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NEWS RELEASE FOR IMMEDIATE DISTRIBUTION

BOARDWALK EQUITIES REPORTS STRONG FOURTH QUARTER AND FULL YEAR 2001 RESULTS

Boardwalk Equities Inc. ("BEI" – NYSE, TSE) is pleased to report strong financial results for 2001 and for the fourth quarter of 2001, which exceeded consensus estimates. For the fourth quarter ended December 31, 2001, the Company reported Total Revenues of \$57.2 million, Funds From Operations ["FFO"] of \$12.0 million and FFO per share of \$0.24. For the year ended December 31, 2001, the Company reported Total Revenues of \$227.3 million, FFO of \$57.9 million and FFO per share of \$1.16.

Effective December 31, 2000, the Company changed its fiscal period end to December 31 from May 31. Due to this change, an identical period for comparative purposes is not available. For illustrative purposes only, where applicable, we have presented the Company's unaudited results for the three-month and twelve-month periods ended November 30, 2000. Readers are cautioned that these results are not for identical comparable periods and that the real estate industry is subject to seasonal fluctuations that will affect straight comparisons of these amounts.

Highlights of the Company's fourth quarter 2001 financial results include:

- Rental revenues of \$53.5 million, an increase of 12.4% compared to \$47.6 million for the three-month period ended November 30, 2000.
- Net operating income of \$33.6 million, representing a 5.7% increase from \$31.8 million for the three-month period ended November 30, 2000.
- Funds from operations (FFO) of \$12.0 million, compared to \$23.3 million for the three-month period ended November 30, 2000. FFO excluding gains totalled \$11.6 million, compared to \$11.2 million for the three-month period ended November 30, 2000.
- FFO per share of \$0.24 on a fully diluted basis, compared to \$0.47 for the three-month period ended November 30, 2000. FFO per share excluding gains was \$0.23 on a fully diluted basis, compared to \$0.23 for the three-month period ended November 30, 2000.

Highlights of the Company's fiscal 2001 financial results include:

- Rental revenues of \$205.3 million, an increase of 9.6% compared to \$187.3 million for the twelve-month period ended November 30, 2000.
- Net operating income of \$136.1 million, representing a 10.7% increase from \$122.9 million for the twelve-month period ended November 30, 2000.
- Funds from operations (FFO) of \$57.9 million, up 2.5% compared to \$56.5 million for the twelve-month period ended November 30, 2000. FFO excluding gains totalled \$49.9 million, up 24.1% compared to \$40.2 million for the twelve-month period ended November 30, 2000.
- FFO per share of \$1.15 on a fully diluted basis, an increase of 1.8% compared to \$1.13 for the twelve-month period ended November 30, 2000. FFO per share excluding gains totalled \$0.99 on a fully diluted basis, an increase of 23.8% compared to \$0.80 for the twelve-month period ended November 30, 2000.

Commenting on the Company's fourth quarter and fiscal 2001 results, Sam Koliass, President and C.E.O. said "We are pleased to report that our core real estate operations have continued to show strong results. The fundamentals for the multi-family rental sector in Canada remain healthy, and our core markets remain particularly strong."

The average vacancy rate across the Company's portfolio for the fourth quarter of 2001 was 3.9% down from 5.2% in the third quarter, and from 4.1% in the same period last year. As of December, 2001, the vacancy rate was 3.9%, compared to 5.1% for the same date last year.

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Average monthly rent realized in fiscal 2001 was \$664 per unit, up \$27, or 4.2 %, from \$637 per unit for the 7 months ended December 31, 2000. Management estimates that market rents for its properties at the end of December, 2001 averaged \$744 which compares to an average in-place rent per occupied unit of \$698 at year-end. This indicates an estimated current “loss-to-lease” on the portfolio of approximately \$14 million on an annualized basis.

Same-Property Results

Boardwalk continued to show solid improvement in its stabilized properties (defined as properties owned for over 24 months). A total of 23,717 units were classified as stabilized for the fourth quarter, representing 91% of Boardwalk’s total portfolio. The “same-property” results for the Company’s stabilized portfolio for the twelve month period continued to show improved results with rental revenue growth of 8.4% and NOI growth of 10.3% versus the twelve months ended December 31, 2000.

