average occupied rent increased sequentially, and when compared to the same period a year ago, as the Trust focuses on reducing or eliminating incentives on lease renewals, leasing at market rents for new leases and adjusting market rents where fundamentals are strong.

For the first quarter of 2023, a same property rental revenue increase of 8.5% combined with same property total rental expense increase of 1.8%, resulted in same property NOI growth of 13.7%.

During the quarter, lower vacancy loss and incentives, along with positive market rent adjustments supported Boardwalk's Calgary portfolio increase in same property NOI of 16.5%. The positive revenue growth was partially offset by increases in utilities and wages on a year-over-year basis. In Edmonton, lower vacancy loss and incentives were partially offset by higher property taxes and operating expenses resulting in positive NOI growth of 16.8% for the first quarter of 2023 compared to the first quarter of 2022. The Trust is well positioned in our Edmonton market with occupancy above 97.5% with accelerating revenue growth heading into the end of the spring season.

Saskatchewan's market remains strong with the Trust's portfolio realizing 8.7% same property NOI growth in the first quarter of 2023 versus the same period last year, as a result of strong same property revenue growth.

In Ontario, the mark-to-market opportunity on turnover contributed to same property NOI growth of 4.7%, in the first quarter of 2023 compared to the first quarter of 2022. In Quebec, increasing revenues along with the lease-up of its L'Astre community which was transitioned from a seniors' community, resulted in same property NOI increasing by 11.1% in the first quarter of 2023 compared to the first quarter of 2022.

As we look forward to 2023, and as shown in our updated guidance further in this MD&A, Boardwalk is well positioned with its strong revenue trajectory and expense management to deliver strong NOI growth throughout the remainder of the year.

Mar. 31 2023 – 3 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	12,882	8.8%	0.6%	16.8%	34.5%
Calgary	5,879	11.4%	3.0%	16.5%	23.1%
Other Alberta	1,936	8.0%	(1.3)%	18.4%	4.5%
Alberta	20,697	9.6%	1.0%	16.8%	62.1%
Quebec	6,000	6.2%	(0.9)%	11.1%	18.2%
Saskatchewan	3,505	8.3%	7.5%	8.7%	11.3%
Ontario	2,867	5.4%	6.4%	4.7%	8.4%
	33,069	8.5%	1.8%	13.7%	100.0%

STRONG LIQUIDITY POSITION

In the first quarter, Boardwalk renewed $49.5 million of its maturing mortgages at a weighted average interest rate of 4.37% while extending the term of these mortgages by an average of 3.6 years.

Throughout the remainder of 2023, the Trust anticipates $388.7 million of mortgages payable maturing with an average in-place interest rate of 2.94% and will continue to renew these mortgages as they mature. Current market 5 and 10-year CMHC financing rates are estimated to be 3.90% and 3.75%, respectively. To date, the Trust has forward-locked or renewed the interest rate on $197.6 million or 45% of its maturing mortgages in 2023 at an average interest rate of 4.44% and an average term of 4.3 years. Of the $197.6 million, $106.1 million are conventional mortgages representing most of the Trust's non-CMHC mortgages within its portfolio. While interest rates have increased significantly since the beginning of March 2022, the Trust remains positioned with a laddered maturity schedule within its mortgage program, a disciplined capital allocation program and continued use of CMHC funding, which decreases the renewal risk on its existing mortgages.

ACCRETIVE AND STRATEGIC CAPITAL ALLOCATION

The Trust remains committed to its capital allocation strategy of re-investing retained cashflow and the net proceeds from the sale of non-core assets toward opportunities that are both accretive to FFO per Unit in the near-term and significantly enhance the NAV per Unit of the Trust over the intermediate term.

The Trust is pleased to announce the acquisition of a 124-unit newly built community in Langford, British Columbia for a purchase price of $60.0 million. The new community, The Vue, is located in one of British Columbia's fastest growing municipalities and was approximately 94% leased upon closing. The acquisition closed on April 25, 2023 at a forward cap rate of approximately 5.1% and was funded with a combination of existing liquidity and a $46.5 million CMHC-insured mortgage with an interest rate of 3.89% and seven-year term. The opportunistic acquisition provides unitholders with immediate accretion to FFO per Unit and NAV per Unit, while strengthening The Trust's operational presence in the Greater Victoria Region. The Vue, is a 12-storey tower, mass timber community, that has large suites with condo quality finishes and excellent views. Located in the heart of Langford and in close proximity to the University of Victoria's West Shore Campus, residents will enjoy convenient access to both Victoria and the year-round recreational activities in the surrounding area.

During the fourth quarter of 2022, the Trust received approval from the Toronto Stock Exchange to renew its normal course issuer bid ("NCIB") for an additional one-year period, ending on November 21, 2023. During Q1 2023, the Trust did not purchase any Units under the NCIB. Since the inception of the NCIB in late 2021, the Trust has invested approximately $45.7 million to purchase for cancellation 878,400 Trust Units at a volume-weighted average price of $52.05 per Trust Unit.

Boardwalk continues to view its own portfolio as offering un-paralleled value and future growth within the multi-family sector and will continue to evaluate capital recycling opportunities as a source for potential future Unit re-purchases, taking into account the magnitude of the existing discount in the trading price of its units at any given time relative to NAV per Unit.

TIGHTENING AND UPWARD REVISION TO 2023 FINANCIAL GUIDANCE

Boardwalk's first quarter operating performance was at the high-end of its original forecast range for the period. This allows the Trust to provide an update to its 2023 guidance that takes into account its strong performance to date, while also incorporating the positive accretion from its acquisition of The Vue subsequent to the end of the quarter. As a result, the Trust is updating its 2023 same property NOI growth and FFO per Unit guidance as follows:

Description	2023 Revised Guidance	2023 Original Guidance	2022 Actual (in $ thousands except per Unit)
Same Property NOI Growth	9.5% to 13.0%	8.5% to 12.5%	3.8%
Profit	N/A	N/A	$283,096
FFO (1)(2)	N/A	N/A	$157,444
AFFO (1)(2)(3)	N/A	N/A	$126,181
FFO Per Unit (2)	$3.30 to $3.46	$3.25 to $3.45	$3.13
AFFO Per Unit (2)(3)	$2.64 to $2.80	$2.59 to $2.79	$2.51

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.
(3) Utilizing a Maintenance CAPEX expenditure of $982/suite/year in 2023 and $931/suite/year in 2022.

FIRST QUARTER REGULAR MONTHLY DISTRIBUTION ANNOUNCEMENT

The Trust has confirmed its monthly cash distribution for the months of June 2023, July 2023 and August 2023 as follows:

Month		Per Unit		Annualized	Record Date	Distribution Date
June 2023	$	0.0975	$	1.17	June 30, 2023	July 17, 2023
July 2023	$	0.0975	$	1.17	July 31, 2023	August 15, 2023
August 2023	$	0.0975	$	1.17	August 31, 2023	September 15, 2023

In line with Boardwalk's distribution policy of maximum re-investment, the Trust's payout ratio remains conservative at 35.2% of Q1 2023 FFO; and 33.6% of the last 12 months FFO.

Boardwalk's regular monthly distribution provides a stable and attractive yield for the Trust's Unitholders.

EXCEPTIONAL VALUE

The Trust's current trading price continues to represent exceptional value when compared to the underlying real estate.

Recent private market sales transactions of apartment buildings in our core markets have occurred at prices inline with or above Boardwalk's fair value of its assets of approximately $207,000 per suite. This valuation represents approximately a 4.4% cap rate on Boardwalk's most recent 12 months of investment property NOI. NOI growth has accelerated in recent quarters and is expected to stay strong in the quarters and years ahead given the positive rental fundamentals in the Trust's core markets.

At the current unit price of $58 per Trust Unit, Boardwalk's implied value is approximately $181,000 per suite and represents an attractive 5.0% cap rate on trailing NOI.

Boardwalk's current monthly distributions on its Trust Units of $1.17 per year represents a sustainable monthly cash distribution providing stable income to our Unitholders.

IN CONCLUSION

Boardwalk is well-positioned for continued organic growth, and is committed to continuing to provide the best value in housing to our Resident Members.

Thank you to all of our Unitholders for your support, as we remain focused on continuing our track record of industry-leading and sustainable financial performance.

Thank you to all our partners in helping us deliver the best product quality, service and experience to our Resident Members.

Thank you to our Team for working persistently and tirelessly to ensure we are successfully delivering our essential service of housing to our Resident Members.

And lastly, thank you to our Resident Members for making Boardwalk your community provider of choice.

Sincerely,

SAM KOLIAS
Chairman of the Board and
Chief Executive Officer

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three Months Ended, March 31, 2023 and 2022

GENERAL AND FORWARD-LOOKING STATEMENTS ADVISORY

General

The terms "Boardwalk", "Boardwalk REIT", the "REIT", the "Trust", "we", "us" and "our" in the following Management's Discussion and Analysis ("MD&A") refer to Boardwalk Real Estate Investment Trust. Financial data, including related historical comparatives, provided in this MD&A has been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). This MD&A is current as of May 9, 2023 unless otherwise stated, and should be read in conjunction with Boardwalk's condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022, as well as Boardwalk's audited annual consolidated financial statements for the years ended December 31, 2022 and 2021, which have also been prepared in accordance with IFRS, together with this MD&A, copies of which have been filed electronically with securities regulators in Canada through the System for Electronic Document Analysis and Retrieval ("SEDAR") and may be accessed through the SEDAR website at www.sedar.com. Historical results and percentage relationships contained in the condensed consolidated interim financial statements, audited annual consolidated financial statements, and this MD&A, including trends, should not be read as indicative of future operations.

The Income Tax Act (Canada) (the "Tax Act") contains legislation affecting the tax treatment of publicly traded trusts (the "SIFT Legislation"). The SIFT Legislation generally will not impose tax on a trust which qualifies under such legislation as a real estate investment trust (the "REIT Exemption") provided all the trust's taxable income each year is paid, or made payable to, its Unitholders (as defined below). Boardwalk qualified for the REIT Exemption and will continue to qualify for the REIT Exemption provided that all its taxable income continues to be distributed to its Unitholders. Further discussion of this is contained in this MD&A.

Certain information contained in this MD&A concerning the economy generally and relating to the industry in which the Trust operates has been obtained from publicly and/or industry available information from third party sources, including both the Bank of Canada's April 2023 Monetary Policy Report and the Royal Bank of Canada's March 2023 Provincial Report. The Trust has not verified the accuracy or completeness of any information contained in such publicly available information. In addition, the Trust has not determined if there has been any omission by any such third party to disclose any facts, information, or events which may have occurred prior to or subsequent to the date as of which any such information contained in such publicly available information has been furnished or which may affect the significance or accuracy of any information contained in any such information and summarized herein.

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

Forward-Looking Statements Advisory

Certain information included in this MD&A contains forward-looking statements and information (collectively "forward-looking statements") within the meaning of applicable securities laws. These forward-looking statements include, but are not limited to, statements made concerning Boardwalk's objectives, including, but not limited to, the REIT's 2023 financial outlook and market guidance, increasing its occupancy rates, joint venture developments and future acquisition and development opportunities, including its plans for land in Victoria, British Columbia and its long-term strategic plan of opportunistic acquisitions and investments, its strategies to achieve those objectives, expectations regarding Boardwalk's vision and its strategies to achieve that vision, expected value enhancements through Boardwalk's branding initiative and suite renovation program, expected demand for housing, the Trust's ability to provide the optimal return to Unitholders, Boardwalk's goal of expanding geographically and diversifying its brand, expected increases in property taxes, utilities, and insurance costs, the anticipated impact of inflation and rising interest rates, potential economic contractions as a result of a potential recession, Boardwalk's goal to decrease incentives implemented to maintain occupancy levels, as well as statements with respect to management of the Trust's beliefs, plans, estimates, assumptions, intentions, and similar statements concerning anticipated future events, results, circumstances, performance, or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management of the Trust's current beliefs and are based on information currently available to management of the Trust at the time such statements are made. Management of the Trust's estimates, beliefs, and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. All forward-looking statements in this MD&A are qualified by these cautionary statements.

Forward-looking statements are not guarantees of future events or performance and, by their nature, are based on Boardwalk's current estimates and assumptions, which are subject to risks and uncertainties, including those described in Boardwalk REIT's Annual Information Form for the year ended December 31, 2022 ("AIF") dated February 23, 2023 under the heading "Challenges and Risks", which could cause actual events or results to differ materially *from the forward-looking statements contained in this MD&A. Those risks and uncertainties include, but are not limited to, those related to liquidity in the global marketplace associated with current economic conditions, tenant rental rate concessions, occupancy levels, access to debt and equity capital, changes to Canada Mortgage and Housing Corporation ("CMHC") rules regarding mortgage insurance, interest rates, joint ventures/partnerships, the relative illiquidity of real property, unexpected costs or liabilities related to acquisitions, construction, environmental matters, uninsured perils, legal matters, reliance on key personnel, Unitholder liability, income taxes, and changes to income tax rules that impair the ability of Boardwalk to qualify for the REIT Exemption. This is not an exhaustive list of the factors that may affect Boardwalk's forward-looking statements. Other risks and uncertainties not presently known to Boardwalk could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements may include, but are not limited to, the impact of economic conditions in Canada and globally, the REIT's future growth potential, prospects and opportunities, interest costs, access to equity and debt capital markets to fund (at acceptable costs), the future growth program to enable the Trust to refinance debts as they mature, the availability of purchase opportunities for growth in Canada, the impact of accounting principles under IFRS, general industry conditions and trends, changes in laws and regulations including, without limitation, changes in tax laws, increased competition, the availability of qualified personnel, fluctuations in foreign exchange or interest rates, and stock market volatility. Although the forward-looking statements contained in this MD&A are based upon what management of the Trust believes are reasonable assumptions, there can be no assurance actual results will be consistent with these forward-looking statements and no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur at all, or if any of them do so, what benefits that Boardwalk will derive from them. As such, undue reliance should not be placed on forward-looking statements. Certain statements included in this MD&A may be considered "financial outlook" or "future oriented financial information (FOFI)" for purposes of applicable securities laws, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth above. The actual results of operations of the Trust and the resulting financial results will likely vary from the amounts set forth in this MD&A and such variation may be material. Boardwalk REIT and its management believe that the FOFI contained in this MD&A has been prepared on a reasonable basis, reflecting management of the Trust's best estimates and judgements. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. FOFI contained in this MD&A was made as of the date of this MD&A and was provided for the purpose of providing further information about the Trust's anticipated future business operations. Readers are cautioned that the FOFI contained in this MD&A should not be used for purposes other than for which it is disclosed herein.*

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

EXECUTIVE SUMMARY

BUSINESS OVERVIEW

Boardwalk REIT is an unincorporated, open-ended real estate investment trust created pursuant to a Declaration of Trust, dated January 9, 2004, and as amended and restated on various dates between May 3, 2004, and May 15, 2018 (the "Declaration of Trust" or "DOT"), under the laws of the Province of Alberta. Boardwalk REIT was created to invest in revenue producing multi-family residential properties, or interests, initially through the acquisition of assets and operations of Boardwalk Equities Inc. (the "Corporation").

Boardwalk REIT's units (the "Trust Units") trade on the Toronto Stock Exchange ("TSX") under the trading symbol 'BEI.UN'. Additionally, the Trust has 4,475,000 special voting units issued to holders of "Class B Units" of Boardwalk REIT Limited Partnership ("LP Class B Units" and, together with the Trust Units, the "Units"), each of which also has a special voting unit in the REIT. Boardwalk REIT's principal objectives are to provide Resident Members with superior quality rental communities and the best tenant/customer service, provide its holders ("Unitholders") of Trust Units with stable monthly cash distributions, and to increase the value of the Trust Units through the effective management of its residential multi-family revenue producing properties, renovations and upgrades to its current portfolio, and the acquisition and/or development of additional, accretive properties or interests therein. As at March 31, 2023, Boardwalk REIT owned and operated in excess of 200 properties, comprised of over 33,000 residential suites, and totaling over 29 million net rentable square feet. At the end of the first quarter of 2023, Boardwalk REIT's property portfolio was concentrated in the provinces of British Columbia ("BC"), Alberta, Saskatchewan, Ontario, and Quebec.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE OVERVIEW

The Trust is committed to environmental, social and governance (“ESG”) objectives and initiatives, including working towards reducing greenhouse gas emissions as well as electricity and natural gas consumption, water conservation, waste minimization, Resident Member satisfaction and a continued focus on governance and oversight. As part of its 2022 Annual Report, the Trust has included its ESG Report, which is now available under the Trust’s profile at www.sedar.com or on the Trust’s website at www.bwalk.com/en-ca/investors/esg. The ESG Report does not form a part of this MD&A.

MD&A OVERVIEW

This MD&A focuses on key areas from the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022, and pertains to major known risks and uncertainties relating to the real estate industry, in general, and the Trust’s business, in particular. This discussion should not be considered all-inclusive as it excludes changes that may occur in general economic, political, and environmental conditions. Additionally, other elements may or may not occur, which could affect the organization in the future. Please refer to the section titled “General and Forward-Looking Statements Advisory – Forward-Looking Statements Advisory” in this MD&A. To ensure that the reader is obtaining the best overall perspective, this discussion should be read in conjunction with material contained in the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022, Boardwalk REIT’s 2022 Annual Report, the audited annual consolidated financial statements for the years ended December 31, 2022 and 2021, and the AIF, each of which are available under the REIT’s profile on www.sedar.com, along with all other publicly posted information on the Corporation and Boardwalk REIT. It is not our intent to reproduce information that is in these other reported documents, but rather to highlight some of the key points and refer you to these documents for more detailed information.

OUTLOOK

In its April 2023 Monetary Policy Report, the Bank of Canada noted that inflation has started to come down and should be around 3% by the summer. Getting to the 2% target will likely take until the end of 2024 due to continued higher interest rates. The job market is beginning to cool but is still very tight and it will take time for it to return to normal. The Bank of Canada predicts that the economy will continue to slow for the rest of the year, but should gradually pick up through 2024. The slowdown in growth is mainly a result of lower consumer spending due to higher borrowing costs and weaker foreign demand. On an annual average basis, the Bank of Canada projects that gross domestic product (“GDP”) will be 1.4% in 2023 and 1.3% in 2024, however, as the economy adjusts to the higher interest rates and inflation returns to 2%, GDP is projected to pick up in 2025 and reach 2.5%.

The Royal Bank of Canada’s (“RBC”) March 2023 Provincial Report’s predictions are on a similar track. The report from RBC has noted that the surge in population growth from immigration will help fill some gaps in the current labour market and will add almost a million consumers to the Canadian population over 2023 and 2024. This boost to production and consumption potential of the economy will help GDP growth to resume positive, but modest, growth after mid-year declines. However, unemployment will likely remain unchanged in 2024 with central banks cautious about cuts to interest rates too quickly.

Per RBC, the Alberta and Saskatchewan economies are expected to grow by 1.9% and 2.0%, respectively, due to the stronger energy and agricultural sectors present in these markets. Alberta’s energy production is on an upswing, and the strength in commodity markets is encouraging oil and gas producers to continue to boost their capital spend through 2023. In addition, soaring immigration is keeping the housing sector vibrant. The Ontario, Quebec, and BC markets are expected to see growth slow down materially this year, with little to no growth, and a risk of tipping into recession. This is mainly the result of the higher borrowing costs leading to tightening in spending by both household and business.

