Inspiring Solutions, Transforming Communities

2024 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 34,000 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 very strong quarter with significant growth in Net Operating Income, Funds from Operations per Unit and Profit. Our FFO per Unit of $0.95 during the first quarter represents an improvement of 20.3% from the prior year, and provides the Trust with growing cash flows that can be redeployed and compounded within our value add capital program and accretive external opportunities, where appropriate. We continue to expand our Operating Margin as our Resident Member focused approach to sustainable rent adjustments and ongoing commitment to cost improvement initiatives has delivered outsized NOI and FFO per Unit growth.

As of the beginning of May, same property portfolio occupancy is at approximately 98.7%. We continue to implement positive market rent adjustments in many of our communities. Rental market fundamentals continue to be strong across all of the Trust's markets, as demand for quality affordable housing remains high. Our largest markets of Edmonton and Calgary continue to see large net inflows from both international and interprovincial migration as new Residents pursue exceptional relative affordability, lifestyle and economic opportunities. Strong population growth continues to outpace new construction starts in Canada, while construction economics and labour shortages have presented challenges for new development.

We continue to work with all levels of government and other stakeholders toward implementing proven public policy to help rebalance demand and supply over the longer term. While we applaud many of the housing-related initiatives announced recently in advance of and in the most recent federal budget, we anticipate many of the measures to take significant time in terms of bringing new supply online and an eventual moderation in demand to more sustainable levels.

We remain focused on delivering a win-win outcome for our Resident Members and our stakeholders through increased retention, reduced turnover and costs, increased Associate efficiency, and increased margins and financial performance. Our ongoing Resident Member-centric, strategic self-moderation of leasing spreads on both new leases and lease renewals continues to be a key differentiator for our Resident Members, preserving essential affordability while providing a gradual, less volatile, long-term revenue growth profile for our Unitholders.

Our outlook for the remainder of the year continues to be positive. We are confident that the strong housing fundamentals that we are seeing, combined with the quality of our communities and Resident focus will translate to strong ongoing performance in 2024. We remain well positioned to continue de-leveraging our balance sheet organically, while utilizing our enhanced liquidity to capitalize on additional growth opportunities throughout the remainder of the year.

FIRST QUARTER FINANCIAL HIGHLIGHTS

Highlights of the Trust's First Quarter 2024 Financial Results *($ millions, except per Unit amounts)*		**3 Months Mar. 31, 2024**		3 Months Mar. 31, 2023	% Change
Operational Highlights					
Rental Revenue	$	145.2	$	130.9	10.9%
Same Property Rental Revenue	$	142.2	$	130.0	9.4%
Net Operating Income (“NOI”)	$	87.5	$	75.8	15.5%
Same Property NOI	$	87.2	$	76.8	13.5%
Operating Margin (1)		60.3%		57.9%	
Same Property Operating Margin		61.3%		59.1%	
Financial Highlights					
Funds From Operations (“FFO”) (2)(3)	$	51.0	$	39.6	28.9%
Adjusted Funds From Operations (“AFFO”) (2)(3)	$	42.4	$	31.7	33.6%
Profit	$	307.7	$	221.4	39.0%
FFO per Unit (3)	$	0.95	$	0.79	20.3%
AFFO per Unit (3)	$	0.79	$	0.63	25.4%
Regular Distributions Declared (Trust Units & LP Class B Units)	$	17.0	$	13.9	21.8%
Regular Distributions Declared Per Unit (Trust Units & LP Class B Units)	$	0.315	$	0.278	13.5%
FFO Payout Ratio (3)		33.2%		35.2%	
Same Property Apartment Suites		33,564		33,069	
Non-Same Property Apartment Suites (4)		760		741	
Total Apartment Suites		34,324		33,810	

(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.
(4) Includes 183 suites related to the Trust's joint venture in Brampton, Ontario which is accounted for as an equity accounted investment.

In Q1 2024, same property operating margin increased compared to the same period in the prior year, as the Trust’s same property rental revenue growth remained strong. The Trust anticipates further improvement in its operating margin throughout the remainder of 2024 as a result of continued strong revenue growth and execution of various cost containment initiatives.

Continued Highlights of the Trust's First Quarter 2024 Financial Results	Mar. 31, 2024	Dec. 31, 2023
Equity		
Unitholders' equity	$ 4,612,385	$ 4,320,072
Net Asset Value ("NAV")		
Net asset value (1)(2)	$ 4,877,588	$ 4,553,515
Net asset value per Unit (2)	$ 90.37	$ 84.41
Liquidity, Debt and Distributions		
Cash and cash equivalents	$ 182,777	
Unused committed revolving credit facility	$ 195,800	
Total Available Liquidity	$ 378,577	
Total mortgage principal outstanding	$ 3,428,455	$ 3,446,801
Interest Coverage Ratio (Rolling 4 quarters)	2.84	2.83

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

The Trust's fair value of its investment properties as at March 31, 2024 increased from year end, primarily attributable to an increase in market rents driven by strong market conditions. The Trust's stabilized capitalization rate ("cap rate") increased to 5.09% for Q1 2024 compared to 5.05% for the prior quarter as a result of an increase in some of the Trust's Ontario markets. The cap rate ranges utilized continue to be in line with recently published third party quarterly cap rate reports.

SOLID OPERATIONAL RESULTS

Portfolio Highlights for the First Quarter of 2024	Mar. 2024	Mar. 2023
Average Occupancy (Quarter Average) (1)	98.83%	98.11%
Average Monthly Rent (Period Ended)	$ 1,401	$ 1,267
Average Market Rent (Period Ended) (2)	$ 1,620	$ 1,444
Average Occupied Rent (Period Ended) (3)	$ 1,418	$ 1,292
Mark-to-Market Revenue Gain (Period Ended) ($ millions)	$ 80.2	$ 59.5
Mark-to-Market Revenue Gain Per Unit (Period Ended)	$ 1.49	$ 1.18

(1) Average occupancy is adjusted to be on a same property basis.
(2) Market rent is a component of rental revenue 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 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.

	May 2023	Jun. 2023	Jul. 2023	Aug. 2023	Sep. 2023	Oct. 2023	Nov. 2023	Dec. 2023	Jan. 2024	Feb. 2024	Mar. 2024	Apr. 2024	May 2024
Same Property Portfolio Occupancy	98.3%	98.3%	98.3%	98.5%	98.6%	98.9%	98.9%	99.0%	99.0%	98.8%	98.8%	98.8%	98.7%

The Trust improved occupancy compared to the same period a year ago by focusing on retention and by leveraging its vertically-integrated operating platform to limit time to complete unit turnovers. Market rents were adjusted in many communities where rental market fundamentals are strong. 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 in many of our communities.

For the first quarter of 2024, same property rental revenue increased 9.4% while same property total rental expense increased by 3.5%, resulting in same property NOI growth of 13.5% in comparison to the same quarter prior year. Same property rental expenses increased primarily due to higher wages and salaries from inflation, higher utilities from increased rates, and higher property taxes.

During the first quarter of 2024, lower incentives along with positive market rent adjustments supported Boardwalk's Calgary portfolio increase in same property NOI of 13.7% in comparison to the same quarter prior year. The positive revenue growth was partially offset by an increase in wages and salaries, building maintenance costs, and property taxes.

In Edmonton, NOI growth was 16.5% for the first quarter of 2024 compared to the same period in the prior year. The overall growth was driven by lower vacancy loss and incentives, and higher market rents. The overall positive increase was partially offset by higher wages and salaries, utilities, and property taxes.

Saskatchewan's market continues to be strong with the Trust's portfolio in the region realizing 13.5% same property NOI growth in the first quarter of 2024 versus the same period last year, as a result of strong same property revenue growth due to lower incentives as well as market rent increases, partially offset by higher wages and salaries and utilities.

In Ontario, NOI growth was 4.6% in the first quarter of 2024 compared to the first quarter of 2023. The mark-to-market opportunity on turnover contributed to same property rental revenue growth of 5.1%, which was partially offset by increases in wages and salaries, building repairs and maintenance costs, bad debt, and property taxes.

In Quebec, NOI growth was 9.1% compared to the same quarter in the prior year. The overall growth was driven by increases in occupied rents along with higher occupancy rates, as well as lower utilities, insurance premiums relative to the previous year, and a decrease in wages and salaries.

In British Columbia, a same property rental revenue increase of 5.0% and a decrease in total rental expenses of 13.2%, due largely to lower water and sewer costs, resulted in same property NOI growth of 10.2% in the first quarter of 2024 compared to the first quarter of 2023.

As shown in our updated guidance further in this letter, Boardwalk remains well positioned for continued revenue growth and NOI growth in 2024.

Same Property Mar. 31, 2024 – 3 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	12,882	10.8%	4.0%	16.5%	34.4%
Calgary	6,108	11.8%	8.1%	13.7%	23.9%
Other Alberta	1,936	10.7%	(4.9)%	25.2%	4.9%
Alberta	20,926	11.1%	4.1%	16.1%	63.2%
Quebec	6,000	5.5%	(0.2)%	9.1%	17.0%
Saskatchewan	3,505	9.0%	2.2%	13.5%	11.0%
Ontario	3,019	5.1%	6.0%	4.6%	8.1%
British Columbia	114	5.0%	(13.2)%	10.2%	0.7%
	33,564	9.4%	3.5%	13.5%	100.0%

STRONG LIQUIDITY POSITION

In the first quarter of 2024, Boardwalk renewed $35.8 million of its maturing mortgages at a weighted average interest rate of 4.38% while extending the term of these mortgages by an average of 4.8 years

For the remainder of 2024, the Trust anticipates $400.5 million of mortgages payable maturing with an average in-place interest rate of 2.91% and will continue to renew these mortgages as they mature. Current market five and 10-year CMHC financing rates are estimated to be approximately 4.40% and 4.50%, respectively. To date, the Trust has renewed or forward-locked the interest rate on $152.5 million or 34.9% of its maturing mortgages in 2024 at an average interest rate of 4.50% and an average term of 5.3 years. 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.

SUPPLEMENTING ORGANIC GROWTH

In Q1 2024, the Trust completed the previously announced acquisition of The Circle for $77.6 million purchase price, a 295-suite newly built construction apartment complex in Calgary, Alberta, and repaid its portion of a floating rate construction loan facility on its joint venture in Brampton, Ontario in the amount of $57.4 million. With increased liquidity, the Trust remains well-positioned to fund future acquisition and development opportunities in its existing pipeline.

UPDATED 2024 FINANCIAL GUIDANCE

The Trust's current outlook is for a continued growth trend across its portfolio as multi-family fundamentals remain strong with outsized revenue and NOI growth in its non-price controlled markets.

With Q1 finalized, the Trust is updating and tightening its guidance range as follows:

	2024 Revised Guidance	2024 Original Guidance	2023 Actual
Same Property NOI Growth	11.0% to 14.0%	10.0% to 14.0%	13.7%
Profit	N/A	N/A	666,099
FFO (1)(2)	N/A	N/A	181,353
AFFO (1)(2)(3)	N/A	N/A	149,098
FFO Per Unit (2)	$4.00 to $4.20	$3.93 to $4.18	$3.60
AFFO Per Unit (2)(3)	$3.37 to $3.57	$3.30 to $3.55	$2.96

(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 $1,003/suite/year in 2024 and $953/suite/year in 2023.

The reader is cautioned that this information is forward-looking and actual results may vary from those forecasted. The Trust reviews the assumptions used to derive its forecast quarterly, and based on this review, may adjust its outlook accordingly.

STRENGTHENING OUR SENIOR LEADERSHIP TEAM

Boardwalk and its Board of Trustees are pleased to announce that Ms. Samantha Adams and Ms. Nandini Somayaji have recently joined the Trust's Senior Leadership team.

Ms. Adams has joined the Trust as our new Senior Vice President, Investments. Ms. Adams brings over 20 years' experience with multiple real estate asset classes, including multi-family and industrial, throughout Canada and the United States. Ms. Adams previously served as a Senior Vice President of Pure Multi-Family REIT LP ("Pure"), from the time of its IPO until its sale to Cortland Partners in 2019 for C$1.6 billion. Prior to her time with Pure, she was one of four principals at the Vancouver-based Sunstone Group of companies and was actively involved in three of Canada's most successful real estate platforms.

Ms. Somayaji has joined the Trust as General Counsel and Corporate Secretary. Ms. Somayaji brings over 15 years of legal experience having previously worked with DIRTT Environmental Solutions as Senior Vice President Talent, General Counsel & Corporate Secretary, as well as Deloitte Legal and Bennett Jones.

Sam Kolias, Chairman and CEO of Boardwalk commented, "We are thrilled to add both Samantha and Nandini to further strengthen our senior leadership team.

Samantha brings extensive public company knowledge and real estate experience, as well as exceptional existing relationships across North America. Her vast experience in acquisitions, capital markets, corporate development, tax, legal, audit, finance, and corporate governance will be a great asset to our team. As we continue to generate increased cash flows from strong organic growth, Samantha's addition positions us well to further supplement our growth through accretive opportunities and prudent capital allocation.

Nandini's addition allows us to bring a significant amount of our legal work in-house and further centralizes much of the Trust's risk management initiatives. Her previous experience further improves our team with additional expertise and insights in corporate governance, human resources, ESG reporting, and cross-border tax law."

ADDING IRREPLACEABLE LOCATIONS

Subsequent to the end of the quarter, the Trust removed conditions on an acquisition of zoned development land in the Marda Loop area of Calgary for $12.0 million. The site is located in one of central Calgary's most desirable and amenity-rich neighbourhoods and is a short drive from downtown, 17th Avenue, University of Calgary and Mount Royal University. The Trust estimates that the site allows for approximately 135 residential suites and supporting ground-level retail. The Trust will continue to progress with Development Permit approvals in 2024. With its 45 Railroad project in Brampton nearing stabilization, the Trust views this as an opportunity to augment and replenish its future development pipeline on a small scale in an irreplaceable location.

FIRST QUARTER REGULAR MONTHLY DISTRIBUTION ANNOUNCEMENT

The Trust has confirmed its monthly cash distribution for the months of June, July, and August 2024 as follows:

Month		Per Unit		Annualized	Record Date	Distribution Date
June 2024	$	0.1200	$	1.44	June 28, 2024	July 15, 2024
July 2024	$	0.1200	$	1.44	July 31, 2024	August 15, 2024
August 2024	$	0.1200	$	1.44	August 30, 2024	September 16, 2024

In line with Boardwalk's distribution policy of maximum re-investment, the Trust's payout ratio remains conservative at 33.2% of Q1 2024 FFO; and 31.9% of the last 12 months FFO.

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

EXCEPTIONAL VALUE FOR STRONG GROWTH

The Trust's current trading price continues to represent exceptional value when compared to the underlying real estate and in the context of the NOI growth reinforced within our guidance range.

