



Inspiring Solutions, Transforming Communities

2024 Q3 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 Boardwalk Family Forever,

We are pleased to report on another very strong quarter with significant growth in Net Operating Income and Funds From Operations (“FFO”) per Unit. Our FFO per Unit of \$1.11 during the third quarter represents an improvement of 15.6% from the prior year. We continue to make progress on improving our balance sheet as our cash flows improve and we de-lever organically, providing greater flexibility to compound growth further through the Trust’s value add capital program and accretive external growth opportunities. Occupied rents in the Trust’s largest market of Edmonton remain amongst the most affordable compared to asking rents in major centers in Canada and household incomes.

We remain focused on delivering a sustainable win-win outcome for all members of our Boardwalk Family Forever, which includes our Resident Members, Associates, Investors, external partners and other stakeholders. We are truly better together and we would like to thank all of our stakeholders who are instrumental in creating the best communities where love always lives™.

We continue to work collaboratively with our community and policymakers and welcome the opportunity to further advance the best solutions for affordable housing for Canadians. As housing affordability over the last several years has become more challenging, Boardwalk remains committed to the long-term sustainability of our communities through our

strategic self-moderation of positive rent adjustments. Recently, the federal government released its 2025-2027 Immigration Levels Plan, aimed to better balance population growth to more sustainable levels when looked at over a longer period of time. Relative to other provinces, Alberta is expected to be less impacted by the new Immigration Levels Plan due to its strong interprovincial migration and lower concentration of non-permanent residents as a percentage of the population.

Across various cycles, we have seen consistent demand for affordable housing. Our repositioning investments in many of our communities, Resident Member-focused approach and proven platform positions us well to continue as the community provider of choice for Canadians. As we look forward, we remain confident in continuing our track record of delivering strong results for our Boardwalk Family Forever.

THIRD QUARTER FINANCIAL HIGHLIGHTS

Highlights of the Trust's Third Quarter 2024

Financial Results (\$ millions, except per Unit amounts)	3 Months Sep. 30, 2024	3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023	% Change
Operational Highlights						
Rental Revenue	\$ 153.4	\$ 138.3	11.0%	\$ 447.7	\$ 403.8	10.9%
Same Property Rental Revenue	\$ 150.1	\$ 137.1	9.5%	\$ 439.4	\$ 401.4	9.5%
Net Operating Income ("NOI")	\$ 100.2	\$ 86.6	15.6%	\$ 283.3	\$ 245.0	15.6%
Same Property NOI	\$ 99.2	\$ 87.5	13.5%	\$ 282.4	\$ 248.4	13.7%
Operating Margin ⁽¹⁾	65.3%	62.7%		63.3%	60.7%	
Same Property Operating Margin	66.1%	63.8%		64.3%	61.9%	
Financial Highlights						
Funds From Operations ("FFO") ⁽²⁾⁽³⁾	\$ 60.2	\$ 48.3	24.7%	\$ 167.3	\$ 132.5	26.3%
Adjusted Funds From Operations ("AFFO") ⁽²⁾⁽³⁾	\$ 51.6	\$ 40.4	27.7%	\$ 141.5	\$ 108.9	30.0%
Profit	\$ 55.4	\$ 39.4	40.6%	\$ 522.3	\$ 493.0	5.9%
FFO per Unit ⁽³⁾	\$ 1.11	\$ 0.96	15.6%	\$ 3.10	\$ 2.64	17.4%
AFFO per Unit ⁽³⁾	\$ 0.95	\$ 0.80	18.8%	\$ 2.62	\$ 2.17	20.7%
Regular Distributions Declared (Trust Units & LP Class B Units)	\$ 19.4	\$ 14.7	32.1%	\$ 55.8	\$ 43.3	28.8%
Regular Distributions Declared Per Unit (Trust Units & LP Class B Units)	\$ 0.360	\$ 0.293	22.9%	\$ 1.035	\$ 0.863	19.9%
FFO Payout Ratio ⁽³⁾	32.2%	30.4%		33.3%	32.7%	
Same Property Apartment Suites				33,722	33,264	
Non-Same Property Apartment Suites ⁽⁴⁾				671	582	
Total Apartment Suites				34,393	33,846	

(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 Q3 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 Third Quarter 2024 Financial Results	Sep. 30, 2024	Dec. 31, 2023
Equity		
Unitholders' equity	\$ 4,794,944	\$ 4,320,072
Net Asset Value ("NAV")		
Net asset value ⁽¹⁾⁽²⁾	\$ 5,112,367	\$ 4,553,515
Net asset value per Unit ⁽²⁾	\$ 94.64	\$ 84.41
Liquidity, Debt and Distributions		
Cash and cash equivalents	\$ 107,618	
Subsequent committed/funded financing	\$ 60,300	
Unused credit facilities	\$ 245,800	
Total Available Liquidity	\$ 413,718	
Total mortgage principal outstanding	\$ 3,389,969	\$ 3,446,801
Debt to EBITDA ⁽¹⁾⁽²⁾	10.31	11.02
Debt to Total Assets ⁽¹⁾⁽²⁾	40.1%	43.2%
Interest Coverage Ratio (Rolling 4 quarters)	2.91	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 September 30, 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") of 5.09% for Q3 2024 remained the same as the prior quarter. 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 Third Quarter of 2024	Sep. 2024	Sep. 2023
Average Occupancy (Quarter Average) ⁽¹⁾	98.63%	98.45%
Average Monthly Rent (Period Ended)	\$ 1,472	\$ 1,340
Average Market Rent (Period Ended) ⁽²⁾	\$ 1,644	\$ 1,534
Average Occupied Rent (Period Ended) ⁽³⁾	\$ 1,493	\$ 1,357
Mark-to-Market Revenue Gain (Period Ended) (\$ millions)	\$ 60.2	\$ 70.0
Mark-to-Market Revenue Gain Per Unit (Period Ended)	\$ 1.11	\$ 1.39

(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.

	Oct. 2023	Nov. 2023	Dec. 2023	Jan. 2024	Feb. 2024	Mar. 2024	Apr. 2024	May 2024	Jun. 2024	Jul. 2024	Aug. 2024	Sep. 2024	Oct. 2024	Nov. 2024
Same Property Portfolio Occupancy	98.9%	98.9%	99.0%	99.0%	98.8%	98.8%	98.8%	98.6%	98.6%	98.6%	98.7%	98.4%	98.1%	98.0%

The Trust retained high occupancy during Q3 2024 by focusing on retention and by leveraging its vertically-integrated operating platform to limit time to complete unit turnovers. Positive market rent adjustments were implemented in some communities where rental market fundamentals were strong during the high volume summer leasing season. 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 communities where appropriate.

For the third quarter of 2024, same property rental revenue increased 9.5% while same property total rental expense increased by 2.6%, 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 and repairs and maintenance from inflation and higher property taxes.

During the third quarter of 2024, lower incentives along with positive market rent adjustments and lower utilities from water restrictions that were in effect from the City of Calgary, supported Boardwalk's Calgary portfolio increase in same property NOI of 16.6% in comparison to the same quarter prior year. The positive revenue growth was partially offset by an increase in wages and salaries, building repairs and maintenance costs, and property taxes.

In Edmonton, NOI growth was 15.6% for the third 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, building repairs and maintenance costs, and property taxes.

Saskatchewan's market continues to be strong with the Trust's portfolio in the region realizing 15.9% same property NOI growth in the third 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, building repairs and maintenance, utilities, and property taxes.

In Ontario, NOI growth was 7.7% in the third quarter of 2024 compared to the third quarter of 2023. The mark-to-market opportunity on turnover contributed to same property rental revenue growth of 6.4%, which was partially offset by increases in wages and salaries, building repairs and maintenance costs, bad debts expense, and property taxes.

In Quebec, NOI growth was 6.6% 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 insurance premiums relative to the previous year.

In British Columbia, higher market rents compared to the prior year, and a same property total rental expense decrease of 5.0%, resulted in same property NOI growth of 7.7% in the third quarter of 2024 compared to the third quarter of 2023.

As shown in our updated guidance further in this quarter's MD&A, Boardwalk remains well positioned for continued revenue growth and NOI growth in 2024.

Same Property Sep. 30, 2024 – 3 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	12,882	10.7%	3.4%	15.6%	35.0%
Calgary	6,266	10.5%	(2.8)%	16.6%	24.6%
Other Alberta	1,936	11.1%	7.6%	13.2%	4.9%
Alberta	21,084	10.6%	1.9%	15.8%	64.5%
Quebec	6,000	5.7%	4.0%	6.6%	16.6%
Saskatchewan	3,505	11.3%	3.1%	15.9%	10.8%
Ontario	3,019	6.4%	4.5%	7.7%	7.5%
British Columbia	114	5.0%	(5.0)%	7.7%	0.6%
	33,722	9.5%	2.6%	13.5%	100.0%

Same Property Sep. 30, 2024 – 9 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	12,882	10.7%	3.3%	16.2%	34.7%
Calgary	6,266	11.1%	1.9%	15.7%	24.4%
Other Alberta	1,936	10.9%	0.8%	18.2%	4.9%
Alberta	21,084	10.9%	2.7%	16.1%	64.0%
Quebec	6,000	5.8%	2.6%	7.4%	16.7%
Saskatchewan	3,505	10.2%	0.4%	16.2%	10.9%
Ontario	3,019	5.7%	5.8%	5.6%	7.8%
British Columbia	114	4.8%	(6.4)%	7.8%	0.6%
	33,722	9.5%	2.6%	13.7%	100.0%

STRONG LIQUIDITY POSITION

In the third quarter of 2024, Boardwalk renewed \$25.6 million of its maturing mortgages at a weighted average interest rate of 4.19% while extending the term of these mortgages by an average of 5.1 years.

For the remainder of 2024, the Trust anticipates \$186.6 million of mortgages payable maturing with an average in-place interest rate of 3.14% and will continue to renew these mortgages as they mature. Current market five and 10-year CMHC financing rates are estimated to be approximately 3.70% and 4.10%, respectively. To date, the Trust has renewed or forward-locked the interest rate on \$352.8 million or 81.4% of its maturing mortgages in 2024 at an average interest rate of 4.29% and an average term of 5.8 years. The Trust remains well positioned with a laddered maturity schedule within its mortgage program, a disciplined allocation program and continued use of CMHC funding, which decreases the renewal risk on its existing mortgages.

UPDATE TO 2024 FINANCIAL GUIDANCE

Boardwalk's current outlook for the remainder of 2024 is for ongoing growth across its portfolio as demand for affordable multi-family housing remains strong. The Trust anticipates outsized revenue and NOI growth in its non-price-controlled markets on a year-over-year basis, as a result of strong performance year-to-date and ongoing positive leasing spreads throughout the remainder of 2024. The Trust's consistent revenue and disciplined operating cost control performance through the first three quarters of 2024 provides for an increase to the bottom end and tightening of its guidance range for the year as follows:

	Q3 2024 Revised Guidance	2024 Previous Guidance	2023 Actual
Same Property NOI Growth	12.5% to 14.5%	12.5% to 14.5%	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⁾	\$4.15 to \$4.23	\$4.11 to \$4.23	\$3.60
AFFO Per Unit ⁽²⁾⁽³⁾	\$3.52 to \$3.60	\$3.48 to \$3.60	\$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.

THIRD QUARTER REGULAR MONTHLY DISTRIBUTION ANNOUNCEMENT

The Trust has confirmed its monthly cash distribution for the months of December 2024, January 2025, and February 2025 as follows:

Month		Per Unit		Annualized	Record Date	Distribution Date
December 2024	\$	0.1200	\$	1.44	December 31, 2024	January 15, 2025
January 2025	\$	0.1200	\$	1.44	January 31, 2025	February 17, 2025
February 2025	\$	0.1200	\$	1.44	February 28, 2025	March 17, 2025

In line with Boardwalk's distribution policy of maximum re-investment, the Trust's payout ratio remains conservative at 32.2% of Q3 2024 FFO; and 32.8% of the last 12 months FFO.

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

EXCEPTIONAL VALUE

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

Recent private market sales transactions of apartment buildings in our core markets have occurred at prices in line with or above Boardwalk's fair value of its assets of approximately \$239,000 per suite. This valuation represents approximately a 4.6% Cap Rate on Boardwalk's most recent 12 months of investment property NOI. While we anticipate a moderation in rental demand to more sustainable levels in the quarters ahead, demand for affordable housing remains strong and the Trust anticipates stable NOI growth as we look ahead.

At the current unit price of \$72 per Trust Unit, Boardwalk's implied value is approximately \$203,000 per suite and represents an attractive 5.4% 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 providing strong results and a win-win outcome for our entire Boardwalk Family Forever.

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 communities for our Resident Members.

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

With our love always,

Sam Koliass

Chairman of the Board and Chief Executive Officer

Management's Discussion and Analysis

For the Three and Nine Months Ended, September 30, 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 November 4, 2024 unless otherwise stated, and should be read in conjunction with Boardwalk's condensed consolidated interim financial statements for the three and nine months ended September 30, 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 October 2024 Monetary Policy Report and the Royal Bank of Canada's September 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, and its long-term strategic plan of opportunistic acquisitions and investments, its strategies to achieve those objectives, 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 higher 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 dispute the notices of reassessment with the Canada Revenue Agency (“CRA”) Appeals Division, 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 September 30, 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 third 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 and nine months ended September 30, 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 and nine months ended September 30, 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 October 2024 Monetary Policy Report, which was released on October 23, the Bank of Canada noted that inflation is now close to their 2% target due to lower energy prices and reduced inflationary pressures. Although inflation has come down for many goods and services, inflation related to shelter remains high but is starting to show signs of easing. The Bank of Canada expects inflation to remain close to the 2% target, with a gradual decline in core inflation, while acknowledging risks with inflation rising above or below the target. The labor market has softened, particularly among newcomers and youth, while wage growth remains high relative to productivity. The Bank of Canada projects economic growth to average 2.25% over 2025 and 2026, driven by increased consumer spending and business investment as interest rates decrease, alongside strong export demand.

The Royal Bank of Canada's ("RBC") September 2024 Provincial Report highlights that the Canadian economy is underperforming compared to its global peers. RBC highlights that while Canada is not officially in a recession, productivity has declined and unemployment rates are rising. Decreasing inflation has allowed the Bank of Canada to implement four interest rate cuts since June 2024. High interest rates continue to impede growth, however RBC expects the Bank of Canada to continue to gradually lower rates further, which should support an economic uptick in the second half of 2025.