Boardwalk continues to move forward with several development opportunities in BC, and a joint venture development project in Ontario. The REIT also continues to assess potential acquisitions and dispositions. See the section titled “Review of Cash Flows – Investing Activities” in this MD&A. It is our intention to continue to investigate further development opportunities; however, each future opportunity will require a separate analysis and, depending on the analysis and economic conditions, Boardwalk REIT will determine if additional development projects are warranted. Historically, one of the biggest risks to real estate evaluations is the building of oversupply in a particular market, which results in significant corrections of property values market-wide. Currently, in the Trust’s core markets, total housing supply under construction remains low relative to anticipated household formation. Demand is expected to be high from increasing international and interprovincial migration.

Boardwalk's Strategic Plan

Boardwalk provides inclusive communities to work and live in through its strategy of operational excellence, innovation, and opportunistic growth focused capital allocation, to create leading earnings performance resulting in strong total Unitholder return. Opportunistic growth is defined as pursuing opportunities which drive Funds From Operations ("FFO") per fully diluted Unit and Net Asset Value ("NAV") per fully diluted Unit accretion on a sustainable and long-term basis.

Underpinned by its dynamic culture and performance-focused team, Boardwalk strives to create the best multi-family communities across diverse, affordable, non-price controlled and high growth supply-constrained housing markets. This is our mission: to build better communities, where love always lives. Boardwalk's initiatives to create additional value include the development of new apartments on existing land as well as the potential acquisition of new land for future development projects. Built into this strategic plan is Boardwalk's brand diversification initiative, which includes common area upgrades, building improvements, and suite renovations to create the best long-term value for Unitholders.

Current housing fundamentals in Boardwalk's core markets are strong and paired with the Trust's proven platform, positions Boardwalk for optimized cash flow growth, in Management's view. Management of the Trust believes that Boardwalk's distribution policy of maximum cash flow reinvestment coupled with its strong balance sheet provides the ability for the Trust to allocate capital towards external growth opportunities, development of communities in under-supplied markets, yield enhancing value-add capital, and, when appropriate, investment in our own existing portfolio through the purchase and cancellation of Trust Units through the normal course issuer bids implemented in both 2022 and 2021.

The Trust sells non-core properties in its portfolio, re-deploying the released capital to acquiring or developing additional properties, distributing its taxable income (and any capital gain) to Unitholders, reinvesting in its existing properties to achieve superior returns, developing new multi-family properties, paying down debt and/or purchasing Trust Units for cancellation. Management of the Trust continues to review all available options that it believes will provide the optimal return to Unitholders.

Brand Diversification

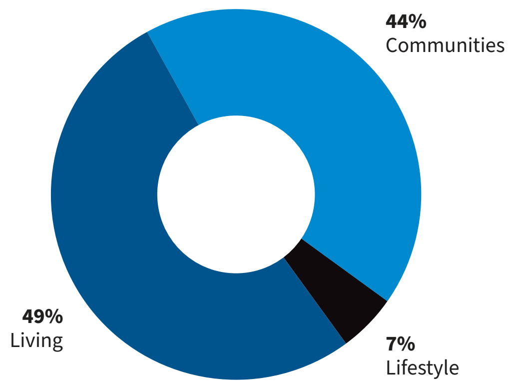
It is the goal of the Trust, in the medium to long-term, to not only expand geographically, but also to diversify through its brand.

The spectrum of rental housing in Canada has expanded over the last few years, with rental demand seen across the price spectrum from affordability to affordable high-end luxury. As a result, the ability to offer a more diverse product offering will allow Boardwalk to attract a larger demographic to the Boardwalk brand. Currently, Boardwalk offers three brands as highlighted below:

Boardwalk Living – *Affordable Value*
Boardwalk Living features classic suites for our Resident Members who appreciate flexibility, reliability, and value that comes with a quality home.

Boardwalk Communities – *Enhanced Value*
Boardwalk Communities feature modernized suites and choice amenities for those who value flexibility with all the comforts that come with the perfect place to call home.

Boardwalk Lifestyle – *Affordable Luxury*
Boardwalk Lifestyle features 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's Branding Initiative and Suite Renovation Program

Boardwalk has invested $21.0 million in capital assets for the three months ended March 31, 2023 (three months ended March 31, 2022 – $21.9 million), including $13.2 million in value-add capital ($96.3 million in fiscal 2022), focusing on upgrading common areas, building improvements, energy efficiency projects, and suite renovations. Please refer to the section titled "Review of Cash Flows – Investing Activities – Maintenance of Productive Capacity" in this MD&A for further discussion on value-add capital. Each of the three brands have different renovation specifications depending on needs and anticipated returns. Market rents are adjusted upward based on an expected rate of return on the strategic investment. Management of the Trust believes these renovations and upgrades will continue to achieve future upward excess market rent adjustments, increased occupancy, as well as cost savings on turnovers. Historic investment in our assets and brands has resulted in a diversified product mix to match varying demand while allowing us to gain market share with increasing choice for existing and new Resident Members.

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

DECLARATION OF TRUST

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

Investment Guidelines

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

Operating Policies

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

Distribution Policy

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

Compliance with DOT

As at March 31, 2023, the Trust was in compliance with all investment guidelines and operating policies as stipulated in the DOT. More details are provided later in this MD&A with respect to certain detailed calculations.

For the trailing 12-month period ended March 31, 2023, Boardwalk REIT's interest coverage ratio of consolidated EBITDA (i.e. Earnings Before Interest, Taxes, Depreciation and Amortization) to consolidated interest expense was 2.91 (year ended December 31, 2022 – 2.93). Further details of the Trust's interest coverage ratio can be found in NOTE 13 to the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022, which is available under the Trust's profile at www.sedar.com.

PRESENTATION OF FINANCIAL INFORMATION

Financial results, including related historical comparatives, contained in this MD&A are based on the Trust's condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022, unless otherwise specified.

PRESENTATION OF NON-GAAP MEASURES

Non-GAAP Financial Measures

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

Funds From Operations

The IFRS measurement most comparable to FFO is profit. Boardwalk REIT considers FFO to be an appropriate measurement of the performance of a publicly listed multi-family residential entity as it is the most widely used and reported measure of real estate investment trust performance. Profit includes items such as fair value changes of investment property that are subject to market conditions and capitalization rate fluctuations which are not representative of recurring operating performance. Consistent with REALPAC, we define FFO as adjustments to profit for fair value gains or losses, distributions on the LP Class B Units, gains or losses on the sale of the Trust's investment properties, depreciation, deferred income tax, and certain other non-cash adjustments, if any, but after deducting the principal repayment on lease liabilities and adding the principal repayment on lease receivable. Boardwalk REIT does not include any gains or losses reported on the sale of its properties in its calculation of FFO. Management of the Trust believes that such income is volatile and unpredictable and would significantly dilute the relevance of FFO as a measure of performance. Excluding gains or losses in the calculation of FFO is consistent with the REALPAC definition of FFO. Under IFRS, the LP Class B Units are considered financial instruments in accordance with IFRS 9 – Financial Instruments ("IFRS 9"). As a result of this classification, their corresponding distribution amounts are considered "financing costs" under IFRS. Management of the Trust believes these distribution payments do not truly represent "financing costs", as these amounts are only payable if the Trust declares distributions, and only for the amount of any distributions declared, both of which are at the discretion of the Board of Trustees as outlined in the DOT. Therefore, these distributions are excluded from the calculation of FFO, consistent with the treatment of distributions paid to all other Unitholders. The reconciliation from profit under IFRS to FFO can be found under the section titled "Performance Review – FFO and AFFO Reconciliations" in this MD&A. The Trust uses FFO to assess operating performance and its distribution paying capacity, determine the level of Associate incentive-based compensation, and decisions related to investment in capital assets. To facilitate a clear understanding of the combined historical operating results of Boardwalk REIT, management of the Trust believes FFO should be considered in conjunction with profit as presented in the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022.

Adjusted Funds From Operations

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

Adjusted Cashflow From Operations

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

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

Adjusted Real Estate Assets

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

Adjusted Real Estate Debt

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

Net Asset Value

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

Non-GAAP Ratios

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

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

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

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

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

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

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

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

FFO per Unit Future Financial Guidance

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

AFFO per Unit Future Financial Guidance

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

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

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

PERFORMANCE REVIEW

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

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

Performance Measures

It continues to be the intention of the Trust to pay out, at a minimum, all taxable income to Unitholders in the form of monthly distributions, unless the Board of Trustees, in its absolute discretion, determines a different amount. For 2023, the Board of Trustees approved an increase to the distribution to $0.0975 per Trust Unit on a monthly basis (or $1.17 on an annualized basis) beginning March 2023. This was an increase of $0.0075 per Trust Unit from the monthly $0.0900 per Trust Unit distributed for January and February 2023. The Trust will also continue to redeploy its capital towards long-term value creation, including its suite renovation program, brand diversification initiative, and acquisition and development of new multi-family suites in supply-constrained markets.

For the three months ended March 31, 2023 and 2022, the Trust declared regular distributions of $13.9 million and $13.0 million (inclusive of distributions paid to holders of the LP Class B Units), respectively, and recorded profit of $221.4 million and $69.4 million, respectively. The FFO Payout Ratio for the three months ended March 31, 2023 was 35.2% (three months ended March 31, 2022 – 37.6%). Please refer to the section titled “Presentation of Non-GAAP Measures” in this MD&A for more information on FFO Payout Ratio. The overall operating performance of the first and fourth quarters tends to generate the highest payout ratio, mainly due to the high seasonality in total rental expenses. In particular, these quarters tend to be the highest demand periods for natural gas, a major operational cost for the Trust. The reader should not, therefore, simply annualize the reported results of a particular quarter. On a quarterly basis, the Board of Trustees reviews the current level of distributions and determines if any adjustments to the distributed amount is warranted. On an overall basis, the Trust aims to maintain a consistent and sustainable payout ratio while optimizing its capital allocation strategy, and reviews this with its Board of Trustees.

FFO per Unit Reconciliations from 2022 to 2023

The following tables show reconciliations of changes in FFO per Unit from March 31, 2022 to March 31, 2023. As previously noted, we define the calculation of FFO as net income before fair value adjustments, distributions on the LP Class B Units, gains or losses on the sale of the Trust’s investment properties, depreciation, deferred income taxes, and certain other non-cash items. A more detailed disclosure of the calculation of FFO is included later in this MD&A.

FFO per Unit Reconciliation		**3 Months**
FFO per Unit (1) – Mar. 31, 2022	$	0.68
Net Operating Income ("NOI") from Stabilized Properties (2)		0.18
NOI from Unstabilized Properties (2)		0.04
Administration		(0.05)
Financing Costs		(0.06)
FFO per Unit – Mar. 31, 2023	**$**	**0.79**

(1) Please refer to the section titled “Presentation of Non-GAAP Measures” in this MD&A for more information.
(2) The definition of Stabilized and Unstabilized Properties can be found in the section titled “Stabilized Property Results” in this MD&A.

FFO and AFFO Reconciliations

In the following table, Boardwalk REIT provides a reconciliation of FFO to Profit, the most comparable related financial statement measurement for the three months ended March 31, 2023 and 2022. Adjustments are explained in the notes below, as appropriate.

FFO Reconciliation *(In $000's, except per Unit amounts)*	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022	% Change
Profit	**$ 221,389**	$ 69,428	
Adjustments			
Other income [1]	**(818)**	(1,321)	
Fair value gains	**(183,362)**	(35,850)	
LP Class B Unit distributions	**1,242**	1,149	
Deferred tax expense	**57**	93	
Depreciation	**1,800**	1,826	
Principal repayments on lease liabilities	**(906)**	(1,013)	
Principal repayments on lease receivable	**193**	176	
FFO [2][3]	**$ 39,595**	$ 34,488	14.8%
FFO per Unit [3]	**$ 0.79**	$ 0.68	16.2%

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

Overall, Boardwalk REIT earned FFO of $39.6 million for the first quarter of 2023 compared to $34.5 million for the same period in 2022. FFO, on a per Unit basis, for the quarter ended March 31, 2023, increased approximately 16.2% compared to the same quarter in the prior year from $0.68 to $0.79. The increase was primarily driven by higher occupied rents, lower vacancy loss and incentives, and the addition of new acquisitions in our Alberta and Ontario markets, partially offset by increased wages and salaries, utilities, property taxes, insurance, financing costs, and administration.

Profit for the first quarter of 2023 was $221.4 million compared to a profit of $69.4 million for the same period in 2022. The increase in profit is mainly attributable to the increase in fair value gains on investment properties. Significant fair value gains were recognized in the current year due to the increase in market rents. The first quarter of 2023 has shown continued improvements in the economy which has resulted in further growth in market rents. The weighted average capitalization rates for the Trust were 4.92% and 4.93% as at March 31, 2023 and March 31, 2022, respectively. For more information on the Trust's capitalization rates, please refer to the section titled "Review of Cash Flows – Investing Activities – Investment Properties" in this MD&A.

The following table provides a reconciliation of FFO to AFFO:

(000's)	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022
FFO [1][2]	**$ 39,595**	$ 34,488
Maintenance Capital Expenditures [3]	**7,849**	8,049
AFFO [1][2]	**$ 31,746**	$ 26,439
FFO per Unit [2]	**$ 0.79**	$ 0.68
AFFO per Unit [2]	**$ 0.63**	$ 0.52
Regular Distributions	**$ 13,930**	$ 12,961
FFO Payout Ratio [2]	**35.2%**	37.6%
AFFO Payout Ratio [2]	**43.9%**	49.0%
Profit	**$ 221,389**	$ 69,428

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

REVIEW OF RENTAL OPERATIONS

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

(In $000's, except number of suites)	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022	% Change
Rental revenue	**$ 130,531**	$ 118,277	10.4%
Expenses			
Operating expenses	**25,467**	24,797	2.7%
Utilities	**16,428**	16,048	2.4%
Property taxes	**12,844**	12,517	2.6%
Total rental expenses	**$ 54,739**	$ 53,362	2.6%
Net operating income	**$ 75,792**	$ 64,915	16.8%
Operating margin [(1)]	**58.1%**	54.9%	
Number of suites at March 31 [(2)]	**33,722**	33,564	

(1) Operating margin is calculated by dividing NOI by rental revenue allowing management to assess the percentage of rental revenue which generated profit.
(2) Excludes 88 suites related to the joint venture in Brampton, Ontario.

(In $000's, except number of suites)	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022	% Change
Gross rental revenue [(1)]	**$ 138,644**	$ 132,355	4.8%
Vacancy loss [(2)]	**(2,332)**	(5,505)	(57.6)%
Incentives [(3)]	**(5,781)**	(8,573)	(32.6)%
Rental revenue	**$ 130,531**	$ 118,277	10.4%

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

Boardwalk REIT's rental operations for the three months ended March 31, 2023, reported higher results compared to the same period in the prior year. For the three months ended March 31, 2023, the increase in rental revenue was due to higher in-place rents, lower vacancy loss, and lower incentives offered, as well as the addition of new acquisitions during 2022 in Alberta and Ontario. As outlined in the second table above, the Trust continued to offer selective incentives on renewals in certain communities to maintain occupancy levels while aiming to limit incentives on new leases. The Trust was able to reduce incentives by 32.6% year-over-year, while also reducing vacancy losses by 57.6%. The Trust will continue to offer selective incentives in certain communities to maintain occupancy levels, but the overall goal is to continue to decrease incentives.

Total rental expenses increased 2.6% for the three months ended March 31, 2023, compared to the same period in 2022 due to higher operating expenses, utilities, and property taxes.

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

For the three months ended March 31, 2023, operating expenses increased compared to the same period in the prior year due to higher wages and salaries as a result of inflation as well as higher insurance premiums upon renewal in the third quarter of 2022. These were partially offset by a decrease in building repairs and maintenance and bad debt expense.

Utility costs increased by 2.4% for the three months ended March 31, 2023, compared to the same period in 2022. The increase was mainly due to higher electricity costs due to rates increasing significantly in the last quarter of 2022 combined with higher consumption, as well as higher carbon levy costs from the federal increases being implemented. This was partially offset by lower natural gas costs as a result of lower rates paired with lower consumption from more favourable weather compared to last year and higher submetering recoveries. Fixed price physical commodity contracts have helped to partially or fully hedge the Trust's exposure to fluctuating natural gas and electricity prices. Further details regarding the hedges on natural gas, as well as electricity prices in Alberta, can be found in NOTE 12 to the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022.

Property taxes increased 2.6% for the three months ended March 31, 2023, compared to the same period in the prior year mainly due to higher overall property tax assessments received. The Trust is constantly reviewing property tax assessments and related charges and, where management of the Trust believes appropriate, will appeal all, or a portion, of the related assessment. It is not uncommon for the Trust to receive property tax refunds and adjustments; however, due to the uncertainty of the amount and timing of the refunds and adjustments, these amounts are only reported when they are received.

Overall, operating margin increased for the three months ended March 31, 2023, compared to the same period in 2022, from 54.9% to 58.1%.

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

SEGMENTED OPERATIONAL REVIEWS

Alberta Rental Operations

(In $000's, except number of suites)	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022	% Change
Rental revenue	**$ 82,493**	$ 73,758	11.8%
Expenses			
Operating expenses	**15,738**	15,386	2.3%
Utilities	**10,316**	10,126	1.9%
Property taxes	**8,356**	8,162	2.4%
Total rental expenses	**$ 34,410**	$ 33,674	2.2%
Net operating income	**$ 48,083**	$ 40,084	20.0%
Operating margin	**58.3%**	54.3%	
Number of suites at March 31	**21,084**	20,926	

Alberta is Boardwalk's largest operating segment, representing 63.4% of total reported NOI for the three months ended March 31, 2023. In addition, Alberta represents 62.5% of total suites. Boardwalk REIT's Alberta operations for the three months ended March 31, 2023, reported a 11.8% increase in rental revenue, when compared to the same period in the prior year due to higher in-place rents and lower vacancy loss and incentives, driven in part by the high in-migrations into the province seen in 2022 and continuing into 2023. These improvements were also coupled with two asset acquisitions in 2022, one in Canmore and one in Calgary. For the three months ended March 31, 2023, total rental expenses increased slightly by 2.2% compared to the same period in the prior year due to an increase in operating expenses, utilities, and property taxes. These changes are partially attributable to the new acquisitions in Alberta in March and August of 2022. Excluding the new buildings, the portfolio still experienced increases in rental revenues and total rental expenses.

Operating expenses increased by 2.3% and for the three months ended March 31, 2023, compared to the same period in the prior year mainly due to increases in wages and salaries and insurance. The increase in wages and salaries are paired with the increased rates of inflation previously mentioned and are reflected in the increased operating expenses. Insurance costs also increased upon renewal in July 2022. These increases were offset by decreases in bad debts as a result of the increase in occupancy and lower turnover.

Utilities for the three months ended March 31, 2023, increased by 1.9% compared to the same period in the prior year mainly due to an increase in electricity costs due to higher rates and consumption and higher carbon levy costs compared to the same period in the prior year. These increases are partially offset by higher electricity sub-meter recoveries. Currently, the Trust has three outstanding natural gas contracts to hedge the price of its natural gas usage. The Trust also has two outstanding electricity contracts with two utility retailers to supply the Trust with its electrical power needs. More details can be found in NOTE 12 to the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022.

