

September 5, 2025

For Immediate Release

Sumitomo Forestry Co., Ltd.
Kumagai Gumi Co., Ltd.
Fuyo General Lease Co., Ltd.

Joint development of a multi-family rental apartment near Seattle
~Collaborative project between three Japanese companies
and America's third largest developer~

Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; headquarters: Tokyo), Kumagai Gumi Co., Ltd. (President: Shin Ueda; headquarters: Tokyo) and Fuyo General Lease Co., Ltd. (President and CEO: Hiroaki Oda; headquarters: Tokyo) are pleased to announce that they are working with Trammell Crow Residential (TCR), the third largest developer in the United States,^{*1} to jointly develop a multi-family rental apartment building in the suburbs of Seattle, Washington. The building will have eight floors and 388 units. Construction is scheduled to begin in September 2025 and leasing in December 2028.

■Project outline

The multi-family apartment building will be a hybrid wood structure located in the center of the Eastside neighborhood of the Seattle metropolitan area city of Bellevue, which has seen remarkable population and employment growth. This project is the eighth collaboration



between Sumitomo Forestry and TCR and the second collaboration along Interstate 90 in the Seattle metropolitan area, following the Issaquah project,^{*2} which was completed and sold in 2022.

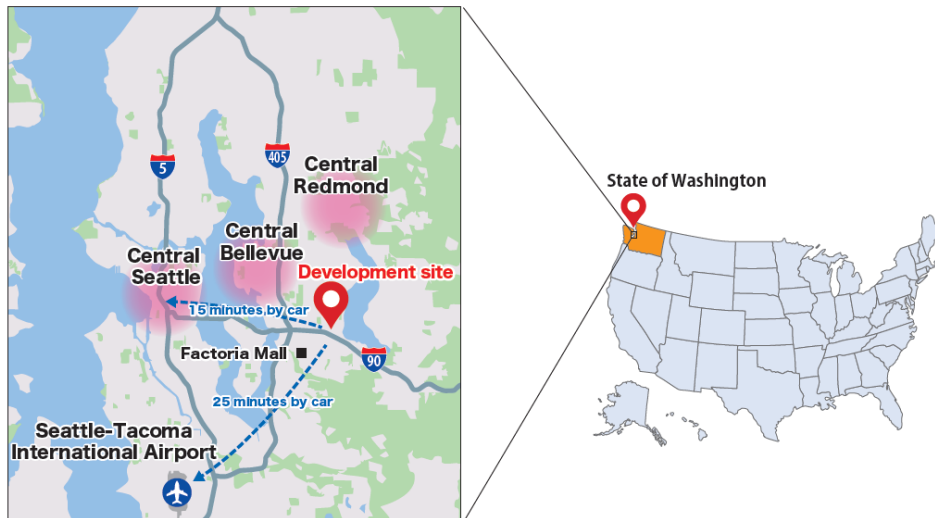
The building will 5 levels of wood framing on top of 3 levels of concrete. . To control costs compared to all-RC structures, the project will use standard 2x4 lumber. Wood construction has generally lower CO₂ emissions during construction (embodied carbon) than steel-frame (S) or RC construction. In addition, trees sequester the CO₂ they absorb during the growth process as carbon. Hence, this building, which utilizes a large amount of wood, will fix carbon for long periods of time, thereby contributing to decarbonization.^{*3}

This project mainly targets young professionals, , it will also meet the needs of families and older couples. The project will feature a fitness center featuring the latest equipment, a rooftop deck with views of Seattle and downtown Bellevue, office spaces, pet care facilities, and other high end amenities

■Location characteristics

The property is located in the Eastgate neighborhood of Bellevue, approximately 25 minutes by car from the Seattle-Tacoma International Airport and 15 minutes to central Seattle. It is just off Interstate Highway 90, which connects Seattle to Boston, as well as Interstate Highway 405, which connects north and south end of the Seattle Metro. On the south side of the building is Eastgate Park & Ride, a major bus terminal. It is conveniently located near major employment centers, such as Seattle, Bellevue and Redmond, home to Amazon, Microsoft, T-Mobile and other companies, as well as major educational institutions. Bellevue College, Washington state's largest community college, is located on the east side of the property. This area boasts an excellent educational and living environment, ranking number one in Washington state in

terms of educational level^{*4} and is close to Factoria Mall, a major shopping center with grocery stores, restaurants and shops in the adjacent Factoria neighborhood.



