

Statement of Corporate Governance Practices

Governance

Introduction

The Board of Trustees of Boardwalk (the “**Board**”) believes that sound governance practices are essential to achieve the best long-term interests of Boardwalk and the enhancement of value for all security holders. The Board further believes that an important element of sound governance is the alignment of interests between the Trustees and Unitholders of Boardwalk. This is achieved, in part, by encouraging investment in Boardwalk by the Trustees through the Deferred Unit Plan (see “*Equity Compensation Plan*” and “*Deferred Unit Plan*”) of this Management Information Circular. In addition, the majority of the Trustees beneficially own a significant number of Units (see “*Information Respecting Boardwalk Real Estate Investment Trust – Trustees of Boardwalk*”, above). Effective February 13, 2008, the Board adopted a minimum Unit ownership policy for Trustees (for more information on this policy, see “*Executive Compensation – Trust Unit Ownership Guidelines*” below.)

The Canadian Securities Administrators (the “**CSA**”) have issued National Policy 58-201 – Corporate Governance Guidelines (“**NP 58-201**”). The CSA have also adopted National Instrument 58-101 – Disclosure of Corporate Governance Practices (“**NI 58-101**”) which requires Canadian reporting issuers to annually disclose their corporate governance practices. Regulatory changes to governance that have occurred, or will occur, are continually monitored by the Board and the Board has taken, or will take, appropriate action as regulatory changes occur.

The Board of Trustees has established a compensation, governance and nominations committee which regularly reviews exiting Board policies and current pronouncements on recommended “**best practices**” for corporate governance. The Trust recognizes that proper and effective corporate governance is a significant concern and priority for investors and other stakeholders and, accordingly, the Board of Trustees has instituted a number of procedures and policies in an effort to always improve the overall governance of the Trust.

Below is a discussion on the current composition of the Board. The Trust’s systems of corporate governance, as well as its key governance policies and practices, are set out below in Schedule “**A**” to this Circular (“**Governance Guidelines**”). Boardwalk is of the opinion that the nominees for the Board consist of a diverse and well-qualified mix of individuals. All of the proposed Trustees have extensive financial, capital markets and real estate experience, and Messrs. Mawani and Havener also have extensive experience in the income trust and real estate investment trust sectors.

Board of Trustees

Composition

As at March 31, 2012, the Board is composed of five (5) individuals (each referred to herein as a “**Trustee**”). Such Trustees are Arthur L. Havener, Jr., Al W. Mawani, Gary Goodman, James R. Dewald and Sam Koliias.

Independence

The principal factor underlying the determination of Trustee “**independence**” is whether or not a particular Trustee has a “**material relationship**” with Boardwalk, which is defined as a relationship which could be reasonably expected to interfere with the exercise of the Trustee’s independent judgment. Notwithstanding the foregoing under NI 58-101, certain relationships are deemed to be “**material relationships**”. The following analysis has been based upon the definition of “**material relationship**” as set out in NI 58-101.

Five (5) Proposed Trustees qualify as independent under NI 58-101, because they do not have “**material relationships**” with Boardwalk: they are James R. Dewald, Gary Goodman, Arthur L. Havener, Al W. Mawani and Andrea M. Stephen.

One (1) Proposed Trustee does not qualify as independent under NI 58-101: Sam Koliias. Sam Koliias is the Chairman and Chief Executive Officer, as well as the founder, with his brother Van Koliias, of Boardwalk.

Throughout the year, the positions of Lead Trustee, Chairman of the Board and Chief Executive Officer were carried out by two different individuals wholly unrelated to each other. Sam Koliias, a member of management

and, accordingly, not an independent Trustee, served as the Chairman of the Board. Messrs. Al Mawani and Arthur Havener, independent Trustees, served as Lead Trustee from January 1 to May 18 and from May 18, 2011 respectively, in accordance with the recommended practices under NP 58-201. Sam Kolias also served as Chief Executive Officer of the Trust and, prior to the Acquisition and Arrangement, the Corporation, a position he has held since 1993. Other than Mr. Kolia, who is also a Trustee, the Board is composed entirely of Trustees who are independent of Management. The Trust also has two committees to assist the Board in effectively carrying out its responsibilities: the Audit and Risk Management Committee and the Compensation, Governance and Nominations Committee.

Other Boards

The following table sets forth the names of each other reporting issuer, and the exchange upon which the securities of that reporting issuer are listed, for which each of the current Trustees of Boardwalk and of each of the individuals to be nominated for election as a Trustee of Boardwalk at the Meeting serve as a trustee or director as at March 31, 2011.

Name	Name of Reporting Issuer	Exchange
Sam Kolia	N/A	N/A
James R. Dewald	N/A	N/A
Gary Goodman	Gazit America Inc. Huntingdon Capital Corp. Edleun Group, Inc.	Toronto Stock Exchange Toronto Stock Exchange TSX Venture Exchange
Arthur L. Havener, Jr.	N/A	N/A
Al W. Mawani	Calloway Real Estate Investment Trust	Toronto Stock Exchange
Andrea M. Stephen	First Capital Realty Inc.	Toronto Stock Exchange

Independent Lead Trustee

The Board appointed Arthur Havener, an independent Trustee, as Lead Trustee of the Board. The chair of each Board committee is an independent Trustee. Gary Goodman is the Chair of the Audit and Risk Management Committee. James Dewald is the Chair of the Compensation, Governance and Nominations Committee. In addition, Mr. Goodman is the primary contact under the Board's "**Whistleblower**" policy as discussed under "*Ethical Business Conduct*" of this Management Information Circular.

In Camera Meetings

The independent Trustees hold scheduled meetings at least four (4) times annually, at which the non-independent Trustee and members of management are not present. Further, on matters in which a particular Trustee may have a conflict of interest, the Board and its committees may conduct "**in camera**" sessions at which the particular non-independent Trustee is not present. During fiscal 2011, time was deliberately set aside at each meeting of the Board and its Committees, as applicable, to meet without the attendance of Management of the Trust ("**in camera meetings**").

