



WHITE CUBES

REAL ESTATE VALUATION REPORT

Osool & Bakheet Investment Company (OBIC) Al Maathar REIT

31 December 2023



رؤية
VISION
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

REAL ESTATE
VALUATION REPORT





Under the guidance of the Custodian of the Two Holy Mosques King Salman bin Abdulaziz al Saud, we embarked on a journey towards a brighter future with the launch of Vision 2030. Conceived by His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, Crown Prince and Prime Minister, this roadmap leverages our God-given strengths, including our strategic location, investment power, and centrality in the Arab and Islamic worlds. Our leadership is fully committed to realizing our ambitions and maximizing our potential.



The World Expo will be the perfect occasion for the Kingdom of Saudi Arabia to share the story of an unprecedented national transformation with other nations and the global public.



Saudi Authority for Accredited Valuers (TAQEEM) is the regulator of the valuation profession in Saudi Arabia. Taqeeem works on implementing laws and legislations which allows valuers to practice the profession according to the International Valuation Standards (IVS). Taqeeem also provides training courses which accredits and qualifies practitioners based on international practices. Valuation contributes to preserving rights and achieving justice through providing professional services and high-quality valuation reports. Because we believe in promoting trust and transparency in the market as well as creating an attractive investment environment in alignment with the Saudi vision 2030, we have chosen **“Trust in Value”** as our slogan.



An important and gracious royal decree number (17103) was issued on 26/03/1442 H, stating that the Ministry of Finance shall oversee the Saudi Commission for Accredited Resident Evaluators (Taqeeem), and His Excellency, Minister Mohammed bin Abdullah Al-Jadaan, shall serve as the Chairman of the Board of Directors of the Commission.

REF: 23-0948
Code:
Date: 31/12/2023

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

Dear Osool & Bakheet Investment Company (OBIC),

In accordance with your approved request dated 18th of December 2023, we are pleased to present you with a comprehensive report on the evaluated property. This report encompasses a thorough market analysis, an economic analysis, and a detailed description of the valuation methods employed.

At WHITE CUBES, we prioritize the utmost confidentiality of our clients' information. Rest assured that we maintain strict confidentiality protocols to safeguard the privacy of all client data. Furthermore, our commitment to complete impartiality ensures an unbiased evaluation process. There are no shared interests between WHITE CUBES and the client, ensuring transparency and objectivity throughout the valuation process.

WHITE CUBES Consulting Services Co.

Mr. Essam M. 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

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EXECUTIVE SUMMARY

EXECUTIVE
SUMMARY

1. Executive Summary

Reference No.	23-0948
Dep. Code	
Client	Osool & Bakheet Investment Company (OBIC)
Report user	OBIC, the investors and others who interest to invest in the fund, Auditors.
Purpose of Valuation	Inclusion in financial statement.
Subject Property	Commercial - Administrative - Hotel - Warehouses - Healthcare - Educational.
Valuation Approach	Market Approach, Cost Approach, and Income Approach
Currency	Saudi Arabian Riyal and Emirates Dirhams.
Report Date	31/12/2023
Valuation Date	31/12/2023
Inspection Date	19/12/2023

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 150,950,000
Al Rabie Genx	Riyadh, SA	3,900.00 SQM	8,589.53 SQM	SAR 40,700,000
Al Mohammadiyah	Riyadh, SA	2,109.00 SQM	15,602.92 SQM	SAR 125,000,000
Al Takhassosi Showroom	Riyadh, SA	4,248.00 SQM	6,610.61 SQM	SAR 74,800,000
Al Sahafah Building 1	Riyadh, SA	2,380.00 SQM	10,880.00 SQM	SAR 65,200,000
Al Sahafah Building 2	Riyadh, SA	2,520.00 SQM	11,340.00 SQM	SAR 62,000,000
Al Haer Warehouses	Riyadh, SA	13,544.45 SQM	11,980.00 SQM	SAR 20,400,000
Al Sulay Warehouses	Riyadh, SA	54,075.00 SQM	46,158.00 SQM	SAR 56,000,000
Manfaat Al Quds	Riyadh, SA	895.50 SQM	1,257.84 SQM	SAR 680,000
Manfaat Wadi Laban	Riyadh, SA	895.50 SQM	1,645.02 SQM	SAR 1,300,000
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 35,100,000
Al Salam Schools	Riyadh, SA	10,000.00 SQM	18,349.10 SQM	SAR 52,400,000
Burjeel Hospital	Sharjah, UAE	6,033.20 SQM	16,757.87 SQM	SAR 118,900,000



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SCOPE OF WORK

SCOPE OF
WORK

2. Scope of Work

2.1 Introduction

This report was prepared by WHITE CUBES Co. based on the International Valuation Standards of the Council of International Assessment Standards (IVSC 2022) and the Guide to Practice and Regulations issued by the Saudi Authority of Accredited Valuers (Taqeem), to ensure accurate access to information, the evaluation report must be read in its entirety, our firm is pleased to offer its services to: **Osool & Bakheet Investment Company (OBIC)** in order to estimate the **fair value** of the property that is being evaluated.

2.2 Purpose of valuation

The client requested that we evaluate the subject properties for **Inclusion in financial statement**.

2.3 Basis of Valuation

Fair Value: IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is based on the principle of an "exit price,"

2.4 Valuation Methods

Depending on the purpose of the valuation, and upon the request of the client, we will apply the market approach comparable method, cost approach DRC method and income approach Cap method and DCF method.

2.5 Currency

Unless otherwise stated, all values in the report are in Saudi Arabian Riyals and Emirati Dirham.

2.6 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.

2.7 Property Inspection

As per the context of this valuation report, involves a comprehensive visit to the subject property for the purpose of assessing its physical attributes, performance, and gathering relevant information. This includes examining quantities, specifications, land area, building areas, rental areas, services, public utilities, and various project components. The inspection carried out on **19/12/2023** provided an opportunity to observe and record the property's specifications. It should be noted that this inspection was not a technical examination but rather a visual overview and documentation of all observed aspects. This information forms the basis for expressing an opinion regarding the property's value in this valuation report.

2.8 Information Sources

A comprehensive on-site field survey was undertaken by our team with the primary objective of verifying the accuracy of crucial market information essential for the evaluation process. This involved gathering data on various factors such as nearby asset prices, occupancy rates, and specific details pertaining to the asset under evaluation. The following sources were diligently utilized during the extensive field research:

- 1. Property Records:** Property ownership documents such as title deeds and construction permit.
- 2. Market Trends:** In-depth analysis of prevailing market trends to understand the dynamics and influences impacting the asset's value within its specific industry or sector.
- 3. Income Analysis:** Rigorous assessment of income-related factors, including revenue streams, operating expenses, and potential cash flows, to gauge the asset's financial performance and viability.
- 4. Inspection:** Direct observation and meticulous inspection of the asset, encompassing its physical condition, amenities, and any discernible factors that might influence its market value.
- 5. Historical Database:** Reference to our extensive historical database housing information on comparable assets to draw meaningful comparisons and insights into market trends, pricing patterns, and value fluctuation over time.
- 6. Specialist Agents:** Consultation and engagement with industry experts and agents specializing in the same type of asset to gain valuable insights, expert opinions, and up-to-date market intelligence.

By employing these comprehensive research methodologies, we have ensured the collection of accurate and relevant data, which forms the basis for determining the true market value of the asset under evaluation.

2.9 Assumptions and Special Assumptions

In accordance with the International Valuation Standards, assumptions play a crucial role in the evaluation process. They are considered logical matters that are accepted as facts during the valuation work, without requiring specific verification. These assumptions are acknowledged as soon as they are mentioned and are based on the factual information available at the time of the valuation. The following assumptions have been made for this evaluation report:

1. **Absolute Ownership:** The property under evaluation is assumed to have absolute ownership, implying that there are no legal or ownership disputes affecting its market 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.
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. However, it is important to note that the estimated output provides an indication of the property's value and should be interpreted as such.

By acknowledging and incorporating these assumptions into the evaluation process, we aim to provide a comprehensive and reliable assessment of the property's market value.

2.10 Use, Distribution, and Publication Restrictions

To estimate the market value of the assets being evaluated, WHITE CUBES Co. has prepared this report. There are restrictions on the transfer, referencing, and presentation of this report and its contents to any other party except as stipulated in the contract letter, and the client must obtain our prior written consent in order to use this report for any other purpose other than that stated in this report.

2.11 Legal Notes

As far as we are aware, no legal notices have been served on the property, whether they are in progress or pending in the court system.



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AL MAATHER GENX





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PROPERTY DETAILS

PROPERTY
DETAILS

1.5 Title Deed and Ownership

The client provides us with copy of the title deeds related to the subject property which is owned by one title deed. 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	Owner	شركة بيتك الحفظ للعقارات
T.D Value		Ownership Type	Freehold
Date of Last Transaction		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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	Layouts modifications
Property Type	Residential, commercial, office building
Construction Permit No.	1433/ 20078
Construction Permit Date	29/11/1433
Permit Expiry Date	29/11/1436

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 BAU (sqm)		22,789.96	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

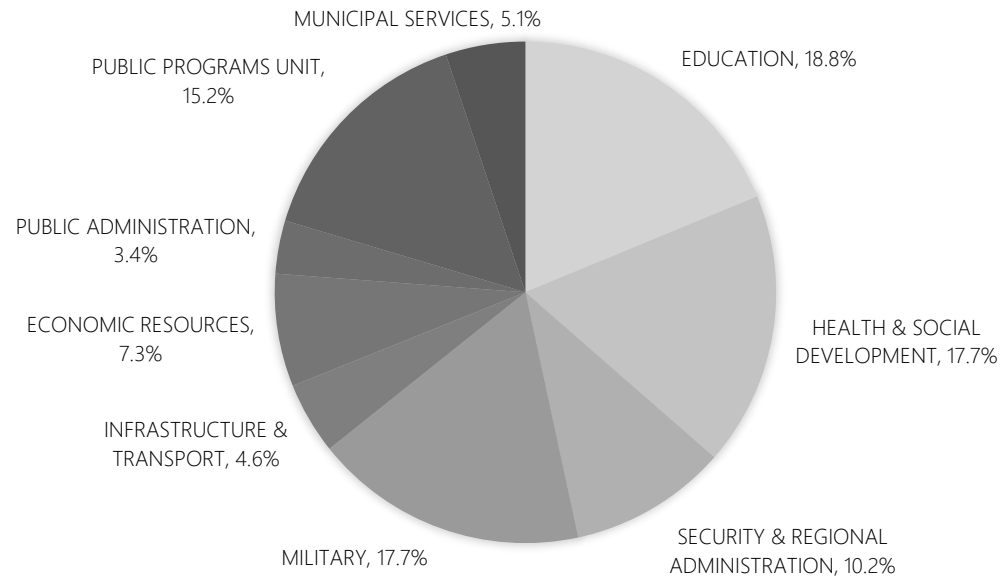
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

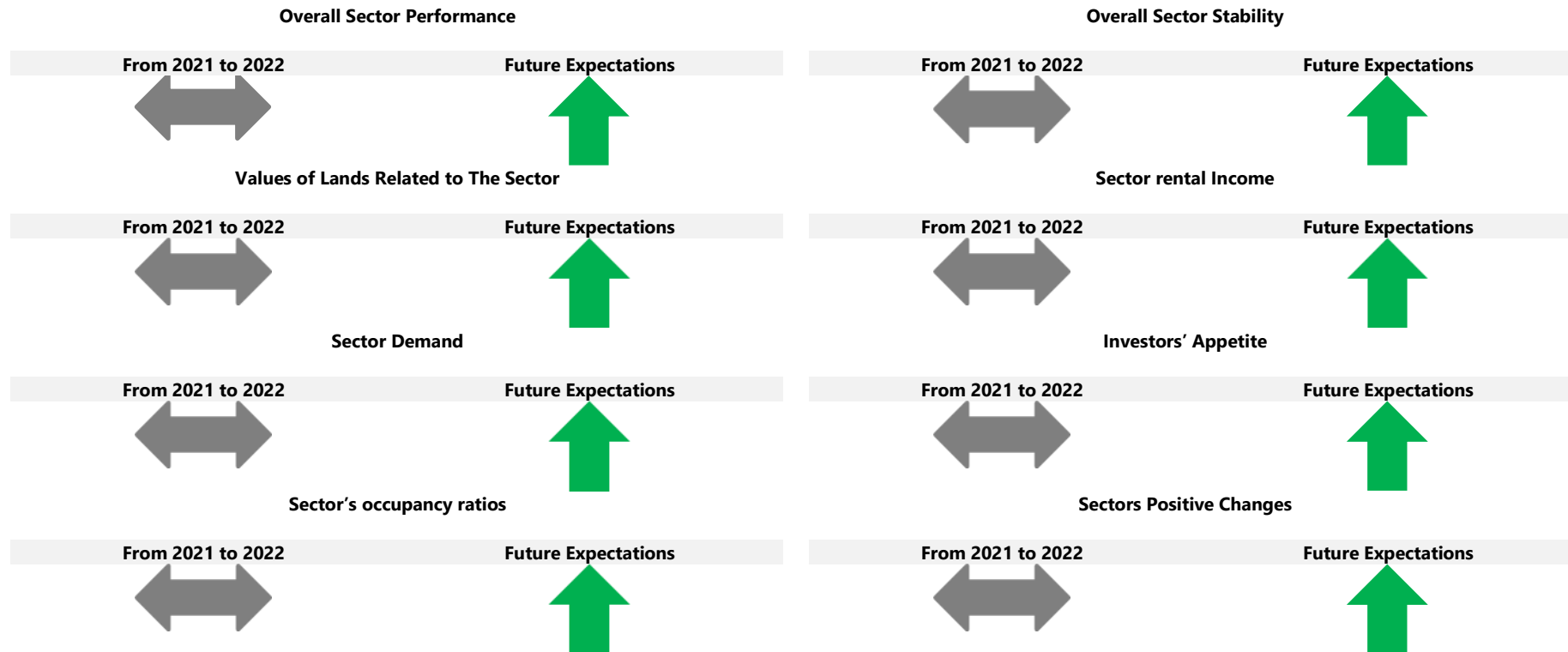
Source: Ministry of Finance



2.3 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 on 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

2.4 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	2	9	0	0

Risk Category 11 Risk Points – Medium 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 8 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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).

The Capitalization Rate Used for the Valuation

With regard to the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	42,560,000.00	93,350,000.00	73,141,000.00
NOI	3,085,600	6,067,750	5,449,005
Cap Rate	7.25%	6.50%	7.45%
Average Cap Rate	7.07%		
Rounded	7.00%		

The Discounted Rate Used for the Valuation

Based on a built-up model, a discount rate will be used in the evaluation.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%2.50		SAMA
Inflation Rate%	%3.00		GASTAT
Market Risk Premium%	%1.50		Trading Economics
Company-specific Risk Premium %	%0.50	Source	Team's experience.
Discount Rate%	7.50%		

3.1 Discounted Cash Flow (DCF) Approach

Cash Flow		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
		0	1	2	3	4	5	6	7	8	9	10
Inflation			0.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expected Revenues												
Residential	GLA	-	4,789	4,789	4,789	4,789	4,789	4,789	4,789	4,789	4,789	4,789
Rate	SAR	-	2,220	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264	2,264
Total	SAR	-	10,631,580	10,844,212	10,844,212	10,844,212	10,844,212	10,844,212	10,844,212	10,844,212	10,844,212	10,844,212
Commercial	Units	-	135	135	135	135	135	135	135	135	135	135
Rate	SAR	-	26,600	27,132	27,132	27,132	27,132	27,132	27,132	27,132	27,132	27,132
Total	SAR	-	3,591,000	3,662,820	3,662,820	3,662,820	3,662,820	3,662,820	3,662,820	3,662,820	3,662,820	3,662,820
Overall Revenues		-	14,222,580	14,507,032	14,507,032	14,507,032	14,507,032	14,507,032	14,507,032	14,507,032	14,507,032	14,507,032
Vacancy and Credit Loss												
Residential	5.0%	-	531,579	542,211	542,211	542,211	542,211	542,211	542,211	542,211	542,211	542,211
Commercial	5.0%	-	179,550	183,141	183,141	183,141	183,141	183,141	183,141	183,141	183,141	183,141
Total		-	711,129	725,352	725,352	725,352	725,352	725,352	725,352	725,352	725,352	725,352
Effective Rental Income		-	13,511,451	13,781,680	13,781,680	13,781,680	13,781,680	13,781,680	13,781,680	13,781,680	13,781,680	13,781,680
Expenses												
CapEx	15.0%	-	2,026,718	2,067,252	2,067,252	2,067,252	2,067,252	2,067,252	2,067,252	2,067,252	2,067,252	2,067,252
Others	5.5%	-	743,130	757,992	757,992	757,992	757,992	757,992	757,992	757,992	757,992	757,992
Overall Expenses		-	2,769,847	2,825,244	2,825,244	2,825,244	2,825,244	2,825,244	2,825,244	2,825,244	2,825,244	2,825,244
NOI		-	10,741,604	10,956,436	10,956,436	10,956,436	10,956,436	10,956,436	10,956,436	10,956,436	10,956,436	10,956,436
Terminal Value	7.0%											156,520,509
Discount Rate	7.5%	1.00	0.93	0.87	0.80	0.75	0.70	0.65	0.60	0.56	0.52	0.49
Present Value		-	9,992,189	9,480,961	8,819,499	8,204,185	7,631,800	7,099,349	6,604,045	6,143,298	5,714,696	81,258,797
Net Present Value												150,948,818
Rounded												150,950,000

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach, DCF Method is:

Property Value: SAR 150,950,000.00
One Hundred Fifty Million Nine Hundred Fifty Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

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DOCUMENTS

DOCUMENTS



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AL RABIE GENX





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PROPERTY DETAILS

PROPERTY
DETAILS

1.1 Property Description

The subject property is a mix-use project composed of showrooms and hospitality units and located in Al Rabie district, Riyadh city. Based on the provided copies of the title deed and the construction permit, the building has total land area of 3,900 Sqm and total BUA of 8,589.53 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 3 sides with a direct view on the main Road (Prince Mohammad Bin Salman Bin Abdulaziz Road).

1.2 Surrounding Area

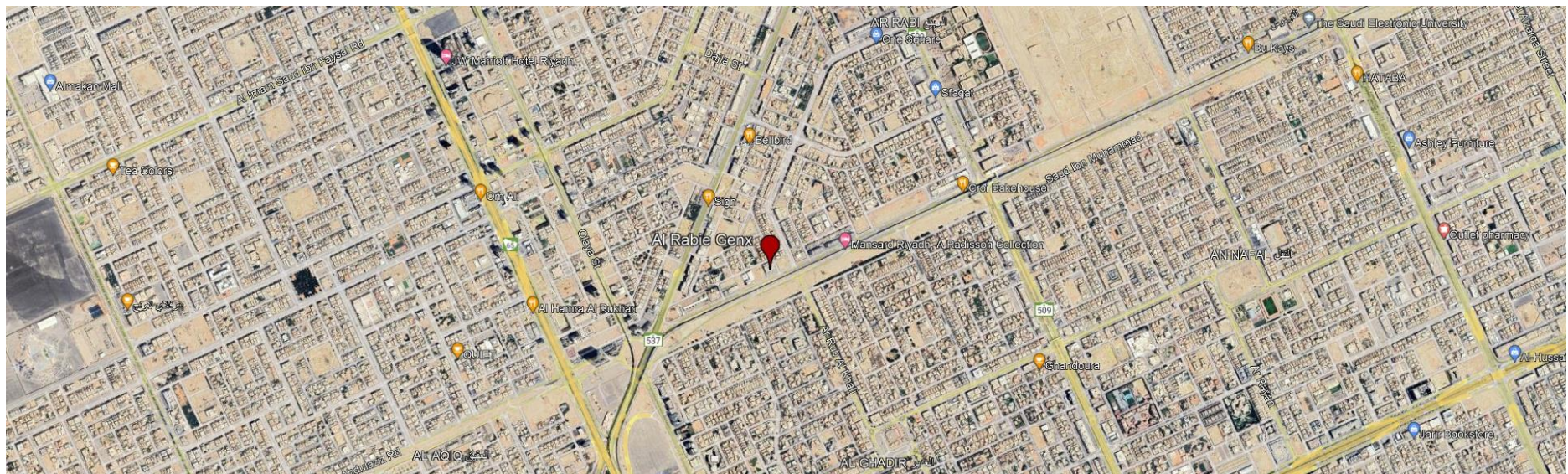
The subject property is surrounded mostly by several residential and mixed-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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 provides us with copy of the title deeds related to the subject property which is owned by one title deed. 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	Owner	شركة بيتك الحفظ للعقارات
T.D Value		Ownership Type	Restricted.
Date of Last Transaction		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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New Permit
Property Type	Hospitality & Showrooms
Construction Permit No.	1435/5496
Construction Permit Date	05/04/1435
Permit Expiry Date	05/04/1438

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 BAU (sqm)		8,589.53	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

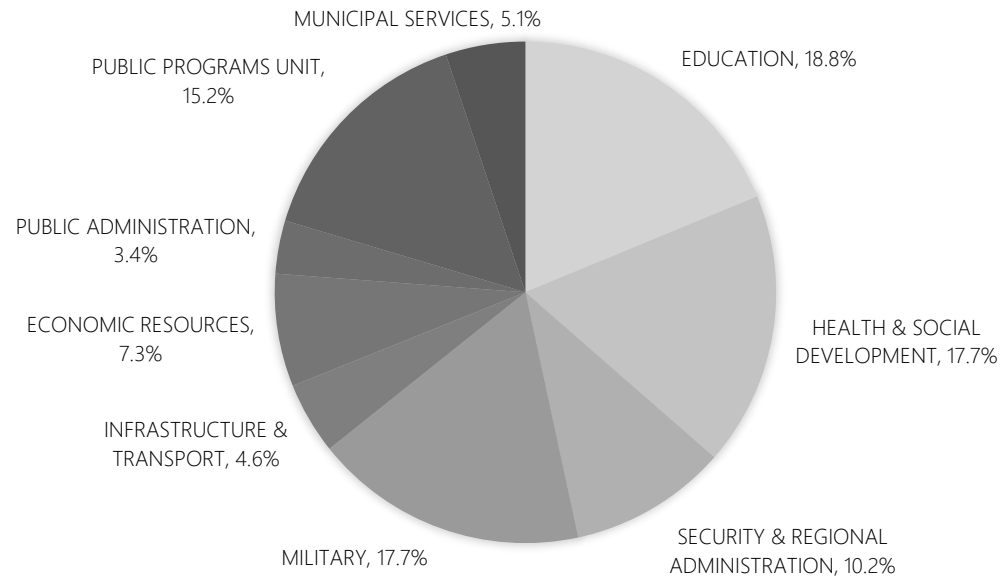
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

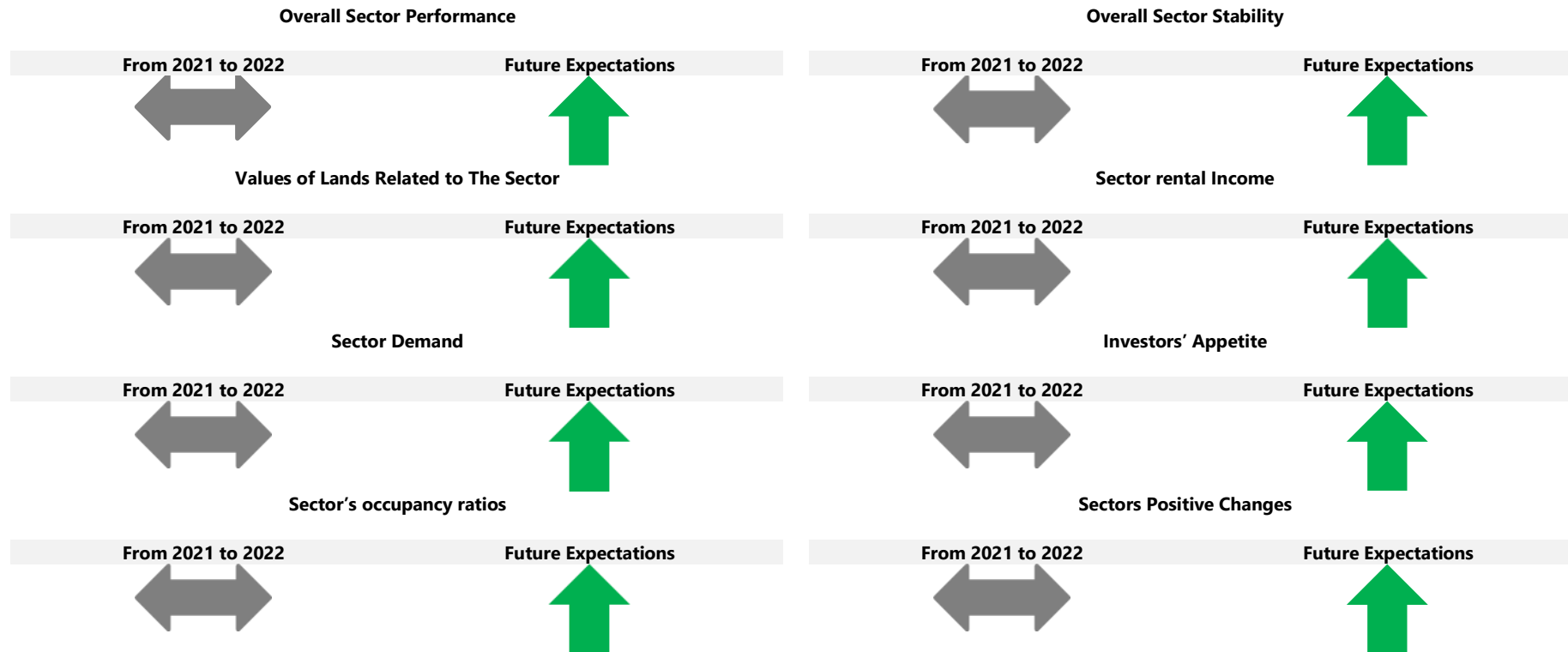
Source: Ministry of Finance



2.3 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 on 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

2.4 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 7-12	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 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 market 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	----	----	----	----	✓	----

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.

The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising, and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included since it is not an operating expense. Hence, it does not include mortgage and interest since this is a debt payment on a capital item.

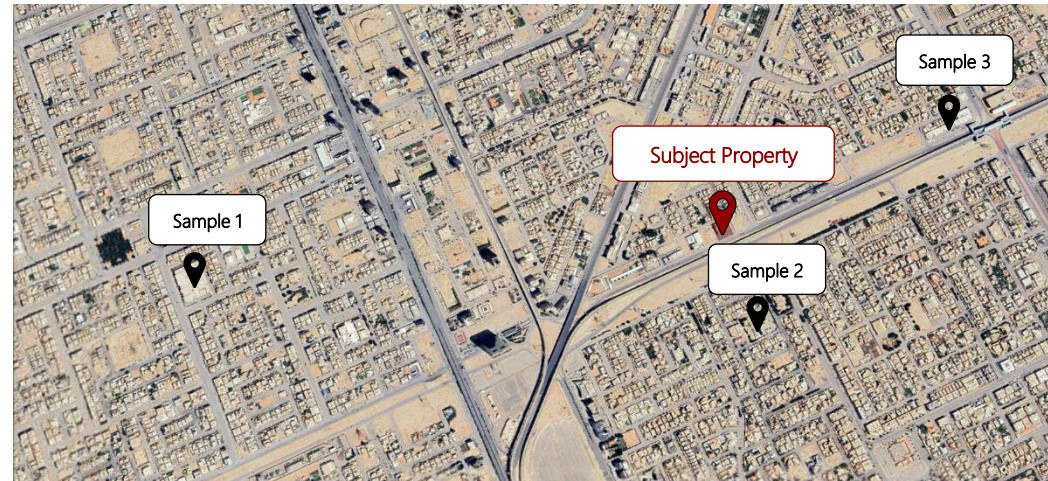
Estimate the capitalization rate (aka cap rate), which is the rate of return, or yield, that other investors of property are getting in the local market.