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 $231,000 per suite. This valuation represents approximately a 4.4% cap rate on Boardwalk's most recent 12 months of investment property NOI. NOI growth 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 $73 per Trust Unit, Boardwalk's implied value is approximately $203,000 per suite and represents an attractive 5.0% cap rate on trailing NOI.

Boardwalk's current monthly distributions on its Trust Units of $1.44 per year represents a sustainable monthly cash distribution providing stable income to our Unitholders.

IN CONCLUSION

Boardwalk is well-positioned to build upon its track record of strong 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 delivering sustainable financial performance.

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

And lastly, thank you to our Resident Members for making Boardwalk your home.

With our love always,

sam kolias
Chairman of the Board and Chief Executive Officer

Management's Discussion and Analysis

For the Three Months Ended, March 31, 2024 and 2023

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 6, 2024 unless otherwise stated, and should be read in conjunction with Boardwalk's condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023, as well as Boardwalk's audited annual consolidated financial statements for the years ended December 31, 2023 and 2022, 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.sedarplus.ca. 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.

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

Certain information contained in this MD&A concerning the economy generally and relating to the industry in which the Trust operates has been obtained from publicly and/or industry available information from third party sources, including both the Bank of Canada's April 2024 Monetary Policy Report and the Royal Bank of Canada's March 2024 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 2024 financial outlook and market guidance, increasing and maintaining its occupancy rates, joint arrangement 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, and payment of all of the REIT's taxable income 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, the possibility of economic contractions as a result of a potential recession, Boardwalk's goal to decrease incentives implemented to maintain occupancy levels, the Trust's intention to file an objection with the Canada Revenue Agency ("CRA") Appeals Division in respect of the notices of reassessment, 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, 2023 ("AIF") dated February 21, 2024 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 arrangements/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 timing to deploy equity proceeds, 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, as amended and restated on various dates between May 3, 2004, and May 6, 2024 (the "Declaration of Trust" or "DOT"), under the laws of the Province of Alberta. Boardwalk REIT was created to 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 (as defined herein) with superior quality rental communities and the best tenant/customer service, provide its holders ("Unitholders") of Trust Units with stable monthly cash distributions, and to increase the value of the Trust Units through the effective management of its residential multi-family revenue producing properties, renovations and upgrades to its current portfolio, and the acquisition and/or development of additional, accretive properties or interests therein. As at March 31, 2024, Boardwalk REIT owned and operated in excess of 200 properties, comprised of over 34,000 residential suites, and totaling over 29 million net rentable square feet. At the end of the first quarter of 2024, Boardwalk REIT's property portfolio was located in the provinces of British Columbia, Alberta, Saskatchewan, Ontario, and Quebec.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE OVERVIEW

The Trust is committed to 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. The Trust’s 2023 ESG Report is available on the Trust's website at www.bwalk.com/en-ca/investors/esg. The ESG Report does not form a part of this MD&A.

MD&A OVERVIEW

This MD&A focuses on key areas from the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023, 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, 2024 and 2023, Boardwalk REIT’s 2023 Annual Report, the audited annual consolidated financial statements for the years ended December 31, 2023 and 2022, and the AIF, each of which are available under the REIT’s profile on www.sedarplus.ca.

OUTLOOK

In its April 2024 Monetary Policy Report, the Bank of Canada has noted that inflation continues to ease as high interest rates work their way through the economy. Economic growth in Canada stalled in the second half of 2023 but is expected to grow in 2024 as a result of strong population growth and recovery in household spending. Businesses are not raising prices as frequently and labour market conditions continue to improve, however, shelter prices like rent and mortgage interest continue to rise. The Bank of Canada expects inflation to remain close to 3% in the second quarter of 2024 and begin to decline below 2.5% in the second half of the year before returning to the 2% target in 2025.

The Royal Bank of Canada’s (“RBC”) March 2024 Provincial Report also noted that the Bank of Canada’s interest rate increases continue to materialize and have slowed the economy. Despite such slow down, there is a disproportionate share of the remaining upward pressure coming from mortgage interest costs, a direct result of the interest rate hikes. The central bank’s core measures of underlying pressures are still above 3%, with RBC expecting the Bank of Canada to begin gradually cutting rates in mid 2024 as inflationary pressures continue to slow.

RBC expects Alberta’s economy will continue to have above average growth compared to the rest of Canada, with 1.7% growth expected for the year. RBC notes that although Alberta’s strong demographics continue to support relatively robust employment growth and residential investment, the province’s economy is expected to gear down as the weakening global economy may deteriorate demand for Alberta’s commodities. For Saskatchewan, RBC made an upward revision of its 2023 growth forecast for the province driven by a larger than anticipated capital expenditure boost paired with a strong labour market. RBC anticipates the fertilizer markets to see more stable supply and improved affordability combined with a better growing season, thereby continuing the province’s upward growth. The British Columbia and Ontario markets are expected to see growth slow down this year due to the lagged impact of high interest rates on spending and investments. For Quebec, RBC expects the annual growth in its economy to slightly increase at 0.4% in 2024, up marginally from 0.3% in 2023.

Boardwalk continues to move forward with several development opportunities in British Columbia, and 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 and pursue such opportunities, if warranted, based on our internal analysis and general economic conditions. Historically, one of the biggest risks to real estate valuations is the building of oversupply in a particular market, which results in significant corrections of property values market-wide. Currently, in the Trust's core markets, total housing supply under construction remains low relative to anticipated household formation. In the short term, despite recent federal immigration announcements, demand is expected to remain high from strong international and interprovincial migration.

Boardwalk's Strategic Plan

Boardwalk provides inclusive communities to work and live 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 purpose: 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 and the Trust's stakeholders.

Strong rental apartment housing fundamentals in Boardwalk's core markets 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 its normal course issuer bid.

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

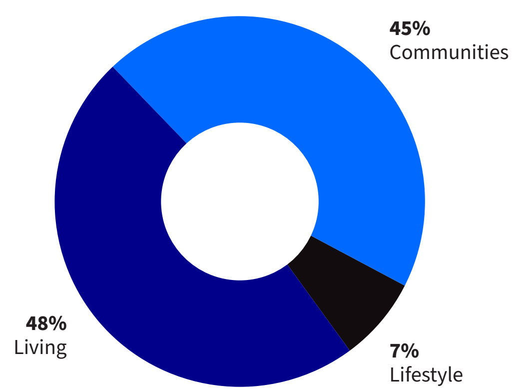
The medium to long-term goal of the Trust is to not only expand geographically, but also diversify its product offering through its three distinct brands.

The 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. We believe that our success as a business is closely linked to the success of the communities in which we operate. We are committed to providing a place where our Residents can feel at home through multi-brand strategy and our community renovation programs.

Our Multi-brand Strategy

Boardwalk Lifestyle

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



Boardwalk Communities

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

Boardwalk Living

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

Boardwalk's Branding Initiative and Suite Renovation Program

Boardwalk has invested $21.6 million in capital assets for the three months ended March 31, 2024 (three months ended March 31, 2023 – $21.0 million), including $13.0 million in value-add capital (three months ended March 31, 2023 – $13.2 million), 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.

DECLARATION OF TRUST

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

Investment Guidelines

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

Operating Policies

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

Distribution Policy

Boardwalk REIT may distribute to holders of Trust Units and LP Class B Units on or about each distribution date such percentage of FFO for the calendar month then ended as the Board of Trustees determines in its discretion. Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information on FFO. 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, 2024, 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, 2024, Boardwalk REIT's interest coverage ratio of consolidated EBITDA (i.e. Earnings Before Interest, Taxes, Depreciation and Amortization) to consolidated interest expense was 2.84 (year ended December 31, 2023 – 2.83). Further details of the Trust's interest coverage ratio can be found in NOTE 14 to the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023, which are available under the Trust's profile at www.sedarplus.ca.

PRESENTATION OF FINANCIAL INFORMATION

Financial results, including related historical comparatives, contained in this MD&A are based on the Trust's condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023, 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 Cash Flow From Operations ("ACFO"). These non-GAAP financial measures are considered to be meaningful and useful measures of real estate operating performance, however, are not measures defined by IFRS. 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 profit adjusted for fair value gains or losses, distributions on the LP Class B Units, gains or losses on the sale of the Trust's investment properties, depreciation, deferred income tax, and certain other non-cash adjustments, if any, but after deducting the principal repayment on lease liabilities 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. As a result of this classification, their corresponding distribution amounts are considered "financing costs" under IFRS. REALPAC recognizes this classification, however, adds the distributions that were treated as interest expense back when calculating FFO, which suggests these puttable instruments are similar to equity. Management of the Trust agrees these distribution payments are similar to equity, as these amounts are only payable if the Trust declares distributions, and only for the amount of any distributions declared, both of which are at the discretion of the Board of Trustees as outlined in the DOT. Therefore, these distributions are excluded from the calculation of FFO, consistent with the treatment of distributions paid to all other Unitholders. The reconciliation from profit under IFRS 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, 2024 and 2023.

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 Cash Flow 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 Consolidated 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, loan receivable, and cash and cash equivalents. Adjusted Real Estate Assets is useful in summarizing the real estate assets owned by the Trust and it is used in the calculation of NAV, which management of the Trust believes is a useful measure in estimating the entity's value. The reconciliation from Investment Properties under IFRS 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: primarily rental operations and also the sale of "non-core" real estate properties.

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

Performance Measures

The Trust intends to continue to pay out, at a minimum, all taxable income to Unitholders in the form of monthly distributions, unless the Board of Trustees, in its absolute discretion, determines a different amount. For 2024, the Board of Trustees approved an increase to the distribution to $0.1200 per Trust Unit on a monthly basis (or $1.44 on an annualized basis) beginning March 2024. This was an increase of $0.0225 per Trust Unit from the monthly $0.0975 per Trust Unit distributed for January and February 2024. The Trust intends to continue to redeploy its capital towards long-term value creation, including its suite renovation program, brand diversification initiative, and acquisition and development of new multi-family suites in supply-constrained markets.

For the three months ended March 31, 2024 and 2023, the Trust declared regular distributions of $17.0 million and $13.9 million (inclusive of distributions paid to holders of the LP Class B Units), respectively, and recorded profit of $307.7 million and $221.4 million, respectively. The FFO Payout Ratio for the three months ended March 31, 2024 was 33.2% (three months ended March 31, 2023 – 35.2%). Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information on FFO Payout Ratio. The overall operating performance of the first and fourth quarters tends to generate the highest payout ratio, mainly due to the high seasonality in total rental expenses. In particular, these quarters tend to be the highest demand periods for natural gas, a major operational cost for the Trust. It is therefore, important to not simply annualize the reported results of a particular quarter. The Board of Trustees reviews the level of distributions quarterly, and determines if any adjustments to the distributed amount is warranted. Overall, 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 2023 to 2024

The following tables show reconciliations of changes in FFO per Unit from March 31, 2023 to March 31, 2024. 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, 2023	$	0.79
Same Property Net Operating Income ("NOI") [(2)]		0.20
Non Same Property NOI [(2)]		(0.01)
Administration		0.01
Financing Costs and Interest Income		0.01
Unit Issuance		(0.05)
FFO per Unit – Mar. 31, 2024	**$**	**0.95**

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

FFO and AFFO Reconciliations

In the following table, Boardwalk REIT provides a reconciliation of FFO to Profit, the most comparable related financial statement measurement, for the three months ended March 31, 2024 and 2023. Adjustments are explained in the notes below, as appropriate.

FFO Reconciliation *(In $000's, except per Unit amounts)*	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Profit	**$ 307,721**	$ 221,389	
Adjustments			
Other income [1]	**-**	(818)	
Fair value gains, net	**(259,205)**	(183,362)	
LP Class B Unit distributions	**1,410**	1,242	
Deferred tax expense	**68**	57	
Depreciation	**1,865**	1,800	
Principal repayments on lease liabilities	**(824)**	(906)	
Principal repayments on lease receivable	**-**	193	
FFO [2][3]	**$ 51,035**	$ 39,595	28.9%
FFO per Unit [3]	**$ 0.95**	$ 0.79	20.3%

(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.

Profit for the first quarter of 2024 was $307.7 million compared to a profit of $221.4 million for the same period in 2023. The increase in profit was mainly attributable to the significant increase in fair value gains recognized on investment properties due to increased market rents. These gains were partially offset by increases in stabilized capitalization rates since Q1 2023, a reflection of higher interest rates. The first quarter of 2024 has shown modest economic growth and, along with the increasing demand for affordable housing driven in part by higher interest rates and record high immigration, has resulted in further growth in market rents. The weighted average capitalization rates for the Trust were 5.09% and 4.92% as at March 31, 2024 and March 31, 2023, 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.

Overall, Boardwalk REIT earned FFO of $51.0 million for the first quarter of 2024 compared to $39.6 million for the same period in 2023. FFO, on a per Unit basis, for the quarter ended March 31, 2024, increased approximately 20.3% compared to the same quarter in the prior year from $0.79 to $0.95. The increase was primarily driven by higher occupied rents, lower vacancy loss and incentives, higher interest income and the Calgary Acquisition (defined herein) and the Victoria Acquisition (defined herein), completed in January 2024 and April 2023, respectively, partially offset by increased wages and salaries, utilities, property taxes, financing costs, and administration.

The following table provides a reconciliation of FFO to AFFO:

(000's)	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023
FFO [1][2]	**$ 51,035**	$ 39,595
Maintenance Capital Expenditures [3]	**8,607**	7,849
AFFO [1][2]	**$ 42,428**	$ 31,746
FFO per Unit [2]	**$ 0.95**	$ 0.79
AFFO per Unit [2]	**$ 0.79**	$ 0.63
Regular Distributions	**$ 16,967**	$ 13,930
FFO Payout Ratio [2]	**33.2%**	35.2%
AFFO Payout Ratio [2]	**40.0%**	43.9%
Profit	**$ 307,721**	$ 221,389

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

(In $000's, except number of suites)	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Rental revenue	**$ 145,248**	$ 130,931	10.9%
Expenses			
Operating expenses	**27,082**	25,867	4.7%
Utilities	**17,116**	16,428	4.2%
Property taxes	**13,503**	12,844	5.1%
Total rental expenses	**$ 57,701**	$ 55,139	4.6%
Net operating income	**$ 87,547**	$ 75,792	15.5%
Operating margin (1)	**60.3%**	57.9%	
Number of suites at March 31 (2)	**34,141**	33,722	

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

(In $000's, except number of suites)	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Gross rental revenue (1)	**$ 149,764**	$ 139,044	7.7%
Vacancy loss (2)	**(1,706)**	(2,332)	(26.8)%
Incentives (3)	**(2,810)**	(5,781)	(51.4)%
Rental revenue	**$ 145,248**	$ 130,931	10.9%

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

Boardwalk REIT's rental operations for the three months ended March 31, 2024, reported higher results compared to the same period in the prior year, with rental revenue increasing 10.9%. For the three months ended March 31, 2024, the increase in rental revenue was due to higher in-place occupied rents, lower vacancy loss, and lower incentives offered, as well as the Calgary Acquisition and Victoria Acquisition in January 2024 and April 2023, respectively. As outlined in the second table above, the Trust was able to reduce incentives by 51.4% year-over-year, while also reducing vacancy losses by 26.8%. The Trust intends to continue to offer selective incentives in certain communities to maintain occupancy levels, with an overall goal of limiting incentives on new leases and decreasing incentives altogether.