Same-property results - stabilized portfolio – Twelve months ended December 31, 2001 vs. twelve months ended December 31, 2000

	Rental Revenues	Rental Expenses	NOI	% of Stabilized NOI
Edmonton	+9.5%	+3.2%	+12.7%	42.4%
Calgary	+7.6%	+0.0%	+10.5%	25.7%
Other Alberta	+11.8%	+6.7%	+13.8%	8.0%
Ontario	+12.7%	+8.3%	+17.1%	9.9%
Saskatoon	+0.5%	+10.2%	-5.0%	5.6%
Regina	+3.3%	+9.2%	-0.2%	8.4%
Total Stabilized	+8.4%	+4.9%	+10.3%	100%

Acquisitions/Dispositions

The fourth quarter 2001 results include operating profits of \$0.4 million generated from the sale of two small properties, which were sold for a total of \$3.7 million. This compares to operating profits of \$12.0 million generated on sales totalling \$36.3 million in the three months ended November 30, 2000.

The Company completed the previously announced acquisition of one property in the fourth quarter totaling 120 units at a cost of \$7.0 million. The Company completed the acquisition of a total of 1,362 units in 2001, which increased its portfolio to 25,889 units at year-end. Subsequent to December 31, 2001, the Company closed on the acquisition of a 60-unit townhouse complex in London, Ontario at a purchase price of \$2.8 million.

Continued Balance Sheet Strength

The Company maintained its strong financial position in the quarter. Boardwalk’s mortgage debt totaled \$1.11 billion as at December 31, 2001, up marginally from \$1.03 billion at December 31, 2000. As of December 31, 2001, the Company’s long-term debt had an average maturity of 5.3 years and a weighted average interest rate of 6.15%. As of December 31, 2001, the Company’s debt-to-total-market-capitalization ratio was 66% and the interest coverage ratio for the twelve month period ended December 31, 2001 was 1.91 times.

The Company’s liquidity remains strong, with cash and undrawn credit facilities currently in excess of \$55 million. This is expected to increase to over \$70 million as of the end of the first quarter of 2002 upon completion of several refinancings and mortgage draw downs.

Share Repurchase Activity

Under the Company’s normal course issuer bid, Boardwalk bought back a total of 828,400 shares in the fourth quarter of 2001 at an average price of \$11.70. In all of fiscal 2001, Boardwalk acquired a total of 879,600 shares at an average

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price of \$11.72 per share. Subsequent to the end of the fourth quarter of 2001 through to February 15, 2002, Boardwalk acquired a further 88,100 shares at an average price of \$11.70 per share.

Dividend

Yesterday, the Board of Directors declared an annual dividend of \$0.05 per common share. The dividend is payable on March 1, 2002 to all common shareholders of record as of February 20, 2002.

Outlook and Summary

Commenting on the outlook for the Company, Sam Koliass, said "Boardwalk remains well positioned to continue to show improved results. Despite the slowdown in the economy, our core markets have remained strong with continuing attractive demand/supply characteristics for the multi-family rental sector. Our two largest markets, Edmonton and Calgary were among the top cities in Canada with respect to economic growth in 2001, and economic forecasts show them continuing to be among the leading economies in the country over the next several years. With our portfolio concentrated in strong geographic market areas, we believe we will be able to continue to deliver solid results driven by strong internal growth over the next several years."

Rob Geremia, Senior Vice President and CFO stated we are expecting that we can deliver improved results for 2002 despite the impact of an above the market natural gas contract that will adversely effect our first quarter 2002 by an estimated 5 cents per outstanding common share. This contract will expire on March 31, 2002 and we expect to be able to achieve significant savings moving forward. Current market expectations of 2002 FFO, excluding gains on sales of properties range from \$1.02 to \$1.15 and including gains \$1.02 to 1.35. Management is comfortable and would guide toward the middle of both of these ranges. With respect to the first quarter 2002 current market expectations range from \$0.19 to \$0.25. Management is more comfortable with the lower end of this range given the significant impact on the quarter of the existing gas contract.

Supplementary Information

Boardwalk produces Quarterly Supplemental Information that provides detailed information regarding the Company's activities during the quarter. The Fourth Quarter Supplemental Information is available on the INVESTOR section of our website (www.bwalk.com).

Teleconference on Fourth Quarter and Full Year Fiscal 2001 Financial Results

We invite you to participate in the teleconference that will be held to discuss the Company's fourth quarter and full year fiscal 2001 results this morning at 11:15am EST. Sam Koliass, President and CEO, Rob Geremia, Senior Vice President, Finance and CFO, and Mike Hough, Senior Vice President, will speak to the financial results and provide a corporate update. Presentation materials will be made available on the INVESTOR section of our website (www.bwalk.com) prior to the call.

Participation & Registration: Please RSVP to Paul Moon 403-508-6208 or by email to investor@bwalk.com.

Teleconference: The telephone numbers for the conference are: 416-640-4127 (within Toronto) or toll-free 1-888-881-4892 (outside Toronto).

