PARKIT ENTERPRISE INC.

PARKIT ENTERPRISE INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2025

(UNAUDITED)

Notice of No Auditor Review of Interim Financial Statements

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the condensed consolidated interim financial statements.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditor.

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

AS AT		March 31, 2025		December 31, 2024
ASSETS				
Investment properties (note 3)	$	305,646,952	$	296,809,161
Parking properties (note 4)		11,758,992		11,822,096
Investment in equity-accounted investees and long-term receivable (note 5)		10,918,758		11,100,043
Prepaid expenses and other assets		1,717,019		1,785,589
Accounts receivable (note 6)		3,379,171		3,663,655
Cash		3,137,994		5,476,859
	$	**336,558,886**	**$**	**330,657,403**
LIABILITIES AND EQUITY				
Liabilities				
Debt (note 7)	$	187,464,234	$	179,099,563
Unrealized fair value of derivative liabilities (note 8)		2,215,195		1,580,041
Accounts payable and other liabilities (note 9)		5,837,348		6,158,764
		195,516,777		**186,838,368**
Equity (note 10)				
Share capital		162,767,213		164,765,050
Contributed surplus		5,031,280		5,031,280
Deficit		(26,756,384)		(25,977,295)
		141,042,109		**143,819,035**
	$	**336,558,886**	**$**	**330,657,403**

Commitments (note 5)

Approved and authorized by the Board on May 8, 2025:

"Steven Scott" Director   *"Iqbal Khan"* Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

		For the three months ended March 31, 2025		For the three months ended March 31, 2024
Investment properties revenue	$	7,121,141	$	6,058,520
Investment properties expenses		(2,235,105)		(2,028,104)
Net rental income		**4,886,036**		**4,030,416**
Parking properties revenue		1,138,723		764,418
Parking properties expenses		(1,155,387)		(582,987)
Share of loss from equity-accounted investees (note 5)		(180,037)		(122,438)
Net parking (loss) income	$	**(196,701)**	$	**58,993**
Other expenses				
General and administrative expenses and other income (note 11)	$	673,681	$	650,996
Depreciation (note 3, 4)		2,391,473		2,123,134
Unrealized loss (gain) on derivative financial instruments (note 8)		635,154		(1,090,173)
Finance costs (note 12)		2,509,827		2,240,581
	$	**6,210,135**	$	**3,924,538**
(Loss) income before tax		**(1,520,800)**		**164,871**
Income tax expense		-		-
NET (LOSS) INCOME AND COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	**$**	**(1,520,800)**	**$**	**164,871**
(Loss) income per share attributable to shareholders of the Company:				
Basic	$	(0.01)	$	0.00
Diluted	$	(0.01)	$	0.00
Weighted average number of common shares outstanding:				
Basic		222,291,478		227,890,810
Diluted		222,291,478		228,458,620

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
OPERATING ACTIVITIES		
Net (loss) income for the period	$ (1,520,800)	$ 164,871
Items not affecting cash:		
Share of loss from joint venture (note 5)	180,037	122,438
Unrealized foreign exchange (note 11)	(4,313)	59,699
Unrealized change in fair value of derivative liabilities (note 8)	635,154	(1,090,173)
Depreciation (note 3, 4)	2,391,473	2,123,134
Finance costs (note 12)	2,509,827	2,240,581
Changes in non-cash working capital items:		
Accounts receivable	283,469	(535,935)
Prepaid expenses and deposits	68,570	(171,064)
Accounts payable and other liabilities	(144,246)	138,356
Cash flows from operating activities	**4,399,171**	**3,051,907**
INVESTING ACTIVITIES		
Acquisition of investment properties (note 3)	(10,411,518)	-
Investment in building improvement and development (note 3)	(503,549)	(378,887)
Cash flows used in investing activities	**(10,915,067)**	**(378,887)**
FINANCING ACTIVITIES		
Proceeds from debt issuance (note 7)	8,687,500	359,367
Debt issuance costs (note 7)	(121,986)	(469)
Repayment of debt (note 7)	(293,518)	(258,554)
Interest paid	(2,838,571)	(2,147,116)
Share buy-backs	(1,256,126)	(4,974)
Cash flows from (used in) financing activities	**4,177,299**	**(2,051,746)**
Change in cash during the period	(2,338,597)	621,274
Effect of exchange rate changes on cash	(268)	25,977
Cash, beginning of period	5,476,859	10,556,555
CASH, END OF PERIOD	**$ 3,137,994**	**$ 11,203,806**

Supplemental information with respect to cash flows (note 15)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