For Alberta, severe wildfires this summer have displaced residents and interrupted economic activities in various regions of the province. Despite the devastating impact on local communities, RBC expects these disruptions not to overshadow the strength of Alberta's core industries. The oil and gas sector is continuing its recovery fueled by a global increase in demand, and strong construction activity is also contributing to economic growth. As a result, RBC projects Alberta's real GDP growth to reach 2.7% this year, an increase from the previously estimated 1.7% in June 2024, placing the province at the forefront of growth among Canadian provinces. RBC also remains optimistic for Saskatchewan's growth potential this year. The global fertilizer markets have continued to rebound in 2024, driving activity in the province's mining sector and contributing to capital investment as major mining companies move forward with expansion projects. This, combined with strong commodity markets and employment growth, has revitalized consumer spending more than RBC had initially projected. The increase in household economic strength has led RBC to revise its 2024 growth forecast for Saskatchewan from 1.7% to 1.9%. For British Columbia and Ontario markets, RBC expects both provinces' economies to have slower growth than the rest, however, RBC has revised the growth outlook for 2024 for both provinces slightly upward to 0.9% and 0.7% respectively, due to stronger than expected activity in the first half of the year. For Quebec, RBC sees a turnaround and acceleration in their economy with renewed momentum from both external and domestic sources. Together with the recent interest rate cuts and increased construction activity, RBC forecasts Quebec's growth to be on par with the national average of 1.1%.

On October 24, 2024, the Government of Canada announced its 2025-2027 Immigration Levels Plan, aimed at pausing short-term growth to enable sustainable long-term development and growth. This plan introduces controlled targets for both temporary residents, such as international students and foreign workers, and permanent residents. The Government of Canada acknowledged the vital role that immigration has had in the post-pandemic economic recovery but seeks to reduce pressure on housing, infrastructure, and social services. The newly announced plan is expected to result in a marginal population decline of 0.2% in both 2025 and 2026, before returning to a population growth of 0.8% in 2027. The plan outlines a reduction to permanent resident targets from 500,000 permanent residents to 395,000 in 2025 and further down to 380,000 by 2026 and 365,000 in 2027, while temporary resident numbers are expected to drop significantly, in line with tightened eligibility criteria and caps. The Government of Canada expects that decreasing immigration levels should alleviate some pressure in the housing market, with an estimated reduction in the housing supply gap of approximately 670,000 units by the end of 2027. Management of the Trust is currently evaluating the impact of this recent announcement, acknowledging that although it will affect demand in the Trust's markets, the impact is expected to be somewhat mitigated by the fact that the majority of the Trust's portfolio is affordable housing where demand will continue to remain strong relative to other regions in Canada. Relative to other provinces, Alberta is expected to be less impacted by the new Immigration Levels Plan due to its strong interprovincial migration and lower concentration of non-permanent residents as a percentage of the population.

When considering rent as compared to median renter household income, the Trust's core, non-price controlled markets remain the most affordable in the country, positioning the REIT for stable organic growth.

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 our multi-brand strategy and our community renovation programs.

Our Multi-brand Strategy

Boardwalk Lifestyle

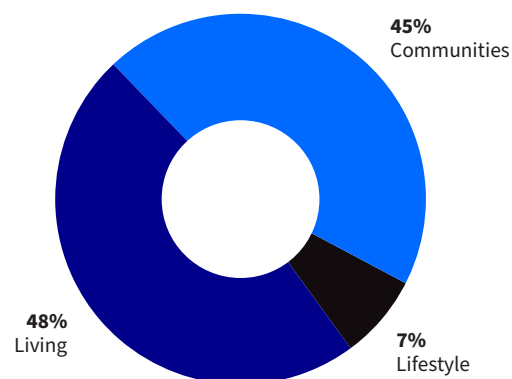
Our refined Lifestyle communities go above and beyond to provide an elevated experience. Situated in central neighbourhoods, our buildings offer the perfect blend of elegance and convenience, granting Residents access to the best shopping, dining, and entertainment options. Residents can immerse themselves 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 \$92.6 million in capital assets for the nine months ended September 30, 2024 (nine months ended September 30, 2023 – \$86.9 million), including \$66.8 million in value-add capital (nine months ended September 30, 2023 – \$63.3 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 and maintain 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 September 30, 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 September 30, 2024, Boardwalk REIT’s interest coverage ratio of consolidated EBITDA (i.e. Earnings Before Interest, Taxes, Depreciation and Amortization) to consolidated interest expense was 2.91 (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 and nine months ended September 30, 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 and nine months ended September 30, 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 and nine months ended September 30, 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.

Adjusted Real Estate Debt, net of Cash

Adjusted Real Estate Debt, net of Cash, is most directly comparable to the IFRS measure of total mortgage principal outstanding. Adjusted Real Estate Debt, net of Cash is comprised of the sum of total mortgage principal outstanding, total lease liabilities attributable to land leases, and construction loan payable, then reduced by cash and cash equivalents. It is useful in summarizing the Trust's debt which is attributable to its real estate assets and is used in the calculation of Debt to EBITDA.

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.

Debt to EBITDA

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

Debt to Total Assets

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

FFO per Unit Future Financial Guidance

FFO per Unit Future Financial Guidance is calculated as FFO Future Financial Guidance divided by the estimated weighted average of 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 of 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 and nine months ended September 30, 2024, the Trust declared regular distributions of \$19.4 million and \$55.8 million (inclusive of distributions paid to holders of the LP Class B Units), respectively (three and nine months ended September 30, 2023 – \$14.7 million and \$43.3 million, respectively), and recorded profit of \$55.4 million and \$522.3 million, respectively (three and nine months ended September 30, 2023 – \$39.4 million and \$493.0 million, respectively). The FFO Payout Ratio for the three months ended September 30, 2024 was 32.2% (three months ended September 30, 2023 – 30.4%). For the nine months ended September 30, 2024, the FFO Payout Ratio was 33.3% (nine months ended September 30, 2023 – 32.7%) 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 September 30, 2023 to September 30, 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	9 Months
FFO per Unit ⁽¹⁾ – Sep. 30, 2023	\$ 0.96	\$ 2.64
Same Property Net Operating Income (“NOI”) ⁽²⁾	0.23	0.66
Non-same Property NOI ⁽²⁾	0.03	0.07
Administration	(0.03)	(0.09)
Financing Costs	(0.04)	(0.16)
Interest Income	0.03	0.16
Unit Issuance	(0.07)	(0.18)
FFO per Unit – Sep. 30, 2024	\$ 1.11	\$ 3.10

(1) Please refer to the section titled “Presentation of Non-GAAP Measures” in this MD&A for more information.

(2) The definition of same property and non-same property can be found in the section titled “Same Property Results” in this MD&A.

FFO and AFFO Reconciliations

In the following table, Boardwalk REIT provides a reconciliation of FFO to Profit, the most comparable related financial statement measurement, for the three and nine months ended September 30, 2024 and 2023. Adjustments are explained in the notes below, as appropriate.

FFO Reconciliation <i>(In \$000's, except per Unit amounts)</i>	3 Months Sep. 30, 2024	3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023	% Change
Profit	\$ 55,419	\$ 39,417		\$ 522,294	\$ 492,969	
Adjustments						
Other income ⁽¹⁾	-	-		-	(818)	
Fair value losses (gains), net	1,838	6,315		(363,245)	(367,028)	
LP Class B Unit distributions	1,611	1,309		4,632	3,860	
Deferred tax expense	15	27		82	69	
Depreciation	2,124	1,984		5,991	5,677	
Principal repayments on lease liabilities	(822)	(786)		(2,449)	(2,594)	
Principal repayments on lease receivable	-	-		-	321	
FFO ⁽²⁾⁽³⁾	\$ 60,185	\$ 48,266	24.7%	\$ 167,305	\$ 132,456	26.3%
FFO per Unit ⁽³⁾	\$ 1.11	\$ 0.96	15.6%	\$ 3.10	\$ 2.64	17.4%

(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 third quarter of 2024 was \$55.4 million compared to a profit of \$39.4 million for the same period in 2023. Year-to-date, profit increased from \$493.0 million to \$522.3 million. The increase in profit for the three and nine months ended September 30, 2024, compared to the same periods in the prior year, are mainly attributable to higher rental revenue and interest income, partially offset by an increase in total rental expenses, financing costs, administration, and fair value (losses) gains adjustments for the respective periods. For the third quarter of 2024, the decrease in the fair value loss compared to the same period in the prior year is attributable to an increase in fair value gains on investment properties in the current period due to higher market rents. For the nine months ended September 30, 2024, the decrease in the fair value gains compared to the same period in the prior year is attributable to the fair value gains on investment properties, that also reflect higher market rents, but not to the same extent as in the prior year when market rents increases were more significant. The first nine months of 2024 have 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 5.05% as at September 30, 2024 and September 30, 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 \$60.2 million for the third quarter of 2024 compared to \$48.3 million for the same period in 2023. FFO, on a per Unit basis, for the quarter ended September 30, 2024, increased approximately 15.6% compared to the same quarter in the prior year from \$0.96 to \$1.11. For the nine months ended September 30, 2024, FFO was \$167.3 million, compared to the \$132.5 million for the same period in prior year. FFO per Unit was \$3.10, an increase of 17.4% compared to \$2.64 for the same period in the prior year. The increases were primarily driven by higher occupied rents, lower incentives, higher interest income, and new acquisitions in British Columbia in April 2023 and in Alberta in both January and June 2024, partially offset by increased wages and salaries, repairs and maintenance, utilities, property taxes, financing costs, and administration.

The following table provides a reconciliation of FFO to AFFO:

(000's)	3 Months Sep. 30, 2024	3 Months Sep. 30, 2023	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023
FFO ⁽¹⁾⁽²⁾	\$ 60,185	\$ 48,266	\$ 167,305	\$ 132,456
Maintenance Capital Expenditures ⁽³⁾	8,624	7,878	25,843	23,604
AFFO ⁽¹⁾⁽²⁾	\$ 51,561	\$ 40,388	\$ 141,462	\$ 108,852
FFO per Unit ⁽²⁾	\$ 1.11	\$ 0.96	\$ 3.10	\$ 2.64
AFFO per Unit ⁽²⁾	\$ 0.95	\$ 0.80	\$ 2.62	\$ 2.17
Regular Distributions	\$ 19,402	\$ 14,683	\$ 55,762	\$ 43,297
FFO Payout Ratio ⁽²⁾	32.2%	30.4%	33.3%	32.7%
AFFO Payout Ratio ⁽²⁾	37.6%	36.4%	39.4%	39.8%
Profit	\$ 55,419	\$ 39,417	\$ 522,294	\$ 492,969

(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 Sep. 30, 2024	3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023	% Change
Rental revenue	\$ 153,413	\$ 138,268	11.0%	\$ 447,728	\$ 403,751	10.9%
Expenses						
Operating expenses	27,969	27,237	2.7%	82,133	79,823	2.9%
Utilities	11,160	10,857	2.8%	41,053	39,520	3.9%
Property taxes	14,100	13,531	4.2%	41,243	39,367	4.8%
Total rental expenses	\$ 53,229	\$ 51,625	3.1%	\$ 164,429	\$ 158,710	3.6%
Net operating income	\$ 100,184	\$ 86,643	15.6%	\$ 283,299	\$ 245,041	15.6%
Operating margin ⁽¹⁾	65.3%	62.7%		63.3%	60.7%	
Number of suites at September 30 ⁽²⁾	34,210	33,846		34,210	33,846	

(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.

<i>(In \$000's, except number of suites)</i>	3 Months Sep. 30, 2024	3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023	% Change
Gross rental revenue ⁽¹⁾	\$ 157,447	\$ 143,847	9.5%	\$ 460,363	\$ 424,235	8.5%
Vacancy loss ⁽²⁾	(1,919)	(1,709)	12.3%	(5,351)	(6,077)	(11.9)%
Incentives ⁽³⁾	(2,115)	(3,870)	(45.3)%	(7,284)	(14,407)	(49.4)%
Rental revenue	\$ 153,413	\$ 138,268	11.0%	\$ 447,728	\$ 403,751	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 and nine months ended September 30, 2024, reported higher results compared to the same periods in the prior year, with rental revenue increasing 11.0% and 10.9%, respectively. For the three and nine months ended September 30, 2024, the increase in rental revenue was primarily due to higher in-place occupied rents and lower incentives offered, as well as new acquisitions in British Columbia in April 2023 and Alberta in both January and June 2024. As outlined in the table above, the Trust was able to reduce incentives by 49.4% year-over-year, while also reducing vacancy losses by 11.9%. 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 and nine months ended September 30, 2024, total rental expenses increased by 3.1% and 3.6%, respectively, compared to the same periods in the prior year. The increases were 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 and nine months ended September 30, 2024, operating expenses increased 2.7% and 2.9%, respectively, compared to the same periods in the prior year primarily due to higher wages and salaries and repairs and maintenance, partially offset by lower bad debts as a result of the high occupancy being realized throughout the portfolio, and lower insurance premiums upon renewal in July 2024.

Utility costs increased by 2.8% and 3.9% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in 2023 mainly due to higher water and sewer costs and higher carbon levy costs from the federal increases being implemented. 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 and nine months ended September 30, 2024 and 2023.

Property taxes increased 4.2% and 4.8% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in the prior year mainly due to higher overall property tax assessments received and the acquisitions during 2023 and the first and second quarters 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 nine months ended September 30, 2024 was 63.3%, compared to 60.7% 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

<i>(In \$000's, except number of suites)</i>	3 Months Sep. 30, 2024	3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023	% Change
Rental revenue	\$ 99,248	\$ 87,815	13.0%	\$ 288,600	\$ 256,107	12.7%
Expenses						
Operating expenses	17,174	16,745	2.6%	50,448	49,276	2.4%
Utilities	7,261	7,025	3.4%	26,826	25,456	5.4%
Property taxes	9,152	8,774	4.3%	26,739	25,619	4.4%
Total rental expenses	\$ 33,587	\$ 32,544	3.2%	\$ 104,013	\$ 100,351	3.6%
Net operating income	\$ 65,661	\$ 55,271	18.8%	\$ 184,587	\$ 155,756	18.5%
Operating margin	66.2%	62.9%		64.0%	60.8%	
Number of suites at September 30	21,448	21,084		21,448	21,084	

Alberta is Boardwalk's largest operating segment, representing 65.5% and 65.2% of total reported NOI for both the three and nine months ended September 30, 2024, respectively. In addition, Alberta represents 62.7% of total suites. Boardwalk REIT's Alberta operations for three and nine months ended September 30, 2024 reported a 13.0% and 12.7% increase, respectively, in rental revenue compared to the same periods in the prior year mainly due to higher in-place occupied rents and lower incentives, and new acquisitions in January and June 2024. Increases were driven, in part, by the high migration into the province in 2023 and continuing into 2024. For the three and nine months ended September 30, 2024, total rental expenses increased by 3.2% and 3.6%, respectively, compared to the same periods in the prior year due to higher operating expenses, utilities, and property taxes.

Operating expenses increased by 2.6% and 2.4% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in the prior year primarily due to higher wages and salaries and to a lesser extent repairs and maintenance, as well as the new acquisitions, partially offset by lower insurance premiums upon renewal in July 2024, as well as lower bad debts as a result of the high occupancy being realized throughout the portfolio.

Utilities for the three months ended September 30, 2024, increased by 3.4% compared to the same period in the prior year due to higher water and sewer costs and higher carbon levies. For the nine months ended September 30, 2024, utilities increased 5.4% compared to the same period in the prior year due to higher water and sewer, higher natural gas costs, and higher carbon levies. Currently, the Trust has four 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 and nine months ended September 30, 2024 and 2023.

Property taxes for the three and nine months ended September 30, 2024, increased 4.3% and 4.4%, respectively, compared to the same periods in the prior year due to higher property tax assessments and the new acquisitions.

