



# Q1 2003 CONFERENCE CALL

May 13, 2003

416-640-4127 (within Toronto) or 1-800-814-4857



# Q1 2003 Conference Call

Certain statements in this call/ presentation may be considered forward-looking statements within the meaning of existing securities laws. Although Boardwalk believes that the expectations set forth in such statements are based on reasonable assumptions, Boardwalk's future operations and its actual performance may differ materially from those in any forward – looking statements. Additional information that could cause actual results to differ materially from these statements are detailed in the earnings press release and in other publicly filed documents, including Boardwalk's annual report, Annual Information Form and quarterly reports.



# Topics for Discussion

- Q1 Results - Overview
- Financial and Operations Review
  - Portfolio Highlights
  - Operations Review and Performance
  - Stabilized Building Analysis
  - Financial Overview and Summary
  - Outlook and Guidance
- Q&A

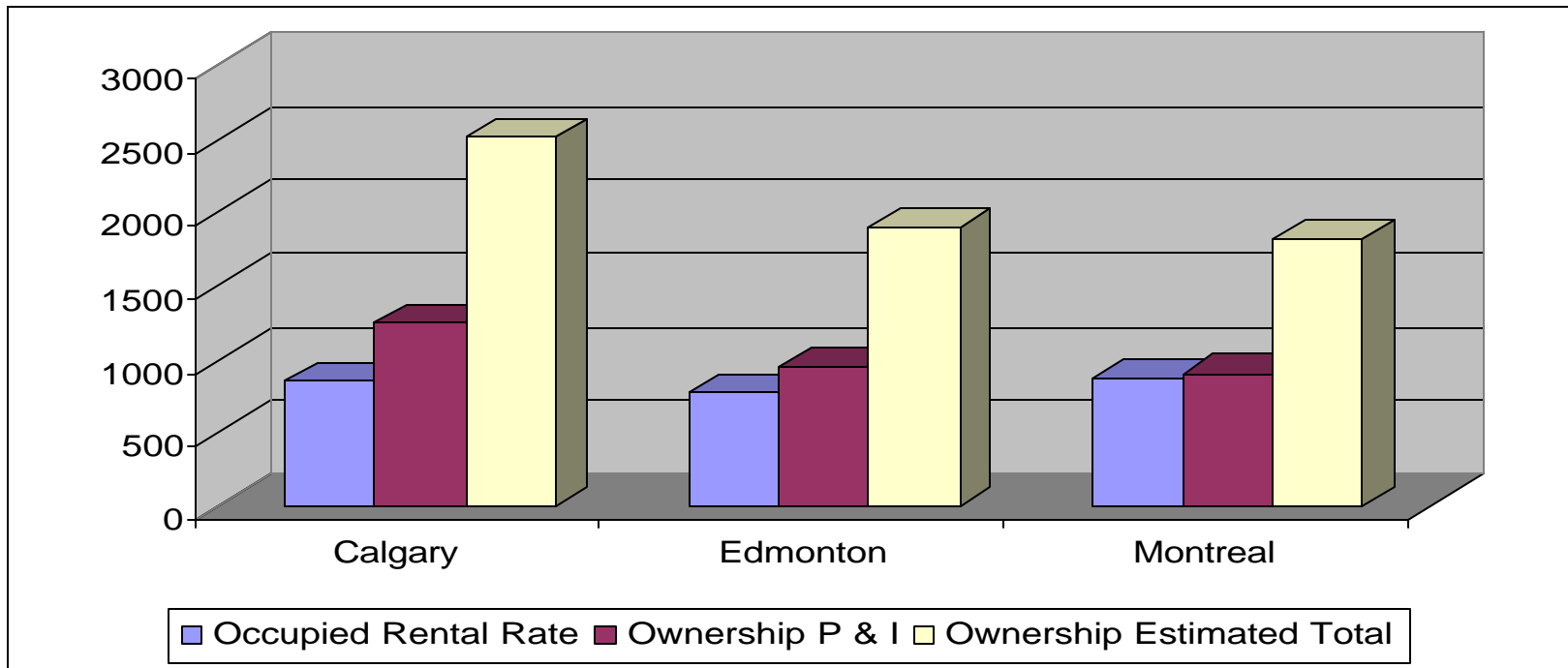


# Overview

- Q1 Highlights
  - Rental revenues of \$65.7 M – up 20.2%
  - NOI of \$40.7M – up 10.3%
  - Total FFO of \$15.5 - up 8.6%
    - Per share \$ 0.31 vs. \$ 0.29 – up 6.9%
  - FFO, excluding gains, of \$14.4 million – up 1.3%
    - Per share \$ 0.29 from \$ 0.29 – Unchanged
    - Adjusting for 2002 Utility rebate \$0.29 vs. \$0.22 – up 32%
- Internal Growth
  - Same-property revenue up 1.7%; NOI down 5.7%
    - Adjusting for 2002 Utility rebate NOI up 3.1%
- External Growth
- Operational and Market Commentary
- Outlook



# Rental Affordability



## Sources

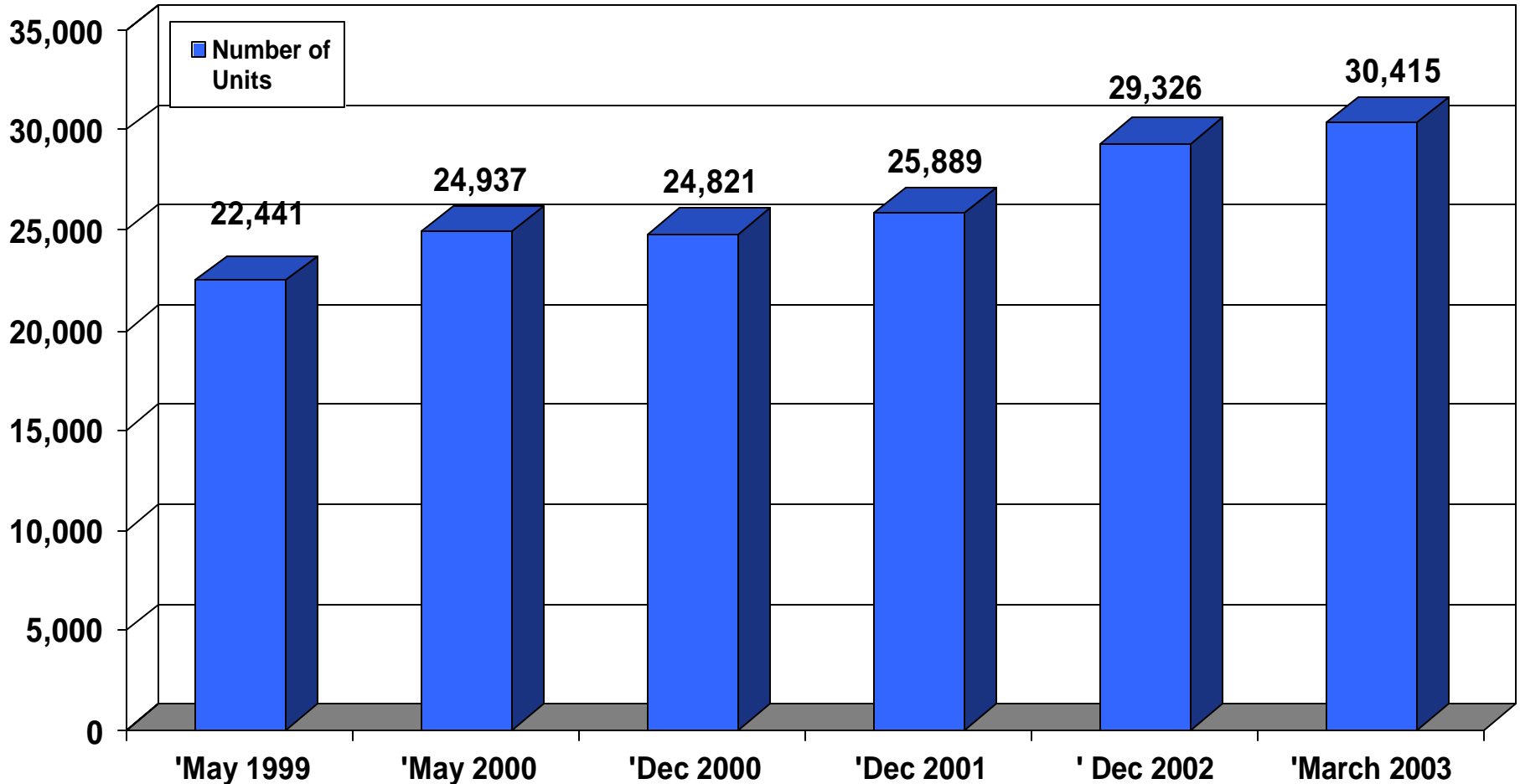
Occupied Rental Rate – Boardwalk Q1 2003 Financial Results

