



OTC Pink® Basic Disclosure Guidelines

Federal securities laws, such as Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934 (“Exchange Act”) as well as Rule 144 of the Securities Act of 1933 (“Securities Act”), and state Blue Sky laws, require issuers to provide *adequate current information* to the public markets. With a view to encouraging compliance with these laws, OTC Markets Group has created these OTC Pink Basic Disclosure Guidelines. We use the basic disclosure information provided by OTC Pink companies under these guidelines to designate the appropriate tier in the OTC Pink marketplace: Current, Limited or No Information. OTC Markets Group may require companies with securities designated as Caveat Emptor to make additional disclosures in order to qualify for OTC Pink Current Information tier.

Qualifications for the OTC Pink - Current Information Tier

Companies that make the information described below publicly available on a timely basis (90 days after fiscal year end for Annual Reports; 45 days after each fiscal quarter end for Quarterly Reports) qualify for the Current Information Tier. Financial reports must be prepared according to U.S. GAAP or IFRS, but are *not required to be audited* to qualify for the OTC Pink Current Information tier.

Initial Qualification:

1. Subscribe to the [OTC Disclosure & News Service](#) on www.OTCIQ.com to publish your financial reports and material news.
2. Create the following documents, save them in PDF format and upload them via www.OTCIQ.com:
 - Annual Financial statements (Document must include: Balance Sheet, Income Statement, Statement of Cash Flows, Notes to Financial Statements) for the previous two fiscal years. If these reports are audited, please attach the audit letter from the [PCAOB](#) registered audit firm. Each year's Annual Financial statements should be posted separately under the report type “Annual Report” in OTCIQ.
 - Any subsequent Quarterly Reports since the most recent Annual Report.
 - The most recent fiscal period end report should also include information in accordance with these OTC Pink Basic Disclosure Guidelines; use the fillable form beginning on page 3.
3. If financial reports are not audited by a [PCAOB](#) registered audit firm:
 - Submit a signed Attorney Letter Agreement (first two pages of the [Attorney Letter Guidelines](#)).
 - After following the appropriate procedures with a qualified attorney, upload an Attorney Letter complying with [Attorney Letter Guidelines](#) through your otciq.com account.

Ongoing Qualification:

1. **For each Fiscal Quarter End**, upload a Quarterly Report via www.OTCIQ.com within **45** days of the quarter end. (A separate quarterly report is not required for the 4th quarter.) The Quarterly Report should include:
 - Information in accordance with these OTC Pink Basic Disclosure Guidelines -- use the fillable form beginning on page 3.
 - Quarterly financial statements (Balance Sheet, Income Statement, Statement of Cash Flows, Notes to Financial Statements).
 - No Audit Letter or Attorney Letter is required.
2. **For each Fiscal Year End**, upload an Annual Report within **90 days** of the fiscal year end. The Annual Report should include:
 - Information in accordance with these OTC Pink Basic Disclosure Guidelines -- use the fillable form beginning on page 3.

- Annual financial statements (Balance Sheet, Income Statement, Statement of Cash Flows, Notes to Financial Statements, and Audit Letter, if the financial statements are audited).
3. If financial reports are not audited by a PCAOB registered audit firm, upload an Attorney Letter via www.OTCIQ.com complying with the [Attorney Letter Guidelines](#) within **120 days** of the fiscal year end.

Qualifications for the OTC Pink - Limited Information Tier

Companies that make the information described below publicly available within the prior 6 months qualify for the Limited Information Tier.

1. Subscribe to the [OTC Disclosure & News Service](#) on www.OTCIQ.com to publish your financial reports and material news.
2. Create a Quarterly Report or Annual Report for a fiscal period ended within the previous 6 months, save it in PDF format and upload it via www.OTCIQ.com. The Quarterly Report or Annual Report includes:
 - Balance Sheet, Income Statement, and Total Number of Issued and Outstanding Shares. Financial statements must be prepared in accordance with US GAAP, but are not required to be audited. (Please note that Cash Flow Statements are not required to qualify for the Limited Information tier; however, unless the financial statements include a Cash Flow Statement, no financial data will be included in the OTC Financials Data Service, which distributes company financial data to online investor portals and makes the data available on your company's Financials tab on www.otcmarkets.com)
 - A company in the Limited Information tier, may, but is not required to, include information in accordance with these OTC Pink Basic Disclosure Guidelines using the fillable form beginning on page 3.