PARKIT ENTERPRISE INC.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share capital								
	Number		**Amount**		**Contributed surplus**		**Deficit**		**Total**
Balance, December 31, 2023	**227,891,662**	**$**	**168,351,698**	**$**	**4,827,154**	**$**	**(23,991,422)**	**$**	**149,187,430**
Purchase and cancellation of common shares under NCIB (note 10(a))	(8,500)		(6,280)		-		1,306		(4,974)
Net profit for the period	-		-		-		164,871		164,871
Balance, March 31, 2024	**227,883,162**	**$**	**168,345,418**	**$**	**4,827,154**	**$**	**(23,825,245)**	**$**	**149,347,327**
Purchase and cancellation of common shares under NCIB (note 10(a))	(4,771,730)		(3,580,368)		-		819,288		(2,761,080)
Share-based compensation (note 10(b))	-		-		204,126		-		204,126
Net loss for the period	-		-		-		(2,971,338)		(2,971,338)
Balance, December 31, 2024	**223,111,432**	**$**	**164,765,050**	**$**	**5,031,280**	**$**	**(25,977,295)**	**$**	**143,819,035**
Purchase and cancellation of common shares under NCIB (note 10(a))	(2,704,400)		(1,997,837)		-		741,711		(1,256,126)
Net loss for the period	-		-		-		(1,520,800)		(1,520,800)
Balance, March 31, 2025	**220,407,032**	**$**	**162,767,213**	**$**	**5,031,280**	**$**	**(26,756,384)**	**$**	**141,042,109**

1. NATURE OF OPERATIONS

Parkit Enterprise Inc. ("Parkit" or the "Company") is incorporated under the laws of the Province of Ontario, the Company's head office and principal address is 100 Canadian Road, Toronto, Ontario, Canada, M1R 4Z5. Parkit's common shares are listed on TSX Venture Exchange ("TSX-V") (Symbol: PKT).

Parkit is a real estate investment platform focused on the acquisition, growth and management of strategically located investment properties across key urban markets in Canada. The Company, through its subsidiary Greenswitch America, Inc. holds investments in parking real estate in the United States of America.

2. BASIS OF PRESENTATION

Basis of preparation and statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 Interim Financial Reporting.

These condensed consolidated interim financial statements follow the same accounting policies and methods of application as the Company's most recent fiscal year-end consolidated financial statement and should be read in conjunction with the Company's consolidated financial statements as of December 31, 2024, which were prepared in accordance with IFRS as issued by the IASB. The accounting policies set out in Note 3 of the Company's audited financial statements as at December 31, 2024 have been applied in preparing these condensed interim consolidated financial statements.

Certain comparative figures in preparing these consolidated financial statements have been reclassified to conform to the current period presentation.

Use of estimates and judgments

The preparation of these condensed consolidated interim financial statements in accordance with IFRS requires that the Company's management make assumptions and estimates of effects of various future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period. Estimates are reviewed on an ongoing basis using historical experience and other factors that are considered relevant given the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. Actual results may materially differ from these estimates.

A full list of the key sources of estimation uncertainty can be found in the Company's audited consolidated financial statements as of December 31, 2024.

(Expressed in Canadian Dollars)

3. INVESTMENT PROPERTIES

The following table provides a continuity of total investment properties for the three months ended March 31, 2025.

		March 31, 2025	December 31, 2024
Balance at beginning of period	$	296,809,161	288,363,032
Additions:			
Direct acquisitions		10,250,000	15,800,000
Building improvements		839,628	884,265
Transaction costs and land transfer taxes		76,532	315,560
Total additions to investment properties		**11,166,160**	**16,999,825**
Changes included in net loss:			
Depreciation		(2,328,369)	(8,553,696)
Balance at end of period (i)(ii)	$	**305,646,952**	**296,809,161**

i. At March 31, 2025 and December 31, 2024, certain investment properties are held as security for debt (note 7).
ii. See note 16 for additional disclosure on the estimated fair value of the investment properties.

Investment properties

Investment properties include properties that are held for long-term rental yields or capital appreciation or both, and that is not occupied by the Company. Investment properties also include property that is being constructed or developed for future use as an investment property.

The Company elected the cost model for measurement for its investment properties, where the investment properties are stated at cost less accumulated depreciation and accumulated impairment loss.

Investment properties acquisitions

The Company elected to use the optional concentration test under IFRS 3 to the acquisition of the investment properties for the three months ended March 31, 2025, and concluded that they constitute an acquisition of assets as substantially all of the fair value was concentrated in a single asset.

The Company's investment property acquisition for the three months ended March 31, 2025, is detailed below.

		Purchase price	Date acquired
1650 Blvd Lionel Bertrand, Boisbriand, Quebec (i)		10,250,000	February 6, 2025
Total direct acquisition of investment properties	**$**	**10,250,000**	

i. This property was acquired from a non-arm's length vendor. See note 13 for additional details.

(Expressed in Canadian Dollars)

3. INVESTMENT PROPERTIES (continued)

Investment properties acquisitions (continued)

The Company's investment property acquisitions for the year ended December 31, 2024, are detailed below.

		Purchase price	Date acquired
961-975 Sherwin Rd, Winnipeg, Manitoba	$	6,300,000	April 2, 2024
1650 Comstock Rd, Ottawa, Ontario		9,500,000	December 18, 2024
Total direct acquisition of investment properties	**$**	**15,800,000**	

4. PARKING PROPERTIES

Parking properties include assets that are used in the ordinary course of business relating to parking operations.

