



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

February 21, 2024

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GLOSSARY OF TERMS

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

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

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

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

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

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

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

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

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

"**BPCL**" means Boardwalk Properties Company Limited, a corporation incorporated in 1984 pursuant to the laws of Alberta and indirectly controlled by Sam Koliass and Van Koliass;

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

"**CDOR Rate**" means, on any day, the arithmetical average of the percentage discount rates for Canadian Dollar bankers' acceptances in comparable amounts having an identical issue date and a comparable maturity date to the accommodation made available to Boardwalk REIT by way of bankers' acceptance denominated in Canadian Dollars drawn by Boardwalk REIT and accepted by a lender under the Credit Agreement which is a bank chartered under the *Bank Act* (Canada), proposed to be issued by Boardwalk REIT which is quoted on the "Reuters' Screen CDOR Page" (as defined in the International Swaps and Derivatives Association, Inc. definitions, as modified and amended from time to time) for acceptances of Schedule I banks under the *Bank Act* (Canada) on such day, or if such day is not a business day, then on the immediately preceding business day;

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

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

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

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

rent payable by the Trust, any subsidiary or any affiliate of the Trust and/or a subsidiary of the Trust pursuant to any lease under which one or more of them are a lessee;

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

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

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

"**Credit Agreement**" means the agreement between the Partnership and the Toronto Dominion Bank dated July 28, 2011 providing for the Credit Facility;

"**Credit Facility**" means the Partnership's revolving credit facility in the form of an operating and acquisition line up to a maximum of \$200 million pursuant to the Credit Agreement.

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

"**Distributable Cash**" has the meaning set forth under "*Information Concerning the Operating Trust, Partnership and Corporation – Operating Trust – Cash Distributions*" in this AIF;

"**Distribution**" has the meaning ascribed thereto in "*Distributions*";

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

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

"**EBITDA**" means earnings before interest, tax, depreciation and amortization;

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

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

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

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

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

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

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

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

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

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

"**Investment Guidelines**" has the meaning set forth under "*Investment Guidelines and Operating Policies of Boardwalk REIT – Investment Guidelines*" in this AIF;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"**person**" means an individual, partnership, limited partnership, corporation, unlimited liability company, trust, unincorporated organization, association, government or any department or agency thereof and the successors and

assigns thereof or the heirs, executors, administrators or other legal representatives of an individual thereof, or any other entity recognized by law;

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

"**REIT Exemption**" has the meaning ascribed thereto in "*Advisory – Forward Looking Statements*".

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

"**Resident Members**" means the tenants of the Trust;

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

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

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

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

"**Shareholders**" means the holders of Common Shares;

"**SIFT**" has the meaning ascribed thereto in "*Challenges and Risks – An Investment in Trust Units is Subject to Certain Tax Risks – SIFT Rules*".

"**SIFT Legislation**" has the meaning ascribed thereto in "*Advisory – Forward Looking Statements*".

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

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

"**Trust Units**" means the units of Boardwalk REIT;

"**Trustees**" means the trustees of Boardwalk REIT;

"**TSX**" means the Toronto Stock Exchange; and

"**Unitholders**" means the holders of Trust Units.

ADVISORY

Forward Looking Statements

Certain information included in this AIF contains forward-looking statements and forward-looking information (collectively, "**forward-looking statements**") within the meaning of applicable securities laws. These statements include, but are not limited to, statements concerning Boardwalk's 2024 objectives and its strategies to achieve those objectives, increasing and maintaining its occupancy rates, joint venture developments and future acquisition and development opportunities, its long-term strategic plan of high-grading and expanding its platform and its strategies to achieve those objectives, expected increases in operating costs (including property taxes, utilities and insurance costs), the impact of inflation and elevated interest rates on both Resident Members and the Trust, and the impact of a potential recession and economic downturn, as well as statements with respect to management of the Trust's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "**outlook**", "**objective**", "**may**", "**will**", "**expect**", "**intend**",

"estimate", "anticipate", "believe", "should", "plan", "continue" or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management of the Trust's current beliefs and are based on information currently available to management. All forward-looking statements in this AIF are qualified by this cautionary statement.

Forward-looking statements are not guarantees of future events or performance and, by their nature, are based on Boardwalk's estimates and assumptions, which are subject to risks and uncertainties, including those described under "Challenges and Risks" in this AIF, which could cause events or results to differ materially from the forward-looking statements contained in this AIF. Those risks and uncertainties include, but are not limited to, those related to: liquidity in the global marketplace associated with current economic conditions, tenant rental rate concessions, occupancy levels, access to debt and equity capital, changes to CMHC rules regarding mortgage insurance, interest rates, joint ventures/partnerships, the relative illiquidity of real property, unexpected costs or liabilities related to acquisitions, construction, environmental matters, physical impacts of climate change, the transition to a lower-carbon economy, uninsured perils, legal matters, reliance on key personnel, availability of employees and contractors, breaches or failure of information systems and security (including risks associated with cyber-attacks), Unitholder liability, income taxes and changes to income tax rules that impair the ability of Boardwalk to qualify 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, the rental environment, interest costs, access to equity and debt capital markets to fund (at acceptable costs) the future growth program and to enable the Trust to refinance debts as they mature, the availability of acquisition opportunities for growth in Canada, the ability to deploy equity proceeds, the impact of accounting principles under IFRS (as defined below), general industry conditions and trends, changes in laws and regulations including, without limitation, changes in rent control legislation, tax laws, mortgage rules and other factors, increased competition, the availability of qualified personnel, fluctuations in foreign exchange or interest rates, inflation and stock market volatility. Although the forward-looking statements contained in this AIF are based upon what management believes are reasonable assumptions, there can be no assurance actual results will be consistent with these forward-looking statements and no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur at all, or if any of them do so, what benefits that Boardwalk will derive from them. As such, undue reliance should not be placed on forward-looking statements.

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

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

The following should also be read in conjunction with Boardwalk REIT's consolidated financial statements and the notes thereto, together with the related MD&A, for the year ended December 31, 2023. These documents are available in written and electronic versions either from the Trust on request, or at www.sedarplus.com or www.bwalk.com/en-ca. Information contained in or otherwise accessible through the Trust's website at www.bwalk.com or under the Trust's profile at www.sedarplus.com does not form a part of this AIF and is not incorporated by reference in this AIF unless otherwise explicitly indicated.

Presentation of Financial Information and Non-GAAP Measures

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

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 measurements called Funds From Operations ("**FFO**") and Adjusted Funds From Operations ("**AFFO**") to supplement operating income and profits (or earnings) as measures of operating performance, as well as a cash flow metric called Adjusted Cash Flow From Operations ("**ACFO**"). The Trust also discloses Net Asset Value ("**NAV**") in this AIF. These measurements are considered to be meaningful and useful measures of real estate operating performance. However, they are not measures defined by IFRS. As they do not have standardized meanings prescribed by IFRS, they may not be comparable to similar measurements presented by other entities and should not be construed as an alternative to IFRS defined measures. Additional disclosures for these specified non-GAAP financial measures, as well as a discussion of the other non-GAAP financial measures and non-GAAP ratios utilized by the Trust, can be found in the section entitled "*Presentation of Non-GAAP Measures*" of the Trust's MD&A for the year ended December 31, 2023, which section has been incorporated by reference in this AIF and is available under the Trust's profile on SEDAR+ at www.sedarplus.com.

CORPORATE STRUCTURE

General Development of the Trust

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

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

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

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

After giving effect to the Acquisition and the Arrangement:

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

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

Arrangements with BPCL

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

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

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

- (i) pursuant to the Master Asset Contribution Agreement, although the Partnership acquired the beneficial interest in the 2004 Assets associated with the Retained Debt, the Retained Debt was not assumed by the Partnership and remains indebtedness of the Corporation. As such, the Corporation continues to be liable as principal obligor to pay all principal, interest and other amounts under the Retained Debt as such amounts become due and payable and the Corporation has indemnified the Partnership for any losses as a result of the Corporation's failure to meet its obligations, provided such losses are not attributable to any action or failure to act on the part of the Partnership. Certain obligations under the Retained Debt such as adequate insurance and repairs and maintenance are the responsibility of the Partnership and as a result, such indemnification does not extend to defaults outside the scope of responsibility of the Corporation;
- (ii) since the Master Asset Contribution Agreement represented a transfer of the existing business of the Corporation, the Partnership indemnified the Corporation for all claims and losses relating to the 2004 Assets from and after the Effective Time, except if the claim or loss is a result of gross negligence or wilful misconduct of the Corporation after the Effective Date;
- (iii) as the beneficial owner of the 2004 Assets associated with the Retained Debt, the Partnership indemnified the Corporation for losses resulting from the Partnership's failure to manage the 2004 Assets in a safe and prudent manner where such failure results in a claim against the Corporation; and
- (iv) since the legal title to the 2004 Assets associated with the Retained Debt remains with the Corporation but all beneficial interest in such 2004 Assets as well as all other assets were transferred to the Partnership, the Partnership has provided guarantees of the Corporation's obligations under the Retained Debt in favour of the lenders of such indebtedness and Boardwalk REIT has provided a guarantee of the Partnership's obligations.

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

Pre-Arrangement Reorganization

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

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

The Retained Debt was not assumed by the Partnership and remains as indebtedness of the Corporation and the Corporation is obligated to make interest payments and principal repayments on a periodic basis in respect of the Retained Debt. Partnership distributions on the LP Class C Units held by the Corporation will, if paid, be in amounts at least sufficient to make such payments. The Partnership has provided the Corporation's creditors with a guarantee in respect of the Retained Debt to ensure the lenders are not prejudiced in their ability to collect from the Corporation in the event that payments in respect of the Retained Debt are not made by BPCL as expected, and Boardwalk REIT has provided a guarantee

of the Partnership's obligations. The Corporation has indemnified the Partnership for any losses suffered by the Partnership in the event payments on the Retained Debt are not made as required, provided such losses are not attributable to any action or failure to act on the part of the Partnership. Also, as the Partnership acquired the 2004 Assets, which comprise all of the historic business of the Corporation, the Partnership indemnified the Corporation for all claims and losses relating to the 2004 Assets and the management thereof from and after the Effective Time except if the claim or loss is a result of gross negligence or wilful misconduct of the Corporation on or after the Effective Date.

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

Exchange and Support Agreement

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

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

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

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

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

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

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

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

Pursuant to the Exchange and Support Agreement, the Operating Trust granted to all holders of LP Class B Units the right to require the Operating Trust to purchase from each such holder all or any whole number of LP Class B Units held by such holder and not surrendered for withdrawal in accordance with the Limited Partnership Agreement (the "**Initial Exchange Right**"). The purchase price payable by the Operating Trust for each LP Class B Unit is an amount per Class B

Unit equal to the current market price, calculated in accordance with the provisions of the Exchange and Support Agreement, of a Trust Unit on the last business day prior to the day of closing of the purchase. The purchase price will be satisfied by the Operating Trust issuing demand promissory notes having a maximum term of 10 years less a day (the "Initial Exchange Consideration").

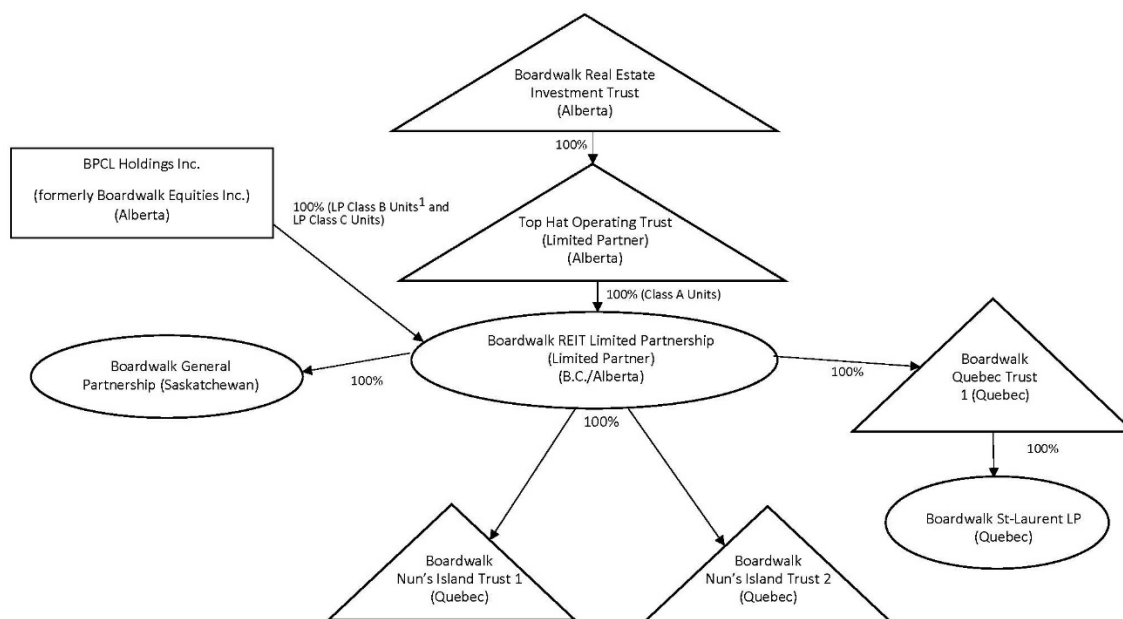
In addition to the Initial Exchange Right, Boardwalk REIT granted to each LP Class B Unitholder the right to at any time following the exercise of the Initial Exchange Right, require Boardwalk REIT to purchase from such holders immediately following the close of the purchase pursuant to the exercise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

Master Asset Contribution Agreement

On the Effective Date, the Corporation and the Partnership entered into the Master Asset Contribution Agreement pursuant to which the Corporation caused the Assets to be transferred to the Partnership, some of which were pledged to lenders in connection with the Retained Debt. In the case of properties which secure the Retained Debt, the entire beneficial interest was sold to the Partnership, but legal title remained with the Corporation. Following the Effective Date, the Partnership registered a caveat against each of such properties disclosing its beneficial interest. In the case of other revenue producing properties, legal title to such properties was transferred, pursuant to a nominee agreement, into the name of a nominee holding company. See "Corporate Structure — Arrangements with BPCL" in this AIF.

