PARKIT ENTERPRISE INC

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED JULY 31, 2014

CAUTION REGARDING FORWARD-LOOKING INFORMATION

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

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

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

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

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

These factors should not be construed as exhaustive.

NON-IFRS MEASURES

Parkit Enterprise Inc. ("Parkit" or the "Company") uses the following non-IFRS measure, earnings before interest, tax, depreciation, and amortization ("EBITDA"), within this MD&A. EBITDA is a non-IFRS measure commonly used as a measurement tool in Canadian businesses. For the purposes of this MD&A, EBITDA is calculated as earnings determined under IFRS less amounts included for interest, taxes, depreciation and amortization included in the IFRS financial statements.

NOTE TO READER

This MD&A was prepared as of September 29, 2014 and includes information and expectations about Parkit Enterprise Inc. ("Parkit" or the "Company) and outlook, based on currently available information. The MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements for the quarter ended July 31, 2014 as well as the audited financial statements for the year ended October 31, 2013.

BUSINESS STRATEGY & OVERVIEW

Parkit is a publicly traded private equity real estate company which acquires and aggregates income-producing real estate in the parking sector. The Company has created a parking acquisition platform through which it will partner with other institutional equity partners, this strategy is non-dilutive to its shareholders. This platform has a focused strategy to acquire off-market parking real estate over the coming five years, Parkit will earn management fees and equity upside across the portfolio. The investment strategy combines income-stability with value-add upside for shareholders and equity partners.

In conjunction with this strategy, Parkit has identified six assets totaling $83 million for its first close portfolio. These assets are expected to generate strong cash yields and leveraged returns in accordance with the Company's investing criteria.

Parkit is the lead investor in Canopy, a 4,200 stall, LEED Gold certified parking facility at Denver International Airport. The asset's continued improvement in cash flow (August trailing 12 month EBITDA of circa US$2.9 million) has resulted in a substantial increase in Parkit's net asset valuation. Appraisals completed for financing purposes valued Canopy at US$38.0 million in November, 2013, and US$44.0 million upon stabilization expected in 2015.

The Company has created a parking acquisition platform ("Platform") with strategic partnership with Parking Real Estate, LLC. ("PRE"), to identify and purchase parking assets across the United States. PRE is comprised of senior executives in Propark America Inc ("Propark") who manage 450 facilities across 54 cities and 16 states and has a 30 year history of managing and developing parking facilities.

On September 26, 2014, the Platform purchased Expresso Parking Facility at the Oakland International Airport. This 14 acre, 1900 stall facility was purchased for $18.6 million at an 8.9% capitalization rate and is a solid addition to the Company's portfolio of assets.   Together, Canopy and Expresso will become cornerstone assets of our parking acquisition platform.

The Company's shares trade on the TSX-Venture Exchange under the symbol PKT, and the OTCQB under the symbol PKTEF.

Please visit the following websites for further information:

Parkit Enterprise Inc.	www.parkitenterprise.com.
Canopy Airport Parking	www.canopyairportparking.com
Expresso Airport Parking	www.expressoparking.com
Propark America Inc.	www.propark.com

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

RECENT CORPORATE DEVELOPMENTS

Summary:
In the quarter ending July31, 2014 Parkit achieved record revenue of $2,718,619 and operating net income of $325,558.

This quarter management made significant progress on the business plan with improvement to the balance sheet and financial position of the Company. In the last two quarters, Parkit raised $3.77 million in equity and in the third quarter retired $1.7 million of its short-term debt obligations. The performance of the Canopy asset continues to exceed expectations year-over-year and the Company received cash flow distributions of $0.44 million. As at September 26, 2014, the Company was pleased to complete the acquisition of its second asset, Expresso Parking for US $18.6 million. The Company further appointed a new CFO and joined the OTCQB marketplace.

Acquisition of Expresso Parking Facility
On September 26, 2014, the Platform completed its acquisition of the Expresso off-airport parking facility at Oakland International Airport, California. Expresso is a 14 acre, 1900 stall property with valet, covered and open air parking. This purchase was achieve at a capitalization of 8.9% on a trailing twelve-month net operating income of $1.65 million. It is the first acquisition by the parking acquisition platform with PRE.

