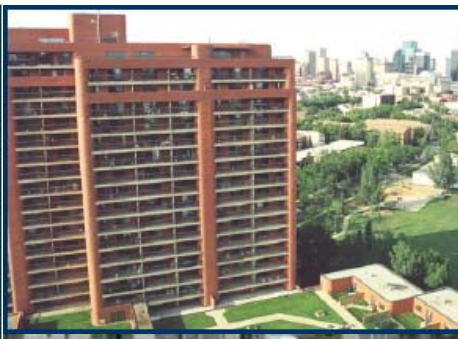


# BOARDWALK REAL ESTATE INVESTMENT TRUST

## Investor Presentation



# What's New

## Q3 2008 Highlights

in \$millions, except per unit amounts

	<b>3 Months ended Sept 2008</b>	<b>% Change</b>	<b>9 Months ended Sept 2008</b>	<b>% Change</b>
Rental Revenue	\$108.2	13.0%	\$315.9	14.4%
NOI	\$72.1	12.4%	\$199.3	14.6%
FFO	\$36.8	8.2%	\$97.4	12.6%
Per Unit	\$0.68	11.5%	\$1.78	14.8%
DI	\$37.2	8.4%	\$98.7	12.3%
Per Unit	\$0.69	13.1%	\$1.80	14.6%



# What's New - Loss To Lease Statistics

## September 2008

	Sept 2008 Occupied Rent	Sept 2008 Market Rent	Mark to Market Per Month	Annualized Mark to Market Adjusted for Vacancies (\$000's)	Weighted Average Units	% of Portfolio
Calgary	\$ 1,211	\$ 1,301	\$ 90	\$ 5,681	5,466	15%
Edmonton	\$ 1,120	\$ 1,136	\$ 16	\$ 2,244	12,583	34%
Other Alberta	\$ 1,121	\$ 1,174	\$ 53	\$ 1,131	1,967	5%
Alberta Portfolio	\$ 1,145	\$ 1,185	\$ 40	\$ 9,056	20,016	54%
Saskatchewan	\$ 908	\$ 1,065	\$ 157	\$ 8,404	4,660	13%
Ontario	\$ 799	\$ 788	\$ (10)	\$ (498)	4,265	12%
Quebec	\$ 918	\$ 921	\$ 3	\$ 184	6,749	18%
British Columbia	\$ 919	\$ 1,004	\$ 85	\$ 1,060	1,087	3%
Total Portfolio	\$ 1,027	\$ 1,070	\$ 43	\$ 18,206	36,777	100%

Source – Internally generated. Occupied rent represents the average for the reported month. Market rent represents the amount reported on the last business day of the month reported.



# Stabilized Analysis

Three and Nine months ended September 30, 2008

Sep 30 2008 - 3 M	# of Units	% Revenue Growth	% Operating Expense	% Net Operating	% of NOI
Calgary	4,973	8.3%	27.3%	2.9%	19.2%
Edmonton	10,649	13.9%	11.7%	14.9%	35.4%
Other Alberta	1,680	5.6%	8.3%	4.4%	5.4%
British Columbia	871	5.8%	17.4%	1.2%	2.6%
Ontario	4,265	1.4%	3.6%	-0.6%	7.1%
Quebec	6,756	3.3%	-2.0%	6.0%	18.3%
Saskatchewan	4,660	21.0%	8.1%	28.8%	12.0%
	33,854	9.7%	9.1%	9.9%	100.0%

Sep 30 2008 - 9 M	# of Units	% Revenue Growth	% Operating Expense	% Net Operating	% of NOI
Calgary	4,973	8.4%	20.0%	4.4%	19.9%
Edmonton	10,649	14.8%	15.9%	14.2%	35.6%
Other Alberta	1,680	5.8%	18.4%	0.3%	5.7%
British Columbia	871	5.9%	7.4%	5.1%	2.6%
Ontario	4,265	1.0%	2.2%	-0.1%	7.4%
Quebec	6,756	3.1%	0.4%	4.9%	17.6%
Saskatchewan	4,660	19.3%	12.4%	24.2%	11.2%
	33,854	9.6%	10.4%	9.2%	100.0%

Source – Internally generated



# What's New

## Sequential Stabilized Rental Analysis – Q3 2008

<b>Stabilized Revenue Growth</b>	<b># of Units</b>	<b>Q3 2008 vs. Q2 2008</b>	<b>Q2 2008 vs. Q1 2008</b>	<b>Q1 2008 vs. Q4 2007</b>	<b>Q4 2007 vs. Q3 2007</b>
Calgary	4,973	1.3%	3.0%	3.3%	0.4%
Edmonton	10,649	3.5%	2.6%	5.3%	1.8%
Other Alberta	1,680	0.3%	0.1%	3.2%	1.9%
British Columbia	871	1.2%	1.9%	4.1%	-1.9%
Ontario	4,265	-1.2%	0.9%	-0.4%	2.1%
Quebec	6,756	2.2%	1.1%	0.0%	0.2%
Saskatchewan	4,660	5.7%	6.6%	2.7%	4.6%
	33,854	2.4%	2.5%	2.9%	1.5%

Source – Internally generated



# Liquidity

<b>Cash Position September 30, 2008</b>	<b>\$ 39,152,000</b>
<b>Potential Additional Financing in 2008</b>	<b>\$109,524,000</b>
<b>Line of Credit</b>	<b>\$200,000,000</b>
<b>Total Available Liquidity</b>	<b>\$348,676,000</b>

*Source – Internally generated*



# 2008 Mortgage & Debt Maturities

<u>Q3 - 2008</u>	<u>9 Month Period Ended Sept 30, 2008</u>
Total Mortgages	29
Total Maturing Amounts	\$168,964,807.80
New Financings	\$400,165,418.70
New Benefit	\$231,200,610.90
Old Interest Rate	6.02%
New Interest Rate	4.47%

<u>Maturing Mortgages, 2008</u>	<u>3 Month period Beginning Oct 1, 2008</u>
Total Mortgages Maturing	22
Total Maturing Amounts	\$94,136,411.55
Mortgages Committed as of Nov 12/08	9
Total New Financing as of Nov 12/08	\$118,789,559.00
Projected Add'l New Financing Available	\$84,871,403.78
Projected Total Net Benefit	\$109,524,551.23

We continue to secure financing at Interest Rates well below the maturing rate.



# What's New

## Mortgage & Debt Maturities

Year	Principal Outstanding as at Sep 30, 2008	Weighted Average Interest Rate By Maturity	% of Total
2008	95,843,251	4.73%	4.47%
2009	273,246,219	5.34%	12.74%
2010	321,119,429	4.77%	14.98%
2011	124,600,308	5.67%	5.81%
2012	816,856,459	4.78%	38.10%
2013	265,584,678	4.56%	12.39%
2014	16,041,360	4.81%	0.75%
2015	184,846,129	4.52%	8.62%
2016	25,129,346	5.34%	1.17%
2018	6,574,017	6.18%	0.31%
2019	10,778,619	5.99%	0.50%
2020	3,511,395	7.24%	0.16%
<b>Total Principal Outstanding</b>	<b>2,144,131,211</b>	<b>4.91%</b>	<b>100.00%</b>

**Estimated current renewal rates: 3 Years: 4.4% 5 Years: 4.75%**

Source – Internally generated

The average maturity of the portfolio is 3 years.



# What's New

## Current Cap Rates

*Cap rates for various Canadian markets, representing well located, better quality buildings with no deferred capx.*

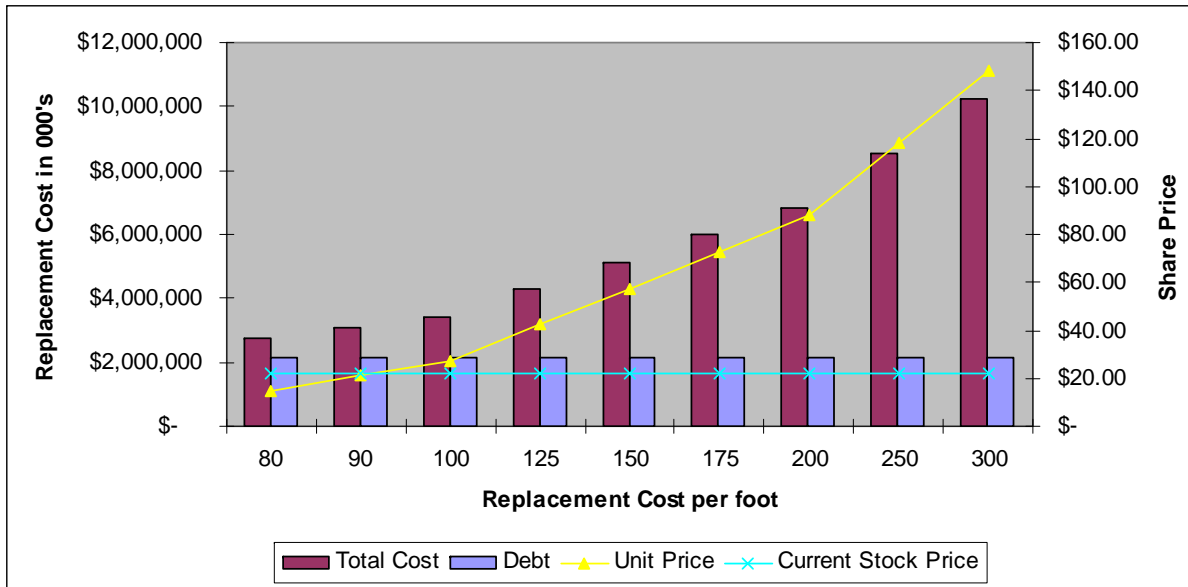
Victoria	4.25 - 5.25%
Vancouver	3.75 - 4.75%
Vancouver Suburbs	4.75 - 5.75%
Calgary	4.75 - 6.00%
Edmonton	5.00 - 6.00%
Saskatoon	5.00 - 6.00%
South West Ontario	6.25 - 7.00%
Montreal	5.75 - 6.75%
Quebec City	6.00 - 7.00 %

*Source – Internally generated*



# What's New

## Mortgage Debt / Total Capitalization / Replacement Value



- Mortgages represent low percentage of replacement cost.

Internally generated assumes net rentable square feet are grossed up by 10.% to account for common areas



# Estimated Net Asset Value Trust Unit Range Analysis

	<b>2009 Budget - Mid Point</b>	<b>Cap Rate</b>	<b>Implied Trust Unit value</b>
Revenue	\$ 446,839,000	6.00%	\$ 48.39
		6.25%	\$ 44.95
		6.50%	\$ 41.77
Operating Expenses	\$ 167,966,000	6.75%	\$ 38.82
		7.00%	\$ 36.09
Net Operating Income	<u>\$ 278,873,000</u>	7.25%	\$ 33.54
		7.50%	\$ 31.16
Debt outstanding September 30 2008	\$ 2,076,243,000	8.00%	\$ 26.86
Less cash on Hand	\$ 39,152,000	8.50%	\$ 23.05
	<u>\$ 2,037,091,000</u>	9.00%	\$ 19.68
		Current Price	\$ 21.80
		Implied cap rate	8.68%
Trust Units Outstanding - September 30, 2008	<u><u>53,815,422.00</u></u>		
		NCIBs For 9 M 2008	1,969,200
		Average Purchase price	\$ 38.76
		Total invested	\$ 76,325,000

**NAV range reflects implied capitalization rates only on anticipated cash flows for 2008 . It does not incorporate any subjective value that may relate to other assets including intangibles and excess land or any potential value which may be associated with other higher related uses of these assets such as Condominium Conversion.**



# Inventory of Major Alberta Projects

Continued Long Term Capital being invested in Alberta

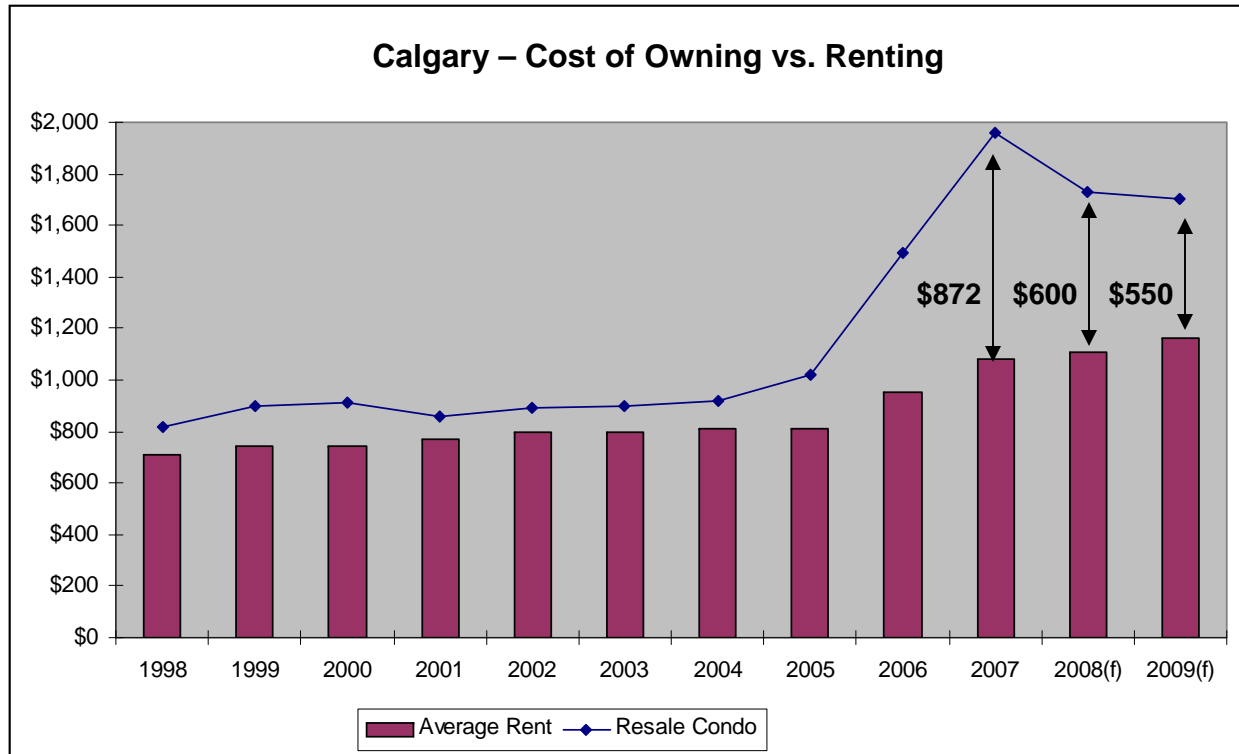
Sector	Oct. 2008 Value of Project (\$millions)	Jun. 2008 Value of Project (\$millions)	Mar. 2008 Value of Project (\$millions)	Dec. 2007 Value of Project (\$millions)
Agriculture & Related	\$77.4	\$64.4	\$83.0	\$89.0
Biofuels, Chemicals & Petrochemicals	\$2,429.0	\$2,846.0	\$2,766.0	\$2,714.5
Commercial/Retail	\$11,467.0	\$11,118.2	\$8,625.4	\$8,597.9
Commercial/Retail and Residential	\$5,533.5	\$4,500.8	\$4,485.8	\$3,663.5
Infrastructure, Institutional & Other Industrial	\$37,468.2	\$35,424.0	\$30,504.8	\$29,992.9
Manufacturing, Mining, Forestry & Related	\$2,889.9	\$3,024.9	\$3,029.4	\$2,451.4
<b>Oil &amp; Gas</b>	<b>\$3,783.0</b>	<b>\$3,983.0</b>	<b>\$4,140.0</b>	<b>\$4,195.4</b>
<b>Oil Sands</b>	<b>\$180,351.0</b>	<b>\$170,059.0</b>	<b>\$162,609.0</b>	<b>\$155,596.0</b>
Pipelines	\$12,186.9	\$12,190.0	\$11,943.8	\$11,713.1
Power	\$12,297.0	\$11,837.0	\$10,971.0	\$10,245.0
Residential	\$7,128.4	\$7,284.7	\$6,439.3	\$6,179.4
Tourism/Recreation	\$10,915.9	\$10,875.1	\$9,319.5	\$9,337.7
<b>Total</b>	<b>\$286,527.2</b>	<b>\$273,207.1</b>	<b>\$254,917.0</b>	<b>\$244,775.4</b>

Source: Government of Alberta



# Calgary Cost of Owning vs. Renting

The gap between owning a condo and renting an apartment is narrowing due to increasing rents and lower condo prices.



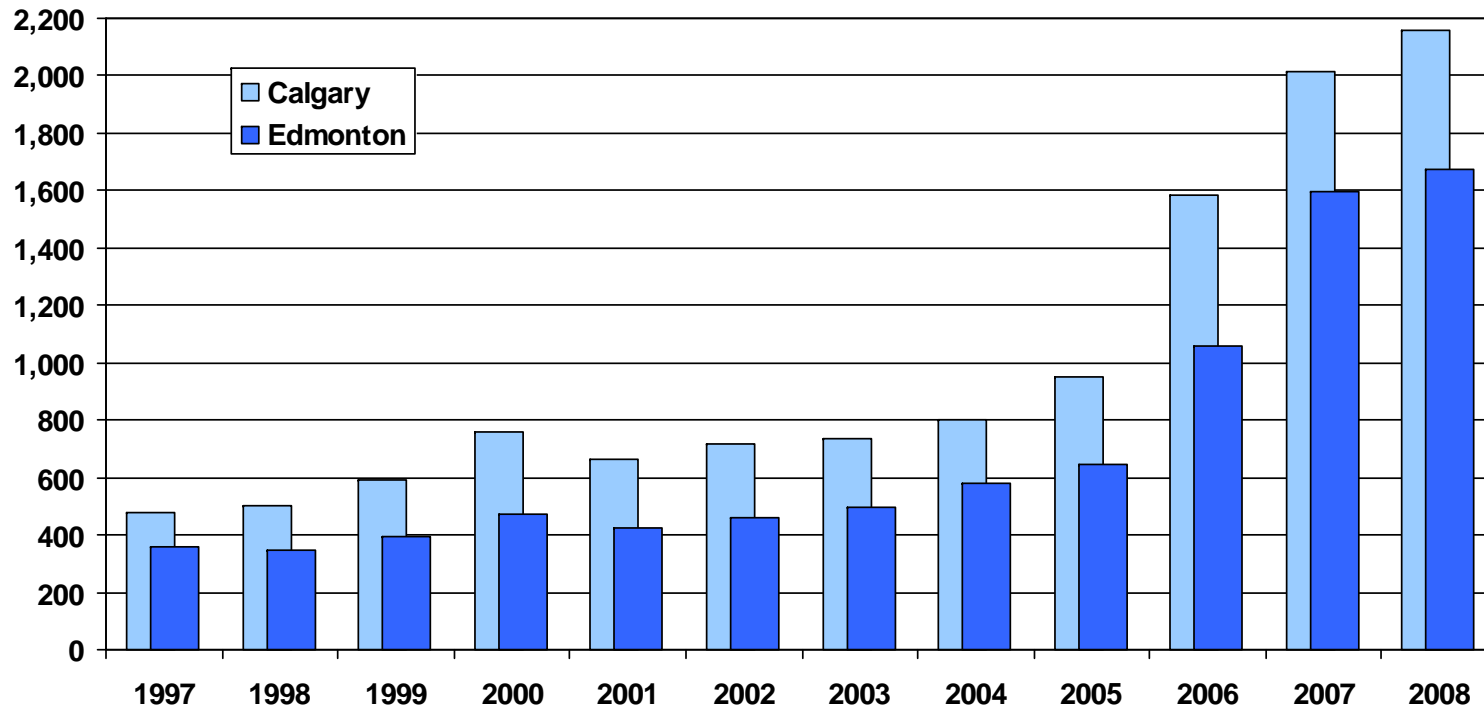
Assumption: 10% down payment, average 5-year fixed discounted mortgage rates.

