

REAL ESTATE VALUATION

جدوى للإستثمار
Jadwa Investment



5 PROPERTIES MAKKAH

PREPARED FOR
**JADWA REIT AL HARAMAIN
FUND**

JUNE 2018





REF: WCRE-18-196
Date: 30/06/2018
M/S Jadwa REIT Al Haramain Fund
Attn Mrs. Sara Al Yemni

Land Line: +966 11 279 1111
Email: smalyemni@jadwa.com

Subject: Valuation Report for five properties in Makkah City, Saudi Arabia.

Dear Sir,

With reference to your request and approval dated on June 10, 2018 for valuation service of the 5 properties located in Makkah city, please find hereafter our detailed valuation report including other information related to the mentioned properties.

Issued without prejudice and liabilities

WHITE CUBES REAL ESTATE

Dr. Mohammad Taha – CEO WHITE CUBES GLOBAL

Member of the Saudi Authority of Accredited Valuers (Taqeem)
Member of the International Association of certified valuer
Member of the Arab Academy for Valuation
Senior Sworn Valuer in the Lebanese Ministry of Justice
Member of the American Institute for Valuation

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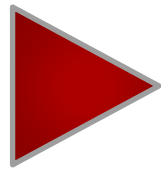
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INTRODUCTION

This section is to express disclosures, disclaimers and general statements about the limitations of the valuation procedures.



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1.1 INSTRUCTION

We have received instruction from Jadwa Investment dated on June 10, 2018 to proceed with the valuation service for several properties located in Makkah city and related to JADWA REIT AL HARAMAIN FUND. Below is a brief of these properties:

	Property	District	Area (Sqm)
1	Pharmacy Building	Misfallah	108.01
2	Restaurant Building	Misfallah	57.97
3	Tharawat Al Andalusia	Misfallah	641.97
4	Tharawat Al Taqwa	Shisha	2,216.23
5	Tharawat Wadi Ibrahim	Misfallah	203

1.5 INDEPENDENT CONSULTANT

An External Valuer is defined in the RICS Standards as; "A valuer who, together with any associates, has no material links with the client company or the subject of the assignment." We confirm that we are an independent contractor for the subject service, and nothing contained in this agreement shall be construed as constituting any relationship with the client other than that of client and independent contractor, or as creating any employment relationship whatsoever between the client & White Cubes staff. We also confirm that we have no conflict of interest to the client's property.

1.2 CLIENT BRIEF

The client to whom this report is prepared is Jadwa REIT Al Haramain Fund Investment:

Client Name	Jadwa REIT AL HARAMAIN Fund
Domain	Real Estate
Location	KSA, Riyadh
Contact Person	Mrs. Sara Al Yemni
Contact No.	+966 11 279 1111

1.3 INTEREST TO BE VALUED

We are instructed that the Subject Property should be valued as freehold, free from any encumbrances or third-party interests. We have not made any investigation on the title and have assumed that any such investigation would not identify any discrepancies in ownership.

1.4 STATUS OF CONSULTANT / VALUER

We confirm that the Valuer / Consultant has no material connection or involvement with the subject of the valuation or with the Client and can provide an objective and unbiased valuation. We confirm the Valuer is competent to undertake the valuation assignment and has sufficient skills and knowledge of the respective market to undertake the valuation.



1.6 DISCLOSING CONFLICT OF INTEREST

We would like to bring to your attention the following:

The subject property was previously valued by White Cubes
White Cubes was previously involved in selling activities related to the property
White Cubes was previously involved in advisory services related to the property

No	If Yes		Remarks
	Client	Date	
✓	Jadwa Investment	Dec 2017	_____
✓	_____	_____	_____
	_____	_____	_____

1.7 CONFIDENTIALITY

Any documents received from the client are confidential between White Cubes Est. and the client. Except as may be required by any court or authority, the subject service shall not disclose or use or cause to be disclosed or used, at any time during the Term.

Any of the Client's secrets and/or confidential information, any other non-public information relating to the client business, financial or other affairs acquired by the subject service during the process remain confidential.

1.8 ENVIRONMENTAL MATTERS

We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

In undertaking our work, we have been instructed to assume that no contaminative or potentially contaminative use has ever been carried out on the property.

We have not carried out any investigation into past or present uses, either of the properties or of any neighboring land, to establish whether there is any contamination or potential for contamination to the subject properties from the use or site, and have therefore assumed that none exists.

However, should it be established subsequently that contamination exists at the properties or on any neighboring land, or that the premises has been or is being put to any contaminative use, this might reduce the value now reported.



1.9 STRUCTURAL STABILITY (IF ANY)

Our scope of service does not include any technical testing of structure for stability and strength measurements. However, and in case of any visually observed and noted deficiencies within the structure, we will note them in our report and to be reflect in the estimation of value.

1.10 OPINION OF VALUE

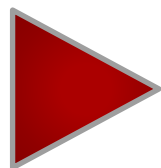
All the outputs will be shown in this report (Values) are based on our best knowledge of the market, documents received from the client (assumed to be correct), market findings and inspection inputs. Yet, the estimated values of the subject property / properties express our opinion of values based on the previously mentioned findings.

1.11 VALUATION STANDARDS

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Royal Institution of Chartered Surveyors (RICS) Valuation Standards (2014 edition) and Rules of Conduct for members. In addition to recently published International Valuation Standards issued by IVSC (International Valuation Standards Council) and applied by TAQEEM (Saudi Authority for Accredited Valuers).



الهيئة السعودية للمقيمين المعتمدين
Saudi Authority for Accredited Valuers



VALUATION STANDARDS

This section indicates full description of valuation standards applied in this report.



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2.1 PURPOSE OF VALUATION

The client requested to know the current market value of the subject property for semiannual valuation of real estate investment trust fund as per the regulation of the Saudi CMA.

Acquisition Purposes	Selling Purposes	Private Fund Raising
Public Fund Raising	Real Estate Investment Trust (REIT)	Internal Decision Making
Insurance Purposes	Liquidation Purposes	Distribution of inheritance
Financing Purposes	Court Disputes	Partnership Purposes
Government expropriation Purposes	Losses & Damages Purposes	Investment Purposes

Therefore, and according to the valuation purpose, and as requested by the client, we will adapt the valuation methodologies of **Income Approach & The Depreciated Replacement Cost (DRC)**.

2.2 CLIENT APPROVAL DATE

The client approval date reflects the green light given to use by the client to start the inspection procedures of the property / properties subject to the valuation process.

June 10, 2018.

2.3 INSPECTION DATE

The inspection date reflects the exact date of the property's inspection and the date of executed market survey. Yet, the outcome value of the subject property / properties will be based on the findings at the inspection date.

June 19, 2018

2.4 VALUATION DATE

The Valuation date is the date on which the opinion of value/s applies. The date of valuation is the date where the value/s of the subject property / properties is reflected. The valuation date is at

June 30, 2018.

2.5 REPORT DATE

The valuation reports usually dated exactly as the valuation date. Yet, and in some cases, the report date can be after the valuation date depending on the nature, size and location of the subject property.

June 30, 2018.



2.6 INSPECTION ROLE

A visit to a property or inspection of an asset, to examine it and obtain relevant information, in order to express a professional opinion of its value. We hereby confirm that we have inspected the subject property. Our inspection procedure covers only the surface / boundaries / out layers of the property. No technical inspection has been made such as soil test, construction durability, etc. the following shows the findings from the inspection procedures.

RECEIVED PROPERTY INFO

LOCATION ANALYSIS

UTILITIES & SERVICES CHECK-UP

DUE DILIGENCE OUTPUT



ON-SITE WHITE CUBES TEAM

GENERAL BUILDING
SURVEYING

COMMENT ON STRUCTURAL
DESIGN

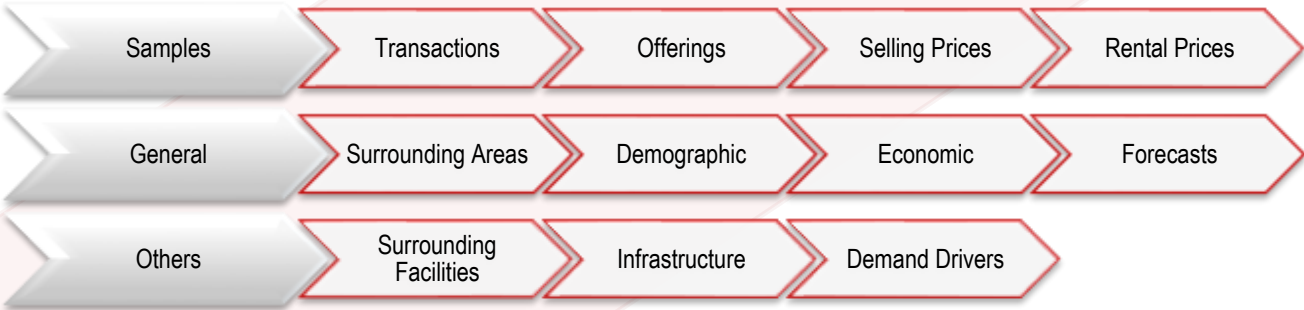
INSPECTION SUMMARY NOTES





2.7 MARKET SURVEY

During the site visit, our team has made the market survey for the immediate surrounding areas of the subject property to collect all the possible and related data to the valuation process. The collected data will be prices, rents, land offerings, properties transactions, etc. the collected data type will be according to the property data and the purpose of valuation.



2.8 REPORT CURRENCY

This report is using the currency of Saudi Arabian Riyals (SAR)



2.9 INSURANCE

We have not been provided with any insurance policy for the subject property.

2.10 LEGAL NOTICES

We are not aware of nor have we been informed of any legal notices served on the property, outstanding or pending in the courts of law.

	No Issues	Issues Noted	We have not been informed
Court Disputes	-----	-----	✓
Un Authorized Documents	-----	-----	✓
Conflict with Municipality Regulations and Law	-----	-----	✓
Mortgage and financing issues	-----	-----	✓



2.11 INFORMATION SOURCE

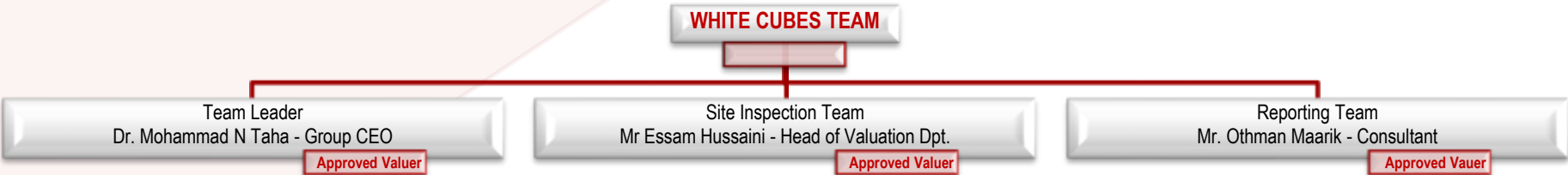
For the purpose of this report, it is assumed that the written and verbal information provided to us by the Client is up to date, complete and correct. White Cubes has furthermore undertaken further research with respect to, but not limited to, general price levels of lands; occupancies, lease and daily active most known recent market activities. In addition, we have relied on the following sources in the valuation process.

- Market Survey done by our team
- Site inspection done by our team
- Local Real Estate Agents
- Our Internal Database



2.12 KNOWLEDGE & SKILLS

We confirm that the undersigned valuer(s) undertaking this instruction are suitably qualified and have the appropriate knowledge and skills to undertake this instruction. Even so, the valuer(s) acknowledge the significant assistance provided by the:



2.13 OUR ACCREDITED VALUERS IN TAQEEEM

Our main accredited Valuers and officially authorized by White Cubes Real Estate to sign on any document published by us are as per the following:

- 1 Dr. Mohammad N Taha – Partner – CEO
License Number 1220000263

2 Mr. Essam M. Hussaini – Owner – Head of Valuation Team
License Number 1210000474

Valuer Name	Completed Courses in Taqueem															
	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116
Dr. Mohammad N Taha	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Essam M. Hussaini	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓						

2.14 VALUATION COMPLIANCE

The valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation – Professional Standards (January 2014 Edition) and the International Valuation Standards Council (IVSC) International Valuations Standards (2014 Edition). It should be further noted that this valuation is undertaken in compliance with generally accepted valuation concepts, principles and definitions as promulgated in the IVSC International Valuation Standards (IVS) as set out in the IVS General Standards, IVS Asset Standards, and IVS Valuation Applications.

2.15 VALUATION STANDARDS

The valuation approach done into this report took into consideration the valuation standards approved by the following associations.

- TAQEEM (Saudi Authority of Accredited Valuers).
- RICS (Royal Institution of chartered Surveyors)
- IACVA (International Association of Certified Valuers & Analysts)
- IVSC (International Valuation Standards Council)
- ARV (Arabic Academy of Valuation)

2.16 BASES OF VALUATION:

Market Value

Market Value is defined as: -

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion.

The definition of Market Value is applied in accordance with the following conceptual framework:



"The estimated amount" refers to a price expressed in terms of money payable for the asset in an arm's length market transaction. Market value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of special value;

AN ASSET SHOULD EXCHANGE

"an asset should exchange" refers to the fact that the value of an asset is an estimated amount rather than a predetermined amount or actual sale price. It is the price in a transaction that meets all the elements of the market value definition at the valuation date;

ON THE VALUATION DATE

"on the valuation date" requires that the value is time-specific as of a given date. Because markets and market conditions may change, the estimated value may be incorrect or inappropriate at another time. The valuation amount will reflect the market state and circumstances as at the valuation date, not those at any other date;

BETWEEN WILLING BUYER

"between a willing buyer" refers to one who is motivated, but not compelled to buy. This buyer is neither over eager nor determined to buy at any price. This buyer is also one who purchases in accordance with the realities of the current market and with current market expectations, rather than in relation to an imaginary or hypothetical market that cannot be demonstrated or anticipated to exist. The assumed buyer would not pay a higher price than the market requires. The present owner is included among those who constitute "the market";

AND WILLING SELLER

"and a willing seller" is neither an over eager nor a forced seller prepared to sell at any price, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the asset at market terms for the best price attainable in the open market after proper marketing, whatever that price may be. The factual circumstances of the actual owner are not a part of this consideration because the willing seller is a hypothetical owner;

IN AN ARM'S LENGTH TRANSACTION

"in an arm's-length transaction" is one between parties who do not have a particular or special relationship, eg parent and subsidiary companies or landlord and tenant, that may make the price level uncharacteristic of the market or inflated because of an element of special value. The market value transaction is presumed to be between unrelated parties, each acting independently;



AFTER
PROPER
MARKETING

“**after proper marketing**” means that the asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price reasonably obtainable in accordance with the market value definition. The method of sale is deemed to be that most appropriate to obtain the best price in the market to which the seller has access. The length of exposure time is not a fixed period but will vary according to the type of asset and market conditions. The only criterion is that there must have been sufficient time to allow the asset to be brought to the attention of an adequate number of market participants. The exposure period occurs prior to the valuation date;

KNOWLEDGEABLY
AND
PRUDENTLY

‘**where the parties had each acted knowledgeably, prudently**’ presumes that both the willing buyer and the willing seller are reasonably informed about the nature and characteristics of the asset, its actual and potential uses and the state of the market as of the valuation date. Each is further presumed to use that knowledge prudently to seek the price that is most favorable for their respective positions in the transaction. Prudence is assessed by referring to the state of the market at the valuation date, not with benefit of hindsight at some later date. For example, it is not necessarily imprudent for a seller to sell assets in a market with falling prices at a price that is lower than previous market levels. In such cases, as is true for other exchanges in markets with changing prices, the prudent buyer or seller will act in accordance with the best market information available at the time;

AND
WITHOUT
COMPULSION

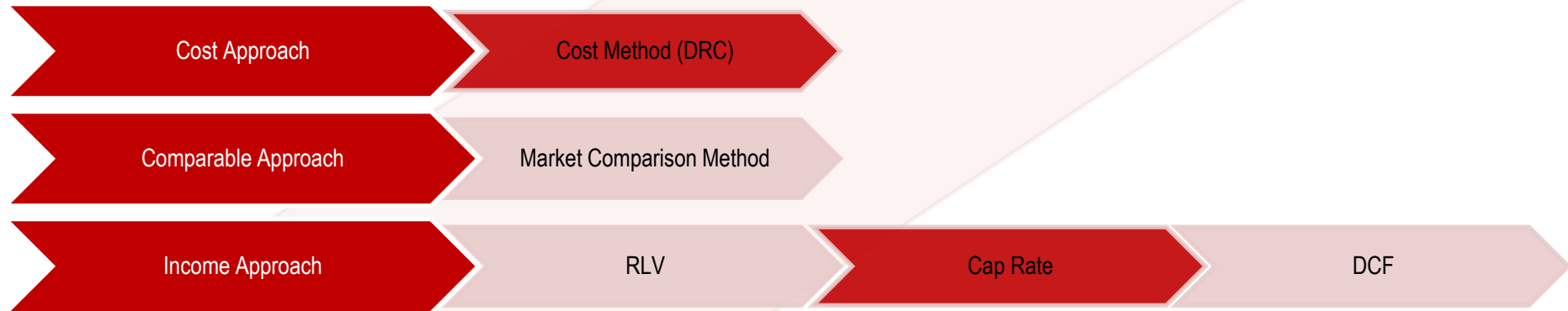
‘**and without compulsion**’ establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it. Market value is the basis of value that is most commonly required, being an internationally recognized definition. It describes an exchange between parties that are unconnected (acting at arm’s length) and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, on the valuation date, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximizes its productivity and that is possible, legally permissible and financially feasible. Market value is the estimated exchange price of an asset without regard to the seller’s costs of sale or the buyer’s costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.





