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For immediate release

Sumitomo Forestry Co., Ltd.
Kanden Realty & Development Co., Ltd.
The Sankei Building Co., Ltd.
Nishi-Nippon Railroad Co., Ltd.

**Four Japanese Companies Jointly Commences on
Multi-Unit Residence Development Project in the Suburbs of Seattle**
~Providing living environment with a view of new work styles~

Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; Headquarters: Chiyoda-ku, Tokyo; hereinafter Sumitomo Forestry), Kanden Realty & Development Co., Ltd. (President: Kenichi Fujino; Headquarters: Kita-ku, Osaka City; hereinafter Kanden Realty), The Sankei Building Co., Ltd. (President & CEO: Kazunobu Iijima; Head Office: Chiyoda-ku, Tokyo; hereinafter Sankei Building), and Nishi-Nippon Railroad Co., Ltd. (President & CEO: Kouichi Hayashida; Headquarters: Hakata-ku, Fukuoka City; hereinafter Nishi-Nippon Railroad) announced that they will be commencing a development project for rental multi-unit residences in the suburbs of Seattle, Washington State, through a special purpose company (SPC) with major U.S. developer Trammell Crow Residential, the multifamily development company of Crow Holdings (hereinafter Trammell Crow Residential). The total construction cost is approximately USD 168.0 million (approximately JPY 187 billion*¹) with completion targeted for July 2024.

*¹ Calculated at USD 1 = JPY 111.4 (the exchange rate on 1 October 2021)

■ Project overview

This project will be carried out through a SPC between Trammell Crow Residential and a Japanese joint venture formed by four companies: SFA MF Holdings, LLC, a wholly-owned subsidiary of Sumitomo Forestry; Kanden Realty & Development America LLC, a wholly-owned subsidiary of Kanden Realty; SKB USA LLC, a wholly-owned subsidiary of Sankei Building; and NNR Realty Investments USA, Inc., a wholly-owned subsidiary of Nishi-Nippon Railroad.

This is a development following the Alexan Alderwood project being undertaken by Sumitomo Forestry, Kanden Realty, and Sankei Building in partnership with Trammell Crow Residential in Seattle announced in a news release in April 2021 (link to news release [here](#)). In addition to Kanden Realty and Sankei Building, with which relationships of trust have been deepened through the Alexan Alderwood project, Sumitomo Forestry shares the same strategy to expand business in the United States with Nishi-Nippon Railroad, which has a wealth of achievements in real estate development and investments within Japan, the United States and other countries. Therefore, a decision was made to embark on a new project with Trammell Crow Residential, an excellent local developer.

■ Property and area characteristics

This project responds to the needs of new work styles that have changed due to the COVID-19 pandemic. Close to half the total number of units have remote workspaces, and all units will be installed with air conditioners—which is rare for rental residences in the Seattle area—to provide comfortable spaces for living and working. There are four courtyards in the spacious premises providing spaces to enjoy barbecues with family and friends, recreational spaces, and outdoor co-working spaces that allow residents to work remotely. Complete with various amenities, such as a gym, a rooftop terrace with a sweeping view of the nearby park and river, and Amazon delivery lockers, residents can live comfortably.

In addition, as a six-story podium structure, it makes abundant use of timber and gives consideration to the environment and economic efficiency.