Board Skills Matrix

Name	Boardwalk Representation				Demographical Data			Business Background and Experience										Other		
	Title	Committee	Trustee Since	Insider Independent	Gender	Geographic Location	Age	Company Title	Senior Public Company	Other Public Board	Other Board	HR	Real Estate	Type of Real Estate	Finance / Investment Analysis	Chartered Accountant	Legal	Strategy	Professional/ Academic Designations	Boardwalk Owned Trust Units
Sam Kolia	Chairman/CEO		Founder	Insider	M	Alberta	50	CEO	Y	N	Y	Y	Y	MF	Y	N	N	Y	B.Sc. (Civil Eng.), CPM	4,337,500
Jim Dewald		Audit/CGN	2005	Independent	M	Alberta	55	CEO, COO	N	N	Y	Y	Y	MF, Other	Y	N	N	Y	Ph.D.	11,850
Art Havener	Chair CGN	CGN	2007	Independent	M	U.S.	45	Pres., VP	N	N	Y	Y	Y	MF, Other	Y	N	N	Y	DEP	5,913
Al Mawani	Lead	Audit/CGN	2002	Independent	M	Ontario	60	CFO	Y	Y	Y	Y	Y	MF, Other	Y	Y	Y	Y	CA	35,817
Gary Goodman	Chair Audit	Audit	2009	Independent	M	Ontario	69	CEO, CFO	Y	Y	Y	Y	Y	MF, Other	Y	Y	N	Y	CA, DEP	1,500

DEP – Director Education Program
CA – Chartered Accountant
MF – MultiFamily

Insider Trading and Window Periods

While performing their duties, officers and Trustees may gain knowledge or information about Boardwalk that is generally not available to the public. All officers and Trustees have the responsibility to keep such Boardwalk information confidential until it is officially announced publicly.

To avoid even the appearance of insider trading, Boardwalk has adopted a trading policy that includes “**Window Periods**”. Window Periods are periods within which Trustees and officers are permitted to trade in securities of Boardwalk. At all other times Trustees and officers are prohibited from trading in securities of Boardwalk. In the case of Boardwalk’s Deferred Unit Plan, officers and Trustees are only able to redeem their Deferred Units during a Window Period.

This policy is applicable to all officers and Trustees. Given the serious consequences of insider trading, violations of this policy may lead to disciplinary action up to and including termination of employment.

Attendance of Trustees at Board and Committee Meetings

The following table sets forth the nominees for election as Trustee, and their record of attendance at meetings of the Board and its committees for the 12 months ended December 31, 2011. In that period, the Board held four (4) regularly scheduled meetings (**Regular**). Also in the period, committees of the Board held eight (8) meetings, broken down as follows: Audit and Risk Management (**ARM**): five (5), and Compensation, Governance and Nominations (**CGN**): three (3). In addition to the attendance listed below, Trustees, from time to time, attend other committee meetings by invitation.

**ATTENDANCE OF TRUSTEES AT BOARD AND COMMITTEE MEETINGS
DURING THE MOST RECENTLY COMPLETED FISCAL YEAR**

Name	Number of Board Meetings Attended		Number of Committee Meetings Attended		Total Rate of Attendance at Board Meetings	Total Rate of Attendance at Committee Meetings
	Regular	Independent	ARM	CGN		
Gary Goodman	4 of 4	4 of 4	5 of 5	2 of 2 ⁽³⁾	100%	100%
Al W. Mawani	4 of 4	4 of 4	5 of 5	-	100%	100%
James R. Dewald	4 of 4	4 of 4	3 of 3 ⁽¹⁾	3 of 3	100%	100%
Sam Kolias	4 of 4	-	5 of 5	3 of 3	100%	100%
Arthur L. Havener	4 of 4	4 of 4	2 of 2 ⁽²⁾	3 of 3	100%	100%

Notes:

- (1) Dr. Dewald left the ARM Committee effective May 12, 2011
- (2) Mr. Havener joined the ARM Committee effective May 12, 2011
- (3) Mr. Goodman joined the CGN Committee effective May 12, 2011

Board Mandate

The Board is responsible for the stewardship of Boardwalk. The Board supervises Management of Boardwalk with the goal of enhancing long-term Unitholder value. Management, in turn, is responsible for the day-to-day management of the business and affairs of Boardwalk and its subsidiaries. Management is also responsible for establishing strategic planning initiatives for Boardwalk. The Board assists in the development of these goals and strategies by acting as a sounding board and by contributing ideas. The Board ultimately approves the strategic plan, taking into account the risks and opportunities of the business of Boardwalk. The Board approves all significant decisions that affect Boardwalk before they are implemented, supervises the implementation and reviews the results. In some cases, the Board, by means of standing resolutions, will delegate limited authority to senior officers of the Trust to carry out certain tasks, usually within strict financial parameters and in a manner with the strategic plan of the Trust, both of which are reviewed on a quarterly basis by the Board.

The Board, in some cases through its committees, has specifically assumed responsibility for: (i) participating in the development of the strategic plan; (ii) identifying and managing business risks; (iii) ensuring the integrity and adequacy of Boardwalk's internal controls and management information systems; (iv) defining the roles and responsibilities of Management; (v) reviewing and approving the business and investment objectives to be met by Management; (vi) assessing the performance of Management and the performance of its subsidiaries; (vii) succession planning; (viii) ensuring effective and adequate communication with Boardwalk's Unitholders and other stakeholders as well as the public at large; and (ix) establishing committees of the Board of Trustees, where required, and defining their mandates.

In the interests of renewal and continuity, committee chairs are generally expected to serve a three (3) year term.

Because of the Board's demanding role and responsibilities, all Trustees shall be required, on an annual basis concurrent with their performance assessments, to advise the Compensation, Governance and Nominations Committee of any outside, arms-length board of directors they have joined to ensure that such directorship(s) would not impair a Trustee's ability to fulfill the responsibilities of his or her position.

Position Descriptions

Chair, Lead Trustee and Chair of each Board Committee

The Board has developed written position descriptions for the chair, lead Trustee and chair of each Board committee. The Board has also adopted written mandates for each Board committee. The Board as a whole and the members of each Board committee are responsible for taking such steps as may be necessary to ensure that the Board and the committees of the Board fulfill their respective mandates. Such position descriptions and mandates can be found on Boardwalk's investor website at www.BoardwalkREIT.com.

