



Final Valuation Report

Bonyan REIT Portfolio, Eleven Properties Across Saudi Arabia

Client: Saudi Fransi Capital

6 March 2024

V230273

P230308

السعودي الفرنسي كابيتال
Saudi Fransi Capital



Introduction



Dear **Saudi Fransi Capital**,

RE: Real Estate Valuation of Bonyan REIT Portfolio, Eleven Properties Across Saudi Arabia

Further to your request, Abaad thank you for inviting us to complete and submit a valuation report with respect to the aforementioned property.

We have prepared our valuation on the basis of Fair Value for Financial Reporting Purpose.

We confirm that the valuation has been prepared in accordance with International Valuation Standards (IVS) 2022 and is compliant with the Saudi Authority of Accredited Valuers, also referred to as “Taqeem”.

We confirm that the valuation has been undertaken by us as external valuers and we possess the required knowledge, skills, and understanding to undertake the valuation competently.

We confirm that we are not aware of any existing or potential conflict of interest with respect to this engagement.

Eng. Ammar Abdulaziz Sindi
Chief Executive Officer
Kingdom of Saudi Arabia
Mobile: +966 (50) 730 0500
Email: asindi@sa-abaad.com

Registration Certificate



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Property Overview

- Bonyan REIT portfolio consists of eleven income-generating properties located in the four cities across the Saudi Arabia, Riyadh, Al Madinah, Abha and Jazan.
- All properties are operating and generating income. The portfolio consist of retail, residential, office and hospitality assets. Bonyan REIT portfolio contains five properties in Riyadh, three in Jazan, two in Al Madinah and one in Abha.
- In terms of fair value, the allocation is 35.6%/, 28.1%/, 16.2%/ and 20.1%/ for Abha, Al Madinah, Jazan and Riyadh, respectively.

Property Details

Site Details	Information
Location	Riyadh, Al Madinah, Abha and Jazan
Permitted Use	Mix Use
Tenure	Freehold
Deed Number	Various
Deed Date	Various
Land Area (sqm)	N/A
Owner	Bonyan REIT



Properties Value:

Asset Name	City	Sector	Land Area (SQM)	Fair Value (SAR)
Al Sahafa Office Tower	Riyadh	Office	3,330	135,400,000
Al Ghadeer Office Building	Riyadh	Office	4,356	81,600,000
Al Rafiah Village Compound	Riyadh	Residential	61,391	165,200,000
Al Maather Complex	Riyadh	Residential	1,924	6,000,000
Al Rashid Strip Mall	Riyadh	Retail	5,100	32,640,000
Al Rashid Mall – Jazan	Jazan	Retail		243,600,000
Courtyard Marriott	Jazan	Hospitality	39,975	59,190,000
Marriott Residence Inn	Jazan	Hospitality		81,280,000
Al Rashid Mega Mall – Madinah	Al Madinah	Retail	63,532	506,000,000
Marriott Executive Apartments	Al Madinah	Hospitality		82,690,000
Al Rashid Mall – Abha	Abha	Retail	78,602	744,600,000

Valuation Summary

Description	Information
Report Type	Detailed Report
Purpose of Valuation	Financial Reporting Porposes
Valuation Approach	Income Approach/Cost Approach
Basis of Value	Fair Value
Other Intended Users	Fund Managers and Investors – Report Reviewers
Adopted Currency	Saudi Riyal
Aggregate Fair Value	2,138,200,000

Executive Summary

Valuation Comments

- Abaad draws your attention to any assumptions made within this report. We consider that the assumptions we have made accord with those that would be reasonable to expect a purchaser to make.
- Abaad has placed reliance on the information provided by the Client regarding the property details. Should it transpire that the information provided is incorrect, Abaad reserves the right to review and amend the report and the result of the valuation accordingly.
- This report should be read in conjunction with all of the information set out in this report. We would point out that we have made various assumptions as to tenure, planning and associated opinions. If any of the assumptions on which the valuation is based are subsequently found to be incorrect then the figures presented in this report may also need revision and should be referred back to us.
- Please note property values are subject to fluctuation over time as market conditions may change.

Executive Summary

Terms and Conditions



- The Subject Property has been valuated according to the International Valuation Standards (IVS) issued by the Council of International Valuation Standards (IVSC) in **2022** and the rules and regulations of the Saudi Authority for Accredited Valuers in the Kingdom of Saudi Arabia (Taqeem).
- This report was relied upon and valuated according to the specific conditions and restrictions presented in this report.
- The report was issued without any conflict of interest or personal gain.
- This valuation report was prepared based on the instructions received from “The Client” to estimate its “basis of value” for the “purpose” as requested by “The Client”.
- Abaad and Partner Co. are confident that this report meets the client's requirements and instructions, and that the information contained in this report is completely confidential and that the report is issued to the client only.
- The responsibility of the Abaad and Partner Co. is limited to the report and the information contained in the report. Otherwise, the (client) is responsible for requesting the valuation of the Property and the legal consequences thereof.
- The estimated values in this report are for The Subject Property, and any distribution of (value - values) on the parts of the Property applies only according to the narration of the report and for its purpose, and these values should not be used for any other purposes, as it may be incorrect if the purpose has been changed from the valuation for which the report was created.
- This report has been prepared based on the information collected or received and analyzed according to best practices to reach the value, and any material observations that may impact the value are usually noted.
- Please be aware that our inspection was carried out on a visual basis only. No part of the structure was opened up for a detailed examination or testing. We have therefore, where appropriate, made assumptions based on experience of the Property type, construction and materials used. We cannot guarantee that defects do not exist in those parts of the structure, which are concealed, unexposed or not reasonably accessible.
- In the event that any information in the future that is mentioned in the report is found to be untrue and unintentional, the value in this report may change and the client will be notified in due course.
- This valuation report is valid only if approved by the company's seal, in addition to the signature of the accredited valuers.

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Introduction

- **Saudi Fransi Capital** requested Abaad on **23rd October 2023** to provide a valuation of the **freehold** interest of **11 assets within Bonyan REITs located in Riyadh, Jazan, Abha and Al Madinah**. We enclose this valuation within this Valuation Report.

Applicable Standards

- We confirm that this valuation report has been prepared in accordance with International Valuation Standards (IVS) **2022** and is compliant with the Saudi Authority of Accredited Valuers, also referred to as “Taqeem.”

Status of Valuer

- This report has been compiled and verified by Ammar Qutub and Ammar Sindi, who have the necessary qualifications, ability, and relevant experience to conduct a valuation of the Subject Property. They have also acted in the capacity of external valuers.

Conflict of Interest

- We confirm that we are not aware of any conflict of interest in acting on your behalf on this exercise.

Purpose of Valuation

- We have prepared our valuation for **Financial Reporting Purpose**.

Date of Inspection

- We confirm that the Property was inspected by Abaad Team on **19 November 2023 and 07 December 2023**.

Date of Valuation

- We confirm that the date of valuation is **31 December 2023**.

Basis of Valuation

- We have prepared our valuation on the basis of Fair Value, which is defined in IVS **2022** as per the below:

“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.”

Sources of Information

- We have relied upon the information provided to us by the Client with respect to the Subject Property, which is outlined below:
 - **Building permits**
 - **Title Deed**
 - **Rent roll and Opex**

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Liability and Publication

- This report is issued for your use, and that of your professional advisers, for the specific purpose to which it refers. Abaad does not accept any responsibility to any third party for the whole or any part of its contents.
- Neither the whole nor any part of this valuation or any reference to it, may be included in any published document, circular, or statement or disclosed in any way without Abaad prior written consent to the form and context in which it may appear.

Confidentiality

- This report is confidential to the Client and their advisors, and we accept no responsibility to any third party. No responsibility is accepted to any third party who may use or rely upon the whole or any part of the contents of this report. It should be noted that any subsequent amendments or changes in any form to it will only be notified to the Client to whom it is authorized.

IVS 410 Development Property

- In the context of this standard, development properties are defined as interests where redevelopment is required to achieve the highest and best use, or where improvements are either being contemplated or are in progress at the valuation date.

Assumptions and Special Assumptions

- Assumptions are matters that are reasonable to accept as a fact in the context of the valuation assignment without specific investigation or verification. They are matters that, once stated, are to be accepted in understanding the valuation or other advice provided.
- Special Assumption is an assumption that either assumes facts that differ from the actual facts existing at the valuation date or that would not be made by a typical market participant in a transaction on the valuation date. Special assumptions are often used to illustrate the effect of changed circumstances on value.
- Only assumptions that are reasonable and relevant having regard to the purpose for which the valuation assignment is required shall be made.
- **For the purpose of this report, it is assumed that written information provided to us by the Client is up to date, complete and correct in relation to title, rent roll, opex, planning consent and other relevant matters as set out in the report. Should this not be the case, we reserve the right to amend our valuation and report.**

Fair Value Hierarchy

- In accordance with the Fair Value Hierarchy prescribed by IFRS 13, our real estate valuation process adheres to three distinct levels of inputs to ensure transparency and reliability in the determination of fair value.
 - **Level 1 Inputs:** Quoted prices for identical properties in an active market represent the most reliable and transparent inputs. However, due to the unique characteristics of our real estate assets, the availability of Level 1 inputs may be limited.
 - **Level 2 Inputs:** Observable inputs other than quoted prices, such as recent transactions or prices for similar properties, are considered in the absence of Level 1 inputs. These inputs contribute to the valuation process and enhance the robustness of our fair value measurements.
 - **Level 3 Inputs:** The valuation of certain real estate assets relies significantly on Level 3 inputs, which are unobservable and require management judgment. This involves the use of proprietary valuation models, assumptions, and estimates tailored to the specific attributes of our properties. Level 3 inputs are particularly relevant when market activity is limited or absent.
- The choice of input level is determined by the nature of each asset and the availability of observable market data. Our commitment to providing a comprehensive and accurate representation of fair value includes detailed disclosures regarding the methods, assumptions, and risks associated with each valuation.
- This disclosure aims to communicate the approach taken in the real estate valuation process, highlighting the reliance on different levels of inputs and emphasizing transparency for stakeholders.

Fair Value Measurement Disclosure

- In accordance with the Fair Value Hierarchy outlined in IFRS 13, our real estate valuation primarily relies on Level 3 inputs. Level 3 inputs involve unobservable data and require significant management judgment. This is due to the unique characteristics of our properties and the absence of readily available market prices for identical or similar assets. Our valuation approach includes the use of appropriate and relevant valuation methodologies, and the fair value estimates are sensitive to changes in key assumptions. For a detailed understanding of our valuation methodologies and the associated risks, please refer to the comprehensive disclosures provided in through out the report and the valuation methodology section
- This disclosure communicates to stakeholders that Level 3 inputs are a key component of the real estate valuation process, emphasizes the reliance on unobservable data, and encourages users to review the detailed disclosures for a more thorough understanding of the valuation methodologies and associated risks. Providing transparency in this way helps stakeholders make informed decisions based on the unique circumstances of the real estate being valued.

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Title Information



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Title Information - Al Sahafa Office Tower

ID	Description
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company
Use	Commercial
Plot No.	2413
Sub-Division	1917, 1916, 1915
District	Al Sahafa
Street Name	Olaya Street
Coordinates	24°47'31.15"N 46°38'9.09"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 318501000339
	Deed Date 15/9/1442

Title Information - Al Ghadeer Office Building

ID	Description
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company
Use	Commercial
Plot No.	2726
Sub-Division	1/1022, 1014/1,1021/1013
District	Al Ghadeer
Street Name	-
Coordinates	24°46'24.37"N 46°39'22.98"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 917807004147
	Deed Date 27/6/1443

- We have been provided with the details of the Title Deed for the Subject Property, and we assume the following details to be correct for the purposes of this report. However, should there be any inconsistencies, we reserve the right to amend our valuation.
- All aspects of tenure/title should be checked by the client's legal representative prior to any financial commitment. Should any assumptions made within the body of this report prove to be incorrect then the matter should be referred back to the valuer in order to ensure the valuation is not adversely affected.

Tenure

Title Information



Title Information - Al Rafiah Village Compound

ID	Description	
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company	
Use	Residential	
Plot No.	3660	
Sub-Division	-	
District	Al Rafiah	
Street Name	Ibn Al-Shirazi	
Coordinates	24°38'10.41"N	46°40'8.43"E
City	Riyadh	
Ownership Type	Freehold	
Title Deed Info	Deed No.	310110038095
	Deed Date	8/3/1439

Title Information - Al Maather Complex

ID	Description	
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company	
Use	Residential	
Plot No.	199	
Sub-Division	1343	
District	Al Maather	
Street Name	Abl Al-Muzaffar Mubarak	
Coordinates	24°40'45.49"N	46°41'3.11"E
City	Riyadh	
Ownership Type	Freehold	
Title Deed Info	Deed No.	310123032117
	Deed Date	5/3/1439

- We have been provided with the details of the Title Deed for the Subject Property, and we assume the following details to be correct for the purposes of this report. However, should there be any inconsistencies, we reserve the right to amend our valuation.
- All aspects of tenure/title should be checked by the client's legal representative prior to any financial commitment. Should any assumptions made within the body of this report prove to be incorrect then the matter should be referred back to the valuer in order to ensure the valuation is not adversely affected.