NOI for Alberta increased \$28.8 million, or 18.5%, for the nine months ended September 30, 2024, compared to the same period in 2023. Alberta's operating margin for the nine months ended September 30, 2024, was 64.0%, which is 5.3% higher compared to the same period in 2023.

British Columbia Rental Operations

<i>(In \$000's, except number of suites)</i>	3 Months Sep. 30, 2024		3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024		9 Months Sep. 30, 2023	% Change		
Rental revenue	\$	1,696	\$	1,705	(0.5)%	\$	5,061	\$	3,789	33.6%
Expenses										
Operating expenses		218		174	25.3%		537		324	65.7%
Utilities		50		37	35.1%		210		161	30.4%
Property taxes		113		164	(31.1)%		339		248	36.7%
Total rental expenses	\$	381	\$	375	1.6%	\$	1,086	\$	733	48.2%
Net operating income	\$	1,315	\$	1,330	(1.1)%	\$	3,975	\$	3,056	30.1%
Operating margin		77.5%		78.0%			78.5%		80.7%	
Number of suites at September 30		238		238			238		238	

British Columbia operations consist of two rental buildings in Victoria, with a total of 238 suites. Overall, operating results for the three months ended September 30, 2024 were consistent with the same period in the prior year. For the nine months ended September 30, 2024, operating results were higher than the same period in the prior year due to the new acquisition in Victoria, British Columbia 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

<i>(In \$000's, except number of suites)</i>	3 Months Sep. 30, 2024		3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024		9 Months Sep. 30, 2023	% Change		
Rental revenue	\$	16,157	\$	14,517	11.3%	\$	46,974	\$	42,617	10.2%
Expenses										
Operating expenses		2,464		2,425	1.6%		7,287		7,474	(2.5)%
Utilities		1,688		1,632	3.4%		5,227		5,167	1.2%
Property taxes		1,249		1,183	5.6%		3,620		3,434	5.4%
Total rental expenses	\$	5,401	\$	5,240	3.1%	\$	16,134	\$	16,075	0.4%
Net operating income	\$	10,756	\$	9,277	15.9%	\$	30,840	\$	26,542	16.2%
Operating margin		66.6%		63.9%			65.7%		62.3%	
Number of suites at September 30		3,505		3,505			3,505		3,505	

For the three and nine months ended September 30, 2024, Saskatchewan rental revenue increased by 11.3% and 10.2%, respectively, compared to the same periods in the prior year due to higher in-place occupied rents coupled with lower incentives. For the three months ended September 30, 2024, total rental expenses increased by 3.1% compared to the same period in prior year, due to higher operating expenses, utilities, and property taxes. For the nine months ended September 30, 2024, total rental expenses were relatively flat compared to the same period in the prior year, with higher property taxes and utilities largely offset by lower operating expenses.

Operating expenses for the three months ended September 30, 2024, increased by 1.6% compared to the same period in the prior year due to higher wages and salaries, repairs and maintenance, and advertising costs, partially offset by lower insurance premiums upon renewal in July 2024. For the nine months ended September 30, 2024, operating expenses decreased by 2.5% compared to the same period in the prior year due to lower repairs and maintenance, bad debts, advertising costs, and lower insurance premiums, partially offset by higher wages and salaries.

Utilities for the three and nine months ended September 30, 2024, increased by 3.4% and 1.2%, respectively, compared to the same periods in prior year mainly due to 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 and nine months ended September 30, 2024 and 2023.

Property taxes increased by 5.6% and 5.4% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in the prior year due to higher property tax assessments.

Reported operating margin for the nine months ended September 30, 2024, was 65.7% compared to 62.3% for the same period in 2023.

Ontario Rental Operations

<i>(In \$000's, except number of suites)</i>	3 Months Sep. 30, 2024	3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023	% Change
Rental revenue	\$ 12,109	\$ 11,379	6.4%	\$ 35,750	\$ 33,830	5.7%
Expenses						
Operating expenses	2,285	2,219	3.0%	6,577	6,135	7.2%
Utilities	1,066	1,054	1.1%	3,549	3,532	0.5%
Property taxes	1,276	1,156	10.4%	3,615	3,325	8.7%
Total rental expenses	\$ 4,627	\$ 4,429	4.5%	\$ 13,741	\$ 12,992	5.8%
Net operating income	\$ 7,482	\$ 6,950	7.7%	\$ 22,009	\$ 20,838	5.6%
Operating margin	61.8%	61.1%		61.6%	61.6%	
Number of suites at September 30 ⁽¹⁾	3,019	3,019		3,019	3,019	

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

Boardwalk REIT's Ontario operations for the three and nine months ended September 30, 2024, reported a 6.4% and 5.7% increase, respectively, in rental revenue compared to the same periods in the prior year due to higher in-place occupied rents. Total rental expenses increased by 4.5% and 5.8% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in the prior year mainly due to higher operating expenses and property taxes.

Operating expenses for the three and nine months ended September 30, 2024 increased by 3.0% and 7.2%, respectively, compared to the same periods in the prior year due to higher wages and salaries, building repairs and maintenance, and bad debts expense, partially offset by lower insurance premiums upon renewal in July 2024.

Utility costs increased 1.1% for the three months ended September 30, 2024 compared to the same period in the prior year due to higher electricity costs due to higher consumption, higher water and sewer costs, and higher carbon levies, partially offset by lower natural gas costs. For the nine months ended September 30, 2024, overall utilities were consistent with the same period in the prior year, with higher electricity costs and higher water and sewer costs largely offset by a decrease in natural gas costs. The Trust has one outstanding fixed price natural gas contract for approximately 69% of price risk for London natural gas usage. Details of the contract can be found in NOTE 13 to the condensed consolidated interim financial statements for the three and nine months ended September 30, 2024 and 2023.

Property taxes increased 10.4% and 8.7% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in the prior year due to higher property tax assessments.

NOI increased by 5.6% for the nine months ended September 30, 2024, compared to the same period in the prior year. Reported operating margin for the nine months ended September 30, 2024, was consistent with the same period in prior year at 61.6%.

Quebec Rental Operations

<i>(In \$000's, except number of suites)</i>	3 Months Sep. 30, 2024	3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023	% Change
Rental revenue	\$ 23,952	\$ 22,653	5.7%	\$ 70,617	\$ 66,775	5.8%
Expenses						
Operating expenses	4,251	3,994	6.4%	11,957	11,613	3.0%
Utilities	1,019	1,054	(3.3)%	4,951	4,924	0.5%
Property taxes	2,265	2,197	3.1%	6,802	6,582	3.3%
Total rental expenses	\$ 7,535	\$ 7,245	4.0%	\$ 23,710	\$ 23,119	2.6%
Net operating income	\$ 16,417	\$ 15,408	6.5%	\$ 46,907	\$ 43,656	7.4%
Operating margin	68.5%	68.0%		66.4%	65.4%	
Number of suites at September 30	6,000	6,000		6,000	6,000	

Boardwalk REIT's Quebec operations reported rental revenue increases of 5.7% and 5.8% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in the prior year mainly due to higher in-place occupied rents and a decrease in vacancy loss. Total rental expenses for the three and nine months ended September 30, 2024 increased 4.0% and 2.6% when compared with the same periods in 2023, primarily due to higher operating expenses and property taxes.

For the three and nine months ended September 30, 2024, operating expenses increased by 6.4% and 3.0%, respectively, compared to the same periods in 2023 due to higher building repairs and maintenance and wages and salaries, partially offset by lower advertising expense and insurance premiums upon renewal in July 2024.

For the three months ended September 30, 2024, utilities decreased 3.3% compared to the same period in 2023 primarily due to lower natural gas costs. For the nine months ended September 30, 2024, utilities were consistent with the same period in the prior year. The Trust has one outstanding fixed price natural gas contract to mitigate approximately 74% of price risk for 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 and nine months ended September 30, 2024 and 2023.

Property taxes increased 3.1% and 3.3% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in the prior year due to higher property tax assessments.

Reported operating margins for the nine months ended September 30, 2024 increased from 65.4% to 66.4%.

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 currently under supplied with housing, the Trust has begun to unwind these incentives and increase market rents. This is evidenced in the current quarter with incentives decreasing 45.3% and 49.4% for the three and nine months ended September 30, 2024, respectively, when compared to the same periods in the prior year. It has been our experience that this proactive approach has resulted in optimizing NOI.

In addition, in these competitive, non-price controlled markets, the Trust 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	Q3 2024	Q3 2023
Calgary	98.65%	99.25%
Edmonton	98.39%	97.62%
Fort McMurray	96.20%	98.39%
Grande Prairie	98.29%	97.25%
Kitchener	97.82%	97.68%
London	98.89%	98.44%
Brampton	98.25%	99.25%
Cambridge	98.57%	98.57%
Waterloo	97.78%	100.00%
Montreal	99.31%	98.59%
Quebec City	99.34%	99.02%
Red Deer	99.47%	99.47%
Regina	97.43%	98.51%
Saskatoon	98.82%	99.02%
Verdun	99.55%	99.71%
Victoria	99.71%	100.00%
Portfolio	98.63%	98.45%

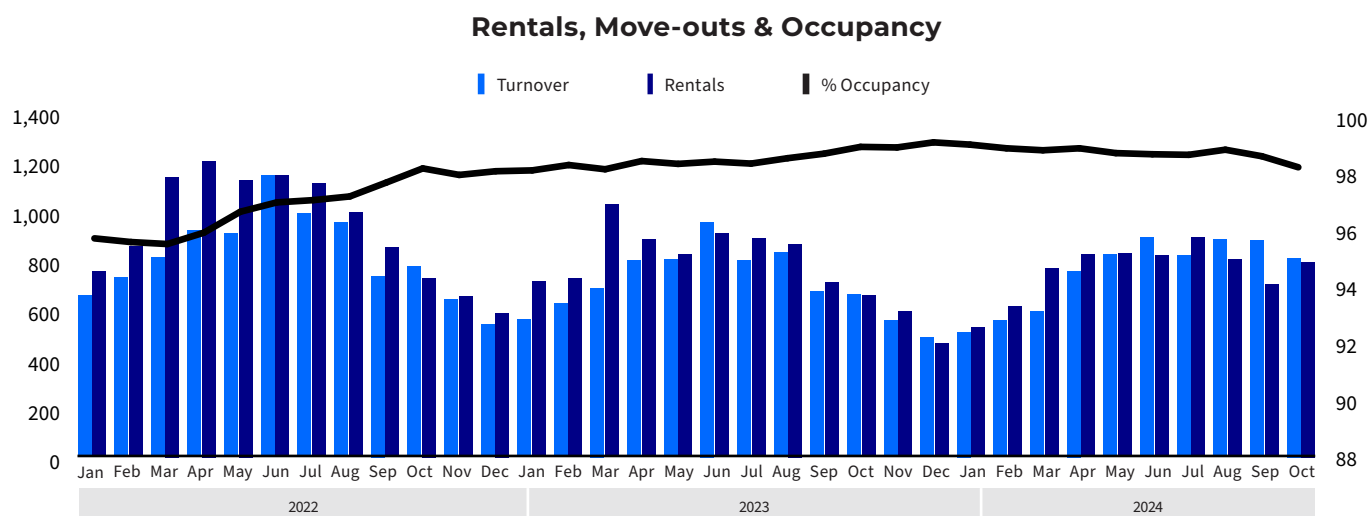
In Q3 2024, the Trust reported an increase of 18 basis points (bps) in its overall same property occupancy rate compared to the same quarter in the prior year, an increase from 98.45% to 98.63%. In Alberta, the continued growth and improvements to the market conditions and the increasing net migration into the province since 2022 have been driving up demand and increasing occupancy, which is reflected above with most Alberta markets continuing to show strong occupancy results. 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 77 bps in occupancy compared to the same quarter in the prior year. In Calgary, occupancy for the quarter continues to remain strong at 98.65%, however this represents a decrease of 60 bps compared to the same period in the prior year due to the recent increase in purpose-built rental supply in the downtown Calgary node. Fort McMurray occupancy decreased 219 bps compared to the same period in the prior year, from 98.39% to 96.20%, due to a lower number of international students at the local college, and recent wildfires in the area reducing newcomers to the city. Overall, occupancy continues to remain high in Alberta due to record high net migration into the province in 2023 and continuing into 2024.

In Saskatchewan, occupancy in Q3 2024 decreased in both Regina and Saskatoon due to increased supply entering these markets. Regina occupancy levels for Q3 2024 were 97.43% compared to 98.51% in the same quarter in prior year while Saskatoon occupancy levels were 98.82% in Q3 2024 compared to 99.02% in Q3 2023. Although occupancy decreased compared to the same period in the prior year, occupancies remain high overall and are a result of a continuation of improved economic conditions in the agricultural sector, which can be partly attributed to the war in Ukraine driving up grain prices and drawing more in-migration to the province, as well as increased developments in the natural resources sector.

Occupancy continued to remain strong in both Ontario and Quebec with most markets realizing lower vacancies compared to the same period in the prior year.

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

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



Demand and supply, as with any industry, is an essential performance indicator for multi-family real estate. The above chart shows the turnover or total move-outs (supply) compared to total rentals (demand) and the resulting impact on reported occupancy relating to our portfolio. The cumulative impact of demand 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 \$6.0 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 98.6% of its total rental suite portfolio as at September 30, 2024, or a total of 33,722 suites. The tables below provide a regional breakdown on these properties for the three and nine months ended September 30, 2024, compared to the same periods in 2023.

Same Property Sep. 30, 2024 – 3 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	12,882	10.7%	3.4%	15.6%	35.0%
Calgary	6,266	10.5%	(2.8)%	16.6%	24.6%
Other Alberta	1,936	11.1%	7.6%	13.2%	4.9%
Alberta	21,084	10.6%	1.9%	15.8%	64.5%
Quebec	6,000	5.7%	4.0%	6.6%	16.6%
Saskatchewan	3,505	11.3%	3.1%	15.9%	10.8%
Ontario	3,019	6.4%	4.5%	7.7%	7.5%
British Columbia	114	5.0%	(5.0)%	7.7%	0.6%
	33,722	9.5%	2.6%	13.5%	100.0%

Same Property Sep. 30, 2024 – 9 M	# of Suites	% Rental Revenue Growth	% Total Rental Expenses Growth	% Net Operating Income Growth	% of NOI
Edmonton	12,882	10.7%	3.3%	16.2%	34.7%
Calgary	6,266	11.1%	1.9%	15.7%	24.4%
Other Alberta	1,936	10.9%	0.8%	18.2%	4.9%
Alberta	21,084	10.9%	2.7%	16.1%	64.0%
Quebec	6,000	5.8%	2.6%	7.4%	16.7%
Saskatchewan	3,505	10.2%	0.4%	16.2%	10.9%
Ontario	3,019	5.7%	5.8%	5.6%	7.8%
British Columbia	114	4.8%	(6.4)%	7.8%	0.6%
	33,722	9.5%	2.6%	13.7%	100.0%

Same property rental revenue increased by 9.5% for both the three and nine months ended September 30, 2024, compared to the same periods in the prior year. Total rental expenses increased by 2.6% for both the third quarter and year-to-date compared to the same periods in 2023, resulting in a NOI increase of 13.5% and 13.7%, respectively. 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 total rental expenses increased for most regions due to higher wages and salaries from inflation, higher building repairs and maintenance, higher utilities, and higher property taxes. In particular, Edmonton incurred increased wages and salaries due to higher maintenance, landscaper, and cleaner wages. For the quarter, Calgary experienced a decrease in total rental expenses primarily due to a decrease in utilities resulting from lower water and sewer costs from water restrictions that were in effect, coupled with lower insurance premiums upon renewal in July 2024. Other Alberta total rental expenses increased for the third quarter due to higher wages and salaries and building repairs and maintenance, but were overall consistent on a year-to-date basis. The positive gains in rental revenues have led to same property NOI growth in Alberta of 16.1% for the nine months ended September 30, 2024 compared to the same period in the prior year. Ontario total rental expenses increased compared to the same periods in the prior year mainly due to higher building repairs and maintenance, wages and salaries, bad debts expense, utilities, and property tax expenses, partially offset by lower insurance premiums. Overall, the Trust recognized same property NOI growth of 13.7% for the first nine months of 2024 when compared to the same period in the prior year.