Current Reporting of Material Corporate Events

OTC Markets Group encourages companies to make public disclosure available regarding corporate events that may be material to the issuer and its securities. Persons with knowledge of such events would be considered to be in possession of material nonpublic information and may not buy or sell the issuer's securities until or unless such information is made public. If not included in the issuer's previous public disclosure documents or if any of the following events occur after the publication of such disclosure documents, the issuer shall publicly disclose such events by disseminating a news release within 4 business days following their occurrence, and posting such news release through the OTC Disclosure & News Service.

Material corporate events include:

- Entry or Termination of a Material Definitive Agreement
- Completion of Acquisition or Disposition of Assets, Including but not Limited to mergers
- Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of an Issuer
- Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement
- Costs Associated with Exit or Disposal Activities
- Material Impairments
- Sales of Equity Securities
- Material Modification to Rights of Security Holders
- Changes in Issuer's Certifying Accountant
- Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review
- Changes in Control of Issuer

- Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers
- Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year
- Amendments to the Issuer's Code of Ethics, or Waiver of a Provision of the Code of Ethics
- Other events the issuer considers to be of importance

OTC Pink Basic Disclosure Guidelines

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

USA Real Estate Holding Company.

2) Address of the issuer's principal executive offices

Company Headquarters

Address 1: 7125 Pacific Circle

Address 2: _____

Address 3: Mississauga, Ontario Canada L5T 2A5

Phone: 1.866.557.5745

Email: bilal@geoponicsinc.com

Website(s): _____

IR Contact

Address 1: _____

Address 2: _____

Address 3: _____

Phone: _____

Email: _____

Website(s): _____

3) Security Information

Trading Symbol: USTC

Exact title and class of securities outstanding: Common

CUSIP: 91731C207

Par or Stated Value: \$0.00001

Total shares authorized: 20,000,000,000 as of: December 31, 2016

Total shares outstanding: 161,908 as of: December 31, 2016

Trading Symbol: None

Exact title and class of securities outstanding: Series A Preferred

CUSIP: None

Par or Stated Value: \$0.00001

Total shares authorized: 100,000,000 as of: December 31, 2016

Total shares outstanding: 60,000 as of: December 31, 2016

Trading Symbol: None

Exact title and class of securities outstanding: Series B Preferred

CUSIP: None

Par or Stated Value: \$0.00001

Total shares authorized: 200,000,000 as of: December 31, 2016

Total shares outstanding: 7,738,682 as of: December 31, 2016

Trading Symbol: None

Exact title and class of securities outstanding: Series C Preferred

CUSIP: None

Par or Stated Value: \$0.00001

Total shares authorized: 20,000,000 as of: December 31, 2016

Total shares outstanding: 4,600 as of: December 31, 2016

Transfer Agent

Name: Signature Stock Transfer, Inc.

Address 1: 2632 Coachlight Court

Address 2: _____

Address 3: Plano, TX 75093

Phone: 972.612.4120

Is the Transfer Agent registered under the Exchange Act?* Yes: No:

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None.

Describe any trading suspension orders issued by the SEC in the past 12 months.

None.

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

Date	Stock Class	Issued Stock	Shareholder	Description
1-Jul-15	Common	3,759	Cindy Maddox	Series B Preferred conversion – Restricted

- A. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

5) Financial Statements

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement

(qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial reports separately as described in part (ii) above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to otcq.com in the field below.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

- A. a description of the issuer's business operations;

USA Real Estate Holding Company is a holding company that targets acquisitions of undervalued, niche companies with high growth potential, income-producing businesses, including real estate properties all of which offer high returns for our investors. USA Real Estate Holding Company is currently negotiating to acquire several profitable enterprises as wholly owned subsidiaries and expect to have more announcements within the coming weeks.

USA Real Estate Holding Company has acquired Earths Gift by Geoponics, Inc. as its wholly owned subsidiary. Please visit www.geoponicsinc.com for more details.