2.17 VALUATION APPROACH:

According to the International Valuation Standard Council (IVSC), and according to the TAQEEM valuation principles, there are 3 main types of real estate valuation Approach as follows:



COMPARABLE METHOD

This is the method most are familiar with as it is the accepted method for valuing residential real estate. Typically, this method involves selecting properties with similar characteristics in the same market area that have recently sold. Once those properties are found they are compared to the property in question and a professional appraiser will deduct value from the subject property for comparative deficiencies and increase value for advantages. Typically, this method is required if the investor is seeking conventional financing. For comparable information, property brokers, dealers and estate agents are contacted to ascertain the asking and selling prices for property of the nature in the immediate neighborhood and adjoining areas. Neighboring properties, which have been recently sold or purchased, are investigated to ascertain a reasonable selling price.

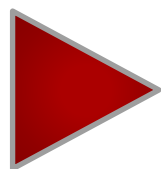
RESIDUAL LAND VALUE (RLV)

The residual land value is a method used to determine the value and potential profitability of a piece of property less any expenses related to the land. Residual land value is the value of the land that remains after any and all deductions associated with the cost of developing, maintaining or reselling the land. The application of the residual method of valuation is based on the principle that the price to be paid for a property that is suitable for development is equal to the difference between (i) the completed value of the highest and best form of permitted development and (ii) the total cost of carrying out that development. Thus, the net capital value of the completed development is assessed (after deducting any costs of sale) on the assumption that it has been developed for the most valuable form of development, and from that value is deducted the cost of all construction and building work required to carry out the development (including all ancillary costs, e.g. purchase costs, letting fees, finance, etc.), as well as an appropriate allowance for profit on the development



2.18 GENERAL ASSUMPTIONS

- The subject property is valued under the assumption of freehold status unless otherwise stated in the report.
- All the written and verbal information provided to us by the Client assumed to be up to date, complete and correct in relation to elements such as title deed, construction permits, land area, and any other relevant matters that are set out in the report.
- This report is a valuation report and not structural / building survey. Therefore, we did not carry out any structural due diligence, utilities check, services check, soil test, etc.
- All the inputs used in the valuation methodologies are based on the collected market data using our best know how and experience in the related market.
- The output of this report (Final Value), is based on the used assumptions, received documents from the client and available market data. Yet, the output estimates show an indicative value of the subject property / properties.



PROPERTY 1 – PHARMACY BUILDING

This section indicates full description of the subject property / properties that contains the legal documents info, location, components, status, condition and many other elements.



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3.1 PROPERTY DESCRIPTION

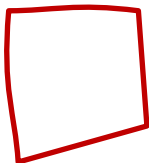
The subject property is a hospitality project located in Misfallah district, Makkah city. It is open on one side with a direct view on Al Hijra road. All facilities such as water, electricity, sewage and telecommunication are available in the surrounding and connected to the subject property.

3.2 TITLE DEED & OWNERSHIP

We were provided with copy of the title deed of the subject property which is owned by one title deed. The details of the subject property:

City	Makkah
District	Misfallah
Title deed Type	Electronic
T.D No.	320123008310
T.D Date	06/04/1439
Title Deed Value	23,000,000
Date of Latest Transaction	06/04/1439
Issued by	Makkah Notary
Property Type	Hospitality
Land Area (Sqm)	108.01
Plot No.	----
Block No.	----
Layout No.	----
Owners	Jadwa Al Khalil for Real Estate
Ownership	Freehold
Limitations of Document	None
Notes	The client has provided us with 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.

3.3 BOUNDARIES

	Private Property			
Al Hijra Road		Private Property		
	Private Property			
	North	South	East	West
Pathway	-----	-----	-----	-----
Street	-----	-----	-----	✓
Plot	-----	-----	-----	-----
Block	-----	-----	-----	-----
Private Property	✓	✓	✓	-----
Mountain	-----	-----	-----	-----
Valley	-----	-----	-----	-----
Sea	-----	-----	-----	-----
River	-----	-----	-----	-----
Direct View on Sides Open	Al Hijra Road- Private Properties			
	1			



3.4 LAND SPECS

The subject property (Land Only) has the following criteria:

Current Land Status		Current Land Use		Current Land Grading		Current Surrounding Property	
Vacant	-----	Commercial	✓	Graded	✓	Commercial	✓
Constructed	✓	Industrial	-----	Semi-Graded	-----	Industrial	-----
Under Construction	-----	Residential	-----	Mountain	-----	Residential	✓
Excavated	-----	Hospitality	✓	Valley	-----	Raw Lands	-----
Raw Land	-----	No planning	-----	Slope	-----	Hospitality	✓

3.5 LEASING CONTRACT

First Party	Jadwa Al-Khalil Investment Company
Second Party	Akil Bin Abed Al-Rahman Bin Abed al-Hakim Al Akil
Contract Date	24/12/2017
Leasing Period	3 Years
Terms of Payment	1,500,000 SAR
Maintenance Cost	Paid by The Tenant
Management Cost	Paid by the Tenant
Operational Cost	Paid by the tenant
Contract Value	4,500,000 SAR

3.6 INFRASTRUCTURE FACILITIES:

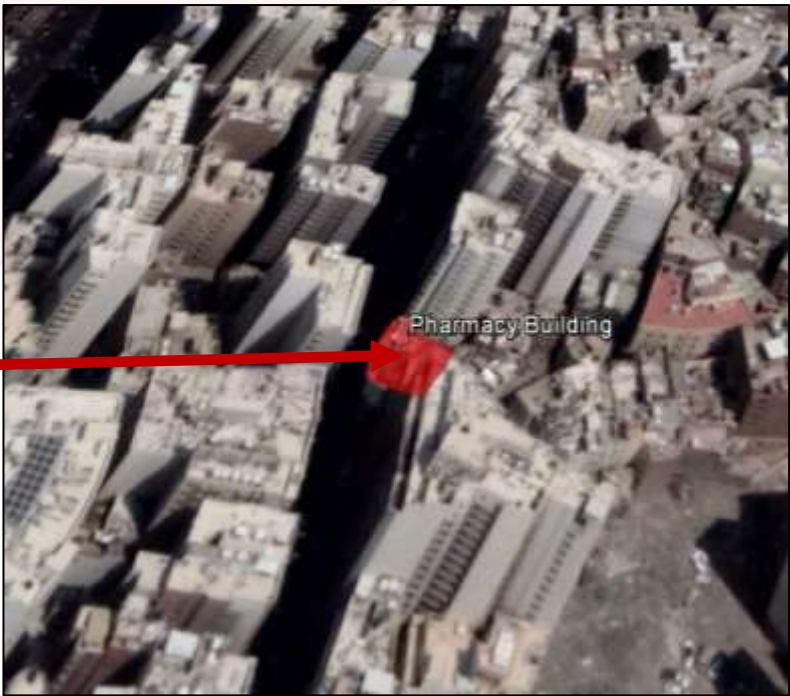
	Available in the surrounding	Connected to the property
Water	✓	✓
Electricity	✓	✓
Tele-Communication	✓	✓
Sewage	✓	✓

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



3.7 LOCATION

The subject property is located in Misfallah District in Makkah city with a direct view on Al Hijra Road. The location and coordinates of the subject property are as follows:



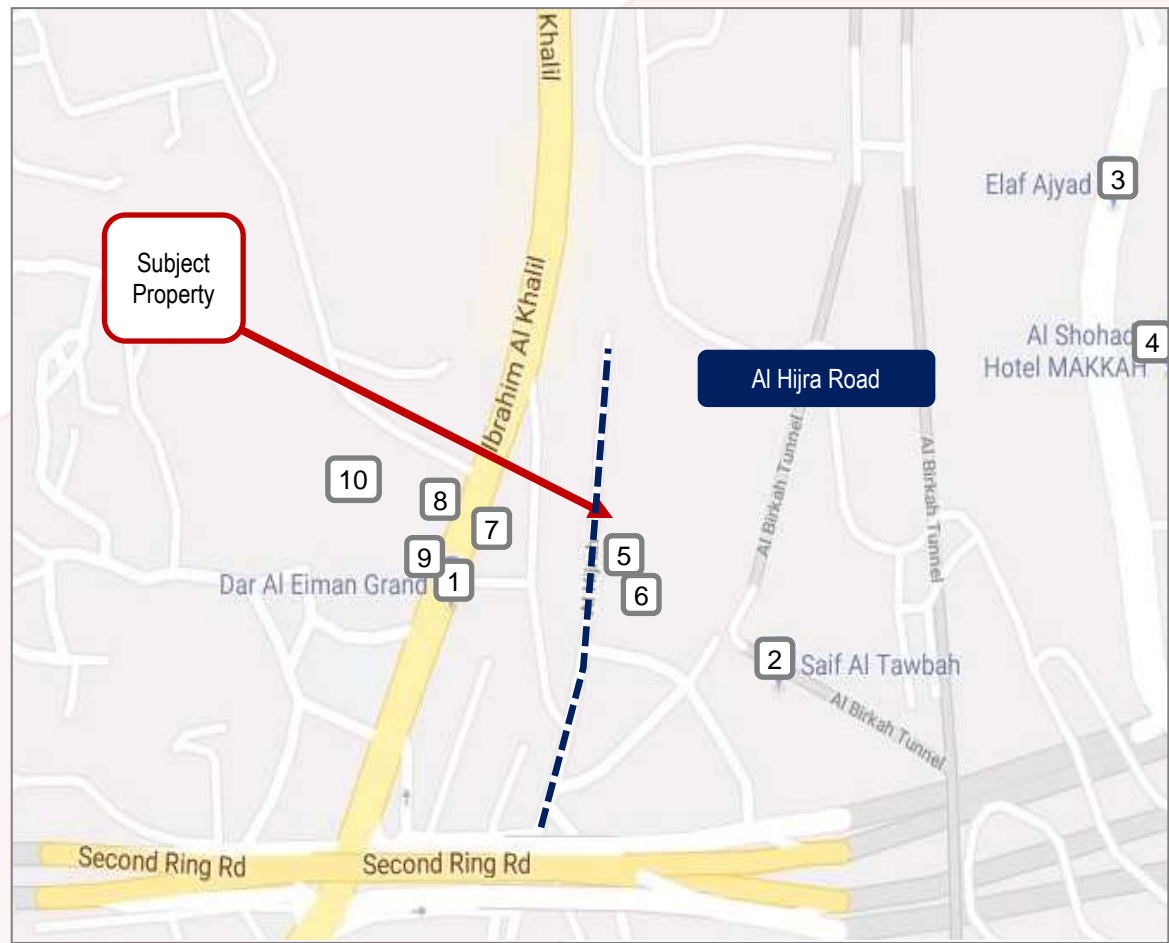
N Coordinates	21°24'49.15"
E Coordinates	39°49'23.74"
City	Makkah
District	Misfalla
Street	Al Hijra
Property Type	Constructed Land

Source: White Cubes & Google Maps



3.8 ACCESS & LAND MARKS

The subject property can be accessed through the following main streets as shown in the map below.



ACCESS TO SUBJECT PROPERTY

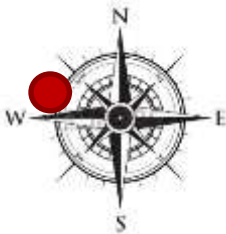
The subject property can be accessed through the following roads:

West Side: Al Hijra Road

LAND MARKS

- 1- Dar Al Eiman Grand (0.1 Kilometer)
- 2- Saif Al Tawbah (0.4 Kilometer)
- 3- Elaf Ajyad (0.6 Kilometer)
- 4- Al Shohad Hotel (0.5 Kilometer)
- 5- Final Rihab (0.05 Kilometer)
- 6- Asil White Palace (0.1 Kilometer)
- 7-Firdous AlUmrah (0.1 Kilometer)
- 8- Nada Alkhalil (0.15 Kilometer)
- 9- Mobark Plaza (0.15 Kilometer)
- 10- Fajr Al- Badea (0.25 Kilometer)

Location of the subject property according to the City Center





3.9 PHOTO RECORD

Date of Photos: June 19, 2018





3.10 DOCUMENTS RECIEVED

The client has provided us by clear copy of the following documents.

