

Haseko Group Completes First Project for Business Expansion in Vietnam: “THE AUTHENTIC” Serviced Apartment for Japanese Nationals

Tokyo, Japan, March 6, 2017--Haseko Corporation (head office: Minato-ku, Tokyo; president: Noriaki Tsuji) held a completion ceremony on March 1 for THE AUTHENTIC, a serviced apartment property for Japanese nationals in Long Bien District, Hanoi City, Vietnam. The property was developed by Haseko HimlamBC Company, Limited*¹, a company in which Haseko has invested.

Haseko offers safe, secure, and comfortable housing (Japanese-quality condominiums) in Japan. THE AUTHENTIC is the first project aimed at bringing this type of housing to Asia's growth markets. In Vietnam, population growth and economic development are expected to continue, with a corresponding increase particularly in the need for high-quality, affordable housing development. Haseko intends to offer proposals to developers in Vietnam and Japan to continue developing the entire series of businesses that are currently being undertaken in Japan, from planning to design, construction, sales, and management of for-sale condominiums.

Features of THE AUTHENTIC

- **Project details:** THE AUTHENTIC is a serviced apartment (rental housing complex with services such as housekeeping) for Japanese nationals residing in Hanoi City and its vicinity. The Haseko Group carries out the entire series of processes—from planning to design, construction, sales, and management—through establishing a joint venture with a local developer.
- **Location:** This project is located in Long Bien District, a fast-developing area approximately 5 km to the east of central Hanoi City in Vietnam. AEON MALL Long Bien, a large-scale commercial facility, opened in the adjacent area in October 2015.

- **Concept:** The project seeks to be “a secured living space” and “housing where one can live like in Japan” for Japanese nationals residing in Vietnam. (For example, hot water tanks to ensure sufficient hot water for soaking in bathtubs, power generation facilities offering a sense of security during power outages, dual security system from the entrance to one’s home, and heated bidet toilets.)
- **Building specifications:** The building specifications use Vietnam’s structural standards and construction materials. Various aspects of performance—such as structure, thermal insulation, soundproofing, ventilation, and waterproofing—were technically verified at Haseko Technical Research Institute and other organizations. The specifications pursue Japanese quality achieving safety and comfort in Vietnam.



Exterior of THE AUTHENTIC

- *1 Haseko HimlamBC Company, Limited is a joint venture established in December 2014, established with equity ratios of 95% by Haseko and 5% by the Him Lam Group, a leading developer in Vietnam. Him Lam BC, one of the top 500 excellent companies in Vietnam, is a subsidiary of Him Lam, a corporate group that engages mainly in the real estate business, with other businesses such as banking and service. It is the seller of the land use rights for this project’s site and the developer of the Tu Dinh Project, which includes this project’s site.

Background to the Development of THE AUTHENTIC

Haseko has been exploring overseas business expansion, mainly in Southeast Asia, as part of taking on challenges in new areas with a view to the future, such as changes in Japan's for-sale condominium market. A representative office was established in Hanoi City, Vietnam in April 2012. The office has been conducting market research, collection of information related to housing construction, and networking with local companies for the purpose of engaging in the construction business in Vietnam. At the same time, Haseko has been conducting technical verification of various performance aspects such as structure, insulation, soundproofing, and ventilation for building specifications using local building materials at Haseko Technical Research Institute (Koshigaya City, Saitama Prefecture) and other organizations.

In March 2015, Haseko embarked on the construction of a serviced apartment for Japanese nationals in Hanoi City, Vietnam as the first project to introduce Japan's safe, secured, and comfortable housing (Japanese-quality condominiums) to growth markets in Asia.

【Overview of THE AUTHENTIC】

Name: THE AUTHENTIC ～HASEKO LONG BIEN RESIDENCE～

Address: Land Lot marked CT1 in Tu Dinh Resident Complex Project, Long Bien Ward, Long Bien District, Hanoi

Purpose: Serviced apartment

Total units: 110

Housing unit area: 58.40 m² to 123.90 m² (including balcony)

Land area: 1,626.00 m²

Structure and scale: Reinforced concrete structure, 18 floors above ground and 1 basement floor

Attached facilities: Gym, mini-shop, restaurant (space offering breakfast)

Services offered: Housekeeping, breakfast, laundry service (excluding ironing), reception service, gym use, 24-hour security service, etc.

Monthly rent: Undetermined

Landlord: HASEKO HIMLAMBC COMPANY LIMITED

Design supervision: Haseko Corporation

Design: XUAN MAI CONSTRUCTION CONSULTANCY JSC.

