

January 15, 2025

For Immediate Release

Sumitomo Forestry Co., Ltd.

Development of multi-family rental community near Dallas, Texas
~ First partnership with Nomura Real Estate Development in the U.S. ~

Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; headquarters: Tokyo; hereinafter, Sumitomo Forestry) will develop “Jefferson Morningstar,” a multi-family rental community near Dallas, Texas. This will be Sumitomo Forestry’s first housing development partnership with Nomura Real Estate Development Co., Ltd. (President and Representative Director: Daisaku Matsuo; head office: Shinjuku-ku, Tokyo) in the U.S. Construction of the four-story wooden building will commence in January 2025, with plans to complete construction in 2027.

■ **Jefferson Morningstar Characteristics**

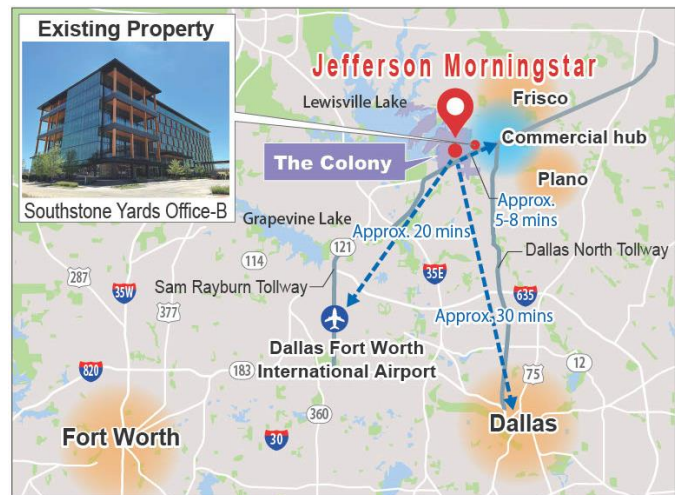
Jefferson Morningstar is a multi-family rental community located in the rapidly growing corridor of The Colony, Texas. The development is targeted at individuals who seek a lifestyle where they can live in close proximity to their workplaces. The project will deliver 373 units, ranging from studios to three-bedroom apartments, welcoming a wide variety of residents from singles to families. Each unit features high-end finishes and sophisticated design, offering amenities such as a pool, fitness gym, dog run, co-working spaces, and a club room with an open feel facing the pool, fulfilling the diverse needs of residents.

The project will adopt a wooden frame wall construction method, using 2x4 lumber to reduce construction costs compared to reinforced concrete construction. Wooden construction generally reduces the amount of CO₂ emissions generated during construction (embodied carbon) compared to reinforced concrete construction. In addition, trees store the CO₂ absorbed during their growth process internally as carbon. Therefore, this property, which uses wood abundantly in its structural components and interiors, will fix carbon for a long period of time and contribute to decarbonization.



■ Area Characteristics

The Colony is close to areas with a concentration of employment such as Plano and Frisco. This dynamic area has experienced unparalleled growth over the past decade due to its good access to central Dallas. The property offers excellent transportation access and convenience, 5-minute drive away from Route 121, a major highway with a traffic volume of approximately 360,000 vehicles per day, and 20-minute drive from Dallas Fort Worth International Airport, the second busiest airport in the U.S. Across Route 121 from the property, there is a large-scale commercial complex that houses retail stores, restaurants, movie theaters, and family entertainment facilities, while Legacy West sits 2.5 miles east,



offering a lineup of fashion and other luxury brand stores. The property will provide an ideal environment for residents who seek a fulfilling urban life with both home and work in close proximity, and create new value in the area.

■ Scheme and Participation Details

The development will be carried out by a joint venture entity established between Nomura Real Estate Development Co., Ltd. and a special purpose company (SPC) jointly invested in by Sumitomo Forestry's consolidated subsidiary JPI and the land seller. Sumitomo Forestry Asset Management Co., Ltd. (President and Representative Director: Seita Kisanuki; headquarters: Chiyoda-ku, Tokyo), a wholly owned subsidiary of Sumitomo Forestry, will be responsible for coordinating the project.

JPI is a multi-family rental community design, builder and developer that was made a consolidated subsidiary of Sumitomo Forestry in 2023. Headquartered in Dallas, Texas, the company leverages its development, design, and construction functions, alongside excellent cost and quality control capabilities, to expand its business in northern Texas (the Dallas–Fort Worth area), which has seen undergone remarkable development in recent years, as well as southern California.

Since entering the multi-family rental community development business in the U.S. in 2017, Sumitomo Forestry Group has expanded the business and made it a pillar of its earnings second only to its spec home business. By 2023, it has achieved 3,853 units per year of multi-family housing starts, putting it in ninth place in the U.S.* Nomura Real Estate Development Co., Ltd., which aims to further expand its real estate development business in the U.S., shares the same policy as Sumitomo Forestry Group, leading to the first partnership between the two companies in the U.S. This project also marks JPI's first collaboration with a Japanese company.

* The total number of housing starts per year for the three Sumitomo Forestry Group companies in the U.S. puts it in the ninth place in the NMHC 2023 ranking of U.S. multi-family housing developers (calculations carried out by Sumitomo Forestry)

■ Future Developments

Sumitomo Forestry Group is engaged in a broad range of global businesses centered on wood, including forestry management, the manufacture and distribution of wood building materials, the construction of single-family homes and medium- to large-scale wooden buildings, real estate development, and wood biomass power generation. In our long-term vision Mission TREEING 2030, we are seeking to promote the Sumitomo Forestry Wood Cycle, our value chain across the pillars of our operations—forests, wood, and construction, to contribute to decarbonization not only for our company, but also for the whole of society by increasing the CO₂ absorption of forests and popularizing wooden buildings that store carbon for long periods of time. With the promotion of global expansion as one of our business policies in our long-term vision, we are also working to accelerate decarbonization initiatives in the U.S.

■ Property Overview

Name	: Jefferson Morningstar
Location	: 121 & S Colony Blvd (NEQ) The Colony, TX 75056
Planned site	: Approx. 40,000 m ²
Total rental floor space (planned)	: Approx. 30,000 m ²
Units (planned)	: 373 units
Structure/Method	: Four-story wooden structure (wooden frame wall construction method)
Start of construction (planned)	: January 2025
Completion (planned)	: 2027

■ JPI

Headquarters	: Dallas, Texas
Representative	: Payton Mayes (CEO)
History	: Established in 1989, became a subsidiary of Sumitomo Forestry in November 2023 (acquired 90% stake)
Business description	: Fully integrated builder and developer specializing in land acquisition, development management, construction management, design and asset management for multi-family housing development in northern Texas (Dallas-Fort Worth area) and southern California.

* JPI corporate website: <https://www.jpi.com/>

■ Sumitomo Forestry Asset Management Co., Ltd.

Headquarters	: Otemachi, Chiyoda-ku, Tokyo
Representative	: Seita Kisanuki (President and Representative Director)
Established	: November 2020
Business description	: Private placement handling and investment advisory services for investment funds organized by Sumitomo Forestry Group and others

* Sumitomo Forestry Asset Management Co., Ltd. corporate website (Japanese only): <https://sfcam.jp/>