Property taxes for the three months ended March 31, 2023, increased 2.4% compared to the same period in the prior year due to higher property tax assessments.

NOI for Alberta increased $8.0 million, or 20.0% for the three months ended March 31, 2023, compared to the same period in 2022. Alberta's operating margin for the three months ended March 31, 2023, was 58.3%, compared to 54.3% for the same period in the prior year.

British Columbia Rental Operations

(In $000's, except number of suites)	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022	% Change
Rental revenue	**$ 689**	$ 663	3.9%
Expenses			
Operating expenses	**70**	63	11.1%
Utilities	**44**	31	41.9%
Property taxes	**41**	41	-%
Total rental expenses	**$ 155**	$ 135	14.8%
Net operating income	**$ 534**	$ 528	1.1%
Operating margin	**77.5%**	79.6%	
Number of suites at March 31	**114**	114	

British Columbia operations consist of one rental building consisting of 114 suites located in Victoria. Overall, operating results for the first quarter of 2023 were consistent with the same period in the prior year.

Saskatchewan Rental Operations

(In $000's, except number of suites)	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022	% Change
Rental revenue	**$ 13,929**	$ 12,867	8.3%
Expenses			
Operating expenses	**2,477**	2,308	7.3%
Utilities	**1,911**	1,756	8.8%
Property taxes	**1,125**	1,063	5.8%
Total rental expenses	**$ 5,513**	$ 5,127	7.5%
Net operating income	**$ 8,416**	$ 7,740	8.7%
Operating margin	**60.4%**	60.2%	
Number of suites at March 31	**3,505**	3,505	

For the three months ended March 31, 2023, Saskatchewan rental revenue increased by 8.3% compared to the same period in the prior year due to higher in-place rents coupled with lower incentives and vacancy loss. Total rental expenses increased by 7.5% for the three months ended March 31, 2023, compared to the same period in the prior year due to higher operating expenses, utilities, and property taxes.

Operating expenses for the three months ended March 31, 2023, increased 7.3% compared to the same period in the prior year due to increased repairs and maintenance and higher insurance renewal costs.

Utilities for the three months ended March 31, 2023, increased 8.8% compared to the same period in the prior year primarily due to favourable restructuring of the cable and internet program allowing for a one-time credit to be received in the prior year. In addition, the current year had slightly higher natural gas costs due to higher consumption. The Trust has one outstanding fixed price contract to hedge its natural gas price for its Saskatchewan natural gas usage. Details of the hedging contract can be found in NOTE 12 to the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022.

Property taxes increased by 5.8% for the three months ended March 31, 2023, compared to the same period in the prior year due to higher property tax assessments.

Reported operating margin for the three months ended March 31, 2023, was 60.4% compared to 60.2% for the same period in 2022.

Ontario Rental Operations

(In $000's, except number of suites)	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022	% Change
Rental revenue	**$ 11,189**	$ 9,955	12.4%
Expenses			
Operating expenses	**1,965**	1,731	13.5%
Utilities	**1,378**	1,222	12.8%
Property taxes	**1,085**	1,024	6.0%
Total rental expenses	**$ 4,428**	$ 3,977	11.3%
Net operating income	**$ 6,761**	$ 5,978	13.1%
Operating margin	**60.4%**	60.1%	
Number of suites at March 31 (1)	**3,019**	3,019	

(1) Excludes 88 suites related to the joint venture in Brampton, Ontario.

Boardwalk REIT's Ontario operations for the three months ended March 31, 2023, reported a 12.4% increase in rental revenue compared to the same period in 2022 due to higher occupied rents and the new acquisition in Brampton consisting of 152 suites on March 30, 2022. Total rental expenses increased by 11.3% for the three months ended March 31, 2023 compared to the same period in the prior year, as well as the addition of the new asset acquisition in Brampton.

Operating expenses for the three months ended March 31, 2023, increased by 13.5% compared to the same period in the prior year due to higher wages and salaries, building repairs and maintenance, and insurance, as well as the addition of the new asset acquisition in Brampton.

Utility costs increased by 12.8% for the three months ended March 31, 2023, compared to the same period in the prior year due to higher natural gas and electricity costs, as well as higher carbon levies as a result of the implementation of the federal increases. The Trust has one outstanding fixed price natural gas contract hedging 69% of its London natural gas usage. Details of the contract can be found in NOTE 12 to the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022.

Property taxes increased 6.0% for the three months ended March 31, 2023, compared to the same period in the prior year due to higher property tax assessments.

NOI increased by 13.1% for the three months ended March 31, 2023, compared to the prior year. Reported operating margin for the three months ended March 31, 2023, was 60.4% compared to 60.1% for the same period in the prior year.

Quebec Rental Operations

(In $000's, except number of suites)		3 Months Mar. 31, 2023		3 Months Mar. 31, 2022	% Change
Rental revenue	$	**22,016**	$	20,735	6.2%
Expenses					
Operating expenses		**3,599**		3,514	2.4%
Utilities		**2,603**		2,781	(6.4)%
Property taxes		**2,188**		2,169	0.9%
Total rental expenses	$	**8,390**	$	8,464	(0.9)%
Net operating income	$	**13,626**	$	12,271	11.0%
Operating margin		**61.9%**		59.2%	
Number of suites at March 31		**6,000**		6,000	

Boardwalk REIT's Quebec operations reported a rental revenue increase of 6.2% for the three months ended March 31, 2023, compared to the same period in the prior year due to an increase in occupied rents and a decrease in vacancy loss, mainly due to the lease up of newly repositioned seniors home that was completed in the beginning of 2022. Total rental expenses for the three months ended March 31, 2023, slightly decreased 0.9% compared to the same period in 2022 mainly due to lower utilities.

For the three months ended March 31, 2023, operating expenses increased by 2.4% compared to the same period in 2022 mainly due to higher wages and salaries and insurance, partially offset by decreases in building repairs and maintenance and advertising.

Utilities decreased 6.4% three months ended March 31, 2023, compared to the same period in 2022 due to lower electricity costs resulting from lower consumption and lower natural gas costs due to lower rates. The Trust has one outstanding fixed price natural gas contract to hedge 74% of its Nun's Island natural gas usage. The details of the natural gas contract is reported in NOTE 12 to the condensed consolidated interim financial statements for the three months ended March 31, 2023 and 2022.

Property taxes increased 0.9% for the three months ended March 31, 2023, compared to the same period in the prior year due to higher property tax assessments.

Reported operating margin for the three months ended March 31, 2023, increased from 59.2% to 61.9%.

OPERATIONAL SENSITIVITIES

Net Operating Income Optimization

Boardwalk continues to focus on optimizing its NOI. This focus requires the Trust to manage not only revenues but also related operating costs and takes both into consideration when determining a service and pricing model. Lowering overall turnover while maintaining competitive lease rental rates and a focus on a high-quality level of service continue to be the model that has delivered the most stable and long-term income source to date. This strategy is region specific and these variables are in constant flux.

In a more competitive market, the Trust takes a more preventive approach of increasing its offering of suite-specific rental incentives as well as, where warranted, adjusting reported market rents. The increase of these incentives, particularly in Alberta, was an attempt by the Trust to keep occupancy levels higher than the overall market. As the market has returned to balance, the Trust has begun to unwind these incentives and increase market rents. This is evidenced in the current quarter with incentives decreasing 32.6% for the three months ended March 31, 2023, when compared to the same period in the prior year. It has been our experience that this proactive approach has resulted in optimizing NOI.

In addition, in these competitive, non-price controlled markets, the Trust approaches future upcoming maturing leases prior to lease maturity with the intent of renewing the lease prior to term maturity. In select markets, the Trust may also forward-lock future rentals while not collecting revenues for certain months in the immediate future. This means the Trust may decide to rent a suite in December with the Resident Member not moving in until the following year. Although the suite is rented, it will not generate revenue until the Resident Member actually moves in, for example, in January, which corresponds to the next fiscal period. The percentages reported as occupancy levels (see table below) represent those occupied suites generating revenue for the period noted. The Trust closely monitors 'apartment availability', which represents unoccupied suites not generating revenue for the period, after taking into account forward-committed leases. Although occupancy rates provide a good indication of current revenue, apartment availability provides the reader a more relevant indication of future potential revenue. As a result of recent acquisitions or newer developments, portfolio occupancy is on a same-property basis.

Management of the Trust believes that when the NOI optimization strategy is combined with our strategic investment program, the outcome will be a more diverse product offering for our Resident Members and greater overall value creation for the Trust. The Trust also understands that the implementation and completion of these strategies will have some short-term consequences, as the timing of these enhancements are resulting in longer periods of time that suites are not available to be rented, including short-term increases in vacancy losses. However, the renovation program has slowed in relation to the current higher occupancy rates and in turn, the Trust will monitor the various renovation opportunities as they arise. It is still management's belief that a focus on the longer-term value creation is in the best interest of all stakeholders.

Boardwalk constantly reviews its existing programs, measuring them against resident demand, viability and expected return. Where appropriate, the Trust will make any necessary changes to optimally fine tune them.

Boardwalk REIT's Portfolio Occupancy (Same-property):

City	**Q1 2023**	Q1 2022
Calgary	**98.90%**	96.97%
Edmonton	**97.22%**	93.21%
Fort McMurray	**95.25%**	94.59%
Grande Prairie	**97.46%**	93.77%
Kitchener	**98.77%**	93.38%
London	**98.85%**	98.08%
Cambridge	**97.13%**	98.65%
Waterloo	**98.33%**	96.67%
Montreal	**97.63%**	97.06%
Quebec City	**96.87%**	90.24%
Red Deer	**99.18%**	96.19%
Regina	**98.33%**	96.71%
Saskatoon	**99.28%**	98.54%
Verdun	**99.81%**	99.66%
Portfolio	**98.10%**	95.53%

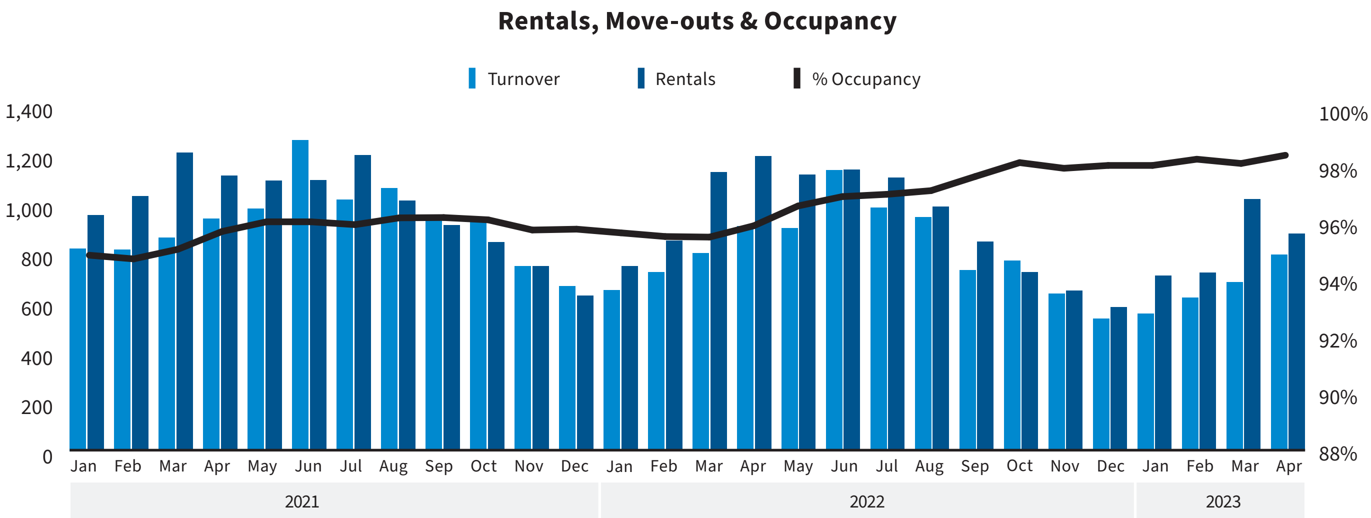
In the first quarter of 2023, the Trust reported an increase of 257 basis points (bps) in its overall same-property occupancy rate compared to the same quarter in the prior year, an increase from 95.53% to 98.10%. In Alberta, the continued growth and improvements to the market conditions and the increasing net migration into the province since 2022 has been driving up demand and increasing occupancy, which is reflected above in all Alberta regions. Edmonton, which had been experiencing competitive market conditions from new supply of multi-family suites entering the market as well as challenging economic conditions, has realized an increase of 401 bps in occupancy compared to the same quarter in the prior year. In Calgary, occupancy for the quarter increased 193 bps when compared to the same period in the prior year. The increases in Fort McMurray and Grande Prairie are a result of increases in commodity prices leading to more drilling activity and capital investment into the region contributing to a stronger oil and gas market compared to the last few years.

The rising occupancy across the whole portfolio is a further indication of the rebound within the economy. In Saskatchewan, occupancy in Q1 2023 continued to grow in the Regina and Saskatoon markets compared to the same quarter in the prior year. Regina occupancy levels increased to 98.33% in Q1 2023 compared to 96.71% in Q1 2022. Saskatoon occupancy levels increased to 99.28% in Q1 2023 compared to 98.54% in Q1 2022. These increases are a result of improved economic conditions in the agricultural sector this past year, which can be partly attributed to the war in Ukraine driving up grain prices and drawing more in-migration to the province.

Occupancy in Ontario and Quebec continue to remain strong. In Quebec City, occupancy quarter-over-quarter increased from 90.24% in Q1 2022 to 96.87% in Q1 2023. The lower occupancy in 2022 is attributed to the senior's community building within Quebec City that was being repositioned to a conventional multi-family asset beginning in early 2021. The repositioning was completed in early 2022 and occupancy of the building has continued to increase from 86.34% occupancy at December 31, 2022, to 87.43% at March 31, 2023. Excluding the seniors' community asset, Q1 2023 occupancy for Quebec City would be at 98.57%.

As overall markets stabilize, we expect some up and down movements in occupancy as the Trust aims to maintain occupancy near current levels.

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



Demand and supply, as with any industry, is an essential performance indicator for multi-family real estate. The above chart attempts to show the total move-outs (supply) compared to total rentals (demand) and the resulting impact on reported occupancy relating to our portfolio. The cumulative impact of demand being greater than supply, or vice versa, is the primary driver in the reported occupancy rate. In recent years, Boardwalk focused on maintaining high occupancy levels while optimizing turnover costs. The reader is cautioned that adjusting market rental rates is an ongoing process for the Trust and is consistent with its overall strategy of optimizing overall NOI; consequently, it will adjust rents upward or downward when it is deemed necessary.

Occupancy Sensitivity

As with all real estate rental operators, Boardwalk REIT's financial performance is sensitive to occupancy rates. Based on the current reported market rents, a 1% annualized change in reported occupancy is estimated to impact overall rental revenue by approximately $5.1 million, or $0.10 per Trust Unit on a fully diluted basis.

STABILIZED PROPERTY RESULTS

Boardwalk defines stabilized property, or same-property, as one that has been owned by the Trust for a period of 24 months or more from the reporting date. Boardwalk REIT's overall percentage of stabilized properties was 98.1% of its total rental suite portfolio as at March 31, 2023, or a total of 33,069 suites. The tables below provide a regional breakdown on these properties for the first quarter of 2023, compared to the first quarter of 2022.

Mar. 31 2023 – 3 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	12,882	8.8%	0.6%	16.8%	34.5%
Calgary	5,879	11.4%	3.0%	16.5%	23.1%
Other Alberta	1,936	8.0%	(1.3)%	18.4%	4.5%
Alberta	20,697	9.6%	1.0%	16.8%	62.1%
Quebec	6,000	6.2%	(0.9)%	11.1%	18.2%
Saskatchewan	3,505	8.3%	7.5%	8.7%	11.3%
Ontario	2,867	5.4%	6.4%	4.7%	8.4%
	33,069	8.5%	1.8%	13.7%	100.0%

Stabilized rental revenue increased by 8.5% for the three months ended March 31, 2023, compared to the same period in the prior year. Total rental expenses reported for the year increased by 1.8% from 2022, resulting in a NOI increase of 13.7% compared to the prior year. The increase in reported stabilized rental revenue was driven by higher in-place occupied rents across all regions, and lower vacancy loss and incentives in our Alberta and Saskatchewan markets. Overall, stabilized total rental expenses increased for most regions due to the current economic environment leading to higher wages and salaries from inflation, higher insurance premiums, higher utilities from increased rates, and higher property taxes.

Stabilized Rental Revenue Growth	# of Suites	Q1 2023 vs Q4 2022	Q1 2023 vs Q3 2022	Q1 2023 vs Q2 2022	Q1 2023 vs Q1 2022
Edmonton	12,882	1.3%	3.5%	6.1%	8.8%
Calgary	5,879	2.6%	5.2%	8.6%	11.4%
Other Alberta	1,936	1.6%	3.6%	5.7%	8.0%
Quebec	6,000	0.8%	2.4%	4.3%	6.2%
Saskatchewan	3,505	1.6%	4.6%	6.7%	8.3%
Ontario	2,867	2.3%	3.9%	4.4%	5.4%
	33,069	1.6%	3.8%	6.2%	8.5%

On a sequential basis, stabilized rental revenue reported in the first quarter of 2023 increased by 1.6% over Q4 2022, increased by 3.8% compared to Q3 2022, increased by 6.2% compared to Q2 2022, and increased by 8.5% compared to Q1 2022. The change over each quarter is a reflection of Boardwalk's strategy, striving toward balancing the optimum level of market rents, rental incentives, and occupancy rates in order to achieve its net operating income optimization strategy. The significant increases over the same quarter in the prior year is also a reflection of the improvements in the market and an influx in migration across provinces and international immigration, which has also brought about increased demand and contributed to the increases seen across Alberta. The smaller growth in revenue in the current period compared to the prior periods is mainly a result of the climbing occupancy maximizing the revenue growth in the prior quarters and now stabilizing in the current quarter, as well as the seasonal decline in volume typical of the winter months. As rental demand increases, the Trust's focus is on sustainable rental rate increases with a focus on retention. The Trust continues to closely monitor this latest trend.

Estimated Loss-to-Lease Calculation

Boardwalk REIT's projected loss-to-lease, representing the difference between estimated market rents and actual occupied rents in March 2023, and adjusted for current occupancy levels, totaled approximately $37.9 million on an annualized basis, representing $0.75 per Unit (Trust Units and LP Class B Units). For the most part, Boardwalk REIT's rental lease agreements last no longer than 12 months. By managing market rents and providing suite-specific incentives to our Resident Members, the Trust and all its stakeholders continue to benefit from lower turnover, reduced expenses, and high occupancy. Estimated loss-to-lease is measured at a point in time and is not intended to depict expected future financial performance. Reported market rents can be very seasonal, and, as such, will vary from quarter to quarter. The significance of this change could materially affect Boardwalk REIT's "estimated loss-to-lease" amount. The importance of this estimate, however, is that it can be an indicator of future rental performance, assuming continuing economic conditions and trends. It would take significant time for these market rents to be recognized by the Trust due to internal and external limitations on its ability to charge these new market-based rents in the short term, particularly on renewals.