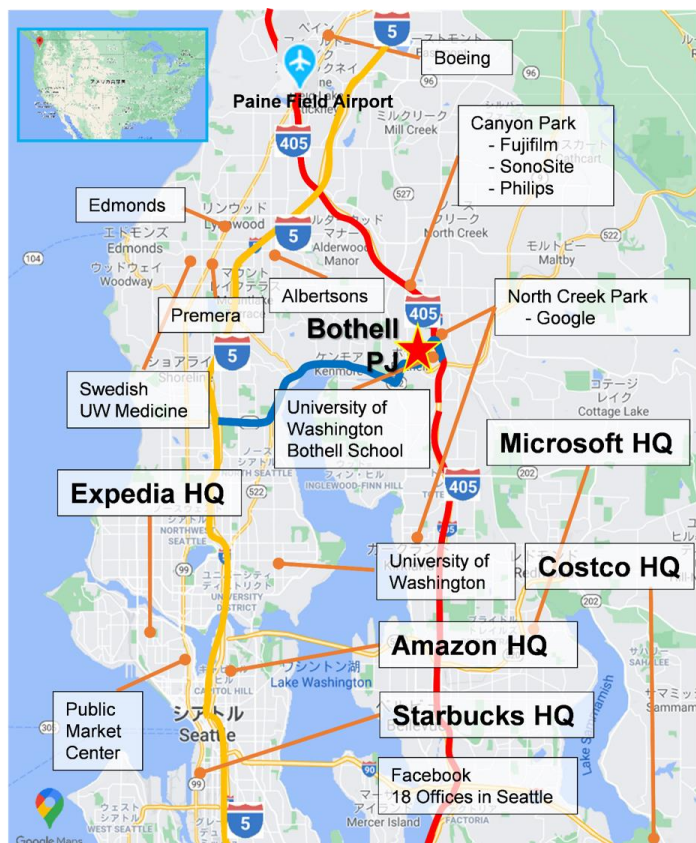
Located in the central downtown area of Bothell City in the suburbs of Seattle, this project is 15 minutes by car from the downtown areas of Seattle and Bellevue, where large global companies have their headquarters. It also has good access to major highways. Recreational activities—such as kayaking—can be enjoyed at the park located several minutes away on foot. The University of Washington Bothell as well as Canyon Park and other business parks are also located within 10 minutes by car, providing excellent access to areas with high employment.

The Seattle metropolitan area has an estimate population of approximately 3.98 million people^{*2}. From 2010 to 2019, population growth has increased to 540,000 people, and the area ranks seventh in the United States for population growth rate^{*3}. Housing the headquarters of worldly-recognized companies such as Amazon, Costco, Microsoft, Starbucks, and Expedia, it is expected that employment continues to grow in this area in the medium-to-long term.

*2 Source: United States Census Bureau 2019

*3 Source: United States Census Bureau 2019

Using their outstanding features and expertise, the four Japanese companies will continue with their global business expansion for further growth and additional business opportunities.



■ Facility overview

Property name	: Alexan Bothell
Location	: 18132 Bothell Way NE, Bothell WA
Floor area (planned)	: 316,580 sq. ft. (29,408m ²)
Residential units (planned)	: 369 units 180 1-bedroom apartments (with combined living/dining/kitchen, and 1 bathroom) 111 2-bedroom apartments (with combined living/dining/kitchen, and 1 or 2 bathrooms) 10 3-bedroom apartments (with combined living/dining/kitchen, and 2 bathrooms) 59 studio apartments 9 SOHOs (townhomes)
Structure	: Podium structure
Start of construction	: October 2021
Completion (planned)	: July 2024

■ Overview of Trammell Crow Residential

Headquarters	: Dallas, Texas
Representative	: Ken Valach (CEO)
History	: Trammell Crow Residential is a multi-unit residential real estate company established in the United States in 1977.
Business description	: Trammell Crow Residential is one of the largest developers of multifamily real estate in the United States. Focused on developing premier, amenity-rich multifamily communities in economically thriving locations, the company has delivered nearly 260,000 residences. Trammell Crow Residential is part of the development platform of Crow Holdings, a privately-owned real estate investment and development firm with a 70-year history and a strong track record of performance, partnership and innovation. This is the third project with Sumitomo Forestry Group since the partnership for the construction in Seattle of Alexan Heartwood (Issaquah) in 2018 and Alexan Alderwood (Lynwood) in 2021.