Same Property Rental Revenue Growth	# of Suites	Q3 2024 vs Q2 2024	Q3 2024 vs Q1 2024	Q3 2024 vs Q4 2023	Q3 2024 vs Q3 2023
Edmonton	12,882	2.9%	5.8%	7.8%	10.7%
Calgary	6,266	2.3%	5.0%	7.4%	10.5%
Other Alberta	1,936	2.3%	5.5%	7.7%	11.1%
Quebec	6,000	2.2%	3.1%	3.7%	5.7%
Saskatchewan	3,505	3.4%	6.4%	8.5%	11.3%
Ontario	3,019	2.0%	2.9%	5.1%	6.4%
British Columbia	114	1.8%	3.2%	4.5%	5.0%
	33,722	2.6%	5.0%	6.9%	9.5%

On a sequential basis, same property rental revenue reported in the third quarter of 2024 increased by 2.6% over Q2 2024, increased by 5.0% compared to Q1 2024, increased by 6.9% compared to Q4 2023, and increased by 9.5% compared to Q3 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 and Saskatchewan. 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 September 2024, and adjusted for current occupancy levels, totaled approximately \$52.0 million on an annualized basis, representing \$0.96 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				Weighted Average Apartment Suites ⁽⁵⁾	% of Portfolio
	Sep. 2024 Market Rent ⁽¹⁾	Sep. 2024 Occupied Rent ⁽²⁾	Mark-to-Market Per Month ⁽³⁾	Annualized Mark-to-Market Adjusted for Current Occupancy Levels (\$000's)	Sep. 2024 Market Rent, Including Incentives ⁽⁴⁾	Sep. 2024 Occupied Rent ⁽²⁾	Mark-to-Market Per Month ⁽³⁾	Annualized Mark-to-Market Adjusted for Current Occupancy Levels (\$000's)		
Same Property										
Edmonton	\$ 1,545	\$ 1,444	\$ 101	\$ 15,424	\$ 1,509	\$ 1,444	\$ 65	\$ 9,754	12,882	38%
Calgary	1,935	1,812	123	9,239	1,922	1,812	110	8,216	6,347	19%
Other Alberta	1,409	1,321	88	2,001	1,369	1,321	48	1,041	1,936	6%
Alberta	\$ 1,650	\$ 1,543	\$ 107	\$ 26,664	\$ 1,620	\$ 1,543	\$ 77	\$ 19,011	21,165	63%
Quebec	\$ 1,469	\$ 1,330	\$ 139	\$ 9,930	\$ 1,468	\$ 1,330	\$ 138	\$ 9,884	6,000	18%
Saskatchewan ⁽⁶⁾	1,630	1,570	60	2,451	1,617	1,570	47	1,864	3,505	10%
Ontario	1,927	1,353	574	20,582	1,926	1,353	573	20,696	3,019	9%
British Columbia	2,601	2,215	386	524	2,592	2,215	377	514	114	0%
Total Portfolio	\$ 1,644	\$ 1,493	\$ 151	\$ 60,151	\$ 1,623	\$ 1,493	\$ 130	\$ 51,969	33,803	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.

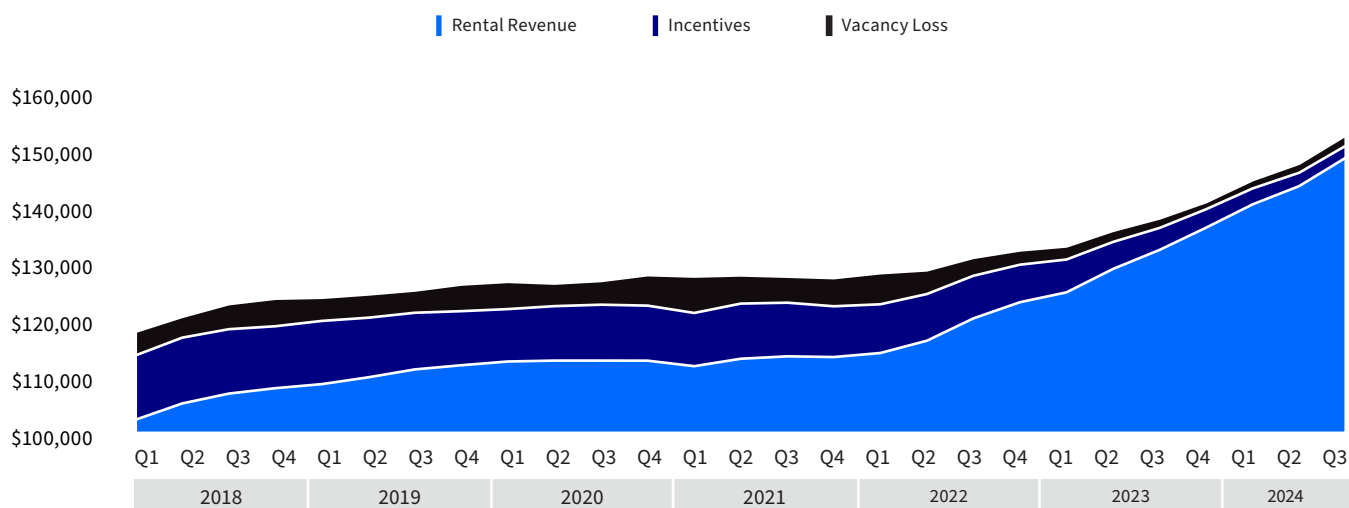
The decrease in the mark-to-market revenue gain for our portfolio, from \$61.7 million at June 2024, to \$52.0 million at September 2024, was due primarily to increases in occupied rents in Alberta, Ontario, and Quebec. Included in the mark-to-market revenue gain calculation of \$52.0 million is approximately \$21 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 \$8 million per annum or a total mark-to-market opportunity of \$60.2 million.

In the third 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.

Rental Revenue, Incentives, Vacancy Loss (\$'000's)



FINANCING COSTS

Financing costs, including interest expense on the Trust’s secured mortgages and lease obligations for the nine months ended September 30, 2024, increased from the same period in the prior year, from \$82.3 million to \$90.2 million. At September 30, 2024, the reported weighted average interest rate for mortgages payable of 3.13% was up from the weighted average interest rate of 3.00% at December 31, 2023. Boardwalk REIT has continued to 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 3.5 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 September 30, 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 and nine months ended September 30, 2024, which have been recorded as financing costs, was \$1.6 million and \$4.6 million, respectively (three and nine months ended September 30, 2023 – \$1.3 million and \$3.8 million, respectively). 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 takes advantage of supplementing, rather than extinguishing, the original mortgage to increase its leverage.

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

The total amortization of deferred financing costs for the three and nine months ended September 30, 2024, was \$1.8 million and \$5.5 million, respectively, compared to \$1.8 million and \$5.4 million recorded for the same periods in the prior year. Amortization of deferred financing costs is included in financing costs.

Interest Rate Sensitivity

Although Boardwalk REIT manages its financing risk in a variety of ways, significant interest rate changes could still impact the Trust as a whole. Due to the size of Boardwalk's overall mortgage portfolio, it has been prudent to spread out the maturity of these mortgages over a number of years. For the remainder of fiscal 2024, the Trust anticipates having approximately \$186.6 million of secured mortgages maturing with a weighted average rate of 3.14%. If we were to renew these mortgages today with a five-year term, the Trust estimates, based upon interactions with possible lenders, the new rate would be approximately 3.70% (as of November 2024).

To date, the Trust has renewed, or forward locked the interest rate on \$352.8 million or 81.4% of its total 2024 mortgage maturities at an average interest rate of 4.29%, while extending the term of these mortgages by an average of 5.8 years.

ADMINISTRATION

Included in administration expenses are costs associated with Boardwalk REIT's centralized administrative functions. The amount reported for the three and nine months ended September 30, 2024, which relates to corporate administration from continuing operations, was \$11.7 million and \$33.7 million, respectively, compared to \$10.9 million and \$30.8 million for the same periods in the prior year. This is an increase of approximately 7.3% for the quarter and an increase of approximately 9.4% for the year to date. The increases were attributable to higher administrative wages, which has increased in part due to rising inflation coupled with bonus considerations, as well as increased travel costs and information technology costs including cybersecurity 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 and nine months ended September 30, 2024 was \$2.1 million and \$6.0 million, respectively, which was consistent with the \$2.0 million and \$5.7 million recorded for the same periods 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 assessed the implications of the CRA notices of reassessment and filed an objection on May 24, 2024 with the CRA Appeals Division as it disagrees with the CRA’s proposed assessment. 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 September 30, 2024, the Trust used a price of \$85.66 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 September 30, 2024, was \$383.3 million (December 31, 2023 – \$319.2 million), and a corresponding fair value loss of \$64.1 million (nine months ended September 30, 2023 – fair value loss of \$77.8 million) was recorded on the Condensed Consolidated Interim Statements of Comprehensive Income for the nine months ended September 30, 2024.

The deferred unit-based compensation plan had a fair value of \$21.3 million (December 31, 2023 – \$15.8 million), and a corresponding fair value loss of \$5.9 million (nine months ended September 30, 2023 – fair value loss of \$3.4 million) was recorded on the Condensed Consolidated Interim Statements of Comprehensive Income for the nine months ended September 30, 2024.

REVIEW OF CASH FLOWS

Operating Activities

Cash flow from operating activities increased by 36.0% from \$54.3 million for the three months ended September 30, 2023, to \$73.8 million for the three months ended September 30, 2024. For the nine months ended September 30, 2024, cash flow from operating activities increased by 28.1% compared to the same period in the prior year, from \$142.8 million to \$183.0 million. For the three and nine months ended September 30, 2024, Boardwalk REIT reported ACFO of \$51.6 million and \$141.5 million, respectively, or \$0.95 per Unit and \$2.62 per Unit, respectively. This represented an increase of approximately 27.7% and 30.0%, respectively, compared to the \$40.4 million and \$108.9 million, or \$0.80 per Unit and \$2.17 per Unit, respectively, reported for three and nine months ended September 30, 2023. The increase in cash flow from operating activities was mainly the result of increased rental revenues and interest income partially offset by higher 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.

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

ACFO Reconciliation <i>(In \$000's, except per Unit amounts)</i>	3 Months Sep. 30, 2024	3 Months Sep. 30, 2023	% Change	9 Months Sep. 30, 2024	9 Months Sep. 30, 2023	% Change
Cash flow from operating activities	\$ 73,824	\$ 54,294		\$ 182,955	\$ 142,794	
Adjustments						
Net change in operating working capital	(11,298)	(4,028)		(7,715)	(3,095)	
(Loss) income from equity accounted investment	(148)	83		(1,046)	(541)	
Deferred unit-based compensation	(1,237)	(590)		(3,326)	(2,407)	
LP Class B Unit distributions	1,611	1,309		4,632	3,860	
Government grant amortization	95	95		284	284	
Interest paid	28,425	26,017		84,194	76,101	
Financing costs	(30,265)	(28,128)		(90,224)	(82,267)	
Principal repayments on lease liabilities	(822)	(786)		(2,449)	(2,594)	
Principal repayments on lease receivable	-	-		-	321	
Maintenance Capital Expenditures ⁽¹⁾	(8,624)	(7,878)		(25,843)	(23,604)	
ACFO ⁽²⁾⁽³⁾	\$ 51,561	\$ 40,388	27.7%	\$ 141,462	\$ 108,852	30.0%
ACFO per Unit ⁽³⁾	\$ 0.95	\$ 0.80	18.8%	\$ 2.62	\$ 2.17	20.7%

(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 32.2% and 37.6%, respectively, compared to 30.4% and 36.4%, respectively, for the same period in the prior year. For the nine months ended September 30, 2024, the Trust's FFO Payout and ACFO Payout Ratio were 33.3% and 39.4%, respectively, compared to 32.7% and 39.8%, respectively, for the same period in 2023.

ACFO, in the longer term, is indicative of the Trust's ability to pay distributions to its Unitholders. ACFO Payout Ratio is a non-GAAP ratio. Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information on ACFO Payout Ratio. As regular distributions are funded by the Trust's liquidity, cash flow from operating activities, and mortgage upfinancings tied to investment property capital appreciation (when needed), these distributions are reviewed on a quarterly basis by the Board of Trustees to assess whether they are sustainable. As a result of the review at the beginning of 2024, the Board of Trustees has approved distributions of \$1.44 per Trust Unit on an annualized basis effective March 2024.

Investing Activities

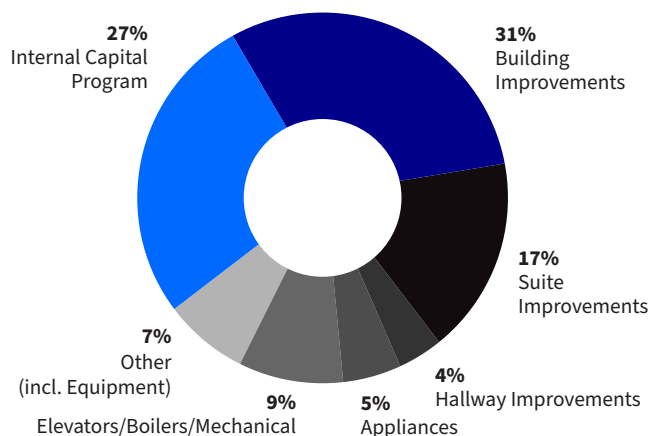
Capital Improvements

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 nine months ended September 30, 2024, Boardwalk REIT invested approximately \$92.6 million in capital assets (comprised of \$86.9 million on its investment properties and \$5.7 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 \$86.9 million (\$82.5 million on its investment properties and \$4.4 million on property, plant and equipment) invested for the nine months ended September 30, 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 \$24.7 million of on-site wages and salaries that have been incurred towards these projects for 2024, compared to \$25.0 million for the same period in 2023.

2024 9 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
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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

Investment in Capital Assets	\$ 139,150	\$ 125,972	\$ 129,352	\$ 127,003
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Maintenance CAPEX per Suite	\$ 1,066	\$ 962	\$ 981	\$ 915
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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 and nine months ended September 30, 2024 and 2023.