Ownership P & I – CMHC

Ownership Estimated Total – Estimated P & I being ½ of estimate total housing costs



# Portfolio – Unit Growth





# BEI Market Expansion

## Rental Universe – in BEI major CMA's

	2001	To date
Montreal		464,600
Quebec City		75,700
Ottawa		60,100
Gatineau (Hull)		19,100
		<hr/> 619,500
Edmonton	64,200	65,100
Calgary	44,600	43,200
London	38,400	38,900
Kitchener	25,800	26,200
Saskatoon	15,900	15,500
Windsor	15,300	15,200
Regina	11,600	11,400
	<hr/> 215,800	<hr/> 215,500
<b>Total</b>	<b>215,800</b>	<b>835,000</b>

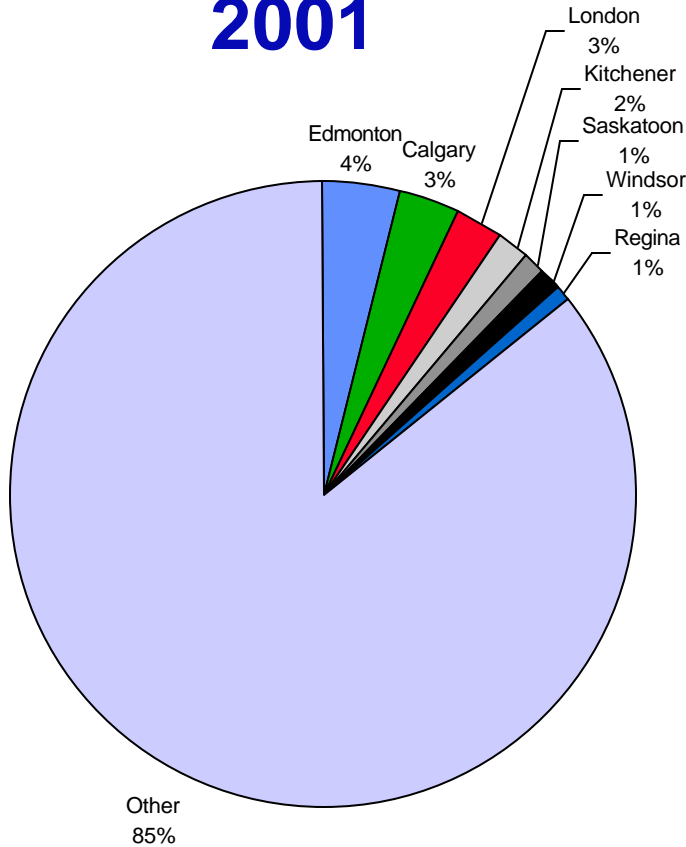
Source: CMHC



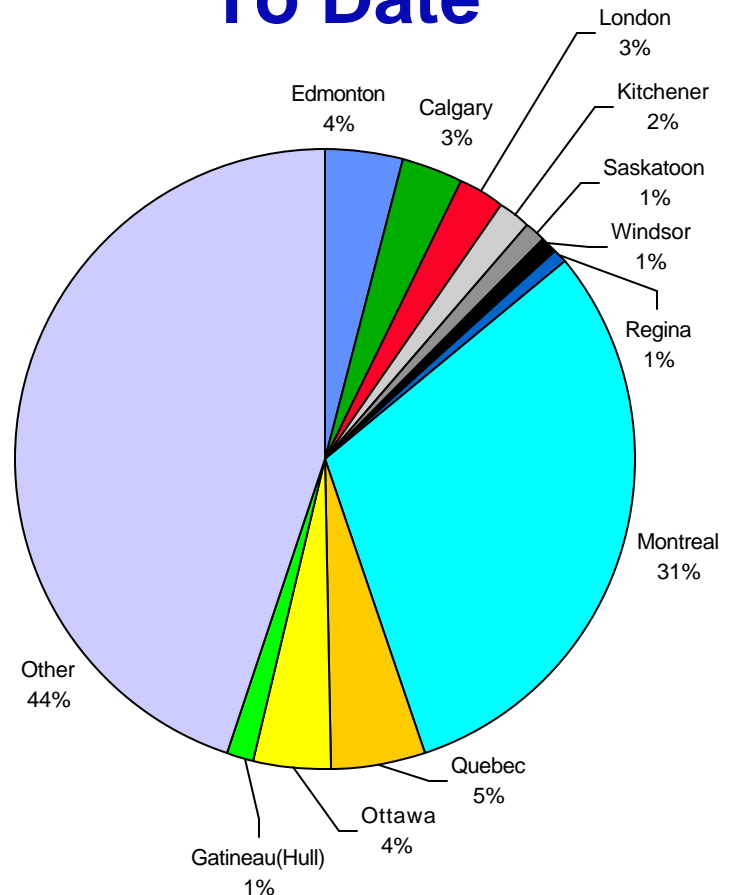
# BEI Market Expansion

## Markets as a % of Total CMA's in Canada

**2001**



**To Date**





# Acquisitions Quarterly Summary

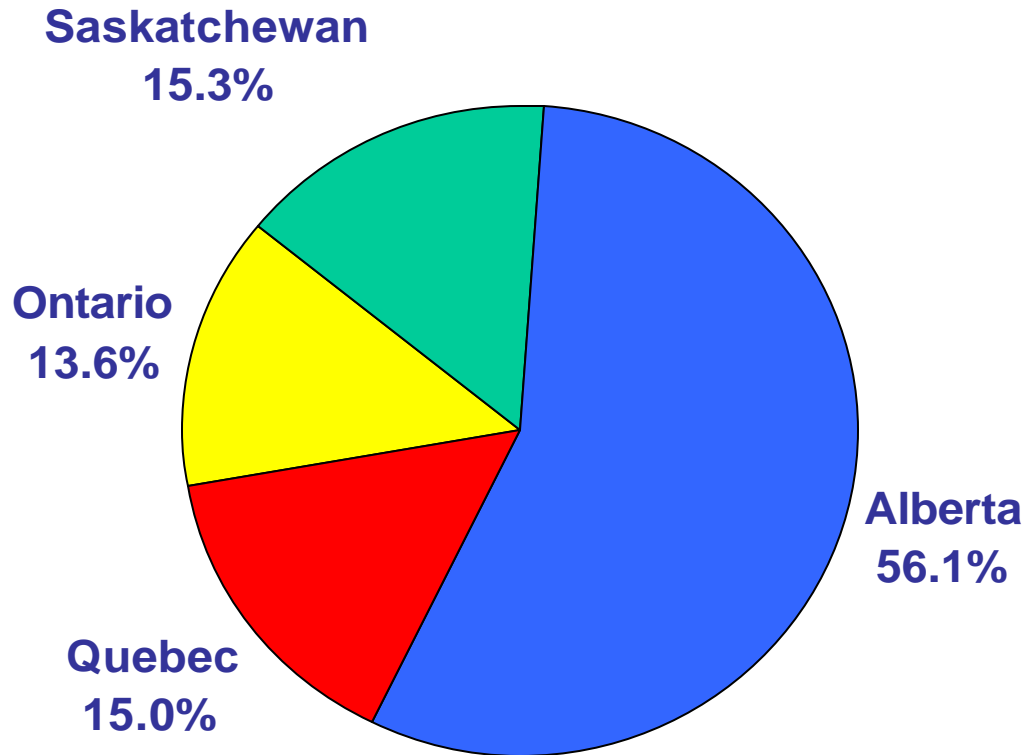
## Q1 - 2003

<b>Building Name</b>	<b>Date Acquired</b>	<b>City</b>	<b>Units</b>	<b>Acquisition Cost</b>	<b>Price/Unit</b>	<b>Cap Rate</b>	<b>Avg. Sq.Ft.</b>	<b>Price per Sq.Ft</b>
Parc de la Montagne	9-Jan-03	Gatineau	321	\$ 13,700,000	\$ 42,679	8.52%	636	\$ 67.11
Domaine d'Iberville	4-Feb-03	Longueuil	720	\$ 34,500,000	\$ 47,917	10.13%	779	\$ 61.51
600 Cote Vertu	5-Feb-03	St. Laurent	88	\$ 5,800,000	\$ 65,909	8.46%	770	\$ 85.60
<b>TOTAL</b>			<b>1,129</b>	<b>\$ 54,000,000</b>	<b>\$ 47,830</b>	<b>9.54%</b>	<b>738</b>	<b>\$ 64.84</b>



