



DISTRIBUTION REINVESTMENT PLAN



DISTRIBUTION REINVESTMENT PLAN

Boardwalk Real Estate Investment Trust ("**Boardwalk**") is pleased to offer through its Distribution Reinvestment Plan (the "**Plan**") a convenient and economical way for eligible trust unit holders ("**Unitholders**") and holders of class B limited partnership units ("**Class B Unitholders**") of Boardwalk REIT Limited Partnership (the "**Partnership**") to maximize their investment in Boardwalk without paying any commissions, service charges or brokerage fees.

The Plan provides Unitholders and Class B Unitholders the opportunity to reinvest distributions in Trust Units of Boardwalk ("**Trust Units**") or class B limited partnership units of the Partnership ("**Class B Units**") at the average market price of the Trust Units on the Toronto Stock Exchange at the time of reinvestment. In addition, with each reinvestment, Unitholders and Class B Unitholders who participate in the Plan will also receive a "bonus" distribution of additional Trust Units or Class B Units, as the case may be, representing 3% of the amount of their cash distributions reinvested pursuant to the Plan.

If you are an eligible Unitholder or Class B Unitholder, we invite you to participate in the Plan simply by completing the enrolment form provided in this booklet, or notifying the bank or brokerage firm with whom you invest of your interest in the Plan. If you require further information regarding the Plan, please contact Computershare Trust Company of Canada at 1-800-564-6253, Boardwalk or the Partnership at (403) 531-9255 or visit our website at www.BoardwalkREIT.com.

Sincerely,

"Roberto A. Geremia"

Roberto A. Geremia

Senior Vice-President and Chief Financial Officer

BOARDWALK REAL ESTATE INVESTMENT TRUST

Distribution Reinvestment Plan

QUESTIONS AND ANSWERS

The following series of questions and answers explains some of the key features of the Distribution Reinvestment Plan (the "Plan") of Boardwalk Real Estate Investment Trust ("Boardwalk"). **The answers are, however, of a summary nature, and as such are designed only to give holders ("Trust Unitholders") of Boardwalk's trust units ("Trust Units") and holders ("Class B Unitholders" and together with Trust Unitholders collectively referred to as "Unitholders") of class B limited partnership units ("Class B Units") of Boardwalk REIT Limited Partnership (the "Partnership") guidelines with respect to the Plan's operation. For further information Unitholders should refer to the complete text of the Plan which is reproduced in the Offering Circular included in this booklet. Unitholders should carefully read the complete text of the Plan before making any decisions regarding participation in the Plan.**

1. What is the Distribution Reinvestment Plan?

The Plan represents a convenient and economical way in which Unitholders can reinvest all or part of their monthly distributions to maximize their investment in Boardwalk without paying any commissions, service charges or brokerage fees.

You are not required to participate in the Plan. If you do not participate, then you will continue to receive your cash distributions in the normal manner.

If you are an eligible Unitholder and elect to participate in the Plan, you are

entitled to acquire additional Trust Units or Class B Units, as the case may be, at the Average Market Price (as defined in the Plan) (the "**distribution reinvestment**"). You are also entitled to receive a "bonus" distribution of additional Trust Units or Class B Units, as the case may be, representing 3% of the amount of your cash distribution reinvested pursuant to the Plan, based on the Average Market Price (the "**bonus distribution**").

Under the Plan, rather than distributing your cash distributions, they are reinvested in additional Trust Units or Class B Units, as the case may be, which are accumulated and held for your account under the Plan.

2. What are the advantages of the Plan?

- (a) The Plan provides a convenient and cost-effective way for you to increase your investment in Boardwalk without paying any commissions, service charges or brokerage fees.
- (b) You will be entitled to receive a bonus distribution of additional Trust Units or Class B Units, as the case may be, representing 3% of the amount of your reinvested cash distributions.
- (c) Funds to be invested in new Trust Units or Class B Units, as the case may be, on your behalf can be fully invested because fractions (to six decimal places) as well as whole Trust Units or Class B Units, as the case may be, may be credited to

your account under the Plan. However, if you are a beneficial Unitholder you should speak with your broker, investment dealer, financial institution or other nominee with respect to the treatment of fractional Trust Units or Class B Units, as the case may be, as some nominees will facilitate the accumulation of fractional Trust Units or Class B Units, respectively, in your account, while others may not.

- (d) Until you elect to terminate your participation in the Plan, future cash distributions on Trust Units or Class B Units, as the case may be, enrolled in the Plan will be automatically reinvested in new Trust Units or Class B Units, respectively, which will be retained in your account.

3. Am I eligible to participate in the Plan?

Except as noted in the Plan, holders of at least one Trust Unit of Boardwalk or one Class B Unit of the Partnership may enrol in the Plan at any time.

Residents of the United States are not permitted to participate in the Plan. However, residents of any other jurisdiction outside of Canada may participate in the Plan if permitted by the laws of the jurisdiction in which they reside, subject to the limitations and restrictions set out in the full Plan text. Distributions to be reinvested under the Plan on behalf of Unitholders who are non-residents of Canada will be subject to applicable non-resident withholding tax.

The extent to which you may directly participate in the Plan will depend on the manner in which you hold your Trust Units or Class B Units, as the case may be. If you are a registered owner you may directly enrol in the Plan. If

you are a beneficial owner then in order to participate in the Plan, you must make arrangements through your broker, investment dealer, financial institution or other nominee who holds Trust Units or Class B Units on your behalf.

Registered Unitholders

You are a registered owner of Trust Units or Class B Units if your Trust Units or Class B Units are registered in your own name, that is, they are not held on your behalf by a broker, investment dealer, financial institution or other nominee. If you are a registered owner and wish to participate in the Plan then you may enrol directly with Computershare Trust Company of Canada, as plan agent (“**Computershare**”).