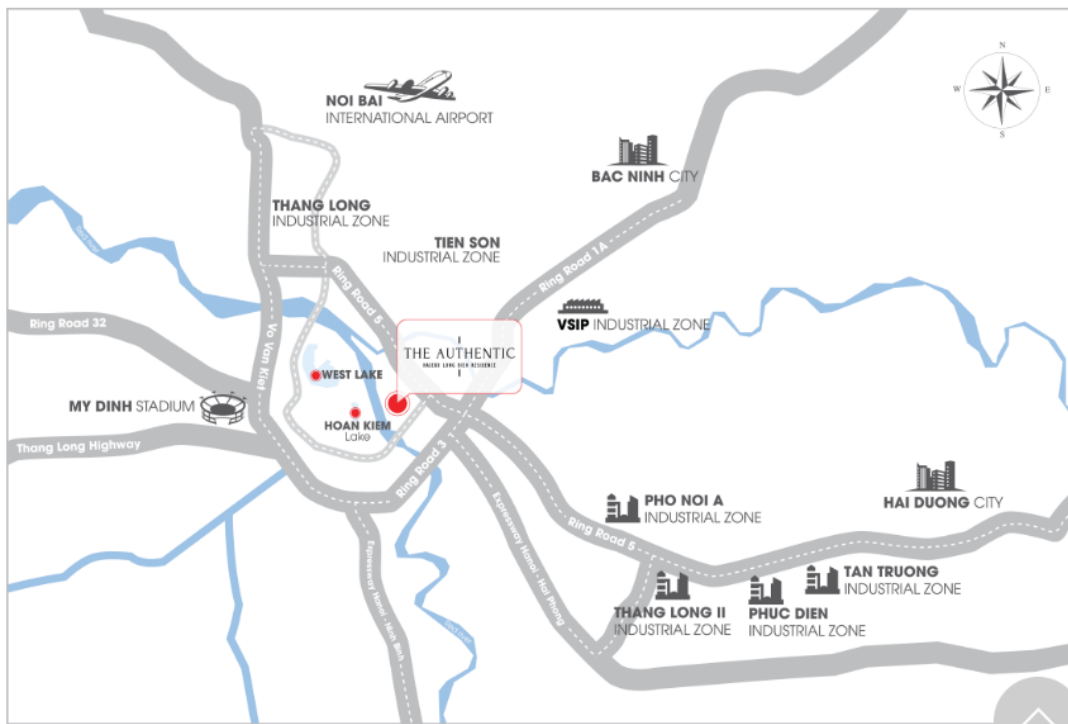
Construction: Haseko Corporation

Management and operation: HASEKO HIMLAMBC COMPANY LIMITED

Move-in date: March 2017 (planned)

Brokerage: STARTS and Vietnam Housing

(Contact in Japan: Haseko Business Proxy)



Concept of THE AUTHENTIC

“A secured living space” and “housing where one can live like in Japan” for Japanese nationals residing in Vietnam

- Each housing unit comes with heated bidet toilets
- Each room comes with abundant storage with ventilation slits
- All windows that open come with screens in preparation for ventilation
- Power generation facilities offering a sense of security during power outages and other emergencies
- Dual security from entrance to housing units
- Each housing unit is installed with Panasonic washer dryers





Building Specifications and Performance Technical Verification of THE AUTHENTIC

To achieve high levels of durability, thermal insulation, soundproofing, waterproofing, and fire resistance, Haseko Technical Research Institute undertook various technical verifications, and excellent specifications were adopted.

Structure

➤ Establishment of exterior wall construction method to ensure durability

Exposure tests were conducted at Haseko Technical Research Institute. The construction method for the exterior walls was verified, and their durability was confirmed. To prevent accidents caused by cracking and peeling of the exterior walls due to aging, construction was carried out while confirming the tensile strength of the exterior walls (sprayed tiles) and other aspects.

➤ Adoption of metal handrails with confirmed safety

Handrail strength tests (horizontal load and wind pressure resistance) were conducted at Haseko Technical Research Institute. Metal handrails that were confirmed to meet the performance standards of Japanese handrail strength standards were adopted.



Handrail glass load distribution (horizontal, etc.) test



Handrail horizontal load test

Thermal insulation

➤ Adoption of indoor thermal insulation construction method

Condensation prevention performance tests simulating Hanoi's weather conditions were conducted by Haseko Technical Research Institute. Thermal insulation material was sprayed onto walls facing outside air to suppress mold growth caused by condensation.



Spraying with thermal insulation material



Condensation prevention performance test

Soundproofing

➤ Adoption of high-performance aluminum window frames

High-performance aluminum window frames from a Japanese manufacturer, offering excellent wind pressure resistance, airtightness, watertightness, and soundproofing, were adopted. In addition to a structure that prevents humid air from entering, consideration was also given to soundproofing and ease of opening and closing.

➤ Adoption of drainage pipes above the floor

The drainage pipes for kitchens, washrooms, and toilets, which are usually routed in the ceiling space of the floor below in typical Vietnamese housing complexes, were routed above the floor (except for bathroom drainage). This significantly reduced the sound of running water coming from the ceiling space. In addition, drainage pipe inspections can be easily carried out.

Ventilation

➤ Adoption of high-performance ventilation equipment

To prevent poor indoor air circulation due to insufficient air supply when using the range hood, two types of air intake vents (one on the lower part of the central corridor side and one on the balcony side) were installed.

Waterproofing

➤ Waterproofing of exterior walls

Watertightness tests were conducted at Haseko Technical Research Institute. Waterproofing work was carried out using waterproofing materials with performance equivalent to those used in Japan, focusing on areas where rainwater is likely to penetrate the interior, such as around window frames facing the exterior walls.



Test to confirm performance of waterproofing material



Window frame watertightness test

Fire resistance

➤ Adoption of fire-resistant, soundproof drywalls (partition walls)

Instead of the bricks commonly used for partition walls in typical Vietnamese housing complexes, fire-resistant, soundproof drywalls were adopted in consideration of noise from neighboring units as well as emergencies such as fires. In addition, fire-resistant, soundproof drywalls were adopted to offer advantages in terms of versatility and ease of renewal with a view of the future.