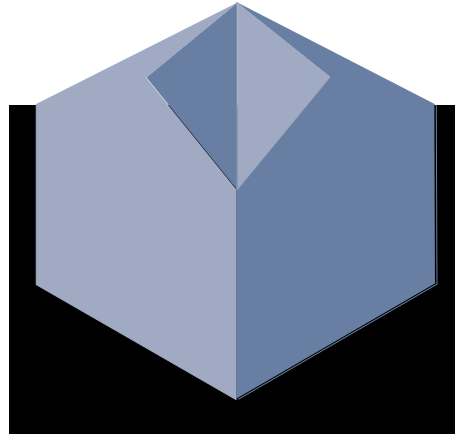


**“True Focus – True Performance”**



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# **BOARDWALK**

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*Q1 2001 CONFERENCE CALL*

*May 23, 2001*

*416-620-2405 and 888-209-3799*

# Boardwalk Equities Inc.

**Certain statements in this presentation may constitute forward-looking statements. Such forward-looking statements involve risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements.**



# Boardwalk Equities Inc.

## Topics for Discussion

- ◆ Overall Review
- ◆ Financial Review
  - ◆ Financial Highlights
  - ◆ Operations Review
  - ◆ Stabilized Building Analysis
  - ◆ Financial Summary
- ◆ Windup and Questions

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(403) 215-8756



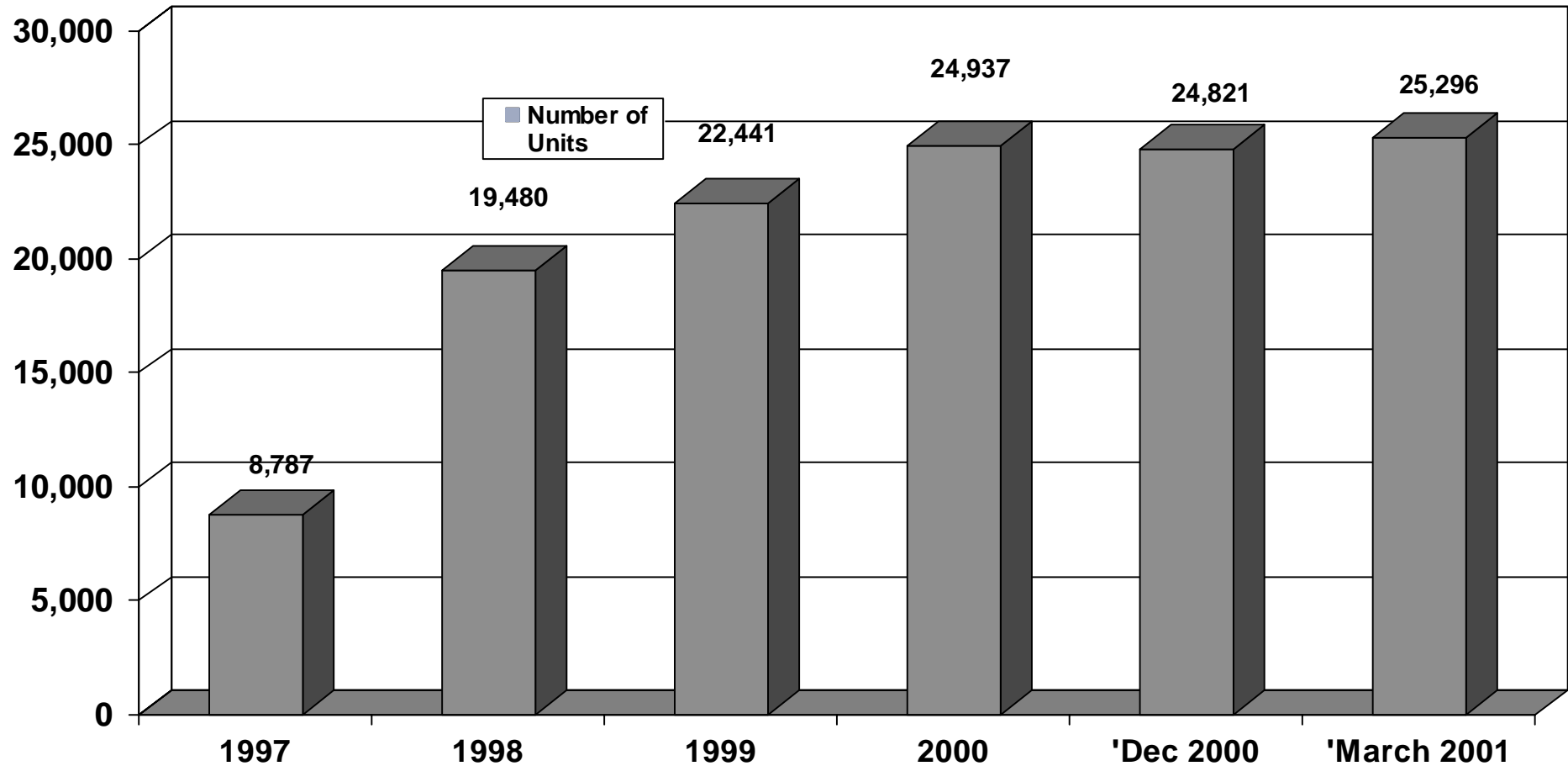
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## Continued Unit Growth