Source: CREB, Bank of Canada, CMHC, CMHC forecast (f)



# Alberta Mortgage Payments vs. Monthly Rent

monthly carrying costs minus average two bedroom rent (\$)

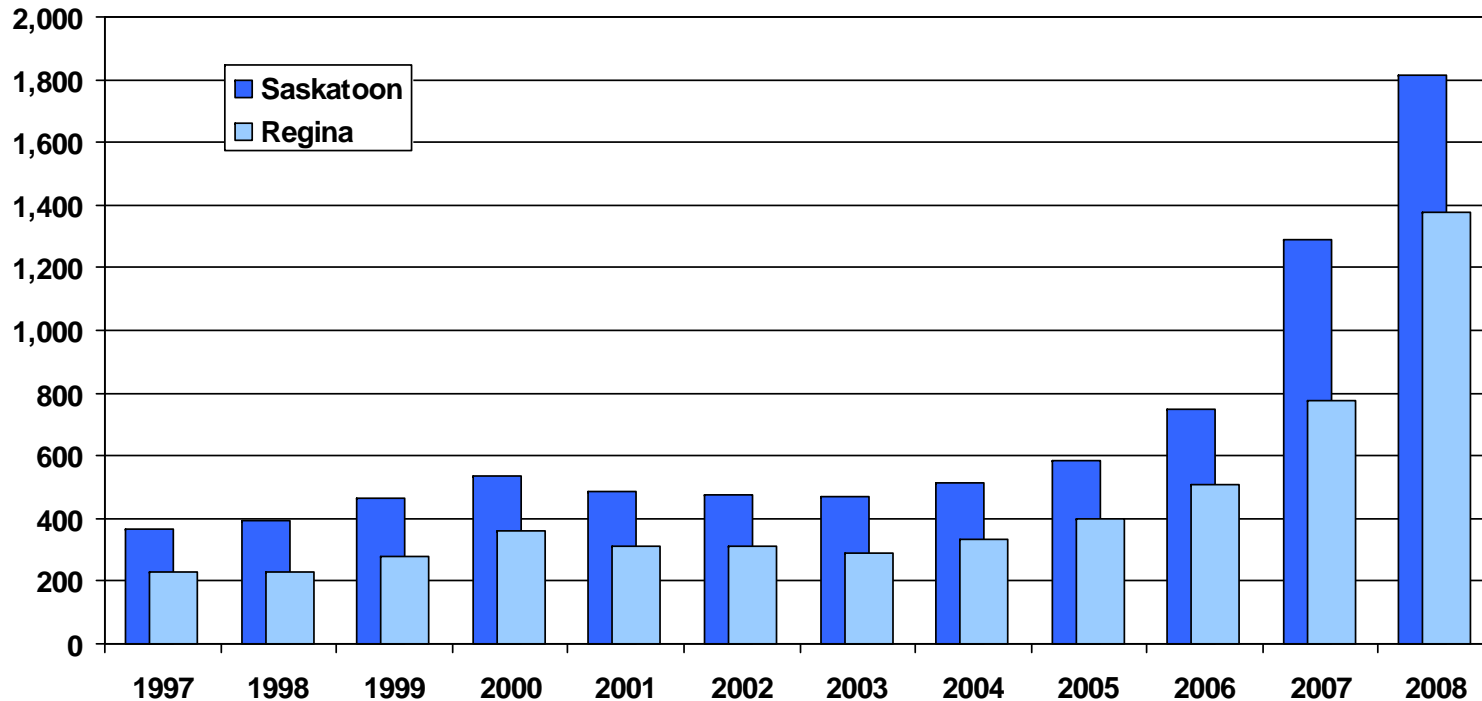


Source: CMHC



# Saskatchewan Mortgage Payments vs. Monthly Rent

monthly carrying costs minus average two bedroom rent (\$)

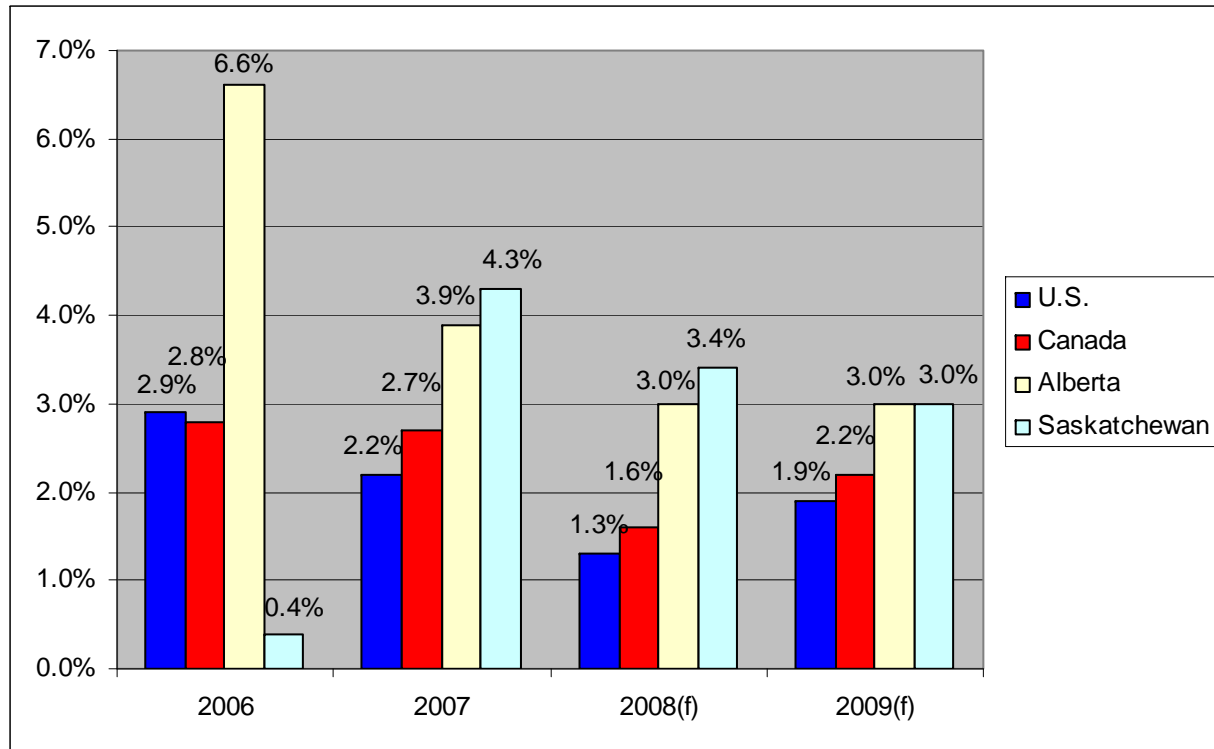


Source: CMHC



# GDP Growth

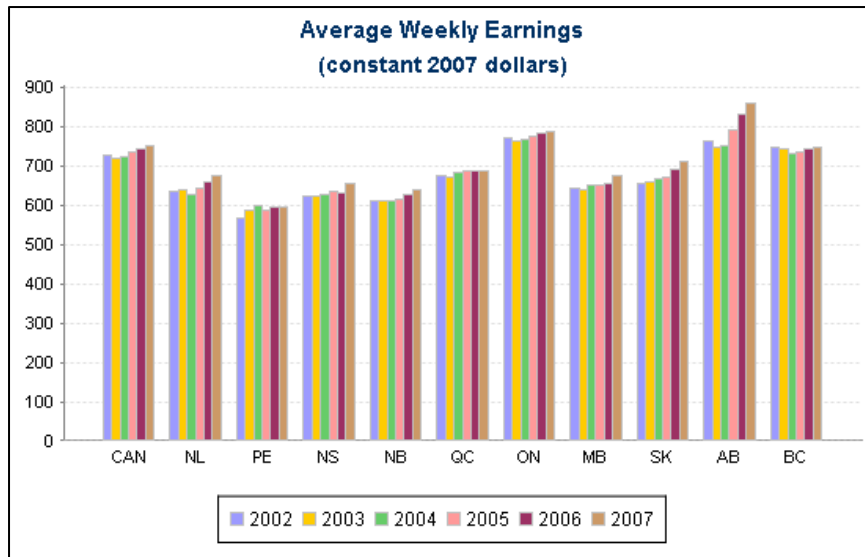
Alberta vs. Saskatchewan, Canada and U.S.



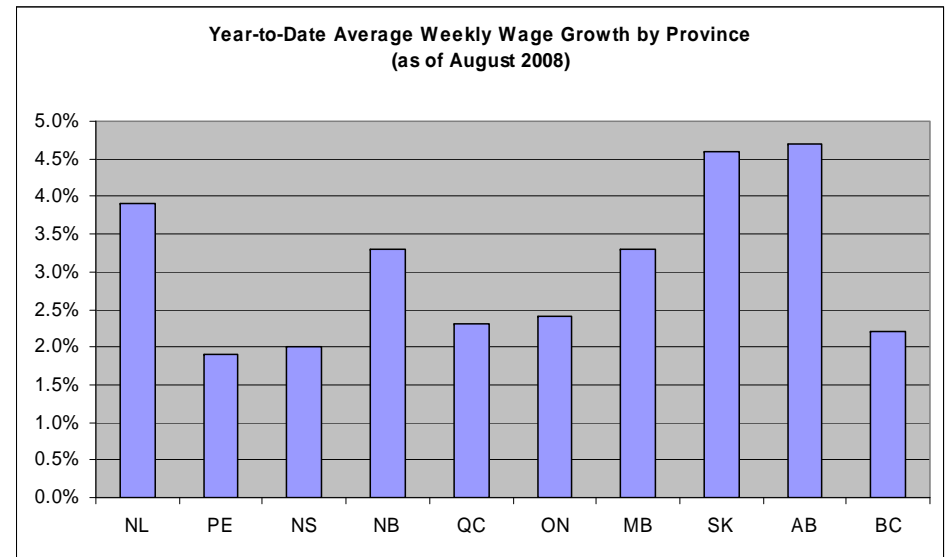
Source: Government of Alberta, CMHC forecast



# Average Weekly Earnings



Note: Earnings are in constant 2007 dollars.  
 Source: Human Resources and Social Development Canada  
 (calculations based on Statistics Canada)

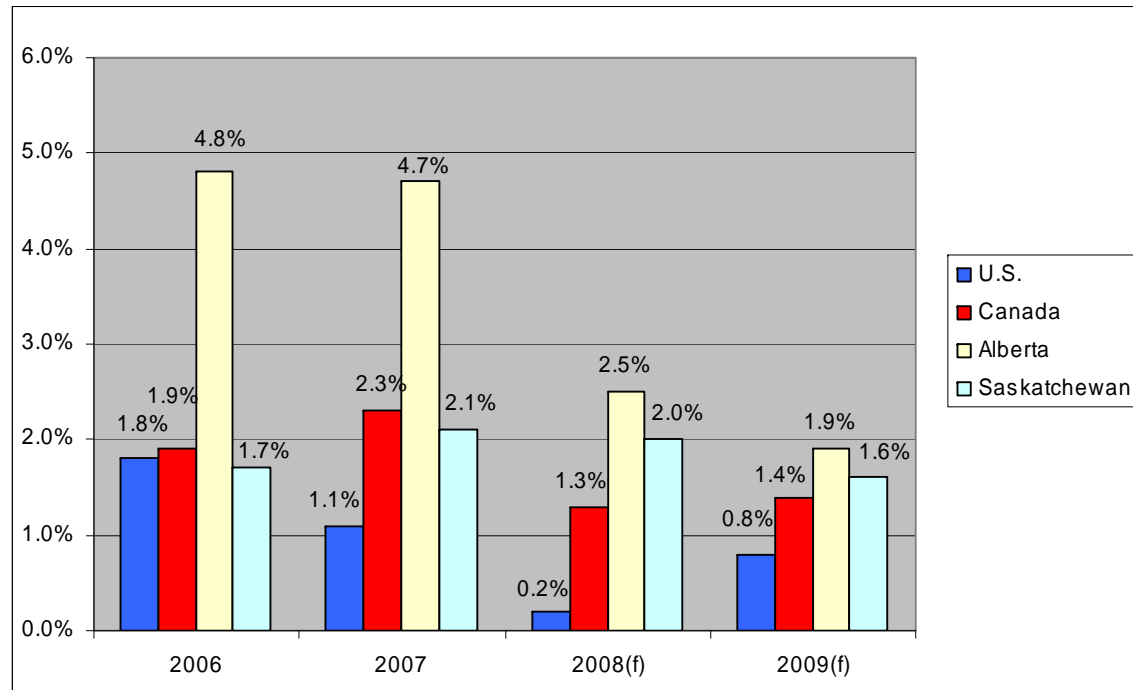


Source: Statistics Canada



# Employment Growth

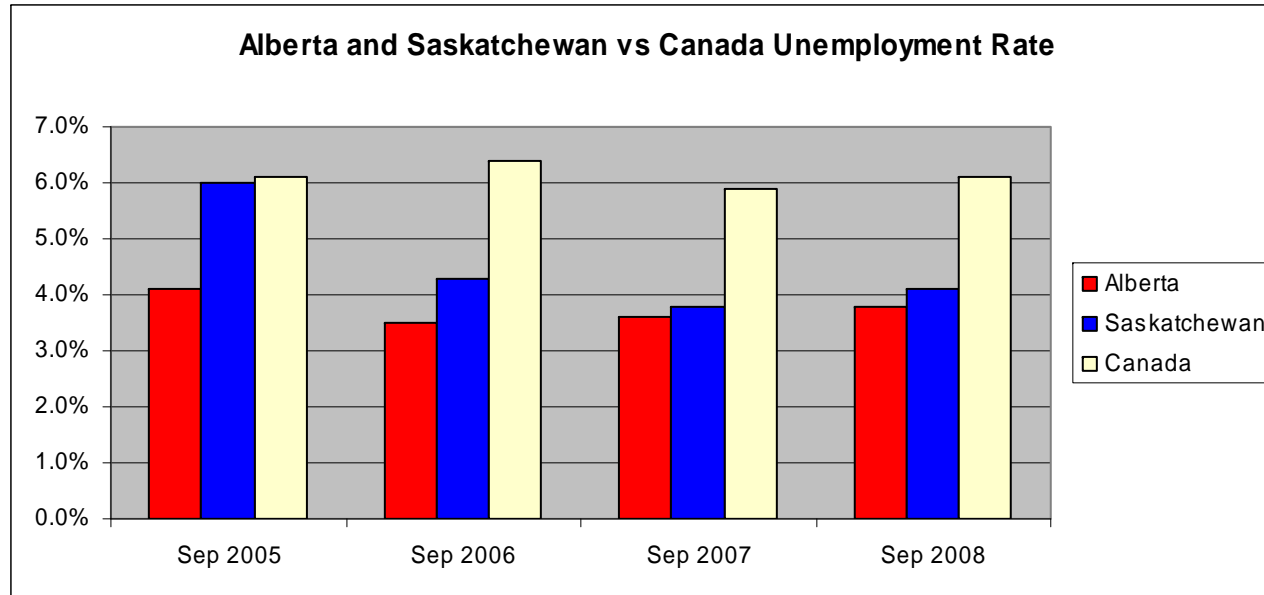
Alberta vs. Saskatchewan, Canada and U.S.



Source: Government of Alberta, CMHC forecast



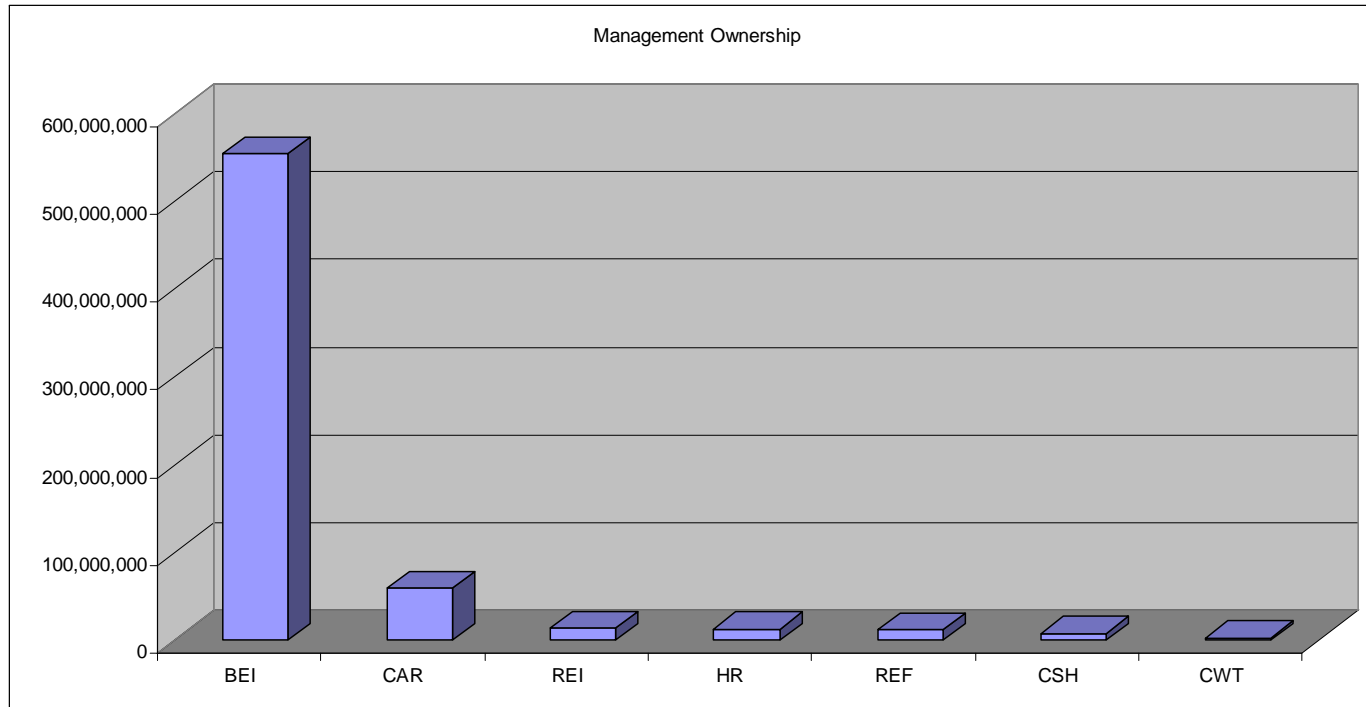
# Alberta and Saskatchewan Unemployment



Source: Statistics Canada



# Boardwalk Management Commitment



**\*Internally calculated, based on public documents.  
\*Value based on Trust Unit price as at: May, 1st 2008.**



# Boardwalk REIT 2008 Guidance

Description	Original Guidance	Q2 Revised Guidance	Q3 Revised Guidance
Acquisitions	\$130 million to \$260 million (1,000 to 2000 apartment units)	\$75 million (500 units)	\$50 million – No additional acquisitions during 2008
Stabilized Building NOI growth	8% to 14%	8% to 10%	8% to 10%
FFO per Trust Unit	\$2.35 to \$2.50	\$2.35 to \$2.45	\$2.37 to \$2.43
DI per Trust Unit	\$2.37 to \$2.52	\$2.37 to \$2.47	\$2.39 to \$2.45

***The reader is cautioned that this information is forward-looking information and actual results may vary materially from those reported.***



# Boardwalk REIT 2009 Guidance

Description	Guidance
Acquisitions	No new apartment acquisitions
Stabilized Building NOI growth	4% to 6%
FFO per Trust Unit	\$2.45 to \$2.55
DI per Trust Unit	\$2.47 to \$2.57

***The reader is cautioned that this information is forward-looking information and actual results may vary materially from those reported.***



# BOARDWALK REAL ESTATE INVESTMENT TRUST

## Investor Presentation



# Forward Looking Information

*This presentation contains forward-looking statements relating to our operations and the environment in which we operate which are based on our expectations, estimates, forecast and projections, which we believe are reasonable as of the current date. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. For more exhaustive information on these risks and uncertainties, one should refer to our most recently filed annual information form, available at [www.sedar.com](http://www.sedar.com). Actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made and should not be relied upon as of any other date. While we may elect to, we undertake no obligation to publicly update any such statement to reflect new information or the occurrence of future events or circumstances at any particular time.*



# Focused Vision and Mission

## ***Our Vision:***

*Boardwalk is committed to being Canada's leading multi-family Trust and to expanding our operations into a truly national platform.*

## ***Our Mission:***

*To Serve and Provide our Residents with Quality Rental Communities.*



# Topics for Discussion

- Financial Review
- Trust Overview
- Boardwalk REIT Highlights
- Multi-family Market Overview
- Portfolio Statistics
- Summary
- Q & A