Intercorporate Relationships

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



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

BUSINESS OF BOARDWALK REIT

Overview

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

Boardwalk and its Associates operate under a "Golden Foundation" built on the following guiding principles: (i) the Golden Rule – *treat others as you would like to be treated*; (ii) the Golden Goal – *be good*; (iii) the Golden Vision – *love community*; and (iv) the Golden Mission – *have fun*. These guiding principles inform how Boardwalk does business, engages with its key stakeholders and contributes to its communities.

The objectives of Boardwalk REIT are to: (i) be a great place to work, attract and retain the best Associates and together, as a team, provide superior quality rental communities and the best Resident Member/customer service; (ii) increase Trust Unit value 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; and (iii) provide Unitholders with stable monthly cash Distributions from investments in the assets of Boardwalk REIT and any additional revenue producing multi-family residential properties or interests acquired or developed by Boardwalk REIT.

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

As at December 31, 2023, Boardwalk owned over 200 properties containing 34,029 residential suites (December 31, 2022 – 33,810) in British Columbia, Alberta, Saskatchewan, Ontario, and Quebec, representing over 29 million net rentable square feet. As at December 31, 2023, there were approximately 1,558 Associates working in 17 cities across Canada, including management, administrative, site-specific rental/customer care, maintenance, cleaning, landscaping and security staff.

General Development of the Business

Acquisitions, Dispositions and Development

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

During the year ended December 31, 2022, Boardwalk acquired four properties totaling 158 residential suites in Calgary, Alberta, 148 residential suites in Canmore, Alberta, and 152 residential suites in Brampton, Ontario. The Trust also transferred from development 88 residential suites in Brampton, Ontario. Additionally, it acquired land for future development in View Royal, British Columbia. The Trust did not sell any residential properties in 2022.

During the year ended December 31, 2021, Boardwalk REIT acquired two properties totaling 114 residential suites in Victoria, British Columbia and 81 residential suites in Banff, Alberta; and sold 148 non-core residential suites in Edmonton, Alberta and 179 non-core residential suites in Saskatoon, Saskatchewan.

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

	Purchased		Sold	
	# Units	Cost (\$m)	# Units	Proceeds (\$m)
2023	124	\$60.3	-	-
2022	458	\$159.7	-	-
2021	195	\$72.3	327	64.2
TOTALS:	777	292.3	327	64.2

Boardwalk's development opportunities include additional projects to be built on the Trust's excess land density as well as land that has been acquired in Victoria, British Columbia. These developments are in various stages of planning and approval and will add newly constructed assets to the Trust's portfolio. For the year ended December 31, 2023, the Trust expended \$23.3 million on total development costs compared to \$17.7 million in 2022 and \$10.5 million in 2021.

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

In 2018, Boardwalk entered into a 50:50 joint venture partnership agreement with Redwood Properties to develop a 365-unit multi-residential, purpose-built rental complex, located near downtown Brampton, Ontario (the "**Brampton Development**"). Phase 1 of the Brampton Development was delivered for occupancy in the fourth quarter of 2022 and is now fully leased, and phase 2 was delivered in the fourth quarter of 2023. Overall, to December 31, 2023, Boardwalk has contributed \$41.1 million to this arrangement.

In the fourth quarter of 2021, the Trust disposed of its 50% interest in a second joint venture arrangement with RioCan for proceeds of \$18.2 million. The original concept featured the development of two towers in a mixed-use project consisting of 470 residential suites totaling approximately 418,000 buildable square feet and approximately 12,000 square feet of retail space in Mississauga, Ontario. For the year ended December 31, 2021, Boardwalk incurred \$6.5 million in development costs for its 50% interest in the project. (\$18.4 million in total, including transaction and carrying costs).

Securities Offering

On December 22, 2023, Boardwalk completed a bought deal equity offering of 3,662,750 Trust Units at a price of \$68.50 per Trust Unit for gross proceeds of \$250,898,375 (the "**Offering**"). The net proceeds of the Offering were or will be, as applicable, used by Boardwalk to finance the purchase price for The Circle, a 295-suite newly built apartment complex in Calgary, Alberta, to repay its portion of a floating rate construction facility on the Brampton Development, and for future acquisition and development opportunities in its pipeline.

Normal Course Issuer Bid

Boardwalk REIT renewed its normal course issuer bid (the "**Bid**") effective November 22, 2023, which allows it to purchase and cancel up to 3,696,000 Trust Units, representing approximately 10% of its public float as of that date, over the next 12 months or when the maximum number of Trust Units has been purchased. The Trust's daily purchases under the Bid are limited to 98,985 Trust Units. The Bid originally commenced on November 22, 2021 and was renewed effective November 21, 2022. All purchases under the Bid are made in open market transactions on the TSX and alternative Canadian trading systems, or by such other means as may be permitted by the TSX and applicable securities laws. All Trust Units purchased by Boardwalk pursuant to the Bid are cancelled.

During the year ended December 31, 2021, the Trust purchased and cancelled 438,400 Trust Units for \$24.0 million at a weighted average price of \$54.85 per Trust Unit under the Bid. During the year ended December 31, 2022, the Trust purchased and cancelled 440,000 Trust Units for \$21.7 million at a weighted average price of \$49.25 per Trust Unit under the Bid. No purchases were made under the Bid during the year ended December 31, 2023.

Strategy

Boardwalk remains committed to providing affordable, inclusive communities to work and live, through its strategy of operational excellence, innovation and opportunistic portfolio growth. Management of Boardwalk believes that its strategy will create leading earnings performance and total Unitholder return.

Organic Growth

Organic growth remains Boardwalk's largest opportunity in 2024. With strong fundamentals across its core non-price-controlled markets (driven primarily by high affordability and strong population growth) and continued evolution of its platform, the Trust is confident that it can continue to provide Resident Members with the best value in housing. Affordability of Boardwalk's product remains high, particularly in the Trust's largest market of Alberta, with rent-to-income ratios in Edmonton and Calgary well below other major urban centers in Canada. These factors, together with the Trust's self-moderation of rent adjustments on new leases and renewals, drive sustainable revenue growth and operating margin expansion.

Portfolio Growth and Diversification

Boardwalk continues to take a disciplined approach to acquisitions, dispositions, and development, pursuing growth opportunities in target (non-price controlled) geographic markets which are accretive to FFO and NAV per Trust Unit on a sustainable and long-term basis.

In reviewing acquisitions and other development opportunities, Boardwalk considers, among other things, the economic outlook of the geographic market (regulatory environment, population growth, vacancy rates, etc.), attributes of the property, short- and long-term accretion of the transaction, and contribution to geographic and brand diversification of the overall portfolio. The Trust also has an ongoing program of selling non-core properties in its portfolio and re-deploying the released capital to more accretive opportunities, such as acquiring or developing additional properties, the continued capital upgrade of its remaining portfolio and/or distributing its taxable income (and any capital gain) to Unitholders.

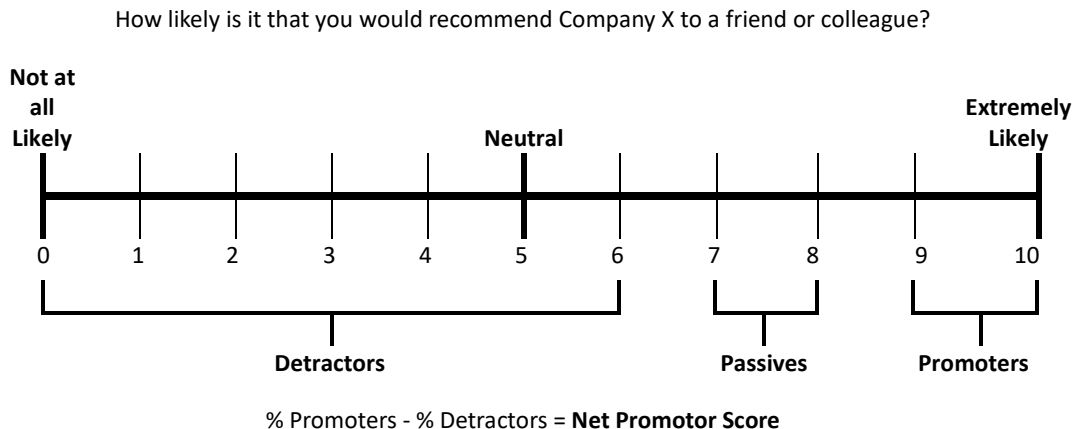
In addition to geographic diversification, Boardwalk believes that its diverse product offering should attract a broader demographic to the Boardwalk brand, while also allowing the Trust the ability to high-grade its portfolio organically. Currently, the brand is segmented into three categories: (1) *Boardwalk Living* – affordable value product featuring classic suites for Resident Members who appreciate flexibility, reliability, and value that comes with a quality home; (2) *Boardwalk Communities* – enhanced value product featuring modernized suites and choice amenities for those who value flexibility with all the comforts that come with the perfect place to call home; and (iii) *Boardwalk Lifestyle* – affordable luxury product featuring luxury living with modern amenities, designer suites and a contemporary style for those who value life experiences and prefer the freedom to enjoy them.

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

Maximizing Resident/Customer Satisfaction

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

To assess customer service, the Trust uses a measurement tool focused on feedback received directly from resident members following an interaction with Boardwalk such as a maintenance request or move out inspection. For 2023, customer service results were gauged by a "net-promoter" score ("NPS"), developed by M. Richard Owen, using the following scale:



The final NPS each year is the result of hundreds of Resident Member interviews, which ensures regular feedback from the Resident Member facing Associates that deliver on the Trust's operating strategy. The Trust routinely assesses this tool to determine whether the NPS continues to be an accurate measure of the Trust's customer service performance.

Competitive Environment

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

Boardwalk Property Portfolio

Geographic Markets and Properties

The following table summarizes Boardwalk's residential property portfolio by city as at December 31, 2023:

By City					
Core Cities	Number of Suites	% of Suites	Net Rentable Square Footage	% of Square Footage	Average Suite Size
Calgary, AB	5,798	16.9%	4,721,779	16.0%	814
Edmonton, AB	12,442	36.6%	10,944,877	37.1%	880
Spruce Grove, AB	160	0.5%	122,640	0.4%	767
Fort McMurray, AB	352	1.0%	281,954	1.0%	801
Grande Prairie, AB	645	1.9%	539,052	1.8%	836
Red Deer, AB	939	2.8%	775,615	2.6%	826
Other, AB	748	2.2%	694,526	2.4%	929
Victoria, BC	238	0.7%	218,571	0.7%	918
Regina, SK	1,974	5.8%	1,733,533	5.9%	878
Saskatoon, SK	1,531	4.5%	1,331,797	4.5%	870
Montreal, QC	4,681	13.8%	4,303,414	14.6%	919
Quebec City, QC	1,319	3.9%	1,092,278	3.7%	828
Brampton Ontario	335	1.0%	322,399	1.1%	962
Cambridge, ON	92	0.3%	108,510	0.4%	1,179
Kitchener, ON	459	1.3%	395,592	1.3%	862
London, ON	2,256	6.6%	1,867,146	6.3%	828
Waterloo, ON	60	0.2%	61,440	0.2%	1,024
Total (as at Dec 31, 2023)	34,029	100%	29,515,123	100%	867

Occupancy Rates and Average Rents

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

As with all real estate rental operators, Boardwalk REIT's financial performance is sensitive to occupancy rates. Based on the current reported market rents, a one percent (1%) annualized change in reported occupancy is estimated to impact overall rental revenue by approximately \$5.5 million, or \$0.11 per Trust Unit on a diluted basis.

In fiscal 2023, the Trust reported a year-over-year increase of 92 basis points in its overall same property occupancy rate, an increase from 97.99% to 98.91%. As markets stabilize, the Trust expects some up and down movements in occupancy as the Trust aims to maintain occupancy levels at approximately 97%. Boardwalk defines same property as one that has been owned by the Trust for a period of 24 months or more from the reporting date.

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

	2024 (Jan)	2023	2022	2021
Calgary	99.47%	99.14%	98.19%	96.77%
Edmonton	98.55%	97.68%	95.21%	93.78%
Fort McMurray	97.44%	97.15%	95.35%	95.30%
Grande Prairie	99.07%	97.46%	94.98%	94.52%
Kitchener	97.39%	98.18%	98.43%	98.02%
London	98.76%	98.67%	98.41%	98.17%
Cambridge	98.92%	97.67%	97.67%	-
Waterloo	100.0%	99.17%	97.50%	-
Montreal	99.56%	98.54%	97.35%	97.34%
Quebec City	99.02%	98.20%	93.53%	91.06%
Red Deer	99.89%	99.43%	97.59%	95.81%
Regina	98.33%	98.59%	97.17%	96.26%
Saskatoon	99.35%	99.23%	98.47%	97.87%
Verdun	99.55%	99.77%	99.71%	99.19%
Victoria	-	-	-	-
Total	98.94%	98.45%	96.80%	95.67%

Average monthly rents were \$1,375 in December 2023 compared to \$1,246 in December 2022, and average occupied rents were \$1,388 compared to \$1,271. Average market rents, including incentives, increased to \$1,530 in December 2023 from \$1,346 in December of 2022 as markets stabilize and the demand for rental suites increases. Additionally, the Trust has increased market rents at its communities where improvements have been made under the Trust's renovation and re-positioning program (the "**Re-Positioning Program**"). The Trust continues to see positive loss to lease spreads from marginal increases to market rents in certain rental markets.

Capital Improvements and Property Re-Positioning

Boardwalk has a continuous capital improvement program with respect to its investment properties that is designed to extend their useful lives, improve operating efficiency, enhance appeal and Resident Member satisfaction, and increase earnings capacity. The Trust invested \$126.0 million in 2023 in its properties (\$119.0 million of capital improvements and \$7.0 million on additions to property, plant and equipment) to upgrade individual suites, common areas, building exteriors, and amenities and systems (2022 - \$129.4 million).

In addition, the Trust invested approximately \$23.3 on development of investment properties in its joint venture with Redwood Properties and to explore other development opportunities on excess land the Trust currently owns.

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

Since 2000, Boardwalk has invested over \$1.5 billion in its own portfolio in the form of capital improvements and, by focusing on suite renovations to provide Resident Members with additional value and a superior product, the Trust aims to improve the quality of its portfolio while also reducing the use of rental incentives in this current environment.

Borrowing

Boardwalk REIT's long-term debt consists entirely of low-rate fixed-term secured mortgage financing. The maturity dates on the secured mortgages have been staggered to lower the overall interest rate risk on renewal. Total mortgages payable (net of unamortized transaction costs) at December 31, 2023 were \$3.3 billion (net of unamortized deferred financing costs and unamortized market debt adjustments), compared to \$3.2 billion reported at December 31, 2022.