Title Deed Copy ✓	Construction Permit _____	Krooki _____
Master Plan _____	Layouts _____	3D Design & Perspectives _____
Pictures _____	Presentation of the subject property _____	Location Map ✓
Location Link _____	Contact Details ✓	Costing & Budget _____
Tenant List _____	Income & Revenues _____	Operational Cost - OPEX _____
Forecasts & Expectations _____	Leasing Contract ✓	Others _____

3.11 VALUATION APPROACH:

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

	DRC	Comparable	Income Cap	DCF	RLV
Land	_____	_____	_____	_____	_____
Building	_____	_____	✓	_____	_____
Overall Property	✓	_____	_____	_____	_____



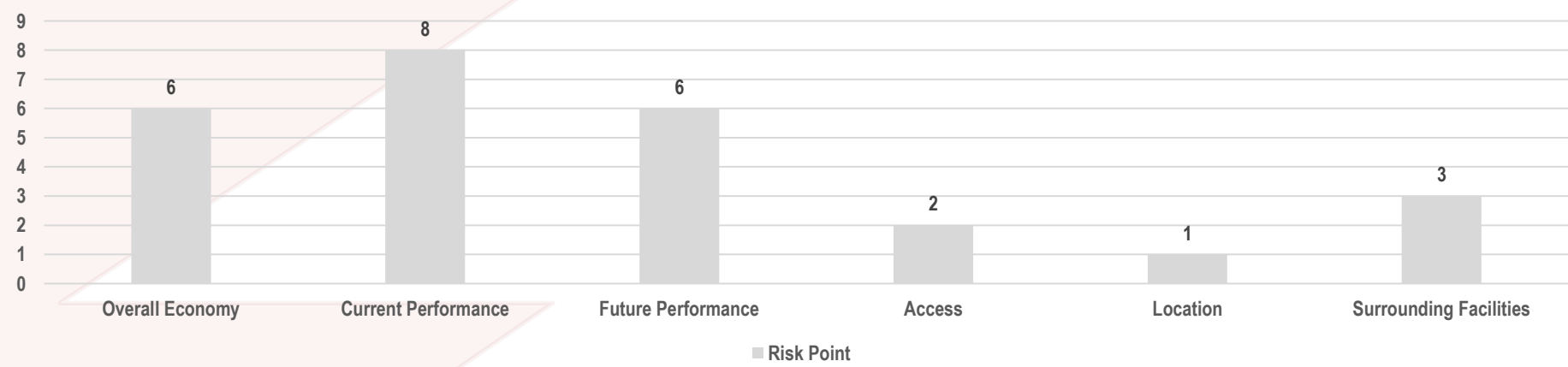
3.12 RISK ANALYSIS

SECTOR 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
Overall Economy	-----	✓	-----	-----	-----
Sector Current Performance	-----	-----	✓	-----	-----
Sector Future Performance	-----	✓	-----	-----	-----
Total Risk	0	4	3	0	0
Risk Category 7 Risk Points - Medium Risk					

LAND 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
Access & Location	✓	-----	-----	-----	-----
Land Shape	✓	-----	-----	-----	-----
Surrounding Area facilities	✓	-----	-----	-----	-----
Total Risk	3	0	0	0	0
Risk Category 3 Risk Points – Very Low Risk					



3.13 DEPRECIATED REPLACEMENT COST (DRC)

The subject property is not structurally completed, and it is not customized in the best use of the property. Therefore, it has no value based on the purposes of the valuation, and we cannot value it using the cost approach. Yet, the value of the subject property will be equal to the value of the land.

Based on the market survey and site inspection done by our team, the average market rate for the land falls in the range between 340,000 and 380,000 SAR/Sqm. The mentioned value of the land reflects the investment value of such property in case of applying the highest and best use standards. Thus, the estimated value of the land related to the subject property is 39,000,000 SAR based on 360,000 SAR/Sqm.

3.14 INCOME APPROACH- LEASING CONTRACT

As mentioned above, the subject property has only the ground floor available and proper for rent. The client has informed us that the total revenue of the subject property is 1,500,000 SAR based on the received copy of the leasing contract.

REVENUES					
Unit Type	Total GLA	Quantity	No Of Units	SAR / Sqm	Revenues
Hospitality Project			The subject property is Fully leased to 1 tenants		
				SAR / Unit	Total Revenues
					SAR 1,500,000
					Total Revenues
					SAR 1,500,000
EXPENSES					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Hospitality Project			Paid by the Tenant		0.00%
NET OPERATING INCOME					
Unit Type	Total Revenues		Total Expenses		NOI
Hospitality Project	SAR 1,500,000		0.00%		SAR 1,500,000
				Total	SAR 1,500,000
Total Property Revenues					SAR 1,500,000
Total Property Expenses					SAR 0
Net Operating Income					SAR 1,500,000.00
Net Operating Income	Cap Rate	Property Value			Rounded Value
SAR 1,500,000.00	6.00%	25,000,000.00 SAR			25,000,000.00 SAR

Since the subject property is not properly constructed to utilize the best use of the land, therefore we cannot use the income approach based on the market rates for only 1 ground floor and 2 uncompleted floors while the land can obtain 20 more floors.



3.15 SUMMARY OF VALUES

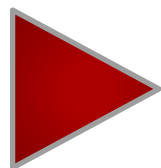
We are of an opinion that the total values of the subject property taking into consideration the purpose of valuation by using the two Approaches are:

Approach	Land Area	SAR / Sqm	Total Value
DRC	108.01	360,000 SAR	39,000,000 SAR
Income- Leasing Contract	108.01	----	25,000,000 SAR

3.16 FINAL VALUE

We are of an opinion that the total value of the subject property taking into consideration the purpose of valuation by using the income Approach is:

Property Value: **25,000,000 SAR**
Twenty-Five Million Saudi Riyals



PROPERTY 2 – RESTAURANT BUILDING

This section indicates full description of the subject property / properties that contains the legal documents info, location, components, status, condition and many other elements.



WHITE CUBES
REAL ESTATE



4.1 PROPERTY DESCRIPTION

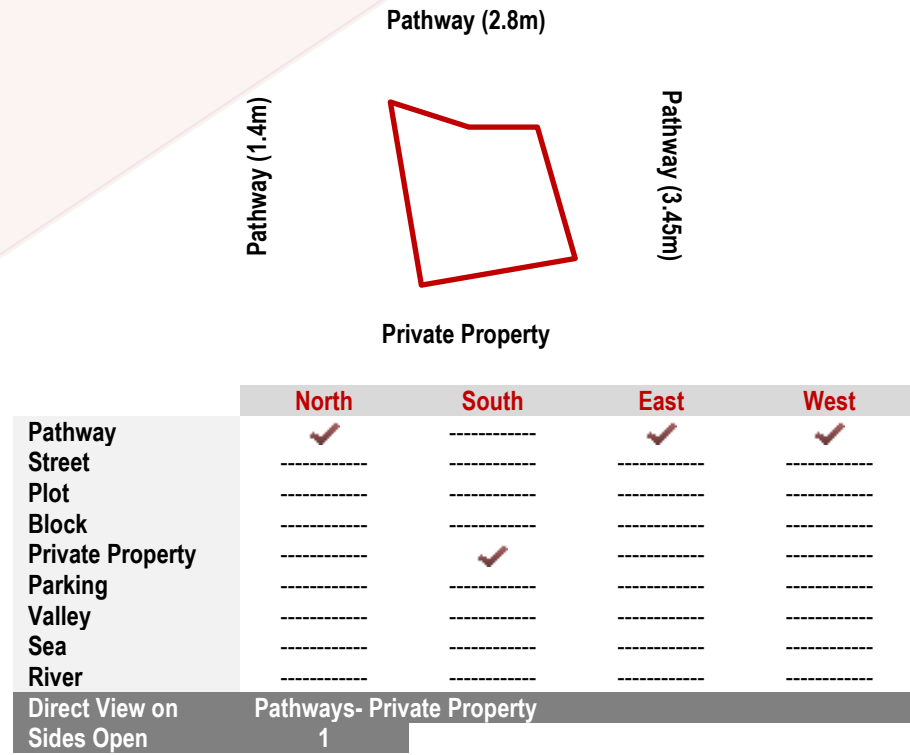
The subject property is a retail project located in Misfallah district, Makkah city. It has a total area of 57.97 Sqm and open on one side with a direct view on three pathways. It is composed of three floors. All the infrastructure facilities are available in the surroundings and connected the property subject of our valuation. As per the city's municipality rules and regulations, the subject property is for hospitality and commercial use.

4.2 TITLE DEED & OWNERSHIP

We were provided with copy of the title deed of the subject property which is owned by one title deed. The details of the subject property:

City	Makkah
District	Misfallah
Title deed Type	Electronic
T.D No.	620125004885
T.D Date	23/08/1439 AH
Title Deed Value	35,000,000
Date of Latest Transaction	23/08/1439 AH
Issued by	Makkah Notary
Property Type	Retail
Land Area (Sqm)	57.97
Plot No.	N/A
Block No.	N/A
Layout No.	N/A
Owners	Jadwa Al Khalil for Real Estate
Ownership	Freehold
Limitations of Document	None
Notes	The client has provided us with 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.

4.3 BOUNDARIES



4.4 LAND SPECS

The subject property (Land Only) has the following criteria:

Current Land Status

Vacant	-----
Constructed	✓
Under Construction	-----
Excavated	-----
Raw Land	-----

Current Land Use

Retail	✓
Industrial	-----
Residential	-----
Hospitality	-----
Other	-----

Current Land Grading

Graded	✓
Semi-Graded	-----
Mountain	-----
Valley	-----
Slope	-----

Current Surrounding Property

Commercial	✓
Industrial	-----
Residential	-----
Hospitality	✓
Mix Use	✓

4.5 LEASING CONTRACT

First Party	Jadwa Al-Khalil Investment Company
Second Party	Tharawat Al Machaer for Investment & Development
Contract Date	03/05/2018
Leasing Period	3 Years
Terms of Payment	2,200,000 SAR/ Year
Maintenance Cost	Paid by The Tenant
Management Cost	Paid by the Tenant
Operational Cost	Paid by the tenant
Contract Value	6,600,000 SAR

4.6 INFRASTRUCTURE FACILITIES:

	Available in the surrounding	Connected to the property
Water	✓	✓
Electricity	✓	✓
Tele-Communication	✓	✓
Sewage	✓	✓

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



4.7 LOCATION

The subject property is located in Misfallah district in Makkah city with a direct view on an Ibrahim Al Khalil road. The location and coordinates of the subject property are as follows:



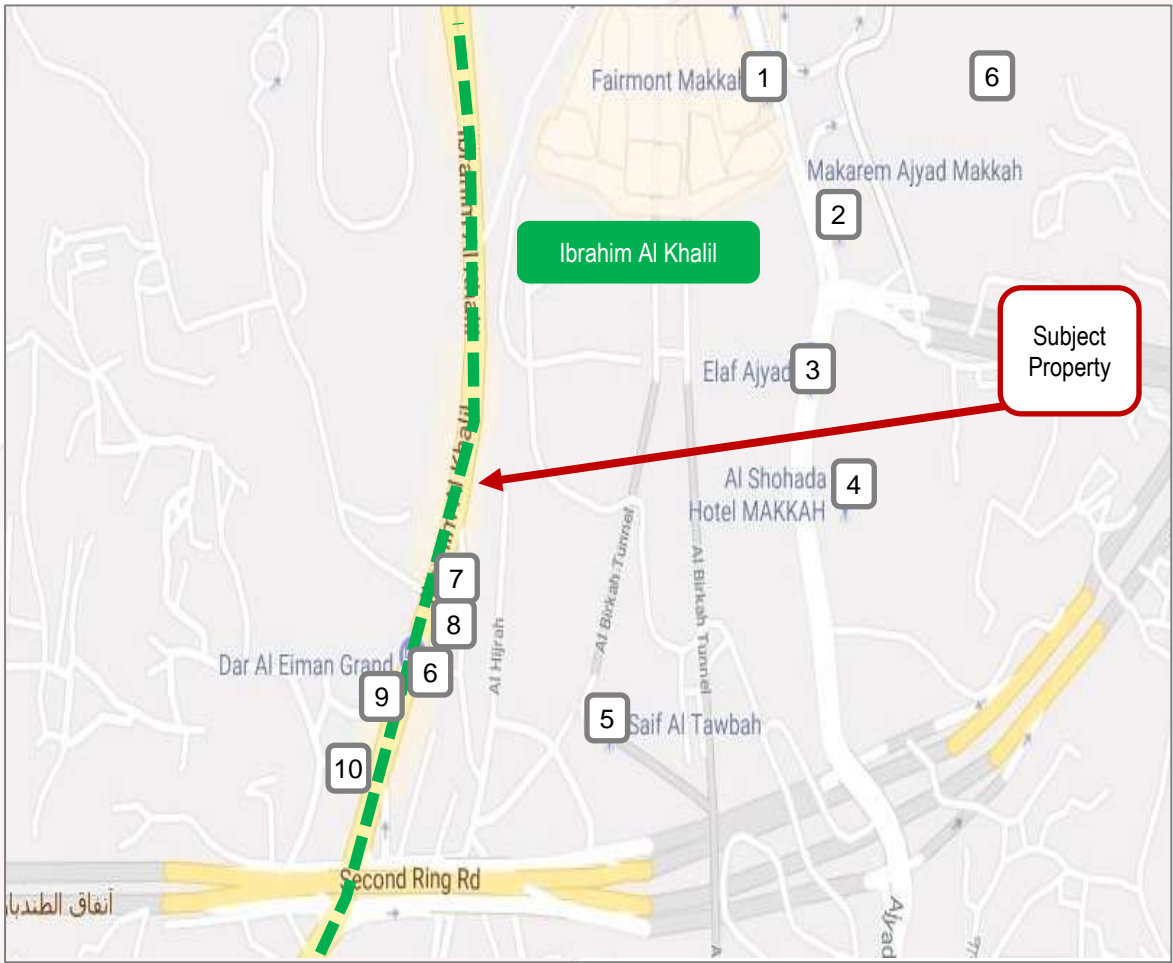
N Coordinates	21°24'53.88"
E Coordinates	39°49'22.39"
City	Makkah
District	Misfallah
Street	Ibrahim Al Khalil
Property Type	Constructed Land

Source: White Cubes & Google Maps



4.8 ACCESS & LAND MARKS

The subject property can be accessed through the following main streets as shown in the map below.



ACCESS TO SUBJECT PROPERTY

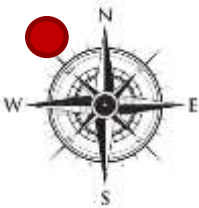
The subject property can be accessed through the following roads:

West Side: Ibrahim Al Khalil Road

LAND MARKS

- 1- Fairmont Makkah (0.9 Kilometre)
- 2- Makarem Ayyad Makkah (0.7 kilometre)
- 3- Elaf Ayyad (0.6 Kilometre)
- 4- Al Shohada Hotel (0.5 Kilometres)
- 5- Saif Al Tawbah (1.5 Kilometres)
- 6- Dar Al Eiman Grand (0.7 Kilometres)
- 7- Taj Al Khalil (0.5 Kilometre)
- 8- Firdous AlUmrah (0.6 Kilometre)
- 9- Al Olayan Al Khalil (0.8 Kilometre)
- 10- Palestine (1 Kilometre)

Location of the subject property according to the City Center





4.9 PHOTO RECORD

Date of Photos: June 19, 2018





4.10 DOCUMENTS RECEIVED

The client has provided us by clear copy of the following documents.