# Overview – Q3 Highlights

	<b>3 Months ended Sept 2008</b>	<b>% Change</b>	<b>9 Months ended Sept 2008</b>	<b>% Change</b>
Rental Revenue	\$108.2	13.0%	\$315.9	14.4%
NOI	\$72.1	12.4%	\$199.3	14.6%
FFO	\$36.8	8.2%	\$97.4	12.6%
Per Unit	\$0.68	11.5%	\$1.78	14.8%
DI	\$37.2	8.4%	\$98.7	12.3%
Per Unit	\$0.69	13.1%	\$1.80	14.6%



# Trust Overview

- Started in 1984 as a private company
- Became a public company in 1994
- Converted into a REIT in May of 2004
- Canada's largest multi-family owner/operator
- Property portfolio of 36,785 rental units
  - (Rental universe of over 1.5MM units in major Canadian CMA's)
- Listed on TSX (BEI.UN)
- Inclusion in the S&P/TSX Composite and Income Trust Indices
- Total Enterprise Value: C\$4.0 Billion (as at Sept 30, 2008)



# Trust Overview

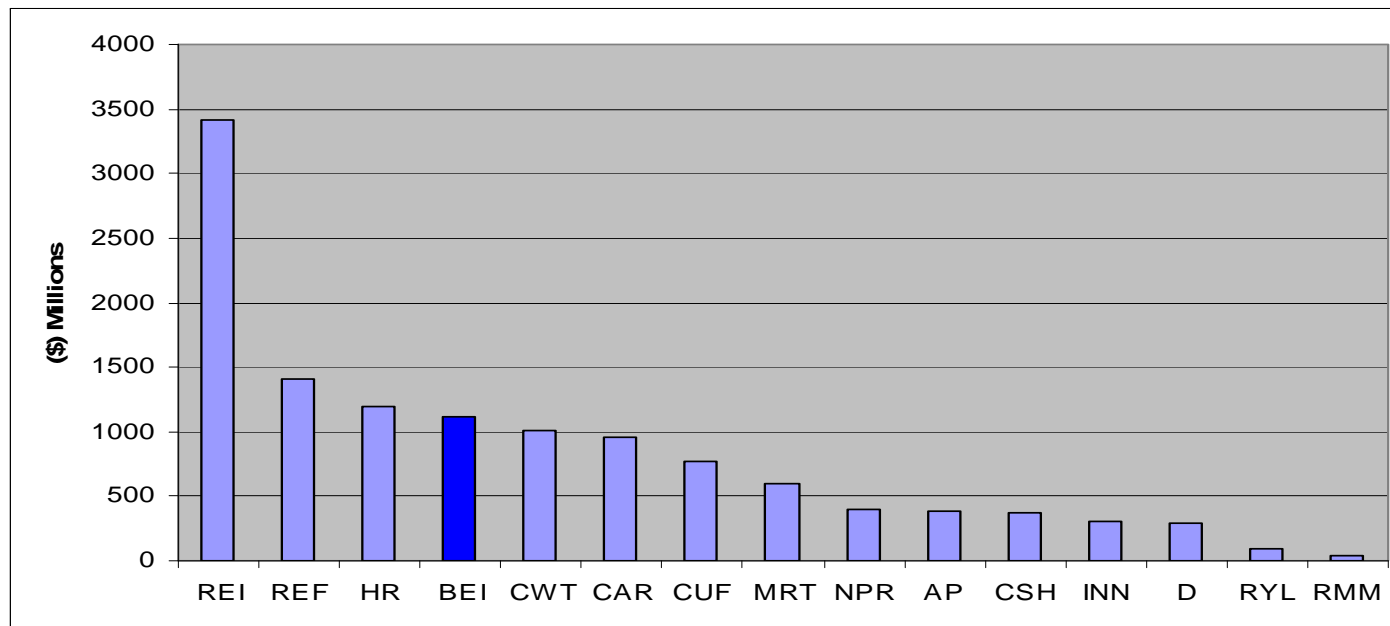
- **Experienced Professional Management Team**
  - significant ownership stake in the Trust
  - absence of conflicts of interest
  - proven track record of growth and adding value
- **Quality Portfolio**
  - high concentration in dynamic markets
  - over \$350M spent over past 5 years on capital upgrades and improvements prior to converting to a REIT
- **Strong Financial Position**



# Canadian REIT Market Context

- Boardwalk REIT is the fourth largest REIT in Canada
  - Boardwalk REIT is the largest Residential REIT in Canada.

Market Cap Summary



Market Capitalization as at November 11, 2008



# Attractive Distribution

- Annualized distributions of \$1.80 per REIT unit, payable monthly
  - Equivalent distribution of approx. \$7.20 pre-split since becoming public in 1994 with \$0.25 IPO price
- Approximation for 2008: 65% return of capital, 35% considered income
- Current equity yield of approx. 8.03%
- Conservative capital structure, with leverage of approximately 60% (as at Sept 30, 2008) of the REIT's Gross Book Value<sup>1</sup>
- Debt to Total Enterprise Value is 51.9%

<sup>1</sup> Gross Book Value ("GBV") is a non-GAAP term that is defined in the Trust's Declaration of Trust. In general, it is determined by taking total reported assets of the Trust, adding back accumulated amortization and making a one-time adjustment in the amount of approximately \$641 million (\$231 million prior to May 13, 2008).



# Sustainable Distribution

- Average occupied rent base of \$1,027  
(September 2008 avg. occupied rent across portfolio) based on average two bedroom unit size of 845 sq. ft.
- 2007 FFO Payout Ratio 77% - Target 80%
- Future cash flow increase shared between Unitholders & capital expenditures
  - \$350M+ spent on portfolio over 5 years prior to REIT conversion
  - \$74M spent on capital expenditures during Fiscal 2007
  - Mark to market on existing rents was \$18.2 million at the end of September 2008.



# Boardwalk REIT Overview

- **Business Strategy**

- The strategy of Boardwalk REIT is:

- to be the best team
- to focus on acquiring, financing, developing, owning and managing quality multi-family rental properties
- to provide Unitholders with a stable and growing cash flow distribution

- Boardwalk REIT can best achieve its goals by strategically:

- maximizing Customer satisfaction by providing an above-average level of service and product with our exceptional team
- acquiring selected multi-family residential properties throughout Canada
- selling properties classified as 'held for resale' and reinvesting the sale proceeds back into new and existing properties
- enhancing property values through pro-active management and capital improvements
- managing capital prudently while maintaining a conservative financial structure
- pursuing opportunities to form selective partnerships or joint ventures

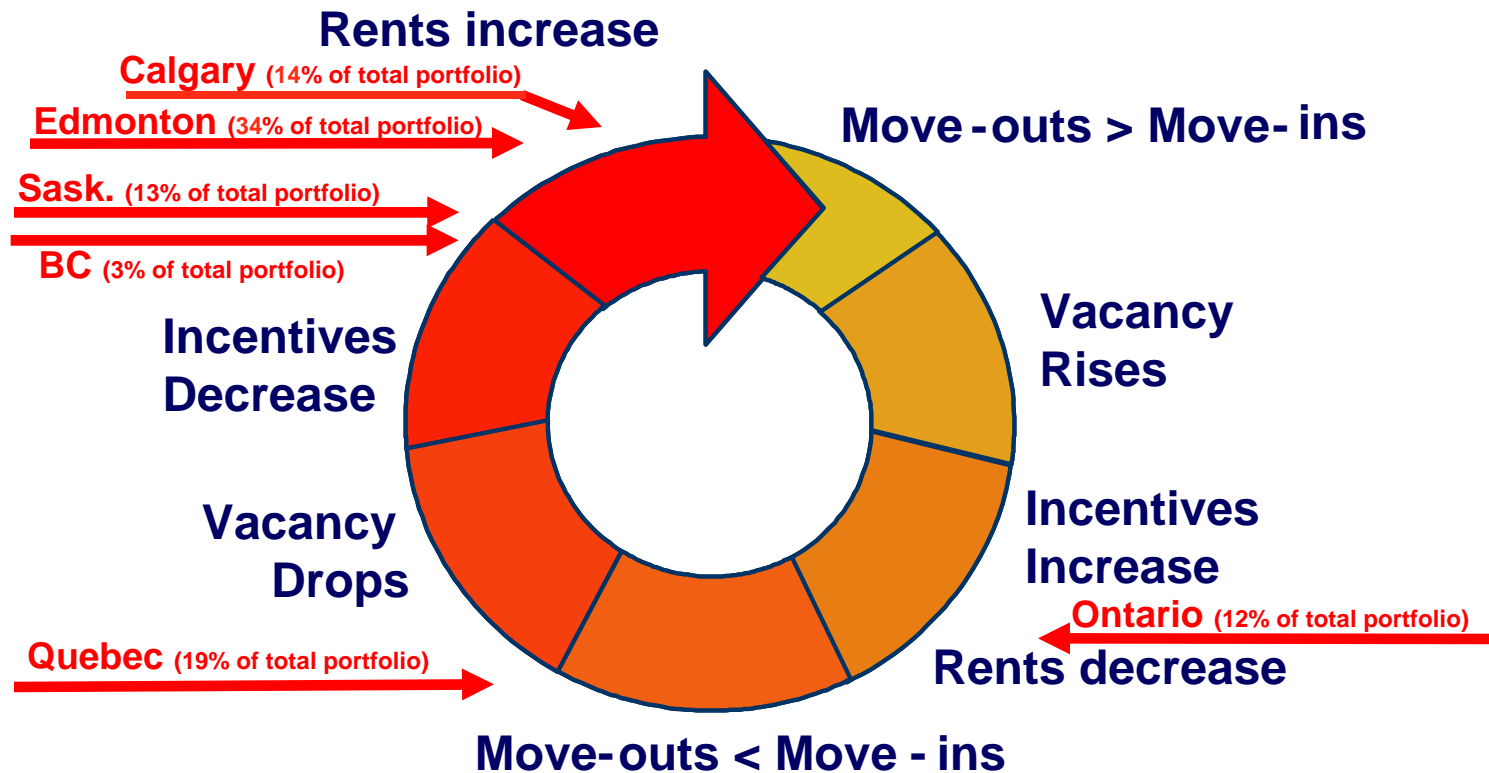


# Boardwalk REIT Overview

- Business Strategy (cont'd)
  - Boardwalk REIT will:
    - seek to capitalize on economies of scale derived from its substantial presence in Western Canada, as well as growing presence in Eastern Canada
    - focus on markets that are typified by strong economic outlook and relatively low vacancy rates
  - Due to Boardwalk's size and relationship with various commercial lenders and Canada Mortgage and Housing Corporation, financing for acquisitions can often be negotiated on favourable terms
    - As at September 30, 2008, approximately 98% of Boardwalk REIT's secured debt is NHA insured, thus virtually eliminating the risk of non-renewal



# Rental Revenue Cycle



# Trust Overview

## Social Responsibility

Boardwalk is an advocate of social responsibility. To address the need for affordable housing:

- We partner with all levels of Government, and Housing Authorities in every centre.
  - Currently over 1,000 units dedicated to Government subsidized housing in Alberta.
- We program internally:
  - Self-imposed “Rent Protection” - maximum \$150 / month rent increase per year for existing Customers
  - In house subsidy program eliminates rent increases for any resident who can prove financial hardship.



# Current Cap Rates

*Cap rates for various Canadian markets, representing well located, better quality buildings with no deferred capx.*

Victoria	4.25 - 5.25%
Vancouver	3.75 - 4.75%
Vancouver Suburbs	4.75 - 5.75%
Calgary	4.75 - 6.00%
Edmonton	5.00 - 6.00%
Saskatoon	5.00 - 6.00%
South West Ontario	6.25 - 7.00%
Montreal	5.75 - 6.75%
Quebec City	6.00 - 7.00 %

*Source – Internally generated*



# Value Added Opportunities

Boardwalk REIT continues to look for ways to maximize value to Unitholders. Some examples of value added opportunity that we are currently pursuing include:

- **Boardwalk Retirement Communities**
  - 121 units in Calgary, 90 units in Edmonton
- **Condominium Conversion**
  - As of November 01, the 90 unit conversion in Calgary was 97% sold.
- **New Rental Construction**
  - We continue to explore the possibility of economical new rental development.



# Multi-Family Sector – Overview

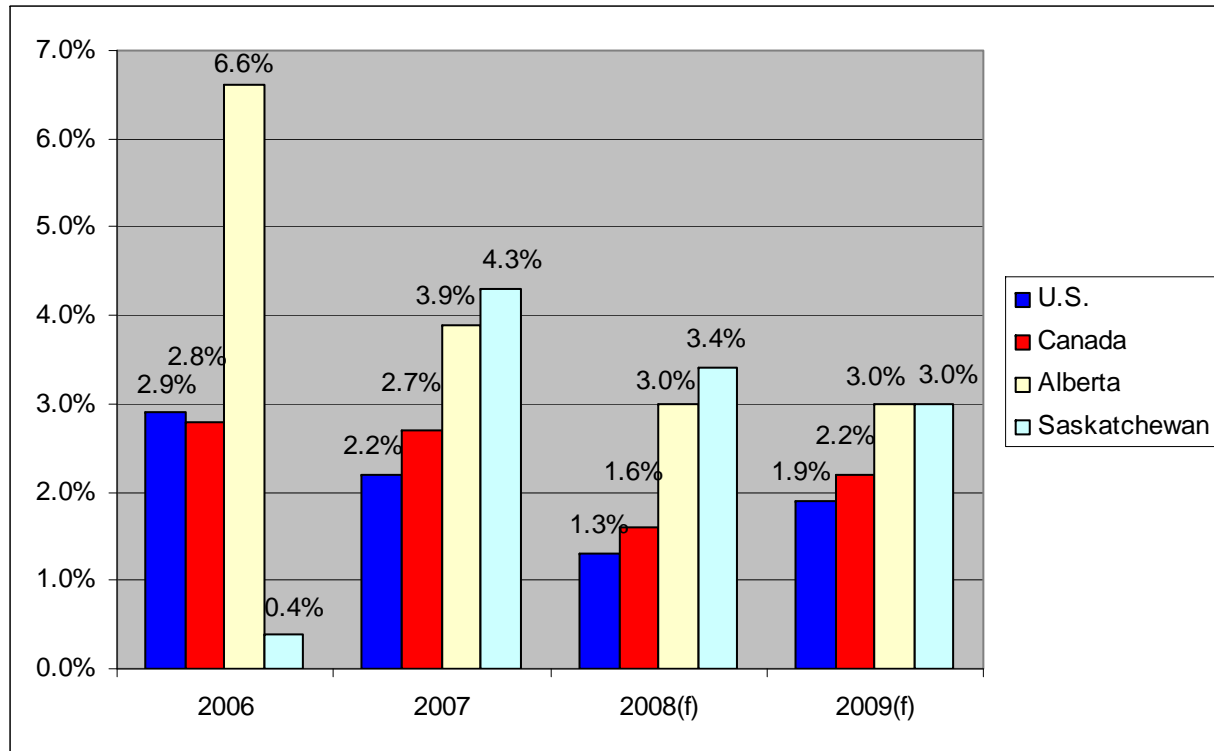
Underlying fundamentals for sector remain healthy:

- Positive demographic trends expected to continue throughout decade – will have positive impact on demand for multi-family rental properties
- New supply of rental product has been minimal for over 15 years and remains limited across the country
- Strong economic growth is forecasted for our largest markets.



# GDP Growth

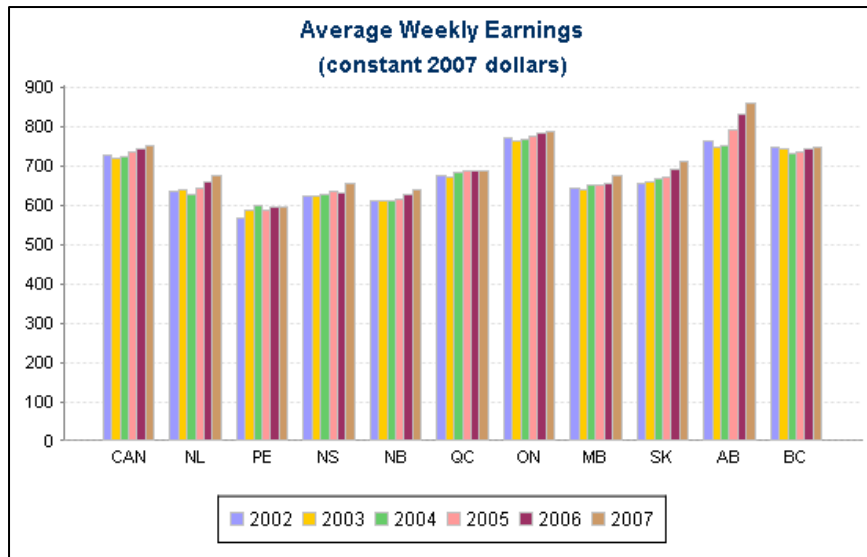
Alberta vs. Saskatchewan, Canada and U.S.



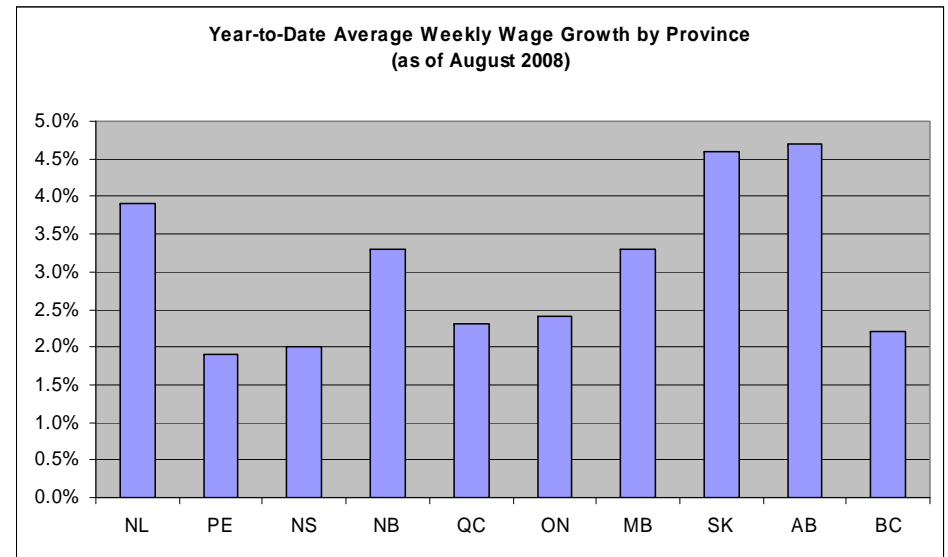
Source: Government of Alberta, CMHC forecast



# Average Weekly Earnings



Note: Earnings are in constant 2007 dollars.  
 Source: Human Resources and Social Development Canada  
 (calculations based on Statistics Canada)

