



**Daiwa House**<sup>®</sup>  
Group

N e w s L e t t e r

March 17, 2022

Press Release

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**Overview of the St. Elmo Project – a Rental Housing Development Project in Bethesda, Maryland in the U.S.**

Daiwa House Industry Co., Ltd. (Head Office: Osaka / President and CEO: Keiichi Yoshii) is pleased to announce the start of construction on the St. Elmo Project from March 7, 2022. This will be a rental housing development 22 stories above ground and four stories below ground, consisting of a total of 276 units located in Bethesda, Maryland in the United States of America (hereinafter “the U.S.”).



**Image of the Exterior of the St. Elmo Project**

The St. Elmo Project is a project we are taking part in through our U.S. subsidiary Daiwa House Texas Inc. (hereinafter “Daiwa House Texas”).

Daiwa House Texas, Duball, LLC (Head Office: Rockville, Maryland in the U.S.), a company involved in the housing development business in the U.S., and The Lenkin Company (Head Office: Washington, D.C. in the U.S.), a company involved in the housing development and property management businesses, established St. Elmo Apartments, LLC, a special purpose company which will be developing the project.

The project will be a rental housing development 22 stories above ground and four stories below ground located in downtown Bethesda, Maryland. It will consist of a total of 276 units and over 5,000 square feet of street level commercial space. The project will have a site area of approximately 46,000 ft<sup>2</sup> and a gross floor area of approximately 326,000 ft<sup>2</sup>. Completion is scheduled for November 2024.

- **Features**

1. **22-story rental housing project with a total of 276 units**
2. **A project located in Bethesda, Maryland – a community undergoing remarkable population growth**
3. **Great location with amenities for daily life found within walking distance**

1. **22-story Rental Housing Project with a Total of 276 Units**

The St. Elmo Project will be a rental housing development project 22 stories above ground and four stories below ground with a total of 276 units, parking (219 spaces) and over 5,000 square feet of street level commercial space.

We will offer four types of floor plans (studios, one-bedroom units, two-bedroom units, and three-bedroom units) in 40 configurations with unit sizes ranging from 495 to 1,565 square feet. We will have a lineup of diverse floor plans to target families, seniors who have finished raising their children (empty nesters) and single-person households that are employed at medical institutions in the area around Bethesda and in Washington, D.C.

We will set up a resident-only fitness center, outdoor pool and club lounge in the shared spaces.

Moreover, there will be commercial space (approximately 5,165 ft<sup>2</sup>) for a restaurant or retail store, etc. located on the street level



**1F Lobby (Image)**



**Outdoor Pool (Image)**



**Studio (Image)**



**Three-bedroom Unit (Image)**

**2. Project in Bethesda, Maryland – a Community Undergoing Remarkable Population Growth**

Bethesda, Maryland, where this project will be located, is included in the greater Washington-Arlington-Alexandria metropolitan area. The population of this greater metropolitan area in 2019 was approximately 6.28 million, and its population is increasing remarkably with a growth rate of 11.2%\* from a population of approximately 5.64 million in 2010.

Moreover, multiple medical institutions and research institutes are concentrated here. These include the National Institutes of Health which is the oldest medical research center in the U.S. Accordingly, stable employment is expected to continue in this area.

\*This is according to the US Census Bureau. The average population growth rate across the U.S. was 6%.

**3. Great Location with Amenities for Daily Life Found within Walking Distance**

This project will be located six minutes on foot from Bethesda Station on the Metro (Washington Metropolitan Area Transit Authority). Commercial facilities, restaurants, parks, offices, and schools are found within walking distance, providing an abundance of amenities for daily life.

Moreover, it is also possible to reach central Washington, D.C. from Bethesda Station in approximately 25 minutes direct access on the Metro.

Together with this, the project is in a great location with access to other cities in the U.S. and countries all over the world as it is situated approximately 35 minutes by car to Washington Dulles International Airport and approximately 30 minutes by car to Ronald Regan Washington National Airport.

**Future Overseas Development**

We are mainly developing residential real estate for rent through Daiwa House Texas in the U.S. At the same time, three companies have joined our group to expand our business in the U.S.: Stanley-Martin Communities LLC, a company which operates in the single-family house business in the South Atlantic region of the U.S.; Trumark Companies, LLC, a company which operates in the comprehensive real estate development business mainly in California; and CastleRock Communities, L.P., a company that operates in the single-family house business mainly in Texas.

