

Index of Contents

Title	page
Reports	
○ Alma'ather Genx	48-2
○ Alrabie Genx	68-49
○ Al Muhammadiyah Tower	90-69
○ Al Takhassusi Lexus	111-91
○ First Sahafa Building	131-112
○ Second Sahafa Building	152-132
○ Al Haer Warehouses	174-153
○ El Sulay Warehouses	197-175
○ Al Quds Usufruct	216-198
○ Waddi Laban Usufruct	235-217
○ Al Dabab Usufruct	253-236
○ Towlan Suites Hotel	273-254
○ Al Nokhbah Schools in Onaizah	294-274
○ Al Salam Schools in Riyadh	314-295
○ Burjeel Hospital Sharjah	333-315

Real Estate Appraisal Report

Al-Ma'ather Genx

Report no:128950



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al-Ma'ather REIT Fund

Introduction

Gentlemen/ Al-Ma'ather REIT Fund

Greetings,

We were honored by your acceptance of our offer to provide our professional services in the field of valuation for a real estate (**commercial and office building**) in (**Riyadh**) in (**Al-Ma'ather**) district, with an area of (**10,709.16**) m². Evaluation, especially the International Evaluation Standards (2022), approved by the Saudi Authority for Accredited Valuers, on the basis of which data was collected and analyzed to reach the market value, and based on following the standards and evaluation methods used and according to the requirements of the client, valuation experts believe that the market value of (commercial and office building) is equal to (**173,925,000**) Saudi riyals, as documented in this report.

Executive Director

Abdullah Al Mahfouz

Membership Number (110000273)



Executive Summary

Item	Statement	item	statement
Customer’s Name	Al-Ma’ather REIT Fund	Document number	310112050696
Beneficiaries from Appraisal	Al-Ma’ather REIT Fund	Document Date	1438/11/22
Purpose of Appraisal	REIT Fund	Plot Number	30
Type of the property	Commercial and office building	Plan Number	1343
Address of the property	Kingdom of Saudi Arabia - Riyadh - Al-Ma’ather	Value Basis	Market Value
Area of the property	10,709.16 m2	The evaluation criteria used	International Valuation Standards 2022
The ownership Nature	full ownership	Preview Date	2025/01/07
Appraisal method used	Market method (comparative transactions method) Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	evaluation Date	2024/12/31
		Date of issuing report	2025/01/21
Real estate market value (SAR)		173,925,000	



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The First Axis



General Standards

Scope of work | About the evaluation company

- These standards specify the requirements and requirements for carrying out valuation work, except for what is modified by the Assets Standard or Valuation Applications, and the purpose of these standards is to apply them to the valuation work of all assets and for any other evaluation purposes to which the Valuation Standards apply.
- This report has been prepared by the Saudi Company for Assets Evaluation and Valuation (License No. 1210000272 dated 18/04/1437H) and its work team, which enjoys the highest levels of efficiency and necessary impartiality, benefiting from the resources available to us, represented in the efficiency of our advisory team, which includes a selection of qualified consultants with high academic degrees and experiences in the field of evaluation Consultations, and what our company has of an information base that was built through its evaluation expertise and through the collection of data, information and statistics issued by official and non-official agencies, which gives the evaluators the capacity to carry out their tasks to the fullest, and the company is working to update its information base in a way Continuous.
- Our experience in evaluation and consulting work is more than 16 years, and we have submitted more than 35,000 evaluation reports during our work period.
- Tathmeen Company was honored to provide its services to governmental and semi-governmental agencies, to most of the banks located in the Kingdom, financial companies, real estate companies, industrial sectors, commercial companies and others.

General Standards | Scope of work (Standard No. 101)

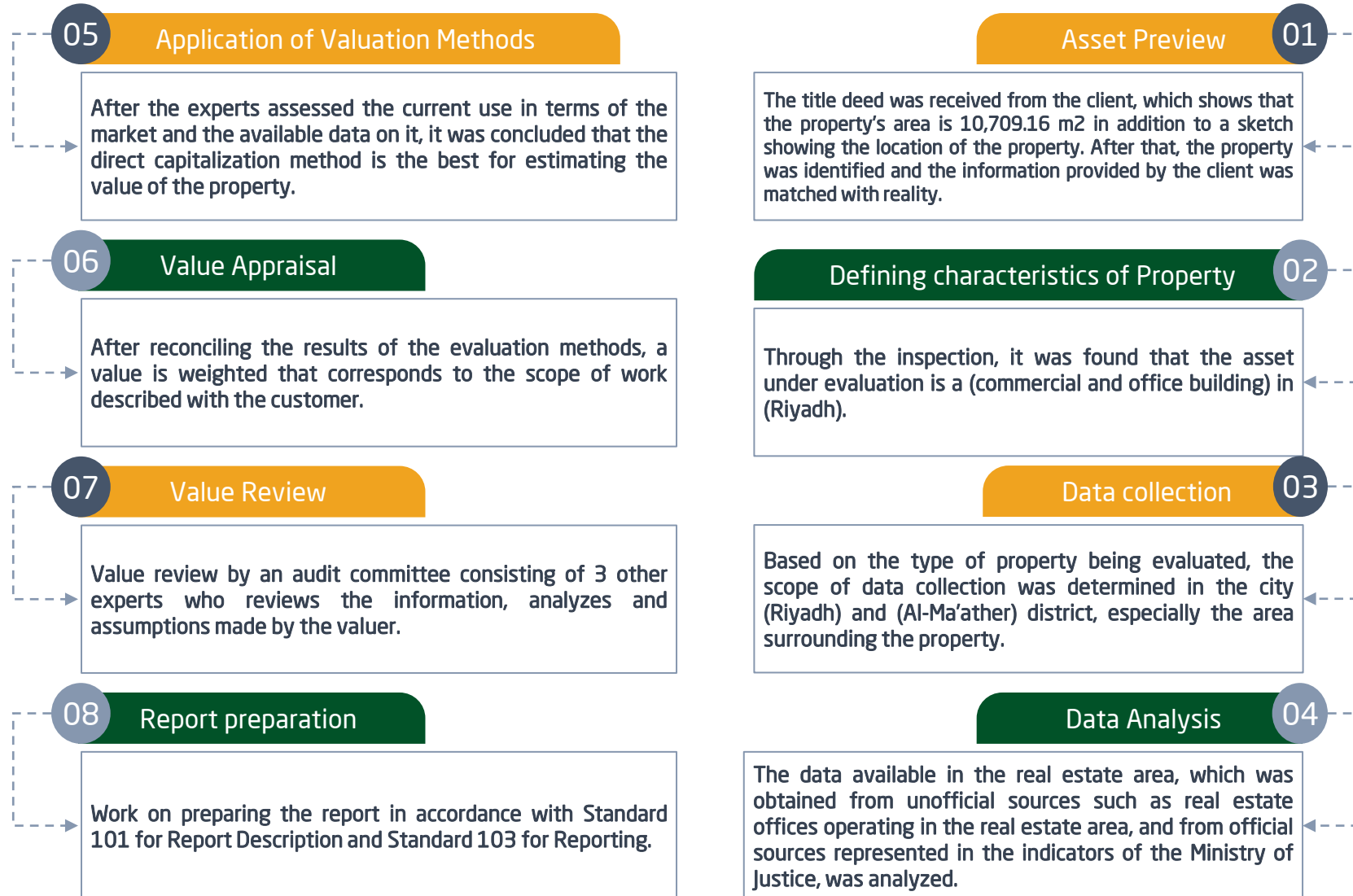
Assessed Asset Nature		Customer's information and use	
City	Riyadh	Customer name	Al-Ma'ather REIT Fund
District	Al-Ma'ather	Author of the report	Al-Ma'ather REIT Fund
Area	(10,709.16) m2	Usage	interior

Scope of work	Details
Report description	A report explaining the evaluation methodology and steps, evaluation results, and photos and borders of the assets being evaluated in accordance with Standard 1.2 on compliance with standards and research and investigation work, and Standard 1.3 on reporting. (International Valuation Standards 2022)
Purpose of appraisal	REIT Fund
Assumptions and Special Hypotheses	<ul style="list-style-type: none"> It has been assumed that the property is fully owned with no liabilities. Photocopies have been received from the client for the deed and a sketch of the site. Tathmeen did not verify their correctness assuming that the property is not mortgaged and there are no rights on it for other parties.
Scope of search and inquiry	We have studied the real estate market in the area of the target real estate and we used the study with the closest properties to the target property in terms of specifications and spaces for each of them, and we worked hard to ensure the correctness of the information obtained as much as possible.
Nature and sources of information	Real estate offices in the targeted area, real estate dealers, the Ministry of Justice, Tathmeen's database, which is constantly updated
Used currency in the report	Saudi riyal

General Standards| Scope of work (Standard No. 101)

Work Scope	Details
Value basis (Value type)	<p>Market value: It is the estimated amount for which assets or liabilities should be exchanged on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing where each party has acted knowledgeably and prudently without compulsion.</p> <p>Source: International Valuation Standards 2022 page 36, paragraph 3.1</p>
State of uncertainty	It is the state resulting from the lack of evidence and indicators at a certain period of time that enables the valuator to perform the valuation process in the best way
Restrictions on usage Distribution or publication	<p>This report is for the purpose for which it was prepared and shall not be used, circulated, quoted or otherwise referred to in any case for any other purpose. Accordingly, the Company or the valuator shall not be liable for any loss suffered by any party as a result of using the valuation report in violation of the provisions of this section. The evaluator reserves all rights to issue the valuation report. This report shall not be reproduced in any manner without an explicit consent of the Company. This report shall not be submitted to any party other than those referred to in it without the explicit consent of the Company. As a precaution, the Company and the valuator reserve the right to make any adjustments and to make any review of the valuation or support the result of the valuation under specific circumstances.</p> <p>The Company reserves the right, without any obligation, to review the valuation accounts and to amend and revise its findings in the light of information that existed at the date of the valuation but which was subsequently made clear.</p>
Compliance with international valuation standards	The methodologies adopted by the company in the field of valuation, which are based on sound foundations and solid constants in line with local and international standards in force, especially the application of the International Valuation Standards 2022
Valuator's neutrality	Tathmen and its representatives, whether residents or assistants, carried out the valuation process without bias. They also work with objectivity and enjoy independence from the client and his subsidiaries or affiliates. Tathmen and its representatives have no current or potential interest with the client or any of his subsidiaries or affiliates. They are not also among those who know the insides of the client's affairs or though who have internal relations or links with the client, his subsidiaries or affiliates. Moreover, the valuator's fees for the valuation process are not conditional on the findings reached or any other events. In case the Company obtained a significant assistance from another party regarding an important aspect of the valuation, the nature of this assistance and the extent of reliance on it, if any, shall be mentioned and documented in the report

Scope of work / Stages of work (2-2)





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Second Axis



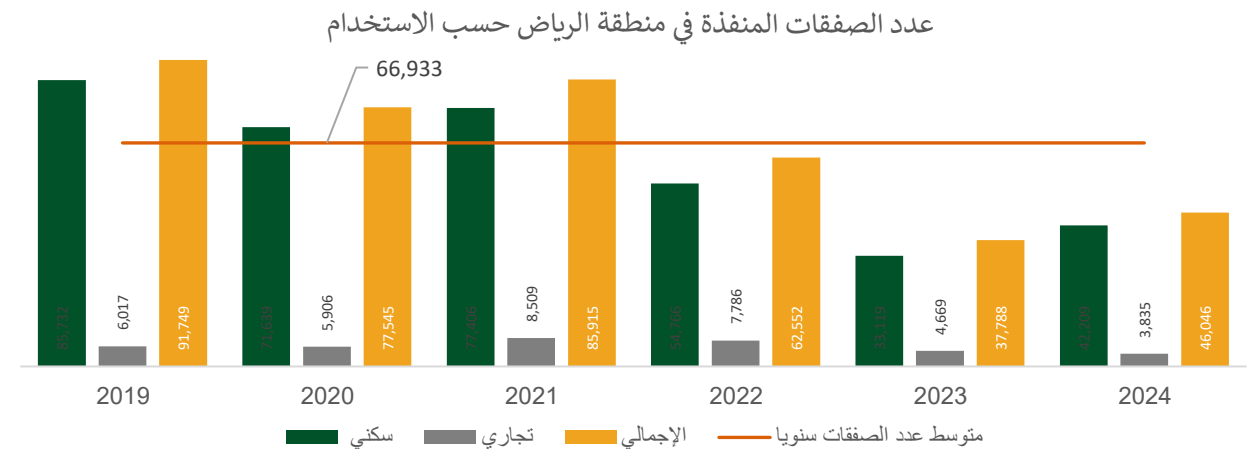
Market analysis

Market analysis and economic indicators | Analysis of the data of the Ministry of Justice at the level of Riyadh

01 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ Number of transactions at Riyadh.

Year	Residential	Commercial	Total
2019	85,732	6,017	91,749
2020	71,639	5,906	77,545
2021	77,406	8,509	85,915
2022	54,766	7,786	62,552
2023	33,119	4,669	37,788
2024	42,209	3,835	46,046

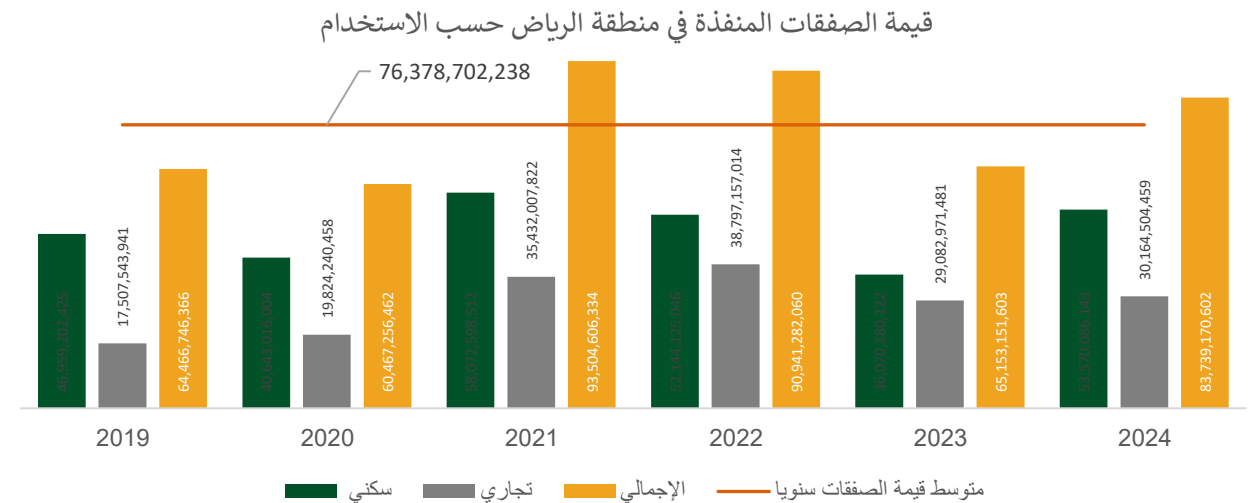


Market analysis and economic indicators | Analysis of the data of the Ministry of Justice at the level of Riyadh

02 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ The total value of transactions at Riyadh.

Year	Residential	Commercial	Total
2019	46,959,202,425	17,507,543,941	64,466,746,366
2020	40,643,016,004	19,824,240,458	60,467,256,462
2021	58,072,598,512	35,432,007,822	93,504,606,334
2022	52,144,125,046	38,797,157,014	90,941,282,060
2023	36,070,180,122	29,082,971,481	65,153,151,603
2024	53,570,086,143	30,164,504,459	83,739,170,602

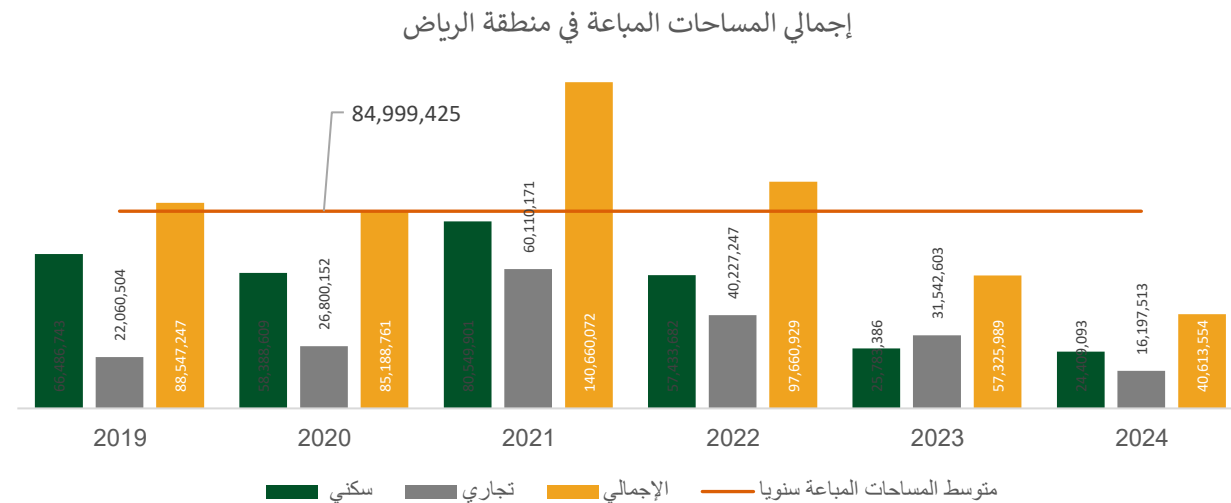


Market analysis and economic indicators | Analysis of the data of the Ministry of Justice at the level of Riyadh

03 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ Total area sold at Riyadh.

Year	Residential	Commercial	Total
2019	66,486,743	22,060,504	88,547,247
2020	58,388,609	26,800,152	85,188,761
2021	80,549,901	60,110,171	140,660,072
2022	57,433,682	40,227,247	97,660,929
2023	25,783,386	31,542,603	57,325,989
2024	24,409,093	16,197,513	40,613,554

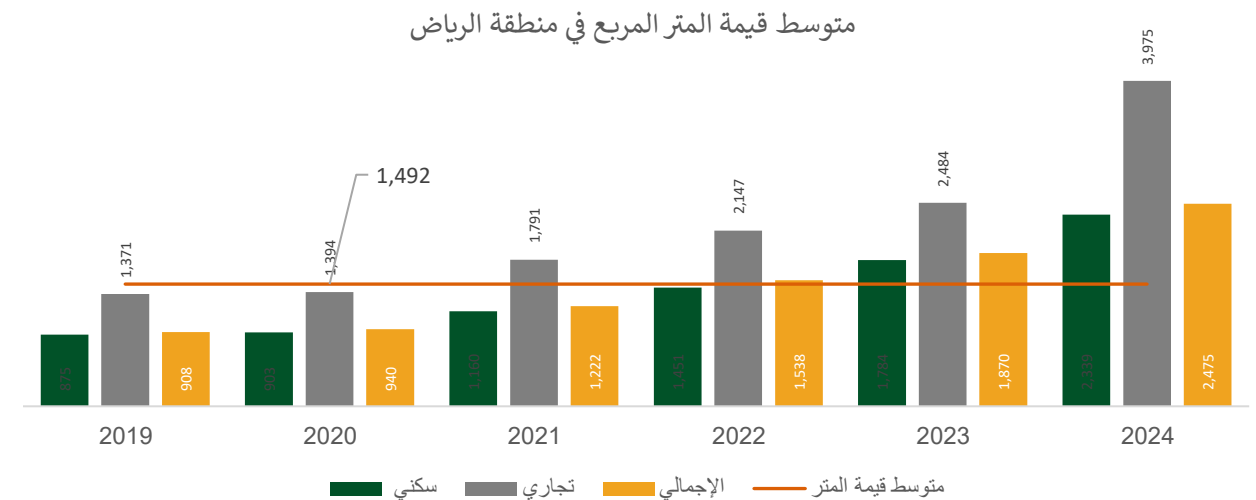


Market analysis and economic indicators | Analysis of the data of the Ministry of Justice at the level of Riyadh

04 Analysis of the real estate market indicators from the data of the Ministry of Justice:

❖ The average value per square meter in Riyadh

Year	Residential	Commercial	Total
2019	875	1,371	908
2020	903	1,394	940
2021	1,160	1,791	1,222
2022	1,451	2,147	1,538
2023	1,784	2,484	1,870
2024	2,339	3,975	2,475





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Third Axis



Property area analysis

The location of the property in the city of Riyadh

Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital in terms of population. Riyadh is located in the middle of the Arabian Peninsula on the Najd plateau, at an altitude of 600 meters above sea level. It is the HQ of the Emirate of Riyadh, according to the administrative division of the Saudi regions. The city of Riyadh is inhabited by about 10.5 million people, according to statistics in 2021. The Saudi capital is considered one of the fastest expanding cities in the world. During half a century of its inception, the area of the small city expanded to 1,800 square kilometers, reaching 3,115 km². In this time, Riyadh is the political and economic front of Saudi Arabia, as it contains the headquarters of the country's sovereign institutions. Urban planning divides the city of Riyadh administratively into 16 municipalities, comprising more than 167 residential neighborhoods, managed by the Riyadh Municipality and the Royal Commission for Riyadh City. It possesses tourist and cultural potentials from historical sites, museums and urban landmarks.





Al Olaya

The location of the property at the level of Al-Ma'athar neighborhood

Al-Ma'athar neighborhood is one of the distinguished, upscale and lively neighborhoods located in the center of Riyadh. This is due to its proximity to important places such as: King Khalid Mosque, King Abdulaziz City for Science and Technology, King Saud University, Kingdom Tower and Al Faisaliah Tower

site

Al Ma'athar

As Sulimaniyah



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Fourth Axis



Methods of Appraisal

Evaluation methods

The income method (discounted cash flow method) has been adopted to reach the market value of the property under evaluation But we point out that there are several basic methods used in the evaluation, and these methods are based on the economic principles of price equilibrium or expectation of benefits or replacement and recommend the use of more than one method or method of evaluation, especially in the absence of data and data realistic and noticeable enough to ensure that the method of evaluation one to reach a reliable and reliable result.

Market method

- This method provides indicators of value by comparing the asset being valued with identical or similar assets whose price information is available.
- According to this method, the first step is to study the transaction prices of identical or similar assets that have recently taken place in the market. If the transactions made are few, it is also best to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and objectively analyzed. The information regarding the prices of these transactions should be adjusted to reflect the differences in the terms and conditions of the actual transaction, the basis of value, and the assumptions that are adopted in the valuation process carried out. There may also be differences in the legal, economic and material characteristics of other transaction assets compared to the asset being valued.

Income method

- It provides an indicator of value by converting future cash flows into a single current capital value.
- This method deals with the income generated by the asset during the productive life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income flows are handled under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset.
- And it includes the methods that fall within the income method
- Income capitalization by applying the risk factor or total capitalization to one usual income period.
- Present Value of Cash Flows where the discount rate is applied to a series of cash flows for future periods to reach the present value.
- Pricing models with diverse options

Cost method

- Provide indicators of value using the economic principle that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset of the same benefit, whether through purchase or construction, and this method is based on the principle that the price that the buyer pays in the market against the asset subject of evaluation will not be more than the cost of buying or creating an equivalent asset unless there are factors such as inappropriate timing, inappropriateness, the presence of risks or factors. Other. The asset subject of valuation is often less attractive than an alternative that can be purchased or created due to the age or obsolescence of the asset. In this case, adjustments and adjustments in the cost of the replacement asset are needed according to the required value basis.

Evaluation methods

The following figure shows the appraisal methods adopted to reach the market value of the property in the evaluation of the property:

Income method	• Investment Method	Unused
	• Discounted cash flow method	Used
	• Residual value method	Used
	• Earning method	Unused
	• Income capitalization method	Used
Market method	• Comparable transactions methods	Used
Cost method	• Contractor's Method - (Cost)	Used

Valuation approaches and methods

Method	Market approach (Comparable transactions methods)	Used for	Lands
Definition of approach			
<ul style="list-style-type: none"> It uses the method of comparative transactions, also known as the method of indicative transactions; Information on transactions of identical or similar assets to the asset being valued in order to arrive at an indication of value. Source: (International Valuation Standards 2022, electronic version, page 48, clause 30.1) When the comparable transactions considered involve the subject asset, this method is sometimes referred to as the prior transactions method. According to this method, the first step is to study the transaction prices of identical or similar assets that have been concluded recently in the market. If the transactions concluded are few, it will be also better to study the prices of identical or similar assets listed or offered for sale, provided that this information is clear and analyzed objectively. The information related to the prices of these transactions shall be amended to reflect the differences in the terms and conditions of the actual transaction, the basis of the value, and the assumptions adopted in the evaluation process that is carried out. Differences can also exist in the legal, economic and physical characteristics of other transaction assets compared to the asset being valued. 			
Methodology			
<ul style="list-style-type: none"> Data of similar offers were collected from the Ministry of Justice index and the market survey of the property area. Data available in the database of Saudi Asset Valuation Company were used, sorted and classified and the necessary adjustments were made on them to reach accurate results. 			
Application			
<ul style="list-style-type: none"> Defining units of comparison used by relevant market participants. Determining the related comparative transactions and calculating the main evaluation measures for those transactions. Conducting a consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the asset being evaluated. Making the necessary adjustments, if any, to the evaluation measures to reflect the differences between the asset being evaluated and the comparable assets. Applying the modified evaluation measures to the subject asset (the asset being evaluated). Reconciliation is made between value indicators if more than one measure is used 			

Valuation approaches and methods

Method	Cost approach (Replacement method)	Used for	Buildings
Definition of approach			
<ul style="list-style-type: none"> The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence. Replacement cost is the cost of determining the price a participant would pay to obtain a benefit similar to the subject asset and not the exact material properties of the asset. (International Valuation Standards 2022, P.59, D 70.2) 			
Methodology			
<ul style="list-style-type: none"> Usually replacement cost is adjusted for physical deterioration and all relevant forms of obsolescence. After such adjustments, this can be referred to as depreciated replacement cost. 			
Application			
<ul style="list-style-type: none"> Calculating all of the costs that would be incurred by a typical participant seeking to create or obtain an asset providing equivalent utility. Determine whether there is any depreciation related to physical, functional and external obsolescence associated with the subject asset. Deducting total depreciation from the total costs to arrive at a value for the subject asset. 			

Valuation approaches and methods

Method	Income Method (Discounted Cash Flow Method)	Used for	Income-Producing property
Definition of approach			
<ul style="list-style-type: none">○ In the discounted cash flow method, the cash flows are discounted to the valuation date, which results in the current value of the asset.○ In some cases, the discounted cash flows for a long-term or forever asset can include a terminal value that represents the value of the asset at the end of the explicit forecast period. In other cases, the value of the asset can be calculated only by using a terminal or terminal value without an explicit forecast period, and this is sometimes referred to as the income capitalization method.			
Methodology			
<ul style="list-style-type: none">○ Choosing the most appropriate types of cash flows for the nature of the task and the asset being evaluated (pre-tax, after-tax cash flows, real or nominal total, etc.)○ Determine the most appropriate explicit cash flow forecasting period, if any○ Prepare cash flow forecasts for the period.○ Determining whether the final value is appropriate for the asset under evaluation at the end of the explicit forecast period (if any), then determining the final value appropriate to the nature of the asset○ Determine the appropriate discount rate○ Apply the discount rate to expected future cash flows, including the terminal value if any			

Valuation approaches and methods

Method	Income method (residual value method)	Used for	Lands
Method definition			
<ul style="list-style-type: none"> This method is known by this name because it refers to the amount remaining after subtracting all known or expected costs necessary to complete the development from the expected value of the project upon its completion, after taking into account the risks associated with the completion of the project, and the resulting value is called the residual value. Source (IAS 2022, electronic version page 125, paragraph 90.1) 			
Methodology			
<ul style="list-style-type: none"> The first step requires an estimate of the value of the relevant interest in the property after the nominal completion of the development project, which should be developed according to standard 105 Valuation methods and methods The evaluator must adopt one of the following two main assumptions regardless of the method used in the valuation, whether it is market style or income: The estimated market value at the time of project completion is based on the values at the valuation date assuming that the project has already been completed in accordance with the specified plans and specifications. The estimated value at the time of completion of the project depends on the assumption that the project is completed in accordance with the plans and specifications specified in the expected completion date 			
Application			
<ol style="list-style-type: none"> The following basic elements are taken into account when applying the method to estimate the market value of development properties, and if another basis is needed, alternative input may be required. The value of the completed properties. Construction costs. Consultants' fees. Marketing costs. Project Timeline. Financing costs. Development profits. Discount rate 			

Valuation approaches and methods

Method	Income method (income capitalization)	Used for	Income-generating real estate
Method definition			
<ul style="list-style-type: none">○ Provides an indicator of value by converting future cash flows into a present and single capital value.○ This method deals with the income that the asset achieves during its useful life (the life span of the asset) and the value is estimated through the capitalization process, and capitalization means converting income into a capital amount using an appropriate discount rate. Income streams are generated under non-contractual contracts or arrangements, such as the expected profit from the use or retention of the asset.○ Methods that fall within the income method (income capitalization) include applying the risk coefficient or total capitalization to one usual income period.			
Methodology			
<ul style="list-style-type: none">○ The focus of the method is on the expected net cash income from the asset, taking into account any capital costs required to ensure the realization or continuity of the expected income.○ The evaluator focuses in the market study on identifying the appropriate income indicators for the property and the degree of its continuity according to the expected and not historical future supply and demand forces.○ If the asset has a stable income, capitalization is likely to be used instead of cash flows.○ Estimating the capitalization and discount coefficient is an ongoing challenge for the evaluator due to the lack of market transparency.			



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Fifth Axis



Information and Description of the Property

Description of the Property

General Description	The property is a commercial, office and hotel building in Riyadh in Al-Ma'ather district, with an area of 10,709.16 m ²
---------------------	---

Description of Location	
Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Al-Ma'ather
Street	-

Ownership Data	
Deed Number	310112050696
Deed Date	1438/11/22
Plot Number	30
Plan Number	1343
Block Number	-

Nature of the property	<input checked="" type="checkbox"/> Flat	<input type="checkbox"/> Low	<input type="checkbox"/> High	<input type="checkbox"/> Backfilled	<input type="checkbox"/> Sabkha	<input type="checkbox"/> Sandy	<input type="checkbox"/> Rocky
Building system	Commercial						

Description of the Property

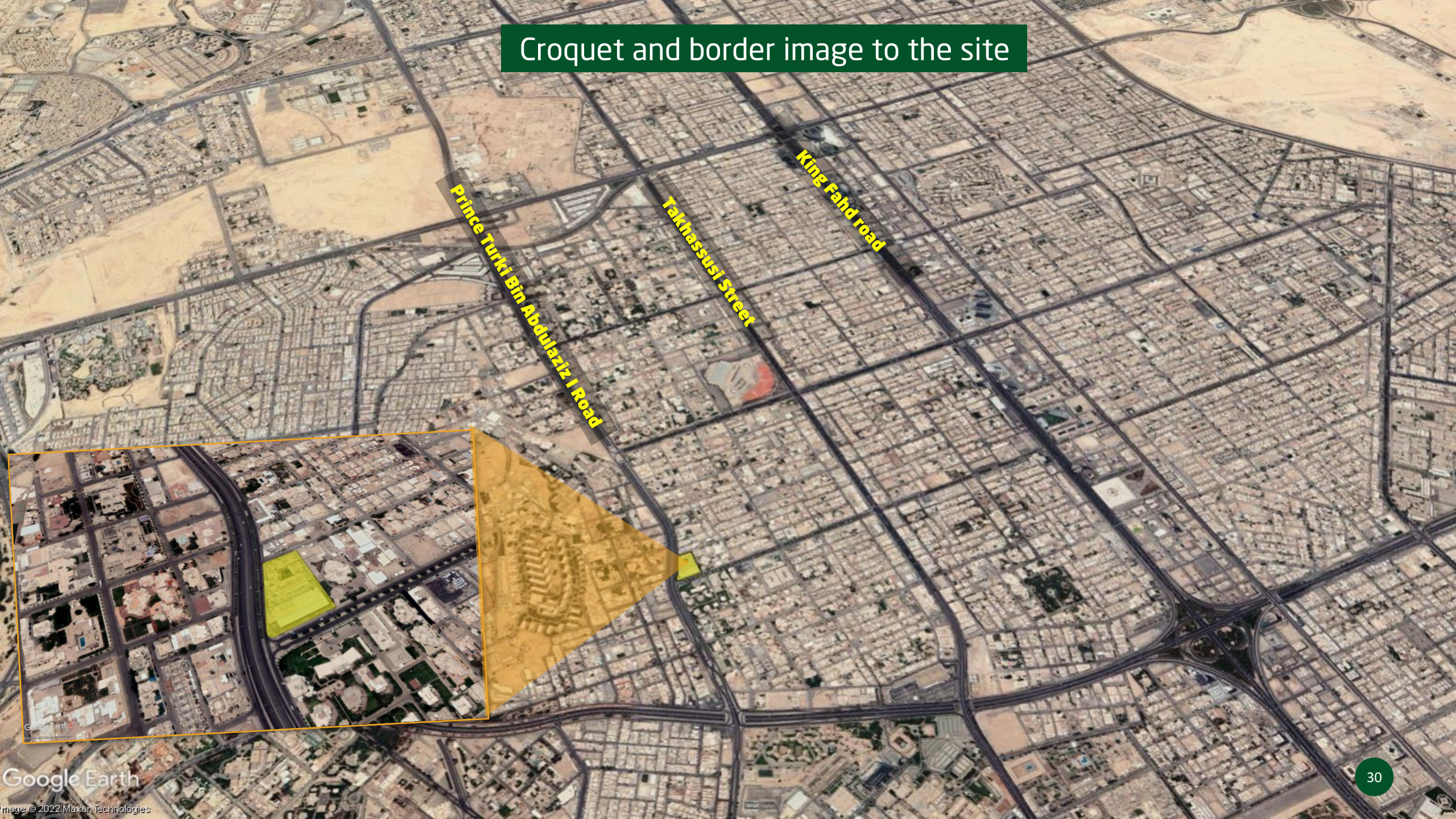
Site borders and lengths				
Northern	A 14 m street	With a length	61.37	m
Southern	A 30 m street	With a length	101.60	m
Eastern	Eastern part of plot 30	With a length	126.00	m
Western	A 60 m road	With a length	136.79	m

Services available on site					
	Electricity	✓		Security Services	✓
	Water	✓		Medical centers	✓
	Lighting	✓		Schools	✓
	Telephone	✓		Shopping centers	✓
	Paved roads	✓		Afforestation	✓

Description of the Property

Important information about the property	
Name of the Property	Al-Ma'ather Genx
Location	North Al-Ma'ather District / Riyadh City
Type of Property	Commercial, office and hotel complex
Property's Age	7 years
Land Area (m2)	10,709
Building Area	22,790
Number of Floors	2
Components of the Property	It consists of showrooms, offices and hotel apartments
The value of the current lease contracts	15,283,152
Contract duration	There are lease contracts that extend until 2025
Occupancy rate of units (%)	%90
Total Current Income (SAR)	15,080,404
Operation and maintenance expenses (SAR)	3,409,601
Net operating income (SAR)	11,670,802

Croquet and border image to the site



Site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property



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Sixth Axis



Evaluation results and Recommendations

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Comparisons Map (Lands)



Comparison	Transaction Type	Area	Price per meter
1	Transaction	ρ 3350	9,552
2	Market Offer	ρ 1500	10,000
3	Market Offer	ρ 2100	13,000

Evaluation results

Conclusion

✓ The first method: (settlement of comparisons)

Adjustments	The Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Price per square meter		7,942		6,500		8,000	
<u>Adjustments elements</u>							
1- Financing Conditions		Cash sale	%0.0	Cash sale	%0.0	Cash sale	%0.0
The value of the meter after settling the financing conditions		7,942		6,500		8,000	
2- Market conditions		No change in market conditions	%0.0	No change in market conditions	%0.0	No change in market conditions	%0.0
3- Properties of the property							
Location			%10.0		%10.0		%20.0-
Transaction Type		Transaction	%0.0	Market Offer	%0.0	Market Offer	%0.0
Transaction date		2024	%0.0	2024	%0.0	2024	%0.0
Type of use	Commercial	Commercial	%0.0	Commercial	%0.0	Commercial	%0.0
Area (m2)	10,709.16	3,350.00	%25.0-	1,500.00	%40.0-	2,100.00	%30.0-
Accessibility	Good	Good	%0.0	Good	%0.0	Good	%0.0
Number of Streets	3 streets	3 streets	%0.0	4 Streets	%5.0	2 Street	%10.0
Proximity to the main road	Prince Sultan and Prince Turki bin Abdulaziz Road	Prince Sultan and Prince Turki bin Abdulaziz Road	%5.0	Prince Sultan and Prince Turki bin Abdulaziz Road	%10.0	Al Takhassousi Street	%10.0
Proximity to facilities	Near	Near	%0.0	Near	%0.0	Near	%0.0
Availability of services	All services are available	All services are available	%0.0	All services are available	%0.0	All services are available	%0.0
Regularity of the shape of the property	Regular	Regular	%0.0	Regular	%0.0	Regular	%0.0
Margin of negotiation			%0.0		%10.0-		%10.0-
Other factors			%0.0		%5.0-		%0.0
Total adjustments			%10.0-		%30.0-		%40.0-
Net Market Price After Adjustments (SAR)		8,597		7,000		7,800	
Weighted Weight		%50		%30		%20	
Average price per meter (SAR / m2)	7,958						
Price per meter after rounding	8,000						

Comparisons Map (Rents Showrooms)

Comparison 2

Comparison 3

Comparison 1



Comparison	Transaction Type	Area	Price per meter
1	Market Offer	78M	1650
2	Market Offer	60M	1750
3	Market Offer	60M	1650

Property Location



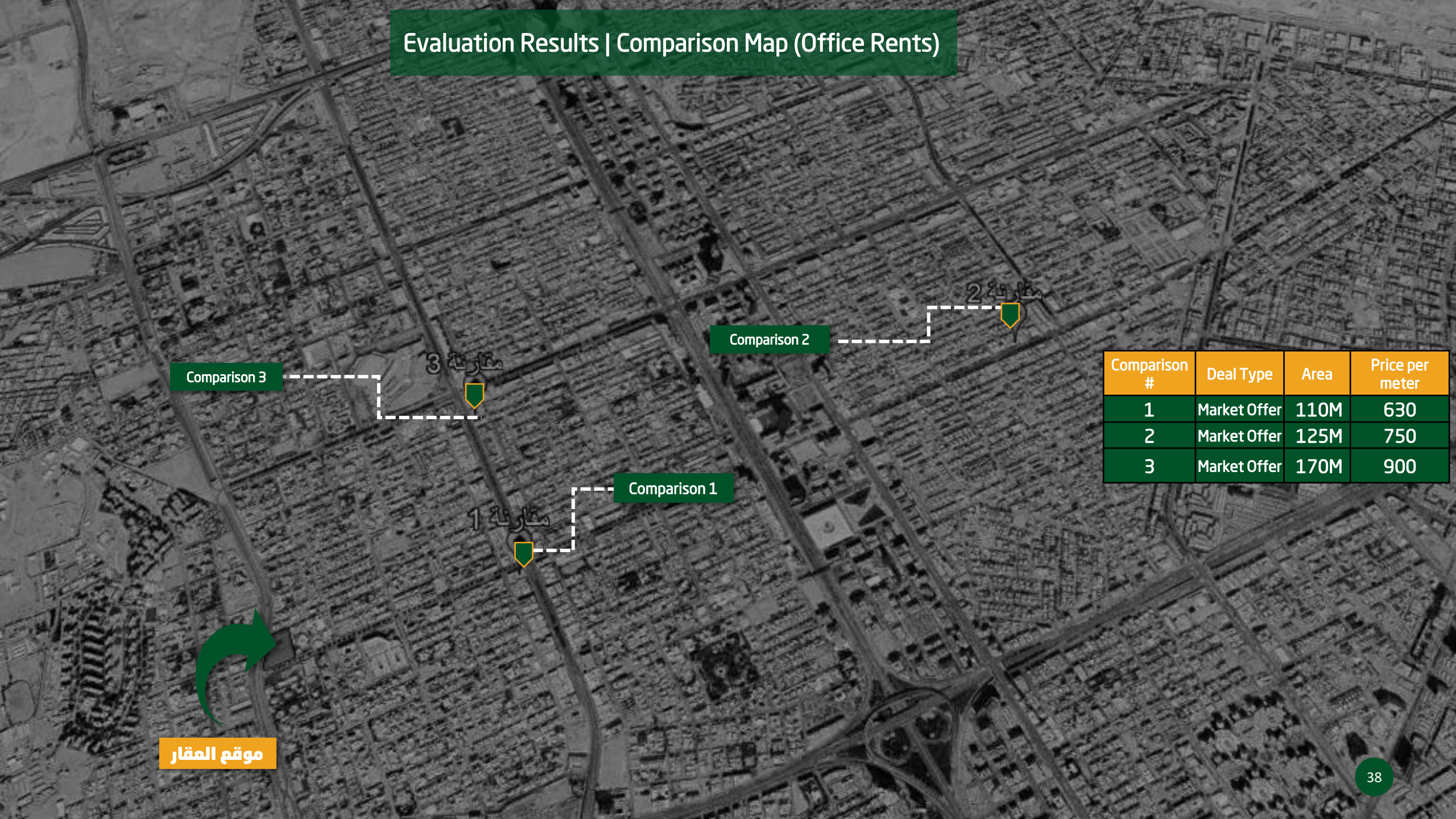
Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		1,650		1,750		1,660	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	250	78	%25.00-	60	%25.00-	60	%25.00-
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%25.00-		%25.00-		%25.00-
Net market price after settlement			1,238		1,313		1,245
Average market rental meter value	1,265						
Approximately average market rental meter value	1,250						

Evaluation Results | Comparison Map (Office Rents)



Comparison #	Deal Type	Area	Price per meter
1	Market Offer	110M	630
2	Market Offer	125M	750
3	Market Offer	170M	900

موقع المقار

Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

- + %0	Comparison 3	- + %0	Comparison 2	- + %0	Comparison 1	Property	Comparison Number
	900		750		630		Rent per meter
%15.00-		%0.00		%0.00			Property Location
%0.00	170	%0.00	125	%0.00	110	200	Assumed Area (m2)
%0.00	New	%0.00	New	%0.00	New	New	Property Age
%25.00	Average	%0.00	Good	%0.00	Good	Good	Finishing level
%0.00	Available	%0.00	Available	%0.00	Available	Available	Real Estate Management
%0.00	Available	%0.00	Available	%0.00	Available	Available	Availability of parking
%0.00	Available	%0.00	Available	%0.00	Available	Available	Security
%0.00		%0.00		%0.00			Support Services
%15.00-		%0.00		%0.00			Net Valuation
765		750		630			Net market price after settlement
						715	Average market rental meter value
						700	Approximately average market rental meter value

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	6,232	M2
Meter Parking Construction Cost (before other costs)	1,775	SAR
Service Building Surfaces	0	M2
Meter construction cost/services (before other costs)	0	SAR
Recurring floor building surfaces	16,476	M2
Meter construction cost/repeated floors (before other costs)	2,100	SAR
Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	2,485	SAR
Average service construction (after adding other costs)	0	SAR
Average recurring floors building (after adding other costs)	2,940	SAR
Total value of buildings before depreciation	63,924,335	SAR
The life span of the building	40.0	year
Residual economic life	32.5	year
Effective lifetime	7.5	year
Gross depreciation rate	%18.8	%
Average construction of parking after depreciation	2,019	SAR
Average recurring construction after depreciation	2,389	SAR
Net construction costs after depreciation	51,938,522	SAR
Land Area	10,709	M2
Land meter value	8,000	SAR
Total Land Value	85,673,280	SAR
Total Property Value	137,611,802	SAR
Property value (approximately)	137,612,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	15,080,404
Percentage of operating and maintenance expenses %	%23
Value of Operation and Maintenance Expenses (SAR)	3,409,601
Net Income (SAR)	11,670,802
Capitalization rate %	%8.0
Property Value (SAR)	145,885,028
Total property value approximately (SAR)	145,885,000

Evaluation results

Conclusion

✓ The Fourth Approach: Income Approach (Discounted cash flows)

To calculate discount rate	
government bond rate of revenue	%4.0
Inflation rate	%2.0
Market risk premium	%3.0
Special risk premium	%2.0
Discount rate	%11.0

To calculate the last (redemption) value (commercial part)	
Capitalization factor	%8.0
Growth rate	%2.0

To calculate the last (redemption) value (hotel part)	
Capitalization factor	%9.0
Growth rate	%2.0

	Discounted cash flows				
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29
Commercial Part (Showrooms & Offices)					
Total showrooms income in case of full occupancy	3,640,775	3,640,775	3,640,775	3,640,775	3,640,775
Expected occupancy rate for Showrooms	%85	%85	%85	%85	%85
Effective income for Showrooms	3,094,659	3,094,659	3,094,659	3,094,659	3,094,659
Total office income in case of full occupancy	1,342,600	1,342,600	1,342,600	1,342,600	1,342,600
Expected occupancy rate for offices	%70	%70	%70	%70	%70
Effective Office Income	939,820	939,820	939,820	939,820	939,820
Total effective income of the commercial part	4,034,479	4,034,479	4,034,479	4,034,479	4,034,479
Percentage of operating and maintenance expenses	%10	%10	%10	%10	%10
Value of operating and maintenance expenses	403,448	403,448	403,448	403,448	403,448
Net Operating Income	3,631,031	3,631,031	3,631,031	3,631,031	3,631,031
Last value (redemption value)					46,295,644
Net Cash Flow	3,631,031	3,631,031	3,631,031	3,631,031	49,926,675
Total value of the commercial part	45,382,320				
Hotel Part (Hotel Apartments)					
Total income of hotel apartments in case of full occupancy	21,170,000	21,170,000	21,170,000	21,170,000	21,170,000
Expected occupancy rate for hotel apartments	%75	%75	%75	%75	%75
Effective Income for Hotel Apartments	15,877,500	15,877,500	15,877,500	15,877,500	15,877,500
Percentage of operating and maintenance expenses	%30	%30	%30	%30	%30
Value of operating and maintenance expenses	4,763,250	4,763,250	4,763,250	4,763,250	4,763,250
Net operating income of the property	11,114,250	11,114,250	11,114,250	11,114,250	11,114,250
Last value (redemption value)					125,961,500
Net Cash Flow	11,114,250	11,114,250	11,114,250	11,114,250	137,075,750
Total value of the hotel part	128,542,212				
Total Property Value	173,924,532				
Approximately total value	173,925,000				

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the Discounted cash flows method is the most appropriate and best method for its evaluation
- ✓ **Based on following the standards and evaluation methods adopted and according to the client's requirements, valuation experts believe that the market value of the real estate and according to the following information for the property Deed No. (310112050696) in the city of (Riyadh) in the (Al-Ma'ather) neighborhood, its area is 10,709.16 m2 as follows:**
- ✓ **The Discounted cash flows method has been adopted.**

Total Property Value
Net Income for the property (SAR)
11,670,802.25
Total Property Value (Cash Flow)
173,925,000
Total Property Value (Writing)
One hundred and seventy three million nine hundred and twenty five thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property is mortgaged to Al Rajhi Banking and Investment Company for an amount of SAR 22 million

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نثمين
VALUATION

الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)

Clarification

Tathmen company and its representatives, evaluators and assistants, carried out the evaluation process without any bias, and they work objectively and are independent of the client and its subsidiaries or parties. The company and its representatives do not have any current or prospective interest in the customer or any of its subsidiaries or affiliate parties, and it is not among those insiders of the customer's matters or those who have internal relationships or links with the customer and its subsidiaries or affiliates. The evaluator's fee for the evaluation process is not conditional on the results it reaches or any other events, and if the company obtains significant assistance from another party in relation to any important aspect of the evaluation, the nature of this assistance, the extent of its reliance, and then documented in Report, if any.



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title Deed image

بسم الله الرحمن الرحيم
 المملكة العربية السعودية
 كتابة العدل بالأمانة العامة
 [٢٧٧]

الرقم: ٢٩٠١١٢٠٥٠٩٩٦
 التاريخ: ١١ / ١١ / ١٤٣٨ هـ

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:

فلأن الجزء الغربي من قطعة الأرض رقم ٣٠ من المخطط رقم ١٣٤٣ الواقع في حي المعذر ببلدية الرياض، وحدودها وأطوالها سكاناني:

شمالاً: شارع ١٤ م. بطول: (٦٦,٣٧) واحد و ستون متر و سبعة و ثلاثون سنتيمتر
 جنوباً: شارع ٣٠ م. بطول: (١٠٩,٦) مائة و واحد متر و ستون سنتيمتر
 شرقاً: الجزء الشرقي من القطعة ٣٠ بطول: (١٢٦) مائة و ستة و عشر ون متر منقسم
 غرباً: طريق ٢٠ م. بطول: (١٣٦,٧٩) مائة و ستة و ثلاثون متر و تسعة و سبعون سنتيمتر منقسم
 ومساحتها: (١٠,٧٠٩,١٦) عشرة آلاف سبعة مائة و تسعة متر مربعاً و ستة عشر سنتيمتر مربعاً فقط
 والمستند في إقرارها على النسخ الصادر من هذه الإدارة برقم ٢٩٠١١٩٠٣٠٢٢٤ في ٤ / ٣ / ١٤٣٧ هـ
 قد انتقلت ملكيتها ل: شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم ١٠١٠٧٦٥٤٤٨ في ١٠ / ١٠ / ١٤٣٨ هـ، بتمن
 وقدره ١٩٢٦٣٩٨٠,٧١ مائة و إثنتين و تسعون ألفاً و ستمائة و ستة و ثلاثون ألفاً و تسعمائة و ثمانون ريال و واحد و سبعون
 هلة ومن ضمن المبلغ مائة مائة بعدد وحدات استثمارية عدد ١٢٨٨٨٨,٦ ما يعادل قيمتها ١٣٨٤٨٨٨,٠٥ ريال وذلك حسب
 خطاب الموافقة من شركة اسول وحيث الاستثمارية المصدق عليه من الترفة التجارية والتقدير برقم ٣٨٣٩٤١٢١ في ١١ / ١١ / ١٤٣٨ هـ.
 رعاه جري التصدق شريراً في ١١ / ١١ / ١٤٣٨ هـ. لا عثماده، وصلى الله على نبينا محمد وآله وصحبه وسلم.

