

## NEWS RELEASE FOR IMMEDIATE DISTRIBUTION

Boardwalk REIT Announces Solid Second Quarter Financial Results; FFO Per Unit up 16.7% and DI Per Unit up 14.8% YOY; and Maintains Monthly Per Unit Distributions for August, September and October 2009.

### CALGARY, August 14, 2009 - Boardwalk Real Estate Investment Trust ("BEI.UN" - TSX)

Boardwalk Real Estate Investment Trust ("Boardwalk", "Boardwalk REIT" or the "Trust") today announced solid financial results for the second quarter of 2009; Funds From Operations ("FFO") per unit up 16.7% and Distributable Income ("DI") per unit up 14.8% YOY; and its August, September and October 2009 Distribution. FFO and DI are non-GAAP measures; the reconciliation to Net Earnings and Total Operating Cash Flows, respectively, can be found in the Management's Discussion and Analysis (MD&A) for the second quarter and for the first half of 2009 ended June 30, 2009, under the section titled, "Performance Measures".

For the second quarter ended June 30, 2009, the Trust reported FFO of \$36.8 million and FFO per unit of \$0.70 on a diluted basis, compared to FFO of \$32.9 million and FFO per unit of \$0.60 for the same period last year. DI for the quarter was \$37.2 million and DI per unit was \$0.70 on a diluted basis, compared to \$33.2 million and \$0.61 per unit for the same period last year.

#### Additional Information

A more detailed analysis is included in the Management's Discussion and Analysis and Consolidated Financial Statements, which have been filed on SEDAR and can be viewed at [www.sedar.com](http://www.sedar.com) or on the Trust's website at [www.boardwalkreit.com](http://www.boardwalkreit.com),

*\$ million, except per unit amounts*

<b>Highlights of the Trust's Second Quarter 2009 Financial Results</b>			
	<b>Three Months Jun 2009</b>	<b>Three Months Jun 2008</b>	<b>% Change</b>
Rental Revenue	\$107.5	\$105.2	2.2%
Net Operating Income (NOI)	\$72.6	\$66.6	8.9%
Funds From Operations (FFO)	\$36.8	\$32.9	12.0%
FFO Per Unit	\$0.70	\$0.60	16.7%
Adjusted Funds from Operations (AFFO) Per Unit	\$0.62	\$0.53	17.0%
Distributable Income (DI)	\$37.2	\$33.2	11.9%
DI Per Unit	\$0.70	\$0.61	14.8%
Distributions Declared	\$23.8	\$24.7	
Distributions Declared Per Unit (2009 Target \$1.80 Per Unit on an annualized basis)	\$0.45	\$0.45	
Payout as a % DI	64.1%	74.2%	

For further detail, please refer to pages 10 & 11 of the MD&A.

<b>Portfolio Highlights for the Second Quarter 2009</b>			
	<b>Jun 2009</b>	<b>Dec 2008</b>	<b>Jun 2008</b>
Average Vacancy (3 Months)	5.12%	4.68%	4.74%
Average Monthly Rent (3 Months)	\$978	\$978	\$955
Average Market Rent (Period Ended)	\$1,011	\$1,047	\$1,068
Average Occupied Rent (Period Ended)	\$1,029	\$1,028	\$1,008
Loss-to-Lease (\$ million) (Period Ended)	(\$7.2)	\$8.0	\$25.2
Loss-to-Lease Per Trust Unit (Period Ended)	(\$0.14)	\$0.15	\$0.46
<b>Debt-to-GBV ("Gross Book Value") (Period Ended)</b>	61.4%	60.5%	
		<b>% Change</b>	
<b>Same Property Results (3 Months)</b>		<b>Year-Over-Year</b>	
Rental Revenue		2.2%	
Operating Costs		-11.7%	
Net Operating Income (NOI)		10.1%	

For further details, please refer to pages 15-18 & 24 of the MD&A.