3.1 Capitalization Method

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average renting rates for commercial units range from 2,000 to 1,900 SAR / Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates for similar properties:

Commercial Showroom Units	
Comparable	Rental Rate/ Sqm
Comparable 1	2,000 SAR/ Sqm
Comparable 2	1,900 SAR/ Sqm
Comparable 3	1,900 SAR/ Sqm
Average	1,930 SAR/ Sqm



Analysis of Operating and Maintenance Expenses

The operating expenses of similar properties reached between 2% to 5% 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	0.5% to 2%
Operating and maintenance expenses	0.5% to 2%
General service bills expenses	0.5% to 2%
Other incidental expenses	0.5% to 2%

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 9%. 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

With regard to the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	42,560,000.00	93,350,000.00	73,141,000.00
NOI	3,085,600	6,067,750	5,449,005
Cap Rate	7.25%	6.50%	7.45%
Average Cap Rate	7.07%		
Rounded	7.00%		

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues					
Unit Type	Quantity		Revenues		Total Revenues
	Total GLA	No of Units	SAR / Sqm	SAR / Unit	
Showrooms	1,006	7	SAR 1,930	SAR 0	SAR 1,940,673
Hospitality	4,483	0	SAR 235	SAR 0	SAR 1,053,472
Total Revenues					SAR 2,994,145
Expenses					
Unit Type	Management	Utilities	Maintenance	Vacancy	Total Expenses
Showrooms	0.50%	0.50%	0.50%	0.00%	1.50%
Hospitality	2.00%	2.00%	2.00%	5.00%	11.00%
Total Expenses					12.50%
Net Operating Income					
Unit Type	Total Revenues		Total Expenses		NOI
Showrooms	SAR 1,940,673		1.50%		SAR 1,911,563
Hospitality	SAR 1,053,472		11.00%		SAR 937,590
Total					SAR 2,849,153
Total Property Revenues					SAR 2,994,145
Total Property Expenses					-SAR 144,992
Net Operating Income					SAR 2,849,152.98
Net Operating Income	Cap Rate		Property Value		Rounded Value
SAR 2,849,152.98	7.00%		SAR 40,702,185.36		SAR 40,700,000.00

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Capitalization Rate Method (basis on actual leasing contracts) is:

Property Value: SAR 40,700,000.00
Forty Million Seven Hundred Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

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Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
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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, Riyadh city. Based on the provided copies of the title deed and the construction permit, the building has a total land area of 2,109 Sqm and total BUA of 15,602.92 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 3 sides with a direct view on the main Road (King Fahad Road).

1.2 Surrounding Area

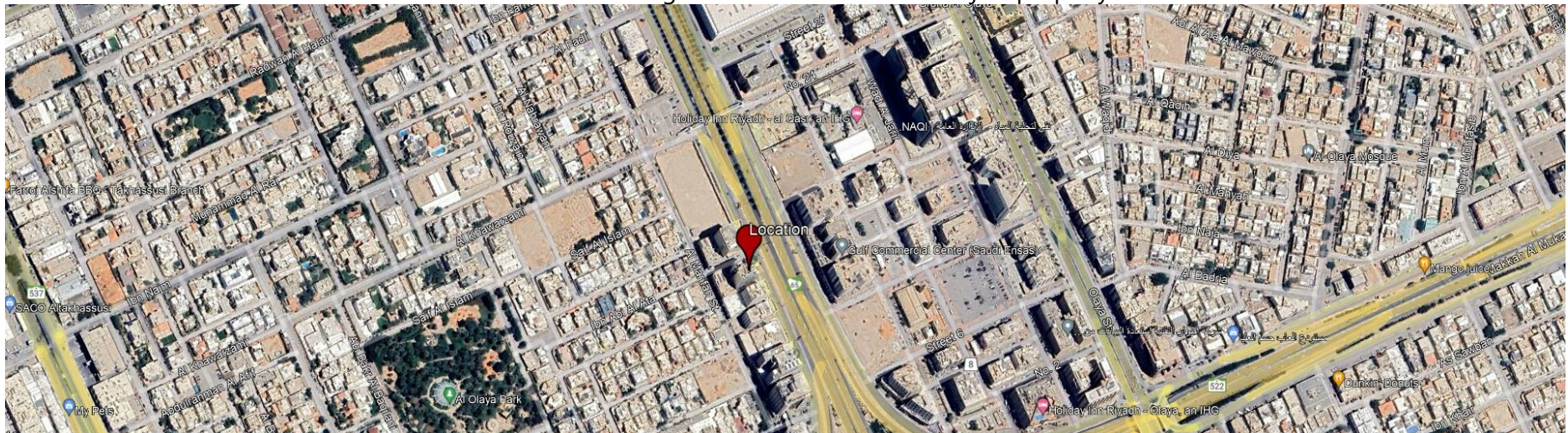
The subject property is surrounded mostly by several Commercial and mix-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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 provides us with a copy of the title deeds related to the subject property which is owned by one title deed. 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	Owner	شركة بيتك الحفظ للعقارات
T.D Value		Ownership Type	Restricted.
Date of Last Transaction		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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	Ownership Transfer
Property Type	Commercial Building
Construction Permit No.	1423/1771
Construction Permit Date	03/06/1426
Permit Expiry Date	03/06/1429

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 BAU (sqm)		15,602.92	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

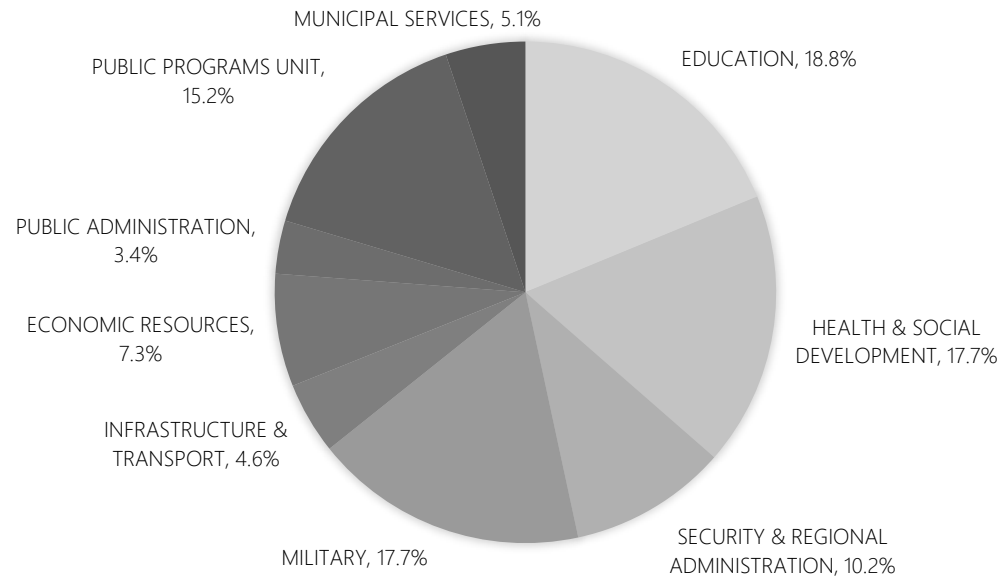
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
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Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
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Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
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Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

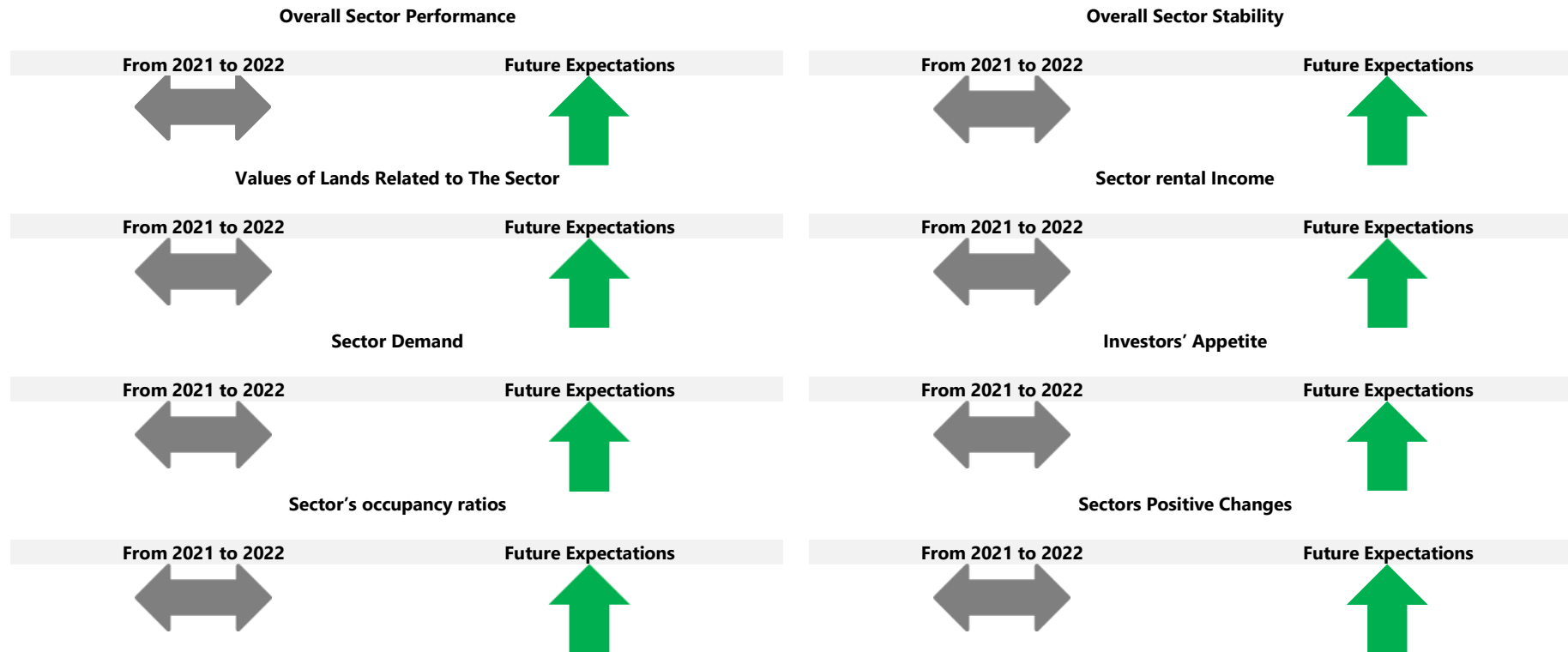
Source: Ministry of Finance



2.3 Sector Brief

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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

2.4 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	4	3	0	0

Risk Category 7 Risk Points - Medium Risk



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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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).

The Capitalization Rate Used for the Valuation

With regard to the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%2.50		SAMA
Inflation Rate%	%3.00		GASTAT
Market Risk Premium%	%0.50		Trading Economics
Company-specific Risk Premium %	%0.50	Source	Team's experience.
Discount Rate%	6.50%		

The Discounted Rate Used for the Valuation

Based on a built-up model, a discount rate will be used in the evaluation.

	Sample 1	Sample 2	Sample 3
Sale Price	42,560,000	93,350,000	73,141,000
NOI	3,085,600	6,067,750	5,449,005
Cap Rate	7.25%	6.50%	7.45%
Average Cap Rate	7.07%		
Rounded	7.00%		

3.1 Discounted Cash Flow (DCF) Approach

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	0	1	2	3	4	5	6	7	8	9	10
		0.0%	2.0%	2.0%	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sqm	-	9,660	9,660	9,660	9,660	9,660	9,660	9,660	9,660	9,660	9,660
SAR	-	875	893	910	929	929	929	929	929	929	929
SAR	-	8,452,421	8,621,470	8,793,899	8,969,777	8,969,777	8,969,777	8,969,777	8,969,777	8,969,777	8,969,777
	-	8,452,421	8,621,470	8,793,899	8,969,777	8,969,777	8,969,777	8,969,777	8,969,777	8,969,777	8,969,777
5.0%	-	422,621	431,073	439,695	448,489	448,489	448,489	448,489	448,489	448,489	448,489
	-	422,621	431,073	439,695	448,489	448,489	448,489	448,489	448,489	448,489	448,489
	-	8,029,800	8,190,396	8,354,204	8,521,288	8,521,288	8,521,288	8,521,288	8,521,288	8,521,288	8,521,288
0.00%	-	-	-	-	-	-	-	-	-	-	-
0.17%	-	13,651	13,924	14,202	14,486	14,486	14,486	14,486	14,486	14,486	14,486
	-	13,651	13,924	14,202	14,486	14,486	14,486	14,486	14,486	14,486	14,486
	-	8,016,150	8,176,473	8,340,002	8,506,802	8,506,802	8,506,802	8,506,802	8,506,802	8,506,802	8,506,802
7.0%											121,525,743
6.5%	1.00	0.94	0.88	0.83	0.78	0.73	0.69	0.64	0.60	0.57	0.53
	-	7,526,901	7,208,863	6,904,263	6,612,534	6,208,952	5,830,002	5,474,180	5,140,075	4,826,362	69,271,722
											125,003,853
											125,000,000

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach, DCF Method is:

Property Value: SAR 125,000,000.00
One Hundred Twenty-five Million Saudi Riyals

3.3 Conclusion

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Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
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Documents Received

4 Title deed and Construction Permit

الجمهورية العربية السعودية
وزارة العدل
٢٧٧
كاتب العدل بوسط الرياض

الرقم: ٢٧٧٢٢-١٠٠٢٧٢٢
التاريخ: ٢٨ / ١٢ / ١٤٤٠ 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 العذراء بمدينة الرياض، وحدودها وأطرافها كالتالي:
شمالاً: شارع عرض ١٠ متر بطول: (٥٧) سبعة و خمسون متر
جنوباً: ملك عبد العزيز آلوس بطول: (٥٧) سبعة و خمسون متر
شرقاً: شارع عرض ٨٠ متر بطول: (٣٧) سبعة و ثلاثون متر
غرباً: شارع عرض ١٤ متر بطول: (٣٧) سبعة و ثلاثون متر
ومساحتها: (٢١٠٩) ألفان ومائة وتسعة متر مربعاً فقط
المعلوكة (أ) شركة بيتك الحفظ للمقارن بموجب سجل تجاري رقم ١٠١٠٧١٥٤٤٨ في ٢٦ / ١٠ / ١٤٣٨ هـ بالصك الصادر من كتابة العدل الأولى بالرياض برقم ٧١٠١١٤٠٣٨٤٩٩ في ١٧ / ١١ / ١٤٣٨ هـ. وقد تم رهنها وما أقيم أو يسبقها عليها من بناء لصالح / شركة الراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠ / ١٣٧٦ هـ ضماناً لوفائه (ب) بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب السجل التجاري رقم ١٠١٠٠٠٠٠٩٦ مبلغ وقدره ٤٥.٠٠٠.٠٠٠ خمسة وأربعون مليون ريال فقط لا غير، الجاز من الهيئة الشرعية برقم ١٠٧٥ بتاريخ ٩ / ٧ / ١٤٣٦ علماً أن اجازة الهيئة الشرعية سارية لم يرد عليها ما يعدلها أو يلغيها وأن تنفيذ هذا العقد العيني المنشأ للمديونية على العميل قد تم أو سيتم وفق قرارات الهيئة الشرعية لا بخلافها عن 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 الرضيات واستيفاء ما في ذمة الراهن من مبلغ وما نقص برجع فيه عليه بعد اكتمال مايلزم شرعاً وعليه جرى التصديق تحريراً في ٢٨ / ١٢ / ١٤٤٠ هـ ووصلى الله على نبينا محمد وآله وصحبه وسلّم.

رئيسي كتابة العدل المساعد
صالح بن طيف الله بن أحمد العمري

وزارة العدل
كاتب العدل بوسط الرياض
كتب العدل رقم (٢٧٧)

هذا الصك من صيغة محكمة أو يبرأ أو يثبت صيغة محكمة يبرأ أو يبرأ صيغة محكمة
مصلحة مطبوع المحكمة - ٤٢١١٥ (في النماذج مخصص للاستخدام بالكمبيوتر ويمنع تعديله) - سيرة خريطة (١) من ٨

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

رقم الرخصة: ١٤٢٣/١٧٧١
تاريخ الرخصة: ١٤٢٦.٠٦.٠٣
تاريخ الانتهاء: ١٤٢٩.٠٦.٠٣
نوع الرخصة: نقل ملكية

رخصة بناء عمارة تجارية مكتبية

اسم المالك: شركة المحفظة المتحدة
رقم الإسكان: ١٠١٠٢٠٧٩٦٦
رقم الصك: ٢٢٢١٤٩٥
رقم القطعة: ١٣٤٣
الحي: ١٣٤٣
حي العليا
مساحة الأرض: ٢١٠٩ م^٢
محيط الأسوار: ٢٠٠ م / ط

الجهة	الأبعاد	الارتفاع
شمال	شارع عرض ١٠ م	٥٦
شرق	شارع عرض ٨٠ م	٣٤
جنوب	جار	٥٧
غرب	شارع عرض ١٤ م	٣٧

مكونات البناء	عدد الوحدات	المساحة الإستخدام
ميزابين	٠	١٢٢٠.٠٠٠
دور أرضي	٤	١٤٦٢.٠٠٠
قبو ثاني	٠	٢١٠.٠٠٠
قبو أول	٠	٢١٠.٠٠٠
دور ثاني	٨	١٩٩٢.٠٠٠
دور ثالث	٤	٩٤٠.٥٦
غرفة كهرباء	٠	٢٠.٠٠٠
دور رابع	٤	٩٤٠.٥٦
دور خامس	٤	٩٤٠.٥٦
دور سابع	٤	٩٤٠.٥٦
دور سابع	٤	٩٤٠.٥٦
دور ثامن	٤	٩٤٠.٥٦
مخارج طوارئ	٠	٩٤.٠٠٠

المكتب المصمم: المساريون الدويون
رقم الترخيص: ١٣٩٩
سداد الرسوم مبلغ وقدره: ٨٢٧٧ ريال بموجب الإيصال رقم: ٤٤ / ٢٢٩٤-١
متناسيب الشوارع المحيطة: مساري
رمز النظام: ٤٤ / ٢٢٩٤-١
تاريخ: ١٤٢٦-٠٦-٠٣ هـ

ملاحظات:
١- رخصة البناء عمارة عن عمارة تجارية مكتبية: ٢٠٠٠ متر مربعين مساحية لحدود.
٢- أصلي موافقة لجنة المشاريع الكبرى بقرارها رقم (١٣) بتاريخ ١٤٢٦.٠٦.٠٣ هـ.
٣- ارتداد الأنوار المتكررة شمال ١٠ م، شرق ١٠ م، جنوب ٢٠ م، غرب ٢٠ م.
٤- التنفيذ بتعليمات مصلحة المياه بشأن فصل شبكة تغذية المياه العامة للمبنى عن شبكة تغذية صنابير الطراد.
٥- القبول موافقة سيارات فقط ولا يسمح باستخدامه خلاف ذلك ويكون المتحدر بارتفاع ٣ م من حدود الملكية ويعرض ٠٧.
٦- الميزابين بالنسبة إلى ميزابين تجاري بمساحة (٢٠٠٠.٣٨) وميزابين مكتبية بمساحة (٢٠٠٠.٣٣).

رئيسي الشؤون البلدية والقروية
مدير إدارة الرخص
م/ مساعداً إبراهيم المحيا
م/ طارق بن عصام كمشوري

يجب الإلتزام بالشروط الموضحة خلف الرخصة



WHITE CUBES



AL TAKHASSOSI SHOWROOM





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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a commercial building located in Al Maather district, Riyadh city. Based on the provided copies of the title deed and the construction permit, the building has a total land area of 4,248 Sqm and total BUA of 6,610.61 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 3 sides with a direct view on Al Takhassosi Road.

1.2 Surrounding Area

The subject property is surrounded mostly by several residential and mix-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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 provides us with copy of the title deeds related to the subject property which is owned by one title deed. 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	Owner	شركة بيتك الحفظ للعقارات
T.D Value	25,500,000 SAR	Ownership Type	Restricted.
Date of Last Transaction	29/06/1442	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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	Layout modification
Property Type	Car showroom
Construction Permit No.	1437/363
Construction Permit Date	09/01/1437
Permit Expiry Date	09/01/1440

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 BAU (sqm)		6,759.61	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

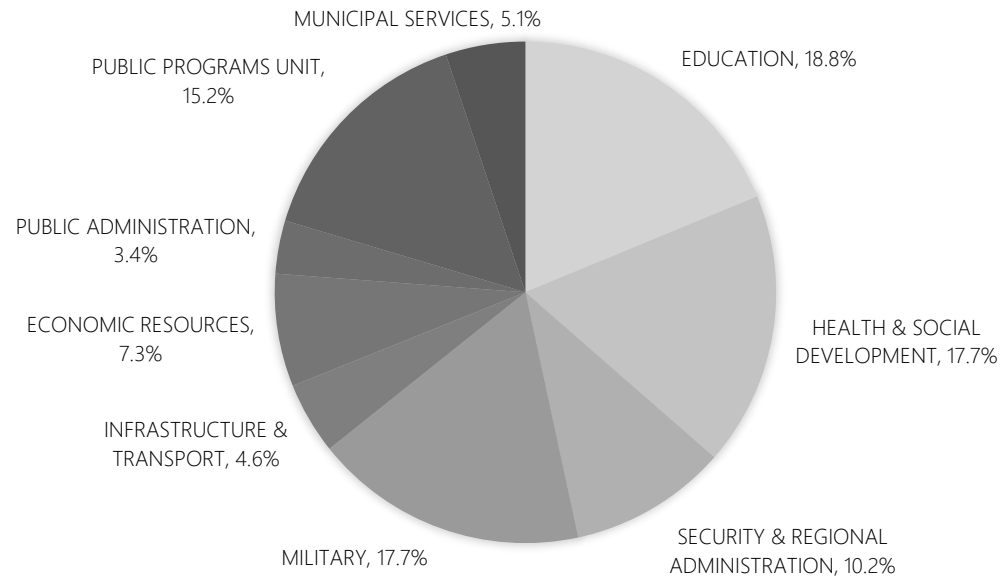
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

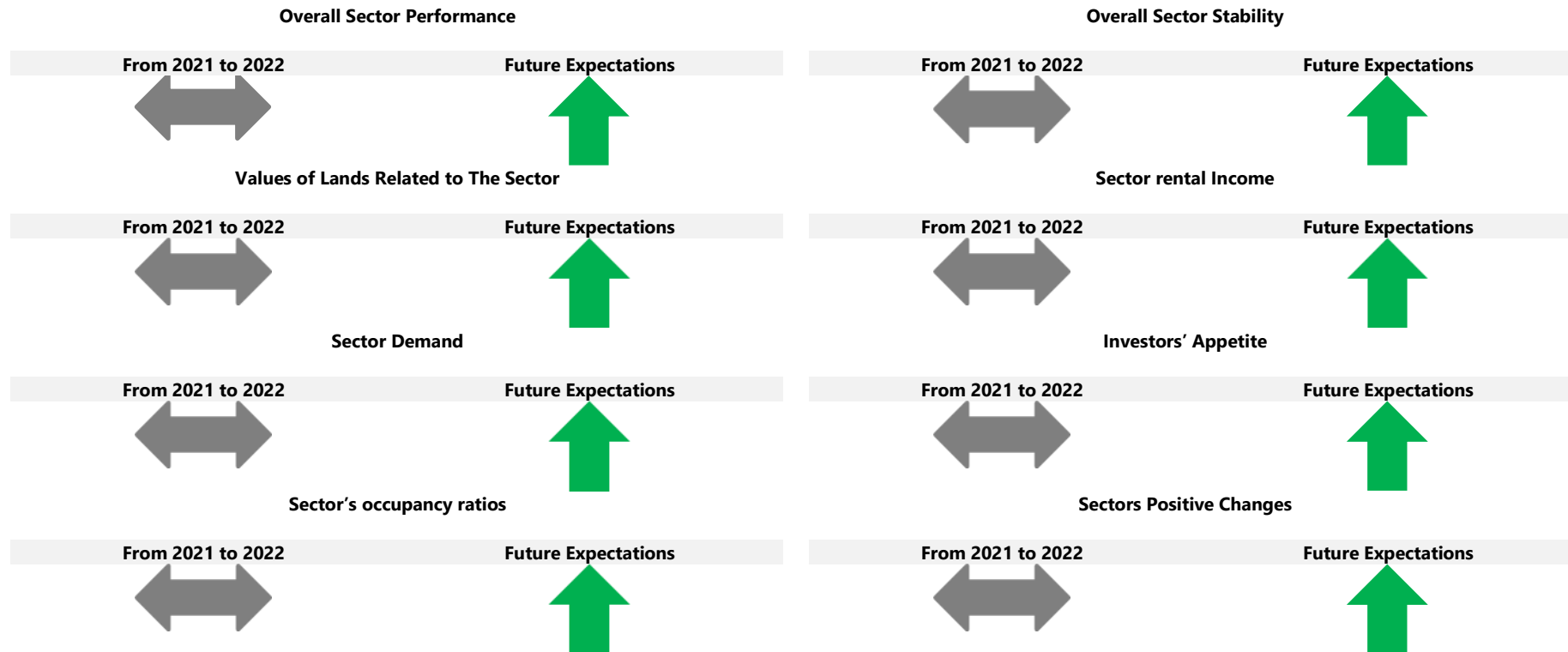
Source: Ministry of Finance



2.3 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 on 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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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).

The Capitalization Rate Used for the Valuation

With regard to the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%2.50		SAMA
Inflation Rate%	%3.00		GASTAT
Market Risk Premium%	%1.00		Trading Economics
Company-specific Risk Premium %	%0.50	Source	Team's experience.
Discount Rate%	7.00%		

The Discounted Rate Used for the Valuation

Based on a built-up model, a discount rate will be used in the evaluation.

