PARKIT ENTERPRISE INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE TWO MONTHS ENDED DECEMBER 31, 2020

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This Management's Discussion and Analysis ("MD&A") is prepared as of **March 31, 2021** 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 two months ended December 31, 2020 ("2020"). This MD&A should be read in conjunction with the audited consolidated financial statements and accompanying notes for the two months ended December 31, 2020 (the "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

Included in this MD&A is certain forward-looking information, as such term is defined under applicable Canadian securities laws. This information relates to future events or future performance and reflects management's expectations and assumptions regarding the growth, results of operations, performance and business prospects and opportunities of the Company. Such forward-looking information reflects management's current beliefs and is based on information currently available to management of the Company and a number of assumptions that management believed were reasonable on the day such forward-looking information was presented. In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "intend", "believe", "estimate", "predict", "potential", "continue" or the negative or grammatical variations of these terms or other similar expressions concerning matters that are not historical facts. In particular, information regarding the Company's future operating results and economic performance is forward-looking information. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information. See "Risks and Uncertainties ".

Forward-looking information relates to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and other uncertain events. Forward-looking information, by its nature, is based on assumptions, including those described in the paragraph below, and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to differ materially from those expressed in the forward-looking information. Any forecasts or forward-looking predictions or statements cannot be relied upon due to, among other things, changing external events and general uncertainties of the business. These forward-looking statements include, among other things, statements relating to:

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

Actual results could differ materially from those anticipated in this MD&A as a result of the 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
- The other factors discussed under “Risks and Uncertainties”

Prospective purchasers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended.

All forward-looking information in this MD&A, is qualified by these cautionary statements. The forward-looking information is made only as of the date that such information is made, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

NON-IFRS MEASURES

Certain terms used in the MD&A such as "Income from Operations", "Yield", "Appraised Value", "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.

Net operating income ("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 included in the IFRS financial statements.

Funds from Operations ("FFO") is a non-IFRS measure of operating performance as it focuses on cash flow from operating activities. FFO is net income (computed in accordance with IFRS), net of extraordinary items, amortization expense, future income taxes and gains and losses from property dispositions, distributions on redeemable or exchangeable units treated as finance costs, as well as non-cash items such as the fair value adjustments to investment properties and other fair value adjustments.

Adjusted Funds from Operations ("AFFO") is a non-IFRS measure of residual cash flow for shareholders. AFFO is calculated using FFO plus acquisition and integration costs. Acquisition and integration costs are one time in nature to the specific assets purchased in the current period or pending and are expensed under IFRS.

SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are described in Note 3 to its audited consolidated financial statements for the two months ended December 31, 2020 and year ended October 31, 2020. The preparation of financial statements requires the Company to make estimates and judgements that affect the reported results. For a detailed discussion of the critical estimates refer to Note 4 to the Company's audited consolidated financial statements for the two months ended December 31, 2020 and year ended October 31, 2020.

COVID-19 PANDEMIC

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic ("COVID-19" or "the 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 pandemic.

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

- The Company is monitoring guidance and programs from the government, regulators, and health authorities.
- Personnel are working remotely and maintaining social distancing.
- Management is also closely monitoring all expenses and is reducing non-essential expenses

REVIEW AND APPROVAL BY THE BOARD OF DIRECTORS

The Board of Directors, approved the contents of this MD&A on March 31, 2021.

SECTION 2 – OVERVIEW AND STRATEGY

Business Update – Shift in Strategy, Acquisitions and Private Placements

On December 29, 2020, with the Company's acquisition of two industrial properties and completion of a private placement, the Company shifted its strategy to focus on the acquisition of industrial real estate in Canada to complement its parking assets across the United States.

Strategic Direction

Parkit's strategy is to own and operate a portfolio of strategically located industrial properties across key markets in Canada, with a focus on the Greater Toronto Area+ ("GTA+"), Ottawa and Montreal. The Company is committed to:

- Owning and operating a premium portfolio of industrial and parking assets with strong fundamentals
- Focusing resources on long-term cash flow and increasing value
- Maximizing the value of industrial and parking assets through expansion and innovative asset management
- Ensuring the Company follows progressive environmental, social and governance policies

Parkit's investment strategy is to maximize shareholder value through growing income streams, acquisitions of high-quality assets, and increasing the intrinsic value of portfolio assets. It is anticipated that targeted acquisitions will have a combination of current and growing free cash flow, opportunities for yield enhancement and in certain circumstances opportunity for repositioning and expansion. Combined, these factors should 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, it is expected that this value will be realized through growing cash flow.

Industrial Real Estate – Market Dynamics and impact of COVID-19

Industrial real estate has strong market dynamics with rising rents, low vacancies, and declining cap rates. The market is positively driven by ecommerce, warehousing and population growth, and these factors have accelerated with the effects of COVID-19.

Parkit is well positioned to capitalized on this growth as its Board and management team has deep experience in acquiring, developing and managing real estate properties. The Company's specific focus will be on the GTA+, Ottawa, Montreal and other key markets in Canada.