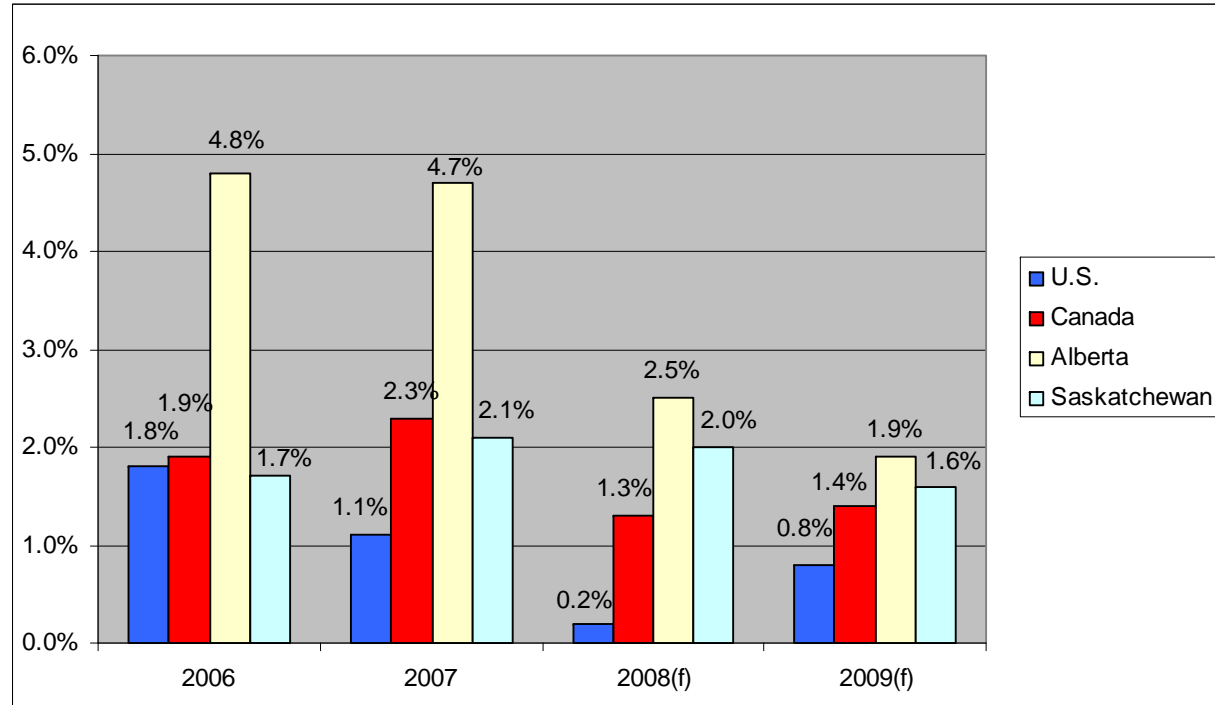


Source: Statistics Canada



# Employment Growth

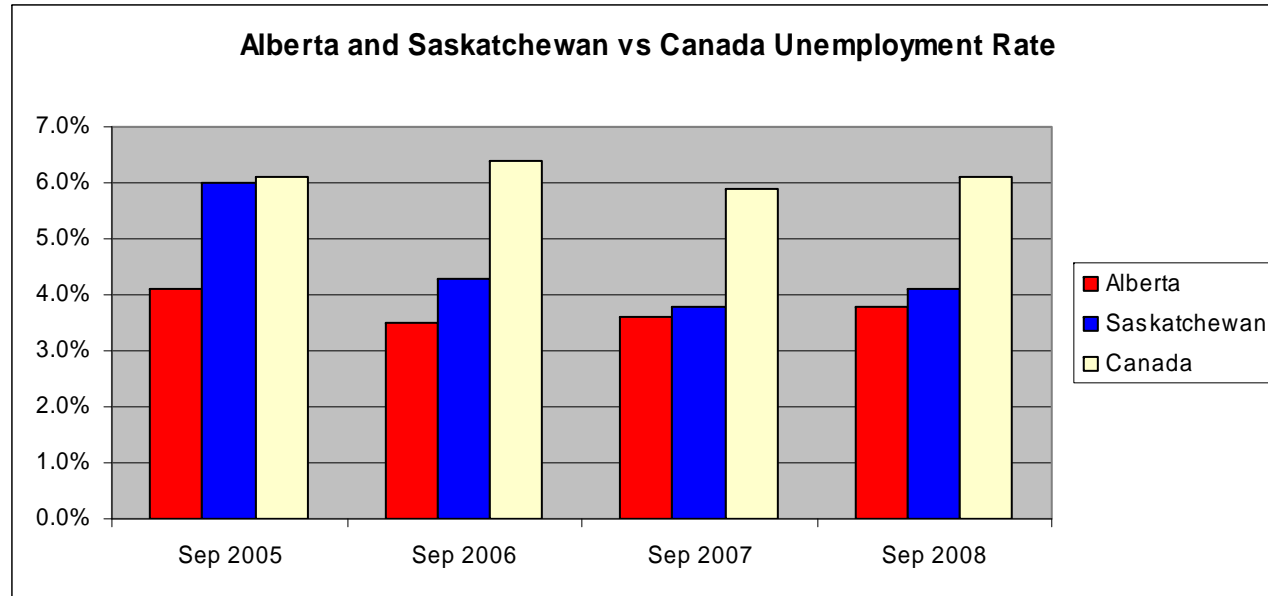
Alberta vs. Saskatchewan, Canada and U.S.



Source: Government of Alberta, CMHC forecast



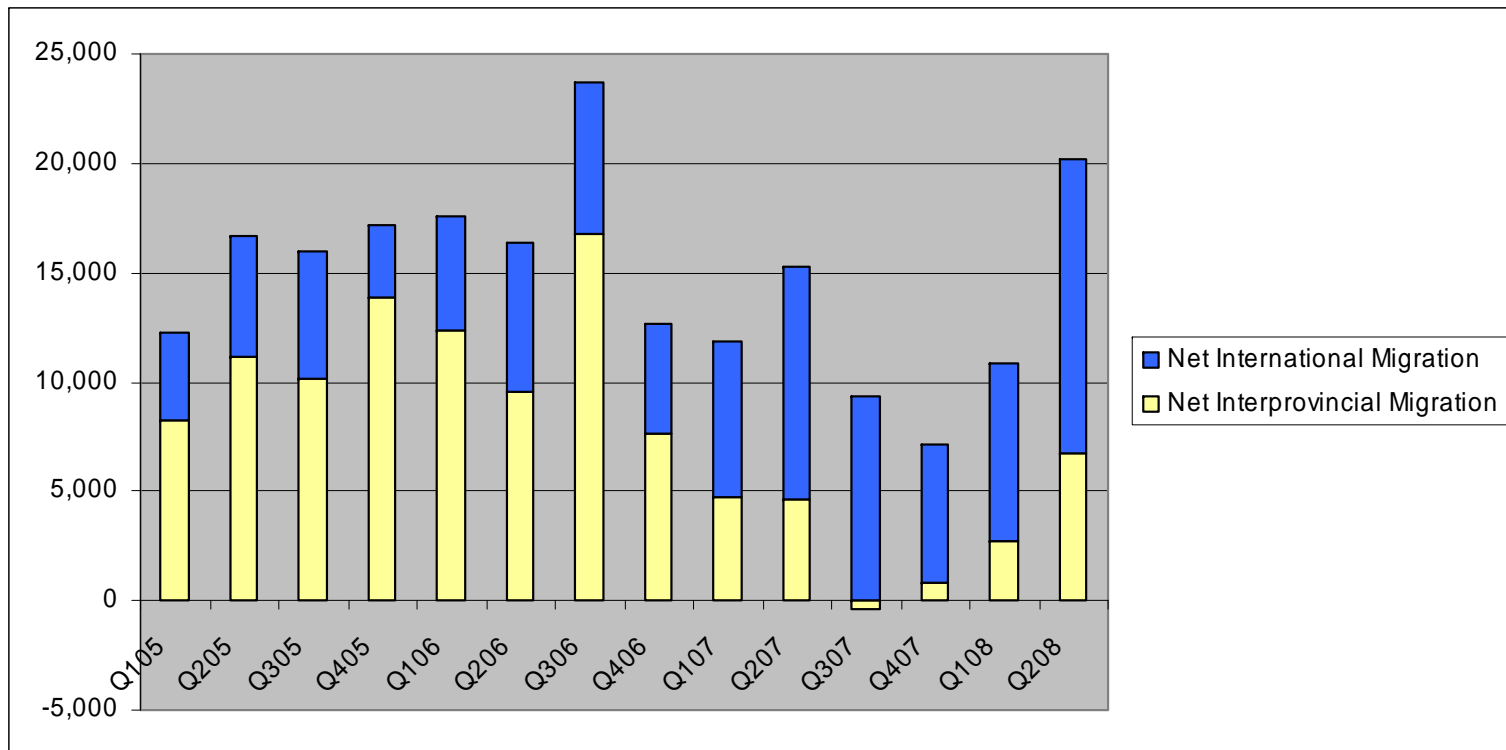
# Alberta and Saskatchewan Unemployment



Source: Statistics Canada



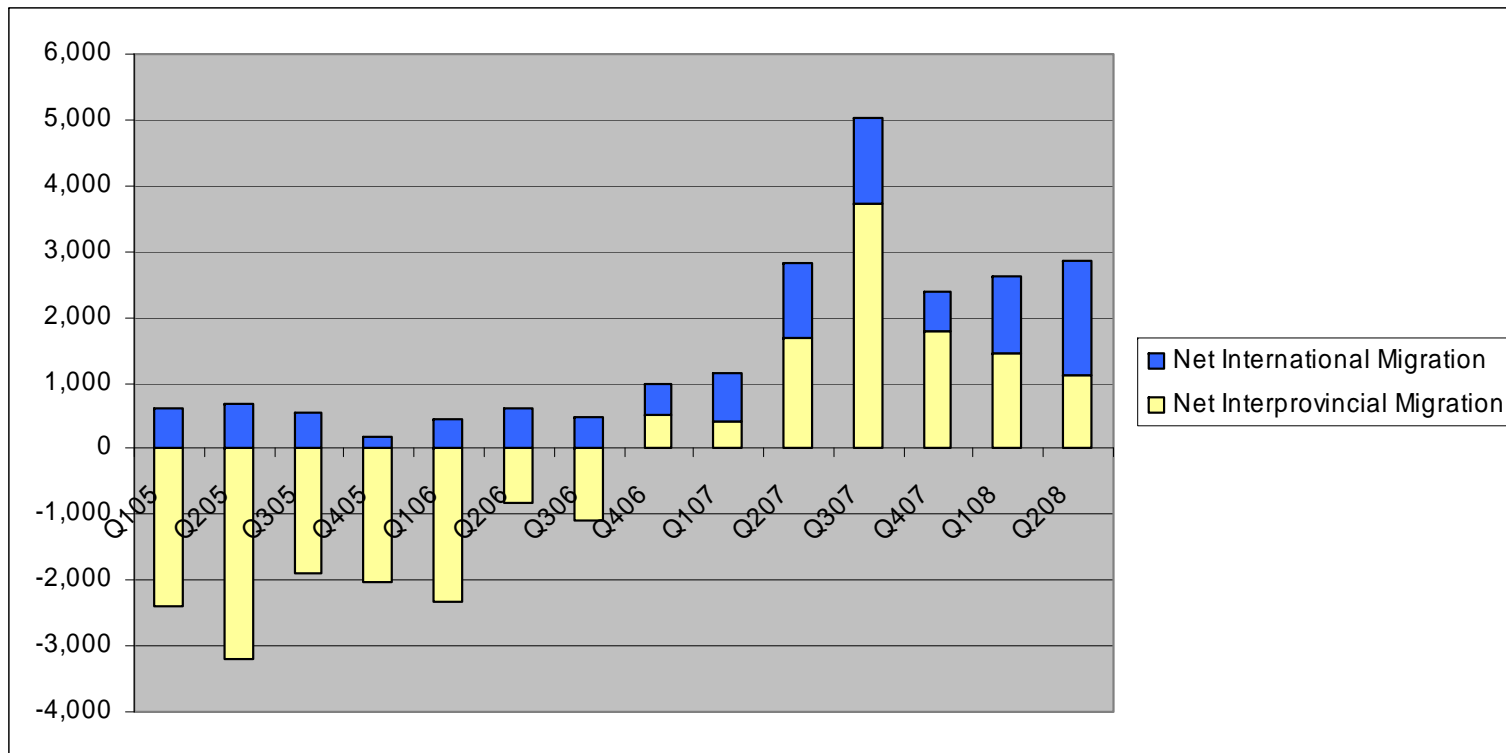
# Alberta International and Interprovincial Migration



Source: Statistics Canada



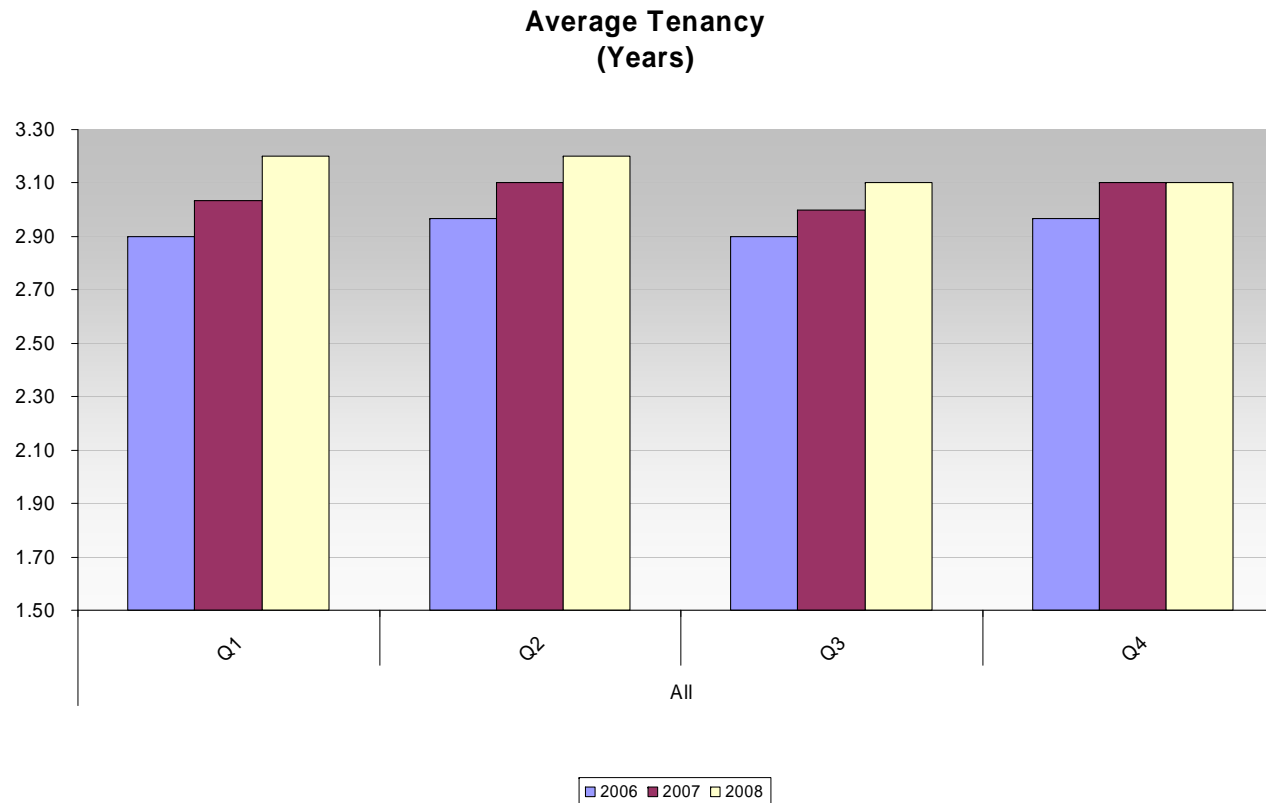
# Saskatchewan International and Interprovincial Migration



Source: Statistics Canada



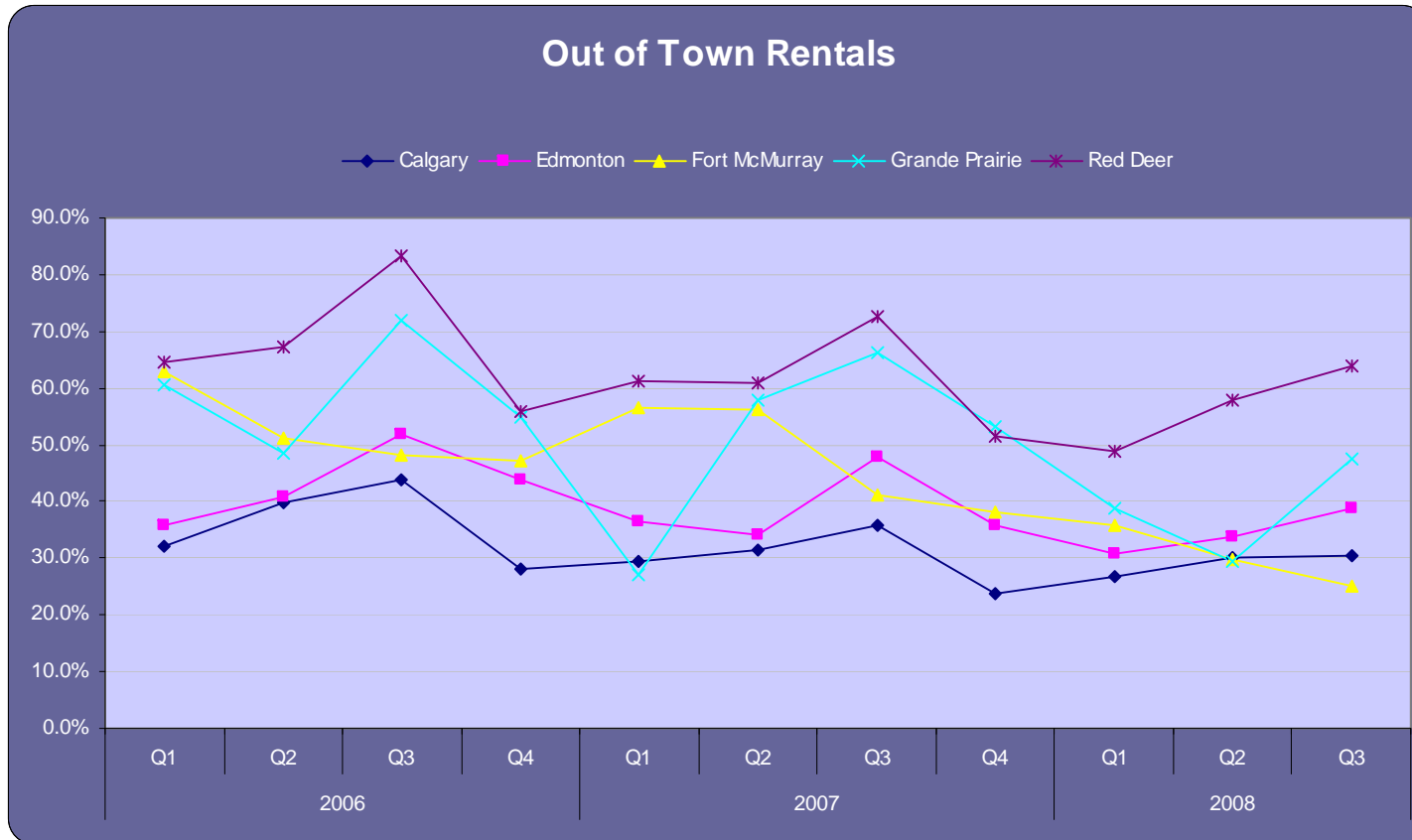
# Average Tenancy (Years)



Source – Internally generated



# Out of Town Rentals



Source – Internally generated



# Inventory of Major Alberta Projects

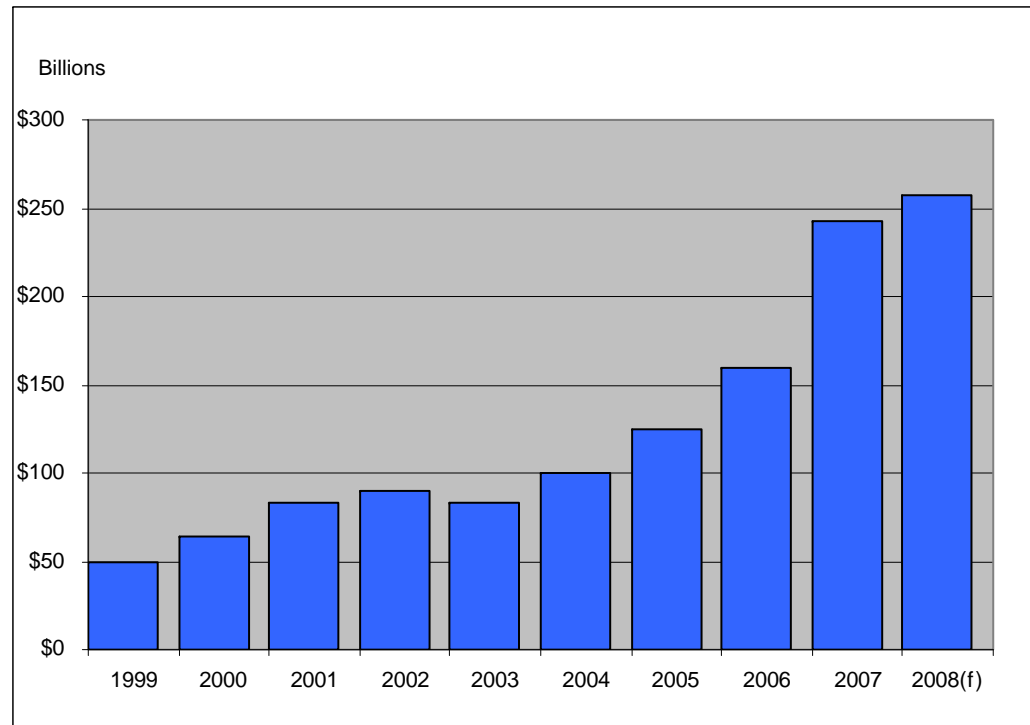
Continued Long Term Capital being invested in Alberta

