PARKIT ENTERPRISE INC.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED DECEMBER 31, 2024

March 6, 2025

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The information in this AIF is given as of December 31, 2024, unless otherwise indicated. All dollar amounts set forth in this AIF are in Canadian dollars unless otherwise indicated. Capitalized terms and industry terms used herein without definition have the respective meanings set forth in the Glossary.

GLOSSARY

In this AIF, in addition to terms defined in the body of this AIF, unless otherwise indicated or the context otherwise requires, the following terms shall have the indicated meanings. Words importing the singular include the plural and vice versa and words importing a gender include any genders. A reference to an agreement means the agreement as it may be amended, supplemented or restated from time to time.

"**affiliate**" or "**associate**" has the meaning ascribed thereto in the *Securities Act* (Ontario), as amended from time to time.

"**AIF**" means this Annual Information Form.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended from time to time, including the regulations promulgated thereunder.

"**Board**" means the board of directors of the Corporation.

"**Common Shares**" means common shares in the capital of the Corporation.

"**Corporation**" or "**Parkit**" means Parkit Enterprise Inc.

"**GLA**" means gross leasable area.

"**OBCA**" means the *Business Corporations Act* (Ontario), as amended from time to time, including the regulations promulgated thereunder.

"**Option**" means an option to acquire a Common Share granted pursuant to the Option Plan.

"**Option Plan**" means the stock option plan of the Corporation as constituted on the date hereof.

"**Shareholder**" means a holder of Common Shares.

"**TSX-V**" means the TSX Venture Exchange.

"**WALT**" means the weighted average lease term.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this AIF, and in certain documents incorporated by reference into this AIF, constitute forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to future events or the Corporation's future performance. All statements other than statements of historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes 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 AIF should not be unduly relied upon. These forward-looking statements speak only as of the date of this AIF or as of the date specified in the documents incorporated by reference into this AIF, as the case may be.

In particular, this AIF, and the documents incorporated by reference, contain forward-looking statements, including, but not limited to, the following:

- Parkit's strategic objectives and focus, including regarding acquiring high-quality and strategically located industrial properties across key urban markets in Canada; generating stable and growing cash flows; growing the asset base and increasing cash flow and value (including increasing value through growing cashflow); enhancing the value of Parkit's assets through active management of its assets, maximizing the value of industrial and parking assets through expansion and innovative asset management; ensuring Parkit follows progressive environmental, social and governance ("**ESG**") policies, Parkit's beliefs about ESG being a driver of long-term success; and the ability to significantly increase the Corporation's value over time;
- Parkit's investment and acquisition strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom;
- the mitigation of concentration risk, and the stability of cash flows, through geographic diversification of Parkit's properties;
- the organic growth and expansion of certain of Parkit's industrial real estate platform;
- potential growth and opportunities in the Canadian industrial real estate sector and potential factors in such growth and opportunities;
- Parkit's growth and growth strategy of Parkit, including the potential expansion of existing industrial real estate properties;
- potential acquisitions by Parkit that have previously been announced by Parkit, and closing dates for such potential acquisitions; and
- potential sources of financing for potential future growth and potential acquisitions including a combination of free cash flow from operations, mortgage financing and the issuance of debt or equity securities.

Although the forward-looking statements contained in this AIF are based upon assumptions which management of the Corporation believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this AIF, the Corporation has made assumptions regarding, but not limited to:

- the successful negotiation and execution of purchase agreements in respect of potential acquisitions;
- Parkit completing current and future acquisitions in a manner consistent with previous disclosure and consistent with past acquisitions;
- market acceptance of Parkit's future acquisitions and industrial real estate expansions;
- market acceptance and receipt of approvals, including Board approval, and TSX-V acceptance of the potential issuance of Common Shares, if any, for potential acquisitions, and the closing of such potential acquisitions;
- the satisfactory fulfilment of all of the conditions precedent to any potential acquisitions;
- the ability of Parkit to rely on exemptions from the formal valuation and minority approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* in respect of any related party transactions;

- the completion of satisfactory due diligence by Parkit in relation to the potential acquisitions;
- the value of the appraisals received for potential acquisitions;
- factors and trends in Canada's industrial real estate sector being consistent with the past and projections for such growth;
- no material adverse change in economic conditions or capital markets in Canada generally;
- no material adverse change in the Canadian industrial real estate sector;
- factors in Parkit's growth being consistent with the past and projections for such growth;
- the impact of increasing competition;
- receipt of regulatory approvals;
- the ability to obtain additional financing on satisfactory terms;
- the ability of Parkit to successfully market its services; and
- the Corporation's future debt levels.

The Corporation's actual results could differ materially from those anticipated in the forward-looking statements as a result of the risk factors set forth herein and in the documents incorporated by reference herein, including but not limited to:

- general business, economic, competitive, political and social uncertainties;
- delay or failure to receive Board or regulatory approvals;
- the actual results of future operations;
- conclusions of economic evaluations and appraisals;
- environmental risk;
- changes in operating costs;
- competition;
- investment properties, illiquidity and tenant risk;
- failure to realize the anticipated benefits of recently completed acquisitions;
- parking operations risks;
- litigation risks, including adverse claims made in respect of the Corporation's properties or assets;
- dependence on, and protection of, key individuals;
- cybersecurity risk;
- general insured and uninsured risks and potential litigation;
- climate change risks;
- general capital market conditions and market prices for securities;
- the timing and availability of external financing on acceptable terms;
- future financing, interest rate and access to capital on acceptable terms;
- changes in legislation, including environmental legislation and tax legislation, affecting Parkit; and
- other factors, many of which are beyond the control of the Corporation, some of which are discussed under "Risk Factors" in this AIF.

Forward-looking statements and other information contained herein concerning the industrial real estate sector in Canada and the Corporation's general expectations concerning this industry are based on estimates prepared by management of the Corporation using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Corporation believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Corporation is not aware of any material misstatements regarding any industry data presented herein, the industrial real estate sector involves numerous risks and uncertainties and is subject to change based on various factors.

Management of the Corporation has included the above summary of assumptions and risks related to forward-looking statements provided in this AIF in order to provide shareholders with a more complete perspective on the Corporation's current and future operations and such information may not be appropriate for other purposes. The Corporation's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom.

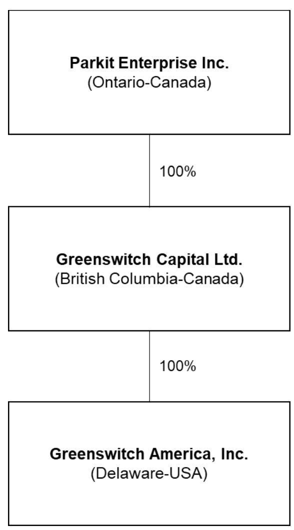
Readers are cautioned that the foregoing list of important factors is not exhaustive and they should not unduly rely on the forward-looking statements included in this AIF or in any of the documents incorporated by reference. These forward-looking statements are made as of the date of this AIF and the Corporation disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. All forward-looking statements contained in this AIF are expressly qualified by this cautionary statement. Further information about the factors affecting forward-looking statements and management's assumptions and analysis thereof, is available in filings made by the Corporation with Canadian provincial securities commissions available on SEDAR+ at www.sedarplus.ca.

CORPORATE STRUCTURE

Parkit Enterprise Inc. was incorporated on December 6, 2006 under the BCBCA as "Lela Designs Inc." On January 10, 2008, the Corporation amended its authorized capital to consist solely of Common Shares. On April 18, 2008, the Corporation changed its name from "Lela Designs Inc." to "Greenscape Capital Group Inc." On September 11, 2013 the Corporation changed its name from "Greenscape Capital Group Inc." to "Parkit Enterprise Inc." On July 9, 2021, the Corporation filed Articles of Continuance to continue the Corporation from the BCBCA to the OBCA.

The Corporation's head office is located at 100 Canadian Rd, Toronto, Ontario, M1R 4Z5 and its registered office is located at 100 King Street West, Suite 6000, 1 First Canadian Place, Toronto, Ontario M5X 1E2.

The following chart depicts the intercorporate relationships among the Corporation and its principal subsidiaries as of the date hereof:



GENERAL DEVELOPMENT OF THE BUSINESS

Business Overview

Parkit is an industrial real estate platform focused on the acquisition, growth and management of strategically located industrial properties across key urban markets in Canada, to complement its parking assets across the United States of America.

Parkit currently owns a portfolio of 25 industrial properties of which 8 are in the GTA+, 5 are in Ottawa, 1 is in Montreal, 7 are in Winnipeg and 4 are in Saskatchewan. As of the date of this AIF, the total GLA of the properties comprising Parkit's portfolio is approximately 2 million square feet on 136 acres.

Parkit's objectives are to: (i) generate stable and growing cash flows from operations, (ii) grow the asset base in key urban markets through accretive acquisitions of properties; and (iii) enhance the value of Parkit's assets through active management of its assets.

The Corporation is a reporting issuer in British Columbia, Alberta, Saskatchewan, Ontario and Nova Scotia. The Common Shares are listed and posted for trading on the TSX-V under the trading symbol "PKT".

Three Year History

The general development of Parkit's business during the last three fiscal years and to the date of this AIF, including acquisitions and other events which have had an influence on the Corporation's development, are described below.

Financial Year Ended December 31, 2022

On February 22, 2022, the Corporation announced that it had completed the acquisition of two industrial assets from two vendor groups for an aggregate purchase price of $17,000,000, subject to customary adjustments. Both acquisitions were arm's length. The properties acquired were 568 Second Street, London, Ontario and 1665 Boul. Lionel-Bertrand, Boisbriand, Quebec for an aggregate purchase price of $17,000,000. The properties are approximately 141,000 square feet on 5.6 acres of land. The aggregate purchase price for the acquisitions was satisfied through the issuance of 2,000,744 Common Shares for $2,500,000 and $14,500,000 from funds on hand.