### Sequential Revenue Analysis

<b>Stabilized Revenue Growth</b>	<b># of Units</b>	<b>Q2 2009 vs. Q1 2009</b>	<b>Q1 2009 vs. Q4 2008</b>	<b>Q4 2008 vs. Q3 2008</b>	<b>Q3 2008 vs. Q2 2008</b>
Calgary	4,973	-0.7%	-1.3%	-0.9%	1.3%
Edmonton	11,825	-1.2%	0.4%	-1.0%	3.5%
Other Alberta	2,203	-1.6%	0.7%	1.0%	0.3%
British Columbia	954	-0.2%	-0.8%	2.0%	1.2%
Ontario	4,265	0.0%	0.3%	0.0%	-1.2%
Quebec	6,756	0.7%	-0.2%	-0.5%	2.2%
Saskatchewan	4,660	3.2%	1.5%	2.8%	5.7%
	35,636	-0.2%	0.1%	-0.1%	2.4%

On a sequential basis, stabilized revenues decreased 0.2% from Q1 2009 to Q2 2009, increased 0.1% from Q4 2008 to Q1 2009, decreased 0.1% from Q3 2008 to Q4 2008, and increased 2.4% from Q2 2008 to Q3 2008.

### Market Fundamentals From Across Canada:

Unemployment, Migration and Wages

Market Fundamentals										
	BC		Alberta		Saskatchewan		Ontario		Quebec	
	Jul 2009	Jul 2008	Jul 2009	Jul 2008	Jul 2009	Jul 2008	Jul 2009	Jul 2008	Jul 2009	Jul 2008
<b>Unemployment Rate</b>	7.8%	4.4%	7.2%	3.6%	4.7%	4.4%	9.3%	6.4%	9.0%	7.4%
	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008	Q1 2009	Q1 2008
<b>Net Interprovincial Migration</b>	-16	1,844	7,144	2,761	545	1,439	-5,015	-4,020	-2,016	-1,772
<b>Net International Migration</b>	12,911	11,422	8,801	8,136	1,964	1,194	24,186	24,958	13,027	10,079
<b>Total Net Migration</b>	12,895	13,266	15,945	10,897	2,509	2,633	19,171	20,938	11,011	8,307
	May 2008 to May 2009	May 2007 to May 2008	May 2008 to May 2009	May 2007 to May 2008	May 2008 to May 2009	May 2007 to May 2008	May 2008 to May 2009	May 2007 to May 2008	May 2008 to May 2009	May 2007 to May 2008
<b>Average Weekly Wages Growth</b>	1.4%	3.1%	5.5%	5.4%	3.7%	5.0%	1.3%	2.6%	-0.8%	2.6%

Source: Statistics Canada

### Western Canada:

Alberta continued to see an increase in unemployment, reaching 7.2% in July, and posted a loss of 3,700 jobs. Despite this, the province retained the third lowest unemployment rate in the country, behind Manitoba and Saskatchewan. The most recent migration numbers show interprovincial migration to the province remained strong in the first quarter and Alberta had the highest population growth rate out of all the provinces. As of June, oil sands investment was estimated at \$136 billion, down from the previous quarter, a partial result of falling energy prices. Imperial Oil commenced with the first phase of the Kearl project, and has so far spent \$800 million of the \$8 billion to be invested in the project. The first phase is expected to create 3,000 jobs in the province. With shareholders approving a \$22.5 billion merger in the second quarter, Petro-Canada and Suncor will become the largest energy provider in Canada and the fifth-largest in North America, although layoffs have begun on both sides as the companies streamline operations. Shell Oil is also expected to complete the expansion of the Athabasca Oil Sands Project between 2010 and 2011. While Alberta is forecasted to have negative GDP growth this year, its economy is projected to rebound in 2010.

Saskatchewan posted the lowest unemployment rate for July, at 4.7%, and continued to see strong economic growth compared to the rest of Canada. The province is the only one predicted to have positive GDP growth in 2009, fuelled by its potash industry, capital investment, and infrastructure projects. While interprovincial migration to the province for the first quarter was not as high as in previous quarters, Saskatchewan saw small gains. The province also set a near record for international migration in the quarter, contributing to its population growth.

