PARKIT ENTERPRISE INC

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED JANUARY 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 March 31, 2014 and includes information and expectations about 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 January 31, 2014 as well as the audited financial statements for the year ended October 31, 2013.

BUSINESS STRATEGY & OVERVIEW

Parkit is a listed private equity real estate company which acquires and aggregates income-producing real estate in the parking sector. Parkit's corporate strategy is to acquire US income-producing parking facilities. The Company has assembled a team and built a platform to purchase and aggregate a diversified portfolio of assets over the next three years. This will be accomplished by partnering with institutional capital in a focused strategy whereby off-market value acquisitions will be further enhanced by the adoption of automation and technology to enhance yields. Along with equity capital partners, Parkit has interest from institutional lenders to provide non-recourse, long-term, asset-based financing for upwards of 75% of the acquisition costs at attractive rates. As General Partner and Portfolio Manager, Parkit will earn management fees and equity across the portfolio. Thus, the investment strategy provides income-stability with value upside to Parkit shareholders.

With interest rates near historic lows and cap rates at cyclical highs Parkit believes the timing is right to execute its growth strategy. The parking sector tends to follow the appreciation in capital prices currently evident in other conventional commercial real estate classes.

Parkit is a majority owner of a 4,200 stall, LEED Gold certified parking facility at Denver International Airport known as Canopy Airport Parking ("Canopy"). The asset's steady improvement in cash flows (trailing 12 month EBITDA of circa US$2.34 million) has resulted in a substantial increase in Parkit's equity. Recent appraisals completed for financing purposes currently value Canopy at US$38.0 million, and US$44.0 million upon stabilization expected in 2015.

Canopy incorporates multiple green building features in its design which include geothermal heating and cooling, LED lighting, electric vehicle charging stations, recycled asphalt and steel along with solar and wind energy sources. The facility continues to experience yield improvement with growth in revenue and occupancy.

Our equity partner, Propark America Inc., ("Propark") is the operator of the facility. Propark manages 425 facilities across 51 cities and 15 states, and has a 30 year history of managing and developing parking facilities.

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

Please visit the following websites for further information:

Parkit Enterprise Inc.	www.parkitenterprise.com.
Canopy Airport Parking	www.canopyairportparking.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 2013, management's revised corporate strategy garnered Parkit stakeholder support and resulted in an infusion of new common equity, conversion of previous outstanding shareholder loans to equity and retroactively reduced interest rate obligations.

The most significant development in Q1 2014 is the US$16.5 million refinancing of the Canopy asset and subsequent repayment of outstanding loans to Maxam. On November 1, 2013 the company replaced short-term debt with fixed-term, non-recourse debt in the Canopy refinancing, substantially improving the balance sheet structure and working capital accounts.

Based on currently appraised value (US$38.0 million), Parkit's equity in Canopy is more than US$11.0 million (exclusive of applicable taxes). In the four months since the inception of the loan, i.e. to end February 2014, principal has already been reduced by approximately US$500,000 and principal outstanding is expected to reduce to approximately US$15.0 million this fiscal year. Parkit equity thus continues to increase as asset cash flows improve. Future value at stabilization (September 2015) has been appraised at US$44.0 million.

Subsequent to Q1, Parkit executed a first tranche equity financing and announced an exclusive strategic alliance with Propark America for the purpose of implementing a parking acquisition fund.

In summary, over the past quarter Parkit has improved its balance sheet, working capital position and risk profile significantly, enabling it to advance its agenda to execute its growth strategy.

Canopy Refinancing/Maxam Loan Repayment:

On November 1, 2013 the Company closed a US$16,500,000 refinancing of the Canopy parking facility. The non-recourse, floating rate debt used to complete the recapitalization was provided by Capital Source Bank, a wholly-owned subsidiary of Capital Source Inc. (NYSE:CSE). All outstanding amounts owed by Parkit to Maxam Capital Corp. ("Maxam"), which represented 90% of the loan interest and fees at year-end, have thus been repaid and all security has been released. The Wells Fargo construction loan at the asset level has also been repaid. Interest is at LIBOR plus 5.25% with a floor of 5.50%, the current interest rate. The maturity date of the loan is November 1, 2017 with an option to extend to November 1, 2018.