وزارة العدل

مكتب العدل
 كاتب العدل
 يوسف بن حشر بن العتيبي

هذا المستند وحدة مستقلة - وإصدار أو تلك صالحة على مدى إلى عدم صلاحية المستند
 مملكة مطابع الحكومة - ٢٣٤٤٦١ (هذا النموذج مخصص للاستخدام بالعماسي الأي ويمنح تخفيضه)
 نموذج رقم (١٠ - ٣)

Building permit image

[illegible]

Real Estate Appraisal Report

Al Rabei Genx

Report Number:128951

Presented to

Al Ma'ather REIT Fund



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Executive Summary

Item	Statement	Item	Statement
Customer’s Name	Al Ma’ather RIET Fund	Deed Number	914009010891
Beneficiaries of evaluation	Al Ma’ather RIET Fund	Deed Date	1442/6/29
The Purpose of evaluation	RIET Fund	Number of Plot	556,555,554,553
Type of Property	A hotel and Commercial showrooms	Sketch Number	2413
Address of Property	Kingdom of Saudi Arabia - Riyadh - Al Rabie	Value Basis	Market Value
Area of Property	3,900.00 m2	Applicable Valuation Standards	International Valuation Standards 2022
Ownership Nature	Mortgaged	Preview Date	2025/01/07
Appraisal method used	Market method (comparative transactions method) Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Valuation Date	2024/12/31
		Date of Issuing the Report	2025/01/21
Real estate market value (SAR)		40,341,000	

Description of Property











General Description	The property is a hotel and commercial showrooms in Riyadh, Al Rabie district, with an area of 3,900.00 m ²
----------------------------	--

Site Description		Ownership Data	
Country	Kingdom of Saudi Arabia	Deed Number	914009010891
Region	Central	Date of Deed	1442/6/29
City	Riyadh	Plot Number	556g555g554g553
District	Al Rabie	Plan Number	2413
Street	-	Block Number	-

Nature of Property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of Use	Residential – Commercial – Offices						

Description of Property

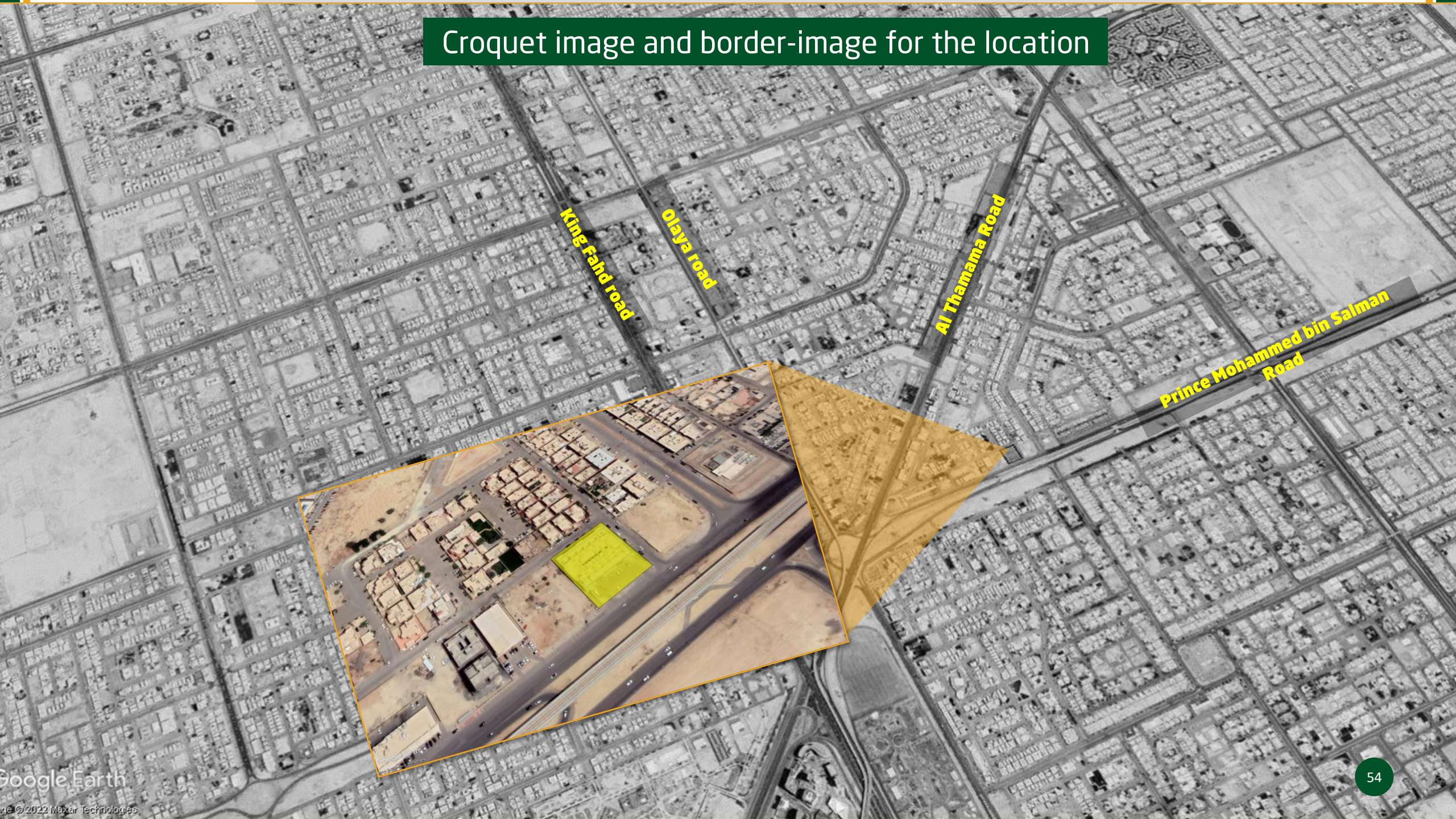
Site borders and lengths				
Northern	A 15 meters wide street	With a length of	60.00	m
Southern	An 80 meters wide street	With a length of	60.00	m
Eastern	A 15 meters wide street	With a length of	65.00	m
Western	Plots number 557 and 558	With a length of	65.00	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Description of the Property

Important Information about the Property	
Name of Property	Al Rabei Genx
Location	Al Rabei District / Riyadh City
Type of Property	Commercial and hotel complex
Age of Property	8 years
Land Area (m2)	3,900
Building Area	8,589.53
Number of Floors	2
Components of Property	It consists of showrooms and hotel rooms
The value of the lease contracts	3,346,580
Contracts Duration	Lease contracts extending to 2028
Occupancy rate of units (%)	%100
Total Current Income (SAR)	3,022,261
Operation and maintenance expenses (SAR)	68,797
net operating income (SAR)	2,953,464

Croquet image and border-image for the location



Picture that show nature of Property |Site Analysis



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1. Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Comparisons Map

Comparison 1



Comparison 3



Property Location



Comparison 2



Comparison #	Deal Type	Area	Meter
1	Market offer	ρ 3540	7500
2	Market offer	ρ 1850	9000
3	Market offer	ρ 6380	6000

Evaluation results

Conclusion

✓ The first method: (settlement of comparisons)

- + %0	Comparison 3	- + %0	Comparison 2	- + %0	Comparison 1	The Property	Adjustments
	6,000		9,000		7,500		Price per square meter
							Adjustments elements
%0.0	Cash sale	%0.0	Cash sale	%0.0	Cash sale		1- Financing Conditions
	6,000		9,000		7,500		The value of the meter after settling the financing conditions
%0.0	No change in market conditions	%0.0	No change in market conditions	%0.0	No change in market conditions		2- Market conditions
							3- Properties of the property
%20.0		%0.0	similar	%20.0			Location
%5.0	2024	%0.0	2024	%0.0	2025		Transaction date
%0.0	Transaction	%0.0	Transaction	%0.0	Transaction		Transaction type
%0.0	Commercial	%0.0	Commercial	%0.0	Commercial	Commercial	Type of use
%10.0	6,380.00	%10.0-	1,850.00	%0.0	3,540.00	3,900.00	Area (m2)
%0.0	Good	%0.0	Good	%0.0	Good	Good	Accessibility
%2.0	2 Streets	%4.0	1 Street	%0.0	3 Streets	3 streets	Number of Streets
%0.0	Takhassusi Street	%10.0	Thumamah Road	%0.0	Prince Mohammed Bin Salman Road	Prince Mohammed Bin Salman Road	Proximity to the main road
%0.0	Near	%0.0	Near	%0.0	Near	Near	Proximity to facilities
%0.0	All services are available	%0.0	All services are available	%0.0	All services are available	All services are available	Availability of services
%0.0	Regular	%0.0	Regular	%0.0	Regular	Regular	Regularity of the shape of the property
%0.0		%0.0		%0.0			Margin of negotiation
%0.0		%0.0		%0.0			Other factors
%37.0		%4.0		%20.0			Total adjustments
	8,220		9,360		9,000		Net Market Price After Adjustments (SAR)
	%10		%70		%20		Weighted Weight
						9,174	Average price per meter (SAR / m2)
						9,200	Price per meter after rounding

Evaluation Results | Comparisons Map (Rents Showrooms)



Comparison #	Deal Type	Area	Rental Meter
1	Market offer	ρ126	1,587
2	Market offer	ρ222	2,250
3	Market offer	ρ160	1,000

Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		1,587		2,250		1,000	
Property Location			%10.00-		%30.00-		%5.00
Assumed Area (m2)	150	126	%0.00	222	%0.00	160	%0.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%10.00-		%30.00-		%5.00
Net market price after settlement			1,428		1,575		1,050
Average market rental meter value	1,351						
Approximately average market rental meter value	1,350						

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	3,015	M2
Meter Parking Construction Cost (before other costs)	1,800	SAR
Service Building Surfaces	0	M2
Meter construction cost/services (before other costs)	0	SAR
Recurring floor building surfaces	5,575	M2
Meter construction cost/repeated floors (before other costs)	1,750	SAR

Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	2,520	SAR
Average service construction (after adding other costs)	0	SAR
Average recurring floors building (after adding other costs)	2,450	SAR
Total value of buildings before depreciation	21,255,387	SAR
The life span of the building	40.0	year
Residual economic life	31.5	year
Effective lifetime	8.5	year
Gross depreciation rate	%21.3	%
Average construction of parking after depreciation	1,985	SAR
Average recurring construction after depreciation	1,929	SAR
Net construction costs after depreciation	16,738,617	SAR
Land Area	3,900	M2
Land meter value	9,200	SAR
Total Land Value	35,880,000	SAR
Total Property Value	52,618,617	SAR
Property value (approximately)	52,619,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	3,022,261
Percentage of operating and maintenance expenses %	%2.3
Value of Operation and Maintenance Expenses (SAR)	68,797
Net Income (SAR)	2,953,464
Capitalization rate %	%8.0
Property Value (SAR)	36,918,294
Total property value approximately (SAR)	36,918,000

Evaluation results

Conclusion

✓ The fourth method: (discounted cash flow method)

To calculate the last (recoverable) value	
%8.5	capitalization factor
%2.0	growth rate

To calculate the discount rate	
%0.04	government bond rate of return
%2.0	Inflation rate
%3.0	market risk premium
%2.0	special risk premium
%10.0	Discount rate

Assumptions of the discounted cash flow method	
3,279,766	Gross income in full occupancy
%4	operating expenses
%0	Vacancy rate after stabilization
6 years	cash flow period

	Discounted Cash Flow				
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29
Gross Effective Income (showrooms and furnished units)	3,346,580	3,346,580	3,346,580	3,346,580	3,346,580
Percentage of operating and maintenance expenses	%2.5	%2.5	%2.5	%2.5	%2.5
Value of operating and maintenance expenses	83,665	83,665	83,665	83,665	83,665
Net Operating Income	3,262,916	3,262,916	3,262,916	3,262,916	3,262,916
Last value (redemption value)					39,154,986
Annual net cash flow	3,262,916	3,262,916	3,262,916	3,262,916	42,417,902
Total Property Value	40,341,097				
Approximately total value	40,341,000				

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, **discounted cash flow method** is the most appropriate and best method for its evaluation
- ✓ Based on following the standards and evaluation methods adopted and according to the client's requirements, valuation experts believe that the market value of the real estate and according to the following information for the property Deed No. (914009010891) in the city of (Riyadh) in the (Al Rabiea) neighborhood, its area is **3,900.00 m2** as follows:
- ✓ The discounted cash flow method has been adopted.

Total Property Value
Net Current Income (SAR)
2,953,463.54
Total Property Value (Cash Flow)
40,341,000
Total Property Value (Writing)
Forty million three hundred and forty one thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property is mortgaged to Al Rajhi Investment Banking Company for 22,000,000 SAR

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نصيب
VALUATION
الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162
رقم الضريبي : 300046706100003

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title Deed image

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

صك

تاريخ الصك: ١٤٤٣/٦/٢٩ هـ
رقم الصك: ٩١٤٠٠٩٠١٠٨٩١

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض 553 و قطعة الأرض 554 و قطعة الأرض 555 و قطعة الأرض 556 من البلك رقم 47 من المخطط رقم 2413 الواقع في حي الربيع بمدينة الرياض . وحدودها وأطوالها كالتالي:
شمالاً: شارع عرض 15م بطول: (60) ستون متر
جنوباً: شارع عرض 80م بطول: (60) ستون متر
شرقاً: شارع عرض 15م بطول: (65) خمسة وستون متر
غرباً: قطعة رقم 557 و 558 بطول: (65) خمسة وستون متراً
ومساحتها : (3900) ثلاثة آلاف و تسعمائة متر مربع فقط
المملوكة لـ/ شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ وتنتهي في 1443 / 10 / 26 هـ بالصك الصادر من كتابة العدل الأولى بالرياض برقم 910114038368 في 14 / 11 / 1438 هـ قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي المصرفية للاستثمار بموجب سجل تجاري رقم 1010000096 وتنتهي في 29 / 5 / 1443 هـ ضماناً لوفائه بـ/ بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب سجل تجاري رقم 1010000096 بمبلغ وقدره (22000000) اثنان وعشرون مليون ريال المجاز من الهيئة الشرعية برقم 1075 في 7 / 9 / 1436 هـ . على أن يتم سداد المديونية دفعة واحدة بتاريخ 11 / 02 / 2026 م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء مافي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في 29 / 6 / 1442 هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل ، ويجب التحقق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل
(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تقليده)
مصلحة مطابع الحكومة - ٢٨٦١٥٩
نموذج رقم (١٢-٠٣-١٠)

صفحة رقم 1 من 1

QR Code

Building permit image

[illegible]

Real Estate Appraisal Report

Al-Muhammadiyah Tower

Report number :128952

Presented to
Al-Ma'ather REIT Fund



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Executive Summary

Item	Statement	Item	Statement
Customer's Name	Al Ma'ather RIET Fund	Deed Number	314002002732
Beneficiaries of evaluation	Al Ma'ather RIET Fund	Deed Date	1440/12/28
The Purpose of evaluation	RIET Fund	Number of Plot	Without
Type of Property	Commercial and Office Tower	Sketch Number	1343
Address of Property	Kingdom of Saudi Arabia, Riyadh, Al-Ma'ather District	Value Basis	Market Value
Area of Property	2,109.00 (m2)	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	Mortgaged	Preview Date	2025/01/07
Appraisal method used	Market method (comparative transactions method)	Valuation Date	2024/12/31
	Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Date of Issuing the Report	2025/01/21
Real estate market value (SAR)		119,461,000	

Description of Property

General Description	The property is a commercial and office tower in Riyadh, Al-Ma'ather district, with an area of 2,109.00 m²
----------------------------	--

Site Description	
Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Al Ma'ather
Street	-

Ownership Data	
Deed Number	314002002732
Date of Deed	1440/12/28
Plot Number	Without
Plan Number	1343
Block Number	-

Nature of Property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of Use	Residential-commercial-office						

Description of the Property

Site borders and lengths				
Northern	A 10 meter street wide	With a length	57.00	m
Southern	Owned by Abdullaziz Almousa	With a length	57.00	m
Eastern	An 80 meter street wide	With a length	37.00	m
Western	A 14 meter street wide	With a length	37.00	m

Services available at the site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Description of the Property

Important information about the property	
Name of the Property	Al Muhammadiyah Tower
Location	Al Ma'ather District / Riyadh City
Type of Property	Commercial and office Tower
Property's Age	14 years
Land Area (m2)	2,109
Building Area	15,602.92
Number of Floors	2 basements + ground + 8 recurring floors and annex
Components of the Property	It consists of showrooms and offices
The value of the current lease contracts	8,461,890
Contract duration	Lease contracts extending to 2025
Occupancy rate of units (%)	%100
Total Current Income (SAR)	8,466,341
Operation and maintenance expenses (SAR)	1,437
Net operating income (SAR)	8,464,904

A Croquet and border image to the location

Prince Turki Bin Abdulaziz I Road

Takhassusi Street

King Fahd road



Site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1. Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Comparisons Map

Comparison 2

Comparison 1

Property Location

Comparison 3

Comparison #	Deal Type	Area	Meter
1	Transaction	1512	18000
2	Market offer	1020	30000
3	Market offer	1,867	18000

Evaluation results

Conclusion

- ✓ The first method: (settlement of comparisons)

Adjustments	The Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Price per square meter		18,000		30,000		18,000	
<u>Adjustments elements</u>							
1- Financing Conditions		Cash sale	%0.0	Cash sale	%0.0	Cash sale	%0.0
The value of the meter after settling the financing conditions		18,000		30,000		18,000	
2- Market conditions		No change in market conditions	%0.0	No change in market conditions	%0.0	No change in market conditions	%0.0
3- Properties of the property							
Location			%15.0	Similar	%0.0	Similar	%15.0
Transaction date		2024	%0.0	2024	%0.0	2024	%0.0
Transaction type			%0.0		%0.0		%0.0
Type of use	Commercial	Commercial	%0.0	Commercial	%10.0-	Commercial	%0.0
Area (m2)	2,109.00	1,512.00	%0.0	1,020.00	%10.0-	1,867.00	%0.0
Accessibility	Good	Good	%0.0	Good	%0.0	Good	%0.0
Number of Streets	3 streets	2 Streets	%2.0	3 Streets	%0.0	3 streets	%2.0
Proximity to the main road	King Fahd Road	King Fahd Road	%0.0	King Fahd Road	%0.0	King Fahd Road	%0.0
Proximity to facilities	Near	Near	%0.0	Near	%0.0	Near	%0.0
Availability of services	All services are available	All services are available	%0.0	All services are available	%0.0	All services are available	%0.0
Regularity of the shape of the property	Regular	Regular	%0.0	Regular	%0.0	Regular	%0.0
Margin of negotiation			%0.0		%0.0		%0.0
Other factors			%0.0		%0.0		%0.0
Total adjustments			%17.0		%20.0-		%17.0
Net Market Price After Adjustments (SAR)		21,060		24,000		21,060	
Weighted Weight		%35		%30		%35	
Average price per meter (SAR / m2)	21,942						
Price per meter after rounding	21,900						

Evaluation Results | Comparison Map (Office Rents)

Comparison 2



Property Location



Comparison 1



Comparison 3

Comparison #	Area	Rental Meter
1	92	1,390
2	200	1,200
3	300	1,160

Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		1,390		1,200		1,160	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	200	92	%10.00-	200	%0.00	300	%10.00
Property Age	New	New	%10.00-	New	%10.00-	New	%10.00-
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%20.00-		%10.00-		%0.00
Net market price after settlement			1,112		1,080		1,160
Average market rental meter value	1,117						
Approximately average market rental meter value	1,100						

Evaluation Results | Comparisons Map (Rents Showrooms)

Comparison 2

Comparison 1

Property Location

Comparison 3

Comparison #	Area	Rental Meter
1	1850	1080
2	357	1400
3	260	1350

Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		1,080		1,400		1,350	
Property Location			%0.00		%5.00-		%15.00
Assumed Area (m2)	300	1,850	%30.00	357	%0.00	260	%0.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%5.00-	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%25.00		%5.00-		%15.00
Net market price after settlement			1,350		1,330		1,553
Average market rental meter value	1,411						
Approximately average market rental meter value	1,400						

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	4,200	M2
Meter Parking Construction Cost (before other costs)	1,750	SAR
Recurring floor building surfaces	11,403	M2
Meter construction cost/repeated floors (before other costs)	1,450	SAR

Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	2,450	SAR
Average recurring floors building (after adding other costs)	2,030	SAR
Total value of buildings before depreciation	33,437,928	SAR
The life span of the building	40.0	year
Residual economic life	24.5	year
Effective lifetime	15.5	year
Gross depreciation rate	%38.8	%
Average construction of parking after depreciation	1,501	SAR
Average recurring construction after depreciation	1,243	SAR
Net construction costs after depreciation	20,480,731	SAR
Land Area	2,109	M2
Land meter value	21,900	SAR
Total Land Value	46,187,100	SAR
Total Property Value	66,667,831	SAR
Property value (approximately)	66,668,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	8,466,341
Percentage of operating and maintenance expenses %	%0.0
Value of Operation and Maintenance Expenses (SAR)	1,437
Net Income (SAR)	8,464,904
Capitalization rate %	%8.0
Property Value (SAR)	105,811,302
Total property value approximately (SAR)	105,811,000

Evaluation results

Conclusion

- ✓ The third method: (the discounted cash flow method)

Assumptions of the discounted cash flow method	
Total income in case of full occupancy after the completion of the current contract	11,075,800
Operating expenses	%10
Vacancy rate after stabilization	%10
Cash flow period	5 Years
Revenue growth rate	4% every 3 years

To calculate the discount rate	
government bond rate of return	%4.0
Inflation rate	%2.0
market risk premium	%2.0
special risk premium	%2.0
Discount rate	%10.0

To calculate the last (recoverable) value	
capitalization factor	%8.0
growth rate	%2.5

	Discounted cash flows				
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29
Projected revenue growth rate per annum (%)	%0	%0	%3	%0	%0
Total income in full occupancy	11,075,800	11,075,800	11,408,074	11,408,074	11,408,074
Vacancy %	%0	%10	%10	%10	%10
Value of vacancies	0	1,107,580	1,140,807	1,140,807	1,140,807
Total Effective Income	11,075,800	9,968,220	10,267,267	10,267,267	10,267,267
Percentage of operating and maintenance expenses	%10	%10	%10	%10	%10
Value of operating and maintenance expenses	1,107,580	996,822	1,026,727	1,026,727	1,026,727
Net Operating Income	9,968,220	8,971,398	9,240,540	9,240,540	9,240,540
Last value (redemption value)					117,816,884
Annual net cash flow	9,968,220	8,971,398	9,240,540	9,240,540	127,057,424
Total Net Present Value	119,460,860				
Approximately total value	119,461,000				

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the discounted cash flow method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and according to the client's requirements, valuation experts believe that the market value of the property and according to the following information for the property, the deed number (**314002002732**) in the city of (**Riyadh**) in the (**Al-Ma'ather**) district, its area is **2,109.00** m2 as follows:
- ✓ The discounted cash flow method has been adopted.

Total Property Value
Net Current Income (SAR)
8,464,904.16
Total Property Value (Cash Flow)
119,461,000
Total Property Value (Writing)
One hundred and nineteen million four hundred and sixty one thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property is mortgaged to Al Rajhi Investment Banking Company for 45,000,000 SAR

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نصيب
VALUATION
الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162
رقم الضريبي : 300046706100003

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title Deed image

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]
كتابة العدل بوسط الرياض

الرقم: ٣١٤٠٠٢٠٠٢٧٣٢
التاريخ: ١٤٤٠ / ١٢ / ٢٨ هـ

صك رهن وتملك عقار

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:

فإن قطعة الأرض رقم بدون من المخطط رقم ١٣٤٣ الواقع في حي المعذر بمدينة الرياض - وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ١٠ م	بطول: (٥٧) سبعة و خمسون متر
جنوباً: ملك عبدالعزيز الموسى	بطول: (٥٧) سبعة و خمسون متر
شرقاً: شارع عرض ٨٠ م	بطول: (٣٧) سبعة و ثلاثون متر
غرباً: شارع عرض ١٤ م	بطول: (٣٧) سبعة و ثلاثون متر

ومساحتها: (٢١٠٩) ألفان و مائة و تسعة متر مربعاً فقط.

المعلوكة لـ / شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم ١٠١٠٧١٥٤٤٨ في ٢٦ / ١٠ / ١٤٣٨ هـ بالصك الصادر من كتابة العدل الاول بالرياض برقم ٧١٠١٤٠٣٨٤٩١ في ١٧ / ١١ / ١٤٣٨ هـ. قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركتنا لاجي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠ / ١٣٧٦ هـ. متعامنا لوفائه بـ/ بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب السجل التجاري رقم ١٠١٠٠٠٠٠٩٦ مبلغ قدره ٤٥٠٠٠٠٠٠٠ خمسة واربعون مليون ريال فقط لا غير - المجاز من الهيئة الشرعية برقم ١٠٧٥ بتاريخ ٩ / ٩ / ١٤٣٦ علماً أن أجازة الهيئة الشرعية سارية لم يرد عليها ما يعللها أو يفيها و أن تنفيذ هذا العقد المعلن المنشئ للمديونية على العميل قد تم أو سيتم وفق قرارات الهيئة الشرعية لا بخلافها على أن يتم سداد المديونية دفعة واحدة بعد ستين شهر من تاريخ صرف التمويل تدفع في نهاية المدة وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكتمال مايلزم شرعاً وعليه جرى التصديق تحريراً في ٢٨ / ١٢ / ١٤٤٠ هـ. وصلى الله على نبينا محمد وآله وصحبه وسلم.

رئيس كتابة العدل المساعد
صالح بن هادي بن أحمد العمري

وزارة العدل
كتابة العدل بوسط الرياض
كاتب العدل بكب رقم (٩)

هذا الصك واحد من ثلاثة - وصيعة أو تكف صفحة منه يؤدي إلى عدم صلاحيته -
مصحفة مطابع الحكومة - ٢٨٧١١٢ (هذا النموذج مخصص للاستخدام بالإنترنت ويمنع تداوله)
نموذج مطبوعة ١٠٠٠ - ١٠

Building permit image

المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
إمارة مدينة الرياض
إدارة رخص البناء

رقم الرخصة : ١٤٢٣/١٧٧١
تاريخ الرخصة : ١٤٢٦-٠٦-٠٣
تاريخ الإنتهاء : ١٤٢٩-٠٦-٠٣
نوع الرخصة : نقل ملكية

رخصة بناء عمارة تجارية مكتبية

اسم المالك : شركة المحمدية المتحدة
رقم الإثبات : ١٠١٠٢٠٦٧٩٦
رقم الصك : ٢/٢١٤١٥
رقم القطعة : بدون
الشوارع : حي العليا
الح : ٢م ٢١٠٩
مساحة الأرض : ٢م ٢١٠٩

تاريخه : ١٤٢٦-٠٨-٢٧
رقم المخطط التنظيمي : ١٣٤٣
رقم المقار : ١
نوع البناء : ملح
النطاق العمراني : مرحلة ١

الجهة	الحدود	الأبعاد	الإرتداد
شمال	شارع عرض ١٠م	٥١	٤
شرق	شارع عرض ٨م	٣٤	٤
جنوب	جار	٥٧	٠
غرب	شارع عرض ١٣م	٣٧	٤

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
ميزانين	٠	١٢٣٠٠٠٠	تجاري
دور أرضي	٤	١٤٦٣٠٠٠	تجاري
قبو ثاني	٠	٢١٠٠٠٠٠	مواقف
قبو أول	٠	٢١٠٠٠٠٠	مواقف
دور أول	٨	١٩٩٢٠٠٠	مكاتب
دور ثاني	٤	٩٤٠٠٥٦	مكاتب
دور ثالث	٤	٩٤٠٠٥٦	مكاتب
غرفة كهرباء	٠	٢٠٠٠٠	غرفة كهرباء
دور رابع	٤	٩٤٠٠٥٦	مكاتب
دور خامس	٤	٩٤٠٠٥٦	مكاتب
دور سادس	٤	٩٤٠٠٥٦	مكاتب
دور سابع	٤	٩٦٠٠٥٦	مكاتب
دور ثامن	٤	٩٤٠٠٥٦	مكاتب
ملاحق علوية	٠	٩٤٠٠٠	خدمات

المكتب المصمم : المصممون الدواوين
رقم المشروع : ١٣٩٩
رمز النظام : ٨٢٧٧
ريال بموجب الإيصال رقم : ٤٤ / ٣٢٩٤٠١
متناسيب الشوارع المحيطة : مستوي
وتاريخ : ١٤٢٣-٠٦-٢٢

ملاحظات :
١- تعديل مكونات البناء :
٢- رخصة البناء عبارة عن عمارة تجارية مكتبية : ٢ قبو + أرضي + ميزانين + صناعية أدوار
٣- أعطى موافقة لجنة المشاريع الكبرى بقرارها رقم (١٣) بتاريخ ١٤٢٦-٠٢-٠٥ هـ
٤- إرتداد الأدوار المتكررة شمال ٤م ، شرق ٤م ، جنوب ٢م ، غرب ٢٠م
٥- التقييد بتعليمات مصلحة المياه بشأن فصل شبكة تغذية المياه العامة للمبنى عن شبكة تغذية صناديق الطرد
٦- القيو مواقف سيارات فقط ولايسمح باستخدامه خلاف ذلك ويكون المقدر بإرتداد ٣م من حدود الملكية ويعرض م
٧- الميزانين ينقسم الى ميزانين تجاري بمساحة (٥٧٠٠٠٢٨) وميزانين مكاتب بمساحة (٦٥٩٠٣٣) م٢

رئيس قسم الرخص : م/ طارق بن عصام كشميري
مدير إدارة الرخص : م/ مساعد إبراهيم المحيا
مدير عام التخطيط العمراني : م/ إبراهيم محمد البطيحي

يجب الإلتزام بالشروط الموضحة خلف الرخصة

Real Estate Appraisal Report

Al Takhassousi Lexus

Report Number:128953

Presented to

Al Ma'ather REIT Fund



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Executive Summary

Item	Statement	Item	Statement
Customer’s Name	Al-Ma’ather REIT Fund	Document number	314009010892
Beneficiaries from Appraisal	Al-Ma’ather REIT Fund	Document Date	1442/6/29
Purpose of Appraisal	REIT Fund	Plot Number	From1107 to 1112
Type of the property	Showrooms	Plan Number	1343
Address of the property	Kingdom of Saudi Arabia - Riyadh - Al-Ma’ather	Value Basis	Market Value
Area of the property	4,248.00 (m2)	The evaluation criteria used	International Valuation Standards 2022
The ownership Nature	mortgaged	Preview Date	2025/01/12
Appraisal method used	Market method (comparative transactions method)	evaluation Date	2024/12/31
	Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Date of issuing report	2025/01/21
Real estate market value (SAR)		72,642,000	

Property Description

General Description

The property is showrooms in the city of Riyadh, Al-Ma'ather district, with an area of 4,248.00 m²

The Description of the Site

Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Al-Ma'ather
Street	Al Takhassousi


Ownership Data

Deed Number	314009010892
Deed Date	1442/6/29
Plot Number	from 1107 to1112
Plan Number	1343

Nature of property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of use	Residential, commercial and offices						

Description of the Property

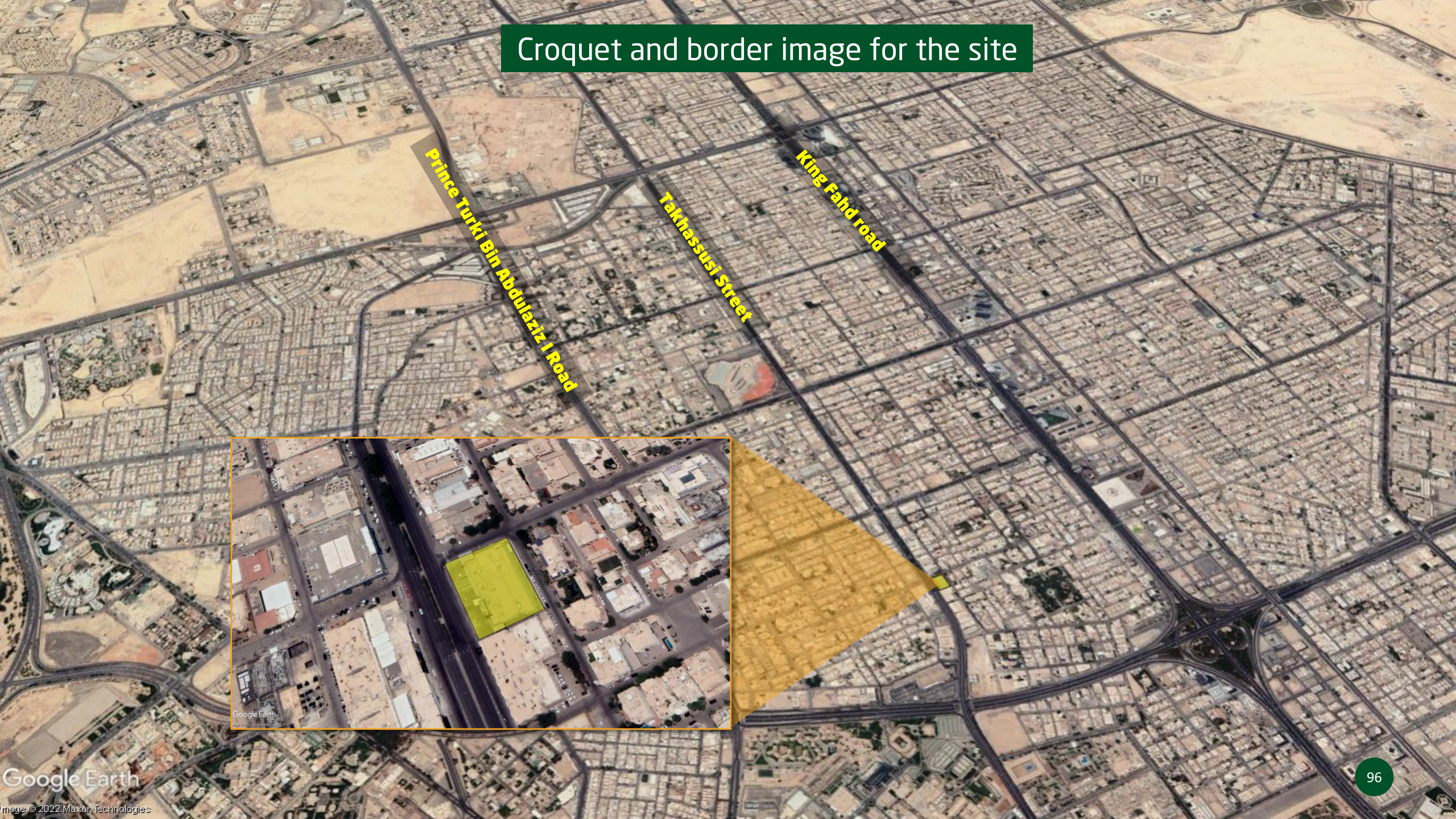
Site borders and lengths				
Northern	A 20 meter wide street	With a length	60.00	m
Southern	Plot number 1113 and 1114	With a length	60.00	m
Eastern	A 14 meter wide street	With a length	70.80	m
Western	A 40 meter wide Al Takhassusi street	With a length	70.80	m

Services available at the site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important information about the Property	
Name of the Property	Al Takhassusi Lexus
Location	Al Ma'ather District / Riyadh City
Type of Property	Showrooms
Property's Age	7 years
Land Area (m2)	4,248
Building Area	6,610.61
Number of Floors	1
Components of the Property	It consists of showrooms leased by Lexus
The value of the current lease contracts	3,750,000
Contract duration	Lease contracts extending 2036
Occupancy rate of units (%)	%100
Total Current Income (SAR)	3,750,000
Operation and maintenance expenses (SAR)	13,172
Net operating income (SAR)	3,736,828

Croquet and border image for the site



Site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1. Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Comparisons Map

Comparison 1

Comparison 3

Comparison 2

Property Location

Comparison #	Deal Type	Area	Meter
1	Markt Offer	1620	12,962
2	Markt Offer	2214	11,065
3	Markt Offer	2400	14,000

Evaluation results

Conclusion

✓ The first method: (settlement of comparisons)

- + %0	Comparison 3	- + %0	Comparison 2	- + %0	Comparison 1	The Property	Adjustments
	14,000		11,065		12,962		Price per square meter
							Adjustments elements
%0.0	Cash sale	%0.0	Cash sale	%0.0	Cash sale		1- Financing Conditions
	14,000		11,065		12,962		The value of the meter after settling the financing conditions
%0.0	No change in market conditions	%0.0	No change in market conditions	%0.0	No change in market conditions		2- Market conditions
							3- Properties of the property
%0.0		%0.0		%0.0			Location
%0.0	2024	%0.0	2024	%0.0	2024		Transaction date
%0.0		%0.0		%0.0			Transaction type
%0.0	Commercial	%0.0	Commercial	%0.0	Commercial	Commercial	Type of use
%10.0-	2,100.00	%10.0-	2,400.00	%15.0-	3,350.00	4,248.00	Area (m2)
%0.0	Good	%0.0	Good	%0.0	Good	Good	Accessibility
%0.0	2 streets	%0.0	2 Streets	%0.0	3 Streets	3 streets	Number of Streets
%0.0	Takhassusi Street	%0.0	Takhassusi Street	%0.0	Takhassusi Street	Takhassusi Street	Proximity to the main road
%0.0	Near	%0.0	Near	%0.0	Near	Near	Proximity to facilities
%0.0	All services are available	%0.0	All services are available	%0.0	All services are available	All services are available	Availability of services
%0.0	Regular	%0.0	Regular	%0.0	Regular	Regular	Regularity of the shape of the property
%10.0-		%0.0		%0.0			Margin of negotiation
%5.0		%0.0		%5.0			Other factors
%15.0-		%10.0-		%10.0-			Total adjustments
	11,900		9,959		11,666		Net Market Price After Adjustments (SAR)
	%15		%50		%35		Weighted Weight
						10,847	Average price per meter (SAR / m2)
						10,850	Price per meter after rounding

Evaluation Results | Comparisons Map (Showrooms)

Compare 4

Comparison 3

Comparison 2

Comparison 1

Property Location

Comparison #	Deal Type	Area	Rent per Meter
1	Market Offer	ρ180	1,400
2	Market Offer	ρ728	1,044
3	Market Offer	ρ356	2,106
4	Market Offer	ρ125	2,000

Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0	Comparison 4	- + %0
Rent per meter		1,400		1,044		2,106		2,000	
Property Location			%10.00-		%0.00		%10.00-		%20.00-
Assumed Area (m2)	6,611	180	%30.00-	728	%25.00-	356	%20.00-	120	%30.00-
Property Age	New	New	%0.00	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00		%0.00
Net Valuation			%40.00-		%25.00-		%40.00-		%50.00-
Net market price after settlement			840		783		1,264		1,000
Average market rental meter value	972								
Approximately average market rental meter value	756								

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	3,448	M2
Meter Parking Construction Cost (before other costs)	1,700	SAR
Recurring floor building surfaces	3,162	M2
Meter construction cost/repeated floors (before other costs)	1,400	SAR
Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	2,380	SAR
Average recurring floors building (after adding other costs)	1,960	SAR
Total value of buildings before depreciation	14,405,048	SAR
The life span of the building	40.0	year
Residual economic life	32.5	year
Effective lifetime	7.5	year
Gross depreciation rate	%18.8	%
Average construction of parking after depreciation	1,934	SAR
Average recurring construction after depreciation	1,593	SAR
Net construction costs after depreciation	11,704,102	SAR
Land Area	4,248	M2
Land meter value	10,850	SAR
Total Land Value	46,090,800	SAR
Total Property Value	57,794,902	SAR
Property value (approximately)	57,795,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	3,750,000
Percentage of operating and maintenance expenses %	%0.4
Value of Operation and Maintenance Expenses (SAR)	13,172
Net Income (SAR)	3,736,828
Capitalization rate %	%8.0
Property Value (SAR)	46,710,350
Total property value approximately (SAR)	46,710,000

Evaluation results

Conclusion

- ✓ The third method: (the discounted cash flow method)

Assumptions of discounted cash flow method	
Total income in case of full occupancy	4,998,887
Operational expenses	%0
Vacancy rate after stabilization	%0
Cash flow period	13 Years

To calculate discount rate	
government bond rate of revenue	%4.0
Inflation rate	%2.0
Market risk premium	%1.5
Special risk premium	%0.5
Discount rate	%8.0

To calculate the last value (recoverable)	
Capitalization factor	%8.0
Growth rate	%2.0

	Discounted cash flows											
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	31-Dec-31	31-Dec-32	31-Dec-33	31-Dec-34	31-Dec-35	31-Dec-36
Total Effective Income	4,998,887	4,998,887	5,248,831	5,248,831	5,248,831	5,248,831	5,248,831	5,511,273	5,511,273	5,511,273	5,511,273	5,511,273
Percentage of operating and maintenance expenses	%0.5	%0.5	%0.5	%0.5	%0.5	%0.5	%0.5	%0.5	%0.5	%0.5	%0.5	%0.5
Value of operating and maintenance expenses	24,994	24,994	26,244	26,244	26,244	26,244	26,244	27,556	27,556	27,556	27,556	27,556
Net Operating Income	4,973,893	4,973,893	5,222,587	5,222,587	5,222,587	5,222,587	5,222,587	5,483,717	5,483,717	5,483,717	5,483,717	5,483,717
Last value (redemption value)												69,917,387
Annual net cash flow	4,973,893	4,973,893	5,222,587	5,222,587	5,222,587	5,222,587	5,222,587	5,483,717	5,483,717	5,483,717	5,483,717	75,401,104
Total Property Value	72,642,473											
Approximately total value	72,642,000											

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the discounted cash flow method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and according to the client's requirements, valuation experts believe that the market value of the property, according to the following information, for the property No. (314009010892) in the city of (Riyadh) in the (Al-Ma'ather) district, its area is 4,248.00 m² as follows:
- ✓ The discounted cash flow method has been adopted.

Total Property Value
Net Current Income (SAR)
3,736,827.96
Total Property Value (Cash Flow)
72,642,000
Total Property Value (Writing)
Seventy two million six hundred and forty two thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property is mortgaged to Al Rajhi Investment Banking Company for 25,500,000 SAR

Executive Director

Abdulla Al Mahfouz

Basic Member (1210000273)

نصيب
VALUATION

الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director

Dr. Mohammed BinDakhil

Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title Deed image

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

صك

تاريخ الصك: ١٤٤٣/٦/٢٩ هـ
رقم الصك: ٣١٤٠٠٩٠١٠٨٩٢

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:

فإن قطعة الأرض 1107 و قطعة الأرض 1108 و قطعة الأرض 1109 و قطعة الأرض 1110 و قطعة الأرض 1111 و قطعة الأرض 1112 من البلك رقم 191 من المخطط رقم 1343 الواقع في حي المعذر بمدينة الرياض . وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض 20م بطول: (60) ستون متر
جنوباً: قطعة رقم 1113 ورقم 1114 بطول: (60) ستون متر
شرقاً: شارع عرض 14م بطول: (70.8) سبعون متر و ثمانون سنتيمتر
غرباً: شارع التخصصي عرض 40م بطول: (70.8) سبعون متر و ثمانون سنتيمتر ومساحتها : (4248) أربعة آلاف و مئتين و ثمانية و أربعون متر مربعاً فقط المملوكة لـ/ شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ وتنتهي في 26 / 10 / 1443 هـ بالصك الصادر من كتابة العدل الأولى بالرياض برقم 810114038490 في 17 / 11 / 1438 هـ قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي المصرفية للاستثمار بموجب سجل تجاري رقم 1010000096 وتنتهي في 29 / 5 / 1443 هـ ضماناً لوفائه بـ/ بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب سجل تجاري رقم 1010000096 بمبلغ وقدره (25500000) خمسة و عشرون مليون وخمسمائة ألف ريال المجاز من الهيئة الشرعية برقم 1075 في 7 / 9 / 1436 هـ ، على أن يتم سداد المديونية دفعة واحدة بتاريخ 11 / 02 / 2026 م

وفي حالة عدم السداد فللمرتين بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في 29 / 6 / 1442 هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل ، ويجب التحقق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل
(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تقليده)
نموذج رقم (١٢-٠٣-١٠٠٠)


مملكة مطابع الحكومة - ٢٨٦١٥٩

صفحة رقم 1 من 1

QR Code

Building permit image

رقم الرخصة: ١٤٣٧/١٠٠٩
تاريخ الرخصة: ١٤٣٧-١٠-٠٩
تاريخ الانتهاء: ١٤٤٠-١٠-٠٩
نوع الرخصة: تعديل مخططات البناء

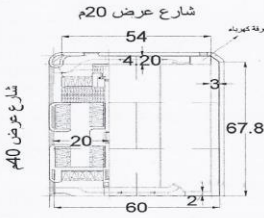


نوع المعمل: صادر
التاريخ: ١٤٣٧/١٠/١٥
المحرقات: فوري
الرقم الموحد: ٣٧٠٠٢٦٦٦١
www.alriyadh.gov.sa

رخصة

بناء صالة عرض سيارات

اسم المالك:	شركة زاوية المعذر للتغارات	تاريخه:	١٤٣٦-٠٩-٠٦
رقم الإيداع:	١٠١٠٤٣٢١٢	تاريخه:	١٤٣٧-٠٢-٢٧
رقم المسح:	٢١٠١٠٦٠٤٣٢٨٧	رقم المخطط التنظيمي:	١٣٤٣
رقم القطعة:	١١٠٧٠١١٣	رقم المعيار:	
الش:		نوع البناء:	معني
الح:		النطاق العمراني:	مرحلة ٢
مساحة الأرض:	٢٤٢٣٩	محيط الأسوار:	م



شارع عرض 20م

الجهة	الحدود	الأبعاد	الإرتداد
شمال	شارع عرض ٢٠م	٥٤	٤٠.٢
شرق	شارع عرض ١٤م	٦٧.٨	٣
جنوب	قطعة رقم ١١١٤ و ١١١٣	٦٠	٢
غرب	شارع التخصصي عرض ٤٠م	٦٧.٨	٢٠

مكونات البناء	عدد الوحدات	المساحة	الاستخدام
قبو	٠	٣٤٤٨.٢٢	مواقف
ميزانين	٠	٨٣٥.٣٩	معارض
أرضي تجاري	١	٢٣٢٧.٠٠	صالة عرض
أسوار	١	١٤٩.٠٠	خدمات

المكتب المصمم: الزين للاستشارات الهندسية

رقم الترخيص: ١٦١٨ **رقم المشروع:** ١٠

سند الترخيص: مبلغ وقدره: ٣٢٩٠ **ريال بموجب الإيصال رقم:** ٣٧٠٠٩١٢٤٦

ملاحظات:

١- تاريخ الملاحظة: ٣٧٠١٣٧٠٠٣ تاريخ الملاحظة: ١٦-٠٩-١٤٣٧ ١- نوع الرخصة: إصداره لكل ملك ٢- نوع البناء: متعلق ٣- بموجب نظام رخصة البناء القومية للبناء: ٤- بموجب الترخيص المسامي رقم ١٤٣٦/٧٩٦٢ بتاريخ ١٤٣٦-٠٩-٠٦ الصادر من بلدية المعذر الفرعية ٥- منطقة التقسيم: إرتداد بمقدار ٢٠ متر شارع التخصصي عرض ٢٠ متر يستخدم كمواقف مساحات ١٠- الأثرات التخفيفية المطلوبة جهة الشارع: شارع التخصصي للجزء المحصور بين طريق مكة المكرمة وجنوباً وطريق العروبة شمالاً ١١- بموجب عقد الإيجار بين كل من شركة زاوية المعذر للتغارات وشركة غلا السعودية للسيارات ٨- بموجب مراجعة الدفاع المدني وبمطابقة مكتب دار الرياض بأمانة منطقة الرياض قبل البدء بالتشييد وبعدم تنفيذ جميع الملاحظات وقبل صرف شهادة البناء ٩- تم عمل عقد إشراء مع مكتب الزين للاستشارات الهندسية وعليه يكون مسؤولاً عن التنفيذ حسب الرخصة والمخططات وعليه بإبلاغ الإمانة خطياً حال حدوث أي مخالفت تحدث أثناء التنفيذ لإلغاء مسؤوليته ١٠- بموجب شهادة التنسيق من شركة الكهرباء رقم ١٥١٤٣١٤٦ بتاريخ ٢٠١٠/١٠/٢٥ ١١- الدخول والخروج جهة الشارع الرئيسية وفي حدود العمق التجاري ١٢- الميزانين يمثل دور أول ١٣- يوجد غرفة كهرباء بالارتداد الشمالي جهة الشارع الفرعي عرض ٢٠ حسب المخططات المتعددة على أن تكون ملاصقة للمبنى على مستوى الدوب الأرضي وبارتداد تنظيمي جهة الارتداد الشرقي جهة الشارع الفرعي عرض ١٤ وتعاكس مصارياً بشكل جيد ١٤- الدور الأرضي بمساحة ١١٣٣ صالة عرض ١١٦٢ صيانة خفيفة ١٥- إحدائيات الموقع الشامل: الشرق ٢٣٢٦-٢٣٢٧-٢٣٢٨-٢٣٢٩-٢٣٣٠-٢٣٣١-٢٣٣٢-٢٣٣٣-٢٣٣٤-٢٣٣٥-٢٣٣٦-٢٣٣٧-٢٣٣٨-٢٣٣٩-٢٣٤٠-٢٣٤١-٢٣٤٢-٢٣٤٣-٢٣٤٤-٢٣٤٥-٢٣٤٦-٢٣٤٧-٢٣٤٨-٢٣٤٩-٢٣٥٠-٢٣٥١-٢٣٥٢-٢٣٥٣-٢٣٥٤-٢٣٥٥-٢٣٥٦-٢٣٥٧-٢٣٥٨-٢٣٥٩-٢٣٦٠-٢٣٦١-٢٣٦٢-٢٣٦٣-٢٣٦٤-٢٣٦٥-٢٣٦٦-٢٣٦٧-٢٣٦٨-٢٣٦٩-٢٣٧٠-٢٣٧١-٢٣٧٢-٢٣٧٣-٢٣٧٤-٢٣٧٥-٢٣٧٦-٢٣٧٧-٢٣٧٨-٢٣٧٩-٢٣٨٠-٢٣٨١-٢٣٨٢-٢٣٨٣-٢٣٨٤-٢٣٨٥-٢٣٨٦-٢٣٨٧-٢٣٨٨-٢٣٨٩-٢٣٩٠-٢٣٩١-٢٣٩٢-٢٣٩٣-٢٣٩٤-٢٣٩٥-٢٣٩٦-٢٣٩٧-٢٣٩٨-٢٣٩٩-٢٤٠٠-٢٤٠١-٢٤٠٢-٢٤٠٣-٢٤٠٤-٢٤٠٥-٢٤٠٦-٢٤٠٧-٢٤٠٨-٢٤٠٩-٢٤١٠-٢٤١١-٢٤١٢-٢٤١٣-٢٤١٤-٢٤١٥-٢٤١٦-٢٤١٧-٢٤١٨-٢٤١٩-٢٤٢٠-٢٤٢١-٢٤٢٢-٢٤٢٣-٢٤٢٤-٢٤٢٥-٢٤٢٦-٢٤٢٧-٢٤٢٨-٢٤٢٩-٢٤٣٠-٢٤٣١-٢٤٣٢-٢٤٣٣-٢٤٣٤-٢٤٣٥-٢٤٣٦-٢٤٣٧-٢٤٣٨-٢٤٣٩-٢٤٤٠-٢٤٤١-٢٤٤٢-٢٤٤٣-٢٤٤٤-٢٤٤٥-٢٤٤٦-٢٤٤٧-٢٤٤٨-٢٤٤٩-٢٤٥٠-٢٤٥١-٢٤٥٢-٢٤٥٣-٢٤٥٤-٢٤٥٥-٢٤٥٦-٢٤٥٧-٢٤٥٨-٢٤٥٩-٢٤٦٠-٢٤٦١-٢٤٦٢-٢٤٦٣-٢٤٦٤-٢٤٦٥-٢٤٦٦-٢٤٦٧-٢٤٦٨-٢٤٦٩-٢٤٧٠-٢٤٧١-٢٤٧٢-٢٤٧٣-٢٤٧٤-٢٤٧٥-٢٤٧٦-٢٤٧٧-٢٤٧٨-٢٤٧٩-٢٤٨٠-٢٤٨١-٢٤٨٢-٢٤٨٣-٢٤٨٤-٢٤٨٥-٢٤٨٦-٢٤٨٧-٢٤٨٨-٢٤٨٩-٢٤٩٠-٢٤٩١-٢٤٩٢-٢٤٩٣-٢٤٩٤-٢٤٩٥-٢٤٩٦-٢٤٩٧-٢٤٩٨-٢٤٩٩-٢٥٠٠-٢٥٠١-٢٥٠٢-٢٥٠٣-٢٥٠٤-٢٥٠٥-٢٥٠٦-٢٥٠٧-٢٥٠٨-٢٥٠٩-٢٥١٠-٢٥١١-٢٥١٢-٢٥١٣-٢٥١٤-٢٥١٥-٢٥١٦-٢٥١٧-٢٥١٨-٢٥١٩-٢٥٢٠-٢٥٢١-٢٥٢٢-٢٥٢٣-٢٥٢٤-٢٥٢٥-٢٥٢٦-٢٥٢٧-٢٥٢٨-٢٥٢٩-٢٥٣٠-٢٥٣١-٢٥٣٢-٢٥٣٣-٢٥٣٤-٢٥٣٥-٢٥٣٦-٢



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

The First Sahafa Tower

Report no: 128954



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer's Name	Al Ma'ather RIET Fund	Deed Number	317815000994
Beneficiaries of evaluation	Al Ma'ather RIET Fund	Deed Date	1441/6/12
The Purpose of evaluation	RIET Fund	Number of Plot	1918
Type of Property	Office building	Sketch Number	1637
Address of Property	Kingdom of Saudi Arabia – Riyadh – Al Sahafa	Value Basis	Market Value
Area of Property	2,520.00 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	mortgaged	Preview Date	2025/01/12
Appraisal method used	Market method (comparative transactions method)	Valuation Date	2024/12/31
	Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Date of Issuing the Report	2025/01/21
Real estate market value (SAR)		58,203,000	

Property Description

General Description

The property is an office building in **Riyadh, Al-Sahafa** District, with an area of **2,520.00 m²**

Description of the Site

Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Al Sahafa
Street	-

Ownership Data

Deed Number	317815000994
Date of Deed	1441/6/12
Plot Number	1918
Plan Number	1637
Block Number	-

Nature of Property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of Use	Residential – Commercial – Offices						

Description of Property

Site borders and lengths				
Northern	Piece numbers 1919, 1920 and 1921	With a length of	70.00	m
Southern	Piece No. 1917	With a length of	70.00	m
Eastern	Street width 15 m	With a length of	36.00	m
Western	Street width 40 m	With a length of	36.00	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important Information about the Property	
Name of Property	The First Sahafa Building
Location	Al Sahafa District / Riyadh City
Type of Property	Office Building
Age of Property	12 years
Land Area (m2)	2,520
Building Area	11,359.80
Number of Floors	2 basements + ground + 6 recurring floors
Components of Property	It consists of offices
The value of the lease contracts	3,780,877
Contracts Duration	Yearly Contracts
Occupancy rate of units (%)	%100
Expected total income if income stabilizes (SAR)	3,780,877
Expected Operating and Maintenance Expenses (SAR)	101,800
Expected Net Operating Income after Stabilization of Income (SAR)	3,679,077

Croquet and border image to the site



Site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1. Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Comparisons Map

Property Location



Comparison 3

Comparison 2

Comparison 1

Comparison #	Deal Type	Area	Price per meter
1	Transaction	4080	28000
2	Transaction	1500	23500
3	Market offer	1500	24000

Evaluation results

Conclusion

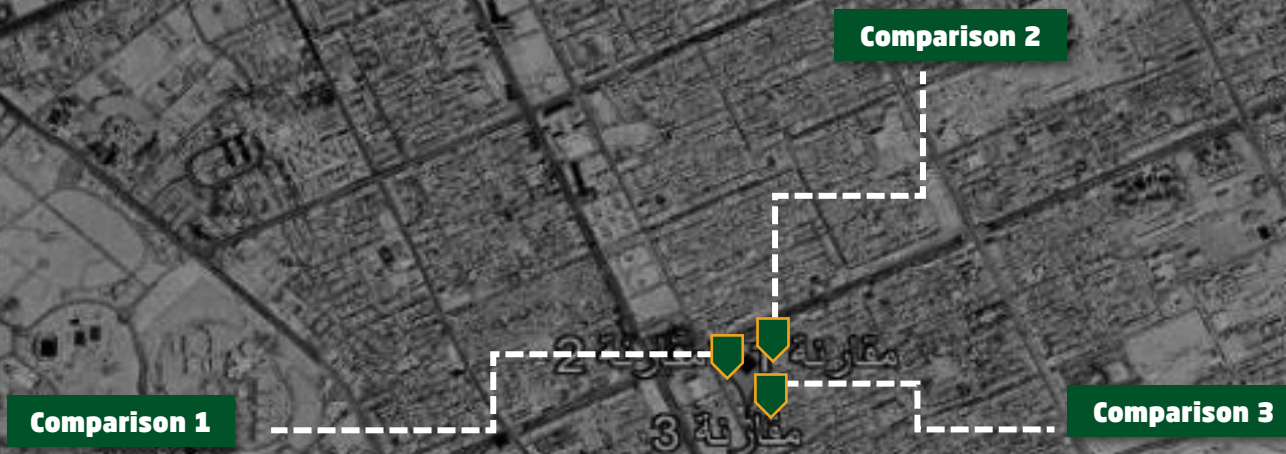
✓ The first method: (settlement of comparisons)

Adjustments	The Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Price per square meter		28,000		23,500		24,000	
<u>Adjustments elements</u>							
1- Financing Conditions		Cash sale	%0.0	Cash sale	%0.0	Cash sale	%0.0
The value of the meter after settling the financing conditions		28,000		23,500		24,000	
2- Market conditions		No change in market conditions	%0.0	No change in market conditions	%0.0	No change in market conditions	%0.0
3- Properties of the property							
Location			%0.0	Similar	%0.0	Similar	%0.0
Transaction date		2025	%0.0	2024	%0.0	2024	%0.0
Transaction type		Transaction	%0.0	Transaction	%0.0	Transaction	%0.0
Type of use	Commercial	Commercial	%0.0	Commercial	%0.0	Commercial	%0.0
Area (m2)	2,520.00	4,080.00	%0.0	1,500.00	%0.0	1,500.00	%0.0
Accessibility	Good	Good	%0.0	Good	%0.0	Good	%0.0
Number of Streets	2 streets	2 Streets	%0.0	2 Streets	%0.0	2 streets	%0.0
Proximity to the main road	Olaya Street	Olaya Street	%0.0	Olaya Street	%0.0	Olaya Street	%0.0
Proximity to facilities	Near	Near	%0.0	Near	%0.0	Near	%0.0
Availability of services	All services are available	All services are available	%0.0	All services are available	%0.0	All services are available	%0.0
Regularity of the shape of the property	Regular	Regular	%0.0	Regular	%0.0	Regular	%0.0
Margin of negotiation			%15.0-		%15.0-		%15.0-
Other factors			%0.0		%0.0		%0.0
Total adjustments			%15.0-		%15.0-		%15.0-
Net Market Price After Adjustments (SAR)		23,800		19,975		20,400	
Weighted Weight		%33		%33		%34	
Average price per meter (SAR / m2)	21,382						
Price per meter after rounding	21,400						

Evaluation Results | Comparison Map (Office Rents)



Comparison #	Deal Type	Area	Rent per Meter
1	Market Offer	180	1250
2	Market Offer	289	800
3	Market Offer	180	1250



Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		1,250		800		1,250	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	200	180	%0.00	289	%0.00	180	%0.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
			%0.00		%0.00		%0.00
Net Valuation			1,250		800		1,250
Net market price after settlement			%33		%33		%34
Average market rental meter value	1,100						
Approximately average market rental meter value	772						

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	5,040	M2
Meter Parking Construction Cost (before other costs)	1,800	SAR
Recurring floor building surfaces	6,320	M2
Meter construction cost/repeated floors (before other costs)	1,300	SAR
Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	2,520	SAR
Average recurring floors building (after adding other costs)	1,820	SAR
Total value of buildings before depreciation	24,202,836	SAR
The life span of the building	40.0	year
Residual economic life	28.0	year
Effective lifetime	12.0	year
Gross depreciation rate	%30.0	%
Average construction of parking after depreciation	1,764	SAR
Average recurring construction after depreciation	1,274	SAR
Net construction costs after depreciation	16,941,985	SAR
Land Area	2,520	M2
Land meter value	21,400	SAR
Total Land Value	53,928,000	SAR
Total Property Value	70,869,985	SAR
Property value (approximately)	70,870,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	3,780,877
Percentage of operating and maintenance expenses %	%2.7
Value of Operation and Maintenance Expenses (SAR)	101,800
Net Income (SAR)	3,679,077
Capitalization rate %	%8.0
Property Value (SAR)	45,988,465
Total property value approximately (SAR)	45,988,000

Evaluation results

Conclusion

- ✓ The third method: (the discounted cash flow method)

Assumptions of discounted cash flow method	
Total income in case of full occupancy	3,780,000
Operational expenses	%3
Vacancy rate after stabilization	0%
Cash flow period	4 years

To calculate discount rate	
government bond rate of revenue	%4.0
Inflation rate	%2.0
Market risk premium	%3.0
Special risk premium	%2.0
Discount rate	%11.0

To calculate the last value (recoverable)	
Capitalization factor	%8.5
Growth rate	%2.0

	Discounted cash flows			
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28
Total income in case of full occupancy	4,725,000	4,725,000	4,725,000	4,725,000
Annual income growth rate	%0	%0	%0	%5
Total income after annual increase	4,725,000	4,725,000	4,725,000	4,961,250
Expected occupancy rate	%100	%100	%100	%100
Total Effective Income	4,725,000	4,725,000	4,725,000	4,961,250
Percentage of operating and maintenance expenses	%3.0	%3.0	%3.0	%3.0
Value of operating and maintenance expenses	101,800	141,750	141,750	148,838
Net Operating Income	4,623,200	4,583,250	4,583,250	4,812,413
Last value (redemption value)				57,748,950
Annual net cash flow	4,623,200	4,583,250	4,583,250	62,561,363
Total Property Value	58,203,374			
Approximately total value	58,203,000			

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, **the discounted cash flow method** is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and in accordance with the requirements of the client, valuation experts believe that the market value of the property, according to the following information, for the property No. (317815000994) in the city of (Riyadh) in the (Al-Sahafa) neighborhood, its area is **2,520.00** m2 as follows:

Total Property Value
Total Property Value (Cash Flow)
58,203,000
Total Property Value (Writing)
Fifty-eight million two hundred and three thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property is mortgaged to Al Rajhi Investment Banking Company for 25,500,000 SAR.