Acquisition of Industrial Assets

With the shift in strategy, the Company is focused on acquiring industrial assets, including the following:

- On December 29, 2020, the Company completed the acquisition of two industrial properties, one located at 5600 Finch Ave East, Toronto, Ontario and the other at 4390 Paletta Court, Burlington, Ontario (the "Properties"), for an aggregate purchase price of $36,250,000.

- The two Properties total 229,750 sq ft of rentable industrial space in the GTA. The Properties are fully leased with the leases having an average term remaining of 4.8 years. The Properties had an independent appraised value of $36,425,000.

Subsequent to the period ended December 31, 2020, the Company completed the acquisition of two additional industrial properties:

- On March 15, 2021, the Company completed the acquisition of one industrial property located at 5610 Finch Ave East, Toronto, Ontario for an aggregate purchase price of $12,250,000, which was satisfied with funds on hand.

- On March 18, 2021, the Company completed the acquisition of one industrial property located at 1165 Kenaston St, Ottawa, Ontario for an aggregate purchase price of $28,500,000. The purchase price was satisfied through the issuance of an aggregate of 2,667,000 Common Shares at a deemed price of $1.50 per share with the remainder of the purchase price being satisfied with funds on hand.

Non-Brokered Private Placement – December 29, 2020

Concurrent with the closing of December 29, 2020 acquisitions, Parkit also completed a $10,000,000 private placement through the issuance of 40,000,000 common shares at a price of $0.25 per shares.

Bought Deal and Non-Brokered Private Placement – February 17, 2021

On February 17, 2021, the Company completed (i) a bought deal private placement for $69,000,006 and (ii) concurrent non-brokered private placement for $15,000,000, each at a price of $0.95 per common share, issuing 72,631,585 and 15,789,473 common shares respectively.

Bought Deal and Non-Brokered Private Placement – March 18, 2021

On March 18, 2021, the Company completed (i) a bought deal private placement for $40,261,500 and (ii) concurrent non-brokered private placement for $999,498, each at a price of $1.50 per common share, issuing 26,841,000 and 666,332 common shares respectively. The funds from the non-brokered private placement on December 29, 2020, the private placements on February 17, 2021, and the private placements on March 18, 2021 (collectively "Private Placements") will fund future acquisitions and be used for general corporate purposes. At the close of the private placements on March 18, 2021, the Company had 233,549,647 common shares issued and outstanding.

New Board Members with Real Estate Experience

In connection with the completion of the December 29, 2020 acquisition, the Company's Board of Directors was reconstituted with the addition of Iqbal Khan, Julie Neault and Steven Scott. In addition, Blair Tamblyn has been nominated for election as a director of Parkit at its upcoming annual general meeting of shareholders on April 29, 2021.

See Company's information circular on March 26, 2021 for biographies of new Board of Director members.

Beginning with the purchase of the Properties, Parkit intends to focus on the acquisition of high quality industrial properties in key markets throughout Canada. Management believes that the industrial real estate market in Canada benefits from secular tailwinds, including but not limited to the proliferation of e-commerce, significant population growth, and the resilience of the asset class. Management believes that the additions to the Parkit board add the depth of experience needed to capitalize on this opportunity. Management believes that a publicly traded industrial real estate growth vehicle will provide investors with compelling exposure to a key sector of the real estate market.

Parking Joint Ventures

The Company has four parking assets in the United States. The parking assets have been affected by COVID-19, but the Company expects the assets to recover as the effects of the pandemic diminish.

OP Holdings Joint Venture

The Company's primary parking asset is an effective 24.39% equity interest in OP Holdings JV LLC ("OP Holdings"). On April 22, 2015, the Company entered into a joint arrangement with Parking Real Estate, LLC ("PRE") and Sculptor Capital Management ("Sculptor") to form OP Holdings. The majority member of OP Holdings is Sculptor, a division of an institutional asset manager.

OP Holdings has 3 assets:

- Chapel Square' located in New Haven, Connecticut (commercial/business district)
- 'Z Parking' located in East Granby, Connecticut (Bradley International Airport)
- Canopy Airport Parking, Denver Colorado

Fly-Away Parking - Nashville

In addition to the assets held in OP Holdings, the Company acquired on October 30, 2015 a 50% indirect investment in Fly-Away Airport Parking ("Fly-Away Parking", together with OP Holdings the "Joint Ventures"), servicing the Nashville International Airport.

As asset manager and investor in parking facilities, the Company has multiple sources of revenue (management fees, acquisition fees, and earnings in equity). Upon disposition, Parkit expects to realize capital gains and incentive distributions. The combination of income streams and gains in intrinsic value (unrealized capital gains) provide Parkit shareholders the opportunity for leveraged returns alongside institutional private equity.

COVID-19 Impact on Parking Joint Ventures

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

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 year. The full impact of COVID-19 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 an 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.

