

July 22, 2024

For immediate release

Sumitomo Forestry Co., Ltd.
IINO Kaiun Kaisha, Ltd.
Kumagai Gumi Co., Ltd.

Ceremony Held to Mark the Completion of Construction of the Largest Seven-Story Mass Timber Office Building in the the state of Texas, U.S.A.
~ Environmentally- sound mass timber construction that significantly reduces CO₂ emissions ~

An environmentally-friendly seven-story wooden office building^{*1} in the suburbs of Dallas, Texas, U.S.A., has been substantially completed by a special purpose company (SPC), established by major U.S. real estate developer Crow Holdings (CEO of Crow Holdings Development: Ken Valach; Headquarters: Dallas, Texas; hereinafter CHO) along with three Japanese developers, Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; Headquarters: Chiyoda-ku, Tokyo; hereinafter Sumitomo Forestry), IINO Kaiun Kaisha, Ltd. (President: Yusuke Otani; Headquarters: Chiyoda-ku, Tokyo; hereinafter IINO Kaiun), and Kumagai Gumi Co., Ltd. (President: Shin Ueda; Headquarters: Shinjuku-ku, Tokyo; hereinafter Kumagai Gumi), with the participation of Frisco City (located in the northern part of Dallas) in the development. On June 11, an opening ceremony was held at the site. With a leasable floor area of 22,548 m², this is the largest mass timber office building in the state of Texas and one of the largest in the nation^{*2}.

The building was constructed using about 4,000 m³ of timber, and CO₂ emissions generated during construction (embodied carbon) were significantly reduced in comparison with the construction of a typical reinforced concrete (RC) structure. Currently the building is expected to achieve environmental (LEED^{*3}) and wellness certification (Fitwel^{*4}), providing a social and environmental value-added office for environmentally-conscious tenants.

■Property characteristics

The design takes employee health and work comfort into consideration, and is characterized by exposed mass timber columns and beams^{*5} wood finishes that are also visible from the exterior of the building, creating a warm and comfortable space. A park with about 9,300 m² of green space has been developed on the adjacent land, and all office floors feature terraces that overlook the park. The communal space on the ground floor is equipped with a high-quality fitness gym, locker rooms and business conference rooms for tenants, while also having available space for restaurants, coffee shops, and other establishments.



According to calculations using "One Click LCA^{*6}," a software used to visualize CO₂ emissions, the volume of CO₂ emissions generated during the construction of a mass timber building can be reduced by approximately 2,600 tons (CO_{2e}) compared to an RC structure, and the wood used as building material is expected to store approximately 3,400 tons (CO_{2e}) of CO₂^{*7*8}.



■ Opening ceremony

On June 11, an opening ceremony was held at the site. The event was attended by more than 50 guests, including developers, contractors, consultants, banks, and the city of Frisco, which were involved in the development of this property, as well as Japanese representatives from Sumitomo Forestry, IINO Kaiun, and Kumagai Gumi. The ceremony commenced with congratulatory remarks by representatives and a ribbon cutting ceremony, followed by a tour of the office building by the respective participants. There was clearly strong interest in environmentally- sound mass timber offices within the local community.



The project was made possible by the collaboration between CHO and the visions of Sumitomo Forestry, which promotes medium- to large-scale wooden developments in Japan and overseas; IINO Kaiun, which has positioned sustainability initiatives and global expansion in the real estate business as key strategies; and Kumagai Gumi, which is advancing technological development to realize medium- to large-scale wooden construction. Going forward, each company will continue to consider business opportunities in Japanese and overseas markets as well as promote initiatives to expand earnings, leveraging their respective unique characteristics and expertise.

*1. Press release dated December 26, 2022: https://sfc.jp/english/news/pdf/20221226_01.pdf

*2. Reference: [Interactive Mass Timber Project Map | WoodWorks Innovation Network \(WIN\)](#)

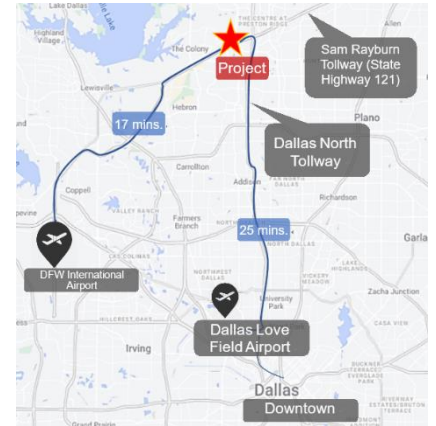
*3. An environmental performance rating system for building and site use developed and operated by the US Green Building Council (USGBC).

*4. A system to evaluate and certify the health, working environment, etc. of building users, developed by the U.S. Federal Government's General Services Administration (GSA) and the Centers for Disease Control and Prevention (CDC).

- *5. Construction that uses engineered wood structures with relatively high mass, formed from multiple pieces of wood.
- *6. Software for which Sumitomo Forestry has signed a sole agency agreement in Japan. It can precisely calculate CO₂ emissions (CO₂ emissions at the time of construction) generated during construction, from procurement of raw materials to processing, transportation, construction, renovation, and disposal. Related release: https://sfc.jp/english/news/pdf/20220127_02.pdf
- *7. CO₂ emissions at the time of construction were estimated for the office and parking building. Based on construction drawings, major structural parts such as frames, curtain walls, and foundations were evaluated. The carbon storage amount is estimated for the office building.
- *8. Tons are converted to metric tons (MT).

■ Property overview

Property name	: Southstone Yards Office-B
Address	: Frisco in the suburbs of Dallas, Texas
Leasable floor area	: 22,548 m ² (242,701 sq. ft.)
Structure	: Story 1 RC structure, stories 2 – 7 wooden structure
Start of construction	: August 2022
Substantial Completion	: April 2024



■ Outline of Crow Holdings

- Headquarters : Dallas, Texas
- Representative : Ken Valach, CEO of Crow Holdings Development
- History : Leading U.S. integrated real estate company founded in 1948
- Description of business : Engages in the development of multifamily residences, distribution facilities, and offices, as well as the asset management business that acquires and manages properties, across U.S.A. With more than 70 years of history, CHD has a total asset size to date of USD 12 billion in development projects.

■ Outline of SFC Asset Management Co., Ltd.

- Headquarters : Otemachi, Chiyoda-ku, Tokyo
- Representative : Yujiro Yoshizawa (President and Representative Director)
- Establishment : November 2020
- Description of business : Investment advisory services for investment funds organized by Sumitomo Forestry Group, etc.