Executive Director

Abdulla Al Mahfouz

Basic Member (1210000273)

نثمين
VALUATION

الشركة السعودية لتقييم وتممين الاصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director

Dr. Mohammed BinDakhil

Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title Deed image

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]
كتابة العدل بشمال الرياض

رقم: ٣١٧٨١٥٠٠٩٩٤
التاريخ: ١٢ / ٦ / ١٤٤١ هـ

صك رهن وتملك عقار

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:

فإن قطعة الأرض رقم ١٩١٨ من المخطط رقم ١٦٣٧ الواقع في حي الصحافة بمدينة الرياض . وحدودها وأطوالها كالتالي:

شمالاً: قطعة أرقام ١٩١٩ و ١٩٢٠ و ١٩٢١ بطول: (٧٠) سبعون متر	جنوباً: قطعة رقم ١٩١٧ بطول: (٧٠) سبعون متر
شرقاً: شارع عرض ١٥ م بطول: (٣٦) ستة و ثلاثون متر	غرباً: شارع عرض ٤٠ م بطول: (٣٦) ستة و ثلاثون متر

ومساحتها : (٢٥٢٠) ألفان و خمسمائة و عشرون متر مربعاً فقط والمقام عليها عمارة المملوكة لـ / شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم ١٠١٠٧١٥٤٤٨ في ٢٦ / ١٠ / ١٤٣٨ هـ بالصك الصادر من كتابة العدل الأولى بالرياض برقم ٩١٠١٠٥٠٥١٢٩٣ في ١٦ / ١١ / ١٤٣٨ هـ. قد تم رهنها وما أقيم أو سيقيم عليها من بناء لصالح / شركة لراجي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ وتنتهي في ٢٩ / ٥ / ١٤٤٣ هـ ضمناً لوفائه بـ/ مستحقات ماليه قدره ٢٥٠٠٠٠٠٠ خمسة وعشرون مليون ريال يتم سداد المديونية دفعة واحدة بعد ٦٠ شهر من تاريخ صرف التمويل تدفع في نهاية المدة وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات وإستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في ١٢ / ٦ / ١٤٤١ هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

وزارة العدل

كاتب العدل

فهد بن عايض بن فهد الودعائي الدوسري

هذا المستند وحدة متكاملة : وضياح أو تلف صفحة منه يؤدي إل عدم صلاحية المستند

مصلحة مطابع الحكومة - ٤٠٣٣١٤ (هذا النموذج مخصص للاستخدام بالحواسب الآلي ويمنع تغليفه) نموذج رقم (١٢-٠٣-١٠)

Building permit image

[illegible]



Real Estate Appraisal Report The Second Sahafa Tower

Report no: 128955



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer’s Name	Al-Ma’ather REIT Fund	Document number	317812001040
Beneficiaries from Appraisal	Al-Ma’ather REIT Fund	Document Date	1441/6/12
Purpose of Appraisal	REIT Fund	Plot Number	1298 and 1290
Type of the property	Office building	Plan Number	2413
Address of the property	Kingdom of Saudi Arabia - Riyadh - Al Sahafa District	Value Basis	Market Value
Area of the property	2,380.00 m2	The evaluation criteria used	International Valuation Standards 2022
The ownership Nature	mortgaged	Preview Date	2025/01/12
Appraisal method used	Market method (comparative transactions method) Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	evaluation Date	2024/12/31
		Date of issuing report	2025/01/21
Real estate market value (SAR)		57,233,000	











Description of the Property

General Description	The property is an office building in Riyadh, Al-Sahafa District, with an area of 2,380.00 m²
---------------------	---

Site Description		Ownership Data						
Country	Kingdom of Saudi Arabia	Deed Number	317812001040					
Region	Central	Date of Deed	1441/6/12					
City	Riyadh	Plot Number	1298 و 1290					
District	Al Sahafa	Plan Number	2413					
Street	-	Block Number	-					
Nature of Property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/>	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of Use	Residential – Commercial – Offices							

Property Description

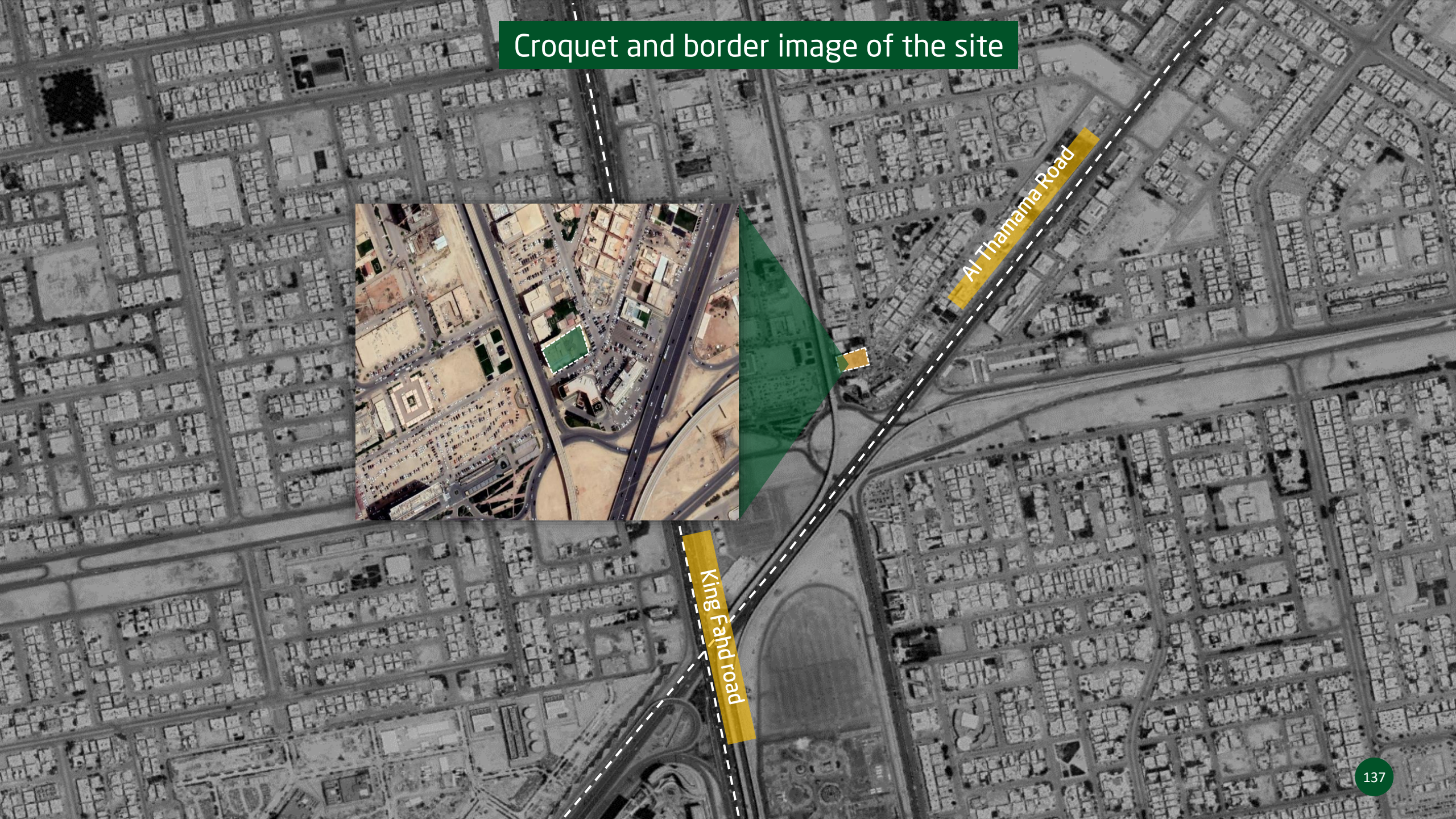
Site borders and lengths				
Northern	Plot No. 1291 and 1299	With a length of	68.00	m
Southern	Street width 20 m	With a length of	68.00	m
Eastern	Street width 20 m	With a length of	35.00	m
Western	Street width 40m	With a length of	35.00	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important Information about the Property	
Name of Property	The second building in Al Sahafa
Location	Al Sahafa District / Riyadh City
Type of Property	Office Building
Age of Property	10 years
Land Area (m2)	2,380.00
Building Area	10,899.67
Number of Floors	2 basements + ground + 7 recurring floors
Components of Property	It consists of office units
The value of the lease contracts (beginning of the next year)	4,645,094
Contracts Duration	Rental contracts that renewed annually
Occupancy rate of units (%)	100%
Total Current Income (SAR)	4,625,400
Operation and maintenance expenses (SAR)	32,000
net operating income (SAR)	4,593,400

Croquet and border image of the site



Site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Comparisons Map



Comparison #	Deal Type	Area	Price per meter
1	Transaction	4080	28000
2	Transaction	1500	23500
3	Market offer	1500	24000

Evaluation results

Conclusion

✓ The first method: (settlement of comparisons)

- + %0	Comparison 3	- + %0	Comparison 2	- + %0	Comparison 1	The Property	Adjustments
	24,000		23,500		28,000		Price per square meter
							Adjustments elements
%0.0	Cash sale	%0.0	Cash sale	%0.0	Cash sale		1- Financing Conditions
	24,000		23,500		28,000		The value of the meter after settling the financing conditions
%0.0	No change in market conditions	%0.0	No change in market conditions	%0.0	No change in market conditions		2- Market conditions
							3- Properties of the property
%0.0	Similar	%0.0	Similar	%0.0			Location
%0.0	2024	%0.0	2024	%0.0	2025		Transaction date
%0.0		%0.0		%0.0			Transaction type
%0.0	Commercial	%0.0	Commercial	%0.0	Commercial	Commercial	Type of use
%0.0	1,500.00	%0.0	1,500.00	%0.0	4,080.00	2,520.00	Area (m2)
%0.0	Good	%0.0	Good	%0.0	Good	Good	Accessibility
%0.0	2 streets	%0.0	2 Streets	%0.0	1 Street	3 streets	Number of Streets
%0.0	Olaya Street	%0.0	Olaya Street	%0.0	Olaya Street	Olaya Street	Proximity to the main road
%0.0	Near	%0.0	Near	%0.0	Near	Near	Proximity to facilities
%0.0	All services are available	%0.0	All services are available	%0.0	All services are available	All services are available	Availability of services
%0.0	Regular	%0.0	Regular	%0.0	Regular	Regular	Regularity of the shape of the property
%15.0-		%15.0-		%15.0-			Margin of negotiation
%0.0		%0.0		%0.0			Other factors
%15.0-		%15.0-		%15.0-			Total adjustments
	20,400		19,975		23,800		Net Market Price After Adjustments (SAR)
	%34		%33		%33		Weighted Weight
						21,382	Average price per meter (SAR / m2)
						21,400	Price per meter after rounding

Evaluation Results | Comparison Map (Office Rents)



Property Location

Comparison #	Deal Type	Area	Rent per Meter
1	Market Offer	180	1250
2	Market Offer	289	800
3	Market Offer	180	1250

Comparison 2

Comparison 1

Comparison 3

Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		1,250		800		1,250	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	200	180	%0.00	289	%0.00	180	%0.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
			%0.00		%0.00		%0.00
Net Valuation			1,250		800		1,250
Net market price after settlement			%33		%33		%34
Average market rental meter value	1,100						
Approximately average market rental meter value	772						

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	4,742	M2
Meter Parking Construction Cost (before other costs)	1,800	SAR
Recurring floor building surfaces	6,158	M2
Meter construction cost/repeated floors (before other costs)	1,500	SAR
Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	2,520	SAR
Average recurring floors building (after adding other costs)	2,100	SAR
Total value of buildings before depreciation	24,880,947	SAR
The life span of the building	40.0	year
Residual economic life	28.0	year
Effective lifetime	12.0	year
Gross depreciation rate	%30.0	%
Average construction of parking after depreciation	1,764	SAR
Average recurring construction after depreciation	1,470	SAR
Net construction costs after depreciation	17,416,663	SAR
Land Area	2,380	M2
Land meter value	21,400	SAR
Total Land Value	50,932,000	SAR
Total Property Value	68,348,663	SAR
Property value (approximately)	68,349,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	4,645,094
Percentage of operating and maintenance expenses %	%0.89
Value of Operation and Maintenance Expenses (SAR)	41,300
Net Income (SAR)	4,603,794
Capitalization rate %	%8.0
Property Value (SAR)	57,547,429
Total property value approximately (SAR)	57,547,000

Evaluation results

Conclusion

- ✓ The third method: (the discounted cash flow method)

Assumptions of discounted cash flow method	
Total income in case of full occupancy	4,645,094
Operational expenses	%0
Vacancy rate after stabilization	%0
Cash flow period	5 years

To calculate discount rate	
government bond rate of revenue	%4.0
Inflation rate	%2.0
Market risk premium	%3.0
Special risk premium	%2.0
Discount rate	%11.0

To calculate the last value (recoverable)	
Capitalization factor	%8.5
Growth rate	%2.0

	Discounted cash flows			
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28
Total income in case of full occupancy	4,645,094	4,645,094	4,645,094	4,645,094
Annual income growth rate	%0	%0	%0	%0
Total income after annual increase	4,645,094	4,645,094	4,645,094	4,645,094
Expected occupancy rate	%100	%100	%100	%100
Total Effective Income	4,645,094	4,645,094	4,645,094	4,645,094
Percentage of operating and maintenance expenses	%1	%1	%1	%1
Value of operating and maintenance expenses	46,451	46,451	46,451	46,451
Net Operating Income	4,598,643	4,598,643	4,598,643	4,598,643
Last value (redemption value)				58,632,703
Annual net cash flow	4,598,643	4,598,643	4,598,643	63,231,346
Total Property Value	58,694,925			
Approximately total value	58,695,000			

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the discounted cash flow method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and according to the client's requirements, valuation experts believe that the market value of the real estate, according to the following information, for the property No. (317812001040) in the city of (Riyadh) in the neighborhood of (Al Sahafa), an area of 2,380.00 m² is as follows:
- ✓ Income capitalization method has been adopted.

Total Property Value
Estimated net income for the current year (SAR)
4,603,794.30
Total Property Value (Cash Flow)
58,695,000
Total Property Value (Writing)
Fifty-eight million, six hundred and ninety-five thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property was not previewed from the inside.
- ❖ The property is mortgaged to Al Rajhi Investment Banking Company for 25,000,000 SAR.

Executive Director

Abdulla Al Mahfouz

Basic Member (1210000273)

نصيب
VALUATION

الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director

Dr. Mohammed BinDakhil

Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title Deed image

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]
كتابة العدل بشمال الرياض

الرقم : ٣١٧٨١٢٠٠١٠٤٠
التاريخ : ١٢ / ٦ / ١٤٤١ هـ

وزارة العدل

صك رهن وتملك عقار

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد :

فلان قطعة الارض ١٢٩٠ و قطعة الارض ١٢٩٨ من البلك رقم ١٠٠ من المخطط رقم ٢٤١٣ الواقع في حي الصحافة بمدينة الرياض . وحدودها وأطوالها كالتالي:

شمالاً: قطعة رقم ١٢٩١ و ١٢٩٩ بطول: (٦٨) ثمانية و ستون متر

جنوباً: شارع عرض ٢٠ م بطول: (٦٨) ثمانية و ستون متر

شرقاً: شارع عرض ٢٠ م بطول: (٣٥) خمسة و ثلاثون متر

غرباً: شارع عرض ٤٠ م بطول: (٣٥) خمسة و ثلاثون متراً

ومساحتها : (٢٣٨٠) ألفان و ثلاثمائة و ثمانون متر مربعاً فقط والمقام عليها عمارتين المملوكة لـ / شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم ١٠١٠٧١٥٤٤٨ في ٢٦ / ١٠ / ١٤٣٨ هـ بالصك الصادر من كتابة العدل الاولى بالرياض برقم ٣١٠١٠٥٠٥١٢٩٢ في ١٦ / ١١ / ١٤٣٨ هـ. قد تم رهنها وما أقيم أو سيقام عليها من بناء لمصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ وتنتهي في ٢٩ / ٥ / ١٤٤٣ هـ ضماناً لوفائه بـ/ مستحقات ماليه قدره ٢٥٠٠٠٠٠٠ خمسة وعشرون مليون ريال يتم سداد المديونية دفعة واحدة بعد ٦٠ شهر من تاريخ صرف التمويل تدفع في نهاية المدة وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في ١٢ / ٦ / ١٤٤١ هـ. وصلى الله على نبينا محمد وآله وصحبه وسلم.

وزارة العدل

كتابة العدل بشمال الرياض
كتب العدل تكتب رقم (١٢)

فيصل بن عبدالله بن حمد المنيع

كاتب العدل

هذا المستند وحدة متكاملة ، وضياح أو تلف ضيقة منه يؤدي إلى عدم صلاحية المستند
مصلحة مطابع الحكومة - ٢٩٣١٥٩ (هذا النموذج مخصص للاستخدام بالحاسوب الآلي ويمنع تغليفه)
نموذج رقم 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١٢٢٧-١٢٢٨-١٢٢٩-١٢٣٠-١٢٣١-١٢٣٢-١٢٣٣-١٢٣٤-١٢٣٥-١٢٣٦-١٢٣٧-١٢٣٨-١٢٣٩-١٢٤٠-١٢٤١-١٢٤٢-١٢٤٣-١٢٤٤-١٢٤٥-١٢٤٦-١٢٤٧-١٢٤٨-١٢٤٩-١٢٥٠-١٢٥١-١٢٥٢-١٢٥٣-١٢٥٤-١٢٥٥-١٢٥٦-١٢٥٧-١٢٥٨-١٢٥٩-١٢٦٠-١٢٦١-١٢٦٢-١٢٦٣-١٢٦٤-١٢٦٥-١٢٦٦-١٢٦٧-١٢٦٨-١٢٦٩-١٢٧٠-١٢٧١-١٢٧٢-١٢٧٣-١٢٧٤-١٢٧٥-١٢٧٦-١٢٧٧-١٢٧٨-١٢٧٩-١٢٨٠-١٢٨١-١٢٨٢-١٢٨٣-١٢٨٤-١٢٨٥-١٢٨٦-١٢٨٧-١٢٨٨-١٢٨٩-١٢٩٠-١٢٩١-١٢٩٢-١٢٩٣-١٢٩٤-١٢٩٥-١٢٩٦-١٢٩٧-١٢٩٨-١٢٩٩-١٣٠٠-١٣٠١-١٣٠٢-١٣٠٣-١٣٠٤-١٣٠٥-١٣٠٦-١٣٠٧-١٣٠٨-١٣٠٩-١٣١٠-١٣١١-١٣١٢-١٣١٣-١٣١٤-١٣١٥-١٣١٦-١٣١٧-١٣١٨-١٣١٩-١٣٢٠-١٣٢١-١٣٢٢-١٣٢٣-١٣٢٤-١٣٢٥-١٣٢٦-١٣٢٧-١٣٢٨-١٣٢٩-١٣٣٠-١٣٣١-١٣٣٢-١٣٣٣-١٣٣٤-١٣٣٥-١٣٣٦-١٣٣٧-١٣٣٨-١٣٣٩-١٣٤٠-١٣٤١-١٣٤٢-١٣٤٣-١٣٤٤-١٣٤٥-١٣٤٦-١٣٤٧-١٣٤٨-١٣٤٩-١٣٥٠-١٣٥١-١٣٥٢-١٣٥٣-١٣٥٤-١٣٥٥-١٣٥٦-١٣٥٧-١٣٥٨-١٣٥٩-١٣٦٠-١٣٦١-١٣٦٢-١٣٦٣-١٣٦٤-١٣٦٥-١٣٦٦-١٣٦٧-١٣٦٨-١٣٦٩-١٣٧٠-١٣٧١-١٣٧٢-١٣٧٣-١٣٧٤-١٣٧٥-١٣٧٦-١٣٧٧-١٣٧٨-١٣٧٩-١٣٨٠-١٣٨١-١٣٨٢-١٣٨٣-١٣٨٤-١٣٨٥-١٣٨٦-١٣٨٧-١٣٨٨-١٣٨٩-١٣٩٠-١٣٩١-١٣٩٢-١٣٩٣-١٣٩٤-١٣٩٥-١٣٩٦-١٣٩٧-١٣٩٨-١٣٩٩-١٤٠٠-١٤٠١-١٤٠٢-١٤٠٣-١٤٠٤-١٤٠٥-١٤٠٦-١٤٠٧-١٤٠٨-١٤٠٩-١٤١٠-١٤١١-١٤١٢-١٤١٣-١٤١٤-١٤١٥-١٤١٦-١٤١٧-١٤١٨-١٤١٩-١٤٢٠-١٤٢١-١٤٢٢-١٤٢٣-١٤٢٤-١٤٢٥-١٤٢٦-١٤٢٧-١٤٢٨-١٤٢٩-١٤٣٠-١٤٣١-١٤٣٢-١٤٣٣-١٤٣٤-١٤٣٥-١٤٣٦-١٤٣٧-١٤٣٨-١٤٣٩-١٤٤٠-١٤٤١-١٤٤٢-١٤٤٣-١٤٤٤-١٤٤٥-١٤٤٦-١٤٤٧-١٤٤٨-١٤٤٩-١٤٥٠-١٤٥١-١٤٥٢-١٤٥٣-١٤٥٤-١٤٥٥-١٤٥٦-١٤٥٧-١٤٥٨-١٤٥٩-١٤٦٠-١٤٦١-١٤٦٢-١٤٦٣-١٤٦٤-١٤٦٥-١٤٦٦-١٤٦٧-١٤٦٨-١٤٦٩-١٤٧٠-١٤٧١-١٤٧٢-١٤٧٣-١٤٧٤-١٤٧٥-١٤٧٦-١٤٧٧-١٤٧٨-١٤٧٩-١٤٨٠-١٤٨١-١٤٨٢-١٤٨٣-١٤٨٤-١٤٨٥-١٤٨٦-١٤٨٧-١٤٨٨-١٤٨٩-١٤٩٠-١٤٩١-١٤٩٢-١٤٩٣-١٤٩٤-١٤٩٥-١٤٩٦-١٤٩٧-١٤٩٨-١٤٩٩-١٥٠٠-١٥٠١-١٥٠٢-١٥٠٣-١٥٠٤-١٥٠٥-١٥٠٦-١٥٠٧-١٥٠٨-١٥٠٩-١٥١٠-١٥١١-

Building permit image

المملكة العربية السعودية
وزارة الشؤون البلدية
أمانة منطقة الرياض

إدارة رخص البناء

رقم الرخصة : ١٤٣٢٠٠٧٠٠٣
تاريخ الرخصة : ١٤٣٢٠٠٧٠٠٣
نوع الرخصة : إصدار

اسم المالك : عبد العزيز بن سعد بن إبراهيم التميمي
رقم الترخيص : ١٤٣٢٠٠٧٠٠٣

رقم المخطط : ٢١٠١٣٣-٤٣١٢٨
رقم القطعة : ١٢٩٨ و ١٢٩٩
الشارع : شارع العليا
حي المنطقة : حي المنطقة
مساحة الأرض : ٢٢٧١ م^٢

الجهة : شمال و ١٢٩٩ و ١٢٩٨
الحدود :
شمال : ١٠
شرق : ١٠
جنوب : ١٠
غرب : ١٠

مكونات البناء :
عدد الوحدات : ٢
نوع أرض : دور أرضي
أول أول : ٢٣٧١,٠٠
أول أول : ٢٣٧١,٠٠
أرضي مكشوف : ٤٤٧,٦١
دور أول : ٧١٩,٥٧
دور ثاني : ٧٧٨,٥٠
دور ثالث : ٧٧٨,٥٠
غرفة كهرباء : ٤٠٠,٠٠
دور رابع : ٧٧٨,٥٠
دور خامس : ٧٧٨,٥٠
دور سابع : ٧٧٨,٥٠
أسوار : ١٤٤,٠٠

المكتب المصمم : تيس للتقانة المعمارية
رقم المشروع : ٢٩٢٠
رقم الترخيص : ٢٩٢٠
سند الرسوم مبلغ وقدره : ٥٩٥٠ ريال بموجب الإيصال رقم : ٢٢٠١٦٤٥٥١٦ وتاريخ : ١٤٣٢٠٠٧٠٠٣

ملاحظات :
١- بموجب التقرير المصممي رقم ١٤٣٢٠٠٧٠٠٣ بتاريخ ١٤٣٢٠٠٧٠٠٣ من تيس للتقانة المعمارية
٢- يجب التأكد من مطابقة المخططات المعمارية من لجنة المشاريع الكبرى بتاريخ ١٤٣٢٠٠٧٠٠٣
٣- التقيد بمواصفات ومواد البناء وفقاً للمواصفات والمواصفات المعمارية
٤- الإلتزام بالتقارير الخاصة بمواصفات ومواد البناء وفقاً للمواصفات والمواصفات المعمارية

مدير عام المنطقة العمرانية :
م/ مسعود بن إبراهيم المحيا
مدير إدارة رخص البناء :
م/ علي بن أحمد الدوكري
رئيس قسم الترخيص :
م/ محمد بن أحمد الدوكري

يجب الإلتزام بالشروط الموضحة خلف الرخصة



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Al Haer Warehouses

Report no: 128466



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer’s Name	Al Ma’ather RIET Fund	Deed Number	910106051847
Beneficiaries of evaluation	Al Ma’ather RIET Fund	Deed Date	1438/11/21
The Purpose of evaluation	RIET Fund	Number of Plot	From 2788 to 2801
Type of Property	Warehouses	Sketch Number	3085
Address of Property	Kingdom of Saudi Arabia – Riyadh – Al-Masani'	Value Basis	Market Value
Area of Property	13,544.45 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	full ownership	Preview Date	2025/01/12
Appraisal method used	Market method (comparative transactions method)	Valuation Date	2024/12/31
	Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Date of Issuing the Report	2025/01/21
Real estate market value (SAR)		24,402,000	

Description of Property

General Description

The property consists of warehouses in the city of Riyadh in the Al- Masani' district, with an area of 13,544.45 m²

Site Description

Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Al- Masani'
Street	-

Ownership Data

Deed Number	910106051847
Date of Deed	1438/11/21
Plot Number	From 2788 to 2801
Plan Number	3085
Block Number	-

Nature of Property

☐ Rocky

☐ Sandy

☐ Salt-marsh

☐ Buried

☐ High

☐ Low






☒ Flat

System of Use

Warehouses

Property Description

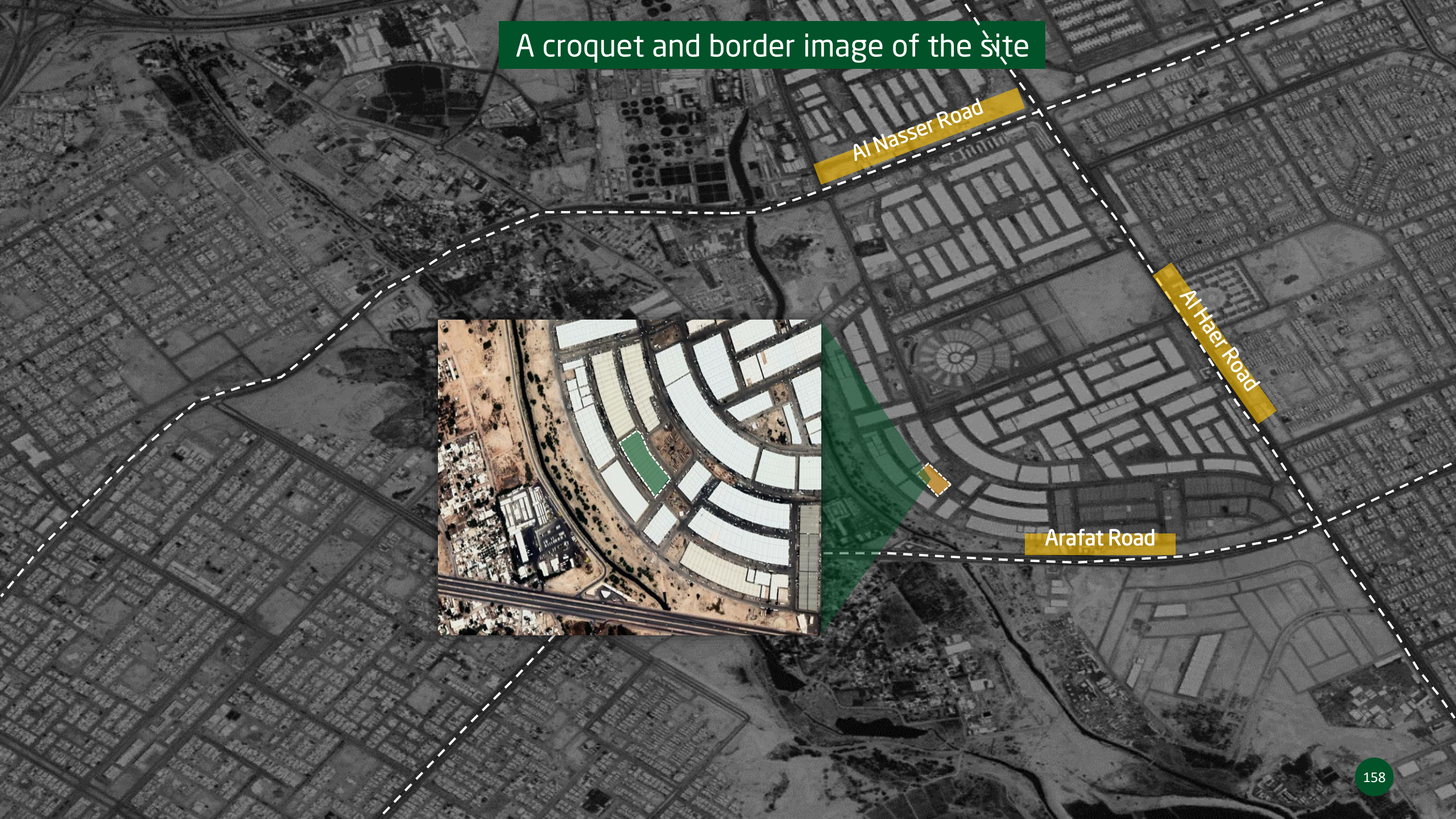
Site borders and lengths				
Northern	Sidewalk	With a length of	75.00	m
Southern	A 25 meter wide street	With a length of	65.00	m
Eastern	A 20 meter wide street	With a length of	165.03	m
Western	A 20 meter wide street	With a length of	186.80	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important Information about the Property	
Name of Property	Al Haer Warehouses
Location	Al- Masani' District / Riyadh City
Type of Property	Warehouses
Age of Property	14 years
Land Area (m2)	13,544.45
Building Area	11,980.00
Number of Floors	Ground Floor
Components of Property	It consists of several warehouses
The value of the lease contracts	2,040,000
Contracts Duration	Rental contracts that are renewed annually
Occupancy rate of units (%)	%100
Total Current Income (SAR)	2,040,000
Operation and maintenance expenses (SAR)	111,885
net operating income (SAR)	1,928,115

A croquet and border image of the site



Site Analysis / Picture that show nature of Property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Comparisons Map

Comparison 2

Comparison 3

Comparison 1

Property Location

Comparison #	Deal Type	Area	Price per meter
1	Market offer	662	2867
2	Market offer	956	2666
3	Market offer	875	2850

Evaluation results

Conclusion

✓ The first method: (settlement of comparisons)

- + %0	Comparison 3	- + %0	Comparison 2	- + %0	Comparison 1	The Property	Adjustments
	2,850		2,666		2,867		Price per square meter
							Adjustments elements
%0.0	Cash sale	%0.0	Cash sale	%0.0	Cash sale		1- Financing Conditions
	2,850		2,666		2,867		The value of the meter after settling the financing conditions
%0.0	No change in market conditions	%0.0	No change in market conditions	%0.0	No change in market conditions		2- Market conditions
							3- Properties of the property
%0.0	Similar	%0.0	Similar	%0.0	Similar		Location
%0.0	2024	%0.0	2024	%0.0	2024		Transaction date
%10.0-	Transaction	%10.0-	Transaction	%10.0-	Transaction		Transaction type
%0.0	Warehouses	%0.0	Warehouses	%0.0	Warehouses	Warehouses	Type of use
%30.0-	875.00	%30.0-	956.00	%30.0-	662.00	13,544.45	Area (m2)
%0.0	Good	%0.0	Good	%0.0	Good	Good	Accessibility
%2.0	1 street	%2.0	4 Streets	%2.0	1 Street	3 streets	Number of Streets
%0.0	2 roads	%0.0	2 roads	%0.0	2 roads	2 roads	Proximity to the main road
%0.0	Near	%0.0	Near	%0.0	Near	Near	Proximity to facilities
%0.0	All services are available	%0.0	All services are available	%0.0	All services are available	All services are available	Availability of services
%0.0	Regular	%0.0	Regular	%0.0	Regular	Regular	Regularity of the shape of the property
%0.0		%0.0		%0.0			Margin of negotiation
%0.0		%0.0		%0.0			Other factors
%38.0-		%38.0-		%38.0-			Total adjustments
	1,767		1,653		1,778		Net Market Price After Adjustments (SAR)
	%30		%35		%35		Weighted Weight
						1,731	Average price per meter (SAR / m2)
						1,700	Price per meter after rounding

Evaluation Results | Comparisons map of warehouses



Comparison 2

Property Location

Comparison 1

Comparison #	Area	Meter
1	1200	250
2	744	240
3	5300	150

Comparison 3

نتائج التقييم

الاستنتاج

✓ الطريقة الاولى : (طريقة تسوية المقارنات للمستودعات)

رقم المقارنة	المقار موضع المقارنة	مقارنة 1	%0 + -	مقارنة 2	%0 + -	مقارنة 3	%0 + -
قيمة المتر التأجيري		250	%0.00	240	%0.00	150	%0.00
موقع العقار		1,200	%0.00	744	%0.00	5,300	%0.00
المساحة (م2)	متوسط 450 متر مربع	جديد	%0.00	جديد	%0.00	جديد	%0.00
عمر العقار	جيد	متميز	%5.00-	متميز	%5.00-	متميز	%5.00-
مستوى التشطيب والتجهيزات	قريب	قريب	%0.00	قريب	%0.00	قريب	%0.00
القرب من الطريق الرئيسي	متوافر	متوافر	%0.00	متوافر	%0.00	متوافر	%0.00
توافر المواقف	مستودعات	مستودعات	%0.00	مستودعات	%0.00	مستودعات	%0.00
الاستخدام			%0.00		%0.00		%0.00
خدمات مساندة			%5.00-		%5.00-		%5.00-
صافي التقييم			238		228		143
صافي سعر السوق بعد التسوية							
متوسط قيمة المتر التأجيري السوقي	203						
متوسط قيمة المتر التأجيري السوقي تقريبا	200						

Evaluation results

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		200		240		150	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	450	1,200	%0.00	744	%0.00	5,300	%0.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%5.00-		%5.00-		%5.00-
Net market price after settlement			238		228		143
Average market rental meter value	203						
Approximately average market rental meter value	200						

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Recurring floor building surfaces	11,970	M2
Meter construction cost/repeated floors (before other costs)	400	SAR
Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average recurring floors building (after adding other costs)	560	SAR
Total value of buildings before depreciation	6,703,200	SAR
The life span of the building	30.0	year
Residual economic life	14.0	year
Effective lifetime	16.0	year
Gross depreciation rate	%53.3	%
Average recurring construction after depreciation	261	SAR
Net construction costs after depreciation	3,128,160	SAR
Land Area	13,544	M2
Land meter value	1,700	SAR
Total Land Value	23,025,565	SAR
Total Property Value	26,153,725	SAR
Property value (approximately)	26,154,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	2,040,000
Percentage of operating and maintenance expenses %	%5.5
Value of Operation and Maintenance Expenses (SAR)	111,885
Net Income (SAR)	1,928,115
Capitalization rate %	%8.0
Property Value (SAR)	24,101,432
Total property value approximately (SAR)	24,101,000

Evaluation results

Conclusion

- ✓ The fourth method: (the discounted cash flow method)

Warehouse revenues	
Total rental area of warehouses	11,980
Average rent per square meter	200
Total warehouse revenue in full occupancy	2,396,000

To calculate the discount rate	
government bond rate of revenue	%4.0
Inflation rate	%2.0
Market risk premium	%3.0
Special risk premium	%2.0
Discount rate	%11.0

To calculate the last value (recoverable)	
Capitalization factor	%8.5
Growth rate	%2.0

	Discounted cash flows					
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30
Total income in full occupancy	2,396,000	2,396,000	2,396,000	2,396,000	2,396,000	2,396,000
Projected annual growth rate	%0	%0	%4	%0	%0	%5
Total income after expected increase	2,396,000	2,396,000	2,491,840	2,491,840	2,491,840	2,616,432
Expected occupancy rate	%85	%85	%85	%85	%85	%85
Total Effective Income	2,036,600	2,036,600	2,118,064	2,118,064	2,118,064	2,223,967
Percentage of operating and maintenance expenses	%5	%5	%5	%5	%5	%5
Value of operating and maintenance expenses	101,830	101,830	105,903	105,903	105,903	111,198
Net Operating Income	1,934,770	1,934,770	2,012,161	2,012,161	2,012,161	2,112,769
Last value (redemption value)						25,353,226
Annual net cash flow	1,934,770	1,934,770	2,012,161	2,012,161	2,012,161	27,465,995
Total Property Value	24,401,940					
Approximately total value	24,402,000					

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the income capitalization method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and in accordance with the requirements of the client, valuation experts believe that the market value of the property and according to the following information for the property, the deed number (910106051847) in the city of (Riyadh) in the (Al-Masana) district, its area is 13,544.45 m² as follows:
- ✓ Income capitalization method has been adopted.

Total Property Value
Estimated Net Income (SAR)
1,928,114.59
Total property value (Income capitalization)
24,402,000
Total Property Value (Writing)
Twenty four million four hundred and two thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The rental area sent from the customer is larger than the area of the building surfaces according to the building permit, so the area in the building permit was relied upon when estimating the value of the buildings

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نصيب
VALUATION
الشركة السعودية لتقييم وتأمين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 ، C.R.No.
رقم الضريبي : 300046706100003 ، Vat No.

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title Deed image

بسم الله الرحمن الرحيم

الجمهورية العربية السورية
محافظة اللاذقية
مكتب العدل في اللاذقية
[٢٧٧]

الرقم : ٩١٠١٠٦٠٠٧٨٤٧
التاريخ : ٢١ / ١١ / ١٤٣٨ هـ

صك

الحمد لله وحده والسلاة والسلام على من لا نبي بعده وبعد :

فإن قطعة الأرض ٢٧٨٨ و قطعة الأرض ٢٧٨٩ و قطعة الأرض ٢٧٩٠ و قطعة الأرض ٢٧٩١ و قطعة الأرض ٢٧٩٢ و قطعة الأرض ٢٧٩٣ و قطعة الأرض ٢٧٩٤ و قطعة الأرض ٢٧٩٥ و قطعة الأرض ٢٧٩٦ و قطعة الأرض ٢٧٩٧ و قطعة الأرض ٢٧٩٨ و قطعة الأرض ٢٧٩٩ و قطعة الأرض ٢٨٠٠ و قطعة الأرض ٢٨٠١ من المخطط رقم ٣٠٨٥ الواقع في حي المصانع بمدينة الرياض - وحدودها وأطوالها كالتالي:

شمالاً: متر مشاة	بطول: (٧٥) خمسة و سبعون متر
جنوباً: شارع عرض ٢٥م	بطولاً: (٦٥) خمسة و ستون متر + ٧٠٠٦ + ٧٠٠٩م
شرقاً: شارع عرض ٢٠م	بطول: (١٦٥,٠٣) مائة و خمسة و ستون متر و ثلاثة سنتيمتر
غرباً: شارع عرض ٢٠م	بطول: (١٨٦,٨) مائة و ستة و ثمانون متر و ثمانون سنتيمتر

ومساحتها: (١٣,٥٤٤,٤٥) ثلاثة عشر ألفاً و خمسمائة و أربعة و أربعون متر مربعاً و خمسة و أربعون سنتيمتراً مربعاً فقط مقام عليها ثمانية وعشرون ٢٨ مستودع

والمستند في إقرارها على الصك الصادر من هذه الإدارة برقم ٣١٠١٢١٠١١١١٨ في ١٠ / ١٠ / ١٤٣٠ هـ

قد انتقلت ملكيتها ل: شركة بيتك للحفظ للعقارات بموجب سجل تجاري رقم ١٠١٠٧١٥٤٤٨ في ٢٦ / ١٠ / ١٤٣٨ هـ ، بتعم وقدره ٢٧٢٨١٨٨٧,٨١ سبعة و عشرون مليوناً و مئتين و واحد و ثمانون ألفاً و ثمانمائة و سبعة و ثمانون ريالاً و واحد و ثمانون هللة

حسباً بأن جزء من المبلغ يمثل قيمة ومعدات استثمارية في مستودع المخر ريت بمبلغ ١٩٠٩٧٣٢١,١٧ ريال - حسب موافقة التفرقة التجارية وعليه جرى التصديق تحريراً في ٢١ / ١١ / ١٤٣٨ هـ ، لا عثماده : وصلى الله على نبينا محمد وآله وصحبه وسلم.

مطابق العدل

الختم الرسمي

وزارة العدل
مكتب العدل في اللاذقية
كاتب العدل بكتب رقم (٩)

حسن بن عبدالله بن محمد السائق

مصلحة مطابع الحكومة - ٧٧٢٨٣٦

نموذج رقم (١٢-٠٣-١) من ٩

(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تعديله)

Building permit image

رقم الرخصة : ١٤٢٦/٧٤٠
 تاريخ الرخصة : ١٤٢٢-٠٢-٠٦
 تاريخ الإنتهاء : ١٤٣٥-٠٢-٠٦
 نوع الرخصة : تجديد

الجمهورية العربية السورية
 وزارة الشؤون البلدية
 أمانة منطقة ١

اسم المالك : خالد عبد الرحمن محمد العمران
 رقم الإحداثيات : ١٠٤٨٥٩٣٧٦٦
 رقم المخطط : ٣١٠١٢١٠١١١١٨
 رقم القطعة : من ٢٧٨٨ إلى ٢٨٠١
 الشوارع :
 الحي : حي المصانع
 مساحة الأرض : ١٣٥٣٥,٤٥ م^٢
 محيط الأسوار : ٠ م / ط

الجهة	الحدود	الارتفاع	الامتداد
شمال	من مساحة ١٠ م	٢٩	٢
شرق	شارع عرض ٢٠ م	١٦٢,٠٣	٤
جنوب	شارع عرض ٢٥ م	٧٩,١٥	٥
غرب	شارع عرض ٢٠ م	١٨٣,٨	٤

مكونات البناء	عدد الوحدات	المساحة	الاستخدام
دور أرضي	٢٨	١١٩٧,٠٠	مستودع
غرفة كهرباء	٠	١٠,٠٠	محطة معدنية
أسوار	٠	٧٥,٠٠	خدمات

ملاحظات:

١- تم تجديد مخطط ١٨ ريال بالإصل رقم ٤٥/١٧٥٠٧٣٤ بتاريخ ١٤٢٦-٠١-٢٨ هـ لإضافة غرفة الكهرباء بمساحة ١٤٢٦-٠١-٢٨ هـ. نقل ملكية .

٢- بموجب التقرير المساحي برقم (١٤٣٢/١٦٧٧) بتاريخ ١٤٣٢-٠١-٠٩ هـ الصادر من بلدية الشفاء الفرعية.

٣- أعطي الموافقة بموجب خطاب إدارة الدفاع المدني برقم (١٤٣٢/١٣٧١/٣٧) بتاريخ ١٤٢٦-٠١-٠٧ هـ. ويجب التنسيق معهم قبل صرف شهادات إتمام البناء .

٤- أعطي الموافقة على إضافة غرفة الكهرباء بموجب خطاب شركة الكهرباء رقم (٠٥٠١٨٨٠٠١١٣) بتاريخ ١٤٢٦-٠١-١٩ هـ على أن تكون محطة معدنية ضمن المبنى أو بغرفتين تقابلية بالمبنى (٤٠٠٢,٥) وعلى أن تكون الأرض قضاء ولا يوجد عراقق على الطبيعة تحول دون التنفيذ وإن تلتزم شركة الكهرباء بما يترتب على ذلك تجاه الأمانة وأصحاب الملاحة. *****

المكتب المصمم : بدون
 رقم الترخيص : ١٠٠٠٠١
 رقم المشروع : ٩٦٢٤
 ريال بموجب الإيصالات رقم : ٤٤ / ٨٧٤٥١١٣
 وتاريخ : ١٤٢٦-٠١-٢٠ هـ

ملاحظات:

١- بموجب التقرير المساحي برقم (١٤٣٢/١٦٧٧) بتاريخ ١٤٣٢-٠١-٠٩ هـ الصادر من بلدية الشفاء الفرعية.

٢- أعطي الموافقة بموجب خطاب إدارة الدفاع المدني برقم (١٤٣٢/١٣٧١/٣٧) بتاريخ ١٤٢٦-٠١-٠٧ هـ. ويجب التنسيق معهم قبل صرف شهادات إتمام البناء .

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ملاحظات:

١- بموجب التقرير المساحي برقم (١٤٣٢/١٦٧٧) بتاريخ ١٤٣٢-٠١-٠٩ هـ الصادر من بلدية الشفاء الفرعية.

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٣- أعطي الموافقة على إضافة غرفة الكهرباء بموجب خطاب شركة الكهرباء رقم (٠٥٠١٨٨٠٠١١٣) بتاريخ ١٤٢٦-٠١-١٩ هـ على أن تكون محطة معدنية ضمن المبنى أو بغرفتين تقابلية بالمبنى (٤٠٠٢,٥) وعلى أن تكون الأرض قضاء ولا يوجد عراقق على الطبيعة تحول دون التنفيذ وإن تلتزم شركة الكهرباء بما يترتب على ذلك تجاه الأمانة وأصحاب الملاحة. *****

المكتب المصمم : بدون
 رقم الترخيص : ١٠٠٠٠١
 رقم المشروع : ٩٦٢٤
 ريال بموجب الإيصالات رقم : ٤٤ / ٨٧٤٥١١٣
 وتاريخ : ١٤٢٦-٠١-٢٠ هـ

ملاحظات:

١- بموجب التقرير المساحي برقم (١٤٣٢/١٦٧٧) بتاريخ ١٤٣٢-٠١-٠٩ هـ الصادر من بلدية الشفاء الفرعية.

٢- أعطي الموافقة بموجب خطاب إدارة الدفاع المدني برقم (١٤٣٢/١٣٧١/٣٧) بتاريخ ١٤٢٦-٠١-٠٧ هـ. ويجب التنسيق معهم قبل صرف شهادات إتمام البناء .