Joint Venture Operations

The Joint Ventures operations include:

- In October 2020, OP Holdings sold its investment in the Riccio Lot in New Haven Connecticut for proceeds of US $4,550,000. The proceeds were used to pay off US $2,119,596 in debt and fees, the balance of the funds US $2,430,404 were kept in the joint venture to provide a reserve for the bank and working capital (Parkit's share of the proceeds are US $2,013,104). Specifically, US $1,275,000 is kept in escrow with the bank as additional security for the OP Holdings debt. An additional US $500,000 was distributed to PAVe LLC of which 82.83% or US $414,150 was paid into Fly-Away Parking as a contribution for working capital. The balance of the funds remained in OP Holdings.

- Subsequent to October 31, 2020, the Company contributed an additional $538,365 (US $414,150) from the proceeds of the Riccio sale to Fly-Away Parking to support the joint venture as it recovers from the effects of the pandemic. In February 2021, the lenders and management negotiated a restructuring of the debt to increase the amortization and lower the servicing costs. The lenders required the Company to fund an additional $164,450 (US $126,500) for its share of the reserve. The Company does not expect any additional cash call from Fly-Away Parking, however, the management of the joint venture will continually monitor the operations and performance of its facilities as the effects of the pandemic diminish.

- In October 2020, OP Holdings allocated funds from its sale of the Riccio parking facility to provide $1,657,500 (US $1,275,000) in escrow with its lender as additional security for the OP Holdings debt. The Company expects these funds will be distributed once OP Holdings operations stabilize from the effects of the pandemic. Parkit is entitled to 82.83% of these funds on distribution. The Company does not expect an additional cash call from the OP Holdings joint venture, however, management of the joint venture will continually monitor the operations and performance of its facilities as the effects of the pandemic diminish.

- The Company does not expect an additional cash call from the OP Holdings joint venture, however, the joint venture's management will continually monitor the operations and performance of the facilities as the effects of the pandemic diminish.

Outlook

The Company is focused on continuing its shift into industrial real estate by growing its portfolio and maximizing cash flows from its investment properties. The Canadian industrial markets continued to strengthen during the fourth quarter of 2020, with the GTA+ availability rates maintaining at 2.0% and market rents increasing to $10.25 net rent per sq ft[1]. The COVID-19 pandemic has accelerated positive trends for industrial real estate with increasing demand for e-commerce warehousing, logistics and distribution. This strong performance differs compared with other real estate sectors, including office and retail, where those sectors are negatively impacted by COVID-19 and restrictions caused by its effects.

The Company has restructured its parking operations to minimize costs and lower debt servicing. The Company expects to minimize cash outflows to maintain the parking assets, but expects the parking to recover as the effects of the pandemic diminishes.

[1] Per CBRE – Canada Q4 2020 Quarterly Statistics

The Company expects to continue its acquisition activity and deploy the capital raised in the private placements to accretive acquisitions that will maximize net asset value and generate positive returns over the long term. Management remains confident the Company will be able to continue to expand the size of its portfolio through discipline, data driven and accretive acquisitions. Over the long term, Parkit's goal is to continue to grow its portfolio through acquisitions, expansions, and developments of industrial real estate while maximizing returns on its parking assets.

SECTION 3 – KEY PERFORMANCE INDICATORS AND FINANCIAL RESULTS

	Two months ended December 31, 2020	Year ended October 31, 2020
Total portfolio		
Number of investment properties (i)	2	-
Investment properties fair value (ii)	$ 36,425,000	-
Gross leasable area ("GLA") (in sq ft) (iii)	229,750	-
Site area (in acres) (iv)	11.56	-
Occupancy rate – in-place and committed (period end) (v)	100%	-
Average in-place and committed base rent per sq ft (period end) (vi)	$ 6.21	-
Weighted average lease term ("WALT") (years) (vii)	4.86	

(i) Parkit added 2 additional properties after December 31, 2020. As at the date of this report – 4 total
(ii) Parkit added 2 additional properties after December 31, 2020 for a total purchase price of $40,750,000
(iii) With the addition of 2 properties after December 31, 2020, total GLA is 451,000 square feet ("sq ft")
(iv) With the addition of 2 properties after December 31, 2020, total site area is 24.48 acres
(v) The occupancy rate will change as one building is in development. The 3 buildings not in development have a 100% occupancy.
(vi) After December 31, 2020, the Company added one property which is in development and one property which is fully leased with an average in-place base rent of $9.36
(vii) After December 31, 2020, the Company added one property which is in development and one property which is fully leased and has a WALT of 10.3 years.

	Two months ended December 31, 2020	Year ended October 31, 2020	Year ended October 31, 2019
Operating results			
Net income	$ (1,568,069)	$ (5,327,509)	$ (879,382)
Funds from Operations	$ (1,490,008)	$ (657,391)	$ (1,552,167)
Adjusted Funds from Operations	$ (230,184)	$ (657,391)	$ (1,552,167)
Net rental income	$ 11,316	$ -	$ -
Liquidity and capital			
Cash (i)	$ 9,140,322	$ 588,635	$ 768,434
Total assets	$ 60,332,290	$ 15,663,385	$ 20,695,720
Total debt (ii)	$ 25,923,039	$ -	$ -
Total equity (i)	$ 33,681,061	$ 15,300,846	$ 20,620,749
Total shares outstanding (iii)	114,854,257	34,854,257	34,854,257

(i) The Company added additional capital with the Bought Deal and Non-Brokered Private Placement – February 17, 2021 and Bought Deal and Non-Brokered Private Placement – March 18, 2021 for $125,261,000 less fees.
(ii) The Company paid off $8,350,000 of vendor take back loans
(iii) The Company has 233,549,647 total shares outstanding as of the date of this report.

