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For Immediate Release

Sumitomo Forestry Co., Ltd.
JR West Real Estate & Development Company

Multi-family rental development in a Dallas suburb
~First collaboration with the major US developer Fairfield~

Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; headquarters: Chiyoda-ku, Tokyo; hereinafter, Sumitomo Forestry) and JR West Real Estate & Development Company (President: Yoshito Fujiwara; headquarters: Osaka; hereinafter, JR West Real Estate) are pleased to announce that they will develop a five-story mixed wood and reinforced concrete (RC) multi-family rental residential building in the suburbs of Dallas, Texas, USA. The Construction is anticipated to begin in December 2023 and to be completed in September 2026. This project will capture rising demand for residential and employment-intensive area with a rapidly growing population in a location with excellent transportation and living convenience. This is the first collaborative effort with the major US developer Fairfield Residential Company LLC (Representative: Richard Boynton; headquarters: San Diego, California; hereinafter, Fairfield).

■Project outline

This project will be carried out through a SPC between Fairfield and a Japanese joint venture formed by two companies: SFA MF Holdings, LLC, a wholly-owned subsidiary of Sumitomo Forestry; JRWD US Inc., a wholly-owned subsidiary of JR West Real Estate & Development Company. SFC Asset Management Co., Ltd., a wholly-owned subsidiary of Sumitomo Forestry, will provide support through administrative work related to this project and coordination with Japanese companies and the developer.



Artistic rendering of the completed building

Fairfield is a one of the leading US developers with a strength in developing multi-family residential buildings.^{*1} The project will bring together Sumitomo Forestry's experience in developing numerous properties in the United States, JR West Real Estate's expertise in multi-family residential buildings primarily in Japan, and Fairfield's know-how of the local real estate development market.

■Property and location characteristics

The project is a five-story residential building with an estimated total 365 units and parking garage with a total floor area of approximately 28,600 m² on a site of approximately 1.58-hectare. The residential building will be a combined wood-flame 2x4-2x6 construction and RC construction to achieve both the environmental friendliness of carbon fixation through wood and high building strength. The parking structure will be constructed using the cast-in-place construction method. Through using the software "One Click LCA^{*2}", we are planning to quantify CO₂ emissions and evaluate environmental impact during construction.

The property is conveniently approximately 30 minutes from central Dallas via the Dallas North Tollway and approximately 20 minutes from the Dallas/Fort Worth International Airport via Highway 635. The area is also situated near Galleria Dallas, a large-scale commercial complex with over 200 stores and

restaurants. The employment environment is also stable, with approximately 2.1 million jobs within a 30-minute drive. In recent years, the Dallas metropolitan area has become a popular location for companies to relocate their offices due to its favorable business and residential environments. The area is expected to continue to enjoy a growth in population and employment.



Sumitomo Forestry Group is engaged globally in a broad range of businesses centered on timber, including forest management, timber building material manufacturing and distribution, contracting for detached houses and medium- to large-scale wooden buildings, real estate development, and wood biomass power generation. As part of Mission TREEING 2030, our long-term vision, we are promoting the Sumitomo Forestry Wood Cycle, our value chain to increase the CO2 absorption volume of forests and popularize wooden buildings that sequester carbon for long periods of time to contribute to decarbonization not only for our company but for the whole of society, as well. One of the business policies of our long-term vision is the acceleration of global expansion with a goal to spur decarbonization initiatives in the US, as well.

JR West Real Estate is promoting a variety of environmentally friendly initiatives to realize sustainable management. In considering future business development, we have been focusing on the utilization and regeneration of forests, which account for approximately 70% of Japan's land area, and have decided to collaborate with Sumitomo Forestry, sympathizing with its philosophy centered on wood. We will continue to contribute to the realization of sustainable communities and societies in Japan and abroad through environmentally friendly “attractive community development”.

*1. Ranked 9th in 2020 and 16th in 2021 according to the National Multifamily Housing Council's “NMHC 25 Largest Developers.”
 *2. A software for which Sumitomo Forestry holds the exclusive distributorship agreement in Japan. It accurately calculates CO2 emissions of a building, from procurement of raw materials for construction, processing, construction, renovation, and disposal (CO2 emissions during construction). Related press release: <https://sfc.jp/information/news/2022/2022-08-08.html> (Japanese only)

■Property overview

Location	Farmers Branch, a suburb of Dallas, Texas, USA
Total rental floor space	Approximately 28,600 m ² (307,920 square feet) (scheduled)
Structure	Five-story wood and reinforced concrete hybrid structure
Start	December 2023 (scheduled)
Completion	September 2026 (scheduled)

■Fairfield Residential Company LLC

Headquarters	San Diego, California, USA
Representative	Richard Boynton (Chairman, CEO)
Employees	1,360 (as of December 2022)
Business description	Fairfield is one of the largest real estate developers in the United States. With offices in 11 locations across the U.S., the company is engaged in the full range of real estate development business, from purchasing to construction, property management, and sales. Since its founding, the company has developed properties in 32 states, renovated and resold existing properties, and developed approximately 290,000 new units. This project is the first collaboration between the company, Sumitomo Forestry Group, and JR West Real Estate.