Beneficial Unitholders

You are a beneficial Unitholder if you hold your Trust Units or Class B Units through a broker, investment dealer, financial institution or other nominee. If you are a beneficial Unitholder and wish to participate in the Plan, then you must determine whether your nominee allows participation in the Plan. Please note that not all nominees will allow, nor is any nominee required to allow, participation in the Plan. If you wish to participate and your nominee does not allow it, it is your responsibility to either transfer your Trust Units or Class B Units to a different nominee allowing participation, or into your own name and enrol directly. If your nominee allows participation, you must arrange for your nominee to enrol in the Plan on your behalf. **If you choose to enrol in the Plan, your nominee will be required to elect to participate on your behalf every distribution period.**

Nominee Holders of Trust Units

If you are a broker, investment dealer, financial institution or other nominee for one or more beneficial Unitholders who wish to participate in the Plan, then you must enrol on their behalf through CDS. **You will be required to elect on behalf of such beneficial Unitholders every distribution period.**

4. How do I become a participant in the Plan?

Registered Unitholders

If you are an eligible registered Unitholder and wish to participate in the Plan, you must complete and deliver to Computershare an Authorization Form. Once you have enrolled, your participation in the Plan continues automatically until terminated by you voluntarily, until you cease to be an eligible Unitholder or until the Plan is terminated by Boardwalk. No further action is required by you.

Computershare must receive your initial Authorization Form no later than 5:00 p.m. (E.S.T.) on the fifth business day immediately preceding a distribution record date in order for your cash distribution to which such record date relates to be reinvested under the Plan. If Computershare receives an initial Authorization Form after 5:00 p.m. (E.S.T.) on the fifth business day immediately preceding a distribution record date, then your cash distribution to which such record date relates will not be reinvested under the Plan and the Authorization Form will be effective for purposes of subsequent distributions only.

Beneficial Unitholders

If you are an eligible beneficial Unitholder and wish to participate in the Plan, you must have your broker,

investment dealer, financial institution or other nominee complete and deliver to Computershare (through CDS) an Authorization Form on your behalf. **If you wish to participate in the Plan on an ongoing basis, your nominee must elect to participate in the Plan on your behalf every distribution period.**

You must advise your nominee of your intention to participate in the Plan no later than 5:00 p.m. (E.S.T.) on the fifth business day immediately preceding a distribution record date (or such other deadline as your nominee may set from time to time) in order for your cash distribution to which such record date relates to be reinvested under the Plan. Your nominee must then provide an Authorization Form with respect to your participation to CDS no later than 5:00 p.m. (E.S.T.) on the business day immediately preceding a distribution record date in order for your cash distribution to which such record date relates to be reinvested under the Plan. CDS will, in turn, be required to provide such notice to Computershare no later than 12:00 p.m. (E.S.T.) on the distribution record date.

If CDS receives an Authorization Form from your nominee after 5:00 p.m. (E.S.T.) on the business day immediately preceding the distribution record date, then your cash distribution to which such record date relates will not be reinvested under the Plan and the Authorization Form will be effective for purposes of subsequent distributions only.

5. What will be the price of new Trust Units or Class B Units, as the case may be, purchased for my account under the Plan?

New Trust Units or Class B Units purchased under the Plan with

reinvested distributions will be priced at the Average Market Price, as will the "bonus" units to which you are entitled as a participant.

6. Will certificates be issued for new Trust Units or Class B Units purchased for me under the Plan?

Registered Unitholders

Certificates will not normally be issued for new Trust Units or Class B Units that are purchased and held for your account under the Plan. Instead, such units will be held by Computershare either in its own name or the name of its nominee and will be shown on your periodic statement of account.

Upon your withdrawal from the Plan, a certificate will be issued to you for the whole number of Trust Units or Class B Units in the Plan and a cheque will be issued to you in lieu of any fractional Trust Units or Class B Units.

Plan participants who require a Trust Unit certificate or Class B Unit certificate and who do not wish to terminate their participation in the Plan may obtain a certificate for any number of whole Trust Units or Class B Units held in their account by written request to Computershare. Certificates will not be issued for fractional units.

Beneficial Unitholders

Certificates will not normally be issued for new Trust Units or Class B Units that are purchased and held by your broker, investment dealer, financial institution or other nominee, through CDS, on your behalf under the Plan. Instead such Trust Units or Class B Units will be held by CDS on behalf of your nominee.

If you require a Trust Unit certificate or Class B Unit certificate and do not wish to terminate your participation in the

Plan you may instruct your nominee to withdraw all or any of your Trust Units or Class B Units from their aggregate holdings and request from Computershare a certificate in your name in respect of such Trust Units or Class B Units. That is, in order to obtain a certificate for all or any of your Trust Units or Class B Units, you must first become a registered Unitholder by transferring such Trust Units or Class B Units into your own name or into the name of your nominee. You should contact your nominee for assistance in this regard. In respect of the treatment of fractional units, you should contact your nominee, as some nominees will facilitate the accumulation of fractional units in your account while others may not.

7. Can I sell units held for my account under the Plan?

If you are a registered Unitholder, any units held by Computershare for your account under the Plan cannot be sold, pledged or otherwise disposed of while so held. In order for units enrolled in the Plan to be sold, pledged or otherwise disposed of, you must first request that such units be transferred into your name or into the name of your broker, investment dealer, financial institution or other nominee by requesting a certificate representing such units. See Question #6 above.

Alternatively, if you are either a registered Unitholder or beneficial Unitholder you may sell units held under the Plan through Computershare. Administration charges and brokerage fees will be deducted from the proceeds of the sale and the net monies distributed to you.

8. How can I terminate my participation under the Plan?

Registered Unitholders

If you are a registered Unitholder enrolled in the Plan, your participation in the Plan continues automatically until your enrolment in the Plan is terminated.

You may voluntarily terminate your participation in the Plan by delivering to Computershare a written notice of termination signed by you. See "*Termination of Participation*" in the full Plan text.