# Market Summary by Province

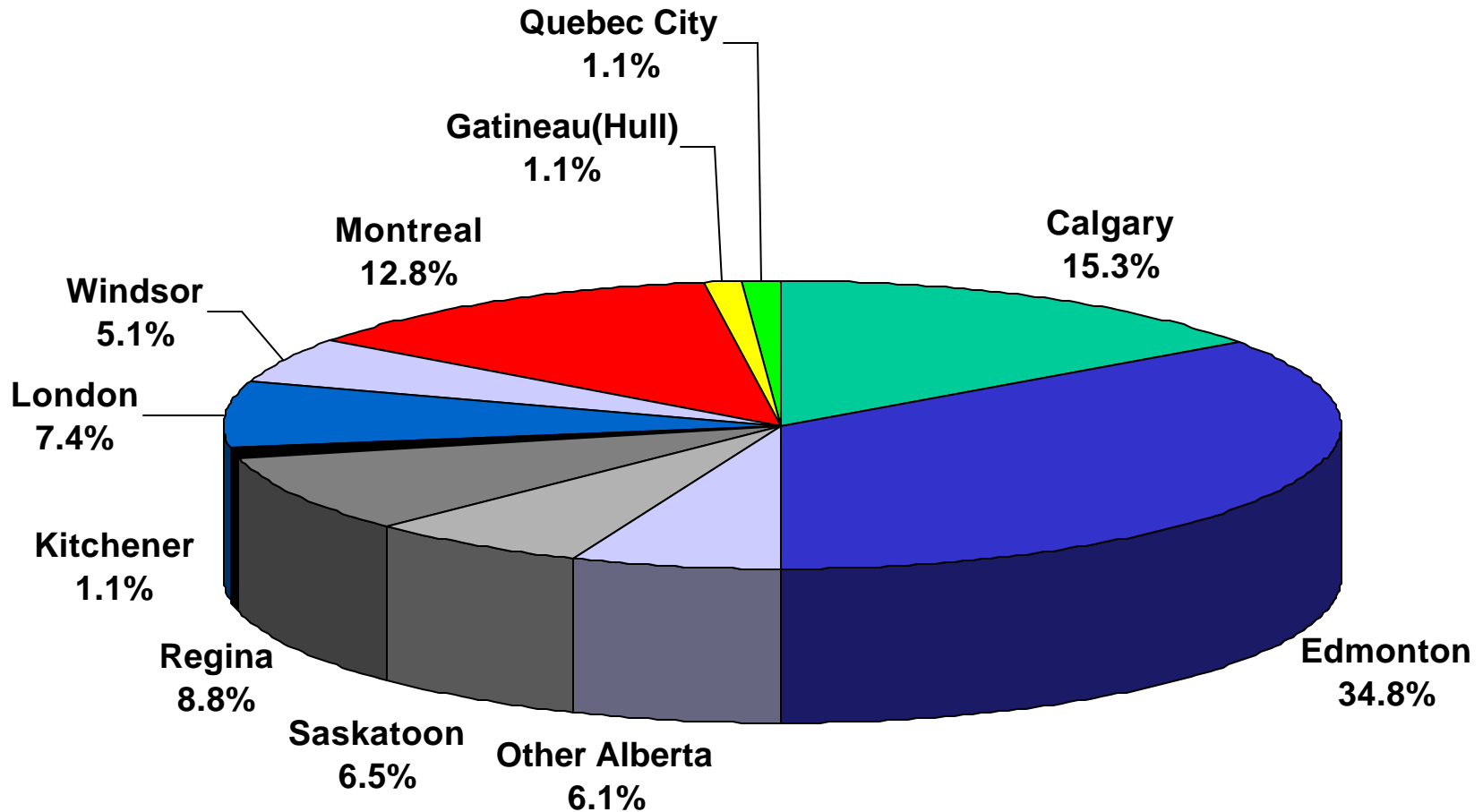
## Unit Breakdown





# Major Market Summary

## Unit Breakdown





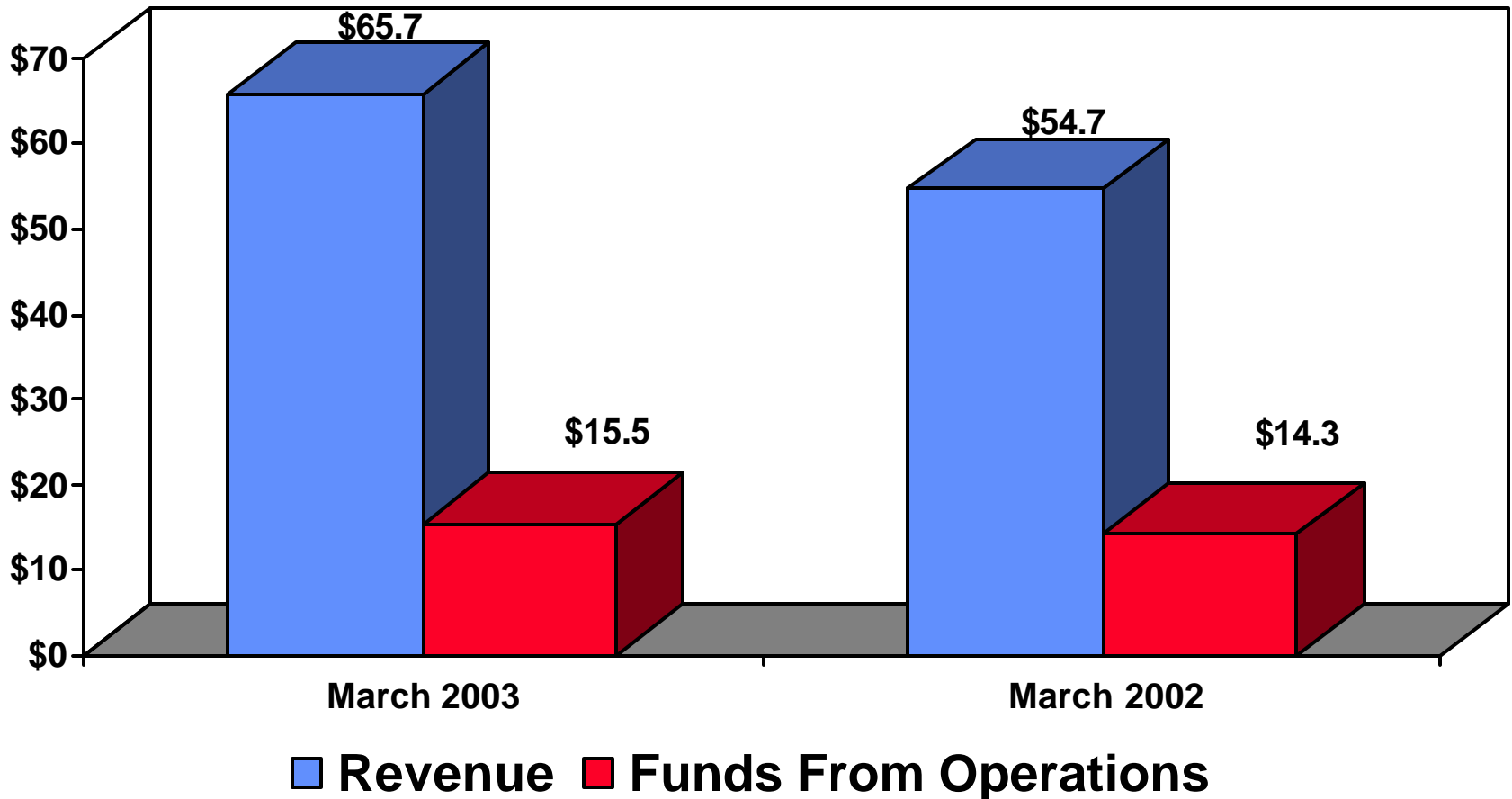
# Funds from Operations

(in Millions of dollars except per share)