Funds from Operations ("FFO") and Adjusted Funds from Operations ("AFFO")

	Two months ended December 31, 2020	Year ended October 31, 2020
Net income	$ (1,568,069)	$ (5,327,509)
Share of loss from equity-accounted investees	78,061	4,662,512
Share-based payments	-	7,606
Funds from Operations	**$ (1,490,008)**	**$ (657,391)**
Transaction costs and land transfer tax on acquisition	1,259,824	-
Adjusted Funds from Operations	**$ (230,184)**	**$ (657,391)**

Management has determined that FFO and AFFO, non-GAAP measures, are useful measures of operating performance as it focuses on cash flow from operating activities. FFO is net income (computed in accordance with IFRS), net of extraordinary items, amortization, expense, future income taxes, gains and losses from property dispositions, as well as non-cash items. AFFO is FFO, but adjusted for transaction costs on acquisitions. The Company's goal is to increase FFO and AFFO over the long term.

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DISCUSSION OF RESULTS FOR THE TWO MONTH PERIOD ENDED DECEMBER 31, 2020

SUMMARY OF OPERATIONS

The Company only had two days of investment properties revenue and expenses as it acquired its industrial properties on December 29, 2020. A summary of the results of operations for the two month period ended December 31st, 2020 and year ended October 31, 2020 are set forth below:

	Two months ended December 31, 2020	Year ended October 31, 2020
Investment properties revenue	$ 17,290	$ -
Investment properties expenses	(5,974)	-
Net rental income	11,316	-
Other expenses (income)		
Share of loss from equity-accounted investees	78,061	4,662,512
General and administrative expenses and other income	233,386	431,460
Transaction costs and land transfer taxes	1,259,824	-
Finance costs	8,114	-
	1,579,385	5,093,972
Loss before tax	**(1,568,069)**	**(5,093,972)**
Income tax expense	-	(233,537)
Net (loss) and comprehensive loss for the period	**$ (1,568,069)**	**$ (5,327,509)**

Investment properties revenue and expenses

Investment properties revenue includes base rent from investment properties, recovery of operating costs, property taxes and capital expenditures from tenants, the impact of straight-line rent adjustments, lease termination fees and other adjustments, as well as fees earned from property management.

Investment properties operating expenses comprise operating costs and property taxes as well as certain expenses that are not recoverable from tenants. Operating expenses fluctuate with changes in occupancy levels, expenses that are seasonal in nature, and the level of repairs and maintenance incurred during the period.

Share of loss from equity-accounted investees

The share of loss from equity-accounted investees includes the investment in the Company's Joint Ventures, investment in associate, and long-term receivable.

- The investment in the Company's Joint Venture includes the equity participation in the OP Holdings portfolio and Fly-Away Parking
- The Company's share of profit (loss) 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
- The Company's long-term receivable pertains to the Company's advanced of to Parking Real Estate, LLC ("PRE"), a joint venture partner, for the purpose of PRE funding investments in income producing properties and related costs of acquisition. A portion has been repaid from the assignment of certain distributions due

to PRE and the balance of $1,222,272 (US $960,000) is to be repaid upon disposition of certain investments or parking assets.

As noted above, COVID-19 has negatively impacted parking operations in the Company's Joint Ventures starting in the second half of March 2020. The Company expects the parking revenue in the Joint Ventures to recover as the effects of the pandemic diminish.

In the two months ended December 31, 2020, the Company recorded a loss of $78,061 (Year ended October 31, 2020 - $4,662,512 loss) as its share in the losses from the Joint Ventures, which reflects the Company's equity participation of the loss from PAVe LLC (OP Holdings and Fly-Away Parking).

For the two months ended December 31, 2020, the Company did not adjust the book value for its investment in Joint Ventures (for year ended October 31, 2020 - $3,100,858). The Company expects the valuations of the Joint Ventures will recover at a future date once the effects of the pandemic diminish.

General and administrative expenses and other income

	Two months ended December 31, 2020	Year ended October 31, 2020
Management salaries and fees	$ 84,954	$ 217,944
Director fees	20,200	119,200
Share-based payments	-	7,606
Professional fees	53,750	113,311
Other administrative expenses	14,592	136,513
Other income	(21,557)	(146,210)
Foreign exchange loss (gain)	81,447	(16,904)
	$ 233,386	**$ 431,460**

The expenses include the legal and administrative costs to close the December 29, 2020 acquisition and private placement.

The other income includes service fees as the asset manager of OP Holdings. The fee is payable in USD.