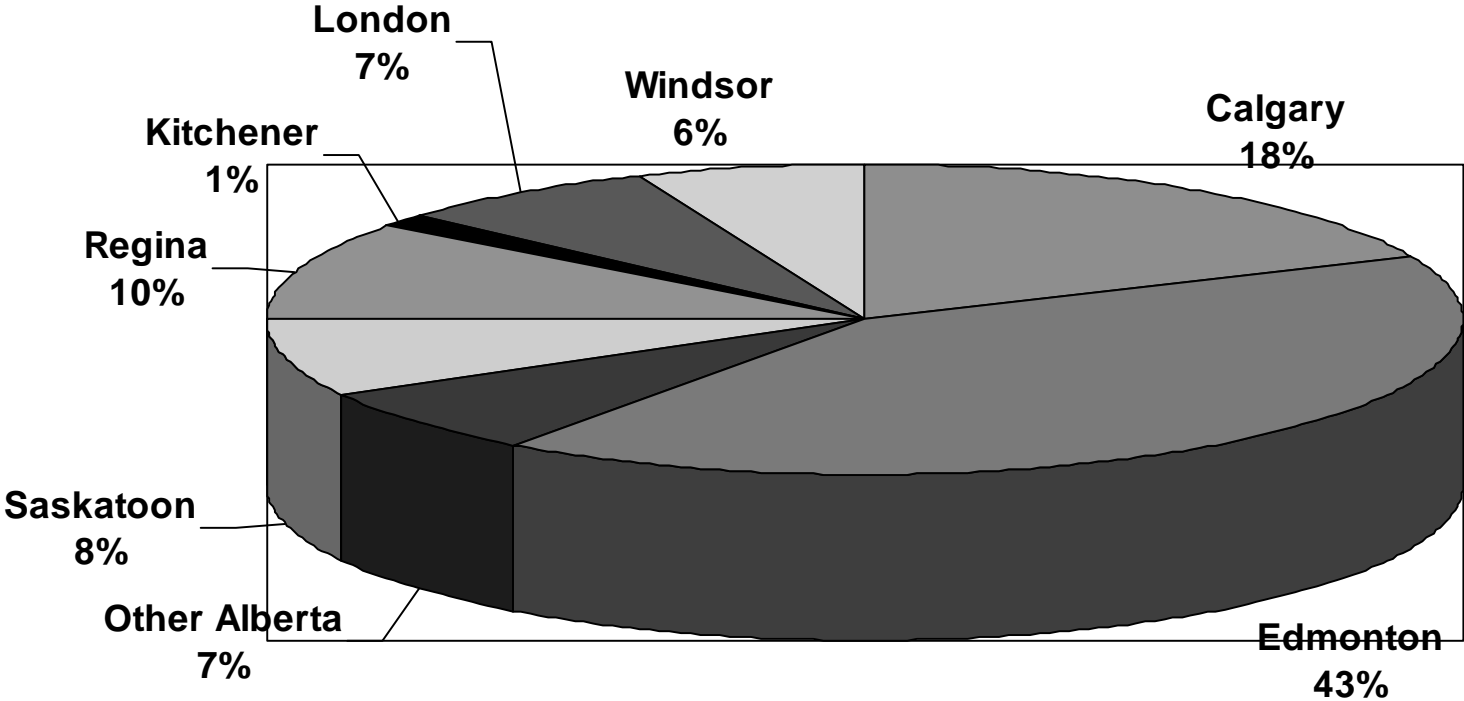
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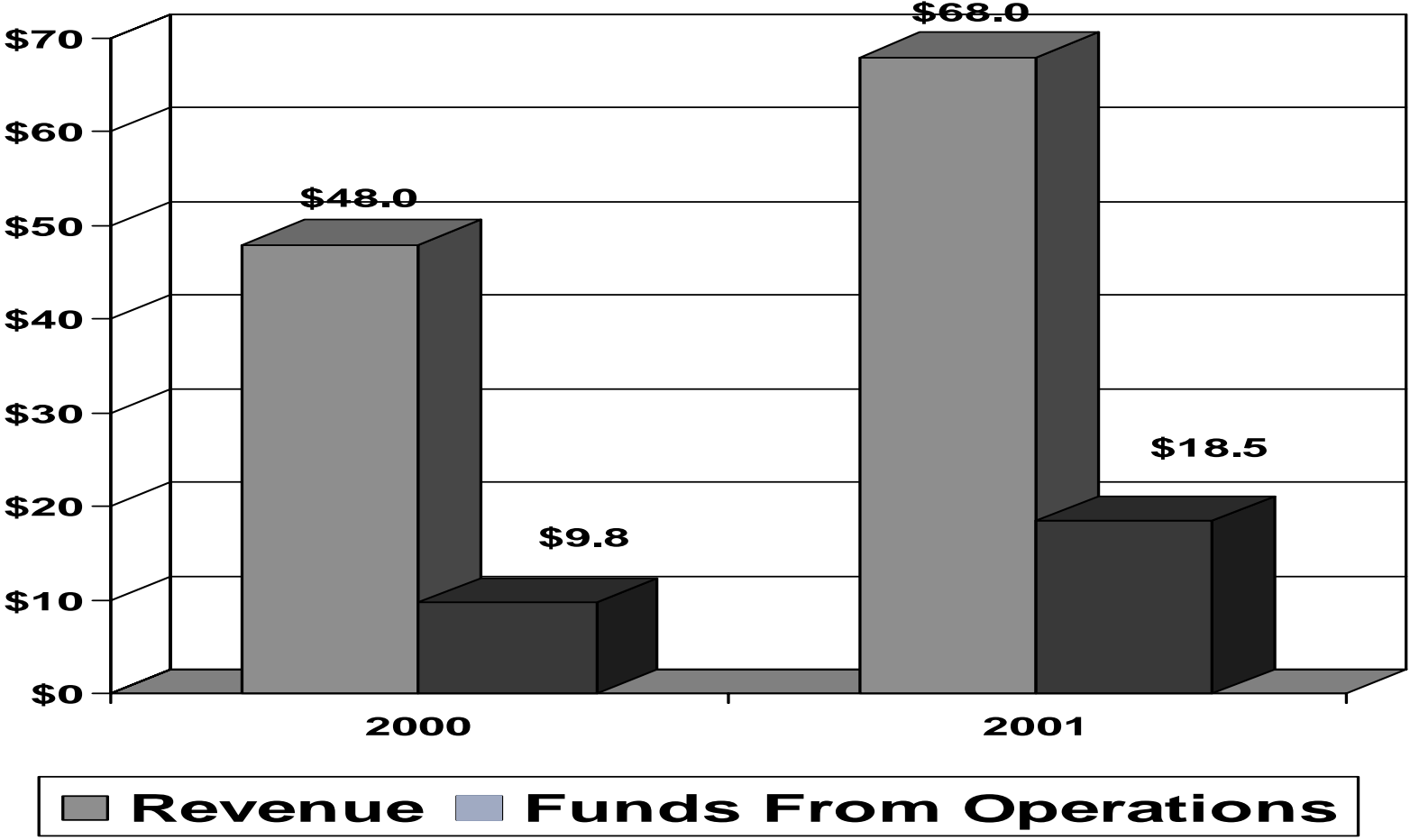
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## Major Market Summary



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Revenue and Cash Flow – in Millions of dollars

