PARK LAWN COMPANY LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Quarters Ended March 31, 2015 and 2014

Introduction

The following Management's Discussion and Analysis ("MD&A") covers the operations, financial position and operating results of Park Lawn Company Limited (the "Company" or "Park Lawn") for the quarters ended March 31, 2015 and March 31, 2014 and is intended to help readers better understand the operations and key financial results, as they are, in our opinion, at the date of this report. The MD&A has been prepared in accordance with National Instrument 51-102F1, Continuous Disclosure Obligations, and should be read in conjunction with the consolidated financial statements of the Company for the year ended December 31, 2013 and the accompanying notes. Information contained in this management's discussion and analysis is based on information available to management as of May 25, 2015.

Additional information relating to Park Lawn Company Limited is filed at SEDAR at www.sedar.com and at CNSX at www.cnsx.ca or can be obtained by contacting Investor Relations, Park Lawn Company Limited, 57 Linelle Street, Toronto, Ontario M2N 2J4.

Historically, Park Lawn prepared its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP") as set out in the Handbook of The Canadian Institute of Chartered Accountants ("CICA Handbook"). In 2010, the CICA Handbook was revised to incorporate International Financial Reporting Standards ("IFRS"), and requires publicly accountable enterprises to apply such standards effective for years beginning on or after January 1, 2011.

These statements are essentially forward-looking and are subject to risks and uncertainties, as described in the "Risks and Uncertainties" section below. Actual results, levels of activity, performance or achievements could differ materially from those projected, discussed or contemplated herein and are dependent upon on a number of factors, including the approval of the application for an amendment to the City of Toronto Official Plan and Zoning Bylaw for the Company's 2.9 acre parcel of land.

Unless otherwise noted, all amounts in this MD&A are presented in Canadian funds, which is the functional currency of the Company.

Park Lawn Company Limited shares are listed on the Canadian Securities Exchange (CSE) under the symbol PRL.

Forward-looking Statements

This MD&A contains forward-looking statements and information within the meaning of applicable securities legislation. These forward-looking statements reflect management's current beliefs and are based on assumptions and information currently available to the management of the Company. In some cases, forward-looking statements can be identified by terminology such as* "may", "will", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "forecast", "outlook", "potential", "continue", "should", "likely", *or the negative of these terms or other comparable terminology. Although management believes that the anticipated future results, performance, or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, readers should not place undue reliance on forward-looking statements and information, because they involve assumptions, known and unknown risks, uncertainties, and other factors that may cause the actual results, performance or achievements of the Company to differ materially from anticipated future results, performance, or achievements expressed or implied by such forward-looking statements and information. Factors that could cause actual results to differ materially from those set forth in the forward-looking statements and information include, but are not limited to, general and local economic conditions; and risk matters noted in the Overview; Impairment Testing of Property; Business Environment and Outlook; and, Risks and Uncertainties sections of this MD&A. The Company undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, except as required by law.

Overview

Park Lawn Company Limited owns a 2.9 acre parcel of land at 57 Linelle Street, Toronto, Ontario, and holds a promissory note in the amount of $5,096,498 issued by Park Lawn Limited Partnership. In August, 2007, the Company purchased the house and land located at 53 Linelle Street, Toronto, Ontario. The property is located immediately adjacent to the 57 Linelle Street property.

The board of directors authorized management to proceed with an application for an amendment to the City of Toronto Official Plan and Zoning Bylaw for the Company's 2.9 acre parcel of land. The Company wishes to use the land for residential purposes. The land, which was previously zoned to permit residential uses, was rezoned in 1993 to permit the development of a two-story mausoleum structure of approximately 185,000 square feet. At that time, a one-foot reserve was granted to the City of Toronto blocking access to the site from Linelle Street. Access to the site is currently available by means of an access easement with Park Lawn Corporation which owns the mausoleum buildings to the north of the site. The application, which was filed in February, 2013, attempts to have the current zoning changed and access to Linelle Street opened. There is no guarantee that the necessary municipal approvals will be received in which case the Company will explore uses for the property that comply with the current zoning.

On April 29, 2015 Park Lawn Company Limited announced that it had retained the services of MarketVision Real Estate Corporation to identify potential partners for a joint venture building arrangement or some other form of strategic alliance arrangement for the development of its property.

Consolidation

The consolidated financial statements of the Company include the accounts of the Company and its wholly owned subsidiaries, (including Kening Properties Limited and Westside Cemetery Holdings Limited). All significant accounts and transactions between consolidated entities are eliminated. Should there be a party with a minority interest in a property that the Company controls, that minority interest would be reflected as "Non-controlling interest" in the consolidated statements of financial position.

Financial Statements and Accounting Principles

The Company's significant accounting policies are summarized in Note 2 to its consolidated financial statements. There have been no changes in significant accounting policies from the Company's 2014 audited annual financial statements. In addition, there has been no change in the Company's financial instrument risks.