	Mar-03	Mar-02
Net Earnings from Continued Operations	\$ 767	\$ 1,922
Add		
Earnings from discontinued operations	\$ 751	\$ 12
Deferred Income taxes	\$ 1,470	\$ 1,414
Deferred Income taxes on discontinued operations	329	\$ 7
Amortization	\$ 12,175	\$ 10,906
Total Funds From Operations	<u>\$ 15,492</u>	<u>\$ 14,261</u>
Funds From Continued Operations ( excluding property sales)	<u>\$ 14,412</u>	<u>\$ 14,229</u>
Total Funds From Operations - per share	\$ 0.31	\$ 0.29
Funds From Continued Operations ( excluding property sales) - per share	\$ 0.29	\$ 0.29

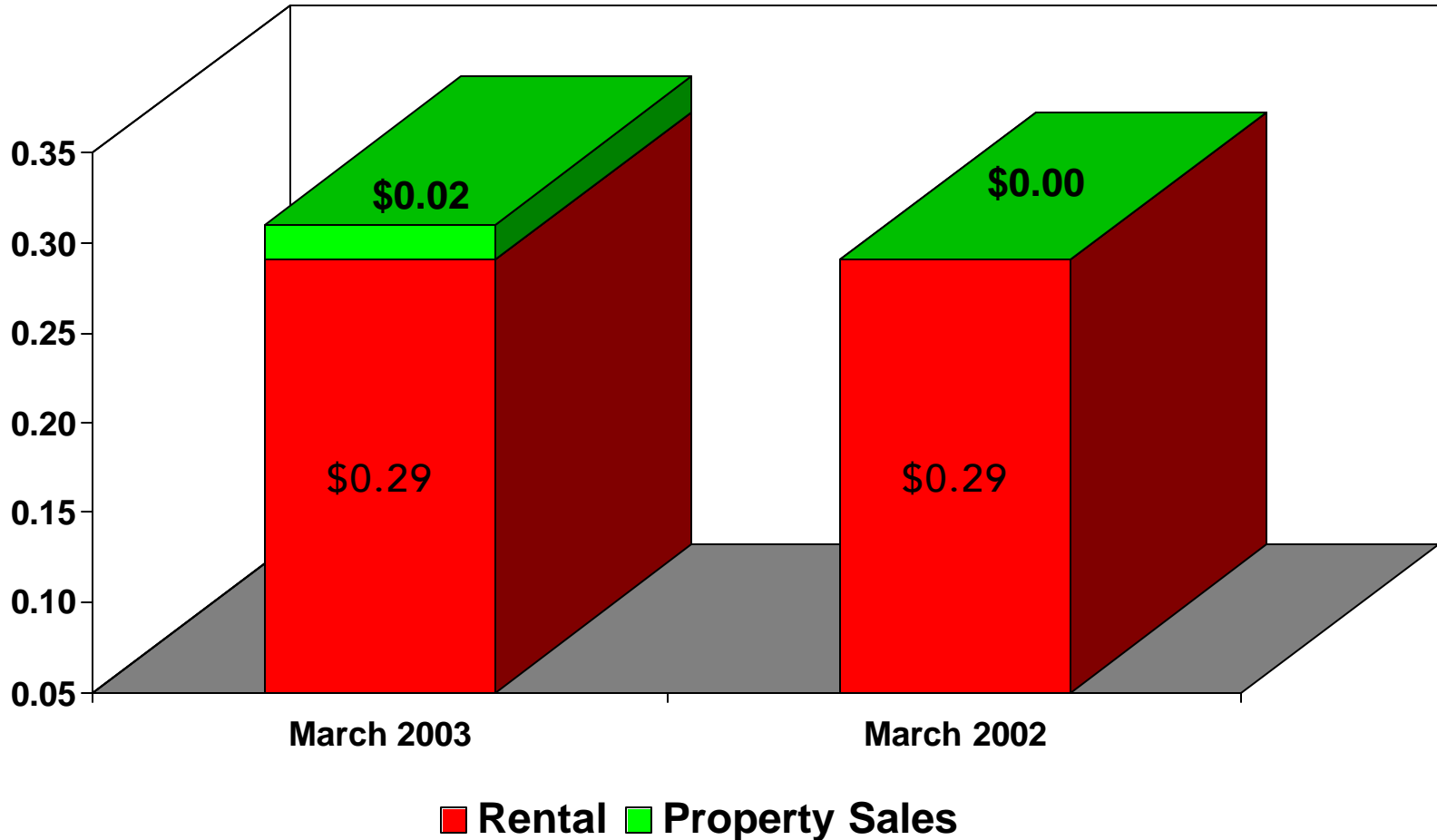


# Revenue and Funds From Operations (in Millions of dollars)





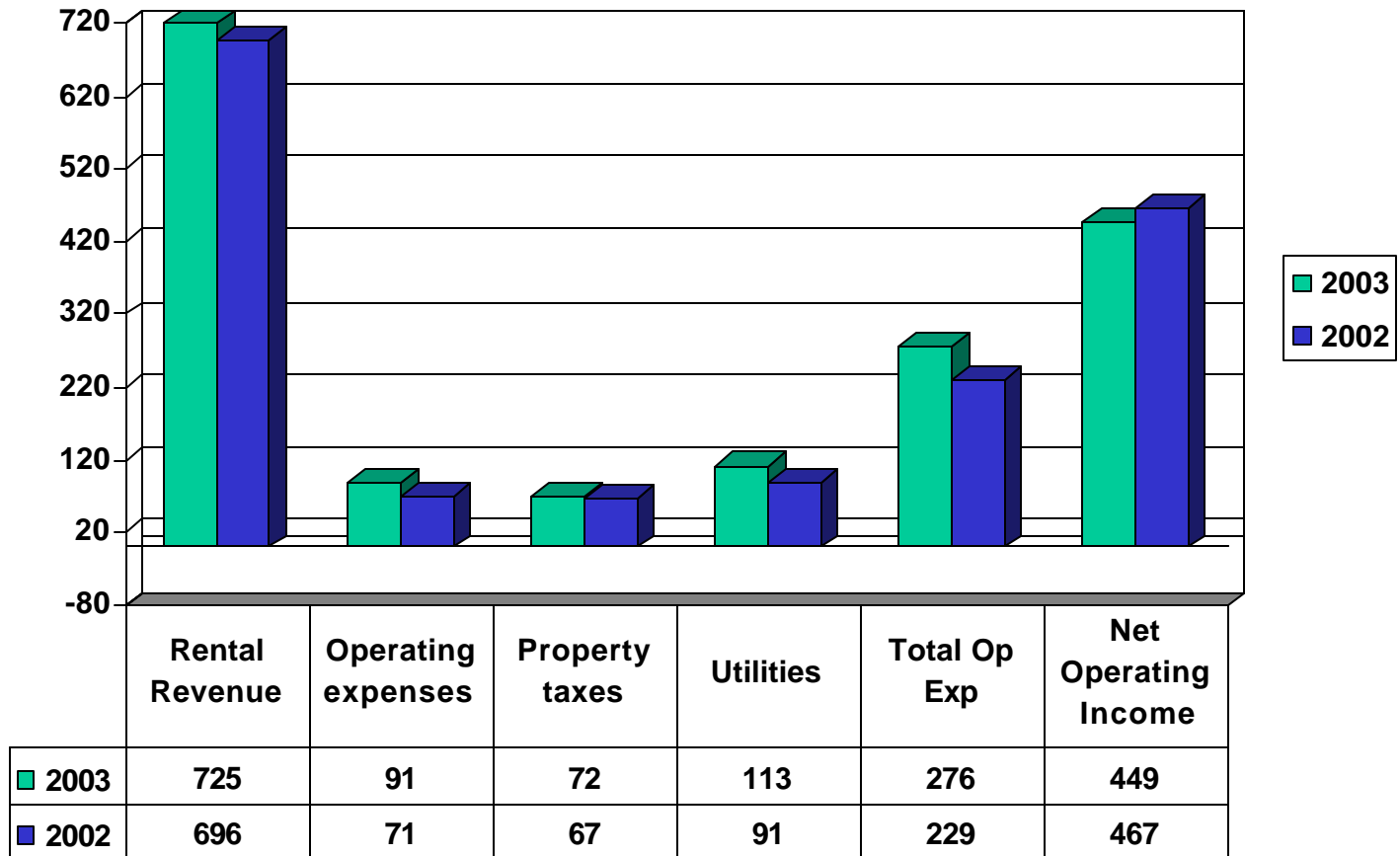
# Breakdown of FFO Per Share (cents per share)





