



Boardwalk Real Estate Investment Trust (BOWFF)

Updated December 17th, 2025 by Nikolaos Sismanis

Key Metrics

Current Price:	\$45	5 Year Annual Expected Total Return :	4.9%	Market Cap:	\$2.43 B
Fair Value Price:	\$40	5 Year Growth Estimate:	5.0%	Ex-Dividend Date:	12/31/2025
% Fair Value:	114%	5 Year Valuation Multiple Estimate:	-2.6%	Dividend Payment Date:	01/15/2026
Dividend Yield:	2.6%	5 Year Price Target	\$51	Years Of Dividend Growth:	4
Dividend Risk Score:	D	Sector:	Real Estate	Rating:	Hold

Overview & Current Events

Boardwalk Real Estate Investment Trust is a Canadian multi-family residential REIT focused on owning, operating, and reinvesting in affordable and value-oriented rental apartment communities across Western and Central Canada. As of September 30th, 2025, Boardwalk owned and operated over 200 properties comprising approximately 34,600 residential suites and more than 30 million net rentable square feet, with its portfolio being concentrated in Alberta, Saskatchewan, Quebec, Ontario, and British Columbia. The REIT emphasizes high-occupancy, mid-market rental housing, supported by a vertically integrated operating platform, active asset repositioning, and a multi-brand strategy (such as Boardwalk Living, Communities, and Lifestyle) designed to serve a broad demographic. Boardwalk registered \$429 million in revenues last year. The stock has a market cap of \$2.43 billion and pays dividends on a monthly basis.

On November 4th, 2025, Boardwalk REIT posted its Q3 results for the period ended September 30th, 2025. Revenue for the quarter was \$112.9 million, up 4.8% year-over-year, while same-property rental revenue increased 5.1% year over year. Same-property NOI grew 8.6%, reflecting continued operating margin expansion as revenue growth materially outpaced expenses.

Cash flow performance strengthened meaningfully, with FFO per Unit increasing 10.8% year over year and AFFO per Unit rising 12.6% to \$0.77, driven by higher in-place occupied rents across all regions and the continued reduction of prior leasing incentives, particularly in Alberta and Saskatchewan. Occupancy remained high at 97.7%. For FY2025, we expect AFFO per unit of \$2.65.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
AFFO	\$2.33	\$1.86	\$1.34	\$1.28	\$1.62	\$1.62	\$1.83	\$1.85	\$2.23	\$2.48	\$2.65	\$3.38
DPS	\$1.47	\$1.66	\$1.79	\$0.73	\$0.77	\$0.79	\$0.79	\$0.79	\$0.87	\$0.97	\$1.18	\$1.51
Shares¹	47.4	46.3	46.3	46.3	46.4	46.5	46.5	45.9	45.8	49.4	49.1	50.0

Boardwalk's AFFO per share took a dip in the second half of 2010s, but has trended upwards in recent years. Specifically, from 2015 through 2018, the decline in AFFO per share reflects the long downturn in Boardwalk's Western Canadian markets, particularly Alberta. Management consistently attributed weaker cash flow to intentional rent reductions and elevated incentives implemented to maintain occupancy amid materially higher market vacancy. Average monthly rents declined, incentives increased, and stabilized vacancy assumptions were raised, pressuring same-property revenue and limiting the conversion of operating income into AFFO during this period.

AFFO per share stabilized in 2019 and remained flat in 2020 as operating conditions stopped deteriorating. In 2019, management reported improving leasing conditions and a gradual reduction in incentives, which drove higher same-property revenue and supported the rebound in AFFO. In 2020, despite COVID-19 disruptions, Boardwalk maintained high occupancy and strong rent collections, while continuing to reduce incentives on renewals. These factors offset pandemic-related headwinds and resulted in stable AFFO per share year over year.

¹ Share count is in millions.

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From 2021 through 2024, AFFO per share grew steadily as Boardwalk entered a period of strong operating momentum. Management attributed this growth to notable same-property rent increases, tightening rental markets, and sustained occupancy, which drove double-digit same-property NOI growth in the later years. Although operating expenses rose due to wages, utilities, repairs and maintenance, and property taxes, revenue growth materially outpaced expense inflation. As a result, a larger portion of operating income translated into recurring cash flow, driving AFFO per share above prior-cycle levels. Moving forward, we forecast AFFO per share growth of 5%, as we expect the REIT to benefit from lower interest rates. We forecast the same growth for the dividend as well, which the company has grown since 2021.

Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Avg. P/E	16.0	18.1	23.1	22.4	17.4	14.6	15.4	19.5	17.9	15.2	17.1	15.0
Avg. Yld.	3.9%	4.9%	5.8%	2.5%	2.7%	3.3%	2.8%	2.2%	2.2%	2.6%	2.6%	3.0%

Boardwalk has historically traded at a P/AFFO in the high teens, which is a common level for residential REITs. Today, the REIT trades at about 17x our expected AFFO for the year. While we believe Boardwalk can continue to grow, we have set our fair multiple to a more reasonable 15x, as the stock doesn't offer a sizable enough dividend yield to attract investor interest, especially with rates on the decline.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	63%	89%	134%	57%	48%	49%	43%	43%	39%	39%	45%	45%

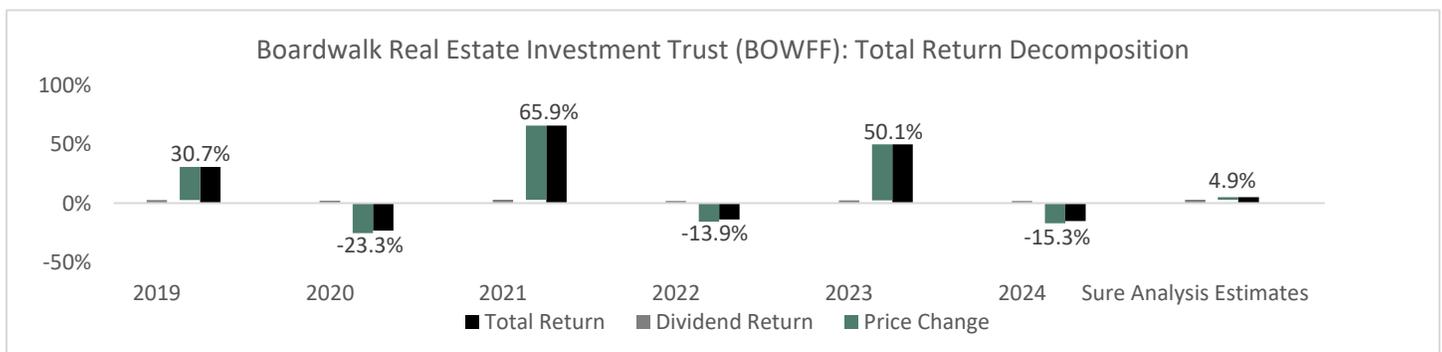
Boardwalk REIT's safety is supported by the essential nature of rental housing and management's consistent focus on protecting occupancy and cash flow through cycles. The trust has shown a willingness to adjust rents and incentives during downturns, which preserved collections and AFFO during both the Western Canada energy downturn and the COVID period. This approach has resulted in stable operating performance even in challenging environments.

The quality of the business is reflected in its scale, internally managed platform, and well-maintained portfolio in supply-constrained urban markets. This positioning also improves recession resiliency, as demand for reasonably priced rental housing remains durable when economic conditions weaken. The payout ratio also stands at a healthy 45% of expected AFFO. Still, a prolonged downturn in the Canadian residential market will certainly negatively affect the REITs financials.

Final Thoughts & Recommendation

Boardwalk REIT offers durable cash flows, scale-driven advantages, and proven resilience across economic cycles. We forecast annualized returns of 4.9%, as returns from the starting dividend yield and expected growth could be partially offset by valuation headwinds. Shares earn a hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	372	331	326	335	343	347	375	381	404	440
Gross Profit	223	183	162	169	188	193	211	214	239	271
Gross Margin	59.9%	55.4%	49.8%	50.5%	54.9%	55.6%	56.2%	56.2%	59.2%	61.6%
SG&A Exp.	-	-	-	-	-	-	-	-	-	-
D&A Exp.	8	8	4	5	7	6	6	6	6	6
Operating Profit	190	99	96	98	65	206	105	205	130	258
Operating Margin	51.0%	30.0%	29.6%	29.3%	19.1%	59.4%	28.0%	53.8%	32.3%	58.5%
Net Profit	23	(43)	44	149	26	(147)	356	217	494	429
Net Margin	6.1%	-13.1%	13.5%	44.5%	7.6%	-42.4%	94.8%	57.0%	122%	97.5%
Free Cash Flow	129	97	70	77	6	(4)	19	11	37	39
Income Tax	0	0	0	0	(1)	(0)	(0)	0	0	0

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	4,200	4,302	4,681	4,473	4,840	4,794	5,273	5,216	6,175	5,998
Cash & Equivalents	179	82	64	35	33	48	57	45	259	94
Accounts Receivable										
Inventories	3	5	12	7	6	5	6	6	5	4
Goodwill & Int. Ass.	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,884	2,044	2,300	2,180	2,432	2,533	2,694	2,654	2,896	2,633
Accounts Payable										
Long-Term Debt	1,636	1,816	2,070	1,991	2,214	2,356	2,438	2,431	2,575	2,338
Shareholder's Equity	2,311	2,253	2,376	2,289	2,405	2,258	2,575	2,559	3,276	3,363
LTD/E Ratio	0.71	0.81	0.87	0.87	0.92	1.04	0.95	0.95	0.79	0.70

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	0.5%	-1.0%	1.0%	3.3%	0.6%	-3.1%	7.1%	4.1%	8.7%	7.1%
Return on Equity	0.9%	-1.9%	1.9%	6.4%	1.1%	-6.3%	14.7%	8.5%	16.9%	12.9%
ROIC	0.5%	-1.1%	1.0%	3.4%	0.6%	-3.2%	7.4%	4.3%	9.1%	7.4%
Shares Out.	47.4	46.3	46.3	46.3	46.4	46.5	46.5	45.9	45.8	49.4
Revenue/Share	7.17	7.15	6.42	7.24	7.39	6.80	8.07	7.57	8.82	8.16
FCF/Share	2.49	2.10	1.37	1.65	0.12	(0.08)	0.42	0.21	0.82	0.73

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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