On March 14, 2022, Parkit announced a Normal Course Issuer Bid ("**NCIB**") to purchase for cancellation, during the 12-month period starting March 18, 2022, up to 11,723,184 of the outstanding Common Shares of the Corporation, representing 5% of the Common Shares outstanding. During the year ended December 31, 2022, the Corporation purchased and cancelled 8,299,000 Common Shares pursuant to its NCIB for a total of $8,022,422 at an average price of $0.97 per share.

On May 12, 2022, the Corporation announced that it had completed the acquisition of two industrial assets from two vendor groups for an aggregate purchase price of $23,313,437, subject to customary adjustments. One of the acquisitions was arm's length and one was non-arm's length with SRS Realty Group Inc. ("**SRS**"), a company wholly owned by Steven Scott, a director and chair of Parkit, as the vendor. The properties acquired were 3455 Mainway Dr, Burlington, Ontario and 5300 Harvester Rd, Burlington, Ontario for an aggregate purchase price of $23,313,437. The properties are approximately 77,299 square feet on 10.8 acres of land. The aggregate purchase price for the acquisitions was satisfied through the issuance of 5,885,238 Common Shares of Parkit for $7,633,437, assumption of a mortgage of approximately $4,500,000 and approximately $11,180,000 from funds on hand. As SRS is a related party to Parkit, the applicable acquisition was considered to be a "related party transaction" under MI 61-101 and TSX-V Policy 5.9. Parkit was exempt from obtaining a formal valuation for, and minority approval of, the acquisition pursuant to Section 5.5(b) and 5.7(1)(a) of MI 61-101, respectively.

On May 25, 2022, the Corporation announced that it had completed the acquisition of 1155 Lola St., Ottawa, Ontario for an aggregate purchase price of $17,600,000, subject to customary adjustments. The property is approximately 62,400 square feet on 3.0 acres of land. The purchase price was satisfied through the issuance of the assumption of a mortgage of approximately $8,800,000 and the balance from funds on hand.

Financial Year Ended December 31, 2023

On March 20, 2023, the Corporation announced that it had completed the acquisition of a portfolio of 10 industrial properties located in Winnipeg and Saskatchewan, from an arm's length vendor for an aggregate purchase price of $90,250,000, subject to customary adjustments. The property is approximately 800,000 square feet on 55.0 acres of land. The purchase price was satisfied with first mortgage financing and funds on hand.

On March 21, 2023, Parkit announced an extension to the NCIB to purchase for cancellation, during the 12-month period starting March 24, 2023, up to 11,692,258 of the outstanding Common Shares of the Corporation, representing 5% of the Common Shares outstanding. During the year ended December 31, 2023, the Corporation purchased and cancelled 6,159,000 Common Shares pursuant to its NCIB for a total of $ 4,330,293 at an average price of $0.70 per share.

On May 2, 2023, the Corporation announced that it had completed the acquisition of the remaining 50% interest in Fly-Away Airport Parking in Nashville Tennessee from an arm's length vendor for an aggregate purchase price of $3,550,000 USD, subject to customary adjustments. With this acquisition, the Corporation now owns 100% of Fly-Away Airport Parking. Fly Away Airport Parking is an off airport parking lot located by the Nashville International Airport with 1,204 parking spaces on 8.5 acres of land. The purchase price was paid with funds on hand.

On August 16, 2023, the Corporation announced that ARMS (as defined below), a company owned and controlled by Steven Scott and Iqbal Khan, acquired 3,000,000 Common Shares on the open market though the facilities of Omega ATS at a price of $0.68 per Common Share, representing 1.30% of the issued and outstanding Common Shares at the time of such purchase. Steven Scott and SRS (a company wholly owned by Steven Scott) are joint actors with ARMS.

On November 9, 2023, the Corporation announced that Carey Chow would be the sole CFO of the Corporation. Prior thereto Carey Chow worked as Co-CFO for 2 years with JoAnne Odette, however Ms. Odette completed her transitional role as Co-CFO of the Corporation.

Financial Year Ended December 31, 2024

On March 25, 2024, Parkit announced an extension to the NCIB to purchase for cancellation, during the 12-month period starting March 28, 2024, up to 11,394,158 of the outstanding Common Shares of the Corporation, representing 5% of the Common Shares outstanding. During the year ended December 31, 2024, the Corporation purchased and cancelled 4,780,230 Common Shares pursuant to its NCIB for a total of $2,766,057 at an average price of $0.58 per share.

On April 3, 2024, the Corporation announced that it had completed the acquisition of one industrial property located in Winnipeg, from an arm's length vendor for an aggregate purchase price of $6,300,000, subject to customary adjustments. The property is approximately 82,600 square feet on 4.60 acres of land. The purchase price was satisfied with funds on hand.

In September 2024, the Corporation completed the acquisition of the remaining interest in OP Z Parking in East Granby, Connecticut from an arm's length vendor for an aggregate purchase price of US$1,600,000, subject to customary adjustments. With this acquisition, the Corporation now owns 100% of OP Z Parking, an off airport parking lot located by the Bradley International Airport with 800 parking spaces on 5.46 acres of land. The purchase price was satisfied with funds on hand.

On December 19, 2024, the Corporation announced that it had completed the acquisition of one industrial property located in Ottawa, from an arm's length vendor for an aggregate purchase price of $9,500,000, subject to customary adjustments. The property is approximately 140,000 square feet on 2.80 acres of land. The purchase price was satisfied with a first mortgage financing and funds on hand.

Period After December 31, 2024

On February 6, 2025, the Corporation announced that it had completed the acquisition of one investment property in Quebec from a non-arm's length vendor for an aggregate purchase price of $10,250,000, subject to customary adjustments The purchase price was satisfied with a first mortgage on the property and funds on hand. The Property has approximately 62,680 square feet of gross leasable area on 2.5 acres of land.

For the period from January 1, 2025 to March 6, 2025, the Corporation purchased and cancelled 1,309,100 Common Shares pursuant to its NCIB program for a total of $695,462.

Significant Acquisitions

During the fiscal year ended December 31, 2024, the Corporation did not complete any significant acquisitions as defined in National Instrument 51-102 - *Continuous Disclosure Obligations*.

BUSINESS OF PARKIT

Business Overview

Parkit Enterprise is an industrial real estate platform focused on the acquisition, growth and management of strategically located industrial properties across key urban markets in Canada, to complement its parking assets across the United States of America.

Strategic Direction

Parkit's strategy is to own and operate a portfolio of strategically located industrial properties. The Corporation is committed to:

- owning and operating a premium portfolio of industrial and parking assets with strong fundamentals
- focusing resources on long-term cash flow and increasing value
- maximizing the value of industrial and parking assets through expansion and innovative asset management
- ensuring the Corporation follows progressive ESG policies

Parkit's industrial properties are focused on the light industrial sector which is a vital part of the Canadian economy and is a stable long-term asset class with numerous opportunities for growth. The Corporation's portfolio includes warehouses, distribution facilities, and light manufacturing with a mix of single and multi-tenant properties. Parkit's target properties have low rent volatility and high tenant retention, reduced operating costs, generic and highly in demand space, low capital maintenance, minor leasehold improvements and minimal tenant inducement costs.

Parkit's investment strategy is to maximize shareholder value through growing income streams, acquisitions of high-quality assets, and increasing the intrinsic value of portfolio assets. It is anticipated that targeted acquisitions will have a combination of current and growing free cash flow, opportunities for yield enhancement and in certain circumstances opportunity for repositioning and expansion. Combined, these factors should increase the Corporation's value significantly over time. While Parkit's assets are not marked-to-market, and gains in value are not recognized in the Corporation's financial statements, it is expected that this value will be reflected through growing future cash flow.

Competition – Industrial Real Estate

In each jurisdiction in which Parkit does business, there are a significant number of competitors including private individuals and corporations, real estate investment trusts, real estate companies, pension funds, insurance companies, foreign entities, and similar institutions and investors which are presently seeking or which may seek in the future real property investments. In particular, Parkit competes with larger and similar-sized publicly traded real estate investment trusts for acquisition opportunities in industrial real estate asset.

Industrial real estate is an attractive investment for investors who are seeking stable cash flow. The supply of industrial properties available for sale in Parkit's key markets are relatively limited. To the extent Parkit has a competitive advantage in a marketplace, that advantage arises from its internal underwriting and expertise, property management agreement with Access Results Management Services Inc. and the network of real estate brokers, owners and operators maintained by Parkit's principals and strategic partners.

Parkit's Investment in Industrial Properties

As at December 31, 2024, the Parkit's properties comprise an aggregate of approximately 2.1 million square feet of GLA on 136.5 acres in the GTA+, Ottawa and Montreal. Subsequent to December 31, 2024, the Corporation successfully closed the acquisition of one investment property from a non-arm's length vendor for an aggregate purchase price of $10,250,000, subject to customary adjustments. The purchase price was satisfied with a first mortgage financing and funds on hand.

