

Company Hepsor AS  
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## Currency

Title Hepsor's Canadian subsidiary made its second investment in the Canadian real estate market.

Hepsor SPV I Ltd, a Ontario-based subsidiary of Hepsor AS, made its second investment in the Canadian real estate market. An assembly of 3 properties was acquired in downtown Toronto at 164-168 Isabella Street together with Canadian partners. Elysium Isabella Limited Partnership was founded in order to develop the property in which, in addition to Hepsor and its Canadian partners, various Canadian and European investors also participate. Fasken ([www.fasken.com](http://www.fasken.com)), one of Canada's largest law firms, advised Hepsor on structuring the deal.

The goal of the first phase of the acquired development project is to assemble the 3 properties and apply and achieve zoning approvals to permit a residential hi-rise tower on a podium, with a projected Gross Floor Area of ca 42 000 sq meters (450,000 sq. ft). The assembly and zoning is expected to take 2-2.5 years, after which the Elysium Isabella Limited Partnership will be able to decide whether the additional value created by that point will be realized through the resale of the property or whether the project will move on to the construction phase.

The total value of the land and project costs is ca 41 million euros, of which Elysium Isabella Limited Partnership will invest ca 5,5 million euros as own funds.

James Torpey, one of Hepsor's partners in Elysium and the owner of Canadian-Lithuanian development group VPH Group, said: "Toronto is one of the fastest growing cities in North America. The City is in desperate need of new quality living-space in order to keep up with growing population. We, together with Hepsor and our investors strongly believe that developing a residential land in Toronto is a very attractive business to be in."

Andres Pärloja, Chairman of the Supervisory Board of Hepsor AS, said: "Hepsor started developing its Canadian business in the spring of 2022 after the start of the war in Ukraine with the aim of finding new growth opportunities and mitigating the geopolitical risks associated with the current home markets. Within a year, local network of legal- and financial advisors, banks, market



analysts and brokerage companies has been built to support Hepsor's ambitions in Canada. In addition to the Isabella project and Weston Road project (acquired in June this year), two additional developments of a similar nature in Toronto and greater Toronto area are currently under preparation."

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Hepsor AS ([www.hepsor.ee](http://www.hepsor.ee)) is one of the fastest growing residential and commercial real estate developers in Estonia and Latvia, which is also present on the Canadian real estate market since 2023. Over the last twelve years Hepsor has developed more than 1,600 homes and ca 36,000 m(2) of commercial space. Hepsor has been the first real estate developer in the Baltic States to implement a number of innovative engineering solutions that make the buildings we construct more energy-efficient and thus more environmentally friendly. The company's portfolio is comprised of 25 development projects with a total sellable space of 199,500 m(2).

