

November 20, 2019

Diamond Realty Management Inc.

Launch of “Build to Core Houston Fund”

Diamond Realty Management Inc. (“DREAM”), a 100% subsidiary of Mitsubishi Corporation (“MC”) today announced it has launched “Build to Core Houston Fund” (The “Fund”). The Fund is the first outbound fund to adopt a build-to-core strategy where the fund will hold and operate the property after it is completed and leased-up, and was offered to Japanese institutional investors by DREAM.

DREAM has been managing the “DREAM US Fund” series which invest in development projects in the US with an aim to obtain capital gain, and extended its experience in the opportunistic investment realm to establish the build-to-core fund today.

The Fund will co-invest (more than 50% interests) in a multi-family development project in the US which have been undertaken by the DREAM’s sister company, Diamond Realty Investments, Inc. (“DRI”), US based real estate investment company, and intends to continue to hold and operate the property after the property is completed and leased-up. DREAM will act as the fund manager for the Fund and asset management will be conducted by Diamond Realty Management America Inc. (“DRM”). DRI and DRM are 100% subsidiaries of MC Americas.

With total equity commitment of USD 35 million from Japanese institutions, the Fund invests in one project. The Fund has a life of 8 years and plans to earn high-yield income by owning the property for 4+ years after stabilization.

Total cost of the seed project is approximately USD 95 million.

DREAM will continue to expand its product line-up by leveraging MC group’s global network and local expertise and offer diverse high quality products to its investors.



Multifamily in Houston, Texas (image)

(Reference)

1. Mitsubishi Corporation

- (1) Head Office: 3-1, Marunouchi 2-Chome, Chiyoda-ku, Tokyo, Japan
- (2) Businesses: MC is a global integrated business enterprise that develops and operates business across virtually every industry including industrial finance, energy, metals, machinery, chemicals, foods, and environmental business. MC's current activities are expanding far beyond its traditional trading operations as its diverse business ranges from natural resources development to investment in retail business, infrastructure, financial products and manufacturing of industrial goods.
- (3) Representative: Takehiko Kakiuchi, President and Chief Executive Officer
- (4) Date of Established: 1950
- (5) Number of Employees: 79,994 (consolidated basis, as of March 31, 2019)

2. Diamond Realty Investments, Inc.

- (1) Head Office: 5215N. O'Connor Boulevard, Suite 1000, Irving, TX 75039 USA
- (2) Representative: Zack Zaizen, President and Chief Executive Officer
- (3) Date of Establishment: 1994
- (4) Number of Employees: 32 (as of September 30, 2019)

3. Diamond Realty Management America Inc.

- (1) Head Office: 515 S. Flower St. Suite 4860 Los Angeles, CA 90071 USA
- (2) Representative: Masanobu Fujita, President and Chief Executive Officer
- (3) Date of Establishment: 2018
- (4) Number of Employees: 8 (as of September 30, 2019)

[About Diamond Realty Management Inc.]

Diamond Realty Management Inc.

- Head Office: 16-1, Hirakawacho 2-Chome, Chiyoda-ku, Tokyo, Japan
- Businesses: Real estate asset management business/advisory services
- Representative: Katsumi Nakamoto, President and Chief Executive Officer
- Date of Established: 2004
- Number of Employees: 84 (as of 30 September, 2019)
- Website: <http://www.mc-dream.com/>

【For Comments or Inquiries on this Press Release】

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