Title Information

Title Information - Al Rashid Strip Mall

ID	Description
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company
Use	Commercial
Plot No.	128,126,127,120,121,122
Sub-Division	2737
District	Al Narjis
Street Name	Othman Bin-Affan
Coordinates	24°49'30.77"N 46°41'0.01"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 310114039546, 310114039547
	Deed Date 5/3/1439

Title Information - Al Rashid Mall – Jazan

ID	Description
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company
Use	Commercial
Plot No.	-
Sub-Division	-
District	Ash Shati
Street Name	Corniche
Coordinates	16°54'8.09"N 42°33'13.23"E
City	Jazan
Ownership Type	Freehold
Title Deed Info	Deed No. 672003004051
	Deed Date 4/3/1439

- We have been provided with the details of the Title Deed for the Subject Property, and we assume the following details to be correct for the purposes of this report. However, should there be any inconsistencies, we reserve the right to amend our valuation.
- All aspects of tenure/title should be checked by the client's legal representative prior to any financial commitment. Should any assumptions made within the body of this report prove to be incorrect then the matter should be referred back to the valuer in order to ensure the valuation is not adversely affected.

Title Information

Title Information - Courtyard Marriott

ID	Description
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company
Use	Commercial
Plot No.	-
Sub-Division	-
District	Ash Shati
Street Name	Corniche
Coordinates	16°54'7.07"N 42°33'10.82"E
City	Jazan
Ownership Type	Freehold
Title Deed Info	Deed No. 672003004051
	Deed Date 4/3/1439

Title Information - Marriott Residence Inn

ID	Description
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company
Use	Commercial
Plot No.	-
Sub-Division	-
District	Ash Shati
Street Name	Corniche
Coordinates	16°54'10.57"N 42°33'12.11"E
City	Jazan
Ownership Type	Freehold
Title Deed Info	Deed No. 672003004051
	Deed Date 4/3/1439

- We have been provided with the details of the Title Deed for the Subject Property, and we assume the following details to be correct for the purposes of this report. However, should there be any inconsistencies, we reserve the right to amend our valuation.
- All aspects of tenure/title should be checked by the client's legal representative prior to any financial commitment. Should any assumptions made within the body of this report prove to be incorrect then the matter should be referred back to the valuer in order to ensure the valuation is not adversely affected.

Tenure

Title Information



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Title Information - Al Rashid Mega Mall – Madinah

ID	Description
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company
Use	Commercial
Plot No.	491
Sub-Division	M/M?1429/975
District	Shazah
Street Name	Habib Bin Khamasha
Coordinates	24°29'15.01"N 39°38'57.05"E
City	Al Madinah Al Munawarah
Ownership Type	Freehold
Title Deed Info	Deed No. 940110018381
	Deed Date 1/4/1439

Title Information - Marriott Executive Apartments

ID	Description
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company
Use	Commercial
Plot No.	491
Sub-Division	M/M?1429/975
District	Shazah
Street Name	Habib Bin Khamasha
Coordinates	24°29'10.71"N 39°38'59.67"E
City	Al Madinah Al Munawarah
Ownership Type	Freehold
Title Deed Info	Deed No. 940110018381
	Deed Date 1/4/1439

- We have been provided with the details of the Title Deed for the Subject Property, and we assume the following details to be correct for the purposes of this report. However, should there be any inconsistencies, we reserve the right to amend our valuation.
- All aspects of tenure/title should be checked by the client's legal representative prior to any financial commitment. Should any assumptions made within the body of this report prove to be incorrect then the matter should be referred back to the valuer in order to ensure the valuation is not adversely affected.

Tenure

Title Information

Title Information - Al Rashid Mall – Abha

ID	Description		
Owner	Bonyan REIT/ Bonyan Real Estate Fund Company		
Use	Commercial		
Plot No.	-		
Sub-Division	-		
District	Al-Mozvin		
Street Name	King Fahd		
Coordinates	18°14'13.94"N		42°34'47.37"E
City	Abha		
Ownership Type	Freehold		
Title Deed Info	Deed No.	571402000852	
	Deed Date	23/12/1438H	

- We have been provided with the details of the Title Deed for the Subject Property, and we assume the following details to be correct for the purposes of this report. However, should there be any inconsistencies, we reserve the right to amend our valuation.
- All aspects of tenure/title should be checked by the client's legal representative prior to any financial commitment. Should any assumptions made within the body of this report prove to be incorrect then the matter should be referred back to the valuer in order to ensure the valuation is not adversely affected.

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Site Location Analysis

Macro Location - Riyadh

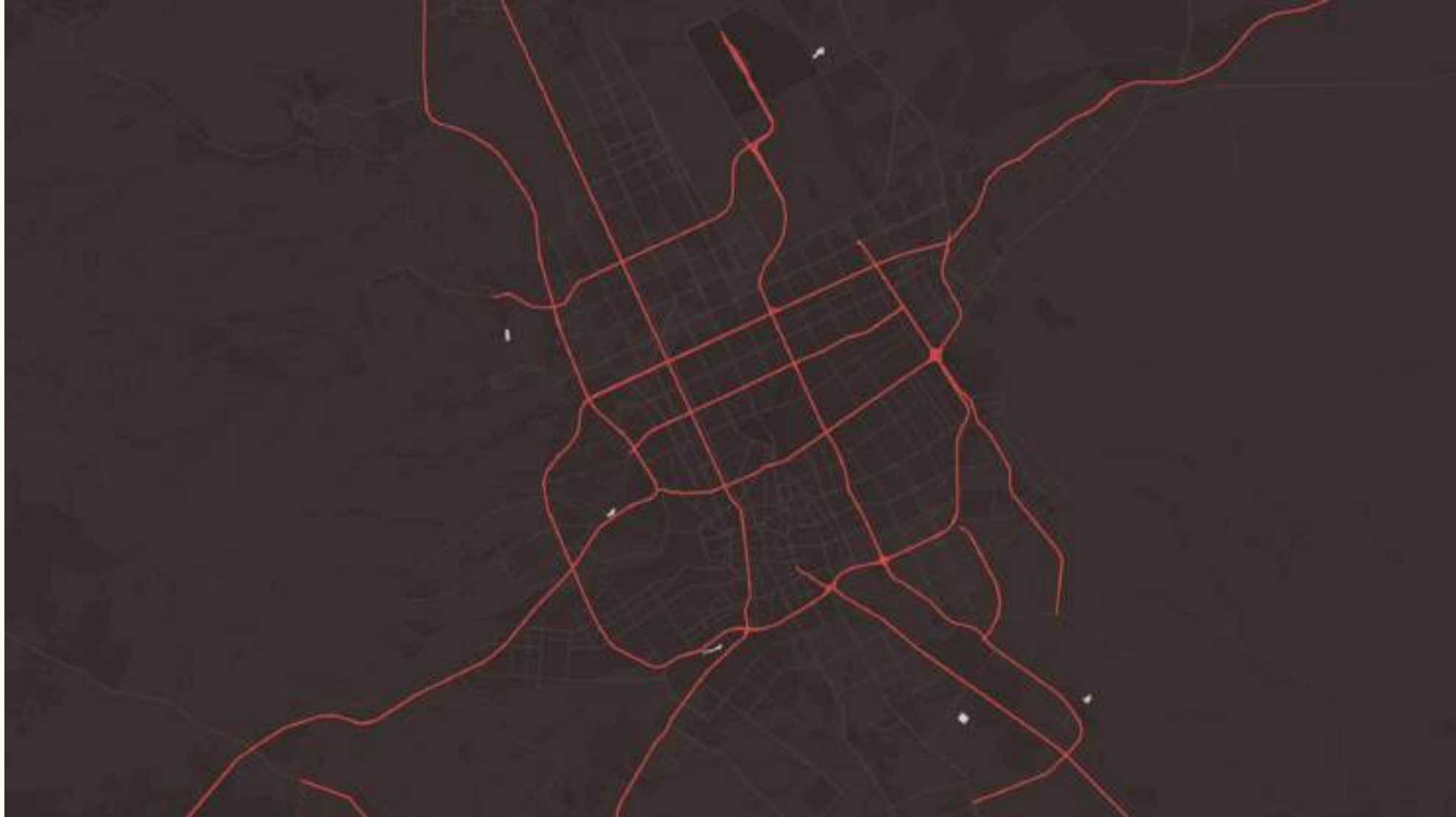
The subject property is located in Riyadh, the capital of Saudi Arabia and the largest of its cities. It is the seat of the Riyadh Region.

Riyadh is the most prominent Saudi city with a total population of 7.5 million in 1442/2022.

Riyadh is one of the largest cities of the Arab World in terms of area. The developed area of the city is around 1,973 square kilometers.

Riyadh is witnessing significant development of infrastructure and public transport, with the Riyadh Metro Project and the Public Transport Project currently in progress.

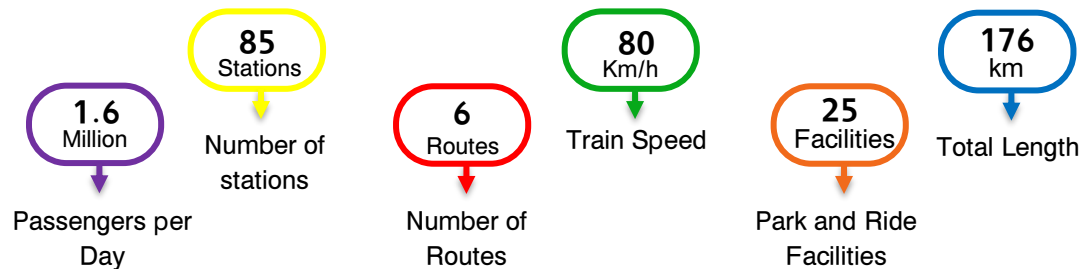
The Subject properties area located in Al Malaz and Al Faisaliyyah Dist., Riyadh, the Closet one is approximately 36 Km away from King Fahed International Airport, and about 23 Km from King Abdallah Financial District.



Site Location Analysis

Public Transport - Riyadh Metro

- Metro Riyadh is a high-speed transport system. It is currently under construction. It is one of the largest infrastructure projects in the City of Riyadh.
- The Metro is designed as a world-class transport system, including 756 metro cars, 85 stations, six metro lines, and a network spanning 176 kilometers.
- The construction of the metro system has resulted in several road closures which affected traffic in various parts of the city.



Length of Riyadh Metro Routes

Route	Route Length (Km)
First Route (Blue)	38.0
Second Route (Red)	25.3
Third Route (Orange)	40.7
Fourth Route (Yellow)	29.6
Fifth Route (Green)	12.9
Sixth Route (Purple)	29.5

Riyadh Metro Route Map



Site Location Analysis

Development Projects at City Level

The Royal Commission for the City of Riyadh carries out many programs and development projects which are strategic in nature with multiple objectives and dimensions and different requirements for execution over time.



Between the architectural, cultural, economic and social features and the environmental development requirements of Wadi Hanifa, it provides a model for the development of the oasis.

The program adopted the principle of integration with the City of Riyadh, making Diriya a world class cultural, tourism and promotional suburb.

Riyadh Art Project



Includes the performance of over 1000 artworks by local and international artists in front of audiences in the various parts of the City of Riyadh, as part of 10 programs covering residential neighborhoods, public parks, natural promenades, public squares, public transport stations, bridges, pedestrian crossings, city entrances and all tourism destinations of the city.

Riyadh Boulevard



Extends 135 kilometers, penetrating the City of Riyadh to connect Wadi Hanifa in the west of the City with Wadi Al Sulay in its east. It includes sports, cultural, recreational and environmental activities, including bicycle tracks, horse tracks, pedestrian sidewalks, a number of gates, stations and rest areas for bikers and hikers. Along the Boulevard inside the City and at Wadi Hanifa and Wadi Al Sulay, recreational services are provided to bikers and hikers, including coffee shops and diverse retail outlets.

Green Riyadh



The program aims at planting over 7.5 million trees in all parts of the city, including public parks, community parks, promenades, mosques, schools, academic, health and public installations and facilities, green belts along the spans of public utility lines, in addition to King Khalid International Airport, a roads and streets network, in addition to public transport routes, car parking spaces, vacant lands, valleys and river tributaries.