Webcast: Investors will be able to listen to the call and view our slide presentation over the Internet by visiting <http://investor.bwalk.com> 15 min. prior to the start of the call. An information page will be provided for software needed

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and system requirements. The live audiocast will also be available at <http://www.newswire.ca/webcast/pages/BoardwalkEquities20020220/>.

Replay: An audio recording of the teleconference will be available approximately one hour after the call until 11:59pm EST on February 27th, 2002. You can access it by dialing 416-640-1917 and using the following passcode, 171253#. An audio archive will also be available on our Investor site (<http://investor.bwalk.com>) two hours after the conference call until February 27th, 2002.

Corporate Profile

Boardwalk Equities Inc. is Canada's largest owner/operator of multi-family rental properties. Boardwalk currently owns and operates in excess of 200 properties with over 25,900 units totaling over 21 million net rentable square feet. The company's portfolio is concentrated in the provinces of Alberta, Saskatchewan and Ontario. Boardwalk is headquartered in Calgary and its shares are listed on both the Toronto Stock Exchange and the New York Stock Exchange and trade under the symbol BEI. The company has a total market capitalization of \$1.6 billion.

Additional information is available at Boardwalk's web site at www.bwalk.com. Recent investor information can be found on the Internet at <http://investor.bwalk.com/>.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. The forward-looking statements are statements that involve risks and uncertainties, including, but not limited to, changes in the demand for apartment and town home rentals, the effects of economic conditions, the impact of competition and competitive pricing, the effects of the Company's accounting policies and other matters detailed in the Company's filings with Canadian and United States securities regulators available on SEDAR in Canada and by request through the Securities and Exchange Commission in the United States, including matters set forth in the Company's Annual Report to Shareholders under the heading "Management's Discussion and Analysis". Because of these risks and uncertainties, the results, expectations, achievements, or performance described in this release may be different from those currently anticipated by the Company.

For further information please contact:

Boardwalk Equities Inc.
(403) 531-9255

Sam Kolias, President and CEO;
Roberto Geremia, Senior Vice-President, Finance and Chief Financial Officer;
Mike Hough, Senior Vice President; or
Paul Moon, Director of Corporate Communications.

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Consolidated Balance Sheets

(Cdn.\$ Thousands)

Audited, As At

	Dec 31, 2001	Dec 31, 2000	May 31, 2000
Assets			
Revenue producing properties (NOTE 2)	\$ 1,381,541	\$ 1,328,702	\$ 1,321,081
Properties held for resale	6,630	6,692	6,365
Mortgages and accounts receivable (NOTE 3)	22,325	17,230	26,506
Other assets (NOTE 4)	14,423	14,637	7,586
Deferred financing costs	32,957	31,460	30,337
Technology (NOTE 5)	5,743	24,058	5,018
Cash and short term investments	25,672	21,055	1,135
	\$ 1,489,291	\$ 1,443,834	\$ 1,398,028
Liabilities			
Mortgages payable (NOTE 6)	\$ 1,108,406	\$ 1,034,444	\$ 1,009,526
Accounts payable and accrued liabilities	19,525	24,795	18,522
Refundable security deposits and other	10,418	9,953	8,494
Capital lease obligations (NOTE 5)	7,203	8,404	-
Future income taxes (NOTE 8)	58,755	64,864	75,673
	1,204,307	1,142,460	1,112,215
Contingencies (NOTE 11)			
Shareholders' Equity			
Share capital (NOTE 7)	258,202	253,586	253,472
Retained earnings	26,782	47,788	32,341
	284,984	301,374	285,813
	\$ 1,489,291	\$ 1,443,834	\$ 1,398,028

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Consolidated Statements of (Loss) Earnings

Audited (Cdn. \$ Thousands, except per share amounts)

	12 Months December 31, 2001	7 Months December 31, 2000	12 Months May 31, 2000
Revenue			
Rental income	\$205,281	\$ 110,771	\$ 178,147
Sales - properties held for resale	21,988	36,311	39,824
	227,269	147,082	217,971
Expenses			
Revenue producing properties:			
Operating expenses	22,865	14,121	22,471
Utilities	31,549	14,713	20,140
Utility rebate (NOTE 1 (i) (iii))	(4,967)	-	-
Property taxes	19,743	11,004	18,431
Cost of sales - properties held for resale	13,939	24,258	24,017
Administration	15,586	8,924	16,891
Financing costs	67,367	37,835	58,212
Amortization (NOTE 1)	53,584	27,401	38,177
	219,666	138,256	198,339
Operating earnings before the following:	7,603	8,826	19,362
Provision for loss on technology investments (NOTE 5)	29,837	-	-
Operating (loss) earnings before income taxes	(22,234)	8,826	19,632
Large corporations taxes	3,246	1,913	2,881
Income taxes (recovery) (NOTE 8)	(12,678)	(8,652)	6,306
Net (loss) earnings for the period	\$ (12,802)	\$ 15,565	\$ 10,445
Net (loss) earnings per share (NOTE 1)			
- Basic	\$ (0.26)	\$ 0.32	\$ 0.21
- Diluted	\$ (0.26)	\$ 0.31	\$ 0.21