The following chart provides summary information about the properties as at December 31, 2024:

Property Address	Rentable Area (Square feet)	Land Area (Acres)
4390 Paletta Crt, Burlington, Ontario	101,160	5.5
5600 Finch Ave East, Scarborough, Ontario	128,582	6.1
5610 Finch Ave East, Scarborough, Ontario	55,700	5.5
720 Tapscott Rd, Scarborough, Ontario	-	2.3
1165 Kenaston St, Ottawa, Ontario	168,187	7.4
415 Legget Dr, Ottawa, Ontario	188,000	17.9
1151 Parisien St, Ottawa, Ontario	74,447	4.0
1485 Speers Rd, Oakville, Ontario	73,500	6.5
1665 Bl. Lionel Bertrand, Boisbriand, Quebec	55,547	2.0
568 Second St, London, Ontario	84,000	3.6
3455 Mainway Dr, Burlington, Ontario	16,279	3.0
5300 Harvester Rd, Burlington, Ontario	61,182	7.8
1155 Lola St, Ottawa, Ontario	62,405	3.0
555 Camiel Sys Street, Winnipeg Manio	24,665	5.4
310 De Baets Street, Winnipeg, Manitoba	74,196	3.7
1725 Inkster Blvd, Winnipeg, Manitoba	286,740	12.8
2030 Notre Dame Ave, Winnipeg, Manitoba	107,757	6.2
90-120 Paramount Rd, Winnipeg, Manitoba	32,720	2.4
1345 Redwood Ave, Winnipeg, Manitoba	112,132	9.9
144 Henderson Dr, Regina, Saskatchewan	66,446	4.9
195 Henderson Dr, Regina, Saskatchewan	30,984	3.5
2 Ramm Ave, Regina, Saskatchewan	63,996	3.8
859 - 57th Street E, Saskatoon, Saskatchewan	17,920	1.9
961-975 Sherwin Road, Winnipeg, Manitoba	82,640	4.6
1650 Comstock Road, Gloucester, Ontartio	140,000	2.8
Total	**2,109,185**	**136.5**

Investment properties	December 31, 2024
Number of properties (cumulative)	25
Site area (acres) (cumulative)	136.5
In place GLA (sf)	2,109,185
Expansion GLA in development (sf)	271,050
Stabilized GLA after expansion (sf)	2,380,235
In place occupancy rate	99%
Average in-place net rent	$11.94
WALT (years)	4.3

Industrial Asset Portfolio

As of December 31, 2024, Parkit owns and operates a portfolio of 25 industrial assets totaling 2,109,185 sq ft of GLA with an additional 271,050 sq ft planned in future expansions.

The Corporation leases industrial properties to tenants under operating leases. For the year-ended December 31, 2024, the Corporation did not have revenues from any customer that individually exceeded 10% or more of the Corporation's total revenue from investment properties. The Corporation's tenants operate in a variety of industries, with no one tenant accounting for more than 6.0% of total GLA. The Corporation's portfolio of 25 industrial assets has 65 tenants.

As at December 31, 2024, the Corporation has an in-place and committed occupancy of 99% for 23 stabilized properties. The Corporation has 2 other properties in development with short-term income. The stabilized properties have an average in-place net rent for the portfolio of $11.94 per square feet compared with the weighted average market rents of $14.07 per square feet for the portfolio in Q4 of 2024.

Portfolio as at December 31, 2024	Total GLA	Average in-place base rent (per sq ft)	Estimated market rent (per sq ft)	WALT
Greater Toronto Area +, Ontario	436,403	$16.03	$17.18	4.6 years
Ottawa, Ontario and Montreal, Quebec	500,586	$12.68	$16.47	4.6 years
Total Ontario and Quebec properties	936,989	$13.88	$16.80	4.6 years
Winnipeg, Manitoba and Saskatchewan	900,196	$7.50	$11.23	4.0 years
Total Portfolio	1,837,185	$11.94	$14.07	4.3 years

(i) Total GLA for portfolio excludes in-development assets of 272,000 sf.

Lease Maturities

The following table details the portfolio lease maturity profile of stabilized investment properties:

Portfolio as at December 31, 2024	Vacancy	2025	2026	2027	2028	2029+
Total vacancy / renewal (sq ft)	13,632	210,304	89,884	482,698	353,289	687,378
Total stabilized GLA (i)						1,837,185
Percentage of stabilized GLA	1%	11%	5%	26%	19%	38%

(i) Includes stabilized properties, total GLA excludes 272,000 sf for 415 Legget Dr, 568 Second St and 720 Tapscott Rd, which are in transition.

Parking Joint Venture

In addition to its industrial real estate assets, the Corporation holds its parking assets through its joint venture.

OP Holdings Joint Venture

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

The OP Holdings Joint Venture has 2 assets:

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

Fly-Away Parking - Nashville

As noted above, in April 2023, the Corporation completed the acquisition of Fly-Away Airport Parking in Nashville Tennessee. Previously, the parking asset was held by OP Holdings Joint Venture. See "*GENERAL DEVELOPMENT OF THE BUSINESS –Three Year History – Financial Year Ended December 31, 2023*".

OP Z Parking – East Granby

As noted above, in September 2024, the Corporation completed the acquisition of the remaining interest in OP Z Parking, an off-airport parking facility located in East Granby, Connecticut. Previously, the parking asset was held by OP Holdings Joint Venture. See "*GENERAL DEVELOPMENT OF THE BUSINESS –Three Year History – Financial Year Ended December 31, 2024*".

Competition – Parking

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

Cycles and Seasonal Activity

The Corporation's business from its industrial real estate assets is generally not cyclical.

For parking assets held within the joint venture, demand for airport parking can be impacted by the same seasonality in travel demand for that airport.

Environmental, Social and Governance

The Corporation believes maintaining a focus on ESG in all key decisions is a driver of long-term success. Sustainability and corporate responsibility are the pillars of long-term growth. The Corporation is focused on reducing its environmental impact, promoting equity, diversity, inclusion, and community initiatives, and striving for top-tier governance. Parkit's ESG strategy is promoted at all levels of the Corporation with both the Board and management collaborating to continue to improve and refine its initiatives.

Some of the Corporation's ESG initiatives and accomplishments include:

Environmental

- member of Canada Green Building Council, a leading not-for-profit national environmental organization
- Canopy Airport Parking, located in Denver, Colorado is LEED-certified Gold and Green Garage Certified
- registered with Energy Star to monitor energy use and minimize environmental footprint
- participation in Earth Day and other initiatives to bring awareness to environmental issues
- utilization of solar panels and planning for the expansion of solar panels
- review of solar opportunities with availability of new 30% investment tax credit
- upgrade to energy-efficient lighting and exterior LED lighting for safety
- use of low-flow toilets
- exploring for and applying for incentives for energy, water, and waste audits
- review of American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) standards and Indoor Air Quality testing where needed
- installation of new water feed to reduce overall water consumption at certain properties
- paperless administration including cloud-based systems and records distribution

Social

- ensure safe working conditions through adherence to occupational health and safety standards
- promoting diversity and inclusion through Board, management and the Corporation's use of merit-based hiring practices
- community involvement and charitable initiatives
- support wellness through continuing education for employees
- ensure safe conditions through adherence to jurisdictional occupational health, safety and labour standards

Governance
- established Board committees for Audit, Governance & Compensation, Investments
- Audit Committees is majority independent and the Governance & Compensation in entirely independent
- significant board and management ownership at over 40%

Employees

As at December 31, 2024, Parkit has no employees.

Concurrent with completion of the investment properties acquisitions on December 29, 2020, the Corporation entered into a property management agreement with Access Results Management Services Inc. ("**ARMS**"), a company owned by Steven Scott and Iqbal Khan. ARMS and the Corporation are related by having common members on its Board of Directors. The management agreement has, subject to certain conditions, a five-year term. The Corporation also receives invoices from ARMS and its related companies for construction, maintenance and other services related to the day-to-day property management.

BORROWING

The Corporation partially funds the purchase of industrial real estate assets through leverage. A number of factors are considered when evaluating the level of debt in Parkit's capital structure, as well as the amount of fixed and variable rate debt. In making financing decisions, the factors that Parkit considers include, but are not limited to interest rates, amortization period, covenants and restrictions, security requirements, prepayment rights and costs, overall debt level, maturity date in relation to existing debt, overall percentage of fixed and variable rate debt and expected asset performance.

Debt summary

The following table summarized the debt as of December 31, 2024 and December 31, 2023:

	December 31, 2024				December 31, 2023			
	Rate range	Weighted average		Balance	Rate range	Weighted average		Balance
Mortgages:								
At amortized cost - fixed (i)	2.31% - 6.87%	5.08%	$	33,410,511	2.31% - 6.87%	5.08%	$	26,416,958
	Maturity: Dec 2025 to Dec 2030				*Maturity: Dec 2025 to Dec 2030*			
At FVTPL - Mortgage				12,534,840				13,402,311
- Fixed via interest rate swap (ii)				(395,542)				(797,718)
		3.56%		12,139,298		3.56%		12,604,593
	Maturity: May 2025 to Nov 2029				*Maturity: May 2025 to Nov 2029*			
Credit facilities:								
At FVTPL - Credit facilities (iii, iv)		5.72%		9,507,230		7.45%		5,640,634
At FVTPL - Credit facilities (iii)				124,389,587				126,535,849
- Fixed via interest rate swap (v)				110,413				(2,035,849)
		5.49%		124,500,000		5.49%		124,500,000
	Maturity: Jan 2025 to Mar 2026				*Maturity: Jan 2025 to Mar 2026*			
Total debt (vi)		**5.30%**		**179,557,039**		**5.35%**		**169,162,185**
Financing costs, net (vii)				(457,476)				(726,664)
Carrying value (viii)			$	**179,099,563**			$	**168,435,521**
Current debt			$	78,894,203			$	716,353
Non-current debt			$	100,205,360			$	167,719,168

i. Included in these figures is a mortgage payable in USD, with a balance of $4,183,673 USD as at December 31, 2024 (December 31, 2023 – $4,250,000) with an amortization period of 25 years. The remainder of the mortgages are payable in CAD with an amortization period of 25 years.
ii. The mortgage models a fixed rate mortgage with a set interest rate of 3.49% to 3.69%, amortizing with fixed monthly payments over 20 to 25 years, with a term of 5 to 10 years. The swap contracts require settlement of net interest receivable or payable every 30 days. The settlement dates coincide with the dates on which interest is payable on the underlying mortgage payable. The mortgage and interest rate swaps have been accounted for at FVTPL. As at December 31, 2024, the interest rate swap on mortgages had a net financial asset position of $395,542 (December 31, 2023 – $797,718).
iii. Included in the credit facilities is a revolving line of credit of $55,000,000 of which $44,007,230 has been drawn upon at December 31, 2024 (December 31, 2023 - $55,000,000 line of credit with $40,140,634 drawn), resulting in a remaining line of credit available of $10,992,770 (December 31, 2023 - $14,859,366). The drawn amount includes $43,000,000 in CAD and the remainder in USD (December 31, 2023 - $35,500,000 in CAD). The interest rate applicable to the available line of credit will be determined in accordance with the prevailing variable interest rate.
iv. The balance includes a USD balance of $700,000 ($1,007,230 CAD) as at December 31, 2024 ($3,501,969 ($4,640,634 CAD) – December 31, 2023).
v. The Corporation has entered into a series of swap agreements to fix the interest rate of between 5.10% to 5.72% on the $124,500,000 combined revolving and non-revolving line of credit, for the remainder of the loan term maturing on January 2025 to March 2026. The swap contracts require settlement of net interest receivable or payable every 30 days and have been accounted for at FVTPL. As of December 31, 2024, the interest rate swap on mortgages was in a financial liability position amounting to $110,413 (December 31, 2023 – financial asset position $2,035,849). The unrealized fair value of the swap position after loan maturity is detailed in note 11 to the audited annual financial statements for the year ended December 31, 2024 (the "**Financial Statements**").
vi. The mortgages are collateralized by first charges on specific investment properties (see Financial Statements note 5) and parking properties (see Financial Statements note 6).
vii. The deferred financing costs consist of fees and costs incurred to obtain the related mortgage financing, less accumulated amortization of $758,994 as at December 31, 2024 (December 31, 2023 - $415,443).
viii. See Financial Statements note 23 for additional disclosure on the estimated fair value of the debt.