When participation in the Plan is terminated, you may request a certificate for that number of whole Trust Units or Class B Units held for your account and a cash payment for any fractional Trust Units or Class B Units. Any fractional Trust Unit or Class B Unit interest will be paid based on the closing market price of a Trust Unit on the Toronto Stock Exchange on the date notice of termination is received by the Plan Agent.

Upon termination, if you do not request a certificate for the number of whole Trust Units or Class B Units held, you may request in writing that Computershare arrange for the sale of such holdings. The Trust Units or Class B Units may be sold on a commingled basis with other Trust Units or Class B Units by Computershare on behalf of other participants in the Plan. Net proceeds of such sale will be forwarded from Computershare by cheque to you. Any brokerage fees or commissions payable on such sale will be pro-rated among all the selling participants.

If you do not arrange for your withdrawal from the Plan prior to 5:00 p.m. (E.S.T.) on the fifth business

day immediately preceding a distribution record date, then your participation in the Plan will not be terminated until after the distribution payment date to which such record date relates.

Beneficial Unitholders

If you are a beneficial Unitholder your broker, investment dealer, financial institution or other nominee must elect to participate on your behalf every distribution period. However, unless otherwise instructed by you, your participation in the Plan will normally be continued by your nominee every distribution period. You should confirm with your nominee their particular practice in this regard.

You may voluntarily terminate your participation in the Plan by contacting your nominee and advising them to terminate your participation in the Plan. Your nominee must then make appropriate arrangements with CDS (which may simply include not enrolling you in the Plan for that distribution period) to ensure that you are no longer enrolled under the Plan. See "*Termination of Participation*" in the full Plan text.

When participation in the Plan is terminated, you may instruct your nominee to request a certificate for that number of whole Trust Units or Class B Units held for your account and a cash payment for any fractional Trust Units or Class B Units. Any fractional Trust Unit or Class B Unit interest will be paid based on the closing market price of a Trust Unit on the Toronto Stock Exchange on the date notice of termination is received by the Plan Agent.

If your nominee does not arrange for your withdrawal from the Plan by delivering notice thereof to CDS then your participation in the Plan will not be terminated until after the distribution payment date to which such record date relates. Please contact your nominee regarding the specific CDS deadline.

9. Are there circumstances where I may not be able to acquire additional Trust Units or Class B Units, as the case may be?

Your ability to acquire new Trust Units or Class B Units under the Plan on any particular distribution payment date depends on the amount of equity, if any, that Boardwalk or the Partnership, as the case may be, decides to make available under the Plan for that distribution payment date, and on the participation of other eligible Unitholders in the Plan.

If, in respect of any distribution payment date, fulfilling all of the participants' Trust Unit or Class B Unit entitlements under the Plan would result in Boardwalk or the Partnership exceeding the limit on new equity they have set, then purchases of Trust Units or Class B Units on the applicable distribution payment date will be prorated among all participants.

If Boardwalk or the Partnership determines not to issue any equity through the Plan on a particular distribution payment date, then participants will receive from Boardwalk or the Partnership the cash distributions to which they would otherwise be entitled on such date.

10. How will Computershare purchase new Trust Units of Boardwalk or Class B Units of the Partnership for me?

On each distribution payment date, Boardwalk and the Partnership will pay to Computershare all cash distributions made on your Trust Units or Class B Units, respectively, which are enrolled in the Plan, and Computershare will use those funds to purchase new Trust Units directly from Boardwalk and new Class B Units from the Partnership at the Average Market Price.

In addition, on each distribution payment date, Boardwalk and the Partnership will pay to Computershare your bonus distribution equal to 3% of the cash distributions made on your Trust Units and Class B Units which are enrolled in the Plan, and Computershare will use those additional funds to purchase new Trust Units from Boardwalk or Class B Units from the Partnership, as applicable, at the Average Market Price.

In other words, for every \$1.00 of cash distributions reinvested by you under the Plan, \$1.03 worth of Trust Units or Class B Units will be purchased for you at the Average Market Price.

Computershare will hold all such Trust Units or Class B Units purchased and to be held for your account under Computershare in its own name or the name of its nominee, in either case as your agent. All cash distributions on Trust Units or Class B Units enrolled in the Plan will be reinvested in new Trust Units or Class B Units, as applicable. These new Trust Units or Class B Units, together with the bonus distribution units, will either be credited to your account with Computershare if you are a registered Unitholder or, to your broker, investment dealer, financial institution or other nominee if you are a beneficial Unitholder.

11. What are the Canadian federal income tax consequences of participating in the Plan?

The fact that distributions are reinvested under the terms of the Plan does not relieve you of any liability for Canadian income taxes that may be payable on the distribution.

Reinvestment of Distributions. The amount reinvested by you will be your cost of the Trust Units or Class B Units acquired under the Plan. Such cost must be averaged with the cost of all other Trust Units or Class B Units you hold (including the bonus distribution units) for the purpose of determining the adjusted cost base of all your Trust Units or Class B Units held as capital property. There will be no net increase or decrease in the aggregate adjusted cost base of your Trust Units or Class B Units, as the case may be, as a result of receiving bonus Trust Units or bonus Class B Units under the Plan; however, the adjusted cost base per Trust Unit or Class B Unit, as the case may be, will be reduced. Capital gains or losses arising on a disposition of your Trust Units or Class B Units will be measured by reference to the adjusted cost base of all your Trust Units or Class B Units.

Additional summary information regarding the income tax consequences of participating in the Plan is set forth in the text of the Plan itself. You should consult your tax advisors concerning the tax implications of your participation in the Plan having regard to your particular circumstances.

12. Where can I get further information?

If you have any questions regarding the Plan, please direct them to Computershare or to Boardwalk or the Partnership as follows:

Computershare Trust Company of

Canada
100 University Avenue, 9th Floor
Toronto, Ontario M5J 2Y1

Attention: Dividend Reinvestment
Department

Telephone: 1-800-564-6253
Fax: (416) 263-9394
Toll Free Fax: 1-888-453-0330

Boardwalk REIT Limited Partnership
c/o Boardwalk Real Estate Management
Ltd.