- B. Date and State (or Jurisdiction) of Incorporation:

February 3, 2009 - Delaware

- C. the issuer's primary and secondary SIC Codes;

6512 & 6519

- D. the issuer's fiscal year end date;

12/31

- E. principal products or services, and their markets;

USA Real Estate Holding Company is a corporate strategy firm servicing the needs of small, growing public and private companies through customized operational and business strategy initiatives. From securing growth capital to the placement of senior-level team members, USA Real Estate Holding Company provides clients with unique and appropriate strategies designed to incubate and accelerate their growth in new or existing emerging markets. These strategies include acquisitions, joint ventures, marketing opportunities and potential partnerships. Whether generic or acquisitive in nature, the optimum deal structure to accelerate growth is designed to limit the amount of time necessary for the client to achieve the requirements to list on a Senior National Stock Exchange (NYSE American or NASDAQ).

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

Our principal executive offices are located at 7125 Pacific Circle, Mississauga, Ontario L5T2A5 Canada. We lease our offices at this location on a month to month basis. We occupy approximately 500 square feet at this location in exchange for \$500 per month. To date, we have not paid rent. We believe that our office facilities are suitable and adequate for our operations as currently conducted and contemplated.

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

- A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Bilal Shafi, CEO and Chairman.
Sabahat Ullah, Director

- B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined,

barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

No

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

No

- C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Name ⁽¹⁾	Shares of Common Stock Beneficially Owned	Percent of Class	Shares of Series A Preferred Stock Beneficially Owned ⁽²⁾	Percent of Class	Shares of Series B Preferred Stock Beneficially Owned ⁽³⁾	Percent of Class	Shares of Series C Preferred Stock Beneficially Owned ⁽⁴⁾	Percent of Class
Bilal Shafi ⁽⁵⁾	-	*	50,000	100.00%	-	*	-	*
Sabahat Ullah ⁽⁶⁾	-	*	-	*	-	*	-	*

- (1) Except as otherwise indicated, the address of each beneficial owner is c/o USA Real Estate Holding Company, 7125 Pacific Circle, Mississauga, Ontario Canada L5T 2A5.
- (2) Shares of our Series A Preferred Stock are not convertible into common stock and are entitled as a class to 4 times the aggregate votes of the sum of votes of all other classes of capital stock of the Corporation, and may vote with holders of the Corporation's Common Stock on all matters which common stockholders may vote.
- (3) Each share of our Series B Preferred Stock is convertible into \$0.0001 shares of common stock, and is entitled to ten votes per share, and may vote with holders of the Corporation's Common Stock on all matters which common stockholders may vote.
- (4) Each share of our Series C Preferred Stock is convertible into \$0.0001 shares of common stock, and is entitled to one vote per share, and may vote with holders of the Corporation's Common Stock on all matters which common stockholders may vote.
- (5) Chief Executive Officer and Chairman of the Board of Directors.
- (6) Member of the Board of Directors.

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

Name: John Thomas

Firm: John D. Thomas, P.C.

Address 1: 11650 South State Street
Address 2: Draper, Utah 84020
Phone: (801) 816-2536
Email:

Accountant or Auditor

Name: Rachel Boulds
Firm: Rachel Boulds, CPA, PLLC
Address 1: 6371 S. Glen Oaks Street
Address 2: Murray, UT 84107
Phone:
Email:

Investor Relations Consultant

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Bilal Shafi certify that:

1. I have reviewed this Annual Disclosure Statement of USA Real Estate Holding Company;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

June 12, 2017

/s/ Bilal Shafi
Chief Executive Officer and principal financial officer

USA Real Estate Holding Company
CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016
(Unaudited)

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USA Real Estate Holding Company
Consolidated Balance Sheets
(Unaudited)