Title Deed Copy ✓	Construction Permit	Krooki
Master Plan	Layouts	3D Design & Perspectives
Pictures	Presentation of the subject property	Location Map ✓
Location Link	Contact Details ✓	Costing & Budget
Tenant List	Income & Revenues	Operational Cost - OPEX
Leasing Contract ✓	Others	Others

4.11 VALUATION APPROACH:

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

	DRC	Comparable	Income Cap	DCF	RLV
Land					
Building			✓		
Overall Property	✓				



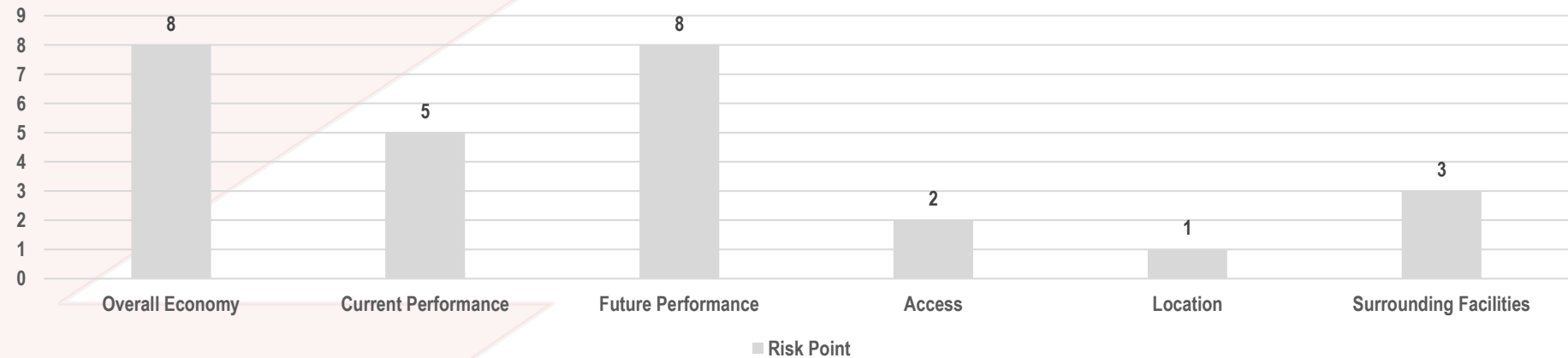
4.12 RISK ANALYSIS

SECTOR 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
Overall Economy	-----	-----	✓	-----	-----
Sector Current Performance	-----	✓	-----	-----	-----
Sector Future Performance	-----	-----	✓	-----	-----
Total Risk	0	2	6	0	0
Risk Category	8 Risk Points - Medium Risk				

LAND 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
Access & Location	✓	-----	-----	-----	-----
Land Shape	✓	-----	-----	-----	-----
Surrounding Area facilities	✓	-----	-----	-----	-----
Total Risk	3	0	0	0	0
Risk Category	3 Risk Points – Very Low Risk				



4.13 DEPRECIATED REPLACEMENT COST

The subject property is not structurally completed, and it is not customized in the best use of the property. Therefore, it has no value based on the purposes of the valuation, and we cannot value it using the cost approach. Yet, the value of the subject property will be equal to the value of the land.

The building of the subject property is old and has not been used to the highest and best use standards. It has no value based on the purposes of the valuation. Therefore, the value of the subject property would be the value of the land only.

- Based on the market survey and the site inspection of the subject property, the average market rate for the land falls in the range between 560,000 and 600,000 SAR/Sqm. Therefore, the estimated value of the land related to the subject property is 33,622,600 SAR based on 580,000 SAR/Sqm.
- The above-mentioned value of the land reflects the investment value of such property in case of applying the highest and best use standards.

4.14 INCOME APPROACH- LEASING CONTRACT

REVENUES					
	Quantity		Revenues		
Unit Type	Total GLA	No Of Units	SAR / Sqm	SAR / Unit	Total Revenues
Retail Project		The subject property is Fully leased to 1 tenants			SAR 2,200,000
				Total Revenues	SAR 2,200,000
EXPENSES					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Retail Project		Paid by One Tenant			0.00%
NET OPERATING INCOME					
Unit Type	Total Revenues		Total Expenses		NOI
Retail Project	SAR 2,200,000		0.00%		SAR 2,200,000
				Total	SAR 2,200,000
Total Property Revenues					SAR 2,200,000
Total Property Expenses					SAR 0
Net Operating Income					SAR 2,200,000.00
Net Operating Income		Cap Rate	Property Value		Rounded Value
SAR 2,200,000.00		6.00%	36,666,666.67 SAR		36,600,000.00 SAR

Since the subject property is not properly constructed to utilize the best use of the land, therefore we cannot use the income approach based on the market rates for only 3 floors while the land can obtain 20 more floors.



4.15 SUMMARY OF VALUES

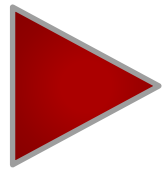
We are of an opinion that the total values of the subject property taking into consideration the purpose of valuation by using the two Approaches are:

Approach	Land Area	SAR / Sqm	Total Value
DRC	57.97	580,000 SAR	33,600,000 SAR
Income- Leasing Contract	57.97	----	36,600,000 SAR

4.16 FINAL VALUE

We are of an opinion that the total value of the subject property taking into consideration the purpose of valuation by using the income Approach is:

Property Value: **36,600,000 SAR**
Thirty-Six Million and Six Hundred Thousand Saudi Riyals



PROPERTY 3 – THARAWAT AL ANDALOSIAH

This section indicates full description of the subject property / properties that contains the legal documents info, location, components, status, condition and many other elements.



WHITE CUBES
REAL ESTATE



5.1 PROPERTY DESCRIPTION

The subject property is a hospitality project located in Masfallah district, Makkah city. It is composed of one basement, ground floor, mezzanine, two service floors and eleven typical floors. The subject property is open on one side with a direct view on Ibrahim Al Khalil street.

5.2 TITLE DEED & OWNERSHIP

We were provided with copy of the title deeds of the subject property which is owned by one title deeds. The details of the subject property:

City	Makkah
District	Misfallah
Title deed Type	Electronic
T.D No.	920114009217
T.D Date	20/07/1438 AH
Title Deed Value	379,000,000
Date of Latest Transaction	20/07/1438 AH
Issued by	Makkah Notary
Property Type	Hospitality
Land Area (Sqm)	641.97
Plot No.	N/A
Block No.	N/A
Layout No.	N/A
Owners	Jadwa Al Khalil for Real Estate
Ownership	Freehold
Limitations of Document	None
Notes	The client has provided us with 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.

5.3 BOUNDARIES

	Small Pathway & Private Property			
Private Property				
	Small Pathway & Private Property			
	North	South	East	West
Pathway	✓	✓		
Street			✓	
Plot				
Block				
Private Property	✓	✓		✓
Mountain				
Valley				
Sea				
River				
Direct View on	Pathways- Private Properties- Ibrahim Al Khalil Street			
Sides Open	1			

5.4 LAND SPECS

The subject property (Land Only) has the following criteria:

Current Land Status

Vacant	-----
Constructed	✓
Under Construction	-----
Excavated	-----
Raw Land	-----

Current Land Use

Commercial	-----
Industrial	-----
Hospitality	✓
Agricultural	-----
Commercial	✓

Current Land Grading

Graded	✓
Semi-Graded	-----
Mountain	-----
Valley	-----
Slope	-----

Current Surrounding Property

Commercial	✓
Industrial	-----
Residential	✓
Hospitality	✓
Mix Use	-----

5.5 LEASING CONTRACT

First Party	Jadwa Al-Khalil Investment Company
Second Party	Tharawat Al Machaer for Investment & Development
Contract Date	31/01/2017
Leasing Period	15.6 Years
Terms of Payment	24,500,000 SAR/ Year
Maintenance Cost	Paid by The Tenant
Management Cost	Paid by the Tenant
Operational Cost	Paid by the tenant
Contract Value	403,750,000 SAR

5.6 INFRASTRUCTURE FACILITIES:

	Available in the surrounding	Connected to the property
Water	✓	✓
Electricity	✓	✓
Tele-Communication	✓	✓
Sewage	✓	✓

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



5.7 CONSTRUCTION & BUILDINGS:

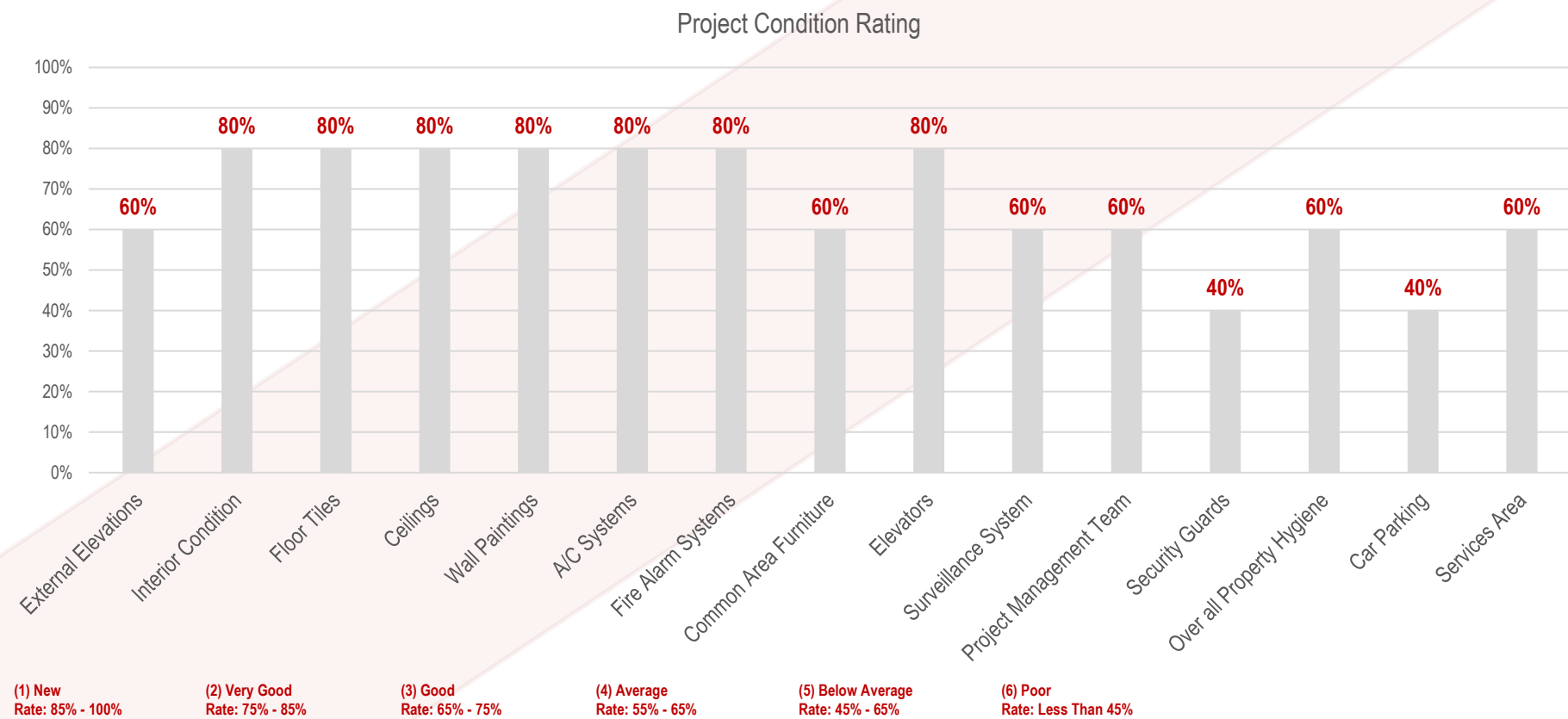
The subject property is fully constructed and operated as a hotel by Tharawa Al Mashaer for Property Development & Investment Company. The subject property is a 4 stars' hotel with total BUA of 8,865.80 Sqm. We were not provided by copy from the construction permit, yet we received some documents that clarifies the total BUA.

5.8 STATUS & CONDITION

The subject property is fully constructed and operated as 4 stars' hotel. According to the site inspection done by our team, the overall condition of the subject property covering the external elevations, internal elevations, common areas and finishing is rated as per the following rating analysis:



	Rating	Availability	Condition	Subject Property Rating
External Elevations	5	Yes	Good	3
Interior Condition	5	Yes	Very Good	4
Floor Tiles	5	Yes	Very Good	4
Ceilings	5	Yes	Very Good	4
Wall Paintings	5	Yes	Very Good	4
A/C Systems	5	Yes	Very Good	4
Fire Alarm Systems	5	Yes	Very Good	4
Common Area Furniture	5	Yes	Good	3
Elevators	5	Yes	Very Good	4
Surveillance System	5	Yes	Good	3
Project Management Team	5	Yes	Good	3
Security Guards	5	Yes	Average	2
Over all Property Hygiene	5	Yes	Good	3
Car Parking	5	Yes	Average	2
Services Area	5	Yes	Good	3
Total	75 Points			50 Points



As per the due diligence done by our team for the subject property, the condition rating score was 67% which reflect a **GOOD CONDITION** for the subject property



5.9 STATUS & CONDITION

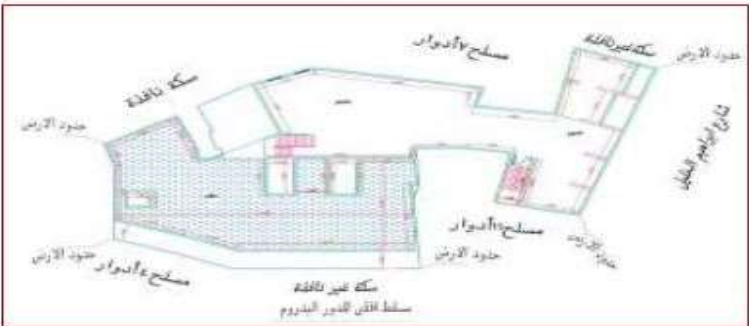
Revenues Table

Payment Serial No.	Amount (SAR)	Payment Date
1	12,250,000	From date of utilization until 29/12/1438 AH
2	12,250,000	From 01/01/1439 to 30/04/1439 AH
3	12,250,000	01/05/1439 AH
4	12,250,000	01/11/1439 AH
5	12,250,000	01/05/1440 AH
6	12,250,000	01/11/1440 AH
7	12,250,000	01/05/1441 AH
8	12,250,000	01/11/1441 AH
9	12,250,000	01/05/1442 AH
10	12,250,000	01/11/1442 AH
11	12,250,000	01/05/1443 AH
12	12,250,000	01/11/1443 AH
13	13,000,000	01/05/1444 AH
14	13,000,000	01/11/1444 AH
15	13,000,000	01/05/1445 AH
16	13,000,000	01/11/1445 AH
17	13,000,000	01/05/1446 AH
18	13,000,000	01/11/1446 AH
19	13,000,000	01/05/1447 AH
20	13,000,000	01/11/1447 AH
21	13,000,000	01/05/1448 AH
22	13,000,000	01/11/1448 AH
23	13,750,000	01/05/1449 AH
24	13,750,000	01/11/1449 AH
25	13,750,000	01/05/1450 AH
26	13,750,000	01/11/1450 AH
27	13,750,000	01/05/1451 AH
28	13,750,000	01/11/1451 AH
29	13,750,000	01/05/1452 AH
30	13,750,000	01/11/1452 AH
31	13,750,000	01/05/1453 AH
32	13,750,000	01/11/1453 AH
33	13,750,000	01/05/1454 AH

Payments 3 and 4 are for the first contractual year (1439 AH – 2018 AD) with a total amount of 24,500,000 SAR. The said amount will be used for the calculation using the income approach.