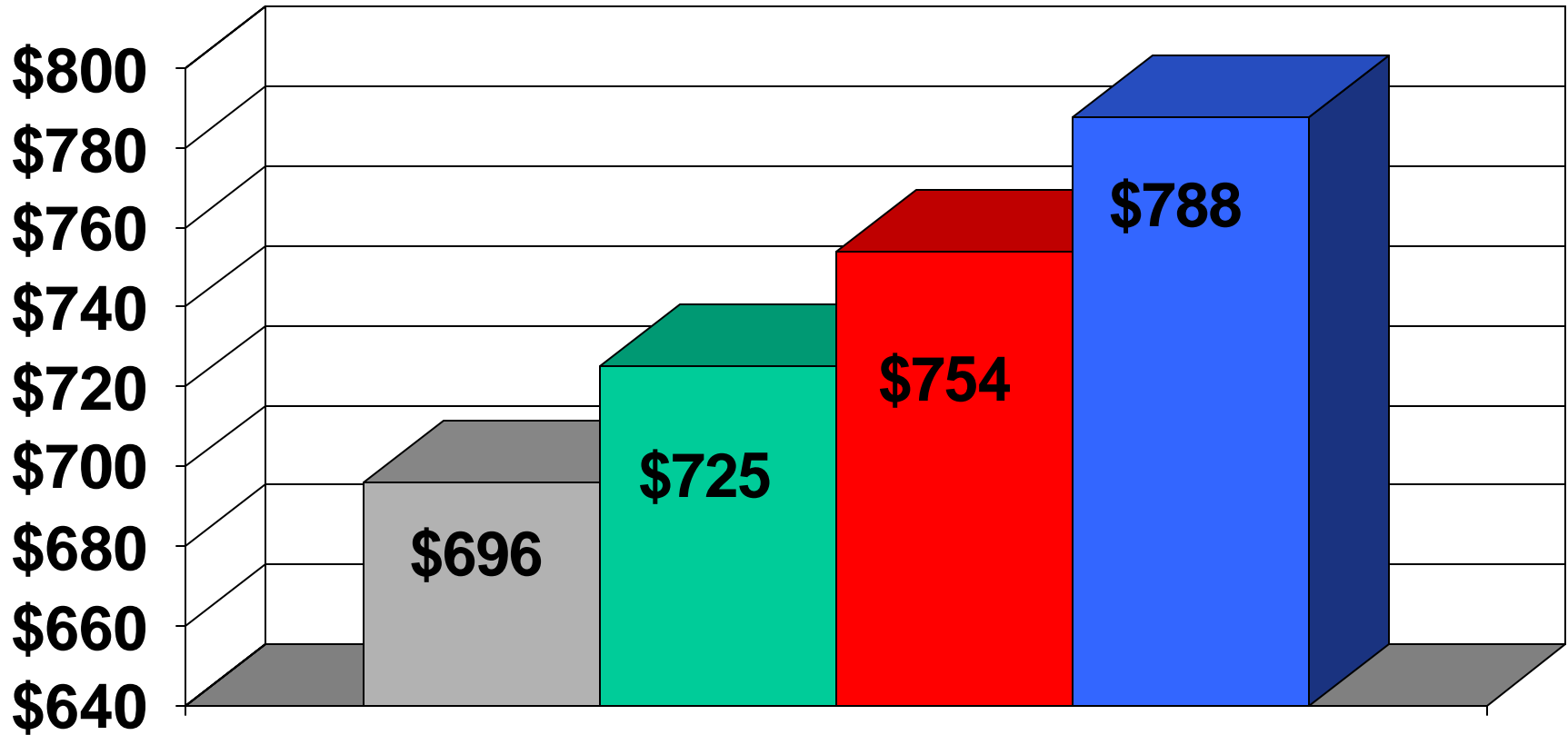
# Operational Analysis Per Unit – Q1 2003

(Monthly Average for total portfolio)





# Monthly Rental Revenue Statistics (Per Unit)

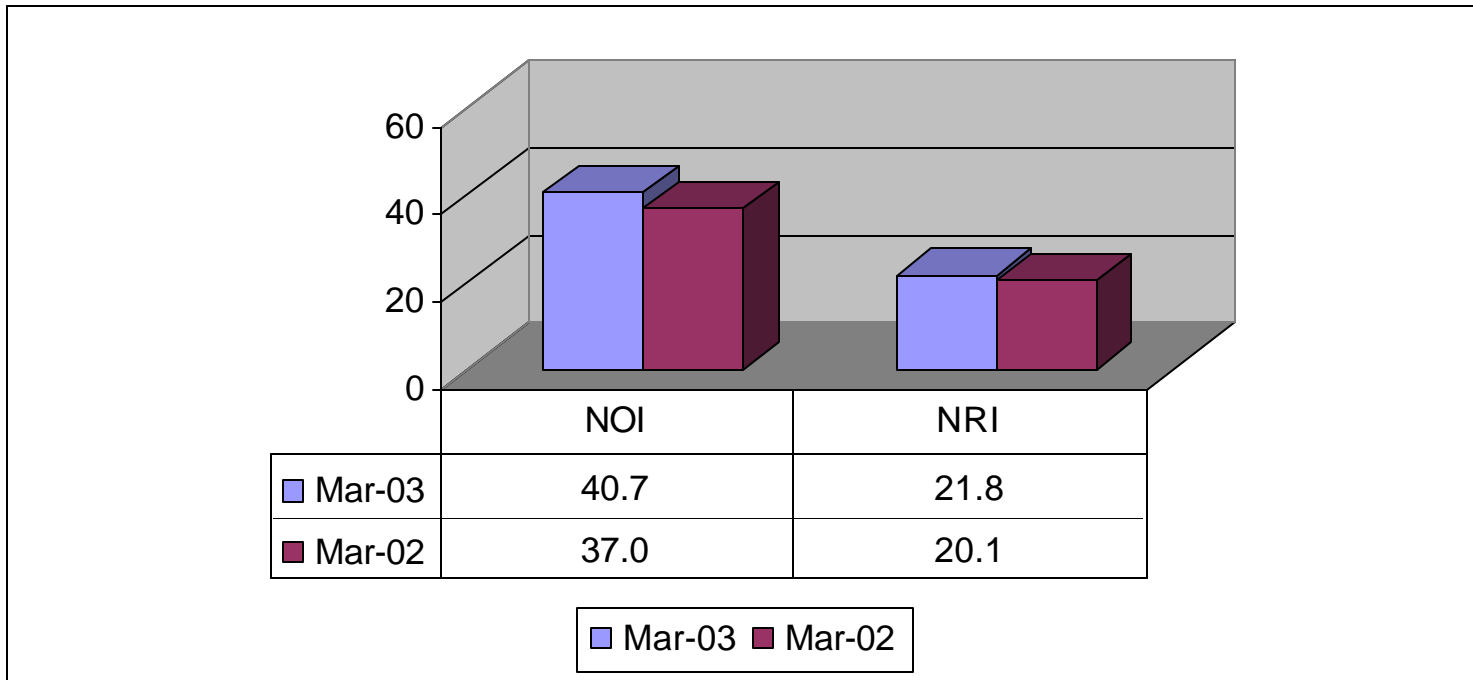


■ Mar-02 ■ Mar-03 ■ Occupied rent Per Unit - Dec 2002 ■ Market rent Per Unit / Current