King Salman Park:



The largest city park in the World with an area exceeding 13 square kilometers. It is considered to be an environmental, cultural, sports and recreational project which contributes to the changing lifestyle in the city.



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Site Location and Valuation Analysis

Al Sahafa Office Tower, Riyadh

Site Location Analysis

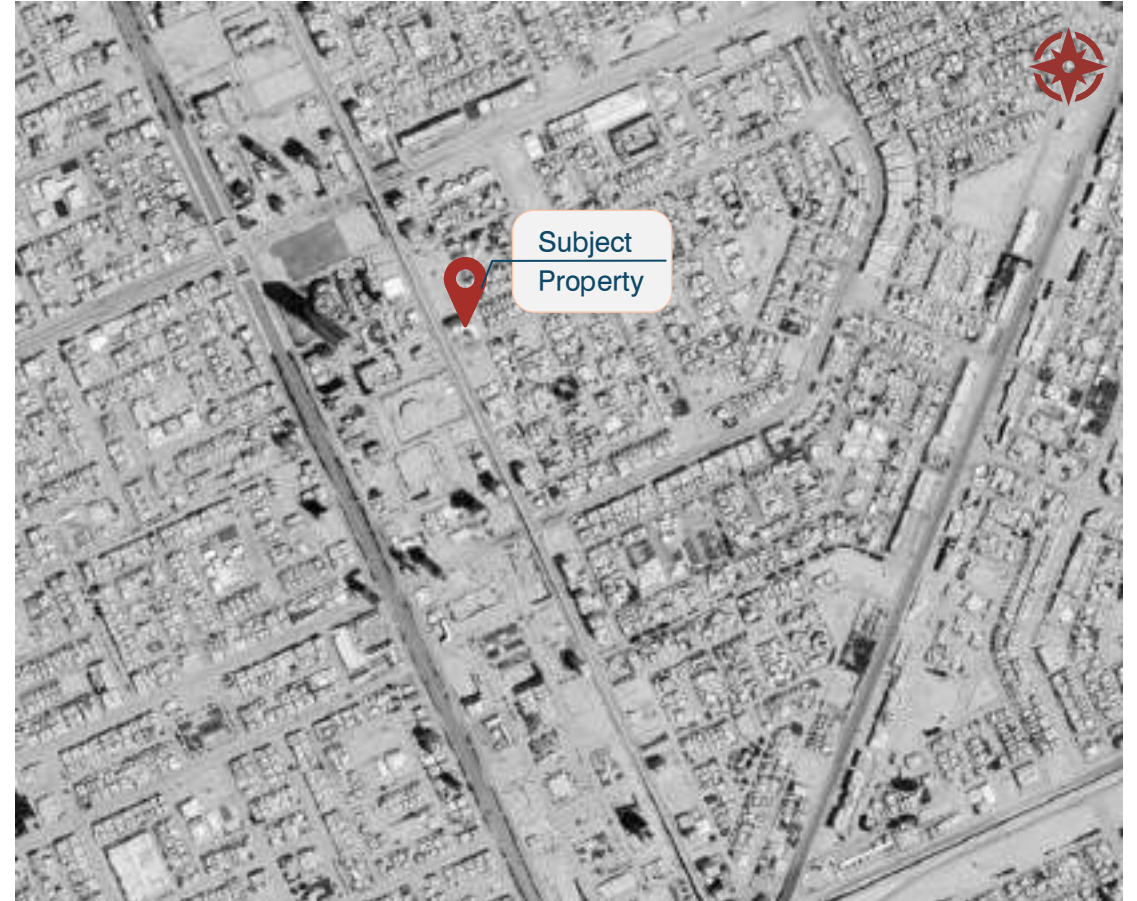
Property Description

- The Subject Property comprises 8 story (G+7) office tower (grade B stock), with 2 basement level parking areas consisting of 240 parking bays with a total built up area (BUA) of 16,644 square meters and gross leasable area (GLA) of 9,260 square meters.
- The Subject Property's structure is of reinforced concrete frame with a modern tinted golden glass façade finish which is part of new building structure completed circa 2021. The subject property is equipped with centralized air-conditioning system, elevator and firefighting system.
- The Subject property has frontage on Al Olaya Street close to the junction of Al Imam Saud Ibn Faysal Rd to the north and to the south at the junction of Prince Salman Bin Mohammed Bin Saud Road. The subject is within Al Sahafa District of North Riyadh.
- The leasable areas below are provided by the client which we assume are correct and accurate:

Unit Break Down

Details	Leasable Area (sqm)
2 Basement Floor	-
Ground Floor	-
First Floor	9,260
2 nd to 7 th Floor	-
Total	9,260

Subject Property Map



Site Location Analysis

Property Photographs - Al Sahafa Office Tower



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Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is single tenant income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.



Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

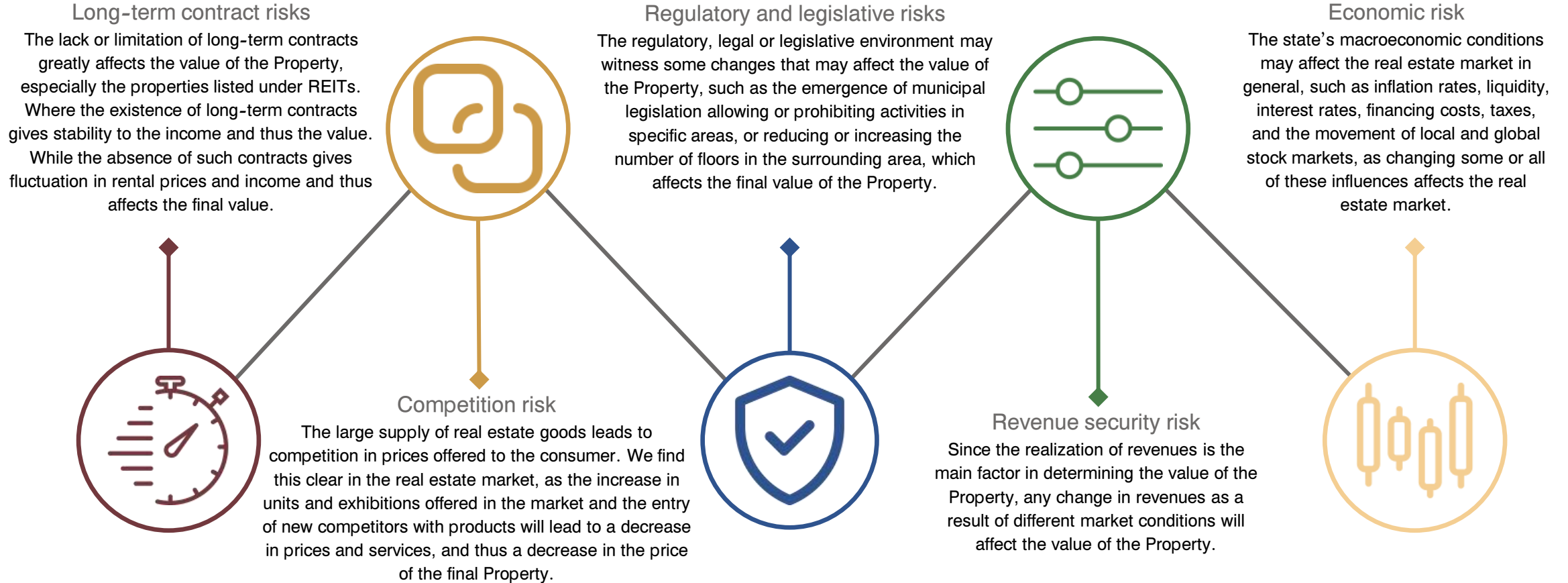
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation

Contract Details - Al Sahafa Office Tower

Contract Summary:

- After examining the current lease agreement provided by the client, we have determined that the Tenant has leased the property to operate and maintain.
- The contract is binding for the leasing period of 3 years started in 5/8/2021 and can't be terminated unless the period is over.
- Based on the input from the Client lease will be renewed for another three years until 5/7/2027 with 10% increase in the current annual rent.
- The tenant is a government entity with no relationship with the landlord.
- According to the conducted market research about the rental prices, we have concluded that the current lease rate is within the market range.
- The tenant has the right to usufruct from the property and rent and benefits from the leasable areas.
- For the purpose of this valuation, we have explicitly assumed that the tenancy provided is correct, accurate and actual. Should this not be the case, we reserve the right to amend our valuation and report.

- Sources: Lease Agreement



Contract Payments:

According to the contract, the tenant shall pay the lease at the beginning of each year. The following table will demonstrate the contract payment schedule.

Year	Income (SAR)
5/8/2021	9,000,000
5/8/2022	9,000,000
5/8/2023	9,000,000
5/8/2024-5/7/2027	9,900,000

- Sources: Lease Agreement

Valuation

Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- we have conducted market research about properties with similar usage to the subject property in the office sector, which serves as a benchmark to determine the appropriate cap rate for the subject.

Property	City	Type	Cap Rate (%)
Verdun Tower	Riyadh	Offices	7.5%
Takween Tower	Riyadh	Offices	8.0%
Hamad Tower	Riyadh	Offices	7.0%
La Plaza Bldg	Riyadh	Offices	8.5%
Thiqah Twin Bldg	Riyadh	Offices	8.0%

- Comparing these properties with our subject property taking into consideration location, finishing, class, type, accessibility, and the area it belongs to, we conclude that the cap rate should be 8.50%.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a binding lease securing income, market risk is null. Hence, the discount rate is set as 11.30%.

Rental Value

After completing the research and gathering information, adjustments are made in each factor in which the rent comparable differs from the Subject Property. The adjustments are made on a percentage and are applied to the rent per sqm of the comparable to provide an adjusted rent indication for the Subject Property.

Adjustments have been made to reflect factors including:

- Location: location or district profile.
- Size: the size of the leasable area.
- Street: street refers to the width of the street and the role of the streets in the area.
- Frontage: frontage refers to a number of major streets.
- Accessibility: Accessibility is one of the critical factors determining the value.
- Property Type: usage of the property, height, and presence of the property in market.
- Negotiation: flexibility in prices depending on the offer type.

Price Adjustment Matrix

Description	Comp 1	Comp 2	Comp 3
Size (sqm)	327	1,000	540
Rent (SAR per sqm)	1,400	1,200	1,300
Location and Physical Adjustements			
Location	0.00%	0.00%	0.00%
Accessibility	0.00%	0.00%	0.00%
Size	-7.50%	-2.50%	-5.00%
Quality	0.00%	10.00%	10.00%
Streets	0.00%	0.00%	0.00%
Bhuilding Type	30.00%	30.00%	30.00%
Landmarks	0.00%	0.00%	0.00%
Use	0.00%	0.00%	0.00%
Negotiation	0.00%	0.00%	0.00%
Total Adjustement (%)	22.50%	37.50%	35.00%
Final Adjusted Rent per sqm	1,715	1,650	1,755
Average Rent (SAR/sqm)	1,700		

Valuation

Revenues Estimation

Occupancy

- The lease of units is unaffected by the expiry of the main Lease Contract with Government entity and only expires when the units' lease contracts expire. Thus, Occupancy is stable at the current rate, **100%**, provided by the client.
- Occupancy will reduce to **50%** in year **2027** after current lease expiration and it will stabilize at **95%** in year **6**.

Lease Rate

- Based on the current rent roll, the Subject Property total annual income is **9,600,000 SAR** for the year **1**.
- We have considered that the current lease contract will be renewed. Thus, the lease rate and operation expenses, after the contract period will continue based on actual performance.
- We have made our market research in the property district for rental value. We have estimated rental value of **1,700 SAR** per sqm as of valuation date.
- Annual revenue will be estimated based on market rent which will be inflated every year after current lease expiration date of April **2027**.

Operation Expenses

- we have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.
- See below table for Year-to-Date **2023** operating expenses provided by Client.

Property	Amount
Total Expenses (SAR)	216,399
Total Income (SAR)	6,744,610
Expenses Ratio (%).	3.2%

- We have adopted OpEx of **3.2%** for the subject property until the current lease expires in year **2027**. Thereafter, we have assumed the stabilized OpEx of **15%** for the subject property for the rest of the holding period of the analysis.

Valuation

Income Approach



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As a result of the prior information, cash flows were calculated to reach the value of the subject property. The contract between Govt entity and Saudi Fransi was considered for the remaining lease term. After that, the rental was assumed to be based on market rent, and rental will increase based on inflation rate..