The acquisition was funded by a $13.2 million first mortgage with CapitalSource, a division of Pacific Western Bank US$5.0 million debt financing and the balance in cash. The 5-year fixed-rate mortgage bears interest at 5.4% and amortizes over 30 years. The US$5.0 million debt financing bears interest at a non-compounding rate of 9%.

Equity Partner discussions:
The Company is actively engaged in discussions with a variety of potential institutional equity partners to fund its long-term acquisition pipeline via the parking acquisition platform with PRE. Parkit will receive fee income and carried interest/equity upside across the portfolio, from this platform.

Equity financings and Conversions of debt for equity:
On May 5, 2014, the Company closed the second tranche of the equity private placement announced on March 10, 2014. Herein, a further $1.0 million for an aggregate of $2.3 million was raised.

On June 6, 2014, the Company closed a private placement financing announced on May 30, 2014 by issuing 3,213,892 units (including a half warrant at $0.60) at a price of $0.45 per unit for total proceeds of $1.4 million. The financing was oversubscribed and no finder's fees were paid in connection with the private placement.

Use of proceeds from these private placements was to establish the Parking Acquisition Fund, and to retire short term loan obligations.

On June 18, 2014 Parkit announced that it had retired an aggregate of $1.7 million of short term debt and payables. This was comprised of $0.9 million that had been converted to equity by issuing 1,842,818 shares at $0.50 per share and cash payments of $0.8 million. The settlement of short term obligations dramatically improves the balance sheet and will serve to increase cash flow in the coming periods.

Options Grant:

On June 13, 2014 2,695,000 incentive stock options were granted to directors, officers, and consultants of the Company. Each option permits the grantee to acquire one common share of the Company at a price of $0.50 cents per share and expires five years from the date of the grant.

RESULT OF OPERATIONS – CONSOLIDATED

Consolidated results of operations for the three months ended July 31, 2014 and 2013 were as follows:

	July 31, 2014	July 31, 2013
Sales	$ 2,718,619	$ 2,166,753
Operating expenses	2,393,061	2,998,826
Net operating income	325,558	(832,073)
Net loss for the period	(796,232)	(768,195)
Loss attributable to parent	(913,910)	(699,681)
Net loss per share – basic	(0.03)	(0.06)
Comprehensive loss attributable to parent	$ (834,243)	$ (629,272)

Over the three month period, the Company has experienced a 25% increase in sales and over the last two years, has had consistent quarter on quarter growth. For Q3, 2014 revenues were $2.7 million compared to $2.2 million in the same period last year. These revenues are generated from parking fees and other service charges at Canopy Airport Parking. The parking facility has seen increasing occupancy, subject to taking into account the seasonality of outbound flights at Denver International Airport. The growth can be attributed to ongoing sales and promotional efforts as well as organic growth in occupancy year over year.

For the period, the Company recognised a Net Operating Income of $0.3 million compared to a loss of $0.8 million in the same period last year. Income from Canopy increased $0.4 million whilst corporate interest was reduced $0.9 million. Parkit continues to build out our team and structure to execute on the strategic vision of the Fund.

Net losses for the period ended July 31, 2014 were $0.7 million and these included a one-time stock based compensation of $1.1 million. In the same period last year, net losses were consistent at $0.7 million which included $0.9 million in additional cost related to the refinancing of the Canopy asset.

