PARKIT ENTERPRISE INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION FOR THE THREE AND NINE MONTHS ENDED JULY 31, 2020

PARKIT ENTERPRISE INC

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This Management's Discussion and Analysis ("MD&A") is prepared as of September 29, 2020 and outlines the business strategy, risk profile, business outlook and analysis of financial performance and financial position of Parkit Enterprise, Inc. ("Parkit," or "the Company") for the three and nine months ended July 31, 2020 ("Q3 2020"). This MD&A should be read in conjunction with the unaudited condensed consolidated financial statements and accompanying notes for the three and nine months ended July 31, 2020 (the "Interim Financial Statements").

This MD&A is based on financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are in Canadian dollars ("CAD"), unless otherwise stated.

SECTION 1

FORWARD LOOKING STATEMENTS

Certain statements contained in this Management Discussion & Analysis ("MD&A") constitute forward-looking statements. These statements reflect, among other things, management's expectations regarding the Company and the Company's business. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or event to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this MD&A should not be unduly relied upon. These statements are current only as of the date of the MD&A. The Company disclaims any obligation to publicly update or revise such statements to reflect any change in expectations, events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those in the forward looking statements, except as required by National Instrument 51-102.

In particular, this MD&A contains forward-looking statements pertaining to the following:

- Establishment and expansion of business segments
- Capital and general expenditures;
- Projections of market prices and costs;
- Expectations regarding the ability to raise capital; and
- Treatment under governmental regulatory regimes.

Actual results could differ materially from those anticipated in this MD&A as a result of the risk factors set forth below and elsewhere in the MD&A:

- Liabilities inherent in our operations;
- Uncertainties associated with estimated market demand and sector activity levels;
- Competition for, among other things, capital, acquisitions and skilled personnel;
- Fluctuations in foreign exchange or interest rates and stock market volatility;
- The impact of the COVID 19 pandemic on operations; and
- The other factors discussed under "Risk Factors".

These factors should not be construed as exhaustive.

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NON-IFRS MEASURES

Certain terms used in the MD&A such as "Earnings Before Interest, Tax, Depreciation and Amortization" ("EBITDA"), "Net Operating Income" ("NOI"), "Income from operations", "Funds From Operations ("FFO"), "Yield", "Occupancy", "Gross Book Value", "Appraised Value", " Capitalization (Cap) Rates", "Investor Rate of Return" and any related per Unit amounts used by management to measure, compare and explain the operating results and financial performance of the Company are not recognized terms under IFRS, and therefore should not be construed as alternatives to net income or cash flow from operating activities calculated in accordance with IFRS. Management believes that these terms are relevant measures in comparing the Company's performance to industry data, and the Company's ability to earn cash from, and invest cash in parking real estate. These terms are defined in this MD&A. Such terms to not have standardized meaning prescribed by IFRS and may not be comparable to similarly titled measures presented by other publicly traded companies.

EBITDA is a non-IFRS measure commonly used as a measurement tool in Canadian businesses. For the purposes of this MD&A, EBITDA is calculated as earnings determined under IFRS less amounts included for interest, taxes, depreciation and amortization included in the IFRS financial statements.

NOI is a non-IFRS measure commonly used as a measurement tool in real estate businesses. For the purposes of this MD&A, NOI is calculated as earnings determined under IFRS less amounts included for corporate expenses, other expenses, interest, taxes, depreciation and amortization included in the IFRS financial statements.

SECTION 2

EXECUTIVE SUMMARY

A summary of the financial and operational highlights follows:

		Three months ended July 31, 2020		Three months ended July 31, 2019		Nine months ended July 31, 2020		Nine months ended July 31, 2019
Summary of Company's Operations								
Fee income	$	36,893	$	35,861	$	109,650	$	110,251
Share of profit (loss) from joint venture	$	(359,780)	$	257,260	$	(607,911)	$	363,262
General and administrative expense	$	(102,296)	$	(195,450)	$	(468,372)	$	(830,961)
Foreign exchange income	$	(80,838)	$	(47,160)	$	30,371	$	(14,052)
Income tax expense	$	(410)	$	(79,692)	$	(36,100)	$	(395,740)
Net income (loss)	$	**(506,431)**	$	**(16,057)**	$	**(971,501)**	$	**(726,604)**
Earnings per share – basic and diluted	$	**(0.01)**	$	**(0.00)**	$	**(0.03)**	$	**(0.02)**

Summary of Company's Financial Position		As at July 31, 2020		As at April 30, 2020		As at October 31, 2019
Cash	$	**696,281**	$	**822,079**	$	**768,434**
Working Capital	$	**902,140**	$	**1,032,915**	$	**897,319**
Net assets	$	**19,656,578**	$	**20,161,939**	$	**20,620,749**

- Book value decreased $505,361 in the quarter from $20,161,939 at April 30, 2020, to $19,656,578 at July 31, 2020; and currently stands at $0.56 per share.
- Cash represents approximately $0.02 per share.

COVID-19 Pandemic

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has adversely affected workforces, economies, and financial markets globally. It has been very challenging to both businesses and individuals in response to the rapidly changing coronavirus (COVID-19) pandemic.

The Company has undertaken certain measures in response to the COVID-19 pandemic.

- The Company is monitoring guidance and relief programs from government, regulators, and health authorities.
- Personnel are working remotely and maintaining social distancing.
- The Company has implemented various cost and cash-flow savings measures, such as accruing but not paying director fees effective March 2020; and payment of the CFO salary at a reduced amount effective April 2020 (with the difference being accrued). In May 2020, the Company implemented a government work-share program for its business development personnel. Management is also closely monitoring all expenses and is reducing or eliminating non-essential items while the pandemic is ongoing.

COVID-19 has negatively impacted parking operations in the Company's joint venture starting in the second half of March 2020.