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

Income tax expense

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

During the two months ended December 31, 2020, the Company's US subsidiary did not have an estimated tax payable (October 31, 2020 - $197,106). 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 and the two most recently completed periods:

	December 31, 2020	October 31, 2020
Investment properties	$ 36,250,000	$ -
Investment in equity-accounted investees and long-term receivables	14,557,264	14,691,581
Cash	9,140,322	588,635
Accounts receivable	297,154	287,854
Prepaid expenses and deposits	87,550	95,315
Total assets	**$ 60,332,290**	**$ 15,663,385**
Debt	$ 25,923,039	$ -
Accounts payable and other liabilities	728,190	362,539
Total liabilities	26,651,229	362,539
Total equity	33,681,061	15,300,846
Total liabilities and equity	**$ 60,332,290**	**$ 15,663,385**

Investment properties

During the two months ended December 31, 2020, the Company's investment properties based on their purchase price are summarized below:

	Purchase price	Date acquired
4390 Paletta Court, Burlington, Ontario	$ 17,500,000	December 29, 2020
5600 Finch Ave East, Toronto, Ontario	18,750,000	December 29, 2020
Investment properties carrying value	**$ 36,250,000**	

The Company's financial statements are accounted for at cost.

Industrial Asset Portfolio

As of the date of this report, Parkit owns and operates a portfolio of 4 industrial assets totaling 451,000 sq ft of GLA with an additional 61,500 sq ft planned in a future expansion.

The Company's portfolio leases industrial properties to tenants under operating leases. The Company's tenants operate in a variety of industries, with no one tenant accounting for more than 22% of total GLA. The Company's portfolio of 4 assets has 15 tenants.

As of December 31, 2020, the Company has an in-place and committed occupancy of 100% for its two properties. The Company has an average in-place and committed base rent for the portfolio of $6.21 per sq ft compared with market rents of $10.25 per sq ft in the GTA in Q4 of 2020[2].

[2] Per CBRE – Canada Q4 2020 Quarterly Statistics

	Average in place base rent (per sq ft)	Estimated market rent (per sq ft)	Estimated market rent/avg in place rent	WALT
Portfolio as at December 31, 2020	$6.21	$10.25	65%	4.86 years

The following table details the portfolio lease maturity profile as of December 31, 2020:

Portfolio as at December 31, 2020	Vacancy	2021	2022	2023	2024	2025	2026+
Total vacancy / renewal	-	9,310	-	88,240	17,431	13,369	101,400
Total GLA							229,750
Percentage of GLA	-	4%	-	38%	8%	6%	44%

The Company leases industrial properties to tenants under operating leases. Minimum rental commitments on non-cancellable tenant operating leases over their remaining terms are as follows:

	December 31, 2020
2021	$ 1,697,185
2022	1,675,973
2023	1,543,319
2024	921,143
2025	769,750
2026+	2,303,123
Total	**$ 8,910,493**

Investment in equity-account investees and long-term receivable

The Company's investment in equity-accounted investees and long-term receivable pertains to its investment in joint ventures, investment in associate and long-term receivable. The change in the value of the investment in equity-accounted investee balance pertains to the Company's portion of the equity accounting for the Joint Ventures transactions for the two month period ended December 31, 2020.

In October 31, 2020, the Company lowered the book value in the Investment in Joint Ventures due to appraisal reports received on the parking assets within the Joint Ventures. The Company has reviewed the appraisals at December 31, 2020 and does not believe another book value adjustment is needed. The Company has experienced a slight recovery in the Joint Ventures operations for the two months ended December 31, 2020, the Company expects the results will improve as the effects of the COVID-19 pandemic diminishes.

	December 31, 2020	**October 31, 2020**
Investment in joint ventures	$ 12,691,805	$ 12,769,866
Investment in associate	643,187	643,187
Long-term receivable	1,222,272	1,278,528
Balance – End of period	**$ 14,557,264**	**$ 14,691,581**

Cash and current assets

As at December 31, 2020, the Company's cash and cash equivalents increased to $9,140,322. The balance reflects the Company closing the $10,000,000 December 29, 2020 private placement and payment of transaction costs and land transfer tax on the acquisition of the investment properties.

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Debt summary

The following table summarized the debt as of December 31, 2020 (October 31, 2020 – the Company had no debt):

	Maturity Range	Weighted Average		**December 31, 2020** Balance
Mortgages:				
At amortized cost – Fixed (i)	*Maturity: January 1, 2024*	4.46%	$	8,414,227
At FVTPL - Mortgages				8,612,822
- Interest rate swap(ii)				624,191
	Maturity: November 1, 2029	3.49%		9,237,013
Total mortgages				**17,651,240**
Vendor take-back loans (promissory notes):				
At amortized cost – Fixed (iii)	*Maturity: December 29, 2022*	6%		**8,350,168**
Total debt			**$**	**26,001,408**
Financing costs, net (iv)				(78,369)
Carrying value			**$**	**25,923,039**

i. The mortgage is collateralized by a first charge on the investment property.
ii. The mortgage consist of a non-revolving floating rate loan with fixed principal instalment amounts plus interest using an interest rate swap to fix the interest rate exposure to a notional rate of 3.49% per annum.
iii. The vendor take-back loans are collateralized by a second charge on the investment properties (note 5).
iv. The deferred financing costs consist of fees and costs incurred to obtain the related mortgage financing, less accumulated amortization of $Nil at December 31, 2020.