	Sample 1	Sample 2	Sample 3
Sale Price	55,433,000.00	74,600,000.00	133,200,000.00
NOI	3,880,310	5,222,000	9,324,000
Cap Rate	7.00%	7.00%	7.00%
Average Cap Rate	7.00%		
Rounded	7.00%		

3.1 Discounted Cash Flow (DCF) Approach

Cash Flow		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
		0	1	2	3	4	5	6	7	8	9	10
Inflation			0.0%	2.5%	2.5%	2.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Expected Revenues												
Offices	Sqm	-	3,162	3,162	3,162	3,162	3,162	3,162	3,162	3,162	3,162	3,162
Rate (SAR)	SAR	-	1,581	1,620	1,661	1,702	1,702	1,702	1,702	1,702	1,702	1,702
Total	SAR	-	4,998,887	5,123,859	5,251,956	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255
Overall Revenues		-	4,998,887	5,123,859	5,251,956	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255
Vacancy and Credit Loss												
Offices	0.0%	-	-	-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-	-	-
Effective Rental Income		-	4,998,887	5,123,859	5,251,956	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255	5,383,255
Expenses												
OPEX	1.84%	-	91,980	94,279	96,636	99,052	99,052	99,052	99,052	99,052	99,052	99,052
Other	0.00%	-	-	-	-	-	-	-	-	-	-	-
Overall Expenses		-	91,980	94,279	96,636	99,052	99,052	99,052	99,052	99,052	99,052	99,052
NOI		-	4,906,907	5,029,580	5,155,320	5,284,203	5,284,203	5,284,203	5,284,203	5,284,203	5,284,203	5,284,203
Terminal Value	7.0%											75,488,609
Discount Rate	7.0%	1.00	0.93	0.87	0.82	0.76	0.71	0.67	0.62	0.58	0.54	0.51
Present Value		-	4,585,895	4,393,030	4,208,276	4,031,293	3,767,563	3,521,087	3,290,736	3,075,454	2,874,256	41,060,802
Net Present Value												74,808,393
Rounded												74,800,000

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach, DCF Method is:

Property Value: SAR 74,800,000.00
Seventy-Four Million Eight Hundred Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirements of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp





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DOCUMENTS

DOCUMENTS

Documents Received

4 Title deed and Construction Permit

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
مملكة البحرين

وزارة العدل
وإدارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٢/٦/٢٩ هـ
رقم الصك: ٣١٤٠٠٩١٠٨٩٢

صك

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 الملك رقم 191 من المخطط رقم 1343 الواقع في حي المعز بمدينة الرياض . و حدودها وأطرافها كالتالي:

شمالاً: شارع عرض 20م بطول: (60) ستون متر
جنوباً: قطعة رقم 1113 و رقم 1114 بطول: (60) ستون متر
شرقاً: شارع عرض 14م بطول: (70.8) سبعون متر و ثمانون سنتيمتر
غرباً: شارع التخصيص عرض 40م بطول: (70.8) سبعون متر و ثمانون سنتيمتر
ومساحتها : (4248) أربعة آلاف و ثمانين و ثمانية و أربعمائة متر مربع فقط
الملحكة لـ شركة بنيتك للحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 10/26 / 1438 هـ وتنتهي في 1443 / 10 / 26 هـ بالصلك الصادر من كتابة العدل الأولى بالرياض برقم 810114038490 في 17 / 11 / 1438 هـ . قد تم رهنها وما أقيم أو سيأتم عليها من بناء لصالح / شركة الأحصي المصرفية للاستثمار بموجب سجل تجاري رقم 1010000996 وتنتهي في 29 / 5 / 1443 هـ ضماناً لوفائه / بما عليه من مستحقات مالية لصالح مصرف الأحصي بموجب سجل تجاري رقم 1010000996 وبلغ وقدره (25500000) خمسة وعشرون مليون وخمسمائة ألف ريال المجاز من الهيئة الشرعية برقم 1075 في 7 / 9 / 1436 هـ . على أن يتم سداد الدينونية دفعة واحدة بتاريخ 11 / 02 / 2026 م

وفي حادثة عدم السداد فللمرتبة بيع العقار بالقيمة التي تنتهي عندها الرهبات واستيفاء مائة دمة الرهن من مبلغ وما نقص يرجع فيه عليه بعد اكتمال مايلزم شرعاً و عليه جرى التصديق تحريروا في 29 / 6 / 1442 هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل ، ورجب التقي من نيابته ومسئولها عن الخدمات الإلكترونية لوزارة العدل بموجب رقم (١١-٣-١١)

تمهيداً بمحض إيمانها بالقيم التي يتبعها
مملكة البحرين - ٢٠٢٢

ملحقة رقم 1 من 1

رقم الرخصة: ١٤٣٧٠٣٣
تاريخ الرخصة: ١٤٣٧٠١٠٠٩
تاريخ الانتهاء: ١٤٤٠٠١٠٠٩
نوع الرخصة: تحمل مستحقات البناء

نوع الترخيص: صك
الحرفيات: ١٤٣٧/١/١٥
الرقم الموحد: ٣٧٠٠٤٤٦٦١

اسم العميل: شركة زاوية المعز للعقارات
رقم الأبحاث: ١٠٠٤٣٥٣١٢

رقم المسك: ٢١٠١٠٠٤٣٨٧
رقم القطعة: ١١١٢
الشمارح: ١١١٢
حي المعز الشمالي

الحدود	الابعاد	الارتفاع
شمال	٥٤	٤.٢
شرق	٦٧.٨	٣
جنوب	٦٠	٢
غرب	٦٧.٨	٢٠

مكونات البناء	عدد الوحدات	المساحة الإجمالية	مواصفات
قبو	٠	٣٤٤٨.٢٢	مواصفات
ميزانين	٠	٨٣٥.٣٩	مواصفات
أرضي تجوي	١	٣٢٢٧.٠٠	مساحة عرض
أسوار	١	١٤٩.٠٠	خدمات

مساحة الأرض: ٢٦.٤٢٢٤ م² محيط الأسوار: ٢٠٠ م

رقم المخطط التنظيمي: ١٣٤٣
رقم المقاس: ٣١٤٠٠٩١٠٨٩٢

نوع البناء: سكني
النطاق العمراني: مرتبة ٢

رقم الترخيص: ١٦١٨
رقم المشروع: ١٠
رمز النظام: ٣٧٠٠٠٩١٢٤٦
رقم التسجيل: ١٤٣٧٠١٠٠٨

ملاحظات:

١- تاريخ القبول: ٢٧/١٠/٢٠٢٢
٢- تاريخ القبول: ٢٧/١٠/٢٠٢٢
٣- تاريخ القبول: ٢٧/١٠/٢٠٢٢

مدير إدارة الترخيص: د/ علي بن أحمد التري
مدير خدمة العملاء: د/ جيهان عبدالرحمن الفرج

يجب الالتزام بالشروط والوضحة خلف الرخصة



WHITE CUBES

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, Riyadh city. Based on the provided copies of the title deed and the construction permit, the building has a total land area of 2,520 Sqm and total BUA of 11,340 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 3 sides with a direct view on Olaya Street.

1.2 Surrounding Area

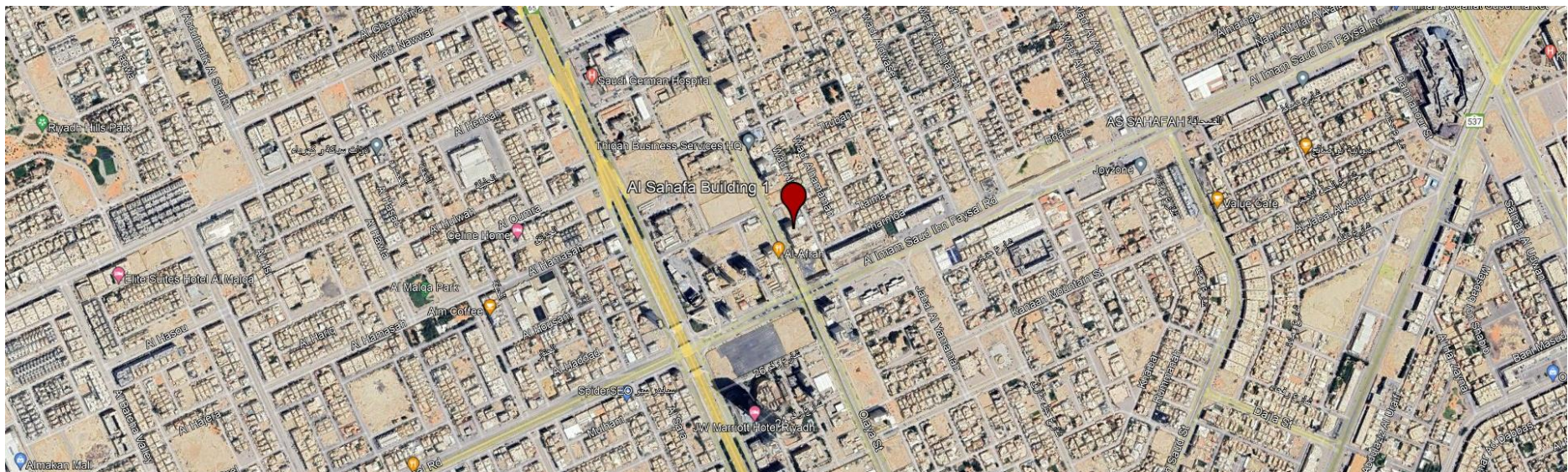
The subject property is surrounded mostly by several commercial and mix-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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 provides us with a copy of the title deeds related to the subject property which is owned by one title deed. 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	Owner	شركة بيتك الحفظ للعقارات
T.D Value	-----	Ownership Type	Restricted.
Date of Last Transaction	-----	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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New Permit
Property Type	Administrative Building
Construction Permit No.	1432/12653
Construction Permit Date	05/07/1432
Permit Expiry Date	05/07/1435

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 BAU (sqm)		10,880.00	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

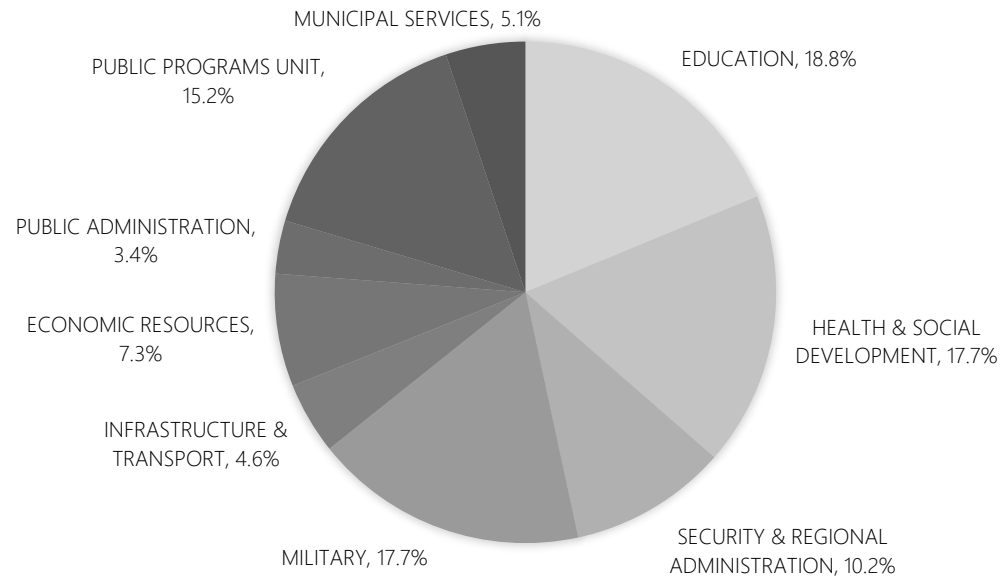
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

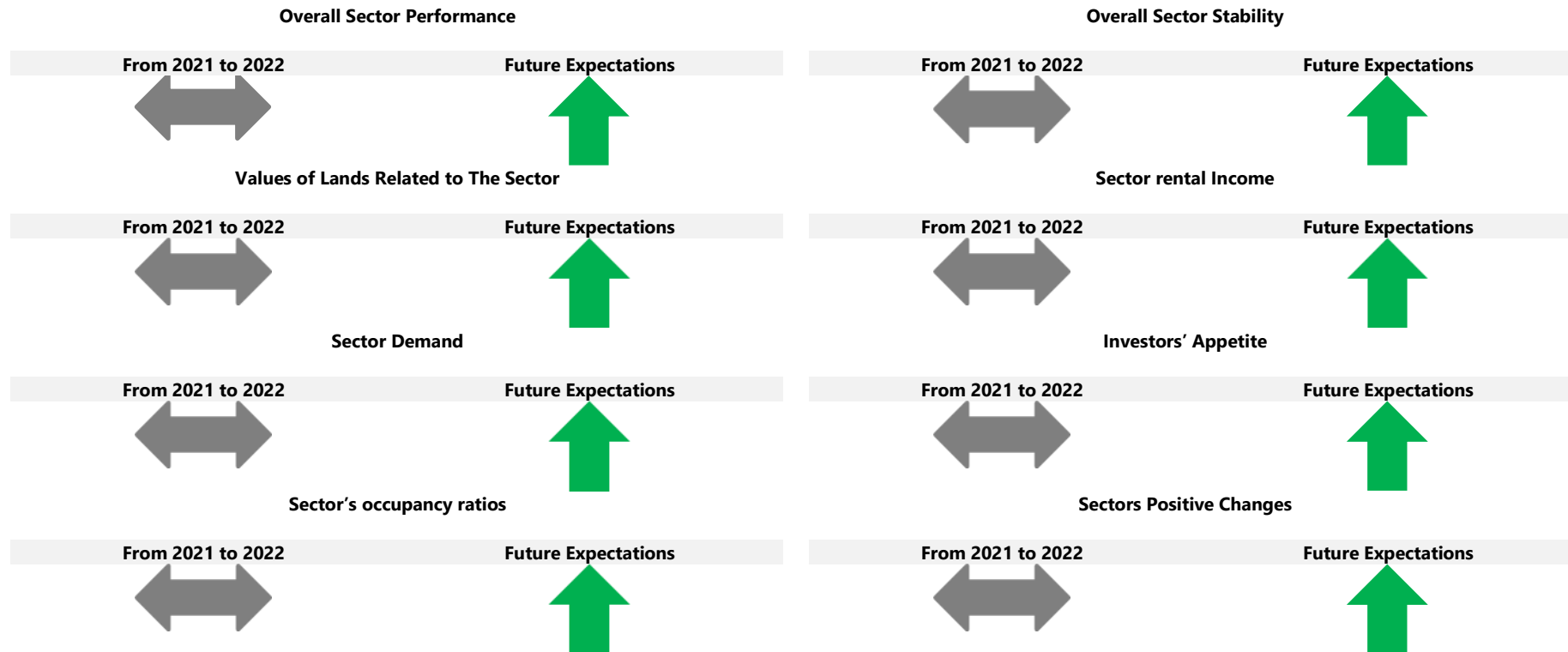
Source: Ministry of Finance



2.3 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 on 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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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).

3.1 Discounted Cash Flow (DCF) Approach

The Discounted Rate Used for the Valuation

Based on a built-up model, a discount rate will be used in the evaluation.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%2.50		SAMA
Inflation Rate%	%3.00		GASTAT
Market Risk Premium%	%1.50		Trading Economics
Company-specific Risk Premium %	%1.00	Source	Team's experience.
Discount Rate%	8.00%		

The Capitalization Rate Used for the Valuation

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	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	7.90%		
Rounded	8.00%		

Based on the above, the value of the property using the DCF method is as follows:

Cash Flow		2023	2024	2025	2026	2027
		0	1	2	3	4
Inflation		0.0%	0.0%	25.0%	0.0%	0.0%
Expected Revenues						
Offices	Sqm	5,354	5,354	5,354	5,354	5,354
Rate (SAR)	SAR	568	568	710	710	710
Total	SAR	3,042,900	3,042,900	3,803,625	3,803,625	3,803,625
Showrooms	Sqm	945	945	945	945	945
Rate (SAR)	SAR	1,380	1,380	1,725	1,725	1,725
Total	SAR	1,304,100	1,304,100	1,630,125	1,630,125	1,630,125
Overall Revenues		4,347,000	4,347,000	5,433,750	5,433,750	5,433,750
Vacancy and Credit Loss						
Offices	0.00%	0	0	0	0	0
Showrooms	0.00%	0	0	0	0	0
Total		0	0	0	0	0
Effective Rental Income		4,347,000	4,347,000	5,433,750	5,433,750	5,433,750
Expenses						
CapEx	5.50%	239,085	239,085	298,856	298,856	298,856
OpEx	3.00%	130,410	130,410	163,013	163,013	163,013
Overall Expenses		369,495	369,495	461,869	461,869	461,869
NOI		3,977,505	3,977,505	4,971,881	4,971,881	4,971,881
Terminal Value	8.0%					62,148,516
Discount Rate	8.0%	1.00	0.93	0.86	0.79	0.74
Present Value		3,977,505	3,682,875	4,262,587	3,946,840	49,335,495
Net Present Value						65,205,302
Rounded						65,200,000

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-DCF Method (basis on Leasing Contact) is:

Property Value: SAR 65,200,000.00
Sixty-Five Million Two Hundred Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirements of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

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WHITE **CUBES**
DOCUMENTS

DOCUMENTS



WHITE CUBES

AL SAHAFAH BUILDING 2





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

1.5 Title Deed and Ownership

The client provides us with copy of the title deeds related to the subject property which is owned by one title deed. 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	Owner	شركة بيتك الحفظ للعقارات
T.D Value	N/A	Ownership Type	Restricted.
Date of Last Transaction	N/A	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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New Permit
Property Type	Commercial, Offices
Construction Permit No.	1431/9936
Construction Permit Date	08/06/1431
Permit Expiry Date	08/06/1434

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 BAU (sqm)		11,340	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

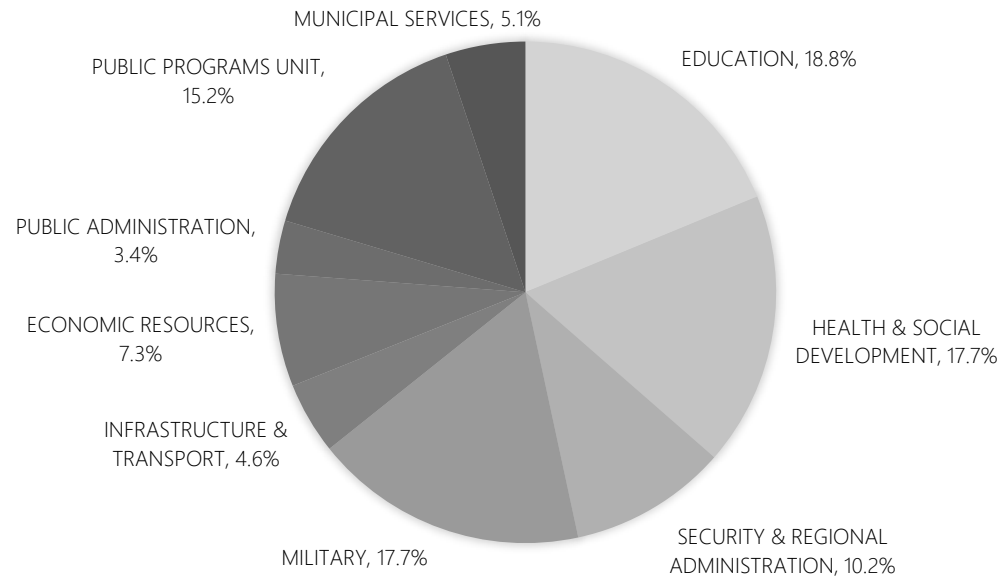
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

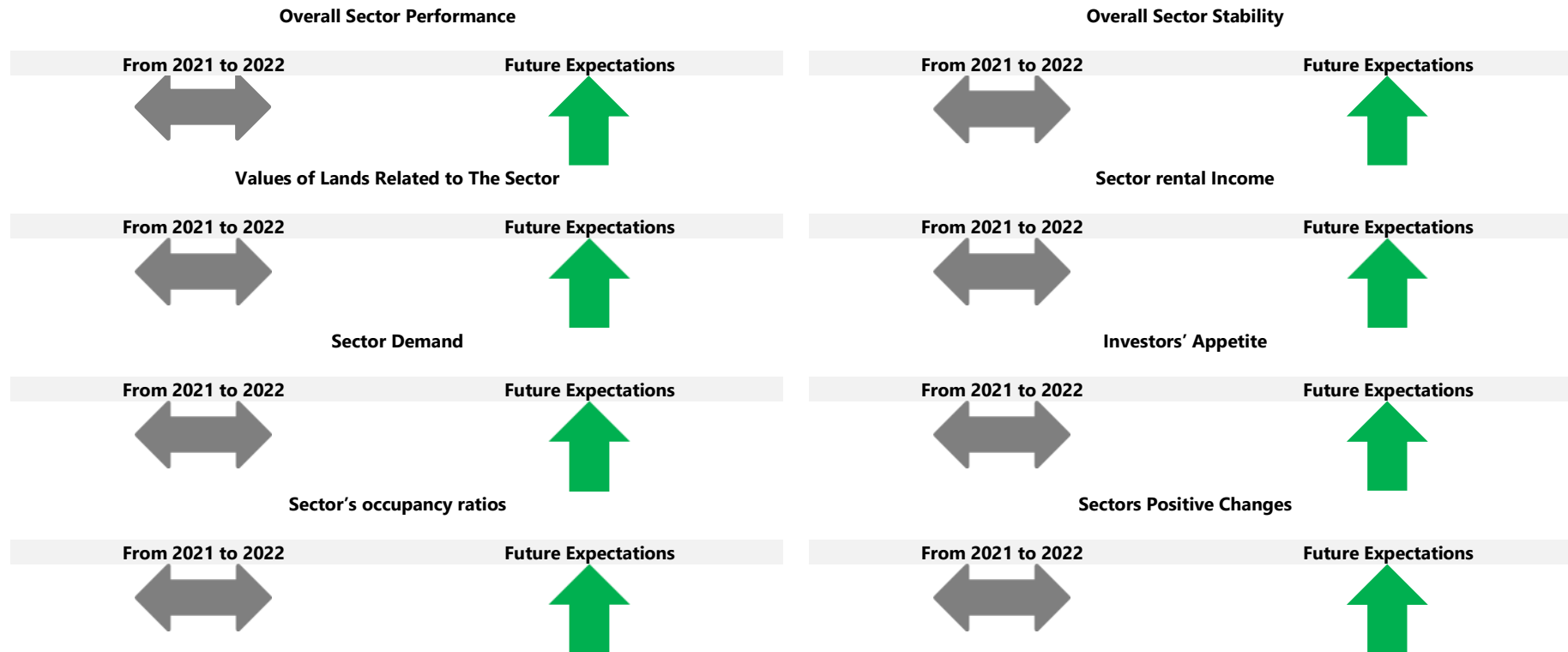
Source: Ministry of Finance



2.3 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 on 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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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	----	----	----	----	✓	----

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.

The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising, and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included since it is not an operating expense. Hence, it does not include mortgage and interest since this is a debt payment on a capital item.

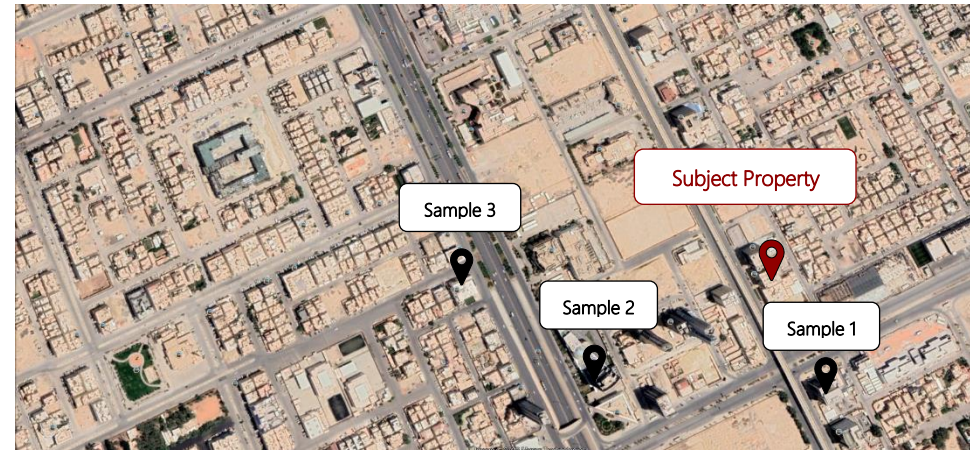
Estimate the capitalization rate (aka cap rate), which is the rate of return, or yield, that other investors of property are getting in the local market.

3.1 Capitalization Method- Market Rates

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average renting rates for office units range from 800 to 700 SAR / Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates for similar properties:

	Office Units
Comparable	Rental Rate/ Sqm
Comparable 1	700 SAR/ Sqm
Comparable 2	750 SAR/ Sqm
Comparable 3	500 SAR/ Sqm
Average	730 SAR/ Sqm



Analysis of Operating and Maintenance Expenses

The operating expenses of similar 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	3% to 7%
Operating and maintenance expenses	3% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	8% to 10%

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 8% to 9%. 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

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	42,560,000.00	93,350,000.00	73,141,000.00
NOI	3,192,000	7,001,250	5,485,575
Cap Rate	7.50%	7.50%	7.50%
Average Cap Rate	7.50%		
Rounded	7.50%		

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues					
Unit Type	Quantity		Revenues		Total Revenues
	Total GLA	No of Units	SAR / Sqm	SAR / Unit	
Offices	4,931.42	0	SAR 730	SAR 0	SAR 3,599,936
Showrooms	870.25	0	SAR 1,200	SAR 0	SAR 1,044,300
Total Revenues					SAR 4,644,236
Expenses					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Offices	0.00%	0.00%	0.00%	0.04%	0.04%
Showrooms	0.00%	0.00%	0.00%	0.04%	0.04%
Total Expenses					0.07%
Net Operating Income					
Unit Type	Total Revenues	Total Expenses	NOI		
Offices	SAR 3,599,936	0.04%	SAR 3,598,676		
Showrooms	SAR 1,044,300	0.04%	SAR 1,043,934		
Total					SAR 4,642,611
Total Property Revenues					SAR 4,644,236
Total Property Expenses					-SAR 1,625
Net Operating Income					SAR 4,642,610.75
Net Operating Income	Cap Rate	Property Value		Rounded Value	
SAR 4,642,610.75	7.50%	SAR 61,901,476.70		SAR 62,000,000.00	

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Capitalization Rate Method (basis on market) is:

Property Value: SAR 62,000,000
Sixty-Two Million Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

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DOCUMENTS

DOCUMENTS

AL HAEER WAREHOUSES

WHITE CUBES 





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a logistic project located in Al Masani district, Riyadh city. Based on the provided copies of the title deed and the construction permit, the building has total land area of 13,544.45 Sqm and total BUA of 11,980 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 4 sides.

1.2 Surrounding Area

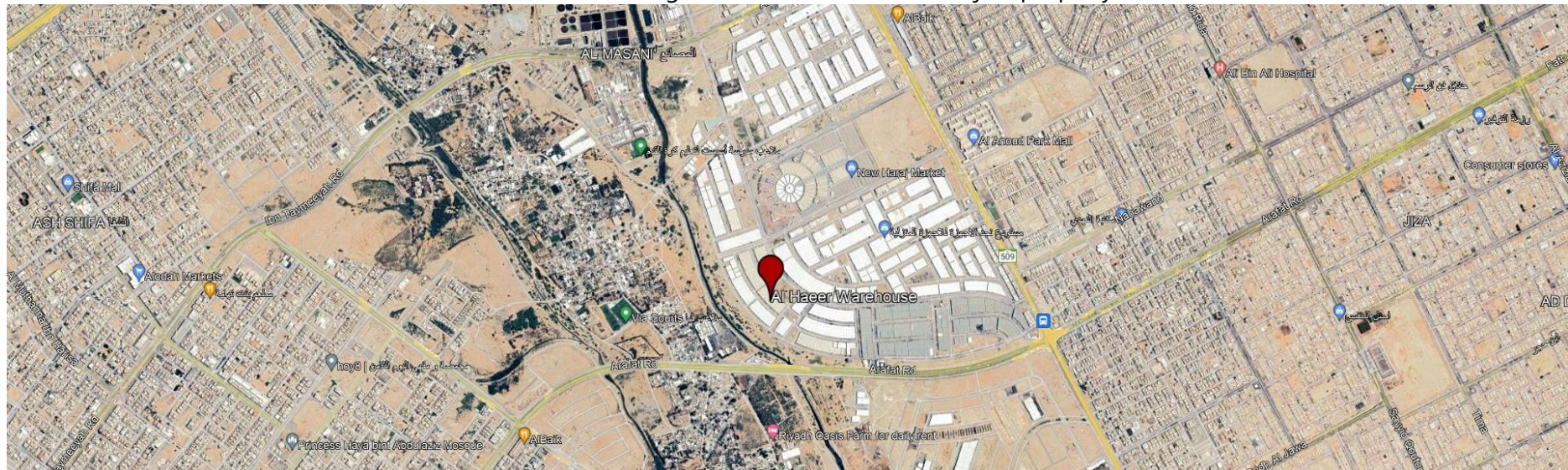
the subject property is surrounded mostly by warehouses.