	Without Incentives				With Incentives					
Same-property	Mar. 2023 Market Rent [1]	Mar. 2023 Occupied Rent [2]	Mark-to-Market Per Month [3]	Annualized Mark-to-Market Adjusted for Current Occupancy Levels ($000's)	Mar. 2023 Market Rent, Including Incentives [4]	Mar. 2023 Occupied Rent [2]	Mark-to-Market Per Month [3]	Annualized Mark-to-Market Adjusted for Current Occupancy Levels ($000's)	Weighted Average Apartment Suites [5]	% of Portfolio
Edmonton	$ 1,369	$ 1,245	$ 124	$ 18,589	$ 1,284	$ 1,245	$ 39	$ 5,570	12,882	39%
Calgary	1,689	1,508	181	12,777	1,632	1,508	124	8,790	5,960	18%
Other Alberta	1,271	1,139	132	3,022	1,196	1,139	57	1,269	1,936	6%
Alberta	$ 1,452	$ 1,311	$ 141	$ 34,388	$ 1,376	$ 1,311	$ 65	$ 15,629	20,778	63%
Quebec	$ 1,317	$ 1,227	$ 90	$ 6,414	$ 1,314	$ 1,227	$ 87	$ 6,171	6,000	18%
Saskatchewan [6]	1,433	1,337	96	4,004	1,370	1,337	33	1,328	3,505	10%
Ontario	1,662	1,231	431	14,697	1,661	1,231	430	14,773	2,867	9%
Total Portfolio	$ 1,444	$ 1,292	$ 152	$ 59,503	$ 1,389	$ 1,292	$ 97	$ 37,901	33,150	100%

(1) Market rent is a component of rental revenue as calculated in accordance with IFRS and represents stabilized properties only. It is calculated as of the first day of each month as the average rental revenue amount a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay, for a tenancy, before adjustments for other rental revenue items such as, incentives, vacancy loss, fees, specific recoveries, and revenue from commercial tenants.
(2) Occupied rent is a component of rental revenue as calculated in accordance with IFRS and represents stabilized properties only. It is calculated for occupied suites as of the first day of each month as the average rental revenue, adjusted for other rental revenue items such as fees, specific recoveries, and revenue from commercial tenants.
(3) Mark-to-market represents the difference between market rent and occupied rent, or market rent including incentives and occupied rent, where indicated.
(4) Market rent including incentives is market rent, as described, adjusted for incentives.
(5) Calgary includes the BRIO joint venture at 100% suite count.
(6) Saskatchewan market rent includes an increase for cable and internet service.

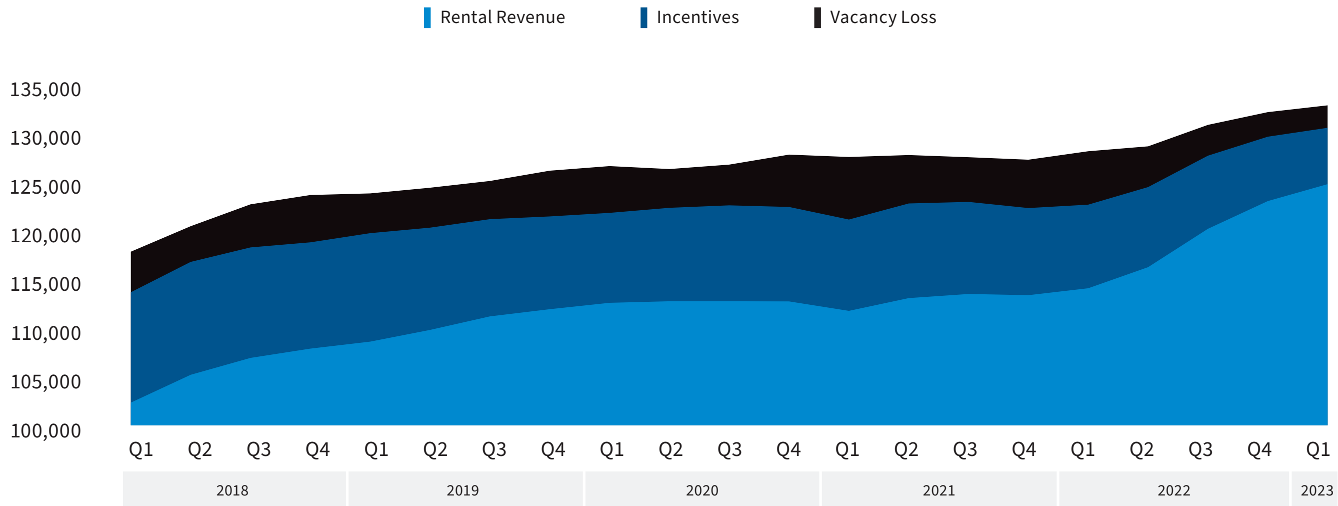
The increase in the loss-to-lease for our portfolio, from $29.2 million at December 2022, to $37.9 million at March 2023, was due primarily to an increase in market rents in the Edmonton, Calgary, and Saskatchewan markets for the month of March, using a weighted average mark-to-market of $97 per suite per month. Excluded from the loss-to-lease calculation of $37.9 million is approximately $55 per suite per month of incentives, representing the difference of the mark-to-market calculated excluding incentives and the mark-to-market calculated including incentives, resulting in potential additional revenue of approximately $20 million per annum or a total mark-to-market opportunity of $59.5 million.

In the first quarter of 2023, as with prior periods, Boardwalk REIT continued to focus on the optimization of all rental revenue, with attention to appropriate levels of market rents and certain occupancy level targets, as well as suite-selective incentives, when warranted.

Vacancy Loss and Incentives

Vacancy loss and rental incentives are strong indicators of current and future revenue performance. Depending on specific market conditions, to best manage overall economic rental revenue, the correct balance between rental incentives and vacancy loss is important. On a quarterly basis, the chart below details rental incentives offered versus vacancy loss, on a stabilized basis. Select incentives are continuing in the Alberta and Saskatchewan markets to maintain and increase occupancy levels. However, incentives and vacancy loss in these markets are on a downward trend as noted previously under the section titled “Segmented Operational Reviews” in this MD&A, with decreased incentives being used on the renewal of leases and minimal to no incentives being offered on new leases. Boardwalk REIT intends to continue to manage its overall revenues through three key revenue variables, notably, market rents, occupancy levels, and suite-selective incentives. The Trust continues to focus on maximizing overall revenues through the management of these key revenue variables.

Net Rental Revenue [1], Incentives, Vacancy Loss ($000s)



(1) Net rental revenue is a component of rental revenue as calculated in accordance with IFRS and represents rental revenue after adjustments for vacancy loss and incentives.

FINANCING COSTS

Financing costs, including interest expense on the Trust’s secured mortgages and lease obligations for the three months ended March 31, 2023, increased from the same period in the prior year, from $22.5 million to $26.0 million. At March 31, 2023, the reported weighted average interest rate for mortgages payable of 2.76% was up from the weighted average interest rate of 2.72% at December 31, 2022. Boardwalk REIT has continued to refinance and renew certain mortgages with a focus on balancing the renewing interest rate as well as staggering the mortgage maturity curve. The average term to maturity of the Trust’s mortgage portfolio is approximately 3.47 years.

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

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

Management of the Trust cannot over-emphasize the importance of this government-backed mortgage insurance program administered by CMHC. Despite past volatility in the overall credit markets, the Trust has been able to maintain a number of mortgage lenders willing to assume, or underwrite, additional mortgages under this program.

At March 31, 2023, approximately 96% of Boardwalk REIT’s mortgages were backed by this NHA insurance, with a weighted average amortization period of approximately 31 years.

As the LP Class B Units are classified as financial liabilities in accordance with IFRS, the corresponding distributions paid to the Unitholders are classified as financing costs under IFRS. Management of the Trust believes these distribution payments do not truly represent "financing costs" as these amounts are only payable if the Trust declares distributions, and only for the amount of any distributions declared, both of which are at the discretion of the Board of Trustees as outlined in the DOT. The total amount of distributions paid to the holders of LP Class B Units for the three months ended March 31, 2023, which have been recorded as financing costs, was $1.2 million (three months ended March 31, 2022 – $1.1 million). Based on this rationale, these amounts have been added back in the calculation of FFO.

Under IFRS, financing costs are recorded net of interest income the Trust has earned for the period. The total amount of interest income earned for the three months ended March 31, 2023 was $0.6 million, compared to $0.1 million for the same period in the prior year. Interest income will fluctuate depending on the cash on hand in the period and interest rates received on invested cash.

Amortization of Deferred Financing Costs

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

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

The total amortization of deferred financing costs for the three months ended March 31, 2023, was $1.8 million compared to $1.7 million recorded for the same period in the prior year. Amortization of deferred financing costs is included in financing costs.

Interest Rate Sensitivity

Although Boardwalk REIT manages its financing risk in a variety of ways, significant interest rate changes could still impact the Trust as a whole. Due to the size of Boardwalk's overall mortgage portfolio, it has been prudent to spread out the maturity of these mortgages over a number of years. For the remainder of fiscal 2023, the Trust anticipates having approximately $388.7 million of secured mortgages maturing with a weighted average rate of 2.94%. If we were to renew these mortgages today with a five-year term, the Trust estimates, based upon interactions with possible lenders, the new rate would be approximately 3.90% (as of May 2023).

To date, the Trust has renewed, or forward locked the interest rate on $197.6 million or 45% of its total 2023 mortgage maturities at an average interest rate of 4.44%, while extending the term of these mortgages by an average of 4.3 years.

ADMINISTRATION

Included in administration expenses are costs associated with Boardwalk REIT's centralized administrative functions. The amount reported for the three months ended March 31, 2023, which relates to corporate administration from continuing operations, was $9.8 million compared to $7.7 million for the same period in the prior year, an increase of approximately 27.3% for the year. The increase was attributable to higher administrative wages, which was increased in part due to rising inflation coupled with bonus considerations, as well as higher professional fees (including audit/advisory fees, legal expenses and government relation costs), travel costs, and third party software as a service fees.

DEPRECIATION

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

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

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

The total amount reported as depreciation for the three months ended March 31, 2023, was $1.8 million, which was consistent with the $1.8 million recorded for the same period in the prior year.

OTHER INCOME AND EXPENSES

Income Tax Expense

Boardwalk REIT qualifies as a "mutual fund trust" as defined in the Tax Act. The Tax Act also contains legislation affecting the tax treatment of publicly traded trusts and the criteria for qualifying for the REIT Exemption, which would exempt Boardwalk REIT from income tax under the SIFT Legislation. For 2022 and 2023 to date, the Trust qualified for the REIT Exemption.

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

LP Class B Units and the Deferred Unit Compensation Plan

The LP Class B Units are non-transferable, except under certain circumstances, but are exchangeable, on a one-for-one basis, into Trust Units at any time at the option of the holder. The LP Class B Units and the deferred unit-based compensation plan are classified as financial liabilities in accordance with IFRS standards, and, as a result, are recorded at their fair value at each reporting date. As at March 31, 2023, the Trust used a price of $55.14 based on the closing price of the Trust Units on the TSX to determine the fair value of these financial liabilities at that date. The total fair value of the LP Class B Units recorded on the Condensed Consolidated Interim Statements of Financial Position at March 31, 2023, was $246.8 million (December 31, 2022 – $221.2 million), and a corresponding fair value loss of $25.6 million was recorded on the Condensed Consolidated Interim Statements of Comprehensive Income for the three months ended March 31, 2023 (three months ended March 31, 2022 – fair value loss of $17.7 million).

As at March 31, 2023, the deferred unit-based compensation plan had a fair value of $9.6 million (December 31, 2022 – $8.1 million), and a corresponding fair value loss of $1.0 million was recorded on the Condensed Consolidated Interim Statements of Comprehensive Income for the three months ended March 31, 2023 (three months ended March 31, 2022 – fair value loss of $0.6 million).

REVIEW OF CASH FLOWS

Operating Activities

Cash flow from operating activities increased by 10.8% from $30.6 million for the three months ended March 31, 2022, to $33.9 million for the three months ended March 31, 2023. For the three months ended March 31, 2023, Boardwalk REIT reported ACFO of $31.7 million, or $0.63 per Unit. This represented an increase of approximately 20.1%, compared to $26.4 million, or $0.52 per Unit, reported for the same three months in 2022. The increase for 2023 regarding the cash flow from operating activities is mainly the result of increased rental revenues partially offset by higher operating and administrative costs incurred in the period and higher interest expense as a result of higher interest rates. The increase in ACFO is primarily due to higher rental revenues from higher occupied rent and lower incentives and vacancy loss.

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

ACFO Reconciliation *In $000's, except per Unit amounts*	**3 Months Mar. 31, 2023**	3 Months Mar. 31, 2022	% Change
Cash flow from operating activities	**$ 33,905**	$ 30,613	
Adjustments			
Net change in operating working capital	**7,848**	5,810	
Loss from equity accounted investment	**(315)**	-	
Deferred unit-based compensation	**(575)**	(469)	
LP Class B Unit distributions	**1,242**		
Government grant amortization	**95**	95	
Interest paid	**24,097**	20,660	
Financing costs	**(25,989)**	(22,533)	
Principal repayments on lease liabilities	**(906)**	(1,013)	
Principal repayments on lease receivable	**193**	176	
Maintenance Capital Expenditures (1)	**(7,849)**	(8,049)	
ACFO (2)(3)	**31,746**	26,439	20.1%
ACFO per Unit (3)	**$ 0.63**	$ 0.52	21.2%

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

For the current quarter, FFO Payout Ratio and ACFO Payout Ratio were 35.2% and 43.9%, respectively, compared to 37.6% and 49.0%, respectively, for the same period in the prior year.

ACFO, in the longer term, is indicative of the Trust's ability to pay distributions to its Unitholders. ACFO Payout Ratio is a non-GAAP ratio. Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information on ACFO Payout Ratio. As regular distributions are funded by the Trust's liquidity, cash flow from operating activities, and mortgage upfinancings tied to investment property capital appreciation, these distributions are reviewed on a quarterly basis by the Board of Trustees to assess whether they are sustainable. As a result of the review at the beginning of 2023, the Board of Trustees had approved distributions of $1.17 per Trust Unit on an annualized basis effective March 2023.

Investing Activities

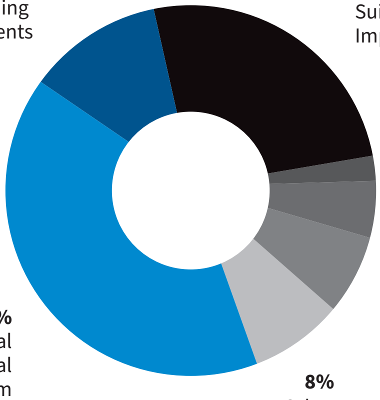
Capital Improvements

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

For the three months ended March 31, 2023, Boardwalk REIT invested approximately $21.0 million in capital assets (comprised of $19.6 million on its investment properties and $1.4 million on property, plant and equipment) back into its properties in the form of equipment and project enhancements to upgrade existing suites, common areas, and building exteriors and systems, compared to the $21.9 million ($20.7 million on its investment properties and $1.2 million on property, plant and equipment) invested for the three months ended March 31, 2022.

A significant part of Boardwalk's capital improvement program relates to projects that are carried out by Boardwalk's Associates. This internal capital program was initiated in 1996 as a way to create more value for the Trust. The Trust recognizes that there are certain efficiencies and economies of scale available from having Boardwalk Associates perform certain capital projects ourselves, or "in-house". This results in the faster execution and greater control of these projects while at the same time eliminating the profit charged by third-party contractors. The Trust focuses on specific projects where there is the largest opportunity for value creation, like flooring and painting. Over the last few years, the Trust has intensified this focus of performing capital projects "in-house" rather than contracting such services. Included in investment in capital assets is approximately $8.5 million of on-site wages and salaries that have been incurred towards these projects for 2023, compared to $8.4 million for the first quarter of 2022.

2023 3M Investment in Capital Assets



Maintenance of Productive Capacity

The Trust has two separate areas in which capital is invested back into its residential buildings. These are referred to as Maintenance Capital Expenditures or "Maintenance CAPEX" and value-add capital investments.

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

Value-add Capital and Maintenance Capital Expenditures

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

Maintenance CAPEX are expenditures which relate to sustaining and maintaining the existing asset. Boardwalk's determination of Maintenance CAPEX is based on an estimated reserve amount per suite based on a three-year average of the capital invested to maintain and sustain the existing properties. The allocations below were the result of a detailed review of the Trust's historical capital investment. As previously discussed, significant judgement was required to allocate capital between value-add and Maintenance CAPEX. Capital budget amounts for 2023, revised, if necessary, based on actual expenditures for the year, are initially used to calculate Maintenance CAPEX for the three-year rolling average. For 2022, the three-year rolling average is based on actual expenditures invested from 2020 to 2022.

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

Category	2023 Budgeted Capital Expenditures ($000's)	2022 Capital Expenditures ($000's)	2021 Capital Expenditures ($000's)	2020 Capital Expenditures ($000's)
Building Exterior, Grounds & Parking	$ 42,173	$ 40,794	$ 26,151	$ 20,990
Hallways & Lobbies	8,679	6,628	8,093	6,816
Elevators	6,056	2,160	2,826	2,653
Mechanical & Electrical	6,580	6,086	6,901	5,134
Other – Information Technology	5,420	3,707	4,428	4,422
Site Equipment & Vehicles	1,748	1,342	1,636	1,412
Total Common Area	$ 70,656	$ 60,717	$ 50,035	$ 41,427
Paint & General	$ 8,999	$ 8,891	$ 13,072	$ 10,446
Flooring	10,954	10,823	12,824	11,959
Cabinets & Counters	6,842	6,760	7,957	7,348
Appliances	4,857	4,799	5,145	5,523
Suite Mechanical	1,568	1,549	1,659	1,738
Furniture, Fixtures & Equipment	780	771	1,198	971
Total Suites	$ 34,000	$ 33,593	$ 41,855	$ 37,985
Internal Capital Program	$ 33,344	$ 34,435	$ 34,237	$ 33,658
Subtotal	$ 138,000	$ 128,745	$ 126,127	$ 113,070
Corporate Capital Expenditures	-	607	876	546
Investment in capital assets	$ 138,000	$ 129,352	$ 127,003	$ 113,616
Cash Flow from Investing Activities				
Improvements to Investment Properties	$ 130,832	$ 123,885	$ 121,492	$ 108,653
Additions to Property, Plant & Equipment	7,168	5,467	5,511	4,963
Investment in capital assets	$ 138,000	$ 129,352	$ 127,003	$ 113,616
Number of suites	33,722	33,722	33,264	33,396
Value-add Capital Investment				
Building Improvements	$ 38,712	$ 34,443	$ 25,194	$ 19,474
Common Area Renovations	8,679	6,628	8,093	6,816
Suite Upgrades	26,670	25,999	33,493	29,104
Internal Capital	27,188	28,289	28,664	27,195
Other – Information Technology	1,355	927	1,107	1,106
	$ 102,605	$ 96,286	$ 96,551	$ 83,695
Maintenance CAPEX	35,395	33,066	30,452	29,921
Investment in capital assets	$ 138,000	$ 129,352	$ 127,003	$ 113,616
Maintenance CAPEX per Suite	$ 1,050	$ 981	$ 915	$ 896
Three-year Rolling Average Reserve				
2021			$ 915	
2022			$ 981	
2023			$ 1,050	
2023 Maintenance CAPEX Per Suite			**$ 982**	
Three-year Rolling Average Reserve				
2020				$ 896
2021				$ 915
2022				$ 981
2022 Maintenance CAPEX Per Suite				**$ 931**

Using the three-year rolling average reserve, for 2023, Boardwalk's estimate of Maintenance CAPEX is $33.1 million, or $982 per suite, for the year. For 2022, Boardwalk's estimate of Maintenance CAPEX, using the three-year average reserve, was $31.4 million, or $931 per suite, for the year.