Sector	Oct. 2008 Value of Project (\$millions)	Jun. 2008 Value of Project (\$millions)	Mar. 2008 Value of Project (\$millions)	Dec. 2007 Value of Project (\$millions)
Agriculture & Related	\$77.4	\$64.4	\$83.0	\$89.0
Biofuels, Chemicals & Petrochemicals	\$2,429.0	\$2,846.0	\$2,766.0	\$2,714.5
Commercial/Retail	\$11,467.0	\$11,118.2	\$8,625.4	\$8,597.9
Commercial/Retail and Residential	\$5,533.5	\$4,500.8	\$4,485.8	\$3,663.5
Infrastructure, Institutional & Other Industrial	\$37,468.2	\$35,424.0	\$30,504.8	\$29,992.9
Manufacturing, Mining, Forestry & Related	\$2,889.9	\$3,024.9	\$3,029.4	\$2,451.4
<b>Oil &amp; Gas</b>	\$3,783.0	\$3,983.0	\$4,140.0	\$4,195.4
<b>Oil Sands</b>	\$180,351.0	\$170,059.0	\$162,609.0	\$155,596.0
Pipelines	\$12,186.9	\$12,190.0	\$11,943.8	\$11,713.1
Power	\$12,297.0	\$11,837.0	\$10,971.0	\$10,245.0
Residential	\$7,128.4	\$7,284.7	\$6,439.3	\$6,179.4
Tourism/Recreation	\$10,915.9	\$10,875.1	\$9,319.5	\$9,337.7
<b>Total</b>	<b>\$286,527.2</b>	<b>\$273,207.1</b>	<b>\$254,917.0</b>	<b>\$244,775.4</b>

Source: Government of Alberta



# Investments in Major Alberta Projects



Source: Alberta Inventory of Major Projects



# Alberta Forecast

## Alberta Forecast Summary

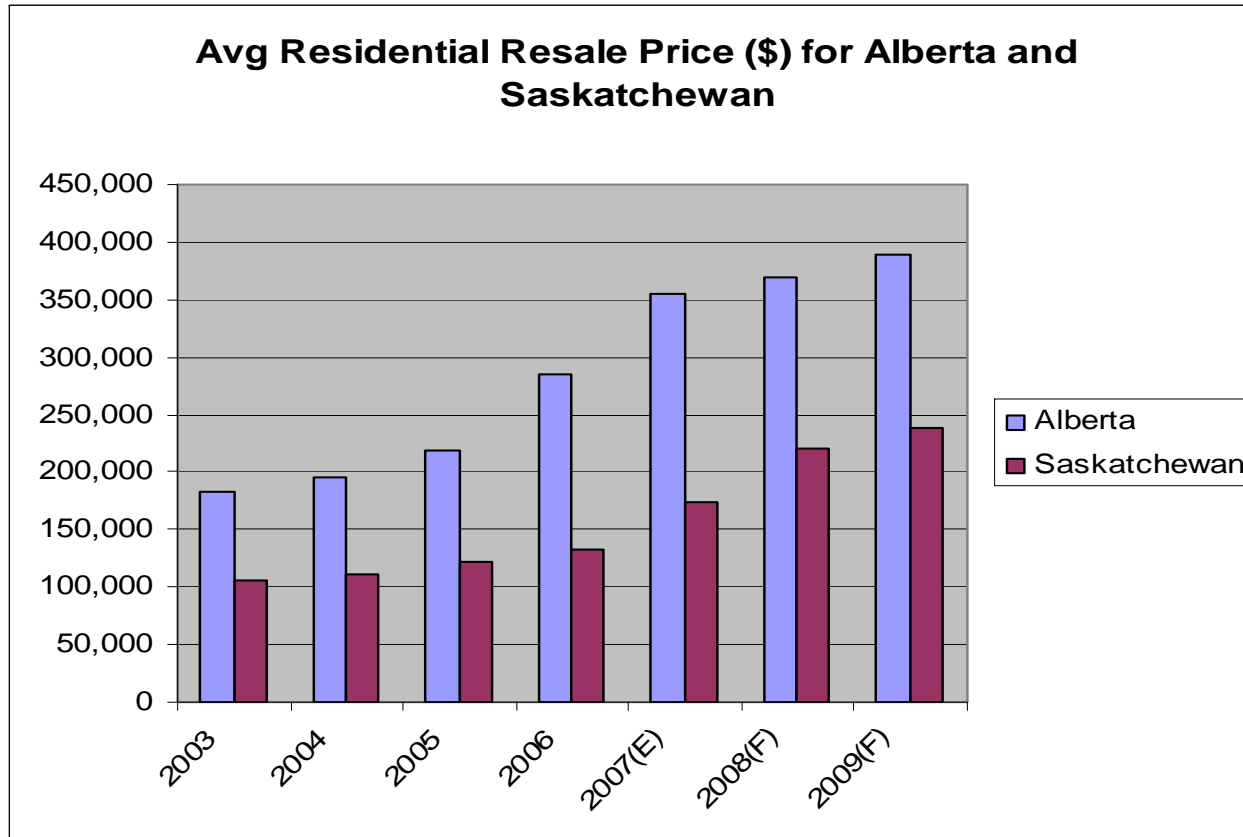
	2005	2006	2007 (f)	2008 (f)	2009 (f)
<b>Economy</b>					
Real GDP Growth	4.60%	6.80%	4.30%	3.20%	3.00%
Employment Growth	1.50%	4.80%	4.70%	2.00%	1.70%
Net Migration	63,239	81,480	47,000	42,000	38,500
<b>New Home Market</b>					
Single-Detached Starts	26,684	31,835	28,105	28,250	22,750
Multi-family Starts	14,163	17,127	20,231	16,250	15,000
<b>Resale Market</b>					
Total MLS Sales	65,866	74,350	72,000	67,500	66,000
Average Price	\$218,266	\$285,383	\$355,000	\$369,000	\$389,000

Source: CMHC Forecast



# Average Residential Sales Price

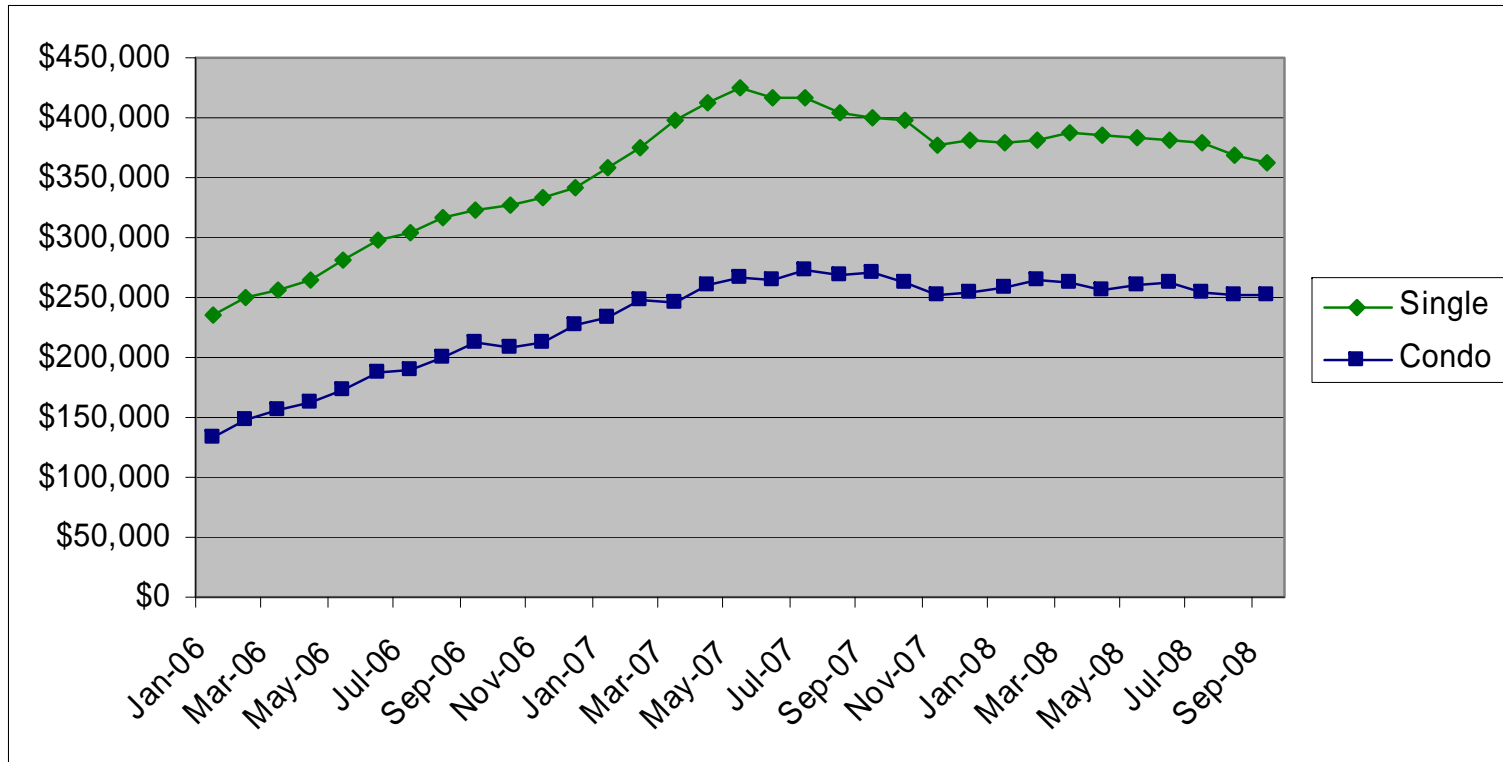
## Alberta and Saskatchewan



Source: CMHC Forecast



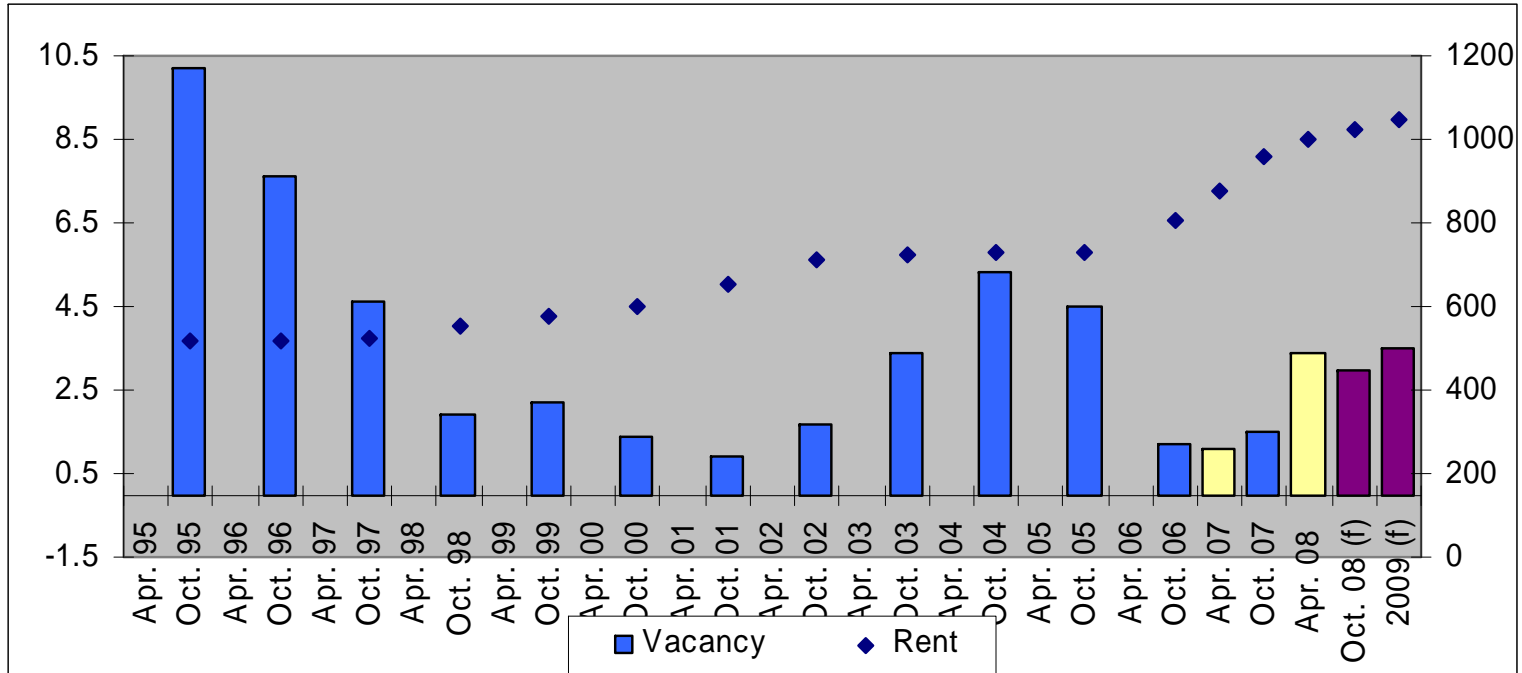
# Edmonton Single Family Home and Condo Prices



Source: Edmonton Real Estate Board



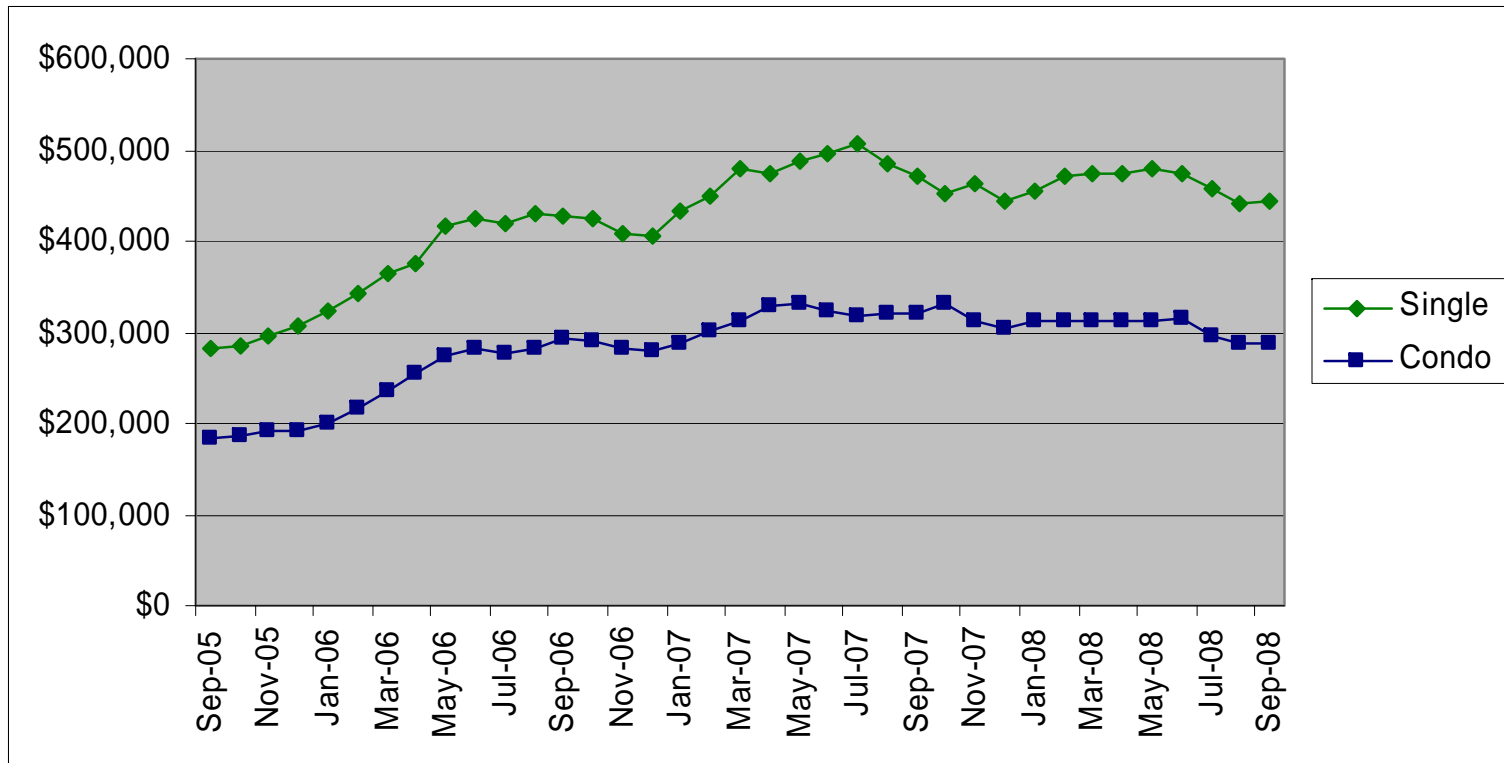
# Edmonton Average Vacancy and Average Rent



Source: CMHC, two-bedroom units (centres 10,000 population and higher)



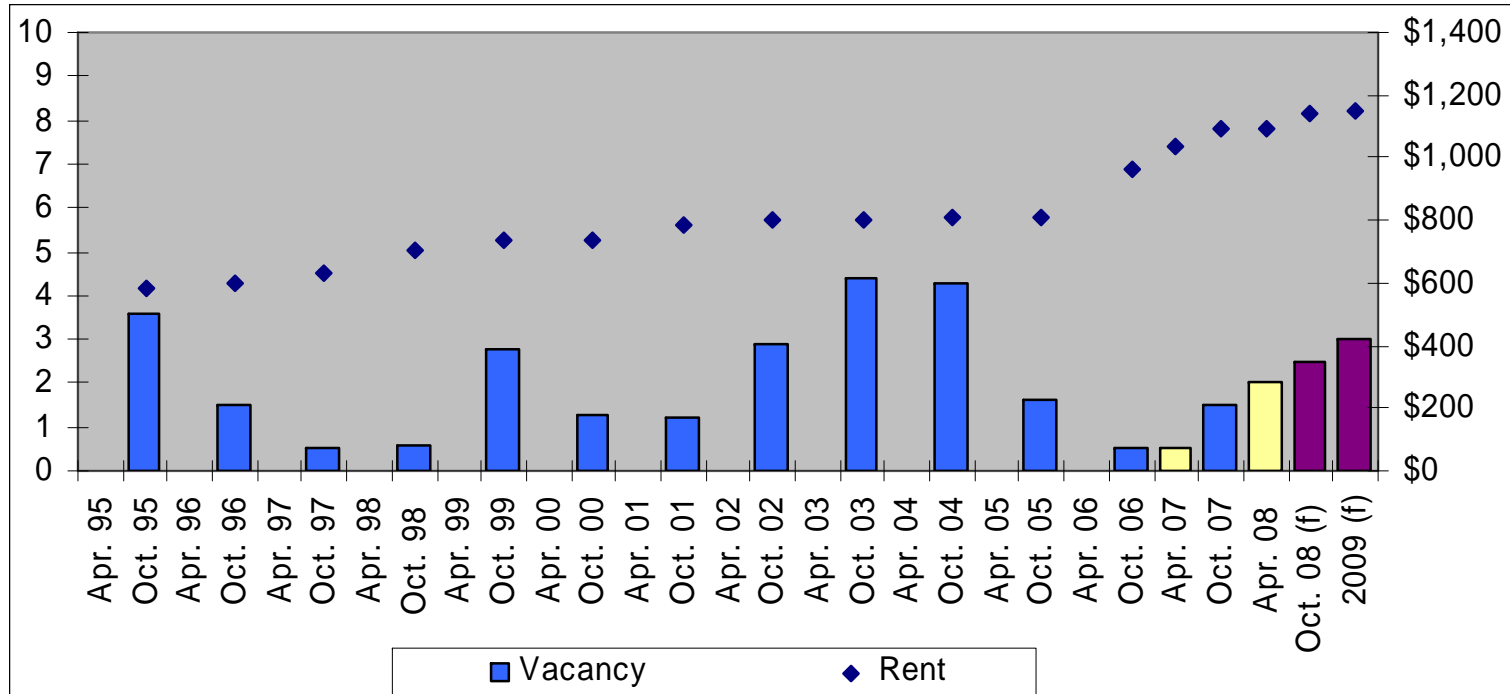
# Calgary Single Family Home and Condo Prices