Principal repayments on mortgages in each of the next five years are estimated as follows:

		Mortgages		**Vendor take-back loans**		**Total**
Year 1 (ii)	$	466,328	$	8,350,168	$	8,816,496
Year 2		484,933		-		484,933
Year 3		504,291		-		504,291
Year 4 (i)		8,020,432		-		8,020,432
Year 5		289,383		-		289,383
Thereafter (i)		7,885,873		-		7,885,873
	$	**17,651,240**	**$**	**8,350,168**	**$**	**26,001,408**

As part of the non-brokered private placement on February 17, 2021, the Company paid back the vendor take back loans with interest. The vendors used a portion of the funds to participate in the non-brokered private placement.

LIQUIDITY AND CAPITAL RESOURCES

	December 31, 2020	October 31, 2020
Cash	9,140,322	588,635
Working Capital	8,796,836	609,265
Total equity	33,681,061	15,300,846

Joint Venture Debt and Cash Obligations

Management of the Joint Ventures renegotiated the debt within the Joint Venture to increase amortization and lower servicing costs. Additional reserves were established. The Details are in Section 3 – Parking Investments OP Holdings and Nashville Fly-Away Parking. The Company does not expect any additional cash calls from the Joint Ventures.

Private Placements

As discussed in

- Section 2 – Non-brokered Private Placement – December 29, 2020
- Section 2 – Bought deal and Non-brokered Private Placement – February 17, 2021
- Section 2 – Bought deal and Non-brokered Private Placement – March 18, 2021

The Company raised $135,261,006 less commission fees in the above listed private placements. As part of the non-brokered private placement on February 17, 2021, the Company paid back the vendor take back loans for 5600 Finch Ave East and 4390 Paletta Court in full for $8.4 million plus interest. The vendors used a portion of the funds to participate in the non-brokered private placement.

Liquidity

Notwithstanding, the uncertainty caused by the COVID-19 pandemic the Company has strengthened its liquidity position by completing private placements at higher valuations and acquired assets which will generate strong cash flows.

Subsequent to December 31, 2020, the Company acquired two additional properties with cash on hand. The Company will look to finance, when required, both properties to assist with cash flow for expansion and growth. The Company is in a strong position to strategically acquire assets which will be accretive to cashflows and net asset value.

CASH FLOW SUMMARY

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

		December 31, 2020		October 31, 2020
Cash used in operating activities	$	(229,259)	$	(567,065)
Cash used in investing activities		(1,144,279)		384,505
Cash provided by financing activities		9.947,018		-
Increase (decrease) in cash and cash equivalents		8,573,480		(182,560)
Foreign exchange effect on cash		(21,793)		2,761
Cash balance, beginning of the period		588,635		768,434
Cash balance, end of year	**$**	**9,140,322**	**$**	**588,635**

Operating Activities:

The Company used net cash in operating activities for the two months ended December 31, 2020 of $229,259 and reflects the operating costs for the period.

Investing Activities:

The Company used net cash in investing activities for the two months ended December 31, 2020 of $1,144,279 to pay for the transaction costs and land transfer tax for the purchase of the two industrial properties on December 29, 2020.

The Company also received a distribution from OP Holdings for the joint ventures sale of Riccio. The funds from OP Holdings was invested in Fly-Away Nashville to fund operations in that joint venture.

Financing Activities:

The Company received net cash in financing activities for the two months ended December 31, 2020 of $9,947,018. The Company closed a private placement for $10,000,000 on December 29, 2020, with $52,982 being paid in financing costs.

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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:

	Three months ended October 31, 2020	Three months ended July 31, 2020	Three months ended April 30, 2020	Three months ended January 31, 2020
Share of profit (loss) from joint ventures	$ (3,453,710)	$ (359,780)	$ (322,927)	$ 74,796
Share of profit (loss) from associate	(600,891)	-	-	-
Fee income	35,699	36,893	37,217	35,540
Parking services revenue	-	-	-	-
Parking services operating expenses	-	-	-	-
General and administrative expenses	(126,202)	(102,296)	(191,345)	(174,731)
	(4,145,104)	**(425,183)**	**(477,055)**	**(64,395)**
Foreign exchange gain (loss)	(13,467)	(80,838)	102,172	9,037
Finance income	-	-	155	706
Income (loss) before tax	**(4,158,571)**	**(506,021)**	**(374,728)**	**(54,652)**
Income tax (expense) recovery	(197,437)	(410)	345	(36,035)
Net (loss) and comprehensive loss for the period	**$ (4,356,008)**	**$ (506,431)**	**$ (374,383)**	**$ (90,687)**
Per share - basic	**(0.12)**	**(0.01)**	**(0.01)**	**(0.00)**