1.3 Ease of Access

Based on the current location of the subject property, the access level is moderate since it is located near to Al Haer 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 provides us with copy of the title deeds related to the subject property which is owned by one title deed. 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	Owner	شركة بيتك الحفظ للعقارات
T.D Value	N/A	Ownership Type	Freehold
Date of Last Transaction	N/A	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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	Renewal
Property Type	Warehouse
Construction Permit No.	1426/740
Construction Permit Date	06/02/1432
Permit Expiry Date	06/02/1435

Description	No. of Units	Area (sqm)	Use
Ground Floor	28	11,970	Warehouse
Electricity Room	0	10	Electricity Room
Fences	0	75	Fences
Total BAU (sqm)		11,980	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

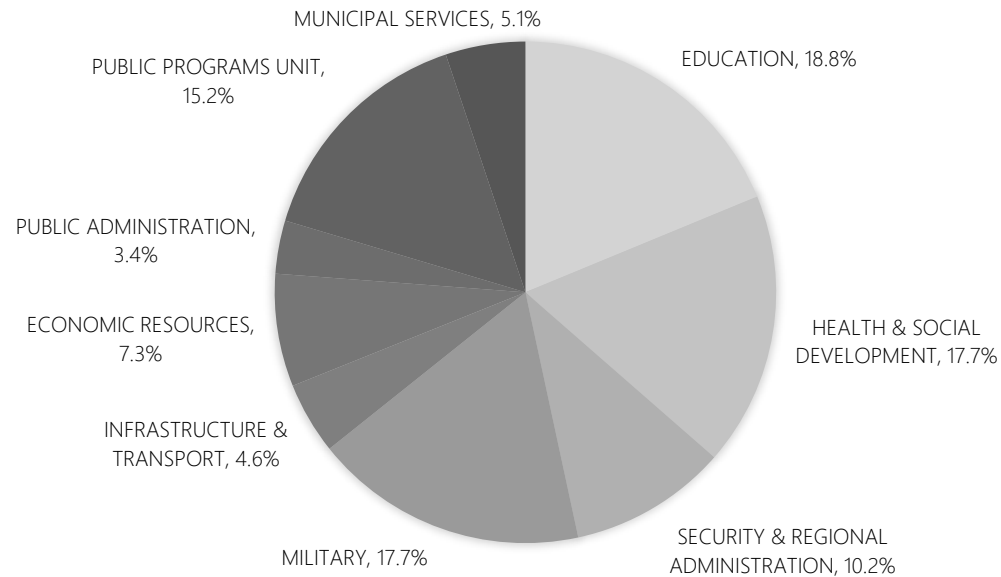
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

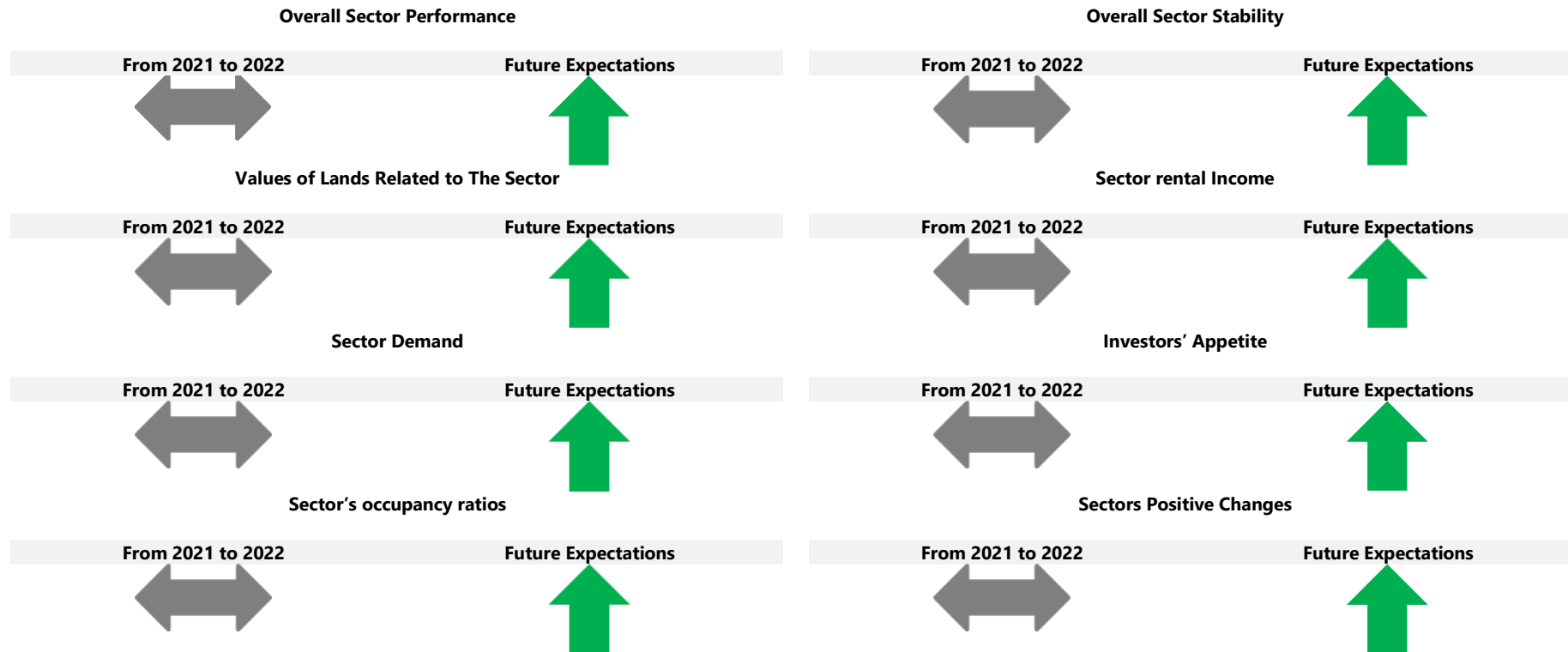
Source: Ministry of Finance



2.3 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 on 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

2.4 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 – Medium 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 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 market 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	----	----	----	----	✓	----

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.

The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising, and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included since it is not an operating expense. Hence, it does not include mortgage and interest since this is a debt payment on a capital item.

Estimate the capitalization rate (aka cap rate), which is the rate of return, or yield, that other investors of property are getting in the local market.

3.1 Income Approach- Market Rates

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average renting rates for Warehouses range 130 SAR / Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates for similar properties:

	Warehouses Units
Comparable	Rental Rate/ Sqm
Comparable 1	135 SAR/ Sqm
Comparable 2	135 SAR/ Sqm
Comparable 3	-
Average	135 SAR/ Sqm



Analysis of Operating and Maintenance Expenses

The operating expenses of similar properties reached between 5% to 10% 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	0% to 2.5%
Operating and maintenance expenses	0% to 2.5%
General service bills expenses	0% to 2.5%
Other incidental expenses	2% to 5%

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 7.5% to 8.5%. 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

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	9,323,000.00	12,445,000.00	25,560,000.00
NOI	745,840	995,600	2,044,800
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate Rounded	8.00%		

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues					
	Quantity		Revenues		
Unit Type	Total GLA	No of Units	SAR / Sqm	SAR / Unit	Total Revenues
Warehouse	12,924	28	SAR 135	SAR 0	SAR 1,744,740
				Total Revenues	SAR 1,744,740
Expenses					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Warehouse	1.50%	1.50%	1.50%	2.00%	6.50%
				Total Expenses	6.50%
Net Operating Income					
Unit Type	Total Revenues		Total Expenses		NOI
Warehouse	SAR 1,744,740		6.50%		SAR 1,631,332
				Total	SAR 1,631,332
Total Property Revenues					SAR 1,744,740
Total Property Expenses					-SAR 113,408
Net Operating Income					SAR 1,631,331.90
Net Operating Income	Cap Rate		Property Value		Rounded Value
SAR 1,631,331.90	8.00%		SAR 20,391,648.75		SAR 20,400,000.00

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Capitalization Rate Method (basis on market) is:

Property Value: SAR 20,400,000
Twenty Million Four Hundred Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

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DOCUMENTS

DOCUMENTS



WHITE CUBES

AL SULAY WAREHOUSES





WHITE **CUBES**

PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

1.1 Property Description

The subject property is a logistic project located in Al Sulay district, Riyadh city. Based on the provided copies of the title deed and the construction permit, the building has total land area of 54,075 Sqm and total BUA of 46,158 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 3 sides with a direct view on Al Kitab Street.

1.2 Surrounding Area

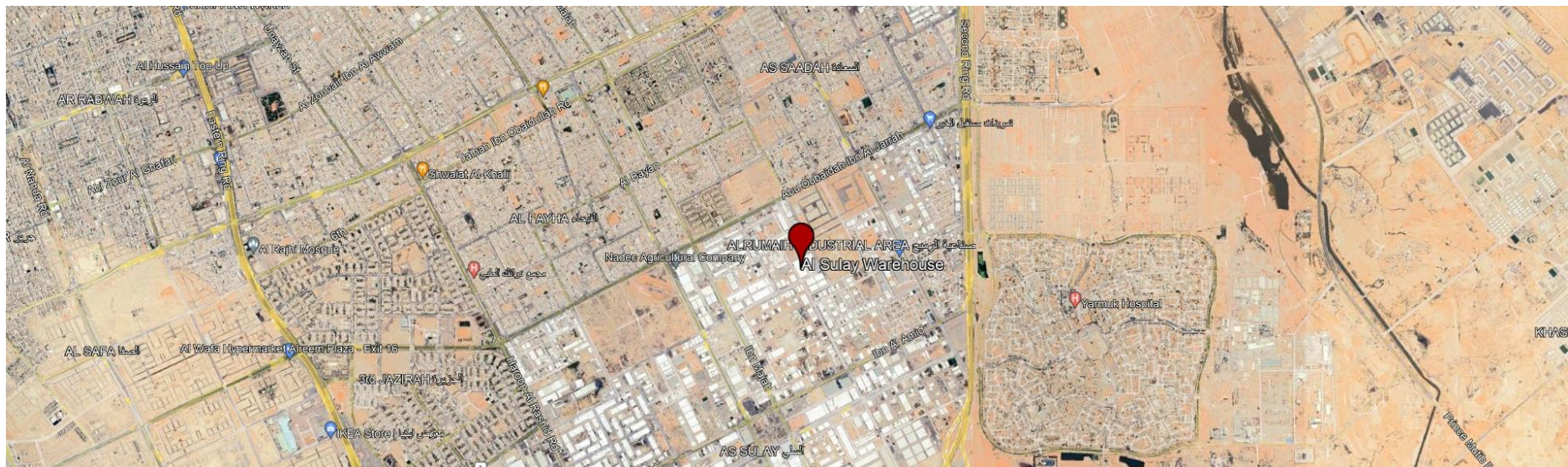
the subject property is surrounded mostly by Warehouses.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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 provides us with copy of the title deeds related to the subject property which is owned by one title deed. 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	Owner	شركة بيتك الحفظ للعقارات
T.D Value	75,502,675.27 SAR	Ownership Type	Freehold
Date of Last Transaction	23/11/1438	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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New Permit
Property Type	Project
Construction Permit No.	121/3/4/27
Construction Permit Date	04/12/1413
Permit Expiry Date	04/12/1416

Description	No. of Units	Area (sqm)	Use
Ground Floor	0	46,158	Warehouse
Total BAU (sqm)		46,158	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

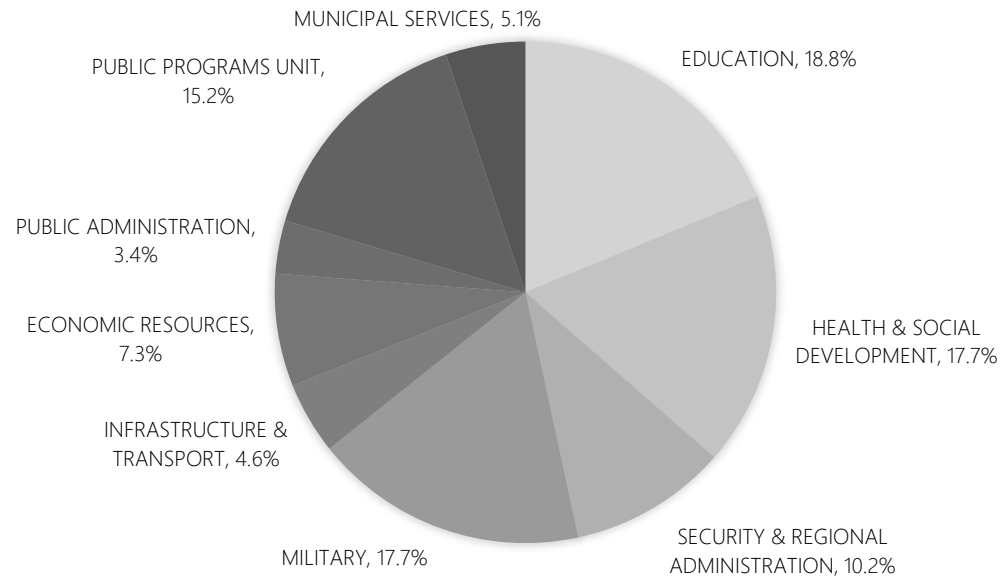
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

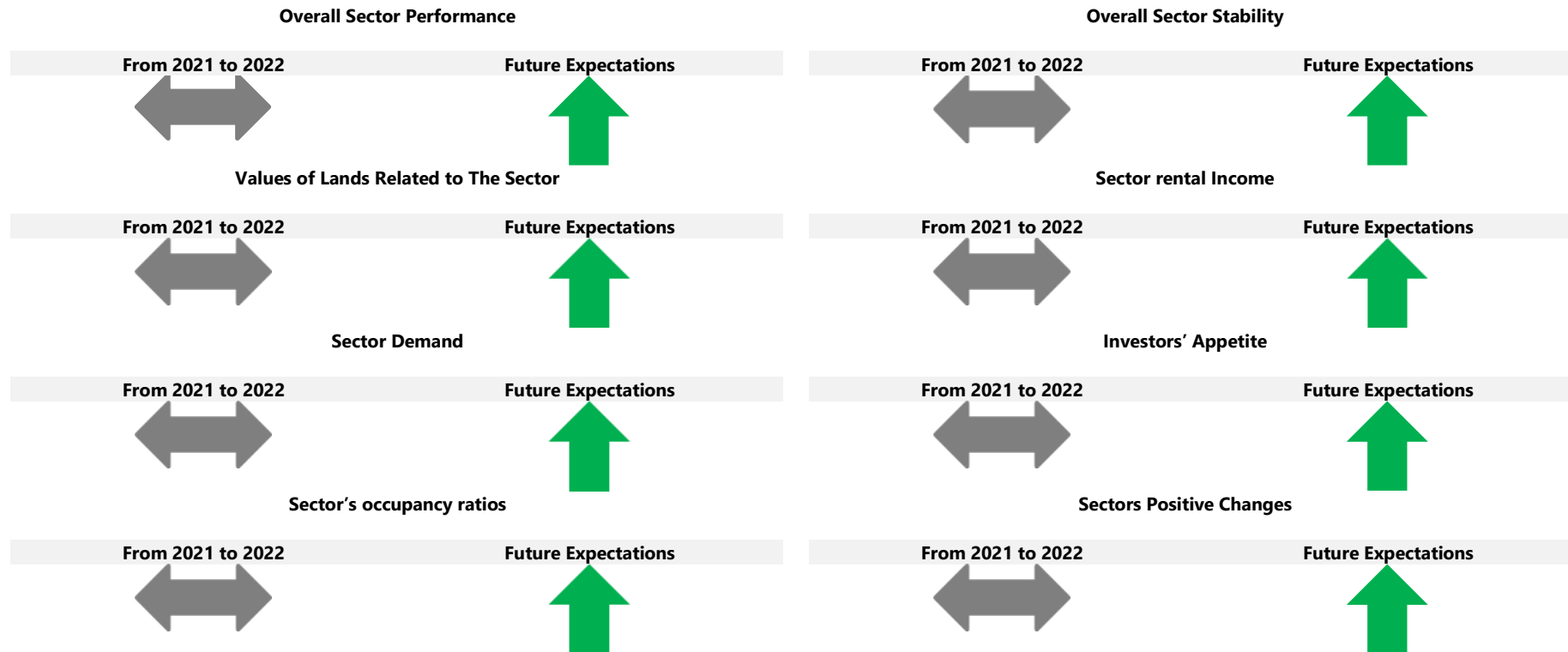
Source: Ministry of Finance



2.3 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 on 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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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	----	----	----	----	✓	----

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.

The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising, and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included since it is not an operating expense. Hence, it does not include mortgage and interest since this is a debt payment on a capital item.

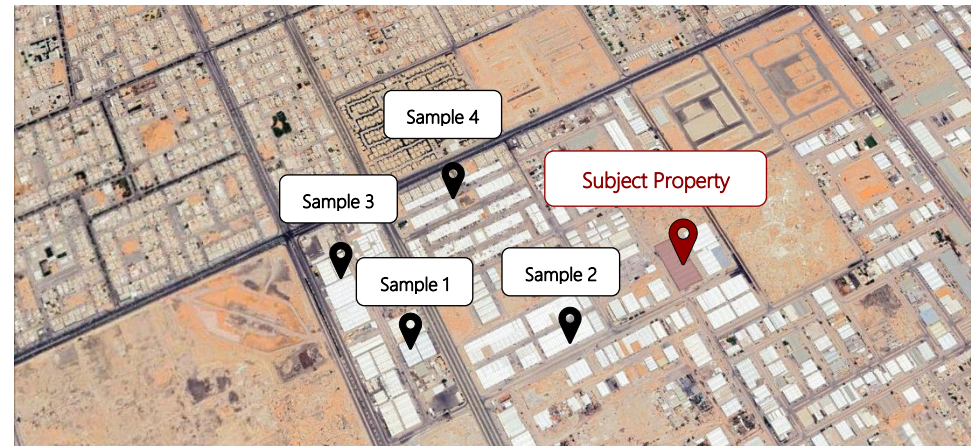
Estimate the capitalization rate (aka cap rate), which is the rate of return, or yield, that other investors of property are getting in the local market.

3.1 Income Approach- Market Rates

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average renting rates for Warehouses range from 100 SAR /Sqm to 150 SAR /Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates for similar properties:

	Warehouses Units
Comparable	Rental Rate/ Sqm
Comparable 1	140 SAR/ Sqm
Comparable 2	110 SAR/ Sqm
Comparable 3	130 SAR/ Sqm
Comparable 4	140 SAR/ Sqm
Average	125 SAR/ Sqm



Analysis of Operating and Maintenance Expenses

The operating expenses of similar properties reached between 10% to 15% 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	0% to 2.5%
Operating and maintenance expenses	0% to 2.5%
General service bills expenses	0% to 2.5%
Other incidental expenses	5% to 10%

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 7.5% to 9%. 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

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	9,323,000.00	12,445,000.00	25,560,000.00
NOI	745,840	995,600	2,044,800
Cap Rate	8.00%	8.00%	8.00%
Average Cap Rate	8.00%		
Rounded	8.00%		

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues					
Unit Type	Quantity		Revenues		Total Revenues
	Total GLA	No of Units	SAR / Sqm	SAR / Unit	
Warehouse	38,348	37	SAR 105	SAR 200	SAR 4,054,243
				Total Revenues	SAR 4,054,243
Expenses					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Warehouse	1.50%	1.50%	1.50%	2.00%	6.50%
				Total Expenses	6.50%
Net Operating Income					
Unit Type	Total Revenues		Total Expenses		NOI
Warehouse	SAR 4,054,243		6.50%		SAR 3,790,717
				Total	SAR 3,790,717
Total Property Revenues					SAR 4,054,243
Total Property Expenses					-SAR 263,526
Net Operating Income					SAR 3,790,716.99
Net Operating Income	Cap Rate		Property Value		Rounded Value
SAR 3,790,716.99	8.00%		47,383,962.37 SAR		SAR 47,380,000.00

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Capitalization Rate Method (basis on market) is:

Property Value: SAR 56,000,000
Fifty-six million Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

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DOCUMENTS

DOCUMENTS

Documents Received

4 Title deed and Construction Permit



 وزارة التخطيط والتنمية الاقتصادية
 كاتبة العدل لأعمال الأراضي [٢٧٧]

الرقم: ٢١٠٠٨٠٤٢٠٠٠
 التاريخ: ٢٣ / ١١ / ١٤٣٨ هـ

صك

العدد: ثمة وحدة والصلاة والسلام على من لا نبي بعده وبعد:
 فإن قطعة الأرض رقم ٢٧ من المخطط رقم ١٣٥١ الواقع في حي السلي بمدينة الرياض
 وحدها وأطرافها حالاتها:
 شمالاً: ملك خليفة البيهانه وشركة بطول: (٢٦٢,٥) متراً والثين وستون متراً وخمسون سنتماً
 جنوباً: شارع عرض ٢٦ م بطول: (٢٦٢,٥) متراً والثين وستون متراً وخمسون سنتماً
 شرقاً: شارع عرض ٢٦ م بطول: (٢٠٦) متراً وستة متراً
 غرباً: ملك محمد الصالح النافع بطول: (٢٠٦) متراً وستة متراً
 ومساحتها: (٥٥٠٠٠) أربعة وخمسون ألف وخمسة وسبعون متراً مربعاً فقط
 والسند في الفراغ على الصك الصادر من هذه الإدارة برقم ٤١٠١٠٨٠٢٢٢٤٢ في ٦ / ٢ / ١٤٣٤ هـ
 قد انتقلت ملكيتها لـ شركة بينك الحفظ للعقارات بموجب سجل تجاري رقم ١٠٠١٧١٥٤٤٨ في ٢٦ / ١٠ / ١٤٣٨ هـ . وبأن
 وقدره ٧٥٥٠٢٢٧٥,٢٧ خمسة وسبعون مليوناً وخمسة وأربعين ألفاً وستة وخمسة وسبعون ريالاً وسبعة وعشرون مائة
 بنتمة (٢٥٨٠١٨٧٢,٦٩ ريال عده وحسات في ستمون المليون وست مائة وثمانين ألفاً وثمانمائة وستة وخمسة وتسعون ريالاً وقدره ٢٢٦٠٠٨٠٢٠٠٠٠
 ريال وعليه جرى التصديق تحريماً في ٢٣ / ١١ / ١٤٣٨ هـ لاعتماده ، ولسي الله على نبينا محمد وآله وصحبه وسلماً.

الختم الرسمي
 وزارة العدل
 كاتبة العدل لأعمال الأراضي
 ماجد بن عبدالله بن ناصر التركي

رقم: ١٤١/٣/٤/٤٧
 التاريخ: ١٤٣٨/١١/٢٥

وزارة الشؤون البلدية والقروية
 أمانة مدينة الرياض
 وكالة العمران والمشاريع
 الإدارة العامة للتخطيط العمراني
 إدارة رخص البناء

رقم: ٢٧٥٠٩٧
 تاريخ: ١٤٣٨/١١/٢٥
 رقم: ١٤١/٣/٤/٤٧
 تاريخ: ١٤٣٨/١١/٢٥

المدة: ثلاث سنوات تبدأ من تاريخها
 مع الاستمرار على أرضه الكاتبة في من السليم
 مع المخطط التنظيمي المحدث رقم ١٣٩١ تاريخ ١ / ١ / ١٤١٤ هـ بموجب الصك رقم ٢/٢٠٠٠
 وأعدت المخططات من قبل مكتب الهندس
 شركة: بصيرت للتصميم والبناء والصك رقم ١٧٧٦٤٧٦ تاريخ ٢/٣/١٤٣٤ هـ
 أنقلت الملكية إلى حوزة
 بموجب الصك رقم تاريخ ١ / ١ / ١٤٣٤ هـ

حدود الأرض وأطرافها:
 الشمال: إعمار الشايف ٥٠ / ٢٤٧٠
 الشرق: شارع سمر نورة ورسول ٤٠٣٣
 الجنوب: شارع سمر نورة ورسول ٤٠٤٤
 الغرب: ملك محمد بن ناصر التركي
 مساحة الأرض: ٥٠٠٠ م^٢
 محيط الأضلاع: ٢٠٠ م

الدور	قبو	أرضي	برابي	إزني	سكارت	ملاحق
المساحة بالتر المربع	١	١	١	١	١	١
الاستعمال	سكني	سكني	سكني	سكني	سكني	سكني

حدود الإحداثيات بالتر	شمال	شرق	جنوب	غرب
٤١ -	٦١ -	٦١ -	٦١ -	٦١ -
٦١ -	٦١ -	٦١ -	٦١ -	٦١ -

ملاحظات:
 لم يتم فحص نقشه جها مع المخططات
 وإجراء الفحص من قبل اللجنة المختصة
 وإجراء الفحص من قبل اللجنة المختصة
 وإجراء الفحص من قبل اللجنة المختصة
 وإجراء الفحص من قبل اللجنة المختصة

الختم الرسمي
 وزارة الشؤون البلدية والقروية
 أمانة مدينة الرياض
 وكالة العمران والمشاريع
 الإدارة العامة للتخطيط العمراني
 مدير إدارة رخص البناء



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, Riyadh city. Based on the data provided by the client, the building has a total land area of 895.5 Sqm and total BUA of 1,257.84 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 2 sides with a direct view on King Abdullah Road.

1.2 Surrounding Area

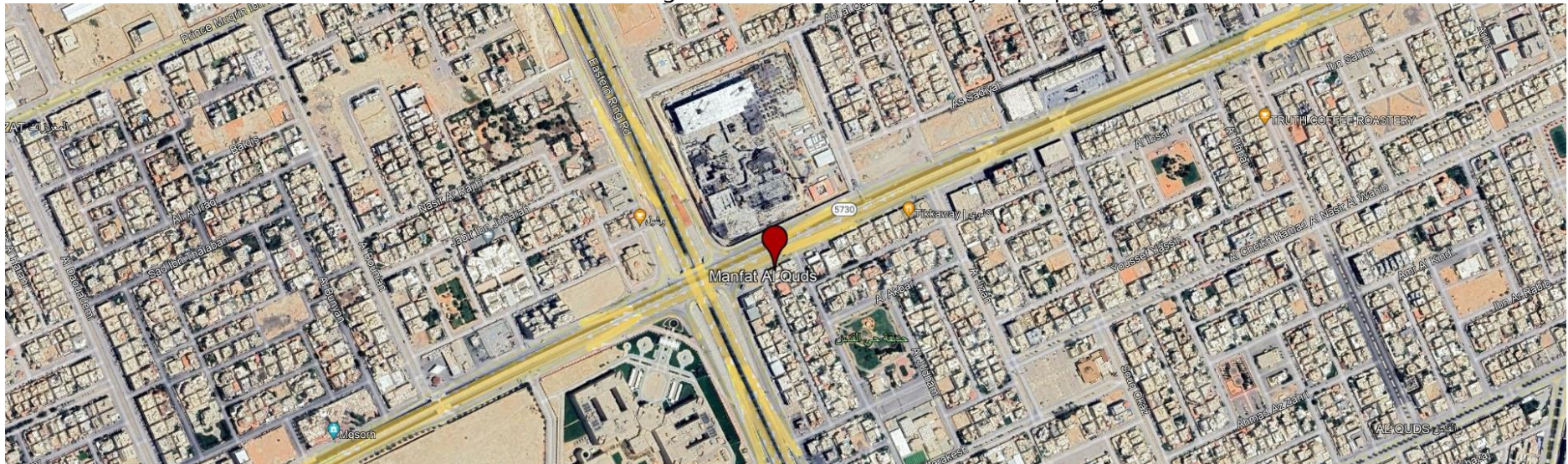
The subject property is surrounded mostly by commercial and mixed-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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

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	Owner	-
T.D Value	-	Ownership Type	-
Date of Last Transaction	-	Limitation of Document	-
Issued From	-		
North Side	60 meters Street	East Side	Private property
South Side	Private property	West Side	15 meters Street

Note: As the property is a usufruct right, the above-mentioned data was extracted from the building permit.