Summary of Cash Flow Calculations:

Period	1	2	3	4	5	6	7	8	9	10
Contract Income	9,600,000	9,900,000	9,900,000	15,020,364	18,072,802	18,578,840	19,099,048	19,633,821	20,183,568	20,748,708
Occupancy (%)	100%	100%	100%	50%	75%	95%	95%	95%	95%	95%
Vacant Unit Rent	0	0	0	7,510,182	4,518,200	928,942	954,952	981,691	1,009,178	1,037,435
Rent Received	9,600,000	9,900,000	9,900,000	7,510,182	13,554,601	17,649,898	18,144,095	18,652,130	19,174,390	19,711,272
OPEX (%)	3.2%	3.2%	3.2%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
OPEX	308,013	317,638	317,638	1,126,527	2,033,190	2,647,485	2,721,614	2,797,819	2,876,158	2,956,691
Net Income	9,291,987	9,582,362	9,582,362	6,383,655	11,521,411	15,002,413	15,422,481	15,854,310	16,298,231	16,754,582
Terminal Value										197,112,724
Net Cashflow	9,291,987	9,582,362	9,582,362	6,383,655	11,521,411	15,002,413	15,422,481	15,854,310	16,298,231	213,867,306
PV of Cashflow	8,348,596	7,735,390	6,950,036	4,159,956	6,745,744	7,892,056	7,289,338	6,732,650	6,218,476	73,314,986
Fair Value (Rounded)	135,400,000									
Fair Value (SAR/GLA sqm)	14,622									

Site Location and Valuation Analysis



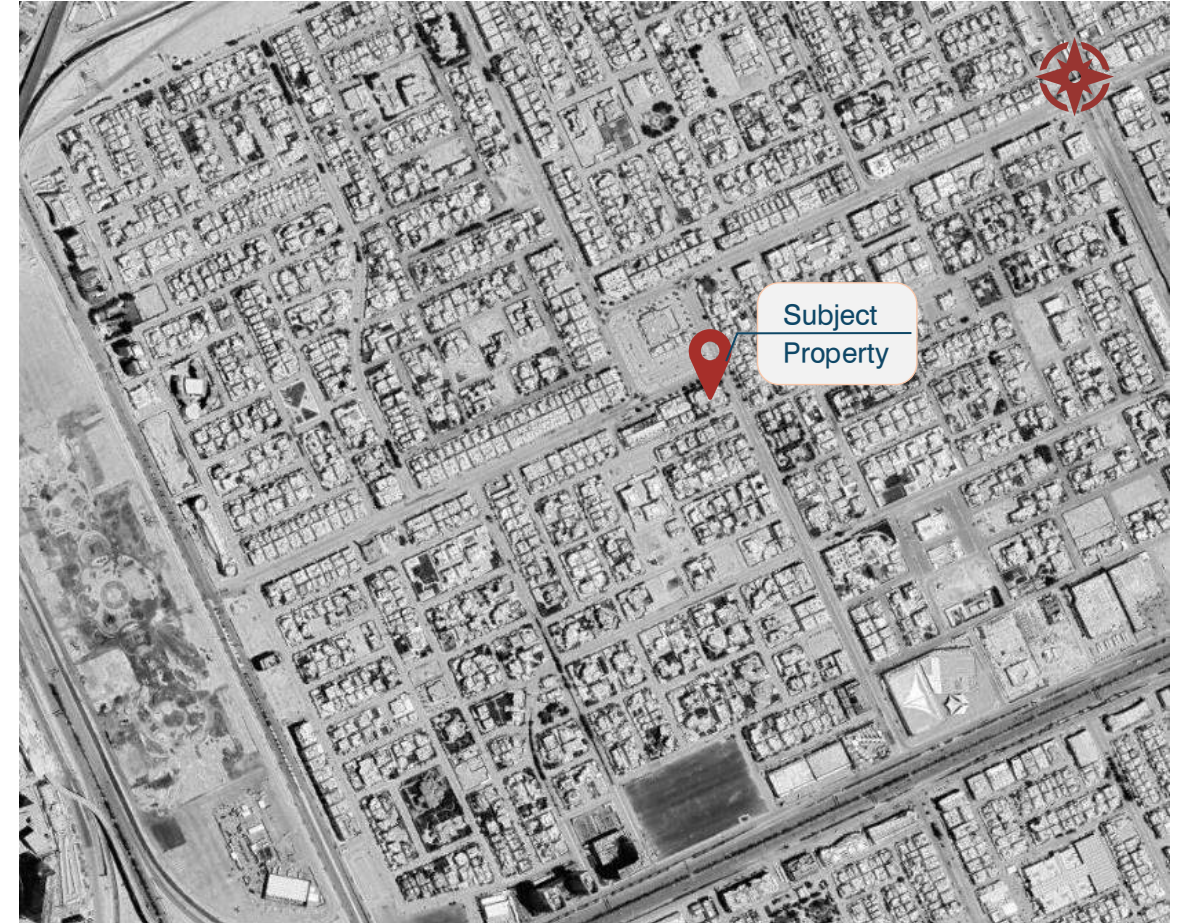
Al Ghadeer Office Building, Riyadh

Site Location Analysis

Property Description

- The subject property comprises a 3-storey office building (grade B stock), with 2 basement level parking areas with a total built-up area (BUA) of 13,261 square meters and gross leasable area (GLA) of 8,796 square meters
- The Subject Property is located on total land area of 4,355.5 square meters.
- The subject property's structure is of reinforced concrete frame with a modern tinted glass façade finish which is part of a building structure completed circa 2015. The subject property is equipped with centralized air-conditioning system, elevator and firefighting system.
- The subject property an office building approximately 9 years old on the corner frontage of the junction of Mohammed Al Yamami Street and Alsail Alkhabeer Street within Al Ghadeer District of north Riyadh.
- The subject is located conveniently at the junction of North Ring Road and King Fahd Road with 1.5kms away and the Riyadh CBD is approximately 7kms away (Kingdom Centre).

Subject Property Map



Site Location Analysis

Property Photographs



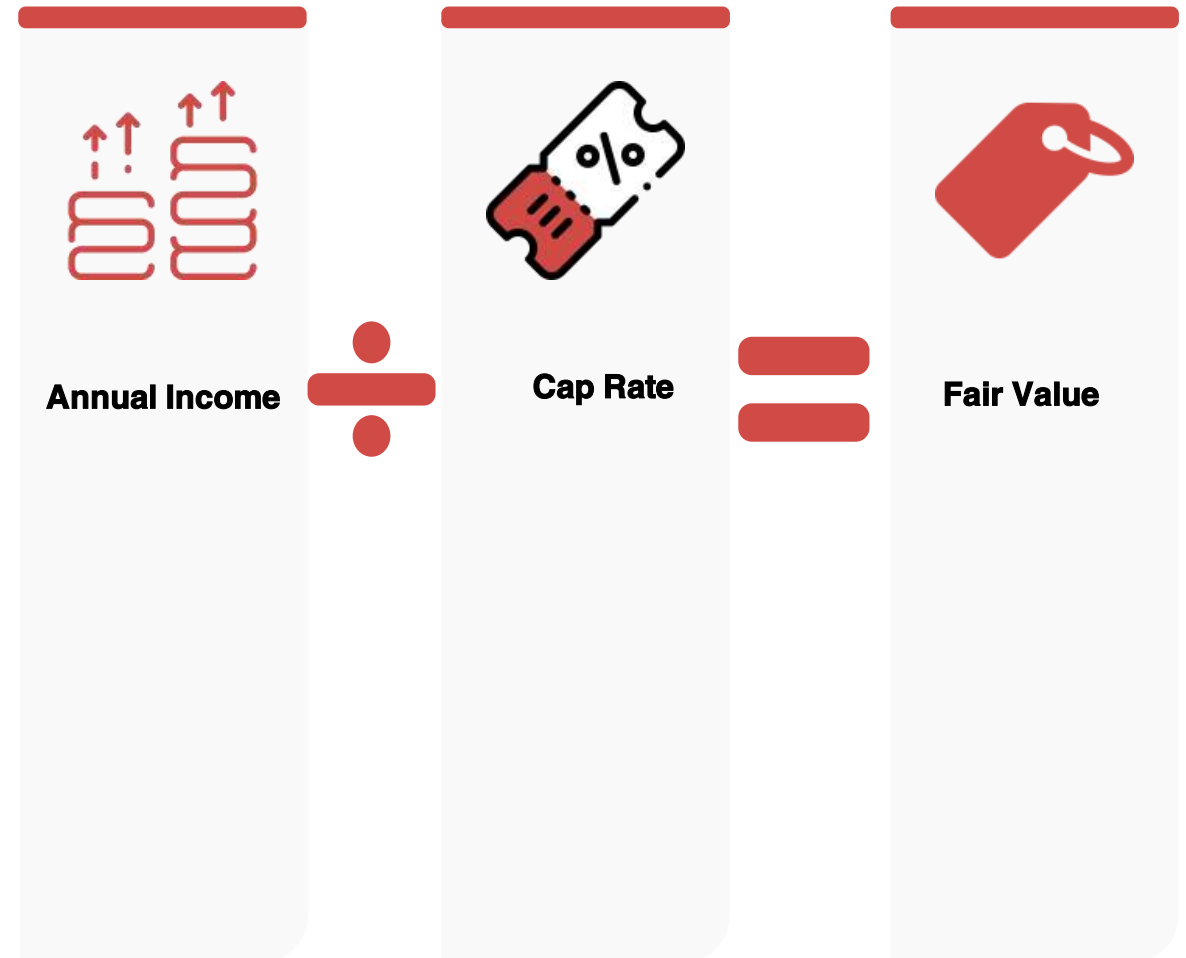
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Valuation Methodology

Income Approach - Capitalization Method

- When determining our opinion about the fair value of the properties subject to evaluation, and considering that they are income-generating, we have used the income method for evaluation and using the income capitalization method.
- This method relies on analyzing the property's annual income, after deducting all operating and maintenance costs and other expenses, to arrive at the net income.
- After reaching the net income, the required rate of return is applied to the investment by the investors.
- In the process of determining the rate of return, sales and acquisitions of similar properties that were implemented close to the date of appraisal with known rental values are used.
- Where a reverse assessment is made to reach the rate of return by knowing the type of income, its value, the purchase price, and other properties of the property.
- Noting that in the absence of direct real estate transactions, adjustments and adjustments are made from known transactions for different real estate, in order to reach the appropriate rate of return for the real estate under evaluation.
- The capitalization method is usually used when the value of the property is highly dependent on the profits from the business rather than the value of the land and buildings.
- Moreover, it is more likely to use the capitalization method when there are insufficient data available, which precludes the application of the comparison method (market method) or the cash flow method (income method).



Valuation

Contract Details - Al Sahafa Office Tower

Contract Summary:

- After examining the current lease agreement provided by the client, we have determined that the Tenant has leased the property to operate and maintain.
 - The contract is binding for the leasing period of **14** years started in **13/12/2021** and can't be terminated unless the period is over.
 - The tenant is a government entity with no relationship with the landlord.
 - The tenant has the right to usufruct from the property and rent and benefits from the leasable areas.
 - For the purpose of this valuation, we have explicitly assumed that the tenancy provided is correct, accurate and actual. Should this not be the case, we reserve the right to amend our valuation and report.
- **Sources: Rent Roll**



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Contract Payments:

According to the contract, the tenant shall pay the lease at the beginning of each year. The following table will demonstrate the contract payment schedule.

Year	Income (SAR)	Year	Income (SAR)
12/13/2023	3,051,563	6/11/2029	3,204,141
6/12/2024	3,051,563	12/11/2029	3,204,141
12/12/2024	3,051,563	6/11/2030	3,364,348
6/12/2025	3,204,141	12/11/2030	3,364,348
12/12/2025	3,204,141	6/11/2031	3,364,348
6/12/2026	3,204,141	12/11/2031	3,364,348
12/12/2026	3,204,141	6/10/2032	3,364,348
6/12/2027	3,204,141	12/10/2032	3,364,348
12/12/2027	3,204,141	6/10/2033	3,364,348
6/11/2028	3,204,141	12/10/2033	3,364,348
12/11/2028	3,204,141	6/10/2034	3,364,348
6/11/2029	3,204,141	12/10/2034	3,364,348

- **Sources: Rent Roll**

Valuation

Valuation Approach – Valuation Input

Capitalization Rate

- we have conducted market research about properties with similar usage to the subject property in the retail and office sector, which serve as a benchmark to determine the appropriate cap rate for the subject.