Suite 200, 1501 - 1st Street S.W.
Calgary, Alberta T2R 0W1

Attention: Roberto A. Geremia
Senior Vice-President &
Chief Financial Officer

Telephone: (403) 531-9255
Toll Free: 1-800-563-6505
Fax: (403) 531-9565
Email: www.BoardwalkREIT.com

Boardwalk Real Estate Investment Trust
Suite 200, 1501 - 1st Street S.W.
Calgary, Alberta T2R 0W1

Attention: Roberto A. Geremia
Senior Vice-President &
Chief Financial Officer

Telephone: (403) 531-9255
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Email: www.BoardwalkREIT.com

BOARDWALK REAL ESTATE INVESTMENT TRUST

Distribution Reinvestment Plan

OFFERING CIRCULAR

Purpose

The Distribution Reinvestment Plan (the “**Plan**”) provides eligible holders (“**Trust Unitholders**”) of trust units (“**Trust Units**”) of Boardwalk Real Estate Investment Trust (“**Boardwalk**”) and eligible holders (“**Class B Unitholders**”), and together with Trust Unitholders collectively referred to as “**Unitholders**”) of Class B limited partnership units (“**Class B Units**”) of Boardwalk REIT Limited Partnership (the “**Partnership**”) the opportunity to accumulate additional Trust Units or Class B Units, as the case may be, at the Average Market Price (as defined herein). In addition, the Plan provides Unitholders the opportunity to receive an additional "bonus" distribution of Trust Units or Class B Units, as the case may be, equal to 3% of the amount of their cash distributions reinvested pursuant to the Plan. The Plan thus provides an efficient and cost-effective way for Boardwalk and the Partnership to issue additional equity to existing Unitholders.

Boardwalk and the Partnership will determine for each distribution payment date the amount of new equity, if any, that will be made available under the Plan on that date. No assurances can be made that new Trust Units or Class B Units, as the case may be, will be made available under the Plan on a regular basis, or at all.

Definitions

“**Average Market Price**” means the arithmetic average of the daily volume-weighted average trading prices of the Trust Units on the Toronto Stock

Exchange for the five Business Days immediately preceding the applicable Distribution date.

“**Business Day**” means any day in which the Plan Agent’s offices are generally open for the transaction of commercial business other than a Saturday, Sunday or other day on which banks are required to be closed in Calgary, Alberta or Toronto, Ontario or a day on which the Toronto Stock Exchange does not publicly trade.

“**CDS**” means The Canadian Depository for Securities Limited, which acts as a nominee for many Canadian investment dealers and brokerage firms, or its nominee, as applicable.

“**Distribution**” means the cash distribution declared payable by Boardwalk and the Partnership for any particular month.

“**Nominee**” means a broker, investment dealer, financial institution or other nominee holder of Trust Units of Class B Units.

“**Participants**” means holders of at least one Trust Unit or Class B Unit who, on the applicable record date for a Distribution, are eligible to participate in the Plan and have elected to do so by, in the case of registered Unitholders, completing and delivering to the Plan Agent, or in the case of beneficial Unitholders, having their Nominee complete and deliver to the Plan Agent (through CDS, if applicable) an Authorization Form, as more particularly described in the Plan.

“**Plan Agent**” means Computershare Trust Company of Canada, its successors or

assigns or such other trust company as is appointed by Boardwalk from time to time to act as plan agent under the Plan.

Advantages

An eligible Unitholder may, by enrolling in the Plan, direct that all or part of the Distributions in respect of Trust Units or Class B Units held for the account of such Unitholder under the Plan be applied to the purchase of additional Trust Units or Class B Units and have the additional Trust Units or Class B Units held for the account of such Unitholder under the Plan. The price of Trust Units or Class B Units purchased with reinvested Distributions will be the Average Market Price.

An eligible Unitholder, by enrolling in the Plan, will also be entitled to receive a bonus distribution of additional Trust Units or Class B Units, as the case may be, representing 3% of the amount of their reinvested Distributions. The price of Trust Units or Class B Units issued pursuant to the bonus distribution will be the Average Market Price.

Trust Units issued pursuant to the Plan are purchased directly from Boardwalk by the Plan Agent on behalf of the Participants. Class B Units issued pursuant to the Plan are purchased directly from the Partnership by the Plan Agent on behalf of Participants. The Plan Agent will credit the additional Trust Units or Class B Units to the Participant's (or the applicable Nominee's) account.

Distributions in respect of Trust Units or Class B Units (including bonus distribution units) that are held under the Plan for the account of a Participant will automatically be reinvested in additional Trust Units or Class B Units, as the case may be, in accordance with the Plan and will entitle the Participant to receive the bonus distribution of 3% of the amount of such reinvested Distributions.

No commissions, service charges or brokerage fees are payable by Participants in connection with the purchase of additional Trust Units or Class B Units under the Plan. Full or partial investment of funds is possible because the Plan permits fractions of Trust Units or Class B Units (to six decimal places) as well as whole Trust Units or Class B Units to be credited to Participants' (or their Nominees') accounts.

Administration

Computershare Trust Company of Canada currently acts as Plan Agent under the Plan. If Computershare Trust Company of Canada ceases to act as Plan Agent for any reason, another trust company will be designated by Boardwalk to act as Plan Agent and Participants (or their Nominees) will be promptly notified of the change.

The Plan Agent acts for and on behalf of the Participants. On each distribution payment date, Boardwalk will pay to the Plan Agent all Distributions in respect of Trust Units, and the Partnership will pay to the Plan Agent all Distributions in respect of Class B Units, registered in the name of, or held under the Plan for the account of, Participants who have enrolled in the Plan. On each distribution payment date Boardwalk and the Partnership will also pay to the Plan Agent an additional 3% of such Distributions. The Plan Agent will use such funds to purchase additional Trust Units directly from Boardwalk and additional Class B Units from the Partnership, as applicable. Additional Trust Units and Class B Units purchased under the Plan will be registered in the name of the Plan Agent or its nominee, as agent for the Participants, and credited to Participants' (or their Nominees') accounts.

