

Life Science Expansion

Toronto-based real estate company branches out from traditional asset classes with multiple innovative developments

First Gulf

VP, STRATEGIC
INITIATIVES &
OPERATIONS
Roman Brailovski

LOCATION
Toronto, Ontario



WE'RE LOOKING TO ADD MEANINGFUL and thoughtful density to that particular part of town, which is the Front Street/King East corridor. The province had announced a subway stop immediately east of our 351 King Street East tower, and we're delighted that our tenants will be able to get to our Downtown East sites via an A-tier public transit option that is practically on-site. Overall, the GTA is bustling, and we are fortunate to be able to contribute to that momentum across a spectrum of asset classes via our nimble and vertically integrated platform.

-Roman Brailovski

First Gulf, a market-leading developer of office, retail and industrial properties in the Greater Toronto Area (GTA), is underway on multiple new projects that will expand its reach into the life science and data center sectors. The fully integrated company is leveraging its extensive expertise and forging new partnerships to ensure the successful completion of these endeavors.

Since its inception in 1987 under its parent company, Great Gulf Group, First Gulf has developed more than \$5 billion in assets, most of which are commercial and industrial sites centrally located in the GTA. The life sciences sector is one of First Gulf's biggest departures from its traditional asset classes. The market is relatively new in Ontario, which has posed some challenges in getting projects off the ground. However, First Gulf's team anticipates high demand in the years to come.

"It's a market in its infancy. The demand is there; there's private and institutional attention now. However, there's just not a lot of precedent...." says Roman Brailovski, Vice President of Strategic Initiatives and Operations for First Gulf. "There's not a lot of expertise in and understanding of life sciences in the GTA market, and thereby lies our challenge of being a first-to-market ground-up campus of this scale....There's traditional downtown, high-priced university/hospital-located life sciences, and beyond that, there's little in the rest of the GTA that can accommodate a variety of different life science us-

ers in such high-quality space. It's just new, and that's the key opportunity here."

STATE-OF-THE-ART CAMPUSES

First Gulf recently began two projects in the life sciences realm, each bringing first-of-their-kind spaces to the GTA. The company's first true life sciences effort is the Campus for Ontario Research and Exploration (The CORE), a state-of-the-art life sciences campus within Sheridan Research Park in Mississauga. First Gulf purchased the former Element head office site in 2021 and has partnered with Spear Street Capital, who has tremendous experience developing healthcare, research and technology-oriented projects, to redevelop the property.

The site currently holds a 230,000 square-foot building that will be demolished and replaced by future phases of the CORE. First Gulf and Spear Street are initially developing approximately 160,000 square feet on lands adjacent to the existing building, with an anticipated delivery in early 2024. The team intends to develop up to 400,000 square feet of laboratory, office, innovation and technology space across multiple buildings.

"It's an exciting time for us from a growth standpoint," Brailovski says. "Certainly, COVID-19 has underscored the need for enhanced R&D and general lab capacity in Ontario and perhaps in Canada at large. We're confident that we can deliver the right type of [product] to meet this

demand—a very sophisticated and, at the same time, customizable spec developed by an experienced partnership and designed by Jacobs.”

First Gulf has also recently launched the redevelopment of a site formerly owned and occupied by Eli Lilly in Toronto. The company has partnered with STACK Infrastructure to turn the 19-acre property into STACK’s first Canadian data center campus. At full capacity, the property will serve as a 56-megawatt (MW) campus, with 625,000 square feet of data center-specific space. One 24MW facility will be completed in mid-2024, followed by another 24MW data center by mid-2026.

Although First Gulf self-performs much of the work throughout the development and construction processes, it does engage consultants on its new projects. For instance, Dillon Consulting Limited served as a key arborist, ecology, natural heritage and planning consultant on The CORE and the STACK data center efforts.

NEXT-LEVEL OFFICE

In addition to its new life science and data center assets, First Gulf is continuing to build out its port-

folio of leading-edge office properties across North America. The company prides itself on delivering some of the most differentiated office products in the area, featuring high-capacity equipment, quality design and tenant-focused amenities.

First Gulf is nearing completion on EQ Bank Tower (formerly known as The Shift) in Toronto’s Downtown East, a 24-story office building encompassing 460,000 square feet. The building will be certified LEED® Gold, with energy-efficient features as well as ample outdoor space and terraces. EQ Bank Tower also features a historic ground-level façade that the team has taken great care to preserve throughout construction.

The property is proximate to new public transportation options and is joining a number of other First Gulf and Great Gulf developments downtown, many of which provide ample retail and residential amenities. The company is looking into new opportunities to further develop that corridor.

“We’re looking to add meaningful and thoughtful density to that particular part of town, which is the Front Street/King East corridor....” Brailovski

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says. "The province had announced a subway stop immediately east of our 351 King Street East tower, and we're delighted that our tenants will be able to get to our Downtown East sites via an A-tier public transit option that is practically on-site. Overall, the GTA is bustling, and we are fortunate to be able to contribute to that momentum across a spectrum of asset classes via our nimble and vertically integrated platform."

To round out its expansion strategy, First Gulf, which completed a highly successful Class A office

tower development in downtown Denver pre-pandemic, is in the process of expanding its industrial program to the U.S. Brailovski is also responsible for the execution of this strategy.

"We are currently focused on Florida and the Sun Belt states, with a particular emphasis on mid-sized and growing markets with interesting stories around labor, logistics and demographics," Brailovski says. ▮

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Building for the future

First Gulf is an award-winning market leader with over \$5-billion in developed assets across North America. As the commercial arm of the Great Gulf Group of companies, First Gulf offers development, construction, leasing, finance and property management services. First Gulf works to provide its clients with unique market opportunities that enable innovation, growth and success.

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