



Parkit Announces Completion of Sale of JV Asset

VANCOUVER, Oct. 9, 2018 /CNW/ - Parkit Enterprise Inc. ("**Parkit**" or the "**Company**") (TSXV: PKT; OTCQX: PKTEF) announces that its previously disclosed (see press release dated October 4, 2018) sale of one of the single purpose entities held by OP Holdings JV LLC (the "Joint Venture") (a joint venture in which Parkit has an equity interest) has closed. The single purpose entity owned the Espresso Airport Parking property and was acquired by the Joint Venture in 2015 (consisting of an equity investment of US \$7 million), and was sold for approximately US \$36.1 million. When including the income received from the property over the period of the investment, the sale should represent an estimated levered IRR of approximately 42% to the Joint Venture.

The sale will contribute to paying down the bulk of the 15% IRR hurdle owed to the majority member of the Joint Venture. As a result, the Company expects that the sale will accelerate the cash flows that the Company receives from the Joint Venture. As per the Joint Venture agreement, once the 15% IRR hurdle is repaid to the majority member, all cash flows from refinancing and asset sales are to be directed towards the PAV Member, a company co-owned by Parkit, until the PAV Member has received a 15% IRR. The company will not receive any of the proceeds from the sale of Espresso. For further information on the Company's interest in the Joint Venture please see the Company's financial statements and related management's discussion and analysis for the year ended October 31, 2017 and the six month period ended July 31, 2018 available under the Company's profile on www.sedar.com.

The sale was an arm's length transaction and did not involve any related parties as such term is defined in Multilateral Instrument 61-101 or TSX Venture Exchange policies. The Company treated the transaction as an exempt transaction for the purposes of TSX Venture Exchange policies.

About PARKIT

Parkit Enterprise Inc. is engaged in the acquisition, optimization and asset management of income producing parking facilities across the United States. The Company's shares are listed on TSX-V (Symbol: PKT) and on the OTCQX (Symbol: PKTEF).

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain statements in this release are forward-looking statements. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them, if any.

NON-GAAP FINANCIAL MEASURES

This release contains a non-GAAP financial measure. The definition and calculation of this non-GAAP financial measure may differ from the definitions and methodologies used by other companies and, accordingly, may not be comparable. The non-GAAP financial measure referred to below should not be considered an alternative to net income as an indication of our performance. In addition, this non-GAAP financial measure does not represent cash generated from operating activities in accordance with GAAP and therefore should not be considered as an alternative measure of liquidity or as indicative of cash available to fund cash needs.

Levered Internal Rate of Return ("IRR") is calculated as the internal rate of return on the Joint Venture's equity investment in the property considering the timing and amounts of capital contributions paid, and all distributions received. Management believes that the levered IRR achieved during the period a property is

owned by the Joint Venture is useful because it is one indication of the gross value created by the Joint Venture's acquisition, management and ultimate sale of a property, before the impact of Joint Venture's overhead and taxes. However, leveraged IRR is not a substitute for net income as a measure of our performance.

The levered IRR achieved on the property as cited in this release should not be viewed as an indication of the gross value created with respect to other properties owned by the Joint Venture, and the Company does not represent that the Joint Venture will achieve similar levered IRRs upon the disposition of other properties. The levered IRR cited in this press release is from the perspective of the Joint Venture, in which the Company has an economic interest.

Under GAAP, the Company recognizes its investment in the Joint Venture using the equity method whereby the carrying value of the investment is adjusted for the Company's share of the profit and loss of the Joint Venture, and decreased for any distributions received by the Joint Venture. All amounts reported by the Company from the Joint Venture are translated into Canadian dollars. The gain on the disposition of the property will have an impact on the amount reported by the Company for its share of the GAAP net profit from the Joint Venture.

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