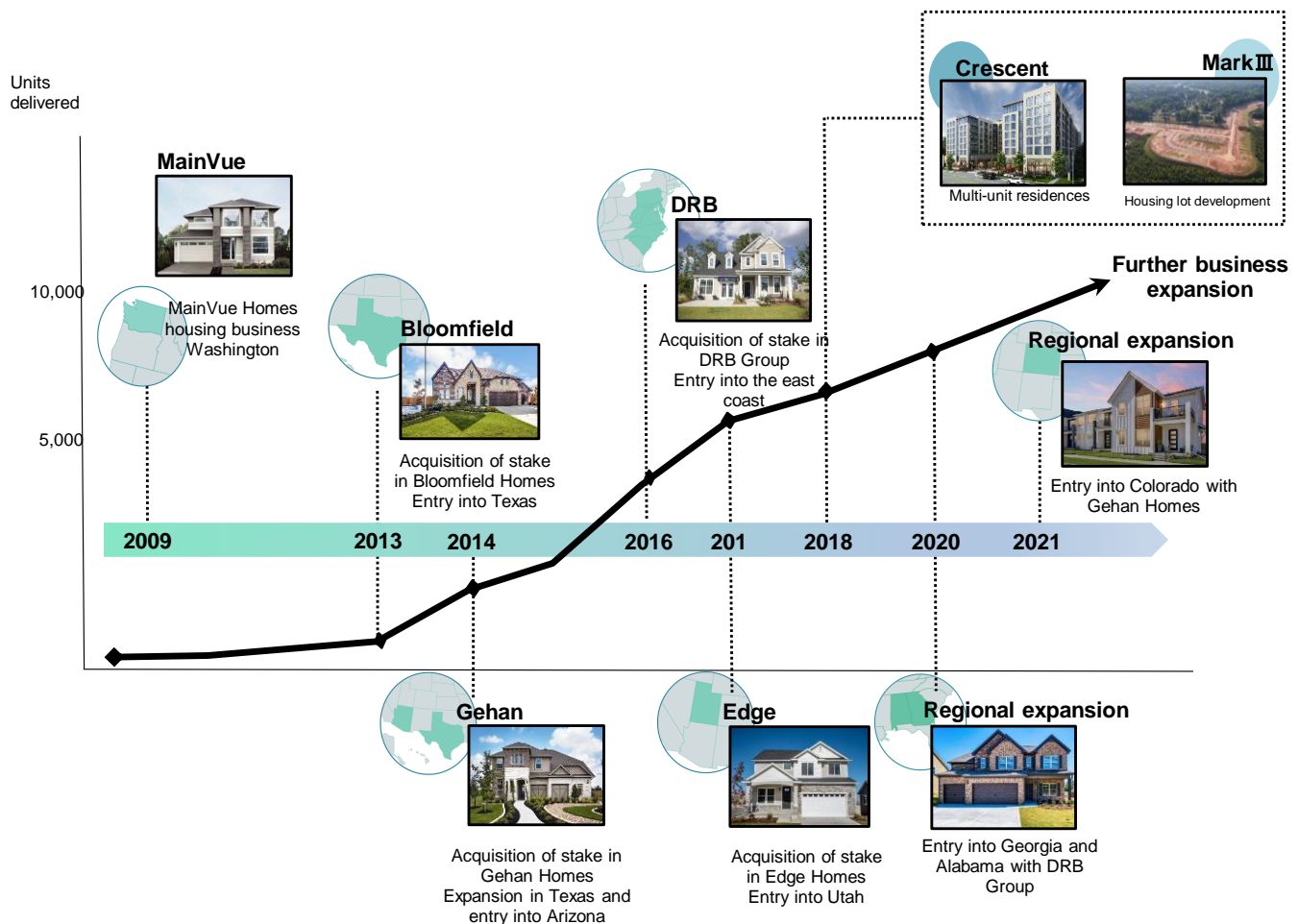
[References: Sumitomo Forestry]

<History of Sumitomo Forestry's housing and real estate business in the United States>

Starting with the distribution business, Sumitomo Forestry has a long history of more than 50 years carrying out businesses based in local communities at various locations in the United States. The housing and real estate business—one of Sumitomo Forestry's main businesses in the United States—currently operates its business for single family homes in 14 states, and the real estate development business started in 2017 has expanded to 12 states. In 2020, the number of single family homes sold by the Sumitomo Forestry Group was 9,045 units (equivalent to 11th place in BUILDER Online's 2021 ranking) while the number of multifamily units constructed was 2,753 units (15th place in 2021 NMHC 25), reaching a prominent scale even in the United States. Based on the 2021 Medium Term Management Plan, single family home business and real estate development business will be actively promoted in the United States, Australia, and Southeast Asia to contribute toward the realization of a prosperous society through the expansion and development of businesses.

The real estate development business in the United States is undertaken through Crescent Communities which carries out general real estate development, Mark III Properties which operates in residential land development, and SFA MF Holdings which is in charge of real estate development through joint projects with local developers. The Bothell project is the seventh investment by SFA MF Holdings and the fourth multifamily development project undertaken through joint investment with Japanese companies.

Future entry into the asset management business is also being considered through a further increase in number of joint development projects.