Financing costs, including interest expense on the Trust's secured mortgages and lease obligations, for the year ended December 31, 2023 increased from the same period in the prior year, from \$97.0 million to \$111.2 million, primarily due to increased mortgage interest. Boardwalk REIT's overall weighted average interest rate on its long-term debt increased from 2.72% at December 31, 2022 to 3.00% 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. With increasing interest rates in 2023, Boardwalk REIT refinanced and renewed certain mortgages at a higher rate than the maturing rate, resulting in a higher overall weighted average interest rate. The average term to maturity of the Trust's mortgage portfolio is approximately 3.7 years.

Year of Term Maturity	Principal Outstanding as at Dec. 31, 2023 \$	Weighted Average Interest Rate by Maturity	% of Total
2024	439,606	2.92%	12.8%
2025	580,381	2.44%	16.8%
2026	620,466	2.33%	18.0%
2027	623,596	3.16%	18.1%
2028	355,013	3.66%	10.3%
2029	288,901	3.11%	8.4%
2030	157,795	2.55%	4.6%
2031	23,179	2.71%	0.7%
2032	80,544	4.13%	2.3%
2033	76,211	4.09%	2.2%
2034	201,109	4.68%	5.8%
Total Principal Outstanding	\$3,446,801	3.00%	100.00%
Unamortized Deferred Financing Costs	(127,774)		
Unamortized Market Debt Adjustment	(610)		
Total Per Financial Statements	\$3,318,417		

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

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

Despite past volatility in the overall credit markets, the Trust has been able to find a number of mortgage lenders willing to assume or underwrite additional mortgages under this program. At December 31, 2023, approximately 96% of Boardwalk REIT's mortgages were backed by NHA insurance with a weighted average amortization period of approximately 32 years.

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

Seasonality

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

ESG Initiatives

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. For additional discussion of Boardwalk's approach to ESG, please refer to the Trust's 2022 ESG Report available at www.bwalk.com/en-ca/investors/esg. The Trust expects to issue its 2023 ESG Report in the first half of this year.

CHALLENGES AND RISKS

Boardwalk REIT is exposed to a variety of risk areas. These include general risks that affect the real estate industry as a whole, such as economic and market conditions; and more specific risks that affect the Trust, such as credit, liquidity, and operational risks. This section should be read in conjunction with the MD&A for the year ended December 31, 2023. See "*Additional Information*" in this AIF.

Multi-Family Residential Sector Risk

Income producing properties generate income through rent payments made by their Resident Members. Upon the expiry of any lease, there can be no assurance that the lease will be renewed, or the Resident Member replaced. The terms of any subsequent lease may be less favourable to the Trust than the existing lease. To mitigate this risk, the Trust does not have any one or small group of significant Resident Members. The majority of operating leases are signed for a period of 12 months or less. The Trust is dependent on leasing markets to ensure vacant residential space is leased, expiring leases are renewed and new Resident Members are found to fill vacancies.

While markets have significantly improved recently, the current disruption in the economy could have an impact on how much space Resident Members will lease as well as the rental rates paid by Resident Members. Specifically, the rise of inflation and interest rates are expected to result in slower economic growth across Canada, may result in an economic downturn and recession, and have a corresponding longer-term impact on rental and vacancy rates. Economic disruptions have significant impacts on Resident Members' leases and rental rates and in turn affects the income produced by the Trust's properties as a result of downward pressure on rents and increased costs of doing business.

Western Canada's economic recovery over the last number of years has filtered through to increased rents, rental demand and an increase in net migration which has had a corresponding impact on Boardwalk's rental and occupancy levels. In 2023, Boardwalk experienced tightening rental markets, maintained focus on Resident Member service and improved the Trust's portfolio with value-enhancing capital expenditures and lease renewals. Boardwalk continues to monitor demand for more valued accommodations (such as rental housing) and adjusts its suite- and community-specific incentives, as well as rental rates in select markets where required, in order to address demand, maintain occupancy levels above market rates and optimize turnover costs.

General Economic Conditions

The Canadian economy is facing a potential recession in 2024. Inflation in December 2023 was 3.4%, which exceeds the Bank of Canada's 2% inflation control target, albeit a decline from peak inflation of 8.1% experienced in 2022. In response, the Bank of Canada held interest rates at 5.0% and is expected to take its time with any interest rate cuts or decreases. Higher interest rates coupled with increased housing prices, supply constraints, and geopolitical conflicts in Ukraine and the Middle East, including the ongoing military conflict in Israel, the West Bank and Gaza Strip, Yemen and the Red Sea, have resulted in energy and agricultural market price increases, and volatility and weakness in global equity and capital markets. This economic contraction has resulted in widespread hardship, significant losses in jobs and business incomes, and increased cost of living and food prices for our Resident Members resulting in unprecedented challenges across the board. Uncertainty regarding resource prices and unsteady interest rates and inflation has adversely impacted the spending decisions of both households and businesses.

Interest rate increases could increase the cost of the Trust's maturing indebtedness on its existing or future loans which could impact the Trust's business, financial condition and results of operations and its ability to make Distributions. Furthermore, as interest rates fluctuate in the lending market, so do capitalization rates which can adversely affect the underlying value of real estate. Accordingly, when interest rates rise, capitalization rates are also expected to rise, and capital gains and losses at the time of a disposition can occur as a result.

Risks Due to Investment in Real Estate

Real property investments are generally subject to varying degrees of risk depending on the nature of the property. These risks include changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations (such as new or revised residential tenancy legislation), the attractiveness of the properties to Resident Members, competition from others with available space and the ability of the owner to provide adequate maintenance at an economic cost. Because real estate, like many other types of long-term investment, experiences significant fluctuations and cycles in value, specific market conditions may result in occasional or permanent reductions in the value of Boardwalk REIT's portfolio, including the impact of inflation and rising interest rates.

The yields available from investments in real estate depend upon the amount of revenue generated and expenses incurred. If properties do not generate revenues sufficient to meet operating expenses, including debt service and capital expenditures, it may have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions. The performance of the economy in each of the areas in which the properties are located affects occupancy, market rental rates and expenses. These factors consequently can have an impact on revenues from the properties and their underlying values. The financial results and labour decisions of major local employers may also have an impact on the revenues from and value of certain properties.

Although Boardwalk REIT has recently become more diversified by asset class and geographic location, because it remains focussed on the multi-residential sector and has a majority of its apartment suites concentrated in Western Canada, Boardwalk is exposed to adverse effects on that segment of the real estate market and/or for that geographic region and does not benefit from a significant diversification of its portfolio by property type and/or geographic location. Boardwalk seeks to mitigate this risk through its strategy of diversifying into high growth markets and by asset type. See "*Business of Boardwalk REIT - Strategy*" in this AIF for a discussion of the Trust's pursuit of portfolio growth and diversification. The marketability and value of the Trust's portfolio as well as Boardwalk REIT's revenues will depend on many factors beyond the control of Boardwalk REIT.

Certain significant expenditures, including property taxes, utilities, maintenance costs, mortgage payments, insurance costs and related charges, must be made regardless of whether or not a property is producing sufficient income to service these expenses.

The Trust's properties are subject to mortgages which require significant debt service payments. If the Trust were unable or unwilling to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or of sale. In addition, financial difficulties of other property owners resulting in distressed sales may depress real estate values in the markets in which the Trust operates.

Historically, one of the biggest risks to real estate evaluations is the building of oversupply in a particular market, which results in significant corrections of property values market wide. The Trust currently mitigates this risk by avoiding excessive leverage and using cash on hand for new development and undertaking development as a small part of Boardwalk's overall strategy.

Illiquidity of Real Estate and Reinvestment Risk May Reduce Economic Returns to Investors

Real estate investments are relatively illiquid and, therefore, tend to limit Boardwalk's ability to adjust its portfolio in response to changes in economic or other investment conditions. To implement the Trust's current operating strategy, Boardwalk has in the past raised, and will seek to continue to raise additional funds, both through outside financing and through the orderly disposition of assets that no longer meet the Trust's investment criteria. Depending upon interest rates, current development and acquisition opportunities and other factors, Boardwalk will generally reinvest the proceeds in additional multi-family properties, although such funds may be employed in other uses. In the markets Boardwalk has targeted for future acquisition of multi-family properties, there is considerable buying competition from other real estate companies, some of which may have greater resources, experience or expertise than Boardwalk. In many cases, this competition for acquisition properties has resulted in an increase in property prices and a decrease in property yields.

Adverse Changes in Laws May Affect Boardwalk's Potential Liability Relating to its Properties and its Operations.

Increases in real estate taxes and income, service and transfer taxes, or introductions of new taxes such as carbon tax, cannot always be passed through to residents or users in the form of higher rents, and may adversely affect

Boardwalk's Cash Available for distribution and its ability to make Distributions and to pay amounts due on its debt. Similarly, changes or interpretations of existing laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions, as well as changes in laws affecting development, construction and safety requirements, may result in significant unanticipated expenditures, which could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions and pay amounts due on its debt. In addition, future enactment of rent control or rent stabilization laws or other laws regulating multi-family housing may reduce rental revenues or increase operating costs.

Environmental Risks

As an owner and manager of real property, the Trust is subject to various Canadian federal, provincial, and municipal laws relating to environmental matters. These laws could encumber the Trust with liability for the costs of removal and remediation of certain hazardous substances or wastes released or deposited on or in its properties or disposed of at other locations. The failure to remove or remediate such substances, if any, could adversely affect the Trust's ability to sell its real estate, or to borrow using real estate as collateral, and could potentially also result in claims or other proceedings against the Trust. Although the Trust is not aware of any material non-compliance with environmental laws at any of its properties, nor is it aware of any pending or threatened investigations or actions by environmental regulatory authorities in connection with any of its properties or any material pending or threatened claims relating to environmental conditions at its properties, no assurance can be given that (current or future) environmental laws will not result in significant liability to the Trust in the future or otherwise have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions.

The Trust has formal policies and procedures to review and monitor environmental exposure. The Trust has made, and will continue to make, the necessary capital expenditures for compliance with environmental laws and regulations.

Climate-Related Risk

As outlined by the Task Force on Climate-related Financial Disclosures, climate related risks can be divided into two major categories: (i) risks related to the transition to a lower-carbon economy; and (ii) risks related to the physical impacts of climate change. Climate change presents a multi-faceted risk for the Trust considering its investment in and management of real estate assets in multiple geographical territories.

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

Based on Boardwalk REIT's current understanding, the potential physical risks resulting from climate change are long-term in nature and associated with a high degree of uncertainty regarding timing, scope, and severity of potential impacts. These risks may be event driven (acute) or longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications such as direct damage to assets or indirect impacts.

Over the last several years, certain areas of British Columbia, Alberta and Saskatchewan have been negatively impacted by wildfires as well as extreme flooding in British Columbia. Increases in frequency and magnitude of climate-related risks such as floods, draught, fires, windstorms and ice and snow storms in certain locales can lead to increased capital expenditure, repairs and maintenance and interruptions to the operation of the Trust's business. Ongoing operating costs such as energy can potentially be impacted by more extreme weather, and anticipation of more frequent and severe weather events may have an adverse effect on insurance premiums. Asset values in areas that are more prone to weather-related events may have adverse effects on valuations. Lenders, investors, investment advisors, credit rating agencies and regulators are increasingly viewing climate change as an important issue that requires greater consideration due to the perceived elevated long-term risks associated with policy development, regulatory changes, public and private legal challenges or other market developments related to climate change. A lack of investment strategy and operational management plan concerning climate change may have an adverse effect on the Trust's ability to raise funds via debt and/or equity, as well as related investment returns and sentiment.

Additionally, the Trust maintains a strong insurance program that considers the impacts of weather-related events by providing coverage for property damage and business interruption.

Ground Lease Risk

Five of the Trust's properties - two in Banff, Alberta, one in Edmonton, Alberta, and two in Montreal, Quebec - are subject to long-term ground (or land) leases and similar arrangements in which the underlying land is owned by a third party and leased to the Trust. Under the terms of a typical ground lease, the lessee must pay rent for the use of the land and is generally responsible for all costs and expenses associated with the building and improvements, including property taxes, utilities, insurance, maintenance, repairs and replacements. Unless the lease term is extended, the land together with all improvements made will revert to the owner of the land upon the expiration of the lease term. These leases are set to expire between 2029 and 2095. Over 19% of the Trust's FFO derives from the properties in its portfolio which are held as long-term ground leases. The Trust is and will seek to either renew the terms of such leases or purchase the freehold interest in the lands forming the subject matter of such leases prior to the expiry of their terms. However, if the Trust cannot, or chooses not to, renew such leases or buy the land of which they form the subject matter, as the case may be, the net operating income and cash flow associated with such properties would no longer contribute to Boardwalk's results of operations and could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions.

An event of default by the Trust under the terms of a ground lease could also result in a loss of the property subject to such ground lease should the default not be rectified in a reasonable period of time. The Trust is not aware of any default under the terms of any of its ground leases.

Competition Risk

Each segment of the real estate business is competitive. Numerous other residential developers and apartment owners compete in seeking Resident Members. Although the Trust's strategy is to own multi-family properties in premier locations in each market in which it operates, some of the apartments of the Trust's competitors may be newer, better located or better capitalized. The existence of alternative housing could have a material adverse effect on the Trust's ability to lease space in its properties and on the rents charged, or concessions granted, and could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions.

General Uninsured Losses and Catastrophic Loss

Boardwalk maintains a comprehensive insurance program to cover property and general liabilities, such as fire, flood, and rental loss with policy specifications, limits and deductibles customarily carried for similar properties and deemed appropriate based on the nature of the risk and industry standards. To partially mitigate the substantial increase in insurance costs in recent years, management of the Trust has determined to gradually increase deductible and self-insured retention amounts, with any excess losses being covered by insurance. There are, however, certain types of risks (generally of a catastrophic nature such as war or environmental contamination), which are either uninsurable or not economically feasible to insure. The Trust currently has insurance for earthquake risks, subject to certain policy limits, deductibles and self-insurance arrangements, and will continue to carry such insurance if it is economical to do so. Should an uninsured or underinsured loss occur, the Trust could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, and would continue to be obligated to repay any recourse mortgage indebtedness on such properties.