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

		Total
2025 (i)		79,082,336
2026 (i)		70,718,581
2027		755,038
2028 (i)		6,358,885
2029		7,321,454
Thereafter (i)		15,320,745
	$	**179,557,039**

i. Includes debt balance due at maturity.

Unrealized loss on derivative of financial instruments

The Corporation has entered into swap agreements with its lenders for its variable debt outlined in Financial Statements Note 10, with certain swaps maturing on dates beyond the maturities of the underlying debt. These swap positions have maturities between April 2027 and April 2028, with an option to cancel at specified dates ranging between April 2025 to April 2026, at the option of the lender. The fair value of the financial instrument as at December 31, 2024 is an unrealized derivative liability of $1,580,041 (December 31, 2023 - $1,965,707). The overall swap positions, up until its final maturity for all of the Corporation's swaps, are a financial liability of $1,294,912. (December 31, 2023 – financial asset of $867,860).

DIVIDENDS

The Corporation has not declared or paid any dividends since incorporation. Any decision to pay dividends on the Common Shares will be made by the Board of Directors on the basis of the Corporation's earnings, financial requirements and other conditions existing at the relevant time.

CAPITAL STRUCTURE OF PARKIT

Authorized Shares

The Corporation is authorized to issue an unlimited number of Common Shares, of which, as at the date of this AIF 221,802,332 Common Shares are issued and outstanding as fully paid and non-assessable. As of December 31, 2024, 223,111,432 Common Shares were issued and outstanding.

Common Shares

The holders of Common Shares are entitled to dividends if, as and when declared by the directors, to one vote per share at meetings of the holders of Common Shares and, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the Common Shares.

MARKET FOR SECURITIES

Trading Price and Volume

Common Shares

The Common Shares are listed and posted for trading on the TSX-V under the symbol "PKT". The following table sets out the price range (monthly high and low prices) of the Common Shares and monthly volumes of Common Shares traded on the TSX-V for the financial year ended December 31, 2024.

Period	High ($)	Low ($)	Volume
2024			
January	0.69	0.55	752,666
February	0.83	0.57	539,075
March	0.69	0.58	505,647
April	0.63	0.55	486,062
May	0.64	0.57	216,864
June	0.63	0.47	2,735,434
July	0.55	0.49	221,205
August	0.55	0.50	322,714
September	0.71	0.51	890,905
October	0.76	0.61	1,820,070
November	0.73	0.48	801,269
December	0.67	0.51	821,470

Prior Sales

The following table summarizes the securities of the Corporation not listed on a marketplace for the financial year ended December 31, 2024 and granted during the most recently completed financial year.

Description of Security	Date Issued	Number of Securities Issued	Exercise Price Per Security ($)
Options	December 30, 2024	1,588,500	$0.60

DIRECTORS AND EXECUTIVE OFFICERS

Directors and Executive Officers of Parkit

The names, municipalities of residence, principal occupations for the five preceding years and committee membership of each of the directors and executive officers of Parkit as of the date hereof are set out below:

Name, Residence and Principal Occupation	Position and Offices Held
Steven Scott Toronto, Ontario, Canada Chair of the Board of Directors of the Corporation. Steven Scott is a director, Chair and Chief Executive Officer StorageVault Canada Inc. (TSX: SVI). Steven Scott is a Principal and Chief Executive Officer of The Access Group of Companies focusing on the ownership, acquisition and development of storage, multi-residential and commercial real estate in Canada. Steven Scott is also a Director and Treasurer of the Canadian Self Storage Association.	• Chair • Director since December 29, 2020 • Member of the Investment Committee • Member of the Audit Committee
Iqbal Khan Toronto, Ontario, Canada Chief Executive Officer of the Corporation. Iqbal Khan is a director and the Chief Financial Officer of StorageVault Canada Inc. (TSX:SVI). Iqbal Khan is a Principal and Chief Financial Officer of The Access Group of Companies focusing on the ownership, acquisition and development of storage, multi-residential and commercial real estate in Canada, and prior to the internalization into the Corporation, President of RecordXpress, a records management company. He is the Chairperson of the Canadian Self Storage Association Tax Committee.	• Chief Executive Officer • Director since December 29, 2020
Carey Chow Markham, Ontario, Canada Chief Financial Officer of the Corporation. Prior to joining the Corporation, Carey Chow held CFO roles at various private Canadian companies. Carey Chow holds a Bachelor of Mathematics from the University of Waterloo and is a Chartered Professional Accountant.	• Chief Financial Officer
Bradley Dunkley Toronto, Ontario, Canada Co-Founder, Chief Investment Officer and Chief Risk Officer at Waratah Capital Advisors Ltd., a Toronto-based alternative asset manager. Prior to co-founding Waratah in 2010, Bradley Dunkley worked for 12 years at Gluskin Sheff + Associates. Bradley Dunkley holds a Bachelor's degree in business administration from Wilfrid Laurier University.	• Director since May 18, 2017 • Member of the Audit Committee • Member of the Governance and Compensation Committee • Chair of the Investment Committee
David Delaney Toronto, Ontario, Canada President of Concord Delta, an investment company focused on listed equities and private investment. Prior thereto, David Delaney spent five years working for a Toronto-based real estate developer and a Toronto based lender. From 2007 to 2011, David Delaney trained and practiced as an architect at the University of Toronto and Diamond and Schmitt Architects. He has been a CFA Charterholder since 2016. David Delaney has a Master of Architecture degree from the University of Toronto and a Bachelor of Arts degree from Acadia University.	• Director since May 30, 2018 • Member of the Governance and Compensation Committee
Avi Geller Spring Valley, NY, USA Chief Executive Officer of the Corporation from October 30, 2018 to June 28, 2021. Avi Geller has been the Chief Investment Officer of Leonite Capital LLC and Director of DealFlow Financial Products, Inc. and Nova Minerals Ltd.	• Director since May 30, 2018 • Member of the Investment Committee
Blair Tamblyn Toronto, Ontario, Canada Chief Executive Officer and Co-Founder of Timbercreek Asset Management and Chair of the Board for Timbercreek Financial Corporation (TSX:TF). Prior to founding Timbercreek in 1999, Blair Tamblyn worked with Connor, Clark & Corporation. Blair Tamblyn is a graduate of the University of Western Ontario and completed the small/medium sized Enterprise Board Effectiveness Program offered by Rotman, together with the Institute of Corporate Directors.	• Director since April 29, 2021 • Chair of the Audit Committee • Member of the Governance and Compensation Committee • Member of the Investment Committee

Each director will hold office until the next annual general meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the OBCA. Between annual meetings, the Board has the authority to appoint one or more additional directors to serve until the next annual meeting provided that the number of directors so appointed does not exceed 1/3 of the number of directors holding office at the expiration of the last annual meeting.

Security Holding by Directors and Officers

As at the date of this AIF, the directors and executive officers, as a group, beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 91,120,684 Common Shares, representing approximately 41.1% of the issued and outstanding Common Shares. The information as to Common Shares beneficially owned by directors and executive officers, not being within the knowledge of the Corporation, has been furnished by the respective directors or obtained from SEDI. This amount includes: 28,040,456 Common Shares owned by SRS, a company wholly owned and controlled by Steven Scott; 3,000,000 Common Shares owned by ARMS, a company owned and controlled by Steven Scott and Iqbal Khan; 635,617 Common Shares owned by IKHAN Solutions Inc., a company controlled by Iqbal Khan; 25,527,065 Common Shares owned by NAWOC Holdings Limited, an associate of each of Steven Scott and Iqbal Khan; 4,667,000 Common Shares owned by Access Self Storage Inc., an associate of each of Steven Scott and Iqbal Khan, but not controlled by Steven Scott or Iqbal Khan; 443,000 Common Shares owned by Dunkley Capital Corporation, a company controlled by Bradley Dunkley; 958,142 Common Shares owned by KDI Corporation, a company controlled by David Delaney; 4,908,105 Common Shares owned by Leonite Capital LLC, a company controlled by Avi Geller; 1,000,000 Common Shares owned by 2180233 Ontario Inc., a company controlled by Blair Tamblyn; and 500,000 Common Shares owned by The SRWB Trust, a trust controlled by Blair Tamblyn.