We are also involved in the housing development business in Australia, the logistics facility and housing development businesses in the ASEAN region, and the condominium business in China.

We are planning to achieve 400 billion yen in net sales in our overseas business in the fiscal year ending March 31, 2022. Under this plan, we are aiming to further expand our overseas business in our 7<sup>th</sup> Medium-Term Management Plan that starts in April 2022.

**Overview of the St. Elmo Project Property**

|  |  |                                 |   |
|--|--|---------------------------------|---|
| Project name   | St. Elmo Project   |                                 |   |
| Project developer                                      | St. Elmo Apartments, LLC   |                                 |   |
| Address  | 4931 St. Elmo Avenue, Bethesda, MD 20814   |                                 |   |
| Building use   | B4 to B1: Parking (219 spaces)<br>1F: Lobby and commercial space<br>Mezzanine: Fitness center<br>2F to 21F: Residential floors<br>22F: Residential floor and club lounge<br>Rooftop: Outdoor pool etc. |                                 |   |
| Main shared facilities                                 | Fitness center, outdoor pool and club lounge   |                                 |   |
| Site area  | 46,250 ft <sup>2</sup>   | Building area                   | 18,956 ft <sup>2</sup>  |
| Gross floor area                                       | 326,399 ft <sup>2</sup>  | Leasable area                   | 299,107 ft <sup>2</sup> (residential)<br>5,165 ft <sup>2</sup> (commercial) |
| Total number of units, number of stories and structure | 276 units<br>22 stories above ground and four stories below ground (height: approx. 224.7 ft)<br>Reinforced Concrete structure   |                                 |   |
| Architect  | Maurice Walters, Architect   |                                 |   |
| General Contractor                                     | HITT Contracting Inc.  |                                 |   |
| Start of construction                                  | March 7, 2022  | End of construction (scheduled) | November 2024   |
| Scheduled start of move-in                             | September 2024 (Start moving in with completed units)  |                                 |   |
| Living area per unit                                   | 495 ft <sup>2</sup> to 1,565 ft <sup>2</sup>   |                                 |   |
| Floor plans  | 17 studios, 141 one-bedroom units, 92 two-bedroom units, and 26 three-bedroom units  |                                 |   |
| Rent (scheduled)                                       | \$2,000 to \$6,000+  |                                 |   |

**Project Developer**

|                       |   |
|-----------------------|---|
| Company               | St. Elmo Apartments, LLC                                    |
| Investing companies   | Daiwa House Texas Inc.<br>Duball, LLC<br>The Lenkin Company |
| Date of establishment | December 2019   |
| Areas of business     | Real estate development etc.                                |

■ **About Duball, LLC** ([www.Duball-LLC.com](http://www.Duball-LLC.com)): Duball, LLC, founded in 2004, is a real estate development and investment firm specializing in exceptionally located mixed-use real estate development projects within the Washington/Baltimore metropolitan region. Duball's portfolio includes major projects in Maryland and the District of Columbia with total asset value exceeding one billion dollars. Duball has proven experience as both an owner/developer and third-party master developer. Duball, LLC is committed to building a diversified real estate portfolio with assets ranging from for-sale condominium development to stabilized income producing core assets including retail, apartments and hotels. Duball is capitalized by several investment partners including institutional investors, advisory funds and pension funds as well as high net worth private investors.

■ **About The Lenkin Company** ([www.Lenkin.com](http://www.Lenkin.com)): Since 1929, The Lenkin Company has been meeting the demands of the Washington, D.C. metropolitan area businesses and residential communities. As a full service construction and management firm, The Lenkin Company is involved in the entire development process. The Lenkin Company offers the confidence, trust, and dedication that comes with a three generation family owned business.

### **Overview of Our Local Subsidiary**

Company: Daiwa House Texas Inc.  
Address: 222 W Las Colinas Blvd, Suite 1540 East, Irving, TX 75039  
Investor: Daiwa House USA Holdings Inc.  
\*Wholly owned subsidiary of Daiwa House Industry Co., Ltd.  
Capital: \$368,606,634  
Number of employees: 36 (21 temporary transfers from Daiwa House)

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| Inquiries   |
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