Propark Strategic Alliance:

On March 12, 2014 the Company announced that it had entered into an exclusive alliance with Propark America ("Propark") to launch a parking acquisition fund (the "Fund"). The alliance leverages the joint experience and working relationship gained in the development, ownership and operation of the world class Canopy Airport Parking facility in Denver, CO. Parkit brings access to capital markets and real estate acquisition fund expertise whilst Propark brings 30 years of experience as a leading nationwide parking operator and owner. Parkit and officers of Propark will manage the acquisition fund as co-general partners. The Fund will solicit institutional capital for limited partner interests with the strategic intent to acquire, optimize and aggregate a diversified portfolio of income producing parking facilities across the United States. Propark will provide property level operational expertise.

A first-close portfolio of seven assets totalling US $85 million, diversified by type and geography across the U.S., is targeted for near-term acquisition. A second close portfolio is being assembled for follow-on acquisition.

Equity financing:

Under a financing allocation originally announced on December 9, 2013 for up to $3,000,000 in a brokered convertible debenture offering, the Company on March 10, 2014 announced that it had opened the financing up to include private placements of equity.

On March 21, 2014, the Company received TSX Venture Exchange approval to closing the first tranche of its private placement. The Company raised an aggregate $1,329,525 through issuance of 4,431,550 units at a price of $0.30 per unit ("Unit") in the first tranche closing.

Each Unit consists of one common share and one half-share purchase Warrant, each whole Warrant entitling the holder to purchase one common share for the price of $0.50 per share for a period of 24 months following the date of issuance. The Warrants are subject to an acceleration provision such that if the closing price of the Company's shares is equal or greater to $0.95 per share for 20 consecutive trading days at any time following four months after issuance, the Company may, by notice to the Warrant holders, reduce the remaining exercise period of the Warrants to not less than 30 days following the date of such notice.

Approximately $380,000 of short-term loans and convertible debentures were retired in conjunction with this financing. Remaining proceeds are funding investment and infrastructure to establish the parking acquisition fund.

OVERALL PERFORMANCE – CONSOLIDATED

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	January 31, 2014	January 31, 2013	October 31, 2013	October 31, 2012
Average rate	1.0672	0.9931	1.0194	1.0047
Period end rate	1.1177	1.0020	1.0462	1.0004

Sales during the period increased to $2,032,546 (2013 – $1,602,998), an increase of 26%. The increase in sales can be attributed to ongoing sales and promotional efforts as well as organic growth in occupancy year over year.

EBITDA in US dollars calculated at the Canopy asset level for the period was US$758,939 (2013 – US$448,910). This represented a 69% increase year over year.

Net loss for the period ended January 31, 2014 was $623,150 (2013 – $468,076). The increase in loss was as a result of variances in certain expenses that is explained in detail below. Overall in the prior period the Company had scaled back operations and was undergoing changes in management and corporate strategy which resulted in a reduction in corporate expenses.

RESULTS OF OPERATIONS - CONSOLIDATED

Consolidated results of operations for the periods end January 31, 2014 and 2013 were as follows:

	January 31, 2014	January 31, 2013
Sales	$ 2,032,546	$ 1,602,998
Operating expenses	1,999,644	1,302,379
Net operating income	32,902	300,619
Net loss for the period	(765,150)	(468,076)
Loss attributable to parent	(753,283)	(460.157)
Net loss per share – basic and diluted	(0.04)	(0.04)
Comprehensive loss attributable to parent	$ (926,303)	$ (749,515)

Sales are related to parking fees and other service charges at Canopy Airport Parking. The parking facility has seen regular increases in occupancy, subject to taking into account the variability of outbound flights at Denver International Airport at different times of year, thereby leading to a regular increase in sales revenues. Sales increased to $2,032,546 (2013 – $1,602,998). The increase in sales can be attributed to ongoing sales and promotional efforts as well as organic growth in occupancy year over year.

FINANCIAL POSITION - SEGREGATED

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 JANUARY 31, 2014	**Consolidated**	**Corporate**	**Canopy**
ASSETS			
Current			
Cash	$ 153,623	$ 87,375	$ 66,248
Restricted cash	356,361	-	356,361
Accounts receivable	78,250	19,688	58,562
Prepaid expenses and deposits	363,711	257,323	106,388
Equipment	35,179	35,179	-
Parking lot facility	16,357,626	-	16,357,626
	$ 17,344,750	$ 399,565	$ 16,945,185
LIABILITIES			
Current			
Accounts payable and accrued liabilities	$ 2,127,070	$ 1,313,488	$ 813,582
Short-term loans payable	2,201,887	2,201,887	-
Current portion of loans payable	1,268,277	-	1,268,277
Convertible debentures	468,048	468,048	-
	6,065,282	3,983,423	2,081,859
Loans payable	16,256,995	-	16,256,995
	$ 22,322,277	$ 3,983,423	$ 18,338,854

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

RESULTS OF OPERATIONS - SEGREGATED

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.