Credit Risk

Credit risk is the risk of loss due to failure of a contracted Resident Member/customer to fulfill payment obligations or lease term commitments. Due to the very nature of the business of renting multi-family residential apartment suites, credit risk is not deemed to be very high. The Trust currently has 34,029 rental apartment suites and is not reliant on, and has no material financial exposure to, any individual Resident Member (or group of Resident Members) or lease. To further mitigate this risk, the Trust has and continues to diversify its portfolio in various major centers across Canada. The Trust continues to utilize extensive screening processes for all potential Resident Members including, but not limited to, detailed credit checks and a requirement for Resident Members to carry adequate tenant insurance.

Market Risk

Market risk is the risk that the Trust could be adversely affected due to market changes in product supply, interest rates and regional rent controls. The Trust's principal exposures to market risk are in the areas of new multi-family housing supply, changes to rent controls, utility price increases, property tax increases, higher interest rates and mortgage renewal risk. During 2022 and 2023, the Bank of Canada increased interest rates and may increase interest rates further in 2024.

These increased rates will affect the Trust's ability to finance mortgages at rates and on terms acceptable to the Trust or at all, which could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions.

Supply Risk

Supply risk is the risk that the Trust would be negatively affected by the new supply of, and no increase in demand for, multi-family residential suites in its major market areas. Key drivers of demand include employment levels, population growth, demographic trends and consumer confidence. Any significant amount of new construction will typically result in an imbalance in supply and cause downward price pressure on rents.

In recent years, there has been a change in the multi-family apartment environment in Canada. During this period, there has been a significant increase in the market value of rental apartments, driven primarily by a significant compression in market capitalization rates resulting from a prolonged low interest rate environment in Canada. With this increase in the market value of apartments, there has been a significant decrease in the expected returns from the acquisition of existing multi-family rental properties to a level that warrants a measured allocation of capital to the area of new apartment development, particularly on excess land Boardwalk REIT currently owns, and/or to improving the Trust's portfolio through value-added capital upgrades and its Re-Positioning Program. See "*Business of Boardwalk REIT – Capital Improvements and Property Re-Positioning*" in this AIF. Accordingly, the Trust has pursued new apartment development on some of its excess density and, in partnership with other landowners and/or developers, at well located sites on main transit lines in Calgary, Edmonton, Regina, Victoria and the Greater Toronto Area.

The Trust's performance will always be affected by the supply and demand for multi-family rental real estate in Canada. The potential for reduced rental revenue exists in the event that Boardwalk REIT is not able to maintain its properties at a high level of occupancy, or in the event of a global recession or downturn in the economy, which could result in lower rents or higher vacancy rates. Boardwalk REIT attempts to minimize these risks by:

- increasing Resident Members' satisfaction;
- diversifying its portfolio across Canada, thus lowering its exposure to regional economic swings;
- acquiring properties only in desirable locations, where vacancy rates for properties are higher than city-wide averages but can be reduced by repositioning the properties through better management and selective upgrades;
- holding a balanced portfolio which includes a variety of multi-family building types including high-rise, townhouse, garden and walk-ups, each with its own market niche;
- maintaining a wide variety of suite mix, including bachelor suites, one, two, three and four bedroom suites;
- building a broad and varied Resident Member base, thereby avoiding economic dependence on larger-scale Resident Members;
- focusing on affordable multi-family housing, which is considered a stable commodity;
- developing a specific rental program characterized by rental adjustments that are the result of enhanced service and superior product;
- developing regional management teams with significant experience in the local marketplace, and combining this experience with the Trust's existing operations and management expertise;
- constantly adjusting market rents and incentives based on property and suite-specific supply and demand;
- improving portfolio by investing in suite renovations and upgrades; and
- undertaking new apartment development as a small part of overall business strategy.

Aging Portfolio Risk

Aging portfolio risk is the risk that there is decreased demand for Boardwalk's assets as a result of the age of its assets, as well as an increase in capital expenditures to maintain or enhance these assets in order to remain competitive. This risk is mitigated partially due to the fact that older assets tend to be in more desired locations and tend to have larger

suite sizes. In addition, Boardwalk mitigates this risk through its value-added capital upgrades and its Re-Positioning Program. See "*Business of Boardwalk REIT – Capital Improvements and Property Re-Positioning*" in this AIF.

Risks Due to Real Estate Financing

Management of the Trust anticipates that future acquisitions will be financed, in whole or in part, under various lines of credit, and other forms of secured or unsecured financing or through the issuance of additional debt or equity. Boardwalk expects to periodically review its financing options regarding the appropriate mix of debt and equity financing. Using equity rather than debt to finance future developments or acquisitions could have a dilutive effect on the interests of existing Unitholders. Similarly, there are certain risks involved with financing future developments and acquisitions with debt, including those described below. In addition, if new developments are financed through construction loans, there is a risk that, upon completion of construction, permanent financing for such properties may not be available or may be available only on disadvantageous terms, or that the cash flow from new properties will be insufficient to cover debt service. If a newly developed or acquired property is unsuccessful, Boardwalk's losses may exceed its investment in the property. Any of the foregoing could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions and to pay amounts due on its debt.

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

The Trust is subject to the normal risks associated with debt financing, including the risk that its cash flow will be insufficient to meet required payments of principal and interest, the risk that indebtedness on its properties, or unsecured indebtedness, will not be able to be renewed, repaid or refinanced when due or that the terms of any renewal or refinancing will not be as favourable as the existing terms of such indebtedness. If the Trust were unable to refinance its indebtedness on acceptable terms, or at all, it might be forced to dispose of one or more of the properties on disadvantageous terms, which might result in losses to the Trust. Such losses could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions and pay amounts due on its debt. Furthermore, if a property is mortgaged to secure payment of indebtedness and Boardwalk was unable to meet mortgage payments, the mortgagee could foreclose upon the property, appoint a receiver and receive an assignment of rents and leases or pursue other remedies, all with a consequent loss of the Trust's revenues and asset value. Foreclosures could also create taxable income without accompanying cash proceeds, thereby hindering the Trust's ability to meet its distribution requirements of applicable tax legislation.

The Trust continues to manage its refinancing and renewal risk by maintaining a balanced maturing portfolio with no significant amount coming due in any one particular period. In addition, the majority of the Trust's debt is insured with NHA insurance, which allows the Trust to increase the overall credit quality of the mortgage and, as such, obtain preferential interest rates as well as facilitating easier renewal on its due date. However, there can be no assurance that the renewal of debt will be on as favourable terms as the Trust's existing debt.

To date, the Trust continues to obtain mortgage renewals on maturing mortgages and, in addition, where requested, additional funds continue to be available to the Trust on its investment properties. Although the Trust continues to see fluctuations in the quoted credit spread over the corresponding benchmark bonds, the all-in quoted rates are at levels above the term maturing rate and, as such, are dilutive to the Trust as a whole.

In 2013, the Government of Canada capped the total amount of NHA insurance that CMHC can provide at an aggregate limit of \$600 billion. This decision has primarily affected the amount of portfolio or bulk insurance CMHC offers to banks and, in management of the Trust's assessment, has had minimal impact to date on the renewal of Boardwalk's mortgages or the cost of secured debt capital. However, there is no assurance that the decision to cap the amount of CMHC insurance will not affect mortgages for multi-family residential properties in future periods.

The Trust also manages its interest rate risk by, on a selective basis, forward contracting with a major financial institution to hedge the Trust's exposure to Canadian bond yield fluctuations. When the Trust finances its secured mortgage portfolio, the new interest rate is based on the market yield of the corresponding Government of Canada Bond plus what is referred to as a "spread". Although the market spread on these transactions will vary, the one constant is the specific bond that the Trust will be using as the underlying basis.

In addition, the Trust also maintains a reasonable level of liquidity to assist in the implementation of its strategy, as well as to provide a contingency for any unforeseen circumstances. At December 31, 2023, the Trust's liquidity position, or "**Cash Available**", coupled with any unused revolving credit facilities and committed secured up-financing, totaled over \$527.0 million (December 31, 2022 - \$256.3 million). Boardwalk defines liquidity to include cash and cash equivalents on

hand; any unused committed revolving credit facility; plus any committed secured financings. The Trust's current liquidity position remains stable. As of December 31, 2023, the Trust's cash position was \$331.2 million, compared to the \$52.8 million reported as of December 31, 2022. As at December 31, 2023, the Trust also had \$195.8 million of unused credit facility (December 31, 2022 - \$196.1 million) and committed secured up-financing of approximately \$nil (December 31, 2022 - \$7.4 million).

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

The Trust's Consolidated EBITDA to Consolidated Interest Expense was 2.83 to 1 as of December 31, 2023. The Trust's degree of leverage could have important consequences to Unitholders. For example, the degree of leverage could affect its ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, development or other general corporate purposes, making it more vulnerable to a downturn in business or the economy in general. Under the Trust's current Declaration of Trust, the Trust must maintain a Consolidated EBITDA to Consolidated Interest Expense of 1.5 to 1. For more information, see "*Investment Guidelines and Operating Policies of the Trust – Operating Policies*" in this AIF.

Development Risk

The Trust is reviewing and considering development of new selective multi-family or condominium projects on its excess density or land in high growth markets which it acquired specifically for development. Any development commitments made by the Trust will be subject to those risks usually attributable to development projects, which include construction or other unforeseeable delays, cost overruns, poor market for leasing, and/or the failure of Resident Members to occupy and pay rent. These risks can result in an uneconomic return from the leasing of such space.

One of the biggest development risks is the building of oversupply in a particular market, which results in significant corrections of property values market wide. The Trust currently mitigates this risk by avoiding excessive leverage, where possible, using cash on hand for new development and undertaking development as a small part of Boardwalk's overall business strategy.

Structural Subordination

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

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

Rent Control Risk

Rent control risk is the risk of the implementation or amendment of new or existing legislative rent controls in the markets the Trust operates, which may have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions. British Columbia, Ontario and Quebec, three markets in which the Trust operates, have rent control legislation.

Under Ontario's rent control legislation, commonly known as "rent de-control", a landlord is entitled to increase the rent for existing Resident Members once every 12 months by no more than the "guideline amount" established by regulation; for 2023 and 2024, the guideline amount is 2.5%. Landlords can apply to the Landlord and Tenant Board for an above guideline increase where, among other things, there has been a significant increase in the cost of taxes and charges, or the landlord has incurred significant capital expenditures. When a unit is vacated, the landlord is entitled to lease the unit to a new Resident Member at any rental amount, after which annual increases are limited to the applicable guideline amount. The cap does not apply to rental units first occupied after November 15, 2018.

Under Quebec's rent control legislation, a landlord is entitled to increase the rent for existing tenants once every 12-month period. While there is no fixed rate increase specified by regulation, the Quebec housing authority provides

guidelines on the factors to consider in determining the appropriate rent increase, such as utility costs, management costs and capital expenditures.

Under British Columbia's rent control legislation, a landlord is entitled to increase the rent for existing tenants once per year with the 2024 rate being 3.5% (2023 rate was 2.0%).

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

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

Boardwalk REIT currently has approximately 62.3% of its rental portfolio in Alberta and, as such, any change to existing legislation and the potential impacts must be carefully considered. Boardwalk's current internal policy is to limit adjustments to the rents of existing Resident Members over a one-year period; as noted above, the same limitation does not apply to new Resident Members, who will be charged market rents. The Trust's practice is to adjust the in-place rents by a maximum amount once per year. The Trust also offers existing Resident Members a fixed 12-month lease with the maximum rental adjustments in place.

Utility and Property Tax Risk

Utility and property tax risk relates to the potential loss the Trust may experience as a result of higher resource prices as well as its exposure to significant increases in property taxes. Over the past few years, property taxes have increased as a result of re-valuations of municipal properties and their adherent tax rates. For the Trust, these re-valuations have resulted in significant increases in some property assessments due to enhancements, which are not represented on the Trust's balance sheet (as such representations are contrary to existing IFRS reporting standards). To address this risk, Boardwalk REIT has compiled a specialized team of property reviewers who, with the assistance of outside authorities, constantly review property tax assessments and, where warranted, appeal them. It is not uncommon for the Trust to receive property tax refunds and/or adjustments; however, due to the uncertainty of the timing and the amount of the refunds or adjustments, these amounts are only reported when they are received.

Utility expenses, mainly consisting of natural gas and electricity service charges, have been subject to considerable price fluctuations over the past several years. In recent years, water and sewer costs have increased significantly, as another form of "taxes" imposed by various municipalities. The *Greenhouse Gas Pollution Pricing Act* enacted a regulatory fuel charge and output-based pricing system, which applies in each of the provinces and territories, either in whole or in part, as applicable, where there is no provincial or territorial system which meets the federal stringency requirements. The price on carbon is set to increase \$15/tonne of CO₂ each year commencing in 2023 through to 2030. The federal fuel charge applies in each of Alberta, Saskatchewan and Ontario, while British Columbia has its own fuel charge that applies. In each of Alberta, British Columbia, Ontario and Saskatchewan, the price on carbon will rise to \$80 per tonne of CO₂ on April 1, 2024, which will continue to increase the cost of natural gas usage at the Trust's buildings in these provinces. There is no guarantee that a province with a system that currently applies will meet, or continue to meet, federal stringency standards and any taxes placed on carbon emission may have the effect of increasing demand or operating costs. Resource costs that the Trust cannot pass on to the Resident Member may have a negative material impact on the Trust. To mitigate this risk, the Trust has played a more active role in controlling the fluctuation and predictability of it. Through the use of resource contracts with varying maturity dates, exposure to these fluctuations has been reduced. In addition, the Trust has implemented the following steps:

- (i) where possible, economical electrical sub-metering devices have been installed, passing on the responsibility for electricity charges to the end Resident/customer;
- (ii) in other cases, rents have been, or will be, adjusted upward to cover these increased costs; and
- (iii) where possible, it enters into long-term supply contracts at a fixed price.

Outstanding Indebtedness

The ability of Boardwalk REIT to make Distributions or to make other payments are subject to applicable law and contractual restrictions contained in instruments governing Boardwalk REIT's indebtedness. Although Boardwalk REIT is not currently in default under any existing loan agreements or guarantee agreements, any future default could have significant consequences for Unitholders. Further, the amount of Boardwalk REIT's indebtedness could have significant consequences to Unitholders, including the ability of Boardwalk REIT to obtain additional financing for working capital, capital expenditures or future acquisitions may be limited; and that a significant portion of Boardwalk REIT's cash flow from operations may be dedicated to the payment of principal and interest on its indebtedness, thereby reducing funds available for future operations and Distributions. Additionally, some of Boardwalk REIT's debt may be at variable rates of interest or may be renewed at higher rates of interest, which may affect cash flow from operations available for Distributions. Also, in the event of a significant economic downturn or recession, there can be no assurance that Boardwalk REIT will generate sufficient cash flow from operations to meet required interest and principal payments. These factors may have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions.