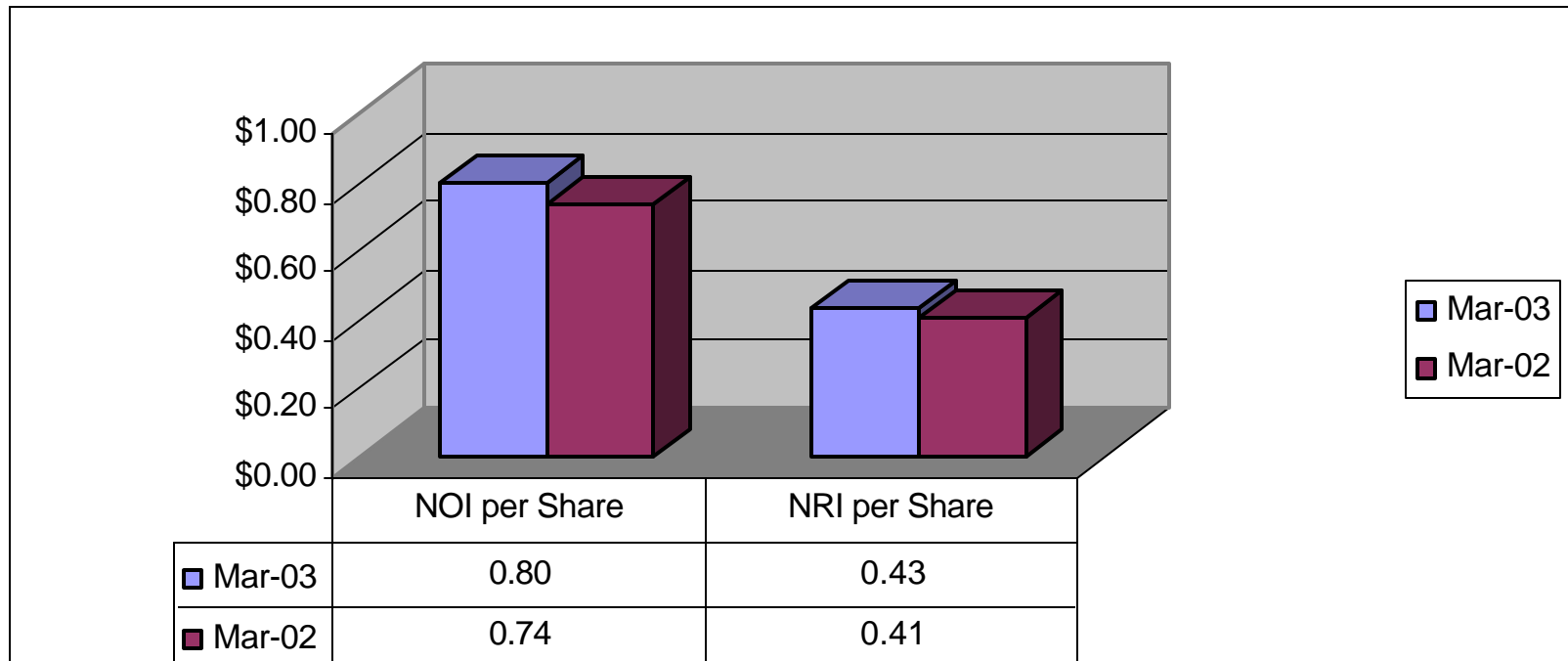
# Continued Strengthening of Rental Operations

(in Millions)