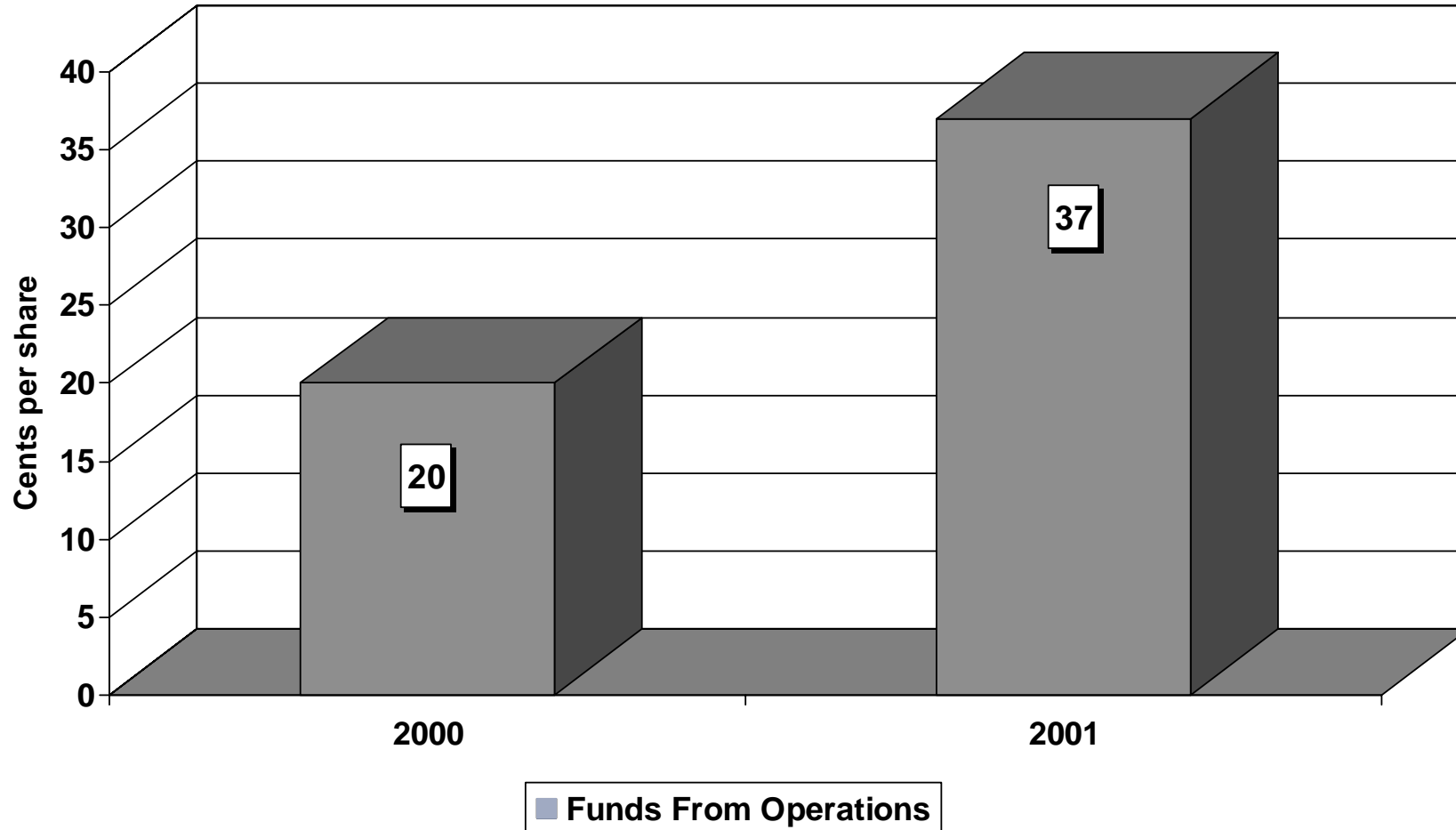


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Growth carried over on a per share basis



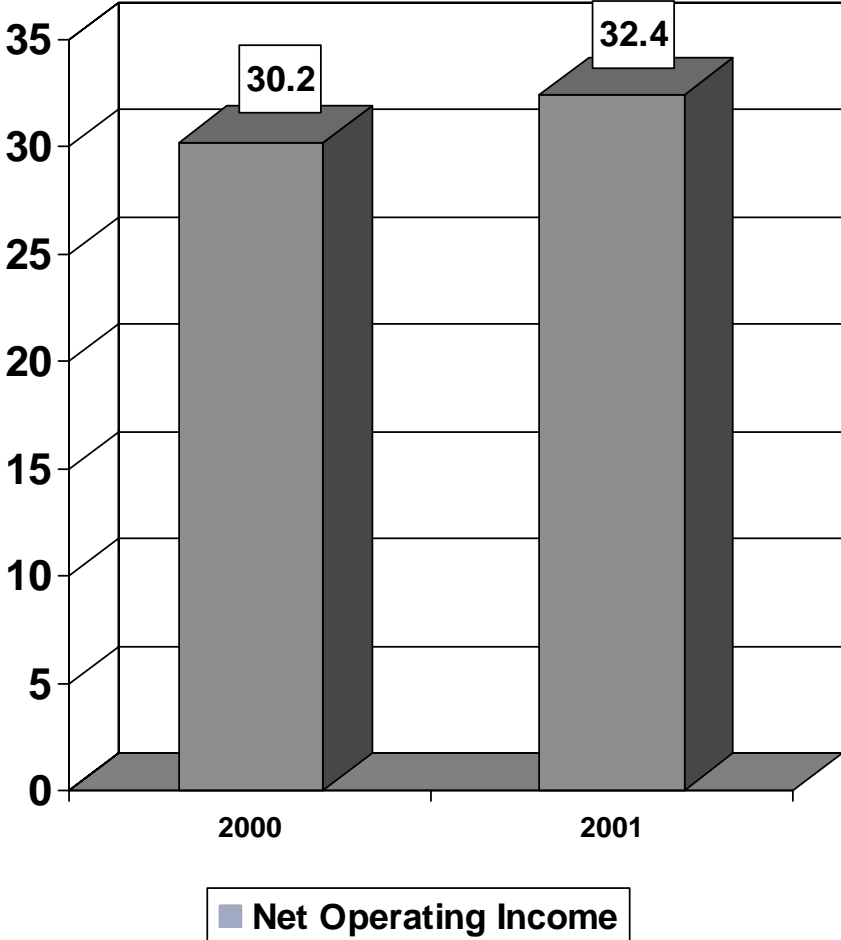
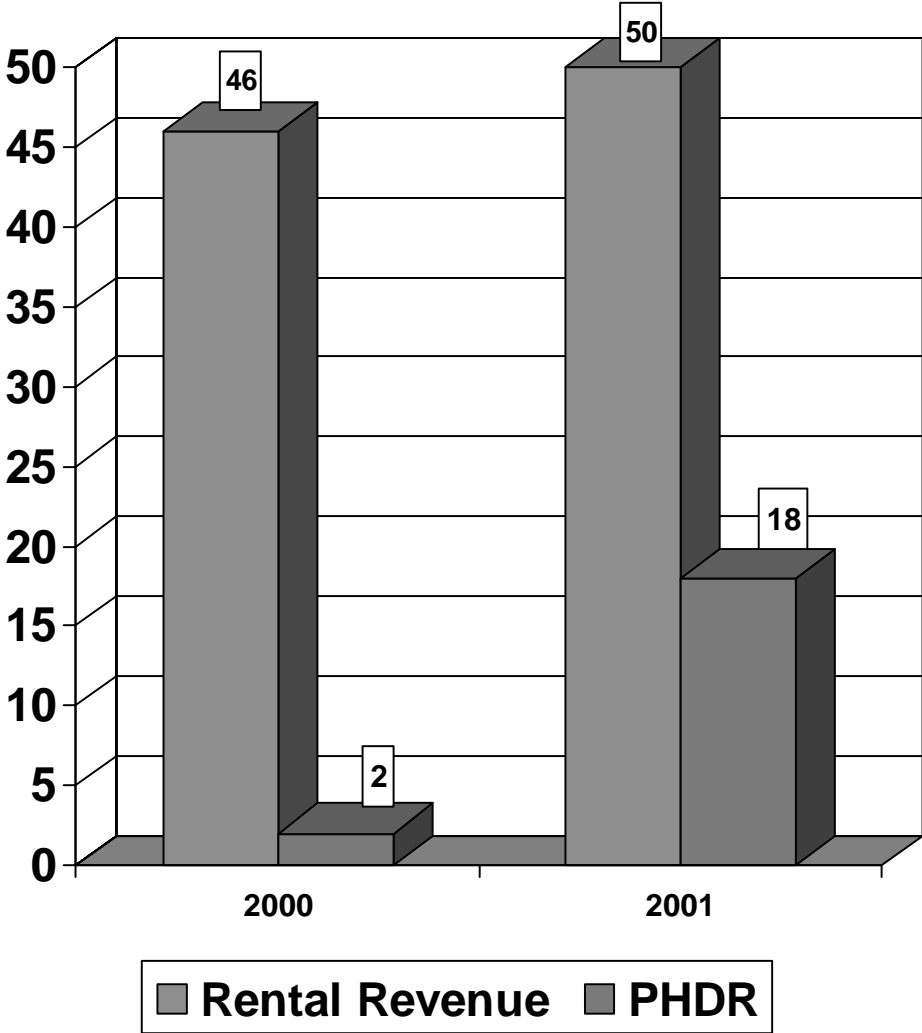
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Continued Strengthening of Rental Operations in Millions of Dollars

