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NEWS RELEASE FOR IMMEDIATE DISTRIBUTION

BOARDWALK REIT ANNOUNCES AUTOMATIC TRUST UNIT PURCHASE PLAN IN CONNECTION WITH NORMAL COURSE ISSUER BID

CALGARY, January 7, 2010 - Boardwalk Real Estate Investment Trust ("BEI.UN" - TSX)

Boardwalk Real Estate Investment Trust ("Boardwalk REIT" or the "Trust") announced today that it has entered into an automatic trust unit purchase plan with a broker in order to facilitate repurchases of its trust units under its previously announced normal course issuer bid.

On August 20, 2009, Boardwalk REIT announced that it had received approval from the Toronto Stock Exchange (TSX) to make a normal-course issuer bid to purchase up to a maximum of 3,932,211 trust units representing approximately 10% of the publicly listed float. The normal course issuer bid commenced on August 24, 2009 and will terminate on April 23, 2010, or such earlier date as the Trust may complete repurchases under the bid.

Under the Trust's automatic trust unit purchase plan, the Trust's broker may repurchase trust units under the normal course issuer bid at times when the Trust would ordinarily not be permitted to due to self-imposed blackout periods.

Boardwalk REIT anticipates renewing the plan from time to time during the course of its normal course issuer bid to enable purchases of its trust units to be made during internal blackout periods. Purchases will be made by the Trust's broker based upon the parameters prescribed by the TSX and applicable Canadian securities laws and the terms of the parties written agreement. The automatic trust unit purchase plan has been approved by the TSX and will be implemented effective as of December 31, 2009.

A total of 1,436,000 trust units were repurchased for cancellation under the Trust's previous normal course issuer bid, which expired on August 19, 2009.

Boardwalk believes that the current and recent market prices of its trust units do not reflect their underlying value. Boardwalk's management is initiating this program as it feels that, at current market prices, an investment in Boardwalk's own high quality portfolio will deliver strong returns for unitholders and represents an effective use of its capital and steadily increasing cash flows. At the same time, Boardwalk plans to continue its property acquisition and capital improvement programs. Boardwalk will purchase the trust units for cancellation with the intention of increasing the proportionate interest of all remaining unitholders.

Corporate Profile

Boardwalk REIT is Canada's largest public owner/operator of multi-family rental communities. Boardwalk REIT currently owns and operates in excess of 260 properties with 36,418 rental units totaling approximately 31 million net rentable square feet. The Trust's portfolio is concentrated in the provinces of Alberta, British Columbia, Saskatchewan, Ontario and Quebec. Boardwalk REIT's Trust units are listed on the Toronto Stock Exchange, trading under the symbol BEI.UN. The Trust's total Enterprise Value is approximately \$4.0 billion. Additional information about Boardwalk REIT can be found on the Company website at www.boardwalkreit.com.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

Information in this news release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws. Implicit in this information, particularly in respect of



our objectives for 2009 and future periods, our strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations, are estimates and assumptions subject to risks and uncertainties, including those described in the Management's Discussion & Analysis of Boardwalk REIT's 2008 Annual Report under the heading "Risks and Risk Management", which could cause our actual results to differ materially from the forward looking information contained in this news release. Specifically we have assumed that the general economy remains stable, interest rates are relatively stable, acquisition capitalization rates are stable, competition for acquisition of residential apartments remains intense, and equity and debt markets continue to provide access to capital. These assumptions, although considered reasonable by the Trust at the time of preparation, may prove to be incorrect. For more exhaustive information on these risks and uncertainties you should refer to our most recently filed annual information form which is available at www.sedar.com. Forward-looking information contained in this news release is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time.

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