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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New permit
Property Type	Commercial Offices
Construction Permit No.	1433/5390
Construction Permit Date	15/03/1433
Permit Expiry Date	15/03/1436

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 BAU (sqm)		1,257.84	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

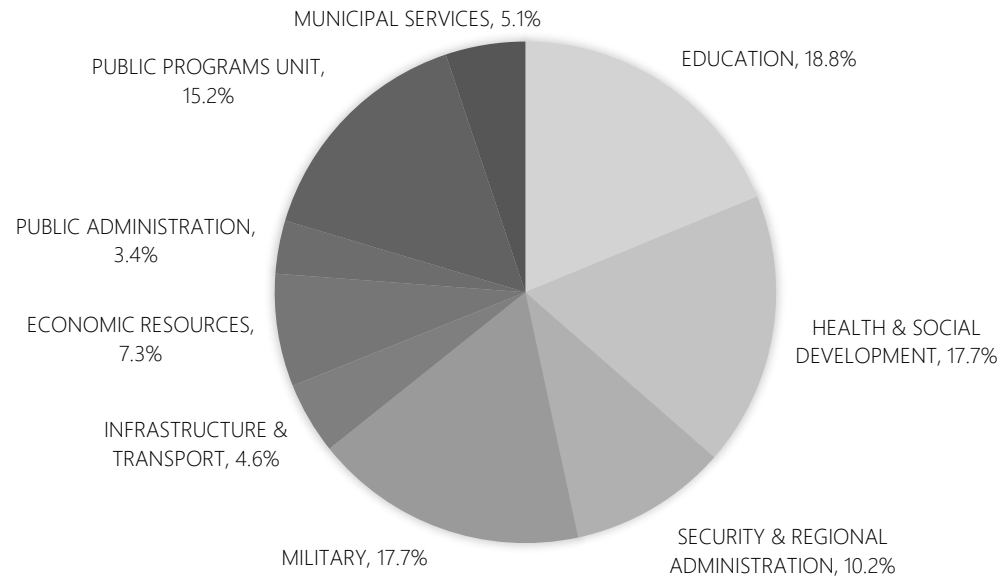
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

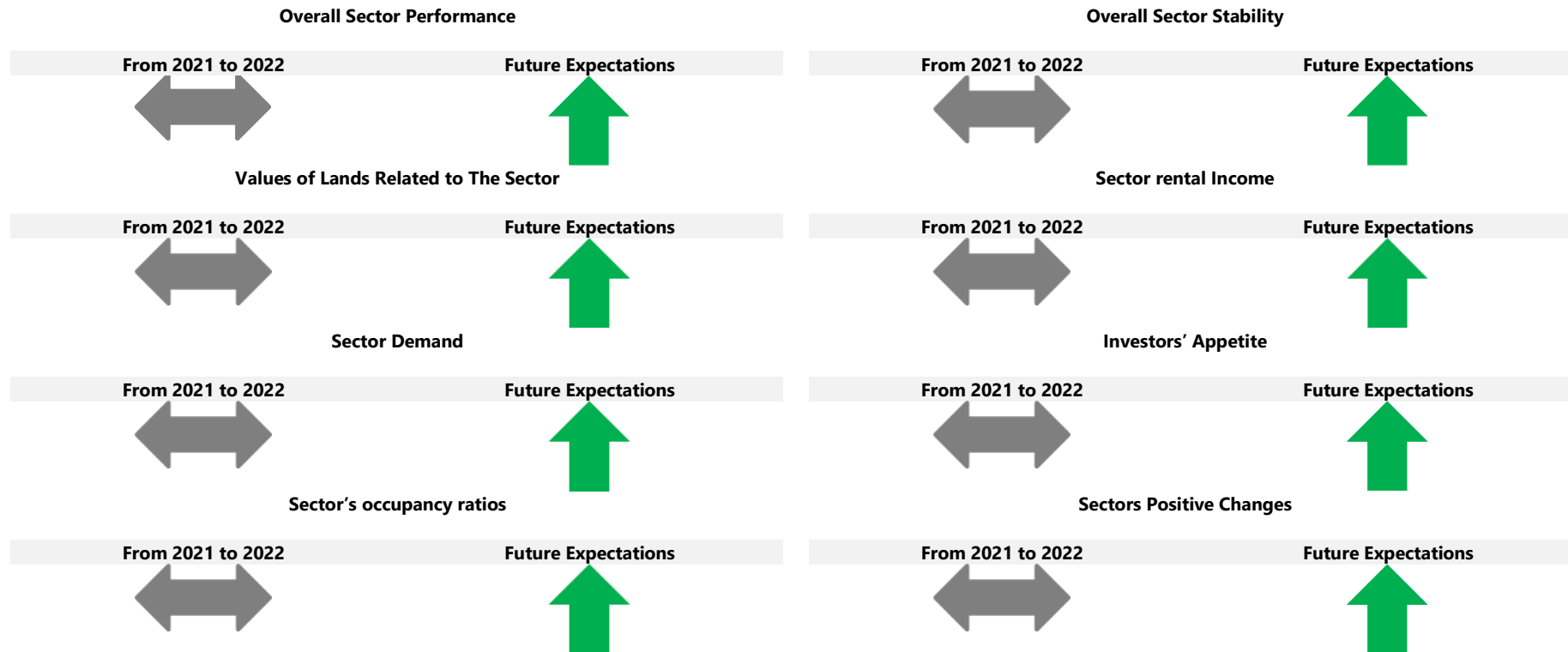
Source: Ministry of Finance



2.3 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 on 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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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).

3.1 Discounted Cash Flow (DCF) Approach

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average renting rates for offices units range from 400 to 450 SAR / Sqm. As for commercial units, the rental rates range from 500 to 600 SAR / Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates for similar properties:

	Office Units	Commercial Showroom Units
Comparable	Rental Rate/ Sqm	Rental Rate/ Sqm
Comparable 1	400 SAR/ Sqm	600 SAR/ Sqm
Comparable 2	400 SAR/ Sqm	500 SAR/ Sqm
Comparable 3	425 SAR/ Sqm	600 SAR/ Sqm
Average	425 SAR/ Sqm	590 SAR/ Sqm



Analysis of Operating and Maintenance Expenses

The operating expenses of similar properties reached between 8% to 12% 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	4% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	2% to 4%
Other incidental expenses	1% to 3%

The Discounted Rate Used for the Valuation

Based on a built-up model, a discount rate will be used in the evaluation.

Discount Rate% (The Build-Up Model)		
Free-Risk rate%	%2.50	SAMA
Inflation Rate%	%3.00	GASTAT
Market Risk Premium%	%3.00	Trading Economics
Company-specific Risk Premium %	%1.50	Team's experience.
Discount Rate%	10.00%	Source

Based on the above, the value of the property using the DCF capitalization method is as follows:

Cash Flow		1446	1447	1448	1449
		0	1	2	3
Inflation		0.0%	3.0%	0.0%	3.0%
Expected Revenues					
Commercial	Sqm	820	820	820	820
Rate (SAR)	SAR	431.0	443.9	443.9	457.2
Total	SAR	353,420	364,023	364,023	374,943
Offices	Sqm	276	276	276	276
Rate (SAR)	SAR	426.0	438.8	438.8	451.9
Total	SAR	117,576	121,103	121,103	124,736
Overall Revenues		470,996	485,126	485,126	499,680
Vacancy and Credit Loss					
Commercial	2.5%	8,836	9,101	9,101	9,374
Offices	2.5%	2,939	3,028	3,028	3,118
Total		11,775	12,128	12,128	12,492
Effective Rental Income		459,221	472,998	472,998	487,188
Expenses					
OPEX	0.5%	2,296	2,365	2,365	2,436
Rent	0.0%	275,000	275,000	275,000	275,000
Overall Expenses		277,296	277,365	277,365	277,436
NOI		181,925	195,633	195,633	209,752
Terminal Value	0.0%				
Discount Rate	10.0%	1.00	0.91	0.83	0.75
Present Value		181,925	177,848	161,680	157,590
Net Present Value					679,042
Rounded					680,000

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Discounted Cash Flow (DCF) Method Approach based on the actual rates is:

Property Value: SAR 680,000
Six Hundred Eighty Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirements of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp





WHITE **CUBES**
DOCUMENTS

DOCUMENTS



WHITE CUBES

MANFAAT WADI LABAN





WHITE **CUBES**

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, Riyadh city. Based on the data provided by the client, the building has a total land area of 895.5 Sqm and total BUA of 1,645.1 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 2 sides with a direct view on Najd Street Road.

1.2 Surrounding Area

The subject property is surrounded mostly by residential and mixed-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is moderate since it is located 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

City	Riyadh	Land Area	895.5 Sqm
District	Dhahrat Laban	Plot No.	7948
T.D Type	-	Block No.	-
T.D Number	17/91	Layout No.	2351
T.D Date	10/02/1404	Owner	-
T.D Value	-	Ownership Type	-
Date of Last Transaction	-	Limitation of Document	-
Issued From	-		
North Side	Plot# 7946	East Side	20 meters Street
South Side	60 meters Street	West Side	Plot# 7949

Note: As the property is a usufruct right, the above-mentioned data was extracted from the building permit.

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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New Permit
Property Type	Residential Commercial
Construction Permit No.	1433/11244
Construction Permit Date	14/06/1433
Permit Expiry Date	14/06/1436

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 BAU (sqm)		1,645.1	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

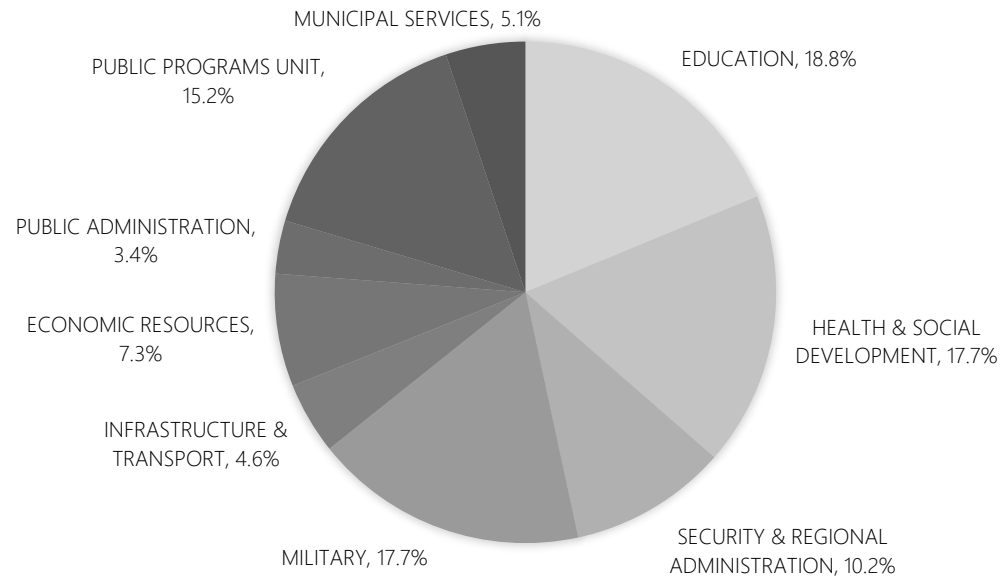
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

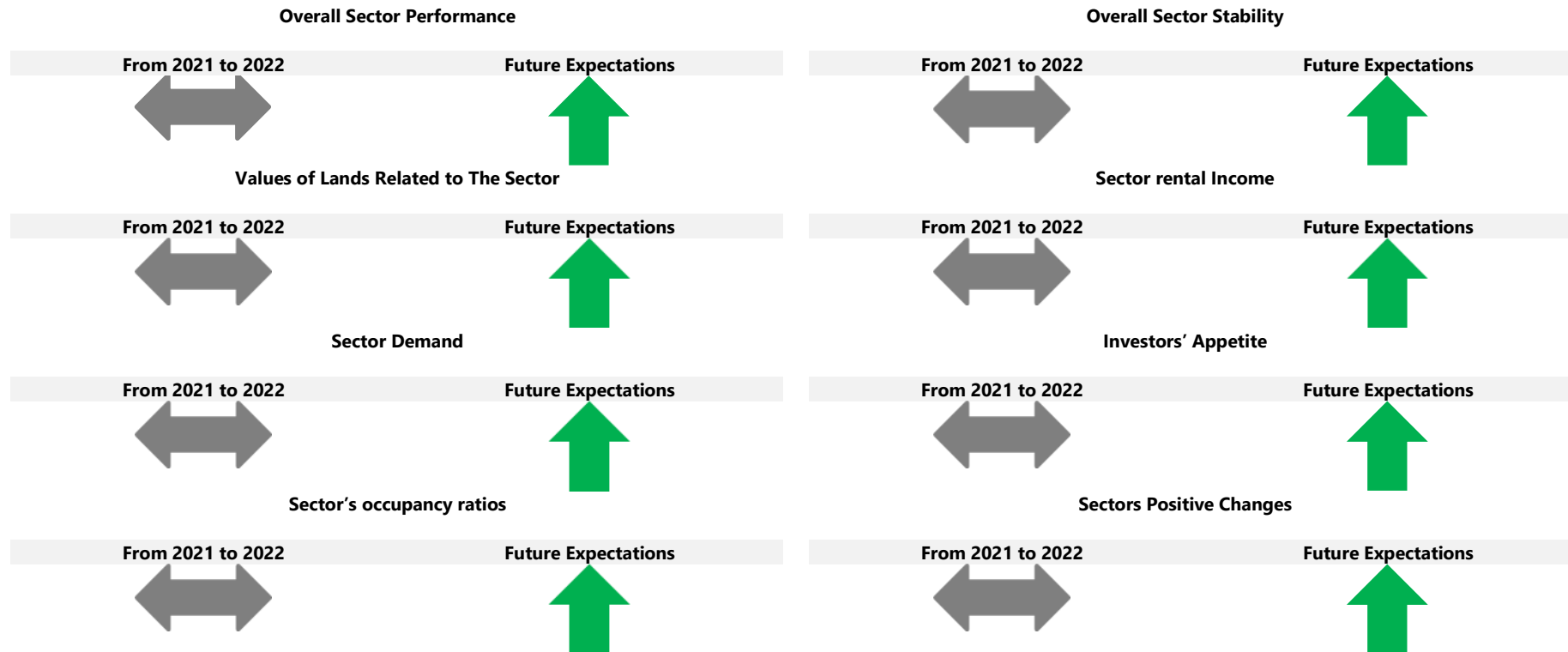
Source: Ministry of Finance



2.3 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 on 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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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:

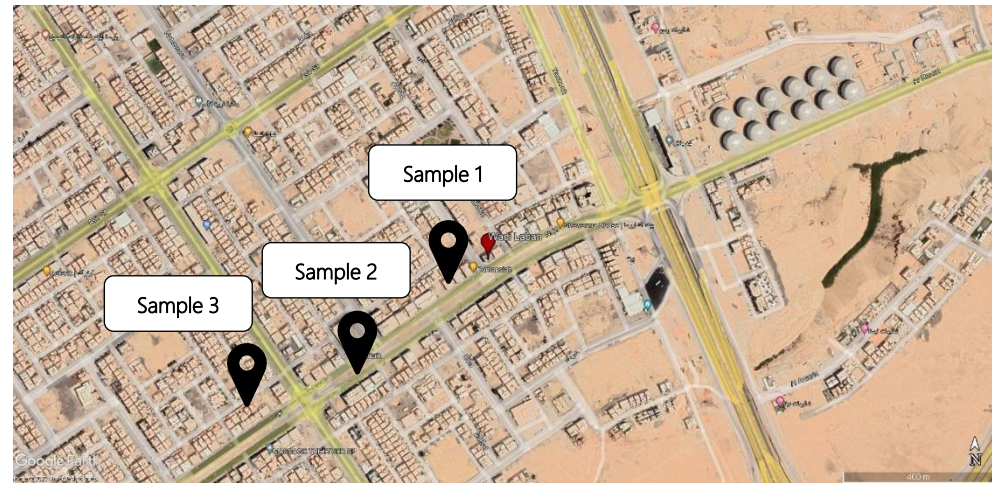
- Estimating the future cash flows resulting from the income of the subject asset.
- Determine the discount rate or the required rate of return.
- Determine the period of holding the asset and the final value.
- Calculating the present value of the expected income of the subject asset to arrive at the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

3.1 Discounted Cash Flow (DCF) Approach

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average renting rates for commercial units range from 850 to 950 SAR / Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates for similar properties:

	Commercial Showroom Units
Comparable	Rental Rate/ Sqm
Comparable 1	450 SAR/ Sqm
Comparable 2	420 SAR/ Sqm
Comparable 3	425 SAR/ Sqm
Average	444 SAR/ Sqm



Analysis of Operating and Maintenance Expenses

The operating expenses of similar properties reached between 8% to 12% 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%

The Discounted Rate Used for the Valuation

Based on a built-up model, a discount rate will be used in the evaluation.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%2.50		SAMA
Inflation Rate%	%3.00		GASTAT
Market Risk Premium%	%3.00		Trading Economics
Company-specific Risk Premium %	%1.50	Source	Team's experience.
Discount Rate%	10.00%		

Based on the above, the value of the property using the DCF capitalization method is as follows:

Cash Flow		1446	1447	1448	1449
		0	1	2	3
Inflation		0.0%	3.0%	0.0%	3.0%
Expected Revenues					
Commercial	Sqm	1,420	1,420	1,420	1,420
Rate (SAR)	SAR	444	457.3	457.3	471.0
Total	SAR	630,480	649,394	649,394	668,876
Overall Revenues		630,480	649,394	649,394	668,876
Vacancy and Credit Loss					
Commercial	5.0%	31,524	32,470	32,470	33,444
Total		31,524	32,470	32,470	33,444
Effective Rental Income		598,956	616,925	616,925	635,432
Expenses					
OPEX	5.0%	29,948	30,846	30,846	31,772
Rent	0.0%	200,000	200,000	200,000	200,000
Overall Expenses		229,948	230,846	230,846	231,772
NOI		369,008	386,078	386,078	403,661
Terminal Value	0.0%				
Discount Rate	10.0%	1.00	0.91	0.83	0.75
Present Value		369,008	350,980	319,073	303,276
Net Present Value					1,342,338
Rounded					1,300,000

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Discounted Cash Flow (DCF) Method Approach based on the actual rates is:

Property Value: SAR 1,300,000
One Million Three Hundred Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirements of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
 Valuer



Fellow Member of (RE Valuation)
 License No. 1210002523

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DOCUMENTS

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Documents Received

4 Construction Permit

المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
أمانة منطقة الرياض

رقم الرخصة: ١٤٣٣/١٤٦١٥
تاريخ الرخصة: ١٤٣٣-٠٦-١٨
تاريخ الإنشاء: ١٤٣٣-٠٦-١٨
نوع الرخصة: إصدار

رقم المشروع: ١٠٠٦٧٤٠٦٠
تاريخه: ١٣٨٠-٠٦-١٨
رقم المخطط التنظيمي: ٢٣٤١
رقم العسقلان: ٢٧
نوع البناء: محيط الأسوار

رقم الرخصة: ١٤٣٣/١٤٦١٥
تاريخ الرخصة: ١٤٣٣-٠٦-١٨
تاريخ الإنشاء: ١٤٣٣-٠٦-١٨
نوع الرخصة: إصدار

الجهة	الحدود	الأبعاد	الإرتداد
شمال	قناة رقم ٧٩٤٤	٣٠	٢
شرق	شارع عرض ٢٠م	٢٧	١
جنوب	شارع عرض ٢٠م	٢٧	١
غرب	قناة رقم ٧٩٤٤	٣٠	٢

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
مواقف	٥	٢٦١,٩٤	معرض
دور ارضي	٤	٥٢٤,٩٤	معرض
دور سكني	٤	٥٧٣,٢٨	سكني
مناطق خضراء	٢	٢٨٤,٨١	سكني
أسوار	١	٥٠٠,٠٠	خدمات

الكتبة المصمم: نيس للتصميم المعمارية
رقم الترخيص: ٢٩٢٠
رقم المشروع: ٥٥
رقم النظام: ٢٣-١٢٤٩٢٤٤
مناسيب الشوارع المحيطة: مسكون
سدد اليوم مبلغ وقدره: ١٠٠٠٠ ريال بموجب الإيصال رقم: ٢٣-١٢٤٩٢٤٤
تاريخ: ١٤٣٣-٠٦-١٨ هـ

ملاحظات:
١- نوع البناء سكني.
٢- نوع الرخصة إصدار رخصة قروية.
٣- بموجب نظام رخصة البناء القروية لعام ١٤٣٣/١٨٩٤ رقم ١٤٣٣/١٨٩٤ بتاريخ ١٤٣٣-٠٦-١٨ الصادر من بناية عمارة القروية.
٤- منطقة القروية ١١٦٠.
٥- تاريخ التحقيل القروية من تاريخ صدور الأول تأجيل من ٢٠م من جهة شارع.
٦- يوجد قنطرة قروية بلاطه للتحقق من جهة شارع عرض عرض ٢٠م حسب المنطقة مسندة على أن تكون ملاصقة للجدار وعلى مسكون قنطرة الأرضي وتوافق مسكونية البناء.
٧- نسبة هبوط لا تزيد عن ٥٠٪ من مسافة الدور الأرضي القروي.
٨- من رعاة المسكونية الجدران التي يقع تحتها الدور الأول.
٩- أن يكون المصطنع من رعاة بطن الأرضي مسندة ولا يكون له منظر مسكوني.

مدير المنطقة البلدية والقروية
مدير المنطقة البلدية والقروية
مدير المنطقة البلدية والقروية



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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, Riyadh city. Based on the data provided by the client, the building has a total land area of 781.94 Sqm and a total BUA of 3,080.48 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 2 sides with a direct view on Prince Abdulaziz Bin Musaid Bin Jalawi Street.

1.2 Surrounding Area

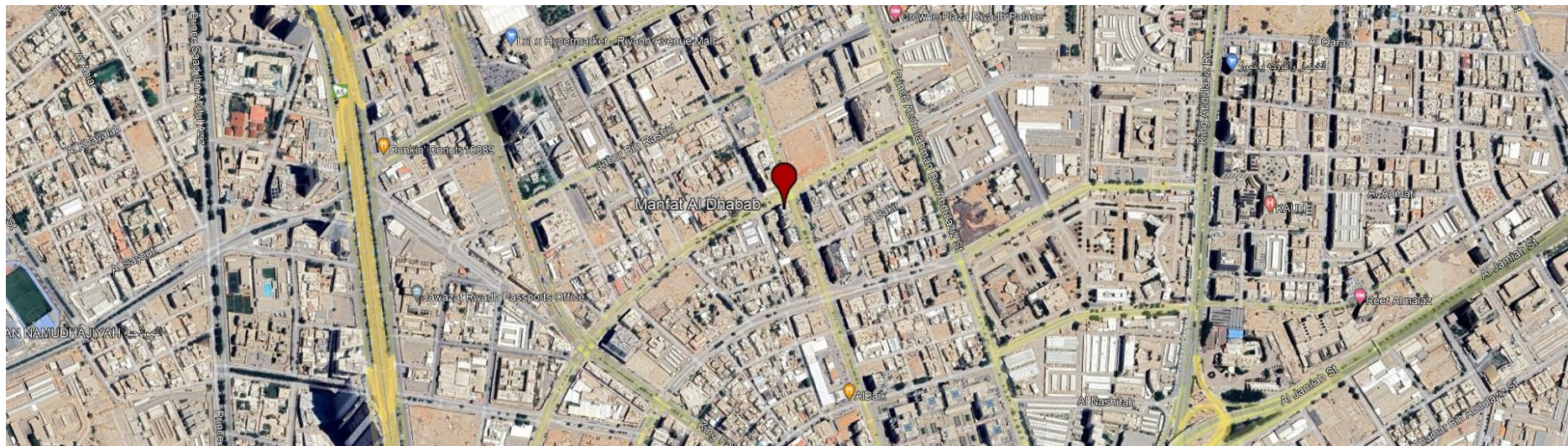
The subject property is surrounded mostly by commercial and mix-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located on Prince Abdulaziz Bin Musaid Bin Jalawi Road and Imam Abdullah bin Faisal Bin Turki 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

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	Owner	-
T.D Value	-	Ownership Type	-
Date of Last Transaction	-	Limitation of Document	-
Issued From	-		
North Side	30 meters Street	East Side	30 meters Street
South Side	Private property	West Side	Private property

Note: As the property is a usufruct right, the above-mentioned data was extracted from the building permit.