In addition to mortgages associated with the majority of the properties owned by Boardwalk REIT, Boardwalk REIT, through the Partnership, has an outstanding Credit Facility. Certain properties have a first or second mortgage and charge registered against them as security for the Credit Facility. The interest payable under the Credit Agreement is comprised of: (A) the greater of (i) the lending institution's prime rate of interest, and (ii) a rate of interest equal to the CDOR Rate for one-month Canadian Dollar bankers' acceptance plus 1.0%; and (B) the applicable margin, as determined in accordance with the Credit Agreement. The Credit Facility also has various other fees including, as applicable, a bankers acceptance fee, letter of credit fee, a commitment fee, extension fees and agency fees which in the aggregate are not material to Boardwalk REIT.

In addition to the mortgage and charge on specific properties (the "**Secured Properties**"), the Credit Facility provides for an assignment of rents, an assignment of insurance proceeds in the event of loss of any of the Secured Properties and guarantees from various subsidiary entities.

Repayment of the Credit Facility shall be by way of instalments comprising of: (i) principal repayment in the amount of all outstanding principal, as calculated in accordance with the Credit Agreement, under the Credit Facility due on the repayment date which is July 25, 2027; and (ii) payment of accrued interest due and payable monthly in arrears on the third business day of each calendar month until July 25, 2027.

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

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

In addition, the Credit Facility has certain operational covenants, including that the debt service coverage ratio is to be maintained at not less than 1.20:1, the debt service coverage ratio specific to all of the Secured Properties is to be maintained at not less than 1:15:1 and the total indebtedness of Boardwalk REIT will not exceed 75% of the gross book value of Boardwalk REIT and its subsidiaries as at the end of any two consecutive fiscal quarters.

Acquisition Performance Risk

Boardwalk REIT's strategy includes, in part, the ability of the Trust to acquire additional rental properties. The acquisitions of these properties are based on predetermined financial operational and financing strategies that, once fully implemented, are expected to result in an acceptable return for the Trust as a whole. It is possible that the actual performance of these acquisitions may be materially different from the assumptions made in purchasing same, resulting in a negative outcome for the Trust as a whole.

A risk associated with a real property acquisition is that there may be an undisclosed or unknown liability concerning the acquired properties, and Boardwalk may not be indemnified for some or all of these liabilities. Following an acquisition, Boardwalk may discover that it has acquired undisclosed liabilities, which may be material.

Operational Risk

Operational Risk is the risk that a direct or indirect loss may result from an inadequate or failed technology, from a human process or from external events. The impact of this loss may be financial loss, loss of reputation or legal and regulatory proceedings. The Trust endeavours to minimize losses in this area by ensuring that effective infrastructure and controls exist. These controls are constantly reviewed and improvements are implemented, if deemed necessary.

Dependence on the Operating Trust and the Partnership

Boardwalk REIT is entirely dependent on the business of the Partnership through the Trust's ownership of the Operating Trust and, indirectly, LP Class A Units. The Distributions to Unitholders are dependent on the ability of the Operating Trust to pay distributions in respect of the Operating Trust Units and interest on the Operating Trust Notes and the ability of the Partnership to pay distributions on the LP Units. The ability of the Partnership to pay distributions or make other payments or advances to the Operating Trust may be subject to contractual restrictions contained in any instruments governing the indebtedness of the Partnership. The ability of the Partnership to pay distributions or make other payments or advances will also be dependent on the ability of the Partnership's subsidiaries to pay distributions or make other payments or advances to the Partnership.

Fluctuations of Cash Distributions

Although Boardwalk REIT intends to continue making Distributions, the actual amount of Trust income distributed in respect of the Trust Units will depend upon numerous factors, including, but not limited to, the amount of principal repayments, Resident Member allowances, leasing commissions, capital expenditures, Trust Unit redemptions and other factors that may be beyond the control of Boardwalk REIT.

The distribution policy of Boardwalk REIT is established by the Trustees and is subject to change at the discretion of the Trustees. The recourse of Unitholders who disagree with any change in policy is limited and could require such Unitholders to seek to replace the Trustees.

Distributions may exceed actual Cash Available to Boardwalk REIT from time to time because of items such as principal repayments, Resident Member allowances, leasing commissions, capital expenditures and redemption of Trust Units, if any. Boardwalk REIT may be required to use part of its debt capacity or to reduce Distributions in order to accommodate such items. Boardwalk REIT may temporarily fund such items, if necessary, through its Credit Facility in expectation of refinancing long-term debt on its maturity.

Workforce Availability and Talent Management

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

Key Personnel

Boardwalk's executive and other senior officers have a significant role in our success and oversee the execution of Boardwalk's strategy. Our ability to retain our management team or attract suitable replacements should any members of the management group leave is dependent on, among other things, the competitive nature of the employment market. Boardwalk has experienced departures of key professionals in the past and may do so in the future and cannot predict the impact that any such departures will have on its ability to achieve its objectives. The loss of services from key members of the management team or a limitation in their availability could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions.

Market Price of Trust Units

An increase in market interest rates may lead purchasers of Trust Units to expect a higher annual yield which could materially adversely affect the market price of the Trust Units. In addition, the market price for the Trust Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities, short-term supply and demand factors for real estate investment trusts and numerous other factors beyond the control of Boardwalk REIT.

The Trust has no obligation to distribute to Unitholders any fixed amount, and reductions in, or suspensions of, cash Distributions may occur that would reduce yield based on the market price.

Access to Capital Risk

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

Exposure to Widespread Pandemic and Risks Related Thereto

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

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

Cybersecurity Risk

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

Litigation

In the normal course of the Trust's operations, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including tax proceedings and legal actions. Potential litigation may develop in relation to property damage, personal injury, property tax, employment issues and lease or contract disputes. The outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty, may be determined adversely to the Trust and could have a material adverse effect on the Trust's business, financial condition and results of operations. Even if the Trust prevails in any such legal proceedings, the proceedings could be costly and time-consuming and may divert the attention of management and key personnel from business operations, which could have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions.

Insurance

Although the Trust maintains insurance in accordance with industry standards to address certain risks, such insurance has limitations on liability and may not be sufficient to cover the full extent of liabilities. In addition, certain risks are not, in all circumstances, insurable or, in certain circumstances, the Trust may elect not to obtain insurance to deal with specific risks due to the high premiums or retentions associated with such insurance or other reasons. The payment of any uninsured liabilities would reduce the funds available to the Trust. The occurrence of a significant event that the Trust is not fully insured against, or the insolvency of the insurer of such event, may have a material adverse effect on the Trust's business, financial condition and results of operations and its ability to make Distributions.

Joint Ventures and Co-Ownerships

Boardwalk participates in two joint ventures and it is part of its strategic plan to participate in more such arrangements that may involve risks and uncertainties not present absent third-party involvement, including, but not limited to, Boardwalk's dependency on partners, co-tenants or co-venturers that are not under its control and that might compete with Boardwalk for opportunities, become bankrupt or otherwise fail to fund their share of required capital contributions, or suffer reputational damage that could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions. Additionally, Boardwalk's partners might at any time have economic or other business interests or goals that are different than or inconsistent with those of the Trust, and Boardwalk may be required to take actions that are in the interest of the joint venture partners collectively, but not in Boardwalk's sole best interests. Accordingly, Boardwalk may not be able to favourably resolve issues with respect to such decisions, or the Trust could become engaged in a dispute with any of them that might have a material adverse effect on the business, financial condition and results of operations of the Trust and ability to make Distributions.

Property Redevelopment, Re-positioning and Renovations

Property redevelopment, re-positioning or major renovation work are subject to a number of risks, including: (i) the potential that Boardwalk REIT may fail to recover expenses already incurred if it abandons redevelopment/re-positioning/renovation opportunities after commencing exploratory work on them; (ii) the potential that Boardwalk REIT may expend funds on, and devote management time to, projects which it does not complete; (iii) construction or redevelopment costs of a project may exceed original estimates, possibly making the project less profitable than originally estimated, or unprofitable; (iv) the time required to complete the construction, redevelopment or renovation of a project, or to lease up the completed project may be greater than originally anticipated, thereby have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions; (v) the cost and timely completion of construction or renovations (including risks beyond Boardwalk REIT's control, such as weather, labour conditions or material shortages); (vi) contractor and subcontractor disputes, strikes, labour disputes or supply disruptions; (vii) the failure to achieve expected occupancy and/or rent levels within the projected time frame, if at all; (viii) delays with respect to obtaining, or the inability to obtain, necessary zoning, occupancy, land use and other governmental permits, and changes in zoning and land use laws; (ix) occupancy rates and rents of a completed project or renovation may not be sufficient to make the project or initiative profitable; (x) Boardwalk REIT's ability to dispose of properties redeveloped or renovated with the intent to sell could be impacted by the ability of prospective buyers to obtain financing given the current state of the credit markets; and (xi) the availability and cost of financing to fund Boardwalk REIT's development or renovation activities on favourable terms or at all. The above risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent the initiation or completion of redevelopment or renovation activities. In addition, redevelopment and renovation projects entail risks that investments may not perform in accordance with expectations and can carry an increased risk of litigation (and its attendant risks) with contractors, subcontractors, suppliers, partners and others. Any of these risks could have a material adverse effect on the business, financial condition and results of operations of the Trust and its ability to make Distributions. Also, it is anticipated that the Trust and its subsidiary entities will be required to execute a guarantee in connection with construction financing for redevelopments, which would subject Boardwalk REIT and those subsidiaries to recourse for construction completion risks and repayment of any construction indebtedness.

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

As holders of Trust Units, Unitholders do not have all of the statutory rights normally associated with ownership of shares of a company. However, pursuant to the Declaration of Trust, Unitholders have the right to bring "oppression" and "derivative" actions against Boardwalk REIT.

The Trust Units are not "deposits" within the meaning of the *Deposit Insurance Corporation Act (Canada)* and are not insured under the provisions of that Act or any other legislation. Furthermore, Boardwalk REIT is not a trust company and, accordingly, it is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company. In addition, although Boardwalk REIT is intended to qualify as a "mutual fund trust" as defined by the Tax Act, Boardwalk REIT is not a "mutual fund" as defined by applicable securities legislation.

Securities like the Trust Units are hybrids in that they share certain attributes common to both equity securities and debt instruments. The Trust Units do not represent a direct investment in the business of Boardwalk REIT and should not be viewed by investors as shares or interests in Boardwalk REIT, or any other company or entity. The Trust Units do not represent debt instruments and there is no principal amount owing to Unitholders under the Trust Units. Each Trust Unit represents an equal, undivided, beneficial interest in Boardwalk REIT as compared to all other Trust Units of the same class.

Unitholder Liability

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

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

Ability of Unitholders to Redeem Trust Units

It is anticipated that the redemption right attached to the Trust Units will not be the primary mechanism by which holders of such Trust Units liquidate their investments. The entitlement of holders of Trust Units to receive cash upon the redemption of their Trust Units is subject to the limitations that: (i) the total amount payable by Boardwalk REIT in respect of such Trust Units and all other Trust Units, other than Special Voting Units, tendered for redemption in the same calendar month shall not exceed \$50,000 (provided that such limitation may be waived at the discretion of the Trustees); (ii) at the time such Trust Units are tendered for redemption, the outstanding Trust Units shall be listed for trading on a stock exchange or traded or quoted on another market which the Trustees consider, in their sole discretion, provides representative fair market value prices for such Trust Units; and (iii) the normal trading of the Trust Units is not suspended or halted on any stock exchange on which such Trust Units are listed (or, if not listed on a stock exchange, on any market on which such Trust Units are quoted for trading) on the redemption date or for more than five trading days during the 20-day trading period commencing immediately after the redemption date.

Regulatory Approvals May be Required in Connection with a Distribution of Securities on a Redemption of Trust Units or the Termination of Boardwalk REIT

Upon redemption of Trust Units or termination of Boardwalk REIT, the Trustees may distribute securities directly to the Unitholders, subject to obtaining any required regulatory approvals. No established market may exist for the securities so distributed at the time of the distribution and no market may ever develop.

In addition, the securities so distributed may not be qualified investments for Plans, depending upon the circumstances at the time.

An Investment in Trust Units is Subject to Certain Tax Risks

There can be no assurance that Canadian federal income tax laws respecting the treatment of mutual fund trusts and real estate investment trusts will not be changed in a manner which adversely affects the holders of Trust Units.

SIFT Legislation Management of the Trust believes the Trust currently qualifies as a "mutual fund trust" and a "real estate investment trust" for Canadian income tax purposes. If the Trust were not to so qualify, the consequences could be material and adverse. The Tax Act contains the SIFT Legislation, which tax certain publicly traded or listed trusts in a manner similar to corporations and tax certain distributions from such trusts as taxable dividends from a taxable Canadian corporation. The SIFT Legislation applies to a trust that is a "SIFT trust" and a partnership that is a "SIFT partnership", each as defined in the Tax Act. Distributions paid by a specified investment flow-through ("**SIFT**") trust as return of capital will generally not be subject to the tax. The SIFT Legislation is not applicable to a real estate investment trust that meets prescribed conditions relating to the nature of its assets and revenue. Unless the Trust qualifies for exclusion from the definition of "SIFT trust" in the Tax Act (i.e., REIT Exemption), the SIFT Legislation could impact the level of cash distributions which would otherwise be made by the Trust and the taxation of such distributions to Unitholders. If the Trust were to no longer qualify for the REIT Exemption, it would not be able to flow through its taxable income to Unitholders and the Trust would therefore be subject to tax. The REIT Exemption is applied on an annual basis. As such, it will not be possible to determine if the Trust will satisfy the conditions of the REIT Exemption for 2024 or any subsequent year until the end of the particular year.

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

Limits on Interest Deductibility

The Department of Finance (Canada) has released proposals to amend the Tax Act that are intended, where applicable, to limit the deductibility of interest and financing expenses in certain circumstances, including the computation of income or loss by a trust for purposes of the Tax Act (the "**EIFEL Proposals**"). Under the EIFEL Proposals, for taxation years beginning on or after October 1, 2023, the amount of net interest and financing expenses incurred by a corporation or trust, whether incurred directly or through a partnership, that may be deducted in computing its income for Canadian income tax purposes will generally be limited to no more than a fixed ratio of its adjusted taxable income, which is intended to reflect the taxable income generated by its activities in Canada.