<i>(In \$000's, except for per suite amounts)</i>	3 Months		3 Months		9 Months		9 Months	
	Sep. 30, 2024	Per Suite	Sep. 30, 2023	Per Suite	Sep. 30, 2024	Per Suite	Sep. 30, 2023	Per Suite
Maintenance Capital Expenditures	\$ 8,624	\$ 251	\$ 7,878	\$ 232	\$ 25,843	\$ 752	\$ 23,604	\$ 698
Value-add Capital	27,957	813	28,177	832	66,757	1,943	63,299	1,872
Investment in capital assets	\$ 36,581	\$ 1,064	\$ 36,055	\$ 1,064	\$ 92,600	\$ 2,695	\$ 86,903	\$ 2,570

Management of the Trust has estimated that for the third quarter of fiscals 2024 and 2023, the amount allocated to maintenance capital was approximately \$8.6 million, or \$251 per suite, and \$7.9 million, or \$232 per suite, respectively, with investment in value-add capital expenditures to its investment properties totaling \$28.0 million and \$28.2 million, respectively, or \$813 and \$832 per suite, respectively.

For the nine months ended September 30, 2024 and 2023, the amount allocated to maintenance capital was approximately \$25.8 million, or \$752 per suite, and \$23.6 million, or \$698 per suite, respectively, with investment in value-add expenditures to its investment properties totaling \$66.8 million and \$63.3 million, or \$1,943 and \$1,872 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
September 30, 2024	5	\$ 203,269	2.4%
June 30, 2024	5	\$ 254,010	3.1%
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	Sep. 30, 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%	\$ 266,875	5.13%	\$ 247,297
British Columbia	4.38%	5,721	4.30%	5,518
Saskatchewan	5.68%	43,924	5.67%	39,326
Ontario	4.52%	32,584	4.27%	30,922
Quebec	4.94%	20,342	4.94%	18,944
	5.11%	369,446	5.06%	342,007
Land Leases	4.98%	41,991	4.96%	39,807
Total	5.09%	\$ 411,437	5.05%	\$ 381,814

Overall portfolio weighted average stabilized capitalization rate ("Cap Rate") was 5.09% as at September 30, 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 September 30, 2024 and December 31, 2023:

As at September 30, 2024		Stabilized Net Operating Income				
		-3%	-1%	As Forecasted	+1%	+3%
Cap Rate		\$ 399,094	\$ 407,323	\$ 411,437	\$ 415,551	\$ 423,780
-0.25%	4.84%	\$ 162,172	\$ 332,088	\$ 417,046	\$ 502,004	\$ 671,919
Cap Rate As Reported	5.09%	(242,362)	(80,787)	8,078,739	80,787	242,362
+0.25%	5.34%	(609,039)	(455,024)	(378,017)	(301,010)	(146,996)

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 \$841.4 million as at September 30, 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 September 30, 2024 (December 31, 2023 – \$1.0 billion) are pledged as security against the Trust's credit facility, which includes a committed revolving credit facility and demand revolving credit facility (collectively, the "Credit Facility"). In addition, investment properties with a fair value of \$8.0 billion as at September 30, 2024 (December 31, 2023 – \$7.4 billion) are pledged as security against the Trust's mortgages payable.

For the nine months ended September 30, 2024, the Trust capitalized \$86.9 million in improvements to investment properties (and \$43.0 million in development of investment properties) and recorded a fair value gain of \$433.2 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 and nine months ended September 30, 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 September 30, 2024, the tower was 92.0% leased. During the fourth quarter of 2023, the second high-rise tower, which includes 189 residential suites, was substantially completed and as of September 30, 2024, the tower was 80.4% leased. The partnership has committed to a construction facility loan for 60% of the budgeted costs to construct. As at September 30, 2024, \$57.9 million has been drawn on this loan. 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. For the nine months ended September 30, 2024, a further \$0.7 million was advanced to the joint venture with respect to this loan to mirror what was drawn on the construction facility. As at September 30, 2024, the loan receivable owing by the joint venture to the Trust totaled \$57.9 million.

Development

Boardwalk’s development opportunities include additional projects to be built on the Trust’s excess land density, as well as new land that was acquired in Victoria, 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 nine months ended September 30, 2024, the Trust expended \$43.0 million on development of investment properties compared to \$9.3 million for the same period in the prior year. Interest costs of \$1.6 million were capitalized to properties under development for the nine months ended September 30, 2024 (nine months ended September 30, 2023 – \$1.1 million).

During the second quarter of 2024, the Trust purchased a parcel of land in Calgary, Alberta, for a purchase price of \$12.0 million (excluding transaction costs). The acquisition was funded with cash on hand and is planned for a development project of new rental suites. The site is located in one of central Calgary’s most desirable and amenity-rich neighbourhoods and is a short drive from downtown, 17th Avenue, University of Calgary, and Mount Royal University. The Trust estimates that the site allows for approximately 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.

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

New Property Acquisitions

On June 24, 2024, the Trust acquired a property in Chestermere, Alberta and a property in Calgary, Alberta. The Chestermere property is comprised of 63 townhome suites and was purchased for \$26.4 million (including transaction costs). The Calgary property is comprised of 6 suites and was purchased for \$1.9 million (including transaction costs). Both properties were purchased using cash on hand.

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

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

The Trust has a purchase agreement in place for Elbow 5 Eight, a 255 suite, newly built wood frame community in central Calgary's Windsor Park neighbourhood for a purchase price of \$93.0 million. Elbow 5 Eight is well-located within walking distance of Chinook Centre mall, and is a short drive from downtown Calgary, Sandy Beach Park, Rockyview General Hospital, Calgary Golf & Country Club and the nearby established communities of Britannia and Bel Aire. The community will feature condo-quality finishes, a residents' lounge, gym and rooftop patio. The community is currently under construction with an anticipated possession date of Q1 2025, subject to closing conditions. The Trust anticipates lease-up will take approximately one year.

Subsequent to September 30, 2024, the Trust committed to the purchase of two adjacent properties located in Calgary, Alberta. The properties, totaling 12 suites, have a purchase price of \$3.1 million (excluding transaction costs) and will be funded with cash on hand. The purchase is expected to close on November 18, 2024.

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 and nine months ended September 30, 2024, the Trust declared regular distributions of \$19.4 million and \$55.8 million, respectively, an increase from the \$14.7 million and \$43.3 million, respectively, declared for the same periods 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 September 30, 2024 and 2023, represent an FFO payout ratio of 32.2% and 30.4%, respectively. Regular distributions declared for nine months ended September 30, 2024, represent an FFO payout ratio of 33.3%, compared to 32.7% for the same period in the prior year. For the three and nine months ended September 30, 2024, the Trust recorded profit of \$55.4 million and \$522.3 million, respectively (three and nine months ended September 30, 2023 – profit of \$39.4 million and \$493.0 million, respectively).

Financing of Revenue Producing Properties

During the nine months ended September 30, 2024, there were no new proceeds from mortgage financings (nine months ended September 30, 2023 – \$134.3 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 3.13% at September 30, 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 credit facilities, plus any subsequent committed/funded financing. The Trust's cash and cash equivalents was \$107.6 million at September 30, 2024, compared to \$331.2 million reported on December 31, 2023. As at September 30, 2024, the Trust also had \$245.8 million of unused credit facilities (December 31, 2023 – \$195.8 million), and subsequent committed/funded financing of \$60.3 million (December 31, 2023 – \$nil), bringing total available liquidity to \$413.7 million (December 31, 2023 – \$527.0 million).

The Trust's liquidity position as at September 30, 2024 remains stable as the following table highlights:

(\$000)	
Cash and cash equivalents	\$ 107,618
Subsequent committed/funded financing	60,300
Unused credit facilities	245,800
Total available liquidity	\$ 413,718

In addition to this, the Trust currently has 1,425 rental suites of unencumbered assets. It is estimated that, under current CMHC underwriting criteria, the Trust could obtain an additional \$222.8 million of new proceeds from the financing of its currently unencumbered assets.

Of the \$186.6 million of secured mortgages coming due in the remainder of 2024 (as shown in the table below), 100% have NHA insurance, and represent in aggregate approximately 36% of current estimated "underwriting" values on those individual secured assets. Interest rates on five and 10-year NHA-insured mortgages as of November 2024 were approximately 3.70% and 4.10%, 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 \$352.8 million, or 81.4%, of its \$433.1 million of 2024 mortgage maturities. The weighted average contracted interest rate on these renewals is 4.29%, for an average term of 5.8 years.

In July 2024, the Trust extended its committed revolving credit facility for another year with a maturity date of July 25, 2029. In addition, at the time of extending the committed revolving credit facility, the Trust added an additional \$50 million demand facility to the credit facility agreement.

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 September 30, 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 increased from the prior year. The weighted average interest rate as at September 30, 2024, was 3.13% 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 Sep. 30, 2024	Weighted Average Interest Rate By Maturity	% of Total
2024	\$ 186,624	3.14%	5.5%
2025	569,222	2.44%	16.8%
2026	608,686	2.33%	18.0%
2027	614,549	3.16%	18.1%
2028	356,918	3.67%	10.5%
2029	455,302	3.61%	13.4%
2030	155,654	2.55%	4.6%
2031	22,851	2.71%	0.7%
2032	79,892	4.13%	2.4%
2033	75,550	4.09%	2.2%
2034	264,721	4.66%	7.8%
Total mortgage principal outstanding	3,389,969	3.13%	100.0%
Unamortized deferred financing costs	(122,916)		
Unamortized market debt adjustments	(518)		
Mortgages payable	\$ 3,266,535		

Other contractual obligations of the Trust include lease obligations (see NOTE 16(c) to the condensed consolidated interim financial statements for the three and nine months ended September 30, 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 September 30, 2024, and December 31, 2023, based on the most recently completed four fiscal quarters.

As at	Sep. 30, 2024	Dec. 31, 2023
Net operating income	\$ 371,247	\$ 332,989
Administration	(42,907)	(41,172)
Deferred unit-based compensation	(5,400)	(3,328)
EBITDA ⁽¹⁾ from equity accounted investment	2,399	929
Consolidated EBITDA (12 months ended)	\$ 325,339	\$ 289,418
Interest expense	\$ 107,873	\$ 100,354
Interest expense from equity accounted investment	4,012	2,033
Consolidated interest expense (12 months ended)	\$ 111,885	\$ 102,387
Interest coverage ratio	2.91	2.83
Minimum threshold	1.50	1.50

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

For the trailing 12 months ended September 30, 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 2.91, 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.

Debt to EBITDA

For the trailing 12 months ended September 30, 2024, Boardwalk REIT's Debt to EBITDA was 10.31, compared to 11.02 for the year ended December 31, 2023. The improving Debt to EBITDA is a result of the Trust's increasing Net Operating Income largely driven by increased rental revenue, and a reduction in the total mortgage principal outstanding from scheduled mortgage principal repayments. The following table sets out the Trust's Debt to EBITDA calculation as at September 30, 2024, and December 31, 2023, based on the most recently completed four fiscal quarters.

As at	Sep. 30, 2024	Dec. 31, 2023
Total mortgage principal outstanding	\$ 3,389,969	\$ 3,446,801
Total lease liabilities attributable to land leases ⁽¹⁾	71,602	72,860
Construction loan payable	1,478	-
Adjusted Real Estate Debt ⁽²⁾⁽³⁾	\$ 3,463,049	\$ 3,519,661
Cash and cash equivalents	(107,618)	(331,204)
Adjusted Real Estate Debt, net of Cash ⁽²⁾⁽³⁾	\$ 3,355,431	\$ 3,188,457
Consolidated EBITDA (12 months ended)	\$ 325,339	\$ 289,418
Debt to EBITDA ⁽³⁾	10.31	11.02

(1) Total lease liabilities attributable to land leases is a component of lease liabilities as calculated in accordance with IFRS.

(2) This is a non-GAAP financial measure.

(3) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

Debt to Total Assets

The Trust's Debt to Total Assets as at September 30, 2024 and December 31, 2023 is presented in the table below. The improvement in the Trust's Debt to Total Assets is a result of an increase in Total Assets largely from an increase in investment properties, coupled with a decrease in Adjusted Real Estate Debt.

As at	Sep. 30, 2024	Dec. 31, 2023
Adjusted Real Estate Debt ⁽¹⁾⁽²⁾	\$ 3,463,049	\$ 3,519,661
Total Assets	8,645,293	8,141,876
Debt as a percentage of Total Assets ⁽²⁾	40.1%	43.2%

(1) This is a non-GAAP financial measure.

(2) Please refer to the section titled "Presentation of Non-GAAP Measures" in this MD&A for more information.

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	46,403
September 30, 2024	49,434,577

Boardwalk REIT has one class of publicly traded voting securities, being the Trust Units. As at September 30, 2024, there were 49,434,577 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 53,909,577. 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 September 30, 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. In June 2024, the Trust purchased Dawson Landing in Chestermere, Alberta as well as the Brenda in Calgary, Alberta. The Trust intends to use the remainder of the net proceeds to fund Elbow 5 Eight, with anticipated closing in Q1 2025, as well as other future acquisition and development opportunities in its existing pipeline.

In 2023 and for the nine months ended September 30, 2024, the Trust did not purchase any Trust Units under its normal course issuer bid.

Equity

Boardwalk has an equity market capitalization of \$4.6 billion based on the Trust Unit closing price of \$85.66 on the TSX on September 30, 2024.

With an enterprise value of approximately \$8.0 billion (comprised of total mortgage principal outstanding of \$3.4 billion and equity market capitalization of \$4.6 billion) as at September 30, 2024, Boardwalk’s total mortgage principal outstanding is approximately 43% enterprise value.

Net Asset Value per Unit

The Trust’s NAV per Unit is calculated below:

As at	Sep. 30, 2024	Dec. 31, 2023
Investment properties	\$ 8,371,219	\$ 7,702,214
Equity accounted investment	38,712	39,758
Loan receivable	57,867	-
Cash and cash equivalents	107,618	331,204
Adjusted Real Estate Assets ⁽¹⁾⁽²⁾	\$ 8,575,416	\$ 8,073,176
Total mortgage principal outstanding	\$ (3,389,969)	\$ (3,446,801)
Total lease liabilities attributable to land leases ⁽³⁾	(71,602)	(72,860)
Construction loan payable	(1,478)	-
Adjusted Real Estate Debt ⁽¹⁾⁽²⁾	\$ (3,463,049)	\$ (3,519,661)
Net Asset Value ⁽¹⁾⁽²⁾	\$ 5,112,367	\$ 4,553,515
Net Asset Value per Unit ⁽²⁾	\$ 94.64	\$ 84.41

Reconciliation of Unitholders' Equity to Net Asset Value	Sep. 30, 2024	Dec. 31, 2023
Unitholders' equity	\$ 4,794,944	\$ 4,320,072
Total Assets	(8,645,293)	(8,141,876)
Investment properties	8,371,219	7,702,214
Equity accounted investment	38,712	39,758
Loan receivable	57,867	-
Cash and cash equivalents	107,618	331,204
Total Liabilities	3,850,349	3,821,804
Total mortgage principal outstanding	(3,389,969)	(3,446,801)
Total lease liabilities attributable to land leases ⁽³⁾	(71,602)	(72,860)
Construction loan payable	(1,478)	-
Net Asset Value ⁽¹⁾⁽²⁾	\$ 5,112,367	\$ 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 12.1% to \$94.64 as at September 30, 2024, compared to \$84.41 as at December 31, 2023, primarily attributable to an increase in investment properties. NAV is a key metric used by real estate entities to measure the value of an organization.