Chief Executive Officer

The Board has developed objectives which the Chief Executive Officer is responsible for meeting and the Board assesses the Chief Executive Officer against those objectives. A position description for the Chief Executive Officer can be found on Boardwalk's investor website at www.BoardwalkREIT.com.

Orientation and Continuing Education

The Board and management of Boardwalk have established an orientation and education program for new Trustees and new committee members regarding the role of the Board, its committees and the Trustees, as well as the nature and operation of Boardwalk's business. Existing Trustees have historically provided orientation and education to new members in light of the particular needs of each new Trustee.

The Board of Trustees provides new Trustees with access to all background documents of the Trust, including all corporate records and prior Board materials. They are also provided with relevant research articles on the industry and the Trust. New members of the Board of Trustees are invited to meet with all officers of the Trust for orientation as to the nature and operations of the business and are invited to all meetings of the committees of the Board of Trustees.

Further, every Trustee has access to management and relevant business information and management makes regular presentations to the Board on the main areas of Boardwalk's business. At least annually, the Board reviews the skills, knowledge and effectiveness of the Board, its committees and individual Trustees.

Presentations are made regularly to the Board of Trustees and Committees to educate and inform them of changes within Boardwalk REIT and on other appropriate subjects such as regulatory and industry requirements and standards, capital markets and commodity pricing. During 2011, site tours of the Edmonton, Alberta portfolio were provided to Trustees. The CG&N Committee reviews information on available external educational opportunities and ensures that Trustees are aware of the opportunities. Boardwalk is a corporate member of The Institute of Corporate Directors ("ICD") and pays for each Trustee to be a member of ICD. Trustees are encouraged and

supported financially to take ICD education programs, including certification through the Director's Education Program, as well as courses on corporate governance, financial literacy and related matters.

Ethical Business Conduct

The Board has adopted a written code of conduct for the Trustees, directors, officers and employees of Boardwalk and its subsidiaries. The policy stipulates that such persons will treat each other, customers, suppliers, security holders and all other persons with goodwill, trust, and respect. The policy strives to create a culture in Boardwalk and its subsidiaries that values honesty, high ethical standards and compliance with laws, rules and regulations. In addition, the Trust has approved a discrimination policy, a sexual harassment policy, a work place harassment policy and an insider trading policy.

The Declaration of Trust contains “**conflict of interest**” provisions that serve to protect Unitholders without creating undue limitations on Boardwalk. Given that the Trustees are engaged in a wide range of real estate and other business activities, the Declaration of Trust contains provisions, similar to those contained in the *Canada Business Corporations Act*, that require each Trustee to disclose to Boardwalk any interest in a material contract or transaction or proposed material contract or transaction with Boardwalk (including a contract or transaction involving the making or disposition of any investment in real property or a joint venture arrangement) or the fact that such person is a director or officer of or otherwise has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with Boardwalk. Such disclosure is required to be made at the first meeting at which a proposed contract or transaction is considered. In the event that a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Trustees, a Trustee is required to disclose in writing to Boardwalk or request to have entered into the minutes of the meeting of the Trustees the nature and extent of his or her interest forthwith after the Trustee becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating primarily to his or her remuneration as a Trustee, officer, employee or agent of Boardwalk or one for indemnity under the provisions of the Declaration of Trust or liability insurance.

The Board has advised each of the executive officers of Boardwalk and its subsidiaries that the terms of their employment require such executive officers to follow the same disclosure procedures and practices outlined above when such executive officers are in a situation that is, or may be considered to be, a “**conflict of interest**”.

The Audit and Risk Management Committee has also adopted a “**whistleblower**” policy that sets out procedures which allow officers and employees of Boardwalk and its subsidiaries to file reports on a confidential and, if necessary, anonymous basis regarding any concerns about accounting, internal accounting controls or financial irregularities. A copy of the Trust's whistleblower policy, which includes the contact information for the Chair of the Audit and Risk Management Committee, is available on the Trust's investor website at www.boardwalkreit.com/AboutUs/BusinessConduct.pdf

Nomination of Trustees

The Board has appointed the Compensation, Governance and Nominations Committee (the “**CG&N Committee**”) which is responsible for, among other items: (i) reviewing the size and composition of the Board; (ii) recommending candidates for election to the Board; (iii) reviewing credentials of nominees for re-election; and (iv) recommending candidates for filling vacancies on the Board. The three (3) members of the Compensation, Governance and Nominations Committee are independent Trustees under NI 58-101.

The Board reviews its size and composition from time to time to determine their impact on its effectiveness. In that regard, the CG&N Committee maintains an active list of potential qualified nominees to the Board. The Board believes that its current Trustees comprise an appropriate mix of individuals with real estate, accounting, financial, legal, capital markets, income trust and general business experience. However, notwithstanding this opinion, the Board reviews qualified candidates for the Board on a regular and ongoing basis and will add any exceptional individuals as Trustees as and when they present themselves.

Compensation

The Board, through its Compensation, Governance and Nominations Committee, reviews the adequacy and form of compensation of Trustees and executive officers annually. The Compensation, Governance and Nominations Committee considers the time commitment, risks and responsibilities of Trustees and executive officers, and takes into account the types of compensation and the amounts paid to directors, trustees and executive officers of comparable publicly traded Canadian companies and income trusts. As stated earlier, of the three (3) members of the Compensation, Governance and Nominations Committee, all are independent Trustees under NI 58-101.

Board Committees

General

The Trustees may appoint from among their number one or more committees of Trustees and may, subject to applicable law and to any provision in the Declaration of Trust to the contrary, delegate to such committee or committees any of the powers of the Trustees.

The Board has two committees: (i) the Audit and Risk Management Committee; and (ii) the Compensation, Governance and Nominations Committee. Each of these committees is composed entirely of independent Trustees, and have the following responsibilities:

Compensation, Governance and Nominations Committee – Terms of Reference

The Declaration of Trust provides that Boardwalk shall establish a Compensation, Governance and Nominations Committee consisting of at least three (3) independent Trustees. The duties of the Compensation, Governance and Nominations Committee will be to review the governance of the Trust with the responsibility for the Trust's corporate governance, human resources and compensation policies. In particular, the Compensation, Governance and Nominations Committee will be responsible for:

1. Review human resources development, organize and recommend to the Board compensation principles and practices and approve any significant changes to structure or principles and practices;
2. Review and make recommendations on the performance and compensation of the Chief Executive Officer and other senior executives of the Trust;
3. Review and recommend to the Board the form and adequacy of compensation for the Trustees;
4. Monitor the appropriateness of the Trust's governance systems with regard to external governance standards, "**best practices**" guidelines and with an emphasis on "**ongoing improvements**";
5. Review the makeup and needs of the Board of Trustees and develop criteria for adding new Trustees to the Board; and
6. Circulate and report on questionnaires to each Trustee annually to evaluate and assess the effectiveness of the Board, its committees in meeting governance objectives and each individual's own contribution.