- During the quarter ended July 31, 2020, parking revenue in the OPH portfolio decreased by 73% compared to the comparative prior year period. The break-down by month is as follows:
    - 81% decrease in May 2020 compared to May 2019.
    - 72% decrease in June 2020 compared to June 2019.
    - 67% decrease in July 2020 compared to July 2019.
- During the quarter ended July 31, 2020, parking revenue for the Nashville property decreased by 91% compared to the comparative prior year period. The break-down by month is as follows:
    - 100% decrease in May 2020 compared to May 2019
    - 93% decrease in June 2020 compared to June 2019.
    - 79% decrease in July 2020 compared to July 2019.
- Starting in March 2020, joint venture management implemented various proactive measures to address the health and safety of their guests and employees. Joint venture management also started implementing various cost and cash-flow savings measures, such as staff reductions and reducing or eliminating non-essential items. Z Parking, which services Bradley International Airport in Connecticut had temporarily closed from April 8 to August 3, 2020 until such time revenue and passenger traffic recovered to levels to support re-opening. Fly Away Parking, which services the Nashville International Airport, had similarly been temporarily closed from March 27 to June 15, 2020.
- Joint venture management negotiated with debt lenders for changes that allowed for the deferral of debt payments for three months to help manage cash-flow and liquidity, and to ensure compliance with debt covenant requirements. As part of these negotiations, a lender for the Nashville property required a minimum cash reserve as a new debt covenant requirement. This cash reserve was funded by the joint venture by a cash call to its members. In May 2020, the Company contributed $33,770 (US$25,000) to the joint venture for its 50% share of the cash call.

  Principal and interest repayments have resumed subsequent to the initial 3 month loan deferrals. However, the joint venture management continues to work with debt lenders to negotiate further modifications and waivers on debt service coverage ratio covenants. For the Nashville Fly Away Parking property, these negotiations are being done in conjunction with the refinancing of the amounts due when the existing loan is scheduled to mature on October 31, 2020. A subsidiary of the Company has provided certain guarantees with regards to the Nashville debt (see Section 4 – "Contractual Obligations and Commitments") for further details. As of July 31, 2020, the Company has not accrued any amounts due under this guarantee.

- The full extent of the impact of COVID-19 on the joint venture operations and its future financial performance is currently unknown, although we expect operations will continue to be negatively impacted in the upcoming quarter. It will depend on future developments that are uncertain and unpredictable, including the duration and spread of COVID-19, increase in government regulations, "lock downs", and the resulting impact to economies and to the demand for parking. The recovery of air travel will be important factor to those lots that primarily service nearby airports.

While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic, and it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak. It is difficult to estimate the nature, timing, and extent of the business and economic impact on the Company's financial performance or its ability to raise funds, and this uncertainty could materially affect the Company's operations and financial condition. In particular, this uncertainty could also materially affect estimates including those used in its impairment testing on receivables, and investments in associates and joint ventures.

Joint Venture Update

The Company's participation in its joint venture generated a loss of $359,780 for Q3 2020 (Q3 2019 – profit of $257,260). As noted above, COVID-19 has negatively impacted parking operations in the Company's joint venture starting in the second half of March 2020.

- *OP Holdings*
    - The Company's 24.39% interest in OP Holdings recorded a loss of $265,787 for the quarter (Q3 2019 - $170,216 profit). Comparing Q3 2020 to Q3 2019, revenue decreased 73%; NOI decreased 119%.
    - In February 2020, the Company received $418,275 in distributions from the joint venture.
    - The joint venture agreement details a multi-staged priority payment waterfall for the distribution to members on any Initial Property Capital Proceeds. With the completion of the first hurdle in October 2018, cash flows from future sales and debt re-financings within the joint venture will flow to PAVe, an entity in which Parkit has an 82.43% interest, until PAVe has received a 15% IRR. PAVe is a 29.45% equity member of OP Holdings JV LLC. This was a major development for Parkit because for the first time since entering into the joint venture in 2015, Parkit will be the beneficiary of asset sales and refinances that occur within the joint venture. For further details see "Investments - OP Holdings (Investment in Joint Venture)".
- *Nashville*
    - The Company's 50% interest in the Fly-A-Way Parking facility in Nashville recorded a loss of $93,993 (Q3 2019 - $87,045 profit).
    - In May 2020, the Company contributed $33,770 (US$25,000) in its investment in Nashville to fund a required cash deposit by the parking facility under an amended debt agreement.

BUSINESS OVERVIEW

Parkit Enterprise Inc. is an alternative real estate investment firm engaged in the acquisition, optimization, and asset management of income-producing parking facilities across the United States and Canada. As asset manager and investor, the Company has multiple sources of revenue (management fees, acquisition fees, and earnings in equity). Parkit will aggregate a large portfolio of assets, the market value of which will benefit from yield improvement and scale premium. Upon disposition, Parkit will realize capital gains and incentive distributions.

As a listed asset manager and investor, the combination of income streams and gains in intrinsic value (unrealized capital gains) provide Parkit shareholders a rare opportunity for leveraged returns alongside institutional private equity.

The Company's primary asset and source of revenue is an effective 24.39% equity interest in OP Holdings JV LLC ("OP Holdings," or "the joint venture"). On April 22, 2015, the Company entered into a joint arrangement with Parking Real Estate, LLC ("PRE") and Och-Ziff Real Estate to form OP Holdings JV, LLC ("OP Holdings") (the "Transaction"). Upon closing the Transaction, OP Holdings acquired six assets, including two in which Parkit held equity, Expresso Airport Parking ("Expresso") and Canopy Airport Parking ("Canopy"). Four assets remain in the portfolio following the sale Expresso and another property in 2018. The majority member of OP Holdings is Och-Ziff Real Estate ("Och-Ziff"), a division of an institutional asset manager.