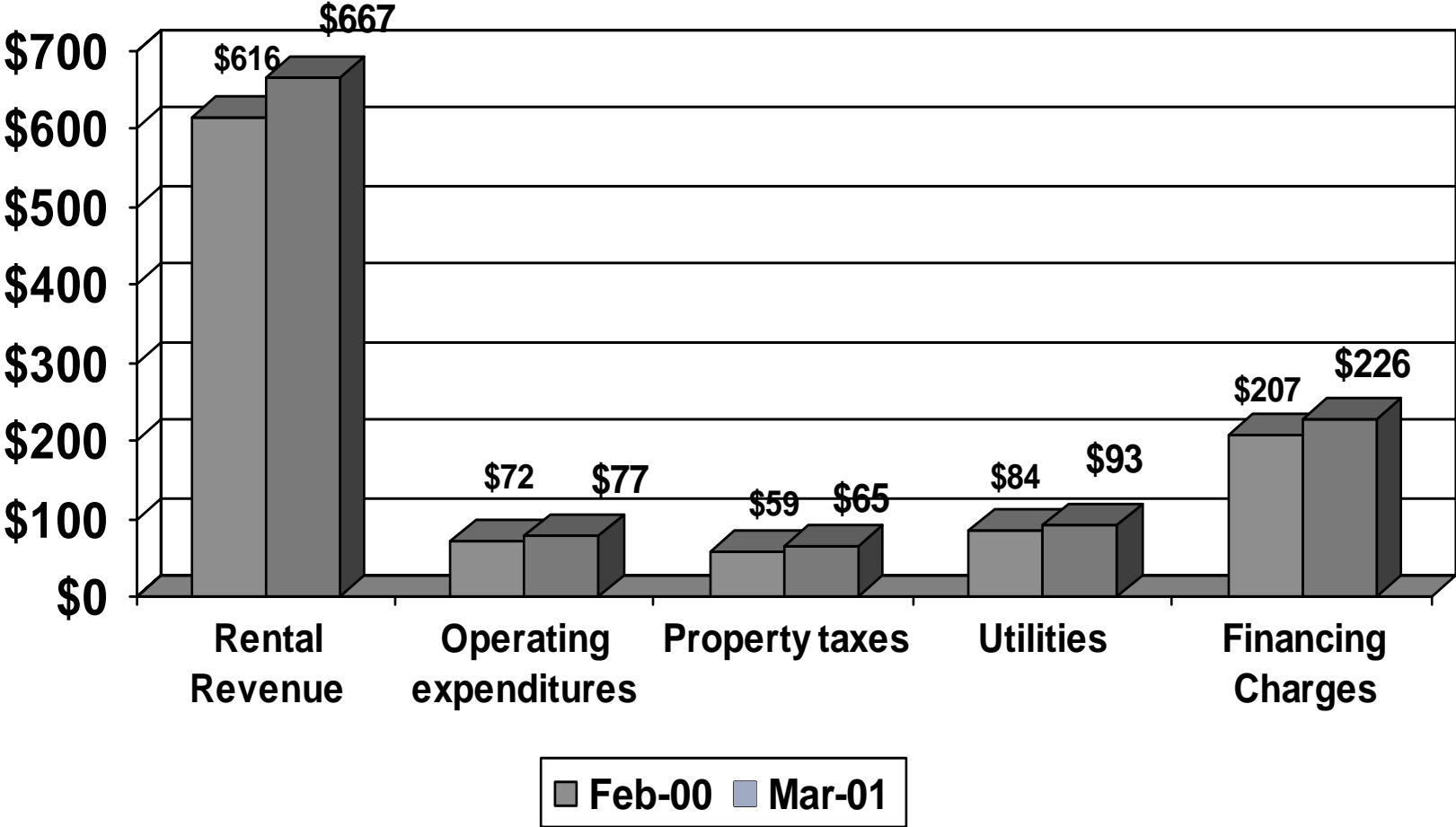


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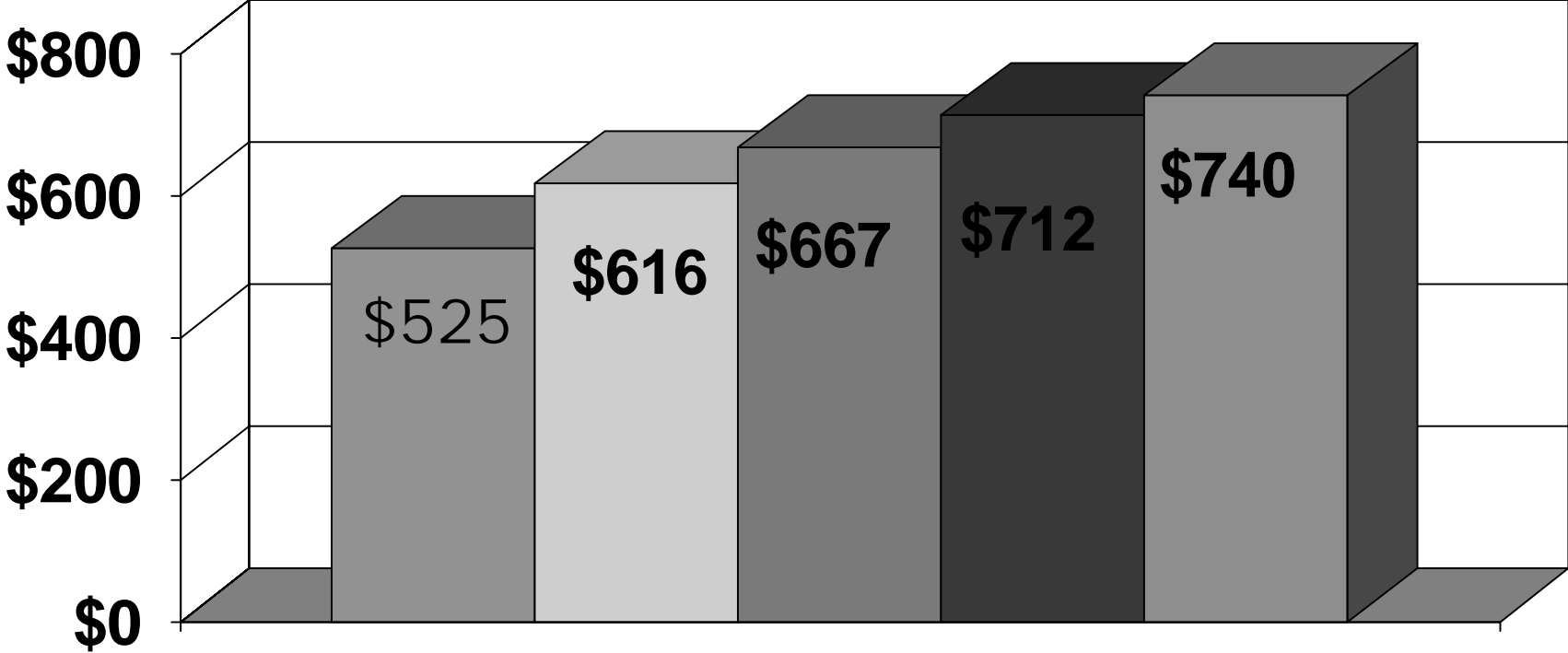
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## Operational Analysis on a per Unit Basis