For the three months ended March 31, 2024, total rental expenses increased by 4.6% compared to the same period in the prior year. The increase was attributable 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 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, 2024, operating expenses increased 4.7% compared to the same period in the prior year primarily due to higher wages and salaries and to a lesser extent repairs and maintenance. These increases were partially offset by lower advertising costs and bad debts as a result of the high occupancy being realized throughout the portfolio, and lower insurance premiums upon renewal in July 2023.

Utility costs increased by 4.2% for the three months ended March 31, 2024 compared to the same period in 2023 mainly due to higher water and sewer costs and higher carbon levy costs from the federal increases being implemented in 2023, partially offset by higher sub-metering recoveries. Fixed price physical commodity contracts have helped to partially or fully mitigate the Trust's exposure to fluctuating natural gas and electricity prices. Further details regarding the contracts on natural gas, as well as electricity prices in Alberta, can be found in NOTE 13 to the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023.

Property taxes increased 5.1% for the three months ended March 31, 2024 compared to the same period in the prior year mainly due to higher overall property tax assessments received and the acquisitions during 2023 and the first quarter of 2024. 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 for the three months ended March 31, 2024 was 60.3%, compared to 57.9% for the same period in 2023.

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 $000's, except number of suites)	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Rental revenue	**$ 93,120**	$ 82,893	12.3%
Expenses			
Operating expenses	**16,771**	16,138	3.9%
Utilities	**11,075**	10,316	7.4%
Property taxes	**8,735**	8,356	4.5%
Total rental expenses	**$ 36,581**	$ 34,810	5.1%
Net operating income	**$ 56,539**	$ 48,083	17.6%
Operating margin	**60.7%**	58.0%	
Number of suites at March 31	**21,379**	21,084	

Alberta is Boardwalk's largest operating segment, representing 64.6% of total reported NOI for the three months ended March 31, 2024. In addition, Alberta represents 62.6% of total suites. Boardwalk REIT's Alberta operations for three months ended March 31, 2024 reported a 12.3% increase in rental revenue compared to the same period in the prior year due to higher in-place occupied rents and lower vacancy loss and incentives, and the Calgary Acquisition in January 2024. Increases were driven, in part, by the high migration into the province in 2023 and continuing into 2024. For the three months ended March 31, 2024, total rental expenses increased by 5.1% compared to the same period in the prior year due to higher operating expenses, utilities, and property taxes.

Operating expenses increased by 3.9% for the three months ended March 31, 2024 compared to the same period in the prior year primarily due to higher wages and salaries and to a lesser extent repairs and maintenance, as well as the Calgary Acquisition, partially offset by lower insurance premiums upon renewal in July 2023, as well as lower advertising costs and bad debts as a result of the high occupancy being realized throughout the portfolio.

Utilities for the three months ended March 31, 2024 increased by 7.4% compared to the same period in the prior year due to higher natural gas rates, higher carbon levies, and higher water and sewer costs. These increases were partially offset by higher sub-metering recoveries. Currently, the Trust has three outstanding natural gas contracts to mitigate the price of its natural gas usage. The Trust also has two outstanding electricity contracts with two utility retailers to supply the Trust with its electrical power needs. More details can be found in NOTE 13 to the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023.

Property taxes for the three months ended March 31, 2024, increased 4.5% compared to the same period in the prior year due to higher property tax assessments and the Calgary Acquisition.

NOI for Alberta increased $8.5 million, or 17.6%, for the three months ended March 31, 2024, compared to the same period in 2023. Alberta's operating margin for the three months ended March 31, 2024 was 60.7%, which is 4.7% higher compared to the same period in 2023.

British Columbia Rental Operations

(In $000's, except number of suites)	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Rental revenue	**$ 1,680**	$ 689	143.8%
Expenses			
Operating expenses	**144**	70	105.7%
Utilities	**77**	44	75.0%
Property taxes	**101**	41	146.3%
Total rental expenses	**$ 322**	$ 155	107.7%
Net operating income	**$ 1,358**	$ 534	154.3%
Operating margin	**80.8%**	77.5%	
Number of suites at March 31	**238**	114	

For the three months ended March 31, 2024, operating results were higher than the same period in the prior year due to the Victoria Acquisition completed in April 2023. Further details on this acquisition can be found in the section titled "Review of Cash Flows – Investing Activities – New Property Acquisitions" in this MD&A.

Saskatchewan Rental Operations

(In $000's, except number of suites)	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Rental revenue	**$ 15,188**	$ 13,929	9.0%
Expenses			
Operating expenses	**2,435**	2,477	(1.7)%
Utilities	**2,009**	1,911	5.1%
Property taxes	**1,193**	1,125	6.0%
Total rental expenses	**$ 5,637**	$ 5,513	2.2%
Net operating income	**$ 9,551**	$ 8,416	13.5%
Operating margin	**62.9%**	60.4%	
Number of suites at March 31	**3,505**	3,505	

For the three months ended March 31, 2024, Saskatchewan rental revenue increased by 9.0% compared to the same period in the prior year due to higher in-place occupied rents coupled with lower incentives. For the three months ended March 31, 2024, total rental expenses increased by 2.2% compared to the same period in the prior year due to higher utilities and property taxes, partially offset by lower operating expenses.

Operating expenses for the three months ended March 31, 2024 decreased by 1.7% compared to the same period in the prior year due to lower repairs and maintenance, bad debts, advertising costs, and lower insurance premiums upon renewal in July 2023. The decrease was partially offset by higher wages and salaries.

Utilities for the three months ended March 31, 2024 increased by 5.1% compared to the same period in the prior year. The increase was a result of higher water and sewer costs and higher carbon levies. The Trust has one outstanding fixed price contract to mitigate its natural gas price for its Saskatchewan natural gas usage. Details of the contract can be found in NOTE 13 to the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023.

Property taxes increased by 6.0% for the three months ended March 31, 2024 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, 2024 was 62.9% compared to 60.4% for the same period in 2023.

Ontario Rental Operations

(In $000's, except number of suites)	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Rental revenue	**$ 11,764**	$ 11,189	5.1%
Expenses			
Operating expenses	**2,171**	1,965	10.5%
Utilities	**1,354**	1,378	(1.7)%
Property taxes	**1,170**	1,085	7.8%
Total rental expenses	**$ 4,695**	$ 4,428	6.0%
Net operating income	**$ 7,069**	$ 6,761	4.6%
Operating margin	**60.1%**	60.4%	
Number of suites at March 31 (1)	**3,019**	3,019	

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

Boardwalk REIT's Ontario operations for the three months ended March 31, 2024, reported a 5.1% increase in rental revenue compared to the same period in the prior year due to higher in-place occupied rents. Total rental expenses increased by 6.0% for the three months ended March 31, 2024 compared to the same period in the prior year due to higher operating expenses and property taxes, partially offset by lower utilities.

Operating expenses for the three months ended March 31, 2024, increased by 10.5% compared to the same period in the prior year, which was attributable to higher wages and salaries, building repair and maintenance, bad debt expense, and advertising costs. The increase was partially offset by lower insurance premiums upon its renewal in July 2023.

Utility costs decreased 1.7% for the three months ended March 31, 2024 compared to the same period in the prior year due to lower natural gas costs. The Trust has one outstanding fixed price natural gas contract for 69% of its London natural gas usage. Details of the contract can be found in NOTE 13 to the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023.

Property taxes increased 7.8% for the three months ended March 31, 2024 compared to the same period in the prior year due to higher property tax assessments.

NOI increased by 4.6% for the three months ended March 31, 2024 compared to the prior year. Reported operating margin for the three months ended March 31, 2024 was 60.1% compared to 60.4% for the same period in the prior year.

Quebec Rental Operations

(In $000's, except number of suites)	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Rental revenue	**$ 23,238**	$ 22,016	5.6%
Expenses			
Operating expenses	**3,632**	3,599	0.9%
Utilities	**2,475**	2,603	(4.9)%
Property taxes	**2,267**	2,188	3.6%
Total rental expenses	**$ 8,374**	$ 8,390	(0.2)%
Net operating income	**$ 14,864**	$ 13,626	9.1%
Operating margin	**64.0%**	61.9%	
Number of suites at March 31	**6,000**	6,000	

Boardwalk REIT's Quebec operations reported a rental revenue increases of 5.6% for the three months ended March 31, 2024 compared to the same period in the prior year. The increase was mainly attributable to higher in-place occupied rents and a decrease in vacancy loss. Overall, total rental expenses for the three months ended March 31, 2024 were consistent with the same period in 2023, with higher property taxes and slightly higher operating expenses offset by lower utilities.

For the three months ended March 31, 2024, operating expenses increased slightly by 0.9% compared to the same period in 2023 due to higher wages and salaries, building repairs and maintenance, and bad debts, partially offset by lower insurance premiums upon its renewal in July 2023.

For the three months ended March 31, 2024, utilities decreased 4.9% compared to the same period in 2023 primarily as a result of lower natural gas costs due to lower rates. The Trust has one outstanding fixed price natural gas contract to mitigate 74% of its Nun's Island natural gas usage. The details of the natural gas contract are reported in NOTE 13 to the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023.

Property taxes increased 3.6% for the three months ended March 31, 2024 compared to the same period in the prior year due to higher property tax assessments.

Reported operating margins for the three months ended March 31, 2024 increased from 61.9% to 64.0%.

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 competitive markets, 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 increased use of these incentives, particularly in Alberta, was an attempt by the Trust to keep occupancy levels higher than the overall market. As the market is in under supply of housing, the Trust has begun to unwind these incentives and increase market rents. This is evidenced in the current quarter with incentives decreasing 51.4% for the three months ended March 31, 2024, 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 takes steps to renew leases 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 may have some short-term consequences, as the timing of these enhancements may result in longer periods of time that suites are not available to be rented, leading to 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 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, and refining them where appropriate.

Boardwalk REIT's Portfolio Occupancy (Same property):

City	**Q1 2024**	Q1 2023
Calgary	**99.17%**	98.90%
Edmonton	**98.37%**	97.22%
Fort McMurray	**97.53%**	95.25%
Grande Prairie	**98.65%**	97.46%
Kitchener	**97.68%**	98.77%
London	**98.85%**	98.85%
Cambridge	**97.85%**	97.13%
Waterloo	**100.00%**	98.33%
Montreal	**99.41%**	97.63%
Quebec City	**99.22%**	96.87%
Red Deer	**99.71%**	99.29%
Regina	**98.33%**	98.33%
Saskatoon	**99.37%**	99.28%
Verdun	**99.73%**	99.81%
Portfolio	**98.83%**	98.11%

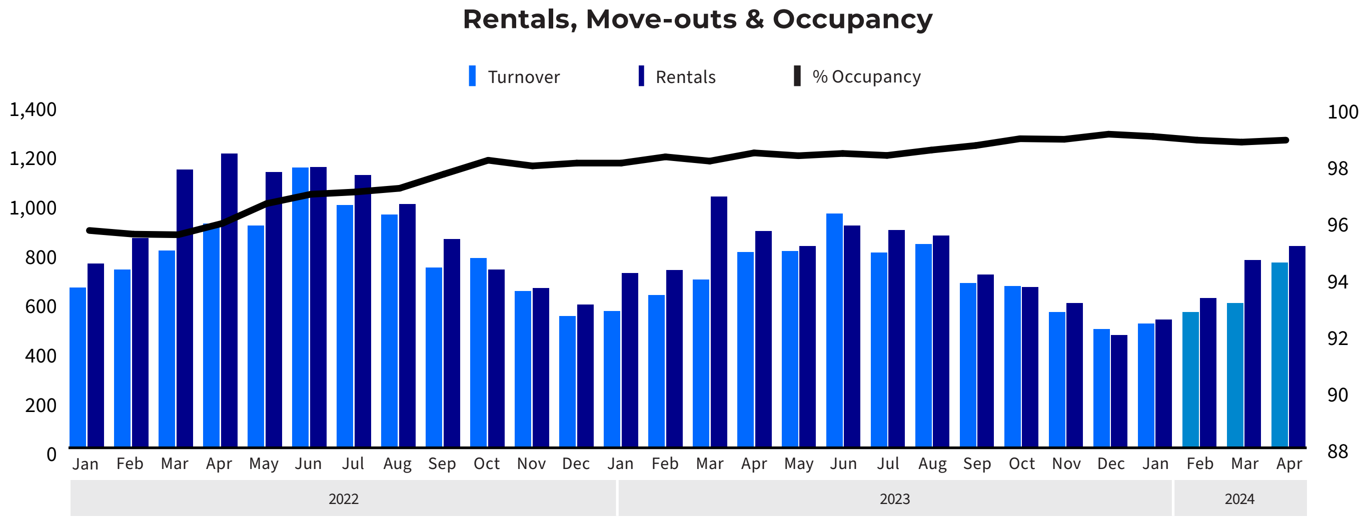
In Q1 2024, the Trust reported an increase of 72 basis points (bps) in its overall same property occupancy rate compared to the same quarter in the prior year, an increase from 98.11% to 98.83%. In Alberta, the continued growth and improvements to the market conditions and the increasing net migration into the province since 2022 have 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 115 bps in occupancy compared to the same quarter in the prior year. In Calgary, occupancy for the quarter increased 27 bps when compared to the same period in the prior year. The increases seen in Fort McMurray and Grande Prairie are a result of the energy sector maintaining strong momentum compared to the last few years, together with improved economic conditions from recent increases in commodity prices leading to more drilling activity and capital investment into the region, thereby contributing to a stronger oil and gas market compared to the last few years. In addition, Alberta has seen record high net migration into the province in 2023, which has also contributed to the increased occupancy within this market segment and an uptick in leasing activity.

The rising occupancy across the whole portfolio is a further indication of the rebound within the economy. In Saskatchewan, occupancy in Q1 2024 remained strong in the Regina and Saskatoon markets compared to the same quarter in the prior year. Regina occupancy levels for Q1 2024 were 98.33% which is consistent with the same period in 2023. Saskatoon occupancy levels increased to 99.37% in Q1 2024 compared to 99.28% in Q1 2023. These high occupancies 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 continued to remain strong in Ontario and Quebec. In Quebec City, occupancy quarter-over-quarter increased from 96.87% in Q1 2023 to 99.22% in Q1 2024. The lower occupancy in 2023 was attributed to the seniors' community building within Quebec City that was re-positioned in early 2022 to a conventional multi-family asset and occupancy of the building has continued to increase from 87.43% occupancy at March 31, 2023, to 99.45% at March 31, 2024.