If the EIFEL Proposals are enacted as proposed, the income of the Trust for Canadian income tax purposes may be increased which could change the taxable component of distributions to Unitholders and have an adverse impact on the after-tax return of a Unitholder and on the value of Trust Units. The EIFEL Proposals may also apply to a corporation or trust held directly or indirectly by the Trust. Further, a Unitholder who makes a leveraged investment in Trust Units may be adversely affected.

Change of Tax Laws

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

In addition, tax authorities having jurisdiction over the Trust, its affiliates or Unitholders may disagree with the manner in which the Trust calculates its income for tax purposes or could change their administrative practices to the Trust's detriment or the detriment of Unitholders. Boardwalk files all required income tax returns and believes that it is in

full compliance with the applicable tax legislation. However, such returns are subject to audit and reassessment by the applicable taxation authority. Any such reassessment may have an impact on current and future taxes payable and incur penalties and interest on such amounts payable which could be material.

In December 2023, the CRA notified the Trust that the CRA will be issuing notices of reassessment, 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 the Trust did not report deemed taxable gains in each of those taxation years, resulting from alleged negative adjusted cost base in the Trust's units of the Operating Trust. While the Trust intends to file a notice of objection to each proposed reassessment as it disagrees with the CRA's position, there can be no assurance that such objections will be successful. Further, the position adopted by the CRA in its expected reassessment may have implications for other taxation years resulting in additional taxes, penalties and interest payable which, in aggregate, could be material. Any reassessment that cannot be successfully challenged could increase the amount of tax payable by the Trust, its affiliates or any Unitholders during the applicable taxation years of the Trust, adversely affect Unitholders by reducing the amount available to pay distributions, or otherwise adversely affect the Trust or the Unitholders.

Non-Resident Ownership

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

The restrictions on the issuance of Trust Units by the Trust to Non-Residents may negatively affect the Trust's ability to raise financing for future acquisitions or operations. In addition, the Non-Resident ownership restrictions could negatively impact the liquidity of the Trust Units and the market price at which the Trust Units can be sold.

The Tax Act may impose additional withholding or other taxes on distributions made by the Trust to Unitholders who are Non-Residents. The application of these taxes and any reduction in the rates thereof pursuant to an applicable income tax treaty or convention may change from time to time. Non-Resident Unitholders should consult their own tax advisors concerning the imposition of such withholding and other taxes based on their particular circumstances.

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

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

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

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

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

Regulation and Changes in Applicable Laws

Boardwalk REIT is subject to laws and regulations governing the ownership and leasing of real property, zoning, building standards, landlord/tenant relationships, employment standards, environmental matters, taxes and other matters. It is possible that future changes in applicable federal, provincial, municipal or common laws or regulations or

changes in their enforcement or regulatory interpretation could result in changes in the legal requirements affecting Boardwalk (including with retroactive effect). Any changes in the laws to which Boardwalk REIT is subject could materially adversely affect the Trust's rights and title to its assets. It is not possible to predict whether there will be any further changes in the regulatory regimes to which Boardwalk REIT is subject or the effect of any such changes on its investments. Further, residential landlord/tenant laws in certain provinces may provide tenants with the right to bring certain claims to the applicable judicial or administrative body seeking an order to, among other things, compel landlords to comply with health, safety, housing and maintenance standards. As a result, Boardwalk may, in the future, incur capital expenditures, which may not be fully recoverable from tenants.

DISTRIBUTIONS

Distribution Policy

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

The Board reviews Distributions on a quarterly basis and takes into consideration Distribution sustainability and whether there are more attractive alternatives to the Trust's current capital allocation strategy, such as its value-added renovation program, brand diversification initiative or new construction of multi-family communities in supply-constrained markets.

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

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

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

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

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

- (i) the number of Trust Units held by such Unitholder prior to the Distribution plus the number of Trust Units received by such Unitholder in connection with the Distribution (net of the number of whole and part Trust Units withheld on account of withholding taxes);
multiplied by
- (ii) the fraction obtained by dividing the aggregate number of Trust Units outstanding prior to the Distribution by the aggregate number of Trust Units that would be outstanding following the Distribution and before the consolidation if no withholding were required in respect of any part of the Distribution payable to any Unitholder.

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

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

Annual Distributions

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

Year	Total Distribution Per Trust Unit
2023	\$1.1155
2022	\$1.0668
2021	\$1.0008

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

The Board reviews the Trust's allocation of capital, including its monthly Distributions, on a quarterly basis. Despite the improving fundamentals in the Trust's core markets of Alberta and Saskatchewan, the Trust's management and Board believe that the Trust's capital allocation opportunities, which include the current suite renovation/Re-Positioning Program along with growth opportunities consistent with Boardwalk's focus on FFO per Trust Unit and NAV per Trust Unit growth and creation, provides an opportunity for the Trust to utilize its cashflow to maximize value for all Unitholders. Beginning in 2018, the Trust's distribution policy was aligned with the Trust's long-term focus of NAV growth and comprises an annual distribution, paid monthly, at least equal to the taxable portion of the Trust's income. This formal policy allows the Trust to retain a significant portion of cashflow to re-invest in capital growth opportunities. The Board reviews the taxable portion of the Trust's income on a quarterly basis and may announce an increase or a special distribution from time to time to ensure that all taxable income is distributed to Unitholders.

INVESTMENT GUIDELINES AND OPERATING POLICIES OF THE TRUST

Investment Guidelines

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

- (a) Boardwalk REIT will focus its activities primarily on the acquisition, holding, developing, maintaining, improving, leasing or managing of multi-unit residential revenue producing properties, and ancillary real estate ventures, including, but not limited to, condominium conversions and sales of properties in which the Trust has (or will have) an interest, as well as, subject to subparagraph (l) below, the development of raw land (including the financing thereof) for the purpose of carrying out the above noted activities ("**focus activities**");
- (b) notwithstanding anything contained in the Declaration of Trust to the contrary, no investment will be made that would result in:
 - (i) Trust Units being disqualified for investment by Plans;
 - (ii) Boardwalk REIT ceasing to qualify as a "mutual fund trust" or "a "registered investment" for purposes of the Tax Act; or

- (iii) the Trust not qualifying as a "real estate investment trust", as defined in subsection 122.1(1) of the Tax Act, if as a consequence of the Trust not so qualifying, the Trust would be subject to tax on its **"taxable SIFT trust distributions"**;
- (c) the Trust may, directly or indirectly, invest in a joint venture arrangement for the purposes of owning interests or investments otherwise permitted to be held by the Trust, provided that such joint venture arrangement contains terms and conditions which, in the opinion of the Trustees, are commercially reasonable, including without limitation such terms and conditions relating to restrictions on transfer and the acquisition and sale of the Trust's and any joint venturer's interest in the joint venture arrangement, provisions to provide liquidity to the Trust, such as buy-sell mechanisms, provisions that limit the liability of the Trust to third parties, and provisions that provide for the participation of the Trust in the management of the joint venture arrangement. For purposes of this provision, a joint venture arrangement is an arrangement between the Trust and one or more other person ("**joint venturers**") pursuant to which the Trust, directly or indirectly, conducts an undertaking for one or more of the purposes set out above and in respect of which the Trust may hold its interest jointly or in common or in another manner with others either directly or through the ownership of securities of a corporation or other entity "a **joint venture entity**"), including without limitation a general partnership, limited partnership or limited liability company;
- (d) unless otherwise permitted in the provisions of the Declaration of Trust setting out the Investment Guidelines and except for temporary investments held in cash, deposits with a Canadian or U.S. chartered bank or trust company registered under the laws of a province of Canada, short-term government debt securities or in money market instruments of, or guaranteed by, a Schedule I Canadian chartered bank maturing prior to one year from the date of issue, Boardwalk REIT, directly or indirectly, may not hold securities other than:
 - (i) currency or interest rate futures contracts for hedging purposes to the extent that such hedging activity complies with the National Instrument 81-102 – Investment Funds or any successor instrument or rule;
 - (ii) securities of a joint venture entity, or any entity formed and operated solely for the purpose of carrying on ancillary activities to any real estate owned (or to be owned) or developed (or to be developed), directly or indirectly, by Boardwalk REIT, or an entity wholly-owned (or to be wholly-owned), directly or indirectly, by Boardwalk REIT formed and operated solely for the purpose of holding and/or developing a particular real property or real properties or for any other purpose relating to the activities of the Trust; and
 - (iii) securities of another issuer, including, but not limited to, a real estate investment trust, provided either: (A) such securities derive their value, directly or indirectly, principally from real property; or (B) the principal business of the issuer of the securities is the ownership, development or operation, directly or indirectly, of real property, and provided in either case the entity whose securities are being acquired are engaged in a focus activities no investment will be made in a real property located in the United States unless Boardwalk REIT has obtained an opinion from legal counsel to the effect that the making of the investment should not result in interest paid by any U.S. entity in which Boardwalk REIT, directly or indirectly, owns an interest to any affiliate of Boardwalk REIT ceasing to be deductible for U.S. federal income tax purposes or becoming subject to U.S. withholding tax;
- (f) no investment will be made, directly or indirectly, in operating businesses unless such investment is through a corporation, limited partnership or trust;
- (g) notwithstanding any other provisions of the Declaration of Trust setting out the Investment Guidelines, the securities of a reporting issuer in Canada may be acquired provided that:
 - (i) the activities of the issuer are focused on focus activities; and
 - (ii) in the case of any proposed investment or acquisition which would result in the beneficial ownership of more than 10% of the outstanding units of the securities issuer (the "**acquired issuer**"), the investment is made for the purpose of subsequently effecting the merger or combination of the business and assets of Boardwalk REIT and the acquired issuer or for

otherwise ensuring that Boardwalk REIT will control the business and operations of the acquired issuer;

- (h) no investments will be made in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;
- (i) the Trust may not invest in mortgages, mortgage bonds, Notes (other than Operating Trust Notes) or debentures ("**Debt Instruments**") (including participating or convertible) unless the real property which is security therefore is real property which otherwise meets the Investment Guidelines, including, but not limited to, subparagraph (b) above, provided that, notwithstanding the foregoing, an investment may be made in Debt Instruments if the primary intention is to use such investment as a method of acquiring control of a revenue producing real property which would otherwise be a permitted investment pursuant to the Investment Guidelines, including, but not limited to, subparagraph (b) above;
- (j) notwithstanding paragraph (i) above, Boardwalk REIT may also invest in mortgages where:
 - (i) the mortgage is a "vendor take-back" mortgage granted to Boardwalk REIT in connection with the sale by it of existing real property and as a means of financing the purchaser's acquisition of such property from Boardwalk REIT;
 - (ii) the mortgage is interest bearing
 - (iii) the mortgage is registered on title to the real property which is security therefore;
 - (iv) the mortgage has a maturity not exceeding five years;
 - (v) the amount of the mortgage loan is not in excess of 85% of the selling price of the property securing the mortgage; and
 - (vi) the aggregate value of these mortgages (including mortgages and mortgage bonds in which Boardwalk REIT is permitted to invest by virtue of paragraph (i) above, (after giving effect to the proposed investment, will not exceed 15% of Gross Book Value) calculated at the time of such investment);
- (k) subject to subparagraph (b) above, the Trust may invest directly in raw land for development provided such investment is through a corporation, limited partnership or trust established for the purpose of:
 - (i) the renovation or expansion of existing facilities that are capital property of the Trust; or
 - (ii) the development of new facilities which will be capital property of the Trust; and
- (l) notwithstanding any other provisions of the Declaration of Trust, investments may be made which do not comply with the investment policy provisions of the Declaration of Trust provided:
 - (i) the aggregate cost thereof (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any indebtedness assumed or incurred in connection with the acquisition and secured by a mortgage on such property) does not exceed 15% of the Adjusted Unitholders' Equity of the Trust; and
 - (ii) the making of such investment would not contravene subparagraph (b) above.

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

Operating Policies

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

- (a) the construction and/or development of real property (including the financing thereof) may be engaged in order to maintain its real properties in good repair or to enhance the revenue-producing potential of real properties in which it has, or will have, an interest;

- (b) except for properties encumbered by the Retained Debt, title to each real property shall be held by and registered in the name of the Partnership, the General Partner or a corporation or other entity wholly-owned indirectly by Boardwalk REIT or jointly owned indirectly by Boardwalk REIT with joint venturers; provided, that where land tenure will not provide fee simple title, the Partnership, the General Partner or a corporation or other entity wholly-owned, directly or indirectly by the Partnership or jointly owned, directly or indirectly, by Boardwalk REIT with joint venturers shall hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;
- (c) the Trust will maintain a ratio of Consolidated EBITDA to Consolidated Interest Expense of not less than 1.50 to 1, calculated from time to time in respect of the most recently completed Reference Period;
- (d) the Trust may, directly or indirectly, guarantee indebtedness or liabilities of a third party, provided that such guarantee is related to the direct or indirect ownership or acquisition by the Trust of real property that would otherwise comply with the investment restrictions and operating guidelines set out in the Declaration of Trust;
- (e) except for the 2004 Assets acquired pursuant to the Master Asset Contribution Agreement, an engineering survey or physical review by an experienced third-party consultant will be obtained for each real property intended to be acquired with respect to the physical condition thereof;
- (f) at all times insurance coverage will be obtained and maintained in respect of potential liabilities of Boardwalk REIT and the accidental loss of value of the assets of Boardwalk REIT from risks, in amounts and with such insurers, in each case as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties;
- (g) except for the 2004 Assets acquired pursuant to the Master Asset Contribution Agreement, a Phase I environmental audit shall be conducted for each real property to be acquired and, if the Phase I environmental audit report recommends that further environmental audits be conducted, such further environmental audits shall be conducted, in each case by an independent and experienced environmental consultant; and
- (h) at least 8.5% of gross consolidated annual rental revenues generated from properties where the associated mortgage financing is insured by CMHC ("insured properties") as determined pursuant to GAAP shall be expended annually on sustaining capital expenditures, repairs and maintenance, all determined on a portfolio basis for all insured properties. For this purpose, capital expenditures and repairs and maintenance include all onsite labour costs and other expenses and items associated with such capital expenditures, repairs and maintenance.

