

Estonian House announcement - October 2016

Friday, 21 October 2016 20:20 Estonian Life No. 42 2016

The Estonian House Board regrets to announce that **our partnership with Alterra Developments** to build a new home for the Estonian Community at 958 Broadview **has ended**.

In the spring, Alterra and the Board signed an Agreement for Purchase and Sale that was to be the contractual backbone of our relationship through the entire redevelopment of our property. We always recognized that there were a number of risks throughout the project timelines, and a number of decision points at which the project could fail.

After the Board and Alterra signed the agreement there was a due diligence period before the agreement would become binding. It was during this period that an impasse emerged between the parties. Despite two deadline extensions and intense negotiations throughout the summer we were unable to resolve our differences. The Board concluded that negotiations with Alterra for moving past the due diligence phase would not produce an arrangement that adequately controlled project risks and expenses.

So what now?

The Estonian House Board will continue to focus on increasing revenues and serving the Estonian community, while holding operating costs in check and deferring non-urgent repairs. But these steps will not provide enough financial resources to address a growing list of maintenance and structural issues.

The Estonian House Board is exploring other promising options with the Estonian Foundation of Canada, which owns real estate next door, and the other community organizations. As our best alternative becomes more clearly defined, the Board will convene a town hall in the near future to put forward a recommendation to the shareholders and community.

While we are disappointed, we remain optimistic about the future of the Estonian House and the future of Toronto's Estonian community. Many difficult decisions will have to be made over the coming years, but we are confident that whatever the outcome, Toronto's Estonian community will emerge stronger and more energized than it has been in a generation.

AS Eesti Maja board