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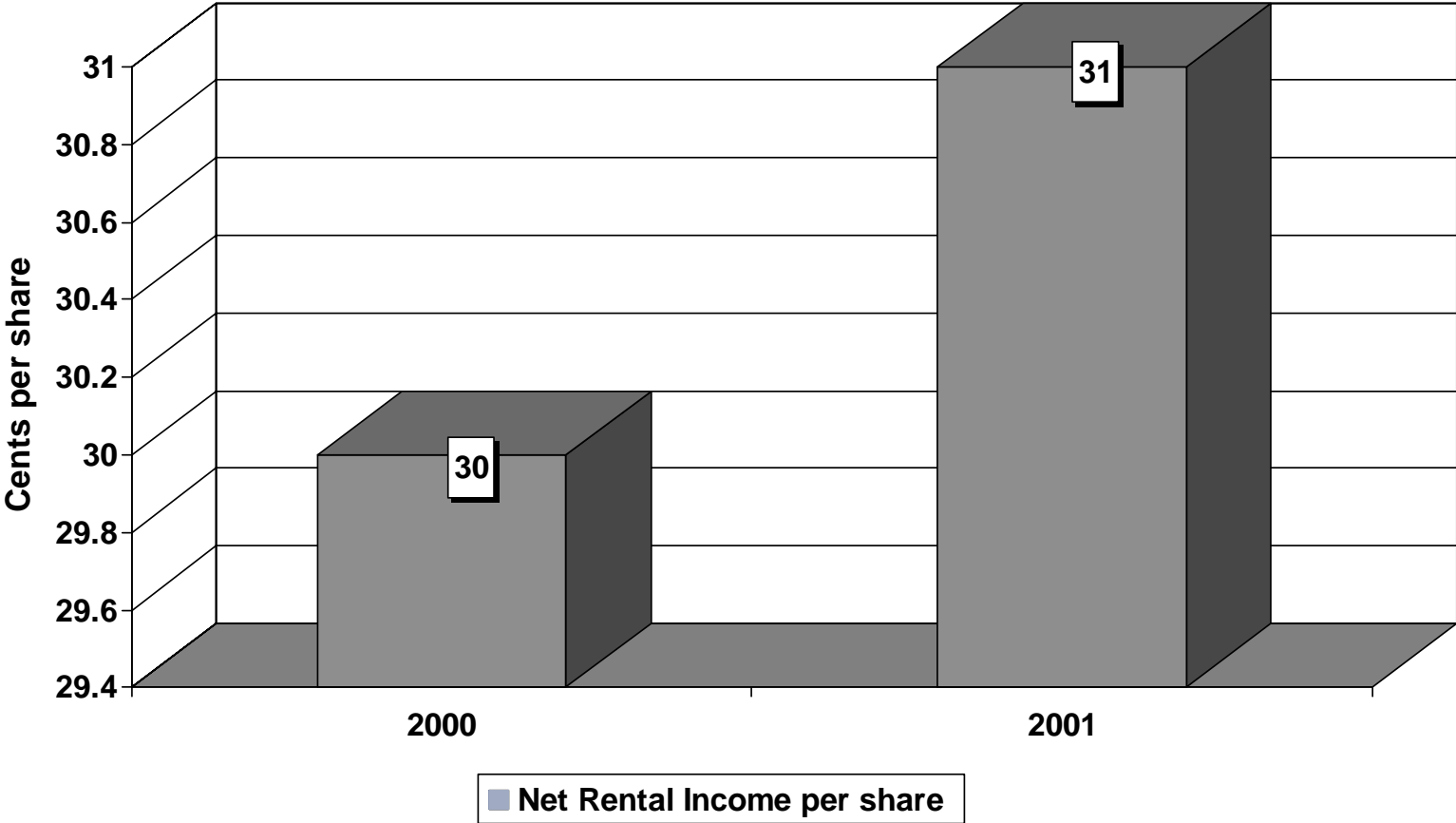
## Monthly Rental Revenues



- May-98
- Rent Per unit / Q1 2001
- Market rent Per Unit / Current
- Feb-00
- Occupied rent Per Unit / Q1 2001