	Three months ended October 31, 2019	Three months ended July 31, 2019	Three months ended April 30, 2019	Three months ended January 31, 2019
Share of profit (loss) from joint ventures	$ 283,103	$ 257,260	$ 68,653	$ 37,349
Share of profit (loss) from associate	(7,716)	12,700	11,064	10,372
Fee income	35,735	35,861	38,461	35,929
Parking services revenue	30,010	-	15,000	25,000
Parking services operating expenses	(9,967)	(819)	(17,182)	(19,722)
General and administrative expenses	(229,658)	(195,450)	(297,471)	(338,040)
	101,507	**109,552**	**(181,475)**	**(249,112)**
Foreign exchange gain (loss)	2,730	(47,160)	39,831	(6,723)
Finance income	705	1,243	2,317	663
Income (loss) before tax	**104,942**	**63,635**	**(139,327)**	**(255,172)**
Income tax (expense) recovery	(257,720)	(79,692)	(316,048)	-
Net (loss) and comprehensive loss for the period	**$ (152,778)**	**$ (16,057)**	**$ (455,375)**	**$ (255,172)**
Per share – basic	**(0.00)**	**(0.00)**	**(0.01)**	**(0.01)**

SECTION 4 – DISCLOSURES

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.

		Two months ended December 31, 2020		Year ended October 31, 2020
Total for all senior management				
Salaries and fees	$	86,531	$	232,132
Share based payments		-		7,606
		86,531		239,738
Total for all directors				
Fees	$	20,200	$	119,200
Total	**$**	**106,731**	**$**	**358,938**

Transactions with related parties

Included in accounts payable and accrued liabilities as of December 31, 2020 is $55,000 due to former officers. Included in accounts payable and accrued liabilities as of October 31, 2020 is $89,200 due to directors and officers for fees and expense reimbursements.

Concurrent with completion of the investment properties acquisitions on December 29, 2020, the Company entered into a property management agreement with Access Results Management Services Inc ("ARMS"). ARMS and the Company are related by having common members on its Board of Directors. The management agreement has, subject to certain conditions, a five-year term. No amount was accrued for the period December 29 to December 31, 2020.

The Company's purchased an industrial property on December 29, 2020, which had an existing lease with a private company controlled by two directors of the Company.

CONTRACTUAL OBLIGATIONS AND COMMMITMENTS

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 working capital. The Company does not expect a capital call will be made as the Joint Ventures have been restructured for cost and debt servicing.

CONTINGENCIES and OFF BALANCE SHEET ARRANGEMENTS

None.

PROPOSED TRANSACTIONS

Unless otherwise mentioned in the MD&A there are no proposed transactions.

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.

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.

SHARES OUTSTANDING

As at the date of this report, the Company has:

- 233,549,647 issued and outstanding common shares (December 31, 2020 - 114,854,257)
- 150,000 common share stock options outstanding (December 31, 2020 – 250,000)
    - Since December 31, 2020, 100,000 common share stock options were exercised
- No common share purchase warrants outstanding

SECTION 5 – RISK And UNCERTAINTIES

In addition to the specific risks discussed in this MD&A, the Company is exposed to various risks and uncertainties, many of which are beyond the control of the Company and could impact the business, financial condition, operating results and prospects. The shareholders should consider these risks and uncertainties when assessing the Company's outlook in terms of investment potential.

The following is an analysis of some key factors that influence the Company's operations:

COVID-19

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 an 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.

Liquidity Concerns and Future Financing Requirements

We may require additional financing in order to fund our businesses or business expansion. Our ability to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as our business success. There can be no assurance that we will be successful in our efforts to arrange additional financing on terms satisfactory to us. If additional financing is raised by the issuance of shares from treasury, control of the Company may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, we may not be able to operate our businesses at their maximum potential, to expand, to take advantage of other opportunities, or otherwise remain in business.

General Economic Factors

The willingness of airline passengers to spend money on parking instead of using sources of public transit may be dependent upon general economic conditions. Additionally, if general economic forces lag there is a possibility that air transport demand will decrease thereby directly affecting demand for airport related parking facilities.

Competition

The parking facilities directly compete with existing parking facilities and results are affected by availability of other facilities servicing the same geographic region. The proximity of competitors that will have an impact on operations varies from type of parking facility (off-airport, stadium, central business district).

Future Acquisitions

As part of our business strategy, we may seek to grow by acquiring companies, assets or establishing business relations that we believe will complement our current or future business. We may not effectively select acquisition candidates or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for our business. We cannot guarantee that we can complete any acquisition we pursue on favorable terms, or that any acquisitions completed will ultimately benefit our business.

Industry Regulation

There can be no assurances that we may not be negatively affected by changes in Canada, United States, or other legislation, or by any decisions or orders of any governmental or administrative body or applicable regulatory authority.

Our operations are governed by a broad range of federal, state, provincial and local environmental, health and safety laws and regulations, permits, approvals, common law and other requirements that impose obligations in relation to, among other things: worker health and safety. As such there are potential liability risks (including potential civil actions, compliance or remediation orders, fines and other penalties) with respect to certain aspects of our businesses.