Notwithstanding the appointment of the Compensation, Governance and Nominations Committee, the Trustees may consider and approve any matter, which the Compensation, Governance and Nominations Committee has authority to consider or approve.

The Compensation, Governance and Nominations Committee conducts an annual evaluation of the effectiveness of the Board and each of the committees of the Board. The latter survey covers the operation of the Board and its committees, the adequacy of information provided to Trustees, Board structure and agenda planning for Board meetings. These assessments take into account the Board mandate and the relevant committee mandates. The results of the surveys form the basis of recommendations to the Board for change.

Effective February 13, 2008, the Board adopted a policy respecting annual peer evaluations of Trustees (see "*Term Limits and Retirement of Trustees*" below).

Audit and Risk Management Committee – Terms of Reference

The Declaration of Trust provides that Boardwalk shall establish an Audit and Risk Management Committee consisting of at least three (3) independent Trustees. The Audit and Risk Management Committee shall be composed of Trustees who comply with the provisions of National Instrument 52-110 of the CSA. Subject to the delegation to the Audit and Risk Management Committee of such other responsibilities as are determined by the Trustees from time to time and subject to such changes to its form and function as may be mandated by any relevant regulatory authorities, the Audit and Risk Management Committee is responsible for:

- (a) Financial Disclosure Issues – review and recommend to the Board for its approval quarterly and annual financial statements, accounting policies that affect the statements, press releases associated with the financial statements, Management’s Discussion and Analysis, significant issues affecting financial reports; review emerging generally accepted accounting principles (“GAAP”) developments and pronouncements; communicate and discuss directly with the Trust’s external auditors the quality of the Trust’s financial statements and the findings of their audit work; and review and approve the Annual Information Form of the Trust;
- (b) Internal Control – consider the effectiveness and integrity of the Trust’s management information system and internal controls over financial reporting and related information technology, security and control; review and approve fees for audit and non-audit services involving the current audit firm; review with management, external auditors and legal counsel, if necessary, any material litigation claims or other contingencies, including tax assessments and the adequacy of financial provisions in the Trust’s financial statements;
- (c) Risk Management – identify and oversee the management of the principal financial and business risks that could impact the operations and financial reporting of the Trust; review and monitor the processes in place for identifying principal risks and reporting thereon to the Board; review and report to the Board on significant business and financial matters affecting the Trust; help senior executives to monitor these risks; and
- (d) In accordance with National Instrument 52-110, implement and supervise a whistleblower policy for safe reporting of any accounting and other financial irregularities and monitor compliance with same on a quarterly and annual basis.

In the interests of continuity and renewal, and subject to the composition of the Board, members of the Audit and Risk Management Committee are generally expected to serve from three (3) to six (6) years on the Committee and the Chair of the Committee is generally expected to serve in such capacity for three (3) years.

The external auditors of the Trust are entitled to receive notice of every meeting of the Audit and Risk Management Committee and, at the expense of the Trust, to attend and be heard thereat and, if so requested by a member of the Audit and Risk Management Committee, shall attend any meeting of the Audit and Risk Management Committee held during the term of office of the external auditors.

Employment of Partners or Employees of External Auditor

A conflict of interest could arise or be perceived if Boardwalk were to hire partners, employees or former partners or employees (collectively referred to as “Partners”) of our present or former external auditor as employees. Accordingly, pursuant to the requirements of applicable securities laws and in order to maintain the independence (as that term is defined in Canadian Securities Administrators’ Multi-Lateral Instrument 52-110, titled “Audit Committees”) of our external auditor and preserve the integrity of our reporting of financial results, any decision to hire a Partner as an employee will not be finalized until it has been reviewed by the Audit and Risk Management Committee.

Such review will include the qualifications of the Partner in question, as well as an assessment of the potential impact the Partner’s hiring could have on the independence of our external auditor and the integrity of our financial reporting. If the Audit and Risk Management Committee determines that the hiring of such Partner would adversely affect the independence of our external auditor or the integrity of the reporting of our financial results, such Partner will not be hired as an Associate.

Please note that any Partners hired prior to August 1, 2003 are specifically excluded from the application of this policy.

Evaluating Board Performance

Each of the Board, its Committees and individual Trustees are evaluated on their effectiveness on an annual basis. Each Trustee is provided with a survey to be completed and returned to the Chair of the CG&N Committee. The survey covers the effectiveness and contribution of:

- the Board as a whole; and
- each of the Committees.

In particular, the survey:

- provides for quantitative ratings in key areas; and
- seeks subjective comment in relevant areas, including areas for improvement and important issues relevant to the Board and/or its Committees.

In addition to the survey, the Chairman of the CG&N Committee meets with each Trustee on a one-on-one basis to assess the effectiveness and contribution of each individual Trustee. Both the survey and the Trustee interviews allow Trustees to comment on areas for improvement to ensure the continued effectiveness of the Board and its Committees.

The summarized results from the survey are reported to both the CG&N Committee and the full Board.

Matters raised through the Board, Committee and individual Trustee evaluations are summarized and presented to the CG&N Committee.

Retirement of Trustees

Boardwalk believes that the composition of the Board should reflect a balance between experience and learning on the one hand, and the need for renewal and fresh perspectives on the other. Accordingly, other than the Chief Executive Officer of the Trust, Trustees are generally expected to serve from three (3) up to a maximum of nine (9) years, subject to favourable performance assessments every year, annual re-election by the Unitholders and the other requirements of the Trust's Governance Guidelines. If deemed appropriate by the Board, a Trustee's term may be extended beyond the noted nine (9) year time limit.