As part of the Transaction, the Company's subsidiary, Greenswitch America and PRE jointly created separate legal entities, Parking Acquisition Ventures, LLC ("PAVe LLC") and PAVe Admin, LLC to manage and oversee the parking assets of OP Holdings as an administrator. The Company has an 82.83% economic interest in PAVe LLC, which is a 29.45% equity member of OP Holding. PAVe Admin is an entity created for legal purposes and holds no assets or liabilities.

In addition, the Company acquired on October 30, 2015 a 50% indirect investment in Fly-Away Airport Parking ("Fly-Away Parking"), servicing the Nashville International Airport.

Parkit and its strategic partner, PRE, are responsible for the asset management activities of OP Holdings and Fly-Away Parking. PRE is comprised of senior executives at Propark America, Inc. ("Propark"), an established parking manager with a three-decade history of managing and developing parking facilities.

Parkit's shares trade on the TSX-Venture Exchange under the symbol PKT, and the OTC Pink under the symbol PKTEF.

Additional information related to the Company is available on SEDAR at www.sedar.com.

STRATEGIC DIRECTION

Parkit's investment strategy is to maximize shareholder value through growing income streams, and increasing the intrinsic value of portfolio assets. Investments provide income growth through management fees, incentive fees and returns on invested equity. Targeted acquisitions will have current free cash flow, opportunities for yield enhancement and in certain circumstances opportunity for repositioning to strategic buyers. Combined, these factors increase the Company's intrinsic value significantly over time. While Parkit's assets are not marked-to-market, and gains in intrinsic value are not recognized in the Company's financial statements, this value is ultimately monetized on disposition.

The Company believes that a geographically diversified parking real estate portfolio possesses excellent potential to generate attractive risk-adjusted returns. On a macro level, both the long-term fundamentals of the US economy and the continued strength of the US dollar should provide positive long-term benefits for shareholder value.

Parkit's primary investment is in a joint venture, OP Holdings, alongside with Och-Ziff Real Estate and Parking Real Estate LLC. As with Fly-Away Parking, Parkit will also acquire assets independent of OP Holdings, either outright or jointly, with the objective of incubating or optimizing assets for sale into the joint venture or elsewhere.

For further information visit the Company's website at www.parkitenterprise.com.

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SECTION 3
SUMMARY OF OPERATIONS

A summary of the results of operations for the three and nine month periods ended July 31, 2020 and 2019 follows:

	Three months ended July 31, 2020	Three months ended July 31, 2019	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Parking services revenue	$ -	$ -	$ -	$ 40,000
Parking services operating expenses	-	(819)	-	(37,723)
Fee income	36,893	35,861	109,650	110,251
Share of profit from associate	-	12,700	-	34,136
Share of profit (loss) from joint ventures	(359,780)	257,260	(607,911)	363,262
General and administrative expenses	(102,296)	(195,450)	(468,372)	(830,961)
	(425,183)	109,552	(966,633)	(321,035)
Foreign exchange gain (loss)	(80,838)	(47,160)	30,371	(14,052)
Finance income	-	1,243	861	4,223
Income (loss) before tax	(506,021)	63,635	(935,401)	(330,864)
Income tax (expense) recovery	(410)	(79,692)	(36,100)	(395,740)
Net income (loss) for the period	$ (506,431)	$ (16,057)	$ (971,501)	$ (726,604)

Discussion of results for the three-month period ended July 31, 2020

For the three-month period ended July 31, 2020 (“Q3 2020”), the Company reported a net loss of $506,431 (Q3 2019 – net loss of $16,057). The more significant items are discussed below.

Parking services revenue and expenses

On July 6, 2018, the Company announced that it had purchased the operating assets of Smart Parking Solutions Canada Inc. ("Smartpark"). The purchase included parking management agreements in the Greater Toronto Area, as well as permit management agreements with municipal and institutional clients in the United States. In late 2018 the Company started terminating parking agreements, with the last remaining contract terminated in May 2019.

Expenses include equipment rental, contractor fees and salaries, and other operating costs.

Fee income

The Company receives service fees as the asset manager of OP Holdings. The fee is payable in USD.

Share of profit from associate

The Company’s share of profit from associate represents its equity participation of income in Green Park Denver whose only significant asset is an earnings-based contingent receivable from OP Holdings.

Share of profit from joint ventures

The Company recorded a loss of $359,780 (Q3 2019 - $257,260 profit) as its share in the profits and losses from joint ventures, which reflects the Company's share from PAVe LLC (OP Holdings and Fly-Away Parking).

- The Company's participation in OP Holdings generated a loss $265,787 in Q3 2020 (Q3 2019 - $170,216 profit).
- The Company's participation in Fly-Away Parking generated a loss of $93,993 in Q3 2020 (Q3 2019 – $87,045 profit).

COVID-19 has negatively impacted parking operations in the Company's joint venture starting in the second half of March 2020. See "COVID-19 Pandemic" for further details.

All revenues, operating expenses and share of profit from joint venture are in US dollars and translated to CAD dollars for the financial statements. Thus quarter-on-quarter comparisons are subject to variation in foreign exchange fluctuation. See the commentary in "Investments" later in this section 3 for commentary of the results of the joint venture in USD.

General and administrative expenses

	Three months ended July 31, 2020	Three months ended July 31, 2019
Management salaries and fees	$ 45,876	$ 93,037
Director fees	30,300	24,300
Share-based payments	1,070	1,124
Professional fees	5,194	22,609
Other administrative expenses	19,856	54,380
Amortization	-	-
Total	$ 102,296	$ 195,450

Professional fees reflect a decrease in legal and consulting fees undertaken with regards to due diligence activities investigating potential acquisitions and other general corporate matters.

The decrease in other administrative expense reflects cost savings measures. Q3 2019 also includes costs attending trade-shows and conferences.