British Columbia saw a loss of 7,600 jobs in June, but due to a decreased labour force, the unemployment rate for the province fell to 7.8% in July, below the national average of 8.6%. While the province posted a loss due to interprovincial migration to Alberta, British Columbia saw its largest gains in international migration in over twelve years.

### Eastern Canada:

The manufacturing and automotive industries have taken a hard hit from the economic recession, but while Quebec saw employment losses in July, Ontario saw an increase in employment for the same month due to gains in the services sector. Ontario gained 13,000 jobs, and the province's unemployment rate fell to 9.3% in July, from 9.6% the previous month. Due to interprovincial migration, Ontario lost over 5,000 residents in the first quarter; however, the province still saw gains from international migration. Quebec also posted interprovincial

migration losses in the first quarter, but saw gains in international migration for the same period. The province lost 37,000 jobs in July, and its unemployment rate increased to 9.0%, the highest the province has seen since 2004.

**MLS Housing Prices:**

As the rental market is in direct competition with the housing market, Boardwalk reports on MLS Housing Prices each quarter. This allows us to predict how our rental markets will perform based on MLS price trends.

<b>MLS Housing Prices</b>					
<b>British Columbia</b>	<b>Vancouver CMA</b>		<b>Victoria CMA</b>		
	<b>Jun 2009</b>	<b>Jun 2008</b>	<b>Jun 2009</b>	<b>Jun 2008</b>	
	Average Single Family	\$701,384	\$765,654	\$588,186	\$580,104
	Average Condo	na	na	\$298,200	\$319,943
<b>Alberta</b>	<b>Calgary CMA</b>		<b>Edmonton</b>		
	<b>Jun 2009</b>	<b>Jun 2008</b>	<b>Jun 2009</b>	<b>Jun 2008</b>	
	Average Single Family	\$447,142	\$473,774	\$369,859	\$381,384
	Average Condo	\$285,595	\$315,042	\$247,071	\$262,365
<b>Saskatchewan</b>	<b>Saskatoon</b>		<b>Regina</b>		
	<b>Jun 2009</b>	<b>Jun 2008</b>	<b>Jun 2009</b>	<b>Jun 2008</b>	
	Average Overall	\$276,867	\$310,386	\$245,097	\$239,963
<b>Ontario</b>	<b>London</b>		<b>Windsor</b>		
	<b>Jun 2009</b>	<b>Jun 2008</b>	<b>Jun 2009</b>	<b>Jun 2008</b>	
	Average Single Family	\$232,189	\$232,145	na	na
	Average Condo	\$149,483	\$150,891	na	na
	Average Overall	na	na	\$167,057	\$165,055
<b>Quebec</b>	<b>Montreal (CMA)</b>				
	<b>Jun 2009*</b>	<b>Jun 2008*</b>			
	Average Overall	\$275,578	\$268,152		

Internally generated, NA = Data not available, \* Internally calculated based on volume of sales and total sales as provided by the Greater Montreal Real Estate Board. Source: Association of Regina REALTORS®, Calgary Real Estate Board, Canada Mortgage and Housing Corporation, Canadian Real Estate Association, Edmonton Real Estate Board, Greater Montreal Real Estate Board, London and St. Thomas Association of REALTORS®, Real Estate Board of Greater Vancouver, Saskatoon Region Association of REALTORS®, Victoria Real Estate Board, Windsor-Essex County Real Estate Board