The following table provides management of the Trust's estimate of these expenditure categories for the three months ended March 31, 2023 and 2022.

(in $000's, except for per suite amounts)	**3 Months Mar. 31, 2023**	**Per Suite**	3 Month Mar. 31, 2022	Per Suite
Maintenance Capital Expenditures	**$ 7,849**	**$ 233**	$ 8,049	$ 241
Value-add Capital	**13,198**	**391**	13,824	414
Investment in capital assets	**$ 21,047**	**$ 624**	$ 21,873	$ 655

Management of the Trust has estimated that for the first quarter of fiscals 2023 and 2022, the amount allocated to maintenance capital was approximately $7.8 million, or $233 per suite, and $8.0 million, or $241 per suite, respectively, with investment in value-add capital expenditures to its investment properties totaling $13.2 million and $13.8 million, respectively, or $391 and $414 per suite, respectively.

Investment Properties

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

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

Date	Number of Properties	Aggregate Fair Value	Percentage of Portfolio as of that Date
March 31, 2023	**4**	**$ 100,235**	**1.4%**
December 31, 2022	5	$ 879,913	12.8%
September 30, 2022	4	$ 160,628	2.3%
June 30, 2022	6	$ 176,883	2.6%
March 31, 2022	5	$ 175,019	2.6%

The fair value of the Trust's investment property portfolio was determined internally by the Trust using the same assumptions and valuation techniques used by the Appraisers. In addition to performing a valuation on a selection of the Trust's properties (and not performing a valuation on all of the Trust properties) to compare to the Trust's internal valuation, the Appraisers provided the Trust with a summary of the major assumptions and market data by city in order for the Trust to complete its internal valuations.

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

As at	**Mar. 31, 2023**		Dec. 31, 2022	
	Capitalization Rate Weighted Average	**Forecasted Total Stabilized Net Operating Income**	Capitalization Rate Weighted Average	Forecasted Total Stabilized Net Operating Income
Alberta	**5.01%**	**$ 219,287**	5.01%	$ 206,176
British Columbia	**4.25%**	**2,280**	4.25%	2,350
Saskatchewan	**5.67%**	**36,439**	5.67%	35,049
Ontario	**4.02%**	**30,088**	4.01%	27,354
Quebec	**4.81%**	**17,898**	4.81%	17,965
	4.94%	**$ 305,992**	4.95%	$ 288,894
Land Leases	**4.69%**	**36,319**	4.69%	36,198
Total	**4.92%**	**$ 342,311**	4.92%	$ 325,092

Overall portfolio weighted average stabilized capitalization rate ("cap rate") was 4.92% as at March 31, 2023 and 4.92% as at December 31, 2022, using a forecasted stabilized NOI.

The "Overall Capitalization Rate" method requires a forecasted stabilized NOI be divided by a cap rate to determine a fair value. As such, fluctuations in both NOI and cap rates could significantly alter the fair value. Generally, an increase in NOI will result in an increase to the fair value of an investment property. An increase in cap rate will result in a decrease to the fair value of an investment property. When the cap rate is applied to NOI to calculate fair value, there is a significant impact whereby the lower the cap rate, the larger the impact. The tables below summarize the sensitivity impact of changes in both cap rates and forecasted stabilized NOI on the Trust's fair value of its investment properties (excluding building acquisitions valued at Level 2 inputs, developments, and the right-of-use assets related to lease liabilities) as at March 31, 2023 and December 31, 2022:

As at March 31, 2023		**Stabilized Net Operating Income**				
		-3%	**-1%**	**As Forecasted**	**+1%**	**+3%**
Cap Rate		**$ 332,042**	**$ 338,888**	**$ 342,311**	**$ 345,734**	**$ 352,580**
-0.25%	4.67%	**$ 152,993**	**$ 299,718**	**$ 373,081**	**$ 446,443**	**$ 593,169**
Cap Rate As Reported	4.92%	**(208,896)**	**(69,632)**	**6,963,190**	**69,632**	**208,896**
+0.25%	5.17%	**(535,758)**	**(403,234)**	**(336,971)**	**(270,709)**	**(138,185)**

As at December 31, 2022		Stabilized Net Operating Income				
		-3%	-1%	As Forecasted	+1%	+3%
Cap Rate		$ 315,339	$ 321,841	$ 325,092	$ 328,343	$ 334,845
-0.25%	4.67%	$ 145,324	$ 284,676	$ 354,353	$ 424,029	$ 563,382
Cap Rate As Reported	4.92%	(198,398)	(66,133)	6,613,279	66,133	198,398
+0.25%	5.17%	(508,851)	(382,987)	(320,054)	(257,122)	(131,258)

Investment properties with a fair value of $774.0 million as at March 31, 2023 (December 31, 2022 – $772.5 million), are situated on land held under ground (or land) leases.

Investment properties with a fair value of $761.9 million as at March 31, 2023 (December 31, 2022 – $808.6 million), are pledged as security against the Trust's committed revolving credit facility. In addition, investment properties with a fair value of $6.9 billion as at March 31, 2023 (December 31, 2022 - $6.6 billion), are pledged as security against the Trust's mortgages payable.

For the three months ended March 31, 2023, the Trust capitalized $19.6 million in improvements to investment properties (and $3.2 million in development of investment properties) and recorded a fair value gain of $211.1 million on its financial statements as a result of changes in the fair value of investment properties. For the year ended December 31, 2022, the Trust capitalized $123.9 million in improvements to investment properties (and $17.7 million in development of investment properties) and recorded a fair value gain of $106.4 million. Capitalized building improvements represent expenditures that provide future benefits to the Trust for a period greater than twelve months, some of which may not be immediately reflected in the fair value of the investment properties, under IFRS, for the current reporting period.

Joint Venture Agreements

Boardwalk and RioCan Real Estate Investment Trust ("RioCan") completed their first joint venture development project known as BRIO, located in Calgary, Alberta, in February 2020. The joint venture is an equal 50% interest between the parties, with RioCan managing the retail component and Boardwalk managing the residential component, each on a cost basis.

In 2020, Boardwalk continued with its 50:50 joint venture partnership, with a private partner, to develop a 365-suite multi-residential, purpose-built rental complex, located near downtown Brampton, Ontario. It is estimated that total development costs for the project is approximately $200 to $215 million. The proposed project is a rental complex with approximately 10,700 square feet of retail space, above and underground parking and 380,000 square feet of residential space over two concrete high-rise towers. For the three months ended March 31, 2023, the Trust invested $nil in capital contributions in equity accounted investment to this limited partnership (year ended December 31, 2022 – $nil). The project is substantially tracking on time and on budget. During the fourth quarter of 2022, one of the high-rise towers, which includes 176 residential suites, was substantially completed and as of March 31, 2023, the tower was 50% leased. The partnership has committed to a construction facility loan for 60% of the budgeted costs to construct. As at March 31, 2023, $85.7 million has been drawn on this loan, of which Boardwalk's portion is $42.9 million.

Development

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

For the three months ended March 31, 2023, the Trust expended $3.2 million on development of investment properties compared to $0.6 million for the same period in the prior year. Interest costs of $0.4 million were capitalized to properties under development for the three months ended March 31, 2023 (three months ended March 31, 2022 – $0.4 million).

On June 1, 2022, the Trust purchased three adjacent parcels of land in Victoria, BC, in the community of View Royal, for a purchase price of $12.0 million (excluding transaction costs).

New Property Acquisitions and Dispositions

On August 8, 2022, the Trust acquired a property in Calgary, Alberta. The property is comprised of 158 suites and had a purchase price of $40.9 million (including transaction costs).

On March 30, 2022, the Trust acquired a property in Brampton, Ontario comprised of 152 suites and a property in Canmore, Alberta comprised of 148 suites. The combined purchase price for these two properties was $118.8 million (including transaction costs).

Financing Activities

Distributions

Boardwalk distributes payments on a monthly basis to its Unitholders and holders of LP Class B Units. These payments are referred to as regular distributions. The distinct nature and classification of these payments are unique to each real estate investment trust and the components of these distributions may have differing tax treatments. For the three months ended March 31, 2023, the Trust declared regular distributions of $13.9 million, a slight increase from the $13.0 million declared in the same period in 2022. The increase is due to the increased distribution rate to $1.17 per Trust Unit as previously noted. Regular distributions declared for both the three months ended March 31, 2023 and 2022, represent an FFO payout ratio of 35.2% and 37.6%, respectively. For the three months ended March 31, 2023, the Trust recorded profit of $221.4 million (three months ended March 31, 2022 – profit of $69.4 million).

Financing of Revenue Producing Properties

During the three months ended March 31, 2023, proceeds from mortgage financings, excluding mortgages assumed on new acquisitions, totaled $15.7 million (three months ended March 31, 2022 – $210.2 million). During the financing and refinancing process, the weighted average interest rate on its mortgage portfolio increased from 2.72% at December 31, 2022, to 2.76% at March 31, 2023.

Due to the nature of multi-family residential real estate, the amount paid for apartments may vary dramatically based on a number of parameters, including location, type of ownership (free hold versus land lease), and type of construction. As required under IFRS, on acquisition, an analysis is performed on the mortgage debt assumed, if any. The analysis focuses on the interest rates of the debt assumed. If it is determined that the in-place rates are materially below or above market rates, an adjustment is made to the book cost of the recorded asset. During the third quarter of 2022, $29.2 million of mortgage financing was assumed on an acquisition. The mortgage had an in-place rate below market rates, resulting in market debt adjustments totaling $1.0 million that was made to the book cost of the corresponding asset. During the third quarter of 2020, $16.1 million of mortgage financing were assumed on acquisitions. These mortgages had in-place rates above market rates, resulting in market debt adjustments totaling $459,000 that was made to the book cost of the corresponding assets.

CAPITAL STRUCTURE AND LIQUIDITY

Liquidity refers to the Trust's ability to generate, and have available, sufficient cash to fund its ongoing operations and capital commitments as well as its distributions to Unitholders. Generally, distributions are funded from ACFO, a non-GAAP financial measure cash flow metric as previously defined. In addition to ACFO, the Trust relies on a combination of debt capital, and equity to fund a portion of its capital expenditures, acquisitions, development, and other uses of capital. Over the past number of years, Boardwalk has observed a significant increase in borrowing standards of many of our key lending partners as a result of heightened sensitivity to possible weaknesses in the economy. To mitigate the risk of renewal, the Trust utilizes NHA mortgage insurance, the benefits of which are discussed in detail in this MD&A. Approximately 96% of Boardwalk REIT's secured mortgages carry NHA insurance. In volatile times, the ability to access this product is very beneficial to the Trust as a whole.

The access to liquidity is an important element of the Trust as it allows the Trust to implement its overall strategy. The previous low interest rate environment had allowed Boardwalk to renew its existing maturing mortgages at favourable interest rates. In addition, Boardwalk has been able to access additional capital from its properties through the continued use of the current NHA insurance program, which provides mortgage financing at attractive rates. During the early part of the COVID-19 pandemic we had seen declining interest rates, however, as a result of inflation, the war in Ukraine, and various other economic factors, interest rates have dramatically increased from where they previously were during 2021 and at the beginning of 2022. As such, financing costs over the near to medium term are expected to increase, as compared to maturing rates.

Boardwalk defines total available liquidity to include cash and cash equivalents on hand and any unused committed revolving credit facility, plus any subsequent committed/funded financing. The Trust's cash and cash equivalents was $44.1 million at March 31, 2023, compared to $52.8 million reported on December 31, 2022. As at March 31, 2023, the Trust also had $196.1 million of unused committed revolving credit facility (December 31, 2022 – $196.1 million) and subsequent committed/funded financing of $3.7 million (December 31, 2022 – $7.4 million), bringing total available liquidity to $243.9 million (December 31, 2022 – $256.3 million).

The Trust's liquidity position as at March 31, 2023 remains stable as the following table highlights:

($000)		
Cash and cash equivalents	$	44,145
Subsequent committed/funded financing		3,715
Unused committed revolving credit facility available		196,100
Total available liquidity	$	243,960

In addition to this, the Trust currently has 866 rental suites of unencumbered assets. It is estimated that, under current CMHC underwriting criteria, the Trust could obtain an additional $96.5 million of new proceeds from the financing of its currently unencumbered assets.

Of the $388.7 million of secured mortgages coming due in 2023 (as shown in the table below), approximately 80% have NHA insurance, and represent in aggregate approximately 48% of current estimated "underwriting" values on those individual secured assets. Interest rates on 5 and ten-year NHA-insured mortgages as of May 2023 were 3.90% and 3.75%, respectively. The reader is cautioned these rates do fluctuate and, by the time these maturing mortgages are set for renewal, with or without additional financing, interest rates may have changed materially. Even with the NHA insurance program attached to its secured mortgages, the Trust is still susceptible to changes in market interest rates. To address a portion of this risk, to date, the Trust has renewed or forward locked $197.6 million, or 45%, of its 2023 mortgage maturities. Of the $197.6 million that has been renewed or forward locked, $106.1 million represents conventional mortgages. The weighted average contracted interest rate on these renewals is 4.44%, for an average term of 4.3 years.

Mortgage Schedule

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

Mortgages payable as at March 31, 2023, were $3.2 billion, compared to $3.2 billion as at December 31, 2022.

Boardwalk REIT's overall weighted average interest rate on its long-term debt has increased from the prior year. The weighted average interest rate as at March 31, 2023, was 2.76% compared to 2.72% as at December 31, 2022. To better maintain cost effectiveness and flexibility of capital, Boardwalk REIT continuously monitors short and long-term interest rates. If the environment warrants, the Trust will convert short-term, floating rate debt, if any, to longer term, fixed rate mortgages to reduce interest rate renewal risk.

Year of Maturity		Principal Outstanding as at Mar. 31, 2023	Weighted Average Interest Rate By Maturity	% of Total
2023	$	388,696	2.94%	11.7%
2024		424,893	2.93%	12.7%
2025		544,291	2.20%	16.3%
2026		601,270	2.19%	18.0%
2027		632,437	3.16%	19.0%
2028		311,053	3.63%	9.3%
2029		212,464	2.61%	6.4%
2030		113,269	1.99%	3.4%
2031		23,500	2.71%	0.7%
2032		81,176	4.13%	2.5%
Total mortgage principal outstanding		3,333,049	2.76%	100.0%
Unamortized deferred financing costs		(120,227)		
Unamortized market debt adjustments		(703)		
Mortgages payable	$	3,212,119		

Interest Coverage

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

The following table sets out the Trust's interest coverage ratio calculation as at March 31, 2023, and December 31, 2022, based on the most recently completed four fiscal quarters.

As at	Mar. 31, 2023	Dec. 31, 2022
Net operating income	$ 299,537	$ 288,660
Administration	(35,971)	(33,859)
Deferred unit-based compensation	(2,662)	(2,556)
EBITDA (1) from equity accounted investment	(102)	(70)
Consolidated EBITDA (12 months ended)	$ 260,802	$ 252,175
Interest expense	$ 89,216	$ 85,824
Interest expense from equity accounted investment	457	176
Consolidated interest expense (12 months ended)	$ 89,673	$ 86,000
Interest coverage ratio	2.91	2.93
Minimum threshold	1.50	1.50

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

For the trailing 12 months ended March 31, 2023, Boardwalk REIT's overall interest coverage ratio of consolidated EBITDA to consolidated interest expense, excluding distributions on LP Class B Units and fair value adjustments, was 2.91, compared to 2.93 for the year ended December 31, 2022. Under IFRS, the distributions made to the holders of LP Class B Units are considered financing costs and is the result of the reclassification of the LP Class B Units as financial liabilities. The calculation of the interest coverage ratio above does not include these distribution payments in the calculation of consolidated interest expense.

Unitholders' Equity

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

Summary of Unitholders' Capital Contributions	Trust Units
December 31, 2021	46,137,112
Trust Units issued for vested deferred units	25,810
Trust Units purchased and cancelled	(440,000)
December 31, 2022	45,722,922
Trust Units issued for vested deferred units	1,233
March 31, 2023	**45,724,155**

Boardwalk REIT has one class of publicly traded voting securities, being the Trust Units. As at March 31, 2023, there were 45,724,155 Trust Units issued and outstanding. In addition, there were 4,475,000 LP Class B Units, each of which also has a special voting unit in the REIT. Each LP Class B Unit is exchangeable for a Trust Unit on a one-for-one basis at the option of the holder. Each LP Class B Unit, through the special voting unit, entitles the holder to one vote at any meeting of Unitholders. Accordingly, if all of the LP Class B Units were exchanged for Trust Units, the total issued and outstanding Trust Units would be 50,199,155. These LP Class B Units are classified as "FVTPL" financial liabilities under IFRS and are recorded at their fair value as liabilities on the Condensed Consolidated Interim Statements of Financial Position as at March 31, 2023 and December 31, 2022.

On November 17, 2022, the Trust received regulatory approval the renewal of its Normal Course Issuer Bid ("Bid") to purchase and cancel up to 3,693,497 Trust Units, representing 10% of the public float at the time of the TSX approval. The Bid commenced on November 22, 2022, and will terminate on November 21, 2023, or when the maximum number of Trust Units have been purchased. The Trust's daily purchases under this Bid will be limited to 30,116 Trust Units.

On November 18, 2021, the Trust received regulatory approval for a Bid to purchase and cancel up to 3,780,351 Trust Units, representing 10% of the public float at the time of the TSX approval. The Bid commenced on November 22, 2021, and terminated on November 21, 2022. The Trust's daily purchases pursuant to this Bid was limited to 32,046 Trust Units.

For the three months ended March 31, 2023, the Trust did not purchase and cancel any Trust Units. During 2022, the Trust purchased and cancelled 440,000 Trust Units at an average purchase cost of $49.25 per Trust Unit under the Bid.

Equity

Boardwalk has an equity market capitalization of $2.8 billion based on the Trust Unit closing price of $55.14 on the TSX on March 31, 2023.

With an enterprise value of approximately $6.1 billion (comprised of total mortgage principal outstanding of $3.3 billion and equity market capitalization of $2.8 billion) as at March 31, 2023, Boardwalk's total mortgage principal outstanding is approximately 54% enterprise value.