Boardwalk REIT is a firm supporter of corporate governance and transparency and, in consideration of that commitment, the Board wishes to ensure that there is a balance between continuity and renewal at the Trustee level. As well, the Board deems it consistent with its internal performance assessment priority to have regular consideration of retention or replacement for each individual Trustee. Accordingly, individual Trustees have their performance assessed every year by the entire Board.

The performance based review of each Trustee is undertaken annually prior to the November Board meeting, and administered by the Chair of the Compensation, Governance and Nominations Committee. Criteria for the survey are recommended by the Chair of the Compensation, Governance and Nominations Committee, and set by the Board on or before the regularly scheduled August Board meeting. The performance review results are provided to the applicable individual Trustee, Lead Trustee and Chair for further consideration, if any.

The results of the performance reviews for the Trustees are shared with all of the Trustees as information relevant to whether the reviewed Trustees should be re-nominated to the Board for election by Unitholders at the next scheduled Annual Meeting.

Due to his unique role as Chairman and Chief Executive Officer of the Trust, as well as the fact that he, along with Mr. Van Koliass, are the largest Unitholders and founders of Boardwalk, the Board has determined that the above noted policy concerning term guidelines should not apply to Mr. Sam Koliass as long as he is either Chairman or Chief Executive Officer of the Trust.

Compensation of Trustees

For the year ended December 31, 2011, the independent Trustees earned an aggregate cash compensation of \$243,089 for their services, broken out individually as follows:

Trustee Name	Fees Earned (\$)	Value of Deferred Units Received ⁽¹⁾⁽²⁾⁽³⁾ (\$)	Total Compensation (\$)
Al W. Mawani	\$63,733	\$155,460	\$155,460
James R. Dewald	\$48,723	\$122,010	\$122,010
Gary Goodman	\$64,473	\$140,359	\$140,359
Sam Kalias	Nil	Nil	Nil
Arthur Havener, Jr.	\$66,160	\$155,175	\$155,175
TOTALS:	\$243,089	\$573,003	\$573,003

Notes:

- (1) Includes distributions paid on deferred Units (“Deferred Units”) and automatically reinvested pursuant to the Deferred Unit Plan. See “Deferred Unit Plan” below for more information.
- (2) Issue dates of February 18, 2011, June 30, 2011 and December 31, 2011 at issue prices of \$44.45, \$47.93 and \$50.88, respectively. See below under “Deferred Unit Plan” for more information.
- (3) All Trustees have elected to receive 100% of their fees in the form of Deferred Units.

The Board of Trustees are entitled to compensation for their services as trustees of the Trust. In the year ended December 31, 2011, the compensation for the Board of Trustees, other than Trustees who are also employees of Boardwalk or any of its subsidiaries, was a retainer of \$25,000 per year plus a meeting fee of \$1,500 per day for each meeting of the Board of Trustees and reimbursement for their out-of-pocket expenses incurred in acting as Trustee. Any Trustee travelling in excess of four (4) hours to attend a Board or committee meeting is entitled to an additional \$1,000 per trip. The Lead Trustee of the Board of Trustees received an annual fee of \$20,000 in the fiscal year ended December 31, 2011, in addition to the other fees he or she was entitled to for Board, Audit and Risk Management Committee or Compensation, Governance and Nominations Committee meetings attended. Each Trustee who was a member of one of Boardwalk’s committees, other than the Chairmen of such committees, was initially compensated with an additional annual retainer of \$5,000 and the following, related meeting fees:

- (a) Audit and Risk Management Committee - \$1,500 per meeting attended; and
- (b) Governance, Nominations and Compensation Committee - \$1,500 per meeting attended.

In addition, the Chairmen of the Audit and Risk Management and Compensation Governance and Nominations Committees were paid annual retainers of \$15,000 and \$8,000, respectively.

Each Trustee may elect to receive between sixty percent (60%) and one hundred percent (100%) of the annual retainer paid by Boardwalk to that Trustee in a calendar year for service on the Board, together with committee fees, attendance fees, additional fees and retainers to committee chairs (the “Elected Amount”) in the form of deferred Units in lieu of cash, provided that Boardwalk shall match the Elected Amount for each participant such that the number of Deferred Units issued to each participant shall be equal in value to two (2) times the Elected Amount. As of March 31, 2012, each Trustee has elected to have their Elected Amount be 100% in the form of Deferred Units in lieu of cash. The Trust believes this is consistent with the Board’s long term vision for the REIT and its commitment to act in the best interest of Unitholders. See “Deferred Unit Plan” below for more information.

Outstanding Unit Based Awards

Name	Unit-based Awards	
	Number of Units that have not Vested	Market or Payout Value of Unit-based Awards that have not Vested (\$) ⁽¹⁾
Sam Kalias	Nil	Nil
James Dewald	12,494	630,193

Name	Unit-based Awards	
	Number of Units that have not Vested	Market or Payout Value of Unit-based Awards that have not Vested (\$) ⁽¹⁾
Al Mawani	13,280	669,837
Arthur Havener	11,821	596,256
Gary Goodman	7,910	398,997

Note:

(1) Based on a closing price of \$50.44 per Unit on December 31, 2011.

Incentive Plan Awards – Value Vested or Earned

Name	Unit-based Awards Value Vested During the Year (\$) ⁽¹⁾	Non-equity Incentive Plan Compensation Value Earned During the Year (\$)
Sam Kalias	Nil	Nil
James Dewald	205,729	Nil
Al Mawani	237,620	Nil
Arthur Havener	137,316	Nil
Gary Goodman	Nil	Nil

Trustee Unit Ownership Guidelines

Effective February 13, 2008, the Board of Trustees adopted a policy requiring each Trustee to own at least \$200,000 worth of Trust Units (in the form of either Units or Deferred Units) by the fifth anniversary of their appointment to the Board. Furthermore, all Trustees are required to increase their annual ownership position in Boardwalk Units throughout their duration as Trustees.

