

AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

Policy Statement

It is the policy of Boardwalk Real Estate Investment Trust and its subsidiary entities (the "**REIT**") to establish and maintain an audit and risk management committee (the "**Audit Committee**"), composed entirely of independent trustees, to assist the Board of Trustees (the "**Board**") in carrying out its oversight responsibility for the REIT's internal controls, financial reporting and risk management processes. The Audit Committee will be provided with resources commensurate with the duties and responsibilities assigned to it by the Board including administrative support. If determined necessary by the Audit Committee, it will have the discretion to institute investigations of improprieties, or suspected improprieties within the scope of its responsibilities, including the authority to retain independent advisors.

Composition of the Committee

1. The Audit Committee shall consist of at least three (3) trustees. The Board shall appoint the members of the Audit Committee and the Chair of the Audit Committee.
2. Each trustee appointed to the Audit Committee by the Board shall be an independent trustee who is unrelated. An unrelated trustee is a trustee who is independent of management and is free from any interest, any business or other relationship which, in the view of the Board, 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 REIT. Although unitholding may be a factor in such determination, unitholding alone will not lead to a conclusion that there is a lack of independence. In determining whether a trustee is independent of management, the Board shall make reference to the then current legislation, rules, policies and instruments of applicable regulatory authorities.
3. Each member of the Audit Committee shall be "**financially literate**". In order to be financially literate, a trustee must be, at a minimum, able to read and understand financial statements of the complexity of those of the REIT and the accounting principles used in their preparation, as well as an understanding of internal controls and procedures for financial reporting.
4. A trustee appointed by the Board to the Audit Committee shall be a member of the Audit Committee until replaced by the Board or until his or her resignation.

Meetings of the Committee

1. The Audit Committee shall convene a minimum of five (5) times each year at such times and places as may be designated by the Chair of the Audit Committee and whenever a meeting is requested by the Board, a member of the Audit Committee, the auditors, or a senior officer of the REIT. Meetings of the Audit

Committee shall correspond with the review of the quarterly and annual financial statements and management discussion and analysis.

2. Notice of each meeting of the Audit Committee shall be given to each member of the Audit Committee.
3. Notice of a meeting of the Audit Committee shall:
 - (a) be in writing;
 - (b) state the nature of the business to be transacted at the meeting in reasonable detail;
 - (c) to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and
 - (d) be given at least five (5) business days prior to the time stipulated for the meeting or such shorter period as the members of the Audit Committee may permit.
4. A quorum for the transaction of business at a meeting of the Audit Committee shall consist of at least half (½) of the members of the Audit Committee.
5. A member or members of the Audit Committee may participate in a meeting of the Audit Committee by means of such telephonic, electronic or other communication facilities, as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
6. In the absence of the Chair of the Audit Committee, the members of the Audit Committee shall choose one of the members present to be Chair of the meeting. In addition, the members of the Audit Committee may invite the Secretary of the REIT or such other person, who need not be a member of the Committee, as they may choose to be Secretary of the meeting.
7. Senior management of the REIT and other parties may attend meetings of the Audit Committee at the Audit Committee's invitation; however, the Audit Committee: (i) shall meet with the external auditors independent of management; and (ii) may meet separately with management.
8. Minutes shall be kept of all meetings of the Audit Committee and shall be signed by the Chair and the Secretary of the meeting.

Duties and Responsibilities of the Committee

1. The Audit Committee's primary duties and responsibilities are to:
 - (a) identify and monitor the management of the principal risks that could impact the financial reporting and business of the REIT;

- (b) monitor the integrity of the REIT's financial reporting process and system of internal controls regarding financial reporting and accounting compliance;
 - (c) monitor the independence and performance of the REIT's external auditors;
 - (d) deal directly with the external auditors to approve external audit plans, other services (if any) and fees;
 - (e) directly oversee the external audit process and results (in addition to items described in Section 4 below);
 - (f) provide an avenue of communication among the external auditors, management and the Board; and
 - (g) ensure that an effective anonymous "whistle blowing" procedure exists to permit stakeholders to express concerns regarding accounting or financial matters to an appropriately independent individual.
2. The Audit Committee shall have the authority to:
- (a) inspect any and all of the books and records of the REIT, its subsidiaries and affiliates;
 - (b) discuss with the management of the REIT, its subsidiaries and affiliates and senior staff of the REIT, any affected party and the external auditors, such accounts, records and other matters as any member of the Audit Committee considers necessary and appropriate;
 - (c) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
 - (d) set and pay the compensation for any advisors employed by the Audit Committee.
- The Chair of the Audit Committee shall have the authority between meetings of the Audit Committee to engage the external auditors of the REIT to perform non-audit services to the REIT or its subsidiaries or affiliated entities.
3. The Audit Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate.
4. The Audit Committee shall:
- (a) review the audit plan with the REIT's external auditors and with management;
 - (b) discuss with management and the external auditors any proposed changes in major accounting policies or principles, the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to financial reporting;