	January 31, 2014			January 31, 2013		
NET LOSS	Consolidated	Corporate	Canopy	Consolidated	Corporate	Canopy
REVENUES						
Sales	$ 2,032,546	$ -	$ 2,032,546	$ 1,602,998	$ -	$ 1,602,998
OPERATING EXPENSES						
Advertising and promotion	87,450	-	87,450	72,356	-	72,356
Automobile and vehicle	240,035	-	240,035	181,493	-	181,493
Credit card processing and bank charges	52,202	304	51,898	44,186	443	43,743
General and administrative	201,492	11,405	190,087	160,166	6,076	154,090
Insurance	58,232	2,873	55,359	48,935	2,375	46,560
Management fees	337,078	230,202	106,876	178,873	92,500	86,373
Professional fees	84,664	39,744	44,920	35,306	19,224	16,082
Public Relations	15,158	15,158	-	11,844	11,844	-
Rent	135,104	19,491	115,613	94,965	3,931	91,034
Repairs and maintenance	171,516	-	171,516	63,849	-	63,849
Salaries and wages	471,871	7,000	464,871	348,323	4,341	343,982
Taxes and licenses	137,292	-	137,292	49,056	-	49,056
Travel and entertainment	7,750	5,949	1,601	13,027	4,157	8,870
	1,999,644	332,126	1,667,518	1,302,379	144,891	1,157,488
Net operating income	32,902	(332,126)	365,028	300,619	(144,891)	445,510
OTHER EXPENSE (INCOME)						
Depreciation	271,362	1,875	269,487	284,893	-	284,893
Foreign exchange	17	17	-	37,840	37,840	-
GST allowance	172,000	172,000	-	-	-	-
Loan interest and finance fees	384,673	66,676	317,997	445,962	327,419	118,543
	828,052	240,568	587,484	768,695	365,259	403,436
Net loss for the period	$ (795,150)	$ (572,694)	$ (222,456)	$ (468,076)	$ (510,150)	$ 42,074

RESULTS OF OPERATIONS - SEGREGATED (continued)

Corporate:

Significant items contributing to the net loss for the period of $400,694 (2013 – $510,150) were as follows:

Management fees are charged at the corporate level in lieu of salary. For the period ended January 31, 2014 management fees increased to $230,202 (2013 – $92,500) primarily as a result of bonuses of $155,000 granted to management in relation to closing the re-financing.

Professional fees increased to $39,744 (2013 - $19,224). The expense includes charges for audit, accounting, and legal fees, primarily related to the refinancing of the Canopy asset and Maxam loan repayment.

A GST allowance of $172,000 (2013 - $Nil) was recorded in relation to disputed refunds from historically returned GST. The Company disagrees with CRA's position and is vigorously defending its claim to these refunds.

Loan interest and financing fees decreased to $66,676 (2013 – $327,419). The decrease is due to the settlement of the non-revolving term credit facility held with Maxam Capital Corp.

Canopy:

Significant items contributing to the net loss of $222,456 (2013 – net income of $42,074) were as follows:

Sales increased to $2,032,546 (2013 – $1,602,998). Sales are related to parking fees and other service charges at Canopy Airport Parking. The increase over the prior year is primarily attributed to increases in occupancy and rates.

Advertising and promotion costs increased to $87,450 (2013 - $72,356). The increase is related to advertising and promotional campaigns for Canopy.

Automobile and vehicle costs are associated with fuel costs and bus leasing costs for Canopy as users of the Parking facility require transport to the airport terminal. The expense for the period was $240,035 (2013 -$181,493). This increase related to higher usage of Canopy and therefore higher transport costs to the terminal as well as charges related to new operating lease agreements entered.

General and administrative increased to $190,087 (2013 - $154,090). General and administrative costs are made up of license, permits, postage, office supplies, operating lease charges, utilities, and car wash expenses. The increase is attributed to increased activity which has resulted in increasing operating costs overall.

Credit card processing and bank charges increased to $51,898 (2013 – $43,743). The amount primarily relates to credit card processing fees and the increase is consistent with the increase in sales.