The following table summarizes the number of Units and Deferred Units owned by each trustee as at March 31, 2012 and whether each trustee has met or exceeded the ownership guidelines established by the board of trustees:

Name of Trustee	Number of Units Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽¹⁾ (#)	Number of Units allocated from DUP	Total Number of Units, including Deferred Units	Dollar Value of Units Beneficially Owned, or Controlled or Directed, Directly or Indirectly and Deferred Units ⁽²⁾ \$	Met or Exceeded Ownership Guidelines ?	Percentage (%) of Ownership Guidelines
Sam Kalias	6,575,500 ⁽³⁾	Nil	6,575,500	375,461,050	Yes	100
Al Mawani	35,817	13,125	48,942	2,794,588	Yes	100
Art Havener	5,913	12,113	18,026	1,029,285	Yes	100
Gary Goodman	1,500	8,269	9,769	557,810	Yes	100
Jim Dewald	11,850	12,144	23,994	1,370,057	Yes	100

Note:

- (1) Individual trustees have furnished information as to Units beneficially owned, or controlled or directed, directly or indirectly by them.
- (2) Dollar amounts represent the estimated market value of Units beneficially owned by each trustee, as determined by multiplying the number of Units beneficially owned by such Trustee as of February 28, 2012 by the closing price of the Units on the TSX on such date.
- (3) Last Year's Circular stated that Mr. Kalias beneficially owned or controlled 6,577,500 Units, which was a typographical error. Mr. Kalias did not sell any Trust Units between January 1, 2011 and March 31, 2012.

Statement of Corporate Governance Practices

**SCHEDULE “A”
STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

National Policy 58-201, National Instrument 52-110 and other applicable guidelines for improved corporate governance	Does the Trust align?	Governance procedures at Boardwalk Real Estate Investment Trust (the “Trust”)
1. The Board should explicitly assume responsibility for stewardship of the Trust, and specifically for:	Yes	The Board of Trustees supervises the management of the Trust’s business and affairs with the goal of enhancing long-term Unitholder value. It makes major policy decisions, delegates to management the authority and responsibility for day-to-day affairs and reviews management’s performance and effectiveness.
(i) adoption of a strategic planning process and approval of a strategic plan which takes into account, among other things, the opportunities and risks of the business;	Yes	The Board approved the Trust’s strategic plan for 2011 - 2012, and will review same on an ongoing basis, which review will take into account, among other things, the opportunities and risks of the business. The Board reviews and discusses, on a quarterly basis, the Trust’s strategies and their implementation at Board meetings.
(ii) identification of the principal risks of the Trust’s business and ensuring implementation of appropriate systems to manage those risks;	Yes	The Board, in conjunction with its Audit and Risk Management Committee and management, identifies the principal risks of the Trust’s business and reviews risk management policies and processes.
(iii) succession planning, including appointing, training and monitoring senior management;	Yes	The Trust has a formal system of succession planning. The Compensation, Governance and Nominations Committee, composed entirely of independent Trustees, periodically reviews the performance of the Chief Executive Officer and other senior executives of the Trust.
(iv) communications policy;	Yes	<p>The Board, in conjunction with its Audit and Risk Management Committee, reviews and approves the contents of major disclosure documents of the Trust, including its Annual Report, the Annual Information Form, Management’s Discussion and Analysis and this Management Information Circular. Through its Compensation, Governance and Nominations Committee, the Board reviews policies and programs related to the image of the Trust and ensures that appropriate processes are in place for communicating with customers, employees, Unitholders, the investment community and the public. The Board reviews how the Trust communicates and interacts with analysts and the public to avoid selective disclosure.</p> <p>In this regard:</p> <ul style="list-style-type: none"> • procedures are in place to provide timely information to investors and potential investors and to respond to investor inquiries and concerns; • procedures are in place to maintain communications with the investing public in accordance with the Trust’s policies and procedures and legal disclosure requirements; • procedures are in place to ensure that every Unitholder

National Policy 58-201, National Instrument 52-110 and other applicable guidelines for improved corporate governance	Does the Trust align?	Governance procedures at Boardwalk Real Estate Investment Trust (the "Trust")
		<p>inquiry receives a prompt response from an appropriate officer;</p> <ul style="list-style-type: none"> • the Chief Executive Officer ("CEO"), President, the Chief Financial Officer ("CFO") and other senior executives meet periodically with financial analysts and institutional investors; • the Trust has adopted a corporate disclosure policy which can be found on Boardwalk's investor website at www.BoardwalkREIT.com; • investor relations staff are also available to Unitholders by telephone and fax and the Trust maintains information relevant to investors on its Web site at www.BoardwalkREIT.com; and • quarterly earnings conference calls are broadcast live over the Internet and are accessible on a live and recorded basis via telephone. Presentations at investor conferences are promptly made available on the Internet or via telephone.
(v) integrity of internal control and management information systems.	Yes	<p>The Board's Audit and Risk Management Committee requires management to implement and maintain appropriate systems of internal control, and meets with management and the Trust's external auditors to assess the adequacy and effectiveness of these systems of internal control. See also item 13 below.</p>
2. A majority of Trustees should be " independent " (independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Trustee's ability to act with a view to the best interests of the Trust and its Unitholders.)	Yes	<p>As required by N.I 52-109, the CEO and CFO have provided certificates relating to the contents of the annual and quarterly financial reports and have evaluated and reported on the effectiveness of the Trust's internal controls and procedures.</p> <p>Currently, five (5) of the six (6) persons proposed for election to the Board in this Management Information Circular are "independent" from the Trust as determined pursuant to N.P. 58-201. As CEO of the Trust, Mr. Sam Kolias is the only "related" Trustee;</p>
3. The Board has responsibility for applying the definition of " independent Trustee " to each individual Trustee and for disclosing annually the analysis of the application of the principles supporting this definition and whether the Board has a majority of unrelated Trustees.	Yes	<p>In applying the principles underlying the definition of "independent" under N.P. 58-201, the Board of Trustees has determined that five (5) of the six (6) persons proposed for election to the Board in this Management Information Circular are "independent" from the Trust.</p> <p>See item 2, above.</p>