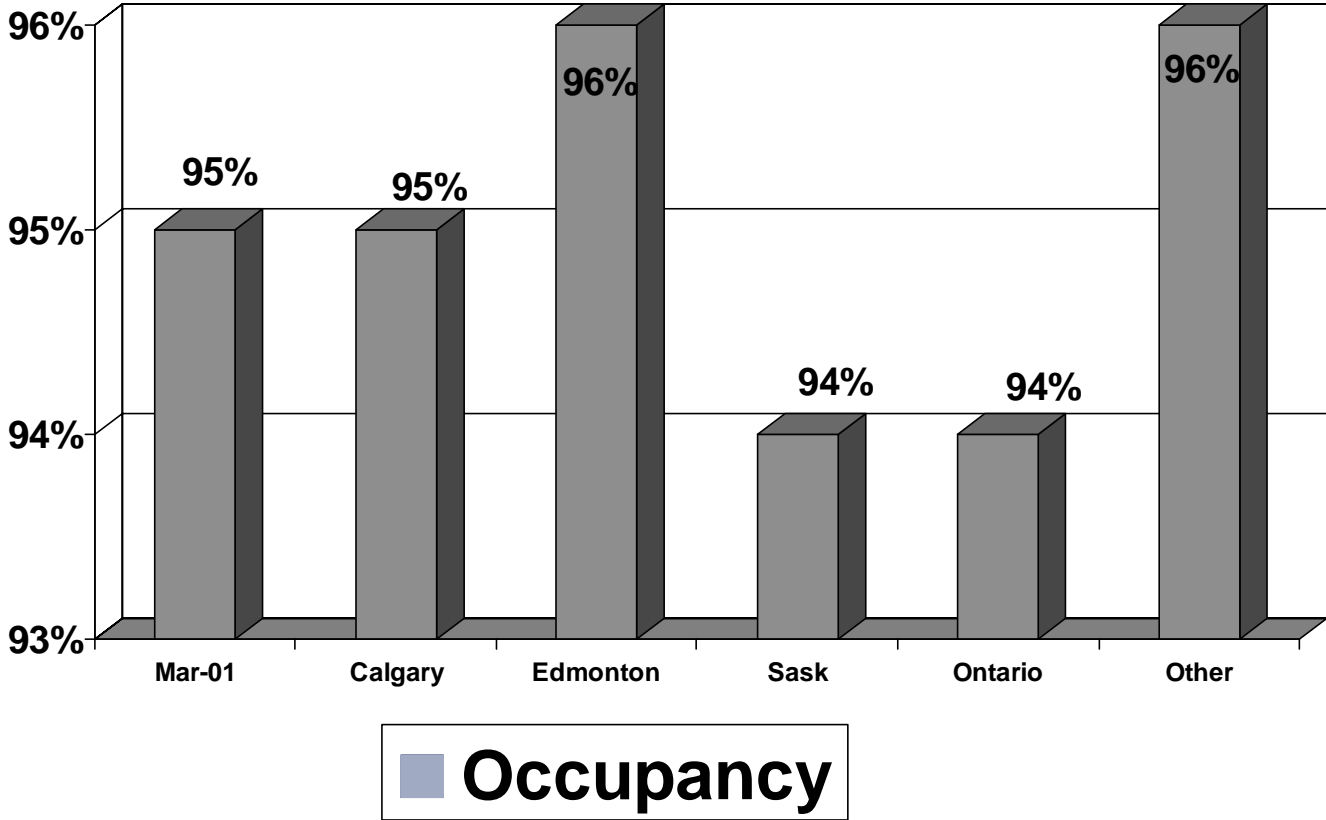
# Boardwalk Equities Inc

## Net Rental Income per share



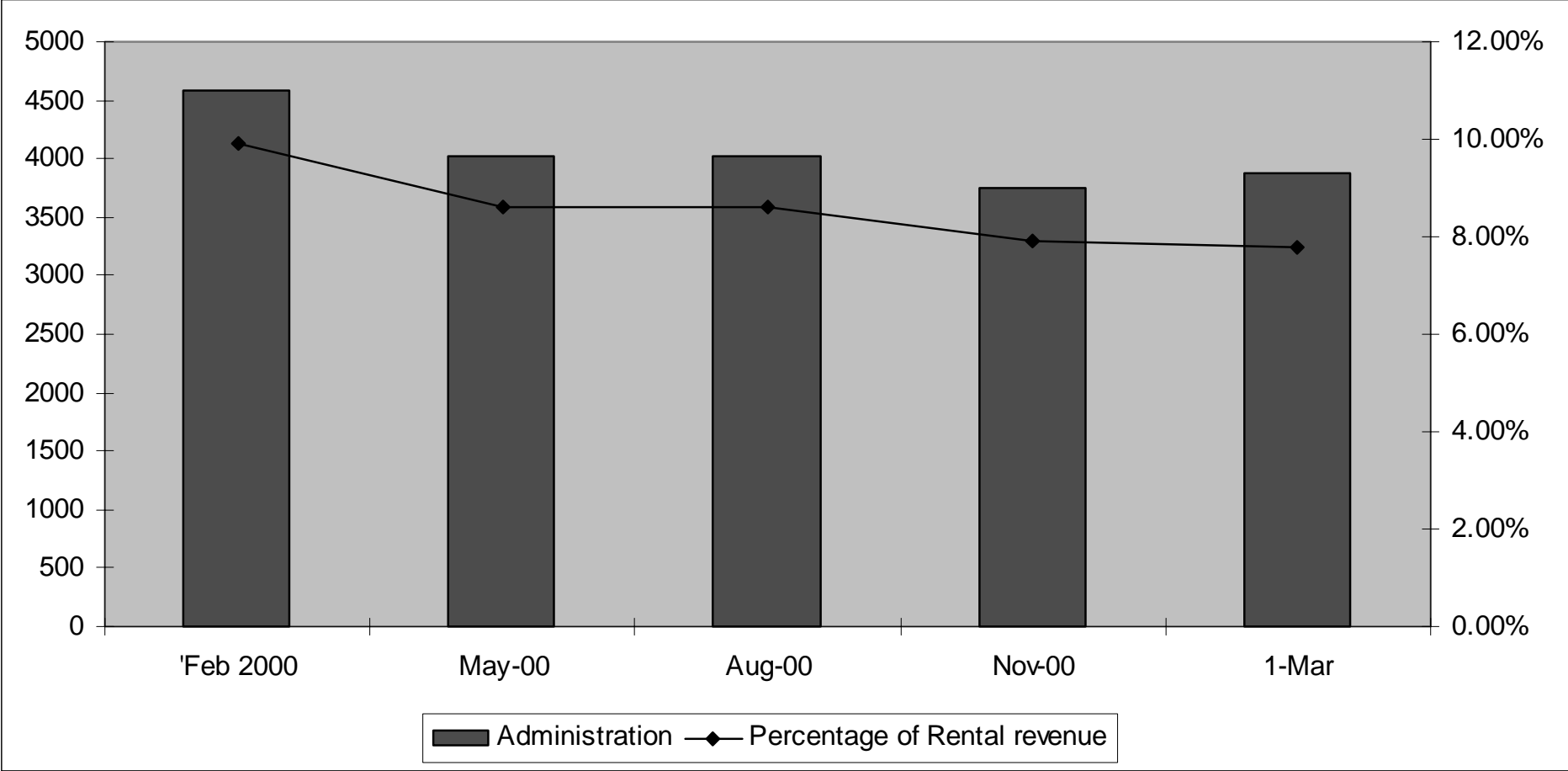
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## Occupancy Rates - Q1 2001