■Participation details

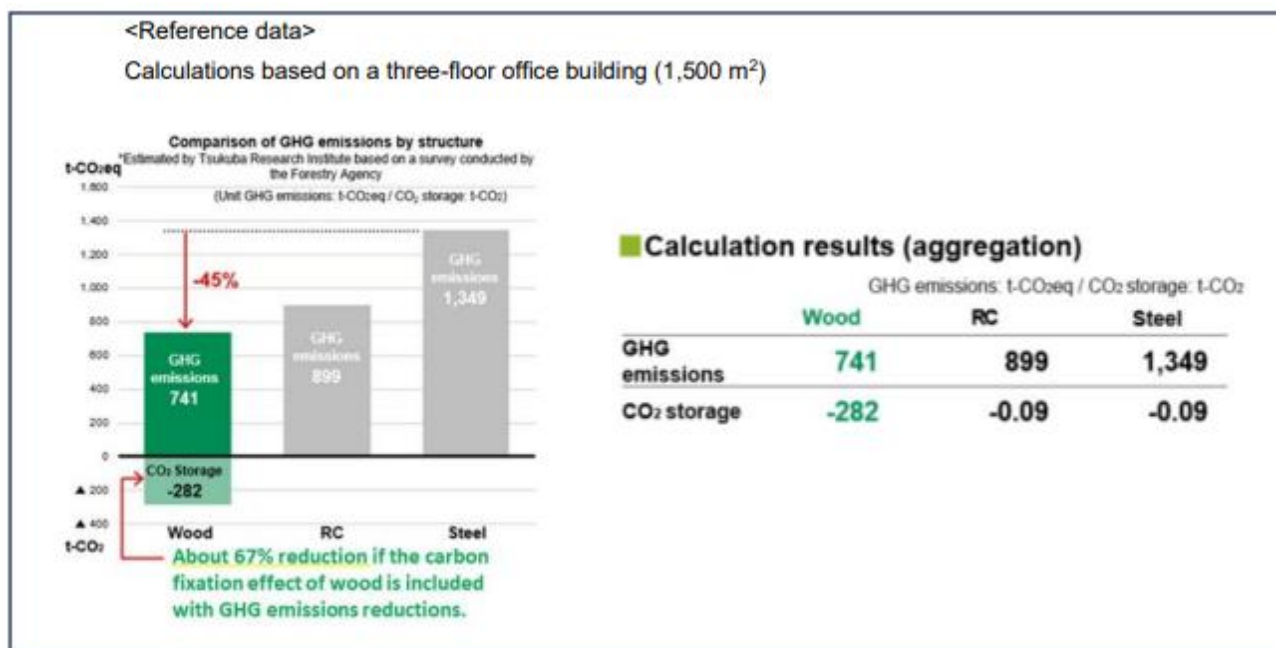
This project will be developed jointly by Sumitomo Forestry, Kumagai Gumi (which is developing technologies to build medium- to large-scale wooden buildings), and Fuyo General Lease, a company that Sumitomo Forestry has been working closely with in the United States through our ESG real estate development private equity fund and forestry fund. The developer is a special purpose company (SPC) jointly owned by TCR and a joint venture company between SFA MF Holdings (a wholly owned subsidiary of Sumitomo Forestry), Kumagai Gumi and Fuyo General Lease (USA) Inc. (a wholly owned subsidiary of Fuyo General Lease). Sumitomo Forestry's wholly owned subsidiary SFC Asset Management Co., Ltd. (President: Seita Kisanuki; headquarters: Tokyo) will be responsible for coordinating the project with the participating companies.