٣- أعطي الموافقة على إضافة غرفة الكهرباء بموجب خطاب شركة الكهرباء رقم (٠٥٠١٨٨٠٠١١٣) بتاريخ ١٤٢٦-٠١-١٩ هـ على أن تكون محطة معدنية ضمن المبنى أو بغرفتين تقابلية بالمبنى (٤٠٠٢,٥) وعلى أن تكون الأرض قضاء ولا يوجد عراقق على الطبيعة تحول دون التنفيذ وإن تلتزم شركة الكهرباء بما يترتب على ذلك تجاه الأمانة وأصحاب الملاحة. *****

ملاحظات:

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٣- أعطي الموافقة على إضافة غرفة الكهرباء بموجب خطاب شركة الكهرباء رقم (٠٥٠١٨٨٠٠١١٣) بتاريخ ١٤٢٦-٠١-١٩ هـ على أن تكون محطة معدنية ضمن المبنى أو بغرفتين تقابلية بالمبنى (٤٠٠٢,٥) وعلى أن تكون الأرض قضاء ولا يوجد عراقق على الطبيعة تحول دون التنفيذ وإن تلتزم شركة الكهرباء بما يترتب على ذلك تجاه الأمانة وأصحاب الملاحة. *****



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Al Sulay Warehouses

Report no: 128960



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer's Name	Al Ma'ather RIET Fund	Deed Number	310108046400
Beneficiaries of evaluation	Al Ma'ather RIET Fund	Deed Date	1438/11/23
The Purpose of evaluation	RIET Fund	Number of Plot	27
Type of Property	Warehouses	Sketch Number	1351
Address of Property	Kingdom of Saudi Arabia - Riyadh - Al Sulay	Value Basis	Market Value
Area of Property	50,985 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	Full Ownership	Preview Date	2025/01/07
Appraisal method used	Market method (comparative transactions method) Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Valuation Date	2024/12/31
		Date of Issuing the Report	2025/01/21
Real estate market value (SAR)		51,865,000	

Description of Property

General Description











The property consists of warehouses in Riyadh, Al-Sulay district, with an area of 50,985 m²

Site Description		Ownership Data	
Country	Kingdom of Saudi Arabia	Deed Number	310108046400
Region	Central	Date of Deed	1438/11/23
City	Riyadh	Plot Number	27
District	Al - Sulay	Plan Number	1351
Street	-	Block Number	-

Nature of Property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of Use	Mixed industrial (warehouses and light industrial) (according to building regulations)						

Description of Property

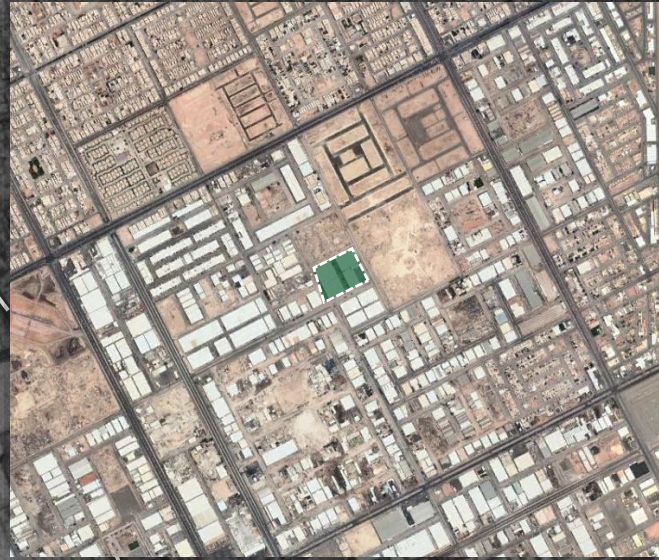
Site borders and lengths				
Northern	Owned by Khalifa Al Abdullah and associates	With a length of	262.50	m
Southern	A 36 meter wide street	With a length of	262.50	m
Eastern	A 36 meter wide street	With a length of	206.00	m
Western	Owned by Muhammad Al-Saleh Al-Nafi'	With a length of	206.00	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Description of Property

Important Information about the Property	
Name of Property	Al Sulay Warehouses
Location	Al-Sulay District / Riyadh City
Type of Property	Warehouses
Age of Property	30 years
Land Area (m2)	50,985
Building Area	38,348.00
Number of Floors	Ground Floor
Components of Property	It consists of several warehouses
The value of the lease contracts (beginning of the next year)	4,215,450
Contracts Duration	Rental contracts that renewed annually
Occupancy rate of units (%)	35 warehouses out of a total of 37
Total Current Income (SAR)	4,215,450
Operation and maintenance expenses (SAR)	236,963
net operating income (SAR)	3,978,487

A croquet and border image of the site



Abu Obeida Ibn Al Jarrah Road

Ring Road II

Eastern Ring Road

Southern Ring Road

Site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Map of Comparisons Lands

Comparison 3

Property Location

Comparison 1

Comparison 2

Comparison #	Deal Type	Area	Price per meter
1	Transaction	1,350	2,500
2	Transaction	1,350	2,500
3	Transaction	2,400	2,500

Evaluation Results | Map Comparisons
Rentals

Property Location

Comparison 1

Comparison 3

Comparison 2

Comparison #	Deal Type	Area	Price per meter
1	Transaction	3,750	226
2	Transaction	3,500	242
3	Transaction	3,500	228

Evaluation results

Conclusion

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		226		242		228	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	1,000	3,750	%0.00	3,500	%0.00	3,500	%0.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%5.00-		%5.00-		%5.00-
Net market price after settlement			238		228		143
Average market rental meter value	174						
Approximately average market rental meter value	175						

Evaluation results

Conclusion

- ✓ The first method: (residual value method)

First: Land data and zoning of areas			
Data	Scenario1	Scenario2	Scenario3
Land Area (m2)	50,985	50,985	50,985
Land Area after Development (m2)	35,690	35,690	35,690
Warehouse Land Area (m2)	35,690	35,690	35,690

Second: Sales Estimation			
Data	Scenario1	Scenario2	Scenario3
Average value per meter warehouses / SAR	2,000	2,250	2,500
Revenue from the warehouse part	71,379,000	80,301,375	89,223,750
Total Revenues from Land Sale (SAR)	71,379,000	80,301,375	89,223,750

Evaluation results

Conclusion

- ✓ The first method: (residual value method)

Third: Development Costs			
Data	Scenario1	Scenario2	Scenario3
Cost of developing direct meter (SR/m2)	80	70	60
Direct Development Cost Value (SAR)	4,078,800	3,568,950	3,059,100
Marketing commission rate (%)	%2.5	%2.5	%2.5
Marketing Commission Value (SAR)	1,784,475	2,007,534	2,230,594
Percentage of professional consulting and fees of development cost (%)	%1.0	%1.0	%1.0
The value of engineering consultancy (SAR)	40,788	35,690	30,591
Total development costs without financing costs	5,904,063	5,612,174	5,320,285
Percentage of funding from total development costs	%0.0	%0.0	%0.0
Interest rate on financing cost	%7.0	%6.0	%5.0
Number of years of development	0.50	0.50	0.50
Total financing cost	0	0	0
Total development costs with financing cost	5,904,063	5,612,174	5,320,285
Contingency Risk %	%8.0	%7.0	%6.0
Contingency Risk Value (SAR)	472,325	392,852	319,217
Total value of development	6,376,388	6,005,026	5,639,502
Developer profit percentage	%20.0	%15.0	%10.0
The value of the developer's profits	1,275,278	900,754	563,950
Total development value after adding developer earnings	7,651,666	6,905,780	6,203,452

Fourth: The value of the land			
The total value of the land after deducting all costs and developer's profits	63,727,334	73,395,595	83,020,298
Scenario weighted weight (%)	%40.0	%30.0	%30.0
Weighted land value	25,490,934	22,018,679	24,906,089

Total land value before applying the discount coefficient and development period	72,415,702
Development period	1.0
Discount rate	%6.0
Discount coefficient	0.94
Present value of total land	68,316,700
Current value per square meter	1,340
Current value per square meter (approximately)	1,300

Evaluation results

Conclusion

- ✓ The second method: (cost method)

Cost method (replacement method)		
Warehouse construction surfaces	38,348	M2
Meter/warehouse construction cost (before other costs)	550	SAR

Other costs	القيمة	% من تكاليف البناء
Professional Fees	%5.0	%
Utility Network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%15.0	%
Average warehouse construction (after adding other costs)	743	SAR
Total value of buildings before depreciation	28,473,390	SAR
The life span of the building	30.0	Year
Residual economic life	4.0	Year
Effective lifetime	26.0	Year
Gross depreciation rate	%86.7	%
Average recurring construction after depreciation	99	SAR
Net construction costs after depreciation	3,796,452	SAR
Land Area	50,985	M2
Land meter value	1,300	SAR
Total Land Value	66,280,500	SAR
Total Property Value	70,076,952	SAR
Property value (approximately)	70,077,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	4,215,450
Percentage of operating and maintenance expenses %	%5.6
Value of Operation and Maintenance Expenses (SAR)	236,963
Net Income (SAR)	3,978,487
Capitalization rate %	%8.0
Property Value (SAR)	49,731,084
Total property value approximately (SAR)	49,731,000

Evaluation results

Conclusion

- ✓ The fourth method: (the discounted cash flow method)

Assumptions of discounted cash flow method	
Total income in case of full occupancy	6,710,900
Operating expenses	%7
Vacancy rate after stabilization	%30
Cash flow period	5 years

To calculate discount rate	
government bond rate of revenue	%3.0
Inflation rate	%2.0
Market risk premium	%4.0
Special risk premium	%3.0
Discount rate	%12.0

To calculate the last value (recoverable)	
Capitalization factor	%8.5
Growth rate	%2.0

	Discounted cash flows				
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	1-Jan-29
Total income in case of full occupancy	6,710,900	6,710,900	6,710,900	6,710,900	6,710,900
Expected occupancy rate	%65	%65	%65	%65	%65
Total Effective Income	4,362,085	4,362,085	4,362,085	4,362,085	4,362,085
Percentage of operating and maintenance expenses	%6	%6	%6	%6	%6
Value of operating and maintenance expenses	261,725	261,725	261,725	261,725	261,725
Net Operating Income	4,100,360	4,100,360	4,100,360	4,100,360	4,100,360
Last value (redemption value)					49,204,319
Annual net cash flow	4,100,360	4,100,360	4,100,360	4,100,360	53,304,679
Total Property Value	51,865,491				
Approximately total value	51,865,000				

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the discounted cash flow method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and in accordance with the requirements of the client, valuation experts believe that the market value of the property, according to the following information, for the property No. (310108046400) in the city of (Riyadh) in the neighborhood of (Al-Sulay), its area is 50,985 m2 as follows:

Total Property Value
Expected Net Income of the Property (SAR)
3,978,486.70
Total Property Value (Cash Flow)
51,865,000
Total property value (in writing)
Fifty one million eight hundred and sixty five thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ There is a difference between the plot number in the instrument and the building systems in Riyadh
- ❖ The net land area is 50,985, where a 15-meter-wide street along the western limit and an area of 3,090 square meters has been cut, with a net land area of 50,985 meters.
- ❖ The western limit after the cut-off became a 15-meter street.

Executive Director

Abdulla Al Mahfouz

Basic Member (1210000273)

نصيب
VALUATION

الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162
رقم الضريبي : 300046706100003

PMO Director

Dr. Mohammed BinDakhil

Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title Deed image



Building permit image

مديرية الشؤون البلدية والقروية
 وزارة الشؤون البلدية والقروية
 أمانة مدينة الرياض
 وكالة التعمير والمساكن
 الإدارة العامة للتخطيط العمراني
 إدارة ونسب البناء



الرقم: ١٣١/٣/٤٧٧
 التاريخ: ١٤١٣/١٤/٥

للمدة ثلاث سنوات تبدأ من تاريخها

مستحق بناء
 ١٣١/٣/٤٧٧
 مستحق بناء
 ١٣١/٣/٤٧٧

مع الاستمرار على أرضه الكائنة في حي: **الحي**
 رقم: **١٣١/٣/٤٧٧** تاريخ: **١٣٩١**
 وأصبحت المحظوظات من قبل مكتب الهندسة
 رقم: **١٣١/٣/٤٧٧** تاريخ: **١٣٩١**
 بموجب الصك رقم: **١٣١/٣/٤٧٧** تاريخ: **١٣٩١**
 مركز: **الحي**

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

الرقم	الحي	الحي	الحي	الحي	الحي
١	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧
٢	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧
٣	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧
٤	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧
٥	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧	١٣١/٣/٤٧٧

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

المساحة المخصصة للبناء: **١٣١/٣/٤٧٧**

مدير: **الحي**
 مدير: **الحي**
 مدير: **الحي**



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Al Quds Usufruct

Report no: 128962



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer’s Name	Al Ma’ather RIET Fund	Deed Number	16\868
Beneficiaries of evaluation	Al Ma’ather RIET Fund	Deed Date	1404/3/30
The Purpose of evaluation	RIET Fund	Number of Plot	1473
Type of Property	Commercial and Office building	Sketch Number	2304
Address of Property	Kingdom of Saudi Arabia – Riyadh – Al Quds	Value Basis	Market Value
Area of Property	895.5 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	usufruct	Preview Date	2025/01/07
Appraisal method used	Market method (comparative transactions method)	Valuation Date	2024/12/31
	Income Method (Discounted Cash Flow)	Date of Issuing the Report	2025/01/21
Real estate market value (SAR)		706,000	

Description of Property

General Description

The property is a commercial office building in Riyadh, Al-Quds district, with an area of 895.5 m²

Description of Location

Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Al Quds
Street	-

Ownership Data

Deed Number	16\868
Deed Date	1404/3/30
Plot Number	1473
Plan Number	2304
	-

Nature of property

☐ Rocky

☐ Sandy

☐ Salt-marsh

☐ Buried

☐ High

☐ Low







☒ Flat

System of use

Residential - Commercial - Office (according to building regulations)

Description of the Property

Site borders and lengths				
Northern	A 60 meter wide street	With a length	27	m
Southern	Plot no: 1464	With a length	30	m
Eastern	Plot no; 1473 A	With a length	30	m
Western	A 15 meter wide street	With a length	27	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Description of the Property

Important information about the property	
Name of the Property	Al Quds usufruct
Location	Al Quds District / Riyadh City
Type of Property	Commercial Showrooms
Property's Age	8
Land Area (m2)	895.50
Building Area	1,317.84
Number of Floors	Ground floor + two scales and upper annexes
Components of the Property	It consists of trade fairs and offices
The value of the current lease contracts	The usufruct expires on April 14, 2027
Contract duration	annually renewed
Occupancy rate of units (%)	%100
Total Current Income (SAR)	698,326
Operation and maintenance expenses (SAR)	350,000
Net operating income (SAR)	0
Current net operating income (SAR)	348,326

A Croquet and border image to the site

Imam Abdullah Bin Saud Bin Abdulaziz Road



King Abdullah Road

Khalid Bin Alwaleed Street

Eastern Ring Road

Site Analysis / Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Site Analysis / Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Map Comparisons

Trade shows

Comparison 1

Comparison 3

Comparison 2

Property Location

Comparison #	Deal Type	Area	Price per meter
1	Market offer	900	777
2	Market offer	230	1,300
3	Market offer	315	952

Evaluation results | Comparison Settlement (Showrooms)

Conclusion

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		777		1,300		952	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	200	900	%10.00	230	%0.00	315	%0.00
Property Age	New	New	%15.00-	New	%15.00-	New	%15.00-
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%15.00-		%15.00-		%15.00-
Net Valuation			%20.00-		%30.00-		%30.00-
Net market price after settlement			622		910		666
Average market rental meter value	733						
Approximately average market rental meter value	730						

Evaluation Results | Comparisons Map Offices

Comparison 2

Comparison 3

Comparison 1

Property Location

Comparison #	Deal Type	Area	Price per meter
1	Market offer	140	535
2	Market offer	140	640
3	Market offer	165	424

Evaluation results | Comparison Settlement (Offices)

Conclusion

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		535		640		414	
Property Location			%10.00		%10.00		%0.00
Assumed Area (m2)	90	140	%0.00	140	%0.00	165	%0.00
Property Age	New	New	%15.00-	New	%15.00-	New	%10.00-
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Margin of negotiation			%10.00-		%10.00-		%0.00
Net Valuation			%15.00-		%15.00-		%10.00-
Net market price after settlement			455		544		373
Average market rental meter value	457						
Approximately average market rental meter value	460						

Evaluation results| Discounted cash flow method

Showroom's Revenues	
Total rental area for Showrooms	820
Average rent per meter for Showrooms	730
Total Showrooms revenues in full occupancy	598,600
Office's Revenue	
Total rental area for offices	276
Average office meter rental	460
Total office revenue in full occupancy	126,960

To calculate the discount rate	
Government bond rate of return	%4.0
Inflation	%2.0
Market Risk Premium	%2.0
Special Risk Premium	%2.0
Discount rate	%10.0

	Discounted cash flows		
	31-Dec-25	31-Dec-26	14-Apr-27
The total income of the Showrooms in the event of full occupancy	598,600	598,600	171,029
Effective income for Showrooms	%95	%95	%95
Expected occupancy rate of Showrooms	568,670	568,670	162,477
Total office income in full occupancy	126,960	126,960	36,274
Expected occupancy rate for offices	%90	%90	%90
Effective income for offices	114,264	114,264	32,647
Total effective income in full employment	682,934	682,934	195,124
Annual increase rate	%0.0	%5.0	%0.0
Total income after annual increase	682,934	717,081	230,978
Operation and maintenance expense ratio	%5.0	%5.0	%5.0
Operation and maintenance expenses	34,147	35,854	11,549
Benefit rental as per client contract	350,000	350,000	99,726
Total cost	384,147	385,854	111,275
net cash flow	298,787	331,227	119,703
Total net present value	705,808		
Total value approx..	706,000		

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the discounted cash flow method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and in accordance with the client's requirements, valuation experts believe that the market value of the property and according to the following information for the property Deed No. (16/868) in the city of (Riyadh) in the neighborhood of (Al-Quds), an area of 895.5 m² is as follows:
- ✓ The discounted cash flow method has been adopted.

Total Property Value
Total Current Income (SAR)
582,499.98
The value of the usufruct of the property (SAR)
706,000
The value of the usufruct of the property approximately (riyals)
706,000
Total value of usufruct right (in writing)
Seven hundred and six thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The Usufruct from the property expires April 14, 2027 according to the customer's data, and we did not see a picture of the Usufruct contract.

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نثمين
VALUATION
الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

[illegible]



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Waddi Laban Usufruct

Report no: 128963



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Satement
Customer’s Name	Al Ma’ather REIT Fund	Deed Number	17\91
Beneficiaries of evaluation	Al Ma’ather REIT Fund	Deed Date	1404\2\10
The Purpose of evaluation	REIT Fund	Number of Plot	7948
Type of Property	Residential & commercial Block	Sketch Number	2351
Address of Property	Kingdom of Saudi Arabia - Riyadh - Dhohrat Laban	Value Basis	Market Value
Area of Property	895.5 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	Usufruct	Preview Date	2025/01/08
Appraisal method used	Market method (comparative transactions method) Income Method (discounted cash flow method)	Valuation Date	2024/12/31
		Date of Issuing the Report	2025/01/21
Property Market Value (SAR)		898,000	

Property Description

General Description

The property is a residential commercial building in Riyadh, Dhohrat Laban district, with an area of 895.5 m²

Description of Location

Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Dhohrat Laban
Street	-











Ownership Data

Deed Number	17\91
Deed Date	1404\2\10
Plot Number	7948
Plan Number	2351
Block Number	-

Nature of property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of use	Residential - Commercial - offices						

Property Description

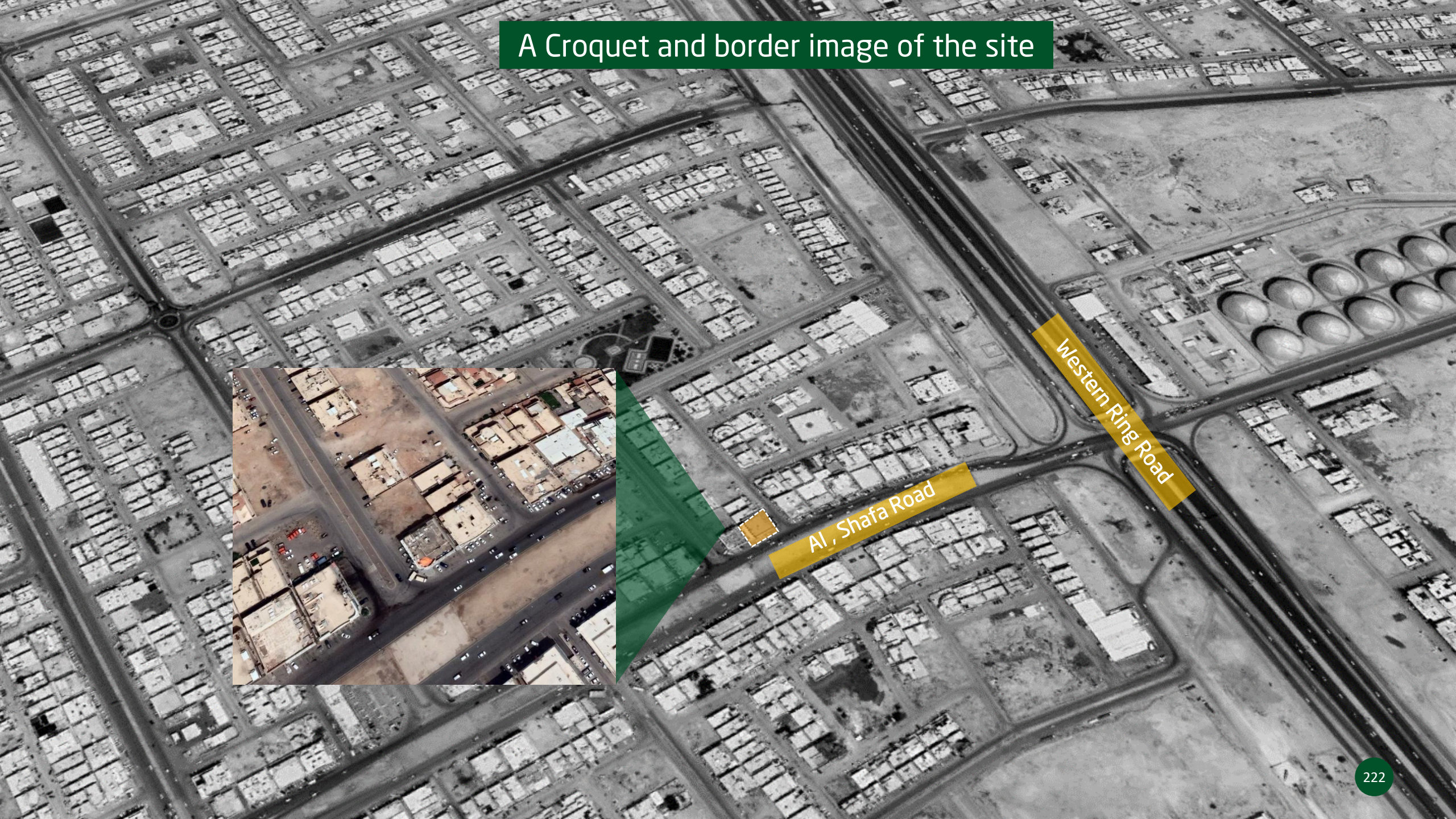
Site borders and lengths				
Northern	Plot no: 7946	With a length	20	m
Southern	A 20 meter wide street	With a length	27	m
Eastern	A 60 meter wide street	With a length	27	m
Western	Plot no: 7949	With a length	30	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important information about the property	
Name of the Property	Waddi Laban usufruct
Location	Dhahrat Laban District / Riyadh City
Type of Property	Commercial and Residential
Property's Age	7
Land Area (m2)	895.50
Building Area	1,695, 02
Number of Floors	Ground floor + two scales , first and upper annexes
Components of the Property	It consists of commercial showrooms and apartments.
The value of the current lease contracts	The usufruct expires on February 5, 2027
Contract duration	annual contracts
Occupancy rate of units (%)	%100
Total Current Income (SAR)	642,698
Operation and maintenance expenses (SAR)	200,000
Net operating income (SAR)	12,869
Current net operating income (SAR)	429,829

A Croquet and border image of the site



Pictures showing the nature of property | Site Analysis



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Pictures showing the nature of property | Site Analysis



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Map of Comparisons Apartments

Property Location

Comparison 2

Comparison 1

Comparison 3

Comparison #	Deal Type	Area	Price
1	Market offer	4 Bedroom apartment	38k
2	Market offer	3 Bedroom apartment	35K
3	Market offer	3 Bedroom apartment	31K

Evaluation results | Comparison Settlement (Apartments)

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		38,000		35,000		31,000	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	133	150	%10.00-	150	%0.00	100	%0.00
Rooms	3	4	%5.00-	3	%0.00	3	%0.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%10.00-	Good	%10.00-	Good	%10.00-
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%25.00-		%10.00-		%10.00-
Net market price after settlement			28,500		31,500		27,900
Average market rental meter value	29,300						
Approximately average market rental meter value	29,000						

Evaluation Results | Map Comparisons

Trade shows



Comparison #	Deal Type	Area	Price per meter
1	Market offer	337	593
2	Market offer	72	1,100
3	Market offer	383	1,044

Evaluation results | Comparison Settlement (Showrooms)

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		593		1,100		1,044	
Property Location			%5.00		%5.00		%5.00
Assumed Area (m2)	155	337	%10.00	72	%10.00-	383	%10.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%15.00-	Good	%15.00-	Good	%15.00-
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%0.00		%20.00-		%0.00
Net market price after settlement			593		880		1,044
Average market rental meter value	839						
Approximately average market rental meter value	800						

Evaluation results| Discounted cash flow method

Showroom's Revenues	
Total rental area for Showrooms	620
Average rent per meter for Showrooms	800
Total Showrooms revenues in full occupancy	496,000
Apartment's Revenue	
Number of apartments	6
Average apartment rental	29,000
Total revenues of apartments in case of full occupancy	174,000

To calculate the discount rate	
Government bond rate of return	%4.0
Inflation	%2.0
Market Risk Premium	%2.0
Special Risk Premium	%2.0
Discount rate	%10

	Discounted cash flow		
	31-Dec-25	31-Dec-26	5-Feb-27
Total Income	670,000	670,000	64,247
Annual rate of increase	%0.0	%0.0	%0.0
Total income after annual increase	670,000	670,000	64,247
Expected occupancy rate	%100.0	%100.0	%100.0
Total Effective Income	670,000	670,000	64,247
Percentage of operating and maintenance expenses	%3.0	%3.0	%3.0
Operation and maintenance expenses	20,100	20,100	1,927
Utility lease according to the customer's contract	200,000	200,000	19,178
Total expenses	220,100	220,100	21,105
Net Cash Flow	449,900	449,900	43,141
Total Net Present Value	897,752		
Approximately total value	898,000		

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the discounted cash flow method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and in accordance with the requirements of the client, appraisal experts believe that the market value of the property and according to the following information for the property Deed No. (17/91) in the city of (Riyadh) in the neighborhood of (Dhohrat Laban), an area of 895.5 m2 is as follows:
- ✓ The discounted cash flow method has been adopted.

Total Property Value
Total expected income by the end of the year (SAR)
429,829
Usufruct value (SAR)
898,000
Total Property Value (Writing)
Eight hundred and ninety eight thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The Usufruct from the property expires On February 5, 2027 according to the customer's evidence, and we did not see a picture of the Usufruct contract

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نصيب
VALUATION
الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Building permit image

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الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Al Dabab Usufruct

Report no: 128964



الشركة السعودية لتقييم وتثمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer’s Name	Al Ma’ather REIT Fund	Deed Number	1\512
Beneficiaries of evaluation	Al Ma’ather REIT Fund	Deed Date	1393\05\01
The Purpose of evaluation	REIT Fund	Number of Plot	-
Type of Property	commercial office building	Sketch Number	-
Address of Property	Kingdom of Saudi Arabia - Riyadh – Al Murabba	Value Basis	Market Value
Area of Property	781.94 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	Usufruct	Preview Date	2025/01/08
Appraisal method used	Market method (comparative transactions method)	Valuation Date	2024/12/31
	Income Method (discounted cash flow method)	Date of Issuing the Report	2025/01/21
Property Market Value (SAR)		2,279,000	

Property Description

General Description

The property is a commercial office building in Riyadh, Al Murabba district, with an area of 781.94 m²

Description of Location

Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Al Murabba
Street	-











Ownership Data

Deed Number	512 / 1
Deed Date	1393\05\01
Plot Number	-
Plan Number	-
Block Number	-

Nature of property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of use	Commercial - offices						

Property Description

Site borders and lengths				
Northern	A street that is 30 meters wide	With a length	23.0	m
Southern	A street that is 30 meters wide	With a length	27.7	m
Eastern	A neighbor	With a length	30	m
Western	A neighbor	With a length	24.4	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important information about the property	
Name of the Property	Al Dabab usufruct
Location	Al Moraba 'a District / Riyadh City
Type of Property	Commercial and Residential
Property's Age	5
Land Area (m2)	781,94
Building Area	3,080.48
Number of Floors	Basement, ground floor,+ 6 recurring floors
Components of the Property	It consists of commercial showrooms and offices.
The value of the current lease contracts	The usufruct expires on May 18, 2031
Contract duration	Yearly contract
Occupancy rate of units (%)	%100
Total Current Income (SAR)	477,666
Annual utility rent (SAR)	350,000
Operation and maintenance expenses (SAR)	55,112.26
Net operating income (SAR)	72,554

A croquet and border image of the site



Imam Abdullah Bin Faisal Bin Turki Road

Prince Abdulaziz Bin Mas'ad Bin Jallawi Street

Al-washm Street

site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Comparisons Map Offices

Comparison 3

Comparison 1

Comparison 2

Property Location

Comparison #	Deal Type	Area	Price per meter
1	Market offer	123	690
2	Market offer	158	443
3	Market offer	145	720

Evaluation results | Comparison Settlement (Offices)

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		690		443		720	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	70	123	%0.00	158	%0.00	145	%0.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%10.00-	Good	%0.00	Good	%10.00-
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%10.00-		%0.00		%10.00-
Net market price after settlement			621		443		648
Average market rental meter value	571						
Approximately average market rental meter value	600						

Evaluation Results | Map Comparisons
showrooms

Comparison 2

Comparison 1

Property Location

Comparison #	Deal Type	Area	Price per meter
1	Market offer	430	870
2	Market offer	238	840
3	Market offer	488	610

Comparison 3

Evaluation results | Comparison Settlement (Showrooms)

Conclusion

- ✓ The first method: (Comparable transactions methods)

Comparison Number	Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Rent per meter		870		840		610	
Property Location			%0.00		%0.00		%0.00
Assumed Area (m2)	70	430	%10.00	238	%10.00	488	%15.00
Property Age	New	New	%0.00	New	%0.00	New	%0.00
Finishing level	Good	Good	%0.00	Good	%0.00	Good	%0.00
Real Estate Management	Available	Available	%0.00	Available	%0.00	Available	%0.00
Availability of parking	Available	Available	%0.00	Available	%0.00	Available	%0.00
Security	Available	Available	%0.00	Available	%0.00	Available	%0.00
Support Services			%0.00		%0.00		%0.00
Net Valuation			%10.00		%10.00		%15.00
Net market price after settlement			957		924		702
Average market rental meter value	861						
Approximately average market rental meter value	900						

Evaluation results| Discounted cash flow method

Showrooms Revenues	
Total rental area for Showrooms	202
Average rent per meter for Showrooms	900
Total Showrooms revenues in full occupancy	182,106
Office Revenue	
Total rental area for offices	1,208
Average office meter rental	600
Total office revenue in full occupancy	724,824

To calculate Discount rate	
government bond rate of return	%4.0
Inflation rate	%2.0
market risk premium	%3.0
special risk premium	%2.0
Discount rate	%11.0

	Discounted cash flow						
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	18-May-31
The total income of the fairs in the state of full occupancy	182,106	182,106	182,106	182,106	182,106	182,106	69,040
Total office income in full occupancy	724,824	724,824	724,824	724,824	724,824	724,824	274,796
Total income of the property in full occupancy	906,930	906,930	906,930	906,930	906,930	906,930	343,836
Annual increase rate	%0.0	%0.0	%5.0	%0.0	%0.0	%5.0	%0.0
Total income after the expected increase	906,930	906,930	952,277	952,277	952,277	999,890	343,836
Expected occupancy rate	%95.0	%95.0	%95.0	%95.0	%95.0	%95.0	%95.0
Total Effective Income	861,584	861,584	904,663	904,663	904,663	949,896	326,644
Operation and maintenance expense ratio	%10.0	%10.0	%10.0	%10.0	%10.0	%10.0	%10.0
Operation and maintenance expenses	86,158	86,158	90,466	90,466	90,466	94,990	32,664
Benefit rental as per client contract	350,000	350,000	350,000	350,000	350,000	350,000	33,562
Total cost	436,158	436,158	440,466	440,466	440,466	444,990	66,226
net cash flow	425,425	425,425	464,196	464,196	464,196	504,906	260,418
Total net present value	2,278,531						
Total value approx..	2,279,000						

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the discounted cash flow method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and in accordance with the requirements of the client, valuation experts believe that the market value of the property and according to the following information for the property No. (512/1) in the city of (Riyadh) in the neighborhood of (Dhohrat Laban), an area of 781.94 m2 is as follows:
- ✓ The discounted cash flow method has been adopted.

Total Property Value
Net Current Income (SAR)
422,553.52
Total Usufruct (SAR)
2,279,000
Total Usufruct (Writing)
Two million two hundred and seventy nine thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The Usufruct from the property expires May 18, 2031 according to the customer's data, and we did not see a picture of the Usufruct contract

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نصيب
VALUATION
الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director
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الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Building permit image

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الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Towlan Suites Hotel

Report no: 128965



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer's Name	Al Ma'ather REIT Fund	Deed Number	314003007390
Beneficiaries of evaluation	Al Ma'ather REIT Fund	Deed Date	1443/6/17
The Purpose of evaluation	REIT Fund	Number of Plot	56 و 54
Type of Property	Hotel	Sketch Number	349 / 2
Address of Property	Kingdom of Saudi Arabia – Al Khobar- Al-Aqrabeya	Value Basis	Market Value
Area of Property	1,750.00 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	mortgaged	Preview Date	2025/01/07
Appraisal method used	Market method (comparative transactions method)	Valuation Date	2024/12/31
	Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Date of Issuing the Report	2025/01/21
Property Market Value (SAR)		27,508,000	

Property Description

General Description

The property is a hotel in Al-Khobar, Al-Aqrabeya district, with an area of 1,750.00 m²

Description of Location

Country	Kingdom of Saudi Arabia
Region	Central
City	Al Khobar
District	Al-Aqrabeya
Street	-





Ownership Data

Deed Number	314003007390
Deed Date	1443/6/17
Plot Number	56 g 54
Plan Number	349 / 2
Block Number	-

Nature of property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of use	Commercial						

Property Description

Site borders and lengths				
Northern	Coupons No. 53 and 55	With a length	50.00	m
Southern	A Street width 30 meter	With a length	50.00	m
Eastern	8 meter wide corridor	With a length	35.00	m
Western	Plot No. 58	With a length	35.00	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important information about the property	
Name of the Property	Towlan Suites Hotel
Location	Al-Aqrabeya District / Al Khobar
Type of Property	Hotel Apartments
Property's Age	11 years
Land Area m2	1,750
Building Area	6,275.88
Number of Floors	Two Basements, ground floor,+ 4 recurring floors
Components of the Property	It consists of 56 hotel rooms.
The value of the current lease contracts	2,310,000
Contract duration	One lease contract expires at the end of 2029
Occupancy rate of units (%)	100%
Total Current Income (SAR)	1,900,754
Operation and maintenance expenses (SAR)	There are no operating and maintenance expenses
Net operating income (SAR)	1,900,754

A Croquet and border image of the Site



Prince Faisal Bin Fahd Road

Zaid Bin Al, Khattab Road

King Khalid Road

site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

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2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

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6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation Results | Map of Comparisons Lands

Property Location

Comparison 1

Comparison 3

Comparison 2

Comparison #	Deal Type	Area	Price per meter
1	Market offer	1,500	5,500
2	Market offer	1,500	5,500
3	Market offer	1,800	6,000

Evaluation Results | Map of Comparisons Apartments

Property Location

Aswar Al Olaya Hotel Suites 2

Villa Misk Khobar 3

SAS Olaya Hotel Suites 1

Shada Residence Hotel 4

Comparison #	Rent
1	Junior One-Bedroom Suite Average Night Rental 260 SR / Night Two-Bedroom Suite Average Night Rental 360 SR / Night Average Deluxe King Suite Rental per night 450 SAR / night
2	One-Bedroom Suite Average Rental 278 SR / Night Two-Bedroom Suite Average Rent 638 SR / Night Three-Bedroom Suite Average Rental 638 SR / Night
3	Two-Bedroom Apartment Average rent 300 SR / night
4	Average Studio Rental Night 278 SAR / Night Average Bedroom Suite Rental Night 426 SR / Night Average Two Bedroom Suite Rental Night 583 SR / Night

Evaluation results

Conclusion

✓ The first method: (settlement of comparisons)

Adjustments	The Property	Comparison 1	- + %0	Comparison 2	- + %0	Comparison 3	- + %0
Price per square meter		5,500		5,500		6,000	
<u>Adjustments elements</u>							
1- Financing Conditions		Cash sale	%0.0	Cash sale	%0.0	Cash sale	%0.0
The value of the meter after settling the financing conditions		5,500		5,500		6,000	
2- Market conditions		No change in market conditions	%0.0	No change in market conditions	%0.0	No change in market conditions	%0.0
3- Properties of the property							
Location		Similar	%0.0	Similar	%0.0	Similar	%0.0
Transaction date		2024	%0.0	2025	%0.0	2024	%0.0
Type of use	Commercial	Commercial	%0.0	Commercial	%0.0	Commercial	%0.0
Area (m2)	1,750.00	1,500	%0.0	1,500	%0.0	1,800	%0.0
Accessibility	Good	Good	%0.0	Good	%0.0	Good	%0.0
Number of Streets	one street	one street	%0.0	one street	%0.0	one street	%0.0
Proximity to the main road	One road	One road	%0.0	One road	%0.0	One road	%0.0
Proximity to facilities	Near	Near	%0.0	Near	%0.0	Near	%0.0
Availability of services	All services are available	All services are available	%0.0	All services are available	%0.0	All services are available	%0.0
Regularity of the shape of the property	Regular	Regular	%0.0	Regular	%0.0	Regular	%0.0
Margin of negotiation			%0.0		%5.0-		%0.0
Other factors			%10.0		%10.0		%10.0
Total adjustments			%10.0		%5.0		%10.0
Net Market Price After Adjustments (SAR)		6,050		5,775		6,600	
Weighted Weight		%33		%33		%34	
Average price per meter (SAR / m2)	6,146						
Price per meter after rounding	6,100						

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	1,136	M2
Meter Parking Construction Cost (before other costs)	1,850	SAR
Recurring floor building surfaces	5,112	M2
Meter construction cost/repeated floors (before other costs)	1,850	SAR

Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%15.0	%
Average construction for parking (after adding other costs)	2,498	SAR
Average recurring floors building (after adding other costs)	2,498	SAR
Total value of buildings before depreciation	15,605,329	SAR
The life span of the building	40.0	year
Residual economic life	26.5	year
Effective lifetime	13.5	year
Gross depreciation rate	%33.8	%
Average construction of parking after depreciation	1,655	SAR
Average recurring construction after depreciation	1,655	SAR
Net construction costs after depreciation	10,338,530	SAR
Land Area	1,750	M2
Land meter value	6,100	SAR
Total Land Value	10,675,000	SAR
Total Property Value	21,013,530	SAR
Property value (approximately)	21,014,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	1,900,754
Net Income (SAR)	1,900,754
Capitalization rate %	%8.5
Property Value (SAR)	22,361,811
Total property value approximately (SAR)	22,362,000

Evaluation results

Conclusion

✓ The fourth method: (discounted cash flow method)

Assumptions of the discounted cash flow method	
Gross income in full occupancy	2,310,000
operating expenses	%0
Vacancy rate after stabilization	%0
cash flow period	6 Years

To calculate the discount rate	
government bond rate of return	%4.0
Inflation rate	%2.0
market risk premium	%3.0
special risk premium	%1.0
Discount rate	%10.0

To calculate the last (recoverable) value	
capitalization factor	%9.0
growth rate	%2.0

	Discounted cash flows				
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29
Total Effective Income	2,310,000	2,310,000	2,310,000	2,310,000	2,310,000
Percentage of operating and maintenance expenses	%0	%0	%0	%0	%0
Value of operating and maintenance expenses	0	0	0	0	0
Net Operating Income	2,310,000	2,310,000	2,310,000	2,310,000	2,310,000
Last value (redemption value)					26,180,000
Annual net cash flow	2,310,000	2,310,000	2,310,000	2,310,000	28,490,000

Total Property Value	27,508,148
Approximately total value	27,508,000

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, **discounted cash flow method** is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and according to the client's requirements, valuation experts believe that the market value of the property and according to the following information for the property, the deed number (314003007390) in the city of (Al-Khobar) in the (Al-Aqrabia) neighborhood, its area is 1,750.00 m2 as follows:
- ✓ **Discounted cash flow method has been adopted.**

Total Property Value
Net Current Income (SAR)
1,900,754
Total Property Value (Cash Flow)
27,508,000
Total Property Value (Writing)
Twenty seven million five hundred and eight thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property is mortgaged to Al Rajhi Investment Banking Company for SAR 195,568,771.30

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نصيب
VALUATION
الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title deed

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:

فإن الواقع في حي العليا بمدينة الخبر . القطعتين رقم 54 و 56 بالمخطط رقم 2 / 349 بحى العقربية بمحافظة الخبر وحدودها وأطوالها كالتالي:

شمالاً: قسمتين رقم 53 و 55 بطول: (50) خمسون متر

جنوباً: شارع عرض 30 متر بطول: (50) خمسون متر

شرقاً: ممر عرض 8 متر بطول: (35) خمسة و ثلاثون متر

غرباً: قطعة رقم 58 بطول: (35) خمسة و ثلاثون متر

ومساحتها : (1750) ألف و سبعمائة و خمسون متر مربعاً فقط

المملوكة لـ/ شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ وتنتهي في 26 / 10 / 1443 هـ بالصك الصادر من كتابة العدل بشمال الرياض برقم 917819000735 في 6 / 1 / 1441 هـ . قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي المصرفية للاستثمار بموجب سجل تجاري رقم 1010000096 وتنتهي في 29 / 5 / 1444 هـ ضماناً لوفائه بـ/ بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب سجل تجارى رقم 1010000096 بمبلغ وقدره (3.195568771) مائة و خمسة و تسعون مليوناً و خمسمائة و ثمانية و ستون ألفاً و سبعمائة و واحد و سبعون ريال و ثلاثون هلالاً) ريال المجاز من الهيئة الشرعية برقم 1075 في 7 / 9 / 1436 هـ ، على أن يتم سداد المديونية بالكامل نهاية الفترة المتفق عليها (60) شهر من تاريخ اليوم 20 / 01 / 2022م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في 17 / 6 / 1443 هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل ، ويجب التحقق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل

نموذج رقم (١٢-٠٣-١)

صفحة رقم 1 من 1

٢٩٢١٥٩- مصادقة الحكومة

(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تقليده)

٢٩٢١٥٩- مصادقة الحكومة

(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تقليده)

٢٩٢١٥٩- مصادقة الحكومة

(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تقليده)

Building permit image

[illegible]



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Al Nokhba Schools in Onaizah

Report no: 128966



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer's Name	Al Ma'ather REIT Fund	Deed Number	314003007389 814003007409 914003007410 514003007411 814003007412
Beneficiaries of evaluation	Al Ma'ather REIT Fund	Deed Date	1443/6/17 1443/6/23
The Purpose of evaluation	REIT Fund	Number of Plot	1029 ,1035 ,1034 ,1036 ,1031
Type of Property	Schools	Sketch Number	1/ق/245
Address of Property	Kingdom of Saudi Arabia – Onaizah - Al Fahd	Value Basis	Market Value
Area of Property	6,694.00 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	mortgaged	Preview Date	2025/01/07
Appraisal method used	Market method (comparative transactions method)	Valuation Date	2024/12/31
	Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Date of Issuing the Report	2025/01/21
Property Market Value (SAR)		30,465,000	

Property Description

General Description	The property consists of schools in Onaizah, Al Fahd District, with an area of 6,694.00 m ²						
----------------------------	--	--	--	--	--	--	--











Description of Location	
Country	Kingdom of Saudi Arabia
Region	Al-Qassim
City	Onaizah
District	Al Fahd
Street	-

Ownership Data	
Deed Number	814003007409 914003007410 514003007411 814003007412 314003007389
Deed Date	1443/6/23 1443/6/17
Plot Number	,1035 ,1034 ,1036 ,1031 1029
Plan Number	1/ق/245
Block	245 / plot 1

Nature of property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of use	school						

Property Description

Site borders and lengths				
Northern	According to the deeds	With a length	According to the deeds	m
Southern	According to the deeds	With a length	According to the deeds	m
Eastern	According to the deeds	With a length	According to the deeds	m
Western	According to the deeds	With a length	According to the deeds	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important information about the property	
Name of the Property	Al Nokhba Schools at Onaizah
Location	Al-Fahd District / Onaizah
Type of Property	A school
Property's Age	2 Years
Land Area (m2)	6,694
Building Area	10,522.17
Number of Floors	Basement, ground floor,+ 2 recurring floors
Components of the Property	A school
The value of the current lease contracts	2,635,000
Contract duration	Rental contracts expire at the end of 2034
Occupancy rate of units (%)	%100
Total Current Income (SAR)	2,635,000
Operation and maintenance expenses (SAR)	There are no operating and maintenance expenses
Net operating income (SAR)	2,635,000

A Croquet and border image of the site



Prince Sultan Bin Abdulaziz Road

Sheikh Mohammed Bin Athaimin Road

Omar Ibn Al , Khattab Road

site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation results

Conclusion

- ✓ The first Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	735	M2
Meter Parking Construction Cost (before other costs)	1,800	SAR
Recurring floor building surfaces	9,787	M2
Meter construction cost/repeated floors (before other costs)	1,800	SAR

Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	2,520	SAR
Average recurring floors building (after adding other costs)	2,520	SAR
Total value of buildings before depreciation	26,515,868	SAR
The life span of the building	45.0	year
Residual economic life	41.5	year
Effective lifetime	3.5	year
Gross depreciation rate	%7.8	%
Average construction of parking after depreciation	2,324	SAR
Average recurring construction after depreciation	2,324	SAR
Net construction costs after depreciation	24,453,523	SAR
Land Area	6,694	M2
Land meter value	500	SAR
Total Land Value	3,347,000	SAR
Total Property Value	27,800,523	SAR
Property value (approximately)	27,801,000	SAR

Evaluation results

Conclusion

- ✓ The second method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	2,636,045
Net Income (SAR)	2,636,045
Capitalization rate %	%8.5
Property Value (SAR)	31,012,299
Total property value approximately (SAR)	31,012,000

Evaluation results

Conclusion

- ✓ The third method: (Land Development)

First: Land data and zoning of areas			
Data	Scenario1	Scenario2	Scenario3
Land Area raw (m2)	6,694	6,694	6,694
Land Area after Development (m2)	5,690	5,690	5,690
Residential Land Area (m2)	5,690	5,690	5,690

Second: Sales Estimation			
Data	Scenario1	Scenario2	Scenario3
Average value per residential meter / SAR	800	850	900
Revenue from the residential plots	4,551,920	4,836,415	5,120,910
Total Revenues from Land Sale (SAR)	4,551,920	4,836,415	5,120,910

Evaluation results

Conclusion

- ✓ The third method: (Land Development)

Third: Development Costs			
Data	Scenario1	Scenario2	Scenario3
Marketing commission rate (%)	%2.5	%2.5	%2.5
Marketing Commission Value (SAR)	113,798	120,910	128,023
Percentage of professional consulting and fees of development cost (%)	%1.0	%1.0	%1.0
Total development costs without financing costs	113,798	120,910	128,023
Number of years of development	0.50	0.50	0.50
Total development costs with financing cost	113,798	120,910	128,023
Contingency Risk %	%3.0	%2.0	%1.0
Contingency Risk Value (SAR)	3,414	2,418	1,280
Total value of development	117,212	123,329	129,303
Developer profit percentage	%10.0	%10.0	%10.0
The value of the developer's profits	11,721	12,333	12,930
Total development value after adding developer earnings	128,933	135,661	142,233
Fourth: The value of the land			
The total value of the land after deducting all costs and developer's profits	4,422,987	4,700,754	4,978,677
Scenario weighted weight (%)	%30.0	%30.0	%40.0
Weighted land value	1,326,896	1,410,226	1,991,471

Evaluation results

Conclusion

- ✓ The third method: (Land Development)

Total land value before applying the discount coefficient and development period	4,728,593
Development period	0.5
Discount rate	%6.0
Discount coefficient	0.97
Present value of total land	4,592,815
Current value per square meter	686
Reduction rate for educational use	%30
The value of the land meter after the reduction	480
Current value per square meter (approximately)	500

Evaluation results

Conclusion

✓ The fourth method: (discounted cash flow method)

Assumptions of the discounted cash flow method	
Gross income in full occupancy	2,635,000
operating expenses	%0
Vacancy rate after stabilization	%0
cash flow period	10 years

To calculate the discount rate	
government bond rate of return	%4.0
Inflation rate	%2.0
market risk premium	%3.0
special risk premium	%1.0
Discount rate	%10.0

To calculate the last (recoverable) value	
capitalization factor	%9.0
growth rate	%2.0

	Discounted cash flows									
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	31-Dec-31	31-Dec-32	31-Dec-33	31-Dec-34
Total Effective Income	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000
Percentage of operating and maintenance expenses	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0
Value of operating and maintenance expenses	0	0	0	0	0	0	0	0	0	0
Net Operating Income	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000
Last value (redemption value)										29,863,333
Annual net cash flow	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	2,635,000	32,498,333
Total Property Value	30,464,650									
Approximately total value	30,465,000									

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, the income capitalization method is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and according to the client's requirements, valuation experts believe that the market value of the property and according to the following information for the property, the deed number (-) in the city of (Onaizah) in the (Fahd) neighborhood, its area is 6,694.00 m2 as follows:
- ✓ Income capitalization method has been adopted.