Note: Revenues and expenses at Canopy are in US dollars and translated to Canadian dollars for the financial statements. Thus period to period comparisons are subject to variation in foreign exchange fluctuation. During the period the Company's expenses at the Canopy level were generally higher due to a stronger US dollar as results are translated to Canadian dollars from US dollars. Foreign exchange rates used to translate the operations of Canopy to Canadian dollars were as follows:

USD to CAD	July 31, 2014	July 31, 2013	October 31, 2013	October 31, 2012
Average rate	1.0890	1.0279	1.0194	1.0047
Period end rate	1.0864	1.0307	1.0462	1.0004

SEGMENTED INFORMATION - FINANCIAL POSITION

The following is a summary of the assets and liabilities of the company segregated by corporate head office and Canopy operations:

ASSETS AND LIABILITIES AS AT JULY 31, 2014	**Consolidated**	**Corporate**	**Canopy**
ASSETS			
Current			
Cash	$ 180,250	$ 245,651	$ (65,401)
Restricted cash	512,914	-	512,914
Accounts receivable	-	-	-
Prepaid expenses and deposits	134,732	24,978	109,754
Parking Acquisition Fund	1,048,640	1,048,640	-
Equipment	31,429	31,429	-
Investment Property	15,371,395	-	15,371,395
	$ 17,279,360	$ 1,354,263	$ 15,925,097
LIABILITIES			
Current			
Accounts payable and accrued liabilities	$ 1,156,813	$ 561,837	$ 594,976
Short-term loans payable	-	-	-
Current portion of loans payable	409,026	-	409,026
Convertible debentures	317,951	317,951	-
	1,883,790	879,788	1,004,002
Loans payable	15,486,848	-	15,486,848
	$ 17,370,638	$ 879,788	$ 16,490,850

ASSETS AND LIABILITIES AS AT OCTOBER 31, 2013	**Consolidated**	**Corporate**	**Canopy**
ASSETS			
Current			
Cash	$ 268,884	$ 198,758	$ 70,126
Restricted cash	1,126,707	-	1,126,707
Accounts receivable	13,250	4,043	9,207
Prepaid expenses and deposits	993,752	790,840	202,912
Equipment	37,054	37,054	-
Parking lot facility	15,572,100	-	15,572,100
	$ 18,011,747	$ 1,030,695	$ 16,981,052
LIABILITIES			
Current			
Accounts payable and accrued liabilities	$ 1,634,392	$ 927,468	$ 706,924
Short-term loans payable	1,956,379	1,956,379	-
Current portion of loans payable	16,467,173	7,574,473	8,892,700
Convertible debentures	457,568	457,568	-
	$ 20,515,512	$ 10,915,888	$ 9,599,624

SEGMENTED INFORMATION - RESULTS OF OPERATIONS

To further explain the items making up the net loss for the period the Company has prepared separate information for the operations at the corporate head office and Canopy as outlined below.

	July 31, 2014			July 31, 2013		
NET PROFIT/LOSS	Consolidated	Corporate	Canopy	Consolidated	Corporate	Canopy
REVENUES						
Sales	$ 2,718,619	$ -	$ 2,718,619	$ 2,166,753	$ -	$ 2,166,753
OPERATING EXPENSES						
Advertising and promotion	67,444	-	67,444	65,295	-	65,295
Automobile and vehicle	224,833	-	224,833	198,393	-	198,393
Credit card processing and bank charges	79,925	-	79,925	52,509	-	52,509
Car Wash	36,875	-	36,785	31,186	-	31,186
Depreciation	274,335	-	274,335	296,673	-	296,673
Equipment Lease	30,196	-	30,196	37,593	-	37,593
General and administrative	77,285	27,904	49,381	65,045	4,884	60,161
Ground Lease	135,800	-	135,800	103,017	-	103,017
Insurance	66,465	-	66,465	50,864	-	50,864
Interest	291,587	28,757	262,830	1,105,142	932,536	172,606
Management fees	297,672	155,975	141,697	197,675	84,000	113,675
Professional fees	57,076	24,934	32,142	156,774	99,748	57,026
Public Relations	1,906	1,906	-	1,827	1,827	-
Rent	19,490	19,490	-	4,940	4,940	-
Repairs and maintenance	124,757	-	124,757	89,785	-	89,785
Salaries and wages	436,994	-	436,994	397,570	-	397,570
Taxes and licenses	123,379	-	123,379	131,255	-	131,255
Travel and entertainment	47,132	33,496	13,636	13,283	3,580	9,703
	2,393,061	292,462	2,100,599	2,998,826	1,131,515	1,867,311
Net operating income (loss)	325,558	(292,462)	618,020	(832,073)	(1,131,515)	299,442
OTHER EXPENSE (INCOME)						
Share based payments	1,135,673	1,135,673	-	-	-	-
Foreign exchange	(102)	(102)	-	(63,878)	(63,878)	-
Gain on settlement of debt	(66,174)	(66,174)	-	-	-	-
Write-off of accounts payable	(13,386)	(13,386)	-	-	-	-
GST Allowance	65,780	65,780	-	-	-	-
	1,121,790	1,121,790	-	(63,878)	(63,878)	299,442
Net loss (income) for the period	$ (796,232)	$ (1,414,252)	$ 618,020	$ (768,195)	$ (1,067,637)	$ 299,442