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

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



Demand and supply, as with any industry, is an essential performance indicator for multi-family real estate. The above chart shows the 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. Adjusting market rental rates is an ongoing process for the Trust and is consistent with its overall strategy of optimizing overall NOI; consequently, the Trust expects to 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 $5.7 million, or $0.11 per Trust Unit on a fully diluted basis.

SAME PROPERTY RESULTS

Boardwalk defines same property as one that has been owned by the Trust for a period of 24 months or more from the reporting date. Boardwalk REIT's overall percentage of same properties was 98.3% of its total rental suite portfolio as at March 31, 2024, or a total of 33,564 suites. The table below provides a regional breakdown on these properties for the first quarter of 2024, compared to the first quarter of 2023.

Same Property Mar. 31, 2024 – 3 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	12,882	10.8%	4.0%	16.5%	34.4%
Calgary	6,108	11.8%	8.1%	13.7%	23.9%
Other Alberta	1,936	10.7%	(4.9)%	25.2%	4.9%
Alberta	20,926	11.1%	4.1%	16.1%	63.2%
Quebec	6,000	5.5%	(0.2)%	9.1%	17.0%
Saskatchewan	3,505	9.0%	2.2%	13.5%	11.0%
Ontario	3,019	5.1%	6.0%	4.6%	8.1%
British Columbia	114	5.0%	(13.2)%	10.2%	0.7%
	33,564	9.4%	3.5%	13.5%	100.0%

Same property rental revenue increased by 9.4% for the three months ended March 31, 2024, compared to the same period in the prior year. Total rental expenses reported for the year increased by 3.5% from 2023, resulting in a NOI increase of 13.5% compared to the prior year. The increase in reported rental revenue was driven by the higher in-place occupied rents across all regions as well as continued decreases in incentives in the Alberta and Saskatchewan markets. Same property rental expenses increased for most regions due to higher wages and salaries from inflation, higher utilities from increased rates, and higher property taxes. In particular, Calgary and Edmonton incurred increased wages and salaries due to customary inflation wage adjustments at the beginning of the year, as well as an extreme cold weather snap that required on-site staff to work extra hours to address related maintenance issues and provide additional customer service to Resident Members. Calgary's total rental expenses were also the result of higher building maintenance costs incurred and higher property taxes. These positive gains in rental revenues and discipline in managing operating expenses, have led to same property NOI growth in Alberta of 16.1% for Q1 2024 compared to the same period in the prior year. British Columbia total rental expenses decreased as a result of lower utilities expense compared to the same period last year. Overall, the Trust recognized same property NOI growth of 13.5% for 2023 when compared to the prior year.

Same Property Rental Revenue Growth	# of Suites	Q1 2024 vs Q4 2023	Q1 2024 vs Q3 2023	Q1 2024 vs Q2 2023	Q1 2024 vs Q1 2023
Edmonton	12,882	1.8%	4.6%	7.5%	10.8%
Calgary	6,108	2.3%	5.2%	8.4%	11.8%
Other Alberta	1,936	2.0%	5.3%	7.5%	10.7%
Quebec	6,000	0.6%	2.6%	5.1%	5.5%
Saskatchewan	3,505	2.0%	4.6%	7.2%	9.0%
Ontario	3,019	2.1%	3.4%	4.5%	5.1%
British Columbia	114	1.2%	1.7%	3.0%	5.0%
	33,564	1.8%	4.3%	7.0%	9.4%

On a sequential basis, same property rental revenue reported in the first quarter of 2024 increased by 1.8% over Q4 2023, increased by 4.3% compared to Q3 2023, increased by 7.0% compared to Q2 2023, and increased by 9.4% compared to Q1 2023. 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 also reflect market improvements and an influx in migration across provinces and international immigration, which has increased demand and contributed to the increases seen across Alberta. As rental demand increases, the Trust's focus is on sustainable rental rate increases with an emphasis on retention. The Trust continues to closely monitor this latest trend.

Estimated Mark-to-Market Revenue Gain Calculation

Boardwalk REIT's projected mark-to-market revenue gain, representing the difference between estimated market rents and actual occupied rents in March 2024, and adjusted for current occupancy levels, totaled approximately $69.8 million on an annualized basis, representing $1.29 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 mark-to-market revenue gain is measured at a point in time and is not intended to depict expected future financial performance. Reported market rents can be very seasonal and, as such, will vary from quarter to quarter. The significance of this change could materially affect Boardwalk REIT's "estimated mark-to-market revenue gain" amount. The importance of this estimate, however, is that it can be an indicator of future rental performance, assuming continuing economic conditions and trends. It would take significant time for these market rents to be recognized by the Trust due to internal and external limitations on its ability to charge these new market-based rents in the short term, particularly on renewals.

	Without Incentives				With Incentives					
Same Property	Mar. 2024 Market Rent (1)	Mar. 2024 Occupied Rent (2)	Mark-to-Market Per Month (3)	Annualized Mark-to-Market Adjusted for Current Occupancy Levels (000's)	Mar. 2024 Market Rent, including incentives (4)	Mar. 2024 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	$ 1,527	$ 1,368	$ 159	$ 24,203	$ 1,484	$ 1,368	$ 116	$ 17,478	12,882	39%
Calgary	1,891	1,716	175	12,845	1,871	1,716	155	11,363	6,189	18%
Other Alberta	1,378	1,255	123	2,825	1,329	1,255	74	1,676	1,936	6%
Alberta	$ 1,620	$ 1,460	$ 160	$ 39,873	$ 1,584	$ 1,460	$ 124	$ 30,517	21,007	63%
Quebec	$ 1,451	$ 1,286	$ 165	$ 11,862	$ 1,450	$ 1,286	$ 164	$ 11,761	6,000	18%
Saskatchewan (6)	1,606	1,460	146	6,068	1,578	1,460	118	4,913	3,505	10%
Ontario	1,927	1,317	610	21,811	1,926	1,317	609	21,983	3,019	9%
British Columbia	2,602	2,165	437	593	2,597	2,165	432	589	114	0%
Total Portfolio	$ 1,620	$ 1,418	$ 202	$ 80,207	$ 1,593	$ 1,418	$ 175	$ 69,763	33,645	100%

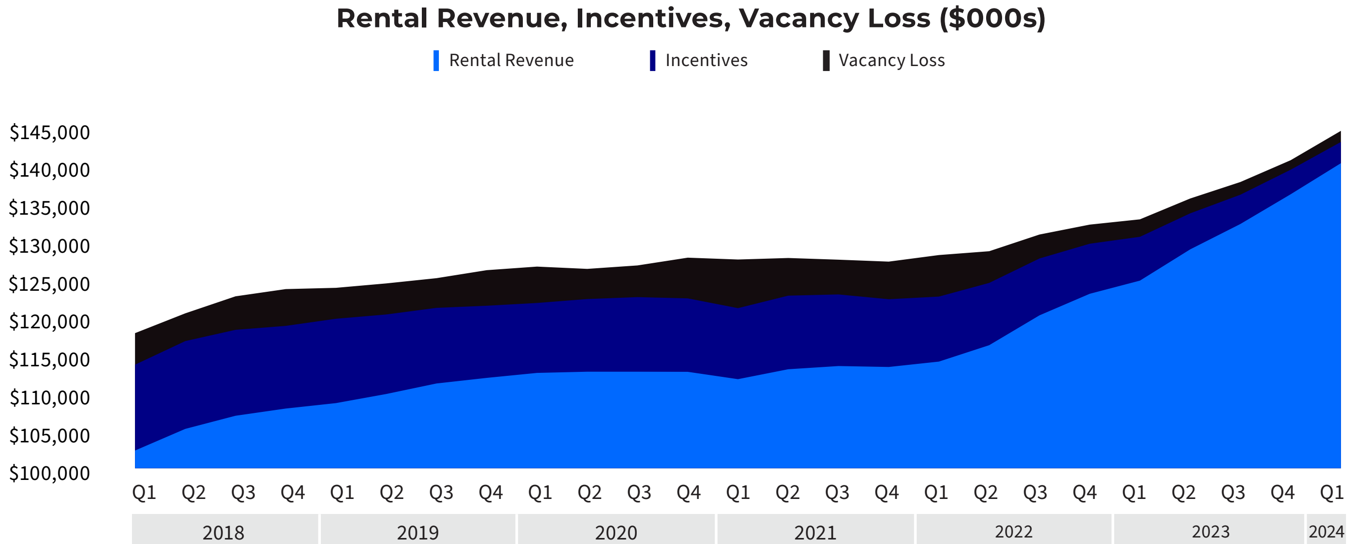
(1) Market rent is a component of rental revenue and represents same properties only. It is calculated as of the first day of each month as the average rental revenue amount a willing landlord might reasonably expect to receive, and a willing tenant might reasonably expect to pay, for a tenancy, before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

The increase in the mark-to-market revenue gain for our portfolio, from $56.4 million at December 2023, to $69.8 million at March 2024, was due primarily to an increase in market rents in the Edmonton and Saskatchewan markets for the month of March, contributing to a weighted average mark-to-market of $175 per suite per month. Excluded from the mark-to-market revenue gain calculation of $69.8 million is approximately $27 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 $10 million per annum or a total mark-to-market opportunity of $80.2 million.

In the first quarter of 2024, 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 same property 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 continues to focus on maximizing overall revenues through the management of three key revenue variables, notably, market rents, occupancy levels, and suite-selective incentives.



FINANCING COSTS

Financing costs, including interest expense on the Trust's secured mortgages and lease obligations for the three months ended March 31, 2024 increased from the same period in the prior year, from $26.6 million to $29.7 million. At March 31, 2024, the reported weighted average interest rate for mortgages payable of 3.02% was up from the weighted average interest rate of 3.00% at December 31, 2023. 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 3.6 years.

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

This government-backed mortgage insurance program administered by CMHC provides significant benefits to the Trust, which in turn allows for increased quality and affordability for the Trust's Resident Members. 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, 2024, 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. In its definition of FFO, REALPAC notes that puttable instruments are classified as financial liabilities and distributions are therefore treated as interest expense, however, adds the distributions that were treated as interest expense back when calculating FFO, which suggests those puttable instruments are similar to equity. The total amount of distributions paid to the holders of LP Class B Units for the three months ended March 31, 2024, which have been recorded as financing costs, was $1.4 million (three months ended March 31, 2023 – $1.2 million). Based on this rationale, these amounts have been added back in the calculation of FFO.

Amortization of Deferred Financing Costs

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

The total amortization of deferred financing costs for the three months ended March 31, 2024 and 2023 was $1.8 million. 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 2024, the Trust anticipates having approximately $400.5 million of secured mortgages maturing with a weighted average rate of 2.91%. 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 4.40% (as of May 2024).

To date, the Trust has renewed, or forward locked the interest rate on $152.5 million or 34.9% of its total 2024 mortgage maturities at an average interest rate of 4.50%, while extending the term of these mortgages by an average of 5.3 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, 2024, which relates to corporate administration from continuing operations, was $10.3 million compared to $9.8 million for the same period in the prior year, an increase of approximately 5.1% 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 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, 2024 was $1.9 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 2023 and 2024 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.

Boardwalk REIT has received notices of reassessment dated February 28, 2024 from the CRA increasing the Trust's taxable income by $5.6 million, $20.6 million, $14.1 million, and $0.06 million for its taxation years ended December 31, 2011, 2012, 2013, and 2014, respectively, on the basis that the Trust did not report deemed taxable capital gains in each of those taxation years resulting from alleged negative adjusted cost base in the Trust's units of Top Hat Operating Trust, a trust 100% owned by Boardwalk REIT. Management of the Trust is assessing the implications of the CRA notices of reassessment and has until May 29, 2024 to file a notice of objection to the reassessments. The Trust intends to file an objection with the CRA Appeals Division as it disagrees with the CRA's proposed assessment. The Trust will not be required to pay any amount to the CRA in order to dispute this matter. It is difficult to estimate the amount of time it could take to resolve the dispute with the CRA Appeals Division and it is possible that an appeal to the Tax Court of Canada could be required in order to resolve this dispute. Please refer to the section titled "Risks and Risk Management – Certain Tax Risks – Change of Tax Laws" in the MD&A included in the 2023 Annual Report for more information.

LP Class B Units and the Deferred Unit Compensation Plan

The LP Class B Units are non-transferable, except under certain circumstances, but are exchangeable, on a one-for-one basis, into Trust Units at any time at the option of the holder. The LP Class B Units and the deferred unit-based compensation plan are recorded at their fair value at each reporting date. As at March 31, 2024, the Trust used a price of $78.08 based on the closing price of the Trust Units on the TSX to determine the fair value of these liabilities at that date. The total fair value of the LP Class B Units recorded on the Condensed Consolidated Interim Statements of Financial Position at March 31, 2024, was $349.4 million (December 31, 2023 – $319.2 million), and a corresponding fair value loss of $30.2 million (three months ended March 31, 2023 – 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, 2024.

The deferred unit-based compensation plan had a fair value of $18.4 million (December 31, 2023 – $15.8 million), and a corresponding fair value loss of $2.0 million (three months ended March 31, 2023 – 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, 2024.

REVIEW OF CASH FLOWS

Operating Activities

Cash flow from operating activities increased by 58.6% from $33.9 million for the three months ended March 31, 2023 to $53.8 million for the three months ended March 31, 2024. For the three months ended March 31, 2024, Boardwalk REIT reported ACFO of $42.4 million, or $0.79 per Unit. This represented an increase of approximately 33.6%, compared to $31.7 million, or $0.63 per Unit, reported for the same three months in 2023. The increase in cash flow from operating activities was mainly the result of increased rental revenues and interest income 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 was 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 Consolidated Statements of Cash Flows prepared in accordance with IFRS is highlighted below.

ACFO Reconciliation *(In $000's, except per Unit amounts)*	**3 Months Mar. 31, 2024**	3 Months Mar. 31, 2023	% Change
Cash flow from operating activities	**$ 53,762**	$ 33,905	
Adjustments			
Net change in operating working capital	**(28)**	7,848	
Loss from equity accounted investment	**(596)**	(315)	
Deferred unit-based compensation	**(671)**	(575)	
LP Class B Unit distributions	**1,410**	1,242	
Government grant amortization	**95**	95	
Interest paid	**27,591**	24,746	
Financing costs	**(29,704)**	(26,638)	
Principal repayments on lease liabilities	**(824)**	(906)	
Principal repayments on lease receivable	**-**	193	
Maintenance Capital Expenditures (1)	**(8,607)**	(7,849)	
ACFO (2)(3)	**42,428**	31,746	33.6%
ACFO per Unit (3)	**$ 0.79**	$ 0.63	25.4%

(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 33.2% and 40.0%, respectively, compared to 35.2% and 43.9%, 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 2024, the Board of Trustees had approved distributions of $1.44 per Trust Unit on an annualized basis effective March 2024.