Foreign exchange

The foreign exchange gains/losses reflect the changes in exchange rates during the respective periods on the translation of the Company's US$ cash balances and US$ receivables.

Income tax expense

The Company's U.S. subsidiary is subject to U.S. tax on its partner's share of the profit and losses from its investment in joint ventures. The joint ventures have a December 31 tax year-end.

Discussion of results for the nine-month period ended July 31, 2020

For the nine-month period ended July 31, 2020 ("9M 2020"), the Company reported a net loss of $971,501 (9M 2019 – $726,604).

Explanations of the main drivers of the nine-month variances are consistent with those for the three-month analysis.

Additional information for the 9M analysis follow:

Share of profit from joint ventures

The Company recorded a loss of $607,911 (9M 2019 - $363,262 profit) as its share in the profits and losses from joint ventures, which reflects the Company's share from PAVe LLC (OP Holdings and Fly-Away Parking).

- The Company's participation in OP Holdings generated a loss of $387,083 in 9M 2020 (9M 2019 - $355,272 profit), a decrease of income of $742,355.
- The Company's participation in Nashville generated a loss of $158,037 in 9M 2020 (9M 2019 - $24,540 profit), a decrease of income of $182,577.
- The Company's share of the joint venture's corporate expenses was $62,791 in 9M 2020 (9M 2019 - $16,550), an increase of loss of $46,241.

General and administrative expenses

	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Management salaries and fees	$ 175,846	$ 288,144
Director fees	88,900	72,900
Share-based payments	7,330	7,948
Professional fees	99,958	216,339
Other administrative expenses	96,338	199,797
Amortization	-	45,833
Total	$ 468,372	$ 830,961

Professional fees reflect a decrease in audit fees in the 9M 2020, as well as a decrease in legal and consulting fees undertaken with regards to due diligence activities investigating potential acquisitions and other general corporate matters.

Amortization expense in 9M 2019 relates to the amortization of intangible assets of $75,000 purchased in July 2018 from Smart Parking. The intangible asset was fully amortized by April 30, 2019.

Income tax expense

The Company's U.S. subsidiary is subject to U.S. tax on its partner's share of the profit and losses from its investment in joint ventures. The joint ventures have a December 31 tax year-end.

During the nine months ended July 2019, the Company's US subsidiary paid taxes totaling $2,329,527 for its updated estimated tax payable for its December 31, 2018 tax year-end, and 2019 tax instalments, with the Company recognizing an income tax expense of $395,740 in 9M 2019. (The Company had recognized a tax liability of $1,981,514 as of October 31, 2018 for estimated U.S. taxes on the expected taxable profits from the joint venture. Revisions to the tax estimates are accounted for prospectively, and are reflected in current year tax expense.)

FINANCIAL POSITION

The following table presents consolidated information for the latest interim period and the two most recently completed fiscal years:

		July 31, 2020		October 31, 2019		October 31, 2018
Current Assets	$	974,850	$	972,290	$	2,041,379
Long Term Receivable		1,286,784		1,263,360		1,261,632
Investment in Associate		1,244,078		1,244,078		1,217,658
Investment in Joint Ventures		16,223,576		17,215,992		18,349,025
Intangible Assets		-		-		45,833
Total Assets	**$**	**19,729,288**	**$**	**20,695,720**	**$**	**22,915,527**
Current Liabilities	$	72,710	$	74,971	$	2,057,344
Total Equity	$	19,656,578	$	20,620,749	$	20,858,183
Total Liabilities and Equity	**$**	**19,729,288**	**$**	**20,695,720**	**$**	**22,915,527**

As at July 31, 2020, Current Assets are composed of $0.7 million of cash and cash equivalents and $0.3 million of accounts receivables, prepaid expenses and deposits. The cash and cash equivalent assets are retained by the corporate entity for operational expenses and future investment. The accounts receivable balance includes asset management fees, parking services receivable, and the short-term portion of the Long-Term Receivable owing to Parkit from Parking Real Estate ("PRE").

The Long Term Receivable represents advances (net of repayments) made by Parkit to PRE for the purpose of PRE's funding of investments in income producing properties and related costs of acquisition. This advance does not receive interest. As at July 31, 2020, the aggregate of the current and non-current portions of the Long Term Receivable balance was $1.33 million (US$0.99 million) of which $0.04 million (US$0.03 million) is to be repaid from the assignment of certain distributions due to PRE and the balance of $1.29 million (US$0.96 million) is to be repaid upon a disposition of properties from OP Holdings or an exit from OP Holdings.

Investment in Associate is the Company's equity share of assets held in Green Park Denver, and represents the remaining fair value of conditional consideration to be received from the sale of Canopy. The third and final tranche of the contingent consideration receivable is payable following the disposition of certain assets in OP Holdings.

Investment in Joint Ventures decreased to $16.22 million as at July 31, 2020 from $17.22 million as at October 31, 2019. This decrease is as a result of the company's share of losses in joint venture of $0.61 million, and distributions received of $0.42 million; partially offset by contributions of $0.03 million.

The working capital at October 31, 2018 included a tax liability of $1,981,514 for estimated U.S. taxes on the taxable profits from the joint venture, which included gains from two property sales in 2018. During the year ended October 31, 2019 the Company paid total taxes of $2.6 million for the settlement in full of the December 31, 2018 tax liability and for installments on the estimated current year tax payable.

INVESTMENTS

ALL INVESTMENTS ARE IN THE UNITED STATES. ALL RESULTS IN THE INVESTMENT SECTION DISCUSSION ARE IN US DOLLARS

The Company has an investment in a joint venture, PAVe LLC, which holds the Company's investments in OP Holdings and Fly-Away Parking.