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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	Layout modification
Property Type	Commercial Offices
Construction Permit No.	1432/13056
Construction Permit Date	11/07/1432
Permit Expiry Date	11/07/1435

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 BAU (sqm)		3,080.48	

1.7 Photographs of the Subject Property





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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

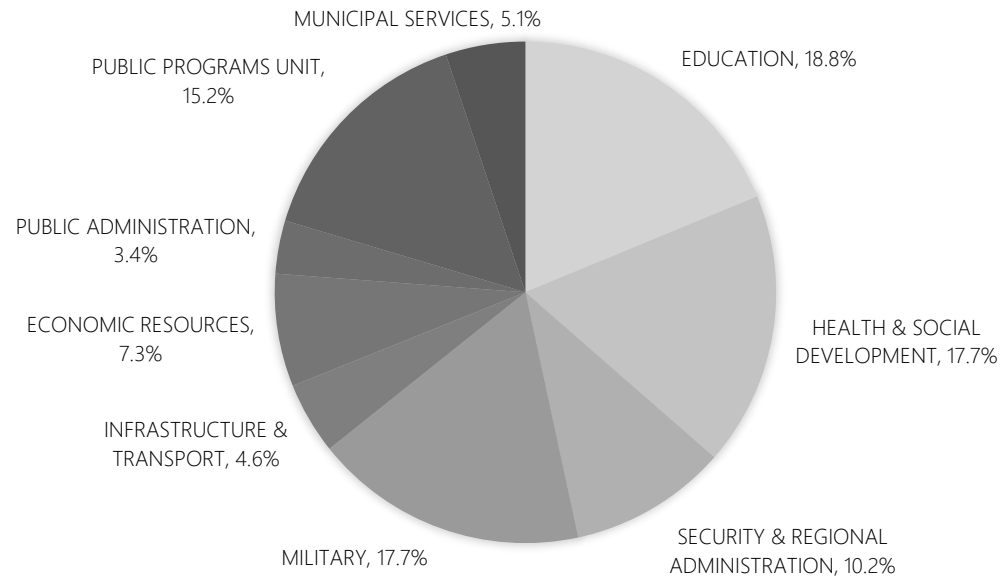
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

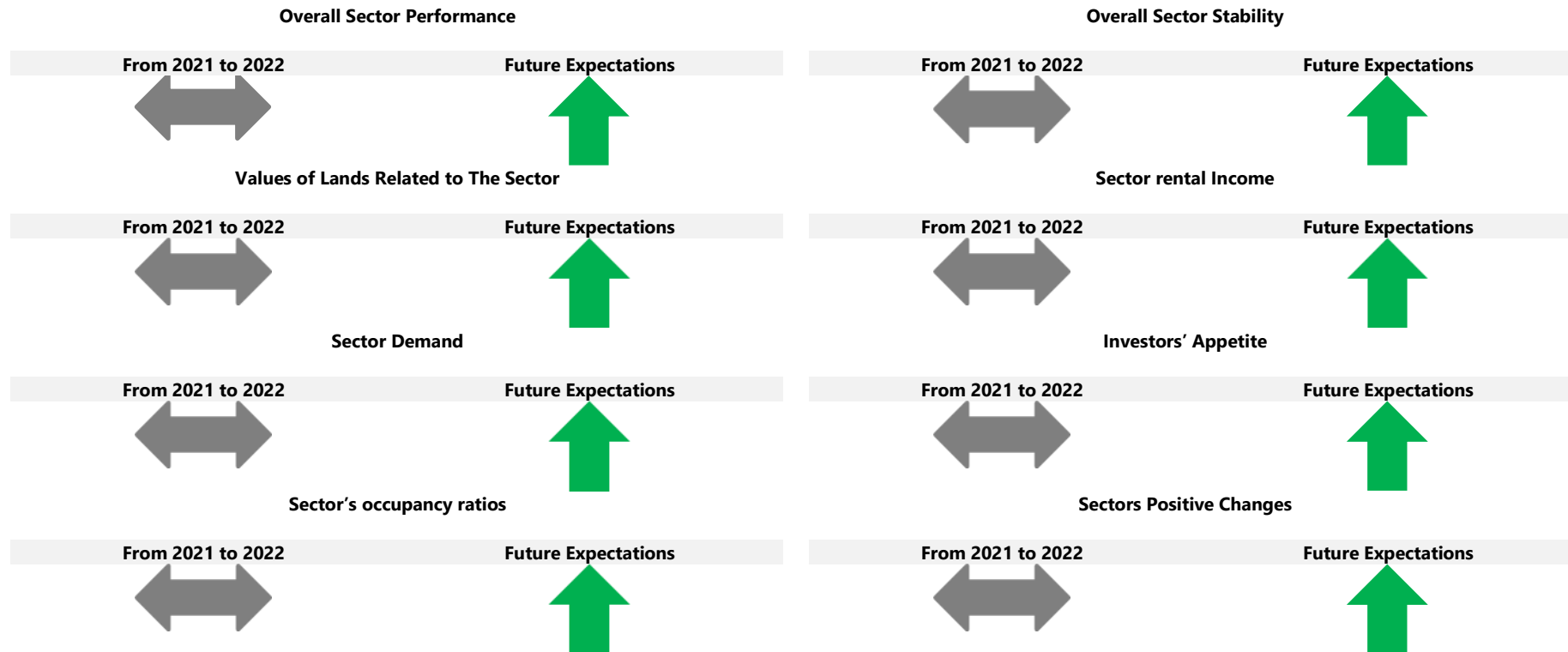
Source: Ministry of Finance



2.3 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 on 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

2.4 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 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 market 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).

3.1 Discounted Cash Flow (DCF) Approach

As per the market survey done by our team for the purpose of valuation, we couldn't find samples similar to the subject properties in terms of area size, quality, location, etc. Therefore, we have executed trade interviews with several real estate agents and find that the average rate for commercial units falls between 800 to 850 SAR/ Sqm and for offices falls between 550 to 620 SAR/ Sqm. We will base our valuation analysis on the average rates 825 SAR/ Sqm for commercial units and 580 SAR/ Sqm for offices.

Analysis of Operating and Maintenance Expenses

The operating expenses of similar properties reached between 8% to 12% 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	4% to 6%
Operating and maintenance expenses	4% to 5%
General service bills expenses	2% to 3%
Other incidental expenses	1% to 2%

The Discounted Rate Used for the Valuation

Based on a built-up model, a discount rate will be used in the evaluation.

Discount Rate% (The Build-Up Model)			
Free-Risk rate%	%2.50		SAMA
Inflation Rate%	%3.00		GASTAT
Market Risk Premium%	%3.00		Trading Economics
Company-specific Risk Premium %	%1.50	Source	Team's experience.
Discount Rate%	10.00%		

Based on the above, the value of the property using the DCF method is as follows:

Cash Flow		1446	1447	1448	1449	1450	1451	1452	1453	1454
		0	1	2	3	4	5	6	7	8
Inflation		0.0%	3.5%	0.0%	0.0%	3.5%	0.0%	0.0%	0.0%	0.0%
Expected Revenues										
Commercial	Sqm	202	202	202	202	202	202	202	202	202
Rate (SAR)	SAR	825	854	854	854	884	884	884	884	884
Total	SAR	166,650	172,483	172,483	172,483	178,520	178,520	178,520	178,520	178,520
Offices	Sqm	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208
Rate (SAR)	SAR	580	600	600	600	621	621	621	621	621
Total	SAR	700,640	725,162	725,162	725,162	750,543	750,543	750,543	750,543	750,543
Overall Revenues		867,290	897,645	897,645	897,645	929,063	929,063	929,063	929,063	929,063
Vacancy and Credit Loss										
Commercial	5.0%	8,333	8,624	8,624	8,624	8,926	8,926	8,926	8,926	8,926
Offices	5.0%	35,032	36,258	36,258	36,258	37,527	37,527	37,527	37,527	37,527
Total		43,365	44,882	44,882	44,882	46,453	46,453	46,453	46,453	46,453
Effective Rental Income		823,926	852,763	852,763	852,763	882,610	882,610	882,610	882,610	882,610
Expenses										
OPEX	10.0%	82,393	85,276	85,276	85,276	88,261	88,261	88,261	88,261	88,261
Rent	0.0%	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Overall Expenses		432,393	435,276	435,276	435,276	438,261	438,261	438,261	438,261	438,261
NOI		391,533	417,487	417,487	417,487	444,349	444,349	444,349	444,349	444,349
Terminal Value	0.0%									
Discount Rate	10.0%	1.00	0.91	0.83	0.75	0.68	0.62	0.56	0.51	0.47
Present Value		391,533	379,533	345,030	313,664	303,496	275,906	250,823	228,021	207,292
Net Present Value										2,695,298
Rounded										2,700,000

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Discounted Cash Flow (DCF) Method Approach based on the actual rates is:

Property Value: SAR 2,700,000
Two Million Seven Hundred Thousand Saudi Riyals.

3.1 Conclusion

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4 Construction Permit

المملكة العربية السعودية
وزارة الشؤون البلدية
أمانة منطقة الرياض

اسم المنطقة: الرياض
 رقم رخصه: ١٤٣٦/١٧٨٩٤
 تاريخ الإصدار: ١٤٣٦/١٠/١٤
 نوع الرخصة: بناء عمارة تجارية مكتبية

رقم الخريطة: ١٤٣٦/٤٠٠٦
 تاريخ الرخصة: ١٤٣٦/١٠/١٤
 نوع الرخصة: تعديل مخططات البناء

اسم الممسكك: عبدالرحمن بن سليمان بن عبدالله الجويج
 رقم التسجيل: ١٠٢٤٨١٠٢٧
 تاريخه: ١٤٣٦/١٠/١٤

رقم المخطط: ١٧٩٢٢
 تاريخه: ١٤٣٦/١٠/١٤

رقم المخطط التنظيمي: ١٣٣٦/٥٠/١
 تاريخه: ١٤٣٦/١٠/١٤

المشروع: شارع الأمير عبد الله بن فيصل
 الحي: النرجس

مساحة الأرض: ٦٠٧٨١,٤٤ م^٢
 محيط الأسوار: ٢٠٠ م

الجهة	الحدود	الأبعاد	الإرتداد
شمال	شارع عرض ٢٠ متر	٣٠,٤	٥
شرق	شارع عرض ٢٠ متر	١٧,٧	٦
جنوب	دار	٣٠	٧
غرب	دار	١٤,٤	٧

مكونات البناء	عدد الوحدات	المساحة الإجمالي	الإستخدام
فيو	٠	٧٨١,٤٤	موقف
دور أرضي	٤	٢١٨,٧٠	تجاري
دور أول	٤	٢١٦,٧٤	مكتب
دور ثاني	٤	٢١٦,٧٤	مكتب
دور ثالث	٤	٢١٦,٧٤	مكتب
غرفة كهرباء	٠	٤٠,٠٠	غرفة كهرباء
دور رابع	٤	٢١٦,٧٤	مكتب
دور خامس	٤	٢١٦,٧٤	مكتب
تأجير فضاء	٤	٢١٦,٧٤	مكتب
أبنية	٠	٠	مكتبات

يؤتمن التفتيش من شركة الكهرباء بخصوص غرفة الكهرباء على أن تكون ضمن قبة أو غرفة ذات نظام تهوية ميكانيكية مع الإبقاء على نظام التهوية في حالة توقف عن العمل. إن تسربت مياه من سقف الغرف يتم إخطار إمتداد المياه من خلال مكتب من إمتداد المياه وذلك لضمان سلامة المبنى. لا يسمح باستخدام الأسوار المحيطة بالأرض التي أعرضت عليها كعمارة إلا بعد إخطار رخصة البناء والتفتيش من إمتداد المياه للتأكد من الإشتراطات المعمول بها. على المالك مسؤولية كافة المخالفات الفنية والهندسية والكهربائية التي يراها على موقع البناء. إمتداد المياه من السلطات والجهات المختصة. كافة الإمرات التنفيذية على مخططات الإضاءة والكهرباء. على المالك والمسئول الفني عدم وجود اختلاف في مخطط الموقع الذي حاز عليه المشروع من رفع الطلب وما بعد ذلك من وجد في التصميم. ضمان التفتيش والرقابة أثناء تنفيذ العمل على مدار مدة البناء الإحتكام في التسليم.

المكتب المصمم: دودة الإصرار للإستشارات الهندسية

رقم الترخيص: ١٨٧٤ رقم المشروع: ١١ رقم المخطاط: مئاسيب الشوارع المحيطة: مئاسي
 سند الرسوم مبلغ وقدره: ٢٠٧٤ ريال بموجب الإيصال رقم: ٢٢٠١٥٨٨٢٩٦ تاريخه: ١٤٣٦/١٠/١٧

ملاحظات: بموجب القرار الوزاري رقم ١٤٣٦/٢٢٣٣ تاريخه: ١٤٣٦/١٠/١٧ الصادر من بناية الجاز رقم ١١٣٦/١١٣٦
 ١- مخططة القصور رقم ١١٣٦
 ٢- رقم مراجعة الكوادر الهندسي رخصة مكتب في الرياض بامانة منطقة الرياض قبل البدء بالتنفيذ.
 ٣- يجب التفتيش بتكليف المخططات الهندسية من قبل لجنة التفتيش الفني برأي رقم ٤٠ وتاريخ ١٤٣٦/١٠/١٧.
 ٤- توفير مواد البناء وادوية البناء والتشييد بما في ذلك من قبل المالك والمصمم.
 ٥- المخططة المصممة للمشروع من شارع الفهد شرقاً وشارع الفهد غرباً.
 ٦- إتمام إنشاء البناء ١ بموافق بموجب كراسة مخططة البناء والتفتيش المعمول بها بتاريخ ١٤٣٦/١٠/١٧ قبل البدء في البناء.
 ٧- إكمال كافة الأعمال المتعلقة بالبناء والتشييد بما في ذلك من قبل المالك والمصمم.
 ٨- توفير رخصة البناء بموجب المخططات الهندسية والاسم من مكتب وزارة الشؤون البلدية بامانة منطقة الرياض.
 ٩- تم تعديل وضع الرخصة بموجب المخططات الهندسية والاسم من مكتب وزارة الشؤون البلدية بامانة منطقة الرياض.
 ١٠- الإلتزام بالقرارات والقرارات المعمول بها في الرياض بما في ذلك من قبل المالك والمصمم.

مدير الأعمال: م. م. م.
 مدير الأعمال: م. م. م.
 مدير الأعمال: م. م. م.

يجب الإلتزام بالشروط الموضحة خلف الرخصة
 أي تشدد أو تعطل يلحق هذه الرخصة.



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 Al-Aqrabiyah district, Al Khobar city. According to the copy of the construction permit and the title deed provided by the client, the property has a total land area of 1,750.00 Sqm, a total BUA of 6,526.51 Sqm and composed of 5 floors with 56 rooms. As per the site inspection done by our team, the subject property is open on 2 sides from the East and South with a direct view on Street# 21.

1.2 Surrounding Area

The subject property is surrounded mostly by several residential and mix-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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 provides us with copy of the title deeds related to the subject property which is owned by one title deed. The details of the subject property:

City	Al Khobar	Land Area	1,750 Sqm
District	Al-Aqrabiyah	Plot No.	54, 56
T.D Type	Electronic	Block No.	N/A
T.D Number	314003007390	Layout No.	2/349
T.D Date	17/06/1443	Owner	Baitek Al Hefdh Real-estate Co.
T.D Value	-----	Ownership Type	Restricted.
Date of Last Transaction	-----	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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New permit
Property Type	Residential Building
Construction Permit No.	Not Clear
Construction Permit Date	18/04/1432
Permit Expiry Date	18/04/1435

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 BAU (sqm)		6,526.51	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

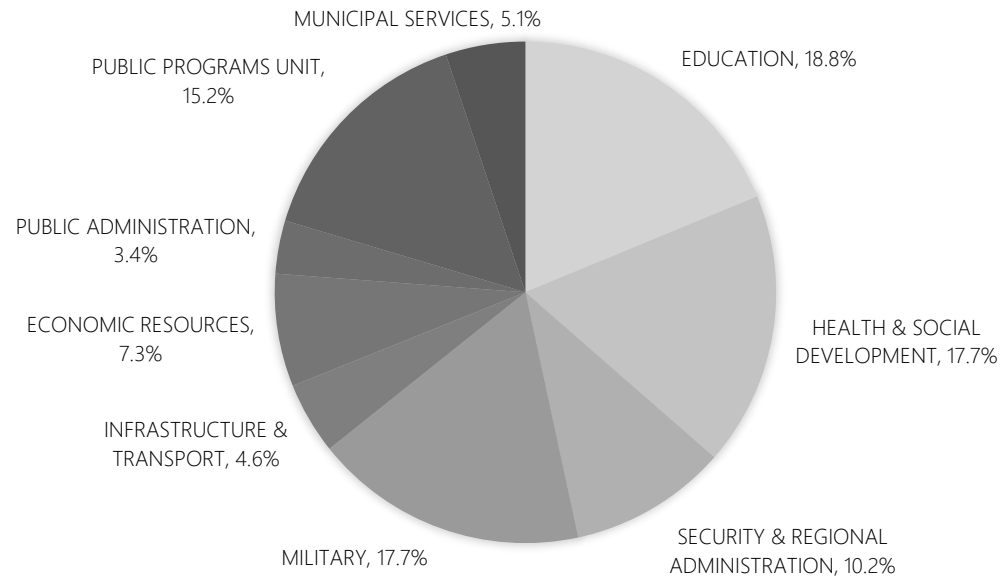
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

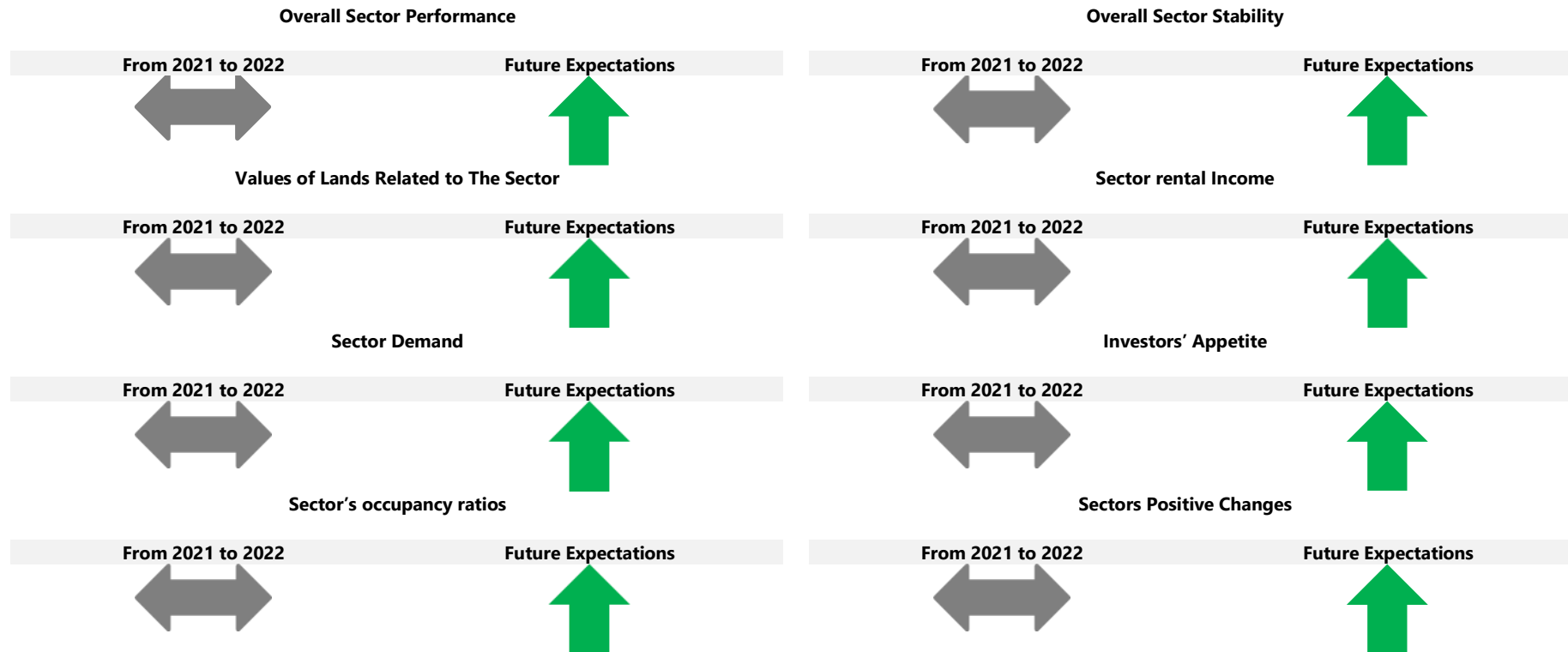
Source: Ministry of Finance



2.3 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 on 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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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	----	----	----	----	✓	----

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.

The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising, and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included since it is not an operating expense. Hence, it does not include mortgage and interest since this is a debt payment on a capital item.

Estimate the capitalization rate (aka cap rate), which is the rate of return, or yield, that other investors of property are getting in the local market.

3.1 Income Approach- Market Rates

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average rates for studios units range from 300 to 350 SAR / Sqm. As for 2-bedroom apartments units, the rates range from 400 to 500 SAR / Sqm, while the 3 bedrooms suites falls in the range of 550 to 600 SAR / Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates, as well as the occupancy rates for similar properties:

	Studio Units	2-bedroom Units	3-bedroom Units
Comparable	Rental Rate	Rental Rate	Rental Rate
Lina Park 5	300 SAR	430 SAR	-
Valencia Hotel	330 SAR	470 SAR	530 SAR
Average	320 SAR/ Sqm	450 SAR/ Sqm	530 SAR/ Sqm

Analysis of Operating and Maintenance Expenses

The operating expenses of similar 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%

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 9%. 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

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	88,500,000.00	75,460,000.00	114,300,000.00
NOI	6,796,800	5,704,776	8,572,500
Cap Rate	7.68%	7.56%	7.50%
Average Cap Rate	7.58%		
Rounded	7.50%		

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues					
Unit Type	Quantity		Revenues		Total Revenues
	Total GLA	No of Units	SAR / Sqm	SAR / Unit	
Studio	0	28	SAR 0	SAR 320	SAR 3,270,400
2 Bedrooms	0	24	SAR 0	SAR 450	SAR 3,942,000
Suites 3 Bedrooms	0	4	SAR 0	SAR 530	SAR 773,800
Total Revenues					SAR 7,986,200
Expenses					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Studio	5.00%	5.00%	5.00%	45.00%	60.00%
2 Bedrooms	5.00%	5.00%	5.00%	45.00%	60.00%
Suites 3 Bedrooms	5.00%	5.00%	5.00%	65.00%	80.00%
Total Expenses					200.00%
Net Operating Income					
Unit Type	Total Revenues	Total Expenses	NOI		
Studio	SAR 3,270,400	60.00%	SAR 1,308,160		
2 Bedrooms	SAR 3,942,000	60.00%	SAR 1,576,800		
Suites 3 Bedrooms	SAR 773,800	80.00%	SAR 154,760		
Total					SAR 3,039,720
Total Property Revenues					SAR 7,986,200
Total Property Expenses					-SAR 4,946,480
Net Operating Income					SAR 3,039,720.00
Net Operating Income	Cap Rate	Property Value		Rounded Value	
SAR 3,039,720.00	7.50%	SAR 40,529,600.00		SAR 40,500,000.00	

3.2 Income Approach- Leasing Contract

The Capitalization Rate Used for the Valuation

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	88,500,000.00	75,460,000.00	114,300,000.00
NOI	6,796,800	5,704,776	8,572,500
Cap Rate	7.68%	7.56%	7.50%
Average Cap Rate	7.58%		
Rounded	7.50%		

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues					
Unit Type	Quantity		Revenues		
	Total GLA	No of Units	SAR / Sqm	SAR / Unit	Total Revenues
Studio	0	28	SAR 0	SAR 60	SAR 612,979
2 Bedrooms	0	24	SAR 0	SAR 80	SAR 700,548
Suites 3 Bedrooms	0	4	SAR 0	SAR 600	SAR 875,684
				Total Revenues	SAR 2,189,211
Expenses					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Studio	0.00%	0.00%	0.00%	0.00%	0.00%
2 Bedrooms	0.00%	0.00%	0.00%	0.00%	0.00%
Suites 3 Bedrooms	0.00%	0.00%	0.00%	0.00%	0.00%
				Total Expenses	0.00%
Net Operating Income					
Unit Type	Total Revenues		Total Expenses		NOI
Studio	SAR 612,979		0.00%		SAR 612,979
2 Bedrooms	SAR 700,548		0.00%		SAR 700,548
Suites 3 Bedrooms	SAR 875,684		0.00%		SAR 875,684
				Total	SAR 2,189,211
Total Property Revenues					SAR 2,189,211
Total Property Expenses					SAR 0
Net Operating Income					SAR 2,189,211.00
Net Operating Income	Cap Rate		Property Value		Rounded Value
SAR 2,189,211.00	7.50%		SAR 29,189,480.00		SAR 29,200,000.00

3.3 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Capitalization Rate Method (basis on Leasing Contract) is:

Property Value: SAR 29,200,000
Twenty-Nine Million Two Hundred Thousand Saudi Riyals.

3.4 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

3.5 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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp





WHITE **CUBES**
DOCUMENTS

DOCUMENTS

Documents Received

4 Title deed and Construction Permit

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ
الملكة العربية السعودية
وزارة العدل
سجل المحاكم
 رقم: [١٧٧]

تاريخ الصك: ١٤٤٢/١١/١٧ هـ
 رقم الصك: ٣١٤٠٠٠٠٧٣٩٠

صك

الحمد لله وبهده والصلوة والسلام على من لا نبي بعده، وبعد:
 فإن الواقع في حي العليا بمدينة الخبر - القطعتين رقم 54 و 56 بالمخطط رقم 2 / 349 بجى
 العقرية بمحافظة الخبر وحدودها وأطوالها كالتالي:
 شمالاً: تقسمتين 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 ل/ شركة بيتك للحفظ للعقارات بموجب سجل تجاري رقم 1010715448 في 10 / 26 / 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 بها بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب سجل
 تجاري رقم 1010000096 يبلغ وقدره 195568771.3 مائة و خمسة و تسعون مليوناً و
 خمسمائة و ثمانية و ستون ألفاً و سبعمئة 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
 المنقضية عليها (60) شهر من تاريخ اليوم 20 / 01 / 2022م وفي حالة عدم السداد قللمرتين 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 17 / 06 / 1443 هـ وصلّى الله على
 نبينا محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل ، ويجب التحقق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل
 نسخة مطبوعه الكترونياً - ٢١١١٠٠ (ما يتراوح مابين ثلاثون لخمسة اربعون نسخة)
 نموذج رقم (٢١٠-٢٠٠٢٢) م
 صفحة رقم 1 من 1

المملكة العربية السعودية
 وزارة الشؤون البلدية والقروية
 أمانة المنطقة الشرقية بلدية الخبر
 رخصة إنشاء

رقم الرخصة : ٣٤٧ / ٠٣٤٢
 تاريخها : ٤٣٦ / ٠٤ / ١٨
 صلاحيتها : ثلاث سنوات
 نوعها : بناء جديد

الاسم : ناصر بن ابراهيم الامين وابراهيم محمد الامين
 رقم العقيلة : ١٤٥٢٨
 المدينة : الخبر
 الحفط : ٣٤٩ / ٢
 التقسيم : الحضرية

تصديق البلدة :
 رقم العقد : ١٧٥٠٠٠
 المصلحة : ع/ ١١٨
 تاريخها : ٣٧٩ / ٠٢ / ٢٩

رقم القطعة : ٠٠٠٥٤
 رقم العقيلة : ٠٠٠٠٤
 رمز الاستخدام : (٩١٤)
 رقم العقد المملك : ٣ / ١٤٤ / ١١
 نوع مسد الصك : صك
 تاريخها : ٤٢٦ / ٠٣ / ١٥
 تاريخها : ٤٢٦ / ٠٣ / ١٥

تكون الواجبات باللون الابيض فقط

الحظنة لا تقل مساحتها عن (١٠٠٠) مسو
 مساحتها يسا مساحتها المسو
 واسم القاول الرئيسي واسم القاولين الآخرين

الخطية	شمال / شرق	جنوب / شرق	شمال / غرب	جنوب / غرب
الجهة	شمال	شمال	شمال	شمال
العمود	٢,٠٠	٢,٠٠	٢,٠٠	٢,٠٠
الارتفاع	٢,٠٠	٢,٠٠	٢,٠٠	٢,٠٠

مكونات البناء:
 ارض مشد ٦٤ وحدة
 ارض شابع
 ارض اربعة عشر وم
 ارض اربعة عشر وم
 دور اول
 دور حاشي اربعة عشر وم
 دور حاشي اربعة عشر وم
 دور رابع شابع
 وارض سور
 ١١٣٦,٠٧ م²
 ٢٧,٥٠ م²
 ١١٣٦,٠٧ م²
 ١١٣٦,٠٧ م²
 ١١٣٦,٠٧ م²
 ٥٦٨,٠٣ م²
 ٣٥٠,٠٠ م²
 ١١٤,٥٠ م²

البناء المطلوب : عمارات سكنية
 مساحه البناء : مبنئ ارسا
 الطاق العمالي : من جلة اولى وشرى عتقته حدة الجرحلة
 من جلة اولى وشرى عتقته حدة الجرحلة
 المكتب المصمم : عبد الرحمن عبد الكريم الخويتم
 المكتب المصمم : عبد الرحمن عبد الكريم الخويتم
 عبد الرحمن عبد الكريم الخويتم
 بيانات الرسم :
 قيمة الرسوم : ٨٩ / ٢٠١٧
 ايزال السداد : ١٤٩٩٠٤
 تاريخها : ١٤٤٢ / ١١ / ١٥

هذا الخويتم معتمد من
 المصنفين : ٤٣٦ / ٠٣ / ١٥
 الخويتم معتمد من
 الخويتم معتمد من
 الخويتم معتمد من

المهندس :
 رشيد قسم ضبط الخويتم
 رشيد قسم ضبط الخويتم
 رشيد قسم ضبط الخويتم

رئس محمد السيار
 م.م حسين رشيد الخويتم
 م.م عاصم رشيد الخويتم



WHITE CUBES

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, Unayzah city. Based on the provided copy of the title deeds and the construction permit, the building has total land area of 6,694 Sqm and total BUA of 10,522.17 Sqm. According to the site inspection done by our team for the purpose of valuation, the project is open from 2 sides with a direct view on 2 internal Streets.