On September 6, 2024, the Company acquired, through its newly formed U.S. subsidiary ("Parkit East Granby LLC"), certain business assets and the real property of Z Parking, Connecticut for a total cost of $2,279,326, inclusive of acquisition costs. Prior to the acquisition, these assets were held within the Company's joint venture (note 5).

The Company elected to use the optional concentration test under IFRS 3 to the acquisition of these assets and concluded that they constitute an acquisition of assets as substantially all of the fair value was concentrated in a single asset. The total acquisition cost, inclusive of transaction costs, was allocated to parking properties.

The following table provides a continuity of total parking properties for the three months ended March 31, 2025 and the year ended on December 31, 2024.

		March 31, 2025		December 31, 2024
Balance at beginning of year	**$**	**11,822,096**	**$**	**9,736,467**
Additions:				
Direct acquisitions		-		2,173,960
Transaction costs and land transfer taxes		-		105,366
Total additions to parking properties		-		**2,279,326**
Changes included in net loss:				
Depreciation		(63,104)		(193,697)
Total changes included in net loss		**(63,104)**		**(193,697)**
Balance at end of period	**$**	**11,758,992**	**$**	**11,822,096**

(Expressed in Canadian Dollars)

5. INVESTMENT IN EQUITY-ACCOUNTED INVESTEES AND LONG-TERM RECEIVABLE

		March 31, 2025		December 31, 2024
Investment in joint venture	$	8,918,318	$	9,098,355
Investment in associate		620,344		620,344
Long-term receivable		1,380,096		1,381,344
Balance at end of period	**$**	**10,918,758**	**$**	**11,100,043**

Investment in joint venture

Carrying amounts of joint venture

The carrying amounts of the Company's investment in joint venture is as follows:

		March 31, 2025		December 31, 2024
Balance at beginning of period	$	9,098,355	$	9,530,167
Equity expense from joint venture		(180,037)		(431,812)
Balance at end of period	**$**	**8,918,318**	**$**	**9,098,355**

Interests in joint venture

The Company uses the equity method for accounting for joint ventures. The significant joint venture of the Company is as follows:

Name of joint venture	Place of incorporation	Percentage ownership March 31, 2025	Percentage ownership December 31, 2024	Principal activity	Functional currency
PAVe Admin, LLC	Delaware, USA	50%	50%	Member/Manager of Parking Acquisition Ventures LLC	USD

In April 2015, the Company's subsidiary, Greenswitch America Inc. and Parking Real Estate, LLC ("PRE"), jointly created separate legal entities, Parking Acquisition Ventures, LLC ("PAVe LLC") and PAVe Admin, LLC ("PAVe Admin") to manage and oversee the parking properties of OP Holdings JV, LLC ("OP Holdings"), as an administrator. PAVe Admin is an entity created for legal purposes and consolidates PAVe LLC under IFRS.

PAVe LLC has different classes of membership units, and the entitlements to distributions from these investments are different among each class.

The Company is entitled to an 82.83% (December 31, 2024 – 82.83%) pro-rata allocation of distributions from OP Holdings to PAVe LLC. PAVe LLC is a 29.45% (December 31, 2024 – 29.45%) equity member of OP Holdings with PAVe LLC accounting for OP Holdings as an investment in associate. OP Holdings holds a portfolio of U.S. based parking facilities, including Canopy Airport Parking ("Canopy"), previously held by the Company's associate Green Park Denver, LLC ("Green Park Denver").

(Expressed in Canadian Dollars)

5. INVESTMENT IN EQUITY-ACCOUNTED INVESTEES AND LONG-TERM RECEIVABLE (continued)

Commitments

Pursuant to the OP Holdings joint venture and the PAVe LLC operating agreements, the Company has a commitment to contribute up to 5% of any capital call made by the OP Holdings. 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 joint venture has received a waiver from its lender as at September 30, 2024, and is in the process of updating the waiver for March 31, 2025. No provision has been accrued by the Company as at March 31, 2025 (December 31, 2024 – $Nil) with respect to additional commitments.

Summarized financial information of joint venture

The assets and liabilities of the joint venture translated into Canadian dollars are summarized as follows:

		March 31, 2025		December 31, 2024
Assets				
Other current assets	$	13,183	$	13,195
Interest in associate		14,608,387		14,839,502
		14,621,570		**14,852,697**
Liabilities				
Accounts payable		21,222		21,241
		21,222		**21,241**
Net assets of joint venture		**14,600,348**		**14,831,456**
Net assets attributable to the Company (i) (ii)	**$**	**12,128,496**	**$**	**12,319,951**
Investment in joint venture (iii)	**$**	**8,918,318**	**$**	**9,098,355**

The operations of the joint venture translated using average exchange rates for the period are summarized as follows:

		For the three months ended March 31, 2025		For the three months ended March 31, 2024
Loss from associate		(217,359)		(147,821)
Share of loss from joint venture	**$**	**(180,037)**	**$**	**(122,438)**