5.10 LAYOUTS



Basement



Ground Floor



Mezzanine



Service Floor



Typical Floors



Annex



5.11 LOCATION

The subject property is located in Masfallah District in Makkah city with a direct view on Ibrahim Al Khalil street. The location and coordinates of the subject property are as follows:



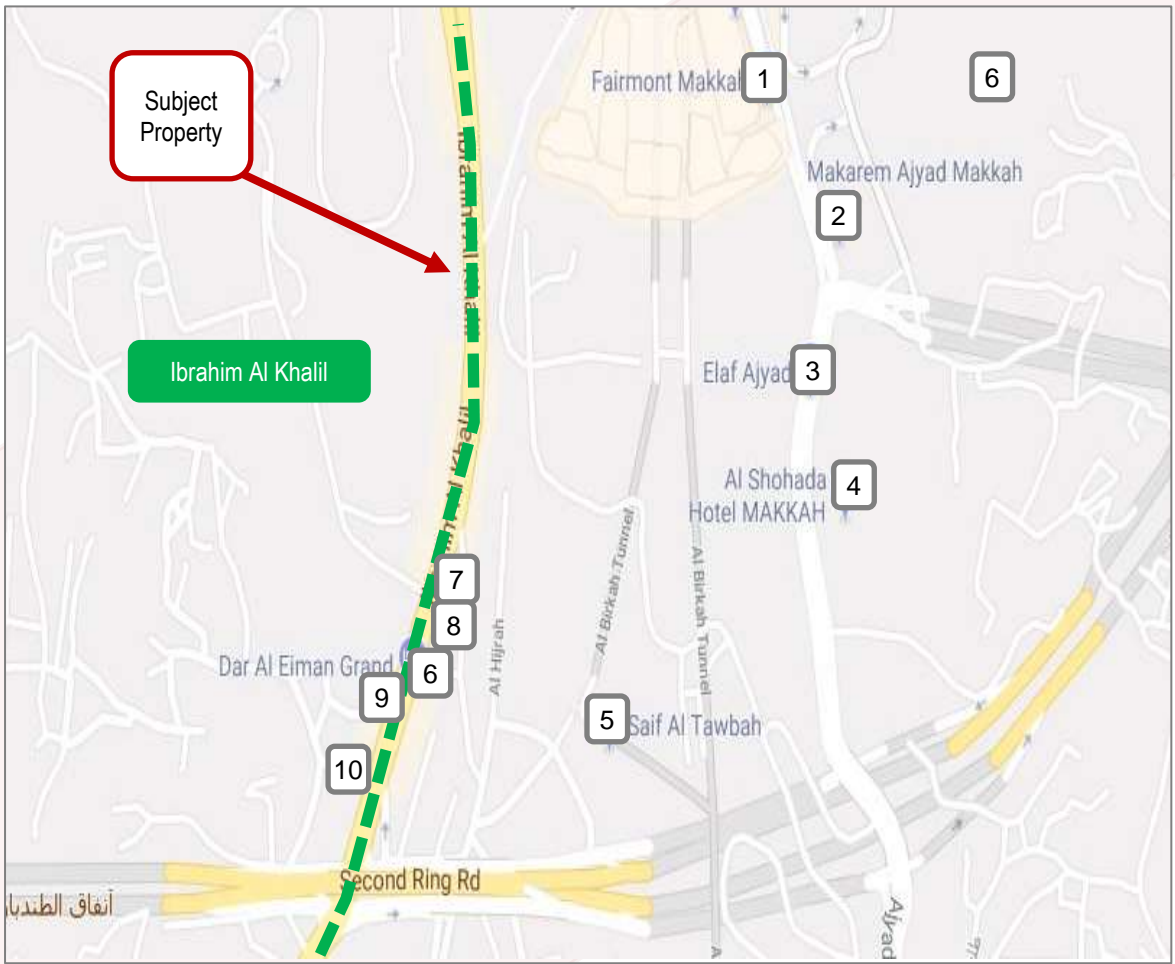
N Coordinates	21°25'0.64"
E Coordinates	39°49'21.71"
City	Makkah
District	Masfallah
Street	Ibrahim Al Khalil
Property Type	Constructed Land

Source: White Cubes & Google Maps



5.12 ACCESS & LAND MARKS

The subject property can be accessed through the following main streets as shown in the map below.



ACCESS TO SUBJECT PROPERTY

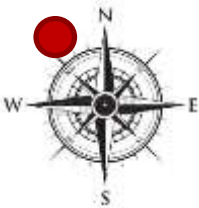
The subject property can be accessed through the following roads:

East Side: Ibrahim Al Khalil Road

LAND MARKS

- 11- Fairmont Makkah (0.9 Kilometre)
- 12- Makarem Ayyad Makkah (0.7 kilometre)
- 13- Elaf Ayyad (0.6 Kilometre)
- 14- Al Shohada Hotel (0.5 Kilometres)
- 15- Saif Al Tawbah (1.5 Kilometres)
- 16- Dar Al Eiman Grand (0.7 Kilometres)
- 17- Taj Al Khalil (0.5 Kilometre)
- 18- Firdous AlUmrah (0.6 Kilometre)
- 19- Al Olayan Al Khalil (0.8 Kilometre)
- 20- Palestine (1 Kilometre)

Location of the subject property according to the City Center





5.13 PHOTO RECORD

Date of Photos: June 19, 2018





5.14 DOCUMENTS RECEIVED

The client has provided us by clear copy of the following documents.

Title Deed Copy ✓	Construction Permit _____	Krooki _____
Master Plan _____	Layouts _____	3D Design & Perspectives _____
Pictures _____	Presentation of the subject property _____	Location Map ✓
Location Link _____	Contact Details ✓	Costing & Budget _____
Tenant List _____	Income & Revenues _____	Operational Cost - OPEX _____
Forecasts & Expectations _____	Leasing Contract ✓	Others _____

5.15 VALUATION APPROACH:

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

	DRC	Comparable	Income Cap	DCF	RLV
Land	_____	_____	_____	_____	_____
Building	_____	_____	✓	_____	_____
Overall Property	✓	_____	_____	_____	_____



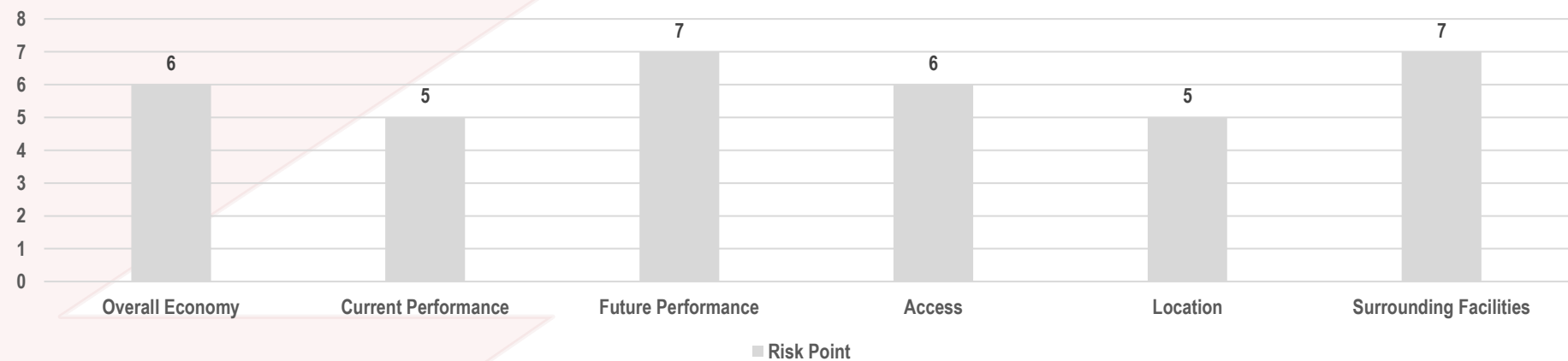
5.16 RISK ANALYSIS

SECTOR 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
Overall Economy	-----	✓	-----	-----	-----
Sector Current Performance	-----	✓	-----	-----	-----
Sector Future Performance	-----	-----	✓	-----	-----
Total Risk	0	4	3	0	0
Risk Category 7 Risk Points - Medium Risk					

LAND 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
Access & Location	-----	✓	-----	-----	-----
Land Shape	-----	✓	-----	-----	-----
Surrounding Area facilities	-----	-----	✓	-----	-----
Total Risk	0	4	3	0	0
Risk Category 7 Risk Points – Elevated Risk					



5.17 DEPRECIATED REPLACEMENT COST

The client did not provide us with a construction permit related to the subject property. Therefore, we could not apply the DRC approach.

5.18 INCOME APPROACH- MARKET RATES

The client did not provide us with a pilgrim's accommodation certificate to know the exact number of rooms and occupancy of pilgrims. Therefore, we cannot apply the income approach based on market rates.

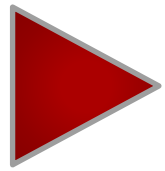
5.19 INCOME APPROACH- LEASING CONTRACT

REVENUES					
Unit Type	Quantity			Revenues	
Hospitality Project	Total GLA	No Of Units	SAR / Sqm	SAR / Unit	Total Revenues
		The subject property is Fully leased to 1 tenants			SAR 24,500,000
				Total Revenues	SAR 24,500,000
EXPENSES					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Hospitality Project	0.00%	0.00%	0.00%	0.00%	0.00%
NET OPERATING INCOME					
Unit Type	Total Revenues		Total Expenses		NOI
Hospitality Project	SAR 24,500,000		0.00%		SAR 24,500,000
			Total		SAR 24,500,000
Total Property Revenues					SAR 24,500,000
Total Property Expenses					SAR 0
Net Operating Income					SAR 24,500,000.00
Net Operating Income	Cap Rate		Property Value		Rounded Value
SAR 24,500,000.00	6.00%		408,333,333.33 SAR		408,300,000.00 SAR

5.20 SUBJECT PROPERTY VALUE

We are of an opinion that the total value of the subject property taking into consideration the purpose of valuation by using the income Approach is:

Property Value: 408,300,000 SAR
Four Hundred Eight Million and Three Hundred Thousand Saudi Riyals



PROPERTY 4 – THARAWAT AL TAQWA

This section indicates full description of the subject property / properties that contains the legal documents info, location, components, status, condition and many other elements.



WHITE CUBES
REAL ESTATE

6.1 PROPERTY DESCRIPTION

The subject property is a hospitality project located in Shisha district, Makkah city. It is owned by three title deeds and has a total land area of 2,216.23 Sqm. The subject property is a fully constructed Pilgrim Accommodation Project called (TAQWA ACCOMODATION TOWER) located in Shisha District with direct view on Hajj Road within Makkah city. It is composed of 1 basement, Ground Floor, Mezzanine, 2 Service Floor, 14 typical floors and annex.


6.2 TITLE DEED & OWNERSHIP

We were provided with copy of the title deed of the subject property which is owned by three title deed. The details of the subject property:

City District	Makkah Shisha	Makkah Shisha	Makkah Shisha
Title deed Type	Electronic	Electronic	Electronic
T.D No.	320108009129	9201080091230	720108009128
T.D Date	22/07/1438 AH	22/07/1438 AH	22/07/1438 AH
Title Deed Value	100,000,000	100,000,000	50,000,000
Date of Latest Transaction Issued by	22/07/1438 AH	22/07/1438 AH	22/07/1438 AH
	Makkah Notary	Makkah Notary	Makkah Notary
Property Type	Hospitality	Hospitality	Hospitality
Land Area (Sqm)	877.22	710.46	628.55
Plot No.	168/1/13	168/1/14	168/1/9
Block No.	N/A	N/A	N/A
Layout No.	1/15/23/ب	1/15/23/ب	1/15/23/ب
Owners	Jadwa Al Khalil for Real Estate	Jadwa Al Khalil for Real Estate	Jadwa Al Khalil for Real Estate
Ownership	Freehold	Freehold	Freehold
Limitations of Document	None	None	None

Notes The client has provided us with 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.

6.3 BOUNDARIES

	Unnamed Road (15m)			
Unnamed Street (20m)				
	Al Rida (10m)			
	North	South	East	West
Pathway	-----	-----	-----	-----
Street	✓	✓	-----	-----
Plot	-----	-----	-----	-----
Block	-----	-----	-----	-----
Private Property	-----	-----	✓	✓
Mountain	-----	-----	-----	-----
Valley	-----	-----	-----	-----
Sea	-----	-----	-----	-----
River	-----	-----	-----	-----
Direct View on Sides Open	Private Properties- Al Rida- Unnamed Road 2			



6.4 CONSTRUCTION PERMIT

The subject property is a fully constructed hospitality project. The client has provided us with a copy of the construction permit. Below are the details:

Subject Property			
Construction Permit Type	Addendum		
Property Type	Hospitality Project		
Construction Permit No.	70965		
Construction Permit Date	17/09/1433 AH		
Permit Expiry Date	17/09/1436 AH		
Description	No. of Floors	Area (sqm)	Use
Basement	3	4,110.86	Parking
Ground floor	1	1,459.77	Reception
Mezzanine	1	908.06	Reception
Mosque	1	1,404.52	Mosque
Restaurant	1	1,398.22	Restaurant
Service Floor	1	1,398.22	Services
Typical Floors	14	20,060.43	Residential
Annex	1	1,445.83	Residential
Stairs & Elevators	---	84.96	Stairs & Elevators
Tanks	---	630.74	Tanks
Total BAU (sqm)		32,901.61	

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

The construction permit shows the maximum allowed BUA approved by the city municipality. Yet, the actual constructed BUA may vary. Therefore, if the client did not provide us with copy of the approved AS Build Drawings, then our valuation will be based on the provided construction permit.

In case the client did not provide us with any copy of legal documents that shows the total BUA, then we will estimate the BUA using our team skills combined by the city's municipality rules and regulations

Source of BUA		Actual Age of the Property		Status of the property	
Construction Permit	✓	Construction Permit	✓	New	-----
As Built Drawings	-----	As Built Drawings	-----	Fully Constructed	✓
Other Documents	-----	Other Documents	-----	Under Construction	-----
Verbal Information	-----	Verbal Information	-----		
Estimation	-----	Estimation	-----		

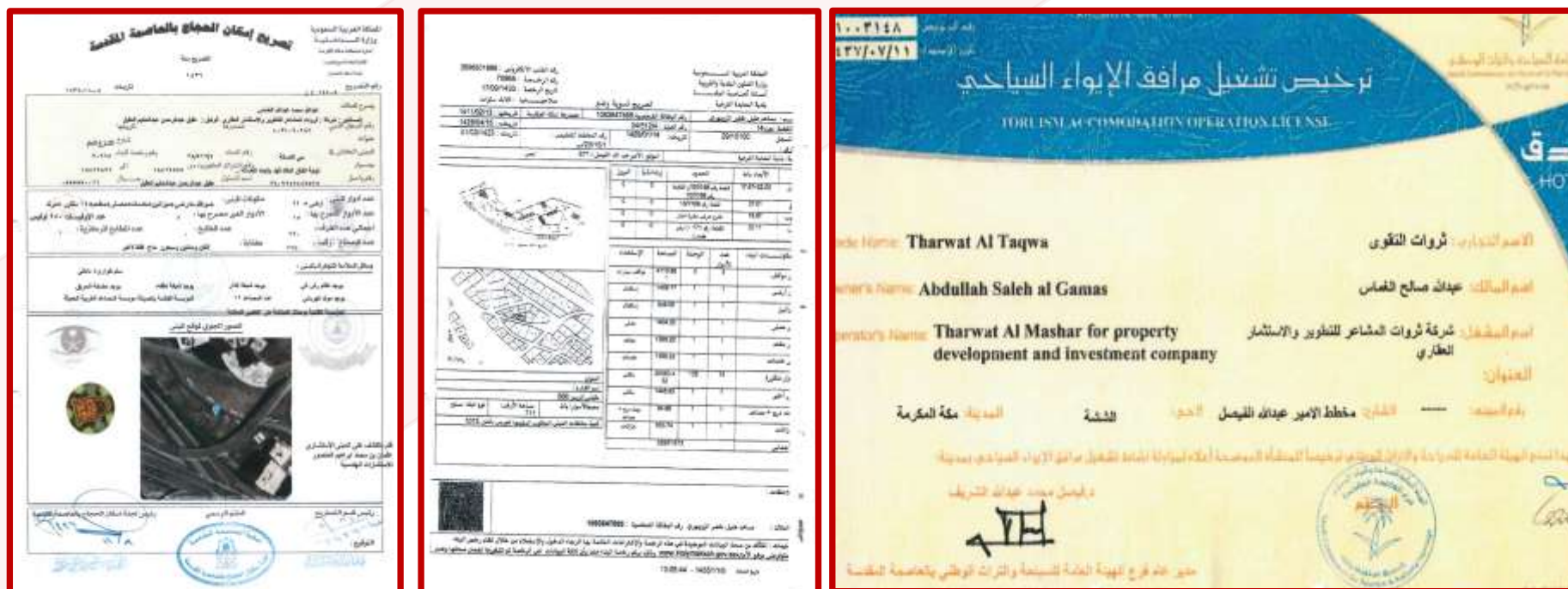
The subject property is a fully constructed office tower aged 3 years. It is composed of 3 basements and 18 upper floors. The subject property is fully leased to one tenant for the amount of SAR 16,500,000.