Cease Trade Orders

To the knowledge of management no director or executive officer as at the date of this AIF, is or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any corporation (including the Corporation), that (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes hereof, "order" means (a) a cease trade order, (b) an order similar to a cease trade order, or (c) an order that denied the relevant Corporation access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

Bankruptcies

To the knowledge of management, no director, executive officer of the Corporation or a Shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation (a) is, as at the date of this AIF, or has been within the 10 years before the date hereof, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties or Sanctions

To the knowledge of management, no director, executive officer or Shareholder holding a sufficient number of securities of the Corporation to materially affect the control of the Corporation (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has incurred any other penalties imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject to in connection with the operations of the Corporation. In particular, certain directors and officers of the Corporation are associated with other reporting issuers or other corporations, which may give rise to conflicts of interest with the Corporation.

In accordance with the applicable corporate and securities legislation, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Corporation. Certain of the directors and each of the executive officers of the Corporation have either other employment or other business or time restrictions placed on them and accordingly, these directors and officers of the Corporation will only be able to devote part of their time to the affairs of the Corporation. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the applicable corporate law. In addition, the Corporation has established an Investment Committee in order to assist with any conflicts that may arise from future acquisitions and to ensure that future acquisitions are free from any related party influences. See "*GENERAL DEVELOPMENT OF THE BUSINESS –Business Overview*".

RISK FACTORS

An investment in the Common Shares is speculative due to the nature and stage of development of the Corporation's business.

In carrying out its business and operations, the Corporation is exposed to various risks and uncertainties, many of which are beyond the control of the Corporation and could impact the business, financial condition, operating results and prospects. These categories are outlined below along with summaries of the specific risk factors within each general category. In some instances, risks may fall into both categories. In such cases Parkit has classified risks based on the primary category in terms of how they affect the Corporation. The most significant risks in each category are listed first, based on the Corporation's current assessment of each risk. To the extent the Corporation's business or operations are affected by these risks, there could be an adverse effect on the Corporation's financial performance.

The Corporation continually works to identify and evaluate significant risks and to develop and maintain appropriate strategies to mitigate the impact of potential risks to its business. The Corporation's approach to risk management is integrated into its overall approach to decision making (both formal and informal) and also includes formal risk reviews with respect to certain matters. The summary provided below describes the main risks known to the Corporation and also identifies some of the steps that the Corporation takes to mitigate these identified risks.

All statements regarding the Corporation's business should be viewed in light of these risk factors. Investors should consider carefully whether investment in the Common Shares is suitable for them in light of the information in this AIF and in the documents incorporated by reference herein and their personal circumstances. If any of the identified risks were to materialize, the Corporation's business, financial position, results and/or future operations may be materially affected. Additional risks and uncertainties not presently known to the Corporation, or which the Corporation currently deems not to be material, may also have an adverse effect upon the Corporation and the Common Shares.

Readers should carefully consider all of the information set out in this AIF and in the documents incorporated by reference herein and the risks attaching to an investment in the Corporation including in particular, but not limited to, the factors set out below before making an investment decision. Readers are cautioned that this summary of risks may not be exhaustive, as there may be risks that are unknown and other risks that may pose unexpected consequences. Further, many of the risks are beyond the Corporation's control and, in spite of the Corporation's active management of its risk exposure, there is no guarantee that these risk management activities will successfully mitigate such exposure.

Operational Risks

Real Estate Industry Risk

Real estate investments are subject to varying degrees of risk depending on the nature of each property. Such investments are affected by general economic conditions, local real estate markets, supply and demand for lease space, competition from others with similar developments, the perceived “attractiveness” of a given property and various other factors. The value of income-producing real property may also depend on the credit worthiness and financial stability of the borrowers and/or the tenants. Changes in market conditions may decrease the value of the secured property and reduce the cash flow from the property, thereby impacting on the ability of the borrower to service the debt and/or repay the loan based on the property income.

While the Corporation typically obtains independent appraisals before acquiring industrial real property, the appraised values provided are not necessarily reflective of the market value of the underlying real property, which may fluctuate. In addition, the appraised values reported in independent appraisals may be subject to certain conditions, including the completion of construction, rehabilitation or leasehold improvements on the real property providing security for the loan. There can be no assurance that these conditions will be satisfied and if, and to the extent they are not satisfied, the appraised value may not be achieved. Even if such conditions are satisfied, the appraised value may not necessarily reflect the market value of the real property at the time the conditions are satisfied.

The value of real property and any improvements thereon may depend on the strength of the real estate market in the Corporation’s target markets. The Corporation’s future income may be adversely affected if there is a marked increase in the current vacancy rates, or decrease in the market lease rates, for competitive industrial real estate space in the Corporation’s target markets or if the Corporation is unable to continue to lease a significant number of its industrial real estate on economically favourable lease terms.

Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant will be replaced. The terms of any subsequent lease may be less favourable to the Corporation than those of an existing lease. In the event of default by a tenant, the Corporation may experience delays or limitations in enforcing its rights as landlord and incur substantial costs in protecting its investment. Furthermore, at any time, a tenant may seek the protection of bankruptcy, insolvency or similar laws which could result in the rejection and termination of the lease of the tenant and, thereby, cause a reduction in the cash flows available to the Corporation.

Historical occupancy rates and revenues are not necessarily an accurate prediction of the future occupancy rates for the Corporation’s properties or revenues to be derived therefrom. There can be no assurance that upon the expiry or termination of existing leases, the average occupancy rates and revenues will be higher than historical occupancy rates and revenues and it may take a significant amount of time for market rents to be recognized by the Corporation due to internal and external limitations on its ability to charge these new market-based rents in the short term.

Developments

Development and expansion of properties have significant risks including, but not limited to, contractual risks, construction risks, inflation and cost risks, shortages of experience labour, trades and services, and regulation risk associated with entitlements, zoning, and permit approval.

Joint Ventures and Parking Operations

The Joint Ventures and parking operations are subject to varying degrees of risk depending on the nature of each parking asset and joint venture. Such investments are affected by general economic conditions, local markets, supply and demand for parking, competition from others with similar developments, the perceived “attractiveness” of a given property and various other factors. The value of income-producing real property may also depend on the credit worthiness and financial stability of the Joint Ventures and income produced by operations. Changes in market conditions may decrease the operating cash flows from the parking assets and reduce the value in the property, thereby impacting on the ability of the borrower to service the debt and/or repay the loan based on the property income. Historical occupancy rates and revenues are not necessarily an accurate prediction of the future occupancy rates for the Corporation’s parking assets and Joint Ventures.

Current Economic Environment

Continued concerns about the uncertainty over whether the economy will be adversely affected by inflation, deflation or stagflation, and the systemic impact of increased unemployment, volatile energy costs, geopolitical issues, the availability and cost of credit, the mortgage market and distressed commercial real estate market have contributed to increased market volatility and a weakened business and consumer confidence. Market uncertainty, including the impact of tariffs imposed by any country, can also adversely impacted on the ability of the Corporation's tenants and operators to maintain occupancy rates in properties which could harm the Corporation's financial condition.

If inflation remains above the central banks' targets or persists for an extended period, the central banks may increase interest rates, which could have a more pronounced negative impact on the Corporation's variable rate debt and future results. During high inflation periods, annual rent increases may not keep up with inflation, leading to increased costs and potentially affecting tenants' ability to pay rent and the Corporation's ability to increase rents.

Furthermore, significant inflationary pressures and increased costs could adversely impact the Corporation's tenants if their operating expenses rise faster than their revenue, potentially affecting the Corporation's financial condition. Additionally, increased inflation could increase the costs of future development projects, potentially reducing profitability if higher rents cannot be obtained from prospective tenants.

Regarding real estate purchases, the Corporation faces the risk that if the real estate market fails to attract the same level of capital investment or investors seeking to acquire properties decrease, the value of its investments may not appreciate or may depreciate. Economic slowdowns or downturns could also materially and adversely affect the Corporation's operations and financial condition.

Risks Relating to the Corporation's Growth Strategy

Management's business strategy is dependent upon the Corporation's ability to identify acquisition targets in both new and existing markets, to obtain the financing required to complete such transactions, and to integrate the acquired businesses into the Corporation's existing operations. There is no guarantee that the Corporation will be able to identify suitable acquisition targets or to negotiate acceptable terms for such transactions. Even if the Corporation is able to identify acquisition targets on acceptable terms, it may not be able to obtain the financing required in order to complete such transactions on terms acceptable to the Corporation, or at all. In addition, while the Corporation is careful in selecting the businesses that it transacts with, management may not be able to successfully integrate new operations, and such transactions involve a number of risks, including:

- the possibility that the Corporation will pay more than the acquired assets are worth, or that it may become subject to unknown or undisclosed liabilities for which it cannot seek indemnification;
- the possibility that cost efficiencies realized at acquired locations may be less favourable than management's estimates, which are based on various assumptions as to purchasing and other efficiencies;
- the difficulty of integrating and assimilating the operations and personnel of the acquired assets into the Corporation's existing operations including the challenge of implementing uniform operating strategies, standards and policies throughout the acquired business;
- the potential inability to integrate, train, retain and motivate key personnel of the acquired assets; and
- the fact that integration may require substantial attention from, and place substantial demands upon, the Corporation's senior management team.

In addition, the Corporation faces competition when it attempts to grow through acquisitions of industrial real estate locations. An increase in the availability of investment funds in the general market, and a subsequent increase in demand for industrial real estate locations would have a tendency to increase the price for future acquisitions of industrial real estate locations and reduce the yields thereon.

Environmental Risk

Environmental risk is inherent in the ownership of real property. Various municipal, provincial and federal regulations can result in penalties or potential liability for remediation, to the extent that hazardous materials enter the environment. If the Corporation fails to comply with those laws, the Corporation could be subject to significant fines or other governmental sanctions. Under various such regulations, an owner or operator of real estate may be required to investigate and clean up hazardous or toxic substances at a facility and may be held liable to a governmental entity or to third parties for property damage and for investigation and clean-up costs incurred by such parties in connection with contamination. Such liability may be imposed whether or not the owner or operator knew of, or was responsible for, the presence of these hazardous or toxic substances. The cost of investigation, remediation or removal of such substances may be substantial, and the presence of such substances, or the failure to properly remediate such substances, may adversely affect the owner's ability to sell or rent such facility or to borrow using such facility as collateral. In addition, in connection with the ownership, operation and management of real properties, the Corporation could potentially be liable for property damage or injuries to persons, property and civil lawsuits. Environmental laws and regulations can change at any time and the Corporation may become subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have a material adverse effect on the Corporation's business, financial condition and results of operations.