Conflicts of Interest

Certain of our directors and officers are, and may continue to be, involved in consulting activities outside of their roles with the Company. Situations may arise where the other interests of these directors and officers may conflict with our interests. Directors and officers of the Company with conflicts of interest will be subject to and follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Dependence on, and Protection of, Key Personnel

We depend on the continued support and involvement of our directors and officers to develop our business and operations, and the services of our key technical, sales, marketing and management personnel. The loss of any of these key persons could have a material adverse effect on our business, our results of operations, our ability to implement our business plans, and our financial condition. Our success is also highly dependent on our continuing ability to identify, hire, train, motivate and retain highly qualified technical, sales, marketing and management personnel. Competition for such personnel can be intense, and we cannot provide assurance that we will be able to attract or retain highly qualified personnel in the future. Our inability to attract and retain highly qualified technical, sales, marketing and management personnel may adversely affect our future growth and profitability. It may be necessary for us to increase the level of compensation paid to existing or new employees to a degree that our operating expenses could be materially increased. We do not currently maintain corporate life insurance policies on key employees.

Currency Fluctuations

Our revenue is earned in U.S. dollars, and our operating expenses are incurred in Canadian and U.S. dollars. Fluctuations in the exchange rate between the U.S. and Canadian dollar may have a material adverse effect on our business, financial condition and operating results.

Internal Controls and Procedures

Management of the Company has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the financial statements of the Company do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented thereby, and (ii) the financial statements of the Company fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented. However, as a venture issuer, the certifying officers of the Company filing such financial statements do not make any representations relating to the establishment and maintenance of:

- controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis disclosure controls and procedures, and internal controls over financial reporting, may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's exposure to credit risk is primarily on its cash and receivables. All of the Company's cash is held with reputable financial institutions. The Company's policy is to deal only with creditworthy counterparties. None of the Company's financial assets are secured by collateral or other credit enhancements.

With respect to the joint venture activities, the main activities are the management fee receivables and distributions from a joint venture partner. In determining expected credit losses from these counterparties, the Company considered estimated future cash-flows of the joint venture. The maximum exposure to credit risk is equal to the carrying value of the financial assets.

The Company has credit risk from the possibility that tenants in investment properties may not fulfill their lease or contractual obligations. The Company mitigates its credit risk by attracting tenants of sound financial standing and by diversifying its mix of tenants. The Company also monitors tenant payment patterns and discusses potential tenant issues with property managers on a regular basis. The maximum exposure to credit risk is the carrying value of the accounts receivables disclosed in the financial statements. An impairment analysis is performed at each statement of financial position date using a provision matrix to measure expected credit losses, adjusted for forward-looking factors specific to the tenant and the economic environment. The provision is reduced for tenant security deposits held as collateral.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2020, the Company had a cash balance of $9,140,322 to settle accounts payable, accrued liabilities and other liabilities balance of $728,190. The Company expects to fund these liabilities through existing cash resources, revenue generated from operations, additional debt and equity financings, and from funds raised through the partial disposition of interests in its assets. The Company manages maturities of the fixed rate debts, monitors the repayment dates and maintains adequate cash on hand and to ensure sufficient capital will be available to cover obligations as they become due.

As discussed in

- Section 2 – Business Update – Non-brokered Private Placement – December 29, 2020
- Section 2 – Business Update – Bought deal and Non-brokered Private Placement – February 17, 2021

- Section 2 – Business Update – Bought deal and Non-brokered Private Placement – March 18, 2021

The Company raised $135,261,006 less commission fees in the above listed private placements.

Environmental Risk

Environmental risk is inherent in the ownership of real property. Various municipal, provincial and federal regulations can result in penalties or potential liability for remediation should hazardous materials enter the environment. The presence of hazardous substances could also impair the Company's ability to finance or sell the property, or it may expose the Company to civil lawsuits. To mitigate such risk, the Company will procure recent or updated environmental reports for all acquisitions. It also prohibits the storage of hazardous substances as a condition of the rental contract signed by tenants.

Market Risk

a) Interest rate risk

Interest rate risk arises from changes in market interest rates that may affect the fair value of future cash flows from the Company's financial assets or liabilities. The Company is exposed to interest rate risk primarily relating to its long term debt.

Interest rate risk may be partially mitigated by holding both fixed and floating rate debt, or by staggering the maturities of fixed rate debt. The Company will manage interest rate risk by utilizing fixed interest rates on its mortgages where possible, entering into interest rate swap contracts, staggering maturities over a number of years to mitigate exposure to any single year, and by attempting to ensure access to diverse sources of funding. The Company currently only has fixed rate debt and debt hedged with an interest rate swap, so the Company will have no exposure to fluctuations in interest rates on its current debt.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, accounts receivable, long-term receivable, and its accounts payable and accrued liabilities, denominated in US Dollars. A 10% fluctuation in the US dollar against the Canadian dollar would affect net income for the year by $171,000.

The Company's main foreign currency risk comes from its investment in joint venture, where all the parking assets are located in the USA.

c) Price risk

The Company is not exposed to any significant price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.