	December 31, 2016	December 31, 2015
ASSETS		
Current Assets:		
Cash	\$ 747	\$ —
Inventory	—	13,850
Total Assets	<u>\$ 747</u>	<u>\$ 13,850</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 10,502	\$ 2,474
Due to a related party	7,448	7,209
Loans payable	92,413	58,106
Total Liabilities	<u>110,363</u>	<u>67,789</u>
Stockholders' Equity (Deficit):		
Series A Preferred Stock, \$0.00001 par value, 100,000,000 shares authorized, 60,000 and 60,000 share issued and outstanding, respectively	1	1
Series B Preferred Stock, \$0.00001 par value, 200,000,000 shares authorized, 7,738,682 and 7,738,682 shares issued and outstanding, respectively	77	77
Series C Preferred Stock, \$0.00001 par value, 20,000,000 shares authorized, 4,600 and 4,600 shares issued and outstanding, respectively	—	—
Common stock, \$0.00001 par value, 20,000,000,000 shares authorized, 161,908 and 161,908 issued and outstanding, respectively	2	2
Additional paid in capital	1,157,880	1,157,120
Accumulated deficit	(1,267,814)	(1,211,922)
Accumulated other comprehensive income	238	783
Total Stockholders' Equity (Deficit)	<u>(109,616)</u>	<u>(53,939)</u>
Total Liabilities and Stockholders' Equity	<u>\$ 747</u>	<u>\$ 13,850</u>

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

USA Real Estate Holding Company
Consolidated Statements of Operations
(Unaudited)

	For the Years Ended	
	December 31,	
	2016	2015
Revenue	\$ 19,332	\$ 5,130
Cost of goods sold	32,508	—
Gross margin	<u>(13,176)</u>	<u>5,130</u>
Operating Expenses:		
General and administrative	35,019	162,918
Total operating expenses	<u>35,019</u>	<u>162,918</u>
Loss from operations	<u>(48,195)</u>	<u>(157,788)</u>
Other expense:		
Interest expense	(7,697)	(2,044)
Total other expense	<u>(7,697)</u>	<u>(2,044)</u>
Net loss	\$ (55,892)	\$ (159,832)
Other comprehensive income (loss):		
Foreign currency translation adjustment	(545)	783
Comprehensive loss	<u>(56,437)</u>	<u>(159,049)</u>
Net loss per share		
basic & diluted	<u>\$ (0.35)</u>	<u>\$ (0.99)</u>
Weighted average shares		
outstanding – basic & diluted	<u>161,908</u>	<u>159,982</u>

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

USA Real Estate Holding Company
Consolidated Statement of Stockholders' Equity
December 31, 2016
(Unaudited)

	Series A Preferred Stock		Series B Preferred Stock		Series C Preferred Stock		Common Stock		Additional Paid-in	Accumulated	Other comprehensive	Total
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Capital	Deficit	income	
Balance, December 31, 2014	60,000	\$ 1	8,064,582	\$ 80	4,600	\$ —	74,312	\$ 1	\$1,044,445	\$ (1,052,090)	\$ —	\$ (7,563)
Purchase of subsidiaries	—	—	50,000	1	—	—	—	—	99,999	—	—	100,000
Conversion of preferred to common stock	—	—	(375,900)	(4)	—	—	3,759	1	3	—	—	—
Contributed capital	—	—	—	—	—	—	—	—	12,673	—	—	12,673
Adjust shares for rounding on reverse split	—	—	—	—	—	—	83,837	—	—	—	—	—
Net loss for the year ended December 31, 2015	—	—	—	—	—	—	—	—	—	(159,832)	783	(159,049)
Balance, December 31, 2015	60,000	1	7,738,682	77	4,600	—	161,908	2	1,157,120	(1,211,922)	783	(53,939)
Contributed capital	—	—	—	—	—	—	—	—	760	—	—	760
Net loss for the year ended December 31, 2016	—	—	—	—	—	—	—	—	—	(55,892)	(545)	(56,437)
Balance, December 31, 2016	<u>60,000</u>	<u>\$ 1</u>	<u>7,738,682</u>	<u>\$ 77</u>	<u>4,600</u>	<u>\$ —</u>	<u>161,908</u>	<u>\$ 2</u>	<u>\$1,157,880</u>	<u>\$ (1,267,814)</u>	<u>\$ 238</u>	<u>\$(109,616)</u>

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

USA Real Estate Holding Company
Consolidated Statements of Cash Flows
(Unaudited)