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

DECLARATION OF TRUST AND DESCRIPTION OF TRUST UNITS

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

Trust Units

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

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

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

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

Special Voting Units

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

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

Each Special Voting Unit entitles the registered holder thereof to the number of votes at any meeting of Unitholders or in respect of any written resolution of Unitholders which is equal to the number of Trust Units which may be obtained upon the surrender of the LP Class B Unit to which the Special Voting Unit relates. The Special Voting Units do not entitle or give any rights to the holders thereof to receive distributions or any amount upon liquidation, dissolution or winding-up of Boardwalk REIT. Holders of Special Voting Units are not entitled to receive a certificate or other written instrument evidencing ownership of such units.

Purchase of Trust Units

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

Trust Unit Redemption Right

- (i) Trust Units are redeemable at any time, in whole or in part, on demand by the Unitholder thereof by sending a notice to Boardwalk REIT at its head office in a form approved by the Trustees and completed and executed in a manner satisfactory to the Trustees, who may require supporting documentation as to identity, capacity or authority. A Unitholder not otherwise holding a fully registered Trust Unit certificate who wishes to exercise the redemption right will be required to obtain a redemption notice from his or her investment dealer or other intermediary who will be required to deliver the completed redemption form to Boardwalk REIT. Upon receipt by Boardwalk REIT of a written redemption notice and other documents that may be required, all in a manner satisfactory to the Trustees, a holder of Trust Units shall cease to have any rights with respect to the tendered Trust Units (other than to receive the redemption payment therefor), including any right to receive any distributions thereon which are declared payable to the Unitholders of record on a date which is subsequent to the day of receipt of the redemption notice by Boardwalk REIT. Following receipt by Boardwalk REIT of a written redemption notice, the holder of the rights tendered for redemption shall be entitled to receive a price per Trust Unit (the "**Redemption Price**") equal to the lesser of: 90% of the "market price" of the Trust Units on the principal market on which the Trust Units are quoted for trading on the trading day prior to the day on which the Trust Units were surrendered to Boardwalk REIT for redemption (the "**Redemption Date**"); and
- (ii) 100% of the "closing market price" of the Trust Units on the principal market on which the Trust Units are quoted for trading on the Redemption Date.

For the purposes of this calculation, "**market price**" in respect of Trust Units will be an amount equal to the 20-day daily volume weighted average of the closing price of the Trust Units for each of the trading days on which there was

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

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

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

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

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

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

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

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

- (i) the Redemption Price per unit of the Trust Units tendered for redemption; and
- (ii) the number of Trust Units tendered by such Unitholder for redemption. No Series 2 Notes in a principal amount of less than \$100 will be transferred and, where the principal amount of Series 2 Notes to be received by the former Unitholder upon redemption, *in specie*, would otherwise include a principal amount of less than a multiple of \$100, such number will be rounded down to the next lowest multiple of \$100 and

the excess shall be paid in cash. The term of such notes will be 10 years, less a day, subject to earlier repayment at the option of Boardwalk REIT, and they would bear interest at a market rate determined by the trustees of the Operating Trust at the time of issuance thereof, payable on the 30th day of each calendar month that such Series 2 Notes are outstanding. In such circumstances, Operating Trust Units will be redeemed. Boardwalk REIT shall be entitled to all interest paid or declared payable on the Series 2 Notes being transferred, to and including the Transfer Date. The Series 2 Notes issued by the Operating Trust will then be distributed in satisfaction of the Redemption Price of Trust Units.

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

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

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

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

Meetings of Unitholders

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

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

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

Trust and the Partnership. The first annual meeting of Unitholders was held on May 10, 2005. The last annual meeting of Unitholders was on May 8, 2023.

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

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

Limitation on Non-Resident Ownership

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

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

Amendments to the Declaration of Trust and Other Documents

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

- (a) an exchange, reclassification or cancellation of all or part of the Trust Units;

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

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

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

Furthermore, Boardwalk REIT may not agree to or approve any change to the provisions of the Declaration of Trust governing distributions on the Units, or the rights and attributes of the LP Class A Units, LP Class B Units or LP Class C Units without the approval of at least 66⅔% of the votes cast at any meeting of holders of Trust Units or Special Voting Units, as the case may be, called for that purpose.

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

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

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

- (i) amend the provisions of the Declaration of Trust governing amendments to same;

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

MARKET FOR SECURITIES OF THE TRUST

As at December 31, 2023 there were 49,388,174 Trust Units outstanding and 4,475,000 LP Class B Units issued and outstanding for a fully diluted Trust Unit capital of 53,863,174 Trust Units.

The Trust Units are listed for trading on the TSX under the symbol "**BEI.UN**." The monthly trading volume and price range of the Trust Units on the TSX for fiscal 2023 are set forth in the following table:

Month	High (\$)	Low (\$)	Volume
January	\$56.35	\$49.03	1,755,058
February	\$60.05	\$55.25	2,952,710
March	\$60.67	\$52.94	3,189,759
April	\$59.98	\$54.00	1,522,772
May	\$64.46	\$57.14	2,192,929
June	\$62.50	\$59.02	1,922,577
July	\$69.17	\$60.65	1,963,958
August	\$68.74	\$63.00	1,825,459
September	\$71.19	\$65.25	2,228,751
October	\$68.63	\$63.09	2,437,476
November	\$71.52	\$64.40	2,302,788
December	\$74.78	\$66.62	3,585,906

MANAGEMENT OF THE TRUST

Trustees

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

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

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

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

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

Name, Position and Place of Residence	Trustee Since	Principal Occupation
Mandy Abramsohn ^{(1) (2)} Independent Trustee Ontario, Canada	May 9, 2022	President of Wand Advisory & Investments Inc., an advisory and investments company, since 2020. Prior thereto, SVP, Real Estate at DBRS from 2017 to 2019, and prior thereto Ms. Abramsohn held several senior capital market roles including leading real estate capital markets at EY Canada, leading Canadian real estate equity research at Raymond James Ltd. and as an investment manager of a \$2 billion top performing Canadian equity dividend fund at Great West Life. Ms. Abramsohn's extensive capital markets experience spans many complex, high-profile and market leading transactions and entities including mergers and acquisitions, initial public offerings, portfolio transactions, privatizations, strategic reviews, complex valuations, as well as a variety of debt and equity financings and investments. Ms. Abramsohn began her career in public accounting with one of the Big 5 accounting firms, ultimately specialising in business valuations. Ms. Abramsohn serves on the boards of West Side Square Development Fund, Seasons Retirement Communities and the External Investment Committee for Starlight Capital. She previously served on the board of Northwest Healthcare Properties REIT. Ms. Abramsohn holds a Bachelor of Commerce degree (with Distinction) from the University of Toronto and holds the CA, CPA, CBV, CFA and CPA (Illinois) professional designations. She is a member of the Chartered Professional Accountants of Canada and Ontario, Canadian Institute of Chartered Business Valuators, CFA Institute and the Toronto CFA Society, and is also registered as a CPA in the state of Illinois.
Andrea Goertz ^{(1) (2)} Independent Trustee British Columbia, Canada	May 15, 2019	Corporate director and independent businessperson since 2018. Ms. Goertz has extensive experience as an executive and board member. Ms. Goertz was Chief Communications and Sustainability Officer at TELUS from 2011 to 2018, stewarding real estate, provincial government relations, corporate communications and marketing, privacy, and corporate social responsibility. She is a 2-time recipient of WXN Canada's Most Powerful Women: Top 100 Awards. In addition to Boardwalk, Ms. Goertz serves on the board of directors of the YYC Airport Authority and TriSummit Utilities Inc. (TSX: ACI) and is a co-founder of Women on Boards. Ms. Goertz holds a Bachelor of Commerce degree in Finance (Distinction) and a Master of Business Administration degree, both from the University of Alberta and is a graduate of the Directors Education Program, which is jointly developed by the Institute of Corporate Directors ("ICD").
Gary Goodman ⁽¹⁾ Independent Trustee Ontario, Canada	May 13, 2009	Corporate director since 2009. Previously, Executive Vice-President of Reichmann International Development Corporation and International Property Corporation (December 2007 - June 2010). Prior thereto, Chief Financial Officer (December 2001 - November 2006) and President & Chief Executive Officer (December 2006 - December 2007) of IPC US REIT, a TSX listed Real Estate Investment Trust which was sold to Behringer Harvard in December 2007. Prior thereto, Mr. Goodman also served as a Director and Senior Vice President of Olympia & York Developments Limited, as well as a Director of Campeau Corporation, Trilon Financial Corporation, Huntingdon Capital Corporation, Catellus Corporation, Gazit America, Brightpath Early Learning Inc. and Brinco Mining. Mr. Goodman is a member of the Advisory Board of Vision Opportunity Fund, a limited partnership which invests in real estate securities. Mr. Goodman currently serves as a director of Eddy Smart Home Solutions Ltd. (TSXV: EDY), a TSX Venture Exchange listed entity. Mr. Goodman is a Chartered Accountant (Gold Medalist) and has a Bachelor of

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

Notes:

(1) Member of the Audit and Risk Management Committee.

(2) Member of the Compensation, Governance, Nominations and Sustainability Committee.

Executive Officers

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

Name and Place of Residence	Position Held	Principal Occupation
Sam Koliás Alberta, Canada	Chairman and Chief Executive Officer	Mr. Koliás' biographical information is listed under "Trustees" above.
John Eric Bowers Alberta, Canada	Vice President, Finance and Investor Relations	Vice President, Finance and Investor Relations since November 1, 2019; prior thereto, Director of Acquisitions since 2014.
Leonora Davids Alberta, Canada	Senior Vice President, Operations	Senior Vice President, Operations since June 1, 2020; prior thereto, Vice President, Operations, Western Canada (March 1, 2019 - June 1, 2020) and Regional Director, Southern Alberta (July 1, 2008-February 28, 2019).
James Ha Alberta, Canada	President	President since March 1, 2022; prior thereto, Vice President, Finance and Investor Relations (February 1, 2018 - March 1, 2022) and Director, Mortgage and Finance (from 2009-2018).
Bhavnesht Jaraim Alberta, Canada	Vice President, Technology & Chief Information Officer	Vice President, Technology and Chief Information Officer since January 1, 2018; prior thereto, Director of Product Operations (January 2017 – January 2018). Prior to joining Boardwalk, Mr. Jaraim held roles at Enbridge Inc. (TSX: ENB) from October 2012-February 2016 including Senior Business Analyst and Senior IT Strategic Analyst.
Jeff Klaus Alberta, Canada	Vice President, Asset Management & Development	Vice President, Asset Management and Development since February 1, 2018; prior thereto, Director of Acquisitions and Analysis (since 2003).
Van Koliás Alberta, Canada	Senior Vice President, Quality Control	Senior Vice President, Quality Control since May 3, 2004.
Samantha Koliás-Gunn ⁽¹⁾ Alberta, Canada	Senior Vice President of Corporate Development and Governance	Mr. Koliás Gunn's biographical information is listed under "Trustees" above.
Helen Mix Alberta, Canada	Vice President, People	Vice President, People since May 3, 2004.
Lisa Smandych Alberta, Canada	Chief Financial Officer & Secretary-Treasurer	Chief Financial Officer since July 1, 2020; prior thereto, Chief Accounting Officer (from March 1, 2019 to July 1, 2020), and Director of Corporate Reporting (February 25, 2008-February 28, 2019).
Nandini Somayaji Alberta, Canada	General Counsel & Corporate Secretary	General Counsel and Corporate Secretary since December 4, 2023. Prior to joining Boardwalk, Ms. Somayaji held various roles at DIRT Environmental Solutions Ltd. (TSX: DRT) from March 2017-June 2023, including SVP General Counsel and Corporate Secretary and Associate General Counsel and Corporate Secretary.

Trustee and Executive Officer Equity Ownership

As of December 31, 2023, the Trustees and executive officers of Boardwalk REIT as a group beneficially own, directly or indirectly, or exercise control or direction over, 8,757,119 Trust Units, representing approximately 17.7% of the outstanding Trust Units. BPCL, indirectly wholly owned by Sam Koliás, Chairman, Chief Executive Officer and a Trustee of Boardwalk REIT, and Van Koliás, Senior Vice President, Quality Control of the General Partner, owns a further 4,475,000 LP Class B Units, which, if exchanged into Trust Units, would give them an additional 6.8% of the outstanding Trust Units.

Conflict of Interest Restrictions and Provisions

The Declaration of Trust contains "conflict of interest" provisions similar to those applicable to corporations under Section 120 of the ABCA, which serve to protect Unitholders without creating undue limitations on Boardwalk REIT. Given that the Trustees and the officers of Boardwalk REIT are engaged in a wide range of real estate and other business

activities, the Declaration of Trust requires each Trustee or officer of Boardwalk REIT to disclose to Boardwalk REIT if he or she is a party to a material contract or transaction or proposed material contract or transaction with Boardwalk REIT or its subsidiaries or the fact that such person is a director or officer of, or otherwise has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with Boardwalk REIT or its subsidiaries.

Such disclosure is required to be made by a Trustee at the first meeting at which a proposed contract or transaction is considered, at the first meeting after a Trustee becomes interested in a proposed or pending contract or transaction or at the first meeting after an interested party becomes a Trustee. Disclosure is required to be made by an officer of Boardwalk REIT as soon as the officer becomes aware that a contract or transaction or proposed contract or transaction is to be, or has been, considered by the Trustees, as soon as the officer becomes aware of his or her interest in a contract or transaction or, if not currently an officer of Boardwalk REIT, as soon as such person becomes an officer of Boardwalk REIT.

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

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

Cease Trade Orders, Bankruptcies, Penalties, Sanctions

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

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

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

Boardwalk REIT Administrative Services Agreement

Management and General Administrative Services

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

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

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

Administrative and Support Services

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

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

INFORMATION CONCERNING THE OPERATING TRUST, PARTNERSHIP AND CORPORATION

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

The Operating Trust

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

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

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

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

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

Trustees

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

The trustees of the Operating Trust shall not, through voting units in the Partnership, effect any material change to the Limited Partnership Agreement, any amendment to the rights and attributes of the LP Units, or undertake any activity, take any action, or make any investment which would result in Boardwalk REIT breaching or being in default of

the Investment Guidelines or operating policies as set out in the Declaration of Trust, without the approval of at least 66⅔% of the Operating Trust Unitholder.