1.2 Surrounding Area

The subject property is surrounded mostly by several residential and mix-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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 provides us with copy of the title deeds related to the subject property which is owned by five title deed. 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	Owner	Baitek Al Hefdh Real-estate Co.
T.D Value	-----	Ownership Type	Freehold
Issued From	Ministry of Justice	Limitation of Document	N/A
North Side	Plot# 1028	East Side	Private property
South Side	20 meters Street	West Side	Plot# 1031
City	Unayzah	Land Area	1,798 Sqm

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	Owner	Baitek Al Hefdh Real-estate Co.
T.D Value	-----	Ownership Type	Freehold
Issued From	Ministry of Justice	Limitation of Document	N/A
North Side	Plot# 1030	East Side	Plot# 1029
South Side	20 meters Street	West Side	Plot# 1034 & 1035
City	Unayzah	Land Area	1,798 Sqm

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	Owner	Baitek Al Hefdh Real-estate Co.
T.D Value	-----	Ownership Type	Freehold
Issued From	Ministry of Justice	Limitation of Document	N/A
North Side	Plot# 1033	East Side	Plot# 1031
South Side	Plot# 1035, 1036	West Side	20 meters Street
City	Unayzah	Land Area	1,373 Sqm

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	Owner	Baitek Al Hefdh Real-estate Co.
T.D Value	-----	Ownership Type	Freehold
Issued From	Ministry of Justice	Limitation of Document	N/A
North Side	Plot# 1034	East Side	Plot# 1031
South Side	20 meters Street	West Side	Plot# 1036
City	Unayzah	Land Area	800 Sqm

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	Owner	Baitek Al Hefdh Real-estate Co.
T.D Value	-----	Ownership Type	Freehold
Issued From	Ministry of Justice	Limitation of Document	Mortgaged
North Side	Plot# 1034	East Side	Plot# 1035
South Side	20 meters Street	West Side	20 meters Street
City	Unayzah	Land Area	925 Sqm

Note: 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.

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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New permit
Property Type	Educational facility
Construction Permit No.	150958
Construction Permit Date	24/09/1433
Permit Expiry Date	24/09/1436

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 BAU (sqm)		10,522.17	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

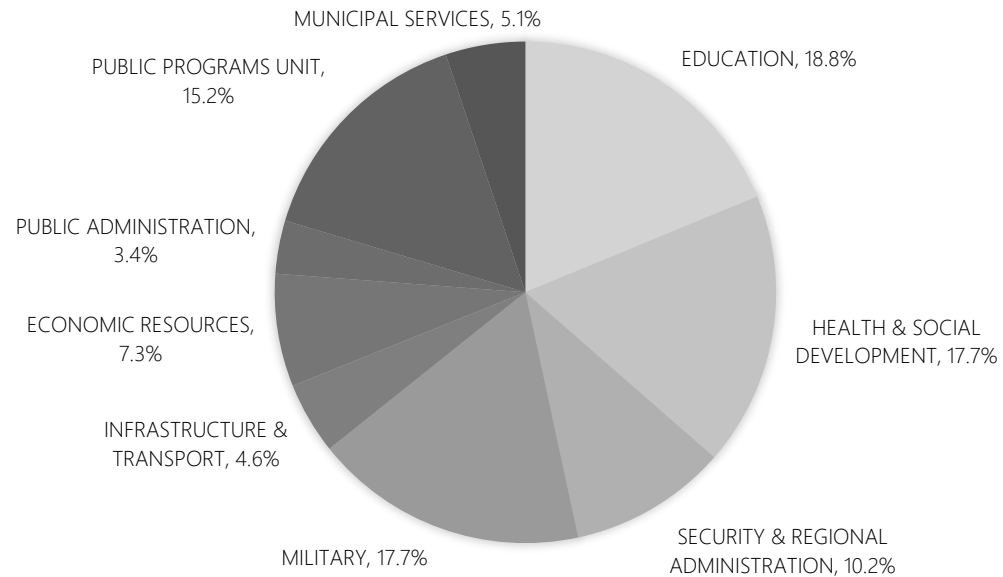
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

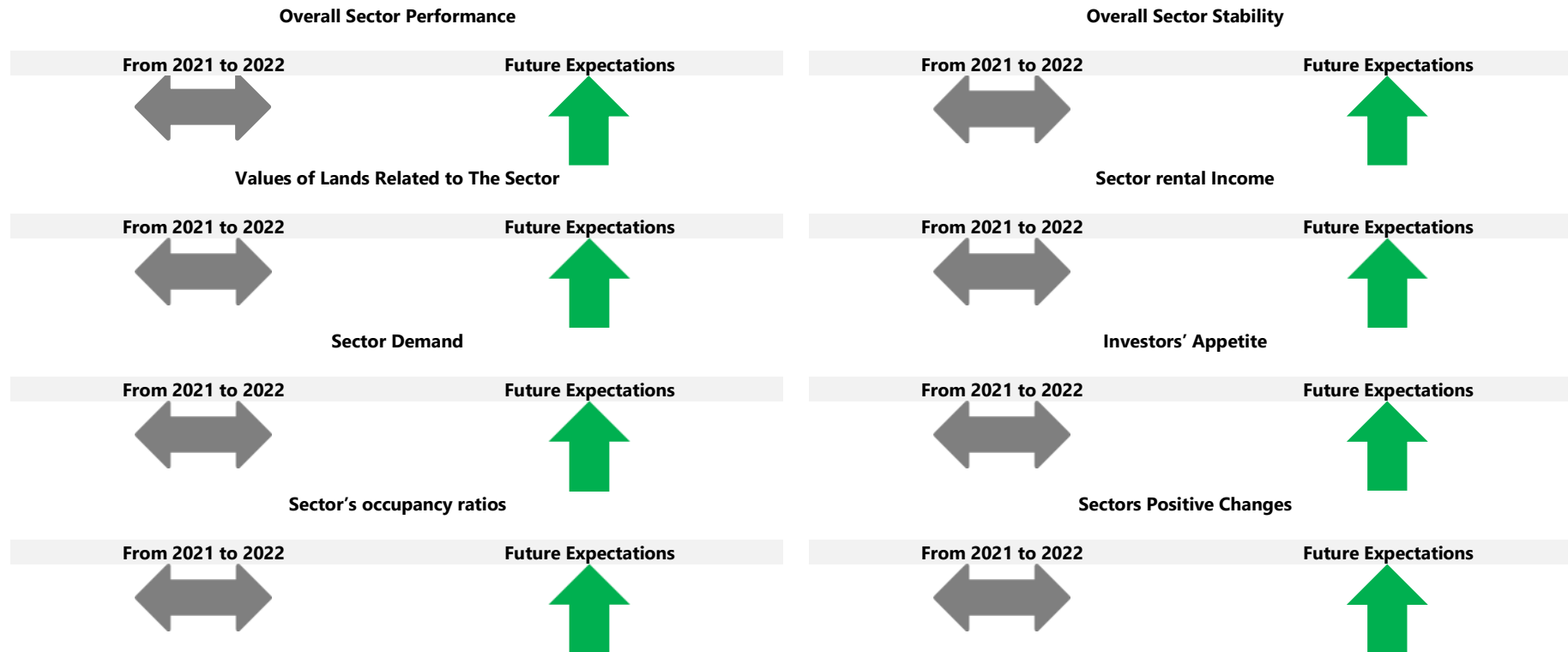
Source: Ministry of Finance



2.3 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 on 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

2.4 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	2	9	0	0

Risk Category 11 Risk Points – Medium 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 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 market 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	----	----	----	----	✓	----

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.

DEPRECIATED REPLACEMENT COST (DRC)

A cost approach is a real estate valuation method that surmises that the price someone should pay for a piece of property should not exceed what someone would have to pay to build an equivalent building. Generally, the cost approach considers what the land, devoid of any structures, would cost, then adds the cost of building the structures, then depreciation is subtracted. The cost approach may be less desirable if there are no recent sales of vacant land for which to compare, since the major method of valuing vacant lands is to use the sales comparison approach, or when construction costs are not readily available. The cost approach method includes:

- Estimate what the vacant property would be worth.
- Estimate the current cost of building the structures, then add that value to the value of the vacant land.
- Estimate the amount of accrued depreciation of the subject property, then subtract it from the total to arrive at the property's worth.

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.

The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising, and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included since it is not an operating expense. Hence, it does not include mortgage and interest since this is a debt payment on a capital item.

Estimate the capitalization rate (aka cap rate), which is the rate of return, or yield, that other investors of property are getting in the local market.

3.1 Comparable Approach

This method aims to collect data and information on actual sales and / or current offers of similar properties within the surrounding market, and then make the necessary adjustments to these comparisons in terms of area, location, shape, quality, content, and others. Below is a summary of the valuation process using the comparable method and the amendments made to the available comparisons.

Characteristics of Samples							
Feature	Subject Property	Sample 1		Sample 2		Sample 3	
Quoting	-----	Offering		Offering		Offering	
City	Unayzah	Unayzah		Unayzah		Unayzah	
Sale Price	-----	SAR 369,750		SAR 379,080		SAR 387,750	
Data Source	Client	Market Survey		Market Survey		Market Survey	
Area Size	6,689.00	493.00		486.00		517.00	
SAR / Sqm	-----	SAR 750		SAR 780		SAR 750	
Market Conditions Adjustment Analysis							
	Subject Property	Sample 1		Sample 2		Sample 3	
SAR/ Sqm before Adj.	-----	SAR 750.0		SAR 780.0		SAR 750.0	
Mortgage	-----	0.00%		0.00%		0.00%	
Market Conditions	-----	0.00%		0.00%		0.00%	
Total Adjustments Ratio		0.00%		0.00%		0.00%	
Total Adjustment Amount		SAR 0.00		SAR 0.00		SAR 0.00	
Net After Adjustment		SAR 750.00		SAR 780.00		SAR 750.00	
Location Adjustment Analysis							
	Subject Property	Sample 1		Sample 2		Sample 3	
Area Size	6,689.00	493.00	-18.52%	486.00	-18.54%	517.00	-18.45%
Location Desirability	Average	Average	0.00%	Average	0.00%	Average	0.00%
Accessibility	Average	Average	0.00%	Average	0.00%	Average	0.00%
Main Street Width (m)	20	20	0.00%	20	0.00%	20	0.00%
Sides Open	1	1	0.00%	1	0.00%	1	0.00%
Land Shape	Regular	Regular	0.00%	Regular	0.00%	Regular	0.00%
Close to main street	Yes	Yes	0.00%	Yes	0.00%	Yes	0.00%
Total Adjustments Ratio			-18.52%		-18.54%		-18.45%
Total Adjustment Amount			-SAR 138.9		-SAR 144.6		-SAR 138.4
Net After Adjustment			SAR 611.1		SAR 635.4		SAR 611.6
Weighted Mean			33.33%		33.33%		33.33%
			SAR 203.70		SAR 211.80		SAR 203.87
SAR / Sqm	SAR 619						
Rounded Value	SAR 620						

3.2 Depreciated Replacement Cost (DRC) Approach

As a first step, the cost of reconstructing the building (the cost of replacement) was estimated, based on the average construction costs of similar properties and at the same level of finishes, services, utilities, and others. The opinion of some engineering experts was used in this regard. The following table shows the expected replacement costs for such property.

	Min Cost (SAR / Sqm)	Max Cost (SAR / Sqm)	Average Cost
Concrete Cost	SAR 800	SAR 1,000	SAR 900
MEP	SAR 500	SAR 700	SAR 600
Finishing Materials	SAR 600	SAR 800	SAR 700
Fitouts &Appliance	SAR 0	SAR 0	SAR 0
Furniture	SAR 0	SAR 0	SAR 0
Site Improvements	SAR 70	SAR 90	SAR 80
Owner Profit	18%	22%	20%

In the following table, we will estimate the direct replacement cost of the property taking into consideration the main components of the building, such as the concrete structure, electromechanical work, finishes, site improvements, etc. Then we will estimate the value of the indirect costs as a percentage of the total direct costs to estimate the total construction costs of the project

Land		
Land Area	SAR / Sqm	Total Value
6,689.00	SAR 620	SAR 4,147,180
Building		
	Unit	Total BUA
Underground	Sqm	735.18
Upper Floor	Sqm	9,786.99
Total (SQM)	10,522.17	

Development Cost					
Hard Cost - (Upper Floors)					
	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Skeleton and Block	9,786.99	SAR 900	SAR 8,808,291	100%	SAR 8,808,291
Electro Mechanic	9,786.99	SAR 600	SAR 5,872,194	100%	SAR 5,872,194
Finishing	9,786.99	SAR 700	SAR 6,850,893	100%	SAR 6,850,893
Site Improvement	6,689.00	SAR 80	SAR 535,120	100%	SAR 535,120
Total			SAR 22,066,498	100.00%	SAR 22,066,498

Hard Cost - (Underground)					
	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Skeleton & Block	735.18	SAR 1,350	SAR 992,493	100%	SAR 992,493
Electro Mechanic	735.18	SAR 500	SAR 367,590	100%	SAR 367,590
Finishing	735.18	SAR 250	SAR 183,795	100%	SAR 183,795
Total			SAR 1,543,878	100.00%	SAR 1,543,878
Overall Soft Cost					
			Total Hard Cost	Ratio	Soft Cost
Initial Project Pre Cost			SAR 23,610,376	0.5%	SAR 118,052
Design			SAR 23,610,376	0.5%	SAR 118,052
Eng Consultant			SAR 23,610,376	0.5%	SAR 118,052
Management			SAR 23,610,376	0.5%	SAR 118,052
Total				2.00%	SAR 472,207.52
Total Hard Cost	SAR 23,610,376			BUA	10,522.17
Total Soft Cost	SAR 472,207.52			SAR / Sqm	SAR 2,289
Total Construction Cost	SAR 24,082,583.52			Overall Completion	100.0%

Development Value			
Total Dev Cost	SAR 24,082,584	Annual Dep Rate	2.00%
Total Completion Rate	100.00%	Actual Age	8
Developer Profit Rate	20.0%	Total Dep Rate	16.00%
Dev. Profit Amount	SAR 4,816,517	Add Appr Rate	0.00%
Development Value	SAR 28,899,100	Net Dep Rate	16.00%
Economic Age	50	Cost After Depreciation	SAR 24,275,244

In order to determine the full value of the property, the construction costs will be added to the market value of the land as follows:

Total Dev. Value	Land Value	Total Property Value	Rounded Value
SAR 24,275,244	SAR 4,147,180	SAR 28,422,424	SAR 28,400,000

3.3 Income Approach- Market Rates

After conducting extensive research and investigation, our work team has determined that comparable properties with similar characteristics exhibit a price range of 200 to 250 SAR square meter.

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 9%. 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

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	27,800,000.00	11,272,000.00	46,000,000.00
NOI	2,085,000	789,040	3,680,000
Cap Rate	7.50%	7.00%	8.00%
Average Cap Rate	7.50%		
Rounded	7.50%		

The estimated capitalization rate for the property, which will be used in the valuation process, is 7.5%. This rate will be applied later to the net operating income of the property.

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues					
	Quantity		Revenues		
Unit Type	Total GLA	No of Units	SAR / Sqm	SAR / Unit	Total Revenues
Educational building	10,522.17	1	SAR 250	SAR 0	SAR 2,635,000
				Total Revenues	SAR 2,635,000
Expenses					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Educational building	0.00%	0.00%	0.00%	0.00%	0.00%
				Total Expenses	0.00%
Net Operating Income					
Unit Type	Total Revenues		Total Expenses		NOI
Educational building	SAR 2,635,000		0.00%		SAR 2,635,000
			Total		SAR 2,635,000
Total Property Revenues					SAR 2,635,000
Total Property Expenses					SAR 0
Net Operating Income					SAR 2,634,999.69
Net Operating Income	Cap Rate		Property Value		Rounded Value
SAR 2,634,999.69	7.50%		SAR 35,133,329.22		SAR 35,100,000.00

3.1 Subject Property Value in Different Approaches

Methodology	Subject of Valuation	Value in Numbers	Value in Letters
DRC Approach	Land + Building	SAR 28,400,000	Twenty-Eight Million For Hundred Thousand Saudi Riyals.
Income- Market	Property	SAR 35,100,000	Thirty-Five Million One Hundred Thousand Saudi Riyals

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Capitalization Rate Method (basis on market) is:

Property Value: SAR 35,100,000
Thirty-Five Million One Hundred Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
Valuer



Fellow Member of (RE Valuation)
License No. 1210002523

WHITECUBES Stamp





WHITE **CUBES**
DOCUMENTS

DOCUMENTS



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. Based on the provided copy of the title deeds and the construction permit, the property has total land area of 10,000 Sqm and total BUA of 18,349.1 Sqm .According to the site inspection done by our team for the purpose of valuation, the project is open from 3 sides with a direct view on Al Siraj Street.

1.2 Surrounding Area

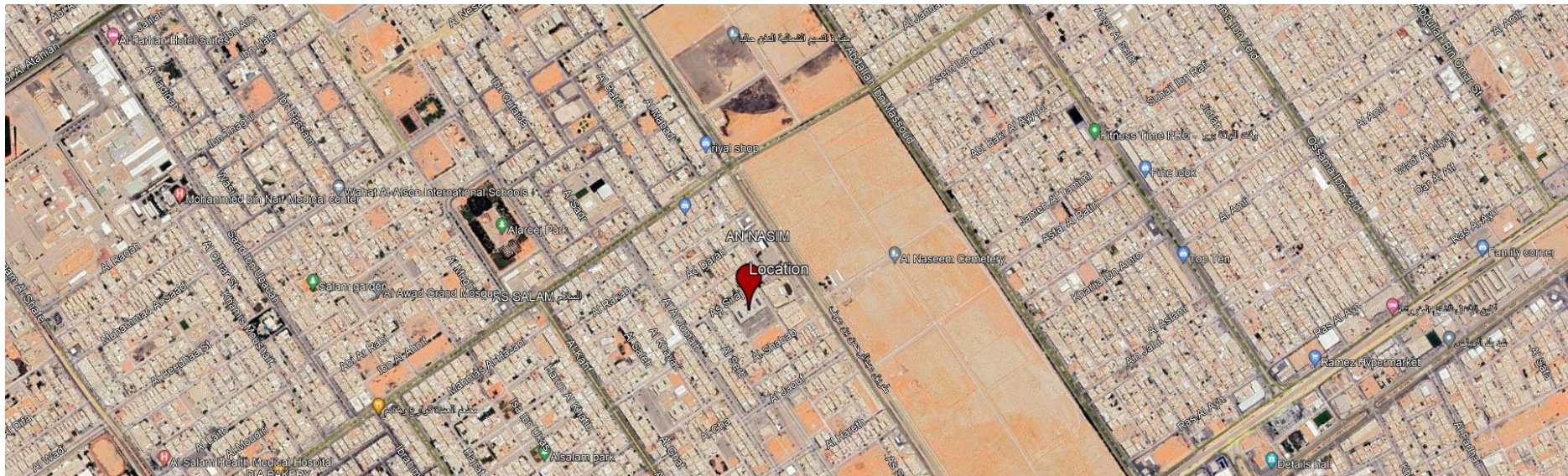
The subject property is surrounded mostly by several residential and mix-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is moderate since it is located 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 provides us with copy of the title deeds related to the subject property which is owned by one title deed. The details of the subject property:

City	Riyadh	Land Area	10,000 Sqm
District	Al Salam	Plot No.	112, 113, 114
T.D Type	Electronic	Block No.	N/A
T.D Number	310146000228	Layout No.	2207
T.D Date	22/06/1443	Owner	Baitek Al Hefdh Real-estate Co.
T.D Value	-----	Ownership Type	Restricted.
Date of Last Transaction	-----	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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	Layout Modification
Property Type	Educational facility
Construction Permit No.	1441/3433
Construction Permit Date	26/01/1441
Permit Expiry Date	26/01/1444

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 BAU (sqm)		18,349.1	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

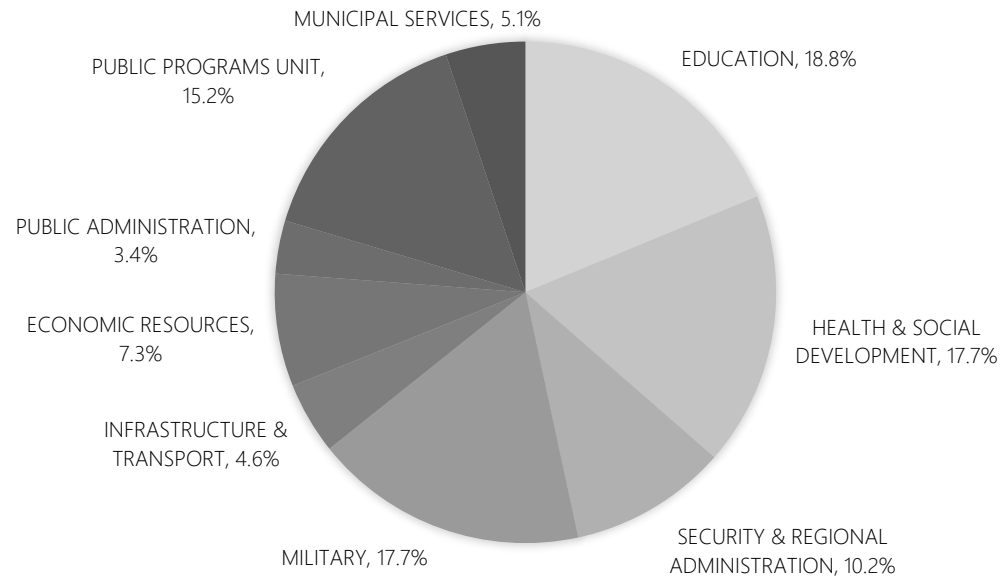
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Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

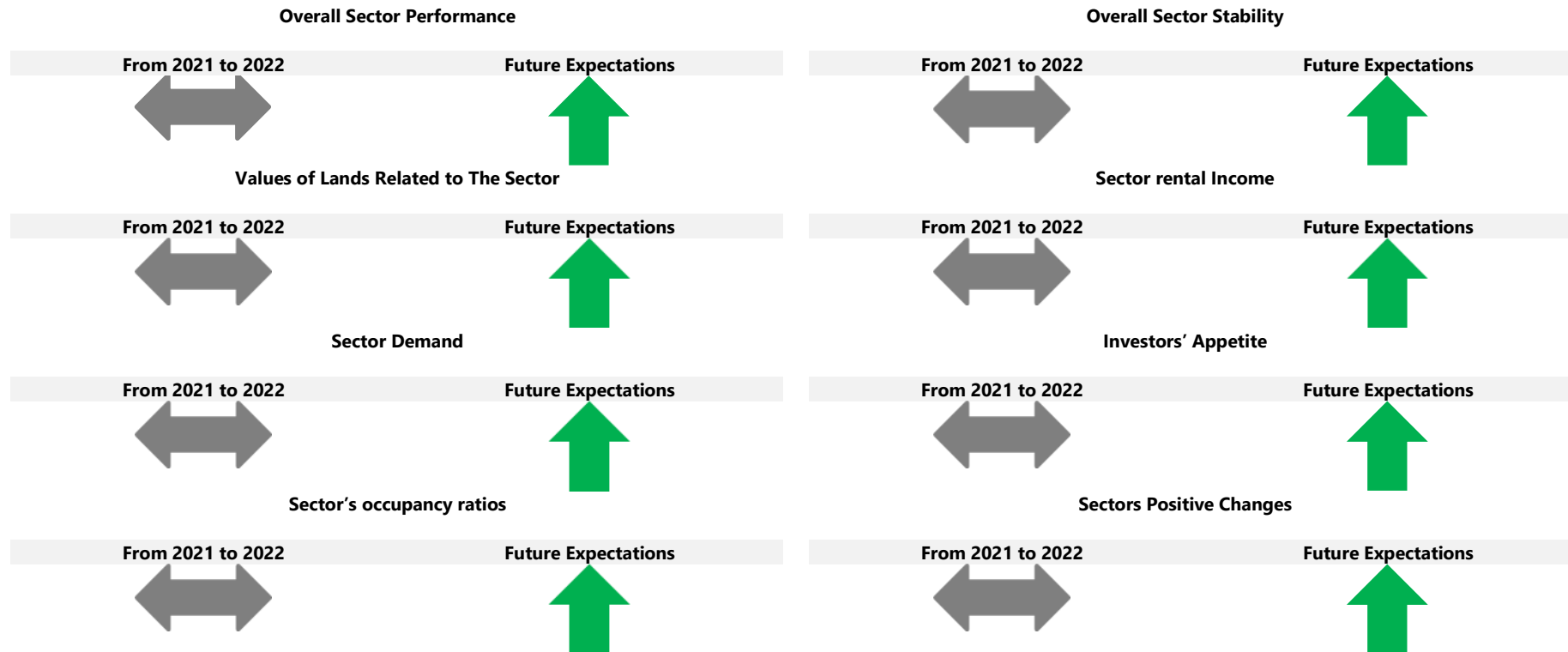
Source: Ministry of Finance



2.3 Sector Brief

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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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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	----	----	----	----	✓	----

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.

DEPRECIATED REPLACEMENT COST (DRC)

A cost approach is a real estate valuation method that surmises that the price someone should pay for a piece of property should not exceed what someone would have to pay to build an equivalent building. Generally, the cost approach considers what the land, devoid of any structures, would cost, then adds the cost of building the structures, then depreciation is subtracted. The cost approach may be less desirable if there are no recent sales of vacant land for which to compare, since the major method of valuing vacant lands is to use the sales comparison approach, or when construction costs are not readily available. The cost approach method includes:

- Estimate what the vacant property would be worth.
- Estimate the current cost of building the structures, then add that value to the value of the vacant land.
- Estimate the amount of accrued depreciation of the subject property, then subtract it from the total to arrive at the property's worth.

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.

The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising, and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included since it is not an operating expense. Hence, it does not include mortgage and interest since this is a debt payment on a capital item.

Estimate the capitalization rate (aka cap rate), which is the rate of return, or yield, that other investors of property are getting in the local market.

3.1 Comparable Method

This method aims to collect data and information on actual sales and / or current offers of similar properties within the surrounding market, and then make the necessary adjustments to these comparisons in terms of area, location, shape, quality, content, and others. Below is a summary of the valuation process using the comparable method and the amendments made to the available comparisons.