Any Distributions in respect of Trust Units or Class B Units (including fractions of Trust Units or Class B Units) that are

enrolled in the Plan will be reinvested in new Trust Units or Class B Units, as the case may be, and such additional Trust Units or Class B Units will be credited to the Participant's (or the applicable Nominee's) account.

Under the Plan, the Plan Agent will purchase, on each distribution payment date, for each Participant's account, that number of Trust Units or Class B Units (including fractions computed to six decimal places) equal to the amount reinvested under the Plan for such Participant's account divided by the Average Market Price. See "*Price of New Trust Units or Class B Units*" below. The Plan Agent will also purchase on each distribution payment date that number of Trust Units or Class B Units (including fractions computed to six decimal places) equal to 3% of the amount reinvested under the Plan for such Participant's account divided by the Average Market Price.

New Trust Units or Class B Units purchased pursuant to the Plan will be credited to the Participant's (or the applicable Nominee's) account in accordance with the Plan.

All funds received by the Plan Agent under the Plan will be applied to the purchase of new Trust Units directly from Boardwalk and new Class B Units directly from the Partnership. **In no event will interest be paid to Participants on any funds held under the Plan.**

Participation

Except as noted below, all holders of at least one Trust Unit or one Class B Unit are eligible for enrolment in the Plan at any time. Beneficial Unitholders whose Trust Units or Class B Units are registered in the name of a Nominee may not directly enrol in the Plan, but may participate in the Plan only through their Nominee. Beneficial Unitholders may only participate in the Plan if they (i) transfer their Trust Units or

Class B Units into their own name and then enrol in the Plan directly, or (ii) arrange for their Nominee to enrol in the Plan on their behalf.

Beneficial Unitholders should contact their Nominee to provide instructions on how they would like to participate in the Plan. Not all Nominees will allow, nor are required to allow, participation in the Plan. Unitholders interested in participating in the Plan who hold their Trust Units or Class B Units through a Nominee that does not allow participation are responsible for either transferring their Trust Units to a different Nominee or into their own name in order to participate.

An eligible Unitholder becomes a Participant by completing and delivering to the Plan Agent, or by having such Participant's Nominee complete and deliver to the Plan Agent (through CDS, if applicable) on its behalf, a duly completed Authorization Form. If required, an Authorization Form may be obtained from the Plan Agent at any time upon request or from Boardwalk's website at www.BoardwalkREIT.com. By enrolling in the Plan, a Participant is deemed to have directed Boardwalk to forward to the Plan Agent all Distributions in respect of Trust Units, and to have directed the Partnership to forward to the Plan Agent all Distributions in respect of Class B Units, held on behalf of the Participant, and to have directed the Plan Agent to reinvest such Distributions in additional Trust Units or Class B Units, as the case may be, in accordance with the Plan.

Where a registered Unitholder wishes to participate in the Plan with respect to Trust Units or Class B Units, an initial Authorization Form must be received by the Plan Agent no later than 5:00 p.m. (E.S.T.) on the fifth Business Day immediately preceding a distribution record date in order for the Distribution to

which such record date relates to be reinvested under the Plan. Where a beneficial Unitholder wishes to participate in the Plan with respect to Trust Units or Class B Units registered through a Nominee, the beneficial Unitholder must advise its nominee of its intention to participate in the Plan no later than 5:00 p.m. (E.S.T.) on the fifth business day immediately preceding a distribution record date (or such other deadline as your nominee may set from time to time). The Nominee must then provide an Authorization Form to CDS no later than 5:00 p.m. (E.S.T.) on the business day immediately preceding a distribution record date in order for the cash distribution to which such record date relates to be reinvested under the Plan. CDS will, in turn, be required to provide such notice to Computershare no later than 12:00 p.m. (E.S.T.) on the distribution record date.

If an initial Authorization Form is not received by the Plan Agent from a registered Unitholder, or by CDS from a Participant's Nominee in the case of a beneficial Unitholder, on or before such deadlines, the Distribution to which such record date relates will not be reinvested under the Plan and a Participant's enrolment in the Plan will only be effective for purposes of subsequent Distributions. **Beneficial Unitholders who wish to participate in the Plan will need their Nominee to elect to participate on their behalf every distribution period. A failure to so elect will result in the withdrawal of participation in respect of such distribution period.**

Once a registered Unitholder has enrolled in the Plan, participation by the Participant continues automatically until the Participant's participation in the Plan is terminated by delivery to the Plan Agent of, or by having such Participant's Nominee in

the case of a beneficial Unitholder, deliver to CDS, instructions reflecting the termination (which may simply include not enrolling you in the Plan for that distribution period). The time at which a termination of Plan participation becomes effective is described under "*Termination of Participation*" below. The effect of these provisions is that a registered Unitholder Participant cannot terminate participation in the Plan after 5:00 p.m. (E.S.T.) on the fifth Business Day immediately preceding a distribution record date to and including the distribution payment date to which such record date relates.

Boardwalk reserves the right to determine, from time to time, a minimum number of Trust Units that a Participant must hold in order to qualify for or continue enrolment in the Plan and reserves the right to refuse participation to, or cancel participation of, any person who, in the sole opinion of Boardwalk, is either participating in the Plan primarily with a view to arbitrage trading or participating or attempting to participate in the Plan in more than one capacity or as more than one Participant.

Non-Residents of Canada

United States residents are not permitted to participate in the Plan. Residents of any other jurisdiction outside of Canada may participate in the Plan if permitted by the laws of the jurisdiction in which they reside. Distributions to be reinvested under the Plan on behalf of Unitholders who are not residents of Canada will be subject to applicable non-resident withholding tax.