**Western Canada:**

Many housing markets in Western Canada have started to show signs of stabilizing. The sales-to-listings ratio for June increased for both Calgary and Edmonton and sales were up year-over-year in both centres. Single-family home prices in Calgary and Edmonton fell by 6% and 3%, respectively, and condominium prices fell by 9% and 6%, respectively, year-over-year for the month of June. However, prices in both centres for June were up over the previous month. In Calgary, the average price for a single family home remained above \$400,000, but lower prices have led to a more limited supply for home buyers. It is expected prices will remain lower until oil prices and employment begin to rebound in 2010. In Edmonton, home sales were higher year-over-year for the first half of 2009, and while home prices for June were lower year-over-year, prices showed an upward trend compared to previous months. Saskatoon's housing market continued to balance in June, with increased sales and decreased inventory, and the average sale price decreased 11% year-over-year. In comparison, Regina saw an increase in its average sale price of 2% year-over-year and an increased inventory of homes on the market. Vancouver's housing market is becoming more affordable, with the price of a single-family home dropping 8% year-over-year, leading to increased sales. In contrast, Victoria saw a modest price increase in June for single-family homes as a result of reduced supply.

## Eastern Canada:

Housing markets in the East have also shown signs of stabilizing. There was little change in London and Windsor's housing markets for June, as single-family and condominium prices in London remained the same year-over-year, while the overall average sale price in Windsor rose by 1% for the same period. Montreal's housing market showed solid results in June, with the overall average sale price increasing by 3% year-over-year. Sales in the Montreal CMA rose by 14% in the same period, despite the price increase. This is partly attributed to high property values providing an excellent investment opportunity for home buyers.

## Acquisitions and Dispositions

In the second quarter of 2009, the Trust closed on the disposition of Gateway Place in Surrey, British Columbia. The sale of Gateway Place, which consists of 133 units, was completed on June 18, 2009.

To date in 2009, the Trust's acquisitions and dispositions are as follows:

### Dispositions

Building Name	City	Type	Units	Price	Cap Rate	\$/Unit	\$/Sq.Ft.	Closing Date
Gateway Place	Surrey, BC	Townhouse	133	\$11,000,000	5.23%	\$82,707	\$80.34	June 18, 2009

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For further detail, please refer to page 20 of the MD&A.

### Unit Buyback

In alignment with our financial guidance for 2009, we believed that one of the best investments we made was the purchase of our Trust Units at purchase prices ranging from \$24.91 to \$32.88 per Trust Unit. During the first half of 2009, the Trust has purchased a total of 620,000 Trust Units for cancellation at a total purchase price of \$17.1 million, or an average of \$27.64 per Trust Unit.

The present issuer Bid is set to expire on August 17 2009. As a result the Trust has begun the process of renewing its normal course issuer bid (the "Bid"), subject to regulatory approval. Boardwalk currently has 48,291,114 issued and outstanding trust units. The Bid, if approved, would allow Boardwalk to purchase up to 3,936,711 trust units, representing 10% of the public float of its trust unit capital, through the facilities of The Toronto Stock Exchange. The average daily trading volume for the six calendar months prior to the date hereof was 137,714 trust units. The Bid, if approved, is expected to commence on August 19, 2009 and will terminate one year later, or at such earlier time as the Bid is complete.

Boardwalk has purchased 1,391,000 trust units within the past 12 months at a weighted average price of \$29.62. Boardwalk believes that the current and recent market prices of its trust units do not reflect their underlying value. Boardwalk will purchase the trust units for cancellation with the intention of increasing the proportionate interest of all remaining unitholders.

For further detail, please refer to pages 21 & 22 of the MD&A.

### Continued Financial Strength

The Trust continued to build on its solid financial position throughout the second quarter of 2009. Boardwalk REIT's total principal mortgage and debt outstanding was \$2.32 billion as of June 30, 2009, as compared to \$2.16 billion as of June 30, 2008. As of June 30, 2009, the Trust's total debt had an average term maturity of 3 years with a weighted average interest rate of 4.69% and the debt-to-total Gross Book Value ratio was 61.4%.

Currently, the Trust sits in the strongest liquidity position in its history. With over \$210 million in the bank and access to an additional \$198 million committed credit facility, the Trust is well positioned to take advantage of

opportunities that present themselves. The Trust's interest coverage ratio, excluding gains, for the three-month period ended June 30, 2009 was 2.42 times compared to 2.29 times in the same period last year.