Source: Calgary Real Estate Board and Century 21 CREB archive



# Calgary Average Vacancy and Average Rent

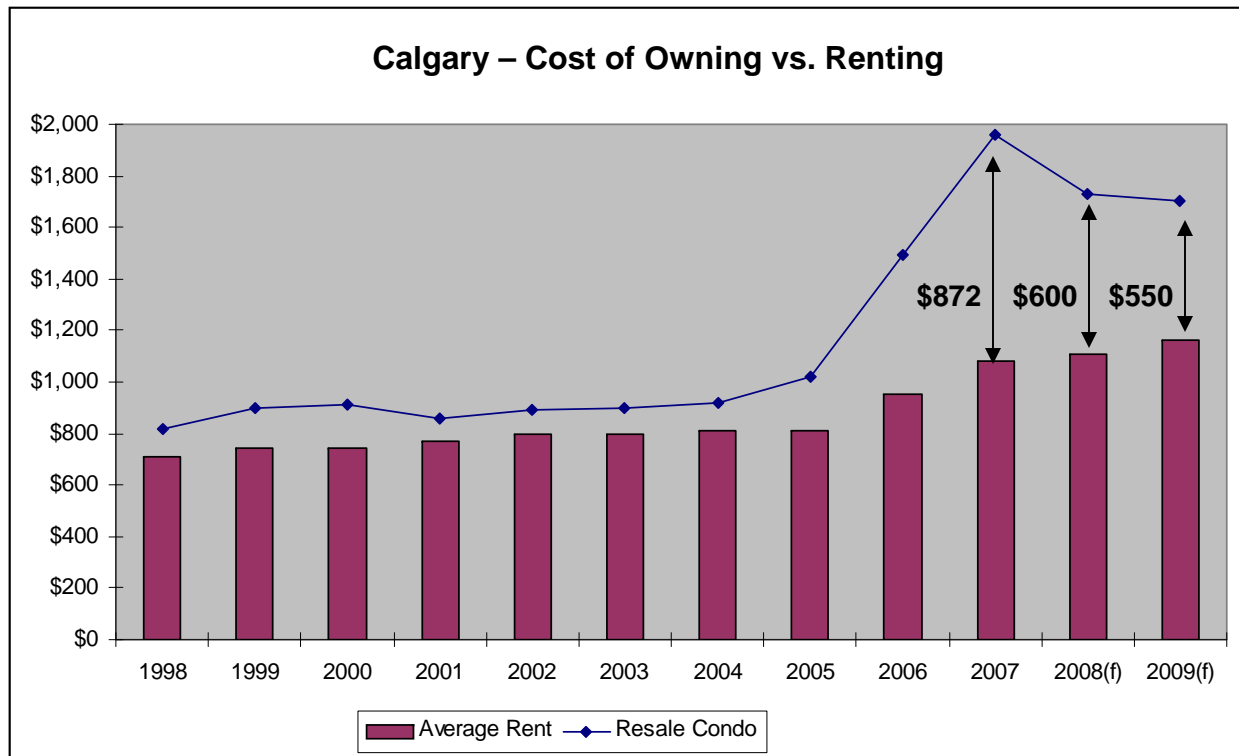


Source: CMHC, two-bedroom units (centres 10,000 population and higher)



# Calgary Cost of Owning vs. Renting

The gap between owning a condo and renting an apartment is narrowing due to increasing rents and lower condo prices.

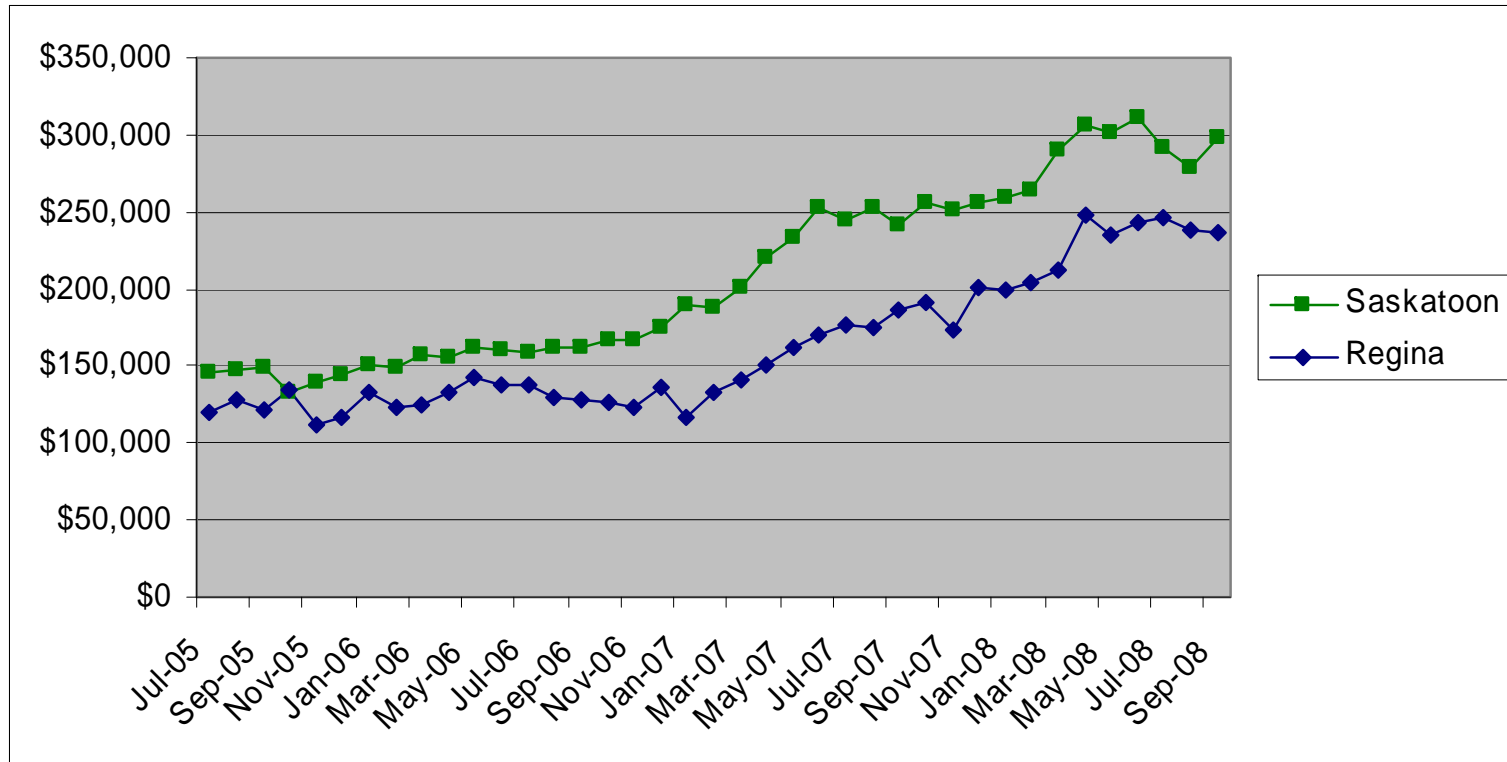


Assumption: 10% down payment, average 5-year fixed discounted mortgage rates.

Source: CREB, Bank of Canada, CMHC, CMHC forecast (f)



# Saskatoon and Regina Home Prices



Source: Saskatoon Real Estate Board, CMHC, Association of Regina Realtors



# Saskatoon Average Rent and Average Vacancy



Source: CMHC, two-bedroom units (centres 10,000 population and higher)



# Regina Average Rent and Average Vacancy



Source: CMHC, two-bedroom units (centres 10,000 population and higher)



# Portfolio Statistics

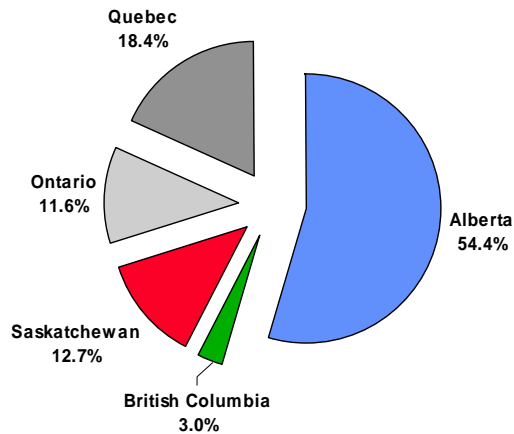
- Boardwalk REIT's portfolio consists of over \$2.0 billion invested in over 260 properties
- Properties have approx. 40.0 million square feet of rentable area
- Portfolio avg. unit size of 845 sq. ft - 2 bedroom
- Overall avg. market rent \$1,070/month (September 2008)
- 92% of the Trust's portfolio is stabilized – owned for a period of more than 24 months
- Portfolio located in 19 market areas in 5 provinces



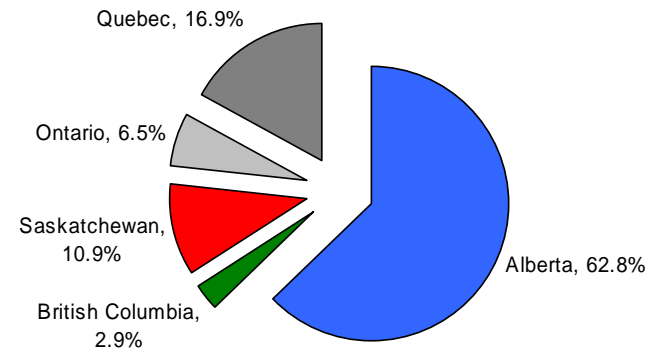
# Portfolio Summary By Province

## Unit Breakdown – September 30, 2008

Unit Breakdown by Province



## Net Operating Income – September 30, 2008



### By Province

Province	Number of Units	% of Units	Net Rentable Square Footage	% of Square Footage	Average Unit Size
Alberta	20,017	54.42%	17,081,747	55%	853
British Columbia	1,087	2.96%	880,401	3%	810
Saskatchewan	4,660	12.67%	3,855,658	12%	827
Ontario	4,265	11.59%	3,410,651	11%	800
Quebec	6,756	18.37%	5,865,580	19%	868
<b>Total</b>	<b>36,785</b>	<b>100.00%</b>	<b>31,094,037</b>	<b>100%</b>	<b>845</b>

\* Excluded in the total is a 90-unit property converted to condominiums.

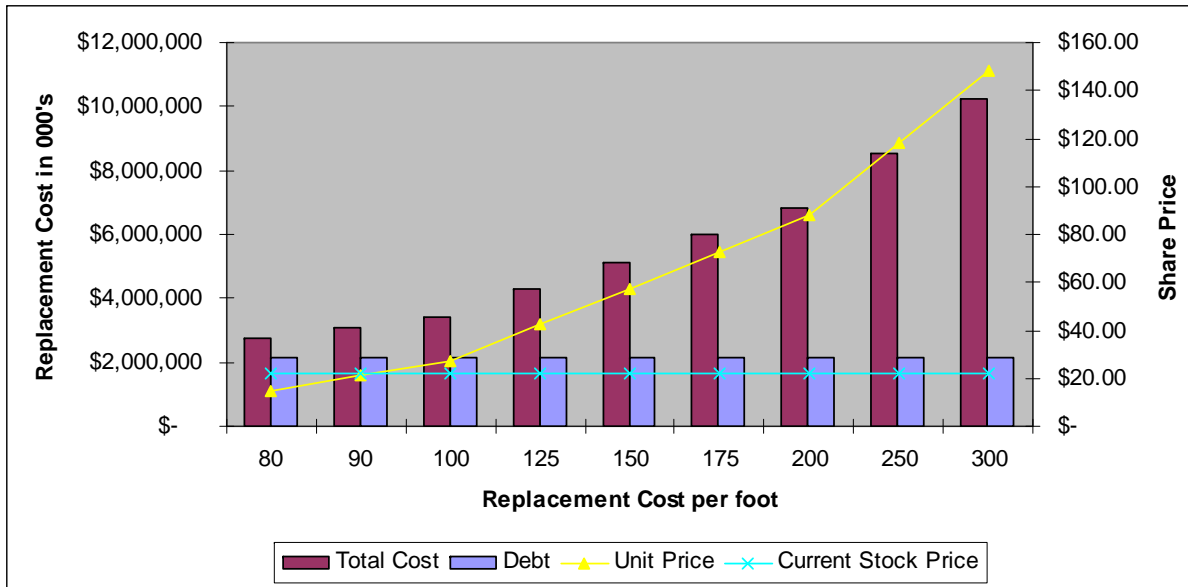


# Q3 - Portfolio Highlights

	Q3 2008	Q3 2007	Change
Portfolio Vacancy	4.58%	3.93%	65 bps
Average Rent Realized	\$977	\$879	\$98
Same Property			
Revenues	9.7%		
Operating Costs	9.1%		
NOI	9.9%		



# Mortgage Debt / Total Capitalization / Replacement Value



- Mortgages represent low percentage of replacement cost.

Internally generated assumes net rentable square feet are grossed up by 10.% to account for common areas



# Estimated Net Asset Value Trust Unit Range Analysis

	2009 Budget - Mid Point	Cap Rate	Implied Trust Unit value
Revenue	\$ 446,839,000	6.00%	\$ 48.39
		6.25%	\$ 44.95
		6.50%	\$ 41.77
Operating Expenses	\$ 167,966,000	6.75%	\$ 38.82
		7.00%	\$ 36.09
Net Operating Income	<u>\$ 278,873,000</u>	7.25%	\$ 33.54
		7.50%	\$ 31.16
Debt outstanding September 30 2008	\$ 2,076,243,000	8.00%	\$ 26.86
Less cash on Hand	\$ 39,152,000	8.50%	\$ 23.05
	<u>\$ 2,037,091,000</u>	9.00%	\$ 19.68
		Current Price	\$ 21.80
		Implied cap rate	8.68%
Trust Units Outstanding - September 30, 2008	<u>53,815,422.00</u>		
		NCIBs For 9 M 2008	1,969,200
		Average Purchase price	\$ 38.76
		Total invested	\$ 76,325,000

**NAV range reflects implied capitalization rates only on anticipated cash flows for 2008 . It does not incorporate any subjective value that may relate to other assets including intangibles and excess land or any potential value which may be associated with other higher related uses of these assets such as Condominium Conversion.**

*Source – Internally generated*

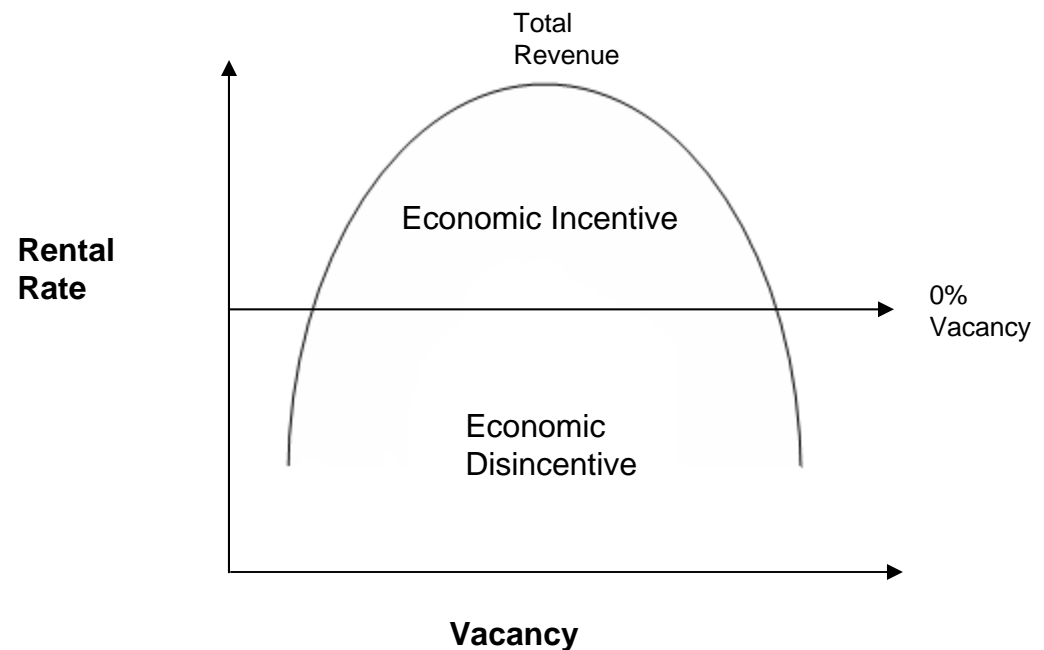


# Revenue Maximization

**Revenue** = Supply + Demand + Price

**Low Price** = Higher Demand = Low Physical Vacancy but higher Economic Vacancy

**High Price** = Lower Demand = Higher Physical Vacancy but lower Economic Vacancy



*\*Our Strategy attempts to optimize physical and economic vacancy on a seasonally adjusted basis.*



# Loss To Lease Statistics September 2008

	Sept 2008 Occupied Rent	Sept 2008 Market Rent	Mark to Market Per Month	Annualized Mark to Market Adjusted for Vacancies (\$000's)	Weighted Average Units	% of Portfolio
Calgary	\$ 1,211	\$ 1,301	\$ 90	\$ 5,681	5,466	15%
Edmonton	\$ 1,120	\$ 1,136	\$ 16	\$ 2,244	12,583	34%
Other Alberta	\$ 1,121	\$ 1,174	\$ 53	\$ 1,131	1,967	5%
Alberta Portfolio	\$ 1,145	\$ 1,185	\$ 40	\$ 9,056	20,016	54%
Saskatchewan	\$ 908	\$ 1,065	\$ 157	\$ 8,404	4,660	13%
Ontario	\$ 799	\$ 788	\$ (10)	\$ (498)	4,265	12%
Quebec	\$ 918	\$ 921	\$ 3	\$ 184	6,749	18%
British Columbia	\$ 919	\$ 1,004	\$ 85	\$ 1,060	1,087	3%
Total Portfolio	\$ 1,027	\$ 1,070	\$ 43	\$ 18,206	36,777	100%

Source – Internally generated. Occupied rent represents the average for the reported month. Market rent represents the amount reported on the last business day of the month reported.