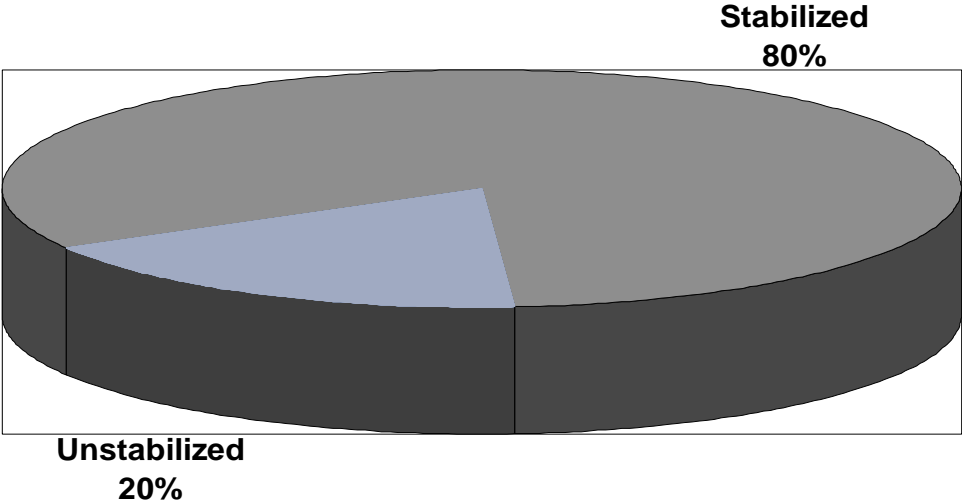
# Boardwalk Equities Inc

## Administration Review - in 000's

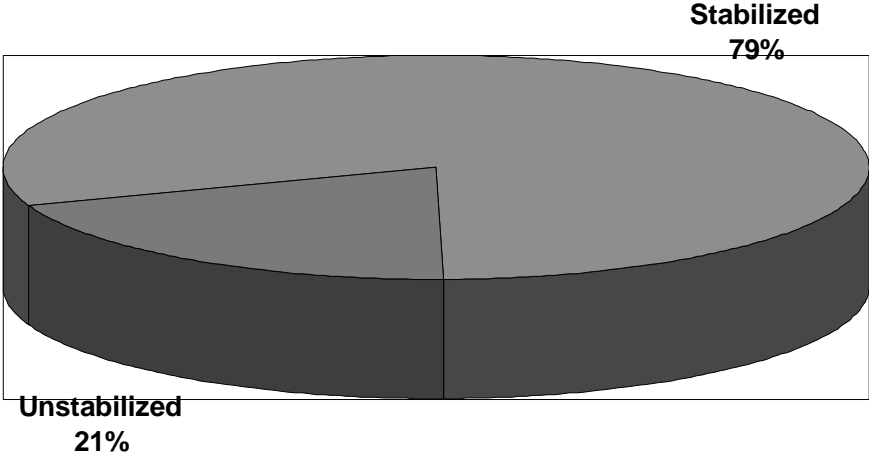


# Boardwalk Equities Inc Stabilized Analysis

**Boardwalk's Portfolio**



**Gross Rental Revenue Allocation**



# Boardwalk Equities Inc.

## Stabilized Portfolio Review in 000's

		Calgary	Edmonton	Regina	Saskatoon	Other	Total	% Change
Rental Revenue	Mar-01	\$ 10,572	\$ 18,756	\$ 4,399	\$ 2,846	\$ 2,865	\$ 39,441	
	Feb-00	\$ 10,307	\$ 17,193	\$ 4,342	\$ 2,542	\$ 2,599	\$ 36,985	6.64%
% Change		2.57%	9.09%	1.30%	11.96%	10.26%	6.64%	
Repairs & Mtse	Mar-01	\$ 348	\$ 559	\$ 281	\$ 85	\$ 90	\$ 1,363	
	Feb-00	\$ 564	\$ 785	\$ 299	\$ 136	\$ 55	\$ 1,839	-25.88%
Utilities	Mar-01	\$ 853	\$ 1,904	\$ 788	\$ 412	\$ 234	\$ 4,191	
	Feb-00	\$ 1,111	\$ 2,727	\$ 542	\$ 280	\$ 355	\$ 5,015	-16.43%
Property taxes	Mar-01	\$ 690	\$ 1,509	\$ 579	\$ 458	\$ 212	\$ 3,448	
	Feb-00	\$ 785	\$ 1,348	\$ 658	\$ 555	\$ 96	\$ 3,442	0.17%
Other	Mar-01	\$ 484	\$ 1,513	\$ 309	\$ 164	\$ 163	\$ 2,633	
	Feb-00	\$ 752	\$ 1,189	\$ 373	\$ 158	\$ 127	\$ 2,599	1.31%
Total Operating Expenses	Mar-01	\$ 2,375	\$ 5,485	\$ 1,957	\$ 1,119	\$ 699	\$ 11,635	
	Feb-00	\$ 3,212	\$ 6,049	\$ 1,872	\$ 1,129	\$ 633	\$ 12,895	-9.77%
% Change		-26.06%	-9.32%	4.54%	-0.89%	10.43%	-9.77%	
Net Operating Income	Mar-01	\$ 8,197	\$ 13,271	\$ 2,442	\$ 1,727	\$ 2,166	\$ 27,806	
	Feb-00	\$ 7,095	\$ 11,144	\$ 2,470	\$ 1,413	\$ 1,966	\$ 24,090	15.43%
% Change		15.53%	19.09%	-1.13%	22.22%	10.17%	15.43%	
Financing Costs	Mar-01	\$ 3,917	\$ 6,269	\$ 1,396	\$ 885	\$ 907	\$ 13,374	
	Feb-00	\$ 3,768	\$ 5,791	\$ 1,625	\$ 1,057	\$ 460	\$ 12,701	
Net rental Income	Mar-01	\$ 4,280	\$ 7,002	\$ 1,046	\$ 842	\$ 1,259	\$ 14,432	
	Feb-00	\$ 3,327	\$ 5,353	\$ 845	\$ 356	\$ 1,506	\$ 11,389	26.72%
Units		\$ 4,530	\$ 10,183	\$ 2,621	\$ 1,523	\$ 1,364	\$ 20,221	

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# Boardwalk Equities Inc.

## Financial Review in 000's

	<i>Calgary</i>	<i>Edmonton</i>	<i>Regina</i>	<i>Saskatoon</i>	<i>Other</i>	<i>Total</i>
<b>Total Purchase Price</b>	<b>\$253,406</b>	<b>\$443,300</b>	<b>\$76,015</b>	<b>\$65,255</b>	<b>\$57,921</b>	<b>\$895,897</b>
<b>Improvements</b>	<b>\$47,599</b>	<b>\$96,206</b>	<b>\$30,545</b>	<b>\$10,634</b>	<b>\$13,478</b>	<b>\$198,462</b>
<b>Total</b>	<b>\$301,005</b>	<b>\$539,506</b>	<b>\$106,560</b>	<b>\$75,889</b>	<b>\$71,399</b>	<b>\$1,094,359</b>
<b>Mortgage Debt</b>	<b>\$244,017</b>	<b>\$414,837</b>	<b>\$88,641</b>	<b>\$58,501</b>	<b>\$58,445</b>	<b>\$864,441</b>
<b>Equity</b>	<b>\$56,988</b>	<b>\$124,669</b>	<b>\$17,919</b>	<b>\$17,388</b>	<b>\$12,954</b>	<b>\$229,918</b>
<b>Q1 Net Operating Income</b>	<b>\$8,196</b>	<b>\$13,270</b>	<b>\$2,440</b>	<b>\$1,725</b>	<b>\$2,164</b>	<b>\$27,795</b>
<b>Q1 Net Rental Income</b>	<b>\$4,278</b>	<b>\$7,000</b>	<b>\$1,043</b>	<b>\$839</b>	<b>\$1,257</b>	<b>\$14,417</b>
<b>Simple Annualized ROA</b>	<b>10.9%</b>	<b>9.8%</b>	<b>9.2%</b>	<b>9.1%</b>	<b>12.1%</b>	<b>10.2%</b>
<b>Simple Annualized ROE</b>	<b>30.03%</b>	<b>22.46%</b>	<b>23.28%</b>	<b>19.30%</b>	<b>38.81%</b>	<b>25.08%</b>

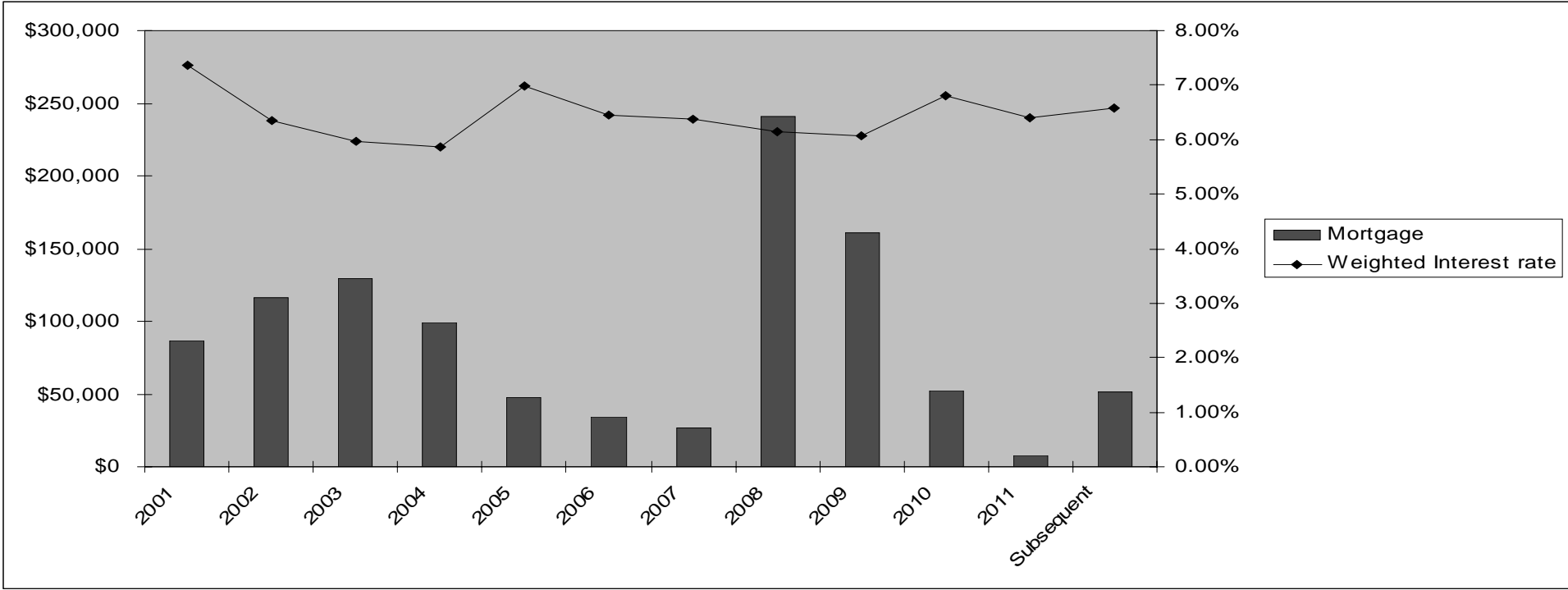


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# Boardwalk Equities Inc.