SEGMENTED INFORMATION - RESULTS OF OPERATIONS (continued)

Corporate:

Corporate Expenses are those incurred by Parkit in the execution of the Company's business to acquire and aggregate US income-producing parking facilities. In Q3 2014, the Company incurred expenses to raise equity finance, settle short term loans and long term outstanding debt, and to further the partnership with PRE, including establishing the Parking Acquisition Fund to provide capital for the identification and acquisition of future assets.

Significant items in the $1.4 million loss (2013 - $1.1 million) were as follows:

Loan interest and financing fees decreased to $29,000 (2013 – $0.9 million). In Q3 2013, the Company incurred $0.84 million in refinancing costs on a non-revolving credit facility used to finance the Canopy asset. Subsequent finance was secured at the asset level and is recorded in Canopy in Q3 2014.

Management and Directors fees are charged at the corporate level in lieu of salary. In Q3 2014, the Company had four managers compared with three in the prior year, and management fees were increased. In addition, two independent directors were added to the board.

Overall professional fees decreased to $25,000 from $100,000 in the prior period. In the prior period non-capitalised professional fees were incurred relating to the refinancing of the Canopy Asset loan. These costs did not re-occur in the current period.

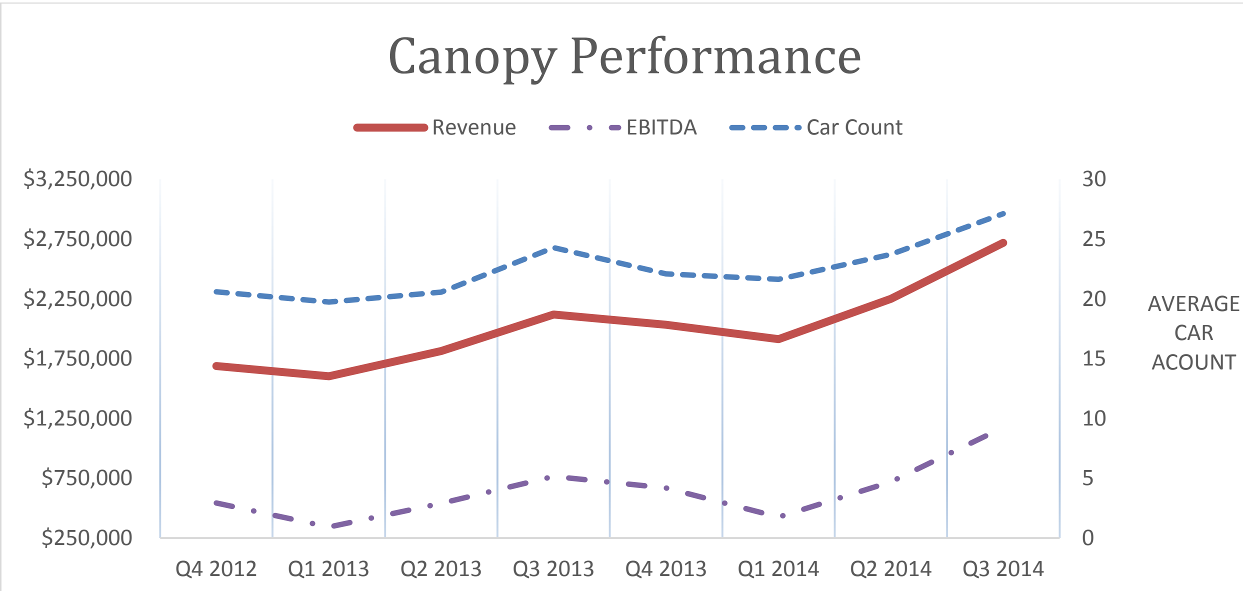
In Q3 2014 the Company incurred stock based compensation expense of $1.1 million. The Company issued 2,695,000 options with an exercise price of $0.50 to key management, directors and advisors. These options were issued as part of the Company's business plan to recruit and retain a strong team and to provide competitive remuneration.

