

December 16, 2024

For Immediate Release

Sumitomo Forestry Co., Ltd.
Chuo-Nittochi Co., Ltd.

Joint development of a multi-family rental complex near Boston ～Helping to realize a decarbonized society with a fully wooden structure～

Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; headquarters: Tokyo; hereinafter, Sumitomo Forestry) and Chuo-Nittochi Co., Ltd. (President & CEO: Kiyoshi Miyake; headquarters: Tokyo; hereinafter, Chuo-Nittochi) are pleased to announce that they are working with major US developer Fairfield Residential Company LLC (Representative: Richard Boynton; headquarters: San Diego, California; hereinafter, Fairfield) to develop Milford Vista, a fully wooden multi-family housing complex in the suburbs of Boston, Massachusetts. The wooden complex features one four-floor building and one five-floor building with a total of 260 units. Construction is scheduled to begin in January 2025 and leasing will begin in October 2026. Through this development, the companies are aiming to popularize wooden structures to contribute to decarbonization.

■Milford Vista characteristics

The property offers a wide range of common facilities, including a co-working space and pool. To control costs compared to reinforced concrete (RC) structures, the project will adopt the wooden frame wall construction method using standard 2x6 lumber. Wood construction has the benefit of generally lower CO₂ emissions during construction (embodied carbon) than steel-frame or RC construction.



Furthermore, because trees sequester the CO₂ they absorb during the growth process as carbon, this project, which utilizes a large amount of wood in its structural materials and interiors, will continue to fix carbon for long periods of time and contribute to the realization of a decarbonized society. ^{*1}

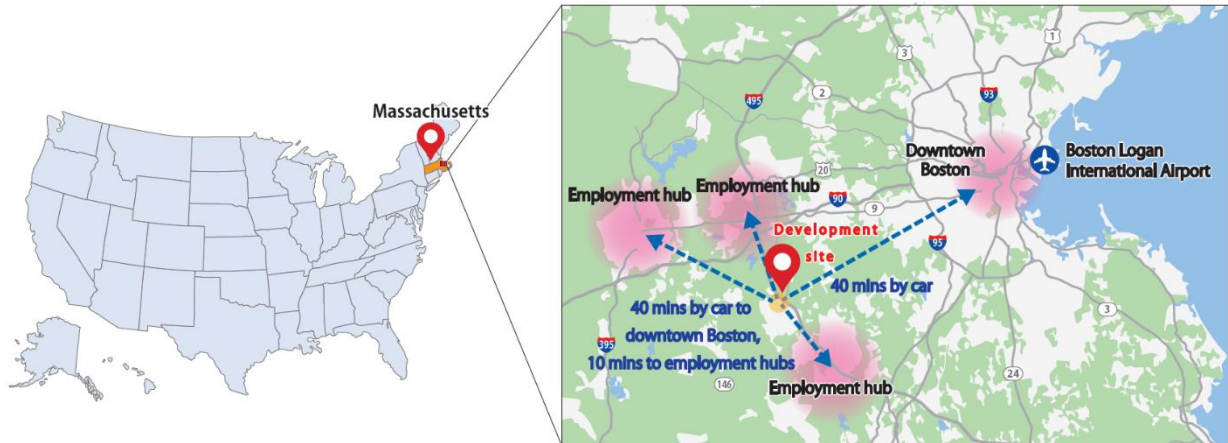
■Area characteristics

The property combines the richness of the natural environment with the convenience of urban living. It is located in a quiet residential suburb surrounded by greenery in a conservation area away from the hustle and bustle of the city. Each unit offers beautiful forest scenery and a walking path between the two buildings makes use of the wetland area. The Upper Charles Trail^{*2}, a 21km bicycle path, is just a short walk away. Plans are underway to extend it to 40 km in the future. In addition, there is a vast 200,000 m² mountain bike park within cycling distance.



Photo by tommyzazulak

About 40 minutes by car from downtown Boston and Boston Logan International Airport^{*3} and less than 10 minutes by car to nearby employment centers, large supermarkets, and shopping malls, Milford Vista is conveniently located for both commuting and daily living. In recent years, Boston has seen a growing concentration of biotechnology and medical-related companies, which is expected to ensure a stable employment environment in the years to come. In addition, with an increase in the number of people working in these industries, there is a housing shortage in the



area. As a result, rental conditions for nearby properties are strong and demand for housing is expected to continue over the medium to long term.

■Participation details

The developer is a special purpose company (SPC) jointly owned by SFA MF Holdings (a wholly owned subsidiary of Sumitomo Forestry), Chuo-Nittochi I LLC (a wholly owned subsidiary of Chuo-Nittochi) and Fairfield. Sumitomo Forestry's wholly owned subsidiary SFC Asset Management Co., Ltd. (President: Yujiro Yoshizawa; headquarters: Tokyo) will be responsible for coordinating the project with the participating companies, including Fairfield. This is the fourth time for Sumitomo Forestry and the second time for Chuo-Nittochi to work with Fairfield on a multi-family residential rental development project. Sumitomo Forestry is already working with Chuo-Nittochi on multi-family residential development projects in the suburbs of Seattle and Denver, making this project their fifth collaboration in the US. Through the joint development of this property, both companies will further enhance their relationship in the field of real estate development both in Japan and overseas.