To mitigate such risk, the Corporation procures recent or updated environmental reports or assessments for all acquisitions to help to ascertain the risk, if any, that exist at a property. However, there is no guarantee that such reports or assessments will identify all environmental hazards or remove all environmental risks.

The Corporation Incurs Fixed and Operating Costs which could Increase

Companies in the industrial real estate business must incur many of the costs of operating and maintaining their facilities, land and equipment, regardless of the level of occupancy during any given period. For example, the Corporation must pay property taxes, salaries, utilities, insurance and maintenance costs on its properties regardless of the amount of properties utilized. Because the Corporation cannot decrease these costs significantly or rapidly when it experiences declines in occupancy, profits and cash flow may decline at a greater rate than the decline in revenue.

In addition, as a matter of conducting business in the ordinary course, certain significant expenditures, including property taxes, debt payments, maintenance costs and related charges, must be made throughout the period of ownership of the Corporation's properties, regardless of whether the Corporation's business is producing sufficient income to pay such expenses. In order to generate adequate revenue over the long term, the Corporation must maintain or, in some cases, improve each property's condition to meet market demand. Maintaining its properties in accordance with market standards can entail significant costs, which the Corporation may not be able to pass on. Numerous factors could result in substantial unbudgeted costs for upkeep and maintenance. The timing and amount of capital expenditures required by the Corporation indirectly affects the amount of cash available to the Corporation.

In addition, operating costs could be negatively impacted from factors beyond the Corporation's control such as increases in property tax, staffing costs, insurance premiums, repairs and maintenances costs, utility costs and others due to various factors such as the need for governments to raise funds, natural disasters, commodity and energy prices.

Competition

The Corporation is subject to competition. The Corporation competes with other individuals, corporations, institutions and other entities which currently own, or are anticipating owning similar properties to the Corporation in a given region. To compete successfully, the Corporation's industrial real estate properties must maintain good reputations and high professional standards in the industry, as well as offer attractive products and services at competitive prices. Management is monitoring the impact of competitors and new initiatives undertaken by them, in order to respond where appropriate. Competitive forces could have a negative effect on occupancy levels, lease rates or operating costs such as marketing. If the Corporation is unable to successfully compete, its revenue and margins could be adversely affected.

In addition, in the real estate business, the Corporation faces significant competition with developers, managers and owners of investment properties competing to acquire properties and also seek tenants. The Corporation's competitors may be better capitalized and have stronger financial positions, and hence better able to withstand an economic downturn. The competition could negatively affect the Corporation's ability to lease space and acquire properties which could adversely affect the Corporation's financial condition.

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

Investment Properties, Illiquidity and Tenant Risks

The Corporation's investment properties are a portfolio of real estate assets which are subject to various risks including fluctuations in economic condition, market changes, property-specific factors and the changing needs of tenants. Maintaining tenant stability and minimizing vacancies are crucial factors. While leases may stipulate continuous occupancy, there's no guarantee tenants will comply. At lease expiration, tenants may choose not to renew, potentially leading to prolonged vacancies or less favorable lease terms.

Real estate investments come with liquidity challenges, limiting the Corporation's ability to swiftly adapt to economic shifts. In recessionary times, divesting certain property types may prove difficult. Holding costs, encompassing property taxes, maintenance, and more, persist regardless of vacancies and income generated. Substantial unbudgeted expenses may arise due to unforeseen building issues or code violations. Additionally, acquisitions may carry undisclosed risks, impacting sales proceeds and rental income.

To maintain market competitiveness and revenue generation, the Corporation must invest in property upkeep and improvements. It's important to acknowledge that some costs may not be passed on to tenants depending on the provisions of the lease. Recognizing the illiquid nature of real estate investments, the Corporation must carefully navigate market fluctuations. By understanding these risks and implementing prudent management practices, the Corporation aims to optimize its real estate holdings for long-term success.

Possible Failure to Realize Anticipated Benefits of Recently Completed Acquisitions

Parkit has recently completed several acquisitions to achieve a variety of benefits. Achieving the benefits of such acquisitions depends in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as Parkit's ability to realize the anticipated growth and development opportunities from the assets underlying such acquisitions. The integration of the assets underlying such acquisitions will require the dedication of considerable management effort, time and resources, which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. The integration process may result in the loss of key employees and the disruption of ongoing business, customer and employee relationships that may adversely affect Parkit's ability to achieve the anticipated benefits of its recently completed and proposed acquisitions.

If the Corporation is not able to respond effectively to changing consumer preferences, its market share, revenue and profitability could decrease.

Future market share, revenue and profit will depend in part on the Corporation's ability to anticipate, identify and respond to changing consumer preferences. Although the Corporation continually monitors consumer preferences, it may not correctly anticipate or identify trends in consumer preferences, or it may identify them later than its competitors do. In addition, any strategies the Corporation may implement to address these trends may prove incorrect or ineffective, which could have a material adverse effect on its financial condition, results of operations and cash flows.

Parking Operations Risks

The Corporation's parking property are subject to various risks including fluctuations in economic activity, variations in operating costs, changing regulations and local statutes, increased security risks, and vehicle risks including negligent driving which can cause liability and loss. The Corporation has procured an experienced parking manager and secured insurance to mitigate the risks and maximize the asset for long-term growth.

Employees and Contractors

A skilled workforce is important to the ongoing success of the Corporation. If the Corporation is unable to attract and retain skilled employees and contractors in variable employment markets, the Corporation's business and operations could be adversely affected. Further, the cost of retaining employees and hiring contractors in some locations can place inflationary pressure on the Corporation's costs.

Given the demand for many of these skilled individuals, the Corporation devotes a significant amount of resources and planning to the recruitment, retention, and training of its employees and contractors to secure the required level of staffing and skills necessary to support its businesses. As a result, the Corporation maintains a relatively good relationship with its employees and tries to cultivate a work environment in which employees have internal growth opportunities. The Corporation also tries to cultivate good relationships with dependable contractors in order to try to benefit from reliability and continuity of service. Nevertheless, if the Corporation is not able to attract skilled employees and contractors, its ability to execute its business plans may be impaired.

Geographic Concentration of the Corporation

The Corporation only operates in certain jurisdictions in Canada and the United States. As a result, the income generated by the Corporation and the performance of the Corporation will be sensitive to a decline in the economic conditions in such jurisdictions when compared to the rest of the globe.

The Corporation's investment properties are located in Canada. The Corporation's performance and the value of the investment properties are sensitive to changes in the economic condition and regulatory environment of Canada, and any adverse changes in economic condition or regulatory environment may adversely affect its financial condition.

The Corporation's parking assets are located in the USA. The performance of the joint ventures and the value of the parking assets are sensitive to changes in the economic condition and regulatory environment of the USA, and any adverse changes in economic condition or regulatory environment may adversely affect its financial condition.

Future Acquisitions

As part of the Corporation's business strategy, its plans are to grow through identifying acquisition opportunities, pursuing such opportunities, consummating acquisitions, and effectively operating and leasing such properties. If the Corporation is unable to manage growth effectively, it could adversely impact the financial condition of the Corporation.

Acquisitions and developments rely on the representations and warranties given by third parties to protect against undisclosed, unknown, or unexpected liabilities which may adversely affect the Corporation's financial condition. The representations and warranties may not adequately protect against all liabilities and any recourse against third parties may be limited by the financial capacity of such third parties. The acquisitions and developments may not meet the Corporation's expectation of operational or financial performance due to unexpected costs and other unknown items which is inherent to the any real estate acquisition.

Developments

Development and expansion of properties have significant risks including, but not limited to: contractual risks, construction risks; inflation and cost risks; shortages of experienced labour, trades, and services; and regulation risk associated with entitlements, zoning, and permit approval.

Litigation Risk

The Corporation is, in the course of its business, subject to lawsuits and other claims. Defence and settlement costs associated with such lawsuits and claims can be substantial, even with respect to lawsuits and claims that have no merit. Resolution of these claims would divert resources from the Corporation such as cash to pay expenses and damages and the diversion of management's time and attention from the Corporation's business. The impact and results from litigation cannot be predicted with certainty and can have a material adverse effect on the business. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding could have an adverse effect on the Corporation's operating results or financial performance.

Industry Regulation

There can be no assurances that the Corporation may not be negatively affected by changes to regulatory or legal frameworks in Canada and United States, including but not limited to possible tariffs, taxation, safety or other regulations. Changes to government, legislation, regulatory authorities, or other administrations can shift the way laws are applied.

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

The Corporation has established formal policies and procedures for assessing and overseeing environmental risks. These policies mandate obtaining a Phase I Environmental Site Assessment from an independent and qualified environmental consultant before acquiring any real property or interest therein.

Given the growing industry focus on climate change from governments, investors, and the public, it is crucial to recognize the potential threats from activities like greenhouse gas emissions. The Corporation is aware of the risk that its properties and tenants could be affected by government initiatives, leading to operational constraints and financial costs. Non-compliance may result in fines and impact the Corporation's reputation and operations. Additionally, the Corporation's properties and tenants may face challenges from climate change-related events, potentially disrupting operations and incurring additional expenses such as higher insurance costs.

Risk of Catastrophic Events

While the Corporation has insurance coverage for all of its properties, the insurance coverage may have deductible amounts and may not cover all damage which may occur to the properties. Floods, hurricanes, storms, earthquakes, terrorism, or other events may significantly affect the Corporation's operations and properties, and may cause the Corporation to experience reduced lease revenue, incur clean-up costs or otherwise incur costs in connection with these events. These events may have a material adverse effect on the Corporation's business, cash flows, financial condition and results of operations.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. In particular, certain directors and officers of the Corporation are associated with other reporting issuers or other corporations, which may give rise to conflicts of interest with the Corporation. In addition, certain of the Corporation's directors and officers may face actual or potential conflicts of interest due to their positions as directors or officers of the Corporation and other companies, for which they may act. These directors and officers may have a conflict of interest in allocating their time between their other respective businesses, projects and interests, and the business of the Corporation.