In Q3 2014 the Company used some the proceeds from private placements to retire short-term expensive debt. This debt was retired through a combination of cash payments and share issuances, as well as a $66,000 reduction on the book value of the debts.

Due to classification of Parkit activities as investments, Parkit is unable to receive input tax credits on certain expenses. As a result, the company was required to write off $66,000 of GST claims in Q3 2014.

SEGMENTED INFORMATION - RESULTS OF OPERATIONS (continued)

Canopy:



Revenue

Canopy growth continues to exceed expectations and budget. Sales increased 25% to $2.7 million (2013 – $2.2 million). These revenues are generated from parking fees and other service charges at Canopy Airport Parking. The parking facility has seen increasing occupancy, subject to taking into account the seasonality of outbound flights at Denver International Airport. The growth can be attributed to ongoing sales and promotional efforts as well as organic growth in occupancy year over year

Expenses

Significant changes to expenditure compared to the same period in the prior year:-

Automobile and vehicle costs are increased by 13% to $224,833 (2013 - $198,393). Increasing customer numbers have required more shuttle journeys to Denver International Airport. This has meant an increase in fuel and other vehicle costs.

Credit card processing and bank charges increased to $79,925 (2013 – $52,509). This cost is directly resulting from an increase in sales revenue. Credit cards are the primary method of payment for Canopy customers.

The cost of the Ground lease has increased. Under the terms of the lease, ground lease payments are the greatest of 5% of Net Sales, or US$500,000 per annum. The increase expense is due to the increase sales in the period.

Insurance expense have due to rate increases year on year. In Q3 2014. Insurance costs were comprised of general liability insurance, shuttle insurance and property insurance. The costs associated with each increased resulting in an overall insurance cost increase of $66,465 (2013 -$ 50,864).

SEGMENTED INFORMATION - RESULTS OF OPERATIONS (continued)

Canopy (continued)

Loan interest and financing fees increased to $262,830 (2013 – $172,606). The increase is as a result of a greater debt held at the Canopy asset level. The loan to refinance the asset is held by Green Park. Previous loans had been entered into at the corporate level.

Management fees increased to $141,697 (2013 - $113,675). Management fees are tiered based on the Net Operating Income of Canopy. Management fee increases reflect the better performance of the asset in the period.

Professional fees decreased to $32,142 (2013 – $57,026). This is due to costs incurred to close the refinancing of the Canopy asset not recurring in the current period.

Repairs and Maintenance fees increased to $124,757 (2013 - $89,785. In the current period, some major repairs were required on two shuttle buses. These repairs were undertaken to significantly extend the useful life of these vehicles.
Salaries and wages increased to $436,994 (2013 - $397,750). The management company is utilising more staff as a result of increased sales. In particular an additional supervisor has been hired to manage the day to day operations of the asset.

SUMMARY OF QUARTERLY RESULTS - CONSOLIDATED

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 (in thousands '000's)

Financial	July 31, 2014	April 30, 2014	January 31, 2014	October 31, 2013
Sales	2,719	$ 2,244	$ 2,032	$ 2,067
Total operating and other expenses	3,515	2,434	2,828	3,392
Comprehensive loss attributable to the parent	834	339	926	931
Net loss for the period	796	190	753	1,326
Per Share – basic	(0.03)	$ (0.01)	$ (0.05)	$ (0.12)