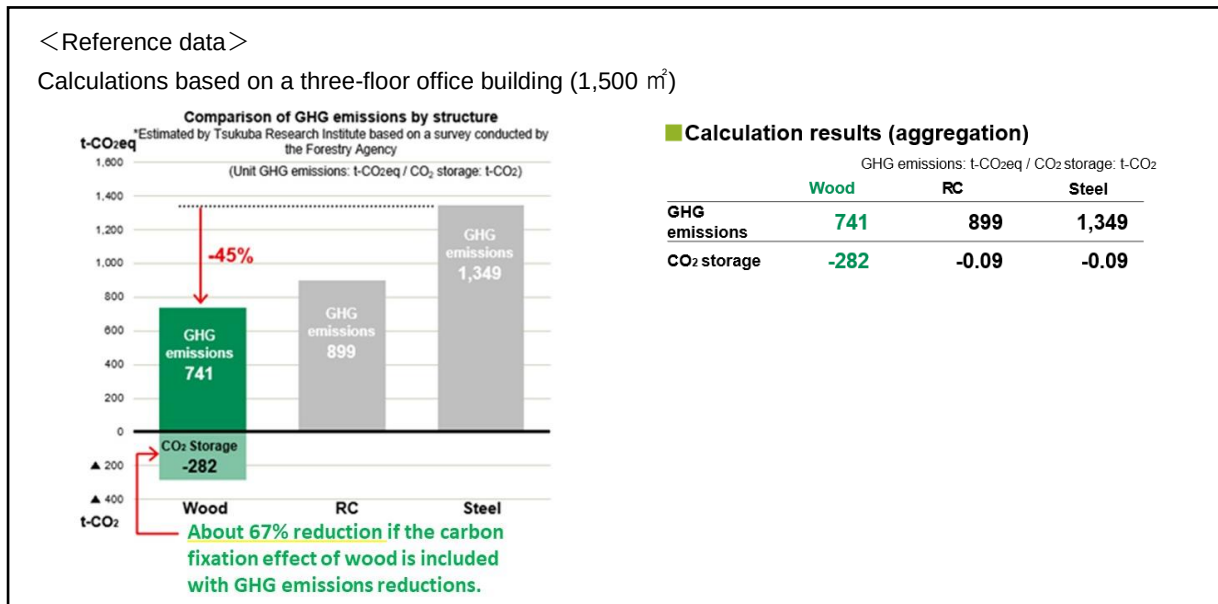
Sumitomo Forestry Group entered the real estate development business in 2018 and in 2023, our annual supply of multi-family housing units grew to become equivalent to the ninth largest^{*4} in the United States and has expanded to become a major pillar of operations after our US spec homes business. By 2027, we aim to supply over 10,000 multi-family rental housing units. Fairfield is a leading multi-family residential developer in the United States. With the view that Fairfield is an excellent local partner, Sumitomo Forestry is exploring further opportunities for collaboration to increase the number of units in its housing business. Chuo-Nittochi is reinforcing its real estate development operations both in Japan and overseas through the joint development of this property. To further enhance and expand its overseas operations, it is also exploring ways increase its areas of operations and for the first time, has decided to participate in the development in the Boston area.

■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 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 US.

Chuo-Nittochi Group Co., Ltd., is a comprehensive real estate group with operations in eight major segments (urban development, leasing and property management, residence, global business, real estate solutions, asset management, construction and facility, golf course management). The company is accelerating its initiatives overseas with investments in real estate development projects in the United States and investments in renewable energy projects in Taiwan and the United States. In October 2024, it established a local office in San Francisco, California. To help realize a decarbonized society, Chuo-Nittochi is working with all stakeholders, including tenants and joint venture partners, to promote urban planning that harmonizes with the natural environment through the development of environmentally conscious real estate and the operation and use of renewable energies.

*1 Estimates calculated by Sumitomo Forestry's Tsukuba Research Institute based on a study by the Forestry Agency (refer to graph and table below). 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."



*2 https://www.trailink.com/trail-photo/upper-charles-trail_250700/

*3 General Edward Lawrence Logan International Airport (IATA code: BOS)

*4 The annual total number of units supplied by Sumitomo Forestry Group's three US subsidiaries (Crescent, JPI, SFA MF) is equivalent to 9th place in the 2024 rankings of NMHC 25 Largest Developers, announced by the National Multifamily Housing Council of the United States.

■Property overview (planned)

Name	Milford Vista
Location	300-400 Deer Street, Milford, MA
Total floor space	23,337 m ² (251,194 square feet)
Units	260
Structure/method	Wooden structure, frame wall construction method
Start of construction	January 2025
Start of rentals	October 2026 (in phases starting with completed sections)
Completion	May 2027

■Fairfield Residential Company LLC

Headquarters	San Diego, California
Representative	Richard Boynton (Chairman, CEO)
Employees	1,420 (as of November 2023)
Business description	A multi-family residential real estate developer founded in 1985. With offices in 11 locations throughout the United States, the company is engaged in a full range of real estate development operations, from land purchasing and construction to rental management and sales. Since its establishment, the company has developed properties in 32 states, has renovated and resold existing properties, and has developed approximately 290,000 new units.

■SFC Asset Management Co., Ltd.

Headquarters	Tokyo
Representative	Yujiro Yoshizawa (Representative Director and President)
Established	November 2020
Business description	Private placement handling and investment advisory services for investment funds organized by Sumitomo Forestry Group and others

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