Total Property Value
Annual Tenancy Contract Value (SAR)
2,636,045.42
Total Property Value (Cash Flow)
30,465,000
Total Property Value (Writing)
Thirty million four hundred and sixty five thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property is mortgaged to Al Rajhi Investment Banking Company for SAR 195,568,771.30

Executive Director

Abdulla Al Mahfouz

Basic Member (1210000273)

نثمين
VALUATION

الشركة السعودية لتقييم وتأمين الاصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director

Dr. Mohammed BinDakhil

Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title deed

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٢/٧/٢٢ هـ
رقم الصك: ٩١٤٠٠٠٠٠٠٧٤١٠

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم 1029 من المخطط رقم 245 / 3 / 1 الواقع في حي القيد بمدينة غزيرة، وحدوها وأوطانها كالتالي:
شمالاً: قطعة رقم 1028 بطول: (29) تسعة و عشرون متر
جنوباً: شارع عرض 20م بطول: (29) تسعة و عشرون متر
شرقاً: مكتب إيراد الماء بطول: (62) اثنين وستون متر
غرباً: قطعة رقم 1031 بطول: (62) اثنين وستون متر
ومساحتها: (1798) ألف و سبعمائة و ثمانية وتسعون متر مربعاً فقط
المطوية /أ/ شركة بيتك للحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ، وتنتهي في 26 / 10 / 1443 هـ، بالصلك الصادر من كتابة العدل بشمال الرياض برقم شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم 1010000096 وتنتهي في 29 / 5 / 1444 هـ، ضماناً لهاته بر/ مبلغ (195568771.30 ريال) (مئة وخمسة وتسعون مليون وخمسمئة وثمان مئتين ألف و سبعمائة وأحد وسبعون ريال وثلاثون مائة) بموجب العقد الموقع بين المصرف والسيد /شركة بيتك الحفظ للعقارات بتاريخ 09 / 01 / 2020م، الحجاز من الهيئة الشرعية رقم 1075 وتاريخ 07 / 09 / 1436هـ، علماً أن اجازة الهيئة الشرعية سارية مالم يرد عليها ما يعدها او يلغها وأن تنفيذ هذا العقد المعين المنشئ للمدينية على العمل قد تم أو سيتم وفق قرارات الهيئة الشرعية لا يخالفها على أن يتم سداد الدينك المنشئ للمدينية كما هو متفق عليه في عقد التسهيلات المشار اليه في تاريخ 25 / 01 / 2027م وفي حالة عدم السداد فلتمرت بين العقار بالقائمة التي تنتهي عندها الرغبات واستيفاء ماقى دمة الراهن من مبلغ وما نقص يرجع

صحت هذه الوثيقة من وزارة العدل، ويجب التلحق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل
تاريخ: ٢٠٢٢-٠٧-٢٢
صفحة رقم 1 من 2

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٢/٧/٢٢ هـ
رقم الصك: ٩١٤٠٠٠٠٠٠٧٤١٠

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم 1035 من المخطط رقم 245 / 3 / 1 الواقع في حي القيد بمدينة غزيرة، وحدوها وأوطانها كالتالي:
شمالاً: جزء من القطعة رقم 1034 بطول: (25) خمسة و عشرون متر
جنوباً: شارع عرض 20م بطول: (25) خمسة و عشرون متر
شرقاً: جزء من القطعة رقم 1031 بطول: (32) اثنين وثلاثون متر
غرباً: قطعة رقم 1036 بطول: (32) اثنين وثلاثون متر
ومساحتها: (800) ثمانمائة متر مربعاً فقط بناءً على محضر اللجنة الفنية رقم 272072 في 2 / 1435 / 4 هـ، ومصدره بلدية محافظة غزيرة والمفيد في هذه الإدارة برقم 35951470 في 3 / 4 / 1435 هـ.
المطوية /أ/ شركة بيتك للحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ، وتنتهي في 26 / 10 / 1443 هـ، بالصلك الصادر من كتابة العدل بشمال الرياض برقم شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم 1010000096 وتنتهي في 29 / 5 / 1444 هـ، ضماناً لهاته بر/ مبلغ (195568771.30 ريال) (مئة وخمسة وتسعون مليون وخمسمئة وثمان مئتين ألف و سبعمائة وأحد وسبعون ريال وثلاثون مائة) بموجب العقد الموقع بين المصرف والسيد /شركة بيتك الحفظ للعقارات بتاريخ 09 / 01 / 2020م، الحجاز من الهيئة الشرعية رقم 1075 وتاريخ 07 / 09 / 1436هـ، علماً أن اجازة الهيئة الشرعية سارية مالم يرد عليها ما يعدها او يلغها وأن تنفيذ هذا العقد المعين المنشئ للمدينية على العمل قد تم أو سيتم وفق قرارات الهيئة الشرعية لا يخالفها على أن يتم سداد الدينك المنشئ للمدينية كما هو متفق عليه في عقد التسهيلات المشار اليه في تاريخ 25 / 01 / 2027م وفي حالة عدم السداد فلتمرت بين العقار بالقائمة التي تنتهي عندها الرغبات واستيفاء ماقى دمة الراهن من مبلغ وما نقص يرجع

صحت هذه الوثيقة من وزارة العدل، ويجب التلحق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل
تاريخ: ٢٠٢٢-٠٧-٢٢
صفحة رقم 1 من 2

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٢/٧/٢٢ هـ
رقم الصك: ٩١٤٠٠٠٠٠٠٧٤١٠

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم 1036 من المخطط رقم 245 / 3 / 1 الواقع في حي القيد بمدينة غزيرة، وحدوها وأوطانها كالتالي:
شمالاً: قطعة رقم 1033 بطول: (41.7) واحد و أربعون متر و سبعون سنتيمتر
جنوباً: قطعة رقم 1035 بقطعة رقم 1036 بطول: (49.9) تسعة و أربعون متر و تسعون سنتيمتر
شرقاً: جزء من القطعة رقم 1031 بطول: (30) ثلاثون متر
غرباً: شارع عرض 20م بطول: (31.1) واحد و ثلاثون متر و عشرة سنتيمتر
ومساحتها: (1373) ألف و ثلاثمائة و ثلاثة و سبعون متر مربعاً فقط بناءً على محضر اللجنة الفنية رقم 272072 في 2 / 1435 / 4 هـ، ومصدره بلدية محافظة غزيرة والمفيد في هذه الإدارة برقم 35951470 في 3 / 4 / 1435 هـ.
المطوية /أ/ شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ، وتنتهي في 26 / 10 / 1443 هـ، بالصلك الصادر من كتابة العدل الأولى بالرياض برقم شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم 1010000096 وتنتهي في 29 / 5 / 1444 هـ، ضماناً لهاته بر/ مبلغ (195568771.30 ريال) (مئة وخمسة وتسعون مليون وخمسمئة وثمان مئتين ألف و سبعمائة وأحد وسبعون ريال وثلاثون مائة) بموجب العقد الموقع بين المصرف والسيد /شركة بيتك الحفظ للعقارات بتاريخ 09 / 01 / 2020م، الحجاز من الهيئة الشرعية رقم 1075 وتاريخ 07 / 09 / 1436هـ، علماً أن اجازة الهيئة الشرعية سارية مالم يرد عليها ما يعدها او يلغها وأن تنفيذ هذا العقد المعين المنشئ للمدينية على العمل قد تم أو سيتم وفق قرارات الهيئة الشرعية لا يخالفها على أن يتم سداد الدينك المنشئ للمدينية كما هو متفق عليه في عقد التسهيلات المشار اليه في تاريخ 25 / 01 / 2027م وفي حالة عدم السداد فلتمرت بين العقار بالقائمة التي تنتهي عندها الرغبات واستيفاء ماقى دمة الراهن من مبلغ وما نقص يرجع فيه

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تاريخ: ٢٠٢٢-٠٧-٢٢
صفحة رقم 1 من 2

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٢/٧/٢٢ هـ
رقم الصك: ٩١٤٠٠٠٠٠٠٧٤١٠

صك

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فإن قطعة الأرض رقم 1036 من المخطط رقم 245 / 3 / 1 الواقع في حي القيد بمدينة غزيرة، وحدوها وأوطانها كالتالي:
شمالاً: جزء من القطعة رقم 1034 بطول: (24.9) أربعة و عشرون متر و تسعون سنتيمتر
جنوباً: شارع عرض 20م بطول: (34.7) أربعة و ثلاثون متر و سبعون سنتيمتر و به شقعة 6.30م
شرقاً: قطعة رقم 1035 بطول: (32) اثنين وثلاثون متر
غرباً: شارع عرض 20م بطول: (28.1) ثمانية و عشرون متر و عشرة سنتيمتر
ومساحتها: (925) ثمانمائة و خمسة و عشرون متر مربعاً فقط بناءً على محضر اللجنة الفنية رقم 272072 في 2 / 1435 / 4 هـ، ومصدره بلدية محافظة غزيرة والمفيد في هذه الإدارة برقم 35951470 في 3 / 4 / 1435 هـ.
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تاريخ: ٢٠٢٢-٠٧-٢٢
صفحة رقم 1 من 2

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٢/٧/٢٢ هـ
رقم الصك: ٩١٤٠٠٠٠٠٠٧٤١٠

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم 1031 من المخطط رقم 245 / 3 / 1 الواقع في حي القيد بمدينة غزيرة، وحدوها وأوطانها كالتالي:
شمالاً: قطعة رقم 1030 بطول: (29) تسعة و عشرون متر
جنوباً: شارع عرض 20م بطول: (29) تسعة و عشرون متر
شرقاً: قطعة رقم 1029 بطول: (62) اثنين وستون متر
غرباً: قطعة رقم 1034 بقطعة رقم 1035 بطول: (62) اثنين وستون متر
ومساحتها: (1798) ألف و سبعمائة و ثمانية وتسعون متر مربعاً فقط بناءً على محضر اللجنة الفنية رقم 272072 في 2 / 1435 / 4 هـ، ومصدره بلدية محافظة غزيرة والمفيد في هذه الإدارة برقم 35951470 في 3 / 4 / 1435 هـ.
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تاريخ: ٢٠٢٢-٠٧-٢٢
صفحة رقم 1 من 2

Building permit image

المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
بلدية منطقة حيزة
ادارة الخدمة الشاملة

رخصة بناء

ملاحظة : لن توصل الخدمة الكهربائية في حال عدم تنفيذ العزل الحراري طبق لحدود البناء السعودي
اسد صاحب الرخصة : شركة المعزاف الإبداعية للتصميم والترميم
رقم المخططة : ١٢٨٠١٠٣٧ /
رقم الصك : ٥٩٠٠٠٠٠٠٠٠٤٥٠ / ٨٥٢/٣٦١
تاريخ الصك : ١٤٣٥/٠٦/٠٣
مسئول الصك كذبة عن حيزه : رقم احوال ٠٥٥-١١٦٦٦٨٠
رقم قطعة الأرض : ١٠٣٦٠٠٣١٠٠٩٥٠
رقم المخطط : ٢٤٤٥
اسم الحسي : الزهاد
الدولى عبارة عن : تعظيمي الاحداثيات
وصف البناء : مجمع تعليمي بنات ورياض أطفال والادع
كركي الموقع علم

لحدود والابعاد والزوايا والمكتنوز

٢٠٠٦	
٢	
٩,١١	
٢٠٠٦	

ملاحظة : مساحة التانييم ابي الكترياء بعد تمام %٧٥ من البناء
تسليم القطعة على الطابعة من قبل مكتب المساح
التوقيع

الرسم المستعملة على الرخصة : ٨٤٢٨
تسقط ثمانية آلاف وأربعمائة وتسعون ريال
وتم السداد بموجب الإكمال رقم :

مدخل البيانات : عبدالله سليمان صالح الجبيلاتان
التوقيع :

مدير ادارة الخدمة الشاملة :
الاسم : ابراهيم بن عبد الله الزبيدي
التوقيع :
١٤٣٦/١/١١

ملاحظة : يمنع فتح الشغلة على يدو / الشارع للتحقق لغرضه

المكتب الهندسي لركاذا براهيم	
البيانات والإشترطات	
مساحة الارض : ٢٥٢٦ م²	
عدد الابواب المتوفرة :	١
عدد الوحدات :	١
مساحة البناء بالقبو : ٧٢٥,١٨	
مساحة البناء بالدور الارضي : ٣٣٢٠,٤٩	
مساحة البناء بالدور المكتنز : ٣٣٢٣,٢٥	
مساحة البناء بالدور المكتنز : ٣٣٢٣,٢٥	
اجمالي مسالة البناء : ٧٥٠٥٢٦,٩٧	
اشهر : علي بن ابراهيم البشير (مسجل حتى ١٤٣٥/٠٦/٠٣)	



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Al Salam Schools in Riyadh

Report no: 128967



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Presented to
Al Ma'ather REIT Fund

Executive Summary

Item	Statement	Item	Statement
Customer's Name	Al Ma'ather REIT Fund	Deed Number	310146000228
Beneficiaries of evaluation	Al Ma'ather REIT Fund	Deed Date	22/6/1443
The Purpose of evaluation	REIT Fund	Number of Plot	Without
Type of Property	Schools	Sketch Number	2207
Address of Property	Kingdom of Saudi Arabia – Riyadh - Al Salam	Value Basis	Market Value
Area of Property	10,000.00 m2	The evaluation criteria used	International Valuation Standards 2022
Ownership Nature	mortgaged	Preview Date	2025/01/07
Appraisal method used	Market method (comparative transactions method)	Valuation Date	2024/12/31
	Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Date of Issuing the Report	2025/01/21
Market Value of the Property (SAR)		52,455,000	

Property Description

General Description

The property consists of schools in the city of Riyadh in Al-Salam district, with an area of 10,000.00 m²

Description of Location

Country	Kingdom of Saudi Arabia
Region	Central
City	Riyadh
District	Al Salam
Street	-







Ownership Data

Deed Number	310146000228
Deed Date	22/6/1443
Plot Number	Without
Plan Number	2207
Block	-

Nature of property	<input type="checkbox"/> Rocky	<input type="checkbox"/> Sandy	<input type="checkbox"/> Salt-marsh	<input type="checkbox"/> Buried	<input type="checkbox"/> High	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Flat
System of use	School						

Property Description

Site borders and lengths				
Northern	A 20 m street wide and Block 9	With a length	100.00	m
Southern	A parking area then a 15 m street wide	With a length	100.00	m
Eastern	A 15 m street wide	With a length	100.00	m
Western	A 15 m street wide then Block 22	With a length	100.00	m

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Property Description

Important information about the property	
Name of the Property	Al Salam Schools at Riyadh
Location	Al-Salam District / Riyadh city
Type of Property	A school
Property's Age	1.5
Land Area (m2)	10,000.00
Building Area	18,634.10
Number of Floors	Basement, ground floor,+ 2 recurring floors + annexes
Components of the Property	It's a school
The value of the current lease contracts	3,600,000 riyals for the first five years, then 4,230,000 for the last five years
Contract duration	10 years ending in 2031
Occupancy rate of units (%)	%100
Total Current Income (SAR)	3,602,479
Operation and maintenance expenses (SAR)	There are no operating and maintenance expenses
Net operating income (SAR)	3,602,479

A Croquet and border image of the site



site analysis | Pictures showing the nature of the property



Photo of the property



Photo of the property

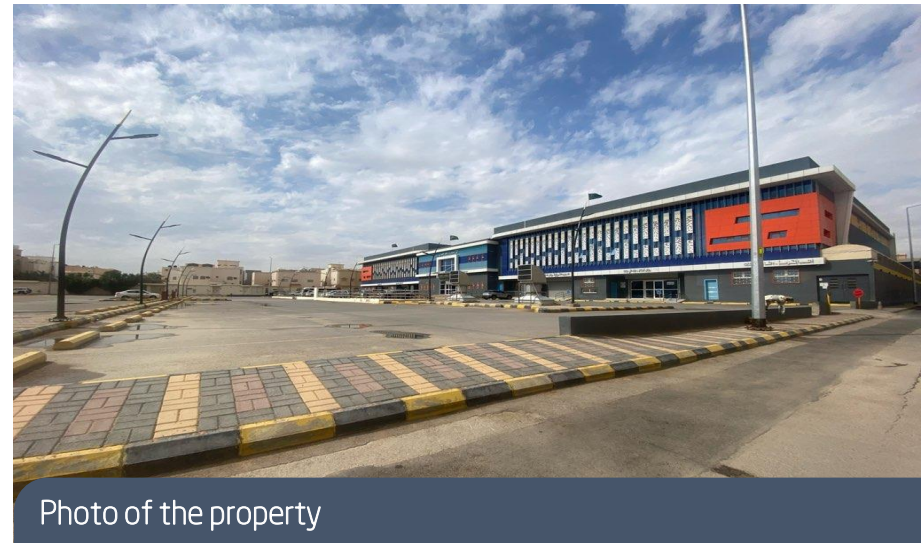
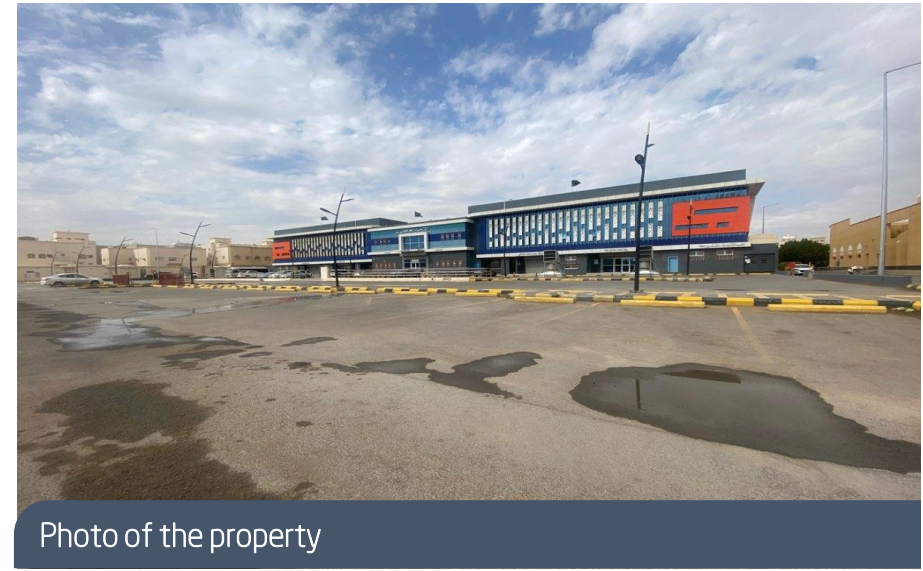


Photo of the property



Photo of the property

site analysis | Pictures showing the nature of the property



Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation results

Conclusion

- ✓ The first method: (residual value method)

First: Land data and zoning of areas			
Data	Scenario1	Scenario2	Scenario3
Land Area (m2)	10,000	10,000	10,000
Land Area after Development (m2)	8,500	8,500	8,500
Residential Land Area (m2)	8,500	8,500	8,500

Second: Sales Estimation			
Data	Scenario1	Scenario2	Scenario3
Average value per meter Residential / SAR	3,500	3,700	3,900
Revenue from the Residential plots	29,750,000	31,450,000	33,150,000
Total Revenues from Land Sale (SAR)	29,750,000	31,450,000	33,150,000

Evaluation results

Conclusion

- ✓ The first method: (residual value method)

Third: Development Costs			
Data	Scenario1	Scenario2	Scenario3
Cost of developing direct meter (SR/m2)	15	15	15
Direct Development Cost Value (SAR)	150,000	150,000	150,000
Marketing commission rate (%)	%2.5	%2.5	%2.5
Marketing Commission Value (SAR)	743,750	786,250	828,750
Percentage of professional consulting and fees of development cost (%)	%1.0	%1.0	%1.0
The value of engineering consultancy (SAR)	1,500	1,500	1,500
Total development costs without financing costs	895,250	937,750	980,250
Percentage of funding from total development costs	%60.0	%50.0	%40.0
Interest rate on financing cost	%7.0	%6.0	%5.0
Number of years of development	0.50	0.50	0.50
Total financing cost	18,800	14,066	9,803
Total development costs with financing cost	914,050	951,816	990,053
Contingency Risk %	%8.0	%7.0	%6.0
Contingency Risk Value (SAR)	73,124	66,627	59,403
Total value of development	987,174	1,018,443	1,049,456
Developer profit percentage	%20.0	%17.0	%15.0
The value of the developer's profits	197,435	173,135	157,418
Total development value after adding developer earnings	1,184,609	1,191,579	1,206,874
Fourth: The value of the land			
The total value of the land after deducting all costs and developer's profits	28,565,391	30,258,421	31,943,126
Scenario weighted weight (%)	%40.0	%30.0	%30.0
Weighted land value	11,426,156	9,077,526	9,582,938
Total land value before applying the discount coefficient and development period		30,086,621	
Development period		0.5	
Discount rate		%6.0	
Discount coefficient		0.97	
Present value of total land		29,222,709	
Current value per square meter		2,922	
Reduction rate for educational use		%40	
The value of the land meter after the reduction		1,753	
Current value per square meter (approximately)		1,750	

Evaluation results

Conclusion

- ✓ The second Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	5,139	M2
Meter Parking Construction Cost (before other costs)	1,600	SAR
Recurring floor building surfaces	13,210	M2
Meter construction cost/repeated floors (before other costs)	1,350	SAR

Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	2,240	SAR
Average recurring floors building (after adding other costs)	1,890	SAR
Total value of buildings before depreciation	36,478,505	SAR
The life span of the building	45.0	year
Residual economic life	41.0	year
Effective lifetime	4.0	year
Gross depreciation rate	%8.9	%
Average construction of parking after depreciation	2,041	SAR
Average recurring construction after depreciation	1,722	SAR
Net construction costs after depreciation	33,235,971	SAR
Land Area	10,000	M2
Land meter value	1,750	SAR
Total Land Value	17,500,000	SAR
Total Property Value	50,735,971	SAR
Property value (approximately)	50,736,000	SAR

Evaluation results

Conclusion

- ✓ The third method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	3,602,479
Percentage of operating and maintenance expenses %	%0.6
Value of Operation and Maintenance Expenses by Customer (SAR)	20,000
Net Income (SAR)	3,582,479
Capitalization rate %	%8.0
Property Value (SAR)	44,780,990
Total property value approximately (SAR)	44,781,000

Evaluation results

Conclusion

✓ The fourth method: (the discounted cash flow method)

Assumptions of the discounted cash flow method	
Gross income in full occupancy	3,600,000
operating expenses	%0
Vacancy rate after stabilization	%0
cash flow period	7 years

To calculate the discount rate	
government bond rate of return	%4.0
Inflation rate	%2.0
market risk premium	%3.0
special risk premium	%1.0
Discount rate	%10.0

To calculate the last (recoverable) value	
capitalization factor	%8.0
growth rate	%2.0

	Discounted cash flows						
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	31-Dec-31
Total effective income by contract	3,600,000	4,230,000	4,230,000	4,230,000	4,230,000	4,230,000	4,230,000
Percentage of operating and maintenance expenses	%0	%0	%0	%0	%0	%0	%0
Value of operating and maintenance expenses	0	0	0	0	0	0	0
Net Operating Income	3,600,000	4,230,000	4,230,000	4,230,000	4,230,000	4,230,000	4,230,000
Last value (redemption value)							53,932,500
Annual net cash flow	3,600,000	4,230,000	4,230,000	4,230,000	4,230,000	4,230,000	58,162,500
Total Property Value	52,455,401						
Approximately total value	52,455,000						

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, **the discounted cash flow method** is the most appropriate and best method for its evaluation.
- ✓ Based on following the standards and evaluation methods adopted and according to the client's requirements, valuation experts believe that the market value of the property, according to the following information, for the property No. (914009010891) in the city of (Riyadh) in the neighborhood of (Al-Salam), an area of 10,000.00 m2 is as follows:
- ✓ The discounted cash flow method has been adopted.

Total Property Value
Annual Tenancy Contract Value (SAR)
3,602,479
Total Property Value (Cash Flow)
52,455,000
Total Property Value (Writing)
Fifty two million four hundred and fifty five thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property is mortgaged to Al Rajhi Investment Banking Company for SAR 195,568,771.30

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نصيب
VALUATION
الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Title deed

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٣/٦/٢٢ هـ
رقم الصك: ٣١٠١٤٦٠٠٠٢٢٨

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:

فإن المرفق تعليمي رقم بدون جنوب القطع أرقام 112 و 113 و 114 من المخطط رقم 2207 الواقع في حي السلام بمدينة الرياض . وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض 20م يليه البلك رقم 9 بطول: (100) مائة متر

جنوباً: مواقف سيارات يليه شارع عرض 15م بطول: (100) مائة متر

شرقاً: شارع عرض 15م بطول: (100) مائة متر

غرباً: شارع عرض 15 يليه البلك رقم 22 بطول: (100) مائة متر

ومساحتها : (10000) عشرة آلاف متر مربعاً فقط

المملوكة لـ / شركة بيتك الحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ وتنتهي في 26 / 10 / 1443 هـ بالصك الصادر من هذه الإدارة برقم 410115062642 في 13 / 2 / 1442 هـ . قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي المصرفية للاستثمار بموجب سجل تجاري رقم 1010000096 وتنتهي في 29 / 5 / 1444 هـ ضماناً لوفائه بـ / (195.568.771.30 ريال) مئة وخمسة وتسعون مليون وخمسمائة وثمان وستون ألف وسبعمائة وواحد وسبعون ريال وثلاثون هلة تسدد في نهاية الفترة المتفق عليها 60 شهر من تاريخه بموجب العقد الموقع بين الطرفين المجازة من الهيئة الشرعية رقم 1075 بتاريخ 7 / 9 / 1436 هـ على أن يتم سداد المديونية كما هو متفق عليه في عقد التسهيلات المشار اليه أعلاه ، تسدد على أقساط (سنوية) ابتداء من تاريخ 25/1/2022م الى تاريخ 25/1/2027 وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء مافي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في 22 / 6 / 1443 هـ وصلى الله على نبيينا محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل ، ويجب التحقق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل

مصلحة مطابع الحكومة - ٢٩٢١٥٩ (هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تقليده)
نموذج رقم (١٠٠٣-١٢)

صفحة رقم 1 من 1

QR Code

Building permit image

[illegible]



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of Report

Real Estate Appraisal Report

Burjeel Hospital Sharjah

Report Number: 128961

Presented to

Al Ma'ather REIT Fund



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Executive Summary

Item	Statement	Item	Statement
Customer name	Al Ma’ather REIT Fund	Deed Number	2936
Beneficiaries of the evaluation	Al Ma’ather REIT Fund	Deed Date	2022/02/03
Purpose of evaluation	REIT Fund	Number of Plot	853
Type of property	Hospital	Sketch Number	-
Address of the property	United Arab Emirates - Sharjah	Value Basis	Market Value
Property area	6,033.20 m²	The evaluation criteria used	International Valuation Standards 2022
Nature of ownership	Full ownership	Preview Date	2025/01/07
evaluation method	Market method (comparative transactions method) Income Method (discounted cash flow method), (Income capitalization method) Cost method (replacement method)	Valuation Date	2025/01/17
		Date of Issuing the Report	2025/01/19
Market Value of the Property (SAR)		123,809,000	
Market value of the property (AED)		121,250,280	

Description of the property

General description

The property is a hospital in Sharjah city in Al Fayha neighborhood with an area of 6,033.20 m²

Site description

Country	United Arab Emirates
Region	Dubai
City	Sharjah
District	Al , Fayha
Street	Kuwait

Ownership data

Deed Number	2936
Deed Date	2022/02/03
Plot Number	853
Plan Number	-
Block Number	-

Nature of the property

☒ Flat

☐ Low

☐ High

☐ Buried

☐ Salt-marsh

☐ Sand











☐ Rocky

Usage system

Commercial

Description of the property

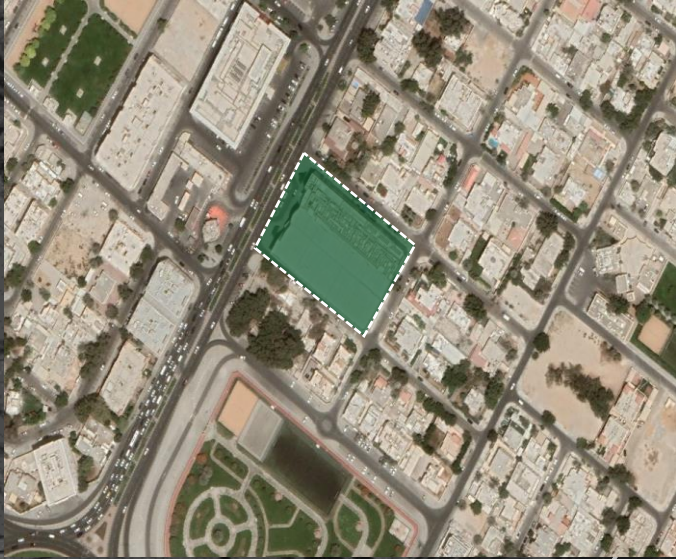
Location boundaries and lengths				
northward	12.20 m wide road	Length	98 meters and 31 cm.	M
southward	12.20 m wide road	Length	97 and 77 cm.	M
eastward	12.20 m wide road	Length	61 meters, 81 cm.	M
westwards	36.60 m wide	Length	61 meters, 28 cm.	M

Available Services at the Site					
✓	Security Services		✓	Electricity	
✓	Medical Centers		✓	Water	
✓	Schools		✓	Illumination	
✓	Shopping Centers		✓	Telephone	
✓	Afforestation		✓	Asphalt Roads	

Description of the property

Important information about the property	
Name of property	Burjeel Hospital
location	Al , Fayha Neighborhood, Sharjah, United Arab Emirates
Type of property	Medical complex
Age of the property	3 years
Complex land area (M2)	6,033
Built-up area	180,380.21 square feet or approximately 16,758 m2
Number of floors	3
Components of the Property	Medical complex consisting of basement, first and second floors
Current leases	Fully leased with one contract
Duration of contracts	For 25 years, started on 11/2016
Occupancy rate for rented spaces (%)	100%
Current gross income (SAR)	8,160,000
Estimate of operating and maintenance expenses (SAR)	0
Net operating income (Real)	8,160,000

Croquet and border picture of the property's location



Kuwait Street

Al, Qasimi Street

Sheikh Zayed Street

Analysis of the site | Photos showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Analysis of the site | Photos showing the nature of the property



Photo of the property



Photo of the property



Photo of the property



Photo of the property

Risks of evaluation Process

Risks of the REIT real estate appraisal process

The REIT real estate appraisal process involves some risks that may affect the determination of the fair value of the property, the most important of which are:

1 . Macroeconomic Risks:

The state's macroeconomic conditions may affect the value of any property, such as inflation rates, liquidity, interest rates, financing costs, taxes, and general movement in the local and international stock markets, as changing these indicators or one of them may negatively affect the value of the property.

2. Risks of not having a guarantee of achieving the target revenue:

Since the realization of revenues is the main factor in determining the value of REIT properties, therefore, any decrease in these revenues as a result of changing different market conditions may affect the value of the property.

3. Regulatory and legal Risks:

The regulatory, legal or legislative environment may witness some changes that may affect the value of the property, such as the emergence of some municipal legislation to limit some activities in specific places, or reduce the number of roles allowed in other places, which affects the final value of the property.

4. Risks of not having long-term contracts:

The absence or lack of long-term contracts greatly affects the value of the property, as the existence of such contracts gives a kind of stability to the property's income and therefore its value, while the absence of their presence can lead to fluctuations in the value of the property.

5. Competition risk:

The large supply of any commodity leads to competition in the prices offered to consumers, as well as in the real estate market, the increase in the supply of real estate units and the entry of new competitors to the market can lead to a decrease in service prices and consequently a decrease in revenues and thus the value of the property.

6. Forward-looking statements:

The valuation of some real estate, especially the new ones, which do not have an operational history, depends on the evaluator's expectations and his future reading of the market in general and the real estate market in particular.

Evaluation results

Conclusion

- ✓ The first Approach: (cost approach)

Cost method (replacement method)		
Parking Building Surfaces	5,556	M2
Meter Parking Construction Cost (before other costs)	3,850	SAR
Recurring floor building surfaces	11,202	M2
Meter construction cost/repeated floors (before other costs)	4,700	SAR

Other costs	Value	% of construction costs
Professional Fees	%5.0	%
Facilities network	%5.0	%
Management costs	%10.0	%
Contractor Profit	%20.0	%
Average construction for parking (after adding other costs)	5,390	SAR
Average recurring floors building (after adding other costs)	6,580	SAR
Total value of buildings before depreciation	103,655,276	SAR
The life span of the building	45.0	year
Residual economic life	40.5	year
Effective lifetime	4.5	year
Gross depreciation rate	%10.0	%
Average construction of parking after depreciation	4,851	SAR
Average recurring construction after depreciation	5,922	SAR
Net construction costs after depreciation	93,289,748	SAR
Land Area	6,033	M2
Land meter value	4,300	SAR
Total Land Value	25,942,760	SAR
Total Property Value	119,232,508	SAR
Property value (approximately)	119,233,000	SAR
Property value (approximately)	116,768,850	AED

Evaluation results

Conclusion

- ✓ The second method: (income capitalization)

Income capitalization method (according to customer data)	
Item	Value
Current Effective Income (SAR)	8,160,000
Percentage of operating and maintenance expenses %	%0.0
Value of Operation and Maintenance Expenses (SAR)	0
Net Income (SAR)	8,160,000
Capitalization rate %	%7.25
Property Value (SAR)	112,551,724
Total property value approximately (SAR)	112,552,000
Total property value approximately (AED)	110,225,924

Evaluation results

Conclusion

- ✓ The third method: (residual value)

1. Basic data about the project		
Area according to the title deed	6,033	M2
1. Development costs		
The cost of a construction meter for parking	2,500	SAR
The cost of a construction meter for repeated floors	2,500	SAR
Parking Construction Cost	13,890,689	SAR
The cost of building repeated floors	27,318,330	SAR
Total Buildings Cost	41,209,018	SAR
Additional expense percentage	%2.5	%
Cost of additional expenses	1,030,225	SAR
Total project costs	42,239,244	SAR
2- Estimating project revenues		
2.2 Offices		
Number of office floors	2.0	Floors
Total Construction Area	10,927	M2
Percentage of Exploiter to Offices	%80.0	%
Net Office Space	8,742	%
Average rent per square meter	800	M2
Total office revenue	6,993,492	SAR
Office occupancy rate	%85.0	%
Effective Office Income	5,944,469	SAR
Office Operation and Maintenance	%10.0	SAR
Office Operation and Maintenance Costs	594,447	SAR
Net Income for Offices	5,350,022	SAR
Gross net income of the property	5,350,022	SAR

Evaluation results

Conclusion

- ✓ The third method: (residual value)

3. Estimating the value of the land		
Capitalization rate	%7.5	%
Total Project Value	71,333,622	SAR
Total development cost	42,239,244	SAR
Land value	29,094,378	SAR
Development period	2.0	Year
Discount rate	%6.0	%
Discount coefficient	0.89	
Current value of the land	25,893,893.1	SAR
Value per square meter	4,292	SAR
Meter value (approx.)	4,300	SAR

Evaluation results

Conclusion

✓ The fourth method: (discounted cash flow method)

Cash flow discounting method assumptions	
Total income in case of full occupancy	8,160,000
Operating expenses	%0
Vacancy rate after stabilization	%0
Cash flow period	18 years

To calculate the discount rate	
Government bond rate of return	%3.0
Inflation	%2.0
Market Risk Premium	%2.0
Special Risk Premium	%1.0
Discount rate	%8.0

To calculate the last (redemption) value	
Capitalization coefficient	%8.0
growth rate	%2.0

	Discounted cash flows																
	31-Dec-25	31-Dec-26	31-Dec-27	31-Dec-28	31-Dec-29	31-Dec-30	31-Dec-31	31-Dec-32	31-Dec-33	31-Dec-34	31-Dec-35	31-Dec-36	31-Dec-37	31-Dec-38	31-Dec-39	31-Dec-40	19-Nov-41
Total Effective Income	8,160,000	8,160,000	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000	9,180,000	9,180,000	9,180,000	9,180,000	9,180,000	9,690,000	9,690,000	9,690,000	9,690,000	9,690,000
Value of operating and maintenance expenses	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0	%0
Net Operating Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual net cash flow	8,160,000	8,160,000	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000	9,180,000	9,180,000	9,180,000	9,180,000	9,180,000	9,690,000	9,690,000	9,690,000	9,690,000	9,690,000
Last value (redemption value)																	123,547,500
Annual net cash flow	8,160,000	8,160,000	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000	9,180,000	9,180,000	9,180,000	9,180,000	9,180,000	9,690,000	9,690,000	9,690,000	9,690,000	133,237,500

Total Property Value	123,809,095
Approximately total value (SAR)	123,809,000
Total Property Value (AED)	121,250,280

Evaluation results

Conclusion

- ✓ Since the property under evaluation is an income-generating property, and the purpose of the evaluation is to evaluate the properties of the fund periodically in accordance with the regulations of a real estate investment traded fund, **the discounted cash flow method** is the most appropriate and best method for its evaluation.
- ✓ Based on following the criteria and evaluation methods followed and in accordance with the requirements of the client, experts assess that the market value of the property and according to the following information of the property in sharjah city in the neighborhood (Al-Fayha), its area (6,033.20) m2 is as follows:
- ✓ The discounted cash flow method has been adopted.

Total Property Value
Total property value in AED
121,250,280
Total property value in Saudi Riyals
123,809,000
Total property value (written in Saudi Riyals)
One hundred and twenty three million eight hundred and nine thousand Saudi riyals

Notes

Recommendations

- ✓ By reviewing the above data and according to a market survey and similar sales, the experts of the Saudi Assets Valuation Company see that the value reached is the weighted value and reflects the current market trend.

General Notes

- ❖ The margin of fluctuation in the value is within + or - 10% according to the current market conditions
- ❖ The property revenues assessed in UAE AED have been transferred to the Saudi riyal and equal to (1.02)

Executive Director
Abdulla Al Mahfouz
Basic Member (1210000273)

نصيب
VALUATION
الشركة السعودية لتقييم وتممين الأصول للاستشارات المهنية
Saudi Asset Valuation Company For Professional Consulting
رقم السجل التجاري : 1010206162 C.R.No.
رقم الضريبي : 300046706100003 Vat No.

PMO Director
Dr. Mohammed BinDakhil
Associate Member (1210001216)



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company

Appendices



Appendices

Sharjah Government
دائرة التسجيل العقاري
Real Estate Registration Department

المجلد الثاني



الشركة السعودية لتقييم وتأمين الأصول
Saudi Asset Valuation Company



End of reports

Osool & Bakheet Investment Company (OBIC)

Al Maathar REIT

11th February 2025

REF: 24-0968
Code: 1311360
Date: 11/02/2025

Subject: Valuation Report for Portfolio of 15 Properties in Saudi Arabia and The United Arab Emirates

Dear Osool & Bakheet Investment Company (OBIC),

Pursuant to your request dated 8th December 2025, we are pleased to submit our comprehensive valuation report for the subject property. This report includes an in-depth market assessment, an economic analysis, and a detailed explanation of the valuation methodologies adopted.

At WHITE CUBES, we place the highest priority on maintaining the confidentiality of our clients' information. Our rigorous protocols ensure the protection of all sensitive data. Additionally, we affirm our commitment to delivering impartial and objective valuations. WHITE CUBES maintains no vested interests or affiliations that could compromise the transparency, accuracy, or integrity of this evaluation.

We trust that this report will meet your expectations and provide valuable insights to support your decision-making process.

WHITE CUBES Consulting Services Co.

Essam Mohammad Al Husaini – President

Fellow Member of the Saudi Authority of Accredited Valuers

License No. 1210000474

Issued: 01/08/1437 Exp: 24/08/1447

WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

Table of Contents

1.1	EXECUTIVE SUMMARY	5
1.2	BASIS OF VALUATIONI	7
1.3	DATES	7
1.4	PURPOSE OF VALUATION	8
1.5	AL MAATHER GENX	10
1.6	AL RABIE GENX	27
1.7	AL MOHAMMADIAH	44
1.8	AL TAKHASSOSI SHOWERROOM	61
1.9	AL SAHAFAH BULDING 1	78
1.10	AL SAHAFAH BULDING 2	95
1.11	AL HAEER WAREHOUSES	112
1.12	AL SULAY WAREHOUSES	129
1.13	MANFAAT AL QUDS	146
1.14	MANFAAT WADI LABAN	163
1.15	MANFAAT AL DHABAB	180
1.16	TOWLAN HOTEL SUITES	197
1.17	AL NOKHBA SCOOOL	214
1.18	AL SALAM SCHOOL	239
1.19	BURJEEL HOSPITAL	261



WHITE **CUBES**

EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

1. Executive Summary

Reference No.	24-0968
Dep. Code	1311360
Client	Osool & Bakheet Investment Company (OBIC)
Report user	OBIC, the investors and others who interested to invest in the fund, Auditors.
Purpose of Valuation	Inclusion in financial statements.
Subject Property	Commercial - Administrative - Hotel - Warehouses - Healthcare - Educational.
Valuation Approach	Income Approach- DCF Method.
Currency	Saudi Arabian Riyal and Emirates Dirhams.
Report Date	11/02/2025
Valuation Date	31/12/2024
Inspection Date	10/12/2024

Property Name	City	Land Area (SQM)	BUA (SQM)	Final Property Value
Al Maather Genx	Riyadh, SA	10,709.16 SQM	22,789.96 SQM	SAR 157,400,000
Al Rabie Genx	Riyadh, SA	3,900.00 SQM	8,589.53 SQM	SAR 42,000,000
Al Mohammadiyah	Riyadh, SA	2,109.00 SQM	15,602.92 SQM	SAR 127,000,000
Al Takhassosi Showroom	Riyadh, SA	4,248.00 SQM	6,610.61 SQM	SAR 75,000,000
Al Sahafah Building 1	Riyadh, SA	2,380.00 SQM	10,880.00 SQM	SAR 65,400,000
Al Sahafah Building 2	Riyadh, SA	2,520.00 SQM	11,340.00 SQM	SAR 63,600,000
Al Haer Warehouses	Riyadh, SA	13,544.45 SQM	11,980.00 SQM	SAR 24,700,000
Al Sulay Warehouses	Riyadh, SA	54,075.00 SQM	46,158.00 SQM	SAR 57,900,000
Manfaat Al Quds	Riyadh, SA	895.50 SQM	1,257.84 SQM	SAR 1,100,000
Manfaat Wadi Laban	Riyadh, SA	895.50 SQM	1,645.02 SQM	SAR 1,000,000
Manfaat Al Dhabab	Riyadh, SA	781.94 SQM	3,080.48 SQM	SAR 2,700,000
Towlan Hotel Suites	Al Khobar, SA	1,750.00 SQM	6,526.51 SQM	SAR 29,200,000
Al Nokhba School	Unayzah, SA	6,694.00 SQM	10,522.17 SQM	SAR 36,600,000
Al Salam Schools	Riyadh, SA	10,000.00 SQM	18,349.10 SQM	SAR 54,700,000
Burjeel Hospital	Sharjah, UAE	6,033.20 SQM	16,757.87 SQM	SAR 121,900,000



WHITE **CUBES**

SCOPE OF WORK

SCOPE OF
WORK

Scope of Work

1.1 Introduction

This report has been prepared by WHITE CUBES Co. in compliance with the International Valuation Standards (IVS 2025) issued by the International Valuation Standards Council (IVSC) and the Practice and Regulatory Guidelines set forth by the Saudi Authority for Accredited Valuers (Taqeem). The report aims to ensure accurate and complete access to information and must be read in its entirety. Our firm is pleased to provide its valuation services to: **Osool & Bakheet Investment Company (OBIC)** to determine the **fair value** of the subject property.

1.2 Purpose of valuation

The purpose of this valuation is to assess the subject property for **Inclusion in Financial Statements**, in accordance with the client's request.

1.3 Basis of Valuation

Fair Value: Defined in line with IFRS 13 as the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the valuation date. This valuation reflects the principle of an exit price as determined under current market conditions.

1.4 Valuation Methods

To meet the objectives of this valuation and at the request of the client, we have applied the following recognized valuation approaches:

1. **Market Approach: Comparable Method.**
2. **Cost Approach: Depreciation Replacement Cost (DRC) Method.**
3. **Income Approach: Discounted Cash Flow (DCF) Method.**

1.5 Currency

All values in this report are stated in Saudi Arabian Riyals (SAR) and Emirati Dirham.

1.6 Scope of Research

Research plays a pivotal role in the valuation process as it enables a comprehensive analysis of various factors that can significantly influence the value of a property or asset. Our valuation approach involves conducting extensive research and analysis to ensure a robust evaluation. This includes investigating market conditions, studying comparable sales data, examining key property characteristics, assessing income potential, and considering pertinent legal and regulatory factors. By diligently conducting thorough research, we aim to provide an accurate and well-informed assessment of the property or asset's value in this valuation report.

1.7 Information Sources

A thorough on-site field survey was carried out by our team to verify the accuracy of essential market data and other key elements influencing the evaluation process. This survey included the collection of data on nearby asset prices, occupancy rates, and specific characteristics of the property under evaluation. The following sources were diligently utilized during field research:

1. **Property Records:** Ownership documents such as title deeds and construction permits.
2. **Market Trends:** Analysis of current market conditions and comparable property transactions.
3. **Income Analysis:** Review of income streams, operating expenses, and potential cash flows.
4. **Inspection:** On-site visual assessment of the property's physical condition and attributes.
5. **Historical Data:** Reference to market data and historical trends for comparable assets.
6. **Specialist Input:** Consultations with industry experts and agents for market insights.

By employing these comprehensive research methods, we have ensured the collection of accurate and relevant data, forming the solid foundation for determining the true market value of the asset under evaluation.

1.8 Assumptions and Special Assumptions

In addition to the standard assumptions outlined above, the following special assumptions have been applied for this specific valuation project. These assumptions are subject to change depending on the property type, client request, or specific valuation circumstances:

1. **Absolute Ownership:** The property under evaluation is assumed to have absolute ownership, implying that there are no legal or ownership disputes affecting its value.
2. **Accuracy of Client Information:** It is assumed that all information provided by the client, whether oral or written, is accurate and up to date as of the date of the evaluation.
3. **Valuation Report Scope:** This report focuses on valuation and does not encompass a structural survey. Therefore, utility checks, service checks, soil tests, and similar assessments have not been conducted unless specified otherwise by the client.
4. **Market-Based Valuation Methodologies:** The valuation methodologies employed in this report are based on market data compiled using our relevant market knowledge and experience. These methodologies provide a framework for estimating the property's value.
5. **Output and Estimates:** The final value presented in this report is derived from the assumptions used, documents received from the client, and relevant market data. It should be noted that this value serves as an indicative figure under current market conditions.
6. **Development Potential:** It is assumed that the property has development or redevelopment potential, subject to obtaining the necessary permits and approvals.
7. **Construction Status:** It is assumed that any ongoing construction or development will be completed within the specified timeframe and budget as provided by the client.
8. **Economic Stability:** The valuation assumes that there will be no significant economic or market disruptions during the forecasted period.

1.9 Property Inspection

As part of this valuation report, an extensive site visit was conducted to assess the physical attributes, performance, and relevant factors of the subject property. This inspection, carried out on 10/12/2024, involved the examination of key specifications such as land area, building design, rental rates, services, public utilities, and various other components. It should be noted that the inspection was not a technical evaluation but rather a visual overview and documentation of the observed characteristics. The information gathered forms the foundation for expressing an opinion on the property's value in this report.

1.10 Use, Distribution, and Publication Restrictions

This report has been prepared by WHITE CUBES Co. to determine the fair value of the assets under evaluation. Please note that there are limitations on the transfer, referencing, and disclosure of this report and its contents to any third party, except as explicitly stated in the contract letter. Any use of this report for purposes other than those specified herein requires prior written consent from WHITE CUBES Co.

1.11 Legal Notes

To the best of our knowledge and based on the available information, there are no ongoing or pending legal notices affecting the subject property as of the valuation date. This assessment is based solely on the documents and data provided to us at the time of the report preparation.



WHITE CUBES

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WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a mix-use project composed of showrooms, offices and residential units and located in Maather district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 10,709.16 square meters and a total built-up area (BUA) of 22,789.96 square meters.

During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 3 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view on the main Road (Prince Turki Bin Abdulaziz Al Al-Awal Road) from the west side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by residential and mix-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on Prince Turki bin Abdulaziz Al-Awal Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	10,709.16 Sqm
District	Al Maather	Plot No.	30
T.D Type	Electronic	Block No.	N/A
T.D Number	310112050696	Layout No.	1343
T.D Date	22/11/1438	Ownership Type	Freehold
Owner	شركة بيتك الحفظ للعقارات	Limitation of Document	N/A
Issued From	Riyadh Notary		
North Side	14 meters Street	East Side	Private property
South Side	30 meters Street	West Side	60 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Layouts modifications
Property Type	Residential, commercial, office building
Construction Permit No.	1433/ 20078
Construction Permit Date	29/11/1433

Description	No. of Units	Area (sqm)	Use
Basement	0	6,231.5	Parking
Ground Floor Residential	40	3,184.13	Residential
Ground Floor Commercial	11	3,157	Commercial
First Floor	11	1,978.02	Offices
First Residential	58	4,787.22	Residential
Electricity Room	0	82.59	Electricity Room
Annexes	34	3,369.5	Residential
Fences	1	235	Fences
Total BUA (sqm)		22,789.96	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

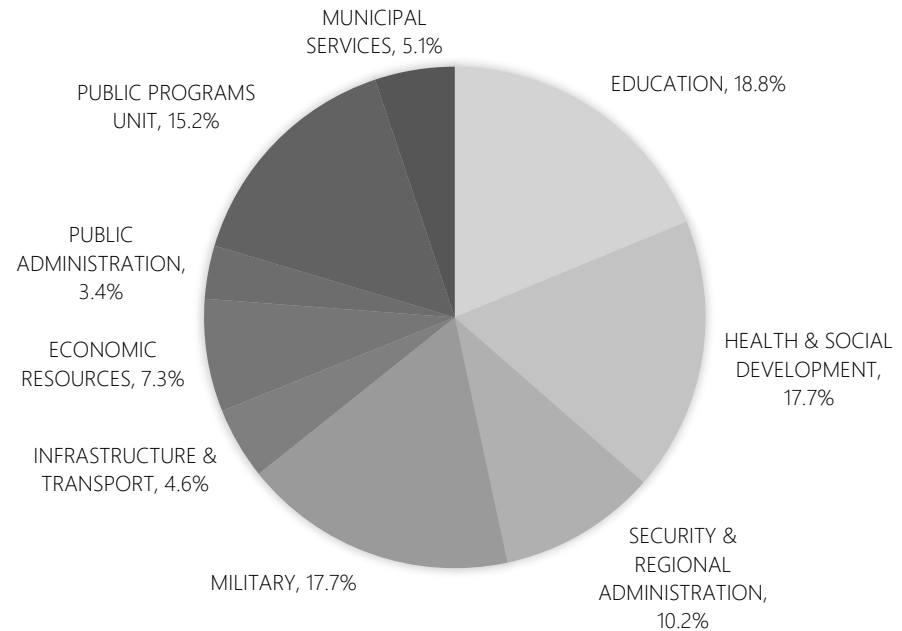
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



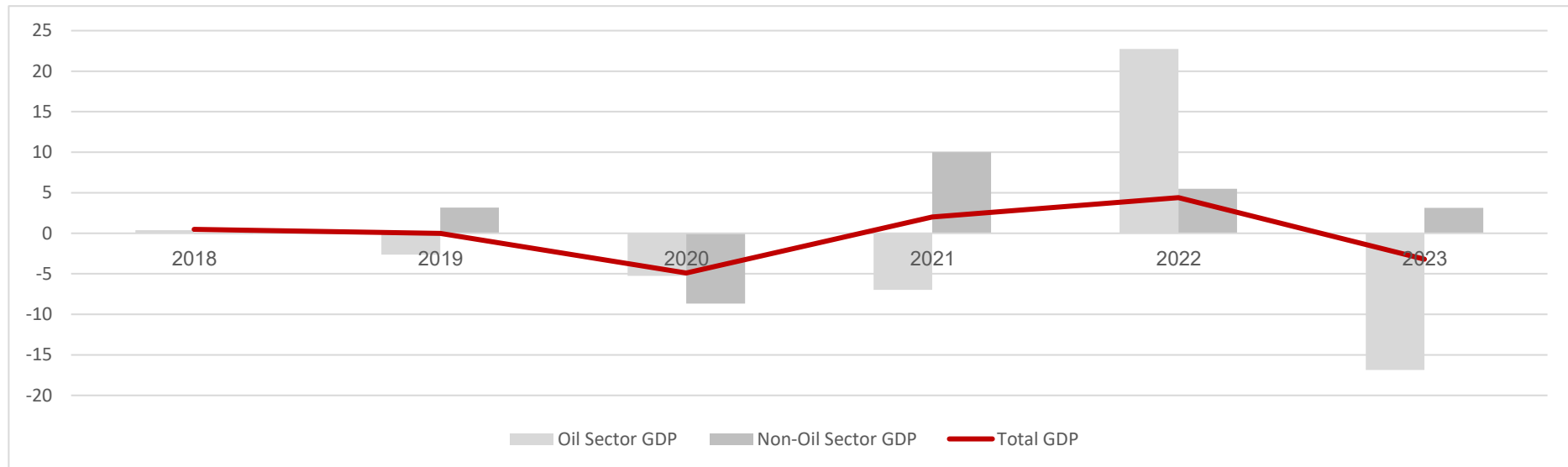
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	4	6	0	0

Risk Category 10 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	2% to 5%
Operating and maintenance expenses	5% to 8%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 21%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	71,000,000.00	115,000,000.00	102,000,000.00
NOI	5,680,000	9,200,000	8,160,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.50		GASTAT
Market Risk Premium%	%1.00		Trading Economics
Company-specific Risk Premium %	%1.00		Team's experience.
Discount Rate%	10.00%		

Cash Flow		2024	2025	2026	2027	2028
		0	1	2	3	4
Inflation		0.0%	2.5%	2.5%	2.5%	2.5%
Expected Revenues						
Residential	GLA	7,621	7,621	7,621	7,621	7,621
Rate	SAR	795	815	835	856	878
Total	SAR	6,058,695	6,210,162	6,365,416	6,524,552	6,687,666
Commercial	GLA	4,679	4,679	4,679	4,679	4,679
Rate	SAR	1,933	1,981	2,031	2,082	2,134
Total	SAR	9,044,507	9,270,620	9,502,385	9,739,945	9,983,443
Overall Revenues		15,103,202	15,480,782	15,867,802	16,264,497	16,671,109

Vacancy and Credit Loss						
Vacancy Rate	%	1.36%	1.50%	1.50%	1.50%	1.50%
Residential	SAR	82,398	93,152	95,481	97,868	100,315
Vacancy Rate	%	10.23%	5.00%	5.00%	5.00%	5.00%
Commercial	SAR	925,253	463,531	475,119	486,997	499,172
Total		1,007,651	556,683	570,601	584,866	599,487
Effective Rental Income		14,095,551	14,924,099	15,297,201	15,679,631	16,071,622

Expenses						
CAPEX	0.0%	0	0	0	0	0
OPEX	21%	3,019,267	3,196,742	3,276,660	3,358,577	3,442,541
Overall Expenses		3,019,267	3,196,742	3,276,660	3,358,577	3,442,541

NOI		11,076,284	11,727,357	12,020,541	12,321,054	12,629,080
Terminal Value	8.0%					157,863,506
Discount Rate	10.0%	1.00	0.91	0.83	0.75	0.68
Present Value		11,076,284	10,661,233	9,934,331	9,256,990	116,448,731
Net Present Value						157,400,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 157,400,000.00
One Hundred Fifty-Seven Million Four Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



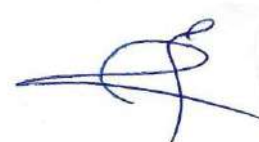
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

WHITECUBES Stamp



3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT

4.1 Title deeds and Construction Permit

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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a mix-use project composed of showrooms and hospitality units and located in Al Rabie district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 3,900 square meters and a total built-up area (BUA) of 8,589.53 square meters.

During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 3 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of the main Road Prince Mohammad Bin Salman bin Abdulaziz Road from the south side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by residential and mix-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on Prince Mohammad bin Salman bin Abdulaziz Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	3,900 Sqm
District	Al Rabie	Plot No.	553, 554, 555, 556
T.D Type	Electronic	Block No.	47
T.D Number	914009010891	Layout No.	2413
T.D Date	29/06/1442	Ownership Type	Restricted.
Owner	شركة بيتك الحفظ للعقارات	Limitation of Document	Mortgaged to Al Rajhi bank
Issued From	Riyadh Notary		
North Side	15 meters Street	East Side	15 meters Street
South Side	80 meters Street	West Side	Plot# 557, 558

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit		
Property Type	Hospitality & Showrooms		
Construction Permit No.	1435/5496		
Construction Permit Date	05/04/1435		

Description	No. of Units	Area (sqm)	Use
Basement	0	3,014.83	Parking & Services
Ground Floor Residential	9	1,004.11	Hospitality Units
Ground Floor Commercial	7	1,091.84	Showrooms
First Floor	52	2,319.3	Hospitality Units
First Residential	20	1,159.45	Hospitality Units
Electricity Room	1	128.49	Fences
Total BUA (sqm)		8,589.53	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

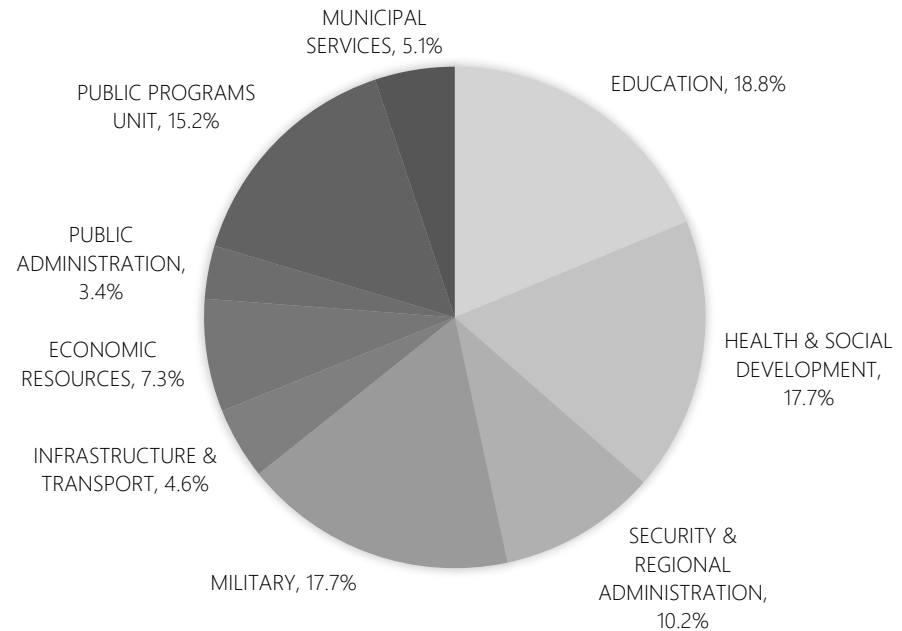
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
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Economic Resources Sector	SAR 84.00	bn
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General Items	SAR 216.00	bn

Source: Ministry of Finance



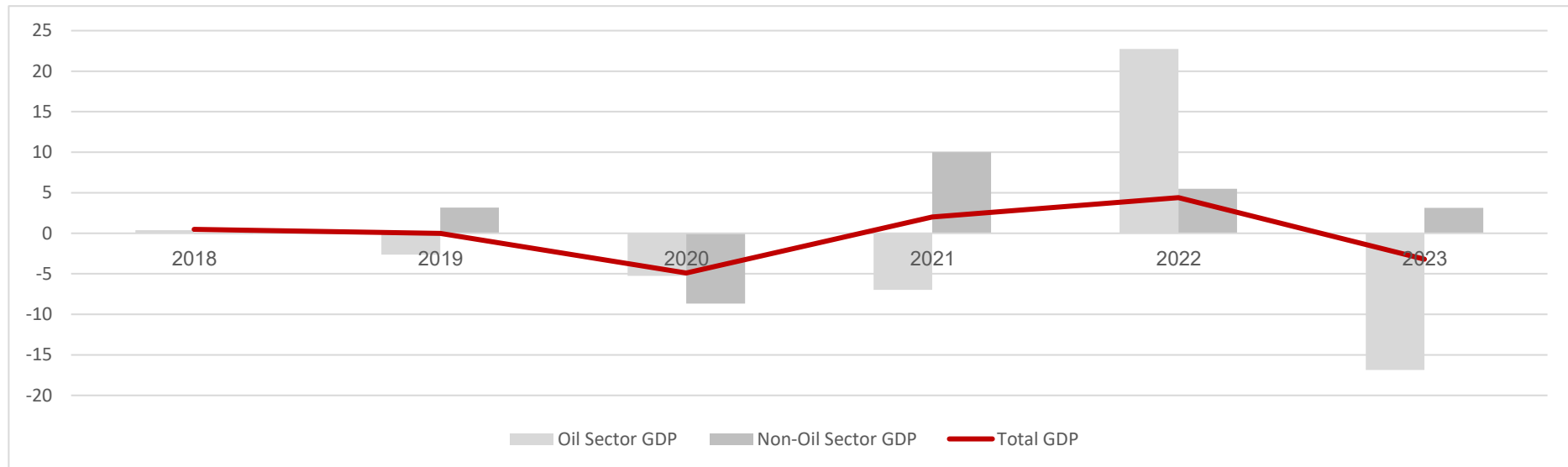
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	✓	----	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	6	3	0	0

Risk Category9 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	2	9	0	0

Risk Category8 Risk Points - Medium Risk



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 2%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	65,000,000.00	98,000,000.00	27,500,000.00
NOI	5,200,000	7,840,000	2,200,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.50		GASTAT
Market Risk Premium%	%1.00		Trading Economics
Company-specific Risk Premium %	%1.00		Team's experience.
Discount Rate%	10.00%		

Cash Flow		2024	2025	2026	2027	2028
		0	1	2	3	4
Inflation		0.0%	2.5%	2.5%	2.5%	2.5%
Expected Revenues						
Showrooms	GLA	1,955	1,955	1,955	1,955	1,955
Rate	SAR	980.00	1,005	1,030	1,055	1,082
Total	SAR	1,915,704	1,963,597	2,012,687	2,063,004	2,114,579
Hospitality	GLA	1,303	1,303	1,303	1,303	1,303
Rate	SAR	945.00	969	993	1,018	1,043
Total	SAR	1,231,524	1,262,312	1,293,870	1,326,217	1,359,372
Overall Revenues		3,147,228	3,225,909	3,306,556	3,389,220	3,473,951
Vacancy and Credit Loss						
Vacancy Rate	%	4.52%	2.00%	2.00%	2.00%	2.00%
Showrooms	SAR	86,590	39,272	40,254	41,260	42,292
Vacancy Rate	%	0.0%	0.0%	0.0%	0.0%	0.0%
Hospitality	SAR	0	0	0	0	0
Total		86,590	39,272	40,254	41,260	42,292
Effective Rental Income		3,060,638	3,186,637	3,266,303	3,347,960	3,431,659
Expenses						
CAPEX	0.0%	0	0	0	0	0
OPEX	1.83%	56,142	58,453	59,914	61,412	62,947
Overall Expenses		56,142	58,453	59,914	61,412	62,947
NOI		3,004,496	3,128,184	3,206,388	3,286,548	3,368,712
Terminal Value	8.0%					42,108,898
Discount Rate	10.0%	1.00	0.91	0.83	0.75	0.68
Present Value		3,004,496	2,843,803	2,649,908	2,469,232	31,061,819
Net Present Value						42,000,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 42,000,000.00
Forty-Two Million Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



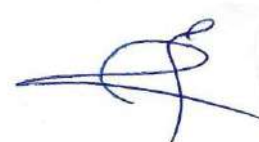
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT

Documents Received

4.1 Title deeds and Construction Permit

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AL MOHAMMADIAH





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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a commercial project composed of showrooms and offices located in Al Maather district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 2,109 square meters and a total built-up area (BUA) of 15,602.92 square meters.