Financial	July 31, 2013	April 30, 2013	January 31, 2013	October 31, 2012
Sales	2,167	$ 1,814	$ 1,603	$ 1,977
Total operating and other expenses	2,935	2,237	2,071	2,196
Comprehensive loss attributable to the parent	629	404	750	144
Net loss for the period	796	420	468	219
Per Share – basic and diluted	(0.06)	$ (0.03)	$ (0.04)	$ (0.05)

LIQUIDITY - CONSOLIDATED

Summary:

At July 31, 2014, the Company had a working capital deficiency of $1,055,893 (October 31, 2013 – $18,112,919) including cash of $180,250 (October 31, 2013 – $268,884) and restricted cash of $512,914 (October 31, 2013 – $1,126,707). Of the working capital deficiency $446,735 (October 31, 2013 – $8,190,672) are obligations of Canopy and secured by those cash flows. The Company expects that the deficiency will be addressed gradually over the year as a result of positive cash flow distributions from Canopy and cooperative discussions with lenders.

Management believes that based on its current cash flow projections that the Company will be able to meet its liquidity requirements for the foreseeable future.

Significant activity during the period:

The Company raised $2.5 million in private placement financing in the period and retired $1.7 million in short term loans, greatly reducing outgoing cash flows. Furthermore, the subsequent to the period end, the Company started to receive cash distributions from Canopy. As a result, the company anticipates positive future cash flows from operations.

LIQUIDITY - CANOPY

Green Park Denver LLC, the operating company of Canopy and subsidiary of Parkit has the following share structure:

		Number of units	Percentage ownership
Class A	Greenswitch America Inc. (Parkit)	812,004	81.2%
Class A	Rocky Mountain Parking LLC*	100,000	10%
Class A	Other**	87,996	8.8%
Class B	Rocky Mountain Parking LLC*	1,000,000	100%
	Total	2,000,000	

* Rocky Mountain Parking LLC is an affiliate of Propark America West LLC.
** Non-related outside investors

Unlike Class A units, Class B units have no rights or obligations to the assets and liabilities of GP LLC. Further, Class A units are entitled to 100% of the distributions until 100% of the original contributed capital is returned. Thereafter, Class A units are entitled to 80% of distributions until 150% of capital is returned; thereafter, 60% of distributions until 200% of capital is returned; and thereafter 50% of all remaining distributions.

Entitlement to distributions is summarized in the following table:

Equity Cash Flow Distribution	Class A	Class B	Class A return %	Cumulative Class A return $US	Cumulative Class B return $US
First $US 11.08M	100%	0%	100%	11.08M	-
Next $US 6.92M (up to US$18.00M)	80%	20%	150%	16.62M	1.38M
Next $US 9.23M (up to US$27.24M)	60%	40%	200%	22.16M	5.08M
Excess	50%	50%			

During the period ended July 31, 2014 $NIL (US$NIL) was distributed to the Class A unit holders. Total distributions to Class A units to date is $10,461,925 (US$10,062,536) therefore the first stage of the waterfall continues to be in effect.

CAPITAL RESOURCES

Contractual Obligations and Commitments:

Canopy Ground Lease

The Company has a ground lease agreement relating to the premises of the Canopy parking facility. With the refinancing of Canopy, management has exercised its option to extend the lease to 2035.

The annual lease expense from 2014 to 2030 will be the greatest of 5% of Net Sales or US$500,000 per annum. From 2030 to 2035, during the first option period, the lease expense will be the greatest of 7% of net sales or US$625,000.

CAPITAL RESOURCES (cont'd,,,)

There are three remaining options of five years each, however at the exercise of each option, the landlord has the right to terminate under certain conditions.

Other:

There are no other expenditures not yet committed but required to maintain the Company's capacity, or to meet the Company`s plans for growth and development activities.

In the year ended Oct 2013, the US$16.5 million refinancing was used to settle two existing debt facilities with balances of $7,574,473 and US$8,500,000, and thus is now naturally hedged by US dollar income from Canopy.

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

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

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

OUTSTANDING SHARE DATA

As at the date of this report, the Company has 29,075,773 issued and outstanding common shares, 2,695,000 common share stock options outstanding, and 9,562,484 common share purchase warrants outstanding.