5. INVESTMENT IN EQUITY-ACCOUNTED INVESTEES AND LONG-TERM RECEIVABLE (continued)

Summarized financial information of joint venture (continued)

i. The joint venture has different classes of membership units, and the entitlements to voting and distributions are different among each membership class. The Company's entitlements to each membership class ranges from 0% to 82.83%. Under the equity method, on initial recognition the investment in the joint venture is recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Company, based on its membership in the OP Holdings, is entitled to profits (losses) on the investments included in the joint ventures at 82.8% based on the membership agreement and waterfall calculations for each joint venture. As a result, the calculated percentage of the Company's total share of profits (losses) of the joint venture profits (losses) will vary from period to period.

ii. The functional currency of the joint venture is the United States dollar. The net assets of the joint venture and the net assets attributable to the Company in the above table were translated using the period end exchange rates.

iii. In accordance with the Company's accounting policy, the carrying value of the investment in the joint venture on the consolidated statements of financial position is translated into Canadian dollars at historical cost. The difference in the translation method results in the difference between "Net assets attributable to the Company" and "Investment in joint venture" in the above table.

Investment in associate

In April 2015, the Company's then subsidiary Green Park Denver, LLC sold Canopy Airport Parking to OP Holdings JV, LLC, and in July 2015 Green Park Denver was deconsolidated as a subsidiary with the fair value of the retained interest in Green Park Denver, recorded as an investment in associate accounted for using the equity method.

The only significant asset retained in the associate is an earnout receivable from OP Holdings. The associate measures the earnout receivable at fair value through profit or loss. The associate has no continuing operations and is being maintained to receive the earn-out payments.

The earn-out is payable in three tranches. The first tranche was earned and paid upon achievement of targets on April 22, 2016. The second tranche was earned and paid upon achievement of targets on April 22, 2017. The final tranche is payable upon disposition of certain assets in OP Holdings. Pursuant to the members' agreement, the Company's interest was 47.7% for the first tranche and 40.6% for the second and third tranches.

There was no activity for the three months ended March 31, 2025.

Long-term receivable

At the inception of the joint ventures, the Company advanced funds 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. As at March 31, 2025, the balance of the advance to PRE was $ $1,380,096 ($960,000 USD) which is to be repaid upon disposition of certain investments or parking assets. As at December 31, 2024, the balance of the advance to PRE was $1,381,344 ($960,000 USD).

(Expressed in Canadian Dollars)

6. ACCOUNTS RECEIVABLE

		March 31, 2025		December 31, 2024
Current:				
Rent receivable on investment properties	$	22,868	$	2,373
Accrued tax, maintenance and insurance recoveries		39,757		93,898
Management fees		379,468		258,642
Other receivables		603,359		1,187,189
		1,045,452		1,542,102
Non-current:				
Straight-line rent adjustments		2,333,719		2,121,553
Balance at end of period	**$**	**3,379,171**	**$**	**3,663,655**

7. DEBT

The following table summarizes the debt as of March 31, 2025, and December 31, 2024.

	March 31, 2025				December 31, 2024			
	Rate range	Weighted average		Balance	Rate range	Weighted average		Balance
Mortgages:								
At amortized cost - fixed (i)	2.31% - 6.87%	5.04%	$	40,910,257	2.31% - 6.87%	5.08%	$	33,410,511
	Maturity: Dec 2025 to Dec 2030				*Maturity: Dec 2025 to Dec 2030*			
At FVTPL - Mortgage				12,268,235				12,534,840
- Fixed via interest rate swap (ii)				(248,472)				(395,542)
		3.56%		12,019,763		3.56%		12,139,298
	Maturity: May 2025 to Nov 2029				*Maturity: May 2025 to Nov 2029*			
Credit facilities:								
At FVTPL - Credit facilities (iii, iv)		5.19%		10,506,320		5.72%		9,507,230
At FVTPL - Credit facilities (iii)				124,098,611				124,389,587
- Fixed via interest rate swap (v)				401,389				110,413
		5.49%		124,500,000		5.49%		124,500,000
	Maturity: April 2025 to Mar 2026 (ix)				*Maturity: January 2025 to Mar 2026*			
Total debt (vi)		**5.25%**		**187,936,340**		**5.30%**		**179,557,039**
Financing costs, net (vii)				(472,106)				(457,476)
Carrying value (viii)			$	**187,464,234**			$	**179,099,563**
Current debt (ix)			$	149,864,006			$	78,894,203
Non-current debt			$	37,600,228			$	100,205,360

(Expressed in Canadian Dollars)

7. DEBT (continued)

i. As at March 31, 2025, included in these figures is a mortgage payable, with a USD equivalent balance of $4,166,370 (December 31, 2024 – $4,183,673 USD) with an amortization period of 25 years. The remainder of the mortgages are payable in CAD with an amortization period of 25 years.

ii. The mortgage models a fixed rate mortgage with a set interest rate of 3.49% to 3.69%, amortizing with fixed monthly payments over 20 to 25 years, with a term of 5 to 10 years. The swap contracts require settlement of net interest receivable or payable every 30 days. The settlement dates coincide with the dates on which interest is payable on the underlying mortgage payable. The mortgage and interest rate swaps have been accounted for at FVTPL. As at March 31, 2025, the interest rate swap on mortgages (note 8) was in a net asset position of $248,472 (December 31, 2024 – asset position $395,542).