Parking Acquisition Ventures LLC ("PAVe LLC" or "PAVe")

PAVe LLC has different classes of membership units, and the entitlements to distributions from these investments are different among each class. The Company is currently entitled to an 82.83% economic allocation of distributions from OP Holdings to PAVe LLC. However, the Company determined it does not control PAVe LLC as control is shared jointly with PRE, and accordingly it accounts for the entity as a joint venture.

Following the Company's reinvestment of a portion of the first tranche of the contingent consideration in 2016, PAVe LLC's equity interest in OP Holdings increased from 25% to 26.12%, and the Company's equity interest in PAVe LLC increased from 86.67% to 88.84%. Following the Company's and PRE's reinvestment of a portion of the second tranche of the contingent consideration in 2017, PAVe LLC's equity interest in OP Holdings increased to 29.45% and the Company's equity interest in PAVe LLC decreased to 82.83%. (See "OP Holdings" below).

The Company has established that through PAVe LLC's role as an administrator and equity member of OP Holdings, PAVe LLC is able to exert significant influence over OP Holdings and accordingly PAVe LLC accounts for its 29.45% interest in OP Holdings as an investment in associate.

On October 30, 2015, the Company invested US$677,865 in PAVe LLC for the acquisition of Fly-Away Parking by PAVe Nashville, LLC ("Nashville"). Nashville is held by PAVe LLC directly, and is not part of OP Holdings. The Company is entitled to a 50% economic allocation of distributions from Nashville to PAVe LLC.

Equity earnings Q3 2020 from the PAVe joint venture was a loss of US$263,305 (Q3 2019 - US$193,691 profit), which includes a loss from OP Holdings of US$194,516 (Q3 2019 - US$128,155 profit), and a loss from Fly-Away Parking of US$68,789 (Q3 2019 – $65,536 profit).

OP Holdings (Investment in Joint Venture)

OP Holdings is an investment vehicle that was used to acquire a portfolio of income producing parking assets. Parkit acquired a 21.67% membership in OP Holdings (through its PAVe joint venture) for US$6.2 million in April 2015 and pursuant to the joint venture agreement, contributed a further US$1.4 million of the first earn-out consideration and, at the end of April 2017, a further US$1.5 million of the second earn-out consideration. PAVe LLC currently holds a 29.45% membership in OP Holdings, with Parkit holding a net 24.39% membership in OP Holding through its 82.83% holding in PAVe. The majority member of the joint venture is Och-Ziff Real Estate, a real estate private equity firm based in the United States.

In April 2015, OP Holdings acquired six assets at an 8% cap rate, for a total of US$82.6 million, assuming full payment of associated conditional earn-outs. The initial property portfolio includes two assets in which Parkit held equity, Canopy and Expresso, as well as four additional facilities described below.

- 'Chapel Square' located in New Haven, Connecticut (Commercial/business district)
- 'Terra Park' located in Jacksonville, Florida (Commercial/business district)
- 'Riccio Lot' located in New Haven, Connecticut (University and medical facility)
- 'Z Parking' located in East Granby, Connecticut (Bradley International Airport).

With the sale of Expresso and Terra Park in 2018, the OPH portfolio now holds four properties compared to the original six properties held at the joint venture formation in 2015.

The joint venture agreement details a multi-staged priority payment waterfall for the distribution to members on any Initial Property Capital Proceeds. The Company will be entitled to receive future distributions on any Initial Property Capital Proceeds as the various requirements of the distribution waterfall are achieved. Capital events (as defined by the joint venture agreement) to date include the following:

- In October 2017, OP Holdings successfully finalized the refinancing of the debt portfolio of the six parking facilities that was to be used to retire all existing senior debt with excess funds payable to members of OP Holdings. As part of the refinancing, updated appraisals of the six properties were obtained in July 2017. The increase in the appraised value of the properties allowed OP Holdings to increase the amount of the debt facility. The loan-to-value on the new financing agreement was approximately equal to the loan-to-value of the prior financing entered into in April 2015. The net excess proceeds received in OP Holdings from the debt refinancing was deemed a capital event and US$8.62 million was distributed to the majority member pursuant to the terms of the joint venture agreement. As a result of the retiring the old debt facilities, OP Holdings was also able to distribute the release of escrow funds. The release of these funds was separate from the capital funds distributed per the above paragraph, and the Company received a cash distribution of US$129,773 in October 2017 for its share from the release of escrow funds. Also, as a result of this refinancing, OP Holdings recognized additional one-time expenses and the write-off of deferred financing costs associated with extinguishment of the old debt. The Company's share of these additional costs amounted to approximately US$196,000.

- In October 2018, one of the single purpose entities held by OP Holdings sold Expresso Parking, its parking facility located at Oakland Airport in California. Expresso was bought by the joint venture in 2015 for approximately US$19.2 million (consisting of an equity investment of US$7 million) and was sold for approximately US $36.1 million.

- In Q3 2018, one of the single purpose entities held by the "Joint Venture" sold Terra Park, its parking facility located in Jacksonville, Florida. Terra Park was bought by the Joint Venture in 2015 for US$6.4 million (consisting of an equity investment of US $2.4 million) and was sold for US $6.83 million plus an additional sum of US$0.75 million paid in equal monthly installments over one year.

- With the sale of Expresso, the 15% IRR target to the Majority Member was reached. Due to the fulfillment of this 15% IRR hurdle, cash flows from future sales and debt re-financings within the joint venture will flow to PAVe, an entity in which Parkit has an 82.43% interest, until PAVe has received a 15% IRR. PAVe is a 29.45% equity member of OP Holdings JV LLC. This was a major development for Parkit because for the first time since entering into the joint venture in 2015, Parkit will be the beneficiary of asset sales and refinances that occur within the joint venture.

Going forward, Parkit will provide 5% of the equity component of future acquisitions made by OP Holdings. To date, pursuant to the OP Holdings joint venture and the PAVe LLC operating agreements, contributions of US$1,652,000 have been made by PAVe LLC in respect of any future capital commitments of the Company, of which the Company contributed US$725,000, representing the excess contributions made by the Company from the first and second earn-out contingent consideration earned.