Net Asset Value per Unit

The Trust's NAV per Unit is calculated below:

	Mar. 31, 2023	Dec. 31, 2022
Investment properties	$ 7,134,589	$ 6,900,745
Equity accounted investment	40,556	40,871
Cash and cash equivalents	44,145	52,816
Adjusted Real Estate Assets [(1)(2)]	$ 7,219,290	$ 6,994,432
Total mortgage principal outstanding	$ (3,333,049)	$ (3,336,026)
Total lease liabilities attributable to land leases [(3)]	(74,088)	(74,502)
Adjusted Real Estate Debt [(1)(2)]	$ (3,407,137)	$ (3,410,528)
Net Asset Value [(1)(2)]	$ 3,812,153	$ 3,583,904
Net Asset Value per Unit [(2)]	$ 75.85	$ 71.35

Reconciliation of Unitholders' Equity to Net Asset Value	Mar. 31, 2023	Dec. 31, 2022
Unitholders' Equity	$ 3,675,771	$ 3,466,998
Total Assets	(7,293,750)	(7,067,275)
Investment properties	7,134,589	6,900,745
Equity accounted investment	40,556	40,871
Cash and cash equivalents	44,145	52,816
Total Liabilities	3,617,979	3,600,277
Total mortgage principal outstanding	(3,333,049)	(3,336,026)
Total lease liabilities attributable to land leases [(3)]	(74,088)	(74,502)
Net Asset Value [(1)(2)]	$ 3,812,153	$ 3,583,904

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

Overall NAV per Unit has increased 6.3% to $75.85 as at March 31, 2023, compared to $71.35 as at March 31, 2022, due to an increase in investment properties. NAV is a key metric used by real estate entities to measure the value of an organization.

DISCLOSURE CONTROLS AND PROCEDURES & INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining a system of disclosure controls and procedures to provide reasonable assurance that all material information relating to the Trust is gathered and reported to senior management on a timely basis so that appropriate decisions can be made regarding public disclosure.

Management is also responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial reports for external purposes in accordance with IFRS.

In designing such controls, it should be recognized that due to inherent limitations, any controls, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and may not prevent or detect misstatements. Additionally, management is required to use judgment in evaluating controls and procedures.

There were no changes made in our internal controls over financial reporting during the quarter ended March 31, 2023, that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

2023 FINANCIAL OUTLOOK AND MARKET GUIDANCE

As is customary, the Trust reviews its base level assumptions and strategy on a quarterly basis to determine if any material change is warranted in the reported guidance. Based on this review, the Trust is updating its 2023 guidance as follows:

Description	2023 Revised Guidance	2023 Original Guidance	2022 Actual
Stabilized Property NOI Growth	9.5% to 13.0%	8.5% to 12.5%	3.8%
Profit	N/A	N/A	$283,096
FFO [(1)(2)]	N/A	N/A	$157,444
AFFO [(1)(2)]	N/A	N/A	$126,181
FFO Per Unit [(2)]	$3.30-$3.46	$3.25-$3.45	$3.13
AFFO Per Unit [(2)]	$2.64-$2.80 utilizing a Maintenance CAPEX of $982/suite/year	$2.59-$2.79 utilizing a Maintenance CAPEX of $982/suite/year	$2.51 utilizing a Maintenance CAPEX of $931/suite/year

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

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

The reader is cautioned that this information is forward-looking and actual results may vary materially from those reported. One of the key estimates is the performance of the Trust’s stabilized properties. Any significant change in assumptions deriving “Stabilized Property NOI performance” would have a material effect on the final reported amount. The Trust reviews these key assumptions quarterly and, based on this review, may change its outlook on a going-forward basis.

In addition to revisiting the above financial guidance for 2023, the Trust is reiterating its 2023 Capital Budget as follows:

Capital Budget *($000's)*	2023 Budget	Per Suite	3 Months Mar. 31, 2023 Actual	Per Suite
Maintenance Capital Expenditures	$ 33,168	$ 982	$ 7,849	$ 233
Value-add Capital	104,832	3,110	13,198	391
Investment in capital assets	$ 138,000	$ 4,092	$ 21,047	$ 624
Development of investment properties	$ 43,068		$ 3,153	

In total, the Trust expects to invest $138.0 million (or $4,092 per suite) in capital assets in 2023. For the three months ended March 31, 2023, the Trust invested $21.0 million (or $624 per suite) in capital assets and $3.2 million on development costs.

SELECTED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The condensed consolidated interim statements of comprehensive income set forth in the following table has been derived from the unaudited condensed consolidated interim financial statements of the Trust for various quarterly interim periods.

	Three Months Ended							
Quarterly Comparative *(Cdn$ Thousands, except per Unit amount)*	**Mar. 31, 2023**	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Dec. 31, 2021	Sep. 30, 2021	Jun. 30, 2021
Rental revenue	**$130,531**	$ 128,772	$ 125,471	$ 122,286	$ 118,277	$ 118,728	$ 118,446	$ 117,596
Profit	**221,389**	14,137	47,043	152,488	69,428	131,140	235,539	50,611
FFO (1)(2)	**39,595**	39,973	42,705	40,281	34,488	38,316	40,522	38,160
Profit per Trust Unit								
– Basic	**$ 4.84**	$ 0.31	$ 1.03	$ 3.32	$ 1.51	$ 2.82	$ 5.06	$ 1.09
– Diluted	**$ 4.84**	$ 0.31	$ 1.02	$ 1.54	$ 1.51	$ 2.82	$ 5.06	$ 1.09
FFO per Unit (2)	**$ 0.79**	$ 0.80	$ 0.85	$ 0.80	$ 0.68	$ 0.75	$ 0.79	$ 0.75

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

Additional Information

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

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(unaudited, CDN $ THOUSANDS)

As at	Note	Mar. 31, 2023	Dec. 31, 2022
ASSETS			
Non-current assets			
Investment properties	3	$ 7,134,589	$ 6,900,745
Property, plant and equipment		30,966	31,352
Equity accounted investment	4	40,556	40,871
Investment in private technology venture fund		1,950	3,303
Deferred tax assets		816	859
		7,208,877	6,977,130
Current assets			
Inventories		7,326	7,765
Prepaid expenses and other		19,606	15,979
Lease receivable		128	321
Trade and other receivables		4,726	4,641
Segregated tenants' security deposits		8,942	8,623
Cash and cash equivalents		44,145	52,816
		84,873	90,145
Total Assets		$ 7,293,750	$ 7,067,275
LIABILITIES			
Non-current liabilities			
Mortgages payable	5	$ 2,727,221	$ 2,709,601
Lease liabilities		75,852	76,602
Deferred unit-based compensation	6	3,961	4,181
Deferred tax liabilities		16	2
Deferred government grant		3,656	3,750
LP Class B Units	7	246,752	221,199
		3,057,458	3,015,335
Current liabilities			
Mortgages payable	5	484,898	504,953
Lease liabilities		3,240	3,396
Deferred unit-based compensation	6	5,634	3,878
Deferred government grant		378	378
Refundable tenants' security deposits		12,815	12,363
Trade and other payables		53,556	59,974
		560,521	584,942
Total Liabilities		3,617,979	3,600,277
Equity			
Unitholders' equity	8	3,675,771	3,466,998
Total Equity		3,675,771	3,466,998
Total Liabilities and Equity		$ 7,293,750	$ 7,067,275

See accompanying notes to these condensed consolidated interim financial statements

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

(unaudited, CDN $ THOUSANDS)

	Note		3 Months Ended Mar. 31, 2023		3 Months Ended Mar. 31, 2022
Rental revenue	9	$	130,531	$	118,277
Rental expenses					
Operating expenses			25,467		24,797
Utilities			16,428		16,048
Property taxes			12,844		12,517
Total rental expenses			54,739		53,362
Net operating income			75,792		64,915
Financing costs	10		25,989		22,533
Administration			9,847		7,735
Deferred unit-based compensation	6		575		469
Depreciation			1,800		1,826
Profit before the undernoted			37,581		32,352
Loss from equity accounted investment	4		(315)		-
Fair value gains	11		183,362		35,850
Other income			818		1,321
Profit before income tax			221,446		69,523
Income tax expense			(57)		(95)
Profit			221,389		69,428
Other comprehensive income			-		-
Total comprehensive income		$	221,389	$	69,428

See accompanying notes to these condensed consolidated interim financial statements

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN UNITHOLDERS' EQUITY

(unaudited, CDN $ THOUSANDS)

	Trust Units	Cumulative Profit (Loss)	Cumulative Distributions to Unitholders	Retained Earnings	Total Unitholders' Equity
Balance, December 31, 2021	$ 214,689	$ 4,581,580	$ (1,543,091)	$ 3,038,489	$ 3,253,178
Units purchased and cancelled	(1,270)	(6,322)	-	(6,322)	(7,592)
Profit	-	69,428	-	69,428	69,428
Total comprehensive income	-	69,428	-	69,428	69,428
Distributions	-	-	(11,812)	(11,812)	(11,812)
Balance, March 31, 2022	$ 213,419	$ 4,644,686	$ (1,554,903)	$ 3,089,783	$ 3,303,202
Balance, December 31, 2022	$ 211,899	$ 4,847,088	$ (1,591,989)	$ 3,255,099	$ 3,466,998
Units issued	72	-	-	-	72
Profit	-	221,389	-	221,389	221,389
Total comprehensive income	-	221,389	-	221,389	221,389
Distributions	-	-	(12,688)	(12,688)	(12,688)
Balance, March 31, 2023	**$ 211,971**	**$ 5,068,477**	**$(1,604,677)**	**$ 3,463,800**	**$ 3,675,771**

See accompanying notes to these condensed consolidated interim financial statements

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(unaudited, CDN $ THOUSANDS)

	Note	**3 Months Ended Mar. 31, 2023**	3 Months Ended Mar. 31, 2022
Operating activities			
Profit		**$ 221,389**	$ 69,428
Other income		**(818)**	(1,321)
Financing costs	10	**25,989**	22,533
Interest paid		**(24,097)**	(20,660)
Deferred unit-based compensation	6	**575**	469
Loss from equity accounted investment	4	**315**	-
Fair value gains	11	**(183,362)**	(35,850)
Income tax expense		**57**	95
Income tax paid		**-**	(2)
Government grant amortization		**(95)**	(95)
Depreciation		**1,800**	1,826
		41,753	36,423
Net change in operating working capital	17	**(7,848)**	(5,810)
Cash flow from operating activities		**33,905**	30,613
Investing activities			
Purchase of investment properties, net of financing	3	**-**	(39,406)
Investment in capital assets	17	**(21,047)**	(21,873)
Development of investment properties	3	**(3,153)**	(565)
Distributions from investment in private technology venture fund		**1,060**	1,465
Principal repayments on lease receivable		**193**	176
Net change in investing working capital	17	**(2,084)**	(4,685)
Cash flow used in investing activities		**(25,031)**	(64,888)
Financing activities			
Distributions paid	17	**(12,345)**	(11,520)
Unit repurchase program	8	**-**	(7,592)
Proceeds from mortgage financings		**15,660**	105,001
Mortgage payments upon refinancing		**-**	(41,360)
Scheduled mortgage principal repayments		**(18,638)**	(18,594)
Repayment of construction loan financing		**-**	(21,187)
Deferred financing costs incurred		**(1,296)**	(3,826)
Principal repayments on lease liabilities		**(906)**	(1,013)
Net change in financing working capital	17	**(20)**	(129)
Cash flow used in financing activities		**(17,545)**	(220)
Net decrease in cash		**(8,671)**	(34,495)
Cash and cash equivalents, beginning of year		**52,816**	64,300
Cash and cash equivalents, end of period		**$ 44,145**	$ 29,805

See accompanying notes to these condensed consolidated interim financial statements

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three Months Ended, March 31, 2023 and 2022

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

NOTE 1: ORGANIZATION OF THE TRUST

Boardwalk Real Estate Investment Trust ("Boardwalk REIT" or the "Trust" or the "Entity") is an unincorporated, open-ended real estate investment trust created pursuant to the Declaration of Trust ("DOT"), dated January 9, 2004, and as amended and restated on various dates between May 3, 2004 and May 15, 2018, under the laws of the Province of Alberta. Boardwalk REIT was created to invest in multi-family residential investment properties or similar interests, initially through the acquisition of the assets and operations of Boardwalk Equities Inc. (the "Corporation"), which was acquired on May 3, 2004. Boardwalk REIT Trust Units (or "Trust Units") are listed on the Toronto Stock Exchange under the symbol 'BEI.UN'. The registered office of the Trust and its head office operations are located at First West Place, Suite 200, 1501 1st Street SW, Calgary, Alberta, T2R 0W1.

NOTE 2: MATERIAL ACCOUNTING POLICY INFORMATION

(a) Statement of Compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Standards ("IAS") 34 – Interim Financial Reporting ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and footnote disclosures normally included in the annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the IASB, have been omitted or condensed. These condensed consolidated interim financial statements should be read in conjunction with the Trust's annual December 31, 2022 consolidated financial statements.

(b) Basis of Presentation

These condensed consolidated interim financial statements have been prepared using the same accounting policies and methods as those used in the consolidated financial statements for the year ended December 31, 2022.

The operating results for the three months ended March 31, 2023 and 2022 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2023 due to seasonal variations in property and utility expenses as well as other factors. Historically, Boardwalk REIT has experienced higher utility expenses in the first and fourth quarters because of the winter months, resulting in variations in quarterly results.

Certain comparative figures have been reclassified to conform to the presentation of the current period. Specifically, the fair value gain on the investment in private technology venture fund has been reclassified from other income to fair value gains.

(c) Material Accounting Judgments, Estimates, and Assumptions

The preparation of the Trust's March 31, 2023 condensed consolidated interim financial statements in accordance with IFRS requires management to make judgements, estimates, and assumptions that affect the reported amounts of assets, liabilities, profit (loss), and related disclosures. The estimates and associated assumptions are based on historical experience and various other factors that are deemed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are consistent with those disclosed in the Trust's December 31, 2022 annual consolidated financial statements.

NOTE 3: INVESTMENT PROPERTIES

As at	3 Months Ended Mar. 31, 2023	Year Ended Dec. 31, 2022
Balance, beginning of year	**$ 6,900,745**	$ 6,492,969
Additions		
Building acquisitions	**-**	159,735
Building improvements (incl. internal capital program)	**19,633**	123,885
Development of investment properties (1)	**3,153**	17,747
Fair value gains, unrealized	**211,058**	106,409
Balance, end of period	**$ 7,134,589**	$ 6,900,745

As at	Mar. 31, 2023	Dec. 31, 2022
Fair value of investment properties, before buildings valued at Level 2 inputs, right-of-use assets, and developments	**$ 6,963,190**	$ 6,613,279
Buildings valued at Level 2 inputs	**40,929**	159,735
Fair value, right-of-use assets (IFRS 16 – Leases)	**74,088**	74,502
Revenue producing properties	**7,078,207**	6,847,516
Properties under development	**56,382**	53,229
Total	**$ 7,134,589**	$ 6,900,745

(1) On June 1, 2022, the Trust purchased three adjacent parcels of land in Victoria, British Columbia for a purchase price of $12.0 million. The acquisition was funded with cash on hand for a planned development of new rental suites.

On August 8, 2022, the Trust acquired a property in Calgary, Alberta. The property is comprised of 158 suites and was purchased for $41.9 million. The acquisition was funded with cash on hand of $12.7 million and the assumption of a mortgage for $29.2 million. The mortgage assumed had an in-place interest rate below market rate, resulting in a market debt adjustment totaling $1.0 million that was made to the cost of the acquisition.

On March 30, 2022, the Trust acquired a property in Brampton, Ontario and a property in Canmore, Alberta. The properties are comprised of 152 suites and 148 suites, respectively, and was purchased for $118.8 million. The acquisition was funded with mortgage financing of $79.4 million and cash on hand of $39.4 million.

Building Acquisitions	3 Months Ended Mar. 31, 2023	Year Ended Dec. 31, 2022
Purchase price	**$ -**	$ 159,370
Transaction costs	**-**	1,378
Market debt adjustment	**-**	(1,013)
Total	**$ -**	$ 159,735
Allocation of fair value to investment properties	**$ -**	$ 159,735
Multi-family suites acquired	**-**	458
Purchase price	**$ -**	$ 159,370
Transaction costs	**-**	1,378
Proceeds from mortgage financing	**-**	(108,589)
Net cash paid	**$ -**	$ 52,159

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

	Three Months Ended March 31, 2023					
	Balance, Beginning of Year	**Building Acquisitions**	**Improvements to Investment Properties**	**Development of Investment Properties**	**Fair Value Gains (Losses)**	**Balance, End of Period**
Recurring measurements Investment properties						
Alberta	**$4,217,249**	**$ -**	**$ 13,303**	**$ 2**	**$ 185,045**	**$4,415,599**
British Columbia	**102,685**	**-**	**24**	**3,004**	**(1,676)**	**104,037**
Saskatchewan	**618,172**	**-**	**2,166**	**1**	**22,292**	**642,631**
Ontario	**742,267**	**-**	**1,518**	**146**	**8,335**	**752,266**
Quebec	**373,367**	**-**	**833**	**-**	**(2,261)**	**371,939**
Land leases	**847,005**	**-**	**1,789**	**-**	**(677)**	**848,117**
Total	**$6,900,745**	**$ -**	**$ 19,633**	**$ 3,153**	**$ 211,058**	**$7,134,589**

	Year Ended December 31, 2022					
	Balance, Beginning of Year	Building Acquisitions	Improvements to Investment Properties	Development of Investment Properties	Fair Value Gains (Losses)	Balance, End of Period
Recurring measurements Investment properties						
Alberta	$ 3,962,993	$ 104,518	$ 80,325	$ 9	$ 69,404	$ 4,217,249
British Columbia	78,914	-	103	16,670	6,998	102,685
Saskatchewan	600,261	-	14,119	5	3,787	618,172
Ontario	653,353	55,217	10,611	1,063	22,023	742,267
Quebec	372,892	-	7,719	-	(7,244)	373,367
Land leases	824,556	-	11,008	-	11,441	847,005
Total	$ 6,492,969	$ 159,735	$ 123,885	$ 17,747	$ 106,409	$ 6,900,745

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

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

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

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

The Trust's policy is to recognize transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. As at March 31, 2023, all of the Trust's investment properties were Level 3 inputs, except newly acquired buildings within the last year which were Level 2 inputs. For investment properties measured at fair value as at March 31, 2023 and December 31, 2022, transfers into Level 3 fair value measurements include the following:

(i) There were two investment properties transferred during the three months ended March 31, 2023 from Level 2 into Level 3 fair value measurements. These two investment properties were valued using Level 3 inputs as at March 31, 2023, and valued using Level 2 inputs as at December 31, 2022, and as at September 30, 2022, June 30, 2022, and March 31, 2022, respectively. The fair value of these two investment properties as at March 31, 2023, totaled $130.8 million and were valued using Level 3 inputs (December 31, 2022 – $118.8 million valued using Level 2 inputs).

(ii) There were two investment properties transferred during the three months ended June 30, 2022 from Level 2 into Level 3 fair value measurements. These two investment properties were valued using Level 3 inputs as at March 31, 2023, and as at December 31, 2022, September 30, 2022, and June 30, 2022, respectively, and valued using Level 2 inputs as at March 31, 2022. The fair value of these two investment properties as at March 31, 2023, totaled $81.8 million and were valued using Level 3 inputs (December 31, 2022 – $82.7 million valued using Level 3 inputs).

These four investment properties were previously valued at Level 2 because they were newly acquired buildings and used inputs which were directly observable for these assets, as the fair value was based on a purchase and sale agreement between two willing market participants. Other than these four investment properties, there were no other transfers into or out of Level 3 fair value measurements for investment properties held as at March 31, 2023 and December 31, 2022.