## Mortgage Maturity – Continued Improvement (in 000 's of Dollars)



Weighted Average Interest rate 6.32%

Average maturity 5.5 years

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# Boardwalk Equities Inc.

## Financial Review

Balance Sheet	March 31, 2001	December 31, 2000
<b>Assets</b>		
Revenue Producing Properties	1,354,409,000	1,325,715,000
Properties Held for Development	6,378,000	6,692,000
Accounts and Mortgage Receivable	21,461,000	17,230,000
Other assets	14,905,000	14,637,000
Deferred Financing Costs	32,178,000	31,460,000
Technology Initiative	34,141,000	27,045,000
Cash	18,785,000	21,055,000
<b>Liabilities</b>		
Mortgages Payable	1,056,382,000	1,034,444,000
Accounts Payable and accrued liabilities	22,798,000	24,795,000
Refundable Securities & other	9,634,000	9,953,000
Capital Lease Obligations	9,967,000	8,404,000
Future Income Tax Liability	72,568,000	64,864,000
	<b>1,171,349,000</b>	<b>1,142,460,000</b>
<b>Equity</b>		
Share Capital	267,388,000	260,235,000
Issue Costs	(6,650,000)	(6,649,000)
Dividends	(2,496,000)	-
Retained Earnings	52,663,000	47,788,000
	<b>310,905,000</b>	<b>301,374,000</b>
	<b>1,482,254,000</b>	<b>1,443,834,000</b>

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# Boardwalk Equities Inc.

## Financial Review

		Unaudited March 31, 2001	Unaudited February 29, 2000
<b>Revenue</b>			
	Rental Revenue	\$ 49,970,000	\$ 46,230,000
	Sales of Properties Held for Development	\$ 18,009,000	\$ 1,898,000
		<b>\$ 67,979,000</b>	<b>\$ 48,128,000</b>
<b>Expenses</b>			
	Revenue producing properties		
	Operating Expenses	\$ 5,967,000	\$ 5,375,000
	Utilities	\$ 10,092,000	\$ 6,237,000
	Utilities Rebate	\$ (3,265,000)	
	Property Taxes	\$ 4,810,000	\$ 4,378,000
	Cost of Sales - Properties Held for Development	\$ 10,525,000	\$ 1,718,000
	Administration	\$ 3,884,000	\$ 4,586,000
	Financing costs	\$ 16,687,000	\$ 15,395,000
	Amortization	\$ 12,454,000	\$ 2,680,000
	Operating Expenses	<b>\$ 61,154,000</b>	<b>\$ 40,369,000</b>
	<b>Operating Earnings Before Income Taxes</b>	<b>\$ 6,825,000</b>	<b>\$ 7,759,000</b>
	Large corporations tax	\$ 754,000	\$ 614,000
	Future income taxes	\$ 1,194,000	\$ 3,787,000
	<b>Net Earnings</b>	<b>\$ 4,877,000</b>	<b>\$ 3,358,000</b>
	EPS Basic	\$ 0.10	\$ 0.07
	EPS Fully Dilluted (Treasury Method)	\$ 0.10	\$ 0.07

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# Boardwalk Equities Inc.

## Financial Review

	March-01
<b>Cash obtained from (used in):</b>	
<b>Operating Activities</b>	
<b>Net Income</b>	4,877,000
Future income taxes	1,194,000
Amortization	12,454,000
<b>Funds from operations</b>	18,525,000
Net change in non-cash working capital	(6,816,000)
Decrease (increase) in properties held for development and resale	9,694,000
	2,878,000
<b>Financing Activities</b>	
Issue of common shares (net of issue costs)	39,000
Stock repurchase Program	(5,000)
Dividends paid	(2,496,000)
Financing of revenue producing properties	32,638,000
Repayment of secured debt on revenue producing properties, unsecured debt and other debt	(24,754,000)
Capital lease payments	(286,000)
Deferred Financing Costs	(1,063,000)
	4,073,000
<b>Investing Activities</b>	
Purchases of revenue producing properties net of debt on acquisitions of \$14,055 (2000- \$22,783 and shares of \$7,116 (2000 - \$Nil) and shares issued of \$ see cell I33 (2000 - nil)	(6,738,000)
Project improvements to revenue producing properties	(15,763,000)
Technology Initiatives	(5,247,000)
	(27,748,000)
<b>Increase (decrease) in cash during the period</b>	(2,272,000)
<b>(Bank indebtedness) cash, beginning of period</b>	21,055,000
<b>Cash (bank indebtedness), end of period</b>	<b>18,783,000</b>
<b>Funds from Operations , basic and fully dilluted</b>	<b>\$ 0.37</b>

	February-00
	3,358,000
	3,787,000
	2,680,000
	9,825,000
	2,745,000
	1,135,000
	3,880,000
	47,000
	(3,473,000)
	36,121,000
	(7,625,000)
	(572,000)
	24,498,000
	(18,057,000)
	(21,360,000)
	-
	(39,417,000)
	(1,214,000)
	(2,730,000)
	<b>(3,944,000)</b>
	<b>\$ 0.20</b>

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## Suite Systems Estimated Costing and Pricing

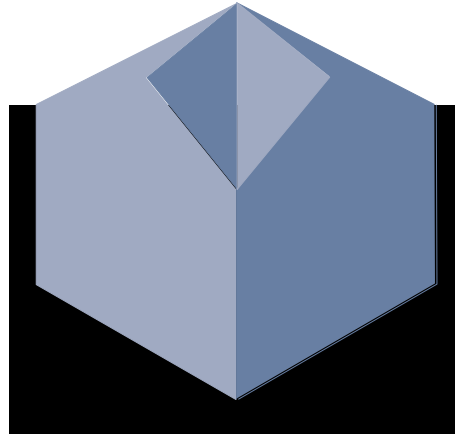


Cost Break down - per unit		Total Building	
<b>Building</b>			
Fibre	\$10,000		
Building units	100	\$100	\$10,000
<b>Suite</b>			
WIRING		\$300	\$30,000
ETHERNET JACK		\$300	\$30,000
Mtse - Capital		\$50	\$5,000
		<u>\$750</u>	<u>\$75,000</u>
<b>ADDITIONAL SERVICES</b>			
Phone		\$300	\$30,000
Didgal box		\$500	\$50,000
SUITE GENIE		\$500	\$50,000
		<u>\$1,300</u>	<u>\$130,000</u>
		<u>\$2,050</u>	<u>\$205,000</u>

Revenue	REVENUE	MARGIN	Margin Amount
Cable	\$35	60%	\$21
Cable - Speciality	\$10	50%	\$5
Phone	\$45	70%	\$32
VOD/PPV	\$4	40%	\$2
INTERNET	\$39	75%	\$29
ASP	\$0	50%	\$0
SUITE GENIE RENTAL	\$25	100%	\$25
ECOM	\$0	100%	\$0
	<u>\$158</u>		<u>\$113</u>
Revenue Share	15%		\$24
Administration			\$34
EBITDA			<u>\$55</u>



**“True Focus – True Performance”**



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*Q1 2001 CONFERENCE CALL*

*May 23, 2001*

*Phone Number*