During Q3 2020, the Company earned portfolio asset management fees from OP Holdings of US$27,000 (Q3 2019 – US$27,000). Pursuant to the joint venture agreement, the asset management fees were reset to a lower rate following the first and second anniversaries of the closing of the OP Holdings transaction in April 2015. The fees were further reduced in 2018 reflecting the reduction in the value of the assets under management after the sale of the Terra Park property on June 29, 2018 and the sale of the Expresso property on October 5, 2018. Any future disposals of the remaining properties in the portfolio will also decrease the management fees earned by the Company.

Equity earnings for Q3 2020 from the OP Holdings joint venture was a loss of US$194,516 (Q3 2019 – US$128,155 profit). COVID-19 has negatively impacted parking operations in the Company's joint venture starting in the second half of March 2020. See "COVID-19 Pandemic" for further details.

During Q3 2020, the Company received cash distributions from OP Holdings of US$ Nil (Q3 2019 - US$591,384).

Total cash distributions of US$4.1 million have been received since inception in April 22, 2015 to July 31, 2020, resulting in an annual cash yield for the investment of approximately 8.5% [Distributions of US$4.1 million received from April 22, 2015 to July 31, 2020 / 1,927 days investment held * 365 days / the Company's total contributions to date total of US$9.05 million]. This cash yield does not include principal repayments on the properties.

A central component of the Parkit strategy is to realize capital gains on the assets upon an exit. However, the accounting rules do not allow the Company to carry its joint venture investments on its balance sheet at a fair value that reflects any appreciation in value beyond that initially recognized at the time of the acquisition and as adjusted for the earn-out consideration. Therefore, any unrealized gain that may arise after the date of acquisition, and taking into account any payment of the earn-out consideration paid, is not reflected on the statement of operations, or in the carrying value on the balance sheet. Further, the carrying value of the joint venture investments is reduced by the amount of any cash distributions to the Company and increased by the amount of related book profits attributable to the Company. To the extent distributions exceed book profits the carrying value is reduced.

Nashville Fly-Away Parking

On October 30, 2015, the Company invested US$677,865 in PAVe LLC for the acquisition of Fly-Away Parking ("Fly-Away Parking") by PAVe Nashville, LLC ("Nashville"). Fly-Away Parking is a 1,140 stall, 8.5 acre facility servicing the Nashville International Airport. The US$8.0 million acquisition was completed with US$5.4 million of financing at LIBOR plus 230 basis points, amortizing for periods up to 25 years. In addition, US$1.2 million of vendor financing was utilized at 4% amortizing over 5 years.

In Q3 2020 Fly-Away Parking generated a loss for the Company of US$68,789 (Q3 2019 – $65,536 profit).

COVID-19 has negatively impacted parking operations in the Company's joint venture starting in the second half of March 2020. See "COVID-19 Pandemic" for further details.

Joint venture management negotiated with debt lenders for changes that allowed for the deferral of debt payments for three months to help manage cash-flow and liquidity, and to ensure compliance with debt covenant requirements. As part of these negotiations, a lender for the Nashville property required a minimum cash reserve as a new debt covenant requirement. This cash reserve was funded by the joint venture by a cash call to its members. In May 2020, the Company contributed US$25,000 to the joint venture for its 50% share of the cash call.

Management continues to monitor the performance of Fly-Away Parking and to evaluate the cost control and marketing initiatives implemented by Propark in 2018 to help restore profit growth at Fly-Away Parking.

CASH FLOW SUMMARY

A summary of the Company's consolidated cash flows for the nine months ended July 31, 2020 and 2019 is as follows:

		July 31, 2020		July 31, 2019
Cash used in operating activities	$	(463,408)	$	(3,022,083)
Cash provided by investing activities		384,505		1,766,929
Cash provided by financing activities		-		630,215
Increase (decrease) in cash and cash equivalents		(78,903)		(624,939)
Foreign exchange effect on cash		6,750		15,287
Cash balance, beginning of the period		768,434		1,830,051
Cash balance, end of period	**$**	**696,281**	**$**	**1,220,399**

Operating Activities:

Net cash used in operating activities for the nine months ended July 31, 2020 was $463,408, and reflects cost savings initiatives.

During the nine months ended July 31, 2019 the Company's US subsidiary paid taxes totalling $2,329,527 for its updated estimated tax payable for its December 31, 2018 tax year-end, and 2019 tax instalments. US taxes in 2018 were higher due to the taxable gains on sale of the Expresso and Terra Park properties in the joint venture.

Investing Activities:

The Company received $418,275 (9M 2019 - $1,752,075) in distributions from its PAVe LLC joint venture.

In May 2020, the Company contributed US$25,000 to the joint venture for its 50% share of the cash call in Nashville Fly-Away Parking. For further details see *Section 3 "Investments - Nashville Fly-Away Parking)*".

Financing Activities:

The Company did not undertake any financing activities during nine months ended July31, 2020.

Net cash provided by financing activities for the nine months ended July 31, 2019 was $630,215 comprised of $718,271 in proceeds received from a rights offering completed in December 2018 less related share issuance costs of $88,056.

SECTION 4

LIQUIDITY AND CAPITAL RESOURCES

At July 31, 2020, the Company had a working capital of $902,140 (October 31, 2019 - $897,319). As at July 31, 2020, the Company had a cash balance of $696,281 to settle current liabilities of $72,710.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has adversely affected workforces, economies, and financial markets globally. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's and the joint venture's business or ability to raise funds.

Management is closely monitoring all expenses and is reducing or eliminating non-essential items while the COVID-19 pandemic is ongoing. The Company has implemented various cost and cash-flow savings measures, such as accruing but not paying director fees effective March 2020; and payment of the CFO salary at a reduced amount effective April 2020 (with the difference being accrued). In May 2020, the Company implemented a government work-share program for its business development personnel.