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

Date	Number of Properties		Aggregate Fair Value	Percentage of Portfolio as of that Date
March 31, 2023	**4**	**$**	**100,235**	**1.4%**
December 31, 2022	5	$	879,913	12.8%
September 30, 2022	4	$	160,628	2.3%
June 30, 2022	6	$	176,883	2.6%
March 31, 2022	5	$	175,019	2.6%

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

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

As at	Mar. 31, 2023		Dec. 31, 2022	
	Capitalization Rate Weighted Average	**Forecasted Total Stabilized Net Operating Income**	Capitalization Rate Weighted Average	Forecasted Total Stabilized Net Operating Income
Alberta	**5.01%**	**$ 219,287**	5.01%	$ 206,176
British Columbia	**4.25%**	**2,280**	4.25%	2,350
Saskatchewan	**5.67%**	**36,439**	5.67%	35,049
Ontario	**4.02%**	**30,088**	4.01%	27,354
Quebec	**4.81%**	**17,898**	4.81%	17,965
	4.94%	**$ 305,992**	4.95%	$ 288,894
Land Leases	**4.69%**	**36,319**	4.69%	36,198
Total	**4.92%**	**$ 342,311**	4.92%	$ 325,092

The overall weighted average stabilized cap rates for measuring the Trust's investment properties at fair value using a forecasted stabilized NOI as at March 31, 2023 and December 31, 2022, was 4.92% and 4.92%, respectively.

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

As at March 31, 2023		**Stabilized Net Operating Income**				
		-3%	**-1%**	**As Forecasted**	**+1%**	**+3%**
Cap Rate		**$ 332,042**	**$ 338,888**	**$ 342,311**	**$ 345,734**	**$ 352,580**
-0.25%	4.67%	**$ 152,993**	**$ 299,718**	**$ 373,081**	**$ 446,443**	**$ 593,169**
Cap Rate As Reported	4.92%	**(208,896)**	**(69,632)**	**6,963,190**	**69,632**	**208,896**
+0.25%	5.17%	**(535,758)**	**(403,234)**	**(336,971)**	**(270,709)**	**(138,185)**

As at December 31, 2022		Stabilized Net Operating Income				
		-3%	-1%	As Forecasted	+1%	+3%
Cap Rate		$ 315,339	$ 321,841	$ 325,092	$ 328,343	$ 334,845
-0.25%	4.67%	$ 145,324	$ 284,676	$ 354,353	$ 424,029	$ 563,382
Cap Rate As Reported	4.92%	(198,398)	(66,133)	6,613,279	66,133	198,398
+0.25%	5.17%	(508,851)	(382,987)	(320,054)	(257,122)	(131,258)

NOTE 4: EQUITY ACCOUNTED INVESTMENT

On December 19, 2018, the Trust contributed $9.9 million into a limited partnership (with a general partner operating as "Redwalk Brampton Inc.") for a 50% interest in the partnership and the partnership is a joint venture. The principal activity of the partnership is to develop and operate a mixed-use property in Brampton, Ontario.

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

	3 Months Ended Mar. 31, 2023	Year Ended Dec. 31, 2022
Balance, beginning of year	$ 40,871	$ 41,118
Share of loss	(315)	(247)
Balance, end of period	$ 40,556	$ 40,871

The following tables present the summarized financial information of the partnership:

As at	Mar. 31, 2023	Dec. 31, 2022
Non-current assets		
Investment property	$ 176,192	$ 171,506
Property, plant and equipment	45	43
	176,237	171,549
Current assets		
Inventories	21	7
Prepaid expenses and other	98	10
Trade and other receivables	685	854
	804	871
Total assets	$ 177,041	$ 172,420
Non-current liability		
Construction loan payable	$ 85,701	$ 80,539
	85,701	80,539
Current liabilities		
Bank overdraft	609	1,558
Trade and other payables	9,620	8,582
	10,229	10,140
Total liabilities	95,930	90,679
Net assets	$ 81,111	$ 81,741
Trust's share	$ 40,556	$ 40,871

	3 Months Ended Mar. 31, 2023	3 Months Ended Mar. 31, 2022
Rental revenue	$ 514	$ -
Rental expenses		
Operating expenses	201	-
Utilities	371	-
Property taxes	7	-
Total rental expenses	579	-
Net operating loss	(65)	-
Financing costs	563	-
Depreciation	2	-
Loss	$ (630)	$ -
Trust's share	$ (315)	$ -

During 2021, the Trust, in conjunction with its joint venture partner, entered into a $122 million revolving construction facility loan with a third-party financial institution. As at March 31, 2023, $85.7 million has been drawn on this loan (December 31, 2022 – $80.5 million), of which Boardwalk's portion is $42.9 million (December 31, 2022 – $40.3 million). The facility is interest payable only and has a maturity date of January 31, 2025. The facility bears interest at prime plus 0.25%, or a Bankers' Acceptance stamping fee of 1.23% and a standby fee of 0.15%.

The revolving construction facility loan contains three financial covenants. These covenants are consistent with those found in the credit facility outlined in NOTE 15(d). As at March 31, 2023, the Trust was in compliance with these covenants.

NOTE 5: MORTGAGES PAYABLE

As at	**Mar. 31, 2023**		Dec. 31, 2022	
	Weighted Average Interest	**Debt Balance**	Weighted Average Interest	Debt Balance
Mortgages payable				
Fixed rate	**2.76%**	**$ 3,212,119**	2.72%	$ 3,214,554
Total		**$ 3,212,119**		$ 3,214,554
Current		**$ 484,898**		$ 504,953
Non-current		**2,727,221**		2,709,601
		$ 3,212,119		$ 3,214,554

Estimated future principal payments required to meet mortgage obligations as at March 31, 2023 are as follows:

	Secured By Investment Properties
12 months ending March 31, 2024	$ 484,898
12 months ending March 31, 2025	492,588
12 months ending March 31, 2026	631,447
12 months ending March 31, 2027	475,378
12 months ending March 31, 2028	577,219
Subsequent	671,519
Total mortgage principal outstanding	3,333,049
Unamortized deferred financing costs	(120,227)
Unamortized market debt adjustments	(703)
	$ 3,212,119

NOTE 6: DEFERRED UNIT-BASED COMPENSATION

As at	**Mar. 31, 2023**	Dec. 31, 2022
Current	**$ 5,634**	$ 3,878
Non-current	**3,961**	4,181
	$ 9,595	$ 8,059

The total of $9.6 million represents the fair value of the underlying deferred units at March 31, 2023 (December 31, 2022 – $8.1 million).

The status of the outstanding deferred units was as follows:

	# of Units Outstanding	# of Units Vested
Balance, December 31, 2021	216,754	26,524
Deferred units granted	77,908	28,540
Additional deferred units earned on units	5,208	5,911
Deferred units forfeited	(8,074)	-
Deferred units converted to Trust Units or cash	(25,824)	(25,824)
Balance, December 31, 2022	265,972	35,151
Deferred units granted	47,352	20,623
Additional deferred units earned on units	1,301	3,044
Deferred units forfeited	(1,886)	-
Deferred units converted to Trust Units or cash	(1,233)	(1,233)
Balance, March 31, 2023	**311,506**	**57,585**

For the three months ended March 31, 2023, total costs of $0.6 million (three months ended March 31, 2022 – $0.5 million) were recorded in expenses related to executive bonuses, leader bonuses, and trustee fees under the deferred unit plan.

NOTE 7: LP CLASS B UNITS

The LP Class B Units, representing an aggregate fair value of $246.8 million at March 31, 2023 (December 31, 2022 – $221.2 million), are non-transferable, except under certain circumstances, but are exchangeable, on a one-for-one basis, into Trust Units at any time at the option of the holder. Prior to such exchange, distributions will be made in an amount equivalent to the distributions which would have been made had the units been exchanged for Trust Units. Additional details on the LP Class B Units are described in NOTE 8.

As at March 31, 2023 and December 31, 2022, there were 4,475,000 LP Class B Units issued and outstanding.

NOTE 8: UNITHOLDERS' EQUITY

Under the reorganization of the Corporation to a real estate investment trust in 2004, the former shareholders of the Corporation received Boardwalk REIT Trust Units or LP Class B Units of a controlled limited partnership of the Trust, Boardwalk REIT Limited Partnership. The interests in Boardwalk REIT are represented by two classes of units: a class described and designated as "Trust Units" and a class described and designated as "Special Voting Units". The Special Voting Units, which are not entitled to monthly distributions, are used to provide voting rights to holders of LP Class B Units or other securities that are, directly or indirectly, exchangeable for Trust Units. The LP Class B Units are classified as a financial liability in accordance with IFRS 9 – Financial Instruments ("IFRS 9") and are discussed in NOTE 7.

The Trust has the following capital securities outstanding:

As at	**Mar. 31, 2023**		Dec. 31, 2022	
	Trust Units	**Amount**	Trust Units	Amount
Trust Units outstanding, beginning of year	**45,722,922**	**$ 211,899**	46,137,112	$ 214,689
Trust Units issued for vested deferred units	**1,233**	**72**	25,810	1,293
Trust Units purchased and cancelled	**-**	**-**	(440,000)	(4,083)
Trust Units outstanding, end of period	**45,724,155**	**$ 211,971**	45,722,922	$ 211,899

Monthly distributions and special distributions are determined at the discretion of the Board of Trustees. The Board of Trustees declares distributions to be paid on, or about, the 15th of the month following the record date. Distributions to be paid on the Boardwalk REIT Trust Units with a record date of April 28, 2023 (to be paid on May 15, 2023) totaled $4.5 million ($0.0975 per Trust Unit) and have not been included as a liability in the condensed consolidated interim statements of financial position as at March 31, 2023.

Profit per Trust Unit	3 Months Ended Mar. 31, 2023	3 Months Ended Mar. 31, 2022
Numerator		
Profit – basic	$ 221,389	$ 69,428
Distribution declared on LP Class B Units	-	-
Gain on fair value adjustments on LP Class B Units	-	-
Gain on fair value adjustment to unexercised deferred units	-	-
Profit – diluted	$ 221,389	$ 69,428
Denominator		
Weighted average Trust Units outstanding – basic	45,723,175	46,021,501
Conversion of LP Class B Units	-	-
Unexercised deferred units	-	-
Weighted average Trust Units outstanding – diluted	45,723,175	46,021,501
Profit per Trust Unit		
– basic	$ 4.84	$ 1.51
– diluted	$ 4.84	$ 1.51

All dilutive elements were included in the calculation of diluted per Trust Unit amounts. For the three months ended March 31, 2023 and March 31, 2022, all items were anti-dilutive as the conversion of the LP Class B Units and the exercise of deferred units would have increased profit per Trust Unit. As such, they were excluded in the calculation of diluted profit per Trust Unit.

NOTE 9: RENTAL REVENUE

	3 Months Ended Mar. 31, 2023	3 Months Ended Mar. 31, 2022
Lease revenue	$ 124,486	$ 112,919
Parking revenue	2,381	2,143
Recoveries (cable, retirement) and revenue from telephone and cable providers	1,813	1,446
Revenue from coin laundry machines	1,127	951
Other (fees)	724	818
Total	$ 130,531	$ 118,277

NOTE 10: FINANCING COSTS

Financing costs are comprised of interest on mortgages payable, distributions paid to the holders of LP Class B Units, other interest charges, interest on lease liabilities under IFRS 16, and the amortization of deferred financing costs. Financing costs are net of interest income earned, including interest earned on the lease receivable. Financing costs total $26.0 million for the three months ended March 31, 2023 (three months ended March 31, 2022 – $22.5 million) and can be summarized as follows:

	3 Months Ended Mar. 31, 2023	3 Months Ended Mar. 31, 2022
Interest on secured debt (mortgages payable)	$ 22,836	$ 19,021
Interest capitalized to properties under development	(350)	(431)
LP Class B Unit distributions	1,242	1,149
Other interest charges	450	522
Interest on lease liabilities	652	636
Interest income	(649)	(106)
Amortization of deferred financing costs	1,808	1,742
Total	$ 25,989	$ 22,533

For the three months ended March 31, 2023, interest was capitalized to properties under development at a weighted average effective interest rate of 2.67% (three months ended March 31, 2022 – 1.75%).

NOTE 11: FAIR VALUE GAINS (LOSSES)

	3 Months Ended Mar. 31, 2023	3 Months Ended Mar. 31, 2022
Investment properties (NOTE 3)	$ 211,058	$ 50,048
Financial asset designated as FVTPL		
Investment in private technology venture fund	(1,112)	4,131
Financial liabilities designated as FVTPL		
Deferred unit-based compensation	(1,032)	(608)
LP Class B Units	(25,552)	(17,721)
Total fair value gains	$ 183,362	$ 35,850

NOTE 12: GUARANTEES, CONTINGENCIES, COMMITMENTS, AND OTHER

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

Natural Gas:

Area	Estimated Usage Coverage	Term	Cost
Alberta	25%	November 1, 2018 to October 31, 2023	$2.08/Gigajoule ("GJ")
Alberta	25%	November 1, 2019 to October 31, 2024	$2.21/GJ
Alberta	25%	November 1, 2020 to October 31, 2025	$2.78/GJ
Saskatchewan	60%	November 1, 2018 to October 31, 2022	$2.56/GJ
Saskatchewan	40%	November 1, 2020 to October 31, 2025	$2.99/GJ
Verdun, Quebec	74%	November 1, 2021 to October 31, 2025	$4.29/GJ
London, Ontario	69%	November 1, 2021 to October 31, 2024	$4.52/GJ

Electrical:

Area	Estimated Usage Coverage	Term	Cost
Alberta	49%	October 1, 2017 to September 30, 2022	$0.05/Kilowatt-hour (“kWh”)
Alberta	45%	November 1, 2020 to October 31, 2024	$0.06/kWh
Alberta	53%	October 1, 2022 to September 30, 2027	$0.10/kWh

Boardwalk REIT, in the normal course of operations, will become subject to a variety of legal and other claims against the Trust, most of which are minor in nature. Management and the Trust’s legal counsel evaluate all claims on their apparent merits and accrue management’s best estimate of the estimated costs to satisfy such claims. Management believes the outcome of claims of this nature at March 31, 2023 will not have a material impact on the Trust.

In the normal course of business, various agreements may be entered into that may contain features that meet the definition of a contingent liability in accordance with IFRS, including agreements related to sold properties where mortgages that were assumed by the purchaser have an indirect guarantee provided to the lender by the Trust until this mortgage is renewed or refinanced by the purchaser, whichever occurs sooner. With all guarantees, in the event of default by the purchaser, the Trust would be liable for the outstanding mortgage balance. These guarantees are considered contingent liabilities as payment of the amount will only occur if the purchaser defaults. If the purchaser does not default, the balance is not payable. Boardwalk REIT's maximum exposure at March 31, 2023 is approximately $11.4 million (March 31, 2022 – $52.4 million). In the event of default by the purchaser, Boardwalk REIT's recourse for recovery includes the sale of the respective building assets. Boardwalk REIT expects that the proceeds from the sale of the building assets will cover, and most likely exceed, the maximum potential liability associated with the amount being guaranteed. Therefore, at March 31, 2023 and 2022, no amounts have been recorded in the condensed consolidated interim financial statements with respect to the above noted indirect guarantees.

NOTE 13: CAPITAL MANAGEMENT AND LIQUIDITY

Boardwalk REIT's DOT, as amended, provides for a minimum interest coverage ratio of 1.5 to 1 calculated on the most recently completed four fiscal quarters. The DOT also defines interest expense to exclude distributions on the LP Class B Units, which under IFRS are considered financing costs.

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

As at	Mar. 31, 2023	Dec. 31, 2022
Net operating income	$ 299,537	$ 288,660
Administration	(35,971)	(33,859)
Deferred unit-based compensation	(2,662)	(2,556)
EBITDA [1] from equity accounted investment	(102)	(70)
Consolidated EBITDA (12 months ended)	$ 260,802	$ 252,175
Interest expense	$ 89,216	$ 85,824
Interest expense from equity accounted investment	457	176
Consolidated interest expense (12 months ended)	$ 89,673	$ 86,000
Interest coverage ratio	2.91	2.93
Minimum threshold	1.50	1.50

(1) Earnings Before Interest, Taxes, Depreciation and Amortization.

The Trust employs a broad range of financing strategies to facilitate growth and manage financial risk. The Trust's objective is to reduce its weighted average cost of capital and improve Unitholder distributions through value enhancement initiatives and consistent monitoring of the balance between debt and equity financing. As at March 31, 2023, the Trust's weighted average cost of capital was calculated to be 3.70%.

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

As at	Mar. 31, 2023		Dec. 31, 2022	
	Cost of Capital [1]	Underlying Value [2]	Cost of Capital [1]	Underlying Value [2]
Liabilities				
Mortgages payable	2.76%	$ 3,079,325	2.72%	$ 3,035,528
LP Class B Units	4.75%	246,752	5.08%	221,199
Deferred unit-based compensation	4.75%	9,595	5.08%	8,059
Unitholders' equity				
Boardwalk REIT Trust Units	4.75%	2,521,230	5.08%	2,260,084
Total	3.70%	$ 5,856,902	3.78%	$ 5,524,870

(1) As a percentage of average carrying value unless otherwise noted.
(2) Underlying value of liabilities represents carrying value or the cost to retire on maturity. Underlying value of equity is based on the closing stock price of the Trust Units.

Mortgages payable – These are the mortgages outstanding on the Trust's investment properties. The debt is primarily fixed rate debt and approximately 96% of this debt at March 31, 2023 is insured under the National Housing Act ("NHA") and administered by Canada Mortgage and Housing Corporation ("CMHC") (December 31, 2022 – approximately 96%). These financings can be structured on a loan to CMHC appraised value basis of between 75-80%. The Trust currently has a level of indebtedness of approximately 45% of the fair value of the Trust's investment properties (December 31, 2022 – approximately 47%). This level of indebtedness is considered by the Trust to be within its target.

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

As outlined in NOTE 15(d), Boardwalk REIT's committed revolving credit facility agreements contain financial covenants.

The Trust had $243.9 million in total available liquidity as at March 31, 2023 (December 31, 2022 – $256.3 million), consisting of cash and cash equivalents on hand of $44.1 million (December 31, 2022 – $52.8 million), subsequent committed/funded financing of $3.7 million (December 31, 2022 – $7.4 million), as well as an unused committed revolving credit facility of $196.1 million (December 31, 2022 – $196.1 million). The Trust monitors its ratios and as at March 31, 2023 and December 31, 2022, the Trust was in compliance with all covenants in both its DOT and all existing debt facilities.

NOTE 14: FAIR VALUE MEASUREMENT

(a) Fair Value of Financial Instruments

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

- **(i)** the carrying amounts of trade and other receivables, segregated tenants' security deposits, cash and cash equivalents, refundable tenants' security deposits, and trade and other payables approximate their fair values due to their short-term nature.
- **(ii)** the fair value of the Trust's investment in private technology venture fund is based on information provided from the organization managing the investments.
- **(iii)** the fair value of the Trust's mortgages payable is an estimate made at a specific point in time, based on relevant market information. The estimate is based on quoted market prices for the same or similar issues or on the current rates offered to the Trust for similar financial instruments subject to similar risks and maturities.
- **(iv)** the fair values of the deferred unit-based compensation plan and the LP Class B Units are estimates at a specific point in time, based on the closing market price of the Trust Units listed on the Toronto Stock Exchange.