# Alberta Loss To Lease Analysis September 2008

	<b>Total</b>	<b>Per Trust Unit</b>
June 2008 - Alberta	\$ 14,003,000	\$ 0.26
Increase to In-Place Rents	\$ (5,154,000)	\$ (0.10)
Vacancy Adjustment	\$ 377,000	\$ 0.01
Market Rent Adjustment	\$ (170,000)	\$ (0.00)
September 2008 - Alberta	\$ 9,056,000	\$ 0.17

*Source – Internally generated*



# Internal Growth Potential

## Sensitivity Analysis

Monthly occupied rental increase	\$ 25.00	\$ 50.00	\$ 75.00	\$ 100.00	\$ 150.00
Monthly impact	\$ 900,000	\$ 1,800,000	\$ 2,600,000	\$ 3,500,000	\$ 5,300,000
Annula Impact	\$ 10,800,000	\$ 21,600,000	\$ 31,200,000	\$ 42,000,000	\$ 63,600,000
Per Trust Unit	\$ 0.20	\$ 0.40	\$ 0.58	\$ 0.78	\$ 1.18

**Source – Internally generated, amount generated are based on existing occupancy levels and assume no impact of any changes in operating costs.**



# Stabilized Analysis

Three and Nine months ended September 30, 2008

Sep 30 2008 - 3 M	# of Units	% Revenue Growth	% Operating Expense	% Net Operating	% of NOI
Calgary	4,973	8.3%	27.3%	2.9%	19.2%
Edmonton	10,649	13.9%	11.7%	14.9%	35.4%
Other Alberta	1,680	5.6%	8.3%	4.4%	5.4%
British Columbia	871	5.8%	17.4%	1.2%	2.6%
Ontario	4,265	1.4%	3.6%	-0.6%	7.1%
Quebec	6,756	3.3%	-2.0%	6.0%	18.3%
Saskatchewan	4,660	21.0%	8.1%	28.8%	12.0%
	33,854	9.7%	9.1%	9.9%	100.0%

Sep 30 2008 - 9 M	# of Units	% Revenue Growth	% Operating Expense	% Net Operating	% of NOI
Calgary	4,973	8.4%	20.0%	4.4%	19.9%
Edmonton	10,649	14.8%	15.9%	14.2%	35.6%
Other Alberta	1,680	5.8%	18.4%	0.3%	5.7%
British Columbia	871	5.9%	7.4%	5.1%	2.6%
Ontario	4,265	1.0%	2.2%	-0.1%	7.4%
Quebec	6,756	3.1%	0.4%	4.9%	17.6%
Saskatchewan	4,660	19.3%	12.4%	24.2%	11.2%
	33,854	9.6%	10.4%	9.2%	100.0%

Source – Internally generated



# Stabilized Analysis

Three months ended September 30, 2008

Sep 30 2008 - 3 M	# Units	% Revenue Growth	% Operating Expense Growth	% Net Operating Income Growth	% of Stabilized NOI
Calgary	4,973	8.3%	27.3%	2.9%	19.2%
Edmonton	10,649	13.9%	11.7%	14.9%	35.4%
Other Alberta	1,680	5.6%	8.3%	4.4%	5.4%
British Columbia	871	5.8%	17.4%	1.2%	2.6%
Ontario	4,265	1.4%	3.6%	-0.6%	7.1%
Quebec	6,756	3.3%	-2.0%	6.0%	18.3%
Saskatchewan	4,660	21.0%	8.1%	28.8%	12.0%
	33,854	9.7%	9.1%	9.9%	100.0%



# Sequential Stabilized Rental Analysis – Q3 2008

Stabilized Revenue Growth	# of Units	Q3 2008 vs. Q2 2008	Q2 2008 vs. Q1 2008	Q1 2008 vs. Q4 2007	Q4 2007 vs. Q3 2007
Calgary	4,973	1.3%	3.0%	3.3%	0.4%
Edmonton	10,649	3.5%	2.6%	5.3%	1.8%
Other Alberta	1,680	0.3%	0.1%	3.2%	1.9%
British Columbia	871	1.2%	1.9%	4.1%	-1.9%
Ontario	4,265	-1.2%	0.9%	-0.4%	2.1%
Quebec	6,756	2.2%	1.1%	0.0%	0.2%
Saskatchewan	4,660	5.7%	6.6%	2.7%	4.6%
	33,854	2.4%	2.5%	2.9%	1.5%

Source – Internally generated



# Mortgage & Debt Maturities

Year	Principal Outstanding as at Sep 30, 2008	Weighted Average Interest Rate By Maturity	% of Total
2008	95,843,251	4.73%	4.47%
2009	273,246,219	5.34%	12.74%
2010	321,119,429	4.77%	14.98%
2011	124,600,308	5.67%	5.81%
2012	816,856,459	4.78%	38.10%
2013	265,584,678	4.56%	12.39%
2014	16,041,360	4.81%	0.75%
2015	184,846,129	4.52%	8.62%
2016	25,129,346	5.34%	1.17%
2018	6,574,017	6.18%	0.31%
2019	10,778,619	5.99%	0.50%
2020	3,511,395	7.24%	0.16%
<b>Total Principal Outstanding</b>	<b>2,144,131,211</b>	<b>4.91%</b>	<b>100.00%</b>

**Estimated current renewal rates: 3 Years: 4.4% 5 Years: 4.75%**

Source – Internally generated

The average maturity of the portfolio is 3 years.

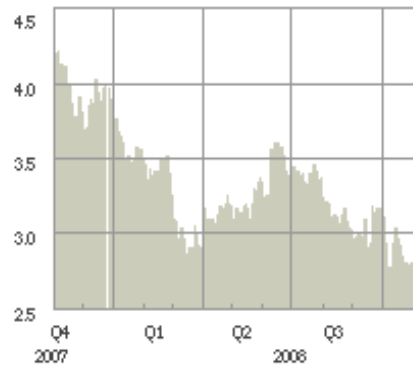


# Finance

## Canadian Bonds

### Govt. of Canada benchmark bond yields: 5 year

Previous data [▶](#)



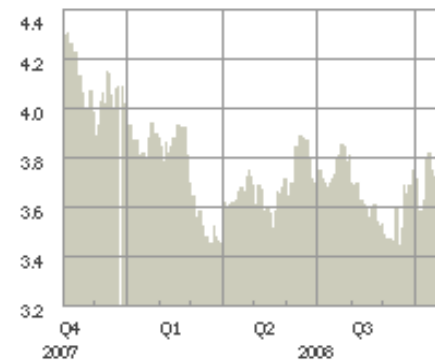
27 Oct 2008:	<b>2.76</b>
28 Oct 2008:	<b>2.79</b>
29 Oct 2008:	<b>2.80</b>
30 Oct 2008:	<b>2.78</b>
31 Oct 2008:	<b>2.80</b>

GRAPH PERIOD:

1 Nov 2007 - 31 Oct 2008

### Govt. of Canada benchmark bond yields: 10 year

Previous data [▶](#)



27 Oct 2008:	<b>3.61</b>
28 Oct 2008:	<b>3.69</b>
29 Oct 2008:	<b>3.74</b>
30 Oct 2008:	<b>3.71</b>
31 Oct 2008:	<b>3.76</b>

GRAPH PERIOD:

1 Nov 2007 - 31 Oct 2008

Source – Bank of Canada

*Canadian Bonds remain near historical lows.*



# Capital Investment

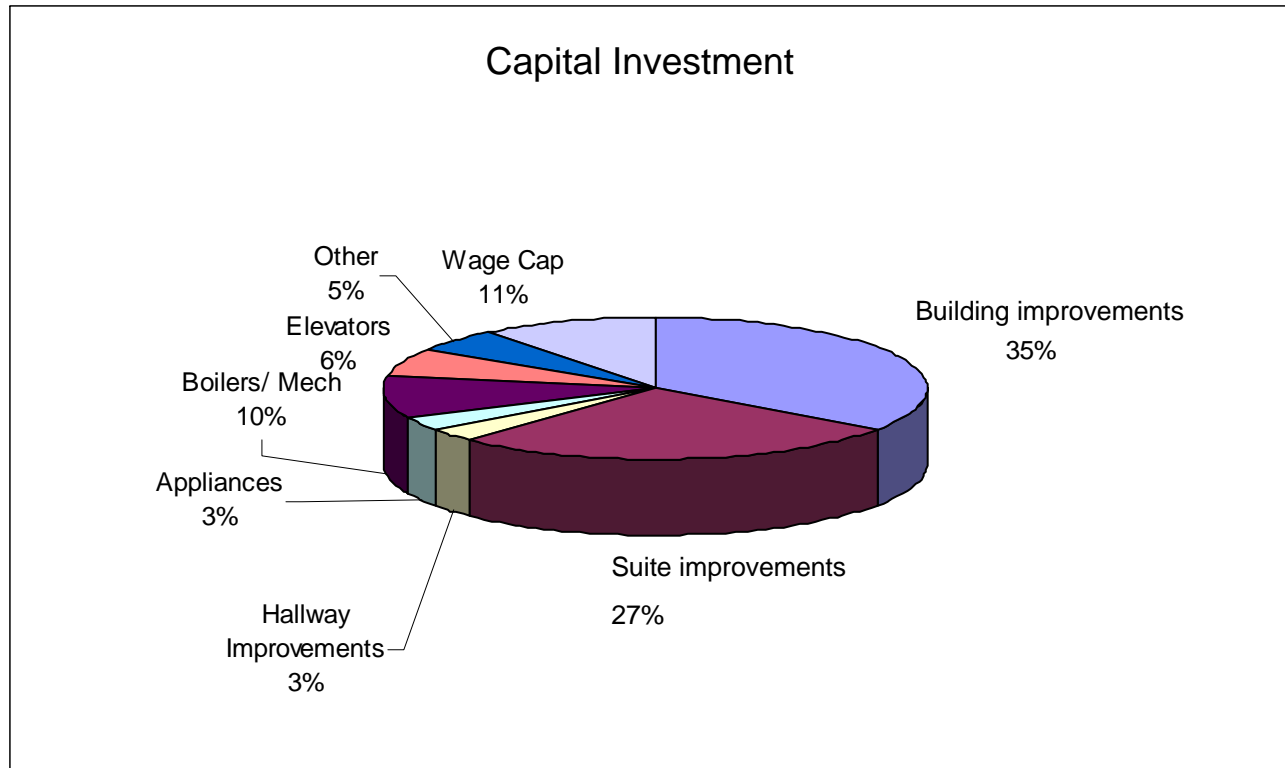
For the 9 months ended September 2008

in 000's of \$ except for per suite amounts	9 Months Sep-08	Per Suite
Repairs and Maintenance - expense	\$ 17,478	\$ 477
On-Site Maintenance Personnel - expense	<u>\$ 14,691</u>	<u>\$ 401</u>
	<u>\$ 32,169</u>	<u>\$ 878</u>
Invested Capital - cost	<u>\$ 59,729</u>	<u>\$ 1,632</u>
	<u>\$ 91,898</u>	<u>\$ 2,510</u>
Estimated Maintenance Capex Value Enhancing	\$ 12,354	\$ 338
	<u>\$ 47,375</u>	<u>\$ 1,294</u>
	<u>\$ 59,729</u>	<u>\$ 1,632</u>



# Capital Investment

For the nine months ended September 30, 2008



**Total Capital Invested in the first nine months of 2008: \$59.7 Million**



# Boardwalk REIT 2008 Guidance

Description	Original Guidance	Q2 Revised Guidance	Q3 Revised Guidance
Acquisitions	\$130 million to \$260 million (1,000 to 2000 apartment units)	\$75 million (500 units)	\$50 million – No additional acquisitions during 2008
Stabilized Building NOI growth	8% to 14%	8% to 10%	8% to 10%
FFO per Trust Unit	\$2.35 to \$2.50	\$2.35 to \$2.45	\$2.37 to \$2.43
DI per Trust Unit	\$2.37 to \$2.52	\$2.37 to \$2.47	\$2.39 to \$2.45

***The reader is cautioned that this information is forward-looking information and actual results may vary materially from those reported.***



# Boardwalk REIT 2009 Guidance

Description	Guidance
Acquisitions	No new apartment acquisitions
Stabilized Building NOI growth	4% to 6%
FFO per Trust Unit	\$2.45 to \$2.55
DI per Trust Unit	\$2.47 to \$2.57

***The reader is cautioned that this information is forward-looking information and actual results may vary materially from those reported.***



# Outlook / Summary

- Well positioned for continued internal growth
  - high portfolio concentration in growth markets
  - Currently priced well below replacement value
- Increasing portfolio diversification and scope
  - provides lower income volatility
  - enhances access to expansion opportunities
- Strong balance sheet and cash flows to capitalize on acquisition opportunities
- Consistent, sustainable and superior long-term growth in FFO per share and value for Unitholders



# Why Invest in Boardwalk REIT

- Proven and performance-driven management team with existing internal management systems
  - Management continues to own in excess of 25% of the Trust
- Strongest financial position in Trust's history
  - Strong Liquidity
  - 98% of outstanding secured debt is NHA insured
    - Very competitive interest rate pricing
    - Virtually eliminates renewal risk
- High-quality, well-maintained portfolio concentrated in some of the best apartment markets in the country
- Strong local market positions in the markets in which we operate



# Questions and Answers

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Roberto Geremia, President

Email: [Investor@bwalk.com](mailto:Investor@bwalk.com)

Ph: 403-531-9255

Certain statements in this presentation may be considered forward-looking statements within the meaning of existing securities laws. Although Boardwalk believes that the expectations set forth in such statements are based on reasonable assumptions, Boardwalk's future operations and its actual performance may differ materially from those in any forward – looking statements. Additional information that could cause actual results to differ materially from these statements are detailed in the earnings press release and in other publicly filed documents, including Boardwalk's annual report, Annual Information Form and quarterly reports.



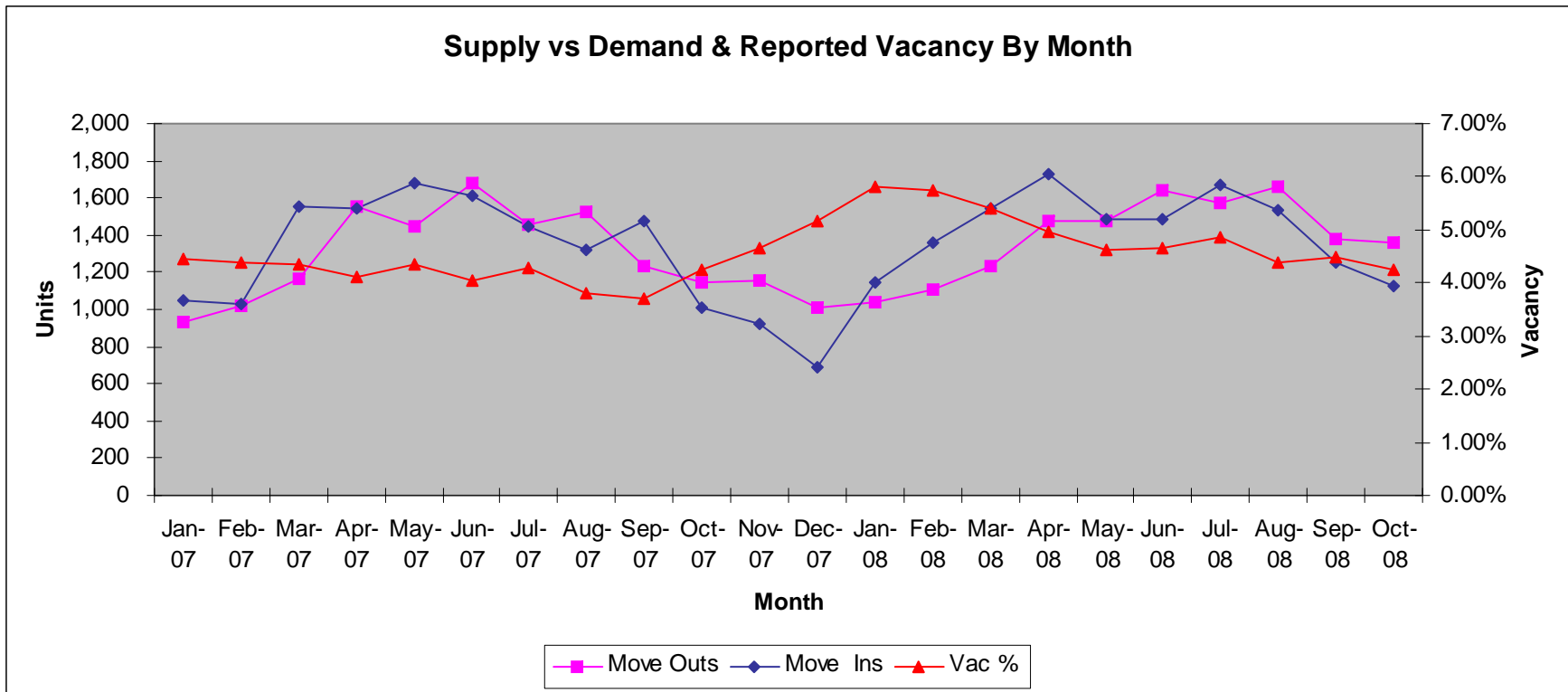


# BOARDWALK REAL ESTATE INVESTMENT TRUST

## Appendix



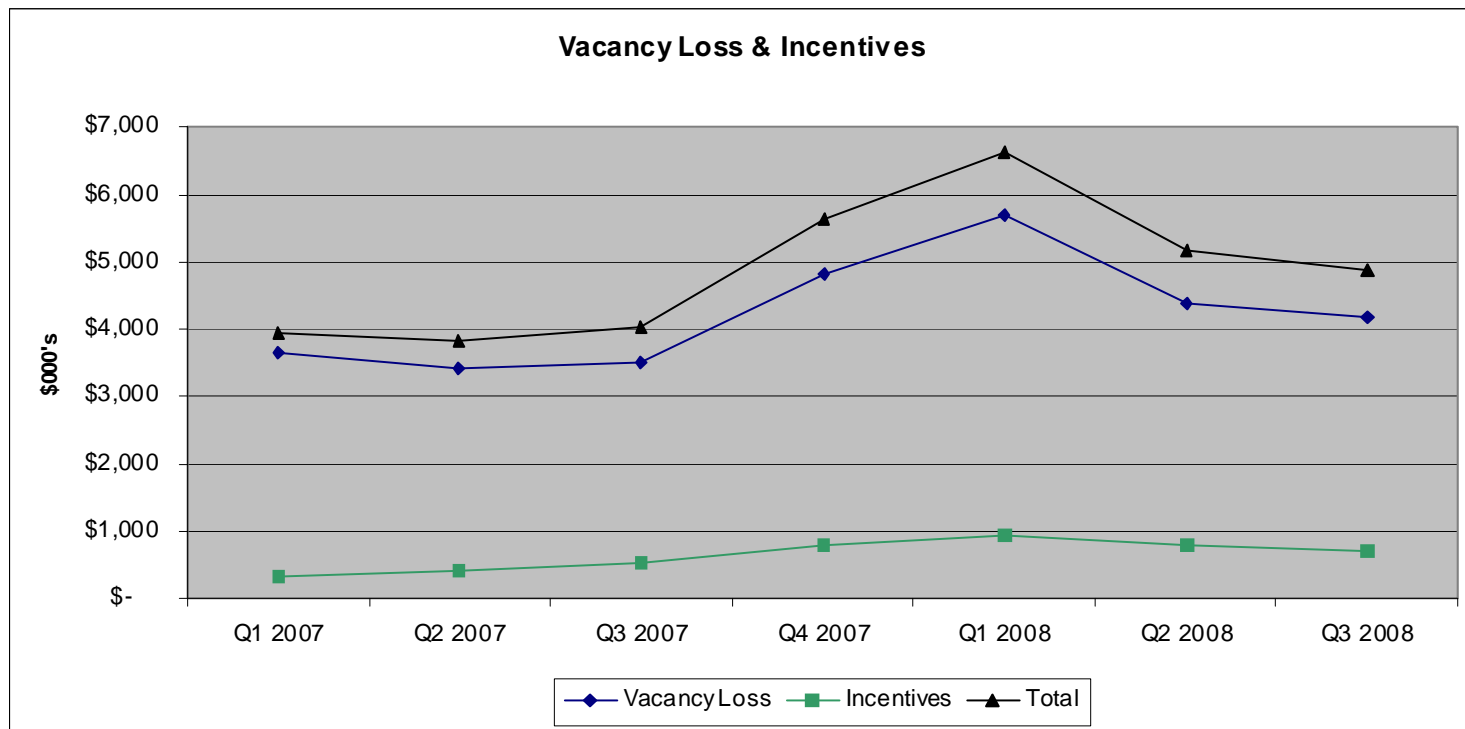
# Move-outs, Move-ins and Vacancy



Source – Internally generated



# Vacancy Loss and Incentives



Source – Internally generated



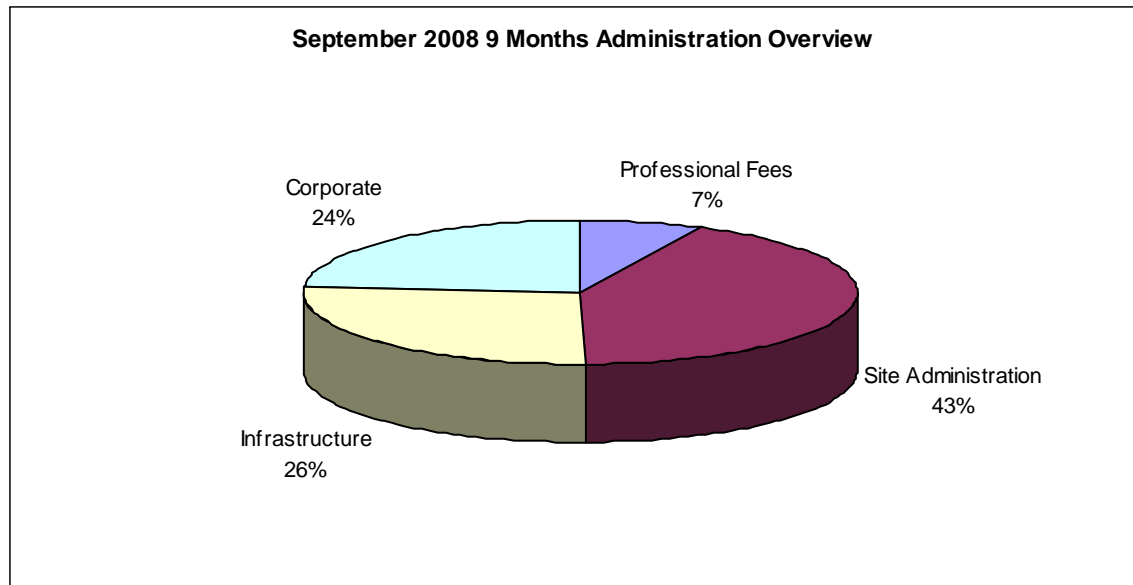
# Q3 - Overall Performance

<i>In 000's, except per apartment unit amounts</i>	<b>3 Months Sep-08</b>	<b>3 Months Sep-07</b>	<b>Change</b>	<b>9 Months Sep-08</b>	<b>9 Months Sep-07</b>	<b>Change</b>
Rental revenue	\$108,186	\$95,702	13.0%	\$315,855	\$275,983	14.4%
<b>Expenses</b>						
Operating expenses	\$18,292	\$14,768	23.9%	\$55,428	\$46,513	19.2%
Utilities	\$9,104	\$8,472	7.5%	\$37,647	\$31,629	19.0%
Utility rebate	-	-	-	(\$1,258)	(\$933)	34.8%
Property taxes	\$8,694	\$8,317	4.5%	\$24,703	\$24,888	-0.7%
	<u>\$36,090</u>	<u>\$31,557</u>	<u>14.4%</u>	<u>\$116,520</u>	<u>\$102,097</u>	<u>14.1%</u>
Net operating income	\$72,096	\$64,145	12.4%	\$199,335	\$173,886	14.6%
Average rental revenue per unit per month	\$977	\$879	11.1%	\$954	\$861	10.8%
Operating costs per unit per month	\$327	\$287	13.9%	\$353	\$319	10.7%
Operating margins	67%	67%	-	63%	63%	-