FINANCIAL INSTRUMENTS - CONSOLIDATED

The fair value of the Company's accounts receivable, accounts payable and accrued liabilities, loans payable, and convertible debentures approximate carrying value, which is the amount recorded on the consolidated statement of financial position. The Company's other financial instruments, cash and restricted cash, under the fair value hierarchy are based on level one quoted prices in active markets for identical assets or liabilities. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. 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. In respect of accounts receivable, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

Liquidity risk

Liquidity risk is the risk of not being able to meet the Company's cash requirements in a timely manner. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at July 31, 2014, the Company had current liabilities of $1,883,789. The Company expects to fund these liabilities through existing cash resources, revenue generated from operations, additional debt and equity financings including settlement of balances through issuance of equity.

FINANCIAL INSTRUMENTS – CONSOLIDATED (Cont'd…)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

As at July 31, 2014 and, October 31, 2013 the Company did not have any investments in investment-grade short-term deposit certificates or short-term debt issued by the federal government. The Company is not exposed to interest rate risk on its loans with the exception of its long term loan disclosed in Note 12 to the condensed consolidated interim financial statements, as the interest rates on all other loans are fixed. The Company is exposed to interest rate risk on its long term loan disclosed in Note 12, as the loan bears interest at a rate of LIBOR plus 5.25% with a floor of 5.5%. A 1% change in LIBOR would affect net loss for the period by approximately would affect net loss for the period by approximately $2,200.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities that are denominated in US Dollars. A 10% fluctuation in the US dollar against the Canadian dollar would affect net loss for the period by an insignificant amount.

c) Price risk

The Company is exposed to 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. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

SIGNIFICANT ACCOUNTING POLICIES:

Use of estimates and critical accounting judgments

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

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

Estimates:

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty. Expected volatility is derived from a time series of post market prices therefore may not be an accurate representation of future volatility.

Significant judgments:

The depreciation of the parking facility requires management to estimate the useful lives of the assets as a cash and cost generating unit. The Company considers both internal and external information in determining the useful lives and depreciation methods, which are reviewed at each reporting date and adjusted as required.

Possible impairment of the parking facility requires management's judgements and estimates. Impairment consideration requires management to evaluate, at least annually, for indicators that the carrying value is impaired and may not be recoverable. Management considers both external and internal sources of information in assessing whether there are any indicators that the parking facility may be impaired. External sources of information the Company considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of the parking facility. Internal sources of information the Company considers include the actual and expected economic performance of the assets, including the Company making estimates of future after-tax cash flows expected to be derived from the parking facility using an appropriate discount rate.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd…)

New standards, interpretations and amendments adopted

As of November 1, 2013, the Company adopted the new and amended IFRS pronouncements in accordance with transitional provisions outlined in the respective standards. The Company has adopted these new and amended standards without any significant effect on its financial statements.

IFRS 10 Consolidated Financial Statements and IAS 27 Separate Financial Statements

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. IFRS 10 replaces the parts of previously existing IAS 27 *Consolidated and Separate Financial Statements* that dealt with consolidated financial statements and SIC-12 *Consolidation – Special Purpose Entities*. IFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. To meet the definition of control in IFRS 10, all three criteria must be met, including: (a) an investor has power over an investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns.

IFRS 11 Joint Arrangements and IAS 28 Investment in Associates and Joint Ventures

IFRS 11 replaces IAS 31 *Interests in Joint Ventures* and SIC-13 *Jointly-controlled Entities — Non-monetary Contributions by Venturers*. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture under IFRS 11 must be accounted for using the equity method.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 sets out the requirements for disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structured entities.

IFRS 13 Fair Value Measurement

IFRS 13 is a comprehensive standard for all fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that 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. It also establishes additional disclosures regarding fair value measurements.