Property	City	Type	Cap Rate (%)
Al Ouruba Plaza	Riyadh	Retail	8.0%
Localizer Mall	Riyadh	Retail	8.5%
Al Wadi Square	Riyadh	Retail	7.5%
City Life Plaza	Riyadh	Retail	8.0%
Verdun Tower	Riyadh	Offices	7.5%
Takween Tower	Riyadh	Offices	8.0%
Hamad Tower	Riyadh	Offices	7.0%
La Plaza Bldg	Riyadh	Offices	8.5%
Thiqah Twin Bldg	Riyadh	Offices	8.0%

- Comparable to these properties, our subject property is currently used as office. The location is relatively similar to the comparable. As for the finishing and tenant commitments, it is considerably better in the subject property.
- Although we consider that the head lease underwritten through a binding contract provides income security in difficult trading conditions over a 12-year period, there are still market risk factors such as government decisions, uncertain market prediction, and other possible events.
- Therefore, the appropriate capitalization rate for the subject property is 8.00%.

Revenues

Payments Date	No. of Payments	Annual Lease Payment (SAR)
12/13/2023 to 12/12/2024	Semi Annual	6,103,125
12/13/2024 to 12/12/2025	Semi Annual	6,255,703
12/13/2025 to 12/12/2029	Semi Annual	6,408,281
12/13/2029 to 12/12/2030	Semi Annual	6,568,488
12/13/2030 to 12/12/2034	Semi Annual	6,728,695

- Based on the above table, the average annual lease of the remaining period is 6,526,183 SAR.

Expenses

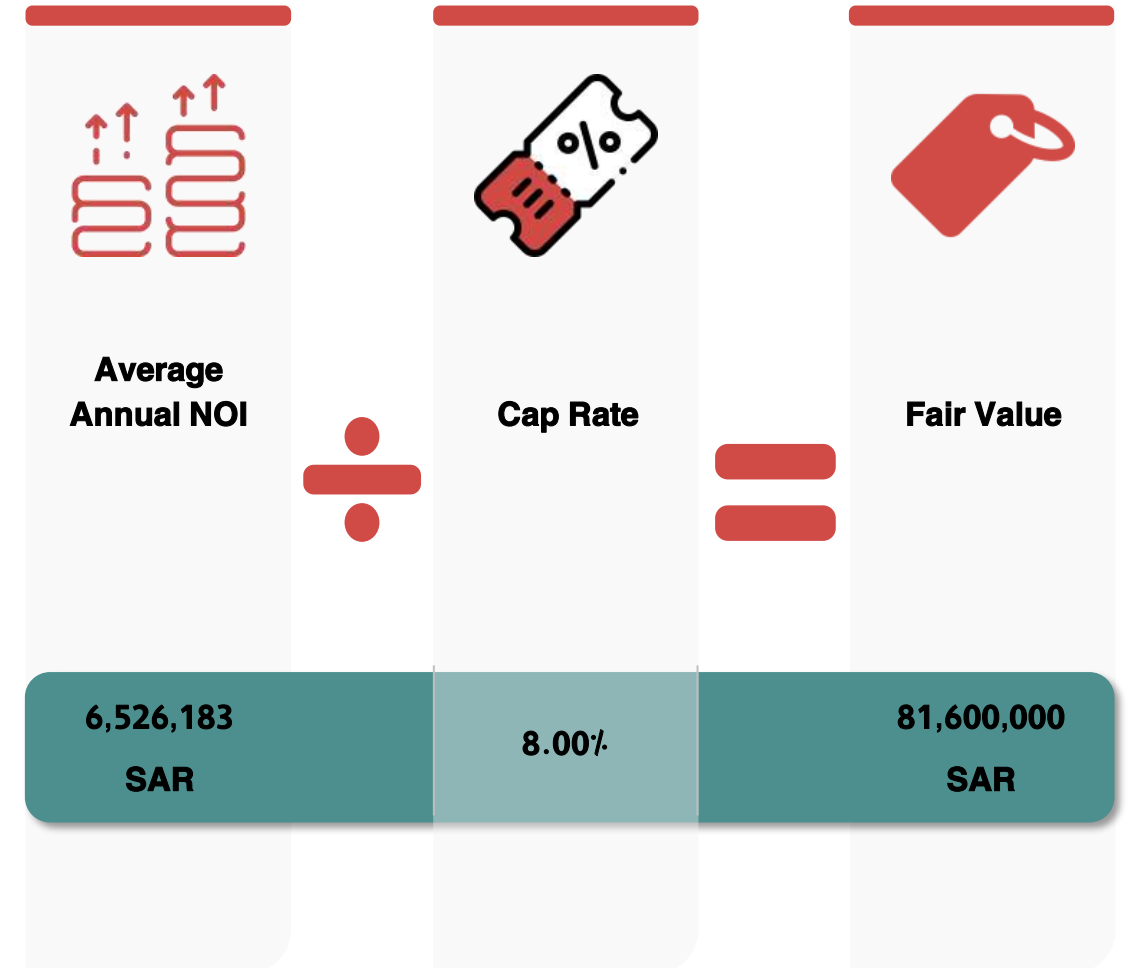
- According to the Lease contract, the landlord has no obligations, and it's a triple net lease contract. Thus, landlord is not liable to any expenses.

Valuation

Income Approach

Capitalization

- The **8.00%** capitalization rate will be applied over the average annual lease rate to conclude the fair value of the subject property.
- Since the landlord is not liable for any expense, the annual NOI is the average annual lease of the remaining period of **6,526,183 SAR**.



Site Location and Valuation Analysis



Al Rafiah Village Compound, Riyadh

Site Location Analysis

Property Description

- The Subject Property comprises of **102** residential units known as Al Rafiah Residential Village, is a gated residential compound located within Al Rafiah District, Riyadh.
- The Subject Property is under lease contract with a single tenant in the total amount of **SAR 18,750,000** per annum until May **2024**.
- Al Rafiah Residential Village is situated near the City Center of Riyadh. It is well developed with concrete roads, painted concrete curb & gutters, electrical post lightings, gardens & green landscapes and secured with concrete perimeter fence and guard house.
- It has a total **102** two-storey villas built mainly of reinforced concrete framed structures with covered parking area. Compound facilities & amenities consist of fitness gym, outdoor swimming pool, hot & cold jacuzzi, sauna, steam bathroom, aerobic room, squash court, tennis court, basketball court, football court, massage room, beauty salon, indoor & outdoor kids play area, multipurpose room, restaurant and a mini market.
- Al Rafiah Residential Village is situated in Al Rafiah District, Riyadh. It is located west of Prince Satam Bin Abdulaziz Road and northwest of King Saud University for Girls.

Subject Property Map



Site Location Analysis

Property Photographs



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Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is single tenant income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.

Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

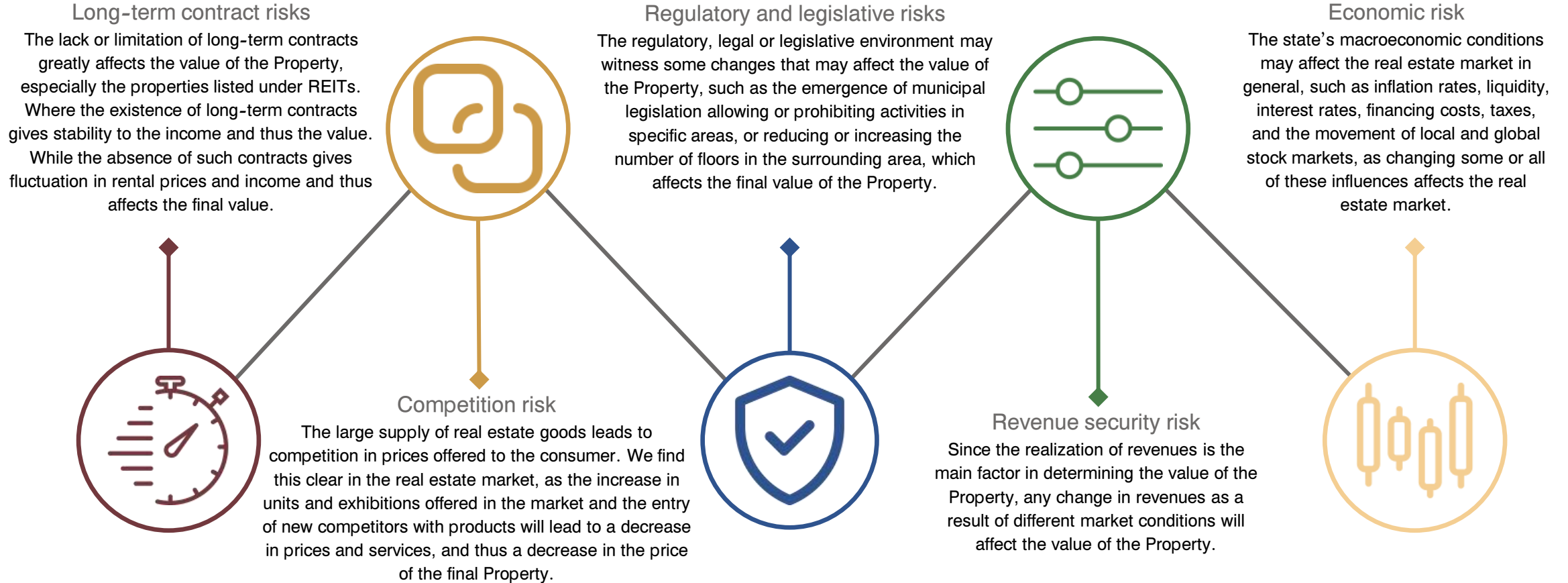
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation

Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- we have conducted market research about properties with similar usage to the subject property in the residential sector, which serves as a benchmark to determine the appropriate cap rate for the subject.
- Based on our experience in subject property market and taking into consideration location, finishing, class, type, accessibility, and the area it belongs to, we conclude that the cap rate should be 8.00%.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a binding lease securing income, market risk is null. Hence, the discount rate is set as 10.80%.

Valuation

Revenues Estimation

Occupancy

- The lease of units is unaffected by the expiry of the main Lease Contract and only expires when the units' lease contracts expire. Thus, Occupancy is stable at the current rate, **100%**, provided by the client.

Lease Rate

- Based on the current rent roll, the Subject Property total annual income is **14,750,000 SAR** for until lease expires in May **2024**.
- We have considered that the current lease contract will be renewed. Thus, the lease rate and operation expenses, after the contract period will continue based on actual performance and rent will be increased at inflation rate.
- The following table shows the concluded rental prices alongside the income if fully leased.

Type	Units	Income (SAR)
Residential	102	18,750,000
Total		18,750,000



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Operation Expenses

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.
- Below table as of Sept-2023 operating expenses provided by Client.

Property Expenses	Amount
Total Expenses (SAR)	3,954,762
Total Income (SAR)	14,040,095
Expenses Ratio (%).	28.2%

- We have adopted OpEx of **28.2%** for the subject property

Valuation

Income Approach

As a result of the prior information, cash flows were calculated to reach the value of the subject property. The contract between tenant and Saudi Fransi was considered for the remaining lease term. After that, the rental was assumed that the lease will be renewed, and rental will increase based on inflation rate.

Summary of Cash Flow Calculations:

Period	1	2	3	4	5
Contract Income	18,750,000	19,275,000	19,814,700	20,369,512	20,939,858
Occupancy (%)	100%	100%	100%	100%	100%
Vacant Unit Rent	0	0	0	0	0
Rent Received	18,750,000	19,275,000	19,814,700	20,369,512	20,939,858
OPEX (%)	28.2%	28.2%	28.2%	28.2%	28.2%
OPEX	5,281,431	5,429,311	5,581,332	5,737,609	5,898,262
Net Income	13,468,569	13,845,689	14,233,368	14,631,902	15,041,596
Terminal Value					188,019,944
Net Cashflow	13,468,569	13,845,689	14,233,368	14,631,902	203,061,539
PV of Cashflow	12,155,748	11,278,077	10,463,775	9,708,268	121,598,683
Fair Value (Rounded)	165,200,000				
Fair Value (SAR/Unit)	1,619,608				

Site Location and Valuation Analysis



Al Maather Complex, Riyadh

Site Location Analysis

Property Description

- The Subject Property comprises of 7-villa residential compound located within Al Maather District, Riyadh.
- The Subject Property is 100% occupied with total amount of SAR 690,000 per annum.
- Al Ma'ther Village is situated in the City Center neighboring residential areas. It is secured with a perimeter fence. It has a total of 7-units, two-storey mainly concrete residential villas with covered parking space. Compound facilities consist of a swimming pool and function hall.
- The Subject Property, known as "Al Ma'ther Village (Al Mazraa Compound)", consists of a 7-villa compound situated within Al Olaya District, Riyadh, Kingdom of Saudi Arabia. It is located at the west corner of Abi Al Mudhaffar Al Mubarak and Wadi Hajar streets, about 100 meters southeast of Olaya Park,
- It is situated in a predominantly residential area mostly constructed of two storey residential villas. It is very accessible to the City Center through the nearby King Fahd and Makkah Al Mukarramah Roads, both major roads in Riyadh connecting the district to most common destinations and prominent landmarks.