Investing Activities

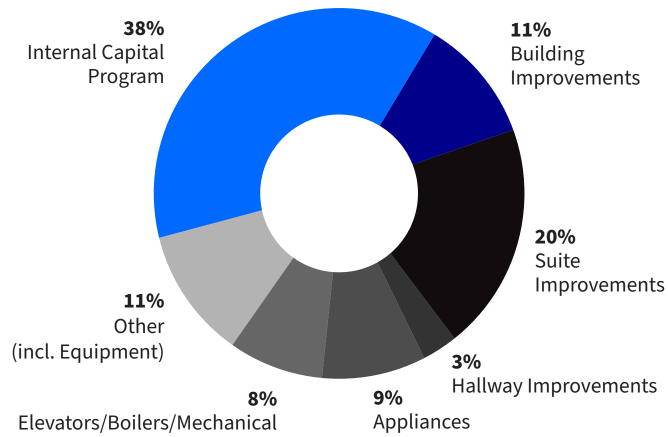
Capital Improvements

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, meet Resident Members' expectations, and comply with health and safety regulations.

For the three months ended March 31, 2024, Boardwalk REIT invested approximately $21.6 million in capital assets (comprised of $19.7 million on its investment properties and $1.9 million on property, plant and equipment) back into its properties in the form of equipment and project enhancements to upgrade existing suites, common areas, and building exteriors and systems, compared to the $21.0 million ($19.6 million on its investment properties and $1.4 million on property, plant and equipment) invested for the three months ended March 31, 2023.

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 themselves, 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 $8.2 million of on-site wages and salaries that have been incurred towards these projects for 2024, compared to $8.5 million for the same period in 2023.

2024 3 Month 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, while capital in nature, are not considered betterments and relate more to maintaining the existing earnings capacity of our property portfolio, though 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 2024, revised, if necessary, based on actual expenditures for the year, are initially used to calculate Maintenance CAPEX for the three-year rolling average. For 2023, the three-year rolling average is based on actual expenditures invested from 2021 to 2023.

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

Category	2024 Budgeted Capital Expenditures ($000's)	2023 Capital Expenditures ($000's)	2022 Capital Expenditures ($000's)	2021 Capital Expenditures ($000's)
Building Exterior, Grounds & Parking	$ 45,607	$ 36,136	$ 40,794	$ 26,151
Hallways & Lobbies	11,157	8,999	6,628	8,093
Elevators	4,250	3,605	2,160	2,826
Mechanical & Electrical	5,940	9,023	6,086	6,901
Other – Information Technology	5,652	3,978	3,707	4,428
Site Equipment & Vehicles	1,937	2,204	1,342	1,636
Total Common Area	$ 74,543	$ 63,945	$ 60,717	$ 50,035
Paint & General	$ 7,234	$ 6,575	$ 8,891	$ 13,072
Flooring	9,365	8,512	10,823	12,824
Cabinets & Counters	6,046	5,495	6,760	7,957
Appliances	4,862	4,419	4,799	5,145
Suite Mechanical	1,416	1,287	1,549	1,659
Furniture, Fixtures & Equipment	1,078	980	771	1,198
Total Suites	$ 30,000	$ 27,268	$ 33,593	$ 41,855
Internal Capital Program	$ 34,607	$ 33,810	$ 34,435	$ 34,237
Subtotal	$ 139,150	$ 125,023	$ 128,745	$ 126,127
Corporate Capital Expenditures	-	949	607	876
Investment in capital assets	$ 139,150	$ 125,972	$ 129,352	$ 127,003
Cash Flow used in Investing Activities				
Improvements to Investment Properties	$ 131,561	$ 119,012	$ 123,885	$ 121,492
Additions to Property, Plant & Equipment	7,589	6,960	5,467	5,511
Investment in capital assets	$ 139,150	$ 125,972	$ 129,352	$ 127,003
Number of suites	33,846	33,846	33,722	33,264
Value-add Capital Investment				
Building Improvements	$ 39,436	$ 34,786	$ 34,443	$ 25,194
Common Area Renovations	11,157	8,999	6,628	8,093
Suite Upgrades	22,536	20,749	25,999	33,493
Internal Capital	28,530	27,873	28,289	28,664
Other – Information Technology	1,413	996	927	1,107
	$ 103,073	$ 93,403	$ 96,286	$ 96,551
Maintenance CAPEX	36,077	32,569	33,066	30,452
Investment in capital assets	$ 139,150	$ 125,972	$ 129,352	$ 127,003
Maintenance CAPEX per Suite	$ 1,066	$ 962	$ 981	$ 915
Three-year Rolling Average Reserve				
2022			$ 981	
2023			$ 962	
2024			$ 1,066	
2024 Maintenance CAPEX Per Suite			**$ 1,003**	
Three-year Rolling Average Reserve				
2021				$ 915
2022				$ 981
2023				$ 962
2023 Maintenance CAPEX Per Suite				**$ 953**

Using the three-year rolling average reserve, Boardwalk's 2024 estimate of Maintenance CAPEX is $33.9 million, or $1,003 per suite, for the year. For 2023, Boardwalk's estimate of Maintenance CAPEX, using the three-year average reserve, was $32.3 million, or $953 per suite, for the year. The increase in the three-year rolling average reserve of $953 per suite in 2023 to $1,003 per suite in 2024 is due to a higher Maintenance CAPEX per suite in part due to rising costs from inflationary increases experienced over the past year.

The following table provides management of the Trust's estimate of these expenditure categories for the three months ended March 31, 2024 and 2023.

(In $000's, except for per suite amounts)	**3 Months Mar. 31, 2024**	**Per Suite**	3 Months Mar. 31, 2023	Per Suite
Maintenance Capital Expenditures	**$ 8,607**	**$ 251**	$ 7,849	$ 233
Value-add Capital	**13,016**	**379**	13,198	391
Investment in capital assets	**$ 21,623**	**$ 630**	$ 21,047	$ 624

Management of the Trust has estimated that for the first quarter of fiscals 2024 and 2023, the amount allocated to maintenance capital was approximately $8.6 million, or $251 per suite, and $7.8 million, or $233 per suite, respectively, with investment in value-add capital expenditures to its investment properties totaling $13.0 million and $13.2 million, respectively, or $379 and $391 per suite, respectively.

Investment Properties

The Trust has elected to use the fair value model in accordance with IAS 40 – Investment Properties 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, 2024	**4**	**$ 180,971**	**2.2%**
December 31, 2023	6	$ 874,525	11.4%
September 30, 2023	6	$ 196,708	2.6%
June 30, 2023	4	$ 210,300	2.8%
March 31, 2023	4	$ 100,235	1.4%

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, 2024			Dec. 31, 2023		
	Capitalization Rate Weighted Average		Forecasted Total Stabilized Net Operating Income	Capitalization Rate Weighted Average		Forecasted Total Stabilized Net Operating Income
Alberta	5.13%	$	260,714	5.13%	$	247,297
British Columbia	4.30%		5,598	4.30%		5,518
Saskatchewan	5.67%		42,950	5.67%		39,326
Ontario	4.51%		31,651	4.27%		30,922
Quebec	4.94%		19,144	4.94%		18,944
	5.10%	$	360,057	5.06%	$	342,007
Land Leases	4.97%		40,098	4.96%		39,807
Total	5.09%	$	400,155	5.05%	$	381,814

Overall portfolio weighted average stabilized capitalization rate ("Cap Rate") was 5.09% as at March 31, 2024 and 5.05% as at December 31, 2023, 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, 2024 and December 31, 2023:

As at March 31, 2024		Stabilized Net Operating Income									
			-3%		-1%		As Forecasted		+1%		+3%
Cap Rate		$	388,150	$	396,153	$	400,155	$	404,157	$	412,160
-0.25%	4.84%	$	158,577	$	324,093	$	406,850	$	489,608	$	655,123
Cap Rate As Reported	5.09%		(236,067)		(78,689)		7,868,915		78,689		236,067
+0.25%	5.34%		(593,728)		(443,724)		(368,722)		(293,720)		(143,716)

As at December 31, 2023		Stabilized Net Operating Income									
			-3%		-1%		As Forecasted		+1%		+3%
Cap Rate		$	370,360	$	377,996	$	381,814	$	385,632	$	393,268
-0.25%	4.80%	$	154,907	$	313,923	$	393,431	$	472,939	$	631,955
Cap Rate As Reported	5.05%		(226,721)		(75,574)		7,557,359		75,574		226,721
+0.25%	5.30%		(572,361)		(428,341)		(356,330)		(284,320)		(140,299)

Investment properties with a fair value of $806.2 million as at March 31, 2024 (December 31, 2023 – $802.0 million) are situated on land held under ground (or land) leases.

Investment properties with a fair value of $1.1 billion as at March 31, 2024 (December 31, 2023 – $1.0 billion) are pledged as security against the Trust's committed revolving credit facility. In addition, investment properties with a fair value of $7.8 billion as at March 31, 2024 (December 31, 2023 – $7.4 billion) are pledged as security against the Trust's mortgages payable.

For the three months ended March 31, 2024, the Trust capitalized $19.7 million in improvements to investment properties (and $9.6 million in development of investment properties) and recorded a fair value gain of $291.4 million on its financial statements as a result of changes in the fair value of investment properties. For the year ended December 31, 2023, the Trust capitalized $119.0 million in improvements to investment properties (and $23.3 million in development of investment properties) and recorded a fair value gain of $598.8 million. Capitalized building improvements represent expenditures that provide future benefits to the Trust for a period greater than 12 months, some of which may not be immediately reflected in the fair value of the investment properties, under IFRS, for the current reporting period.

Joint Arrangements

Boardwalk and RioCan Real Estate Investment Trust (“RioCan”) completed their first joint operation development project known as BRIO, located in Calgary, Alberta, in February 2020. The joint operation 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.

Boardwalk continues to move forward 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 are approximately $200 to $215 million. The project is a rental complex with approximately 10,700 square feet of retail space, above and underground parking, and 380,000 square feet of residential space over two concrete high-rise towers. For the three months ended March 31, 2024 and 2023, the Trust invested $nil in capital contributions in equity accounted investment to this limited partnership. 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, 2024, the tower was 99% leased. During the fourth quarter of 2023, the second high-rise tower, which includes 189 residential suites, was substantially completed and as of March 31, 2024, the tower was 45.8% leased. The partnership has committed to a construction facility loan for 60% of the budgeted costs to construct. As at March 31, 2024, $57.4 million has been drawn on this loan, of which Boardwalk’s portion is $28.7 million. The decrease in the balance outstanding on the construction facility loan from December 2023 is due to the Trust providing a loan to the joint venture for $57.2 million with the proceeds used by the joint venture to repay 50% of the revolving construction facility loan payable. The loan made by the Trust to the joint venture was made on the same terms as the revolving construction facility loan. In March 2024 a further $0.2 million was advanced to the joint venture with respect to this loan to mirror what was drawn on the construction facility. As at March 31, 2024, the loan receivable owing by the joint venture to the Trust totaled $57.4 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, British Columbia. These developments are in various stages of market analysis, planning and approval, and will further add newly constructed assets to the Trust’s portfolio.

For the three months ended March 31, 2024, the Trust expended $9.6 million on development of investment properties compared to $3.2 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, 2024 (three months ended March 31, 2023 – $0.4 million).

Subsequent to quarter end, the Trust agreed to the purchase of a parcel of land in Calgary, Alberta, for a purchase price of $12.0 million (excluding transaction costs). The acquisition will be funded with cash on hand and is planned for a development project of new rental suites. The site is located in one of central Calgary’s most desirable and amenity-rich neighbourhoods and is a short drive from downtown, 17th Avenue, University of Calgary, and Mount Royal University. The Trust estimates that the site allows for approximately 135 residential suites and supporting ground-level retail. The Trust will continue to progress with Development Permit approvals in 2024. With its joint venture project described above nearing stabilization, the Trust views this as an opportunity to augment and replenish its future development pipeline on a small scale in an irreplaceable location.

New Property Acquisitions

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

On April 25, 2023, the Trust acquired a property in Victoria, British Columbia. The property (the “Victoria Acquisition”) is comprised of 124 suites and had a purchase price of $60.3 million (including transaction costs).

Financing Activities

Distributions

Boardwalk distributes payments monthly to its Unitholders and holders of LP Class B Units. These payments are referred to as regular distributions. The distinct nature and classification of these payments are unique to each real estate investment trust and the components of these distributions may have differing tax treatments. For the three months ended March 31, 2024, the Trust declared regular distributions of $17.0 million, an increase from the $13.9 million declared for the same period in 2023. The increase is due to the increased distribution rate to $1.44 per Trust Unit as previously noted. Regular distributions declared for both the three months ended March 31, 2024 and 2023, represent an FFO payout ratio of 33.2% and 35.2%, respectively. For the three months ended March 31, 2024, the Trust recorded profit of $307.7 million (three months ended March 31, 2023 – profit of $221.4 million).

Financing of Revenue Producing Properties

During the three months ended March 31, 2024, there were no new proceeds from mortgage financings (three months ended March 31, 2023 – $15.7 million). During the financing and refinancing process, the weighted average interest rate on its mortgage portfolio increased from 3.00% at December 31, 2023, to 3.02% at March 31, 2024.

CAPITAL STRUCTURE AND LIQUIDITY

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

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, global conflicts, 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 $182.8 million at March 31, 2024, compared to $331.2 million reported on December 31, 2023. As at March 31, 2024, the Trust also had $195.8 million of unused committed revolving credit facility (December 31, 2023 – $195.8 million) and no subsequent committed/funded financing (December 31, 2023 – $nil), bringing total available liquidity to $378.6 million (December 31, 2023 – $527.0 million).

The Trust's liquidity position as at March 31, 2024 remains stable as the following table highlights:

($000)		
Cash and cash equivalents	$	182,777
Subsequent committed/funded financing		-
Unused committed revolving credit facility available		195,800
Total available liquidity	$	378,577

In addition to this, the Trust currently has 1,161 rental suites of unencumbered assets. It is estimated that, under current CMHC underwriting criteria, the Trust could obtain an additional $157.2 million of new proceeds from the financing of its currently unencumbered assets.

Of the $400.5 million of secured mortgages coming due in the remainder of 2024 (as shown in the table below), approximately 100% have NHA insurance, and represent in aggregate approximately 37% of current estimated "underwriting" values on those individual secured assets. Interest rates on 5 and 10-year NHA-insured mortgages as of May 2024 were approximately 4.40% and 4.50%, respectively. These rates do fluctuate and, by the time these maturing mortgages are set for renewal, with or without additional financing, interest rates may have changed materially. Even with the NHA insurance program attached to its secured mortgages, the Trust is still susceptible to changes in market interest rates. To address a portion of this risk, the Trust has forward locked or renewed $152.5 million, or 34.9%, of its $436.3 million of 2024 mortgage maturities. The weighted average contracted interest rate on these renewals is 4.50%, for an average term of 5.3 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, 2024, were $3.3 billion, compared to $3.3 billion as at December 31, 2023.