The following Management's Discussion and Analysis provides a review of corporate and market developments, results of operations and financial position for the quarter ended March 31, 2015. Information contained in this Management's Discussion and Analysis is based on information available to management as of May 25, 2015.

Results of Operations

For the quarter ended March 31, 2015, total revenue was $73,330 (2014 - $73,418). The primary sources of revenue for the Company are from interest on the promissory note and rental income from the house at 53 Linelle Street. Gross income from these sources has not changed during 2015 and 2014. Expenses for the quarter ended March 31, 2015 were $126,711 (2014 -$140,370), a decrease of $13,658.

The table below presents a comparative analysis of the Company's expenses.

	3 months ended March 31, 2015	3 months ended March 31, 2014	Dollar Increase/ (Decrease)	Percentage Increase/ (Decrease)
Management and professional	$ 102,766	$ 105,266	$ (2,500)	-2%
Office and general	16,683	29,017	(12,334)	-43%
Interest on mortgage payable	2,202	2,292	(90)	-4%
Amortization of rental property	2,000	2,000	-	0%
Other rental property expenses	3,060	1,793	1,266	71%
TOTAL	$ 126,711	$ 140,370	$ (13,658)	-10%

Net income (loss) after tax at March 31, 2015 was ($53,380) versus ($66,952) at March 31, 2014..

Consolidated Balance Sheet: Liquidity and Capital Resources
Current Assets and Liabilities

Current assets decreased by $7,807 from December 31, 2014 to March 31, 2015 reflecting a decrease in cash and cash equivalents of $2,293, accounts receivable of $3,639 and prepaid expenses of $1,876. During 2015, Land Held for Development increased by $18,634 which relates to the retention of architectural, engineering, traffic, noise and planning consultants related to the Official Plan and Zoning By-Law amendment application for the property at 57 Linelle Street.

Current liabilities increased by $65,024 from December 31, 2014 to March 31, 2015 due to a reduction in accounts payable of $58,063, offset by an increase in the use of the demand loan of $20,635 largely related to expenses associated with the redevelopment of 57 Linelle Street.

Net working capital decreased from ($361,781) at December 31, 2014 to ($383,229) at March 31, 2015, a decrease of $21,448.

Retained Earnings decreased $1,997 from December 31, 2014 to March 31, 2015.

Management Contract

The Company has a contract with Scotchbrook Holdings Inc. for consulting services related to development and other company real estate matters. During the quarter ended March 31, 2015, the Company paid $102,766 (2014 -$102,766) to Scotchbrook Holdings Inc. under this agreement. Scotchbrook Holdings Inc. is a company controlled by a director and officer of the Company.

Disclosure Controls and Procedures

Pursuant to Multi-Lateral Instrument 52-109, which requires certification of disclosure in an issuer's annual and interim filings, the President and the Vice President and Treasurer have evaluated the effectiveness of the Company's internal disclosure controls and procedures for the quarter ended March 31, 2015, and have concluded that the Company's disclosure controls and procedures are designed effectively to ensure that information required to be disclosed in reports that are filed or submitted under Canadian securities legislation are recorded, processed and reported within the time specified in those rules.

In addition, the President and the Vice-President and Treasurer have designed internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting in accordance with IFRS. The internal controls are not expected to prevent and detect all misstatements due to error or fraud. There have been no changes in the Company's internal controls over financial reporting that have materially affected or are reasonably likely to affect the Company's internal controls over financial reporting for the quarter ending March 31, 2015.

IFRS Issued Standards

The International Accounting Standards Board ("IASB") issued the following standards, amendments and interpretations effective January 1, 2015, which the Company has adopted. It is not expected that these will have a material effect.

- IFRS 9 – Financial Instruments, Classification and Measurement ("IFRS 9") contains requirements for financial assets and liabilities. IFRS 9 is part of the IASB wider project to replace IAS 39 Financial Instruments – Recognition and Measurement. IFRS 9 uses a single approach to determine whether a financial asset or liability is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. IFRS is effective for annual periods beginning on or after January 1, 2015 and has not had a material effect.

- IFRS 7, - Financial Instruments Disclosures – Offsetting Financial Assets and Liabilities ("IFRS 7") provides new disclosures requiring entities to disclose gross amounts subject to rights of set off, amounts set off and the related net credit exposure. IFRS 7 will be effective for annual periods beginning on or after January 1, 2015 and has not had a material effect.

The International Accounting Standards Board ("IASB") has issued the following new standards, amendments and interpretations.

- IFRS 9 - Financial Instruments ("IFRS 9")

  IFRS 9 replaces IAS 39, *Financial Instruments: Recognition and Measurement*. This standard establishes principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.

  This standard also includes a new general hedge accounting standard which will align hedge accounting more closely with risk management. It does not fully change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however, it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. Adoption of IFRS 9 is mandatory and will be effective for annual periods beginning on or after January 1, 2018 with early adoption permitted. The Company is currently assessing the impact of adopting this standard on the Company's consolidated financial statements and related note disclosures.