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Consolidated Statements of Retained Earnings

Audited (Cdn.\$ Thousands)

	Year ended December 31, 2001	Seven months ended December 31, 2000	Year ended May 31, 2000
Retained earnings, as previously stated	\$47,788	\$ 32,341	\$ 26,581
Adjustment for retroactive adoption of future income taxes (NOTE 1(g))	-	-	(1,223)
Retained earnings, beginning of period as restated	47,788	32,341	25,358
Net (loss) earnings	(12,802)	15,565	10,445
Dividends paid	(2,496)	-	-
Premium on share repurchases (NOTE 7)	(5,708)	(118)	(3,462)
Retained earnings, end of period	\$26,782	\$ 47,788	\$ 32,341

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Consolidated Statement of Cash Flows

Audited (Cdn. \$ Thousands)

	12 Months December 31, 2001	7 Months December 31, 2000	12 Months May 31, 2000
Cash obtained from (applied to):			
Operating activities			
Net (loss) earnings	\$(12,802)	\$ 15,565	\$ 10,445
Income taxes	(12,678)	(8,652)	6,306
Amortization	53,584	27,401	38,177
Provision for loss on technology investments (NOTE 5)	29,837	-	-
Funds from operations	57,941	34,314	54,928
Net change in operating working capital	(9,516)	6,589	3,547
Net change in properties held for resale	12,139	22,789	(611)
Total operating cash flows	\$ 60,564	\$ 63,692	\$ 57,864
Financing activities			
Issue of common shares for cash (net of issue costs)	\$ 2,097	\$ 241	\$ 45,295
Stock repurchase program	(10,305)	(244)	(6,885)
Dividends paid	(2,496)	-	-
Financing of revenue producing properties	169,067	113,771	314,238
Repayment of debt on revenue producing properties	(128,681)	(92,701)	(219,020)
Deferred financing costs	(2,557)	(2,809)	(8,810)
	\$ 27,125	\$ 18,258	\$ 124,818
Investing activities			
Purchases of revenue producing properties (NOTE 2)	(15,543)	\$ (11,367)	\$ (84,784)
Project improvement to revenue producing properties	(52,938)	(42,957)	(83,379)
Technology	(14,591)	(7,706)	(8,996)
	\$ (83,072)	\$ (62,030)	\$(177,159)
Increase in cash balance during the period	\$ 4,617	\$ 19,920	\$ 5,523
Cash and cash equivalents (indebtedness), beginning of period	\$ 21,055	1,135	(4,388)
Cash and cash equivalents, end of period	\$ 25,672	\$ 21,055	\$ 1,135
Funds from operations per share			
- Basic	\$ 1.16	\$ 0.70	\$ 1.12
- Diluted	\$ 1.15	\$ 0.69	\$ 1.12
Taxes paid	\$ 3,477	\$ 2,841	\$ 2912
Interest paid	\$ 65,342	\$ 37,321	\$ 57,098

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Consolidated Statements of (Loss) Earnings – 3 Months

(Cdn. \$ Thousands, except per share amounts)

	3 Months December 31, 2001 (Audited)	3 Months November 30, 2000 (Unaudited)
Revenue		
Rental income	\$53,477	\$ 47,605
Sales - properties held for resale	3,744	36,311
	57,221	83,916
Expenses		
Revenue producing properties:		
Operating expenses	5,623	5,614
Utilities	10,310	5,568
Utility rebate	(907)	-
Property taxes	4,860	4,646
Cost of sales - properties held for resale	3,317	24,263
Administration	4,037	3,746
Financing costs	17,056	15,940
Amortization	14,973	12,045
	59,269	71,822
Operating (loss) earnings before the following:	(2,048)	12,094
Provision for loss on technology investments	2,322	-
Operating (loss) earnings before income taxes	(4,370)	12,094
Large corporations taxes	913	888
Income taxes (recovery)	(1,989)	(2,566)
Net (loss) earnings for the period	\$ (3,294)	\$ 8,640
Net (loss) earnings per share		
- Basic	\$ (0.07)	\$ 0.18
- Diluted	\$ (0.07)	\$ 0.17
Funds from operations	\$ 12,012	\$ 23,251
Funds from operations per share		
- Basic	\$ 0.24	\$ 0.47
- Diluted	\$ 0.24	\$ 0.47

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