6.5 CONSTRUCTION & BUILDINGS:

The subject property is fully constructed for the operation of pilgrim's accommodation in the seasons of Hajj & Umra by Tharawa Al Mashaer for Property Development & Investment Company.

As per the construction No. 70965 dated on 17/09/1433 HD, the total BUA is Sqm 32,901.613 which is composed of 690 rooms to occupy 2270 pilgrims according to the official license No 14409 dated on 08/11/1436

The following are copies from the construction permit, Accommodation license and the ministry of tourism approval certificate.



The image displays three official documents related to the Tharwat Al Taqwa Hotel project:

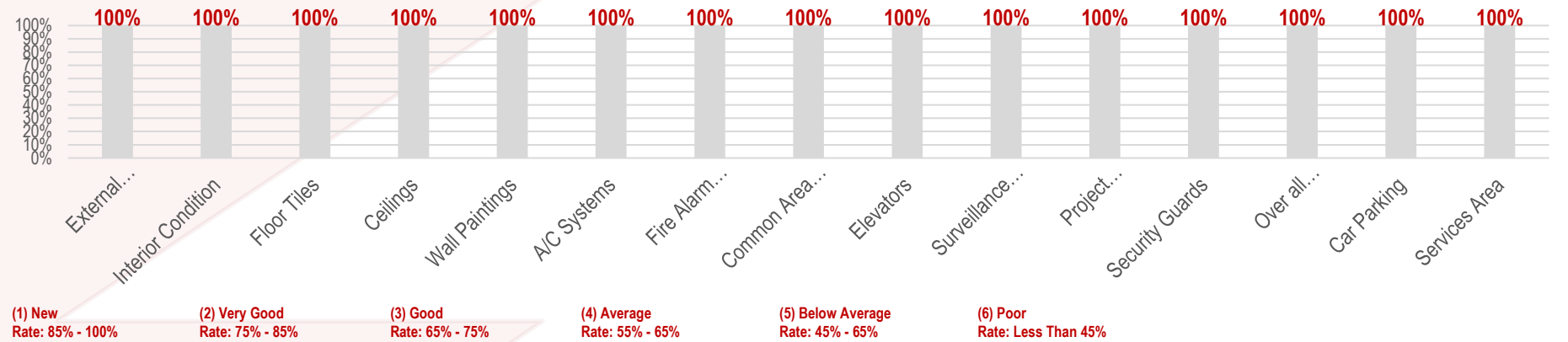
- Document 1 (Left):** A construction permit (Roznamiya) issued by the Ministry of Planning and Economic Development. It details the project's location, area, and construction specifications.
- Document 2 (Middle):** An accommodation license (Roznamiya) issued by the Ministry of Tourism. It specifies the hotel's capacity, room count, and operational requirements.
- Document 3 (Right):** A ministry of tourism approval certificate (Roznamiya) issued by the Ministry of Tourism. It confirms the hotel's compliance with tourism regulations and its readiness for operation.



6.6 STATUS & CONDITION

The subject property is fully constructed and will be operated as pilgrim’s accommodation. According to the site inspection done by our team, the overall condition of the subject property covering the external elevations, internal elevations, common areas and finishing is rated as per the following rating analysis:

	Rating	Availability	Condition	Subject Property Rating
External Elevations	5	Yes	New	5
Interior Condition	5	Yes	New	5
Floor Tiles	5	Yes	New	5
Ceilings	5	Yes	New	5
Wall Paintings	5	Yes	New	5
A/C Systems	5	Yes	New	5
Fire Alarm Systems	5	Yes	New	5
Common Area Furniture	5	Yes	New	5
Elevators	5	Yes	New	5
Surveillance System	5	Yes	New	5
Project Management Team	5	Yes	New	5
Security Guards	5	Yes	New	5
Over all Property Hygiene	5	Yes	New	5
Car Parking	5	Yes	New	5
Services Area	5	Yes	New	5
Total	75 Points			75 Points



As per the due diligence done by our team for the subject property, the condition rating score was 100% which reflect that the subject property is in **NEW CONDITION**.

6.7 LEASING CONTRACTS

The subject property is fully leased for a period of 15.5 years (Hijri Years) starting from 31/01/2017. The following shows some details about the leasing contract.

ORIGINAL CONTRACT

First Party	Jadwa Al-Mashaer Investment Company (Owner)
Second Party	Tharawat Al-Mashaer for Real Estate Development & Investment Company (Tenant)
Contract Date	03/05/1438 AH – 31/01/2017 AD
Leasing Period	15 years and 6 months (Hijri)

ADDENDUM

First Party	Jadwa Al-Khalil Investment Company (Owner)
Second Party	Tharawat Al-Mashaer for Real Estate Development & Investment Company (Tenant)
Contract Date	13/07/1438 AH – 10/04/2017 AD
Leasing Period	15 years and 6 months (Hijri)
Effective Date	01/05/1439 AH
Terms of Payment	2 payments / year
Maintenance Cost	Paid by Tenant
Management Cost	Paid by Tenant
Operational Cost	Paid by Tenant
Contract Value	271,500,000 SAR

6.8 PROPERTY REVENUES

Payment Serial No.	Amount (SAR)	Payment Date
1	8,250,000	From date of utilization until 29/12/1438 AH
2	8,250,000	From 01/01/1439 to 30/04/1439 AH
3	8,250,000	01/05/1439 AH
4	8,250,000	01/11/1439 AH
5	8,250,000	01/05/1440 AH
6	8,250,000	01/11/1440 AH
7	8,250,000	01/05/1441 AH
8	8,250,000	01/11/1441 AH



Payment Serial No.	Amount (SAR)	Payment Date
9	8,250,000	01/05/1442 AH
10	8,250,000	01/11/1442 AH
11	8,250,000	01/05/1443 AH
12	8,250,000	01/11/1443 AH
13	9,000,000	01/05/1444 AH
14	9,000,000	01/11/1444 AH
15	9,000,000	01/05/1445 AH
16	9,000,000	01/11/1445 AH
17	9,000,000	01/05/1446 AH
18	9,000,000	01/11/1446 AH
19	9,000,000	01/05/1447 AH
20	9,000,000	01/11/1447 AH
21	9,000,000	01/05/1448 AH
22	9,000,000	01/11/1448 AH
23	9,000,000	01/05/1449 AH
24	9,000,000	01/11/1449 AH
25	9,000,000	01/05/1450 AH
26	9,000,000	01/11/1450 AH
27	9,000,000	01/05/1451 AH
28	9,000,000	01/11/1451 AH
29	9,000,000	01/05/1452 AH
30	9,000,000	01/11/1452 AH
31	9,000,000	01/05/1453 AH
32	9,000,000	01/11/1453 AH
33	9,000,000	01/05/1454 AH

Payments 3 and 4 are for the first contractual year (1439 AH – 2018 AD) with a total amount of 16,500,000 SAR. The said amount will be used for the calculation using the income approach.



6.9 LAND SPECS

The subject property (Land Only) has the following criteria:

Current Land Status

Vacant	-----
Constructed	✓
Under Construction	-----
Excavated	-----
Raw Land	-----

Current Land Use

Commercial	✓
Industrial	-----
Hospitality	✓
No Planning	-----
Mix Use	-----

Current Land Grading

Graded	✓
Semi-Graded	-----
Mountain	-----
Valley	-----
Slope	-----

Current Surrounding Property

Commercial	✓
Industrial	-----
Residential	✓
Hospitality	✓
Mix Use	-----

6.10 PROPERTY ZONING:

The subject property is currently a raw land located in Riyadh city. As per the city’s municipalities rules and regulations, the subject property is zoned as per the following:

	Raw Land	Developed Land	Occupied Land	Outside Urban Areas
Residential	----	----	Applicable	----
Commercial	----	----	Applicable	----
Industrial	----	----	----	----
Agricultural	----	----	----	----
Hospitality	----	----	Applicable	----
Not Classified	----	----	----	----

6.11 INFRASTRUCTURE FACILITIES:

	Available in the surrounding	Connected to the property	
Water	✓	✓	The infrastructural facilities are available in the surroundings and connected to the subject property.
Electricity	✓	✓	
Tele-Communication	✓	✓	
Sewage	✓	✓	



6.12 LOCATION

The subject property located in Shisha District to the east of the holy mosque in Makkah city, with approximate distance of 1.8 km. The coordinates and locations of the subject property are as follows:



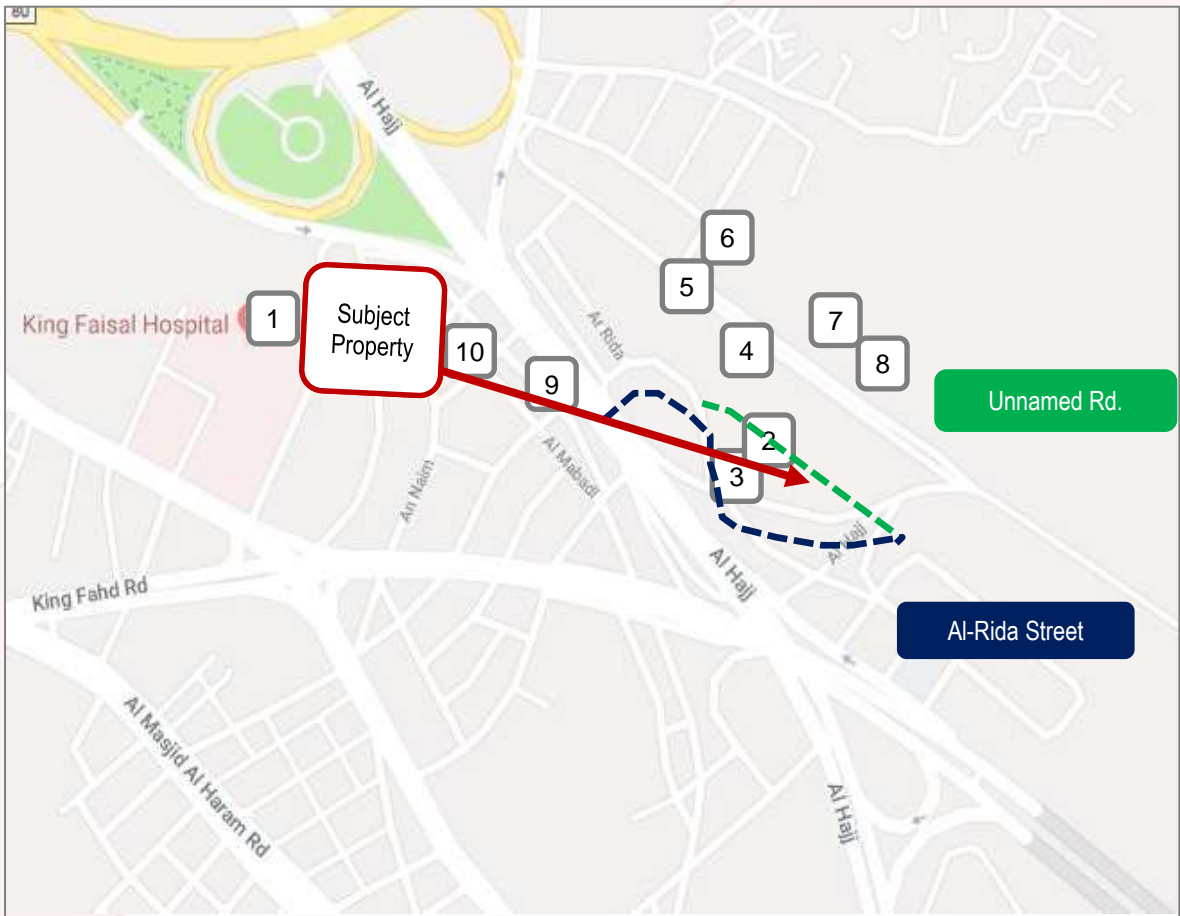
N Coordinates	21°26'1.37"
E Coordinates	39°51'39.60"
City	Makkah
District	Shisha
Street	Al-Rida
Property Type	Constructed Land

Source: White Cubes & Google Maps



6.13 ACCESS & LAND MARKS

The subject property can be accessed through the following main streets as shown in the map below.



ACCESS TO SUBJECT PROPERTY

The subject property can be accessed through the following roads:

- North Side: Unnamed Road
- South Side: Al-Rida Street

LAND MARKS

- 1- King Faisal Hospital (0.8 Kilometre)
- 2- Marjan Almanar (0.1 Kilometre)
- 3- Abaad Aljawhara (0.1 Kilometre)
- 4- Hotel Tayeb (0.2 Kilometre)
- 5- Tharawat Al Faishal (0.3 Kilometre)
- 6- Faisal Riches (0.5 Kilometre)
- 7- Hotel 715 (0.4 Kilometre)
- 8- Al Hawch (0.4 Kilometre)
- 9- Sultan Al-Qahtani Building (0.4 Kilometre)
- 10- Saad Said Assa'edi Contracting Company (0.4 Kilometre)

Location of the subject property according to the City Center





6.14 PHOTO RECORD

Date of Photos: June 19, 2018





6.15 DOCUMENTS RECIEVED

The client has provided us by clear copy of the following documents.