National Policy 58-201, National Instrument 52-110 and other applicable guidelines for improved corporate governance	Does the Trust align?	Governance procedures at Boardwalk Real Estate Investment Trust (the "Trust")
<p>Under N.P. 58-201, certain relationships serve as bars to independence. In addition, no Trustee qualifies as "independent" unless the Board of Trustees affirmatively determines that the Trustee has no material relationship with the listed issuer (directly or as a partner, unitholder or officer of an organization that has a relationship with the issuer). Disclosure must be made of the basis for each determination.</p>	<p>Yes</p>	<p>The Board has affirmatively assessed and determined that five (5) of the six (6) persons proposed for election to the Board in this Management Information Circular qualify as "independent" in accordance with the "affiliated" and "related" standards.</p> <p>See item 2 above.</p>
<p>4. The Board should appoint a committee of Trustees composed exclusively of outside trustees, a majority of whom are independent Trustees, with responsibility for proposing new nominees to the Board and for assessing trustees on an ongoing basis.</p>	<p>Yes</p>	<p>The Compensation, Governance and Nominations Committee identifies, evaluates and recommends nominees for the Board of Trustees, in consultation with the Chairman & CEO of the Trust. The Committee determines what competencies, skills and personal qualities it should seek in new Board members to add value to the Trust. In certain circumstances, the committee may retain outside consultants to conduct searches for appropriate nominees.</p>
<p>N.P. 58-201 requires a nominating committee to be composed solely of "independent" Trustees.</p>	<p>Yes</p>	<p>The Compensation, Governance and Nominations Committee is composed of three (3) independent and unrelated Trustees.</p>
<p>N.P. 58-201 requires a nominating committee to be composed solely of "independent" Trustees.</p>	<p>Yes</p>	<p>The Committee is composed solely of "independent" Trustees.</p>
<p>5. The Board should implement a process, to be carried out by an appropriate committee, for assessing the effectiveness of the Board, its' committees and the contribution of individual Trustees.</p>	<p>Yes</p>	<p>The functions of a nominating committee are performed by the Trust's Compensation, Governance and Nominations Committee. The Committee is composed solely of "independent" Trustees.</p> <p>The Board, through its Compensation, Governance and Nominations Committee, annually oversees the evaluation of the Board, including assessment by each Trustee of the Board, Committees, Chair, Lead Trustee, Committee Chairs and individual Trustees. This process allows the Board to assess Board effectiveness, Committee effectiveness and the effectiveness of individual Trustees.</p>
<p>6. The Trust should provide an orientation and education program for new Trustees.</p>	<p>Yes</p>	<p>Each proposed new member of the Board of Trustees is asked to review Board and Committee minutes for the prior twelve-(12) month period, together with the Trust's press releases, the Annual Report and the Annual Information Form ("AIF"). New Trustees also meet with senior management for an orientation session, which includes a site tour, a review of head office operations and discussions with senior management regarding the Trust.</p>
		<p>The Trust also purchases and maintains memberships in the ICD for each member of the Board.</p>

National Policy 58-201, National Instrument 52-110 and other applicable guidelines for improved corporate governance	Does the Trust align?	Governance procedures at Boardwalk Real Estate Investment Trust (the "Trust")
7. The Board should establish a nominations committee charged with the duty of identifying and evaluating candidates for the office of Trustee.	Yes	The Compensation, Governance and Nominations Committee of the Board has been established and it has been charged by the Board, in its charter, with the responsibility of identifying and evaluating candidates for the Board to fill vacancies caused by resignations of current Trustees or by an increase in the size of the Board.
8. The Board should examine its size and undertake, where appropriate, a program to establish a board size which facilitates effective decision-making.	Yes	<p>The Board of Trustees feels the current board size has been adequate to provide the appropriate level of skill and advice to guide the Trust. As the Trust grows and matures, the addition of new Trustees will be considered.</p> <p>In this Circular, six (6) nominees are proposed for election as Trustees at the Annual and Special Meeting of holders of Trust Units to be held May 15, 2012.</p>
9. The Board of Trustees should review the adequacy and form of compensation of Trustees in light of the risks and responsibilities involved in being a Trustee.	Yes	The Compensation, Governance and Nominations Committee periodically reviews the amount and the form of compensation to Trustees and sets Trust Unit ownership guidelines for the Trustees. In making recommendations to the Board for appropriate adjustments, the Committee considers the time commitment, risks and responsibilities of Trustees, as well as comparative data derived from a survey of board compensation at other issuers. In recommending the form of Trustees' compensation, the Committee seeks to align the interests of Trustees and Unitholders. This is accomplished through both internal and external review of Trustee compensation, as well as the establishment of Trust Unit ownership guidelines for the Trustees.
N.P. 58-201 and N.I. 52-110 require that the audit, compensation, and nominating committees be composed solely of " independent " Trustees.	Yes	The Compensation, Governance and Nominations Committee acts as the nominating and compensation committee of the Board. The audit committee is known as the " Audit and Risk Management Committee ". For the year prior to and following this Annual and Special Meeting of Unitholders, all members of the Audit and Risk Management Committee and the Compensation, Governance and Nominations Committee have been and will be " independent " under applicable standards.
10. The Board should assume responsibility for, or assign to a committee of Trustees responsibility for, developing the approach to corporate governance issues.	Yes	Ensuring the effectiveness of the Board is an ongoing process. This responsibility has been assigned to the Compensation, Governance and Nominations Committee. The Committee advises and assists the Board in applying governance principles and practices, and tracks developments in corporate governance, adapting " best practices " to the needs and circumstances of the Trust. It also recommends suitable candidates for election to the Board.
This committee would, among other things, be responsible for the response to N.P. 58-201.	Yes	The Compensation, Governance and Nominations Committee and the Board of Trustees have reviewed the Trustee's response to N.P. 58-201.