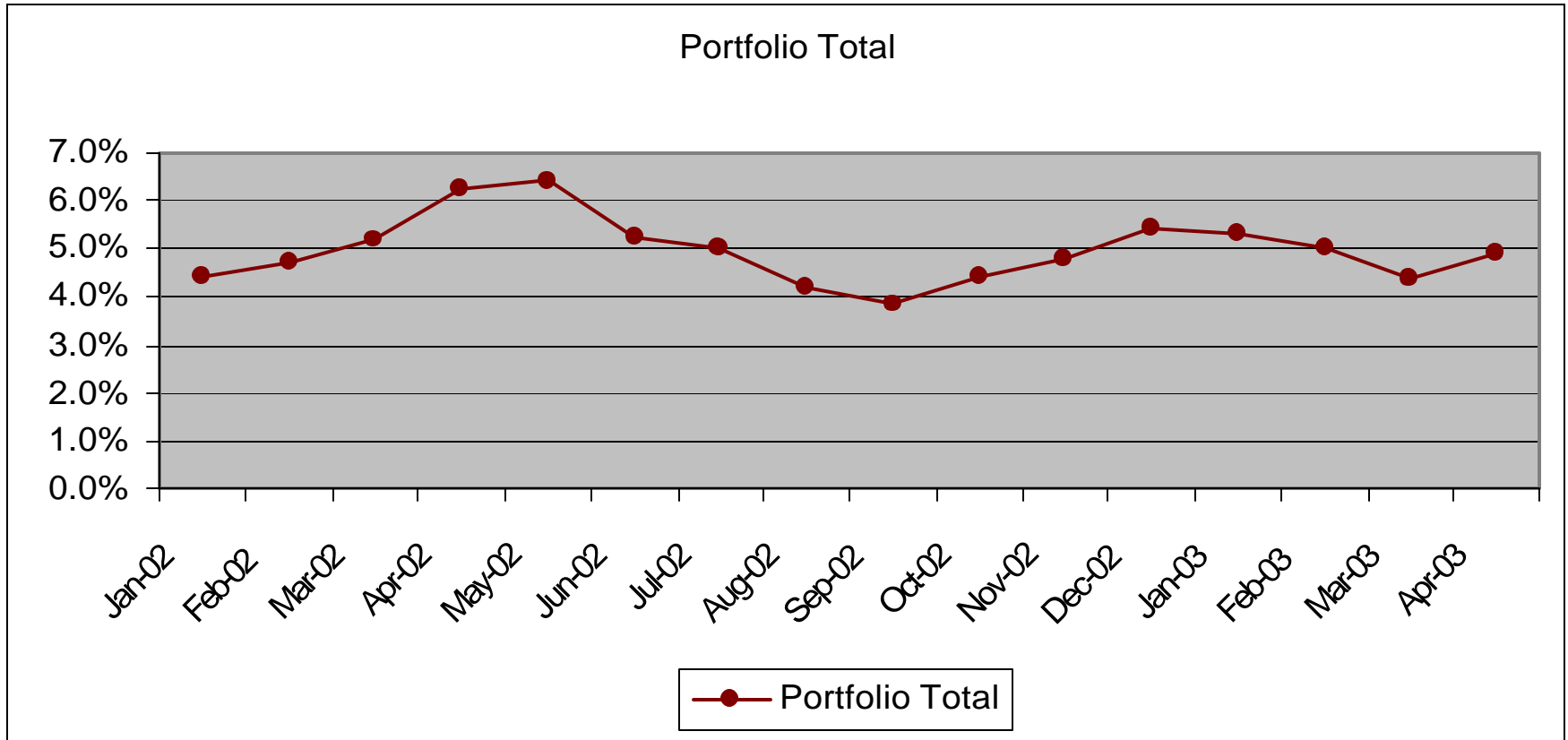


# Continued Strengthening of Rental Operations – Per Share



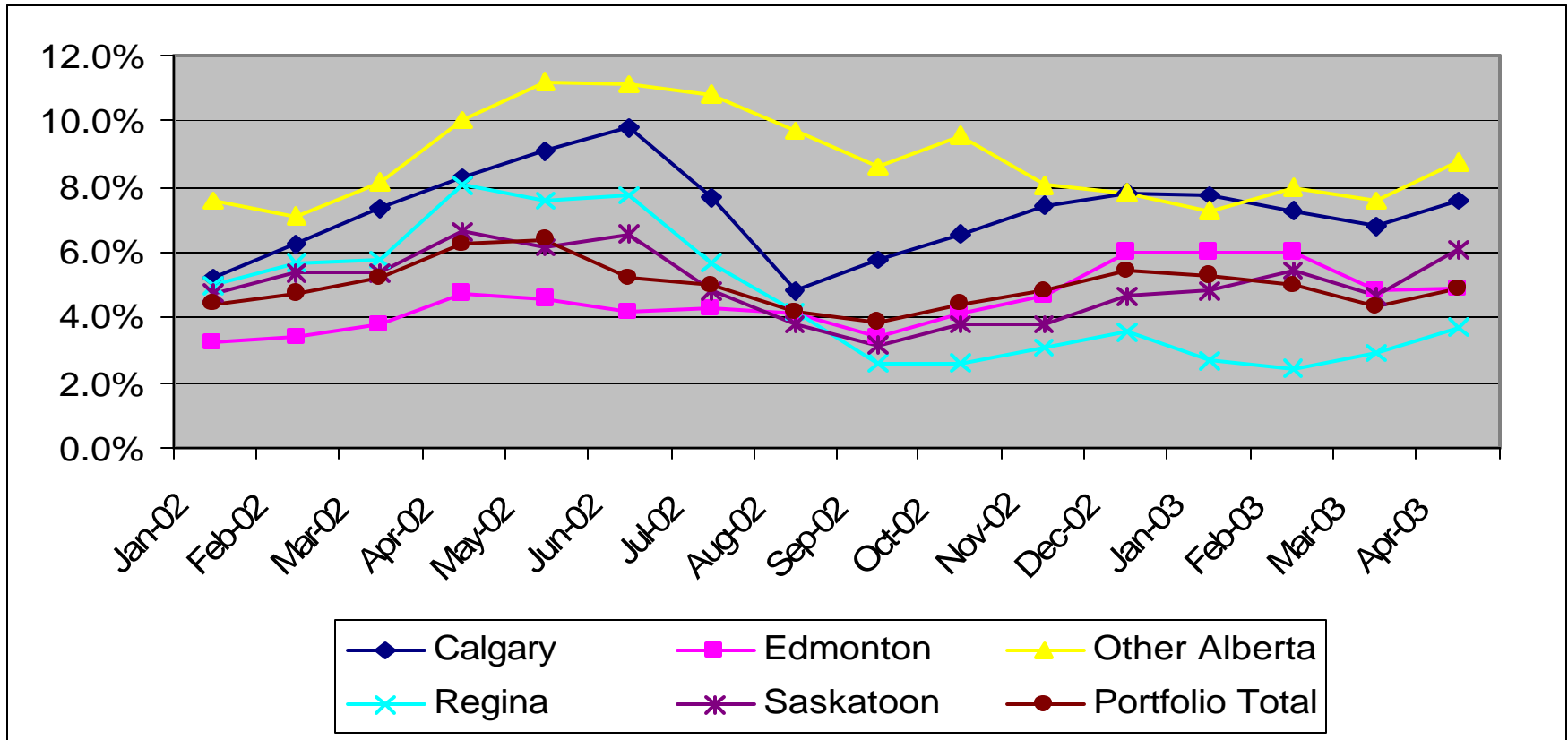


# Vacancy Rates



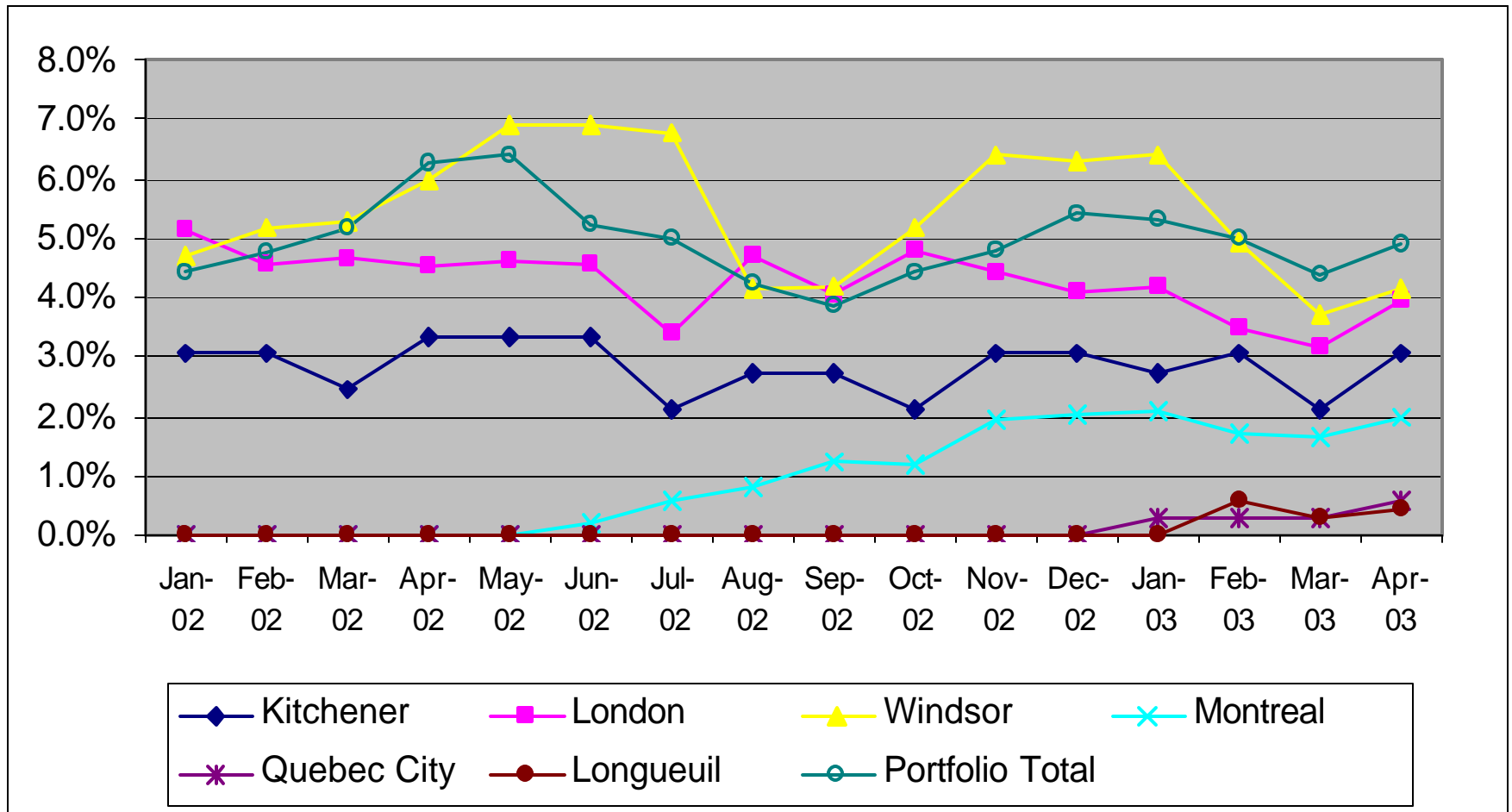


# Vacancy Rates





# Vacancy Rates





# Sensitivity Analysis

## Vacancy Rates:

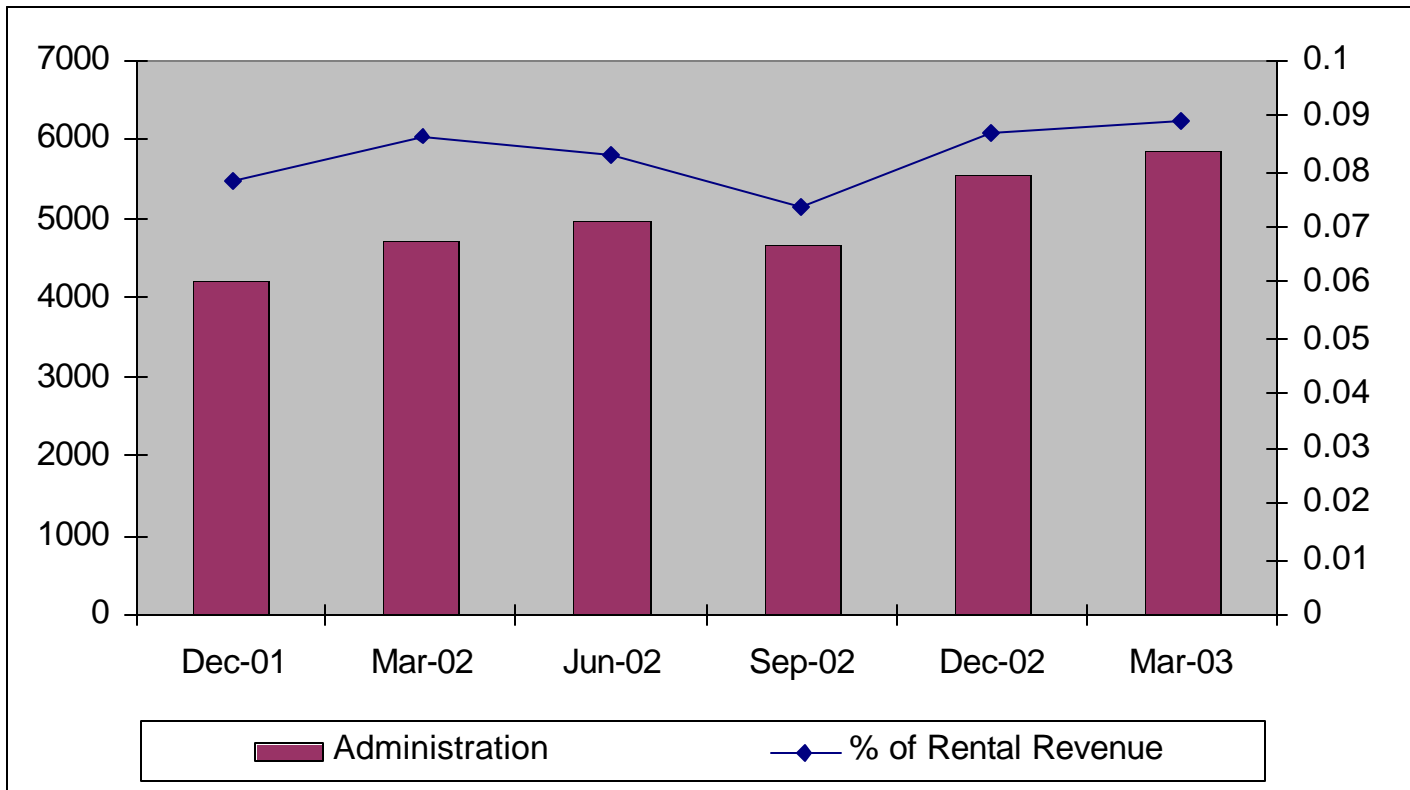
→ 1% change

- \$2.6 million
- \$0.05 per share



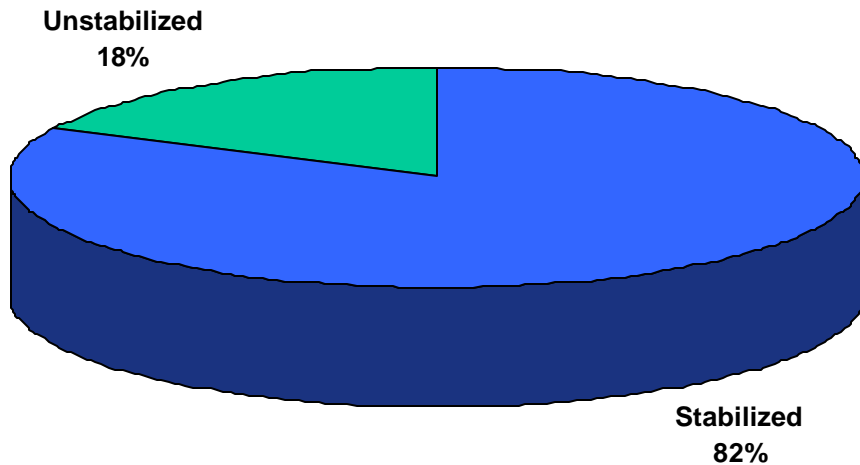
# Administration Review

(in 000's)

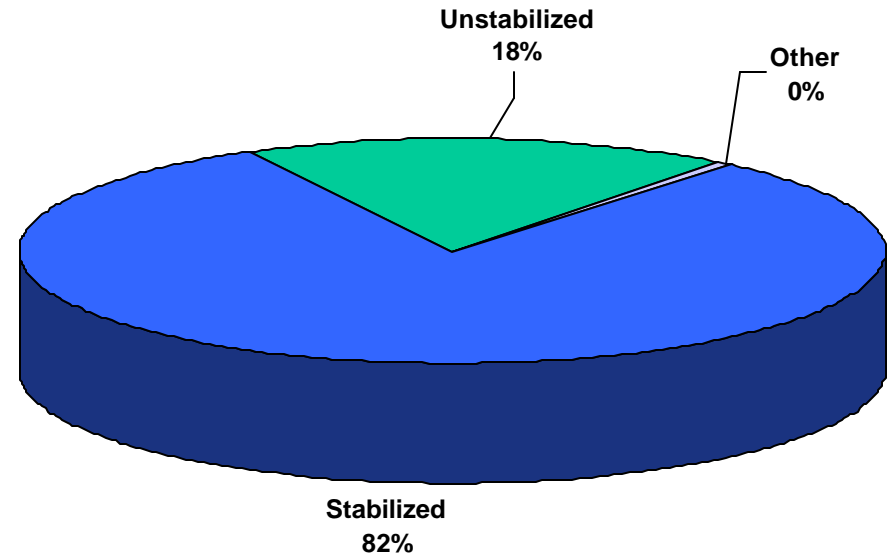


# Stabilized Analysis

## Units



## Gross Rental Revenue Analysis

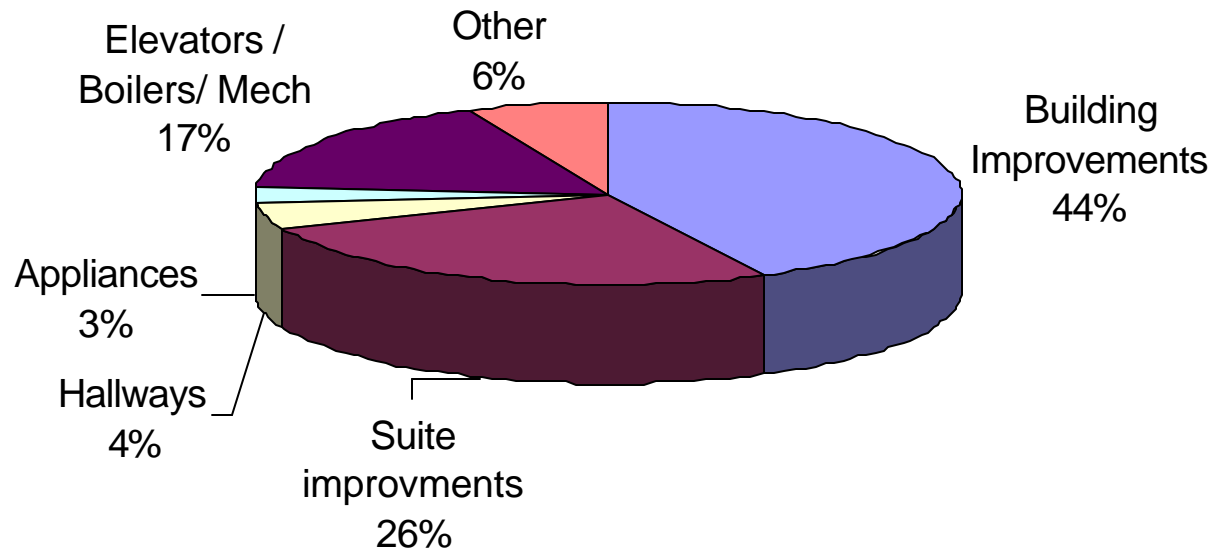




# Stabilized Portfolio Review

	Rental Revenue	Utilities	Utility Rebate	Other	Total Operating Costs	Net Operating Income
Calgary	-2.6%	-23.3%	-100.0%	19.1%	1.3%	-4.1%
Edmonton	3.3%	-20.8%	-100.0%	21.5%	47.3%	-11.3%
Other Alberta	-0.9%	-19.7%	-100.0%	14.1%	35.2%	-12.1%
Ontario	4.7%	13.1%	-	5.1%	8.6%	1.1%
Saskatchewan	2.1%	-22.5%	-	6.9%	-5.8%	8.7%
	1.7%	-15.9%	-100.0%	14.3%	17.5%	-5.7%
Excluding One Time rebate	1.7%	-15.9%	0	14.3%	-0.60%	3.10%

# Capital Investment Q1 2003



Total Capital Invested: \$11.5 Million