Operating Trust Units

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

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

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

Redemption Right

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

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

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

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

Where:

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

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

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

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

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

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

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

Cash Distributions

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

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

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

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

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

The Partnership

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

The General Partner

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

LP Units

The Partnership is authorized to issue an unlimited number of LP Class A Units, an unlimited number of LP Class B Units and an unlimited number of LP Class C Units, and, subject to certain restrictions, such other classes of partnership interests as the General Partner may decide from time to time. All of the LP Class A Units are held by the Operating Trust, the LP Class C Units are held by the Corporation and the LP Class B Units are held by BEI Subco.

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

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

Pursuant to a letter agreement, dated effective January 6, 2005, Messrs. Sam Koliass and Van Koliass, the sole owners, of all of the issued and outstanding LP Class B Units, have agreed that, indirectly through their 100% ownership interest in the Corporation (following the Effective Date) and its wholly-owned subsidiary, BEI Subco, as long as they indirectly control BEI Subco, they will ensure that the LP Class B Units are not sold to a third party without the consent of Boardwalk REIT. Such agreement does not limit the right of the Koliasses or any related or controlled entity to use the LP Class B Units as collateral for any liability or obligation, corporate or otherwise. The agreement also allows the Koliasses the freedom to deal with the LP Class B Units in response to a business combination proposal involving Boardwalk REIT without the consent of the Trust, whether in connection with a lock-up agreement, voting agreement or commitment to tender, to sell or any other obligation.

Pursuant to the Declaration of Trust and the Exchange and Support Agreement, if an offer, issuer bid (other than an exempt issuer bid), take-over bid (other than an exempt take-over bid) or similar transaction with respect to the Trust Units is proposed by Boardwalk REIT or is proposed to Boardwalk REIT or holders of Trust Units, and is recommended by the Trustees, or is otherwise effected or to be effected with or without the consent or approval of the Trustees (each an "Offer"), and the LP Class B Units are not acquired by the Partnership in accordance with their terms or exchanged for Trust Units in accordance with the Exchange and Support Agreement, Boardwalk REIT will, to the extent possible in the circumstances, expeditiously and in good faith, take all such actions and do all such things as are necessary or desirable to enable and permit holders of those LP Class B Units to participate in such Offer to the same extent and on an economically equivalent basis as the holders of Trust Units, without discrimination. Without limiting the generality of the foregoing, Boardwalk REIT will, to the extent possible in the circumstances, expeditiously and in good faith, use commercially reasonable efforts to ensure that holders of LP Class B Units may participate in all such Offers without being required to

exercise any available right to surrender such units for withdrawal or exercise their right to exchange such LP Class B Units (or, if so required, to ensure that any such surrender or exchange will be effective only upon, and will be conditional upon, the successful closing of the Offer and only to the extent necessary to tender to or deposit under the offer). In the event of the liquidation, dissolution or winding-up of the Partnership or any other distribution of the assets of the Partnership among the holders of the LP Units of the Partnership for the purpose of winding up its affairs, a holder of LP Class B Units will be entitled, subject to applicable law, to receive in respect of each LP Class B Unit held by such holder on the effective date of such liquidation, dissolution or winding-up, one Trust Unit for each LP Class B Unit.

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

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

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

The LP Class C Units are entitled to a preferred distribution in amounts at least sufficient to permit the Corporation, as the holder of such units, to meet its obligations to make all payments due and payable by the Corporation on the Retained Debt. The holders of LP Class C Units are also entitled to receive, and subject to applicable law, the General Partner will declare a distribution of distributable cash on each LP Class C Unit equal to the LP Class C Preferred Distribution (as defined below) divided number of LP Class C Units outstanding. See "*Information Concerning the Operating Trust, Partnership and Corporation*" in this AIF.

As long as any of the LP Class C Units are outstanding, the Partnership will not at any time without, but may at any time with, the approval of the holders of the LP Class C Units: (a) pay any distribution on the LP Class A Units or LP Class B Units unless distributions payable on the LP Class C Units have been paid; (b) offer to accept the withdrawal of the LP Class A Units or LP Class B Units; or (c) issue any additional LP Class C Units.

In the event of the liquidation, dissolution or winding-up of the Partnership or any other distribution of the assets of the Partnership among the holders of the LP Units for the purpose of winding up its affairs, a holder of LP Class C Units will be entitled, subject to applicable law, and in priority to any distribution to the holders of LP Class A Units or LP Class B Units, to receive in respect of each LP Class C Unit held by such holder on the effective date of such liquidation, dissolution or winding-up, an amount equal to the LP Class C Preferred Liquidation Entitlement (defined below) divided by the outstanding LP Class C Units. For purposes hereof, the "**LP Class C Preferred Liquidation Entitlement**" means the aggregate of each amount that is:

- (i) the principal amount of the Retained Debt that is outstanding on the liquidation date, all accrued and unpaid interest on such principal amount up to and including the liquidation date and any other amount outstanding in respect of the Retained Debt on the liquidation date;
- (ii) an amount of either tax that is due and payable under Part I.3 of the Tax Act or capital tax that is due and payable under any relevant provincial or territorial legislation that is reasonably attributable to the Retained Debt, and any interest or penalties thereon; and
- (iii) in respect of the amount of tax that is due and payable under the Tax Act or any similar provincial or territorial statute that is reasonably attributable to the foregoing distributions and any disposition whether by redemption or otherwise of any LP Class C Unit, and any interest or penalties thereon, and for greater certainty each amount under (i), (ii) and (iii) above shall be determined without duplication.

The holders of LP Class C Units are entitled to receive notice of, to attend and to vote (on the basis of one vote for every 1,000 LP Class C Units held) at all meetings of holders of LP Units.

Distributions

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

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

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

- (a) to the Corporation, as holder of LP Class C Units of the amount of distributable cash of the Partnership that is equal to the aggregate of:
 - (A) 0.5% of the distributable cash, up to a maximum of \$100,000 in each fiscal year; and
 - (B) each amount due and payable by the Corporation, or will become due and payable after the date in which the General Partner declares any distribution on the LP Class C Units and before the next distribution date on LP Class C Units:
 - (i) in respect of principal, interest or any other amount under the Retained Debt;
 - (ii) in respect of the amount of either tax that is due and payable under Part I.3 of the Tax Act or capital tax that is due and payable under any provincial or territorial statute all of which is reasonably attributable to the Retained Debt, and any interest or penalties thereon; and
 - (iii) in respect of the amount of tax that is due and payable under either the Tax Act or any similar provincial or territorial statute that is reasonably attributable to any distributions on the LP Class C Units, including any disposition whether by redemption or otherwise of any LP Class C Unit, and any interest or penalties thereon, and for greater certainty each amount under (i), (ii) and (iii) above shall be determined without duplication; excluding, in each case, any amount arising from the default by the holder of the LP Class C Units to satisfy its obligation under or in connection with the Retained Debt, unless such default can reasonably be attributed to the conduct of the Partnership (the "**LP Class C Preferred Distribution**");
- (b) the Reimbursement Distribution Amount to the General Partner;
- (c) an amount to the holders of LP Class A Units sufficient to allow Boardwalk REIT and the Operating Trust to pay their expenses (including, without limitation, any fees or commissions payable to agents or underwriters in connection with the sale of securities by Boardwalk REIT or the Operating Trust) on a timely basis (the "**LP Class A Preferred Distribution**");
- (d) an amount to the General Partner equal to 0.001% of the balance of the distributable cash of the Partnership; and
- (e) an amount equal to the remaining balance of the distributable cash of the Partnership to the holders of LP Class A Units and LP Class B Units in accordance with their entitlements as holders of LP Class A Units and LP Class B Units, as the case may be and as provided for in the Limited Partnership Agreement.

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

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

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

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

$$B$$

Where:

A = the Elected Amount, and

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

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

Allocation of Partnership Income and Partnership Losses

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

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

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

$$B$$

Where:

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

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

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

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

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

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

Allocation of Partnership Tax Income and Partnership Tax Loss

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

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

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

B

Where:

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

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

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

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

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

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

The Corporation

History

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

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

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

Business of the Corporation Following the Acquisition and the Arrangement

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

In order to effect the Acquisition and the Arrangement for the benefit of all Shareholders, the Corporation retained legal title to certain real properties that were beneficially transferred to the Partnership pursuant to the Master Asset Contribution Agreement and the Corporation remains liable for the associated Retained Debt. The LP Class C Units held by the Corporation will provide preferred distributions to the Corporation that, if paid, are expected to be sufficient to permit the Corporation to meet its obligations under the Retained Debt as such obligations become due and payable. In addition, the Corporation has and will enter into certain and necessary arrangements with the Partnership in connection with the Corporation's continuing obligations with respect to these properties and the associated Retained Debt.

The Corporation has three directors, Messrs. Sam Kolas and Van Kolas and Ms. Samantha Kolas-Gunn, and three executive officers, Mr. Sam Kolas as President, Mr. Van Kolas as Secretary and Ms. Samantha Kolas-Gunn as Chief Financial Officer.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

During the financial year ended December 31, 2023, neither Boardwalk REIT nor the Corporation was a party to any legal proceeding, nor was either a party to, nor are or were any of either party's property the subject of any legal proceeding, involving claims for damages where the amount involved, exclusive of interest and costs, is in excess of ten percent (10%) of the current assets of the Trust, nor are there any such proceedings known to be contemplated.

During the financial year ended December 31, 2023, there were no: (i) penalties or sanctions imposed against either the Trust or the Corporation by a court relating to securities legislation or by a securities regulatory authority; (ii) penalties or sanctions imposed by a court or regulatory body against either the Trust or the Corporation that would likely be considered important to a reasonable investor in making an investment decision; or (iii) settlement agreements entered into by either the Trust or the Corporation before a court relating to securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

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

MATERIAL CONTRACTS

Other than as set forth below or contracts entered into in the ordinary course of business, during the year ended December 31, 2023, the Corporation, Boardwalk REIT, the Partnership, the Operating Trust and the General Partner, as applicable, did not enter into any contracts, nor are there any contracts still in effect, that are material:

- (i) the Limited Partnership Agreement;
- (ii) the Declaration of Trust;
- (iii) the Operating Trust Declaration of Trust;
- (iv) the Exchange and Support Agreement;
- (v) the Master Asset Contribution Agreement and ancillary contracts entered into in connection therewith;
- (vi) the Boardwalk REIT Administrative Services Agreement; and
- (vii) the Credit Agreement establishing the Credit Facility.

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

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditors of the Trust are Deloitte LLP, Chartered Professional Accountants, at its offices in Calgary, Alberta.

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

BOARD COMMITTEE INFORMATION

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

Audit and Risk Management Committee

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

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

- (i) reviewing Boardwalk REIT's procedures for internal control with the auditors and Chief Financial Officer of Boardwalk REIT;
- (ii) reviewing the independence he engagement and approve the fees of the auditors and other professional advisors;
- (iii) review and recommend to the Trustees for their approval annual and quarterly financial statements, as well as management's discussion and analysis of financial condition and results of operation;
- (iv) review and approve the public disclosure documents of Boardwalk REIT, including press releases;
- (v) review the principal business risks of the REIT on behalf of the Board; and
- (vi) review any significant transactions outside Boardwalk REIT's ordinary activities and all pending litigation involving Boardwalk REIT.

External Auditor Service Fees

The table below provides disclosure of the services provided by the Trust's external auditors in fiscal 2023 and fiscal 2022, dividing the services into the categories of work performed.

Type of Work	2023 Fees	2023	2022 Fees	2022
Audit Fees⁽¹⁾	\$926,382	77%	\$801,168	81%
Audit of annual financial statements	\$785,832	65%	\$673,538	68%
Review of interim financial statements and MD&A	\$140,550	12%	\$127,630	13%
Audit Related Fees⁽¹⁾⁽²⁾	\$197,607	16%	\$104,362	11%
Tax Related Fees⁽¹⁾⁽³⁾	\$85,160	7%	\$82,463	8%
Other	-	-	-	-
Total⁽¹⁾	\$1,209,149	100%	\$987,993	100%

Notes:

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

Compensation, Governance, Nominations and Sustainability Committee

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

ADDITIONAL INFORMATION

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

Additional financial information is provided in Boardwalk REIT's consolidated financial statements and related MD&A for the year ended December 31, 2023.

Additional information relating to Boardwalk REIT may also be found under the Trust's profile on SEDAR+ at www.sedarplus.com.

SCHEDULE A: AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

Policy Statement

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

Composition of the Committee

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

Meetings of the Committee

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

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

Duties and Responsibilities of the Committee

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

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

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

4. The Audit Committee shall:
 - (a) review the audit plan with the REIT's external auditors and with management;
 - (b) discuss with management and the external auditors any proposed changes in major accounting policies or principles, the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to financial reporting;
 - (c) review with management and with the external auditors significant financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;
 - (d) review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
 - (e) review with senior management the process of identifying, monitoring and reporting the principal risks affecting financial reporting and the business of the REIT;
 - (f) review audited annual financial statements and related documents in conjunction with the report of the external auditors and obtain an explanation from management of all significant variances between comparative reporting periods;
 - (g) consider and review with management, the internal control memorandum or management letter containing the recommendations of the external auditors and management of the Trust's response, if any, including an evaluation of the adequacy and effectiveness of the internal financial controls of the REIT and subsequent follow-up to any identified weaknesses;
 - (h) review with financial management and the external auditors the quarterly unaudited financial statements and management discussion and analysis before release to the public; and
 - (i) before release to the public, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including any prospectuses, annual reports, annual information forms, management discussion and analysis and press releases.
5. The Audit Committee shall:
 - (a) evaluate the independence and performance of the external auditors and annually recommend to the Board the appointment of the external auditor or the discharge of the external auditor when circumstances are warranted and the compensation of the external auditor;
 - (b) approve all non-audit services to be provided to the REIT or its subsidiary or affiliated entities by the REIT's external auditors;
 - (c) approve the engagement letter for non-audit services to be provided by the external auditors or affiliates, together with estimated fees, considering the potential impact of such services on the independence of the external auditors;
 - (d) when there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to National Instrument 51-102 (or any successor legislation) of the Canadian Securities Administrators and the planned steps for an orderly transition period; and
 - (e) review all reportable events as determined on the advice of counsel, including disagreements, unresolved issues and consultations, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors.
6. The Audit Committee shall:
 - (a) evaluate the REIT's policies with respect to ensuring compliance with environmental regulations applicable to the REIT's assets and shall periodically obtain assurance from management that such policies have been applied;

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

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