Subject Property Map



Site Location Analysis

Property Photographs



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Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is single tenant income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.



Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

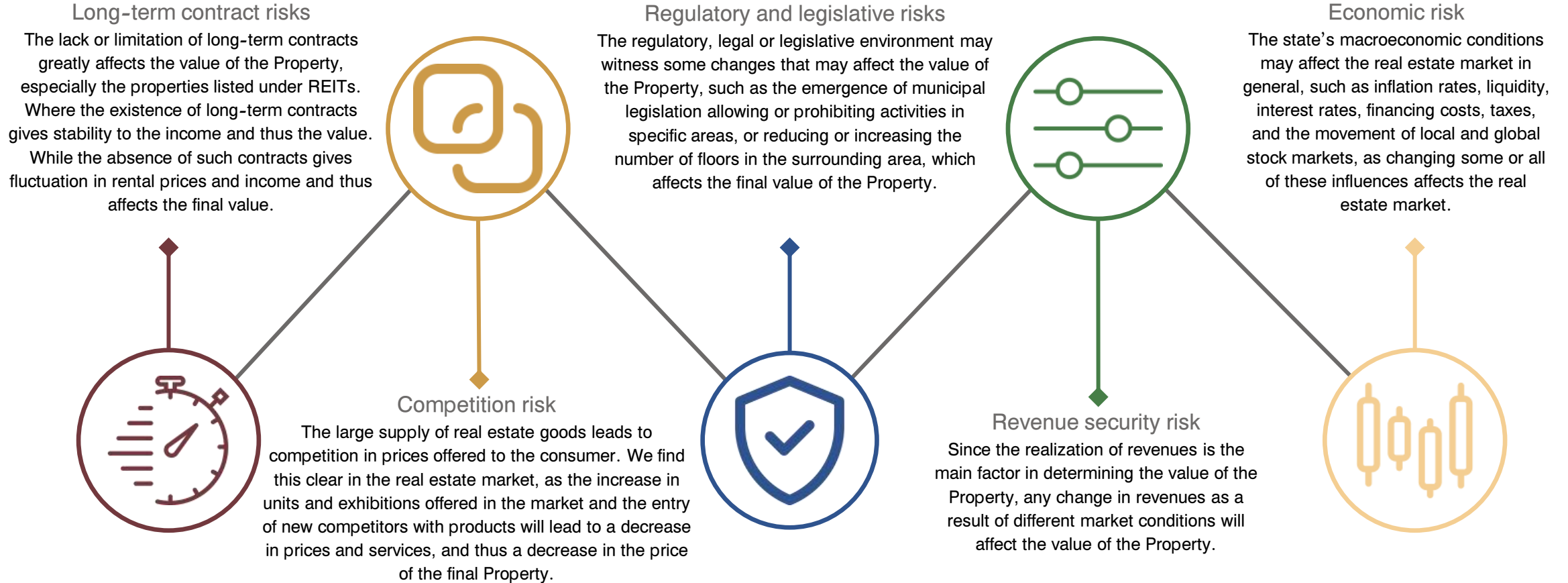
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation

Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- we have conducted market research about properties with similar usage to the subject property in the residential sector, which serves as a benchmark to determine the appropriate cap rate for the subject.
- Based on our experience in subject property market and taking into consideration location, finishing, class, type, accessibility, and the area it belongs to, we conclude that the cap rate should be 8.50%.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a binding lease securing income, market risk is null. Hence, the discount rate is set as 11.30%.

Valuation

Revenues Estimation

Occupancy

- The lease of units is unaffected by the expiry of the main Lease Contract and only expires when the units' lease contracts expire. Thus, Occupancy is stable at the current rate, **100%**, provided by the client.

Lease Rate

- Based on the current rent roll, the Subject Property total annual income is **690,000 SAR**.
- We have considered that the current lease contract will be renewed. Thus, the lease rate and operation expenses, after the contract period will continue based on actual performance and rent will be increased at inflation rate.
- The following table shows the concluded rental prices alongside the income if fully leased.

Type	Area (Sqm)	Contract Start Date	Contract End Date	Annual Income (SAR)
Villa 1		7/10/2023	7/9/2024	91,000
Villa 2		4/1/2023	3/31/2024	91,000
Villa 3		6/1/2023	5/31/2024	90,000
Villa 4		8/19/2023	8/18/2024	127,000
Villa 5		3/1/2023	2/29/2024	110,000
Villa 6		6/1/2023	5/31/2024	91,000
Villa 7		1/5/2023	1/4/2024	90,000
Total	1,924			690,000



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Operation Expenses

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.
- See below table for Year-to-Date **2023** operating expenses provided by Client.

Property	Amount
Total Income (SAR)	482,237
Total Expenses (SAR)	123,397
Expenses Ratio (%).	25.6%

- We have adopted OpEx of **25.6%** for the subject property

Valuation

Income Approach

As a result of the prior information, cash flows were calculated to reach the value of the subject property. The contract between tenant and Saudi Fransi was considered for the remaining lease term. After that, the rental was assumed that the lease will be renewed, and rental will increase based on inflation rate.

Summary of Cash Flow Calculations:

Period	1	3	4	5	7	8	9	10
Contract Income	690,000	729,181	749,598	770,587	814,344	837,145	860,585	884,682
Occupancy (%)	100%	100%	100%	100%	100%	100%	100%	100%
Vacant Unit Rent	0	0	0	0	0	0	0	0
Rent Received	690,000	729,181	749,598	770,587	814,344	837,145	860,585	884,682
OPEX (%)	25.6%	25.6%	25.6%	25.6%	25.6%	25.6%	25.6%	25.6%
OPEX	176,560	186,586	191,810	197,181	208,377	214,212	220,210	226,376
Net Income	513,440	542,595	557,788	573,406	605,966	622,933	640,376	658,306
Terminal Value								7,744,778
Net Cashflow	513,440	542,595	557,788	573,406	605,966	622,933	640,376	8,403,084
PV of Cashflow	461,312	393,542	363,487	335,727	286,406	264,533	244,331	2,880,627
Fair Value (Rounded)	6,000,000							
Fair Value (SAR/sqm)	3,119							

Site Location and Valuation Analysis



Al Rashid Strip Mall, Riyadh

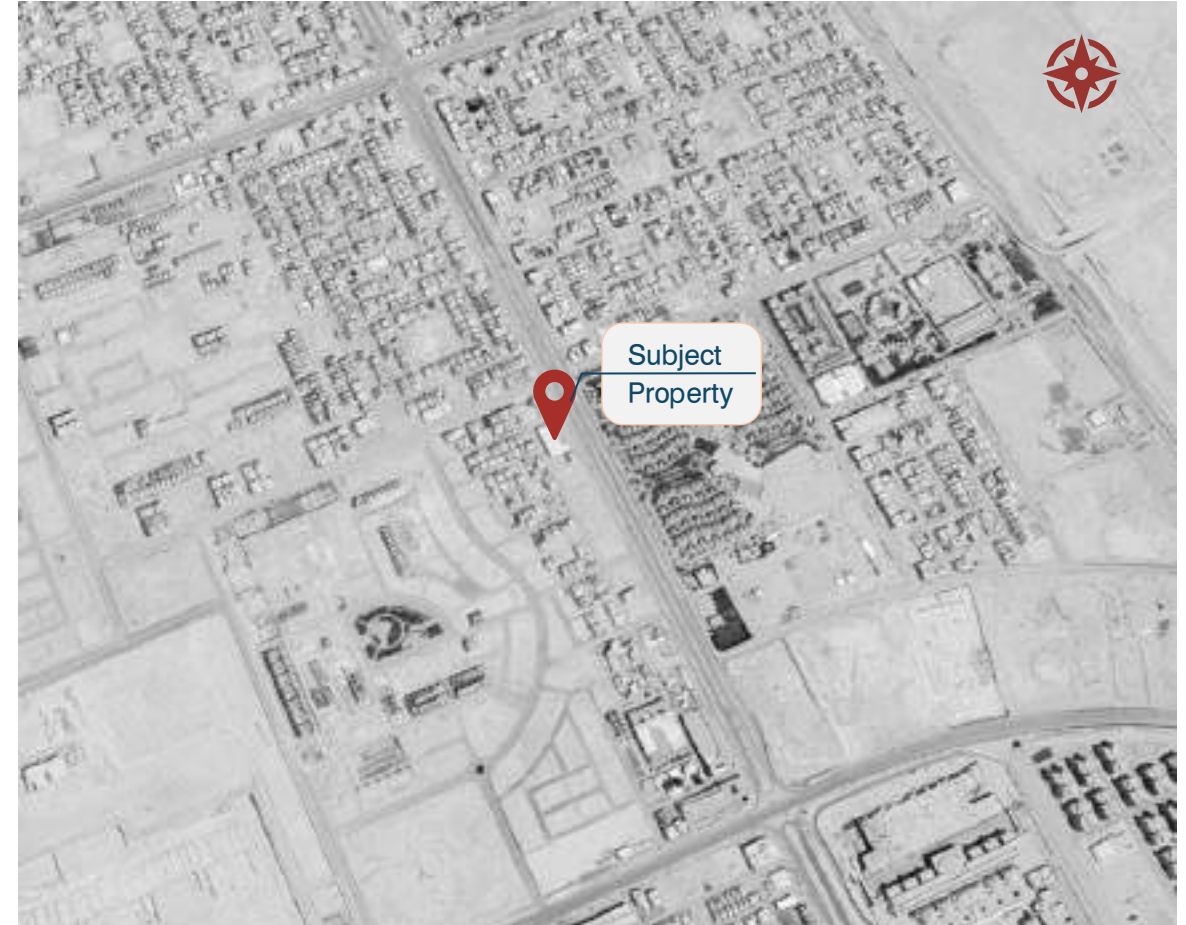
Site Location Analysis

Property Description

- The subject property is a commercial complex located within Al Narjis District, Riyadh, Kingdom of Saudi Arabia.
- It consists of 7 commercial shops and one ATM machine booth. It has a total built-up area (BUA) of 4,595 square meter and gross leasable area (GLA) of 4,239 square meter. It also has 40 parking slots based on building construction permit provided.
- It is a single storey with mezzanine building constructed of steel frame structure and concrete walls. Architectural finishes consist of concrete, glass and aluminum cladding exterior wall, rough concrete flooring, hollow blocks partition wall without plaster, bare ceiling and glass entrance doors.
- The Subject Property is located along the southwest side of Uthman Bin Affan Road, within Al Narjis District, Riyadh, Kingdom of Saudi Arabia. It is situated opposite the Institute of Public Information Center, north of Tamimi Market and east of King Fahd Children Cancer Center.
- Additionally, the property is situated about 3 kilometers south of King Salman Road and approximately 4.5 kilometers & 15 kilometers southwest of Princess Noura Bint Abdul Rahman University & King Khalid International Airport, respectively.

Details	Status	Leasable Area (sqm)
Shop 1	Leased	1,298
Shop 2	Leased	491
Shop 3,4,5,6	Vacant	1,964
Shop 7	Vacant	485
ATM	Leased	1
Total		4,239

Subject Property Map

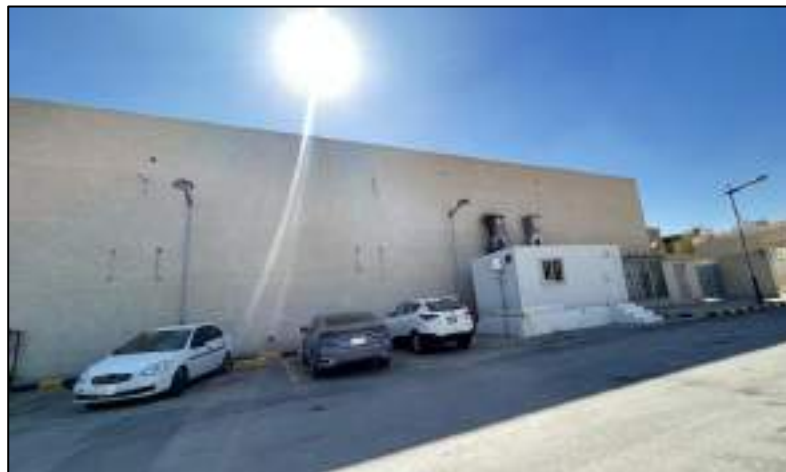


Site Location Analysis

Property Photographs



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Valuation

Market Valuation Methodology

Market Approach

- In determining our opinion of the Fair Value of the freehold interest of the Subject Site, we have utilized the Direct Comparison Approach.
- This Approach is based on the “Principle of Substitution,” which implies the rationale that an investor will pay no more for a particular site than the cost of acquiring another similar site.
- The Approach involves adjusting the sale prices of comparable land plots to reflect the differences in location, land area, shape, built-up area allowance, height allowance, date of sale, views, aspect, and other characteristics.
- The site’s value undervaluation is estimated based on the average of comparable properties' adjusted prices.