These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore, cannot be determined with precision. Changes in estimates could materially affect fair values. The significant financial instruments of Boardwalk REIT and their carrying values as at March 31, 2023 and December 31, 2022 are as follows:

As at	Mar. 31, 2023		Dec. 31, 2022	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial asset carried at FVTPL				
Investment in private technology venture fund	**$ 1,950**	**$ 1,950**	$ 3,303	$ 3,303
Financial liability carried at amortized cost				
Mortgages payable	**3,212,119**	**3,079,325**	3,214,554	3,035,528
Financial liabilities carried at FVTPL				
LP Class B Units	**246,752**	**246,752**	221,199	221,199
Deferred unit-based compensation	**9,595**	**9,595**	8,059	8,059

The fair value of the Trust's mortgages payable was lower than the recorded value by approximately $132.8 million at March 31, 2023 (December 31, 2022 – lower by $179.0 million), due to changes in interest rates since the dates on which the individual mortgages were last contracted. The fair values of the mortgages payable have been estimated based on the current market rates for mortgages with similar terms and conditions. The fair value of the Trust's mortgages payable is an amount computed based on the interest rate environment prevailing at March 31, 2023 and December 31, 2022, respectively; the amount is subject to change and the future amounts will converge. There are no additional costs or penalties to Boardwalk REIT if the mortgages are held to maturity.

As at March 31, 2023 and December 31, 2022, the Trust had no embedded derivatives requiring separate recognition.

The nature of these financial instruments and the Trust's operations expose the Trust to certain principal financial risks. The main objective of the Trust's risk management process is to properly identify financial risks and minimize the exposure to potential losses arising from those risks. The principal financial risks to which the Trust is exposed are described in NOTE 15.

(b) Assets and Liabilities Measured at Fair Value

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

As at	Mar. 31, 2023			Dec. 31, 2022		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Assets						
Investment properties	**$ -**	**$ 40,929**	**$ 7,093,660**	$ -	$ 159,735	$ 6,741,010
Investment in private technology venture fund	**-**	**-**	**1,950**	-	-	3,303
Liabilities						
LP Class B Units	**246,752**	**-**	**-**	221,199	-	-
Deferred unit-based compensation	**9,595**	**-**	**-**	8,059	-	-

The three levels of the fair value hierarchy are described in NOTE 3.

Transfers between levels in the fair value hierarchy are recognized on the date of the event or change in circumstances that caused the transfer. For assets and liabilities measured at fair value as at March 31, 2023 and December 31, 2022, transfers into Level 3 fair value measurements are discussed in NOTE 3. Other than those discussed in NOTE 3, there were no other transfers between Level 1, Level 2, and Level 3 assets and liabilities.

NOTE 15: RISK MANAGEMENT

(a) Interest Rate Risk

As at March 31, 2023, the Trust had no amount outstanding on its committed revolving credit facility and its mortgages payable are fixed-rate debt. However, the Trust's equity accounted investment has a revolving construction facility loan which is carried at variable-rate interest with $85.7 million outstanding, of which Boardwalk's portion is $42.9 million, that is exposed to interest rate risk (NOTE 4). As such, for three months ended March 31, 2023, all else being equal, the increase or decrease in net earnings for each 1% change in market interest rates would be $0.1 million. For the mortgages payable that have fixed-rate debt, the Trust is exposed to interest rate risk on renewals. Please refer to NOTE 15(c) for details on the Trust's remaining contractual maturity for its mortgages payable listed by year of maturity date.

(b) Credit Risk

The Trust is exposed to credit risk as a result of its lease receivable and trade and other receivables. The trade and other receivables balance is comprised of mortgage holdbacks and refundable mortgage fees, accounts receivable from significant customers and insurers, and tenant receivables. As at March 31, 2023 and December 31, 2022, no balance relating to mortgage holdbacks, refundable mortgage fees, or accounts receivable from significant customers and insurers was past due. Additionally, the lease receivable is in good standing.

Past due receivables (receivables which are greater than 30 days) are reviewed by management on a monthly basis and tenant receivables are considered for impairment on a case-by-case basis. The Trust takes into consideration the tenant's payment history, their credit worthiness, and the current economic environment; however, tenant receivable balances exceeding 60 days are typically written off to bad debt expense as the Trust does not utilize an allowance for estimated credit losses. The amount of the loss is recognized in the condensed consolidated interim statements of comprehensive income as part of operating expenses. Subsequent recoveries of amounts previously written off are credited against operating expenses during the period of settlement. As tenant receivables are typically written off after 60 days, none of the balance is considered to be past due by the Trust. For the three months ended March 31, 2023, bad debt expense totaled $0.9 million (three months ended March 31, 2022 – $1.2 million).

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

(c) Liquidity Risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they become due. Management assesses the Trust's liquidity risk to be low.

The following table details the Trust's remaining contractual maturity for its non-derivative and derivative (i.e. vested deferred units) financial liabilities listed by year of maturity date:

Year of Maturity	Weighted Average Interest Rate	Mortgage Principal Outstanding	Mortgage Interest (1)	Lease Liabilities Principal Outstanding	Tenants' Security Deposits	Distribution Payable (2)	Trades and Other Payables	Total
2023	2.94%	$ 388,696	$ 63,003	$ 128	$ 12,815	$ 4,894	$ 48,662	$ 518,198
2024	2.93%	424,893	72,702	456	-	-	-	498,051
2025	2.20%	544,291	60,398	807	-	-	-	605,496
2026	2.19%	601,270	47,204	-	-	-	-	648,474
2027	3.16%	632,437	32,625	3,613	-	-	-	668,675
Subsequent	3.11%	741,462	35,459	74,088	-	-	-	851,009
	2.76%	3,333,049	311,391	79,092	12,815	4,894	48,662	3,789,903
Unamortized deferred financing costs		(120,227)	-	-	-	-	-	(120,227)
Unamortized market debt adjustments		(703)	-	-	-	-	-	(703)
		$ 3,212,119	$ 311,391	$ 79,092	$ 12,815	$ 4,894	$ 48,662	$ 3,668,973

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

(d) Debt Covenants

The Trust has a committed revolving credit facility with a major financial institution. This credit facility is secured by a pledge of a group of specific real estate assets (fair value at March 31, 2023 of approximately $843.2 million). The amount available through the committed revolving credit facility varies with the value of the pledged assets, with a maximum limit not to exceed $200.0 million and an available limit of $196.1 million as at March 31, 2023 (December 31, 2022 – $196.1 million). The revolving facility requires monthly interest payments, is for a five-year term maturing on July 25, 2027, and can be extended annually thereafter, subject to the mutual consent of the lender and the Trust. In the event the committed revolving credit facility is not extended, the drawn-down principal would be due on the maturity date of the credit agreement.

The credit facility contains three financial covenants as follows:

- **(i)** The Trust will maintain an overall Debt Service Coverage Ratio of at least 1.20, calculated on the most recent completed trailing four fiscal quarter basis. As at March 31, 2023, this ratio was 1.55 (December 31, 2022 – 1.54).
- **(ii)** The Trust will maintain a Debt Service Coverage Ratio, specific to the Security Portfolio of at least 1.15, calculated on the most recent completed trailing four fiscal quarter basis. As at March 31, 2023, this ratio was 2.19 (December 31, 2022 – 2.07).
- **(iii)** Total indebtedness of the Trust will not exceed 75% of the Gross Book Value of all assets for the two most recent quarters as defined in the credit agreement. As at March 31, 2023, this ratio was 45.2% (December 31, 2022 – 46.2%).

As at March 31, 2023 and December 31, 2022, the Trust was in compliance with all financial covenants.

(e) Market Risk

The Trust is exposed to market risk related to utilities as a result of fluctuations in the prices of natural gas and electricity.
As outlined in NOTE 12, the Trust has commitments to certain utility contracts to reduce the risk of exposure to adverse changes in commodity prices.

NOTE 16: RELATED PARTY DISCLOSURES

IAS 24 – Related Party Disclosures requires entities to disclose in their financial statements information about transactions with related parties. Generally, two parties are related to each other if one party controls, or significantly influences, the other party. Balances and transactions between the Trust and its subsidiaries, which are related parties of the Trust, have been eliminated on consolidation and are not disclosed in this note disclosure.

The individuals considered key management personnel of the Trust as at March 31, 2023 have not changed since December 31, 2022.

There have been no material related party transactions since December 31, 2022.

NOTE 17: OTHER INFORMATION

(a) Supplemental Cash Flow Information

	Note	3 Months Ended Mar. 31, 2023	3 Months Ended Mar. 31, 2022
Net change in operating working capital			
Net change in inventories		$ 439	$ 492
Net change in prepaid assets		(3,627)	(1,697)
Net change in trade and other receivables		(85)	1,112
Net change in segregated and refundable tenants' security deposits		133	253
Net change in trade and other payables		(4,708)	(5,970)
		$ (7,848)	$ (5,810)
Net change in investing working capital			
Net change in trade and other payables		$ (2,084)	$ (4,685)
Net change in financing working capital			
Net change in trade and other payables		$ (20)	$ (129)
Investment in capital assets			
Improvements to investment properties	3	$ (19,633)	$ (20,662)
Additions to property, plant and equipment		(1,414)	(1,211)
		$ (21,047)	$ (21,873)
Distributions paid			
Distributions declared		$ (12,688)	$ (11,812)
Distributions declared in prior period paid in current period		(4,115)	(3,848)
Distributions declared in current period paid in next period		4,458	4,140
		$ (12,345)	$ (11,520)

(b) Included in administration costs was $0.9 million relating to Registered Retirement Savings Plan ("RRSP") matching for the three months ended March 31, 2023 (three months ended March 31, 2022 – $0.8 million).

(c) The Trust declared regular distributions of $13.9 million for the three months ended March 31, 2023, which includes $12.7 million of distributions on the Trust Units and $1.2 million of distributions on the LP Class B Units, which under IFRS are considered financing costs (three months ended March 31, 2022 – $13.0 million, which includes $11.8 million of distributions on the Trust Units and $1.1 million of distributions on the LP Class B Units).

NOTE 18: SEGMENTED INFORMATION

Boardwalk REIT specializes in multi-family residential housing and operates within one business segment in five provinces located wholly in Canada along with a corporate segment. Each provincial segment operates with a high degree of autonomy. Management monitors the operating results on a province-by-province basis. Segment performance is evaluated on a number of measures, including net profit. Financial information reported is on the same basis as used for internal evaluation and allocation of resources. Boardwalk REIT does not have any one major tenant or a significant group of tenants. Either expiring leases are renewed or new tenants are found.

Net debt, interest income and expenses, and income taxes are managed on a group basis. Transfer prices between locations are set on an arm's-length basis in a manner similar to transactions with third parties and are eliminated upon inter-company consolidation.

Corporate represents corporate functions, technology assets, activities incidental to operations, development of investment properties, and certain comparative data for divested assets.

Details of segmented information are as follows:

As at	March 31, 2023						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Assets	$ 4,499,758	$ 53,633	$ 643,640	$ 748,367	$ 1,148,997	$ 199,355	$ 7,293,750
Liabilities	2,161,224	30,912	303,949	251,580	578,295	292,019	3,617,979

As at	December 31, 2022						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Assets	$ 4,299,315	$ 55,317	$ 619,216	$ 738,642	$ 1,151,525	$ 203,260	$ 7,067,275
Liabilities	2,164,675	31,003	305,278	252,578	573,956	272,787	3,600,277

	Three Months Ended March 31, 2023						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	$ 82,493	$ 689	$ 13,929	$ 11,189	$ 22,016	$ 215	$130,531
Rental expenses							
Operating expenses	15,738	70	2,477	1,965	3,599	1,618	25,467
Utilities	10,316	44	1,911	1,378	2,603	176	16,428
Property taxes	8,356	41	1,125	1,085	2,188	49	12,844
Total rental expenses	34,410	155	5,513	4,428	8,390	1,843	54,739
Net operating income (loss)	48,083	534	8,416	6,761	13,626	(1,628)	75,792
Financing costs (b)	16,267	325	2,082	1,684	4,815	816	25,989
Administration	736	2	114	32	100	8,863	9,847
Deferred unit-based compensation	-	-	-	-	-	575	575
Depreciation (c)	183	-	36	16	33	1,532	1,800
Profit (loss) before the undernoted	30,897	207	6,184	5,029	8,678	(13,414)	37,581
Loss from equity accounted investment	-	-	-	(315)	-	-	(315)
Fair value gains (losses)	187,476	(1,676)	22,292	8,335	(5,369)	(27,696)	183,362
Other income	-	-	-	-	-	818	818
Profit (loss) before income tax	218,373	(1,469)	28,476	13,049	3,309	(40,292)	221,446
Income tax expense (d)	-	-	-	-	-	(57)	(57)
Profit (loss)	$218,373	$ (1,469)	$ 28,476	$ 13,049	$ 3,309	$ (40,349)	$221,389
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	$218,373	$ (1,469)	$ 28,476	$ 13,049	$ 3,309	$ (40,349)	$221,389
Additions to non-current assets (e)	$ 13,685	$ 28	$ 2,202	$ 1,527	$ 2,320	$ 4,438	$ 24,200

	Three Months Ended March 31, 2022						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	$ 73,758	$ 663	$ 12,867	$ 9,955	$ 20,735	$ 299	$ 118,277
Rental expenses							
Operating expenses	15,386	63	2,308	1,731	3,514	1,795	24,797
Utilities	10,126	31	1,756	1,222	2,781	132	16,048
Property taxes	8,162	41	1,063	1,024	2,169	58	12,517
Total rental expenses	33,674	135	5,127	3,977	8,464	1,985	53,362
Net operating income (loss)	40,084	528	7,740	5,978	12,271	(1,686)	64,915
Financing costs (b)	13,461	171	1,909	1,458	4,339	1,195	22,533
Administration	774	-	173	11	73	6,704	7,735
Deferred unit-based compensation	-	-	-	-	-	469	469
Depreciation (c)	191	-	39	11	34	1,551	1,826
Profit (loss) before the undernoted	25,658	357	5,619	4,498	7,825	(11,605)	32,352
Fair value gains (losses)	24,027	(19)	11,800	13,777	462	(14,197)	35,850
Other income	-	-	-	-	-	1,321	1,321
Profit (loss) before income tax	49,685	338	17,419	18,275	8,287	(24,481)	69,523
Income tax expense (d)	-	-	-	-	-	(95)	(95)
Profit (loss)	$ 49,685	$ 338	$ 17,419	$ 18,275	$ 8,287	$ (24,576)	$ 69,428
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	$ 49,685	$ 338	$ 17,419	$ 18,275	$ 8,287	$ (24,576)	$ 69,428
Additions to non-current assets (e)	$ 77,954	$ 19	$ 2,202	$ 56,607	$ 2,568	$ 1,900	$ 141,250

(a) Rental Revenue

	Three Months Ended March 31, 2023						
	Alberta	**British Columbia**	**Saskatchewan**	**Ontario**	**Quebec**	**Corporate**	**Total**
Lease revenue	**$ 78,426**	**$ 666**	**$ 13,341**	**$ 10,936**	**$ 20,948**	**$ 169**	**$124,486**
Parking revenue	**1,473**	**27**	**157**	**105**	**619**	**-**	**2,381**
Recoveries (cable, retirement) and revenue from telephone and cable providers	**1,313**	**2**	**261**	**29**	**162**	**46**	**1,813**
Revenue from coin laundry machines	**737**	**-**	**70**	**139**	**181**	**-**	**1,127**
Other (fees)	**544**	**(6)**	**100**	**(20)**	**106**	**-**	**724**
Total	**$ 82,493**	**$ 689**	**$ 13,929**	**$ 11,189**	**$ 22,016**	**$ 215**	**$130,531**

	Three Months Ended March 31, 2022						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Lease revenue	$ 69,981	$ 642	$ 12,379	$ 9,734	$ 19,919	$ 264	$ 112,919
Parking revenue	1,291	26	154	82	590	-	2,143
Recoveries (cable, retirement) and revenue from telephone and cable providers	1,271	1	164	25	(45)	30	1,446
Revenue from coin laundry machines	618	-	58	124	146	5	951
Other (fees)	597	(6)	112	(10)	125	-	818
Total	$ 73,758	$ 663	$ 12,867	$ 9,955	$ 20,735	$ 299	$ 118,277

(b) Financing Costs

	Three Months Ended March 31, 2023						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	$ 15,130	$ 317	$ 1,911	$ 1,511	$ 3,965	$ 2	$ 22,836
Interest capitalized to properties under development	-	-	-	-	-	(350)	(350)
LP Class B Unit distributions	-	-	-	-	-	1,242	1,242
Other interest charges	(49)	-	(14)	14	(3)	502	450
Interest on lease liabilities	-	-	-	-	585	67	652
Interest income	(2)	-	-	-	-	(647)	(649)
Amortization of deferred financing costs	1,188	8	185	159	268	-	1,808
Total	$ 16,267	$ 325	$ 2,082	$ 1,684	$ 4,815	$ 816	$ 25,989

	Three Months Ended March 31, 2022						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	$ 12,338	$ 155	$ 1,746	$ 1,311	$ 3,471	$ -	$ 19,021
Interest capitalized to properties under development	-	-	-	-	-	(431)	(431)
LP Class B Unit distributions	-	-	-	-	-	1,149	1,149
Other interest charges	(8)	-	(11)	3	(4)	542	522
Interest on lease liabilities	-	-	-	-	597	39	636
Interest income	(1)	-	-	-	-	(105)	(106)
Amortization of deferred financing costs	1,132	16	174	144	275	1	1,742
Total	$ 13,461	$ 171	$ 1,909	$ 1,458	$ 4,339	$ 1,195	$ 22,533

(c) Depreciation

This represents depreciation on items carried at cost and primarily includes corporate assets, technology assets, site equipment and other assets. These figures exclude any impairment charges.

(d) Income tax expense

This relates to any current and deferred taxes.

(e) Additions to non-current assets (other than financial instruments and deferred tax assets)

This represents the total cost incurred during the period to acquire non-current assets (other than financial instruments and deferred tax assets), measured on an accrual basis.

NOTE 19: SUBSEQUENT EVENTS

On April 25, 2023, the Trust closed on the purchase of one property located in Victoria, British Columbia. The property, totaling 124 suites, was purchased for $60.0 million and was financed with mortgage financing of $46.5 million and cash on hand of $13.5 million.

On April 25, 2023, the agreement with CMHC originally dated September 13, 2002, and as amended and restated on various dates since then, matured and was not renewed. The previous agreement included the requirement for the Trust to be subject to certain restrictive covenants, which included limitation on additional debt, payment of distributions in respect of Unitholders' capital in the event of default, and maintenance of certain financial ratios. With the expiry of the agreement, these restrictive covenants are no longer required.

NOTE 20: APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements were approved by the Board of Trustees and authorized on May 8, 2023.

CORPORATE INFORMATION

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Calgary, Alberta

Mandy Abramsohn (2)(3)
Toronto, Ontario

Andrea Goertz (2)(3)
Calgary, Alberta

Gary Goodman (2)
Toronto, Ontario

Samantha Kolias-Gunn
Calgary, Alberta

Scott Morrison (2)
Toronto, Ontario

Brian Robinson (1)(3)
Calgary, Alberta

(1) Lead Trustee
(2) Member of the Audit & Risk Management Committee
(3) Compensation, Governance, Nominations & Sustainability Committee

SENIOR MANAGEMENT

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Vice President,
Community & Culture

Eric Bowers
Vice President,
Finance & Investor Relations

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Jeff Klaus
Vice President,
Asset Management & Development

Sam Kolias
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