# Administration Review

For the nine months ended September 30, 2008



Total Administration for the first nine months of 2008: \$31.8 Million

Total Administration for Q3 2008: \$11.3 Million



# Acquisition Activity 2008

## Closed - 2008

Building Name	City	# of Units	Type	Price	Year 1 Cap Rate	Year 2 Cap Rate	\$/unit	\$/sq ft	Date Closed
Varsity Square Apartments	Calgary	297	High Rise	\$ 48,750,000	5.86%	6.12%	\$ 164,141	\$ 207	June 12, 2008
Total Acquisitions		297		\$ 48,750,000	5.86%	6.12%	\$ 164,141	\$ 207	



# 2007 Acquisitions & Dispositions

As of December 31, 2007

## Closed - 2007

Building Name	City	# of Units	Type	Price	Year 1 Cap Rate	Year 2 Cap Rate	\$/unit	\$/sq ft	Date Closed
Prairie Sunrise Portfolio	Grande Prairie	275	High Rise & Walk up	\$ 40,000,000	4.74%	6.30%	\$ 145,455	\$ 175	March 14, 2007
West Edmonton Village	Edmonton	1176	High Rise, Walk up, Town	\$ 143,500,000	5.47%	6.61%	\$ 122,024	\$ 126	February 28, 2007
Ridgemont Apartments	Coquitlam	41	Walk up	\$ 3,700,000	5.03%	5.66%	\$ 90,244	\$ 142	January 25, 2007
St. Charles Place & Parkview Manor	Edmonton	51	Walk up	\$ 4,150,000	4.52%	5.52%	\$ 81,373	\$ 104	January 26, 2007
Springwood Place Apartments	Spruce Grove	160	Low Rise	\$ 16,000,000	5.25%	5.76%	\$ 100,000	\$ 130	May 28, 2007
Lakeview Apartments	Calgary	120	Walk Up	\$ 21,850,000	4.80%	5.86%	\$ 182,083	\$ 203	September 20, 2007
Whitehall Square	Edmonton	598	High Rise & Walk Up	\$ 111,250,000	5.12%	5.53%	\$ 186,037	\$ 204	September 24, 2007
<b>Total</b>		<b>2,421</b>		<b>\$ 340,450,000</b>	<b>5.20%</b>	<b>6.11%</b>	<b>\$ 147,673</b>	<b>\$ 162</b>	

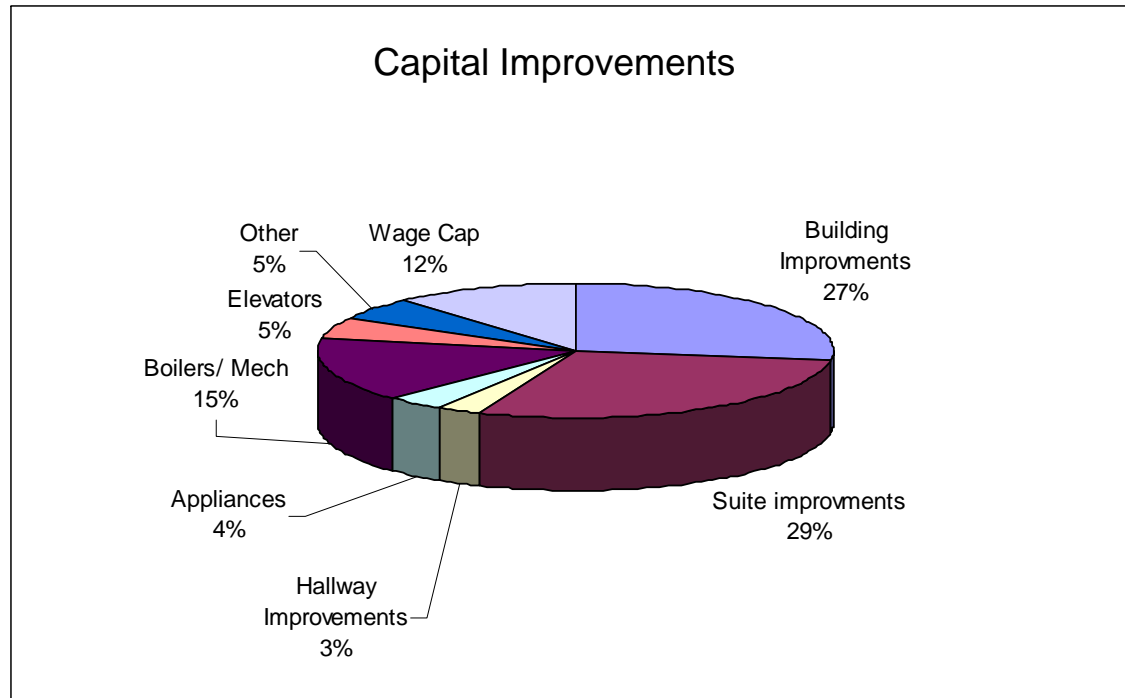
## Dispositions

Building Name	City	# of Units	Type	Price	Year 1 Cap Rate	Year 2 Cap Rate	\$/unit	\$/sq ft	Date Closed
St. Charles Place & Parkview Manor	Edmonton	51	Walk Up	\$ 5,900,000	3.20%	3.67%	\$ 115,686	\$ 148	April 30, 2007



# Capital Investment

For the 12 months ended December 31, 2007



**Total Capital Invested in 2007: \$71.5 Million**



# Capital Investment

For the 12 months ended December 2007

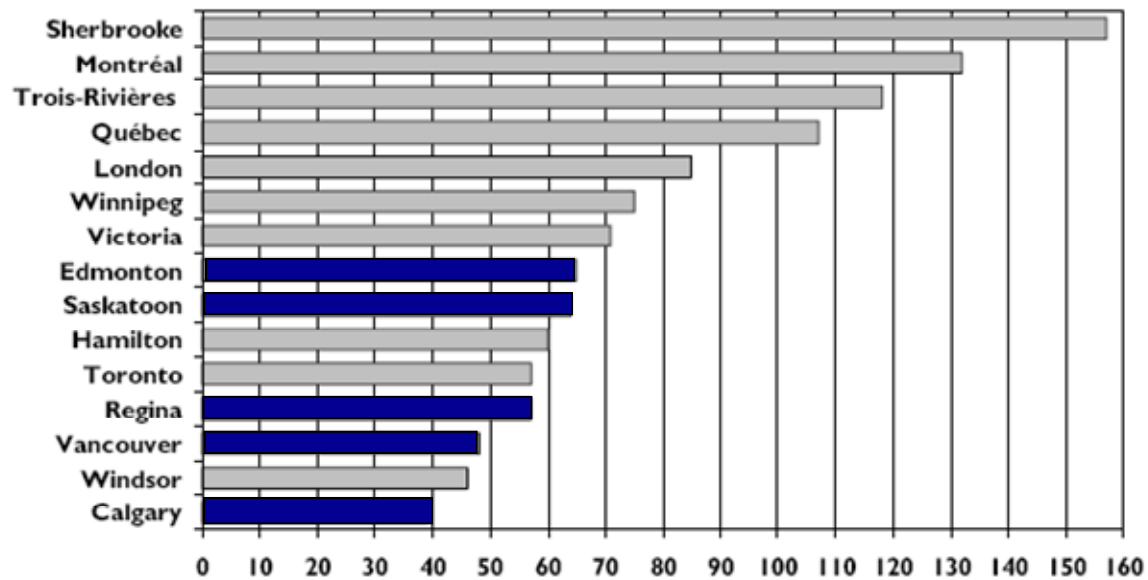
in 000's of \$ except for per suite amounts	12 Months Dec-07	Per Suite
Repairs and Maintenance - expense	\$ 19,746	\$ 552
On-Site Maintenance Personnel - expense	\$ 17,206	\$ 481
	<u>\$ 36,952</u>	<u>\$ 1,034</u>
Invested Capital - cost	\$ 71,528	\$ 2,001
	<u>\$ 108,480</u>	<u>\$ 3,034</u>
Estimated Maintenance Capex Value Enhancing	\$ 15,194	\$ 425
	\$ 56,334	\$ 1,576
	<u>\$ 71,528</u>	<u>\$ 2,001</u>



# Rental Universe Per Capita

Our hottest markets (indicated in blue) have some of the smallest rental universes per capita.

Rental universe per 1,000 population



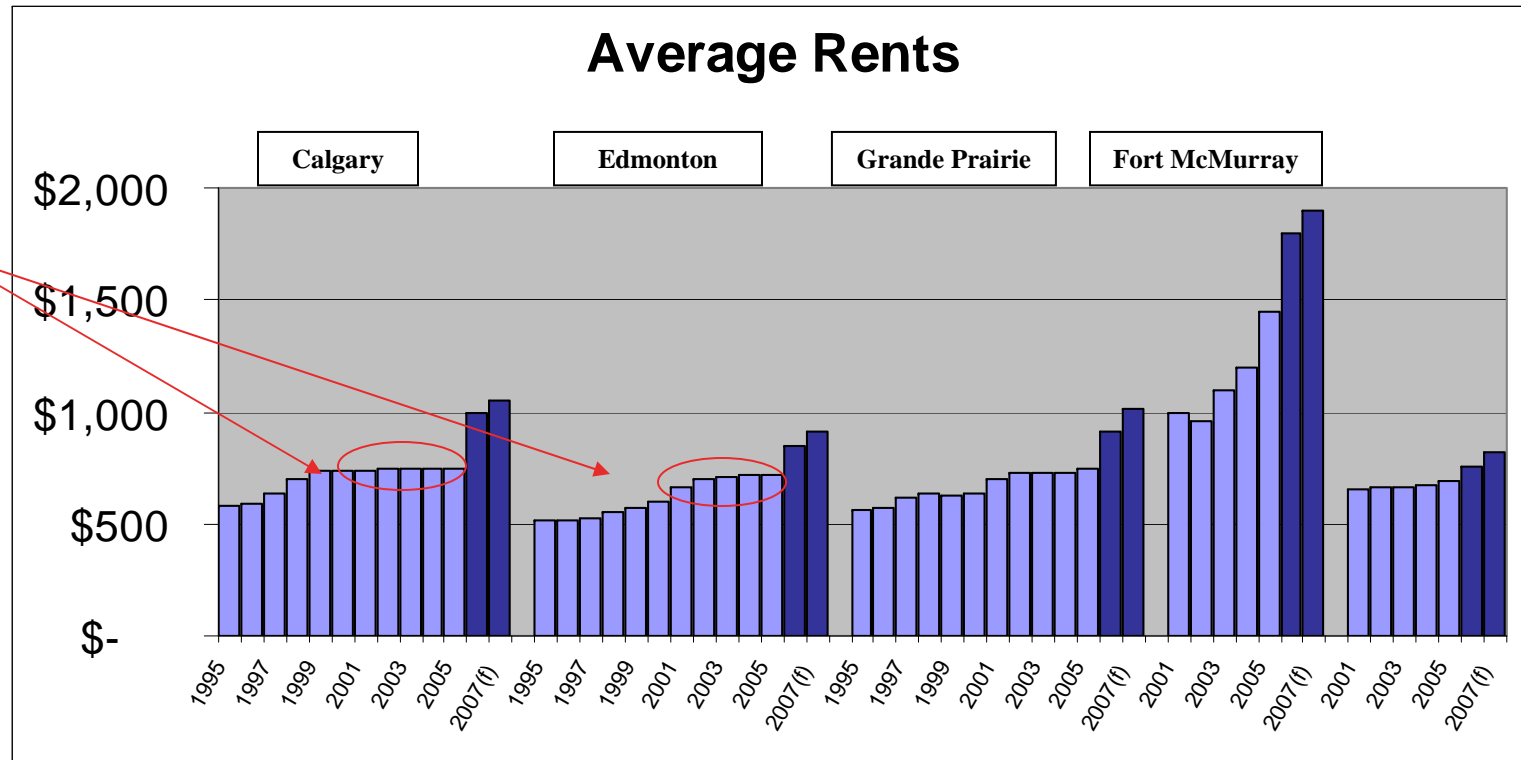
Source: CMHC



# Average Rental Rate Increases

CMHC statistics based on 2 bedroom apartments

4 Years of 0% Rental Increases, Free Rent and High Single Digit to Double Digit Increases in Expenses

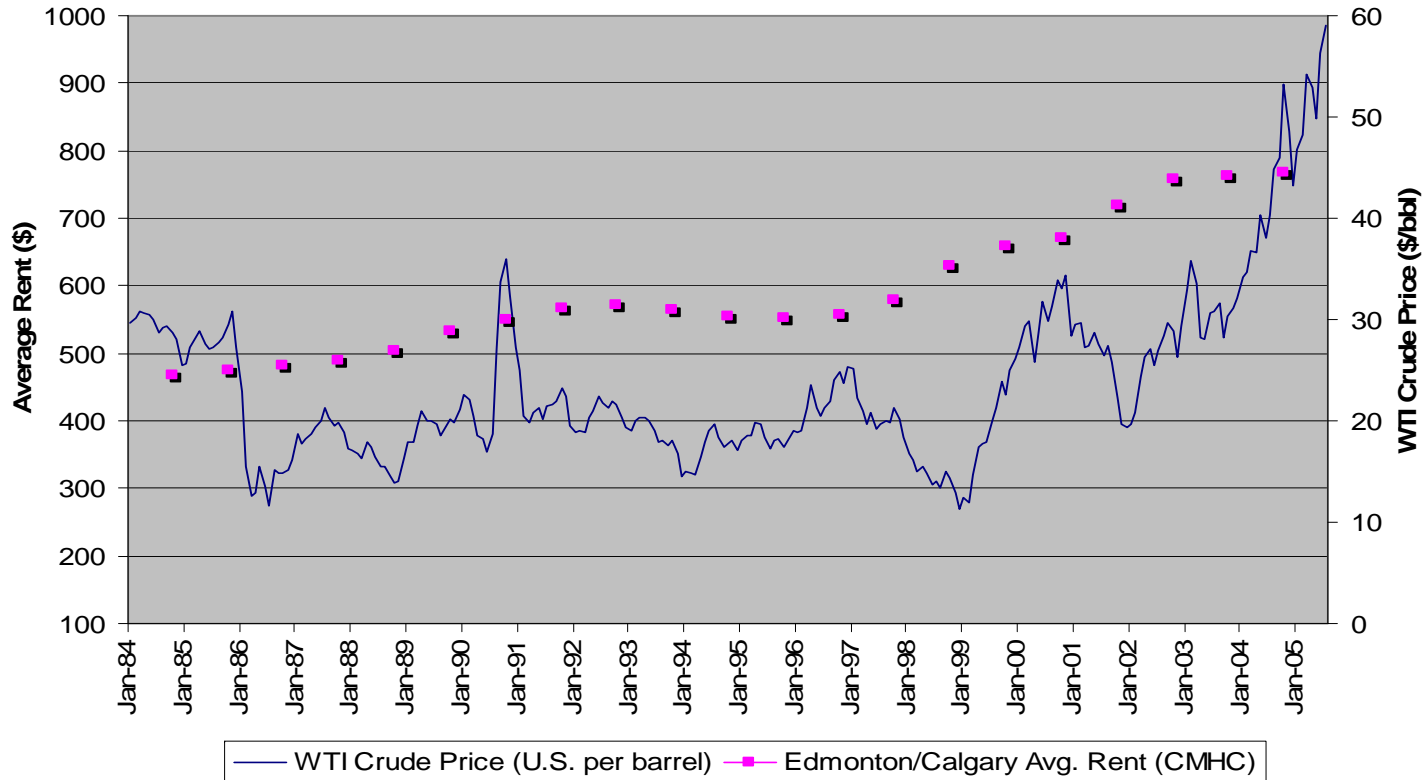


Summarized from CMHC data



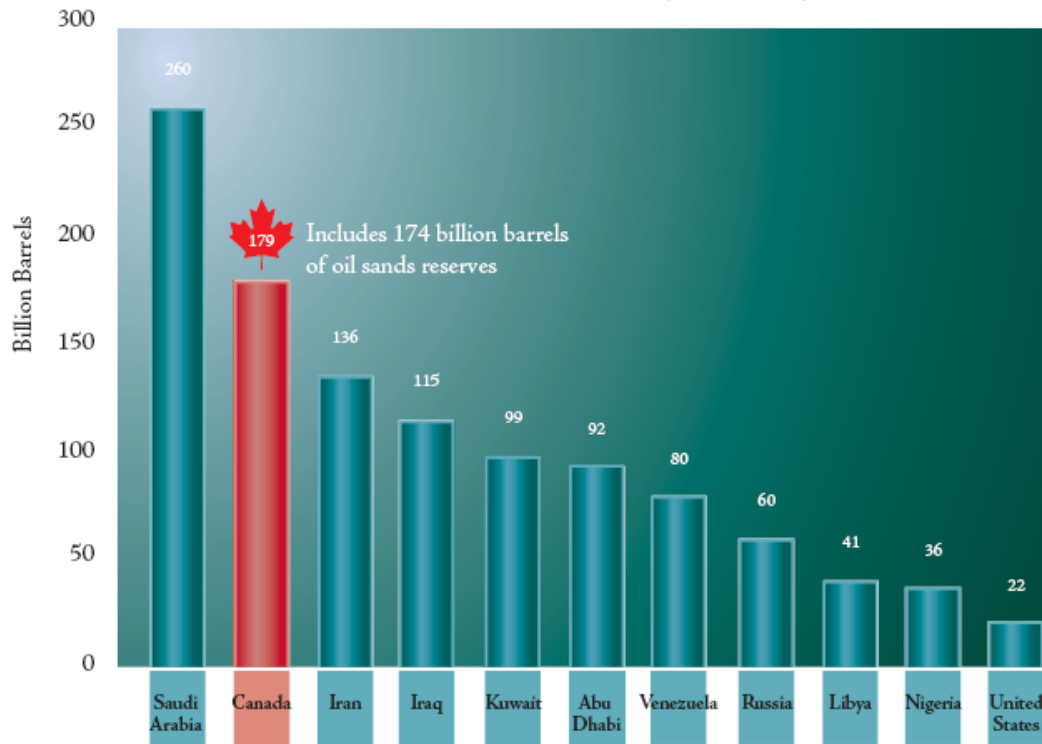
# Rents vs. Oil Prices

WTI Crude Price and Edmonton/Calgary Avg. Rents



# Alberta's Oil Sands

Global Crude Oil Reserves by Country



\*Canadian Association of Petroleum Producers, May 2007.



# Proposed Legislative Changes

On April 24<sup>th</sup>, 2007, the Alberta Provincial Government announced:

- Legislated Rent Control will **not** be instituted in Alberta.
- \$120 million injection of Provincial monies towards affordable housing initiatives, including Public-Private Partnerships with existing landlords.
- Rental increases are allowable only once per year, from the former twice per year. No limits to rental increases were legislated.
- An increase in the notice period to one year from six months on Condominium Conversions as well as a freeze on the respective rents in these projects during the notice period.



# Notes



# Notes

