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To Members of the Press

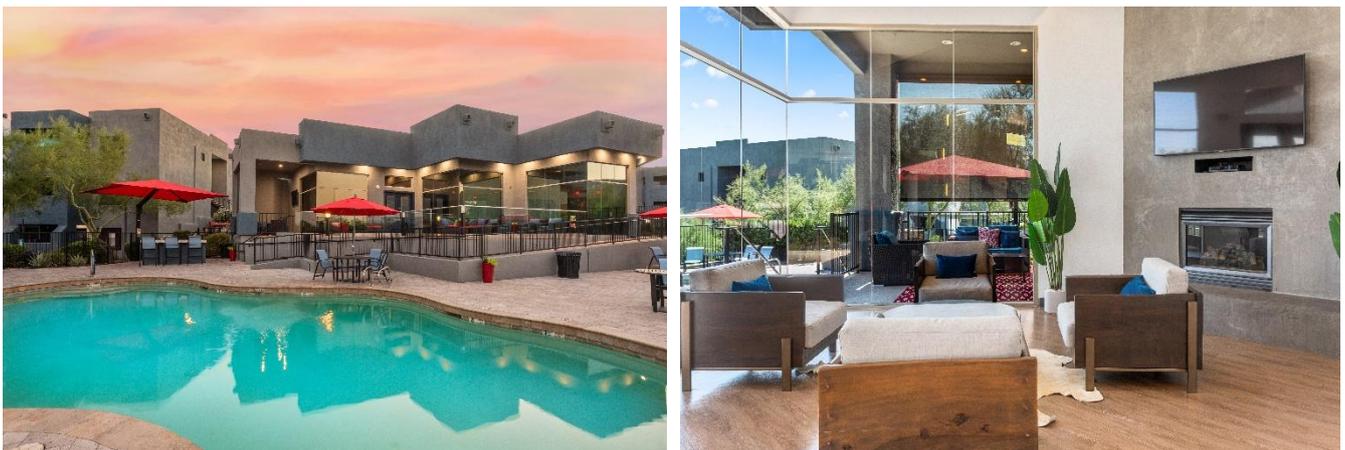
Nippon Steel Kowa Real Estate Co., Ltd.

Acquisition of a Rental Housing Complex in the Metropolitan Area of Phoenix, Arizona, U.S. Marking Re-Entry into the U.S. Real Estate Market

Nippon Steel Kowa Real Estate Co., Ltd. (headquartered in Minato-ku, Tokyo; led by President and CEO Yasuhiko Imaizumi) hereby announces that it has acquired a 150-unit rental housing complex in a suburb of Scottsdale, Arizona, U.S., through its U.S. subsidiary, NSKRE US Corporation.

Undertaken as a joint venture with Continental Realty Assets, Ltd. (headquartered in Denver), a firm engaged in multifamily residential investments, this property marks the Company's first project following the resumption of its U.S. operations, and value enhancement will be pursued through renovations such as improvements to residential unit interiors.

The property is located in Fountain Hills, a suburb of Scottsdale in the Phoenix metropolitan area, a region with a growing concentration of semiconductor-related industries, where further population growth is expected. Scottsdale is the region's commercial and tourism center and is also known as a winter retreat for affluent residents. Located in a quiet, elevated residential area lined with large homes boasting views of the Arizona mountains, the property is expected to attract wide demand. It comprises only two-bedroom units (approx. 1,040 sq. ft., or just under 100 m² on average), which are currently in high demand amid recent lifestyle trends.



▲ Property photos



Property Overview

Address	13225 North Fountain Hills Blvd., Fountain Hills, AZ 85268
Property Type and Number of Units	Rental housing, 150 units
Lot Area	9.7 acres (approx. 39,000 m ²)
Rentable Area	156,150 sq. ft. (approx. 14,500 m ²)
Year Built and Structure	1998, nine two- to three-story wooden structures
Amenities	Pool, gym, lounge

Nippon Steel Kowa Real Estate operated a real estate business in the United States from the 1970s to the early 2000s. Following corporate integration in 2012, the Company resumed its overseas operations. The Company is now re-entering the real estate market in the U.S., an advanced economy with a large market size where growth is expected.

For its U.S. operations, the Company has enlisted Metzler Realty Advisors, Inc. (headquartered in Seattle) as an advisor. It will initially focus on value-add projects that involve acquiring and renovating existing rental housing in Sun Belt cities where population inflows are expected to continue, with plans to gradually expand into other cities and asset types within the U.S. market.

■ Property Location