Boardwalk REIT's overall weighted average interest rate on its long-term debt has decreased from the prior year. The weighted average interest rate as at March 31, 2024, was 3.02% compared to 3.00% as at December 31, 2023. 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, 2024	Weighted Average Interest Rate By Maturity	% of Total
2024	$	400,508	2.91%	11.7%
2025		576,683	2.44%	16.8%
2026		616,561	2.33%	18.0%
2027		620,604	3.16%	18.1%
2028		359,515	3.67%	10.5%
2029		317,612	3.23%	9.3%
2030		157,085	2.55%	4.6%
2031		23,070	2.71%	0.7%
2032		80,329	4.13%	2.3%
2033		75,992	4.09%	2.2%
2034		200,496	4.68%	5.8%
Total mortgage principal outstanding		3,428,455	3.02%	100.0%
Unamortized deferred financing costs		(126,182)		
Unamortized market debt adjustments		(580)		
Mortgages payable	$	3,301,693		

Other contractual obligations of the Trust include lease obligations (see NOTE 16(c) to the condensed consolidated interim financial statements for the three months ended March 31, 2024 and 2023).

Interest Coverage

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, 2024, and December 31, 2023, based on the most recently completed four fiscal quarters.

As at	Mar. 31, 2024	Dec. 31, 2023
Net operating income	$ 344,744	$ 332,989
Administration	(44,371)	(41,172)
Deferred unit-based compensation	(671)	(3,328)
EBITDA [1] from equity accounted investment	1,526	929
Consolidated EBITDA (12 months ended)	$ 301,228	$ 289,418
Interest expense	$ 103,283	$ 100,354
Interest expense from equity accounted investment	2,915	2,033
Consolidated interest expense (12 months ended)	$ 106,198	$ 102,387
Interest coverage ratio	2.84	2.83
Minimum threshold	1.50	1.50

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

For the trailing twelve months ended March 31, 2024, 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 2.84, compared to 2.83 for the year ended December 31, 2023. Under IFRS, the distributions made to the holders of LP Class B Units are considered financing costs and are the result of the reclassification of the LP Class B Units as financial liabilities. The calculation of the interest coverage ratio above does not include these distribution payments in the calculation of consolidated interest expense.

Unitholders' Equity

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

Summary of Unitholders' Capital Contributions	Trust Units
December 31, 2022	45,722,922
Trust Units issued under equity offering	3,662,750
Trust Units issued for vested deferred units	2,502
December 31, 2023	49,388,174
Trust Units issued for vested deferred units	1,972
March 31, 2024	**49,390,146**

Boardwalk REIT has one class of publicly traded voting securities, being the Trust Units. As at March 31, 2024, there were 49,390,146 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 53,865,146. 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, 2024 and December 31, 2023.

On December 14, 2023, the Trust entered into an agreement to issue 2,190,000 Trust Units on a bought-deal basis at a price of $68.50 per Trust Unit for aggregate gross proceeds of $150.0 million to a syndicate of underwriters (the "Offering"). On December 15, 2023, the Trust agreed to increase the total size of the Offering to 3,185,000 Trust Units. The Trust also granted the underwriters an over-allotment option to purchase up to an additional 477,750 Trust Units which was exercised in full. On December 22, 2023, the Offering closed and the Trust issued 3,662,750 Trust Units at a price of $68.50 per Trust Unit for total gross proceeds of $250.9 million. Transaction costs for Offering totaled $10.9 million resulting in net proceeds to the Trust of $240.0 million.

In January 2024, the Trust used a portion of the net proceeds to finance the purchase price for The Circle, a 295-suite newly built construction apartment complex in Calgary, Alberta, to repay its portion of a floating rate construction loan facility in respect of a joint venture partnership in Brampton, Ontario. The Trust intends to use the remainder of the net proceeds to fund future acquisition and development opportunities in its existing pipeline.

In 2023 and for the three months ended March 31, 2024, the Trust did not purchase any Trust Units under its normal course issuer bid.

Equity

Boardwalk has an equity market capitalization of $4.2 billion based on the Trust Unit closing price of $78.08 on the TSX on March 31, 2024.

With an enterprise value of approximately $7.6 billion (comprised of total mortgage principal outstanding of $3.4 billion and equity market capitalization of $4.2 billion) as at March 31, 2024, Boardwalk's total mortgage principal outstanding is approximately 45% enterprise value.

Net Asset Value per Unit

The Trust's NAV per Unit is calculated below:

	Mar. 31, 2024	Dec. 31, 2023
Investment properties	$ 8,100,580	$ 7,702,214
Equity accounted investment	39,162	39,758
Loan receivable	57,443	-
Cash and cash equivalents	182,777	331,204
Adjusted Real Estate Assets [1][2]	$ 8,379,962	$ 8,073,176
Total mortgage principal outstanding	$ (3,428,455)	$ (3,446,801)
Total lease liabilities attributable to land leases [3]	(72,441)	(72,860)
Construction loan payable	(1,478)	-
Adjusted Real Estate Debt [1][2]	$ (3,502,374)	$ (3,519,661)
Net Asset Value [1][2]	$ 4,877,588	$ 4,553,515
Net Asset Value per Unit [2]	$ 90.37	$ 84.41

Reconciliation of Unitholders' Equity to Net Asset Value	Mar. 31, 2024	Dec. 31, 2023
Unitholders' Equity	$ 4,612,385	$ 4,320,072
Total Assets	(8,444,221)	(8,141,876)
Investment properties	8,100,580	7,702,214
Equity accounted investment	39,162	39,758
Loan receivable	57,443	-
Cash and cash equivalents	182,777	331,204
Total Liabilities	3,831,836	3,821,804
Total mortgage principal outstanding	(3,428,455)	(3,446,801)
Total lease liabilities attributable to land leases [3]	(72,441)	(72,860)
Construction loan payable	(1,478)	-
Net Asset Value [1][2]	$ 4,877,588	$ 4,553,515

(1) This is a non-GAAP financial measure.
(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.
(3) 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 7.1% to $90.37 as at March 31, 2024, compared to $84.41 as at December 31, 2023, 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, 2024, that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

2024 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 2024 guidance as follows:

Description	2024 Revised Guidance	2024 Original Guidance	2023 Actual
Same Property NOI Growth	11.0% to 14.0%	10.0% to 14.0%	13.7%
Profit	N/A	N/A	$666,099
FFO (1)(2)	N/A	N/A	$181,353
AFFO (1)(2)	N/A	N/A	$149,098
FFO Per Unit (2)	$4.00 to $4.20	$3.93 to $4.18	$3.60
AFFO Per Unit (2)	$3.37 to $3.57 utilizing a Maintenance CAPEX of $1,003/suite/year	$3.30 to $3.55 utilizing a Maintenance CAPEX of $1,003/suite/year	$2.96 utilizing a Maintenance CAPEX of $953/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).

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

In addition to the financial guidance for 2024, the Trust is reiterating its 2024 Capital Budget as follows:

Capital Budget *($000's)*	2024 Budget	Per Suite	3 Months Mar. 31, 2024 Actual	Per Suite
Maintenance Capital Expenditures	$ 34,131	$ 1,003	$ 8,607	$ 251
Value-add Capital	105,019	3,086	13,016	379
Investment in capital assets	$ 139,150	$ 4,089	$ 21,623	$ 630
Development of investment properties	$ 72,685		$ 9,647	

In total, the Trust expects to invest $139.2 million (or $4,089 per suite) in capital assets in 2024 and $72.7 million will be spent on development of investment properties. For the three months ended March 31, 2024, the Trust invested $21.6 million (or $630 per suite) in capital assets and $9.6 million on development costs.

SELECTED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The condensed consolidated interim statements of comprehensive income set forth in the following table have 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, 2024**	Dec 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022
Rental revenue	**$ 145,248**	$ 141,907	$ 138,268	$ 134,553	$ 130,931	$ 129,171	$ 125,849	$ 122,667
Profit	**307,721**	173,130	39,417	232,163	221,389	14,137	47,043	152,488
FFO (1)(2)	**51,035**	48,897	48,266	44,595	39,595	39,973	42,705	40,281
Profit per Trust Unit								
– Basic	**$ 6.23**	$ 3.75	$ 0.86	$ 5.08	$ 4.84	$ 0.31	$ 1.03	$ 3.32
– Diluted	**$ 6.23**	$ 3.75	$ 0.86	$ 5.08	$ 4.84	$ 0.31	$ 1.02	$ 1.54
FFO per Unit (2)	**$ 0.95**	$ 0.96	$ 0.96	$ 0.89	$ 0.79	$ 0.80	$ 0.85	$ 0.80

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

Variations in the quarterly comparative results presented above are primarily attributable to reported fair value gains/losses and from seasonality in total rental expenses in the first and fourth quarters when demand for natural gas is at the highest. Please refer to the section titled "Performance Review" for additional details.

Additional Information

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

Condensed Consolidated Interim Statements of Financial Position

(unaudited, CDN $ THOUSANDS)

As at	Note	Mar. 31, 2024	Dec. 31, 2023
ASSETS			
Non-current assets			
Investment properties	3	$ 8,100,580	$ 7,702,214
Equity accounted investment		39,162	39,758
Other		32,903	31,367
		8,172,645	7,773,339
Current assets			
Loan receivable	4	57,443	-
Other		31,356	37,333
Cash and cash equivalents		182,777	331,204
		271,576	368,537
Total Assets		$ 8,444,221	$ 8,141,876
LIABILITIES			
Non-current liabilities			
Mortgages payable	5	$ 2,782,744	$ 2,818,045
Lease liabilities		74,289	73,818
Other	6	10,543	10,173
		2,867,576	2,902,036
Current liabilities			
Mortgages payable	5	518,949	500,372
Lease liabilities		3,234	2,978
LP Class B Units	2(d), 8	349,408	319,247
Other	6	92,669	97,171
		964,260	919,768
Total Liabilities		3,831,836	3,821,804
Equity			
Unitholders' equity	9	4,612,385	4,320,072
Total Equity		4,612,385	4,320,072
Total Liabilities and Equity		$ 8,444,221	$ 8,141,876

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, 2024	3 Months Ended Mar. 31, 2023
Rental revenue	10	$ 145,248	$ 130,931
Rental expenses			
Operating expenses		27,082	25,867
Utilities		17,116	16,428
Property taxes		13,503	12,844
Total rental expenses		57,701	55,139
Net operating income		87,547	75,792
Financing costs	11	29,704	26,638
Administration		10,293	9,847
Deferred unit-based compensation	7	671	575
Depreciation		1,865	1,800
Profit before the undernoted		45,014	36,932
Loss from equity accounted investment		(596)	(315)
Fair value gains, net	12	259,205	183,362
Interest income		4,180	649
Other income		-	818
Profit before income tax		307,803	221,446
Income tax expense		(82)	(57)
Profit		307,721	221,389
Other comprehensive income		-	-
Total comprehensive income		$ 307,721	$ 221,389

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, 2022	$ 211,899	$ 4,847,088	$ (1,591,989)	$ 3,255,099	$ 3,466,998
Units issued for vested deferred units	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
Balance, December 31, 2023	$ 452,043	$ 5,513,187	$ (1,645,158)	$ 3,868,029	$ 4,320,072
Units issued for vested deferred units	150	-	-	-	150
Profit	-	307,721	-	307,721	307,721
Total comprehensive income	-	307,721	-	307,721	307,721
Distributions	-	-	(15,558)	(15,558)	(15,558)
Balance, March 31, 2024	**$ 452,193**	**$ 5,820,908**	**$ (1,660,716)**	**$ 4,160,192**	**$ 4,612,385**

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, 2024	3 Months Ended Mar. 31, 2023
Operating activities			
Profit		$ 307,721	$ 221,389
Other income		-	(818)
Financing costs	11	29,704	26,638
Interest paid		(27,591)	(24,746)
Deferred unit-based compensation	7	671	575
Loss from equity accounted investment		596	315
Fair value gains, net	12	(259,205)	(183,362)
Income tax expense		82	57
Income tax paid		(14)	-
Government grant amortization		(95)	(95)
Depreciation		1,865	1,800
		53,734	41,753
Net change in operating working capital	18	28	(7,848)
Cash flow from operating activities		53,762	33,905
Investing activities			
Purchase of investment properties	3	(77,582)	-
Investment in capital assets	18	(21,623)	(21,047)
Development of investment properties	3	(9,647)	(3,153)
Loan receivable	4	(57,443)	-
Distributions from investment in private technology venture fund		-	1,060
Principal repayments on lease receivable		-	193
Net change in investing working capital	18	(3,366)	(2,084)
Cash flow used in investing activities		(169,661)	(25,031)
Financing activities			
Distributions paid	18	(14,446)	(12,345)
Proceeds from mortgage financings		-	15,660
Scheduled mortgage principal repayments		(18,347)	(18,638)
Proceeds from construction loan financing	6	1,478	-
Deferred financing costs incurred		(231)	(1,296)
Principal repayments on lease liabilities		(824)	(906)
Net change in financing working capital	18	(158)	(20)
Cash flow used in financing activities		(32,528)	(17,545)
Net decrease in cash		(148,427)	(8,671)
Cash and cash equivalents, beginning of year		331,204	52,816
Cash and cash equivalents, end of period		**$ 182,777**	**$ 44,145**

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, 2024 and 2023

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

NOTE 2: MATERIAL ACCOUNTING 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, 2023 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, 2023.

The operating results for the three months ended March 31, 2024 and 2023 are not necessarily indicative of the results that may be expected for the full year ending December 31, 2024 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 rental revenue note as presented in NOTE 10 has been updated to present revenue in appropriate categories when considering the definitions of lease revenue and non-lease revenue. In addition, non-lease revenue from the Trust's retirement communities that was netted against retirement service costs has been reclassified from operating expenses to rental revenue. Lastly, interest income that was previously included in financing costs has been presented separately.

(c) Material Accounting Judgments, Estimates, and Assumptions

The preparation of the Trust's March 31, 2024 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, 2023 annual consolidated financial statements.

(d) Recent Accounting Pronouncements

Effective January 1, 2024, the Trust has applied the recent amendments to IAS 1 – Presentation of Financial Statements that deals with the presentation of liabilities, not the amount or timing of recognition, or disclosure. Specifically, the amendment clarifies the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The Trust has evaluated the impact of this amendment and has appropriately reclassified the LP Class B Units from non-current liabilities to current liabilities due to the fact that the LP Class B Units are convertible at any time at the option of the holder (NOTE 8). The amendment was applied retrospectively.