Boardwalk, the Plan Agent and any Nominee reserve the right to deny participation in the Plan to, and to not accept an Authorization Form from any person or agent of such person who appears to be, or who Boardwalk, the Plan Agent or such Nominee has reason to believe is, subject to the laws of any jurisdiction which

do not permit participation in the Plan in the manner sought by or on behalf of such person.

Boardwalk and the Plan Agent further reserve the right to terminate non-resident Participants' participation in the Plan, or deny additional non-resident participation in the Plan, if Boardwalk or the Plan Agent become aware that non-residents of Canada constitute, or would constitute upon the further acquisition of Trust Units by a non-resident, greater than 49% of all beneficial Unitholders.

Proration in Certain Events

Boardwalk and the Partnership will determine on or before each distribution record date the amount of equity, if any, that will be made available under the Plan on the distribution payment date to which such record date relates.

If, in respect of any distribution payment date, fulfilling all of the Participants' entitlements under the Plan would result in Boardwalk and the Partnership exceeding the limit on new equity set by Boardwalk or the Partnership, then purchases of Trust Units or Class B Units, as the case may be, on the applicable distribution payment date will be prorated among all Participants.

If Boardwalk or the Partnership determine not to issue any equity through the Plan on a particular distribution payment date, then Participants will receive from Boardwalk or the Partnership the Distributions to which they would otherwise be entitled on such date and which are not reinvested as a result of such determination or proration.

Price of New Trust Units or Class B Units

On each distribution payment date, Boardwalk or the Partnership, as the case may be, will, on behalf of the Participants, pay to the Plan Agent all funds that are eligible for investment in new Trust Units or Class B Units on such date. The

subscription price of new Trust Units or Class B Units purchased under the Plan will be the Average Market Price. Boardwalk will advise the Plan Agent of such Average Market Price on the Business Day immediately preceding the distribution payment date.

Costs

No commission, service charges or brokerage fees are payable by Participants in connection with the purchase of additional Trust Units or Class B Units under the Plan. All administrative costs of the Plan, including the fees and expenses of the Plan Agent, will be paid by Boardwalk.

Accounts and Reports to Participants

An account will be maintained by the Plan Agent for each Participant that is a registered Unitholder, and unaudited statements of that account will be mailed to each such Participant in respect of each distribution period. Statements and reports, if any, with respect to purchases of Trust Units or Class B Units under the Plan will be provided to Participants that are beneficial Unitholders by their Nominee. These account statements and reports are a Participant's continuing record of purchases of Trust Units or Class B Units made for such Participant's account under the Plan and should be retained for income tax purposes. The Participant's Nominee in the case of a beneficial Unitholder, will also send annually to each Participant certain tax forms for tax reporting purposes. The calculation and monitoring of each Participant's adjusted cost base in Trust Units or Class B Units for income tax purposes will be the responsibility of each Participant as certain averaging rules may apply and such calculations may depend on the cost of other Trust Units or Class B Units held by the Participant. Statements reflecting the Units in the Plan will be sent

generally two to three weeks following each distribution payment date.

Certificates for Trust Units or Class B Units held under the Plan

Trust Units or Class B Units purchased and held under the Plan will be registered in the name of the Plan Agent or its nominee as agent for the Participants, and certificates for such Trust Units or Class B Units will not normally be issued to Participants unless specifically requested in writing. However, a Participant which is a registered holder of Trust Units or Class B Units may, upon request to the Plan Agent and without terminating participation in the Plan, have a Trust Unit or Class B Unit certificate issued and registered in the Participant's name for any number of whole Trust Units or Class B Units held for the Participant's account under the Plan. Any remaining whole Trust Units or Class B Units and any fractional Trust Units or Class B Units will continue to be held by the Plan Agent for the Participant's account under the Plan.

Participants that are beneficial Unitholders should contact their Nominee with respect to the treatment of fractional Trust Units or Class B Units that could notionally exist from the reinvestment of a Participant's distribution, as some Nominees will facilitate the accumulation of fractional Trust Units or Class B Units in a Participant's account while others may not.

Accounts under the Plan are maintained by the Plan Agent in the name in which Trust Units or Class B Units are registered at the time of enrolling in the Plan and certificates for Trust Units or Class B Units will be similarly registered when issued.

Trust Units or Class B Units held by the Plan Agent for the account of a Participant may not be sold, pledged or otherwise disposed of by the Participant while so held.

Termination of Participation

A Participant may voluntarily terminate participation in the Plan by delivering to the Plan Agent, or by having such Participant's Nominee in the case of a beneficial Unitholder, deliver to the Plan Agent (through CDS, if applicable) on its behalf, a written notice signed by such Participant (or by such Participant's Nominee, as applicable) stating that such Participant wishes to withdraw its participation in the Plan. In such event, the Participant (or the Participant's Nominee) will receive a certificate for the number of whole Trust Units or Class B Units held by the Plan Agent in such Participant's (or the applicable Nominee's) account and a cash payment for any remaining fraction of a Trust Unit or Class B Unit so held. Any fractional Trust Unit or Class B Unit interest will be paid based on the closing market price of a Trust Unit on the Toronto Stock Exchange on the date notice of termination is received by the Plan Agent.

Upon termination, if the Participant does not request a certificate for the number of whole Trust Units held, the Participant may request in writing that the Plan Agent arrange for the sale of such holdings. The Trust Units may be sold on a commingled basis with other Trust Units by the Plan Agent on behalf of other Participants in the Plan. Net proceeds of such sale will be forwarded from the Plan Agent by cheque to the Participant. Any brokerage fees or commissions payable on such sale will be pro-rated among all the selling Participants.

Participants that are beneficial Unitholders should contact their Nominee with respect to the treatment of fractional Trust Units or Class B Units that could notionally exist from the reinvestment of a Participant's distribution, as some Nominees will facilitate the accumulation of fractional Trust Units or Class B Units in a Participant's account while others may not.