For further detail, please refer to pages 19, 23 & 24 of the MD&A.

### Outlook and 2009 Financial Guidance

Each quarter, we review our key assumptions in providing our financial guidance. Although the first half of the year has posted strong results, we are expecting to experience some head winds in the latter half of the year, particularly on the property tax expense side. As a result of this and based on our review of other key variables, we are maintaining our 2009 financial guidance range of FFO per Trust Unit between \$2.45 - \$2.55 (DI between \$2.47 - \$2.57). The following table summarizes our 2009 Financial Guidance:

### 2009 Financial 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

For further detail, please refer to pages 27 & 28 of the MD&A.

### 2009 Distributions

The Trust has declared its distributions in the amount of 15.00 cents per Trust Unit (\$1.80 on an annualized basis) as per the following schedule:

Month	Record Date	Distribution Date
August 2009	August 31, 2009	September 15, 2009
September 2009	September 30, 2009	October 15, 2009
October 2009	October 30, 2009	November 16, 2009

### Supplementary Information

Boardwalk produces the Quarterly Supplemental Information Package that provides detailed information regarding the Trust's activities during the quarter. The Second Quarter 2009 Supplemental Information Package is available on our investor website at [www.boardwalkreit.com](http://www.boardwalkreit.com).

### Teleconference on Second Quarter 2009 Financial Results

We invite you to participate in the teleconference that will be held to discuss these results this same morning (August 14, 2009) at 11:00 am EST. Senior management will speak to the second quarter financial results and provide an update. Presentation materials will be made available on our investor website at [www.boardwalkreit.com](http://www.boardwalkreit.com) prior to the call.

Participation & Registration: Please RSVP to Investor Relations at 403-206-6808 or by email to [investor@bwalk.com](mailto:investor@bwalk.com).

Teleconference: The telephone numbers for the conference are 416-644-3414 (within Toronto) or toll-free 1-800-733-7560 (outside Toronto).

Webcast: Investors will be able to listen to the call and view our slide presentation over the Internet by visiting [www.boardwalkreit.com](http://www.boardwalkreit.com) 15 min. prior to the start of the call. An information page will be provided for any software needed and system requirements. The live audiocast and presentation will also be available at

<http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=2706880>

Replay: An audio recording of the teleconference will be available from 1:00 pm ET on Friday, August 14, 2009 until 11:59 pm ET on Friday, August 21, 2009. You can access it by dialing 416-640-1917 and using the passcode 21308844 followed by the pound (#) sign.

### **Corporate Profile**

Boardwalk REIT is an open-ended real estate investment trust formed to acquire all of the assets and undertakings of Boardwalk Equities Inc. Boardwalk REIT's principal objectives are to provide its unitholders with monthly cash distributions, partially on a Canadian income tax-deferred basis, and to increase the value of its units through the effective management of its residential multi-family revenue producing properties and the acquisition of additional properties. Boardwalk REIT currently owns and operates in excess of 260 properties with 36,652 units totalling approximately 31 million net rentable square feet, and is Canada's largest owner/operator of multi-family rental communities. Boardwalk REIT's portfolio is concentrated in the provinces of Alberta, British Columbia, Saskatchewan, Ontario and Quebec.

<sup>1</sup> Funds From Operations ("FFO") is a generally accepted measure of operating performance of real estate investment trusts and companies; however, it is a non-GAAP measure. The Trust calculates FFO by taking net earnings after discontinued operations, adjusting for gains or losses on disposal of discontinued operation assets and extraordinary items, and adding non-cash expenses including future income taxes and amortization. The determination of this amount may differ from that of other real estate investment trusts and companies. Distributable Income ("DI") is calculated based on the definition as set out in the Trust's declaration of trust and is computed by taking FFO and adding back amortization on any deferred financing charges incurred prior to May 3, 2004 as well as adjusting for any discounts or premiums relating to the amortization of mark-to-market debt adjustment incurred subsequent to the real estate investment trust conversion date of May 3, 2004.

### **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](http://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.*