NOTE 3: INVESTMENT PROPERTIES

	3 Months Ended Mar. 31, 2024	Year Ended Dec. 31, 2023
Balance, beginning of year	$ 7,702,214	$ 6,900,745
Additions		
Building acquisitions	77,582	60,290
Building improvements (incl. internal capital program)	19,724	119,012
Development of investment properties	9,647	23,325
Fair value gains, net (unrealized)	291,413	598,842
Balance, end of period	$ 8,100,580	$ 7,702,214

As at	Mar. 31, 2024	Dec. 31, 2023
Fair value of investment properties, before buildings valued at Level 2 inputs, right-of-use assets, and developments	$ 7,868,915	$ 7,557,359
Buildings valued at Level 2 inputs	77,582	-
Fair value, right-of-use assets (IFRS 16 – Leases)	72,441	72,860
Revenue producing properties	8,018,938	7,630,219
Properties under development	81,642	71,995
Total	$ 8,100,580	$ 7,702,214

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

On April 25, 2023, the Trust acquired a property in Victoria, British Columbia. The property is comprised of 124 suites and was purchased for $60.3 million. The acquisition was funded with mortgage financing of $46.5 million and cash on hand of $13.8 million.

Building Acquisitions	3 Months Ended Mar. 31, 2024	Year Ended Dec. 31, 2023
Purchase price	$ 77,750	$ 60,000
Transaction costs	291	290
Deficiency credit	(459)	-
Total	$ 77,582	$ 60,290
Multi-family suites acquired	295	124

Purchase price	$ 77,750	$ 60,000
Transaction costs	291	290
Deficiency credit	(459)	-
Proceeds from mortgage financing	-	(46,508)
Net cash paid	$ 77,582	$ 13,782

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:

	3 Months Ended March 31, 2024					
	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	$4,827,914	$ 77,582	$ 12,323	$ 2	$ 246,649	$5,164,470
British Columbia	198,497	-	45	9,643	1,761	209,946
Saskatchewan	693,353	-	2,719	2	61,135	757,209
Ontario	723,770	-	1,679	-	(22,933)	702,516
Quebec	383,810	-	1,094	-	2,881	387,785
Land leases	874,870	-	1,864	-	1,920	878,654
Total	$7,702,214	$ 77,582	$ 19,724	$ 9,647	$ 291,413	$8,100,580

	Year Ended December 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	$ -	$ 73,964	$ 23	$ 536,678	$ 4,827,914
British Columbia	102,685	60,290	213	22,887	12,422	198,497
Saskatchewan	618,172	-	14,944	5	60,232	693,353
Ontario	742,267	-	9,606	410	(28,513)	723,770
Quebec	373,367	-	5,320	-	5,123	383,810
Land leases	847,005	-	14,965	-	12,900	874,870
Total	$ 6,900,745	$ 60,290	$ 119,012	$ 23,325	$ 598,842	$ 7,702,214

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, 2024, all of the Trust's investment properties were Level 3 inputs, except the building acquired in January 2024 which was valued at Level 2 inputs that was directly observable for this asset, as the fair value was based on a purchase and sale agreement between two willing market participants. For investment properties measured at fair value as at March 31, 2024 and December 31, 2023, there were no transfers into or out of Level 3 fair value measurements during the three months ended March 31, 2024.

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, 2024	**4**	**$**	**180,971**	**2.2%**
December 31, 2023	6	$	874,525	11.4%
September 30, 2023	6	$	196,708	2.6%
June 30, 2023	4	$	210,300	2.8%
March 31, 2023	4	$	100,235	1.4%

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, 2024**			Dec. 31, 2023		
	Capitalization Rate Weighted Average		**Forecasted Total Stabilized Net Operating Income**	Capitalization Rate Weighted Average		Forecasted Total Stabilized Net Operating Income
Alberta	**5.13%**	**$**	**260,714**	5.13%	$	247,297
British Columbia	**4.30%**		**5,598**	4.30%		5,518
Saskatchewan	**5.67%**		**42,950**	5.67%		39,326
Ontario	**4.51%**		**31,651**	4.27%		30,922
Quebec	**4.94%**		**19,144**	4.94%		18,944
	5.10%	**$**	**360,057**	5.06%	$	342,007
Land Leases	**4.97%**		**40,098**	4.96%		39,807
Total	**5.09%**	**$**	**400,155**	5.05%	$	381,814

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, 2024 and December 31, 2023, were 5.09% and 5.05%, 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, 2024		**Stabilized Net Operating Income**				
		-3%	**-1%**	**As Forecasted**	**+1%**	**+3%**
Cap Rate		**$ 388,150**	**$ 396,153**	**$ 400,155**	**$ 404,157**	**$ 412,160**
-0.25%	4.84%	**$ 158,577**	**$ 324,093**	**$ 406,850**	**$ 489,608**	**$ 655,123**
Cap Rate As Reported	5.09%	**(236,067)**	**(78,689)**	**7,868,915**	**78,689**	**236,067**
+0.25%	5.34%	**(593,728)**	**(443,724)**	**(368,722)**	**(293,720)**	**(143,716)**

As at December 31, 2023		Stabilized Net Operating Income				
		-3%	-1%	As Forecasted	+1%	+3%
Cap Rate		$ 370,360	$ 377,996	$ 381,814	$ 385,632	$ 393,268
-0.25%	4.80%	$ 154,907	$ 313,923	$ 393,431	$ 472,939	$ 631,955
Cap Rate As Reported	5.05%	(226,721)	(75,574)	7,557,359	75,574	226,721
+0.25%	5.30%	(572,361)	(428,341)	(356,330)	(284,320)	(140,299)

	3 Months Ended Mar. 31, 2024	3 Months Ended Mar. 31, 2023
Revenue	**$ 2,117**	$ 514
Expenses	**3,308**	1,144
Loss	**(1,191)**	(630)
Trust's share	**$ (596)**	$ (315)

NOTE 4: LOAN RECEIVABLE

With respect to its equity accounted investment, on January 12, 2024, the Trust made a loan to the joint venture for $57.2 million. The loan receivable is a financial asset classified as fair value through profit and loss and is measured at fair value, with gains or losses recognized in profit or loss.

The proceeds were used by the joint venture to repay 50% of the revolving construction facility loan payable. The loan receivable has the same terms as the revolving construction facility loan, which is interest payable only and has a maturity date of January 31, 2025. The loan bears interest at prime plus 0.25%, or a Bankers' Acceptance stamping fee of 1.23% and a standby fee of 0.15%. In March 2024, a further $0.2 million was advanced on this loan.

NOTE 5: MORTGAGES PAYABLE

As at	Mar. 31, 2024			Dec. 31, 2023		
	Weighted Average Interest		Debt Balance	Weighted Average Interest		Debt Balance
Mortgages payable						
Fixed rate	3.02%	$	3,301,693	3.00%	$	3,318,417
Total		$	3,301,693		$	3,318,417
Current		$	518,949		$	500,372
Non-current			2,782,744			2,818,045
		$	3,301,693		$	3,318,417

Estimated future principal payments required to meet mortgage obligations as at March 31, 2024 are as follows:

		Secured By Investment Properties
12 months ending March 31, 2025	$	518,949
12 months ending March 31, 2026		684,097
12 months ending March 31, 2027		511,449
12 months ending March 31, 2028		589,694
12 months ending March 31, 2029		465,086
Subsequent		659,180
Total mortgage principal outstanding		3,428,455
Unamortized deferred financing costs		(126,182)
Unamortized market debt adjustments		(580)
	$	3,301,693

NOTE 6: OTHER LIABILITIES

As at	Note		Mar. 31, 2024		Dec. 31, 2023
Other non-current liabilities					
Deferred unit-based compensation	7	$	5,769	$	6,801
Construction loan payable			1,478		-
Deferred tax liabilities			19		-
Deferred government grant			3,277		3,372
		$	10,543	$	10,173

As at	Note		Mar. 31, 2024		Dec. 31, 2023
Other current liabilities					
Deferred unit-based compensation	7	$	12,606	$	9,007
Deferred government grant			378		378
Refundable tenants' security deposits			14,767		13,732
Trade and other payables			64,918		74,054
		$	92,669	$	97,171

Construction Loan Payable

During the three months ended March 31, 2024, the Trust entered into a $94 million non-revolving construction facility loan with a third-party financial institution in conjunction with one of the Trust’s development projects in Victoria, British Columbia. As at March 31, 2024, $1.5 million has been drawn on this loan. The facility is interest payable only and has a maturity date of September 30, 2025. The facility bears interest at prime, or a Canadian Overnight Repo Rate Average plus 1.40%. The construction loan payable is a financial liability classified as amortized cost and is measured at amortized cost using the effective interest rate method.

NOTE 7: DEFERRED UNIT-BASED COMPENSATION

	Mar. 31, 2024	Dec. 31, 2023
As at	**$ 12,606**	$ 9,007
Current	**5,769**	6,801
Non-current	**$ 18,375**	$ 15,808

The total of $18.4 million represents the fair value of the underlying deferred units at March 31, 2024 (December 31, 2023 – $15.8 million).

The status of the outstanding deferred units was as follows:

	# of Units Outstanding	# of Units Vested
Balance, December 31, 2022	265,972	35,151
Deferred units granted	75,940	44,651
Additional deferred units earned on units	5,686	7,257
Deferred units forfeited	(7,011)	-
Deferred units converted to Trust Units	(2,502)	(2,502)
Balance, December 31, 2023	338,085	84,557
Deferred units granted	48,353	24,771
Additional deferred units earned on units	1,370	1,758
Deferred units converted to Trust Units	(1,972)	(1,972)
Balance, March 31, 2024	**385,836**	**109,114**

For the three months ended March 31, 2024, total costs of $0.7 million (three months ended March 31, 2023 – $0.6 million) were recorded in expenses related to executive bonuses, leader bonuses, and trustee fees under the deferred unit plan.

NOTE 8: LP CLASS B UNITS

The LP Class B Units, representing an aggregate fair value of $349.4 million at March 31, 2024 (December 31, 2023 – $319.2 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 on these exchangeable units 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 9.

As at March 31, 2024 and December 31, 2023, there were 4,475,000 LP Class B Units issued and outstanding.

NOTE 9: 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 8.

The Trust has the following capital securities outstanding:

As at	Mar. 31, 2024		Dec. 31, 2023	
	Trust Units	Amount	Trust Units	Amount
Trust Units outstanding, beginning of year	49,388,174	$ 452,043	45,722,922	$ 211,899
Trust Units issued under equity offering, net of issue costs	-	-	3,662,750	239,992
Trust Units issued for vested deferred units	1,972	150	2,502	152
Trust Units outstanding, end of period	49,390,146	$ 452,193	49,388,174	$ 452,043

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 30, 2024 (to be paid on May 15, 2024) totaled $5.9 million ($0.1200 per Trust Unit) and have not been included as a liability in the condensed consolidated interim statements of financial position as at March 31, 2024.

Profit per Trust Unit	3 Months Ended Mar. 31, 2024	3 Months Ended Mar. 31, 2023
Numerator		
Profit – basic	$ 307,721	$ 221,389
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	$ 307,721	$ 221,389
Denominator		
Weighted average Trust Units outstanding – basic	49,388,782	45,723,175
Conversion of LP Class B Units	-	-
Unexercised deferred units	-	-
Weighted average Trust Units outstanding – diluted	49,388,782	45,723,175
Profit per Trust Unit		
– basic	$ 6.23	$ 4.84
– diluted	$ 6.23	$ 4.84

All dilutive elements were included in the calculation of diluted per Trust Unit amounts. For the three months ended March 31, 2024 and March 31, 2023, 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 10: RENTAL REVENUE

	3 Months Ended Mar. 31, 2024	3 Months Ended Mar. 31, 2023
Lease revenue	$ 138,587	$ 124,755
Parking revenue	2,645	2,381
Recoveries (cable, retirement) and revenue from telephone and cable providers	2,035	1,887
Revenue from coin laundry machines	1,105	1,127
Other	876	781
Total	$ 145,248	$ 130,931

NOTE 11: FINANCING COSTS

Financing costs are comprised of interest on mortgages payable, distributions paid to the holders of LP Class B Units, other interest charges, interest on lease liabilities under IFRS 16, and the amortization of deferred financing costs. Financing costs total $29.7 million for the three months ended March 31, 2024 (three months ended March 31, 2023 – $26.6 million) and can be summarized as follows:

	3 Months Ended Mar. 31, 2024	3 Months Ended Mar. 31, 2023
Interest on secured debt (mortgages payable)	$ 25,708	$ 22,836
Interest capitalized to properties under development	(395)	(350)
LP Class B Unit distributions	1,410	1,242
Other interest charges	515	450
Interest on lease liabilities	643	652
Amortization of deferred financing costs	1,823	1,808
Total	$ 29,704	$ 26,638

For the three months ended March 31, 2024, interest was capitalized to properties under development at a weighted average effective interest rate of 4.45% (three months ended March 31, 2023 – 2.67%).

NOTE 12: FAIR VALUE GAINS (LOSSES)

	3 Months Ended Mar. 31, 2024	3 Months Ended Mar. 31, 2023
Investment properties (NOTE 3)	$ 291,413	$ 211,058
Financial asset designated as FVTPL		
Investment in private technology venture fund	-	(1,112)
Financial liability designated as FVTPL		
LP Class B Units	(30,162)	(25,552)
Deferred unit-based compensation	(2,046)	(1,032)
Total fair value gains, net	$ 259,205	$ 183,362

NOTE 13: 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
Alberta	23%	November 1, 2023 to October 31, 2026	$3.83/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	45%	November 1, 2020 to October 31, 2024	$0.06/Kilowatt-hour ("kWh")
Alberta	53%	October 1, 2022 to September 30, 2027	$0.10/kWh

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, 2024 will not have a material impact on the Trust.

Boardwalk REIT has received notices of reassessment dated February 28, 2024 from the from the CRA increasing the Trust's taxable income by $5.6 million, $20.6 million, $14.1 million, and $0.06 million for its taxation years ended December 31, 2011, 2012, 2013, and 2014, respectively, on the basis that the Trust did not report deemed taxable capital gains in each of those taxation years resulting from alleged negative adjusted cost base in the Trust's units of Top Hat Operating Trust, a trust 100% owned by Boardwalk REIT. Management of the Trust is assessing the implications of the notices of reassessment and has until May 29, 2024 to file a notice of objection to the reassessments. The Trust intends to file an objection with the CRA Appeals Division as it disagrees with the CRA's proposed assessment. The Trust will not be required to pay any amount to the CRA in order to dispute this matter. It is difficult to estimate the amount of time it could take to resolve the dispute with the CRA Appeals Division and it is possible that an appeal to the Tax Court of Canada could be required in order to resolve this dispute.