Joint venture management negotiated with debt lenders for changes that allowed for the deferral of debt payments for three months to help manage cash-flow and liquidity, and to ensure compliance with debt covenant requirements. As part of these negotiations, a lender for the Nashville property required a minimum cash reserve as a new debt covenant requirement. This cash reserve was funded by the joint venture by a cash call to its members. In May 2020, the Company contributed US$25,000 to the joint venture for its 50% share of the cash call. The joint venture management continues to work with its debt lenders to negotiate further modifications and waivers on debt service coverage ratio covenants. A subsidiary of the Company has provided certain guarantees with regards to the Nashville debt (see Section 4 – "Contractual Obligations and Commitments") for further details. As of July 31, 2020, the Company has not accrued any amounts due under this guarantee.

Based on the Company's 12 month cash flow forecast, management believes it will have sufficient funds to meet its current obligations and corporate overheads.

The Company manages its capital structure and makes adjustments to it, based on the funds available to support its operations. To maintain or adjust the capital structure, the Company may issue new shares, issue debt or sell assets to meet financial obligations. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The Company's total future aggregate minimum office lease payments over the remaining lease term to February 28, 2021 are as follows:

	July 31, 2020
Not later than one year	$ 10,843

On July 1, 2018, the Company entered into an office lease agreement with an officer of the Company for premises located in Toronto, Ontario. The premises were previously leased to Smart Parking Solutions Canada Inc. The two-year office lease could have been terminated at any time by the Company with sixty days' notice. The minimum monthly rent was $1,200 plus operating costs and taxes. Effective July 1, 2020, the agreement was renewed on a month-to-month basis at $500 per month plus taxes.

The Company has a commitment to contribute 5% of any capital call made by the joint venture. Capital calls will be made for the purpose of acquiring new parking real estate assets as jointly agreed by the members, and at other times as the joint venture may require capital. Management estimates this commitment to be US$7.5 million based on investment targets set out at the inception of the joint venture in April 2015. Pursuant to the OP Holdings joint venture and the PAVe LLC operating agreements, upon earning the second earn-out contingent consideration, member contributions to OP Holdings in respect of any future capital commitments approximate US$1,652,000, of which the Company's contribution is approximately US$725,000.

In connection with the acquisition of Fly-Away Parking, Greenswitch America together with PAVe and two other parties (collectively the "Borrowers") entered into a loan and security agreement pursuant to which the Borrowers received a bank loan in the principal amount of US$5,460,000 as partial consideration for the acquisition (the "Loan"). In connection with the Loan, the Borrowers have each granted a security interest in all of their present and future assets and property including the property and assets of Fly-Away Parking. The loan bears interest at LIBOR plus 235 basis points and matures on October 30, 2020. Joint venture management negotiated with the debt lender for changes that allowed for the deferral of debt payments for three months to help manage cash-flow and liquidity, and to ensure compliance with debt covenant requirements. As part of these negotiations, the lender required a minimum cash reserve as a new debt covenant requirement. This cash reserve was funded by the joint venture by a cash call to its members. In May 2020, the Company contributed $33,770 (US$25,000) to the joint venture for its 50% share of the cash call. Principal and interest repayments have resumed subsequent to the initial 3 month loan deferrals. However, the joint venture management continues to work with the lender to negotiate further modifications and waivers on debt service coverage ratio covenants. These negotiations are being done in conjunction with the refinancing of the amounts due when the existing loan is scheduled to mature on October 31, 2020. As of July 31, 2020, the Company has not accrued any amounts due under this guarantee.

There are no other sources of financing that the Company has arranged but not yet utilized.

CONTINGENCIES

None.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Unless otherwise mentioned in the Management's Discussion & Analysis there were no proposed transactions.

OUTSTANDING SHARE DATA

As at the date of this report, the Company has

- 34,854,257 (July 31, 2020 - 34,854,257) issued and outstanding common shares;
- 250,000 (July 31,2020 - 250,000) common share stock options outstanding;
- no common share purchase warrants outstanding.

SECTION 5

SELECTED QUARTERLY INFORMATION

The following table sets forth the selected financial information of the Company on a consolidated basis for each of the eight most recent financial quarters:

Financial ($000's)	July 31, 2020	April 30, 2020	January 31, 2020	October 31, 2019
Parking services – net	$ -	$ -	$ -	$ 20
Fee income	37	37	36	36
Share of profit from associate	-	-	-	(8)
Share of profit from joint venture	(360)	(323)	75	283
Expenses(1)	(101)	(189)	(207)	(484)
Share-based payments	(1)	(2)	(4)	(4)
Foreign exchange gain (loss)	(81)	102	9	3
Net income (loss) for the period	(506)	(374)	(91)	(153)
Per share – basic	$ (0.01)	$ (0.01)	$ (0.00)	$ (0.00)

Financial ($000's)	July 31, 2019	April 30, 2019	January 31, 2019	October 31, 2018
Parking services – net	$ (1)	$ (2)	$ 5	$ 14
Fee income	36	38	36	43
Share of profit from associate	13	11	10	(45)
Share of profit from joint venture	257	69	37	5,549
Expenses(1)	(274)	(611)	(334)	(2,461)
Share-based payments	(1)	(2)	(4)	(5)
Foreign exchange gain (loss)	(47)	39	(7)	31
Net income (loss) for the period	(16)	(455)	(255)	3,127
Per share – basic and diluted	$ (0.00)	$ (0.01)	$ (0.01)	$ 0.11

Note (1): Expenses include general and administrative expenses (excluding share-based payments) and tax expense/recovery

Variations in the reported share of profits from the joint venture (PAVe) are impacted by the seasonality effect on the parking business.