- IFRS 15, Revenue from Contracts with Customers ("IFRS 15")

  IFRS 15 replaces IAS 11, *Construction Contracts*, and IAS 18, *Revenue*, as well as various interpretations regarding revenue. This standard introduces a single model for recognizing revenue that applies to all contracts with customers, except for contracts that are within the scope of standards on leases, insurance and financial instruments. This standard also requires enhanced disclosures. Adoption of IFRS 15 is mandatory and will be effective for annual periods beginning on or after January 1, 2017, with earlier adoption permitted. The Company is currently assessing the impact of adopting this standard on the Company's consolidated financial statements and related note disclosures.

- IFRS 11, Joint Arrangements ("IFRS 11")

  The IASB has amended IFRS 11 to require business combination accounting to be applied to acquisitions of interests in a joint operation that constitute a business. The amendments will be effective for annual periods beginning on or after January 1, 2016, with earlier adoption permitted. The Company is currently assessing the impact of these amendments on the Company's consolidated financial statements and related note disclosures.

Business Environment and Outlook

The only physical assets of Park Lawn Company Limited are the 2.9 acre parcel of land at 57 Linelle Street, adjacent to the southerly boundary of Forest Lawn Mausoleum, and the house and land located at 53 Linelle Street. The land at 57 Linelle Street is currently zoned for approximately 15,000 crypts in a building of approximately 185,000 square feet.

In order to develop the property at 57 Linelle Street for any other purpose, an Official Plan amendment and rezoning would be required. The property currently has access from the private drive adjacent to Forest Lawn Mausoleum and is blocked from access to Linelle Street by a one-foot reserve in favour of the City of Toronto. This reserve was granted by the previous owners of Westside Cemeteries Limited as part of the overall rezoning process that permits the mausoleum development on the subject parcel.

On January 3, 2012, the Company announced that the board of directors had authorized management to proceed with an application for an amendment to the City of Toronto Official Plan and Zoning Bylaw for the Company's 2.9 Acre parcel of land at 57 Linelle Street. The Company wishes to use the land for residential purposes. The land, which was previously zoned to permit residential uses, was rezoned in 1993 to permit the development of a two storey mausoleum structure of approximately 185,000 square feet. At that time, a one foot reserve was granted to the City of Toronto blocking access to the site from Linelle Street. Access to the site is currently available by means of an access easement with Park Lawn Corporation which owns the mausoleum buildings to the north of the site.

The Official Plan and Zoning By-Law application, which was submitted in February, 2013, attempts to have the zoning changed and the current access to Linelle Street opened. As a result of consultation with the community and public officials during 2013, a revised site plan proposing 25 townhouse units was submitted in February 2014. The Company also filed applications for Site Plan Approval and Draft Plan of Subdivision in February 2014. The plans are being circulated within the city of Toronto and to outside agencies. The review by the various agencies will take several months and there is no way to predict the outcome or timing of the decision. There is no guarantee that the necessary municipal approvals will be received in which case the Company will explore uses for the property that comply with the current zoning.

Risks and Uncertainties

The Company is currently attempting to have its land at 57 Linelle Street rezoned for residential purposes. If approved, the Company will be subject to the risks associated with real estate development, including the uncertainty of raising the necessary funds for development and construction, marketing and administration of the projects, the real estate market in the Toronto area, revenues and profitability, and the possible need to raise additional funding.

While the market for new home developments in Toronto and the GTA continues to be among the strongest in Canada, there can be no guarantee that this strength will continue.

Management's valuation of the Company's investment property is dependent in part on the assumptions as to current and future market prices for similar real estate assets in the area. As at the date of the statements of financial position, the municipality has assessed the market value of the property at an amount materially in excess of the property's current carrying value.

Management's valuation of the Company's note receivable is dependent on the ability of the counter party to the Company's note receivable to be able to continue to meet its interest obligations as these come due on a monthly basis and to be able to repay the principal portion of the note receivable in full. The counter party has shown no indication of not being able to meet these obligations.

Dividends
The Company does not pay dividends and there is no assurance that dividends would be paid in the future.

Absence of Profits
The Company has not earned profits since 2006 and there is no assurance that it will earn annual profits in the future, or that profitability, if achieved, will be sustained. There is no assurance that future revenues will be sufficient to generate the required funds to continue such business development and marketing activities.

Shares Outstanding

The authorized capital of Park Lawn consists of an unlimited number of common shares. 1,130,000 common shares are issued and outstanding. Park Lawn Company Limited trades on the Canadian Securities Stock Exchange (CSE) under the symbol PRL.

Additional Information

Additional information relating to Park Lawn Company Limited is filed at SEDAR at www.sedar.com and at CNSX at www.cnsx.ca or can be obtained by contacting Investor Relations, Park Lawn Company Limited, 57 Linelle Street, Toronto, Ontario, M2N 2J4.