Market Approach Steps



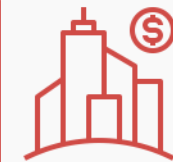
Site Analysis

Investigating the site’s main characteristics in terms of location, frontage, accessibility, and visibility.



Market Research analysis

This step involves identifying the best comparable land plots to form a pricing matrix.



Valuation

The assessment involves adjusting the sale prices to indicate the value of The Subject Property.

Valuation

Market Research

We summarize below our research findings, which were used to value the subject property. Abaad team made research and identified transactions and asking prices that happened and happening in the site area. Below is a sample carefully selected in order to obtain the commercial Base Price of the Subject Property.

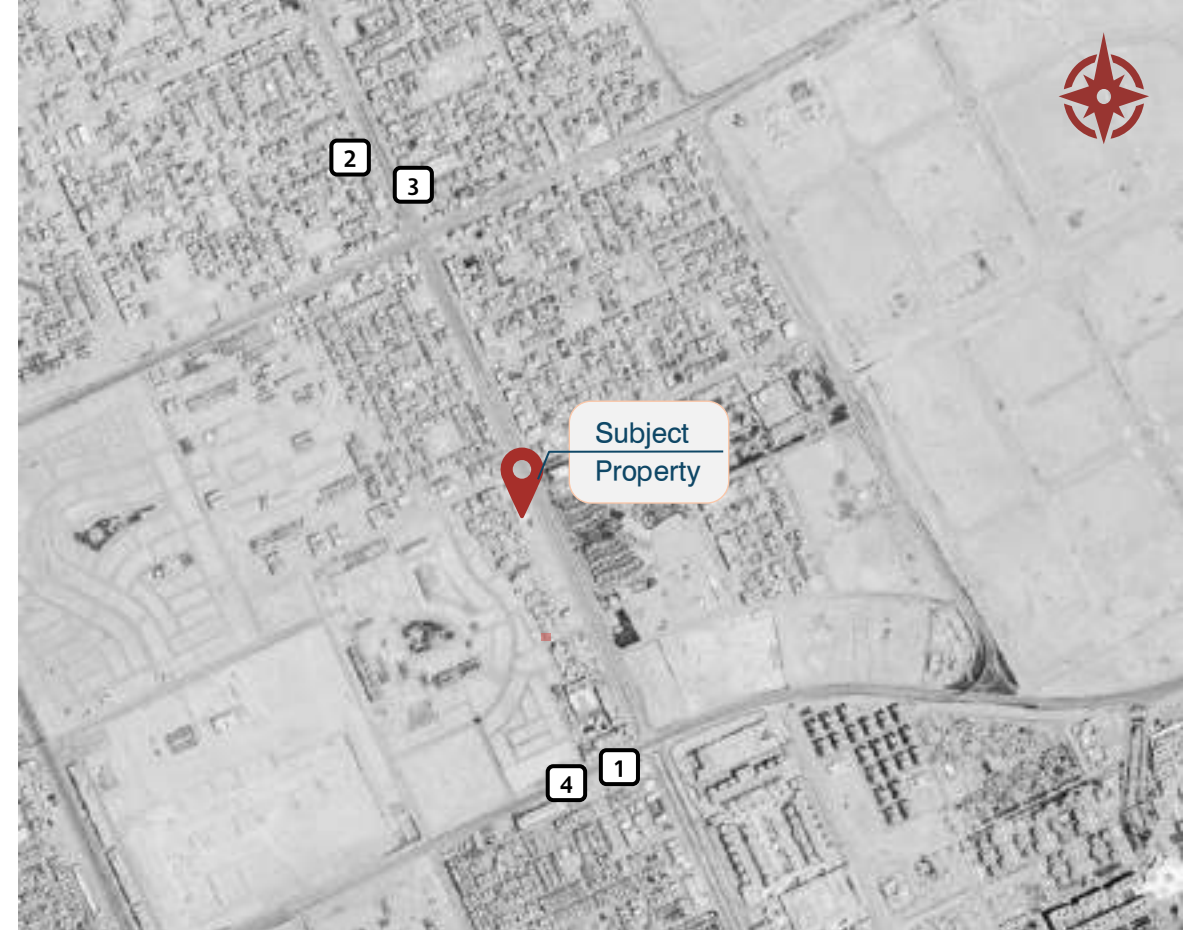
Comparable Sites

#	Land Area (Sqm)	Land Value (SAR per sqm)	Land Value (SAR)	Type	Use
1	5,040	9,000	45,360,000	Asking 2023	Commercial
2	750	7,100	5,325,000	Transaction 2023	Commercial
3	1,200	7,000	8,400,000	Transaction 2023	Commercial
4	3,360	9,000	30,240,000	Asking 2023	Commercial

Market Commentary

We have made our market research in the Riyadh for land prices and have found that the commercial land plot sale prices range from 7,000 SAR/sqm to 9,000 SAR/sqm.

Subject Property and Comparable Map



Land Valuation Matrix

After completing the research and gathering information, adjustments are made in each factor in which the sale comparable differs from the Subject Property. The adjustments are made on a percentage and are applied to the price per sqm of the comparable to provide an adjusted value indication for the Subject Property.

Adjustments have been made to reflect factors including:

- Location: location or district profile.
- Size: the size of the land plot.
- Street: street refers to the width of the street and the role of the streets in the area.
- Frontage: frontage refers to a number of major streets.
- Accessibility: Accessibility is one of the critical factors determining the value.
- Building Regulation: usage of the property, height, and percentage per land according to the regulation.
- Negotiation: flexibility in prices depending on the offer type.

Price Adjustment Matrix

Description	Comp 1	Comp 2	Comp 3	Comp 4
Size (sqm)	5,040	750	1,200	3,360
Price (SAR per sqm)	9,000	7,100	7,000	9,000
Location and Physical Adjustements				
Location	-10.00%	0.00%	0.00%	-10.00%
Accessibility	0.00%	0.00%	0.00%	0.00%
Size	0.00%	-10.00%	-7.50%	0.00%
Frontage	0.00%	0.00%	0.00%	0.00%
Streets	-10.00%	0.00%	0.00%	-10.00%
Use	0.00%	0.00%	0.00%	0.00%
Negotiation	-10.00%	0.00%	0.00%	-10.00%
Total Adjustment (%)	-30.00%	-10.00%	-7.50%	-30.00%
Final Adjusted Price per sqm	6,300	6,390	6,475	6,300
Average Sales Value (SAR/sqm)	6,400			
Land Area (sqm)	5,100			
Fair Value (SAR)	32,640,000			

Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is single tenant income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.



Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

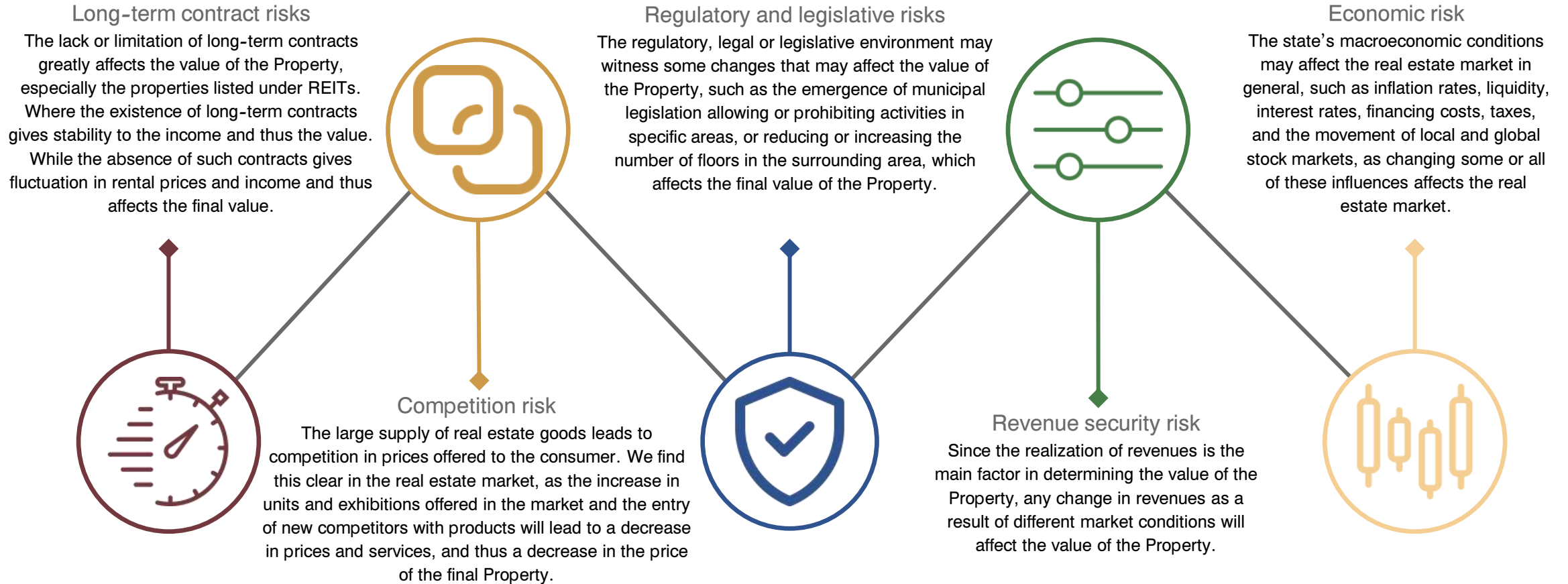
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation

Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate:** Discounted cash flows are calculated at an annual inflation rate of **2.8%** per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past **12** years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- we have conducted market research about properties with similar usage to the subject property in the retail sector, which serves as a benchmark to determine the appropriate cap rate for the subject.

Property	City	Type	Cap Rate (%)
Al Ouruba Plaza	Riyadh	Retail	8.0%
Localizer Mall	Riyadh	Retail	8.5%
Al Wadi Square	Riyadh	Retail	7.5%
City Life Plaza	Riyadh	Retail	8.0%

- Based on our experience in subject property market and taking into consideration location, finishing, class, type, accessibility, and the area it belongs to, we conclude that the cap rate should be **8.50%**.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a binding lease securing income, market risk is null. Hence, the discount rate is set as **11.30%**.

Valuation

Revenues Estimation

Occupancy

- The current occupancy is at 42%, provided by the client. We expect the property to stabilize at 95% occupancy in year 4.

Lease Rate

- Based on the current rent roll, the Subject Property 42% occupied.
- We have considered that the current lease contract rent will expire at the lease end date. Thus, the lease rate and operation expenses, after the contract period will continue based on market performance and market rent will be increased at inflation rate.
- We have estimated the rental value of SAR 305 per square meter based on current in-place rent in the Subject Property.
- The following table shows the concluded rental prices alongside the income if fully leased.

Type	Area (Sqm)	Status	Contract Start Date	Contract End Date	Annual Income (SAR)
Shop 1	1,298	Leased	7/15/2020	7/14/2024	350,000
Shop 2	491	Leased	3/1/2019	2/29/2024	165,375
Shop 3,4,5,6	1,964	Vacant			600,000
Shop 7	485	Vacant			150,000
ATM	1	Leased	2/1/2021	1/31/2026	45,000
Total	4,239				1,310,375



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Operation Expenses

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.
- See below table for Year-to-Date 2023 operating expenses provided by Client. We have annualized the expenses for our valuation purpose.

Property	Amount
YTD Expenses (SAR)	114,138
Annualized Expenses (SAR)	136,965

- We have adopted OpEx of SAR 136,950 for the subject property and increased by inflation rate for year 1 OpEx estimate which calculates the OpEx ratio of 24.8% in year 1.
- We have estimated that the OpEx will stabilize at 11.0% of revenue in year 4.

Valuation

Income Approach

- As a result of the prior information, cash flows were calculated to reach the value of the subject property over **10** years.
- Occupancy rates start with the actual occupancy and increase chronologically until it reaches the market stable occupancy.