- (c) review with management and with the external auditors significant financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;
- (d) review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
- (e) review with senior management the process of identifying, monitoring and reporting the principal risks affecting financial reporting and business of the REIT;
- (f) review audited annual financial statements and related documents in conjunction with the report of the external auditors and obtain an explanation from management of all significant variances between comparative reporting periods;
- (g) consider and review with management, the internal control memorandum or management letter containing the recommendations of the external auditors and management's response, if any, including an evaluation of the adequacy and effectiveness of the internal financial controls of the REIT and subsequent follow-up to any identified weaknesses;
- (h) review with financial management and the external auditors the quarterly unaudited financial statements and management discussion and analysis before release to the public; and
- (i) before release, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including any prospectuses, annual reports, annual information forms, management discussion and analysis and press releases.

5. The Audit Committee shall:

- (a) evaluate the independence and performance of the external auditors and annually recommend to the Board the appointment of the external auditor or the discharge of the external auditor when circumstances are warranted and the compensation of the external auditor;
- (b) approve all non-audit services to be provided to the REIT or its subsidiary or affiliated entities by the REIT's external auditors;
- (c) approve the engagement letter for non-audit services to be provided by the external auditors or affiliates, together with estimated fees, considering the potential impact of such services on the independence of the external auditors;
- (d) when there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation

required pursuant to National Instrument 51-102 (or any successor legislation) of the Canadian Securities Administrators and the planned steps for an orderly transition period; and

- (e) review all reportable events as determined on the advice of counsel, including disagreements, unresolved issues and consultations, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors.

6. The Audit Committee shall:

- (a) evaluate the REIT's policies with respect to ensuring compliance with environmental regulations applicable to the REIT's assets and shall periodically obtain assurance from management that such policies have been applied;
- (b) evaluate the REIT's policies with respect to derivative trading and hedge transactions and periodically obtain assurance from management that such policies have been adhered to;
- (c) evaluate the REIT's policies with respect to disaster recovery, including policies and programs for computer systems and buildings;
- (d) annually review the amount and terms of any insurance to be obtained or maintained by the REIT with respect to risks inherent in its operations and potential liabilities incurred by the trustees or officers in the discharge of their duties and responsibilities; and
- (e) evaluate risks related to fraud in financial reporting and provide recommendations to management of procedures to manage such risks.

7. The Audit Committee shall provide advice to the board regarding the appointment of the Chief Financial Officer.

8. The Audit Committee shall enquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters, which are directed to the Audit Committee by any member of the Board, a unitholder of the REIT, the external auditors, or senior management.

9. The Audit Committee shall annually review with management the need for an internal audit function.

10. The Audit Committee shall establish and maintain procedures for:

- (a) the receipt, retention and treatment of complaints received by the REIT regarding accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the REIT on concerns regarding questionable accounting or auditing matters.

11. The Audit Committee shall review and approve the REIT's hiring policies regarding employees and former employees of the present and former external auditors or auditing matters.
12. The Audit Committee shall review with the Trust's internal legal counsel as required but at least annually, any legal or taxation matter that could have a significant impact on the REIT's business or financial statements, and any enquiries received from regulators, or government agencies.
13. The Audit Committee shall assess, on an annual basis, the adequacy of this Charter and the performance of the Audit Committee.
14. In contributing to the Audit Committee's discharging of its duties under this Charter, each Member shall be entitled to rely in good faith upon:
 - (a) accounting information of the Trust represented to him by an officer of the Trust or in a written report of the auditors; and
 - (b) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.
15. In contributing to the Audit Committee's discharging of its duties under this Charter, each Member shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any Member a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board Members are subject. The essence of the Audit Committee's duties is the monitoring and reviewing to gain reasonable assurance (but not to ensure) that the Trust's business activities are being conducted effectively and that the financial reporting objectives are being met and to enable the Audit Committee to report thereon to the Board.