iii. Included in the credit facilities is a revolving line of credit of $55,000,000 of which $45,006,320 has been drawn upon as at March 31, 2025 (December 31, 2024 – $55,000,000 line of credit with $44,007,230 drawn), resulting in a remaining line of credit available of $9,993,680 (December 31, 2024 – $10,992,770). The interest rate applicable to the available line of credit will be determined in accordance with the prevailing variable interest rate.

iv. The balance includes a USD balance of $700,000 ($1,006,320 CAD) as at March 31, 2025 (December 31, 2024 – USD balance of $700,000 ($1,007,230 CAD)).

v. The Company has entered into a series of swap agreements to fix the interest rate of between 5.10% to 5.66% on the $124,500,000 combined revolving and non-revolving lines of credit, for the remainder of the loan term maturing on April 2025 to March 2026. The swap contracts require settlement of net interest receivable or payable every 30 days and have been accounted for at FVTPL. As of March 31, 2025, the interest rate swap on mortgages was in a financial liability position amounting to $401,389 (December 31, 2024 – financial liability position of $110,413). The unrealized fair value of the swap position after loan maturity is detailed in note 8 below.

vi. The mortgages are collateralized by first charges on specific investment properties (note 3) and specific parking properties (note 4).

vii. The deferred financing costs consist of fees and costs incurred to obtain the related mortgage financing, less accumulated amortization of $823,436 as at March 31, 2025 (December 31, 2024 – $758,994).

viii. See note 16 for additional disclosure on the estimated fair value of the debt.

ix. See note 17 for additional disclosure related to the renewal of the debt.

The following table provides a continuity of total debt for the three months ended March 31, 2025 and December 31, 2024.

		March 31, 2025		**December 31, 2024**
Balance at beginning of period	$	179,099,563	$	168,435,521
Debt issuance (i)		8,687,500		10,895,478
Debt issuance costs		(80,317)		(63,769)
Debt repayment (i)		(293,518)		(1,076,939)
Change in fair value of mortgage payable measured at FVTPL		(438,047)		(2,548,440)
Change in fair value of interest rate swap		438,047		2,548,440
Amortization of debt issuance costs		57,232		346,200
Unrealized foreign exchange		(6,226)		563,072
Balance at end of period	**$**	**187,464,234**	**$**	**179,099,563**

i. Debt issuance is net of debt repayments on the revolving credit facility at a financial institution.

(Expressed in Canadian Dollars)

7. DEBT (continued)

Principal repayments on mortgages are estimated as follows:

		Total
2025 (i)	$	79,900,390
2026 (i)		70,886,657
2027		931,431
2028 (i)		6,538,979
2029 (i)		7,515,858
Thereafter (i)		22,163,025
	$	**187,936,340**

i. Includes debt balance due at maturity.

8. UNREALIZED FAIR VALUE OF DERIVATIVE LIABILITIES

The Company has entered into swap agreements with its lenders for its variable debt outlined in note 7, with certain swaps maturing on dates beyond the maturities of the underlying debt. These swap positions have maturities between April 2027 and April 2028, with an option to cancel at specified dates ranging between April 2025 to April 2026, at the option of the lender. The fair value of the financial instrument as March 31, 2025 is an unrealized derivative liability of $2,215,195 (December 31, 2024 – derivative liability of $1,580,041). As at March 31, 2025, the overall swap positions, up until its final maturity for all of the Company's swaps, are a financial liability of $2,368,112 (December 31, 2024 – financial liability of $1,294,912). Subsequent to March 31, 2025, the lender has elected not to cancel the swap with a notional value of $20,000,000 in April 2025, thus the swap's maturity date remains April 2027.

		March 31, 2025		**December 31, 2024**
Fair value of swap to maturity – financial liability (i)	$	2,368,112	$	1,294,912
Fair value of swap offset against mortgages (note 7) (ii)		248,472		395,542
Fair value of swap offset against credit facilities (note 7) (ii)		(401,389)		(110,413)
Unrealized fair value of derivative liabilities (iii, iv)	**$**	**2,215,195**	**$**	**1,580,041**

i. Inclusive of the fair value of all the Company's swaps held until the swap's final maturity.
ii. The fair value of the swap up until the maturity of the offsetting loan.
iii. The fair value of the swap that exceeds the maturity of the offsetting loan, until the swap's final maturity, inclusive of the lenders option to cancel.
iv. See note 16 for additional disclosure on the estimated fair value of the derivative liabilities.

(Expressed in Canadian Dollars)

9. ACCOUNTS PAYABLE AND OTHER LIABILITIES

		March 31, 2025		December 31, 2024
Current:				
Accounts payable and accrued liabilities	$	3,110,764	$	3,283,449
Rents received in advance		351,598		205,761
Accrued interest on debt (note 7)		380,946		808,589
		3,843,308		4,297,799
Non-current:				
Tenant deposits		1,994,040		1,860,965
Balance at end of period	**$**	**5,837,348**	**$**	**6,158,764**

10. EQUITY

a) Authorized

Unlimited common shares, without par value.