	For the Years Ended	
	December 31,	
	2016	2015
Cash flows from operating activities:		
Net loss	\$ (55,892)	\$ (159,832)
Adjustments to reconcile net loss to net cash used by operating activities:		
Foreign currency translation adjustment	(545)	783
Preferred stock issued for subsidiaries	—	100,000
Change in assets and liabilities:		
Inventory	13,850	(13,850)
Accounts payable and accrued liabilities	8,028	(5,089)
Net cash used in operating activities	<u>(34,559)</u>	<u>(77,988)</u>
Cash flows from investing activities:		
	<u>—</u>	<u>—</u>
Cash flows from financing activities:		
Proceeds from loans payable	34,307	58,106
Contributed capital	760	12,673
Advance from related party	239	7,209
Net cash provided by financing activities	<u>35,306</u>	<u>77,988</u>
Net increase (decrease) in cash	747	—
Cash at beginning of year	—	—
Cash at end of year	<u>\$ 747</u>	<u>\$ —</u>
Cash paid for:		
Interest	\$ —	\$ —
Taxes	\$ —	\$ —

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

USA Real Estate Holding Company
Notes to Consolidated Financial Statements
December 31, 2016
(Unaudited)

NOTE 1 – ORGANIZATION AND DESCRIPTION OF BUSINESS

USA Real Estate Holding Company (the “Company”) was incorporated in Delaware on February 3, 2009. The Company was formed for the purpose of investing in real estate.

On May 1, 2015, the Company entered into a Purchase and Sale Agreement whereby it purchased 100% of Optic Panda, an Ontario sole proprietorship, for 25,000 shares of Series B Preferred stock.

On June 1, 2015, the Company entered into a Purchase and Sale Agreement whereby it purchased 100% of Earthsgift, an Ontario sole proprietorship, for 25,000 shares of Series B Preferred stock.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company’s consolidated unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. The accompanying unaudited financial statements reflect all adjustments, consisting of only normal recurring items, which, in the opinion of management, are necessary for a fair statement of the results of operations for the periods shown.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the estimated useful lives of property and equipment. Actual results could differ from those estimates.

Translation Adjustment

For the periods presented, the accounts of Optic Panda and Earthsgift were maintained, and its financial statements were expressed, in Canadian dollars. Such financial statements were translated into USD in accordance with the Foreign Currency Matters Topic of the Codification (ASC 830), with the USD as the functional currency. According to the Codification, all assets and liabilities were translated at the current exchange rate at respective balance sheet dates, stockholders’ equity are translated at the historical rates and income statement items are translated at the average exchange rate for the period. The resulting translation adjustments are reported under other comprehensive income in accordance with the Comprehensive Income Topic of the Codification (ASC 220), as a component of shareholders’ equity. Transaction gains and losses are reflected in the income statement.

Comprehensive Income

The Company uses SFAS 130 “Reporting Comprehensive Income” (ASC Topic 220). Comprehensive income is comprised of net income and all changes to the statements of stockholders’ equity, except those due to investments by stockholders and changes in paid-in capital. Comprehensive income for the years ended December 31, 2016 and 2015 is included in net income and foreign currency translation adjustments.

USA Real Estate Holding Company
Notes to Consolidated Financial Statements
December 31, 2016
(Unaudited)

Principles of Consolidation

The consolidated financial statements include the accounts of USA Real Estate Holding Company and its wholly-owned subsidiaries Optic Panda and Earthsgifts. All significant intercompany accounts and transactions have been eliminated.

Cash equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents for the years ended December 31, 2016 or 2015.

Fair Value of Financial Instruments

We follow paragraph 825-10-50-10 of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB ASC to measure the fair value of our financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value U.S. GAAP and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, paragraph 820-10-35-37 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy defined by paragraph 820-10-35-37 are described below:

Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3: Pricing inputs that are generally observable inputs and not corroborated by market data.

The carrying amount of financial assets and liabilities, such as cash, prepaid expenses, and accrued expenses, approximate their fair value because of the short maturity of those instruments. Notes payable approximate the fair value of such instruments based upon management's best estimate of interest rates that would be available to us for similar financial arrangements at December 31, 2016.