During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 3 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view on the main Road (King Fahad Road) from the East side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by Commercial and mix-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on King Fahad Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	2,109 Sqm
District	Al Maather	Plot No.	N/A
T.D Type	Electronic	Block No.	N/A
T.D Number	314002002732	Layout No.	1343
T.D Date	28/12/1440	Ownership Type	Restricted.
Owner	شركة بيتك الحفظ للعقارات	Limitation of Document	Mortgaged to Al Rajhi bank
Issued From	Riyadh Notary		
North Side	10 meters Street	East Side	80 meters Street
South Side	Private property	West Side	14 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

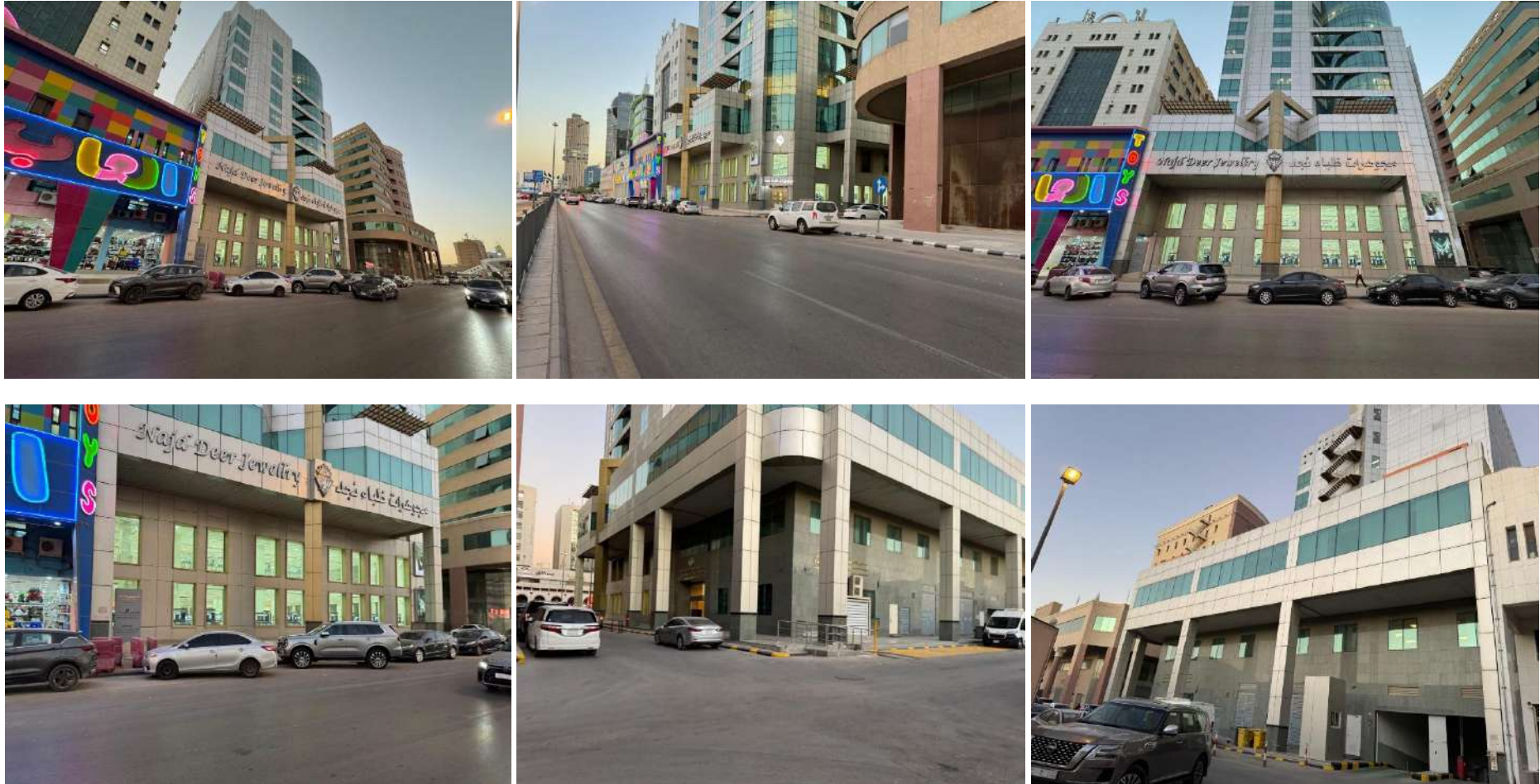
1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Ownership Transfer		
Property Type	Commercial Building		
Construction Permit No.	1423/1771		
Construction Permit Date	03/06/1426		

Description	No. of Units	Area (sqm)	Use
Mezzanine	0	1,230	Commercial
Ground Floor	4	1,463	Commercial
Second Basement	0	2,100	Parking
First Basement	0	2,100	Parking
First Floor	8	1,992	Offices
Second Floor	4	940.56	Offices
Third Floor	4	940.56	Offices
Electricity Room	0	20	Electricity Room
Fourth Floor	4	940.56	Offices
Fifth Floor	4	940.56	Offices
Sixth Floor	4	940.56	Offices
Seventh Floor	4	960.56	Offices
Eighth Floor	4	940.56	Offices
Annexes	0	94	Services
Total BUA (sqm)		15,602.92	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

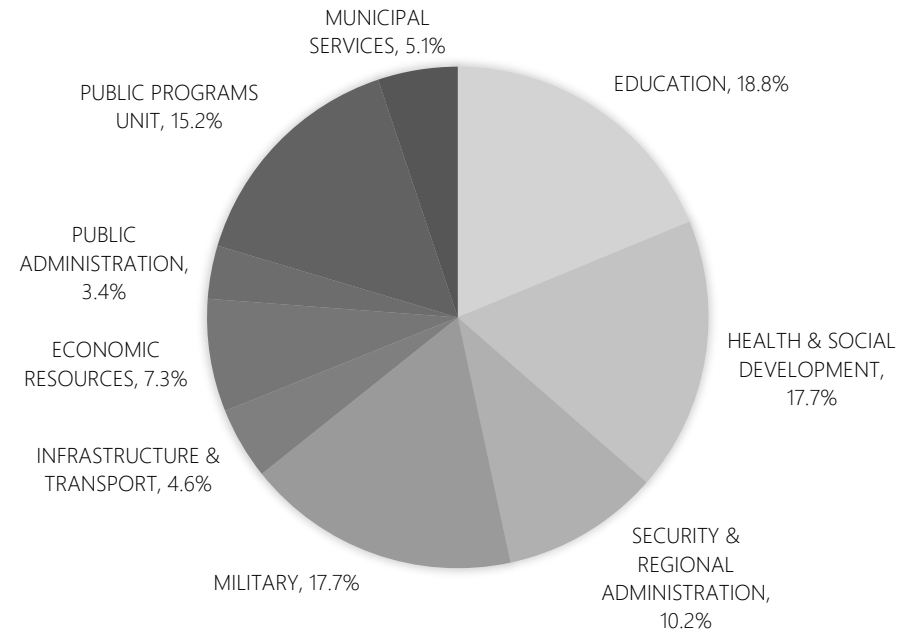
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



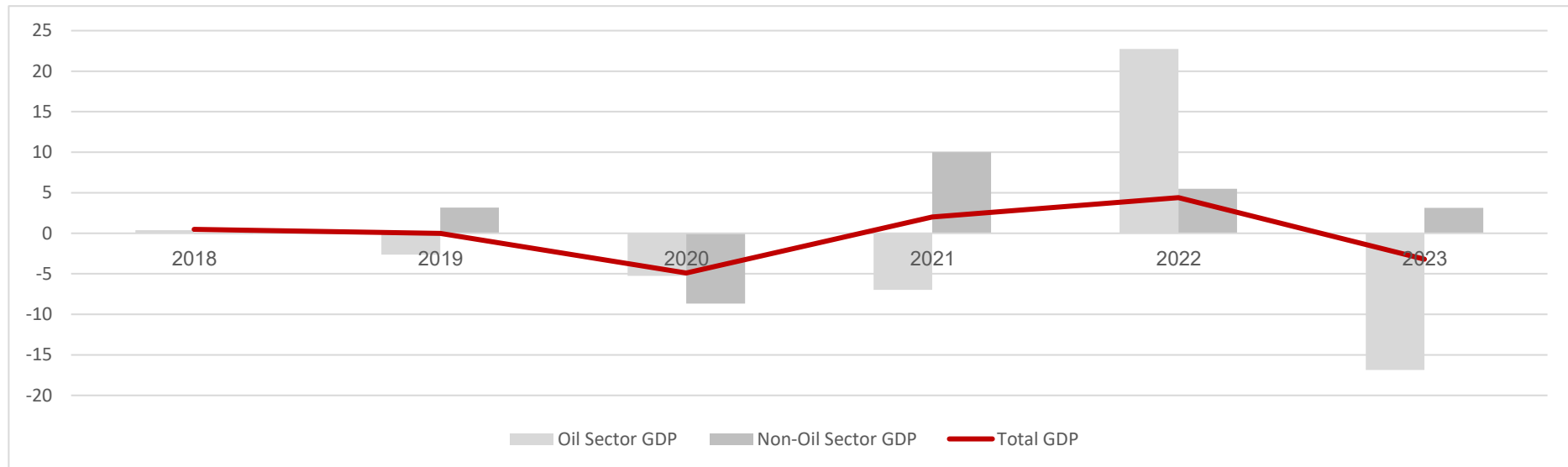
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	✓	----	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	6	3	0	0

Risk Category 9 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 0%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 120,000,000.00	SAR 85,000,000.00	SAR 71,000,000.00
NOI	8,400,000	5,950,000	4,970,000
Cap Rate	7.00%	7.00%	7.00%
Average Cap Rate	7.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%0.50		Trading Economics
Company-specific Risk Premium %	%0.50		Team's experience.
Discount Rate%	8.50%		

Cash Flow		2024	2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5	6
Inflation		0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Expected Revenues								
Offices	GLA	9,728	9,728	9,728	9,728	9,728	9,728	9,728
Rate	SAR	811.00	831	852	873	895	918	941
Total	SAR	7,889,408	8,086,643	8,288,809	8,496,030	8,708,430	8,926,141	9,149,295
Overall Revenues		7,889,408	8,086,643	8,288,809	8,496,030	8,708,430	8,926,141	9,149,295
Vacancy and Credit Loss								
Offices	0.0%	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0
Effective Rental Income		7,889,408	8,086,643	8,288,809	8,496,030	8,708,430	8,926,141	9,149,295
Expenses								
CAPEX	0.0%	0	0	0	0	0	0	0
OPEX	0.0%	0	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0	0
NOI		7,889,408	8,086,643	8,288,809	8,496,030	8,708,430	8,926,141	9,149,295
Terminal Value	7.0%							130,704,208
Discount Rate	8.5%	1.00	0.92	0.85	0.78	0.72	0.67	0.61
Present Value		7,889,408	7,453,127	7,040,973	6,651,610	6,283,779	5,936,289	85,722,518
Net Present Value								127,000,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 127,000,000.00
One Hundred Twenty-Seven Million Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



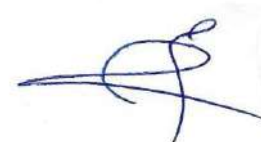
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT

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AL TAKHASSOSI SHOWROOM





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a commercial building located in Al Maather district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 4,248 square meters and a total built-up area (BUA) of 6,759.61 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 3 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of the Al Takhassosi Road from the west side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by residential and mix-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on Al Takhassosi Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	4,248 Sqm
District	Al Maather	Plot No.	1107 to 1112
T.D Type	Electronic	Block No.	191
T.D Number	314009010892	Layout No.	1343
T.D Date	29/06/1442	Ownership Type	Restricted.
Owner	شركة بيتك الحفظ للعقارات	Limitation of Document	Mortgaged to Al Rajhi bank
Issued From	Riyadh Notary		
North Side	20 meters Street	East Side	14 meters Street
South Side	Plot# 1113, 1114	West Side	40 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Layout modification		
Property Type	Car showroom		
Construction Permit No.	1437/363		
Construction Permit Date	09/01/1437		

Description	No. of Units	Area (sqm)	Use
Basement	0	3,448.22	Parking
Mezzanine	0	835.39	Mezzanine
Ground Floor	1	2,327	Showroom
Fences	1	149	Fences
Total BUA (sqm)		6,759.61	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

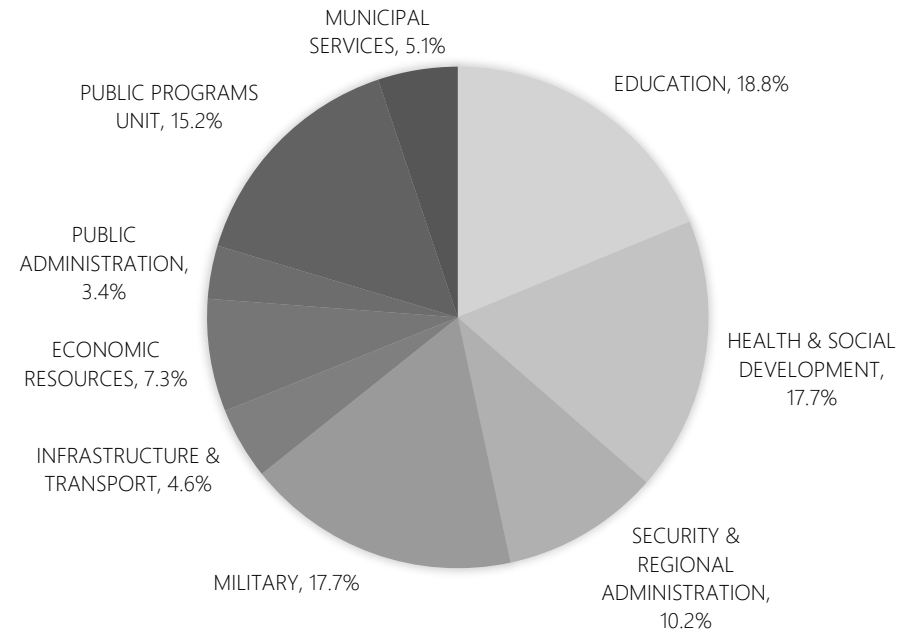
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
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General Items	SAR 216.00	bn

Source: Ministry of Finance



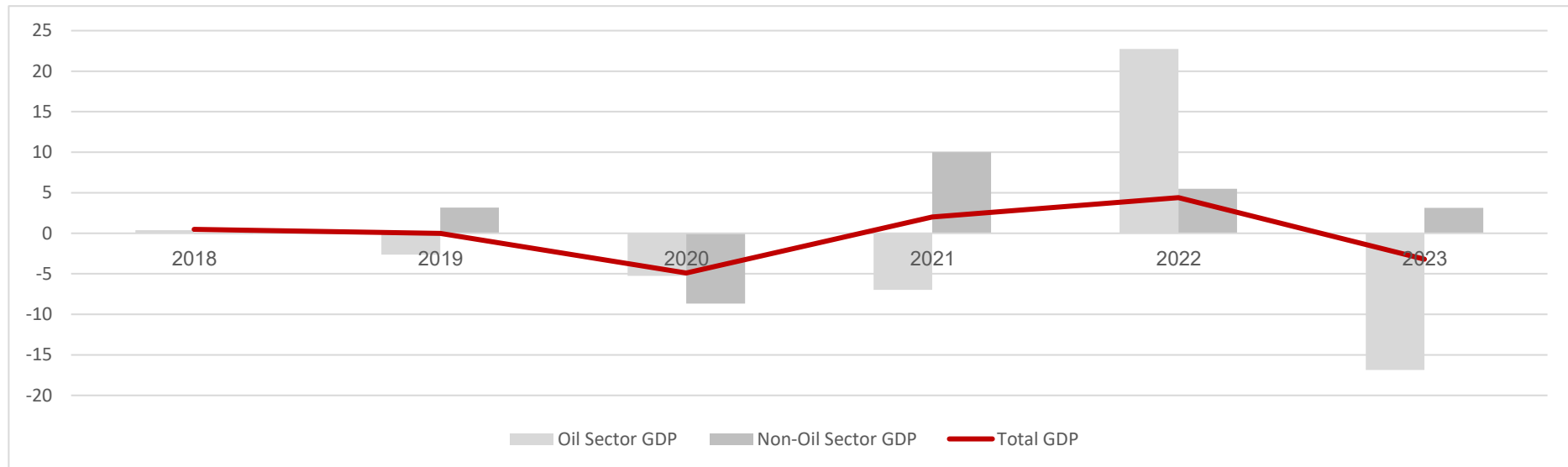
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.

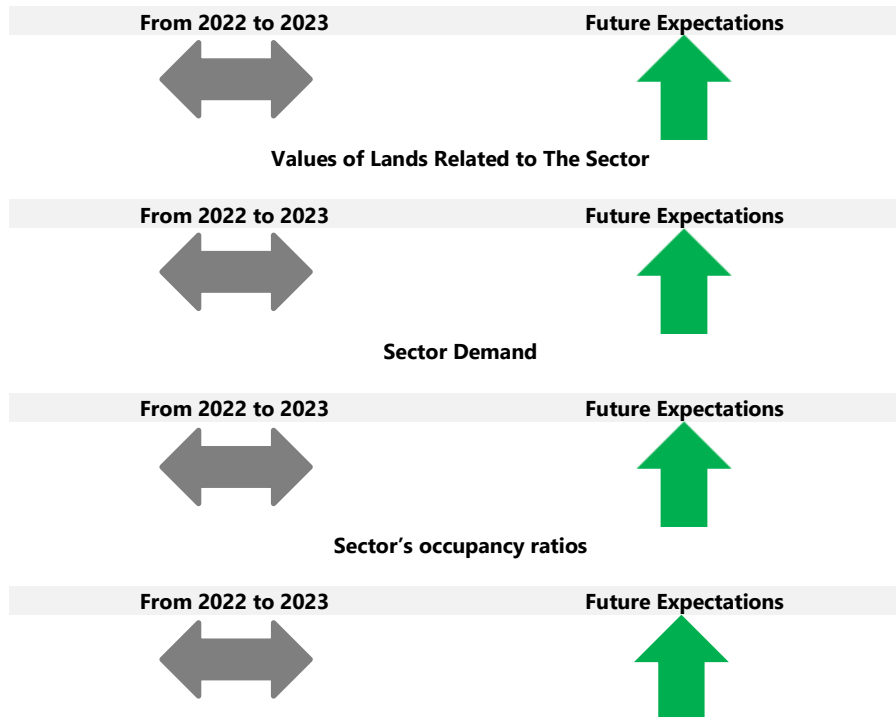


Indicator showing a decrease in the current performance comparing to last year

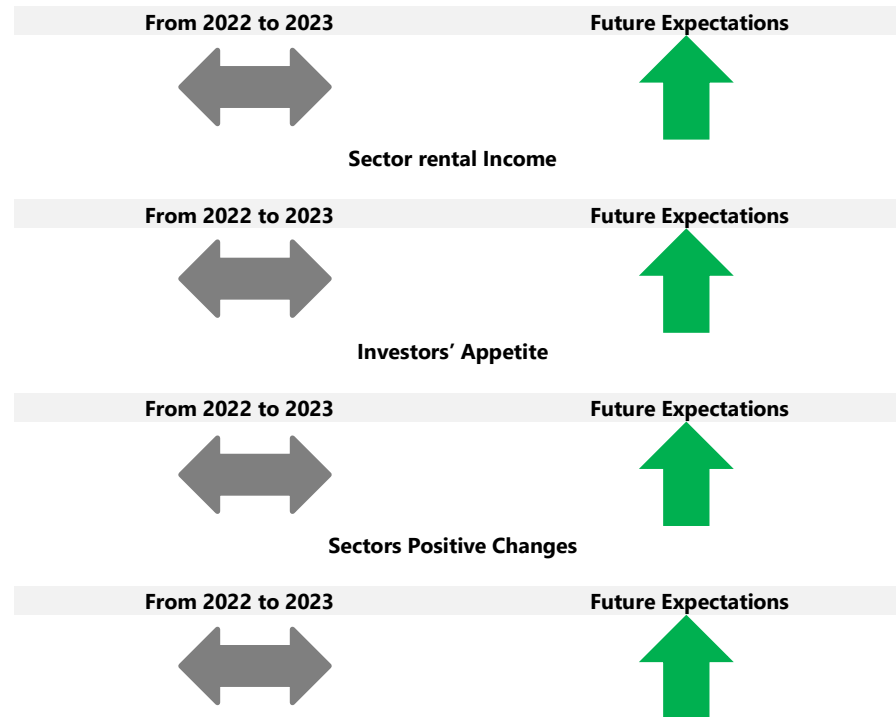
Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance



Overall Sector Stability



White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	4	6	0	0

Risk Category 10 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 0.3%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 6% to 8%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 7.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 35,000,000.00	SAR 40,800,000.00	SAR 27,000,000.00
NOI	2,800,000	3,264,000	2,160,000
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%1.50		GASTAT
Market Risk Premium%	%0.50		Trading Economics
Company-specific Risk Premium %	%0.50		Team's experience.
Discount Rate%	8.00%		

Cash Flow		2024	2025	2026	2027	2028	2029
		0	1	2	3	4	5
Inflation		0.0%	0.0%	0.0%	5.0%	0.0%	0.0%
Expected Revenues							
Showroom	GLA	3,162	3,162	3,162	3,162	3,162	3,162
Rate	SAR	1,750	1,750	1,750	1,838	1,838	1,838
Total	SAR	5,534,183	5,534,183	5,534,183	5,810,892	5,810,892	5,810,892
Overall Revenues		5,534,183	5,534,183	5,534,183	5,810,892	5,810,892	5,810,892
Vacancy and Credit Loss							
Showroom	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		5,534,183	5,534,183	5,534,183	5,810,892	5,810,892	5,810,892
Expenses							
CapEx	0.0%	0	0	0	0	0	0
OPEX	0.3%	19,259	0	0	0	0	0
Overall Expenses		19,259	0	0	0	0	0
NOI		5,514,924	5,534,183	5,534,183	5,810,892	5,810,892	5,810,892
Terminal Value	8.0%						
Discount Rate	8.0%	1.00	0.93	0.86	0.79	0.74	0.68
Present Value		5,514,924	5,124,243	4,744,669	4,612,873	4,271,179	3,954,795
Net Present Value							

Cash Flow		2030	2031	2032	2033	2034	2035	2036
		6	7	8	9	10	11	12
Inflation		0.0%	0.0%	5.0%	0.0%	0.0%	0.0%	0.0%
Expected Revenues								
Showroom	GLA	3,162	3,162	3,162	3,162	3,162	3,162	3,162
Rate	SAR	1,660	1,660	1,743	1,743	1,743	1,743	1,743
Total	SAR	5,249,567	5,249,567	5,512,046	5,512,046	5,512,046	5,512,046	5,512,046
Overall Revenues		5,249,567	5,249,567	5,512,046	5,512,046	5,512,046	5,512,046	5,512,046
Vacancy and Credit Loss								
Showroom	0.0%	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0
Effective Rental Income		5,249,567	5,249,567	5,512,046	5,512,046	5,512,046	5,512,046	5,512,046
Expenses								
CapEx	0.0%	0	0	0	0	0	0	0
OPEX	0.3%	0	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0	0
NOI		5,249,567	5,249,567	5,512,046	5,512,046	5,512,046	5,512,046	5,512,046
Terminal Value	8.0%							68,900,572
Discount Rate	8.0%	0.63	0.58	0.54	0.50	0.46	0.43	0.40
Present Value		3,308,118	3,063,072	2,977,987	2,757,395	2,553,144	2,364,022	29,550,274
Net Present Value								75,000,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 75,000,000.00
Seventy-Five Million Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



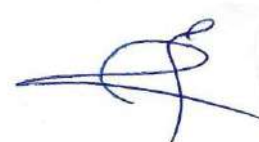
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

WHITECUBES Stamp



3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT

Documents Received

4.1 Title deeds and Construction Permit

بسم الله الرحمن الرحيم

الجمهورية العربية السورية
دولة العدل
[٢٧٧]

شك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:

فإن قطعة الأرض 1107 و قطعة الأرض 1108 و قطعة الأرض 1109 و قطعة الأرض 1110 و قطعة الأرض 1111 و قطعة الأرض 1112 من ذلك رقم 191 من المخطط رقم 1343 الواقع في حي المعزة بمدينة الرستن، و حدودها وأبعادها كالتالي:

شمالاً: شارع عرض 20م بطول: (60) سكون متر
جنوباً: قطعة رقم 1113 و رقم 1114 بطول: (60) سكون متر
شرقاً: شارع عرض 14م بطول: (70.8) سكون متر و سكون سكتنتر
غرباً: شارع التخصصي عرض 40م بطول: (70.8) سكون متر و سكون سكتنتر
ومستأحب: (4248) أريعة ألب و سكتن و شمالة و أريعون متر مربع فقط
المطلقة له شركة سكتن الحفظ للغارات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ وتنتهي في 26 / 10 / 1443 هـ بالملك الصادر من كتبة العدل الأولى بالرباض برقم 14038490 في 17 / 11 / 1438 هـ رقمها إما قيد أو سجلان عليها من بدء التصالح / ترك آثار اجري المصيرية للإستمرار بموجب سجل تجاري رقم 1010000996 وتنتهي في 29 / 5 / 1443 هـ مضماً لوفائه بما علىه من سكتنات مالية لصالح مصرف الرستن بموجب سجل تجاري رقم 1010000096 وبلغ قدره (25500000) خمسة و عشرون مليون وخمسمائة ألف ريال سجن من القيمة الشريعة برقم 1075 في 7 / 9 / 1436 هـ، على أن سكتن الضموية نفقة وأحد بترتخ 11 / 02 / 2026 هـ

وفي حالة عدم إلتداد قلمسوت بيع العقار بالقيمة التي كتبت عليها الرضات وإستيعاف باقي دمة الراهن من مبلغ وما نقص برجع عليه عليه بعد أكمل سبيلاً و شرعاً وعليه جرى إتصاف تحجيراً في 29 / 6 / 1442 هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

صدوت هذا الشك من وزارة العدل، ولجأ الخلق من بالناك وورثه غير الخدمات الإلكترونية لوزارة العدل
موقع رقم 191 - 191 - 191
صفحة رقم 1 من 1

[illegible]



AL SAHAFAH BUILDING 1





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is an office building located in Al Sahafah district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 2,520 square meters and a total built-up area (BUA) of 11,061.67 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 3 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of Olaya Street from the west side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

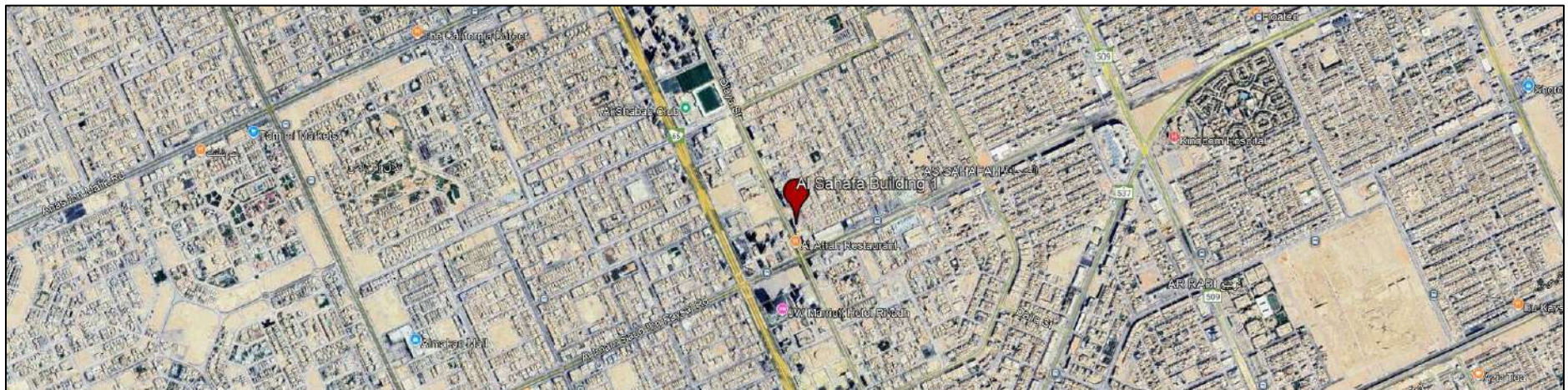
The subject property is primarily surrounded by commercial and mix-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on Olaya Street.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	2,520 Sqm
District	Al Sahafah	Plot No.	1918
T.D Type	Electronic	Block No.	N/A
T.D Number	317815000994	Layout No.	1637
T.D Date	12/06/1441	Ownership Type	Restricted.
Owner	شركة بيتك الحفظ للعقارات	Limitation of Document	Mortgaged to Al Rajhi bank
Issued From	Riyadh Notary		
North Side	Plot# 1919/ 1920/ 1921	East Side	15 meters Street
South Side	Plot# 1917	West Side	40 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit		
Property Type	Administrative Building		
Construction Permit No.	1432/12653		
Construction Permit Date	05/07/1432		

Description	No. of Units	Area (sqm)	Use
Ground Floor	2	299.49	Commercial
Second Basement	0	2,371.00	Parking
First basement	0	2,371.00	Parking
Ground Floor	2	447.61	Offices
First Floor	4	719.57	Offices
Second Floor	6	778.50	Offices
Third Floor	6	778.50	Offices
Electricity Room	0	20.00	Electricity room
Fourth Floor	6	778.50	Offices
Fifth Floor	6	778.50	Offices
Sixth Floor	6	778.50	Offices
Seventh Floor	6	778.50	Offices
Fences	1	162.00	Fences
Total BUA (sqm)		11,061.67	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

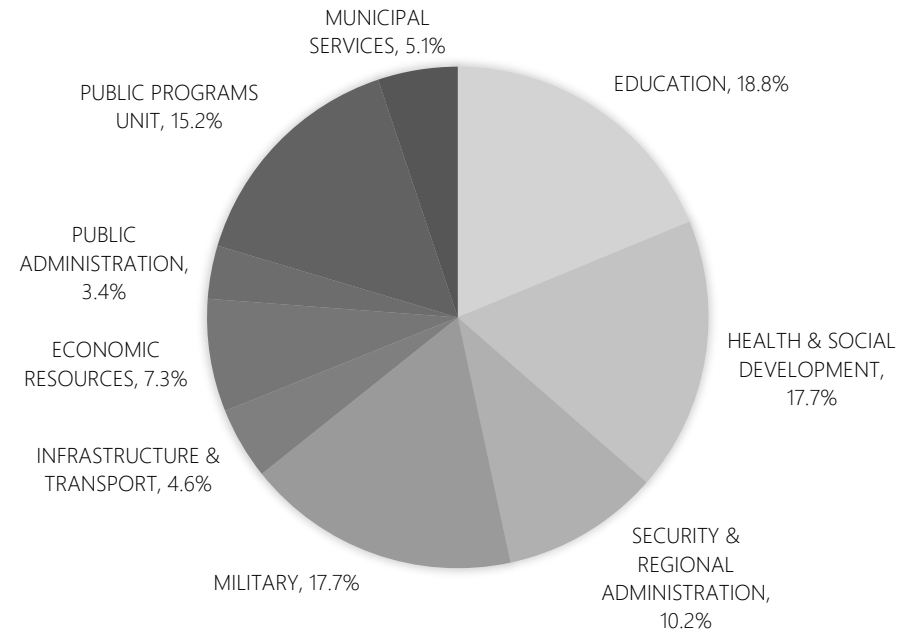
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Source: Ministry of Finance



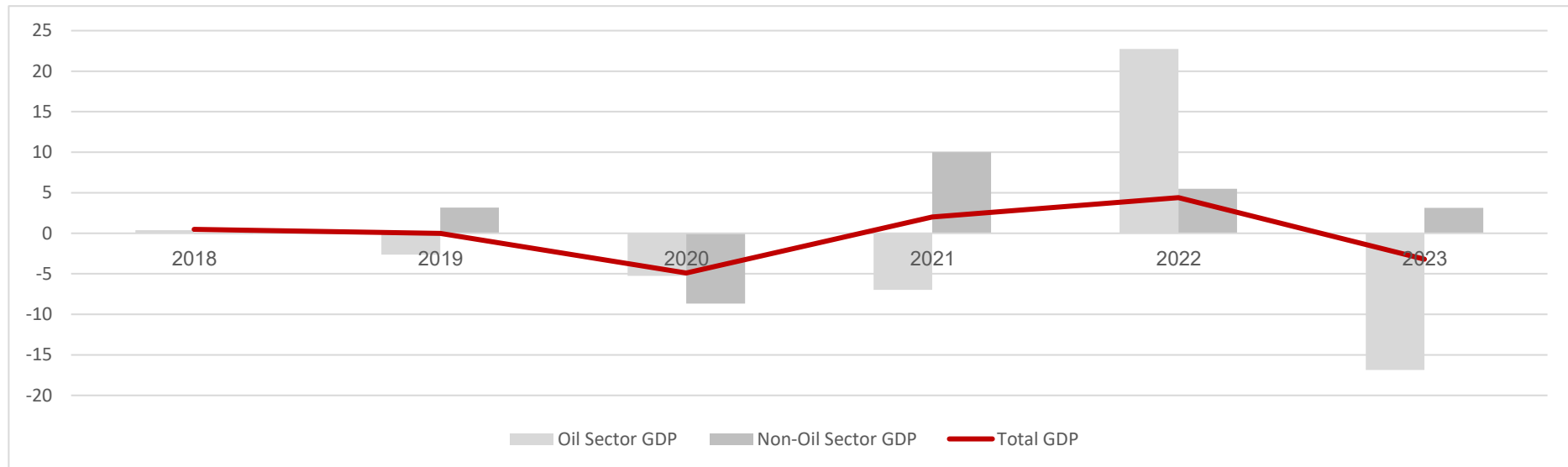
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Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

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Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	----	✓	----	----
Land Shape	----	✓	----	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	4	6	0	0

Risk Category 10 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 2.65%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	42,560,000	93,350,000	73,141,000
NOI	3,192,000	7,468,000	5,997,562
Cap Rate	7.50%	8.00%	8.20%
Average Cap Rate	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%1.50		GASTAT
Market Risk Premium%	%0.50		Trading Economics
Company-specific Risk Premium %	%0.50		Team's experience.
Discount Rate%	8.00%		

Cash Flow		2024	2025	2026	2027	2028	2029	2030
		0	1	2	3	4	5	6
Inflation		0.0%	30.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Expected Revenues								
Offices	Sqm	11,340	11,340	11,340	11,340	11,340	11,340	11,340
Rate (SAR)	SAR	312	406	414	422	430	439	448
Total	SAR	3,538,080	4,599,504	4,691,494	4,785,324	4,881,030	4,978,651	5,078,224
Overall Revenues		3,538,080	4,599,504	4,691,494	4,785,324	4,881,030	4,978,651	5,078,224
Vacancy and Credit Loss								
Offices	0.00%	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0
Effective Rental Income		3,538,080	4,599,504	4,691,494	4,785,324	4,881,030	4,978,651	5,078,224
Expenses								
CapEx	0.00%	0	0	0	0	0	0	0
OpEx	2.59%	91,800	22,998	23,457	23,927	24,405	24,893	25,391
Overall Expenses		91,800	22,998	23,457	23,927	24,405	24,893	25,391
NOI		3,446,280	4,576,506	4,668,037	4,761,397	4,856,625	4,953,758	5,052,833
Terminal Value	8.0%							63,160,412
Discount Rate	8.0%	1.00	0.93	0.86	0.79	0.74	0.68	0.63
Present Value		3,446,280	4,237,506	4,002,089	3,779,751	3,569,765	3,371,444	42,985,915
Net Present Value								65,400,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 65,400,000.00
Sixty-Five Million Four Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



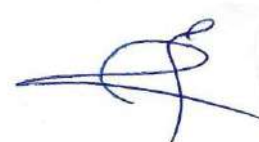
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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AL SAHAFAH BUILDING 2





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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is an office building located in Al Sahafah district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 2,380 square meters and a total built-up area (BUA) of 10,880 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 2 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of Olaya Street from the west side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

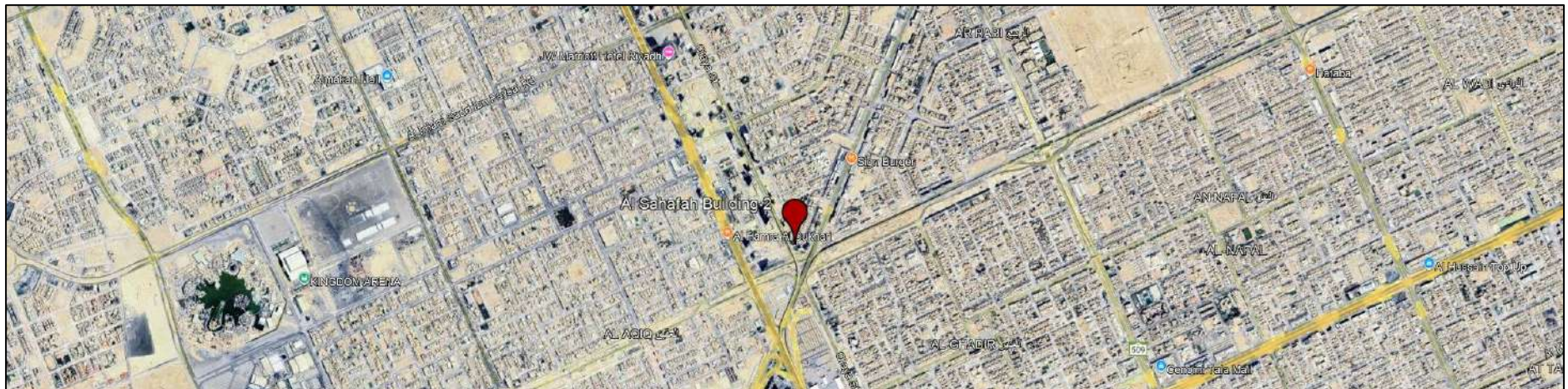
The subject property is primarily surrounded by commercial and mix-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on Olaya Street.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	2,380 Sqm
District	Al Sahafah	Plot No.	1298 /1290
T.D Type	Electronic	Block No.	100
T.D Number	317812001040	Layout No.	2413
T.D Date	12/06/1441	Ownership Type	Restricted.
Owner	شركة بيتك الحفظ للعقارات	Limitation of Document	Mortgaged to Al Rajhi bank
Issued From	Riyadh Notary		
North Side	Plot# 1291/ 1299	East Side	20 meters Street
South Side	20 meters Street	West Side	40 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit
Property Type	Commercial, Offices
Construction Permit No.	1431/9936
Construction Permit Date	08/06/1431

Description	No. of Units	Area (sqm)	Use
Mezzanine	1	765.30	Commercial
Second basement	0	2,520.00	Parking
First basement	0	2,520.00	Parking
Ground Floor	6	754.50	Commercial
First Floor	6	789.00	Offices
Second Floor	6	800.50	Offices
Third Floor	6	800.50	Offices
Electricity Room	0	20.00	Electricity room
Fourth Floor	6	800.50	Offices
Fifth Floor	6	789.00	Offices
Sixth Floor	6	800.50	Offices
Fences	1	176.00	Fences
Total BUA (sqm)		11,340.00	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

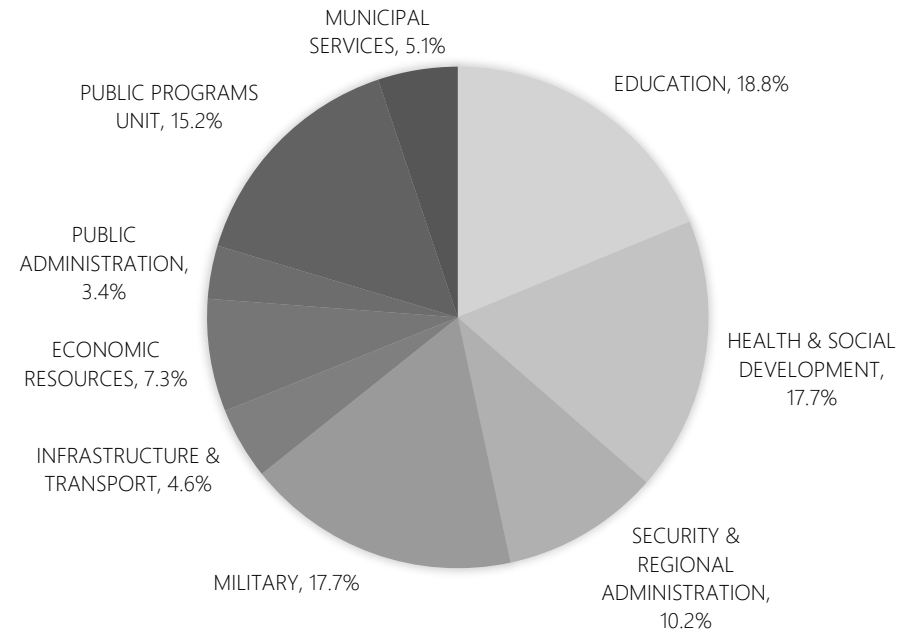
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



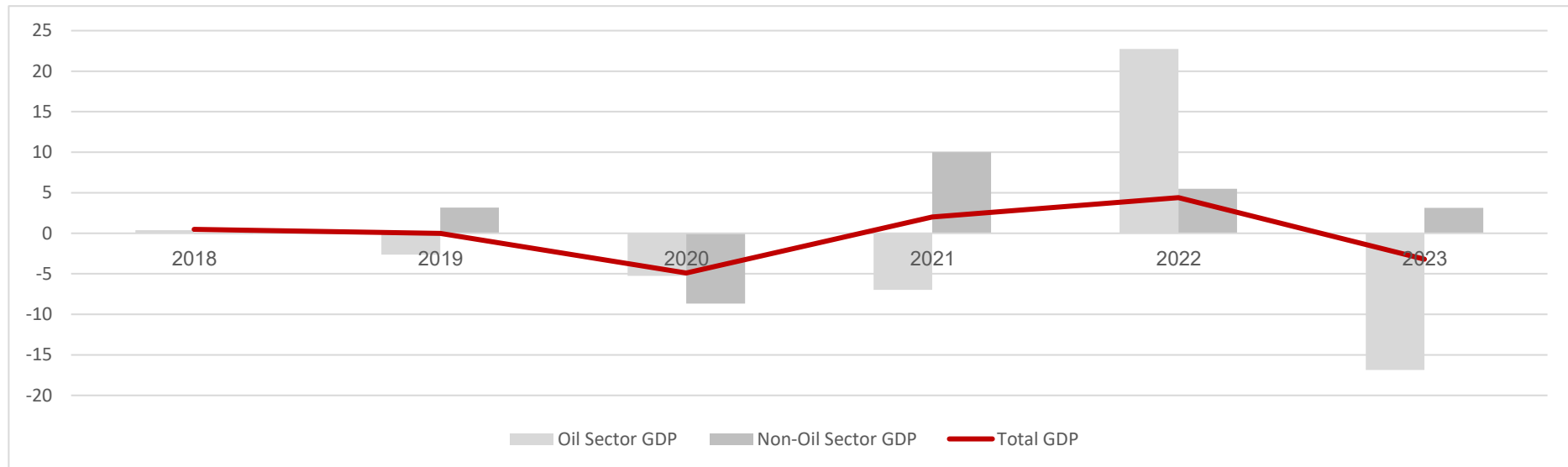
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	4	6	0	0

Risk Category 10 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 0.75%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	42,560,000	93,350,000	73,141,000
NOI	3,192,000	7,468,000	5,997,562
Cap Rate	7.50%	8.00%	8.20%
Average Cap Rate	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50		SAMA
Inflation Rate%	%1.50		GASTAT
Market Risk Premium%	%0.50		Trading Economics
Company-specific Risk Premium %	%0.50	Source	Team's experience.
Discount Rate%	8.00%		

Cash Flow		2024	2025	2026	2027	2028	2029
		0	1	2	3	4	5
Inflation		0.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Expected Revenues							
Offices	Sqm	10,880	10,880	10,880	10,880	10,880	10,880
Rate (SAR)	SAR	400	408	416	424	433	442
Total	SAR	4,352,000	4,439,040	4,527,821	4,618,377	4,710,745	4,804,960
Overall Revenues		4,352,000	4,439,040	4,527,821	4,618,377	4,710,745	4,804,960
Vacancy and Credit Loss							
Offices	0.00%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		4,352,000	4,439,040	4,527,821	4,618,377	4,710,745	4,804,960
Expenses							
CapEx	0.00%	0	0	0	0	0	0
OpEx	0.74%	32,000	0	0	0	0	0
Overall Expenses		32,000	0	0	0	0	0
NOI		4,320,000	4,439,040	4,527,821	4,618,377	4,710,745	4,804,960
Terminal Value	8.0%						60,061,996
Discount Rate	8.0%	1.00	0.93	0.86	0.79	0.74	0.68
Present Value		4,320,000	4,110,222	3,881,877	3,666,217	3,462,538	44,147,360
Net Present Value							63,600,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 63,600,000.00
Sixty-Three Million Six Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



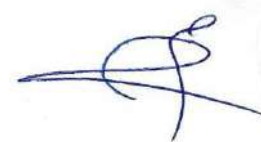
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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AL HAEER WAREHOUSES





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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a logistic project located in Al Masani district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 13,544.45 square meters and a total built-up area (BUA) of 11,980 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 4 sides, allowing ample natural light and ventilation.

