

December 20, 2016 XYMAX Corporation

karaksa Spring hotel Kansai Air Gate

Conversion of Former Roadside Home Appliance Store to Hotel is Now Complete

Xymax Corporation (head office: Minato-ku, Tokyo; Representative Director: Masafumi Shimada) (hereinafter "Xymax") is delighted to announce the completion of its limited-service hotel, karaksa Spring hotel Kansai Air Gate (hereinafter "Kansai Air Gate"). The summary of the new hotel in Izumisano, Osaka is provided at the bottom of this release.

The building of Kansai Air Gate was a roadside retail property occupied by a large home appliance retailer. Our conversion of the building into a limited-service hotel is one of the rare conversion projects of a roadside home appliance store. The building after the conversion meets all the facility requirements in the same manner as for new hotel construction: "Hotel and Japanese Inn" under the Building Standards Law and Fire Service Act of Japan and "Hotel" under the Hotel Business Act of Japan.



After Conversion



The former building was a 7-meter-tall single-floor building. We installed a new frame to create another floor to make the building a two-floor property. By doing so, we effectively used the Floor Area Ratio of the former building. The former store area is now comfortable guestrooms. This was made possible by the three large open ceiling areas, which were designed to meet the daylight requirements of the hotel's guestrooms under the law. The ceiling height of the former building remains in the spacious entrance area where reception desk and a restaurant with a seating capacity of approximately 160 are located. There are three new elevators, and also a slope on the side of the restaurant so that guests can move to the upper floor smoothly.

Kansai Air Gate is suitable for a group travel. Of our 139 guestrooms, 82 rooms can accommodate two to four people. The hotel has many connecting rooms too.

The rooms in Kansai Air Gate are designed for inbound tourists; the same target guests as those of our other hotels opened in the spring of 2016 (Karaksa Hotel Osaka Shinsaibashi I, which was converted from an office building; and Karaksa Hotel Kyoto I). We separated the shower booth and toilet so that both can be used at the same time based on our assumption that two or more people may stay together in a room. We also made effort in creating more space: there is no bathtub because our intended guests do not use it regularly; and there is a space under the bed for large luggage. Our guests can use the high speed Wi-Fi and universal power outlet in their room, making it easy for them to search travel information on the internet.

The construction of the building was completed on October 25, 2016. We are now preparing for the soft-opening set for January 16, 2017. The hotel operation will be provided by Xymax Group. The hotel rooms will be sold in collaboration with the Shanghai Spring Investment Japan Co., Ltd., a company incorporated in Japan as part of Shanghai Spring Group (Spring Airlines is the core business of the group).

Xymax is a company providing management services for various types of commercial properties including office buildings and retail buildings. However, some of those properties do not meet the demand of today's rapidly changing environment anymore and the value of using such properties is decreasing. Xymax looked for ideas to revive such properties and came to the idea of hotels, which is now our core property revival strategy. The demand for hotel is expected to grow rapidly. We develop and operate hotels as a way to revive buildings by conversion or to achieve efficient use of the land. Our hotel business aims to provide ten hotel buildings (1,500 guestrooms) by 2019.

Name of Hotel	karaksa Spring hotel Kansai Air Gate
Location	588 Kashoji, Tajiri-cho, Sennan-gun, Osaka
Site Area	12,539.65 sqm
Gross Floor	After Conversion: 6,222.61 sqm
Area	Before Conversion: 4,339.3 sqm
Structure /	After Conversion: Steel-frame building with two floors above ground
Floors	Before Conversion: Steel-frame building with one floor above ground
Renovation	Design: D&A Inc.
	Construction: JDC Corporation
Completion	October 25, 2016
Guestrooms	139 rooms (55 connecting rooms)
	57 single-bed rooms (18 sqm)
	60 twin-bed rooms (21-24 sqm)
	20 deluxe twin-bed rooms (29-32 sqm)
	1 Japanese-style family room (37 sqm)
	1 accessible room (21 sqm)
Facilities	158-seat restaurant / Wi-Fi, all area / Self-service coin-operated laundry and dryer /
	Storage space under bed / Universal power outlet / Parking area (We have large-
	and medium-size buses for airport transfer and sightseeing.)
Soft Opening	January 16, 2017 (plan)
Hotel	KARAKSA HOTELS Corporation
Management	
Company	
Hotel Operator	KARAKSA HOTELS KANSAI Corporation

Contact us for further information

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