Title Deed Copy ✓	Construction Permit _____	Krooki _____
Master Plan _____	Layouts _____	3D Design & Perspectives _____
Pictures _____	Presentation of the subject property _____	Location Map ✓
Location Link _____	Contact Details ✓	Costing & Budget _____
Tenant List _____	Income & Revenues _____	Operational Cost - OPEX _____
Forecasts & Expectations _____	Leasing Contract ✓	Others _____

6.16 VALUATION APPROACH:

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

	DRC	Comparable	Income Cap	DCF	RLV
Land	_____	_____	_____	_____	_____
Building	_____	_____	✓	_____	_____
Overall Property	✓	_____	_____	_____	_____



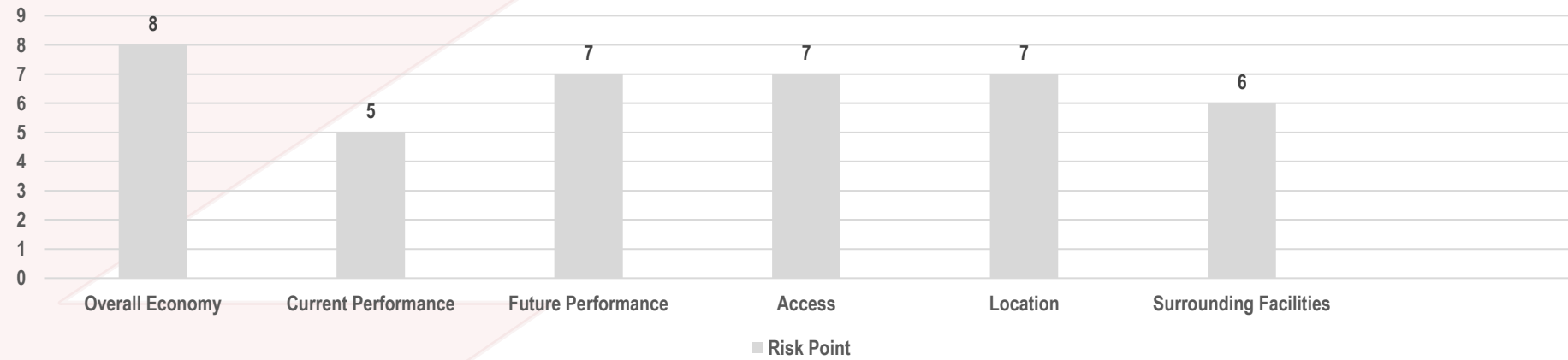
6.17 RISK ANALYSIS

SECTOR 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
Overall Economy	-----	-----	✓	-----	-----
Sector Current Performance	-----	✓	-----	-----	-----
Sector Future Performance	-----	-----	✓	-----	-----
Total Risk	0	2	6	0	0
Risk Category	8 Risk Points - Medium Risk				

LAND 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
Access & Location	-----	-----	✓	-----	-----
Land Shape	-----	✓	-----	-----	-----
Surrounding Area facilities	-----	✓	-----	-----	-----
Total Risk	0	4	3	0	0
Risk Category	7 Risk Points – Elevated Risk				





6.18 DIRECT INCOME APPROACH – LEASING CONTRAT

REVENUES						
Unit Type	Quantity	No Of Units	SAR / Sqm	Revenues	SAR / Unit	Total Revenues
Hospitality Project			The subject property is Fully leased to 1 tenants			SAR 16,500,000
	0	0	SAR 0		SAR 0	SAR 0
	0	0	SAR 0		SAR 0	SAR 0
Total Revenues						SAR 16,500,000
EXPENSES						
Unit Type	Management	Utilities	Maintenance	Others		Total Expenses
Hospitality Project	0.00%	0.00%	0.00%	0.00%		0.00%
	0.00%	0.00%	0.00%	0.00%		0.00%
	0.00%	0.00%	0.00%	0.00%		0.00%
NET OPERATING INCOME						
Unit Type	Total Revenues	Total Expenses	NOI			
Hospitality Project	SAR 16,500,000	0.00%	SAR 16,500,000			
	SAR 0	0.00%	SAR 0			
	SAR 0	0.00%	SAR 0			
Total						SAR 16,500,000
Total Property Revenues						SAR 16,500,000
Total Property Expenses						SAR 0
Net Operating Income						SAR 16,500,000.00
Net Operating Income	Cap Rate	Property Value				Rounded Value
SAR 16,500,000.00	6.25%	264,000,000.00 SAR				264,000,000.00 SAR

The subject property is fully leased to 1 secured tenant for 15 years starting 2015. On the other hand, we have used cap rate of 6.25% based on the contractual type of the property, economic situation and overall sector performance.

All the operational and management expenses related to subject property will be paid by the tenant.



6.19 DIRECT INCOME APPROACH – MARKET RATES

REVENUES						
	Quantity			Revenues		
Season Type	Unit	Quantity	Rate	Revenue Type	No of Days	Total Revenues
Hajj Season	Pilgrims	2,270	SAR 2,500	Seasonal	15	SAR 5,675,000
Ramadan (20 Days)	Keys	690	SAR 300	Daily	20	SAR 4,140,000
Ramadan (10 Days)	Keys	690	SAR 500	Daily	10	SAR 3,450,000
Other Seasons	Keys	690	SAR 150	Daily	320	SAR 33,120,000
Showrooms	Unit	0	SAR 0	Annually	365	SAR 0
Total Revenues						SAR 46,385,000
EXPENSES						
Season Type	Management	Utilities	Maintenance	Others	Vacancy	Total Deduction
Hajj Season	5.00%	2.50%	5.00%	0.00%	5.00%	17.50%
Ramadan (20 Days)	5.00%	2.50%	5.00%	0.00%	20.00%	32.50%
Ramadan (10 Days)	5.00%	2.50%	5.00%	0.00%	10.00%	22.50%
Other Seasons	5.00%	2.50%	5.00%	0.00%	55.00%	67.50%
Showrooms	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NET OPERATING INCOME						
Season Type	Total Revenues			Total Deduction		NOI
Hajj Season	SAR 5,675,000			17.50%		SAR 4,681,875
Ramadan (20 Days)	SAR 4,140,000			32.50%		SAR 2,794,500
Ramadan (10 Days)	SAR 3,450,000			22.50%		SAR 2,673,750
Other Seasons	SAR 33,120,000			67.50%		SAR 10,764,000
Showrooms	SAR 0			0.00%		SAR 0
Total						SAR 20,914,125
Revenues						SAR 46,385,000
Deductions						-SAR 25,470,875
Net Operating Income						SAR 20,914,125.00
Net Operating Income		Cap Rate	Property Value		Rounded Value	
SAR 20,914,125.00		7.00%	298,773,214.29 SAR		298,000,000.00 SAR	

As per the conducted market survey for the surrounding areas of the subject property, we noted the following:

- The ADR of the Hajj Season per pilgrim falls between 2,200 to 2,700 SAR / Pilgrim
- The ADR of Ramadan Season per key falls between 250 to 600 SAR/ Key
- The ADR of other seasons falls between 120 to 170 SAR/ Key
- All the occupancy rates used above were based on the market

6.20 COST APPROACH (DRC)

In the cost approach we will evaluate the subject property as 2 different assets; land valuation based on comparable method and construction valuation based on the depreciated replacement cost. After estimating the current construction replacement cost, we will take into consideration the actual age of the construction and apply the proper depreciation rate based on the economic age of the construction as well as its current condition. Then, a developer (Owner) profit shall be added on the net depreciated value of the construction based on the actual completion rate of such construction.

Our cost estimate analysis assumptions were based on the market average rates and normal practices. Yet, the status, condition, quality, performance, etc of all the construction's components will have direct impact on driving our estimates. The following shows some notes about these estimates:

- Since the underground floors include the base, main columns, and the foundation of any building, usually the skeleton works of these floors cost almost 1.5x of the upper floors cost.
- The used electro mechanic cost rates cover the electricity infrastructure, drainage, water infrastructure and telecommunication infrastructure of the building. In addition to that, the estimated costs take into consideration the quantity and quality of other electrochemical systems such as Fire Alarm sys, Fire Fighting Systems, Surveillance Systems, BMS, Elevators, Power Generators, Etc.
- The costs estimate of the furniture, fitouts, and finishing are based on the quality of such.
- The site improvement cost estimates cover the lighting, external decorations and any other elements if available and installed in the external areas of the building itself.
- As for the soft cost, the estimated ratio covers all the expenses may occur before even starting the design phase of the project. Such as, cost of issuing legal documents, feasibility study, valuation and any other advisory service.

The developer (owner) profit is usually based on the market norms and transaction which is usually falls in the range of 20% to 25% depending on the size of the project itself.

On the other hand, the full owner profit ratio is bounded by the completion rate of the property itself. In other words, if the owner profit is 20% in case of 100%, then it will be 10% in case of 50% completion.

As for the subject property, we will use 30% developer profit rate.

**LAND**

Title Deed	Land Area	SAR / Sqm	Total Value
720108009128	2,216.23	SAR 20,000	SAR 44,324,600
920108009130			
320108009129			

Total (SQM)	32,901.61
--------------------	------------------

HARD COSTS ESTIMATES**G + M + Upper Floors + Annex**

	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Skeleton & Block	28,790.75	SAR 1,100	SAR 31,669,825	100%	SAR 31,669,825
Electro Mechanic	28,790.75	SAR 600	SAR 17,274,450	100%	SAR 17,274,450
Finishing	28,790.75	SAR 1,000	SAR 28,790,750	100%	SAR 28,790,750
Fit outs & Appliances	28,790.75	SAR 250	SAR 7,197,688	100%	SAR 7,197,688
Furniture	28,790.75	SAR 600	SAR 17,274,450	100%	SAR 17,274,450
Total			SAR 102,207,163	100.00%	SAR 102,207,163

Underground

	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Skeleton & Block	4,110.86	SAR 1,500	SAR 6,166,290	100%	SAR 6,166,290
Electro Mechanic	4,110.86	SAR 600	SAR 2,466,516	100%	SAR 2,466,516
Finishing	4,110.86	SAR 400	SAR 1,644,344	100%	SAR 1,644,344
Total			SAR 10,277,150	100.00%	SAR 10,277,150

General Site Development

	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Land Development	2,216.23	SAR 150	SAR 332,435	100%	SAR 332,435
External Landscape	0.00	SAR 0	SAR 0	100%	SAR 0
Fences	0.00	SAR 0	SAR 0	0%	SAR 0
Site Improvements	0.00	SAR 0	SAR 0	100%	SAR 0
Total			SAR 332,435	100.00%	SAR 332,435

Actual Completion %

G+M + Upper Floor	100.00%
Under Ground	100.00%
General Site Dev.	100.00%

Total BUA

32,901.61

Total Hard Cost

SAR 112,816,747

Average SAR / Sqm

SAR 3,429

Overall Completion

100.00%



SOFT COSTS ESTIMATES

	Total Hard Cost	Ratio	Soft Cost
Initial Project Pre Cost	SAR 112,816,747	0.10%	SAR 112,816.75
Design	SAR 112,816,747	0.30%	SAR 338,450.24
Eng Consultant	SAR 112,816,747	1.00%	SAR 1,128,167.47
Management	SAR 112,816,747	5.00%	SAR 5,640,837.35
Contingency	SAR 112,816,747	5.00%	SAR 5,640,837.35
Others	SAR 112,816,747	0.00%	SAR 0.00
TOTAL			SAR 12,861,109.16

DEVELOPMENT VALUE

Hard Cost	SAR 112,816,747	Economic Age	50
Soft Cost	SAR 12,861,109	Annual Dep Rate	2.00%
Total Dev Cost	SAR 125,677,856		
Net Dep Rate	6.00%	Actual Age	3
Dev Cost After Depreciation	SAR 118,137,185	Total Dep Rate	6.00%
		Add Appr Rate	0.00%
		Net Dep Rate	6.00%
Total Completion Rate	100.00%		
Developer Profit Rate @ 30%	30.0%		
Dev. Profit Amount	SAR 35,441,155		
Development Value	SAR 153,578,340		

Total Dev. Value	Land Value	Total Property Value	Rounded Value
SAR 153,578,340	SAR 44,324,600	SAR 197,902,940	SAR 198,000,000

6.21 SUMMARY OF VALUES

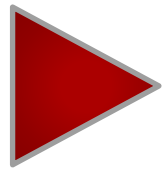
Approach	Land Area
Income (Direct Capitalization Method) – Based on contract value.	SAR 264,000,000
Income (Direct Capitalization Method) – Based on Market Rates value.	SAR 298,000,000
Depreciated Replacement Cost - DRC	SAR 198,000,000



6.22 SUBJECT PROPERTY VALUE

We are of an opinion that the total value of the subject property taking into consideration the purpose of valuation by using the income Approach is:

Property Value: **264,000,000 SAR**
Two Hundred Sixty Four Million Saudi Riyals



PROPERTY 5 – THARAWAT WADI IBRAHIM

This section indicates full description of the subject property / properties that contains the legal documents info, location, components, status, condition and many other elements.



WHITE CUBES
REAL ESTATE



7.1 PROPERTY DESCRIPTION

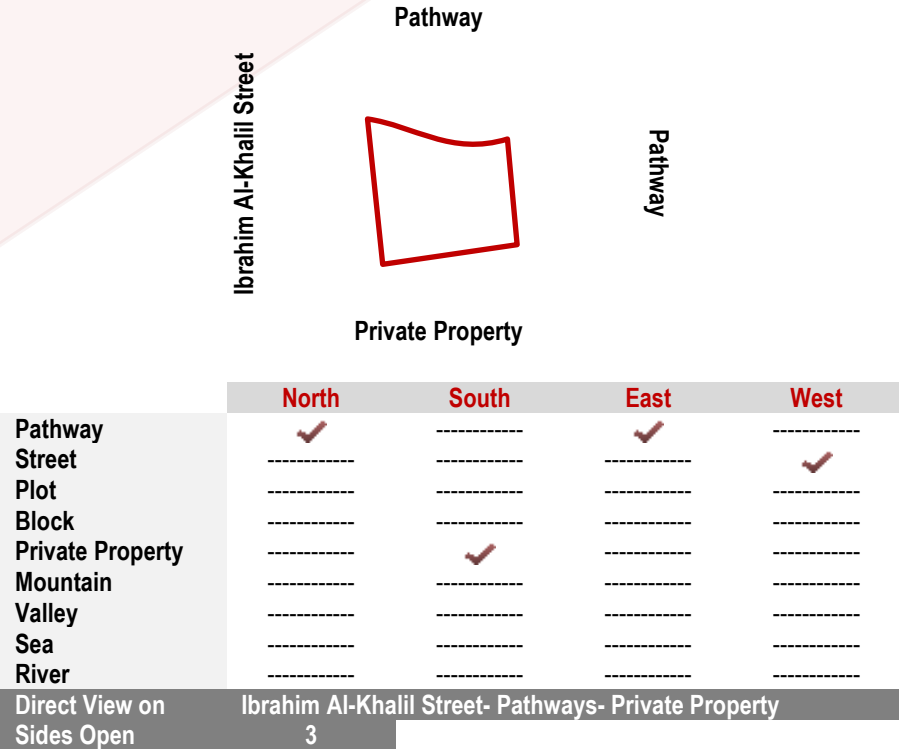
The subject property is a hospitality project located in Misfallah district, Makkah city. It has a total land area of 203 Sqm. It is composed of twelve floors. All the infrastructure facilities are available in the surroundings and connected the property subject of our valuation. As per the city’s municipality rules and regulations, the subject property is for hospitality and commercial use.

7.2 TITLE DEED & OWNERSHIP

We were provided with copy of the title deed of the subject property which is owned by one title deed. The details of the subject property:

City District	Makkah Misfallah
Title deed Type	Electronic
T.D No.	720121009487
T.D Date	06/004/1439 A. H
Title Deed Value	125,000,000
Date of Latest Transaction Issued by	06/04/1439 A. H Makkah Notary
Property Type	Hospitality
Land Area (Sqm)	203
Plot No.	N/A
Block No.	N/A
Layout No.	N/A
Owners	Jadwa Al Khalil for real estate
Ownership	Freehold
Limitations of Document	None
Notes	The client has provided us with 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.

7.3 BOUNDARIES





7.4 LAND SPECS

The subject property (Land Only) has the following criteria:

Current Land Status	Current Land Use	Current Land Grading	Current Surrounding Property
Vacant	Commercial	Graded	Commercial
Constructed	Hospitality	Semi-Graded	Industrial
Under Construction	Residential	Mountain	Residential
Excavated	No Planning	Valley	Raw Land
Raw Land	Mix Use	Slope	Hospitality

7.5 STATUS & CONDITIONS

The subject property is a fully constructed hospitality tower located in Misfalah district, with a direct view on Ibrahim Al-Khalil road, 350 m away from the Holy Mosque. It is composed of a total of 12 floors, has a total of 85 rooms that can accommodate 330 pilgrims. The property also has 2 showrooms located on the Ground Floor and Mezzanine. Based on the site inspection and our team experience, we have estimated the total BUA to be 1,948.8 sqm. The Client has informed us that the property is fully leased based on a triple net contract for the value of SAR 8,000,000.