Insurance expense was $55,359 (2013 -$46,560). The increase can be attributed to policy changes as compared to the prior year as well as some increases in premiums.

Management fees increased to $106,876 (2013 - 86,373). Management fees related to charges incurred by Propark in relation to the day to day operation of the parking facility and are based on a percentage of sales.

Professional fees increased to $44,920 (2013 – $16,082). The increase is primarily related to the completion of the CapitalSource Bank refinancing.

Rent increased to $115,613 (2013 - $91,034). The increase was in accordance with the ground lease agreement in place.

RESULTS OF OPERATIONS – SEGREGATED (continued)

Canopy (continued):

Repairs and maintenance increased to $171,516 (2013 - $63,849). The increase was related to regular repairs and maintenance of the shuttle fleet, parking facility structures, and resurfacing which was required as a condition of the CapitalSource Bank re-financing.

Salaries and wages increased to $464,871 (2013 - $343,982). This amount relates to staffing at Canopy and staffing levels can fluctuate from period to period. The increase is attributed to an increase in staffing to meet increased activity levels and ensure a high level of services is provided to customers.

Taxes and licenses increased to $137,292 (2013 - $49,056). This balance relates to property taxes, regulatory fees and license fees. The increase was primarily related to increased property tax charges during the period. During the period ended January 31, 2013 a refund was received in relation to a successful property tax appeal which was a one-time event.

Depreciation increased to $269,487 (2013 - $248,893). The increase is due to foreign currency translation adjustments as the cost basis of the Parking facility is recorded in US dollars and the Company reports in Canadian dollars.

Loan interest and financing fees increased to $317,997 (2013 – $118,543). The increase is as a result of a greater amount of debt held at the Canopy asset level of the corporate structure.

SUMMARY OF QUARTERLY RESULTS – CONSOLIDATED

The following table sets forth selected financial information of the Company on a consolidated basis for each of the eight most recent financial quarters (in thousands`000`):

Financial	January 31, 2014	October 31, 2013	July 31, 2013	April 30, 2013
Sales	$ 2,032	$ 2,067	$ 2,167	$ 1,814
Total operating and other expenses	2,656	3,392	2,935	2,235
Comprehensive loss attributable to the parent	754	931	629	403
Net loss for the period	581	1,326	768	420
Per Share – basic and diluted	$ (0.04)	$ (0.12)	$ (0.06)	$ (0.04)

Financial	January 31, 2013	October 31, 2012	July 31, 2012	April 30, 2012
Sales	$ 1,603	$ 1,977	$ 1,819	$ 1,185
Total operating and other expenses	2,071	2,196	2,727	2,406
Comprehensive loss attributable to the parent	750	144	939	1,457
Net loss for the period	468	219	908	1,221
Per Share – basic and diluted	$ (0.04)	$ (0.05)	$ (0.09)	$ (0.21)

LIQUIDITY - CONSOLIDATED

Summary:

Management has prepared a strategy and path for financing and future growth of the Company. The Company expects that this strategy, combined with the effects of the US$16,500,000 re-financing of Canopy completed November 1, 2013, has provided improved liquidity. The Company is also in the process of closing a second tranche of a private placement under its financing allocation of $3.0 million.

At January 31, 2014, the Company had a working capital deficiency of $5,113,337 (October 31, 2013 – $18,112,919) including cash of $153,623 (October 31, 2013 – $268,884) and restricted cash of $356,361 (October 31, 2013 – $1,126,707). Of the working capital deficiency $1,494,300 (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's loan with Wells Fargo Bank totalling $8,892,700 (US$8,500,000) matured on October 1, 2013. Wells Fargo worked amicably with the Company in support of its refinancing of Canopy and on November 1, 2013 the Company repaid the loan in full.

Additionally, the Company's non-revolving term credit facility to Maxam with a balance of $7,574,473 was repaid in full.

During the period cash was used in operating activities totalling $192,930 (2013 – $321,343) which represented a decrease of $128,413. The increase reflects the cash generated from increasing sales at the Canopy parking facility.

Cash provided by financing activities totalled $175,090 as compared to $305,338 in 2013. Significant financing activities completed during the period were as follows:

- Entered loans in the amount of $843,041 (net of repayments)
- Distributed $1,554,272 to non-controlling interest partners in accordance with the Green Park Denver LLC equity cash flow distribution structure detailed below in the Liquidity discussion.