The directors and officers of the Corporation are required by law to act in the best interests of the Corporation. Discharge by the directors and officers of their obligations to the Corporation may result in a breach of their obligations to those other companies, and in certain circumstances could expose the Corporation to liability to those companies. Similarly, discharge by the directors and officers of their obligations, if applicable, to any other company could result in a breach of their obligations to act in the best interests of the Corporation.

Directors of the Corporation may from time to time deal with parties with whom the Corporation is dealing, or may be seeking acquisitions similar to those being pursued by the Corporation. Corporate law requires directors to disclose material interests in material contracts and transactions and to refrain from voting thereon. See "DIRECTORS AND EXECUTIVE OFFICERS – Conflicts of Interest".

Dependence on, and Protection of, Key Personnel

We depend on the continued support and involvement of the Corporation's directors and officers to develop its business and operations, and the services of the Corporation's key technical, sales, marketing, and management personnel. The Corporation is also dependent on its property manager and asset manager, ARMS, which manages its investment properties. The loss of any of these key persons or a change to its relationship with ARMS could have a material adverse effect on the Corporation's business, results of operations, ability to implement its business plans, and financial condition. The Corporation's success is also highly dependent on its 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. The Corporation's inability to attract and retain highly qualified technical, sales, marketing and management personnel may adversely affect its 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 the Corporation's operating expenses could be materially increased. We do not currently maintain corporate life insurance policies on key employees.

Cybersecurity

Cybersecurity is an increasing area of focus as the Corporation relies on digital technologies in its operations. The introduction of work from home, reliance on computers, digital devices, digital storage, banking and other services increases the exposure to cyber-related risks. Cyber-attacks can include but are not limited to phishing, virus, cyber extortion, social media fraud, financial theft, identity theft and attacks on personal and sensitive data. The Corporation has programs, systems and processes to protect against cyber-attacks but the results of successful attacks could have an adverse impact on the Corporation's financial condition.

The Corporation is continuing to evolve its security protocols and has engaged technology vendors concerning data security, access controls and other programs.

Joint Venture Agreements and Contractual Arrangements

The Corporation engages in different joint venture agreements and contractual arrangements from time to time. These relationships come with certain risks, including:

(i) The potential that these third parties may, at any point, have economic or business interests or objectives that conflict with the Corporation. The joint venture partners may also take actions contrary to the Corporation's instructions, requests, policies, or goals regarding its real estate investments.

(ii) The risk that these third parties could face financial challenges or seek legal protection through bankruptcy, insolvency, or other laws. This could lead to additional financial obligations on the Corporation's part to maintain and manage these properties or to repay the third parties' portion of property debt guaranteed by us. It may also result in delays, expenses, and other complications associated with obtaining court approval for the joint venture.

(iii) The risk that these third parties, through their activities on behalf of, or in the name of the joint ventures, may expose us to legal liability.

(iv) The necessity to obtain consent from third parties for certain major decisions, including regarding the distribution of cash generated from these properties or the refinancing or sale of a property. Additionally, the sale or transfer of interests in some of these joint ventures may be subject to rights of first refusal or first offer. Some of the joint venture and partnership agreements may include buy-sell or similar arrangements. These rights may be triggered at a time when we may not wish to sell, but circumstances may force us to do so because we lack the necessary funds to purchase the other party's interests. Such rights may also impede the Corporation's ability to sell an interest in a property or joint venture within the desired timeframe or on the terms we prefer.

General Insured and Uninsured Risks and Potential Litigation

The operations of the Corporation have inherent liability risks. The Corporation may be the subject of complaints and litigation from tenants, employees or third parties. The damages claimed could be substantial.

The Corporation carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance with standard policy specifications, limits and deductibles. There can be no assurance that all claims will be covered by the insurance coverage. A successful claim against the Corporation could materially affect the financial condition of the Corporation.

Trade Barriers and Trade Tariffs

Global, as well as North American trade conditions, including trade barriers such as the imposition of trade tariffs, may interfere with the free circulation of goods across Canada, the United States, North America or Globally. There can be no assurance that restrictive trade actions, trade barriers or trade tariffs will not materially adversely affect the Global or North American economies or financial markets. If trade barriers or trade tariffs adversely affect Global or North American economies or financial markets, any resulting economic downturn or recession could affect the Corporation's operations, or the ability to finance its operations.

Climate Change

Climate change continues to attract the focus of governments and the general public as an important threat, given that the emission of greenhouse gases and other activities continue to negatively impact the planet. The Corporation faces the risk that its properties or tenants may be subject to government initiatives aimed at countering climate change, such as a mandatory reduction of greenhouse gas emissions, which could impose constraints on our operational flexibility or cause the Corporation or its tenants to incur financial costs to comply with various reforms. Any failure to adhere and adapt to climate change reform could result in fines or adversely affect the Corporation's reputation, operations or financial performance.

Climate change could pose significant environmental, social and business risks. If environmental laws and regulations change, the Corporation could be subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have an adverse effect on the Corporation's business, financial condition or results of operations.

Physical risks from climate change that may result in damage to the Corporation's properties and buildings may include natural disasters and severe weather, such as floods, blizzards and rising temperatures. The extent of the Corporation's losses and loss in operating income in connection with such events is a function of the severity of the event and the total amount of exposure in the affected area. The Corporation is also exposed to risks associated with inclement winter weather, including increased need for maintenance and repair of its buildings. In addition, the physical impacts from climate change, including changing weather patterns, could have effects on the Corporation's business by increasing the cost of property insurance, and/or energy at its properties or buildings. As a result, the consequences of natural disasters, severe weather and climate change could increase the Corporation's costs and reduce the Corporation's cash flow.

Financial Risks

Market Price

A publicly-traded company will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the Common Shares will trade cannot be predicted. The market price of the Common Shares could be subject to significant fluctuations in response to variations in quarterly operating results, the issuance of dividends, if any, and other factors.

In addition, the market price for the Common Shares may be adversely affected by changes in general market conditions, fluctuations in the market for equity or debt securities and numerous other factors that are beyond the control of the Corporation.

Future Sales or Issuances of Securities

The Corporation may sell Common Shares or other securities in subsequent offerings. The Corporation may also issue additional securities to finance future activities. The Corporation cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of Common Shares, or the perception that such sales could occur, may adversely affect the prevailing market price of the Common Shares. With any additional sale or issuance of Common Shares, investors will suffer dilution to their voting power and the Corporation may experience dilution in its earnings per share.

Trading Liquidity

Trading volumes on the TSX-V indicate that the market for the Common Shares may not always be liquid. Illiquid securities may trade at a discount from comparable, more liquid investments, and may be subject to wide fluctuations in market value. In addition, the market price of the Common Shares at any given point in time may not accurately reflect the long-term value of the Corporation.

Refinancing Risk and Debt Matters

The Corporation relies on debt financing for some of its business activities, including capital and operating expenditures. There are no assurances that the Corporation will be able to refinance any or all of its borrowings, including mortgage financing, at their maturity. In addition, there are no assurances that the Corporation will be able to comply at all times with the covenants applicable under its current borrowings; nor are there assurances that the Corporation will be able to secure new financing that may be necessary to finance its operations and capital growth program. Any failure of the Corporation to secure refinancing, to obtain new financing or to comply with applicable covenants under its borrowings could have a material adverse effect on the Corporation's financial results. If the Corporation is unable to refinance an existing indebtedness on favorable terms, the Corporation may need to dispose of one or more properties on disadvantageous terms. Prevailing interest rates, limited availability of credit or other factors at the time of refinancing could increase interest expense and ultimately decrease the return to investors. Further, any inability of the Corporation to obtain new financing may limit its ability to support future growth.

The Corporation believes that the existing credit facilities and debt (including mortgages) will be sufficient for its immediate requirements and has no reason to believe that it will not be able to renew its existing credit facilities on commercially reasonable terms. The Corporation's ability to raise debt in the future will be dependent upon, among other factors, the overall state of the capital markets and investor appetite for investments in the industrial real estate sector generally and in the Corporation's securities in particular. The ability to make scheduled payments on or to refinance debt obligations depends on the financial condition and operating performance of the Corporation, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond its control. As a result, the Corporation may be unable to maintain a level of cash flow from operations sufficient to permit it to pay the principal, premium, if any, and interest on its indebtedness. These conditions could have an adverse effect on the industry in which the Corporation operates and its business, including future operating and financial results. There can be no assurance that the Corporation's cash flow will be adequate for future financial obligations or that additional funds will be able to be obtained.

The debt facilities relating to certain of the Corporation's assets contain restrictions that require the Corporation to satisfy specified financial ratios and tests. The Corporation's ability to comply with those financial ratios and tests may be affected by events beyond its control, and the Corporation may not be able to meet those ratios and tests. A breach of any of the covenants to comply with such ratios and tests could result in a default under such facilities and the lenders under such facilities could elect in certain circumstances to declare all amounts borrowed under the facilities, together with accrued interest, to be immediately due and payable and could proceed against the collateral securing that indebtedness.

Overall Level of Indebtedness

From time to time, the Corporation may have a significant amount of indebtedness from lenders whose interest in the assets of the Corporation would be senior to that of the equity holders of the Corporation. If the Corporation's business were to decline to a level where lenders were realizing on the Corporation's assets, this loss of value would be borne first by the equity holders of the Corporation. The Corporation's level of indebtedness could materially and adversely affect it in a number of ways. For example, it could:

- make it more difficult for the Corporation to conduct its operations;
- increase the Corporation's vulnerability to general adverse economic and industry conditions;
- require the Corporation to dedicate a portion of its cash flow from operations to service payments on its indebtedness, thereby reducing the availability of the Corporation's cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit the Corporation's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates;
- place the Corporation at a competitive disadvantage compared to its competitors that have less debt; and
- limit the Corporation's ability to borrow additional funds on commercially reasonable terms, if at all, to meet its operating expenses and for other purposes.

