

Company Hepsor AS  
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## Currency

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

Hepsor SPV I Ltd, a Ontario-based subsidiary of Hepsor AS, made its third investment in the Canadian real estate market.

An assembly of 7 properties was acquired in the much desired midtown Toronto neighborhood of Leaside, at 17-29 Glenavy Avenue, together with Canadian partners, Elysium Investments Inc. (Elysium).

Elysium Glenavy Limited Partnership was formed to develop the property in which, in addition to Hepsor and Elysium, various Canadian and European investors are also participating. Fasken ([www.fasken.com](http://www.fasken.com)), one of Canada's largest law firms, served as legal counsel for Hepsor, reviewing the partnership agreements and providing advice on deal structure and risk mitigation. The initial phase of the critical path of the project will involve the activation of a best-in-class consultant team led by the project architects, internationally renowned Gensler Architects and industry leading urban planning firm, Bousfields.

The subsequent phase will involve the preparation and formal submission of the Site Plan and Zoning/Official Plan amendment applications to permit a residential hi-rise tower on a podium. The precise height and projected Gross Floor Area will be made available at time of formal submission.

The zoning and Site Plan approvals are expected to be achieved within 24 months. The Elysium Glenavy Limited Partnership is contemplating the build out of a high-end purpose built rental tower, but will remain open to other capitalization options.

The total value of the land and project soft costs is 22 million euros (CAD 32,5M), of which Glenavy Limited Partnership will invest ca 2,4 million euros (CAD 3,6M) as own funds.

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 two years, 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 Glenavy project, two projects (Weston Road and Isabella) were acquired during the period of June-August last year and two additional developments of a similar nature in Toronto and Greater Toronto Area (GTA) 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, operating also in the Canadian real estate market since 2023. Over the last thirteen years Hepsor has developed more than 1,600 homes and 36,000 m2 of commercial space. Hepsor was the first real estate developer in the Baltic States to implement several innovative engineering solutions that make the buildings we construct more energy-efficient and thus more environmentally friendly. The company's portfolio is comprised of 24 development projects with a total sellable space of 171,000 m2.