Normal Course Issuer Bid Program

In March 2023, the Company renewed the NCIB program to purchase for cancellation, during the 12-month period starting March 24, 2023, up to 11,692,258 of the outstanding common shares of the Company, representing 5% of the common shares outstanding. The program was renewed for a further 12-month period starting March 28, 2024, where the Company can purchase up to 11,394,158 of the outstanding common shares of the Company. The program will end on March 27, 2025. The program was renewed for a further 12-month period starting March 28, 2025, where the Company can purchase up to 11,088,361 of the outstanding common shares of the Company. The program will end on March 27, 2026. The price paid for the common shares is, subject to NCIB pricing rules contained in securities laws, the prevailing market price of such common shares on the TSX Venture Exchange at the time of such purchase.

During three months ended March 31, 2025, the Company purchased and cancelled 2,704,400 (December 31, 2024 – 4,780,230) common shares pursuant to its NCIB for a total of $1,256,126 (December 31, 2024 – $2,766,054) at an average price of $0.46 (December 31, 2024 – $0.58) per share. The Company's share capital was reduced by $1,997,837 (December 31, 2024 – $3,586,648) for the value of the shares purchased for cancellation with the excess of $741,711 paid under the value recognized as a reduction in deficit (December 31, 2024 – the excess of $820,594 under the value recognized as an increase in the deficit).

(Expressed in Canadian Dollars)

10. EQUITY (continued)

b) Stock options

Stock option transactions are summarized as follows:

	Number of options	Weighted average exercise price
Balance as at December 31, 2024	14,192,000	$1.15
Balance at end of period	**14,192,000**	**$1.15**

On December 30, 2024, the Company approved and granted 1,588,500 stock options to directors, officers, employees and consultants of the Company, for a total expense of $204,126. The stock options were fully vested on the grant date, have a 10-year term, and are exercisable at a price of $0.60 per share.

As at March 31, 2025, the following stock options were outstanding and exercisable:

Exercise price	Number of exercisable options	Number of outstanding options	Weighted average years to expiry
$0.60	1,588,500	1,588,500	9.76
$0.63	2,178,500	2,178,500	8.75
$1.05	3,455,000	3,455,000	7.81
$1.50	6,970,000	6,970,000	6.48
	14,192,000	**14,192,000**	**7.52**

As of December 31, 2024, the following stock options were outstanding and exercisable:

Exercise price	Number of exercisable options	Number of outstanding options	Weighted average years to expiry
$0.60	1,588,500	1,588,500	10.00
$0.63	2,178,500	2,178,500	9.00
$1.05	3,455,000	3,455,000	8.06
$1.50	6,970,000	6,970,000	6.73
	14,192,000	**14,192,000**	**7.77**

The following table provides a continuity of total contributed surplus for the period ended March 31, 2025, and December 31, 2024.

		Contributed surplus
Balance as at December 31, 2023	**$**	**4,827,154**
Share-based compensation		204,126
Balance as at December 31, 2024		**5,031,280**
Balance as at March 31, 2025	**$**	**5,031,280**

(Expressed in Canadian Dollars)

11. GENERAL AND ADMINISTRATIVE EXPENSES AND OTHER INCOME

		For the three months ended March 31, 2025		For the three months ended March 31, 2024
Management salaries and fees (note 13)	$	192,481	$	206,509
Director fees (note 13)		36,000		36,000
Professional fees		380,200		283,259
Other administrative expenses		128,480		130,743
Total general and administrative expenses		**737,161**		**656,511**
Asset management income		(32,047)		(33,368)
Finance income		(27,120)		(31,846)
Foreign exchange (gain) loss		(4,313)		59,699
Total general and administrative expenses and other income	**$**	**673,681**	**$**	**650,996**

12. FINANCE COSTS

		For the three months ended March 31, 2025		For the three months ended March 31, 2024
Interest expense on debt (note 7)	$	2,452,595	$	2,162,032
Amortization of debt issuance costs (note 7)		57,232		78,549
Unrealized change in fair value on mortgage payable (note 7)		(438,047)		414,074
Unrealized change in fair value interest rate swap (note 7)		438,047		(414,074)
Total	**$**	**2,509,827**	**$**	**2,240,581**

(Expressed in Canadian Dollars)

13. 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.

		For the three months ended March 31, 2025		For the three months ended March 31, 2024
Total for all senior management				
Salaries, fees, and benefits (note 11)	$	**87,018**	$	**65,432**
Total for all directors				
Director fees (note 11)		**36,000**		**36,000**
Property and other general operating expenses				
Investment properties expenses		376,838		300,859
Professional fees and other administrative expenses		432,211		432,574
Finance costs		5,726		31,642
		814,775		**765,075**
Total	**$**	**937,793**	**$**	**866,507**

Transactions with related parties

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. The Company receives invoices from ARMS and its related companies for construction, maintenance and other services related to the day-to-day operations, including accounting, financial, property and executive management.