# Mortgage Maturity Schedule

<b>Fiscal Year</b>	<b>Mortgage Balance</b>	<b>Weighted Average Interest rate</b>
2003	\$ 204,136	5.16%
2004	\$ 115,723	5.62%
2005	\$ 71,153	6.28%
2006	\$ 94,719	5.90%
2007	\$ 234,077	5.43%
2008	\$ 225,565	6.14%
2009	\$ 163,691	6.06%
2010	\$ 62,294	6.90%
2011	\$ 74,575	6.23%
2012	\$ 31,375	6.19%
2013	\$ 27,190	5.67%
Subsequent	\$ 33,094	6.36%
<b>Grand Total</b>	<b>\$ 1,337,592</b>	<b>5.84%</b>

**Weighted Average Interest rate 5.84%**

**Average maturity – 4.5 years**



# Effect of LCT Phase out

	<b>From</b>	<b>To</b>	<b>Reduction</b>	<b>Savings from Rate Reduction</b>	<b>Savings from Base Increase</b>	<b>Total Savings</b>	<b>Per Share</b>
<b>Jan 1 2004</b>	0.225%	0.200%	0.025%	359,000	90,000	449,000	\$ 0.01
<b>Jan 1 2005</b>	0.220%	0.175%	0.045%	646,000		646,000	\$ 0.01
<b>Jan 1 2006</b>	0.175%	0.125%	0.050%	717,000		717,000	\$ 0.01
<b>Jan 1 2007</b>	0.125%	0.063%	0.063%	897,000		897,000	\$ 0.02
<b>Jan 1 2008</b>	0.063%	0.000%	0.063%	897,000		897,000	\$ 0.02
						<u>3,606,000</u>	<u>\$ 0.07</u>



# 2003 – Affirming FFO Guidance

Low	\$ 1.40
High	\$ 1.44



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