Since our entry into the real estate development business in 2018, Sumitomo Forestry Group's annual supply of multi-family housing has grown to 5,344 housing unit starts in 2024, equivalent to the fourth largest^{*5} in the United States, making it our second largest pillar of operations after our single-family homes business. Since 2018, Sumitomo Forestry has been working with TCR, , to develop multi-family rental apartments in the Seattle suburb cities of Issaquah, Lynnwood, Bothell, Woodinville and Shoreline, as well as in the Denver suburb city of Northglenn, and Montclair, a suburb of Los Angeles. This project will be our eighth joint development effort. Our goal is to supply more than 10,000 multi-family rental apartment units by 2027.

Since forming a business and capital alliance with Sumitomo Forestry in 2017, Kumagai Gumi has been expanding operations primarily with the development of medium- to large-scale wooden buildings in Japan and overseas and environmentally conscious real estate investments. In the United States, we are participating with Sumitomo Forestry in an ESG real estate development private placement fund as well as an ESG-conscious, seven-floor wooden office building in Dallas, Texas. Under the themes of wooden buildings and ESG, this project marks our third collaborative effort with Sumitomo Forestry.

Fuyo Lease is working jointly with Sumitomo Forestry in the US real estate development field through a ESG real estate development fund and the participation in multi-family housing developments in Montclair,

a suburb of Los Angeles, California, and in Shoreline, a suburb of Seattle, Washington. This project continues our collaboration to improve everyday experiences and deliver meaningful convenience, contributing to the realization and sustainable growth of a prosperous society



■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 contracting 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 to contribute to decarbonization 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 United States.

Kumagai Gumi Group formulated the Mid-Term Management Plan (fiscal 2024~fiscal 2026) with the aim to realize a society in which limited resources are recycled and people, society and nature continue to prosper. With accelerating peripheral businesses as one of the basic policies under this plan, the company is focusing on initiatives in its real estate development operations. Through participation in this project, the company is seeking to diversify its income sources to secure stable earnings and contribute to the realization of sustainable communities.

Fuyo Lease Group is aiming to achieve sustainable growth as a group by simultaneously resolving social issues and delivering economic value through the practice of CSV (creating shared value), as outlined in the medium-term management plan Fuyo Shared Value 2026, which began in fiscal 2022. The company will continue to pursue partnerships to expand its operations in the real estate sector.

■Property overview (planned)

Name	Alexan Eastgate
Location	14200 SE 32 nd St., Bellevue, WA
Total floor space	33,738 m ² (363,151 square feet)
Units	388
Structure/method	Floors 1~3: reinforced concrete structure; floors 4~8: wooden structure
Start of construction	September 2025
Start of rentals	December 2028
Completion	December 2028

■Trammell Crow Residential Company

Headquarters:	Dallas, Texas
Representative:	Ken Valach (CEO)
History:	Trammell Crow Residential is a multi-family residential real estate company established in the United States in 1977. It is part of Crow Holdings, a real estate development firm with a more than 70-year history.
Business description:	Multi-family real estate development in the United States. The company has delivered nearly 265,000 residences, particularly in economically thriving locations.

■SFC Asset Management Co., Ltd.

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

*SFC Asset Management corporate website: <https://sfcam.jp/> (Japanese only)

^{*1} Ranked 3rd in the 2024 rankings of the NMHC Top 25 Developers released by the National Multifamily Housing Council of the United States.

<https://www.nmhc.org/research-insight/the-nmhc-50/top-50-lists/2024-top-developers-list/>

^{*2} Project sold and completed in 2022.

<https://sfc.jp/information/news/2021/2021-10-07.html>

^{*3} Calculated by Sumitomo Forestry's Tsukuba Research Institute based on a study by the Forestry Agency (refer to graph and table). Calculations were made for the entire life cycle, from construction to demolition, of the frame, exterior and interior (excluding equipment) of a three-story office building (1,500 m²) based on the material quantities in Forestry Agency's "FY2015 Report on the Promotion of Wood Use and Energy-Saving CO₂ Demonstration Operations."

^{*4} Ranked number one in the 2025 "Best School Districts in Washington," conducted by Niche, Inc.

<https://www.niche.com/k12/d/bellevue-school-district-wa/>

^{*5} Company calculation based on the 2025 rankings of the NMHC Top 25 Developers.