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 January 31, 2014 $8,094,823 (US$8,403,303) 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.

The net effect of this waterfall is that if Canopy were to sell for US$ 38.0 million (current third party valuation), Parkit would receive approximately US$11.0 million in distributions net of asset level debt, exclusive of any applicable taxes.

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.

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.

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.

The Company, as at time of writing, is currently open with a second tranche financing under which $1.3 million was closed on March 21, 2014.

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 transaction.

OUTSTANDING SHARE DATA

As at the date of this report, the Company has 20,383,730 issued and outstanding common shares, 120,000 common share stock options outstanding, and 5,474,561 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 January 31, 2014, the Company had current liabilities of $6,065,282. 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.

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 January 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 11, 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 11, 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 $2,500.

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 (Continued)

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.

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 EVENT

On March 21, 2014, the Company closed the first tranche of its private placement of up to $3,000,000. The Company raised an aggregate $1,329,525 through issuance of 4,431,550 units at a price of $0.30 per unit ("Unit") in the first tranche closing.

Each Unit consists of one common share and one half-share purchase Warrant, each whole Warrant entitling the holder to purchase one common share for the price of $0.50 per share for a period of 24 months following the date of issuance. The Warrants are subject to an acceleration provision such that if the closing price of the Company's shares is equal or greater to $0.95 per share for 20 consecutive trading days at any time following four months after issuance, the Company may, by notice to the Warrant holders, reduce the remaining exercise period of the Warrants to not less than 30 days following the date of such notice. Finder's fees of $21,837 and 72,779 broker warrants were paid in connection with the first tranche closing of the private placement.

Approximately $380,000 of short-term loans and convertible debentures were retired in conjunction with this financing.

RELATED PARTY TRANSACTIONS - CONSOLIDATED

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

During the period ended January 31, 2014 the Company entered into the following related party transactions:

Name	Relationship	Consulting	Bonus	Professional	Office, admin, rent	Total
Richard Baxter	CEO, director	$30,000	$92,500	$ -	$ -	$122,500
Patrick Bonney	CFO, director	22,500	-	-	-	22,500
John LaGourgue	COO, director	22,500	62,500	-	-	85,000
Shoni Bernard	Secretary	-	-	3,000	-	3,000
Total		$75,000	$155,000	$3,000	$ -	$233,000

During the period ended January 31, 2013 the Company entered the following related party transactions:

Name	Relationship	Consulting	Bonus	Professional	Office, admin, rent	Total
Richard Baxter	CEO, director	$32,500	$ -	$ -	$ -	$32,500
John LaGourgue	COO, director	15,000	-	-	-	15,000
Skanderbeg Capital Partners Inc.	Related company officers and directors*	-	-	-	12,924	12,924
Total		$47,500	$ -	$ -	$12,924	$281,992

* Skanderbeg Capital Partners is a private company partially owned by Brad Scharfe and Bryan Slusarchuk.

The following balances were owing to related parties:

Name	Relationship	Service	January 31, 2014	October 31, 2013
Richard Baxter	CEO, director	Management fees, expense reimbursement	$ 120,870	$ 21,084
Patrick Bonney	CFO, director	Management fees, expense reimbursement	12,104	764
John LaGourgue	COO, director	Management fees, expense reimbursement	82,134	6,453
Shoni Bernard	Corporate secretary	Professional fees	3,149	2,753
Mark Devereux	Former CEO, director	Management fees, expense reimbursement	42,253	42,253
Brad Scharfe	Former CEO, director	Management fees, expense reimbursement	33,000	33,000
Bryan Slusarchuk	Former CEO, director	Management fees, , expense reimbursement	14,000	14,000
Skanderbeg Capital Partners Inc.	Related company*	Office, administration, rent	16,428	26,631
Total			$ 323,938	$ 146,938

* Skanderbeg Capital Partners is a private company partially owned by Brad Scharfe and Bryan Slusarchuk.

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:

Name	Note reference	Principal balance and accrued interest January 31, 2014	Principal balance and accrued interest October 31, 2013	Interest expense January 31, 2014	Interest expense January 31, 2013
Brad Scharfe	Note 10d, 10g	$ 325,311	$ 258,472	$ 7,326	$ 7,721

The measurement basis for all related party transactions noted above was the negotiated amount. There are no ongoing contractual or other commitments resulting from the above transactions.

CONTROLS AND PROCEDURES

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

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.

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.