Characteristics of Samples							
Feature	Subject Property	Sample 1		Sample 2		Sample 3	
Quoting	-----	Offering		Offering		Offering	
City	Al Riyadh	Al Riyadh		Al Riyadh		Al Riyadh	
Sale Price	-----	SAR 2,062,500		SAR 1,312,500		SAR 1,650,000	
Data Source	Client	Market Survey		Market Survey		Market Survey	
Area Size	10,000.00	625.00		375.00		500.00	
SAR / Sqm	-----	SAR 3,300		SAR 3,500		SAR 3,300	
Market Conditions Adjustment Analysis							
	Subject Property	Sample 1		Sample 2		Sample 3	
SAR/ Sqm before Adj.	-----	SAR 3,300.0		SAR 3,500.0		SAR 3,300.0	
Mortgage	-----	-----	0.00%	-----	0.00%	-----	0.00%
Market Conditions	-----	-----	0.00%	-----	0.00%	-----	0.00%
Total Adjustments Ratio			0.00%		0.00%		0.00%
Total Adjustment Amount			SAR 0.00		SAR 0.00		SAR 0.00
Net After Adjustment			SAR 3,300.00		SAR 3,500.00		SAR 3,300.00
Location Adjustment Analysis							
	Subject Property	Sample 1		Sample 2		Sample 3	
Area Size	10,000.00	625.00	-9.38%	375.00	-15.63%	500.00	-12.50%
Location Desirability	Average	Average	0.00%	Average	0.00%	Average	0.00%
Accessibility	Average	Average	0.00%	Average	0.00%	Average	0.00%
Main Street Width (m)	20	20	0.00%	21	0.00%	21	0.00%
Sides Open	1	1	0.00%	1	0.00%	1	0.00%
Land Shape	Regular	Regular	0.00%	Regular	0.00%	Regular	0.00%
Close to main street	No	No	0.00%	No	0.00%	No	0.00%
Total Adjustments Ratio			-9.38%		-15.63%		-12.50%
Total Adjustment Amount			-SAR 309.5		-SAR 547.1		-SAR 412.5
Net After Adjustment			SAR 2,990.5		SAR 2,953.0		SAR 2,887.5
Weighted Mean			33.33%		33.33%		33.33%
			SAR 996.82		SAR 984.32		SAR 962.50
SAR / Sqm	SAR 2,944						
Rounded Value	SAR 2,900						

3.2 Depreciated Replacement Cost (DRC)

As a first step, the cost of reconstructing the building (the cost of replacement) was estimated, based on the average construction costs of similar properties and at the same level of finishes, services, utilities, and others. The opinion of some engineering experts was used in this regard. The following table shows the expected replacement costs for such property.

	Min Cost (SAR / Sqm)	Max Cost (SAR / Sqm)	Average Cost
Concrete Cost	SAR 800	SAR 1,000	SAR 900
MEP	SAR 500	SAR 700	SAR 600
Finishing Materials	SAR 600	SAR 800	SAR 700
Site Improvements	SAR 70	SAR 90	SAR 80
Owner Profit	18%	22%	20%

In the following table, we will estimate the direct replacement cost of the property taking into consideration the main components of the building, such as the concrete structure, electromechanical work, finishes, site improvements, etc. Then we will estimate the value of the indirect costs as a percentage of the total direct costs to estimate the total construction costs of the project.

Land			
Land Area	SAR / Sqm		Total Value
10,000.00	SAR 2,900		SAR 29,000,000
Building			
	Unit		Total BUA
Underground	Sqm		5,139.16
Upper Floor	Sqm		13,209.94
Total (SQM)	18,349.10		

Development Cost					
Hard Cost - (Upper Floors)					
	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Skeleton and Block	13,209.94	SAR 900	SAR 11,888,946	100%	SAR 11,888,946
Electro Mechanic	13,209.94	SAR 600	SAR 7,925,964	100%	SAR 7,925,964
Finishing	13,209.94	SAR 700	SAR 9,246,958	100%	SAR 9,246,958
Site Improvement	10,000.00	SAR 80	SAR 800,000	100%	SAR 800,000
Total			SAR 29,861,868	100.00%	SAR 29,861,868

Hard Cost - (Underground)					
	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Skeleton & Block	5,139.16	SAR 1,350	SAR 6,937,866	100%	SAR 6,937,866
Electro Mechanic	5,139.16	SAR 600	SAR 3,083,496	100%	SAR 3,083,496
Finishing	5,139.16	SAR 350	SAR 1,798,706	100%	SAR 1,798,706
Total			SAR 11,820,068	100.00%	SAR 11,820,068
Overall Soft Cost					
			Total Hard Cost	Ratio	Soft Cost
Initial Project Pre Cost			SAR 41,681,936	0.5%	SAR 208,410
Design			SAR 41,681,936	0.5%	SAR 208,410
Eng Consultant			SAR 41,681,936	0.5%	SAR 208,410
Management			SAR 41,681,936	0.5%	SAR 208,410
TOTAL				2.00%	SAR 833,638.72
Total Hard Cost	SAR 41,681,936			BUA	18,349.10
Total Soft Cost	SAR 833,638.72			SAR / Sqm	SAR 2,317
Total Construction Cost	SAR 42,515,574.72			Overall Completion	100.0%

DEVELOPMENT VALUE			
Total Dev Cost	SAR 42,515,575	Annual Dep Rate	2.0%
Total Completion Rate	100.00%	Actual Age	1
Developer Profit Rate	20.0%	Total Dep Rate	2.00%
Dev. Profit Amount	SAR 8,503,115	Add Appr Rate	0.00%
Development Value	SAR 51,018,690	Net Dep Rate	2.00%
Economic Age	50	Cost After Depreciation	SAR 49,998,316

In order to determine the full value of the property, the construction costs will be added to the market value of the land as follows:

Total Dev. Value	Land Value	Total Property Value	Rounded Value
SAR 49,998,316	SAR 29,000,000	SAR 78,998,316	SAR 79,000,000

3.3 Income Approach- Market Rates

After conducting extensive research and investigation, our work team has determined that comparable properties with similar characteristics exhibit a price range of 180 to 220 SAR square meter.

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 9%. 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

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	84,470,000.00	119,362,000.00	89,900,000.00
NOI	6,335,250	8,355,340	5,843,500
Cap Rate	7.50%	7.00%	6.50%
Average Cap Rate	7.00%		
Rounded	7.00%		

The estimated capitalization rate for the property, which will be used in the valuation process, is 7%. This rate will be applied later to the net operating income of the property.

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues						
Unit Type	Quantity		Revenues			
	Total GLA	No of Units	SAR / Sqm	SAR / Unit	Total Revenues	
Educational building	18,349.10	1	SAR 200.00	SAR 0	SAR 3,669,820	
					Total Revenues	SAR 3,669,820
Expenses						
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses	
Educational building	0.00%	0.00%	0.00%	0.00%	0.00%	
					Total Expenses	0.00%
Net Operating Income						
Unit Type	Total Revenues		Total Expenses		NOI	
Educational building	SAR 3,669,820		0.00%		SAR 3,669,820	
					Total	SAR 3,669,820
Total Property Revenues					SAR 3,669,820	
Total Property Expenses					SAR 0	
Net Operating Income					SAR 3,669,820.00	
Net Operating Income		Cap Rate		Property Value		
SAR 3,669,820.00		7.00%		52,426,000.00 SAR		
					Rounded Value	SAR 52,400,000.00

3.4 Subject Property Value in Different Approaches

Methodology	Subject of Valuation	Value in Numbers	Value in Letters
DRC Approach	Land + Building	SAR 79,000,000	Seventy-Nine Million Saudi Riyals.
Income- Actual	Property	SAR 52,400,000	Fifty-Two Million Four Hundred Thousand Saudi Riyals

3.5 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Capitalization Rate Method (basis on market) is:

Property Value: SAR 52,400,000
Fifty-Two Million Four Hundred Thousand Saudi Riyals.

3.6 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

3.7 Accredited Valuers

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President



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Nabeel M. Al Husaini
CEO



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DOCUMENTS



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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. Based on the provided copy of the title deed and the layouts of the building, the facility has total land area of 6,033.2 Sqm and total BUA of 16,757.87 Sqm. As per the site inspection done by our team for the purpose of valuation, we have found that the property is open from 4 sides with a direct view on Al Kuwait Street.

1.2 Surrounding Area

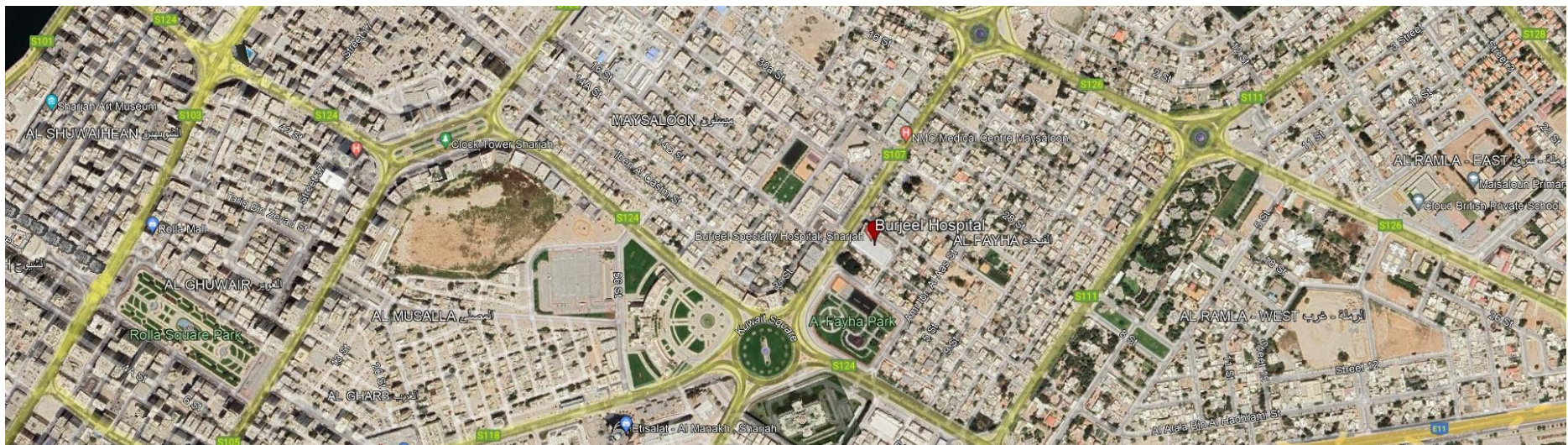
The subject property is surrounded mostly by several residential and mix-use buildings.

1.3 Ease of Access

Based on the current location of the subject property, the access level is high since it is located 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 provides us with copy of the title deeds related to the subject property which is owned by one title deed. The details of the subject property:

City	Sharjah	Land Area	6,033.2 Sqm
District	Al Faihaa- Al Sharq	Ownership No.	853
T.D Type	Electronic	Government No.	5
T.D Number	2936	Layout No.	N/A
T.D Date	03/02/2022	Owner	Roken Al Maather Limited Co.
T.D Value	N/A	Ownership Type	Freehold
Date of Last Transaction	-----	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 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 issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	Addition
Property Type	Medical Facility
Construction Permit No.	381/2013
Construction Permit Date	17/11/2016
Permit Expiry Date	17/11/2019

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 BAU (sqm)		16,757.87	

1.7 Photographs of the Subject Property





WHITE **CUBES**

MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

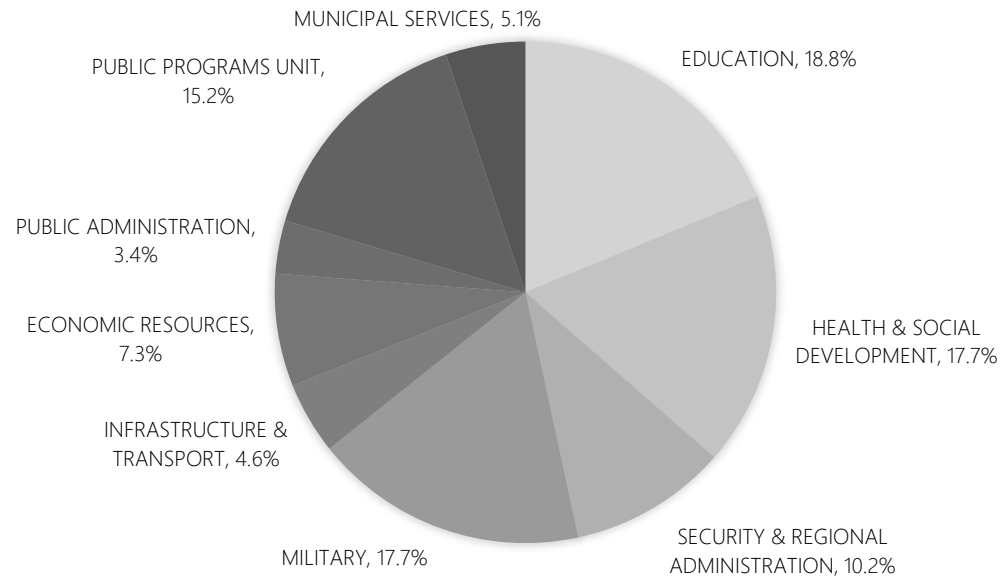
2.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

2.2 Budget Allocation for 2023




Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

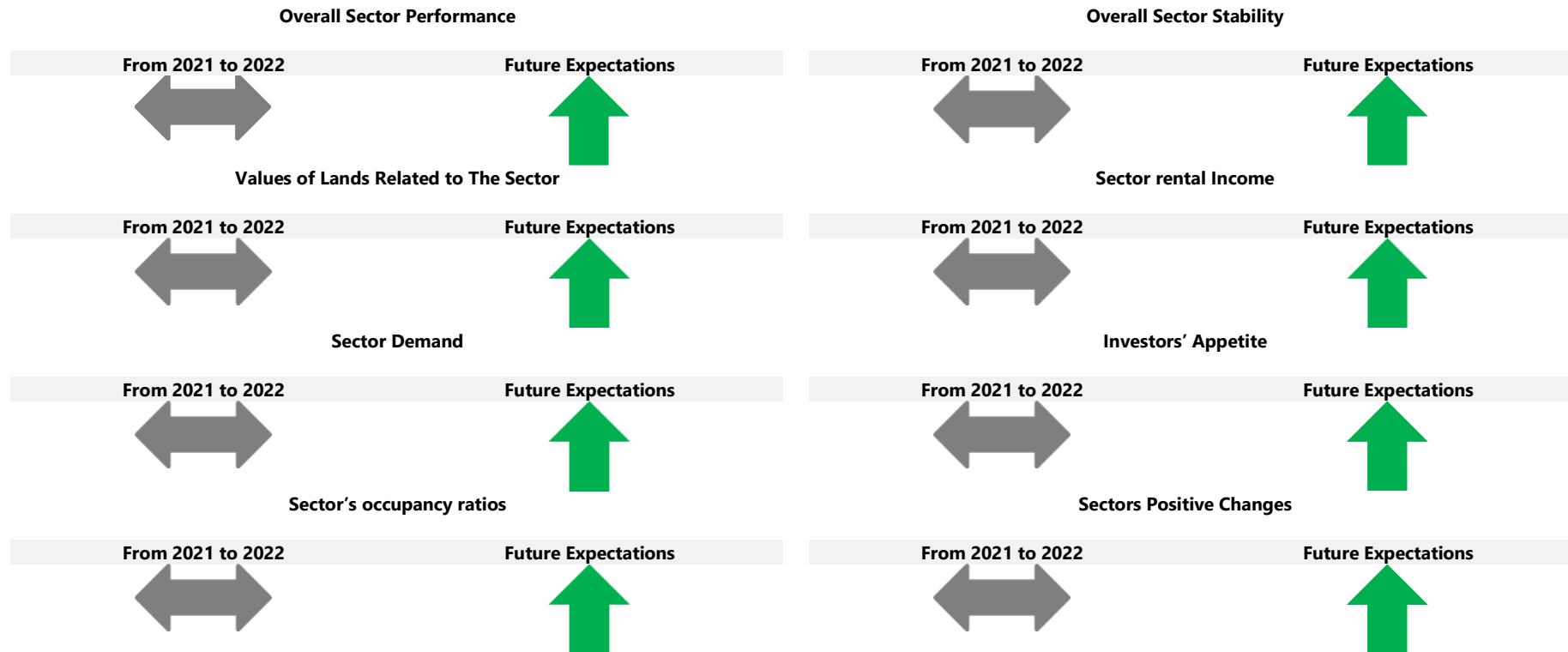
Source: Ministry of Finance



2.3 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 on 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

2.4 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



WHITE **CUBES**

PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

3 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 market 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	----	----	----	----	✓	----

DEPRECIATED REPLACEMENT COST (DRC)

A cost approach is a real estate valuation method that surmises that the price someone should pay for a piece of property should not exceed what someone would have to pay to build an equivalent building. Generally, the cost approach considers what the land, devoid of any structures, would cost, then adds the cost of building the structures, then depreciation is subtracted. The cost approach may be less desirable if there are no recent sales of vacant land for which to compare, since the major method of valuing vacant lands is to use the sales comparison approach, or when construction costs are not readily available. The cost approach method includes:

- Estimate what the vacant property would be worth.
- Estimate the current cost of building the structures, then add that value to the value of the vacant land.
- Estimate the amount of accrued depreciation of the subject property, then subtract it from the total to arrive at the property's worth.

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.

The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising, and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included since it is not an operating expense. Hence, it does not include mortgage and interest since this is a debt payment on a capital item.

3.1 Depreciated Replacement Cost (DRC)

As a first step, the cost of reconstructing the building (the cost of replacement) was estimated, based on the average construction costs of similar properties and at the same level of finishes, services, utilities, and others. The opinion of some engineering experts was used in this regard. The following table shows the expected replacement costs for such property.

	Min Cost (SAR / Sqm)	Max Cost (SAR / Sqm)	Average Cost
Concrete Cost	AED 1,100	AED 1,300	AED 1,200
MEP	AED 1,900	AED 2,100	AED 2,000
Finishing Materials	AED 2,400	AED 2,600	AED 2,500
Site Improvements	AED 110	AED 90	AED 100
Owner Profit	18%	22%	20%

In the following table, we will estimate the direct replacement cost of the property taking into consideration the main components of the building, such as the concrete structure, electromechanical work, finishes, site improvements, etc. Then we will estimate the value of the indirect costs as a percentage of the total direct costs to estimate the total construction costs of the project.

Land		
Land Area	SAR / Sqm	Total Value
6,033.20	AED 2,100.00	AED 12,669,720.00

Building		
	Unit	Total BUA
Underground	Sqm	5,555.89
Upper Floor	Sqm	11,201.98
Total (SQM)	16,757.87	

Development Cost					
Hard Cost - (Upper Floors)					
	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Skeleton and Block	11,201.98	AED 1,200.00	AED 13,442,376.00	100%	AED 13,442,376.00
Electro Mechanic	11,201.98	AED 2,000.00	AED 22,403,960.00	100%	AED 22,403,960.00
Finishing	11,201.98	AED 2,500.00	AED 28,004,950.00	100%	AED 28,004,950.00
Site Improvement	6,033.20	AED 100.00	AED 603,320.00	100%	AED 603,320.00
Total			AED 64,454,606.00	100.00%	AED 64,454,606.00

Hard Cost - (Underground)					
	Area	SAR / Sqm	Total	Completion Rate	Total Cost
Skeleton & Block	5,555.89	AED 1,800.00	AED 10,000,602.00	100%	AED 10,000,602.00
Electro Mechanic	5,555.89	AED 1,200.00	AED 6,667,068.00	100%	AED 6,667,068.00
Finishing	5,555.89	AED 800.00	AED 4,444,712.00	100%	AED 4,444,712.00
Total			AED 21,112,382.00	100.00%	AED 21,112,382.00
Overall Soft Cost					
			Total Hard Cost	Ratio	Soft Cost
Initial Project Pre Cost			AED 85,566,988.00	0.1%	AED 85,566.99
Design			AED 85,566,988.00	0.5%	AED 427,834.94
Eng Consultant			AED 85,566,988.00	1.0%	AED 855,669.88
Management			AED 85,566,988.00	5.0%	AED 4,278,349.40
Contingency			SAR 85,566,988	5.00%	AED 4,278,349.40
Others			SAR 85,566,988	0.00%	AED 0.00
TOTAL				11.60%	AED 9,925,770.61
Total Hard Cost	AED 85,566,988.00			BUA	16,757.87
Total Soft Cost	AED 9,925,770.61			SAR / Sqm	AED 5,698.38
Total Construction Cost	AED 95,492,758.61			Overall Completion	100.0%

DEVELOPMENT VALUE			
Total Dev Cost	AED 95,492,758.61	Annual Dep Rate	2.0%
Total Completion Rate	100.00%	Actual Age	3
Developer Profit Rate	20.0%	Total Dep Rate	6.00%
Dev. Profit Amount	AED 19,098,551.72	Add Appr Rate	2.00%
Development Value	AED 114,591,310.33	Net Dep Rate	4.00%
Economic Age	50	Cost After Depreciation	AED 110,007,657.92

In order to determine the full value of the property, the construction costs will be added to the market value of the land as follows:

Total Dev. Value	Land Value	Total Property Value	Rounded Value
AED 110,007,657.92	AED 12,669,720.00	AED 122,677,377.92	AED 122,700,000.00

3.2 Income Approach- Leasing Contract

The client provided us with the total revenue for the property, which amounted to 4,080,000 Saudi Riyals during the period from 01/01/2023 to 30/06/2023. The project was evaluated based on the expected annual revenue, which is 8,160,000 Saudi Riyals.

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 9%. 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

Regarding the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

	Sample 1	Sample 2	Sample 3
Sale Price	233,400,000.00	102,000,000.00	830,200,000.00
NOI	17,505,000	7,140,000	53,963,000
Cap Rate	7.50%	7.00%	6.50%
Average Cap Rate	7.00%		
Rounded	7.00%		

The estimated capitalization rate for the property, which will be used in the valuation process, is 7%. This rate will be applied later to the net operating income of the property.

Based on the above, the value of the property using the income capitalization method is as follows:

Revenues					
	Quantity		Revenues		
Unit Type	Total GLA	No of Units	SAR / Sqm	SAR / Unit	Total Revenues
Hospital		Fully leased to one tenant			AED 8,160,000.00
				Total Revenues	AED 8,160,000.00
Expenses					
Unit Type	Management	Utilities	Maintenance	Others	Total Expenses
Hospital	0.00%	0.00%	0.00%	0.00%	0.00%
				Total Expenses	0.00%
Net Operating Income					
Unit Type	Total Revenues		Total Expenses		NOI
Hospital	AED 8,160,000.00		0.00%		AED 8,160,000.00
				Total	AED 8,160,000.00
Total Property Revenues					AED 8,160,000.00
Total Property Expenses					AED 0.00
Net Operating Income					AED 8,160,000.00
Net Operating Income	Cap Rate		Property Value		Rounded Value
AED 8,160,000.00	7.00%		AED 116,571,428.57		AED 116,600,000.00

3.1 Subject Property Value in Different Approaches

Methodology	Subject of Valuation	Value in Numbers	Value in Letters
DRC Approach	Land + Building	AED 122,700,000	One Hundred Twenty-Two Million Seven Hundred Thousand AED.
Income- Actual	Property	AED 116,600,000	One Hundred Sixteen Million Six Hundred Thousand AED

3.2 Subject Property Value

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the Income Approach-Capitalization Rate Method (basis on market) is:

Property Value: **AED 116,600,000**
One Hundred Sixteen Million Six Hundred Thousand AED

Property Value SAR: **SAR 118,932,000.00**
SAR 118,900,000.00
One Hundred Eighteen Million Nine Hundred Thousand Saudi Riyals.

3.3 Conclusion

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria 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.

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

Abdulrahman A. Al Rajih
 Valuer



Fellow Member of (RE Valuation)
 License No. 1210002523

WHITECUBES Stamp





WHITE **CUBES**
DOCUMENTS

DOCUMENTS

Documents Received

4 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	١١٩٢٩

المنطقة	رقم الملك	الرقم الحكومي	المدينة
الفجاء/الشارقة	٨٥٣	٥	الشارقة
رقم الملك	اسم الملك	الحصص	ملاحظات
٧٣٠٨٩	اليوسف ش. م. م. م.	مئة	

إليه في هذا اليوم من شهر من سنة هجرية الموافق ٢٠١٧/١٢/٢٤ ميلادية جرى تسجيل المال غير المنقول للكان بالموقع المذكور اعلاه بصفته أرض مبنية مساحتها ٦٠٣٣,٢ مترا مربعا (٦٤٩٢٩ قدما مربعا)

أطواله:	شامية وتسعون مترا و ٣١ سم شمالا	سبعة وتسعون مترا و ٧٧ سم جنوبا
	واحد وستون مترا و ٨١ سم شرقا	واحد وستون مترا و ٢٨ سم غربا
حدوده:	طريق عرض ١٢,٢٠ متر من الشمال	طريق عرض ١٢,٢٠ متر من الجنوب
	طريق عرض ١٢,٢٠ متر من الشرق	طريق عرض ٣٦,٦٠ متر من الغرب

وقد اتصل هذا المال غير المنقول بمن ذكر اعلاه بطريق (الشراء) بمبلغ وقدره خمسة وتسعون مليون درهم لا غير من المالك السابق البيان للقرارات

لقد اعتمدت دائرة التسجيل العقاري معاملة التسجيل وإثباتها لذلك اعطى هذا السند.

أي شطب أو تعديل في محتوى السند يلغيه تلقائيا

مدير عام دائرة التسجيل العقاري

الإمارات العربية المتحدة - حكومة الشارقة
 بلدية مدينة الشارقة
 United Arab Emirates - Sharjah Government
 SHARJAH CITY MUNICIPALITY
 Engineering Department - الإدارة الهندسية

إجازة بناء Building Permit

رقم اجازة البناء: 381 / 2013
 التاريخ: 2016-11-17

إضافة

نوع البناء : مسلح
 المالك : 1 - البيان للقرارات
 المقاول : الاجهام لمفاولات البناء - م.م.م. 123782
 الاستشاري : رواد التصميم لاستشارات الهندسية م.م.م. 725643
 المنطقة : الفجاء/الشارقة 3029
 مساحة رقم : 5
 ملك رقم : 853
 وصف البناء المراد تشييده :
 2 تجاري
 26 مبنى متعدد الطوابق
 3 طوابق
 تفاصيل البناء : مستشفى طباق (مرداب+معرض+اول)

ملاحظات :
 - يوجد ترخيص سابق
 - يوجد فدان للتوسعات والتشطيبات الداخلية والخارجية معتمد من البلدية برقم 2016/6986
 - تاريخ ترخيص الترخيص المعد من قبل هيئة كهرباء ومياه الشارقة: 2017/02
 - تم تعديل الاستعمال من مركز تجاري إلى مستشفى.

*مراجعة التعليمات والشروط خلف المستند
 في حالة امتناع بعض الاضلاع التكميلية لمقاولي الباطن يجب التاكد من اجازتهم من البلدية ويتحمل المخالف كافة التبعات القانونية

رقم الاصل	تاريخ الاصل	القيمة
900210245	2016-09-18	60333 درهم
304597	2016-11-09	7000 درهم
		4704120 درهم

رئيس القيمة
 محاسب البلدية
 مدير البلدية