The Company does not have any assets or liabilities measured at fair value on a recurring or a non-recurring basis as of December 31, 2016 and 2015.

Stock-based Compensation

The Company accounts for equity-based transactions with nonemployees under the provisions of ASC Topic No. 505-50, *Equity-Based Payments to Non-Employees* ("ASC 505-50"). ASC 505-50 establishes that equity-based payment transactions with nonemployees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. The fair value of common stock issued for payments to nonemployees is measured at the market price on the date of grant. The fair value of equity instruments, other than common stock, is estimated using the Black-Scholes option valuation model. In general, we recognize the fair value of the equity instruments issued as deferred stock compensation and amortize the cost over the term of the contract.

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The Company accounts for employee stock-based compensation in accordance with the guidance of FASB ASC Topic 718, *Compensation—Stock Compensation*, which requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on their fair values. The fair value of the equity instrument is charged directly to compensation expense and credited to additional paid-in capital over the period during which services are rendered.

Revenue Recognition

The Company follows paragraph ASC 605-10-S99-1 for revenue recognition. We will recognize revenue when it is realized or realizable and earned. We consider revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists; (ii) the product has been shipped or the services have been rendered to the customer; (iii) the sales price is fixed or determinable; and (iv) collectability is reasonably assured.

Income taxes

The Company follows Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the fiscal year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statements of Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification (“Section 740-10-25”) with regards to uncertainty income taxes. Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent (50%) likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures. The Company had no material adjustments to its liabilities for unrecognized income tax benefits according to the provisions of Section 740-10-25.

Net income (loss) per common share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially outstanding shares of common stock during the period. The weighted average number of common shares outstanding and potentially outstanding common shares assumes that the Company incorporated as of the beginning of the first period presented.

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The Company's diluted loss per share is the same as the basic loss per share for the years ended December 31, 2016 and 2015, as the inclusion of any potential shares would have had an anti-dilutive effect due to the Company generating a loss.

Recently issued accounting pronouncements

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

NOTE 3 – GOING CONCERN

The Company's unaudited consolidated financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. Currently, the Company does not have material assets, nor does it have operations or a source of revenue sufficient to cover its operating costs and allow it to continue as a going concern. The Company has an accumulated deficit of \$1,267,814. The Company will be dependent upon the raising of additional capital through placement of our common stock in order to implement its business plan, or merge with an operating company. There can be no assurance that the Company will be successful in either situation in order to continue as a going concern. These unaudited consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets or the amounts of and classification of liabilities that might be necessary in the event the company cannot continue in existence. Accordingly, these factors raise substantial doubt as to the Company's ability to continue as a going concern.

NOTE 4 – RELATED PARTY LOANS

During the year ended December 31, 2015, Balil Shafi, the owner and CEO of both Optic Panda and Earthsgifts advanced the company \$7,209 to pay for certain operating expenses. The advances are unsecured, accrue interest at 10%, and are due on demand. As of December 31, 2016, the Company owed a total of \$7,448 of principal and \$1,332 of accrued interest.

NOTE 5 – LOANS PAYABLE

On June 1, 2015, the Company executed a convertible promissory note with DTS Partners, LLC in conversion of amounts due for services. The note is for \$11,763, is unsecured, bears interest at 10%, and is due on demand. The note is convertible into shares of common stock at the option of the holder at \$0.00005 per share. As of December 31, 2016, there is \$1,863 of accrued interest on this note.

On June 17, 2015, the Company executed a convertible promissory note with DTS Partners, LLC, for \$25,000. The note is unsecured, bears interest at 10%, and is due on demand. The note is convertible into shares of common stock at the option of the holder at \$0.00005 per share. As of December 31, 2016, there is \$3,847 of accrued interest on this note.

On October 14, 2015, the Company executed a convertible promissory note with DTS Partners, LLC. The note is for \$2,000, unsecured, bears interest at 10%, and is due on demand. The note is convertible into shares of common stock at the option of the holder at \$0.00005 per share. As of December 31, 2016, there is \$243 of accrued interest on this note.