- For the three months ended March 31, 2025, the Company incurred property management fees and other rental and general operating expenses totalling $814,775, from ARMS and its related companies (three months ended March 31, 2024 – $765,075), of which $87,018 of key management personnel compensation was included in the table above (March 31, 2024– $65,432).

- For the three months ended March 31, 2025, construction costs of $194,683 incurred through ARMS and its related companies have been capitalized to investment properties (three months ended March 31, 2024 – $123,907).

- Amounts due to and from ARMS and its related companies at March 31, 2025 includes $683,913 in accounts payable and accrued liabilities (December 31, 2024 – $710,921) and $319,606 is included in accounts receivable (December 31, 2024 – $393,562).

The Company had acquired the investment property at 1650 Blvd Lionel Bertrand, Boisbriand, Quebec from a vendor managed by two directors of the Company, for an aggregate purchase price $10,250,000 on February 6, 2025, subject to customary adjustments.

For the three months ended March 31, 2025, the Company earned $729,319 in investment properties revenues from leases with companies managed by two directors of the Company (three months ended March 31, 2024 – $407,389).

(Expressed in Canadian Dollars)

14. SEGMENTED INFORMATION

The Company operates in two reportable business segments:

- Investment properties – involves the acquisition and management of income-producing investment properties across key markets in Canada.
- Parking properties – involves the acquisition and management of income-producing parking facilities across the United States.

Each segment is a component of the Company for which separate discrete financial information is available by the chief decision makers of the Company. The Company evaluates performance and allocates resources based on earnings before interest, taxes, depreciation, amortization, and stock-based compensation. Corporate costs are not allocated to the segments and are shown separately.

For the three months ended March 31, 2025	**Investment properties**	**Parking properties**	**Corporate**	**Total**
Investment properties revenue	$ 7,121,141	$ -	$ -	$ 7,121,141
Investment properties expenses	(2,235,105)	-	-	(2,235,105)
Net rental income	**4,886,036**	**-**	**-**	**4,886,036**
Parking properties revenue	-	1,138,723	-	1,138,723
Parking properties expenses	-	(1,155,387)	-	(1,155,387)
Share of loss from equity-accounted investees	-	(180,037)	-	(180,037)
Net parking loss	**-**	**(196,701)**	**-**	**(196,701)**
Other (income) expenses				
General and administrative expenses and other income	-	(32,047)	705,728	673,681
Unrealized loss on derivative financial instruments	-	-	635,154	635,154
Depreciation	-	-	2,391,473	2,391,473
Finance costs	-	-	2,509,827	2,509,827
	-	**(32,047)**	**6,242,182**	**6,210,135**
NET INCOME (LOSS)	**$ 4,886,036**	**$ (164,654)**	**$ (6,242,182)**	**$ (1,520,800)**
Additions:				
Investment properties (note 3)	$ 11,166,160	$ -	$ -	$ 11,166,160

(Expressed in Canadian Dollars)

14. SEGMENTED INFORMATION (continued)

For the three months ended March 31, 2024	Investment Properties	Parking Properties	Corporate	Total
Investment properties revenue	$ 6,058,520	$ -	$ -	$ 6,058,520
Investment properties expenses	(2,028,104)	-	-	(2,028,104)
Net rental income	**4,030,416**	-	-	**4,030,416**
Parking properties revenue	-	764,418	-	764,418
Parking properties expenses	-	(582,987)	-	(582,987)
Share of profit from equity-accounted investees	-	(122,438)	-	(122,438)
Net parking income	-	**58,993**	-	**58,993**
Other (income) expenses				
General and administrative expenses and other income	-	(33,368)	684,364	650,996
Unrealized gain on derivative financial instruments	-	-	(1,090,173)	(1,090,173)
Depreciation	-	-	2,123,134	2,123,134
Finance costs	-	-	2,240,581	2,240,581
	-	(33,368)	3,957,906	3,924,538
NET INCOME (LOSS)	**$ 4,030,416**	**92,361**	**(3,957,906)**	**164,871**
Additions:				
Investment properties (note 3)	**$** 338,263	$ -	$ -	$ 338,263

15. SUPPLEMENTAL INFORMATION WITH RESPECT TO CASH FLOWS

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Non-cash transactions:		
Amounts included in accounts payable and other liabilities		
Additions to investment properties	425,366	459,974
Amounts included in prepaid expenses and other assets		
Interest paid	-	(673,629)

(Expressed in Canadian Dollars)

16. 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, accrued interest, and tenant deposits approximate carrying value, which is the amount recorded on the consolidated statements of financial position.