NOTE 14: 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, 2024	Dec. 31, 2023
Net operating income	$ 344,744	$ 332,989
Administration	(44,371)	(41,172)
Deferred unit-based compensation	(671)	(3,328)
EBITDA [1] from equity accounted investment	1,526	929
Consolidated EBITDA (12 months ended)	$ 301,228	$ 289,418
Interest expense	$ 103,283	$ 100,354
Interest expense from equity accounted investment	2,915	2,033
Consolidated interest expense (12 months ended)	$ 106,198	$ 102,387
Interest coverage ratio	2.84	2.83
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, 2024, the Trust's weighted average cost of capital was calculated to be 3.57%.

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

As at	Mar. 31, 2024			Dec. 31, 2023		
	Cost of Capital (1)	Underlying Value (2)		Cost of Capital (1)	Underlying Value (2)	
Liabilities						
Mortgages payable	3.02%	$	3,164,838	3.00%	$	3,200,899
LP Class B Units	3.98%		349,408	4.15%		319,247
Deferred unit-based compensation	3.98%		18,375	4.15%		15,808
Unitholders' equity						
Boardwalk REIT Trust Units	3.98%		3,856,383	4.15%		3,523,352
Total	3.57%	$	7,389,004	3.63%	$	7,059,306

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

Mortgages payable – 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, 2024 is insured under the National Housing Act ("NHA") and administered by Canada Mortgage and Housing Corporation ("CMHC") (December 31, 2023 – 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 41% of the fair value of the Trust's investment properties (December 31, 2023 – approximately 43%).

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 16(d) Boardwalk REIT's committed revolving credit facility agreements contain financial covenants.

The Trust had $378.6 million in total available liquidity as at March 31, 2024 (December 31, 2023 – $527.0 million), consisting of cash and cash equivalents on hand of $182.8 million (December 31, 2023 – $331.2 million) and an unused committed revolving credit facility of $195.8 million (December 31, 2023 – $195.8 million). The Trust monitors its ratios and as at March 31, 2024 and December 31, 2023, the Trust was in compliance with all covenants in both its DOT and all existing debt facilities.

NOTE 15: FAIR VALUE MEASUREMENT

(a) Fair Value of Financial Instruments

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

- **(i)** the carrying amounts of loan receivable, trade and other receivables, segregated tenants' security deposits, cash and cash equivalents, construction loan payable, refundable tenants' security deposits, and trade and other payables approximate their fair values due to their short-term nature.
- **(ii)** the fair value of the Trust's mortgages payable is an estimate made at a specific point in time, based on relevant market information. The estimate is based on quoted market prices for the same or similar issues or on the current rates offered to the Trust for similar financial instruments subject to similar risks and maturities.

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

These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore, cannot be determined with precision. Changes in estimates could materially affect fair values. The significant financial instruments of Boardwalk REIT and their carrying values as at March 31, 2024 and December 31, 2023 are as follows:

As at	Mar. 31, 2024		Dec. 31, 2023	
	Carrying Value	**Fair Value**	Carrying Value	Fair Value
Financial asset carried at FVTPL				
Loan receivable	**$ 57,443**	**$ 57,443**	$ -	$ -
Financial liabilities carried at amortized cost				
Mortgages payable	**3,301,693**	**3,164,838**	3,318,417	3,200,899
Construction loan payable	**1,478**	**1,478**	-	-
Financial liability carried at FVTPL				
LP Class B Units	**349,408**	**349,408**	319,247	319,247

The fair value of the Trust's mortgages payable was lower than the recorded value by approximately $136.9 million at March 31, 2024 (December 31, 2023 – lower by $117.5 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, 2024 and December 31, 2023, 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, 2024 and December 31, 2023, 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 16.

(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, 2024			Dec. 31, 2023		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Assets						
Investment properties	**$ -**	**$ 77,582**	**$ 8,022,998**	$ -	$ -	$ 7,702,214
Loan receivable	**-**	**-**	**57,443**	-	-	-
Liabilities						
LP Class B Units	**349,408**	**-**	**-**	319,247	-	-
Deferred unit-based compensation	**18,375**	**-**	**-**	15,808	-	-

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, 2024 and December 31, 2023, there were no transfers between Level 1, Level 2, and Level 3 assets and liabilities.

NOTE 16: RISK MANAGEMENT

(a) Interest Rate Risk

As at March 31, 2024, the Trust had no amount outstanding on its committed revolving credit facility and its mortgages payable are fixed-rate debt. However, the Trust has a non-revolving construction facility loan which is carried at variable-rate interest with $1.5 million outstanding (NOTE 6). As such, for the three months ended March 31, 2024, all else being equal, the increase or decrease in net earnings for each 1% change in market interest rates would be nominal. In addition, while the Trust has a construction facility in its equity accounted investment which is carried at variable-rate interest, this interest rate exposure is offset by the interest earned on the loan receivable (NOTE 4). For the three months ended March 31, 2023, the Trust's equity accounted investment had a revolving construction facility loan which was 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. As such, for the 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 16(c) for details on the Trust's remaining contractual maturity for its mortgages payable listed by year of maturity date.

(b) Credit Risk

The Trust is exposed to credit risk as a result of its trade and other receivables. The trade and other receivables balance is comprised of mortgage holdbacks and refundable mortgage fees, accounts receivable from significant customers and insurers, and tenant receivables. As at March 31, 2024 and December 31, 2023, no balance relating to mortgage holdbacks, refundable mortgage fees, or accounts receivable from significant customers and insurers was past due.

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, 2024, bad debt expense totaled $0.8 million (three months ended March 31, 2023 – $0.9 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 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	Construction Loan Payable	Tenants' Security Deposits	Distribution Payable [2]	Trades and Other Payables	Total
2024	2.91%	$ 400,508	$ 73,330	$ 61	$ -	$ 14,767	$ 6,464	$ 58,454	$ 553,584
2025	2.44%	576,683	83,030	480	1,478	-	-	-	661,671
2026	2.33%	616,561	67,875	-	-	-	-	-	684,436
2027	3.16%	620,604	52,638	3,037	-	-	-	-	676,279
2028	3.67%	359,515	35,849	-	-	-	-	-	395,364
Subsequent	3.59%	854,584	76,469	73,945	-	-	-	-	1,004,998
	3.02%	3,428,455	389,191	77,523	1,478	14,767	6,464	58,454	3,976,332
Unamortized deferred financing costs		(126,182)	-	-	-	-	-	-	(126,182)
Unamortized market debt adjustments		(580)	-	-	-	-	-	-	(580)
		$ 3,301,693	$ 389,191	$ 77,523	$ 1,478	$ 14,767	$ 6,464	$ 58,454	$3,849,570

(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 with a fair value at March 31, 2024 of approximately $1.1 billion (December 31, 2023 – $1.0 billion). Assets pledged as security for the committed revolving credit facility may also be pledged as security on mortgages. 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 $195.8 million as at March 31, 2024 (December 31, 2023 – $195.8 million). The revolving facility requires monthly interest payments, is for a five-year term maturing on July 25, 2028, 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, 2024, this ratio was 1.67 (December 31, 2023 – 1.62).
- **(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, 2024, this ratio was 2.36 (December 31, 2023 – 2.35).
- **(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, 2024, this ratio was 40.2% (December 31, 2023 – 42.4%).

As at March 31, 2024 and December 31, 2023, 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 13, the Trust has commitments to certain utility contracts to reduce the risk of exposure to adverse changes in commodity prices.

NOTE 17: 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, 2024 have not changed since December 31, 2023.

On January 12, 2024, with respect to the equity accounted investment in the joint venture, the Trust made a loan to the joint venture for $57.2 million with the proceeds used by the joint venture to repay 50% of the revolving construction facility loan payable. Additional details on the loan receivable are described in NOTE 4.

NOTE 18: OTHER INFORMATION

(a) Supplemental Cash Flow Information

	Note		3 Months Ended Mar. 31, 2024		3 Months Ended Mar. 31, 2023
Net change in operating working capital					
Net change in inventories		$	429	$	439
Net change in prepaid assets			6,803		(3,627)
Net change in trade and other receivables			(246)		(85)
Net change in segregated and refundable tenants' security deposits			26		133
Net change in trade and other payables			(6,984)		(4,708)
		$	28	$	(7,848)
Net change in investing working capital					
Net change in trade and other payables		$	(3,366)	$	(2,084)
Net change in financing working capital					
Net change in trade and other payables		$	(158)	$	(20)
Investment in capital assets					
Improvements to investment properties	3	$	(19,724)	$	(19,633)
Additions to property, plant and equipment			(1,899)		(1,414)
		$	(21,623)	$	(21,047)
Distributions paid					
Distributions declared		$	(15,558)	$	(12,688)
Distributions declared in prior period paid in current period			(4,815)		(4,115)
Distributions declared in current period paid in next period			5,927		4,458
		$	(14,446)	$	(12,345)

(b) The Trust declared regular distributions of $17.0 million for the three months ended March 31, 2024, which includes $15.6 million of distributions on the Trust Units and $1.4 million of distributions on the LP Class B Units, which under IFRS are considered financing costs (three months ended March 31, 2023 – $13.9 million, which includes $12.7 million of distributions on the Trust Units and $1.2 million of distributions on the LP Class B Units).

NOTE 19: SEGMENTED INFORMATION

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

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

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

Details of segmented information are as follows:

As at	March 31, 2024						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Assets	$ 5,262,303	$ 129,954	$ 758,121	$ 800,588	$ 1,183,326	$ 309,929	$ 8,444,221
Liabilities	2,195,715	75,632	309,567	274,323	565,498	411,101	3,831,836

As at	December 31, 2023						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Assets	$ 4,922,321	$ 128,253	$ 694,290	$ 764,466	$ 1,180,899	$ 451,647	$ 8,141,876
Liabilities	2,205,582	75,836	311,060	275,313	569,275	384,738	3,821,804

	Three Months Ended March 31, 2024						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	$ 93,120	$ 1,680	$ 15,188	$ 11,764	$ 23,238	$ 258	$ 145,248
Rental expenses							
Operating expenses	16,771	144	2,435	2,171	3,632	1,929	27,082
Utilities	11,075	77	2,009	1,354	2,475	126	17,116
Property taxes	8,735	101	1,193	1,170	2,267	37	13,503
Total rental expenses	36,581	322	5,637	4,695	8,374	2,092	57,701
Net operating income (loss)	56,539	1,358	9,551	7,069	14,864	(1,834)	87,547
Financing costs (b)	18,031	781	2,215	2,274	4,764	1,639	29,704
Administration	811	5	135	41	111	9,190	10,293
Deferred unit-based compensation	-	-	-	-	-	671	671
Depreciation (c)	190	1	34	19	36	1,585	1,865
Profit (loss) before the undernoted	37,507	571	7,167	4,735	9,953	(14,919)	45,014
Loss from equity accounted investment	-	-	-	(596)	-	-	(596)
Fair value gains (losses)	249,833	1,761	61,136	(22,934)	1,617	(32,208)	259,205
Interest Income	6	-	-	1,077	-	3,097	4,180
Profit (loss) before income tax	287,346	2,332	68,303	(17,718)	11,570	(44,030)	307,803
Income tax expense (d)	-	-	-	-	-	(82)	(82)
Profit (loss)	$ 287,346	$ 2,332	$ 68,303	$ (17,718)	$ 11,570	$ (44,112)	$ 307,721
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	$ 287,346	$ 2,332	$ 68,303	$ (17,718)	$ 11,570	$ (44,112)	$ 307,721
Additions to non-current assets (e)	$ 90,402	$ 50	$ 2,740	$ 1,790	$ 2,622	$ 12,798	$ 110,402

	Three Months Ended March 31, 2023						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	$ 82,893	$ 689	$ 13,929	$ 11,189	$ 22,016	$ 215	$ 130,931
Rental expenses							
Operating expenses	16,138	70	2,477	1,965	3,599	1,618	25,867
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	34,810	155	5,513	4,428	8,390	1,843	55,139
Net operating income (loss)	48,083	534	8,416	6,761	13,626	(1,628)	75,792
Financing costs (b)	16,269	325	2,082	1,684	4,815	1,463	26,638
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	30,895	207	6,184	5,029	8,678	(14,061)	36,932
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
Interest Income	2	-	-	-	-	647	649
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

(a) Rental Revenue

	Three Months Ended March 31, 2024						
	Alberta	**British Columbia**	**Saskatchewan**	**Ontario**	**Quebec**	**Corporate**	**Total**
Lease revenue	**$ 88,718**	**$ 1,661**	**$ 14,519**	**$ 11,526**	**$ 22,039**	**$ 124**	**$138,587**
Parking revenue	**1,653**	**27**	**183**	**118**	**664**	**-**	**2,645**
Recoveries (cable, retirement) and revenue from telephone and cable providers	**1,400**	**3**	**330**	**27**	**254**	**21**	**2,035**
Revenue from coin laundry machines	**736**	**-**	**64**	**134**	**171**	**-**	**1,105**
Other	**613**	**(11)**	**92**	**(41)**	**110**	**113**	**876**
Total	**$ 93,120**	**$ 1,680**	**$ 15,188**	**$ 11,764**	**$ 23,238**	**$ 258**	**$145,248**

	Three Months Ended March 31, 2023						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Lease revenue	$ 78,830	$ 666	$ 13,341	$ 10,936	$ 20,867	$ 115	$ 124,755
Parking revenue	1,473	27	157	105	619	-	2,381
Recoveries (cable, retirement) and revenue from telephone and cable providers	1,306	2	261	29	243	46	1,887
Revenue from coin laundry machines	737	-	70	139	181	-	1,127
Other	547	(6)	100	(20)	106	54	781
Total	$ 82,893	$ 689	$ 13,929	$ 11,189	$ 22,016	$ 215	$ 130,931

(b) Financing Costs

	Three Months Ended March 31, 2024						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	$ 16,864	$ 758	$ 2,048	$ 2,121	$ 3,916	$ 1	$ 25,708
Interest capitalized to properties under development	-	-	-	-	-	(395)	(395)
LP Class B Unit distributions	-	-	-	-	-	1,410	1,410
Other interest charges	(36)	1	(18)	14	(5)	559	515
Interest on lease liabilities	-	-	-	-	579	64	643
Amortization of deferred financing costs	1,203	22	185	139	274	-	1,823
Total	$ 18,031	$ 781	$ 2,215	$ 2,274	$ 4,764	$ 1,639	$ 29,704

	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
Amortization of deferred financing costs	1,188	8	185	159	268	-	1,808
Total	$ 16,269	$ 325	$ 2,082	$ 1,684	$ 4,815	$ 1,463	$ 26,638

(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 20: SUBSEQUENT EVENT

Subsequent to March 31, 2024, the Trust agreed to the purchase of a parcel of land in Calgary, Alberta, for a purchase price of $12.0 million (excluding transaction costs). The acquisition will be funded with cash on hand and is planned for a development project of new rental suites.

NOTE 21: APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements were approved by the Board of Trustees and authorized on May 6, 2024.

Corporate Information

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