7.6 INFRASTRUCTURE FACILITIES:

	Available in the surrounding	Connected to the property
Water	✓	✓
Electricity	✓	✓
Tele-Communication	✓	✓
Sewage	✓	✓

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



7.7 LOCATION

The subject property is located in Misfalah District in Makkah city, 350 m away from the Holy Mosque. The coordinates and locations of the subject property are as follows:

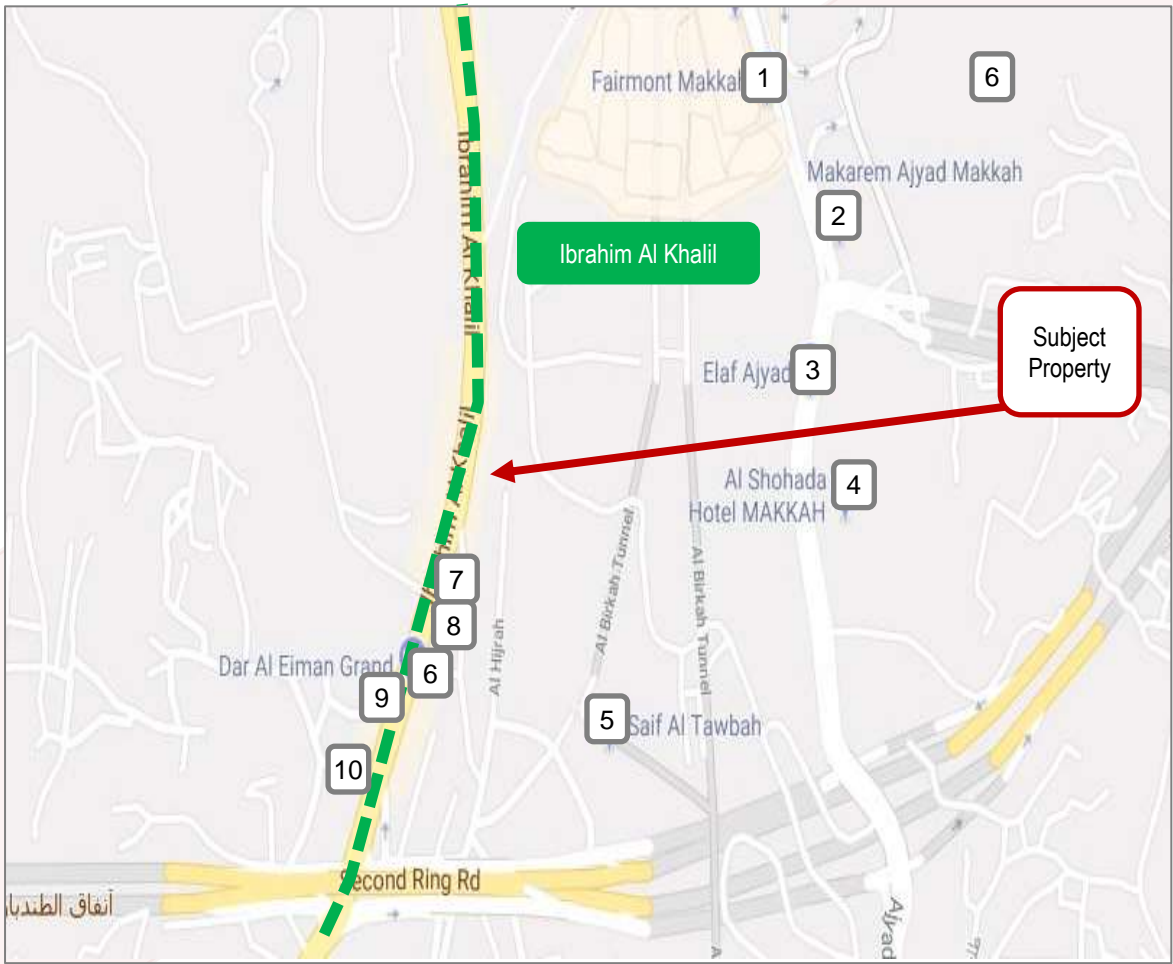


N Coordinates	21°24'53.98"
E Coordinates	39°49'22.19"
City	Makkah
District	Misfallah
Street	Ibrahim Al-Khalil
Property Type	Constructed Land

Source: White Cubes & Google Maps



7.8 ACCESS & LAND MARKS



ACCESS TO SUBJECT PROPERTY

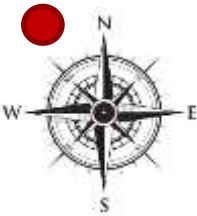
The subject property can be accessed through the following roads:

West Side: Ibrahim Al Khalil Road

LAND MARKS

- 1- Fairmont Makkah (0.9 Kilometre)
- 2- Makarem Ayyad Makkah (0.7 kilometre)
- 3- Elaf Ayyad (0.6 Kilometre)
- 4- Al Shohada Hotel (0.5 Kilometres)
- 5- Saif Al Tawbah (1.5 Kilometres)
- 6- Dar Al Eiman Grand (0.7 Kilometres)
- 7- Taj Al Khalil (0.5 Kilometre)
- 8- Firdous AlUmrah (0.6 Kilometre)
- 9- Al Olayan Al Khalil (0.8 Kilometre)
- 10- Palestine (1 Kilometre)

Location of the subject property according to the City Center





7.9 PHOTO RECORD

Date of Photos: June 19, 2018





7.10 DOCUMENTS RECIEVED

The client has provided us by clear copy of the following documents.

Title Deed Copy ✓	Construction Permit	Krooki
Master Plan	Layouts	3D Design & Perspectives
Pictures	Presentation of the subject property	Location Map ✓
Location Link	Contact Details ✓	Costing & Budget
Tenant List	Income & Revenues	Operational Cost - OPEX
Forecasts & Expectations	Leasing Contract ✓	Others

7.11 VALUATION APPROACH:

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

	DRC	Comparable	Income Cap	DCF	RLV
Land					
Building			✓		
Overall Property	✓				



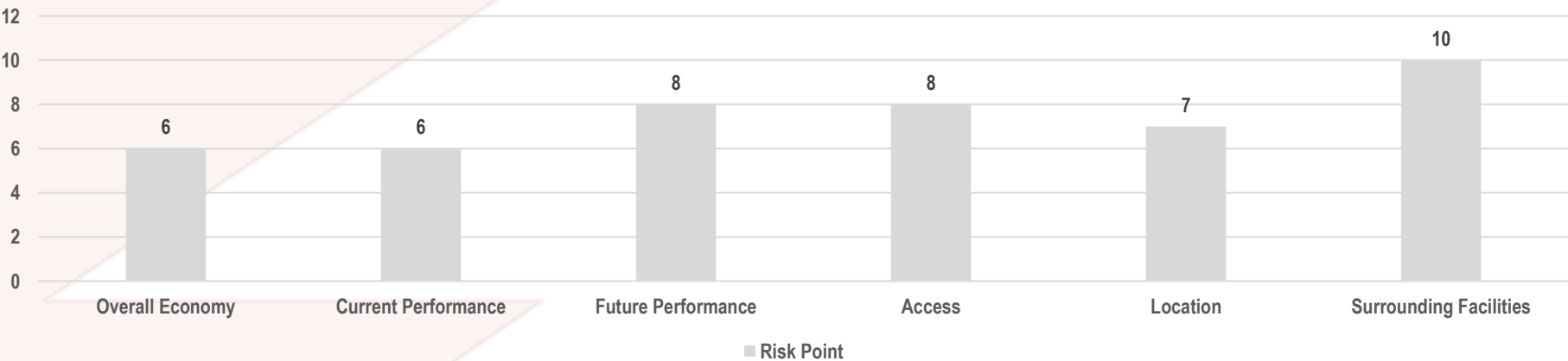
7.12 RISK ANALYSIS

SECTOR 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
Overall Economy	-----	✓	-----	-----	-----
Sector Current Performance	-----	✓	-----	-----	-----
Sector Future Performance	-----	-----	✓	-----	-----
Total Risk	0	4	3	0	0
Risk Category 7 Risk Points - Medium Risk					

LAND 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
Access & Location	-----	-----	✓	-----	-----
Land Shape	-----	-----	✓	-----	-----
Surrounding Area facilities	-----	-----	-----	✓	-----
Total Risk	0	0	6	4	0
Risk Category 10 Risk Points – Elevated Risk					



7.13 DEPRECIATED REPLACEMENT COST

In the cost approach we will evaluate the subject property as 2 different assets; land valuation based on comparable method and construction valuation based on the depreciated replacement cost. After estimating the current construction replacement cost, we will take into consideration the actual age of the construction and apply the proper depreciation rate based on the economic age of the construction as well as its current condition. Then, a developer (Owner) profit shall be added on the net depreciated value of the construction based on the actual completion rate of such construction.

Our cost estimate analysis assumptions were based on the market average rates and normal practices. Yet, the status, condition, quality, performance, etc of all the construction's components will have direct impact on driving our estimates. The following shows some notes about these estimates:

- Since the underground floors include the base, main columns, and the foundation of any building, usually the skeleton works of these floors cost almost 1.5x of the upper floors cost.
- The used electro mechanic cost rates cover the electricity infrastructure, drainage, water infrastructure and telecommunication infrastructure of the building. In addition to that, the estimated costs take into consideration the quantity and quality of other electrochemical systems such as Fire Alarm sys, Fire Fighting Systems, Surveillance Systems, BMS, Elevators, Power Generators, Etc.
- The costs estimate of the furniture, fitouts, and finishing are based on the quality of such.
- The site improvement cost estimates cover the lighting, external decorations and any other elements if available and installed in the external areas of the building itself.
- As for the soft cost, the estimated ratio covers all the expenses may occur before even starting the design phase of the project. Such as, cost of issuing legal documents, feasibility study, valuation and any other advisory service.

The developer (owner) profit is usually based on the market norms and transaction which is usually falls in the range of 20% to 25% depending on the size of the project itself. On the other hand, the full owner profit ratio is bounded by the completion rate of the property itself.

In other words, if the owner profit is 20% in case of 100%, then it will be 10% in case of 50% completion.

As for the subject property, we will use 20% developer profit rate.

AREAS			
Land Area		SAR/Sqm	Total Land Value
203		600,000	121,800,000.00
Total BUA	1,948.80		



HARD COST ANALYSIS

	BUA		
	SAR / Sqm	Area	Total
Skeleton Work	SAR 900	1,948.80	SAR 1,753,920.00
Electro-Mechanic	SAR 300	1,948.80	SAR 584,640.00
Finishing Material	SAR 700	1,948.80	SAR 1,364,160.00
Furniture	SAR 550	1,948.80	SAR 1,071,840.00
Appliances & Fitouts	SAR 200	1,948.80	SAR 389,760.00
Total Hard Cost			SAR 5,164,320.00

SOFT COST ANALYSIS

	Rates	Total Hard Cost	Total Soft Cost
Design	1.00%	SAR 5,164,320.00	SAR 51,643.20
Supervision	2.00%	SAR 5,164,320.00	SAR 103,286.40
Management	2.00%	SAR 5,164,320.00	SAR 103,286.40
Contingency	5.00%	SAR 5,164,320.00	SAR 258,216.00
Others	0.00%	SAR 5,164,320.00	SAR 0.00
Others	0.00%	SAR 5,164,320.00	SAR 0.00
Total Soft Cost			SAR 516,432.00

TOTAL DEVELOPMENT VALUE

Total Hard Cost	SAR 5,164,320.00	Depreciation Period	40
Total Soft Cost	SAR 516,432.00	Depreciation / Year	2.50%
Total Development Cost	SAR 5,680,752.00	Actual Age	21
Average SAR / Sqm	SAR 2,915	Actual Depreciation Rate	52.50%
Development Cost After Depreciation	SAR 2,698,357.20	Appreciation Rate	0.00%
Developer Profit @ 20%	SAR 539,671.44	Net Depreciation Rate	52.50%
Total Development Value	SAR 3,238,028.64		
Total Property Value	SAR 125,038,029		
Rounded Value	SAR 125,000,000		



7.14 INCOME APPROACH- MARKET RATES

Pilgrimage Season		Total
No. of pilgrims		330.00
Rate of pilgrim		SAR 10,000
Total Income		SAR 3,300,000
Total Management and Operational Expenses	10%	SAR 330,000
Net Operating Income (NOI)		SAR 2,970,000
Ramadan (20 days)		Total
Number of Rooms Available		85
Average Daily Rate (ADR)		750
Number of Days		20
Total Income		SAR 1,275,000
Total Management and Operational Expenses	15%	SAR 191,250
Vacancy Rate	10%	SAR 127,500
Net Operating Income (NOI)		SAR 956,250
Ramadan (10 days)		Total
Number of Rooms Available		85
Average Daily Rate (ADR)		1200
Number of Days		10
Total Income		SAR 1,020,000
Total Management and Operational Expenses	15%	SAR 153,000
Vacancy Rate	0%	SAR 0
Net Operating Income (NOI)		SAR 867,000
Off Season		Total
Number of Rooms Available		85
Average Daily Rate (ADR)		300
Number of Days		320
Total Income		SAR 8,160,000
Total Management and Operational Expenses	15%	SAR 1,224,000
Vacancy Rate	35%	SAR 2,856,000
Net Operating Income (NOI)		SAR 4,080,000
TOTAL NET OPERATING INCOME (NOI)		SAR 8,873,250
Cap Rate	6.25%	
Total Property Value		SAR 141,972,000
Rounded Value		SAR 142,000,000



7.15 INCOME APPROACH- LEASING CONTRACT

			Total
Contract Value			SAR 8,000,000
Total Management and Operational Expenses	0%		SAR 0
Net Operating Income (NOI)			SAR 8,000,000
TOTAL NET OPERATING INCOME (NOI)			SAR 8,000,000
Cap Rate	6.40%		
Total Property Value			SAR 125,000,000

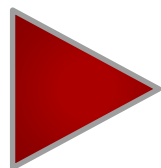
7.16 SUBJECT PROPERTY VALUE

We are of an opinion that the total value of the subject property taking into consideration the purpose of valuation by using the RLV Approach is:

Approach	Land Area	SAR / Sqm	Total Value
DRC	203	600,000	125,000,000 SAR
INCOME- Market Rates	203	---	142,000,000 SAR
INCOME- Leasing contract	203	---	125,000,000 SAR

7.17 FINAL VALUE

Property Value: **125,000,000 SAR**
One Hundred Twenty-Five Million Saudi Riyals



CONCLUSION

This section lists a brief of the values of the properties subject of the valuation, as well as the closure of the report.



WHITE **CUBES**
REAL ESTATE

8.1 DISCLAIMER

In undertaking and executing this assignment, extreme care and precaution has been exercised. This report is based on the information supplied by the bank and or the owner/s of the property. The values may differ or vary periodically due to various unforeseen factors beyond our control such as supply and demand, inflation, local policies and tariffs, poor maintenance, variation in costs of various inputs, etc. It is beyond the scope of our services to ensure the consistency in values due to changing scenarios.

8.2 CONCLUSION:

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria's outlined in this report are pending copyright. This report is compiled based on the information received to the best of our belief, knowledge and understanding. The information revealed in this report is strictly confidential and issued for the consideration of the client. The valuer's approval is required in writing to reproduce this report either electronically or otherwise and for further onward distribution, hence no part of this report may be copied without prior consent. We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria's outlined in this report are pending copyright.

Dr. Mohammad Taha – CEO
Valuation Check



Member of (Taqeem)
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Essam Hussaini
Site Inspection Check



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