1.2 Surrounding Area

The subject property is primarily surrounded by warehouses, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as moderate due to its location near Al Haeer Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	13,544.45 Sqm
District	Al Masani	Plot No.	2788 to 2801
T.D Type	Electronic	Block No.	N/A
T.D Number	910106051847	Layout No.	3085
T.D Date	21/11/1438	Ownership Type	Freehold.
Owner	شركة بيتك الحفظ للعقارات	Limitation of Document	N/A
Issued From	Riyadh Notary		
North Side	Pathway	East Side	20 meters Street
South Side	25 meters Street	West Side	20 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Renewal		
Property Type	Warehouse		
Construction Permit No.	1426/740		
Construction Permit Date	06/02/1432		

Description	No. of Units	Area (sqm)	Use
Ground Floor	28	11,970	Warehouse
Electricity Room	0	10	Electricity Room
Fences	0	75	Fences
Total BUA (sqm)		11,980.00	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

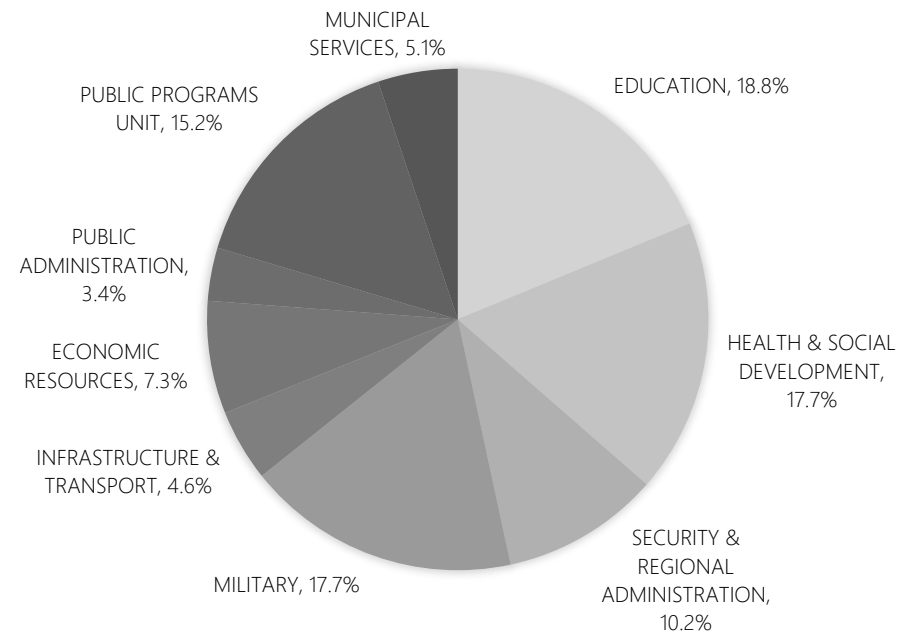
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



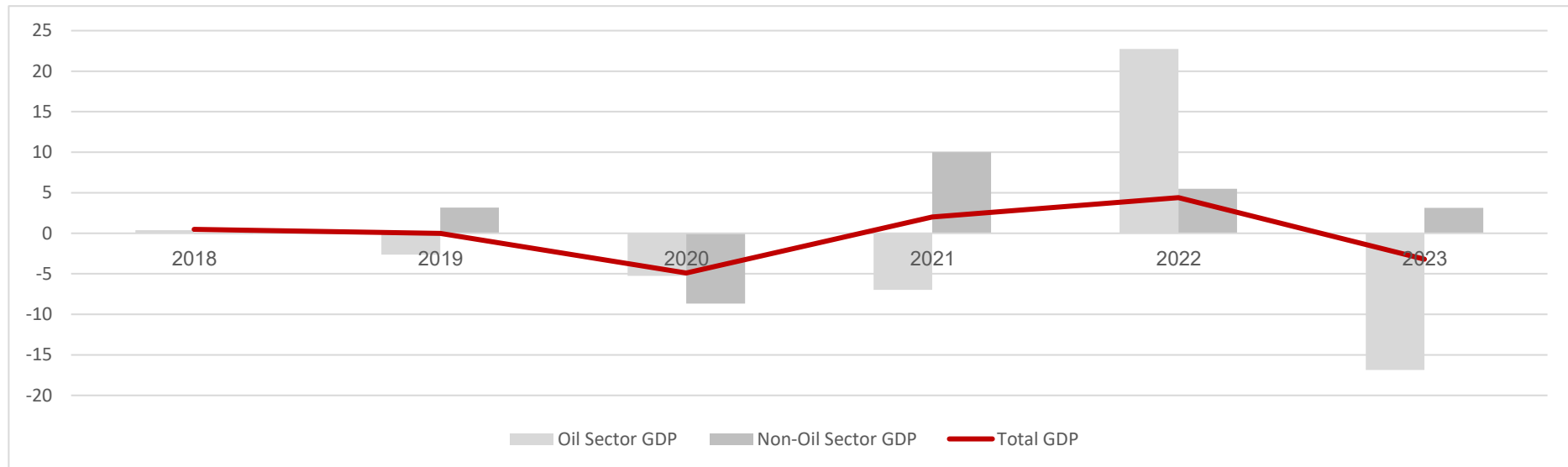
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	----	✓	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	----	✓	----	----
Total Risk	0	0	12	0	0

Risk Category 12 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 5.5%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 20,500,000.00	SAR 1,900,000.00	SAR 7,000,000.00
NOI	SAR 1,640,000.00	SAR 152,000.00	SAR 560,000.00
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		
Rounded	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%1.50		Trading Economics
Company-specific Risk Premium %	%1.00		Team's experience.
Discount Rate%	10.00%		

Cash Flow		2024	2025	2026	2027	2028	2029
		0	1	2	3	4	5
Inflation		0.0%	0.0%	2.0%	2.0%	2.0%	2.0%
Expected Revenues							
Warehouse	Sqm	12,300	12,300	12,300	12,300	12,300	12,300
Rate (SAR)	SAR	160	160	163	166	170	173
Total	SAR	1,878,598	1,968,000	2,007,360	2,047,507	2,088,457	2,130,226
Overall Revenues		1,878,598	1,968,000	2,007,360	2,047,507	2,088,457	2,130,226
Vacancy and Credit Loss							
Warehouse	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		1,878,598	1,968,000	2,007,360	2,047,507	2,088,457	2,130,226
Expenses							
CapEx	0.0%	0	0	0	0	0	0
OpEx	5.5%	102,946	107,846	110,003	112,203	114,447	116,736
Overall Expenses		102,946	107,846	110,003	112,203	114,447	116,736
NOI		1,775,651	1,860,154	1,897,357	1,935,305	1,974,011	2,013,491
Terminal Value	8.0%						25,168,637
Discount Rate	10.0%	1.00	0.91	0.83	0.75	0.68	0.62
Present Value		1,775,651	1,691,049	1,568,064	1,454,023	1,348,276	16,877,963
Net Present Value							24,700,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 24,700,000.00
Twenty-Four Million Seven Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



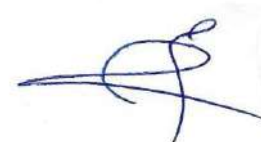
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT



AL SULAY WAREHOUSES





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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a logistic project located in Al Sulay district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 54,075 square meters and a total built-up area (BUA) of 46,158 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 3 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of Al Kitab Street from the east side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by warehouses, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location near the Second Ring Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	54,075 Sqm
District	Al Sulay	Plot No.	27
T.D Type	Electronic	Block No.	N/A
T.D Number	310108046400	Layout No.	1351
T.D Date	23/11/1438	Ownership Type	Freehold.
Owner	شركة بيتك الحفظ للعقارات	Limitation of Document	N/A
Issued From	Riyadh Notary		
North Side	Private property	East Side	36 meters Street
South Side	36 meters Street	West Side	Private property

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit		
Property Type	Project		
Construction Permit No.	121/3/4/27		
Construction Permit Date	04/12/1413		

Description	No. of Units	Area (sqm)	Use
Ground Floor	0	46,158	Warehouse
Total BUA (sqm)		46,158	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

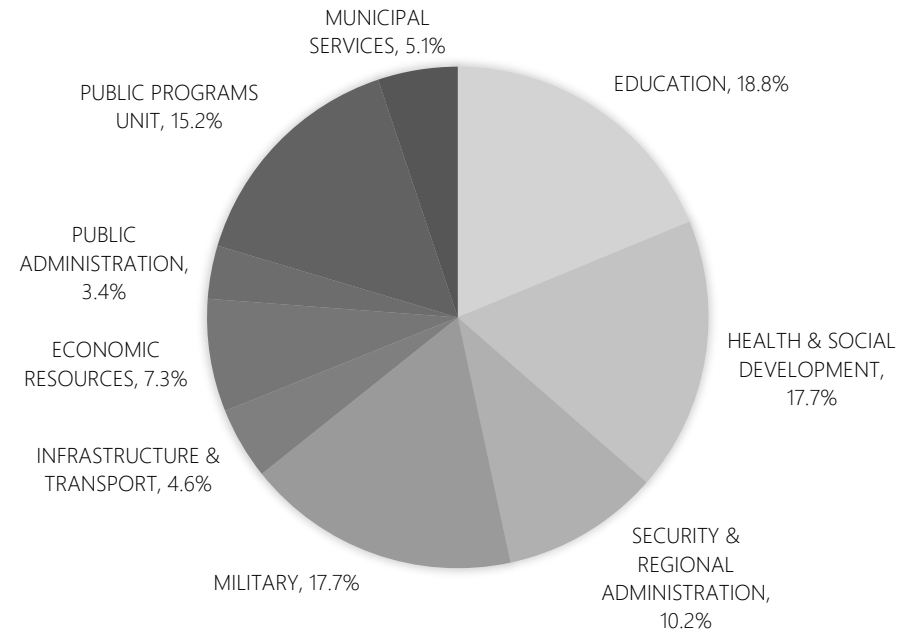
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



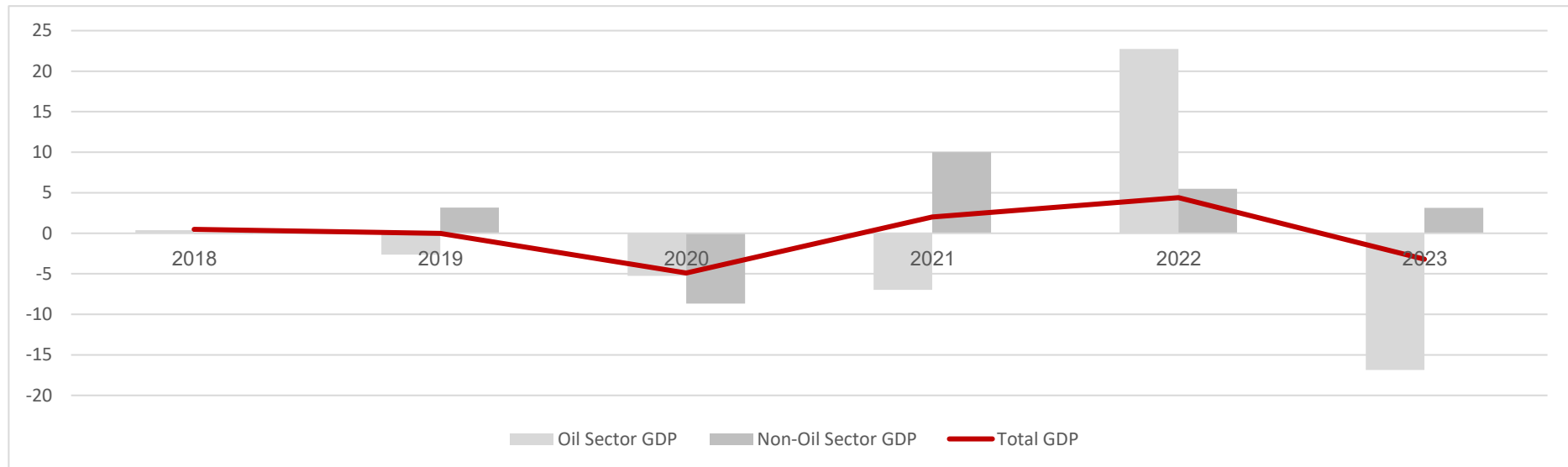
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.

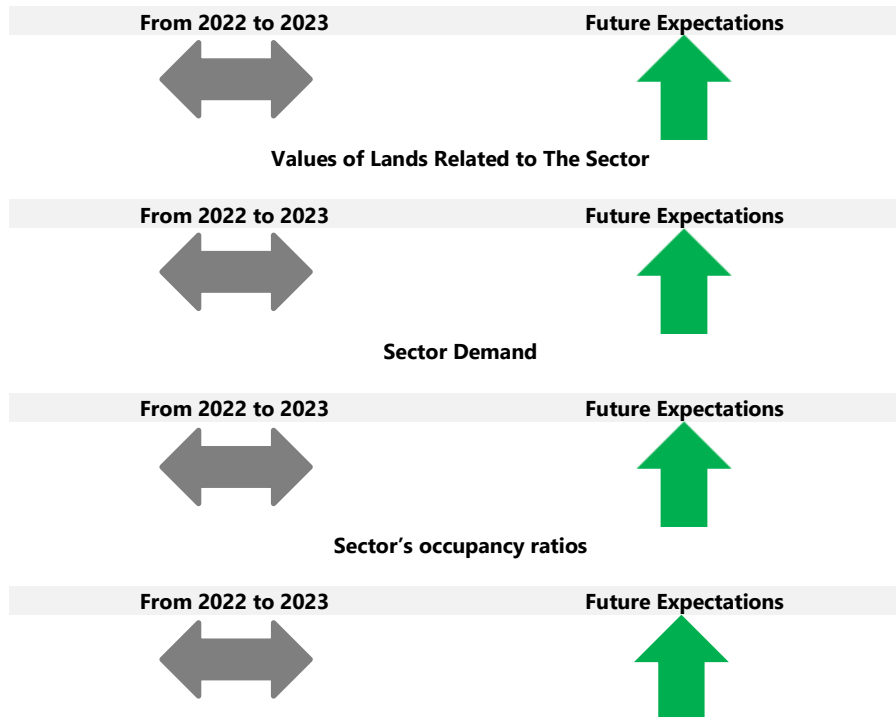


Indicator showing a decrease in the current performance comparing to last year

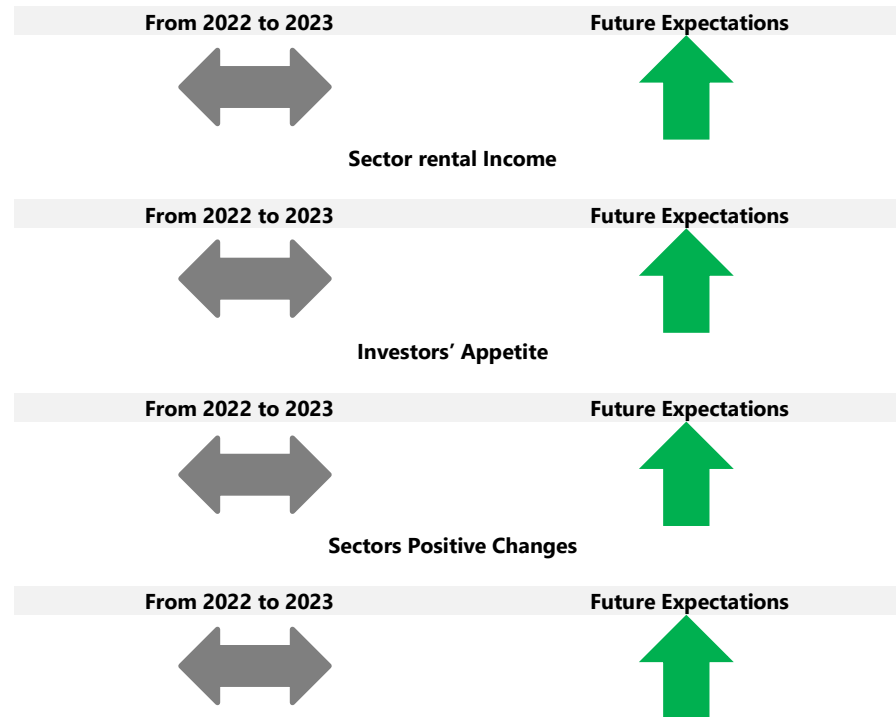
Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance



Overall Sector Stability



White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	----	✓	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	----	✓	----	----
Total Risk	0	0	12	0	0

Risk Category 12 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 5.7%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 20,500,000.00	SAR 1,900,000.00	SAR 7,000,000.00
NOI	SAR 1,640,000.00	SAR 152,000.00	SAR 560,000.00
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		
Rounded	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%1.50		Trading Economics
Company-specific Risk Premium %	%1.00		Team's experience.
Discount Rate%	10.00%		

Cash Flow		2024	2025	2026	2027	2028	2029
		0	1	2	3	4	5
Inflation		0.0%	5.0%	0.0%	5.0%	0.0%	5.0%
Expected Revenues							
Warehouse	Sqm	38,390	38,390	38,390	38,390	38,390	38,390
Rate (SAR)	SAR	110	116	116	121	121	127
Total	SAR	3,963,922	4,434,045	4,434,045	4,655,747	4,655,747	4,888,535
Overall Revenues		3,963,922	4,434,045	4,434,045	4,655,747	4,655,747	4,888,535
Vacancy and Credit Loss							
Warehouse	1%	39,639	0	0	0	0	0
Total		39,639	0	0	0	0	0
Effective Rental Income		3,924,283	4,434,045	4,434,045	4,655,747	4,655,747	4,888,535
Expenses							
CapEx	0.0%	0	0	0	0	0	0
OpEx	5.7%	225,589	88,681	88,681	93,115	93,115	97,771
Overall Expenses		225,589	88,681	88,681	93,115	93,115	97,771
NOI		3,698,694	4,345,364	4,345,364	4,562,632	4,562,632	4,790,764
Terminal Value	8.0%						59,884,549
Discount Rate	10.0%	1.00	0.91	0.83	0.75	0.68	0.62
Present Value		3,698,694	3,950,331	3,591,210	3,427,973	3,116,339	40,158,281
Net Present Value							57,900,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 57,900,000.00
Fifty-Seven Million Nine Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



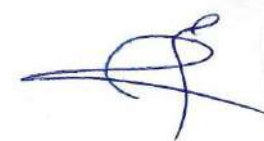
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT

Documents Received

4.1 Title deeds and Construction Permit

بسم الله الرحمن الرحيم
 كاتبة العدل الأولى بالرياض
 [٢٧٧]

الرقم: ٢٧٧٨٠٤٤٤٠٠٠
 التاريخ: ١٤٣٨ / ١١ / ٢٢ هـ

صك

الحمد لله وحده والصلوة والسلام على من لا نبي بعده وبعد:
 فإن قطعة الأرض رقم ٢٧ من الخطة رقم ١٣٥٩ الواقع في حي السلي ببلدية الرياض
 وحدودها وأصولها كالتالي:
 شمالاً: ملك تليفه الفيداه وشركائه بطول: (٦٦٢,٨) متراً والثلثين و ستون متراً وخمسون سنتيمتر
 جنوباً: شارع عريض ٣٦ بطول: (٢٦٢,٥) متراً والثلثين و ستون متراً وخمسون سنتيمتر
 شرقاً: شارع عريض ٦٨ بطول: (٦٠٦) متراً والثلثين و ستة متراً
 غرباً: ملك محمد الصالح التاليع بطول: (٢٠٦) متراً والثلثين و ستة متراً
 ومساحتها: (٤٠٢٥) أربعة وخمسون ألفاً وخمسة و سبعون متراً مربعاً فقط
 بالسند في فراغها على الصك الصادر من هذه الإدارة برقم ٤١٠٠٨٠٣٢٤٢ في ١٤٣٨ / ٢ / ١٢ هـ
 قد اشتملت على ثلثيها في شريطة بتلك الخطة للشارع بموجب سجل تجاري رقم ٩٠١٠٧٩٠٤٤٨ في ١٣٨٨ / ١٠ / ٢٦ هـ. يشن
 رقمه: ٧٥٥٠٢٢٧٥٠٢٧ خمسة و سبعون ألفاً وخمسة و اثنان ألفاً وخمسة و سبعون ريال و سبعة و عشرون حقة
 بقيمة ٢٢٨١٨٢٢,٦٦ ريال و سبعة و خمسون ألفاً وخمسة و اثنان ألفاً وخمسة و سبعون ريال و سبعة و عشرون حقة
 ريال و عليه جرى التصديق تحريراً في ١٤٣٨ / ١١ / ٢٢ هـ لا عثمارة ١٠ و سبلى الله على نبينا محمد وآله وصحبه وسلم

الختم الرسمي

ماجد بن عبدالله بن ناصر التركي

وزارة العدل
 كاتبة العدل الأولى بالرياض
 كاتبة العدل الأولى بالرياض
 [٢٧٧]

رؤسها من بورصة
 وزارة الشؤون البلدية والقروية
 أمانة مدينة الرياض
 وكالة المصير والتمويل
 الإدارة العامة للتخطيط العمراني
 إدارة رخص البناء

الرقم: ١٣٧ / ٢ / ٤ / ٤٧
 التاريخ: ١٤٣٨ / ١١ / ٢٢ هـ

صك

الحمد لله وحده والصلوة والسلام على من لا نبي بعده وبعد:
 فإن قطعة الأرض رقم ٢٧ من الخطة رقم ١٣٥٩ الواقع في حي السلي ببلدية الرياض
 وحدودها وأصولها كالتالي:
 شمالاً: ملك تليفه الفيداه وشركائه بطول: (٦٦٢,٨) متراً والثلثين و ستون متراً وخمسون سنتيمتر
 جنوباً: شارع عريض ٣٦ بطول: (٢٦٢,٥) متراً والثلثين و ستون متراً وخمسون سنتيمتر
 شرقاً: شارع عريض ٦٨ بطول: (٦٠٦) متراً والثلثين و ستة متراً
 غرباً: ملك محمد الصالح التاليع بطول: (٢٠٦) متراً والثلثين و ستة متراً
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 قد اشتملت على ثلثيها في شريطة بتلك الخطة للشارع بموجب سجل تجاري رقم ٩٠١٠٧٩٠٤٤٨ في ١٣٨٨ / ١٠ / ٢٦ هـ. يشن
 رقمه: ٧٥٥٠٢٢٧٥٠٢٧ خمسة و سبعون ألفاً وخمسة و اثنان ألفاً وخمسة و سبعون ريال و سبعة و عشرون حقة
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الختم الرسمي

ماجد بن عبدالله بن ناصر التركي

وزارة العدل
 كاتبة العدل الأولى بالرياض
 كاتبة العدل الأولى بالرياض
 [٢٧٧]



WHITE CUBES

MANFAAT AL QUDS





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a mix-use building located in Al Quds district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 895.50 square meters and a total built-up area (BUA) of 1,257.84 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 2 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of King Abdullah Road from the north side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

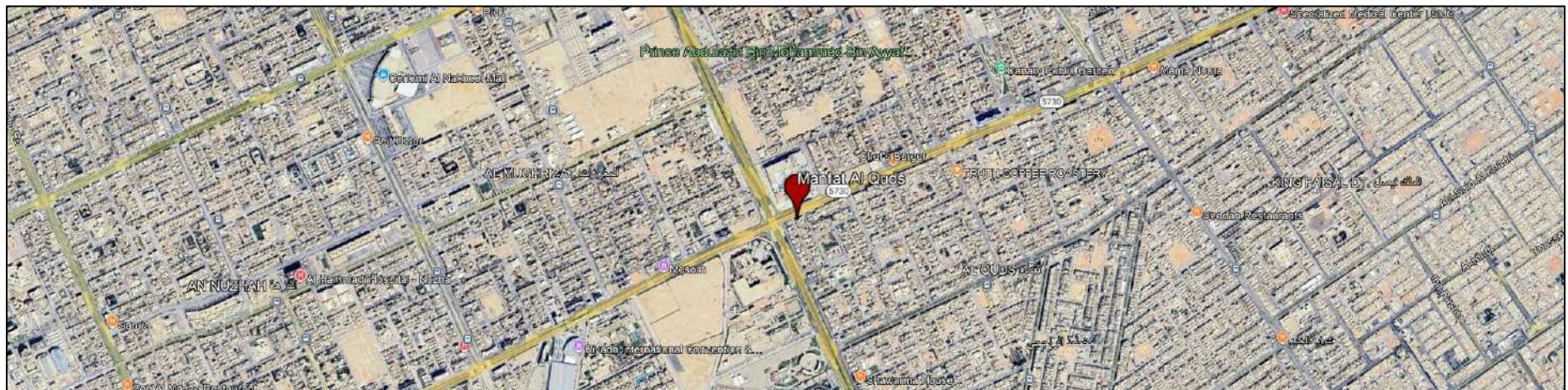
The subject property is primarily surrounded by commercial and mixed-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on King Abdullah Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	895.5 Sqm
District	Al Quds	Plot No.	1473
T.D Type	-	Block No.	-
T.D Number	16/868	Layout No.	2304
T.D Date	30/03/1404	Ownership Type	-
Owner	-	Limitation of Document	-
Issued From	-		
North Side	60 meters Street	East Side	Private property
South Side	Private property	West Side	15 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New permit		
Property Type	Commercial Offices		
Construction Permit No.	1433/5390		
Construction Permit Date	15/03/1433		

Description	No. of Units	Area (sqm)	Use
Mezzanine	0	446.84	Commercial
ground Floor	4	535	Commercial
Annexes	3	276	Offices
Fences	1	60	Fences
Total BUA (sqm)		1,257.84	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

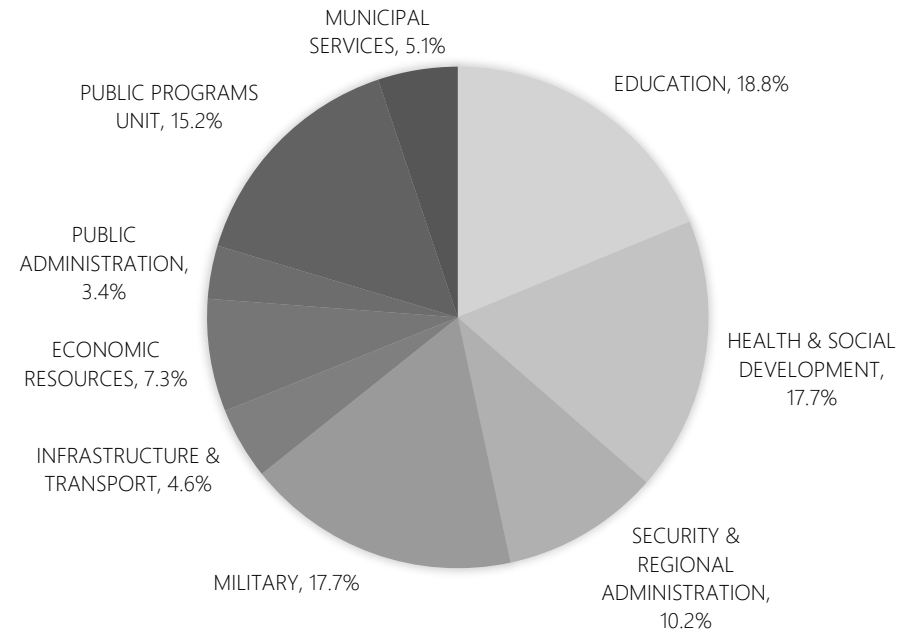
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



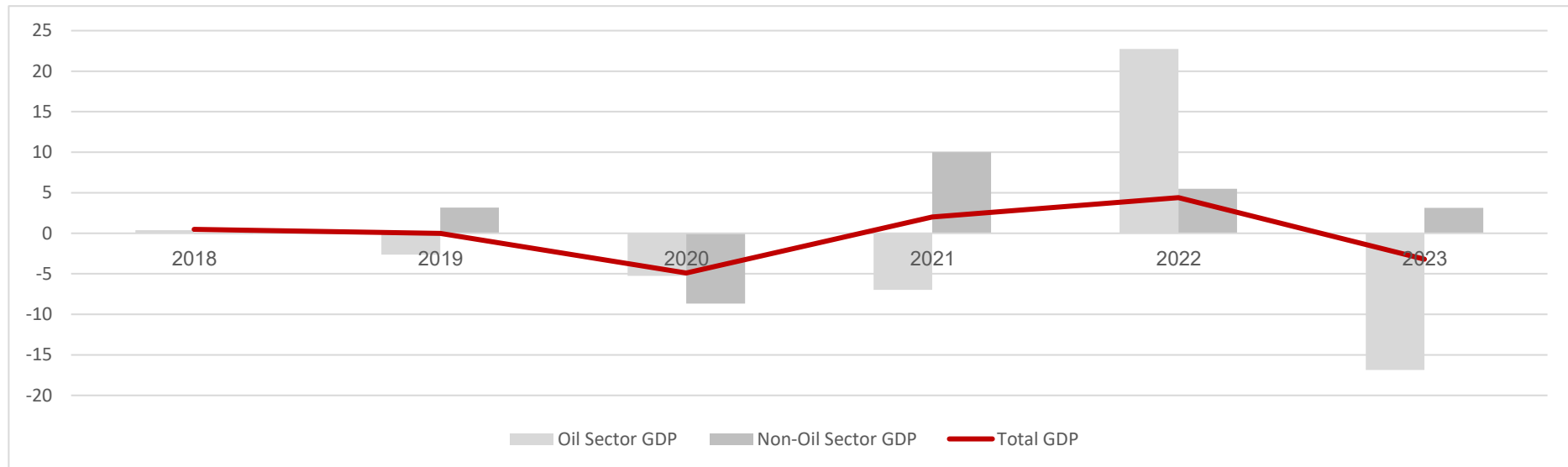
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	✓	----	----	----
Location	----	✓	----	----	----
Land Shape	----	✓	----	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	8	0	0	0

Risk Category 8 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	✓	----	----	----
Total Risk	0	2	6	0	0

Risk Category 8 Risk Points - Medium Risk



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

We have been informed by the client that there are no operational expenses for the project, only the land rent amounting to SAR 275,000.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

Since the project is based on a usufruct right, there is no terminal value for the project.

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50		SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%1.50		Trading Economics
Company-specific Risk Premium %	%1.00	Source	Team's experience.
Discount Rate%	10.00%		

Cash Flow		2024	2025	2026	2027
		0	1	2	3
Inflation		0.0%	0.0%	0.0%	0.0%
Expected Revenues					
Commercial	Sqm	822	820	820	820
Rate (SAR)	SAR	550.0	550.0	550.0	550.0
Total	SAR	452,100	451,000	451,000	177,667
Offices	Sqm	274	276	276	276
Rate (SAR)	SAR	680.0	680.0	680.0	133.3
Total	SAR	186,320	187,680	187,680	36,800
Overall Revenues		638,420	638,680	638,680	214,467
Vacancy and Credit Loss					
Commercial	0.0%	0	0	0	0
Offices	0.0%	0	0	0	0
Total		0	0	0	0
Effective Rental Income		638,420	638,680	638,680	214,467
Expenses					
OPEX	0.0%	0	0	0	0
Rent	SAR	275,000	275,000	275,000	77,602
Overall Expenses		275,000	275,000	275,000	77,602
NOI		363,420	363,680	363,680	136,865
Terminal Value	0.0%				
Discount Rate	10.0%	1.00	0.91	0.83	0.75
Present Value		363,420	330,618	300,562	102,828
Net Present Value					1,100,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 1,100,000.00
One Million One Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



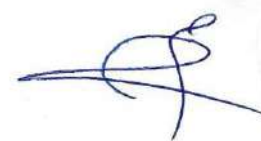
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

WHITECUBES Stamp



3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT

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MANFAAT WADI LABAN





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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a mix-use building located in Dhahrat Laban district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 895.50 square meters and a total built-up area (BUA) of 1,645.1 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 2 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of Najd Street Road from the South side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by residential and mixed-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as moderate due to its location on Al Najd Street.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	895.5 Sqm
District	Dhahrat Laban	Plot No.	7984
T.D Type	-	Block No.	-
T.D Number	17/91	Layout No.	2351
T.D Date	10/02/1404	Ownership Type	-
Owner	-	Limitation of Document	-
Issued From	-		
North Side	Plot# 7946	East Side	20 meters Street
South Side	60 meters Street	West Side	Plot# 7949

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New Permit		
Property Type	Residential Commercial		
Construction Permit No.	1433/11244		
Construction Permit Date	14/06/1433		

Description	No. of Units	Area (sqm)	Use
Mezzanine	0	261.99	Commercial
ground Floor	4	524.94	Commercial
First Floor	4	573.28	Residential
Annexes	2	284.89	Residential
Fences	1	50	Fences
Total BUA (sqm)		1,645.1	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

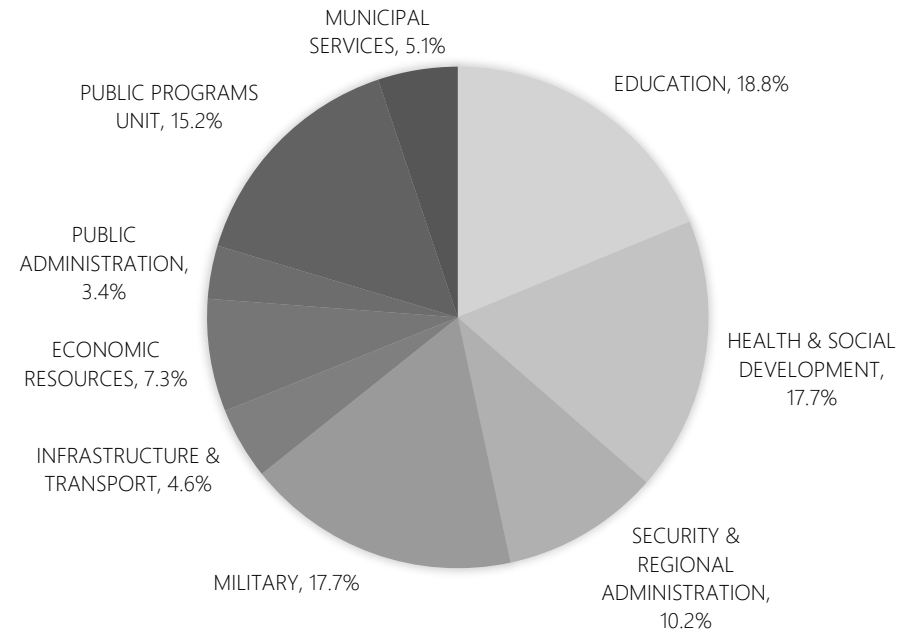
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



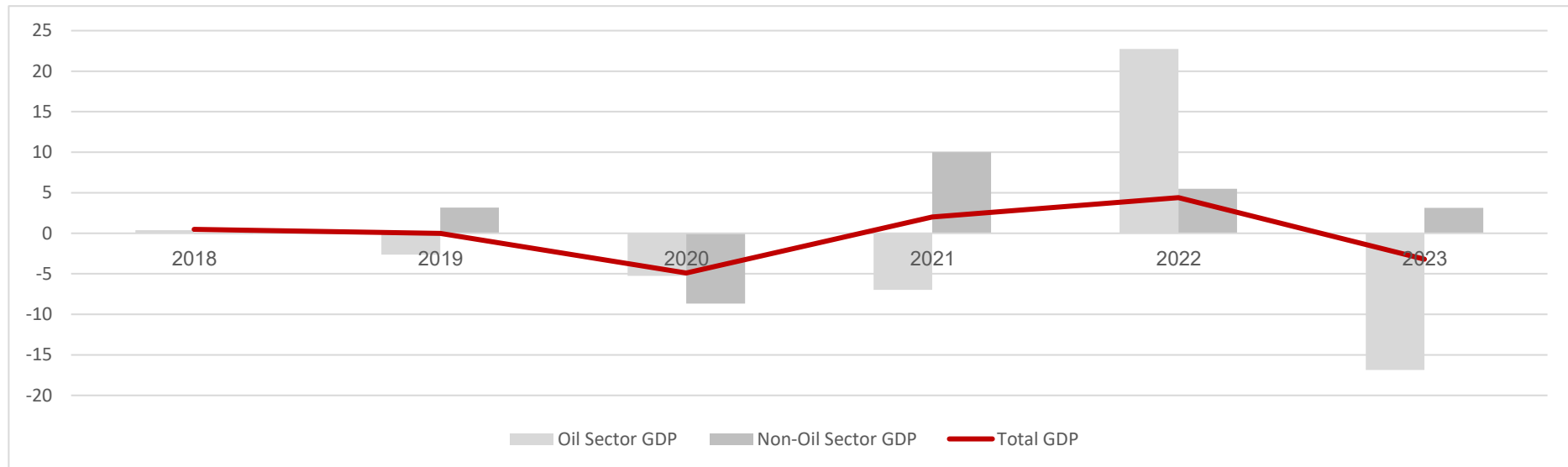
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.




Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

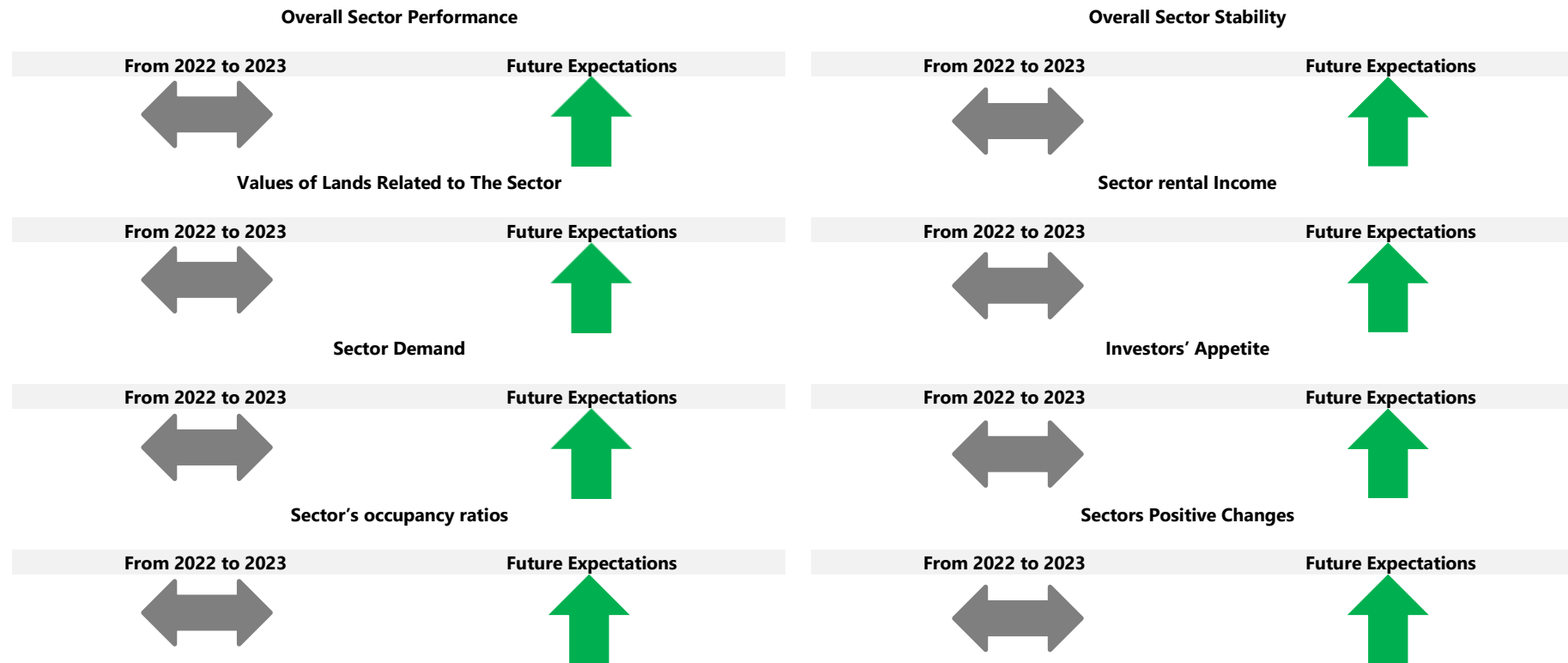
In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.

-  Indicator showing a decrease in the current performance comparing to last year
-  Indicator showing an increase in the current performance comparing to last year
-  Indicator showing a stable position in the current performance comparing to last year



White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	✓	----	----	----
Location	----	✓	----	----	----
Land Shape	----	✓	----	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	8	0	0	0

Risk Category 8 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	✓	----	----	----
Total Risk	0	2	6	0	0

Risk Category 8 Risk Points - Medium Risk



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

We have been informed by the client that there are no operational expenses for the project, only the land rent amounting to SAR 200,000.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

Since the project is based on a usufruct right, there is no terminal value for the project.

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%1.50		Trading Economics
Company-specific Risk Premium %	%1.00		Team's experience.
Discount Rate%	10.00%		

Cash Flow		2024	2025	2026	2027
		0	1	2	3
Inflation		0.0%	0.0%	0.0%	0.0%
Expected Revenues					
Commercial	Sqm	1,420	1,420	1,420	1,420
Rate (SAR)	SAR	325.0	325.0	325.0	325.0
Total	SAR	461,500	461,500	461,500	461,500
Overall Revenues		461,500	461,500	461,500	461,500
Vacancy and Credit Loss					
Commercial	0.0%	0	0	0	0
Total		0	0	0	0
Effective Rental Income		461,500	461,500	461,500	461,500
Expenses					
OPEX	2.5%	11,342	11,342	11,342	11,342
Rent	SAR	200,000	200,000	200,000	19,726
Overall Expenses		211,342	211,342	211,342	31,068
NOI		250,158	250,158	250,158	430,432
Terminal Value	0.0%				
Discount Rate	10.0%	1.00	0.91	0.83	0.75
Present Value		250,158	227,417	206,742	323,390
Net Present Value					1,000,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: **SAR 1,000,000.00**
One Million Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



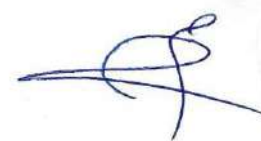
Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Mohammed I. Al Assem
Valuer



Member of (RE Valuation)
License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT



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MANFAAT AL DHABAB





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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a mix-use building located in Al Murabba district of Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 781.94 square meters and a total built-up area (BUA) of 3,080.48 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 2 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of Prince Abdulaziz Bin Musaid Bin Jalawi Street from the east side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by commercial and mixed-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on Prince Abdulaziz Bin Musaid Bin Jalawi Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	781.94 Sqm
District	Al Murabba	Plot No.	-
T.D Type	-	Block No.	-
T.D Number	1/512	Layout No.	-
T.D Date	01/05/1393	Ownership Type	-
Owner	-	Limitation of Document	-
Issued From	-		
North Side	30 meters Street	East Side	30 meters Street
South Side	Private property	West Side	Private property

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Layout modification
Property Type	Commercial Offices
Construction Permit No.	1432/13056
Construction Permit Date	11/07/1432

Description	No. of Units	Area (sqm)	Use
Basement	0	781.94	Parking
ground Floor	4	318.7	Commercial
First Floor	3	326.64	Offices
Second Floor	3	326.64	Offices
Third Floor	3	326.64	Offices
Electricity Room	0	20	Electricity Room
Fourth Floor	3	326.64	Offices
Fifth Floor	3	326.64	Offices
Sixth Floor	3	326.64	Offices
Fences	1	54.40	Fences
Total BUA (sqm)		3,080.48	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

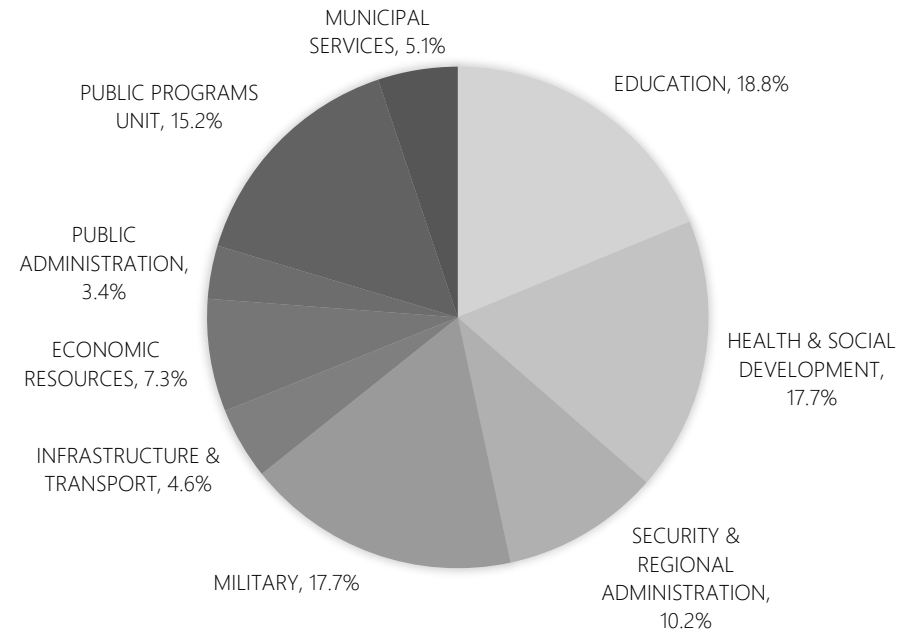
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



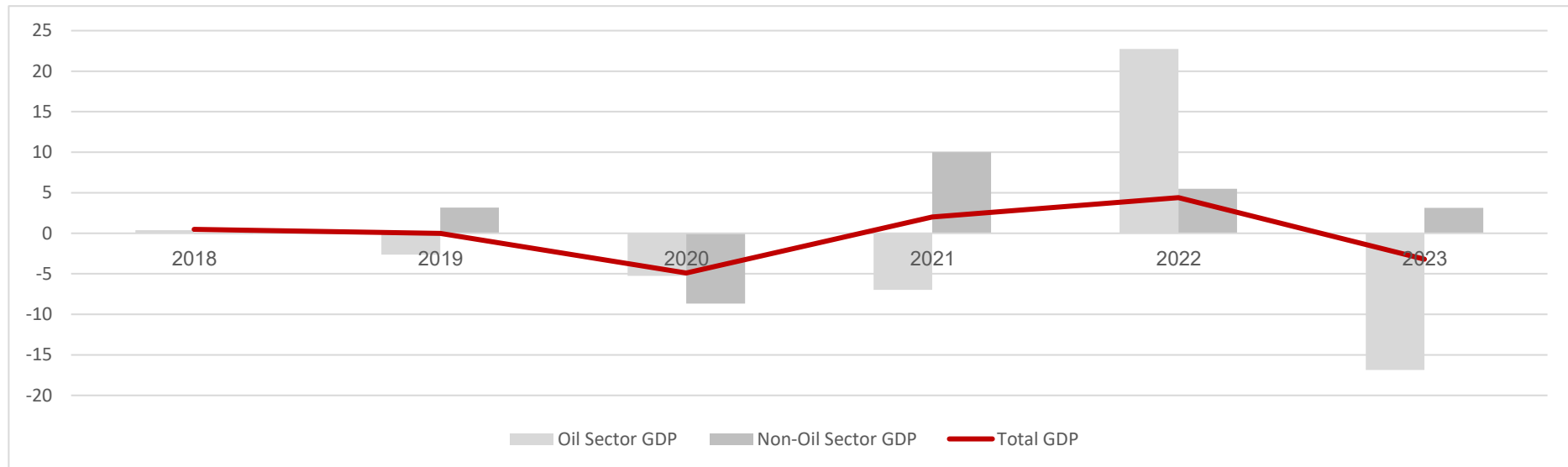
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	4	6	0	0

Risk Category 10 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

We have been informed by the client that there are no operational expenses for the project, only the land rent amounting to SAR 350,000.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

Since the project is based on a usufruct right, there is no terminal value for the project.

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%1.50		Trading Economics
Company-specific Risk Premium %	%1.00		Team's experience.
Discount Rate%	10.00%		

Cash Flow		2024	2025	2026	2027	2028	2029	2030	2031
		0	1	2	3	4	5	6	7
Inflation		0.0%	2.0%	0.0%	0.0%	2.0%	0.0%	0.0%	0.0%
Expected Revenues									
Commercial	Sqm	262	262	262	262	262	262	262	262
Rate (SAR)	SAR	725	740	740	740	754	754	754	754
Total	SAR	189,769	193,564	193,564	193,564	197,435	197,435	197,435	197,435
Offices	Sqm	1,483	1,483	1,483	1,483	1,483	1,483	1,483	1,483
Rate (SAR)	SAR	429	437	437	437	446	446	446	446
Total	SAR	635,573	648,284	648,284	648,284	661,250	661,250	661,250	661,250
Overall Revenues		825,341	841,848	841,848	841,848	858,685	858,685	858,685	858,685
Vacancy and Credit Loss									
Commercial	0.0%	0	0	0	0	0	0	0	0
Offices	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		825,341	841,848	841,848	841,848	858,685	858,685	858,685	858,685
Expenses									
OPEX	6.9%	56,542	21,046	21,046	21,046	21,467	21,467	21,467	21,467
Rent	SAR	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Overall Expenses		406,542	371,046	371,046	371,046	371,467	371,467	371,467	371,467
NOI		418,799	470,802	470,802	470,802	487,218	487,218	487,218	487,218
Terminal Value	0.0%								
Discount Rate	10.0%	1.00	0.91	0.83	0.75	0.68	0.62	0.56	0.51
Present Value		418,799	428,002	389,093	353,721	332,776	302,524	275,022	250,020
Net Present Value									2,700,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 2,700,000.00
Two Million Seven Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



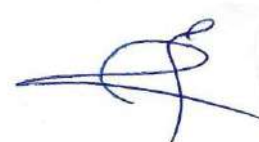
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT

Documents Received

4.1 Construction Permit

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WHITE CUBES

TOWLAN HOTEL SUITES





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a Hospitality project (Towlan Suites Hotel) located in Al-Aqrabiyah district of Al Khobar city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 1,750.00 square meters and a total built-up area (BUA) of 6,526.51 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 2 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of on Street# 21 from the south side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by residential and mixed-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location near King Saud Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Al Khobar	Land Area	1,750 Sqm
District	Al-Aqrabiyah	Plot No.	54, 56
T.D Type	Digital	Block No.	N/A
T.D Number	314003007390	Layout No.	2/349
T.D Date	17/06/1443	Ownership Type	Restricted.
Owner	Baitek Al Hefdh Real-estate Co.	Limitation of Document	Mortgaged to Al Rajhi Bank.
Issued From	Ministry of Justice		
North Side	Plot# 53, 55	East Side	Pathway
South Side	30 meters Street	West Side	Plot# 58

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

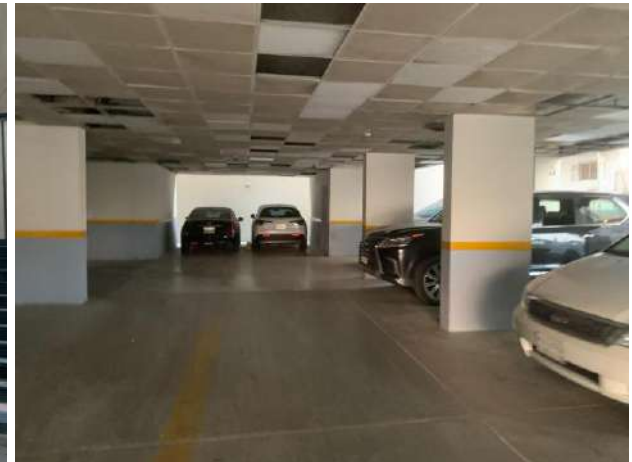
1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New permit
Property Type	Residential Building
Construction Permit No.	Not Clear
Construction Permit Date	18/04/1432

Description	No. of Units	Area (sqm)	Use
Ground Floor	64	1,136.7	Parking Area
Ground Floor	-	27.50	Electricity Room
Ground Floor	14	1,136.07	Residential
First Floor	14	1,136.07	Residential
Second Floor	14	1,136.07	Residential
Third Floor	14	1,136.07	Residential
Fourth Floor	-	568.03	Addendum
Barrier	-	250.00	-
Fences	-	114.50	-
Total BUA (sqm)		6,526.51	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

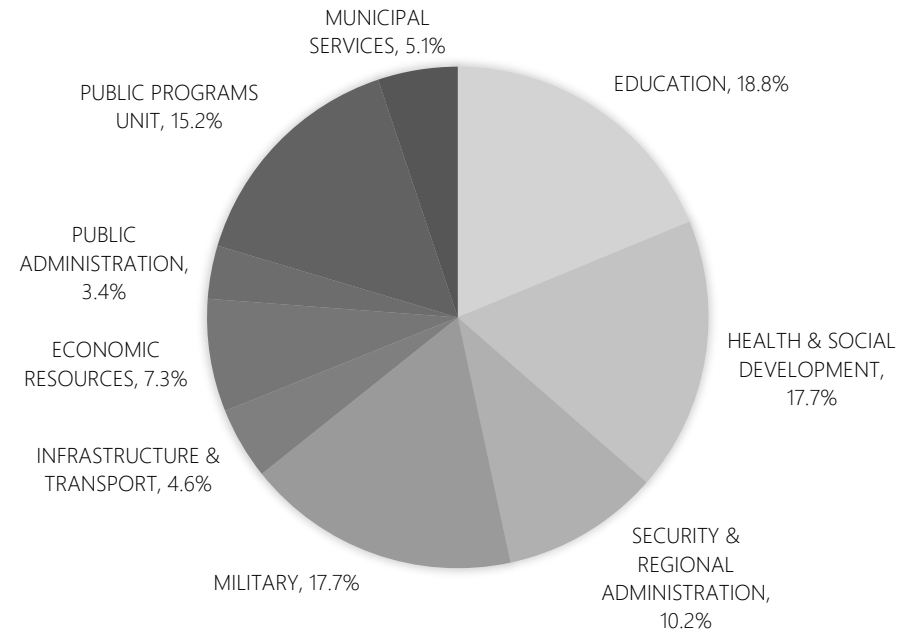
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



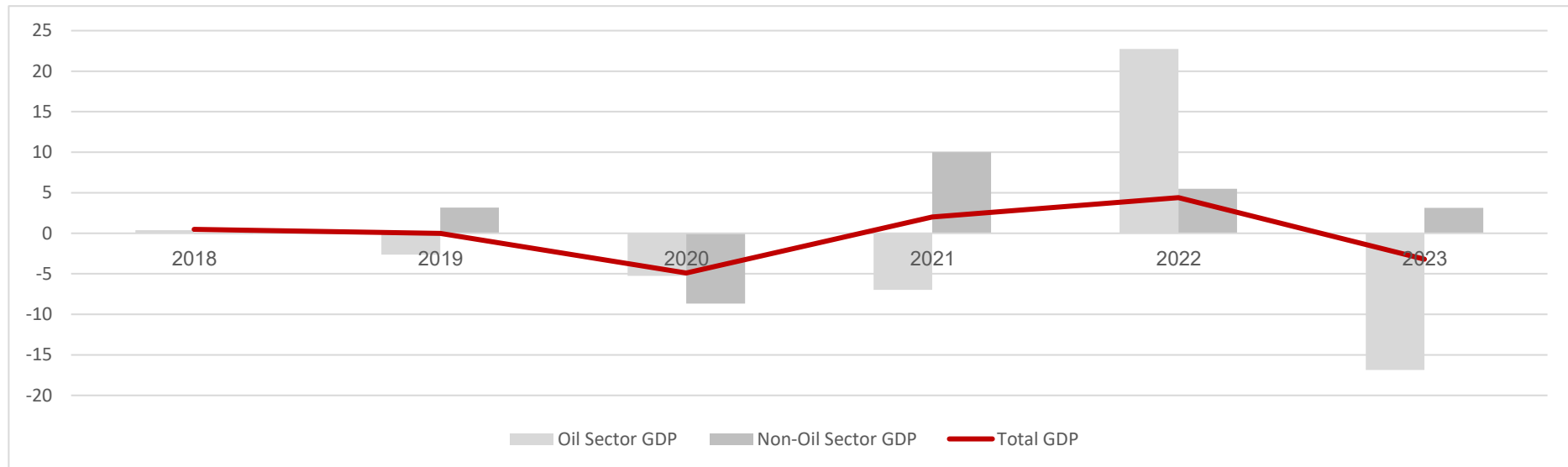
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.