Participation in the Plan will be terminated automatically following receipt by the Plan Agent of a written notice of the death of a Participant, instructions to terminate and documents satisfactory to the Plan Agent. A certificate for the number of whole Trust Units or Class B Units held for the account of a deceased Participant under the Plan will be issued by the Plan Agent in the name of the deceased Participant, the estate of the deceased Participant or the deceased Participant's Nominee, as applicable, and the Plan Agent will send to the legal representative or Nominee of the deceased Participant such certificate and a cheque in payment for any remaining fraction of a Trust Unit or Class B Unit in the deceased Participant's account.

If a written termination notice, or notice of a Participant's death, is not received by the Plan Agent prior to 5:00 p.m. (E.S.T.) on the fifth Business Day immediately preceding a distribution record date, then the Participant's account will not be closed, and participation in the Plan by such Participant will not be terminated, until after the distribution payment date to which such record date relates.

Rights Offering

In the event that Boardwalk makes available to its Trust Unitholders rights to subscribe for additional Trust Units or other securities, rights will be issued by Boardwalk in respect of whole Trust Units held in a Participant's (or Nominee's) account under the Plan on the record date for such rights issue and rights will be issued by the Partnership in respect of the whole Class B Units held in a Participant's (or Nominee's) account under the Plan on the record date for such rights issue. No rights will be issuable on a fraction of a Trust Unit or Class B Unit held in a Participant's account.

Subdivisions

If Trust Units are distributed pursuant to a subdivision of Trust Units, the additional Trust Units received in respect of Trust Units held under the Plan will be credited to the accounts of Participants (or their Nominees). The distribution of Class B Units pursuant to a subdivision of Class B Units will be treated in like fashion.

Unitholder Voting

Whole Trust Units or Class B Units of a Participant enrolled in the Plan on the record date for a vote of Trust Unitholders will be voted in the same manner and in accordance with the same instructions of the Participant as any other Trust Units or Class B Units. No voting rights will attach to any fraction of a Trust Unit or Class B Unit held in a Participant's account.

Canadian Federal Income Tax Considerations

The following is a summary only of certain Canadian federal income tax considerations relevant to participation in the Plan. The information provided is current as of the effective date of the Plan. This summary is not intended to be legal or tax advice to any particular Participant and Participants are urged to consult their tax advisors as to their particular tax position.

Residents of Canada

The fact that Distributions are reinvested under the terms of the Plan does not relieve Participants of any liability for taxes that may be payable on such Distributions. In particular, to the extent that a Distribution from Boardwalk would be included in the income of Unitholders for the purposes of the *Income Tax Act* (Canada) (the "**Tax Act**"), such amount will be included in the income of Unitholders who elect to reinvest such amount in new Trust Units under the Plan.

There will be no net increase or decrease in the aggregate adjusted cost base of your Trust Units or Class B Units, as the case may be, as a result of receiving bonus Trust Units or bonus Class B Units under the Plan; however, the adjusted cost base per Trust Unit or Class B Unit, as the case may be, will be reduced.

Non-Residents of Canada

The fact that Distributions are reinvested under the terms of the Plan does not relieve a Participant who is not resident of Canada (a “**Non-resident Participant**”) of any liability for non-resident withholding tax applicable to the Distribution. The rate of withholding tax under the Tax Act on distributions is generally 25% of the amount of income distributed to a Non-resident Participant unless reduced by the terms of an applicable treaty.

Gains realized by a Non-resident Participant on the disposition of Trust Units will generally not be subject to tax in Canada unless the Trust Units are held in the course of carrying on a business in Canada; the Non-resident Participant at any time in the 60-month period preceding the disposition, either alone or together with persons with whom the Non-resident Participant does not deal at arms length, owned not less than 25% of the issued Trust Units or the Trust Units are “**designated insurance property**” of the Non-resident Participant.

Unitholders who are residents of the United States are not eligible to participate in the Plan.

Amendment, Suspension or Termination of the Plan

Boardwalk reserves the right to amend, suspend or terminate the Plan at any time, but such action shall have no retroactive effect that would prejudice the interests of Participants. Where required, amendments

to the Plan will be subject to the prior approval of the Toronto Stock Exchange. Boardwalk will notify Unitholders of any amendment, suspension or termination of the plan in accordance with the Plan and any applicable securities law requirements. If Boardwalk terminates the Plan, a Participant will receive, depending on the Nominee in the case of beneficial Unitholders, adjustments or payments for fractional Trust Units or Class B Units held in a Participant’s account. If Boardwalk suspends the Plan, no investment will be made for the Plan Agent on the distribution payment date immediately following the effective date of such suspension, and any Distributions paid after the effective date of such suspension that would, but for the suspension, be reinvested under the Plan, will be remitted to the Participants.

Interpretation

Any issues of interpretation arising in connection with the Plan or its application shall be conclusively determined by Boardwalk.

Responsibilities of Boardwalk, the Partnership and the Plan Agent

None of Boardwalk, the Partnership or the Plan Agent shall be liable for any act or any omission to act in connection with the operation of the Plan including, without limitation, any claims for liability:

- (a) arising out of failure to terminate a Participant’s account upon such Participant’s death prior to receipt of notice in writing of such death;
- (b) the prices at which Trust Units or Class B Units are purchased or sold for the Participant’s account and the times such purchases or sales are made; and
- (c) arising in connection with income taxes (together with any applicable interest and/or penalties) payable

by Participants in connection with their participation in the Plan.

Participants should recognize that none of Boardwalk, the Partnership or the Plan Agent can assure a profit or protect against a loss on the Trust Units or Class B Units purchased or sold under the Plan.

Personal Liability

The obligations of Boardwalk and the Partnership hereunder are not personally binding upon any trustee of Boardwalk or any partner of the Partnership, any registered or beneficial holder of Trust Units or any annuitant under a plan of which a registered or beneficial holder of Trust Units acts as trustee or carrier, or any Class B Unitholder, and resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing, but the property of Boardwalk or the Partnership, as the case may be, only shall be bound by such obligations. Any obligation of Boardwalk or the Partnership set out herein shall to the extent necessary to give effect to such obligation be deemed to constitute, subject to the provisions of the previous sentence, an obligation of the trustees of Boardwalk solely in their capacity as trustees of Boardwalk or the partners of the Partnership solely in their capacity as partners of the Partnership, respectively.