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On December 23, 2015, the Company executed a convertible promissory note with DTS Partners, LLC. The note is for \$2,000, unsecured, bears interest at 10%, and is due on demand. The note is convertible into shares of common stock at the option of the holder at \$0.00005 per share. As of December 31, 2016, there is \$205 of accrued interest on this note.

During the year ended December 31, 2015, other third parties advanced the Company \$17,343 to pay for certain operating expenses. As of December 31, 2016, the Company owed a total of \$51,650 of principal on these advances. The advances are unsecured, bear interest at 10%, and are due on demand.

NOTE 6 – COMMON STOCK

On June 3, 2015, the Company effected a reverse split for which every fifty thousand (50,000) issued and outstanding shares of Common Stock of the Company, each shareholder receives one (1) share of the Company's Common Stock provided however, that fractional shares shall not be issued and will be rounded up to the nearest whole share. Furthermore, any registered holder of Common Stock that would otherwise hold less than 100 shares following the reverse split, was rounded up to 100 shares. This change resulted in a decrease to common stock and corresponding increase in additional paid in capital and is reported through retrospective application in these financial statements.

On July 6, 2015, a stockholder converted 375,900 shares of Series B Preferred Stock into 3,759 shares of common stock.

NOTE 7 – PREFERRED STOCK

Series A preferred stock

Shares of Series A preferred stock are not convertible into common stock or any other class of common or preferred shares of the Corporation. If at least one share of Series A preferred stock is issued and outstanding, then the total aggregate issued shares of Series A preferred stock at any given time, regardless of their number, shall have voting rights equal to four times the sum of: i) the total number of shares of Common Stock which are issued and outstanding at the time of voting, plus ii) the total number of votes of all other classes of preferred stock which are issued and outstanding at the time of voting. The holders of Series A preferred stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.

Series B preferred stock

Each share of Series B preferred stock is convertible, at any time, and/or from time to time, into .0001 shares of the common stock. Each share of Series B preferred stock shall have ten votes for any election or other vote placed before the shareholders of the Company. The initial price of each share of Series B preferred stock shall be \$2.00. The holders of Series B Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.

On May 1, 2015, the Company entered into a Purchase and Sale Agreement whereby it purchased 100% of Optic Panda, an Ontario sole proprietorship, for 25,000 shares of Series B Preferred stock for a total purchase price of \$50,000.

On June 1, 2015, the Company entered into a Purchase and Sale Agreement whereby it purchased 100% of Earthsgift, an Ontario sole proprietorship, for 25,000 shares of Series B Preferred stock for a total purchase price of \$50,000.

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Series C preferred stock

Each share of Series C preferred stock is convertible, at any time, and/or from time to time, into .0001 share of the common stock. Each share of Series C preferred stock shall have one vote for any election or other vote placed before the shareholders of the Company. The initial price of each share of Series C preferred stock shall be \$5.00. The holders of Series C preferred stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.

NOTE 8 – INCOME TAXES

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The provision for Federal income tax consists of the following December 31:

	2016	2015
Federal income tax benefit attributable to:		
Current Operations	\$ 19,000	\$ 54,343
Less: valuation allowance	(19,000)	(54,343)
Net provision for Federal income taxes	\$ -	\$ -

The cumulative tax effect at the expected rate of 34% of significant items comprising our net deferred tax amount is as follows:

	2016	2015
Deferred tax asset attributable to:		
Net operating loss carryover	\$ 431,000	\$ 412,053
Less: valuation allowance	(431,000)	(412,053)
Net deferred tax asset	\$ -	\$ -

At December 31, 2016, the Company had net operating loss carry forwards of approximately \$1,268,000 that may

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be offset against future taxable income from the year 2016 to 2036. No tax benefit has been reported in the December 31, 2016 financial statements since the potential tax benefit is offset by a valuation allowance of the same amount.

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forwards for Federal Income tax reporting purposes are subject to annual limitations. Should a change in ownership occur net operating loss carry forwards may be limited as to use in future years.

NOTE 9 - SUBSEQUENT EVENTS

In accordance with SFAS 165 (ASC 855-10) management has performed an evaluation of subsequent events through the date that the financial statements were available to be issued and has determined that it does not have any material subsequent events to disclose in these consolidated financial statements.