National Policy 58-201, National Instrument 52-110 and other applicable guidelines for improved corporate governance	Does the Trust align?	Governance procedures at Boardwalk Real Estate Investment Trust (the "Trust")
<p>11. The Board of Trustees, together with the CEO, should develop position descriptions for the Board and for the CEO, including the definition of the limits to management's responsibilities.</p>	Yes	<p>The Board of Trustees has adopted a charter for the Board and a position descriptions for the chair, chair of each committee, the Lead (independent) Trustee and the CEO (all of which can also be found on Boardwalk's investor website at www.BoardwalkREIT.com). The Board currently sets the Trust's annual objectives, which become the objectives against which the CEO's performance is measured.</p>
<p>The Board should approve or develop the corporate objectives which the CEO is responsible for meeting and assess the CEO against these objectives.</p>	Yes	<p>The Board approves the corporate objectives which the CEO is responsible for meeting and assesses the CEO against these objectives.</p>
<p>12. The Board should implement structures and procedures to ensure that it can function independently of management. An appropriate structure would be to (i) appoint a chair of the Board who is not a member of management with responsibility to ensure that the Board discharges its responsibilities, or (ii) assign this responsibility to an outside Trustee, sometimes referred to as the "lead trustee".</p>	Yes	<p>Although the Chairman of the Board is a member of management, the Trust has a Lead (independent) Trustee who is not a member of management.</p>
<p>The chair or lead trustee should ensure that the Board carries out its responsibilities effectively which will involve the Board meeting on a regular basis without management present and may involve assigning responsibility for administering the Board's relationship to management to a committee of the Board.</p>	Yes	<p>Independent Trustees meet at least four (4) times a year without the attendance of management of the Trust, to discuss the affairs of the Trust. The Board of Trustees has not set up a specific committee to address the Board's relationship with management, but the Trustees of the Trust often discuss their relationship with management at their regularly scheduled quarterly meetings.</p>
<p>13. The audit committee should be composed entirely of independent Trustees.</p>	Yes	<p>The Audit and Risk Management Committee is composed entirely of independent Trustees.</p>
<p>All of the members of the audit committee should be financially literate and at least one member should have accounting or related financial expertise.</p>	Yes	<p>All members of the Audit and Risk Management Committee are financially literate and two members of the committee are chartered accountants and have significant accounting or related financial expertise including the Audit and Risk Management Committee Chairman.</p>

National Policy 58-201, National Instrument 52-110 and other applicable guidelines for improved corporate governance	Does the Trust align?	Governance procedures at Boardwalk Real Estate Investment Trust (the "Trust")
<p>The Board shall determine whether a member of the audit committee meets the definition and criteria for "financial literacy" and "accounting or related financial expertise".</p> <p>The Board should adopt a charter for the audit committee which sets out roles and responsibilities of the audit committee which should be specifically defined so as to provide appropriate guidance to audit committee members as to their duties.</p>	<p>Yes</p> <p>Yes</p>	<p>In considering criteria for determinations of financial literacy, the Board looks at the ability to read and understand a balance sheet, an income statement and a cash flow statement of a real estate company that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Trust's financial statements.</p> <p>The Board has reconsidered the definition of "accounting or related financial expertise" in light of N.I. 52-110, which requires each issuer to disclose the number and names of "financial experts" serving on the issuer's audit committee and confirm that they are independent of management.</p> <p>The Audit and Risk Management Committee assists the Board in its oversight of the integrity of the Trust's financial statements, the external auditors' qualifications and independence, the performance of the Trust's external auditors, the adequacy and effectiveness of internal controls and compliance with legal and regulatory matters.</p> <p>The Audit and Risk Management Committee has a charter, the entire text of which can be found in the Trust's AIF, which information is incorporated herein by reference and which AIF can be found in its entirety on SEDAR at www.sedar.com.</p> <p>Subject to the powers of the Unitholders under the Trust's declaration of trust to appoint and revoke the appointment of the external auditors, the Audit and Risk Management Committee has the authority and responsibility to recommend the appointment and revocation of appointment of the external auditors and to fix their remuneration.</p> <p>The Audit and Risk Management Committee is directly responsible for the oversight of the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting.</p> <p>The Audit and Risk Management Committee has the sole authority to approve all audit engagement fees and terms as well as the provision of any legally permissible non-audit services provided by the external auditors of the Trust.</p> <p>The Audit and Risk Management Committee is responsible for reviewing the independence and objectivity of the external auditors, including reviewing relationships between the external auditors and the Trust which may impact on their independence and objectivity.</p>

National Policy 58-201, National Instrument 52-110 and other applicable guidelines for improved corporate governance	Does the Trust align?	Governance procedures at Boardwalk Real Estate Investment Trust (the "Trust")
<p>The audit committee should have direct communication channels with the internal and the external auditors to discuss and review specific issues as appropriate.</p>	<p>Yes</p>	<p>The Audit and Risk Management Committee is also charged with reviewing with the external auditors any audit problems or difficulties and management's response to such issues.</p> <p>The Committee mandate (charter) also includes the establishment of procedures for the receipt and treatment of complaints to the Trust concerning accounting or auditing matters and procedures for the confidential submission by employees of concerns regarding accounting or auditing.</p> <p>Among other things, the Audit and Risk Management Committee reviews:</p> <ul style="list-style-type: none"> • the Trust's annual and quarterly financial statements, Annual Information Form and Management's Discussion and Analysis; • investments and transactions that could adversely affect the well-being of the Trust; and • prospectuses relating to the issuance of securities by the Trust. <p>The Audit and Risk Management Committee, at least quarterly, meets separately with the external auditors and senior management to discuss and review specific issues as appropriate.</p>
<p>The audit committee duties should include oversight responsibility for management reporting on internal control. While it is management's responsibility to design and implement an effective system of internal control, it is the responsibility of the audit committee to ensure that management has done so.</p>	<p>Yes</p>	<p>The Trust has adopted internal audit procedures for the review of its public disclosure of financial information extracted or derived from the Trust's financial statements, and periodically assesses the adequacy of such procedures.</p> <p>The Audit and Risk Management Committee, which has oversight responsibility for management reporting on internal controls, requires that management implement and maintain appropriate internal control procedures. The committee meets with management to assess the adequacy and effectiveness of these systems of internal control.</p>
<p>N.I. 52-110 contains a higher independence standard for members of the audit committee, disallowing any compensation to such members other than board or committee fees received from the issuer.</p>	<p>Yes</p>	<p>None of the members of the Audit and Risk Management Committee receives, directly or indirectly, any compensation from the Trust other than Trustees' and committee fees and, subject to receipt of the requisite Unitholder approval at the Meeting, participation in the Deferred Unit Plan in accordance with the Trust's compensation plan for the Board.</p>

National Policy 58-201, National Instrument 52-110 and other applicable guidelines for improved corporate governance	Does the Trust align?	Governance procedures at Boardwalk Real Estate Investment Trust (the "Trust")
14. The Board should implement a system to enable an individual Trustee to engage an outside advisor, at the Trust's expense in appropriate circumstances. The engagement of the outside advisor should be subject to the approval of the Board or an appropriate committee of the Board.	Yes	Individual Trustees may, with the approval of the Board, engage outside advisors at the expense of the Trust.