Notices

All notices or other documents required to be given to Participants under the Plan shall be publicly announced by Boardwalk or the Partnership, as the case may be, and Boardwalk or the Partnership, as the case may be, will notify Participants in accordance with applicable securities law requirements.

Notices to the Plan Agent shall be sent to:

Computershare Trust Company of Canada
100 University Avenue, 9th Floor
Toronto, Ontario M5J 2Y1

Attention: Dividend Reinvestment
Department

Telephone: 1-800-564-6253
Toll Free Fax: 1-888-453-0330
Fax: (416) 263-9394

Notices to Boardwalk REIT Limited
Partnership c/o Boardwalk Real Estate
Management Ltd. shall be sent to:

Suite 200, 1501 – 1st Street S.W.
Calgary, Alberta, T2R 0W1

Attention: Roberto A. Geremia, Senior
Vice-President & Chief
Financial Officer

Telephone: (403) 531-9255
Toll Free: 1-800-563-6505
Fax: (403) 531-9565
E-mail: www.BoardwalkREIT.com

Notices to Boardwalk Real Estate
Investment Trust shall be sent to:

Suite 200, 1501 – 1st Street S.W.
Calgary, Alberta, T2R 0W1

Attention: Roberto A. Geremia, Senior
Vice-President & Chief
Financial Officer

Telephone: (403) 531-9255
Toll Free: 1-800-563-6505
Fax: (403) 531-9565

Effective Date of the Plan

The effective date of the Plan is June 1, 2004.

BOARDWALK REAL ESTATE INVESTMENT TRUST

AUTHORIZATION FORM

Relating to the Distribution Reinvestment Plan (the "Plan") of Boardwalk Real Estate Investment Trust ("Boardwalk") dated June 1, 2004 (as amended from time to time).

To be completed by the REGISTERED HOLDER of trust units ("Trust Units") of Boardwalk or class B limited partnership units ("Class B Units") of Boardwalk REIT Limited Partnership (the "Partnership").

If you are a beneficial holder and wish to participate in the Plan, contact your broker, investment dealer, financial institution or other nominee who holds your Trust Units of Class B Units, as the case may be, to provide instructions on how you would like to participate in the Plan.

This Authorization Form must be received by Computershare Trust Company of Canada no later than 4:00 p.m. (E.S.T.) on the fifth business day immediately preceding a distribution record date in order for the cash distribution to which such record date relates to be invested in additional Trust Units or Class B Units, as the case may be, in accordance with the Plan.

If you wish to participate in the Plan complete the authorization below.

DISTRIBUTION REINVESTMENT AUTHORIZATION

Please complete this section, sign below and return this Authorization Form to Computershare Trust Company of Canada at the address set forth at the end of this Authorization Form if you wish to reinvest your cash distributions in accordance with the Plan and have the additional Trust Units or Class B Units, as the case may be, issued on such reinvestment enrolled under the Plan.

I have received and read a copy of the text describing the Plan. I hereby apply to participate in the Plan and direct **[Boardwalk/Partnership]** (select one) to forward to Computershare Trust Company of Canada, as Plan Agent under the Plan, all cash distributions on all Trust Units or Class B Units, as the case may be, which I have enrolled in the Plan now or in the future, and direct Computershare Trust Company of Canada to reinvest such distribution, together with all cash distributions on Trust Units or Class B Units, as the case may be, enrolled in the Plan, in additional Trust Units or Class B Units, as the case may be, all in accordance with the Plan and subject to proration as provided therein.

I hereby agree that all documents relating to the Plan and my participation therein, whenever prepared or received, including without limitation the Offering Circular containing the complete text of the Plan and this Authorization Form, shall be prepared exclusively in the English language. Je consens à ce que tous les documents reliés au régime ainsi qu'à ma participation à celui-ci, peu importe le moment où ils sont reçus ou préparés, incluant, sans limitation, la notice d'offre contenant le texte complet du régime ainsi que ce formulaire d'autorisation, soient préparés exclusivement en langue anglaise.

I am not a United States citizen or resident and the Trust Units or Class B Units, as the case may be, held in my name are not held for the benefit of any United States citizen or resident.

Please circle the appropriate number and, if appropriate, indicate the number of Trust Units or Class B Units enrolled in the Plan:

1. **Full distribution reinvestment** - to have the cash distributions on all **[Trust Units/Class B Units]** (*circle one*), as the case may be, registered in the name(s) of the undersigned reinvested;

- OR -

2. **Partial distribution reinvestment** - to have the cash distributions on the **[Trust Units/Class B Units]** (*circle one*), as the case may be, registered in the name(s) of the undersigned reinvested as follows (list the number of Trust Units or Class B Units, as the case may be, to be reinvested).

Signature of unitholder

Name of unitholder (please print)

Date

Address (including municipality of residence)

Telephone Number

For further information, please contact:

**COMPUTERSHARE TRUST COMPANY OF
CANADA**

100 University Avenue, 9th Floor
Toronto, Ontario M5J 2Y1

Attention: Dividend Reinvestment Department

Telephone: 1-800-564-6253

Facsimile: (416) 263-9394

**BOARDWALK REAL ESTATE INVESTMENT
TRUST OR BOARDWALK REIT LIMITED
PARTNERSHIP**

Suite 200, 1501 - 1st Street S.W.
Calgary, Alberta T2R 0W1

Attention: Roberto A. Geremia, Senior
Vice-President & Chief Financial
Officer

Telephone: (403) 531-9255

Toll-Free: 1-800-563-6505

Facsimile: (403) 531-9565

Email: www.BoardwalkREIT.com