DISCLOSURE CONTROLS AND PROCEDURES & INTERNAL CONTROLS 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 September 30, 2024, that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

2024 FINANCIAL OUTLOOK AND MARKET GUIDANCE

Boardwalk's current outlook for the remainder of 2024 is for ongoing growth across its portfolio as demand for affordable multi-family housing remains strong. The Trust anticipates outsized revenue and NOI growth in its non-price-controlled markets on a year-over-year basis, as a result of strong performance year-to-date and ongoing positive leasing spreads throughout the remainder of 2024. The Trust's consistent revenue and disciplined operating cost control performance through the first three quarters of 2024 provides for an increase to the bottom end and tightening of its guidance range for the year as follows:

Description	Q3 2024 Revised Guidance	Q2 2024 Revised Guidance	2024 Original Guidance	2023 Actual
Same Property NOI Growth	12.5% to 14.5%	12.5% to 14.5%	10.0% to 14.0%	13.7%
Profit	N/A	N/A	N/A	\$666,099
FFO ⁽¹⁾⁽²⁾	N/A	N/A	N/A	\$181,353
AFFO ⁽¹⁾⁽²⁾	N/A	N/A	N/A	\$149,098
FFO Per Unit ⁽²⁾	\$4.15 to \$4.23	\$4.11 to \$4.23	\$3.93 to \$4.18	\$3.60
AFFO Per Unit ⁽²⁾	\$3.52 to \$3.60 utilizing a Maintenance CAPEX of \$1,003/suite/year	\$3.48 to \$3.60 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	9 Months Sep. 30, 2024 Actual	Per Suite
Maintenance Capital Expenditures	\$ 34,131	\$ 1,003	\$ 25,843	\$ 752
Value-add Capital	105,019	3,086	66,757	1,943
Investment in capital assets	\$ 139,150	\$ 4,089	\$ 92,600	\$ 2,695
Development of investment properties	\$ 72,685		\$ 43,046	

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 nine months ended September 30, 2024, the Trust invested \$92.6 million (or \$2,695 per suite) in capital assets and \$43.0 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.

Quarterly Comparative (Cdn\$ Thousands, except per Unit amount)	Three Months Ended							
	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024	Dec 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022
Rental revenue	\$ 153,413	\$ 149,067	\$ 145,248	\$ 141,907	\$ 138,268	\$ 134,553	\$ 130,931	\$ 129,171
Profit	55,419	159,154	307,721	173,130	39,417	232,163	221,389	14,137
FFO ⁽¹⁾⁽²⁾	60,185	56,085	51,035	48,897	48,266	44,595	39,595	39,973
Profit per Trust Unit								
– Basic	\$ 1.12	\$ 3.22	\$ 6.23	\$ 3.75	\$ 0.86	\$ 5.08	\$ 4.84	\$ 0.31
– Diluted	\$ 1.12	\$ 2.33	\$ 6.23	\$ 3.75	\$ 0.86	\$ 5.08	\$ 4.84	\$ 0.31
FFO per Unit ⁽²⁾	\$ 1.11	\$ 1.04	\$ 0.95	\$ 0.96	\$ 0.96	\$ 0.89	\$ 0.79	\$ 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	Sep. 30, 2024	Dec. 31, 2023
ASSETS			
Non-current assets			
Investment properties	3	\$ 8,371,219	\$ 7,702,214
Equity accounted investment		38,712	39,758
Other		33,241	31,367
		8,443,172	7,773,339
Current assets			
Loan receivable	4	57,867	-
Other		36,636	37,333
Cash and cash equivalents		107,618	331,204
		202,121	368,537
Total Assets		\$ 8,645,293	\$ 8,141,876
LIABILITIES			
Non-current liabilities			
Mortgages payable	5	\$ 2,687,530	\$ 2,818,045
Lease liabilities		73,334	73,818
Other	6	11,072	10,173
		2,771,936	2,902,036
Current liabilities			
Mortgages payable	5	579,005	500,372
Lease liabilities		3,233	2,978
LP Class B Units	2(d), 8	383,329	319,247
Other	6	112,846	97,171
		1,078,413	919,768
Total Liabilities		3,850,349	3,821,804
Equity			
Unitholders' equity	9	4,794,944	4,320,072
Total Equity		4,794,944	4,320,072
Total Liabilities and Equity		\$ 8,645,293	\$ 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 Sep. 30, 2024	3 Months Ended Sep. 30, 2023	9 Months Ended Sep. 30, 2024	9 Months Ended Sep. 30, 2023
Rental revenue	10	\$ 153,413	\$ 138,268	\$ 447,728	\$ 403,751
Rental expenses					
Operating expenses		27,969	27,237	82,133	79,823
Utilities		11,160	10,857	41,053	39,520
Property taxes		14,100	13,531	41,243	39,367
Total rental expenses		53,229	51,625	164,429	158,710
Net operating income		100,184	86,643	283,299	245,041
Financing costs	11	30,265	28,128	90,224	82,267
Administration		11,710	10,922	33,711	30,823
Deferred unit-based compensation	7	1,237	590	3,326	2,407
Depreciation		2,124	1,984	5,991	5,677
Profit before the undernoted		54,848	45,019	150,047	123,867
(Loss) income from equity accounted investment		(148)	83	(1,046)	(541)
Fair value (losses) gains, net	12	(1,838)	(6,315)	363,245	367,028
Interest income		2,572	660	10,144	1,869
Other income		-	-	-	818
Profit before income tax		55,434	39,447	522,390	493,041
Income tax expense		(15)	(30)	(96)	(72)
Profit		55,419	39,417	522,294	492,969
Other comprehensive income		-	-	-	-
Total comprehensive income		\$ 55,419	\$ 39,417	\$ 522,294	\$ 492,969

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	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	123	-	-	-	123
Profit	-	492,969	-	492,969	492,969
Total comprehensive income	-	492,969	-	492,969	492,969
Distributions	-	-	(39,437)	(39,437)	(39,437)
Balance, September 30, 2023	\$ 212,022	\$ 5,340,057	\$ (1,631,426)	\$ 3,708,631	\$ 3,920,653
Balance, December 31, 2023	\$ 452,043	\$ 5,513,187	\$ (1,645,158)	\$ 3,868,029	\$ 4,320,072
Units issued for vested deferred units	3,709	-	-	-	3,709
Profit	-	522,294	-	522,294	522,294
Total comprehensive income	-	522,294	-	522,294	522,294
Distributions	-	-	(51,131)	(51,131)	(51,131)
Balance, September 30, 2024	\$ 455,752	\$ 6,035,481	\$ (1,696,289)	\$ 4,339,192	\$ 4,794,944

See accompanying notes to these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flows

(unaudited, CDN \$ THOUSANDS)

	Note	3 Months Ended Sep. 30, 2024	3 Months Ended Sep. 30, 2023	9 Months Ended Sep. 30, 2024	9 Months Ended Sep. 30, 2023
Operating activities					
Profit		\$ 55,419	\$ 39,417	\$ 522,294	\$ 492,969
Other income		-	-	-	(818)
Financing costs	11	30,265	28,128	90,224	82,267
Interest paid		(28,425)	(26,017)	(84,194)	(76,101)
Deferred unit-based compensation	7	1,237	590	3,326	2,407
Loss (income) from equity accounted investment		148	(83)	1,046	541
Fair value losses (gains), net	12	1,838	6,315	(363,245)	(367,028)
Income tax expense		15	30	96	72
Income tax paid		-	(3)	(14)	(3)
Government grant amortization		(95)	(95)	(284)	(284)
Depreciation		2,124	1,984	5,991	5,677
		62,526	50,266	175,240	139,699
Net change in operating working capital	18	11,298	4,028	7,715	3,095
Cash flow from operating activities		73,824	54,294	182,955	142,794
Investing activities					
Purchase of investment properties, net of financing	3	-	-	(105,837)	(13,782)
Investment in capital assets	18	(36,581)	(36,055)	(92,600)	(86,903)
Development of investment properties	3	(11,406)	(2,606)	(43,046)	(9,336)
Loan receivable	4	(213)	-	(57,867)	-
Distributions from investment in private technology venture fund, net of capital contribution		-	-	-	897
Principal repayments on lease receivable		-	-	-	321
Net change in investing working capital	18	(1,134)	3,000	1,605	2,689
Cash flow used in investing activities		(49,334)	(35,661)	(297,745)	(106,114)
Financing activities					
Distributions paid	18	(17,786)	(13,375)	(50,014)	(39,094)
Proceeds from mortgage financings		-	29,762	-	87,836
Mortgage payments upon refinancing		-	(21,376)	-	(37,602)
Scheduled mortgage principal repayments		(18,162)	(18,725)	(56,833)	(55,984)
Proceeds from construction loan financing	6	-	-	1,478	-
Deferred financing costs incurred		(88)	(2,528)	(667)	(7,749)
Principal repayments on lease liabilities		(822)	(786)	(2,449)	(2,594)
Net change in financing working capital	18	26	(280)	(311)	(641)
Cash flow used in financing activities		(36,832)	(27,308)	(108,796)	(55,828)
Net decrease in cash		(12,342)	(8,675)	(223,586)	(19,148)
Cash and cash equivalents, beginning of period		119,960	42,343	331,204	52,816
Cash and cash equivalents, end of period		\$ 107,618	\$ 33,668	\$ 107,618	\$ 33,668

See accompanying notes to these condensed consolidated interim financial statements

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended, September 30, 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 and nine months ended September 30, 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 September 30, 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

	9 Months Ended Sep. 30, 2024	Year Ended Dec. 31, 2023
Balance, beginning of year	\$ 7,702,214	\$ 6,900,745
Additions		
Building acquisitions	105,837	60,290
Building improvements (incl. internal capital program)	86,881	119,012
Development of investment properties ⁽¹⁾	43,046	23,325
Fair value gains, net (unrealized)	433,241	598,842
Balance, end of period	\$ 8,371,219	\$ 7,702,214

As at	Sep. 30, 2024	Dec. 31, 2023
Fair value of investment properties, before buildings valued at Level 2 inputs, right-of-use assets, and developments	\$ 8,078,739	\$ 7,557,359
Buildings valued at Level 2 inputs	105,837	-
Fair value, right-of-use assets (IFRS 16 – Leases)	71,602	72,860
Revenue producing properties	8,256,178	7,630,219
Properties under development	115,041	71,995
Total	\$ 8,371,219	\$ 7,702,214

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

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

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

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.

	9 Months Ended Sep. 30, 2024	Year Ended Dec. 31, 2023
Building Acquisitions		
Purchase price	\$ 105,888	\$ 60,000
Transaction costs	408	290
Deficiency credit	(459)	-
Total	\$ 105,837	\$ 60,290
Multi-family suites acquired	364	124
Purchase price	\$ 105,888	\$ 60,000
Transaction costs	408	290
Deficiency credit	(459)	-
Proceeds from mortgage financing	-	(46,508)
Net cash paid	\$ 105,837	\$ 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:

	9 Months Ended September 30, 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	\$ 105,837	\$ 51,967	\$ 12,106	\$ 322,991	\$ 5,320,815
British Columbia	198,497	-	319	30,936	2,080	231,832
Saskatchewan	693,353	-	13,712	4	66,071	773,140
Ontario	723,770	-	7,760	-	(11,254)	720,276
Quebec	383,810	-	4,794	-	23,536	412,140
Land leases	874,870	-	8,329	-	29,817	913,016
Total	\$ 7,702,214	\$ 105,837	\$ 86,881	\$ 43,046	\$ 433,241	\$ 8,371,219

	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 Year
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 September 30, 2024, all of the Trust's investment properties were Level 3 inputs, except the buildings acquired in January 2024 and June 2024 which were valued at Level 2 inputs that were directly observable for these assets, 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 September 30, 2024 and December 31, 2023, there were no transfers into or out of Level 3 fair value measurements during the three and nine months ended September 30, 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 Agrées 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
September 30, 2024	5	\$ 203,269	2.4%
June 30, 2024	5	\$ 254,010	3.1%
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	Sep. 30, 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%	\$ 266,875	5.13%	\$ 247,297
British Columbia	4.38%	5,721	4.30%	5,518
Saskatchewan	5.68%	43,924	5.67%	39,326
Ontario	4.52%	32,584	4.27%	30,922
Quebec	4.94%	20,342	4.94%	18,944
	5.11%	369,446	5.06%	342,007
Land Leases	4.98%	41,991	4.96%	39,807
Total	5.09%	\$ 411,437	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 September 30, 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 September 30, 2024	Stabilized Net Operating Income					
		-3%	-1%	As Forecasted	+1%	+3%
Cap Rate		\$ 399,094	\$ 407,323	\$ 411,437	\$ 415,551	\$ 423,780
-0.25%	4.84%	\$ 162,172	\$ 332,088	\$ 417,046	\$ 502,004	\$ 671,919
Cap Rate As Reported	5.09%	(242,362)	(80,787)	8,078,739	80,787	242,362
+0.25%	5.34%	(609,039)	(455,024)	(378,017)	(301,010)	(146,996)

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)

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. Prior to May 24, 2024, 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%. On May 24, 2024, the revolving construction facility loan was amended to replace Bankers' Acceptance fee with the Canadian Overnight Repo Rate Average ("CORRA"). Effective May 24, 2024, the loan bears interest at prime plus 0.25%, or Daily Compounded

CORRA Loans with advances bearing an interest rate of Daily Compounded CORRA plus 1.525% per annum, or Term CORRA Loans with advances bearing an interest rate of 1 Month Term CORRA plus 1.525% per annum or 3 Month Term CORRA plus 1.551% per annum. For the nine months ended September 30, 2024, a further \$0.7 million was advanced on this loan.

NOTE 5: MORTGAGES PAYABLE

As at	Sep. 30, 2024		Dec. 31, 2023	
	Weighted Average Interest	Debt Balance	Weighted Average Interest	Debt Balance
Mortgages payable				
Fixed rate	3.13%	\$ 3,266,535	3.00%	\$ 3,318,417
Total		\$ 3,266,535		\$ 3,318,417
Current		\$ 579,005		\$ 500,372
Non-current		2,687,530		2,818,045
		\$ 3,266,535		\$ 3,318,417

Estimated future principal payments required to meet mortgage obligations as at September 30, 2024 are as follows:

	Secured By Investment Properties
12 months ending September 30, 2025	\$ 579,005
12 months ending September 30, 2026	639,691
12 months ending September 30, 2027	546,107
12 months ending September 30, 2028	514,332
12 months ending September 30, 2029	511,634
Subsequent	599,200
Total mortgage principal outstanding	3,389,969
Unamortized deferred financing costs	(122,916)
Unamortized market debt adjustments	(518)
	\$ 3,266,535

NOTE 6: OTHER LIABILITIES

As at	Note	Sep. 30, 2024	Dec. 31, 2023
Other non-current liabilities			
Deferred unit-based compensation	7	\$ 7,975	\$ 6,801
Deferred tax liabilities		9	-
Deferred government grant		3,088	3,372
		\$ 11,072	\$ 10,173

As at	Note	Sep. 30, 2024	Dec. 31, 2023
Other current liabilities			
Deferred unit-based compensation	7	\$ 13,363	\$ 9,007
Construction loan payable		1,478	-
Deferred government grant		378	378
Refundable tenants' security deposits		16,308	13,732
Trade and other payables		81,319	74,054
		\$ 112,846	\$ 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 September 30, 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 CORRA plus 1.40%. The construction loan payable is a financial liability classified as amortized cost and is measured at amortized cost using the effective interest method.