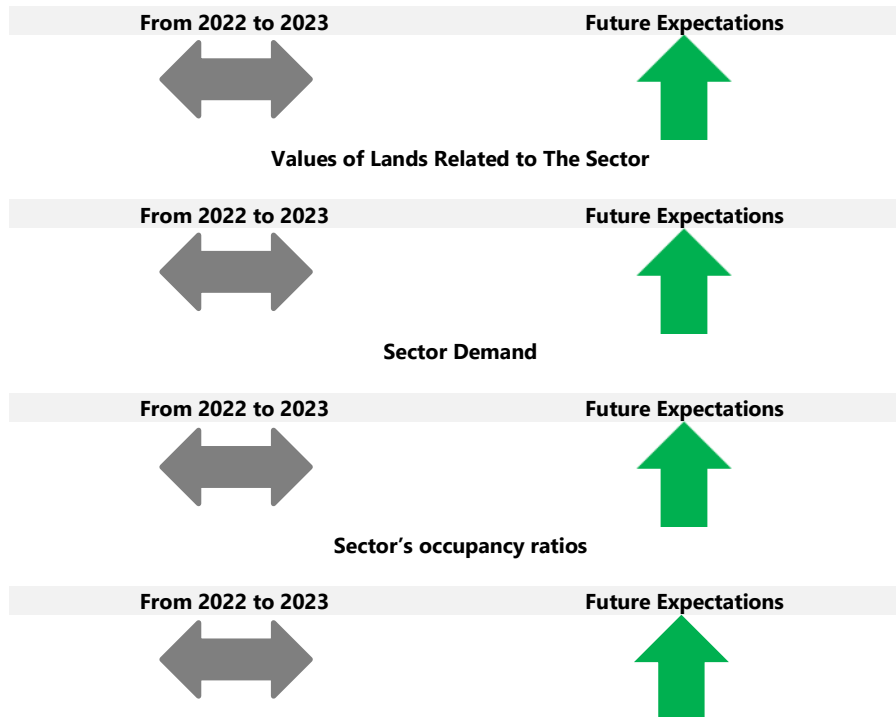


Indicator showing a decrease in the current performance comparing to last year

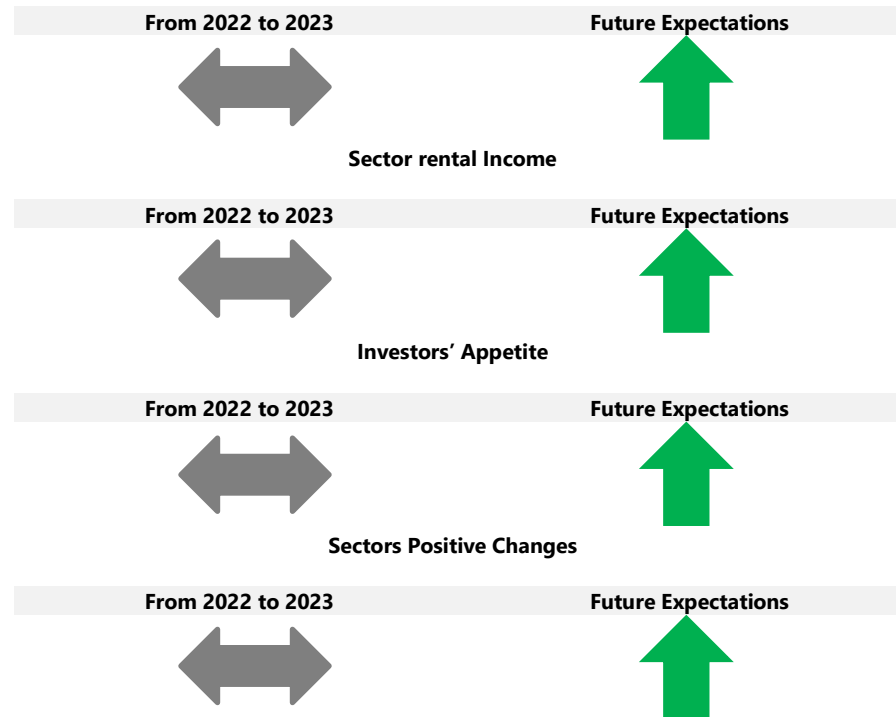
Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance



Overall Sector Stability



White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	4	6	0	0

Risk Category 10 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	2	9	0	0

Risk Category 8 Risk Points - Medium Risk



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 0%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 22,000,000.00	SAR 52,000,000.00	SAR 26,000,000.00
NOI	SAR 1,760,000.00	SAR 4,160,000.00	SAR 2,080,000.00
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		
Rounded	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%1.00		Trading Economics
Company-specific Risk Premium %	%0.50		Team's experience.
Discount Rate%	9.00%		

Cash Flow		2024	2025	2026	2027	2028	2029
		0	1	2	3	4	5
Inflation		0.0%	3.0%	0.0%	3.0%	0.0%	3.0%
Expected Revenues							
Studio	Unit	28	28	28	28	28	28
Rate (SAR)	SAR	22,123	22,787	22,787	23,470	23,470	24,174
Total	SAR	619,444	638,027	638,027	657,168	657,168	676,883
2 Bedrooms	Unit	24	24	24	24	24	24
Rate (SAR)	SAR	24,854	25,600	25,600	26,368	26,368	27,159
Total	SAR	596,496	614,391	614,391	632,823	632,823	651,807
Suites 3 Bedrooms	Unit	4	4	4	4	4	4
Rate (SAR)	SAR	218,750	225,313	225,313	232,072	232,072	239,034
Total	SAR	875,000	901,250	901,250	928,288	928,288	956,136
Overall Revenues		2,090,940	2,153,668	2,153,668	2,218,278	2,218,278	2,284,827
Vacancy and Credit Loss							
Studio	0.0%	0	0	0	0	0	0
2 Bedrooms	0.0%	0	0	0	0	0	0
Suites 3 Bedrooms	0.0%	0	0	0	0	0	0
Total		0	0	0	0	0	0
Effective Rental Income		2,090,940	2,153,668	2,153,668	2,218,278	2,218,278	2,284,827
Expenses							
CapEx	0.0%	0	0	0	0	0	0
OpEx	0.0%	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0
NOI		2,090,940	2,153,668	2,153,668	2,218,278	2,218,278	2,284,827
Terminal Value	8.0%						28,560,332
Discount Rate	9.0%	1.00	0.92	0.84	0.77	0.71	0.65
Present Value		2,090,940	1,975,842	1,812,699	1,712,918	1,571,484	20,047,237
Net Present Value							29,200,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 29,200,000.00
Twenty-Nine Million Two Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



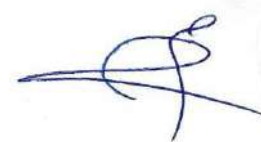
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

WHITECUBES Stamp



3.5 Conclusion


In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT



المملكة العربية السعودية

وزارة الشؤون البلدية والقروية

أمانة المنطقة الشرقية - بلدية الخبر

وحدة إنشاء

رقم الخريطة : ٢٢٢ / ٢٢٧

تاريخها : ١٤٢٨ / ٤ / ٢٣

ملازمها : ثلاث سنوات

نوعها : إنشاء جديدة

رقم المنطقة : ١٥٥٨

البلدية : الخبر

القطاع : ٢٢٩٢

السمي : العقوبة

تجديد الارض : -

الاسم : محمد بن ابراهيم الوموي وابراهيم محمد الوموي

عناونه : الرياض

تاريخها : ١٣٧٩ / ٢ / ٢٧

الاسم : محمد بن ابراهيم الوموي وابراهيم محمد الوموي

عناونه : الرياض

تاريخها : ١٣٧٩ / ٢ / ٢٧

المساحة الكلية : ١٧٥٠٠ متر مربع

تجديد البلك : -

رقم المنطقة : ١٥٥٨

البلدية : الخبر

القطاع : ٢٢٩٢

السمي : العقوبة

تجديد الارض : -

رقم المنطقة	رقم البلك	رمز الاستعداد	رقم مساحة البلك	نوع مساحة البلك	تاريخها
١٥٥٨	٠٠٠٠	(١٥٥)	٣ / ١٤ / ١١	مساحة	١٤٢٧ / ٣ / ١٥
١٥٥٨	٠٠٠٠	(١٥٥)	٣ / ١٤ / ١١	مساحة	١٤٢٧ / ٣ / ١٥

تكون الواجبات

للملوك الأبيض فقط

الجهة	شمال	شرق	جنوب	شمال	شرق	جنوب
الحدود	٢٠٠٠	٢٠٠٠	٢٠٠٠	٢٠٠٠	٢٠٠٠	٢٠٠٠
الحدود	٢٠٠٠	٢٠٠٠	٢٠٠٠	٢٠٠٠	٢٠٠٠	٢٠٠٠

الاسم : محمد بن ابراهيم الوموي وابراهيم محمد الوموي

عناونه : الرياض

تاريخها : ١٣٧٩ / ٢ / ٢٧

الاسم : محمد بن ابراهيم الوموي وابراهيم محمد الوموي

عناونه : الرياض

تاريخها : ١٣٧٩ / ٢ / ٢٧

المساحة الكلية : ١٧٥٠٠ متر مربع

تجديد البلك : -

رقم المنطقة : ١٥٥٨

البلدية : الخبر

القطاع : ٢٢٩٢

السمي : العقوبة

تجديد الارض : -



AL NOKHBA SCHOOL





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is an educational facility located in Al Fahad district of Unayzah city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 6,694 square meters and a total built-up area (BUA) of 10,522.17 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 2 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view 2 internal Streets from the south and west side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

The subject property is primarily surrounded by residential and mixed-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location near Sheikh Mohammad Bin Othaimin Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Unayzah	Land Area	1,798 Sqm
District	Al Fahad	Plot No.	1029
T.D Type	Electronic	Block No.	N/A
T.D Number	914003007410	Layout No.	245/1/ق
T.D Date	23/06/1443	Ownership Type	Freehold.
Owner	Baitek Al Hefdh Real-estate Co.	Limitation of Document	N/A
Issued From	Ministry of Justice		
North Side	Plot# 1028	East Side	Private property
South Side	20 meters Street	West Side	Plot# 1031

City	Unayzah	Land Area	1,798 Sqm
District	Al Fahad	Plot No.	1031
T.D Type	Electronic	Block No.	N/A
T.D Number	514003007411	Layout No.	245/1/ق
T.D Date	23/06/1443	Ownership Type	Freehold.
Owner	Baitek Al Hefdh Real-estate Co.	Limitation of Document	N/A
Issued From	Ministry of Justice		
North Side	Plot# 1030	East Side	Plot# 1029
South Side	20 meters Street	West Side	Plot# 1034 & 1035

City	Unayzah	Land Area	1,373 Sqm
District	Al Fahad	Plot No.	1034
T.D Type	Electronic	Block No.	N/A
T.D Number	814003007412	Layout No.	245/1/ق
T.D Date	23/06/1443	Ownership Type	Freehold.
Owner	Baitek Al Hefdh Real-estate Co.	Limitation of Document	N/A
Issued From	Ministry of Justice		
North Side	Plot# 1033	East Side	Plot# 1031
South Side	Plot# 1035, 1036	West Side	20 meters Street

City	Unayzah	Land Area	800 Sqm
District	Al Fahad	Plot No.	1035
T.D Type	Electronic	Block No.	N/A
T.D Number	814003007409	Layout No.	245/1/ق
T.D Date	23/06/1443	Ownership Type	Freehold.
Owner	Baitek Al Hefdh Real-estate Co.	Limitation of Document	N/A
Issued From	Ministry of Justice		
North Side	Plot# 1034	East Side	Plot# 1031
South Side	20 meters Street	West Side	Plot# 1036

City	Unayzah	Land Area	925 Sqm
District	Al Fahad	Plot No.	1036
T.D Type	Electronic	Block No.	N/A
T.D Number	314003007389	Layout No.	245/1/ق
T.D Date	17/06/1443	Ownership Type	Freehold.
Owner	Baitek Al Hefdh Real-estate Co.	Limitation of Document	N/A
Issued From	Ministry of Justice		
North Side	Plot# 1034	East Side	Plot# 1035
South Side	20 meters Street	West Side	20 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	New permit		
Property Type	Educational facility		
Construction Permit No.	150958		
Construction Permit Date	24/09/1433		

Description	No. of Units	Area (sqm)	Use
Basement	0	735.18	-
Ground Floor	0	3,320.49	-
First Floor	0	3,233.25	-
Second Floor	0	3,233.25	-
Total BUA (sqm)		10,522.17	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

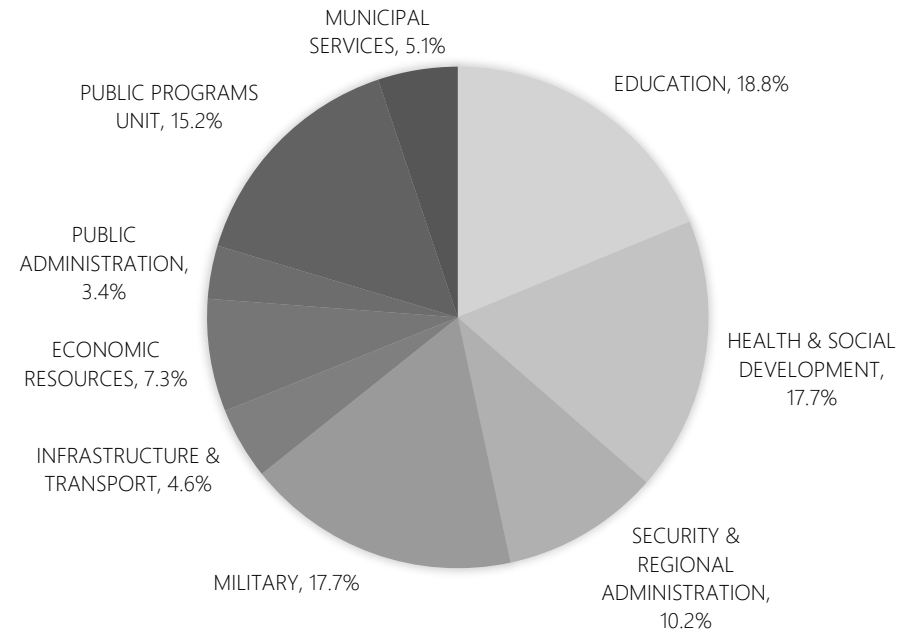
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



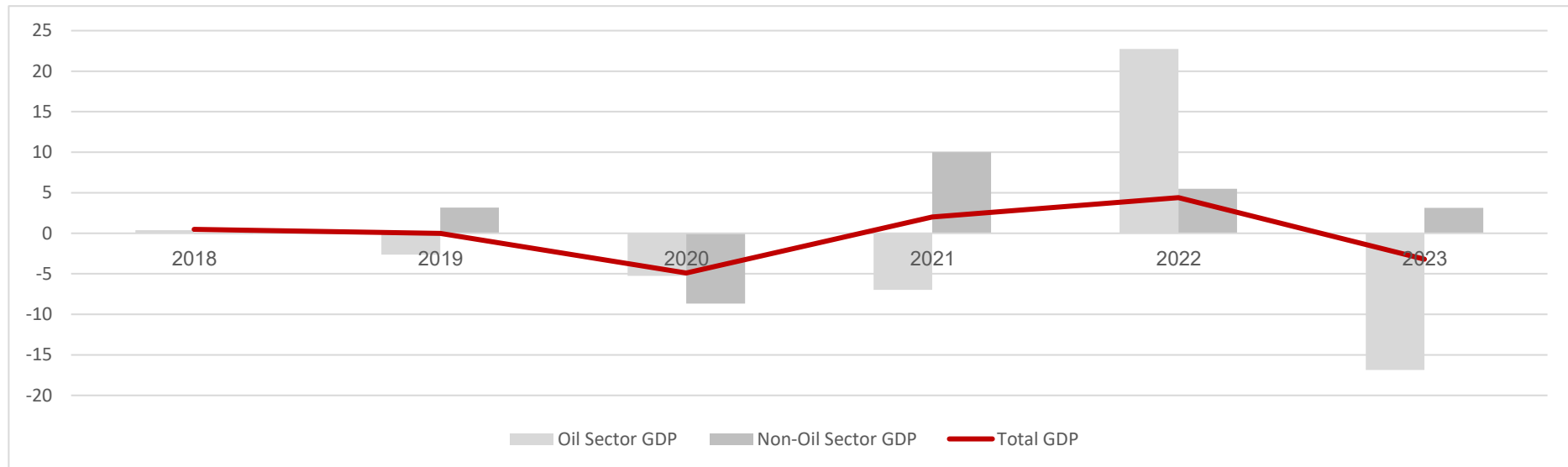
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.




Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

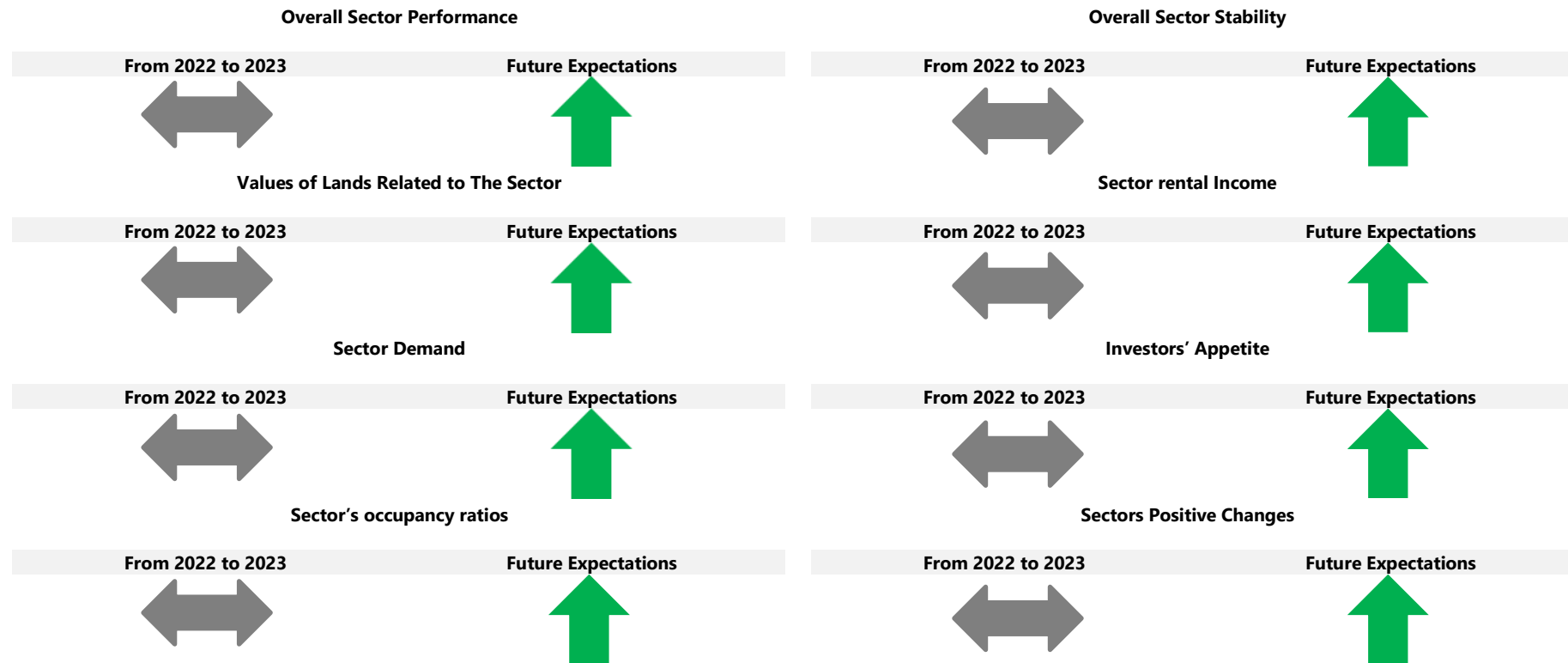
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-  Indicator showing a decrease in the current performance comparing to last year
-  Indicator showing an increase in the current performance comparing to last year
-  Indicator showing a stable position in the current performance comparing to last year



White Cubes Team's Analysis

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- Sector Analysis

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Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	----	✓	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	----	✓	----	----
Total Risk	0	0	12	0	0

Risk Category 12 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	0	9	0	0

Risk Category 9 Risk Points - Medium Risk



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

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Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

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Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 190,596,000.00	SAR 65,240,000.00	SAR 726,455,000.00
NOI	SAR 14,294,700.00	SAR 4,893,000.00	SAR 54,484,125.00
Cap Rate	7.50%	7.50%	7.50%
Average Cap Rate	7.50%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.50	Source	SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%0.50		Trading Economics
Company-specific Risk Premium %	%0.50		Team's experience.
Discount Rate%	8.50%		

Cash Flow		2024	2025	2026	2027	2028
		0	1	2	3	4
Inflation		0.0%	0.0%	0.0%	0.0%	0.0%
Expected Revenues						
Educational building	Sqm	10,522	10,522	10,522	10,522	10,522
Rate (SAR)	SAR	250	250	250	250	250
Total	SAR	2,630,543	2,630,543	2,630,543	2,630,543	2,630,543
Overall Revenues		2,630,543	2,630,543	2,630,543	2,630,543	2,630,543
Vacancy and Credit Loss						
Educational building	0.0%	0	0	0	0	0
Total		0	0	0	0	0
Effective Rental Income		2,630,543	2,630,543	2,630,543	2,630,543	2,630,543
Expenses						
CapEx	0.0%	0	0	0	0	0
OpEx	0.0%	0	0	0	0	0
Overall Expenses		0	0	0	0	0
NOI		2,630,543	2,630,543	2,630,543	2,630,543	2,630,543
Terminal Value	7.5%					35,073,900
Discount Rate	8.5%	1.00	0.92	0.85	0.78	0.72
Present Value		2,630,543	2,424,463	2,234,528	2,059,473	27,206,556
Net Present Value						36,600,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 36,600,000.00
Thirty-Six Million Six Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



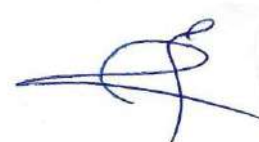
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



WHITE **CUBES**
DOCUMENTS

DOCUMENT





WHITE CUBES

AL SALAM SCHOOLS





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is an educational facility located in Al Salam district, Riyadh city, Kingdom of Saudi Arabia. The property's title deed and construction permit documents confirm a total land area of 10,000 square meters and a total built-up area (BUA) of 18,349.1 square meters. During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 3 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of Al Siraj Street from the south side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

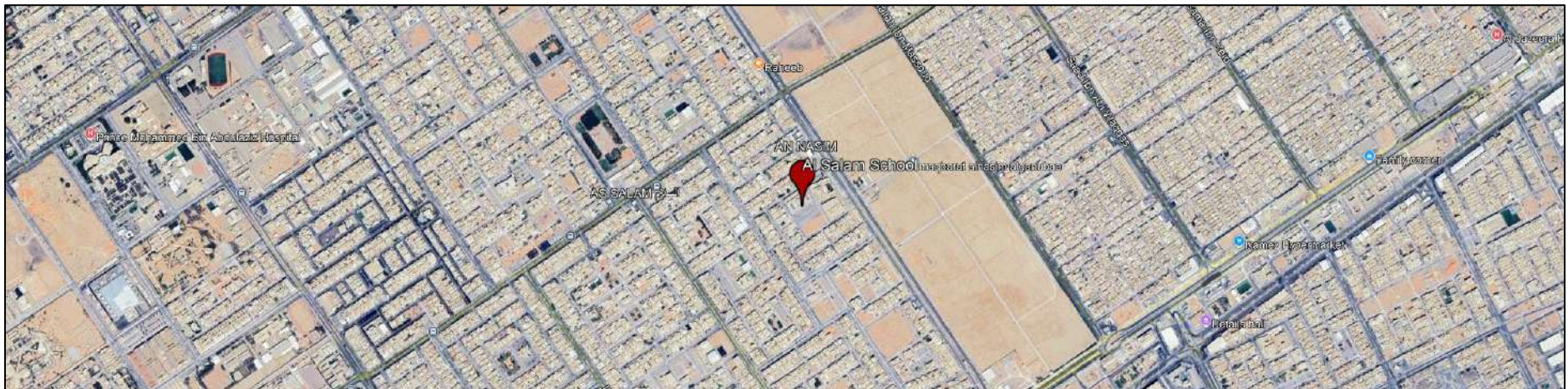
The subject property is primarily surrounded by residential and mixed-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as moderate due to its location near Abdulrahman Bin Awf Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Riyadh	Land Area	10,000 Sqm
District	Al Salam	Plot No.	112, 113, 114
T.D Type	Digital	Block No.	N/A
T.D Number	310146000228	Layout No.	2207
T.D Date	22/06/1443	Ownership Type	Restricted.
Owner	Baitek Al Hefdh Real-estate Co.	Limitation of Document	Mortgaged to Al Rajhi Bank.
Issued From	Ministry of Justice		
North Side	20 meters Street	East Side	15 meters Street
South Side	Parking and 15 meters street.	West Side	15 meters Street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Layout Modification		
Property Type	Educational facility		
Construction Permit No.	1441/3433		
Construction Permit Date	26/01/1441		

Description	No. of Units	Area (sqm)	Use
Basement	0	5,139.16	Parking
Ground Floor	1	4,218.51	Educational
First Floor	1	4,471.51	Educational
Second Floor	1	4,407.75	Educational
Electricity Room	0	37.5	Electricity Room
Annexes	0	74.67	Services
Fences	1	285	Fences
Total BUA (sqm)		18,349.1	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

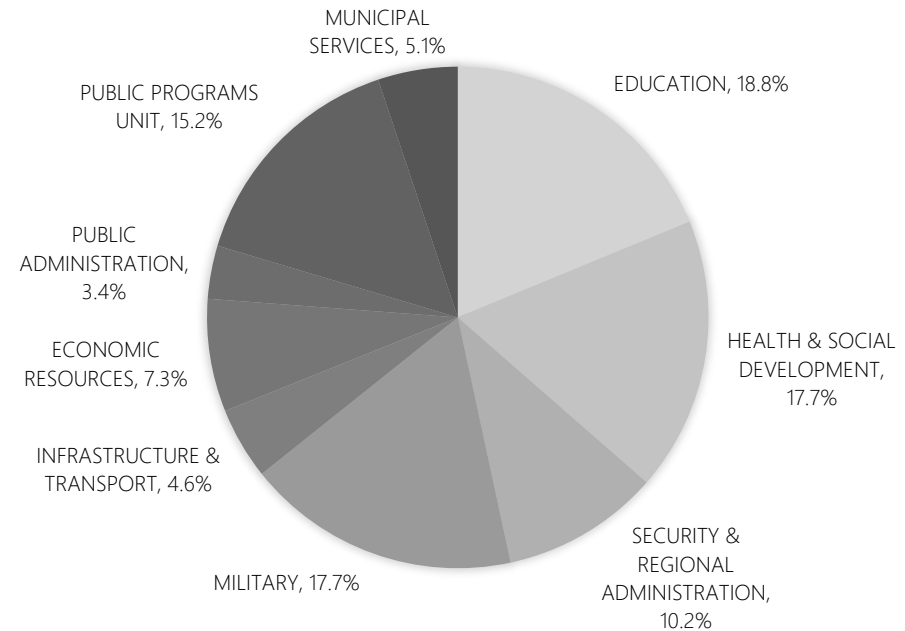
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



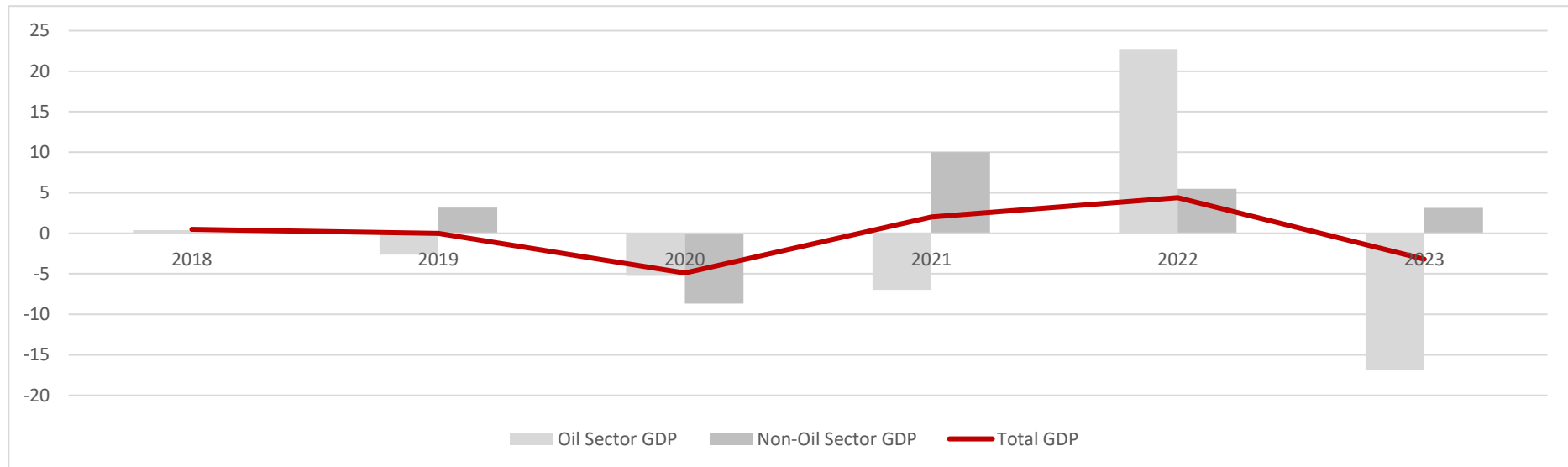
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	4	6	0	0

Risk Category 8 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	2	9	0	0

Risk Category 8 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 0.5%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 50,500,000.00	SAR 23,000,000.00	SAR 45,000,000.00
NOI	SAR 4,040,000.00	SAR 1,840,000.00	SAR 3,600,000.00
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		
Rounded	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.00	Source	SAMA
Inflation Rate%	%2.50		GASTAT
Market Risk Premium%	%0.50		Trading Economics
Company-specific Risk Premium %	%0.50		Team's experience.
Discount Rate%	8.50%		

Cash Flow		2024	2025	2026	2027	2028	2029	2030	2031
		0	1	2	3	4	5	6	7
Inflation		0.0%	0.0%	12.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expected Revenues									
Educational building	Unit	18,634	18,634	18,634	18,634	18,634	18,634	18,634	18,634
Rate (SAR)	SAR	195	195	231	231	231	231	231	231
Total	SAR	3,296,726	3,633,630	4,295,678	4,295,678	4,295,678	4,295,678	4,295,678	4,295,678
Overall Revenues		3,296,726	3,633,630	4,295,678	4,295,678	4,295,678	4,295,678	4,295,678	4,295,678
Vacancy and Credit Loss									
Educational building	0.0%	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0
Effective Rental Income		3,296,726	3,633,630	4,295,678	4,295,678	4,295,678	4,295,678	4,295,678	4,295,678
Expenses									
CapEx	0.0%	0	0	0	0	0	0	0	0
OpEx	0.6%	20,000	22,044	26,060	26,060	26,060	26,060	26,060	26,060
Overall Expenses		20,000	22,044	26,060	26,060	26,060	26,060	26,060	26,060
NOI		3,276,726	3,611,586	4,269,617	4,269,617	4,269,617	4,269,617	4,269,617	4,269,617
Terminal Value	8.0%								53,370,218
Discount Rate	8.5%	1.00	0.92	0.85	0.78	0.72	0.67	0.61	0.56
Present Value		3,276,726	3,328,651	3,626,849	3,342,718	3,080,846	2,839,490	2,617,041	32,562,262
Net Present Value									54,700,000

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Property Value: SAR 54,700,000.00
Fifty-Four Million Seven Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
 President



Fellow Member of (RE Valuation)
 License No. 1210000474

Nabeel M. Al Husaini
 CEO



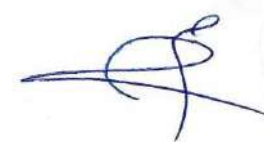
Member of (RE Valuation)
 License No. 1210002782

Farah E. Al Husaini
 Valuation Manager



Member of (RE Valuation)
 License No. 1210001964

Mohammed I. Al Assem
 Valuer



Member of (RE Valuation)
 License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.




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DOCUMENTS

DOCUMENT

5 Title deed and Construction Permit

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



الجمهورية العربية السورية
وزارة العدل
[٢٠٢٧]

تاريخ الصلحة : ١٤٤٣ / ٧ / ٥ هـ
رقم الصلحة : ٦٨ - ٩٦٦٠٠٠٠

صلح

الحمد لله وحده والصلوة والسلام على من لا نبي بعده، وبعد:

فإن المرفق تعليمي رقم بدون جنوبي القطع أرقام 112 و 113 و 114 من الخطط رقم 2207 الواقع في حي السلام بمدينة الرهاض ، وجنوبها وأطولها كالتالي:

شمالاً: شارع عرض 20 م يليه السك رقم 9 بطول: (100) مائة متر جنوباً: مواقف سيارات يليه شارع عرض 15 م بطوله: (100) مائة متر شرقاً: شارع عرض 15 م بطوله: (100) مائة متر غرباً: شارع عرض 15 م يليه البلك رقم 22 بطول: (100) مائة متر ومساحتها : (10000) عشرة آلاف متر مربعاً فقط.

المطلقة لـ / شركة بيتك الحفظ للقطاعات بموجب سجل تجاري رقم 1010715448 في 26 / 10 / 1438 هـ وتنتهي في 26 / 10 / 1443 هـ بالصلح الصادر من هذه الإدارة بريقم 410115062642 في 13 / 2 / 1442 هـ قد تم رهنها وما أقيم أو سبقا عليها في بناء لصالح / شركة الراحي المصرفية للاستثمار بموجبه سجل تجاري رقم 1010000096 وتنتهي في 29 / 5 / 1444 هـ ضماننا لياناه با- (30.195.568.771 ريال) مئة وخمسعة وتسعون مليون وخمسمائة ومئتان وستون ألف وسبعمائة ووحد وسبعين ريال وثلاثون هللة تسدد في نهاية الفترة المنفق عليها 60 شهر من تاريخه بموجب العقد المؤرخ بين الطرفين الجاهز عن الهيئة التشريعية رقم 1075 بتاريخ 7 / 9 / 1438 هـ على أن يتم سداد اللبنوية كما هو متفق عليه في عقد التسديدات المشار اليه أعلاه . تسدد على أقساط (سنوية) ابتداءً من تاريخ 25/1/2022م الى تاريخ 25/1/2027 وفي حالة عدم السداد ظلمومتري بيع العقار بالقائمة التي تنتهي عندنها والرغبات واستيفاء ماقي ذمة الزمان من مبلغ وما تقص يروح فيه علي عهد اكذار مايلازم شرعا وعليه جرى التصديق تحريرا في 22 / 6 / 1443 هـ وصلى الله على نبينا محمد وآله وصحبته وبسلم.

صدرت هذه الأشفة من وزارة العدل ، ويجب التحقق من صحتها وبروتوكولات الخدمات الإلكترونية لوزارة العدل
بتوقيع رقم [٢٠٢٧]
(هذا النموذج يخص الشكاوى الخاصة بالإيجور وليس للمصارف)

تمثلني طالب المسطرة : [.....]
صفحة رقم 1 من 1

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WHITE CUBES

BURJEEL HOSPITAL





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a medical facility located in Al Fayha district, Sharjah city, UAE. The property's title deed and construction permit documents confirm a total land area of 6,033.2 square meters and a total built-up area (BUA) of 16,757.87 square meters.

During our site inspection conducted for the purpose of valuation, it was observed that the property is open on 4 sides, allowing ample natural light and ventilation. Notably, the property offers a direct view of on Al Kuwait Street from the north side, enhancing its desirability and potential accessibility.

1.2 Surrounding Area

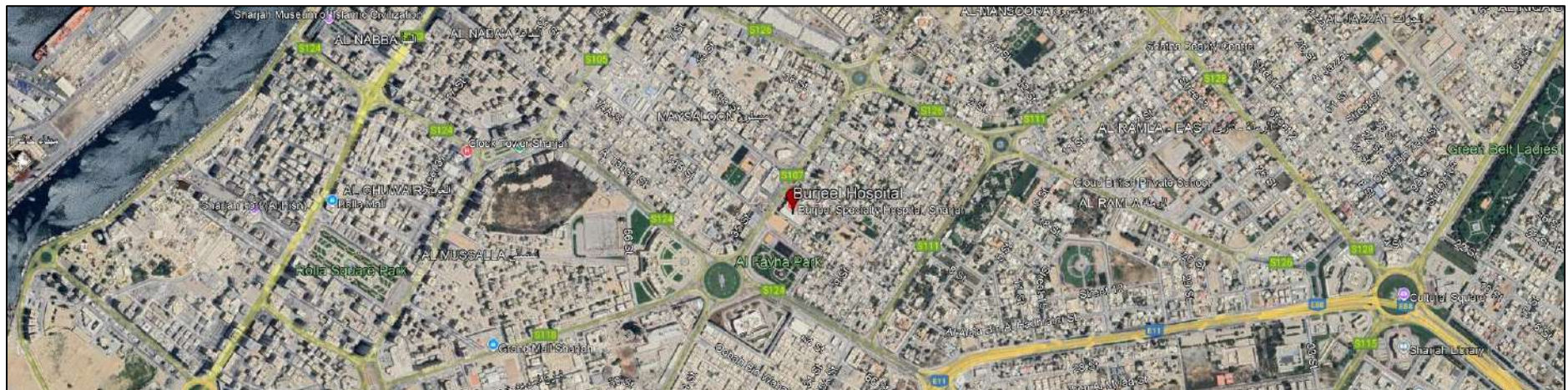
The subject property is primarily surrounded by residential and mixed-use buildings, adding to its appeal and potential opportunities.

1.3 Ease of Access

The access level of the subject property is classified as high due to its location on Al Kuwait Road.

1.4 Infrastructure

All the infrastructural facilities are available in the surroundings and connected to the subject property.



1.5 Title Deed and Ownership

The client has provided us with a copy of the title deeds pertaining to the subject property, which is jointly owned by one title deeds. Here are the details of the subject property:

City	Sharjah	Land Area	6,033.2 Sqm
District	Al Faihaa- Al Sharq	Plot No.	853
T.D Type	Electronic	Block No.	5
T.D Number	2936	Layout No.	N/A
T.D Date	03/02/2022	Ownership Type	Freehold.
Owner	Roken Al Maather Limited Co.	Limitation of Document	N/A
Issued From	Real Estate Registration Directorate		
North Side	12.2 meters street	East Side	12.2 meters street
South Side	12.2 meters street	West Side	36.6 meters street

Note: The client has provided us with a copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.6 Construction and Buildings

The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, the Client has provided us with a copy of the Construction Permit with the below details:

Construction Permit Type	Addition		
Property Type	Medical Facility		
Construction Permit No.	381/2013		
Construction Permit Date	17/11/2016		

Description	No. of Units	Area (sqm)	Use
Basement	-	5,555.89	-
Ground Floor	-	5,517.02	-
First Floor	-	5,464.05	-
Annexes	-	220.91	-
Total BUA (sqm)		16,757.87	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

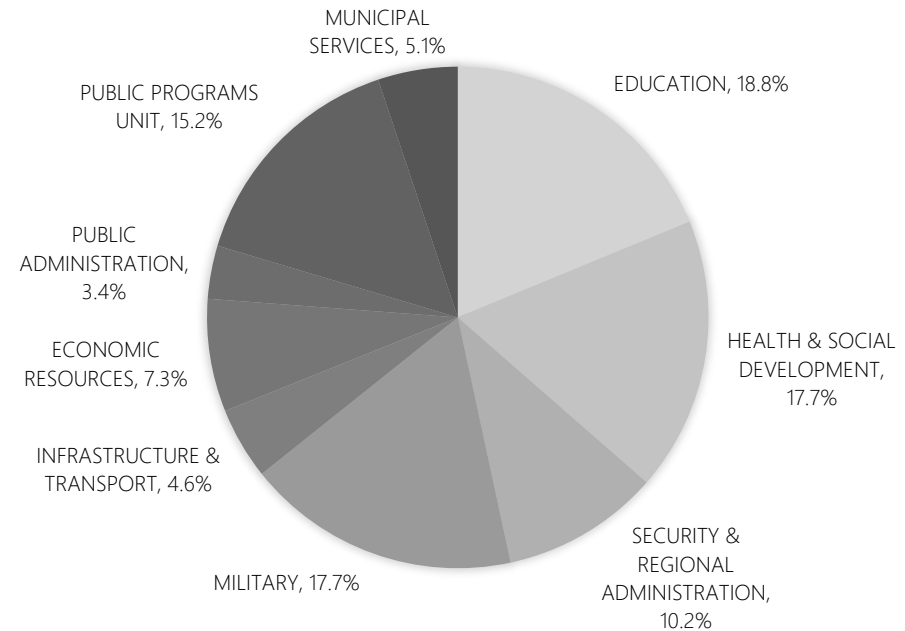
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Actual	Budget	Budget	Projections	
	2022	2023	2024	2025	2026
Total Revenue	1,268	1,130	1,172	1,227	1,259
Total Expenses	1,164	1,114	1,251	1,300	1,368
Budget Surplus	104	16	-79	-73	-109
Debt	990	951	1103	1176	1285
GDP growth	8.70%	0.03%	4.40%	5.70%	5.10%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.50%	2.60%	2.20%	2.10%	1.90%

2.2 Budget Allocation for 2023

Public Administration Sector	SAR 43.00	bn
Military Sector	SAR 269.00	bn
Security and Regional Administration Sector	SAR 112.00	bn
Municipal Services Sector	SAR 81.00	bn
Education Sector	SAR 195.00	bn
Health and Social Development Sector	SAR 214.00	bn
Economic Resources Sector	SAR 84.00	bn
Infrastructure and Transportation Sector	SAR 38.00	bn
General Items	SAR 216.00	bn

Source: Ministry of Finance



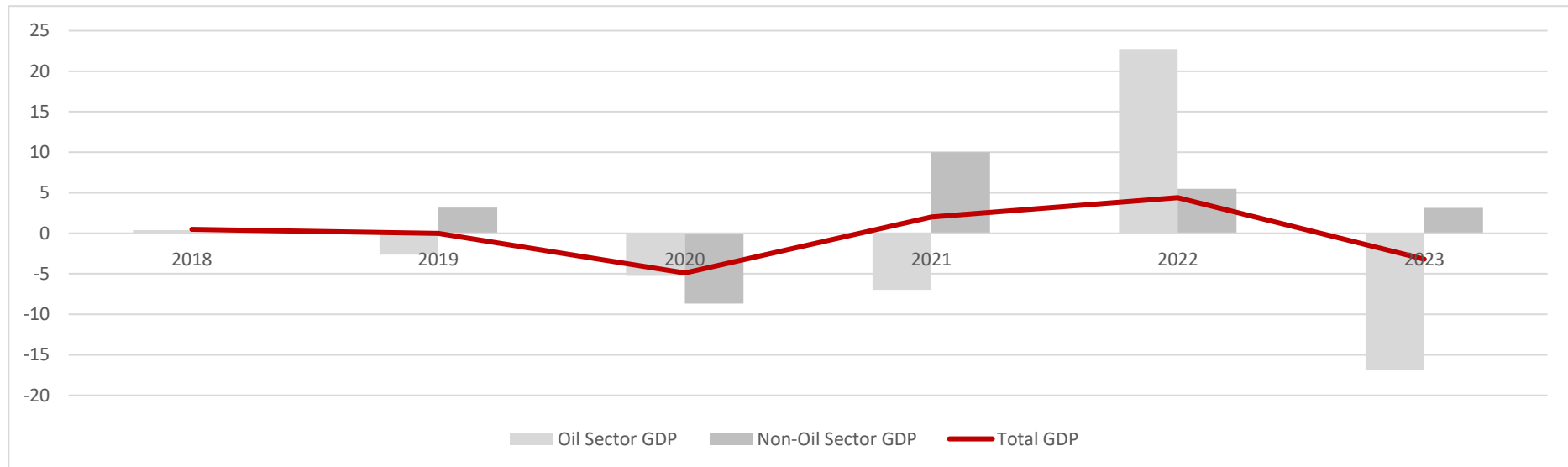
2.3 Real Estate Market Overview 2023

Macroeconomic Overview

- Saudi Arabia's GDP growth for 2023 has been downgraded to 0.4%, down from the previous forecast of 1.1%.
- Initial data for GDP growth in the year to Q3 2023 indicates that headline GDP has decreased by 4.5%, underpinned by a 17.3% decrease in oil-GDP, whereas non-oil grew by 3.6%.
- Saudi Arabia's unemployment rate dropped to 4.9% as at Q2 2023.

Saudi Arabia's GDP is projected to grow by 0.4% in 2023, where oil GDP expected to drop by 5.6%. Whilst the downgrades in growth forecasts have been underpinned by a weaker oil sector, Saudi Arabia's non-oil and government sector are expected to support headline growth with forecasts indicating growth rates of 5.1% and 2.6% in 2023 respectively.

In September 2023, Saudi Arabia's Purchasing Manager Index (PMI) rebounded from two consecutive months of softer growth to record a reading of 57.2. This has been achieved through increased business activity, new orders and output, higher purchasing levels and improvements in delivery times by suppliers. On the downside, higher wages and material prices are leading to increased input costs.



2.4 Sector Brief

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication of the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side, In addition to some current economic changes in general.











Indicator showing a decrease in the current performance comparing to last year









Indicator showing an increase in the current performance comparing to last year

Indicator showing a stable position in the current performance comparing to last year

Overall Sector Performance

From 2022 to 2023	Future Expectations
	
Values of Lands Related to The Sector	
From 2022 to 2023	Future Expectations
	
Sector Demand	
From 2022 to 2023	Future Expectations
	
Sector's occupancy ratios	
From 2022 to 2023	Future Expectations
	

Overall Sector Stability

From 2022 to 2023	Future Expectations
	
Sector rental Income	
From 2022 to 2023	Future Expectations
	
Investors' Appetite	
From 2022 to 2023	Future Expectations
	
Sectors Positive Changes	
From 2022 to 2023	Future Expectations
	

White Cubes Team's Analysis

2.5 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall, Economy	----	----	✓	----	----
Sector Current Performance	----	----	✓	----	----
Sector Future Performance	----	✓	----	----	----
Occupancy Rates	----	----	✓	----	----
Supply Rate	----	----	✓	----	----
Demand Rate	----	----	✓	----	----
Total Risk	0	2	15	0	0

Risk Category 17 Risk Points - Medium Risk

-Land Analysis

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	----	----	✓	----	----
Location	----	✓	----	----	----
Land Shape	----	----	✓	----	----
Surrounding Area facilities	----	✓	----	----	----
Total Risk	0	4	6	0	0

Risk Category 8 Risk Points – Minimal Risk

-Property Analysis

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----	----	✓	----	----
Management Skills	----	----	✓	----	----
Overall Condition	----	----	✓	----	----
Total Risk	0	2	9	0	0

Risk Category 8 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3.1 Valuation Methods

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the fair value of the subject property:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	----	----	----	----	----	----
Buildings	----	----	----	----	----	----
Property	----	----	✓	----	----	----

Discounted Cash Flows

It is a financial method for estimating the value of a financial or real asset. The value indicator is derived by calculating the present value of future cash flows. This method has long been used by accountants and financial institutions as well as for real estate appraisal purposes. With the increasing overlapping of the tasks of the different professionals working in the management and evaluation of investments, this method has gradually become recognized as a deliberate method of real estate evaluation since the mid-seventies of the twentieth century. According to the International Valuation Standards, the discounted cash flow method falls under the income method.

The valuation method based on discounted cash flows depends on anticipating the future income of the subject asset. The steps of the discounted cash flow method can be summarized as follows:

- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the capital value of the property (after considering the time value of money).

3.2 Discounted Cash Flow Method (DCF)

Analysis of Operating and Maintenance Expenses

The operating expenses of comparable properties reached between 15% to 20% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	2% to 3%

Property Operation and Maintenance Expenses

The client has provided us with detailed information regarding the maintenance and operational costs of the project. Based on the provided data, we will utilize an OPEX (operating expenses) rate of 0%, which will be calculated based on the total revenues of the property. This rate has been determined by considering factors such as the condition and quality of the property, as well as the type of services and public facilities available within the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 7% to 8%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate.

The Capitalization Rate Used for the Valuation

The capitalization rate used in the valuation was determined based on market research, which revealed a range of 7% to 9%. Considering the specific characteristics of the property and after evaluating comparable properties, a capitalization rate of 8.0% was deemed reasonable. This rate represents the expected return the property is anticipated to generate at the end of the period. It will be applied to the net operating income of the property during the valuation process.

	Sample 1	Sample 2	Sample 3
Sale Price	SAR 90,000,000.00	SAR 85,000,000.00	SAR 110,000,000.00
NOI	SAR 7,200,000.00	SAR 6,800,000.00	SAR 8,800,000.00
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		
Rounded	8.00%		

Estimated the Discount Rate of Cash Flows

In order to estimate the discount rate employed in the cash flow method, we will utilize The Build-Up Model. This model involves calculating various risk factors associated with the real estate industry to determine the present value of future cash flows. The estimation of the applicable risk rates takes into account the latest developments in the real estate market.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%5.00		SAMA
Inflation Rate%	%2.00		GASTAT
Market Risk Premium%	%0.50		Trading Economics
Company-specific Risk Premium %	%0.50	Source	Team's experience.
Discount Rate%	8.00%		

Cash Flow		2024	2025	2026	2027	2028	2029	2030	2031	2032
		0	1	2	3	4	5	6	7	8
Inflation		0.0%	0.0%	0.0%	6.5%	0.0%	0.0%	0.0%	0.0%	6.5%
Expected Revenues										
Total	SAR	8,160,000	8,160,000	8,160,000	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000	9,180,000
Overall Revenues		8,160,000	8,160,000	8,160,000	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000	9,180,000

Vacancy and Credit Loss										
#REF!	0.0%	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
Effective Rental Income		8,160,000	8,160,000	8,160,000	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000	9,180,000

Expenses										
CapEx	0.0%	0	0	0	0	0	0	0	0	0
OpEx	0.0%	0	0	0	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0	0	0	0

NOI		8,160,000	8,160,000	8,160,000	8,670,000	8,670,000	8,670,000	8,670,000	8,670,000	9,180,000
Terminal Value	8.0%									
Discount Rate	8.0%	1.00	0.93	0.86	0.79	0.74	0.68	0.63	0.58	0.54
Present Value		8,160,000	7,555,556	6,995,885	6,882,526	6,372,709	5,900,656	5,463,571	5,058,862	4,959,668
Net Present Value	SAR									
Net Present Value	AED									

Cash Flow		2033	2034	2035	2036	2037	2038	2039	2040	2041
		9	10	11	12	13	14	15	16	17
Inflation		0.0%	0.0%	0.0%	0.0%	6.5%	0.0%	0.0%	0.0%	0.0%
Expected Revenues										
Total	SAR	9,180,000	9,180,000	9,180,000	9,180,000	9,690,000	9,690,000	9,690,000	9,690,000	9,690,000
Overall Revenues		9,180,000	9,180,000	9,180,000	9,180,000	9,690,000	9,690,000	9,690,000	9,690,000	9,690,000
Vacancy and Credit Loss										
#REF!	0.0%	0	0	0	0	0	0	0	0	0
Total		0	0	0	0	0	0	0	0	0
Effective Rental Income		9,180,000	9,180,000	9,180,000	9,180,000	9,690,000	9,690,000	9,690,000	9,690,000	9,690,000
Expenses										
CapEx	0.0%	0	0	0	0	0	0	0	0	0
OpEx	0.0%	0	0	0	0	0	0	0	0	0
Overall Expenses		0	0	0	0	0	0	0	0	0
NOI		9,180,000	9,180,000	9,180,000	9,180,000	9,690,000	9,690,000	9,690,000	9,690,000	9,690,000
Terminal Value	8.0%									121,125,000
Discount Rate	8.0%	0.50	0.46	0.43	0.40	0.37	0.34	0.32	0.29	0.27
Present Value		4,592,286	4,252,116	3,937,145	3,645,504	3,562,993	3,299,067	3,054,692	2,828,419	35,355,233
Net Present Value	SAR									121,900,000
Net Present Value	AED									119,137,207

3.3 Subject Property Value

Based on our analysis utilizing the discounted cash flow (DCF) method and considering the intended purpose of valuation, we have reached the conclusion that the total fair value of the subject property is as follows:

Value in AED: **AED 119,100,000.00**
Property Value: **SAR 121,900,000.00**
One Hundred Twenty-One Million Nine Hundred Thousand Saudi Riyals.

3.4 Accredited Valuers

Essam M. Al Husaini
President



Fellow Member of (RE Valuation)
License No. 1210000474

Nabeel M. Al Husaini
CEO



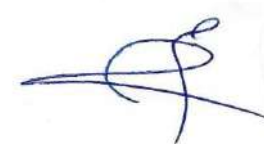
Member of (RE Valuation)
License No. 1210002782

Farah E. Al Husaini
Valuation Manager



Member of (RE Valuation)
License No. 1210001964

Mohammed I. Al Assem
Valuer



Member of (RE Valuation)
License No. 1210003754

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3.5 Conclusion

In conclusion, this evaluation report offers a comprehensive assessment of the subject property's value, considering pertinent factors and adhering to established valuation standards. The information contained in this report is confidential and intended exclusively for the client's review and consideration. Reproduction or distribution of this report necessitates written consent from the valuer.

It is important to note that the value presented in this report is based on the available information and professional expertise. However, it is subject to limitations and external factors that may influence the property's value.



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DOCUMENTS

DOCUMENT

Documents Received

5 Title deed and Construction Permit

Sharjah Government - حكومة الشارقة
 دائرة التسجيل العقاري
 Real Estate Registration Directorate

سند ملكية

تاريخ السند: ٢٠١٧/١٢/٢٤
 رقم السند: ١١٩٣٩

المنطقة	رقم الملك	الرقم الحكومي	المدينة
الحياء/الشارقة	٨٥٣	٥	الشارقة

رقم الملك	اسم الملك	الحصص	ملاحظات
٧٣٠٨٩	أبو يوسف ش. م. م.	مئة	

إليه في هذا اليوم من شهر من سنة هجرية الموافق ٢٠١٧/١٢/٢٤ ميلادية جرى تسجيل المثل غير المنقول الكائن بالموقع المذكور إعلانه بصفته أرض مبنية مساحتها ٦٠٣٣,٢ مترا مربعا (٦٤٩٢٩ قهما مربعا)

أطواله:	حدوده:
شامية وتسعون مترا و ٣١ سم شمالا	طريق عرض ١٢,٢٠ متر من الشمال
واحد وستون مترا و ٨١ سم شرقا	طريق عرض ١٢,٢٠ متر من الجنوب
سبعة وتسعون مترا و ٧٧ سم جنوبا	طريق عرض ٣٩,١٠ متر من الغرب
واحد وستون مترا و ٨١ سم غربا	

وقد اتصل هذا المثل غير المنقول بمن نكر أعله بطريق (الشراء) بدبالغ وقدره خمسة وتسعون مليون درهم لا غير من المالك السابق البين للقطرات

لقد اعتدلت دائرة التسجيل العقاري معاملة التسجيل وثباتا لذلك اعطيت هذا السند.

مدير عام دائرة التسجيل العقاري

أي شطب أو تعديل في محتوى السند يلغيه تلقائيا

Sharjah Municipality - بلدية مدينة الشارقة
 Sharjah City Municipality
 Engineering Department - إدارة الهندسية

Building Permit - إجازة بناء

رقم إجازة البناء: 381 | 2013
 التاريخ: 2016-11-17

إضافة:

نوع البناء: وسج
 المالك: 1 - بيان للمقرات
 المقاول: 123782 - الإهم لتساولات البناء - م. م.
 الاستشاري: 725643 - رواء التصميم للاستشارات الهندسية م. م.
 المنطقة: 3029 - القيصاء/الشارقة
 مساحة رقم: 5
 ملك رقم: 853
 وصف البناء المراد تشييده:
 استعمال البناء: 2 - تجاري
 نوع البناء: 26 - مبنى متعدد الطوابق
 حدد الطوابق: 3 - طابق
 تفاصيل البناء: مستثنى طبق (مرداب/ارضى-اول)

ملاحظات:
 - يوجد ترخيص سابق
 - يوجد دفتر الحسابات والتشديدات الدائرية وقطاعية صادر من قبلها برقم 2010/2009
 - تاريخ ترميم الكهراء المحدث من قبل هيئة الكهراء ومواء الشارقة 2017/02
 - لا تخضع الاستعداد من مرقا تجاري إلى مستثنى.

*مراجعة التعديلات والشروط خلف المستند
 *في حالة استناد بعض الاتصال التكميلية لمطاري، الميطان بجهد التناكد من أجالهم من البلدية ويتضمن المخالف كافة التبعات القانونية

رقم الإيجال	تاريخ الإيجال	القيمة	نوع الإيجال
900210245	2016-09-18	60333 درهم	نوع استيفاء رسوم نوازة البناء المبالغ فيها
304597	2016-11-09	7000 درهم	نوع استيفاء رسوم قوائم البناء المبالغ فيها
4704120		47000 درهم	قيمة نقد: أربعة ملايين وسبع مئة وأربعة آلاف ومائة وعشرون درهما لا غير

رئيس القسم: [موقع]

محاسب البلدية: [موقع]

البلدية: [موقع]

5.1 Real Estate Valuation License





وزارة التجارة والاستثمار
Ministry of Commerce and Investment

ترخيص مزاولة مهنة لفرع تقييم العقارات

المقر الرئيسي: الرياض

فئة العضوية: أساسي

رقم الترخيص 1210000474 تاريخ إصداره 1437/8/1 هـ تاريخ انتهائه 1447/8/24 هـ

يرخص **عصام محمد عبدالله الحسيني** (سعودي الجنسية) سجل مدني رقم 1044275947 لمزاولة المهنة

وقد منح هذا الترخيص بعد أن استوفى شروط القيد الواردة في المادة الخامسة من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/9 هـ بموجب قرار لجنة قيد المقيمين رقم (95/ق/3/42) وتاريخ 1442/5/22 هـ

رئيس لجنة قيد المقيمين



أ. وليد بن عبدالله الرويشد

ختم الوزارة



وزارة التجارة والاستثمار
Ministry of Commerce and Investment
إدارة المهن الاستشارية





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