<The Sumitomo Forestry Group's real estate development business in the United States>

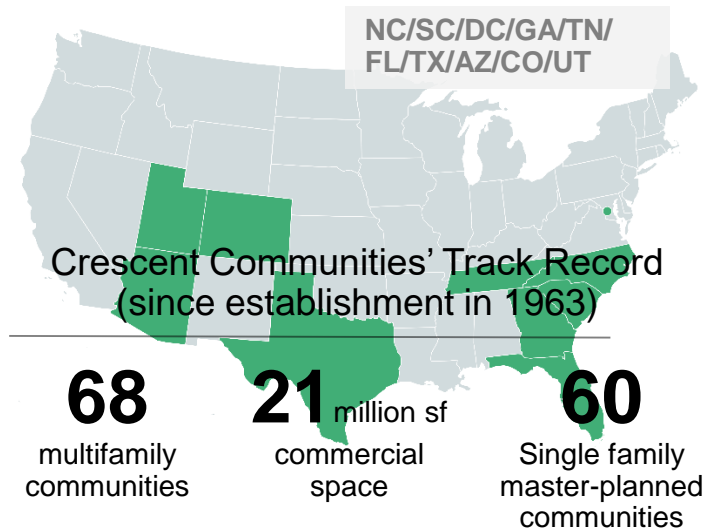
SFC's real estate development business in the United States:

Real estate development business is undertaken in 15 cities across 11 states and Washington D.C. in the United States through Crescent Communities and SFA MF Holdings.

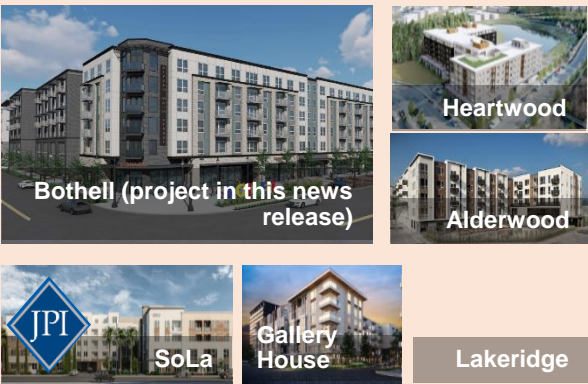
 **Crescent Communities**
Real estate development



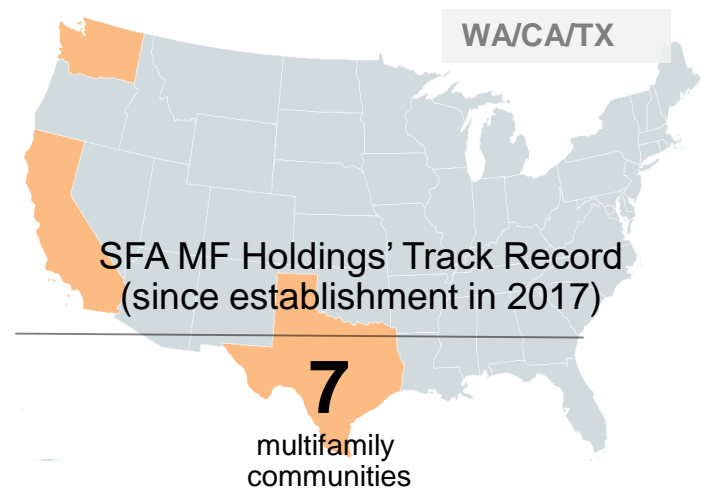
- Multifamily and SFR
- Office
- Logistics/life-science
- Masterplan



SFA MF Holdings
Multifamily development



- Bothell (project in this news release)
- Heartwood
- Alderwood
- JPI SoLa
- Gallery House
- Lakeridge



<Opening of Alexan Heartwood undertaken with Trammell Crow Residential>

Alexan Heartwood is a multifamily community located in the city of Issaquah, Washington State and the first project in partnership with Trammell Crow Residential. It is a project that utilizes many management resources of the Sumitomo Forestry Group, including the involvement of Sumitomo Forestry's Construction Market Development Department in the design supervision and Sumitomo Forestry Landscaping's involvement in the supervision of the exterior design, wood tile boards by overseas manufacturing plant PT. Sinar Rimba Pasifik (Indonesia), and storage furniture shipped from An Cuong Wood-Working JSC (Vietnam) and Canyon Creek Cabinet Company (United States).

[Overview] Seven-story building; 135 units in total; total floor area of 23,696 m²; commencement of lease in July 2021