NOTE 7: DEFERRED UNIT-BASED COMPENSATION

As at	Sep. 30, 2024	Dec. 31, 2023
Current	\$ 13,363	\$ 9,007
Non-current	7,975	6,801
	\$ 21,338	\$ 15,808

The total of \$21.3 million represents the fair value of the underlying deferred units at September 30, 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	67,283	58,290
Additional deferred units earned on units	5,033	10,483
Deferred units forfeited	(3,964)	-
Deferred units converted to Trust Units	(46,403)	(46,403)
Balance, September 30, 2024	360,034	106,927

For the three and nine months ended September 30, 2024, total costs of \$1.2 million and \$3.3 million, respectively (three and nine months ended September 30, 2023 – \$0.6 million and \$2.4 million, respectively) 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 \$383.3 million at September 30, 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 September 30, 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	Sep. 30, 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	46,403	3,709	2,502	152
Trust Units outstanding, end of period	49,434,577	\$ 455,752	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 October 31, 2024 (to be paid on November 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 September 30, 2024.

Profit per Trust Unit	3 Months Ended Sep. 30, 2024	3 Months Ended Sep. 30, 2023	9 Months Ended Sep. 30, 2024	9 Months Ended Sep. 30, 2023
Numerator				
Profit – basic	\$ 55,419	\$ 39,417	\$ 522,294	\$ 492,969
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	\$ 55,419	\$ 39,417	\$ 522,294	\$ 492,969
Denominator				
Weighted average Trust Units outstanding – basic	49,415,818	45,724,911	49,399,980	45,724,243
Conversion of LP Class B Units	-	-	-	-
Unexercised deferred units	-	-	-	-
Weighted average Trust Units outstanding – diluted	49,415,818	45,724,911	49,399,980	45,724,243
Profit per Trust Unit				
– basic	\$ 1.12	\$ 0.86	\$ 10.57	\$ 10.78
– diluted	\$ 1.12	\$ 0.86	\$ 10.57	\$ 10.78

All dilutive elements were included in the calculation of diluted per Trust Unit amounts. For the three and nine months ended September 30, 2024 and 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 Sep. 30, 2024	3 Months Ended Sep. 30, 2023	9 Months Ended Sep. 30, 2024	9 Months Ended Sep. 30, 2023
Lease revenue	\$ 146,782	\$ 132,121	\$ 427,623	\$ 385,359
Parking revenue	2,747	2,364	8,078	7,094
Recoveries (cable, retirement) and revenue from telephone and cable providers	1,678	1,841	5,688	5,467
Revenue from coin laundry machines	1,021	1,131	3,275	3,425
Other	1,185	811	3,064	2,406
Total	\$ 153,413	\$ 138,268	\$ 447,728	\$ 403,751

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 \$30.3 million and \$90.2 million for the three and nine months ended September 30, 2024, respectively (three and nine months ended September 30, 2023 – \$28.1 million and \$82.3 million, respectively) and can be summarized as follows:

	3 Months Ended Sep. 30, 2024	3 Months Ended Sep. 30, 2023	9 Months Ended Sep. 30, 2024	9 Months Ended Sep. 30, 2023
Interest on secured debt (mortgages payable)	\$ 26,325	\$ 24,335	\$ 78,150	\$ 70,826
Interest capitalized to properties under development	(638)	(404)	(1,578)	(1,126)
LP Class B Unit distributions	1,611	1,309	4,632	3,860
Other interest charges	486	438	1,561	1,354
Interest on lease liabilities	646	650	1,933	1,953
Amortization of deferred financing costs	1,835	1,800	5,526	5,400
Total	\$ 30,265	\$ 28,128	\$ 90,224	\$ 82,267

For both the three and nine months ended September 30, 2024, interest was capitalized to properties under development at a weighted average effective interest rate of 4.48% (three and nine months ended September 30, 2023 – 4.35% and 3.79%, respectively).

NOTE 12: FAIR VALUE (LOSSES) GAINS

	3 Months Ended Sep. 30, 2024	3 Months Ended Sep. 30, 2023	9 Months Ended Sep. 30, 2024	9 Months Ended Sep. 30, 2023
Investment properties (NOTE 3)	\$ 71,554	\$ 15,580	\$ 433,241	\$ 449,544
Financial asset designated as FVTPL				
Investment in private technology venture fund	-	(98)	-	(1,344)
Financial liability designated as FVTPL				
LP Class B Units	(67,931)	(20,675)	(64,082)	(77,776)
Deferred unit-based compensation	(5,461)	(1,122)	(5,914)	(3,396)
Total fair value (losses) gains, net	\$ (1,838)	\$ (6,315)	\$ 363,245	\$ 367,028

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
Alberta	22%	November 1, 2024 to October 31, 2027	\$3.25/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
Alberta	45%	November 1, 2024 to October 31, 2029	\$0.06/kWh

Boardwalk REIT, in the normal course of operations, will become subject to a variety of legal and other claims against the Trust, most of which are minor in nature. Management and the Trust's legal counsel evaluate all claims on their apparent merits and accrue management's best estimate of the estimated costs to satisfy such claims. Management believes the outcome of claims of this nature at September 30, 2024 will not have a material impact on the Trust.

Boardwalk REIT has received notices of reassessment dated February 28, 2024 from the CRA increasing the Trust's taxable income by \$5.6 million, \$20.6 million, \$14.1 million, and \$0.06 million for its taxation years ended December 31, 2011, 2012, 2013, and 2014, respectively, on the basis that the Trust did not report deemed taxable capital gains in each of those taxation years resulting from alleged negative adjusted cost base in the Trust's units of Top Hat Operating Trust, a trust 100% owned by Boardwalk REIT. Management of the Trust assessed the implications of the notices of reassessment and filed an objection on May 24, 2024 with the CRA Appeals Division as it disagrees with the CRA's proposed assessment. 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	Sep. 30, 2024	Dec. 31, 2023
Net operating income	\$ 371,247	\$ 332,989
Administration	(42,907)	(41,172)
Deferred unit-based compensation	(5,400)	(3,328)
EBITDA ⁽¹⁾ from equity accounted investment	2,399	929
Consolidated EBITDA (12 months ended)	\$ 325,339	\$ 289,418
Interest expense	\$ 107,873	\$ 100,354
Interest expense from equity accounted investment	4,012	2,033
Consolidated interest expense (12 months ended)	\$ 111,885	\$ 102,387
Interest coverage ratio	2.91	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 September 30, 2024, the Trust's weighted average cost of capital was calculated to be 3.63%.

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

As at	Sep. 30, 2024		Dec. 31, 2023	
	Cost of Capital ⁽¹⁾	Underlying Value ⁽²⁾	Cost of Capital ⁽¹⁾	Underlying Value ⁽²⁾
Liabilities				
Mortgages payable	3.13%	\$ 3,233,048	3.00%	\$ 3,200,899
LP Class B Units	3.98%	383,329	4.15%	319,247
Deferred unit-based compensation	3.98%	21,338	4.15%	15,808
Unitholders' equity				
Boardwalk REIT Trust Units	3.98%	4,234,566	4.15%	3,523,352
Total	3.63%	\$ 7,872,281	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 September 30, 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 39% 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 credit facility agreement, which includes a committed revolving credit facility and demand revolving credit facility (collectively, the "Credit Facility"), contains financial covenants.

The Trust had \$413.7 million in total available liquidity as at September 30, 2024 (December 31, 2023 – \$527.0 million), consisting of cash and cash equivalents on hand of \$107.6 million (December 31, 2023 – \$331.2 million), subsequent committed/funded financing of \$60.3 million (December 31, 2023 – \$nil), as well as unused credit facilities of \$245.8 million (December 31, 2023 – \$195.8 million). The Trust monitors its ratios and as at September 30, 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 September 30, 2024 and December 31, 2023 are as follows:

As at	Sep. 30, 2024		Dec. 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial asset carried at FVTPL				
Loan receivable	\$ 57,867	\$ 57,867	\$ -	\$ -
Financial liabilities carried at amortized cost				
Mortgages payable	3,266,535	3,233,048	3,318,417	3,200,899
Construction loan payable	1,478	1,478	-	-
Financial liability carried at FVTPL				
LP Class B Units	383,329	383,329	319,247	319,247

The fair value of the Trust's mortgages payable was lower than the recorded value by approximately \$33.5 million at September 30, 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 September 30, 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 September 30, 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	Sep. 30, 2024			Dec. 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investment properties	\$ -	\$ 105,837	\$ 8,265,382	\$ -	\$ -	\$ 7,702,214
Loan receivable	-	-	57,867	-	-	-
Liabilities						
LP Class B Units	383,329	-	-	319,247	-	-
Deferred unit-based compensation	21,338	-	-	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 September 30, 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 September 30, 2024, the Trust had no amount outstanding on its Credit Facility and its mortgages payable are fixed-rate debt. However, the Trust has a non-revolving construction facility loan which is carried at variable-rate interest with \$1.5 million outstanding (NOTE 6). As such, for the three and nine months ended September 30, 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 and nine months ended September 30, 2023, the Trust's equity accounted investment had a revolving construction facility loan which was carried at variable-rate interest with \$98.3 million outstanding, of which Boardwalk's portion was \$49.2 million, that was exposed to interest rate risk. As such, for the three and nine months ended September 30, 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 and \$0.4 million, respectively. 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 September 30, 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 and nine months ended September 30, 2024, bad debt expense totaled \$0.8 million and \$2.0 million, respectively (three and nine months ended September 30, 2023 – \$0.8 million and \$2.7 million, respectively).

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	3.14%	\$ 186,624	\$ 25,221	\$ -	\$ -	\$ 16,308	\$ 6,469	\$ 74,850	\$ 309,472
2025	2.44%	569,222	92,025	283	1,478	-	-	-	663,008
2026	2.33%	608,686	76,615	-	-	-	-	-	685,301
2027	3.16%	614,549	61,113	2,658	-	-	-	-	678,320
2028	3.67%	356,918	44,045	-	-	-	-	-	400,963
Subsequent	3.77%	1,053,970	91,384	73,626	-	-	-	-	1,218,980
	3.13%	3,389,969	390,403	76,567	1,478	16,308	6,469	74,850	3,956,044
Unamortized deferred financing costs		(122,916)	-	-	-	-	-	-	(122,916)
Unamortized market debt adjustments		(518)	-	-	-	-	-	-	(518)
		\$ 3,266,535	\$ 390,403	\$ 76,567	\$ 1,478	\$ 16,308	\$ 6,469	\$ 74,850	\$3,832,610

(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 Credit Facility with a major financial institution with a committed revolving credit facility and demand revolving credit facility. This Credit Facility is secured by a pledge of a group of specific real estate assets with a fair value at September 30, 2024 of approximately \$1.1 billion (December 31, 2023 – \$1.0 billion). Assets pledged as security for the Credit Facility may also be pledged as security on mortgages. The amount available through the Credit Facility varies with the value of the pledged assets and amounts drawn, with a maximum limit not to exceed \$250.00 million (committed revolving credit facility of \$200.00 million and demand revolving credit facility of \$50.00 million), and an available limit of \$245.8 million, as at September 30, 2024 (December 31, 2023 – \$195.8 million). The Credit Facility requires monthly interest payments, is for a 5-year term maturing on July 25, 2029 (or upon demand with respect to the demand revolving credit facility), and can be extended annually thereafter, subject to the mutual consent of the lender and the Trust. Unless otherwise extended, all principal and accrued interest is due and payable upon maturity of the Credit Facility.

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 September 30, 2024, this ratio was 1.81 (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 September 30, 2024, this ratio was 2.43 (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 September 30, 2024, this ratio was 38.4% (December 31, 2023 – 42.4%).

As at September 30, 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 September 30, 2024 have not changed since December 31, 2023, with the exception of the resignation of the Chief Financial Officer. Effective August 1, 2024, the Senior Director, Financial Reporting was promoted to Chief Financial Officer.

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 Sep. 30, 2024	3 Months Ended Sep. 30, 2023	9 Months Ended Sep. 30, 2024	9 Months Ended Sep. 30, 2023
Net change in operating working capital					
Net change in inventories		\$ 670	\$ 537	\$ 362	\$ 707
Net change in prepaid assets		(248)	136	4,722	579
Net change in trade and other receivables		(701)	(874)	(2,376)	(444)
Net change in segregated and refundable tenants' security deposits		496	11	565	114
Net change in trade and other payables		11,081	4,218	4,442	2,139
		\$ 11,298	\$ 4,028	\$ 7,715	\$ 3,095
Net change in investing working capital					
Net change in trade and other payables		\$ (1,134)	\$ 3,000	\$ 1,605	\$ 2,689
Net change in financing working capital					
Net change in trade and other payables		\$ 26	\$ (280)	\$ (311)	\$ (641)
Investment in capital assets					
Improvements to investment properties	3	\$ (34,804)	\$ (34,511)	\$ (86,881)	\$ (82,527)
Additions to property, plant and equipment		(1,777)	(1,544)	(5,719)	(4,376)
		\$ (36,581)	\$ (36,055)	\$ (92,600)	\$ (86,903)
Distributions paid					
Distributions declared		\$ (17,791)	\$ (13,375)	\$ (51,131)	\$ (39,437)
Distributions declared in prior period paid in current period		(5,927)	(4,458)	(4,815)	(4,115)
Distributions declared in current period paid in next period		5,932	4,458	5,932	4,458
		\$ (17,786)	\$ (13,375)	\$ (50,014)	\$ (39,094)

- (b) The Trust declared regular distributions of \$19.4 million for the three months ended September 30, 2024, which includes \$17.8 million of distributions on the Trust Units and \$1.6 million of distributions on the LP Class B Units, which under IFRS are considered financing costs (three months ended September 30, 2023 – \$14.7 million, which includes \$13.4 million of distributions on the Trust Units and \$1.3 million of distributions on the LP Class B Units). For the nine months ended September 30, 2024, the Trust declared regular distributions of \$55.8 million, which includes \$51.1 million of distributions on the Trust Units and \$4.6 million of distributions on the LP Class B Units (nine months ended September 30, 2023 – \$43.3 million, which includes \$39.4 million of distributions on the Trust Units and \$3.9 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	September 30, 2024						
	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Assets	\$ 5,407,817	\$ 130,764	\$ 774,183	\$ 819,132	\$ 1,243,307	\$ 270,090	\$ 8,645,293
Liabilities	2,173,858	75,296	306,969	272,240	559,678	462,308	3,850,349