Future Financing, Interest Rate and Access to Capital

The Corporation's ongoing activities may not generate sufficient cash flow from the operation of the industrial real estate platform to finance the operations of the Corporation. As a result, the Corporation may require additional external financing in order to fund the Corporation's operations or business expansion. The amount of such additional external financing may be significant. As a result, if the Corporation arranges future equity or debt financing, the Corporation will be subject to risks associated with debt and equity financing. The Corporation's ability to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as the Corporations business performance. There can be no assurance that the Corporation will be successful in its efforts to arrange additional financing on terms satisfactory to the Corporation. If additional financing is raised by the issuance of shares from treasury, control of the Corporation may change, and existing shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Corporation may not be able to operate its businesses at their maximum potential, to expand, to take advantage of other opportunities, or otherwise remain in business.

The Corporation's capacity to enter into or extend financing agreements hinges on its ability to secure terms for interest payments that would not undermine the Corporation's intended profitability, along with amortization schedules that will not restrict the Corporation's capability to fulfill capital requirements and interest payments on debt. Additionally, there is the potential for future financing agreements with variable interest rates, in addition to the existing variable rate components. The Corporation may face the risk of ongoing interest rate increases, which could lead to a substantial upswing in its debt servicing obligations. Elevated interest rates typically lead to diminished demand for properties. Moreover, a combination of higher interest rates and more stringent borrowing criteria, whether mandated by legal requirements or imposed by lenders, could significantly impede the Corporation's ability to divest any of its properties.

In addition, from time to time, the Corporation may enter into transactions to acquire assets. Such transactions may be financed partially or wholly with debt, which may temporarily increase the Corporation's debt levels above industry standards.

Credit Risk

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

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

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

Interest Rates

The Corporation takes on interest rate risk in association with its debt financing. Amounts paid in respect of interest on debt reduce cash flow. Interest rates are influenced by Canadian and global economic conditions beyond the Corporation's control. Floating rate debt obligations expose the Corporation to changes in interest payments, which could have an adverse effect on the Corporation's financial results, as variations in interest rates could result in changes in the amount required to service debt.

Changes in Tax Legislation

Tax laws may be amended (its interpretation may change), retroactively or prospectively, resulting in tax consequences that materially differ from those contemplated by the Corporation across the jurisdictions in which the Corporation has operations or sales which may create a risk of non-compliance and re-assessment. While the Corporation believes that its tax filing positions are appropriate and supportable, it is possible that tax authorities may: (a) amend tax legislation (or its interpretation may change), or (b) successfully challenge the Corporation's interpretation of tax legislation which may affect the Corporation's estimate of current and future income taxes affecting the financial condition, prospects, and cash flow.

To help mitigate this risk, the Corporation retains knowledgeable, competent employees and consultants who are responsible for preparation of tax compliance filings, Canada Revenue Agency audits, quarterly provisions and tax forecasts to aid in predicting timing and the amount of cash taxability. In addition, the Corporation engages accountants who assist with the review of its tax filings and tax provisions to help the Corporation to comply with applicable legislation.

Adequacy of Insurance

The Corporation currently maintains customary insurance of the types and amounts consistent with prudent industry practice. In addition, the Corporation maintains director and officer liability coverage consistent with industry practice. The Corporation is not obligated to maintain insurance if it is not available to the Corporation on commercially reasonable terms. Further, there can be no assurance that such insurance coverage will be available in the future on commercially reasonable terms or at commercially reasonable rates. The insurance coverage obtained with respect to the Corporation's business will be subject to limits and exclusions or limitations on coverage that are considered to be reasonable, given the cost of procuring insurance and current operating conditions. Natural disasters, such as floods, earthquakes or severe winter storms may result in damage and business interruption losses that are greater than the aggregate limits of the Corporation's insurance coverage. Although the Corporation maintains a comprehensive insurance policy to cover such events, some insurance coverage may be or become unavailable or cost prohibitive. Losses beyond the scope of the Corporation's insurance coverage could have a material adverse effect on its business, operations and financial performance. There can be no assurance that the insurance proceeds received by the Corporation in respect of a claim will be sufficient in any particular situation to satisfy the indebtedness of the Corporation.

Property Taxes

Real property taxes may increase in the future as property tax rates change and as the Corporation's properties are reassessed by tax authorities. Such increases could adversely impact the Corporation's profitability, although the Corporation's leases are substantially triple net, so in most cases, the risk and cost of property taxes are transferred to the tenant.

Currency Fluctuations

Our revenue and 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.

Tax Considerations

Tax considerations are a critical aspect of the Corporation's operations. The Corporation has significant tax losses which are expected to lower corporate taxes in future periods. The Corporation's revenues stem from investments in Canada and the United States, exposing the Corporation to specific legal and political risks in those countries. Despite the Corporation's structure to optimize its tax assets, tax charges and withholding taxes in various jurisdictions, the Corporation's tax exposure is subject to changes to the tax system which it operates.

Internal Controls and Procedures

Effective internal controls are necessary for the Corporation to provide reliable financial reports and to help prevent fraud. Although the Corporation has undertaken a number of procedures and safeguards in order to help ensure the reliability of the Corporation's financial reports, including those imposed on the Corporation under Canadian securities law, the Corporation cannot be certain that such measures will ensure that the Corporation will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Corporation's results of operations or cause it to fail to meet its reporting obligations. If the Corporation or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in Corporation's consolidated financial statements and harm the trading price of the Common Shares.

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

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

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

Liquidity Risk

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Corporation manages maturities of its debts, monitors the repayment dates, and maintains adequate cash on hand to ensure it has sufficient capital to cover its obligations. The Corporation expects to fund its operations and liabilities through existing cash resources, revenues generated from operations, and additional debt and equity financings.

Based on the funds on hand and the Corporation's twelve-month cash flow forecast, the Corporation has sufficient capital to fund its targeted acquisitions and meet its current obligations and corporate overheads.

AUDIT COMMITTEE

The Audit Committee of the Corporation consists of the following members as at the date of this AIF:

Blair Tamblyn (Chair)	Independent(1)	Financially literate(1)
Bradley Dunkley	Independent(1)	Financially literate(1)
Steven Scott	Non-independent(1)	Financially literate(1)

Note:
As defined by National Instrument 52-110.

Other information relating to the Corporation's Audit Committee can be found under the heading "Audit Committee" in the Corporation's management information circular dated April 10, 2024, regarding the annual general and special meeting of shareholders of the Corporation held on May 28, 2024, that was filed on SEDAR+ at www.sedarplus.ca on April 18, 2024, and which information about the Corporation's Audit Committee is incorporated by reference herein.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no outstanding legal proceedings that the Corporation is or was a party to, or that any of the Corporation's property is or was the subject of, since January 1, 2024, that were or are material to the Corporation, and there are no such material legal proceedings that the Corporation knows to be contemplated. For the purposes of the foregoing, a legal proceeding is not considered to be "material" by the Corporation if it involves a claim for damages and the amount involved, exclusive of interest and costs, does not exceed 10% of the Corporation's current assets, provided that if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, the Corporation has included the amount involved in the other proceedings in computing the percentage. See "*RISK FACTORS*".

There were no: (i) penalties or sanctions imposed against the Corporation by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this AIF; (ii) other penalties and sanctions imposed by court or regulatory body against the Corporation that the Corporation believes must be disclosed for this AIF to contain full, true and plain disclosure of all material facts relating to the Common Shares; or (iii) settlement agreements the Corporation entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority during the most recently completed financial year.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described below or elsewhere in this AIF, there is no material interest, direct or indirect, of: (i) any director or executive officer of the Corporation; (ii) any person or corporation that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares; or (iii) an associate or any affiliate of any persons or companies referred to above in (i) or (ii), in any transaction within the three years before the date of this AIF that has materially affected or is reasonably expected to materially affect the Corporation.

On May 12, 2022, the Corporation completed the acquisition of an industrial assets from SRS, a company wholly owned by Steven Scott, a director and chair of Parkit, for an aggregate purchase price of $17,133,437, subject to customary adjustments. See "*GENERAL DEVELOPMENT OF THE BUSINESS - Three Year History*" and also please refer to the Corporation's news release dated May 12, 2022, filed on SEDAR+ at www.sedarplus.ca.

On August 16, 2023, ARMS, a company owned and controlled by Steven Scott and Iqbal Khan, acquired 3,000,000 Common Shares. See "*GENERAL DEVELOPMENT OF THE BUSINESS - Three Year History*" and also please refer to the Corporation's news release dated August 16, 2023, filed on SEDAR+ at www.sedarplus.ca.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The independent auditor of the Corporation is RSM Canada LLP, Toronto, Ontario.

The transfer agent and registrar for the Common Shares is Computershare Trust Company of Canada at its principal office in Toronto, Ontario.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, there have been no material contracts entered into by the Corporation within the most recently completed financial year, or before the most recently completed financial year that are still in effect.

INTERESTS OF EXPERTS

RSM Canada LLP is the Corporation's independent auditors. RSM Canada LLP has advised they are independent with respect to the Corporation within the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

ADDITIONAL INFORMATION

Additional information in relation to Parkit may be found on SEDAR+ at www.sedarplus.ca.

Additional information including directors' and officers' remuneration, principal holders of securities and securities authorized for issuance under equity compensation plans is contained in Parkit's management information circular dated April 10, 2024, filed on SEDAR+ at www.sedarplus.ca on April 18, 2024.

Additional financial information is provided in Parkit's most recent interim financial statements, audited annual financial statements and accompanying management discussion and analysis filed on SEDAR+ at www.sedarplus.ca.