SIGNIFICANT ACCOUNTING POLICIES (Cont'd…)

New standards yet adopted

The following new standards, amendments to standards and interpretations have been issued and will be effective for the Company's year ended October 31, 2015:

- IAS 32 (Amendment) New standard that clarifies requirements for offsetting financial assets and financial liabilities. (ii)
- IAS 36 (Amendment) This amendment addresses the disclosure of information regarding the recoverable amount of impairment assets as the amount is based on fair value less costs of disposal. (ii)
- IFRIC 21 This is an interpretation of IAS 37, Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event, known as an obligating event. The interpretation clarifies that the obligation event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.(ii)

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

SUBSEQUENT EVENTS

On August 27, 2014, Parkit entered into a $5,476,000 loan for the purchase of a US off-airport parking facility. The loan has the following terms: (i) simple interest of 9% per annum; (ii) matures in 12 months form the date of advance; and (iii) incurs a $109,520 commitment fee. Under the terms of the loan agreement, the Company issued the lender a general security interest, and 1,000,000 warrants. Each warrant entitles the lender to purchase one common share for a period of 12 months at $0.65 per share.

On August 27, 2014 the Company converted a $300,000 convertible debenture and $19,660 associated interest into units. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase an additional common share for a period of six months from the date of issuance at a price of $0.40 per common share. The holder exercised 750,000 warrants at $0.40 for a total exercise price of $300,000 on the same day.

On September 26, 2014 the company acquired the Expresso Airport Parking facility previously announced on April 7, 2014. Expresso is a 14-acre off-airport parking facility located in San Leandro, California. In conjunction with the acquisition, the Company utilised a $13,200,000 mortgage with a fixed interest of 5.4% and amortizing over 30 years

RELATED PARTY TRANSACTIONS - CONSOLIDATED

Remuneration of directors and senior management

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.

	Three months ended July 31, 2014	Three months ended July 31, 2013	Nine months ended July 31, 2014	Nine months ended July 31, 2013
Total for all senior management				
Short-term benefits	155,975	84,000	521,603	$224,000
Share-based payments	1,135,673	-	1,135,673	-
Total	$ 1,291,647	$84,000	$2,948,924	$224,000

Short-term benefits

In addition to fees paid to the non-executive chairman and non-executive directors, these amounts comprise, for executive directors and senior managers, management fees and benefits earned during the year, plus cash bonuses awarded for the year. There was no compensation paid for loss of office in the period (2013 – NIL).

Share based payments

This is the cost to the Company of senior management's participation in share-based payment plans, as measured by the fair value of options accounted for in accordance with IFRS 2 'Share-based Payments'.

The following balances were owing to directors and senior management

	July 31, 2014	July 31, 2013
Short Term benefits	-	-
Expenses	-	28,301
Total	-	28,301

RELATED PARTY TRANSACTIONS – CONSOLIDATED (cont'd)

The following balances were owing to related parties:

Name	Relationship	Service	July 31, 2014	October 31, 2013
Shoni Bernard	Corporate secretary	Professional fees	-	2,753
Brad Scharfe	Former CEO, director	Management fees, expense reimbursement	-	33,000
Bryan Slusarchuk	Former CEO, director	Management fees, expense reimbursement	-	14,000
Skanderbeg Capital Partners Inc.	Previous related company officers and directors*	Office, administration, rent	-	26,631
Total			$ -	$ 76,384

* Skanderbeg Capital partners is a private company partially owned by Brad Scharfe (former CEO, director) and Bryan Slusarchuk (former CEO, director) and provided management and professional services to public companies.

The following amounts were borrowed from related parties in the form of short term loans from a related party to allow the Company to maintain debt covenants and for working capital purposes:

		Principal balance and accrued interest		Interest expense	
Name	Note reference	July 31, 2014	October 31, 2013	July 31, 2014	July 31, 2013
Brad Scharfe	Note 11d, 11g	$ -	$ 258,472	$ -	$ 6,599

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.

PRINCIPAL BUSINESS RISK FACTORS

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 facility directly competes with existing parking facilities surrounding the Denver International Airport. Canopy competes by offering the first and only indoor parking facility at the Denver International Airport.

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 favourable 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 United States, Canadian federal, provincial 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 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.

PRINCIPAL BUSINESS RISK FACTORS (continued)

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.