OP Holdings disposed of Terra Park in Q3 2018 and Expresso in Q4 2018 for a net profit, and is the main driver of the increase in the share of profits from joint venture, and the related tax expense for those quarters.

At October 31, 2018, there was uncertainty to the amount of the 2018 taxable partnership income from the joint ventures that will be allocated to the Company's U.S. subsidiary, and whether any portion of the resulting tax liability can be deferred. Q2 and Q4 2019 reflects the true-up of previous tax estimates

Additionally, the US$ - C$ exchange rate movements during the quarters give rise to foreign exchange gains and losses, which can have a significant impact on the net income or loss reported for the period.

SECTION 6

RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Senior management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. Senior management personnel include the Company's executive officers and members of the Board of Directors.

	Nine months ended July 31, 2020	Nine months ended July 31, 2019
Total for all senior management		
Short-term benefits	$ 185,469	$ 280,900
Share based payments	7,330	7,948
	192,799	288,848
Total for all directors		
Short-term benefits	88,900	72,900
		-
Total	$ 281,699	$ 361,748

Transactions with related parties

Included in accounts payable and accrued liabilities as of July 31, 2020 is $55,300 (October 31, 2019 - $4,296) is amounts due to related parties for fees and expense reimbursements. The Company has implemented various cost and cash-flow savings measures, such as accruing but not paying director fees effective March 2020; and payment of the CFO salary at a reduced amount effective April 2020 (with the difference being accrued).

On July 1, 2018, the Company entered into an office lease agreement with an officer of the Company for premises located in Toronto, Ontario. The minimum monthly rent was $1,200 plus operating costs and taxes. Effective July 1, 2020, the agreement was renewed on a month-to-month basis at $500 per month plus taxes.

SECTION 7

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The Financial Statements have been prepared in accordance with IAS 34, "Interim financial reporting". The accounting policies adopted in the Financial Statements are consistent with those adopted in and set out in Note 2 to the Company's audited financial statements as at and for the year ended October 31, 2019.

New accounting policies

IFRS 16– Leases

In January 2016, the IASB issued IFRS 16 Leases, replacing IAS 17 Leases. For lessees applying IFRS 16, all leases are considered finance leases and will be recorded on the statements of financial position. The only exemptions to this classification will be for leases that are twelve months or less in duration or for leases of low-value assets. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 requires lessees and lessors to make more extensive disclosures than under IAS 17.

The Company adopted IFRS 16, effective November 1, 2019, using the modified retrospective method. Under this method, financial information was not restated and continue to be reported under the accounting standards in effect for those periods. The Company has determined that the adoption of IFRS 16 resulted in no adjustments to the opening balance of accumulated deficit.

The Company leases office space with lease terms of 12 months or less. The Company has elected not to recognize ROU assets and liabilities for these leases, and recognized $26,601 lease expense in general and administrative expenses in the statement of operations during the nine month period ended July 31, 2020.

The Company has made use of the following practical expedients available on transition to IFRS 16:

- Measure the ROU assets equal to the lease liability calculated for each lease; and
- Apply the recognition exemptions for low value leases and leases that end within 12 months of the date of initial application, and account for them as low value and short-term leases, respectively; and
- Apply the assessment of IFRS 16 only to those contracts that were previously identified as leases under IAS17. The definition of a lease under IFRS 16 was only applied to contracts entered into or changed after November 1, 2019.

Critical judgments and estimates in applying accounting policies

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation and judgment uncertainty that management has made at the end of the reporting period may result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made.

The full extent of the impact of COVID-19 on the Company's and its joint venture operations and future financial performance is currently unknown. It will depend on future developments that are uncertain and unpredictable, including the duration and spread of COVID-19, its continued impact on capital and financial markets and any new information that may emerge concerning the severity of the virus. It is difficult to estimate the nature, timing, and extent of the business and economic impact on the Company's financial performance and this uncertainty could materially affect the Company's operations and financial condition. This uncertainty could also materially affect estimates including those used in its impairment testing on receivables, and investments in associates and joint ventures.

A full list of the key sources of estimation uncertainty can be found in the Company's annual consolidated financial statements for the year ended October 31, 2019.

SECTION 8

FINANCIAL INSTRUMENTS

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

There are three levels of fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with level 1 inputs having the highest priority. The levels used to value the Company's financial assets and liabilities are described below.

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.

- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly, i.e. as prices, or indirectly, i.e. derived from prices.
- Level 3 – Inputs for the asset or liability that are not based on an observable market, i.e. unobservable inputs.

The fair value of the Company's accounts receivable, long-term receivable, accounts payable and accrued liabilities, and tax liabilities approximate carrying value, which is the amount recorded on the consolidated statements of financial position.

Cash and cash equivalents are carried at fair value in accordance with Level 1 of the fair value hierarchy, being unadjusted quoted prices in active markets for identical assets or liabilities.

SECTION 9

RISKS AND UNCERTAINTIES

While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic, and it is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak. It will depend on future developments that are uncertain and unpredictable, including the duration and spread of COVID-19, increase in government regulations, "lock downs", and the resulting impact to economies and to the demand for parking. The recovery of air travel will be important factor to those lots that primarily service nearby airports. It is difficult to estimate the nature, timing, and extent of the business and economic impact on the Company's financial performance or its ability to raise funds, and this uncertainty could materially affect the Company's operations and financial condition.

Readers should carefully consider the risks and uncertainties described in the Company's MD&A for the year ended October 31, 2019 (available on the SEDAR website at www.sedar.com) before deciding whether to invest in the common shares of the Company.

SECTION 10

CONTROLS AND PROCEDURES

For the purposes of National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, the Company is a Venture Issuer and has made no representations relating to the design and evaluations of the disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR") and it has not completed such an evaluation. Inherent limitations on the ability of the certifying officers to design and implement on a cost effective basis DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.