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 September 30, 2024

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	\$ 99,248	\$ 1,696	\$ 16,157	\$ 12,109	\$ 23,952	\$ 251	\$ 153,413
Rental expenses							
Operating expenses	17,174	218	2,464	2,285	4,251	1,577	27,969
Utilities	7,261	50	1,688	1,066	1,019	76	11,160
Property taxes	9,152	113	1,249	1,276	2,265	45	14,100
Total rental expenses	33,587	381	5,401	4,627	7,535	1,698	53,229
Net operating income (loss)	65,661	1,315	10,756	7,482	16,417	(1,447)	100,184
Financing costs (b)	18,592	777	2,308	2,258	4,744	1,586	30,265
Administration	765	-	122	66	153	10,604	11,710
Deferred unit-based compensation	-	-	-	-	-	1,237	1,237
Depreciation (c)	215	-	36	20	41	1,812	2,124
Profit (loss) before the undernoted	46,089	538	8,290	5,138	11,479	(16,686)	54,848
Loss from equity accounted investment	-	-	-	(148)	-	-	(148)
Fair value gains (losses)	28,766	3,730	(4,598)	8,308	35,348	(73,392)	(1,838)
Interest income	3	-	-	1,007	-	1,562	2,572
Profit (loss) before income tax	74,858	4,268	3,692	14,305	46,827	(88,516)	55,434
Income tax expense (d)	-	-	-	-	-	(15)	(15)
Profit (loss)	\$ 74,858	\$ 4,268	\$ 3,692	\$ 14,305	\$ 46,827	\$ (88,531)	\$ 55,419
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	\$ 74,858	\$ 4,268	\$ 3,692	\$ 14,305	\$ 46,827	\$ (88,531)	\$ 55,419
Additions to non-current assets (e)	\$ 22,269	\$ 143	\$ 5,696	\$ 2,878	\$ 3,783	\$ 13,218	\$ 47,987

Three Months Ended September 30, 2023

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	\$ 87,815	\$ 1,705	\$ 14,517	\$ 11,379	\$ 22,653	\$ 199	\$ 138,268
Rental expenses							
Operating expenses	16,745	174	2,425	2,219	3,994	1,680	27,237
Utilities	7,025	37	1,632	1,054	1,054	55	10,857
Property taxes	8,774	164	1,183	1,156	2,197	57	13,531
Total rental expenses	32,544	375	5,240	4,429	7,245	1,792	51,625
Net operating income (loss)	55,271	1,330	9,277	6,950	15,408	(1,593)	86,643
Financing costs (b)	16,881	784	2,233	1,950	4,815	1,465	28,128
Administration	643	1	113	48	122	9,995	10,922
Deferred unit-based compensation	-	-	-	-	-	590	590
Depreciation (c)	195	1	38	18	37	1,695	1,984
Profit (loss) before the undernoted	37,552	544	6,893	4,934	10,434	(15,338)	45,019
Income from equity accounted investment	-	-	-	83	-	-	83
Fair value gains (losses)	85,543	(1,451)	21,752	(47,993)	(42,271)	(21,895)	(6,315)
Interest income	10	-	-	-	-	650	660
Profit (loss) before income tax	123,105	(907)	28,645	(42,976)	(31,837)	(36,583)	39,447
Income tax expense (d)	-	-	-	-	-	(30)	(30)
Profit (loss)	\$ 123,105	\$ (907)	\$ 28,645	\$ (42,976)	\$ (31,837)	\$ (36,613)	\$ 39,417
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	\$ 123,105	\$ (907)	\$ 28,645	\$ (42,976)	\$ (31,837)	\$ (36,613)	\$ 39,417
Additions to non-current assets (e)	\$ 21,747	\$ 101	\$ 4,402	\$ 2,510	\$ 5,640	\$ 4,261	\$ 38,661

Nine Months Ended September 30, 2024

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	\$288,600	\$ 5,061	\$ 46,974	\$ 35,750	\$ 70,617	\$ 726	\$ 447,728
Rental expenses							
Operating expenses	50,448	537	7,287	6,577	11,957	5,327	82,133
Utilities	26,826	210	5,227	3,549	4,951	290	41,053
Property taxes	26,739	339	3,620	3,615	6,802	128	41,243
Total rental expenses	104,013	1,086	16,134	13,741	23,710	5,745	164,429
Net operating income (loss)	184,587	3,975	30,840	22,009	46,907	(5,019)	283,299
Financing costs (b)	55,014	2,338	6,837	6,799	14,270	4,966	90,224
Administration	2,380	5	383	198	409	30,336	33,711
Deferred unit-based compensation	-	-	-	-	-	3,326	3,326
Depreciation (c)	603	2	105	59	115	5,107	5,991
Profit (loss) before the undernoted	126,590	1,630	23,515	14,953	32,113	(48,754)	150,047
Loss from equity accounted investment	-	-	-	(1,046)	-	-	(1,046)
Fair value gains (losses)	326,100	2,080	66,071	(11,254)	50,244	(69,996)	363,245
Interest income	14	-	-	3,067	-	7,063	10,144
Profit (loss) before income tax	452,704	3,710	89,586	5,720	82,357	(111,687)	522,390
Income tax expense (d)	-	-	-	-	-	(96)	(96)
Profit (loss)	\$452,704	\$ 3,710	\$ 89,586	\$ 5,720	\$ 82,357	\$ (111,783)	\$ 522,294
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	\$452,704	\$ 3,710	\$ 89,586	\$ 5,720	\$ 82,357	\$ (111,783)	\$ 522,294
Additions to non-current assets (e)	\$159,114	\$ 298	\$ 13,755	\$ 7,916	\$ 11,969	\$ 50,650	\$ 243,702

Nine Months Ended September 30, 2023

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Rental revenue (a)	\$ 256,107	\$ 3,789	\$ 42,617	\$ 33,830	\$ 66,775	\$ 633	\$ 403,751
Rental expenses							
Operating expenses	49,276	324	7,474	6,135	11,613	5,001	79,823
Utilities	25,456	161	5,167	3,532	4,924	280	39,520
Property taxes	25,619	248	3,434	3,325	6,582	159	39,367
Total rental expenses	100,351	733	16,075	12,992	23,119	5,440	158,710
Net operating income (loss)	155,756	3,056	26,542	20,838	43,656	(4,807)	245,041
Financing costs (b)	49,747	1,694	6,443	5,470	14,462	4,451	82,267
Administration	2,069	6	344	101	349	27,954	30,823
Deferred unit-based compensation	-	-	-	-	-	2,407	2,407
Depreciation (c)	569	2	111	51	105	4,839	5,677
Profit (loss) before the undernoted	103,371	1,354	19,644	15,216	28,740	(44,458)	123,867
Loss from equity accounted investment	-	-	-	(541)	-	-	(541)
Fair value gains (losses)	402,093	12,690	63,628	(20,203)	(8,664)	(82,516)	367,028
Interest income	15	-	-	-	-	1,854	1,869
Other income	-	-	-	-	-	818	818
Profit (loss) before income tax	505,479	14,044	83,272	(5,528)	20,076	(124,302)	493,041
Income tax expense (d)	-	-	-	-	-	(72)	(72)
Profit (loss)	\$ 505,479	\$ 14,044	\$ 83,272	\$ (5,528)	\$ 20,076	\$ (124,374)	\$ 492,969
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (loss)	\$ 505,479	\$ 14,044	\$ 83,272	\$ (5,528)	\$ 20,076	\$ (124,374)	\$ 492,969
Additions to non-current assets (e)	\$ 53,740	\$ 60,442	\$ 10,225	\$ 6,386	\$ 12,013	\$ 13,723	\$ 156,529

(a) Rental Revenue

Three Months Ended September 30, 2024

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Lease revenue	\$ 94,851	\$ 1,675	\$ 15,478	\$ 11,860	\$ 22,820	\$ 98	\$ 146,782
Parking revenue	1,797	27	179	126	618	-	2,747
Recoveries (cable, retirement) and revenue from telephone and cable providers	1,118	1	269	42	226	22	1,678
Revenue from coin laundry machines	665	-	67	123	166	-	1,021
Other	817	(7)	164	(42)	122	131	1,185
Total	\$ 99,248	\$ 1,696	\$ 16,157	\$ 12,109	\$ 23,952	\$ 251	\$ 153,413

Three Months Ended September 30, 2023

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Lease revenue	\$ 83,758	\$ 1,683	\$ 13,930	\$ 11,130	\$ 21,539	\$ 81	\$ 132,121
Parking revenue	1,479	28	163	103	591	-	2,364
Recoveries (cable, retirement) and revenue from telephone and cable providers	1,295	3	278	33	201	31	1,841
Revenue from coin laundry machines	746	-	66	130	189	-	1,131
Other	537	(9)	80	(17)	133	87	811
Total	\$ 87,815	\$ 1,705	\$ 14,517	\$ 11,379	\$ 22,653	\$ 199	\$ 138,268

Nine Months Ended September 30, 2024

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Lease revenue	\$ 275,215	\$ 4,987	\$ 44,968	\$ 35,027	\$ 67,130	\$ 296	\$ 427,623
Parking revenue	5,173	82	546	362	1,915	-	8,078
Recoveries (cable, retirement) and revenue from telephone and cable providers	3,906	6	871	101	739	65	5,688
Revenue from coin laundry machines	2,175	-	205	385	510	-	3,275
Other	2,131	(14)	384	(125)	323	365	3,064
Total	\$ 288,600	\$ 5,061	\$ 46,974	\$ 35,750	\$ 70,617	\$ 726	\$ 447,728

Nine Months Ended September 30, 2023

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Lease revenue	\$ 243,845	\$ 3,720	\$ 40,857	\$ 33,076	\$ 63,504	\$ 357	\$ 385,359
Parking revenue	4,416	82	472	311	1,813	-	7,094
Recoveries (cable, retirement) and revenue from telephone and cable providers	3,952	7	819	94	528	67	5,467
Revenue from coin laundry machines	2,257	-	206	405	556	1	3,425
Other	1,637	(20)	263	(56)	374	208	2,406
Total	\$ 256,107	\$ 3,789	\$ 42,617	\$ 33,830	\$ 66,775	\$ 633	\$ 403,751

(b) Financing Costs

Three Months Ended September 30, 2024

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	\$ 17,435	\$ 754	\$ 2,138	\$ 2,102	\$ 3,894	\$ 2	\$ 26,325
Interest capitalized to properties under development	-	-	-	-	-	(638)	(638)
LP Class B Unit distributions	-	-	-	-	-	1,611	1,611
Other interest charges	(46)	1	(23)	13	(5)	546	486
Interest on lease liabilities	-	-	-	-	581	65	646
Amortization of deferred financing costs	1,203	22	193	143	274	-	1,835
Total	\$ 18,592	\$ 777	\$ 2,308	\$ 2,258	\$ 4,744	\$ 1,586	\$ 30,265

Three Months Ended September 30, 2023

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	\$ 15,767	\$ 762	\$ 2,059	\$ 1,795	\$ 3,949	\$ 3	\$ 24,335
Interest capitalized to properties under development	-	-	-	-	-	(404)	(404)
LP Class B Unit distributions	-	-	-	-	-	1,309	1,309
Other interest charges	(55)	-	(17)	14	(4)	500	438
Interest on lease liabilities	-	-	-	-	592	58	650
Amortization of deferred financing costs	1,169	22	191	141	278	(1)	1,800
Total	\$ 16,881	\$ 784	\$ 2,233	\$ 1,950	\$ 4,815	\$ 1,465	\$ 28,128

Nine Months Ended September 30, 2024

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	\$ 51,487	\$ 2,270	\$ 6,333	\$ 6,334	\$ 11,726	\$ -	\$ 78,150
Interest capitalized to properties under development	-	-	-	-	-	(1,578)	(1,578)
LP Class B Unit distributions	-	-	-	-	-	4,632	4,632
Other interest charges	(121)	2	(61)	39	(14)	1,716	1,561
Interest on lease liabilities	-	-	-	-	1,737	196	1,933
Amortization of deferred financing costs	3,648	66	565	426	821	-	5,526
Total	\$ 55,014	\$ 2,338	\$ 6,837	\$ 6,799	\$ 14,270	\$ 4,966	\$ 90,224

Nine Months Ended September 30, 2023

	Alberta	British Columbia	Saskatchewan	Ontario	Quebec	Corporate	Total
Interest on secured debt (mortgages payable)	\$ 46,368	\$ 1,659	\$ 5,927	\$ 4,984	\$ 11,885	\$ 3	\$ 70,826
Interest capitalized to properties under development	-	-	-	-	-	(1,126)	(1,126)
LP Class B Unit distributions	-	-	-	-	-	3,860	3,860
Other interest charges	(154)	(3)	(47)	41	(10)	1,527	1,354
Interest on lease liabilities	-	-	-	-	1,765	188	1,953
Amortization of deferred financing costs	3,533	38	563	445	822	(1)	5,400
Total	\$ 49,747	\$ 1,694	\$ 6,443	\$ 5,470	\$ 14,462	\$ 4,451	\$ 82,267

(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 EVENTS

Subsequent to September 30, 2024, the Trust entered into a physical supply contract for natural gas with an estimated usage coverage of 69% for the London, Ontario portfolio covering the period from November 1, 2024 to October 31, 2026, with a cost of \$4.00/GJ.

Subsequent to September 30, 2024, the Trust committed to the purchase of two adjacent properties located in Calgary, Alberta. The properties, totaling 12 suites, have a purchase price of \$3.1 million and will be funded with cash on hand. The purchase is expected to close on November 18, 2024.

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 November 4, 2024.

Corporate Information

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BOARD OF TRUSTEES

Sam Kolias

Chairman of the Board
Calgary, Alberta

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Toronto, Ontario

Andrea Goertz ⁽²⁾⁽³⁾

Calgary, Alberta

Gary Goodman ⁽²⁾

Toronto, Ontario

Samantha Kolias-Gunn

Calgary, Alberta

Scott Morrison ⁽²⁾

Toronto, Ontario

Brian Robinson ⁽¹⁾⁽³⁾

Calgary, Alberta

(1) Lead Trustee

(2) Member of the Audit & Risk Management Committee

(3) Compensation, Governance, Nominations
& Sustainability Committee

SENIOR MANAGEMENT

Samantha Adams

Senior Vice President,
Investments

Boyd Belisle

Vice President,
Community & Culture

Eric Bowers

Vice President,
Finance & Investor Relations

Razvan Costin

Vice President,
Operations,
Northern Alberta

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Operations

Arvinder Dhol

Vice President, Special Projects,
Engineering & Design

James Ha

President

Bhavnesh Jairam

CIO, Vice President,
Technology

Haroon Khan

Vice President,
Operations, British Columbia,
Southern Alberta & Saskatchewan

Jeff Klaus

Vice President,
Asset Management & Development

Sam Kolias

Chief Executive Officer

Samantha Kolias-Gunn

Senior Vice President,
Corporate Development & Governance

Van Kolias

Senior Vice President,
Quality Control

Helen Mix

Vice President,
People

Nandini Somayaji

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