The following table provides a summary of the remaining fair value measurements of the Company:

	Fair Value hierarchy	Carrying amount	Fair value
Financial assets measured at fair value:			
Cash	Level 1	$ 3,137,994	$ 3,137,994
Non-financial assets for which fair value is disclosed:			
Investment properties – cost model	Level 3	305,646,952	399,119,470
Financial liabilities measured at fair value:			
Debt at FVTPL – mortgages and credit facilities	Level 2	(146,873,166)	(146,873,166)
Interest rate swaps	Level 2	(152,917)	(152,917)
Unrealized fair value of derivative liabilities	Level 2	(2,215,195)	(2,215,195)
Financial liabilities for which fair value is disclosed:			
Debt at amortized cost - mortgages	Level 3	(40,910,257)	(41,473,510)

Valuation processes for investment property

The fair value of an individual investment property was prepared by preparing:

- a valuation using the income capitalization approach, which is calculated with a stabilized net operating income and capitalized at the requisite overall capitalization rate; or
- the discounted cash flow approach, which discounts the expected future cash flows, including a terminal value, based on the application of a terminal capitalization rate to the assumed final year's estimated cash flows, or
- a direct comparison method, which is the primary method of appraising investment properties consisting solely of land. Recent sales of parcels of land, similar in terms of physical characteristics, and location are compared to the subject property to determine a representative value for the unit of comparison, i.e. sale price per acre.

(Expressed in Canadian Dollars)

16. FAIR VALUE MEASUREMENTS (continued)

Valuation processes for investment property (continued)

Updating the fair value for changes in the property cash flow, physical condition and changes in market conditions includes key assumptions and estimates for capitalization rates, normalized property operating revenues less property operating expense, discount rates, terminal rates, market rents, leasing costs and vacancy rates.

The Company's management team is responsible for determining the fair value measurements on a quarterly basis, including verifying all major inputs included in the valuation and reviewing the results. The Company's management, along with its Audit Committee, discuss the valuation process and key inputs on a quarterly basis. At March 31, 2025, a weighted average of 20% of the fair market value of the investment properties were appraised within the last year by qualified external valuators who hold recognized and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. The fair value of the remaining portfolio of investment properties was determined internally by the Company's management team by individuals who are knowledgeable and have specialized industry experience in real estate valuations, with support from external valuation professionals, using similar assumptions and valuation principles as used by external appraisers.

The significant and unobservable level 3 valuations metrics used in the methods as at March 31, 2025 are set out in the table below for investment properties consisting of land and building:

	Range (%)	Weighted Average (%)
Income capitalization method		
Stabilized capitalization rate	5.50-7.25	6.44
Discounted cash flow method		
Terminal capitalization rate	6.00-7.75	6.73
Discount rate	6.50-8.75	7.43

Sensitivities on assumptions:

Generally, under the income capitalization method, an increase in stabilized net operating income will result in an increase in the fair value of an investment property, and an increase in the stabilized capitalization rate will result in a decrease to the fair value of the investment property.

Generally, under the discounted cash flow method, an increase in discount rate and terminal capitalization rate will result in a decrease to the fair value of an investment property.

Changes in the capitalization rates and discount rates would result in a change to the fair value of the investment properties as set out below as at March 31, 2025:

		(Decrease) increase
Income capitalization method:		
Weighted average stabilized capitalization rate:		
25-basis point increase	$	(5,147,034)
25-basis point decrease		5,569,544
Discounted cash flow method:		
Weighted average terminal capitalization rate:		
25-basis point increase		(4,792,066)
25-basis point decrease		5,169,251
Weighted average discount rate:		
25-basis point increase		(4,269,637)
25-basis point decrease0		4,370,906

16. FAIR VALUE MEASUREMENTS (continued)

Valuation processes for financial liabilities measured at FVTPL

The fair value of the mortgages with interest rate swaps are held at FVTPL. For mortgages which contain swaps, as the interest rate on the facilities fluctuates with changes in market rates, debt and the swap work to offset any changes in effective interest rate, which effectively creates a fixed rate mortgage. The fair value of the mortgages is equivalent to a) the fair value of the interest rate swap based on the present value of the estimated cash flows determined using observable yield curves and b) the fair value of the underlying debt instrument. The Company computes the fair value analyzing both the debt and swap instrument together as one financial instrument.

The fair value of the unrealized derivative liability is the value of the swap relating to the period after the maturity of the underlying debt to the derivative liabilities' maturity.

Valuation processes for financial liabilities measured at amortized cost

The fair value of the fixed rate mortgages held at amortized cost are determined by discounting the expected cash flows each mortgage using market discount rates. The discount rates are determined using the Government of Canada benchmark bond yield for instruments of similar maturity adjusted for the Company's specific credit risk. In determining the adjustment for credit risk, the Company considers market conditions, the fair value of the investment properties that the mortgages are secured by and other indicators of the Company's creditworthiness. As a result, these measurements are classified as Level 3 in the fair value hierarchy.

17. SUBSEQUENT EVENTS

Subsequent to March 31, 2025, the Company had renewed its $75,000,000 loan facilities maturing on April 2025 as outlined in note 7. The new loan facilities have a total credit limit of $87,000,000 with a maturity date of March 2027. There are no other significant changes to the credit terms, compliance, or collateralization of properties.

Subsequent to March 31, 2025, the Company purchased and cancelled 832,000 common shares pursuant to its NCIB for a total of $334,213 (note 10(a)).