Summary of Cash Flow Calculations:

Period	1	2	3	4	5	6	7	8	9	10
Contract Income	1,347,066	1,384,783	1,423,557	1,463,417	1,504,393	1,546,516	1,589,818	1,634,333	1,680,094	1,727,137
Occupancy (%)	42%	62%	82%	95%	95%	95%	95%	95%	95%	95%
Vacant Unit Rent	778,241	523,075	253,010	73,171	75,220	77,326	79,491	81,717	84,005	86,357
Rent Received	568,825	861,708	1,170,548	1,390,246	1,429,173	1,469,190	1,510,327	1,552,616	1,596,089	1,640,780
OPEX (%)	24.8%	16.8%	12.7%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%
OPEX	140,800	144,743	148,796	152,962	157,245	161,648	166,174	170,827	175,610	180,527
Net Income	428,024	716,965	1,021,752	1,237,284	1,271,928	1,307,542	1,344,153	1,381,790	1,420,480	1,460,253
Terminal Value										17,179,448
Net Cashflow	428,024	716,965	1,021,752	1,237,284	1,271,928	1,307,542	1,344,153	1,381,790	1,420,480	18,639,701
PV of Cashflow	384,568	578,773	741,071	806,285	744,709	687,836	635,306	586,787	541,974	6,389,800
Fair Value (Rounded)	12,100,000									
Fair Value (SAR/sqm)	2,854									

Valuation Reconciliation:

- We have placed primary weight to market approach value to estimate the fair value of asset to SAR 36,240,000 given the existing leases are below market and any potential investor will buy land and redevelop based on its highest and best use of the property.

Al Madinah Properties

Executive Summary

Valuation Terms

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Tenure

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Riyadh Properties

Al Madinah Properties

Abha and Jazan Properties

Valuation Summary

Appendices

Site Location Analysis

Macro Location - Madinah



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Site Location Analysis

Infrastructure Projects - Haram Expansion Project (Ru'aa Al Madinah)

- According to the Madinah Development Authority (MDA), Al Masjid Al Haram is envisaged to go through expansion works to increase the mosque's total capacity.
- The project aims to develop approximately 1.3 million square meters of land, featuring 500 housing units, 800,000 hotel rooms, and a variety of retail and entertainment provisions.
- The project is expected to be delivered into three phases, bringing the overall holding capacity from 600,000 to 1,600,000 upon completion of the expansion works.
- Phase 1 will of the expansion is east of the Masjid, bringing the total holding capacity to 800,000 pilgrims.
- Phase 2 includes demolishing the districts to the North (Badaah) and part of the Western Area (Al Manakhah) and is expected to add an outdoor capacity of 800,000 pilgrims.
- The demolition process will cover the removal of Madinah's most prominent hotels and commercial, planned, and unplanned settlements.
- In addition, Ru'aa Al Madinah company aims to provide a comprehensive pedestrian system, complementing the vehicular roads and other transportation means, including Al Madinah Bus and Metro systems.
- The project is expected to increase the total number of visitors to Madinah City by 23 million annually by 2030.

Ru'aa Al Madinah



Site Location Analysis

Local Infrastructure Projects



Current Status

Operational



Completion Date

Done



No. Stations

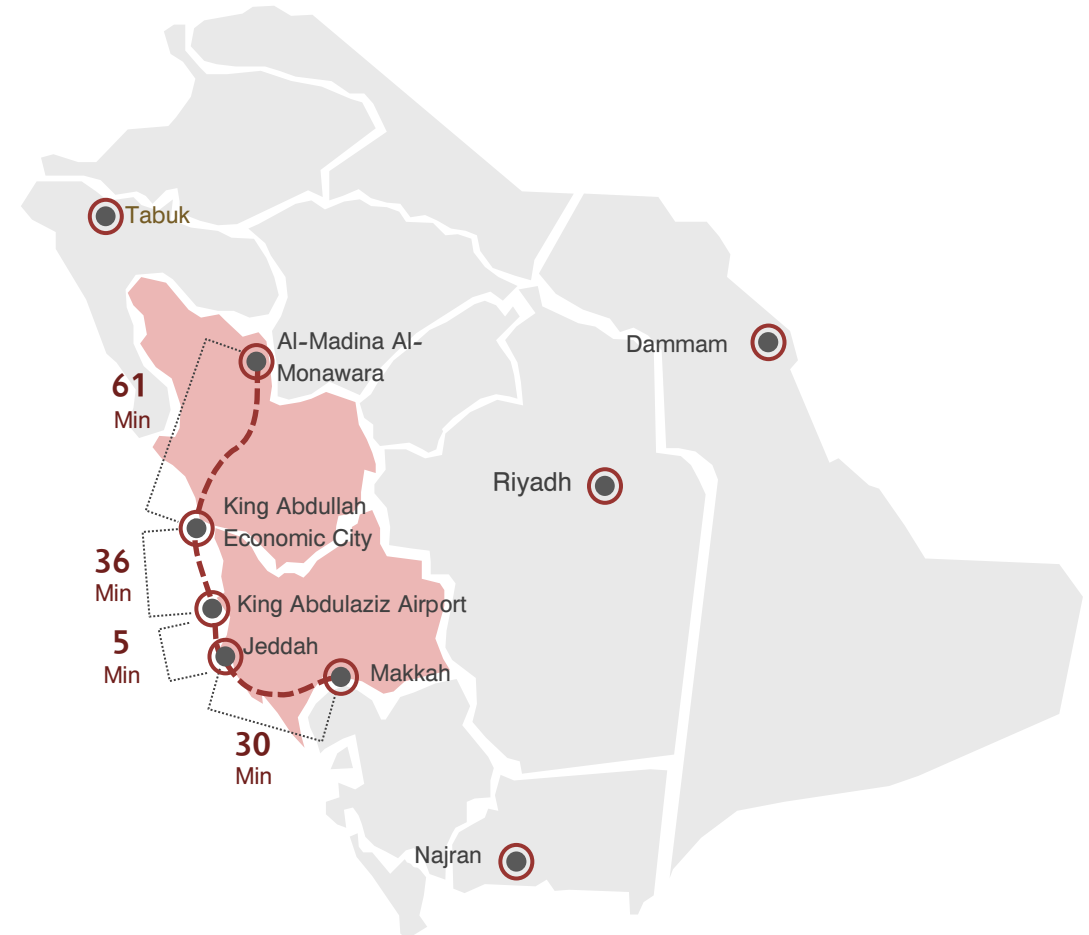
5 Stations



Total Capacity

60 Million
Per Annum

- The Haramain High-Speed Railway (HHSR) runs for approximately **450km**, connecting the two holy cities of Makkah and Madinah, via the Central Jeddah Station, King Abdulaziz International Airport (KAIA), and King Abdullah Economic City Station (KAEC).
- The railway is expected to carry around **60 million** passengers per annum, onboard a fleet of **35** trains, each consisting of **417** seats.
- Currently, the train line goes by five stations, located as follows:
 - Jeddah Naseem Station.
 - Jeddah King Abdulaziz Int' Airport Station.
 - King Abdullah Economic City Station.
 - Madinah Station.



Site Location and Valuation Analysis



Al Rashid Mega Mall – Madinah

Site Location Analysis

Property Description

- The subject Property, commonly known as “Al Rashid Mega Mall”, is located within Shadhah District, Madinah, Kingdom of Saudi Arabia.
- The Subject Property is a retail mall comprised of **274** tenants. The area of the land is **63,532** square meters, with gross leasable area (GLA) of **47,327** square meters.
- It is a three-level with basement structure built mainly of reinforced concrete and steel frame. Architectural finishes consist of glass and aluminum cladding exterior wall, plastered and painted interior walls, glass partition wall, acoustic and painted ceiling and mostly granite tiles flooring.
- Mall facilities consist of escalators, elevators, centralized air conditioning system, firefighting with sprinklers & alarm system, and security with CCTV cameras.
- The mega mall has a total of **274** tenant which includes a Carrefour hypermarket, international branded anchor stores such as H&M, Paris Gallery, Iconic, Home Center, Home Box, Center Point etc.; and diverse entertainment halls like fun city, ice-skating, kids’ theater, and football playground.
- Likewise, it has more than **30** restaurants, various coffee shops and ATM machines.
- Al Rashid Mega Mall has a total built-up area (BUA) of **115,795.49** square meters with about **2,000** parking spaces.
- It is situated at the east corner of King Abdullah Road and Hajaj Bin Alhareth Street and approximately **1.20** kilometers northwest of Knowledge Economic City.

Subject Property Map



Site Location Analysis

Property Photographs



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Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is single tenant income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.

Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

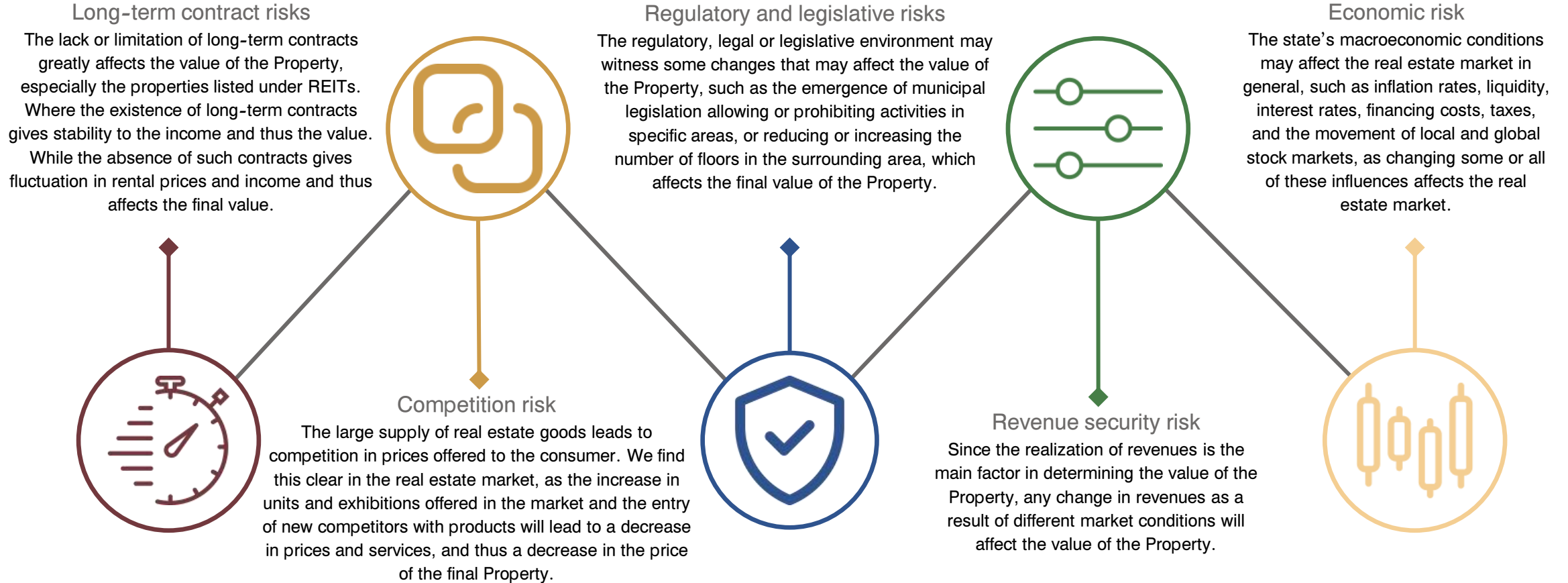
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- Comparing the Al Makan Mall to the subject property considering the location, performance, capacity, and facilities, we have adopted a cap rate of 9.00% for the subject property.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a long-term binding lease securing income, market risk is null. Hence, the discount rate is set as 11.80%.

Occupancy

- The subject property has a current occupancy of 91%. Abaad's team has conducted market research to conclude the stable occupancy rate for the subject property. Thus, the market study shows a stable occupancy rate similar to the Subject Property occupancy of 91%.
- Therefore, the DCF will have stabilize occupancy of 91%.

Revenues Estimation

Rent Roll Summary

- Aaad team has used the experience in the relevant area to conclude the average rental price for different leasable area types.
- We have analyzed the actual tenancy rates and found that the actual lease rates fall within the market range. Thus, we believe using the actual lease rates is an appropriate indicator to calculate the fair value of the subject property.
- We have been provided the tenancy schedule for the subject property indicating unit types, tenants, lease duration, annual rents, etc. Below is a summary of the said tenancy schedule:

Leased Spaces Summary:

Tenant Category	No of Tenants	Total GLA (SQM)	Annual Rent	Rent per SQM
Ads	3	3	319,000	106,333
Anchor	9	29,257	14,114,868	482
Shops	76	11,057	19,664,692	1,778
ATM	7	7	285,000	40,714
Kiosks	39	39	5,932,971	152,127
Stores	1	23	16,875	750
F&B	29	2,449	5,651,324	2,307
Network	3	3	110,000	36,667
Total Leased	167	42,838	46,094,730	1,076
Vacant Area	107	4,489	9.5%	
Total GLA	274	47,327		

Recent Leasing Summary

- We have analyzed the tenancy rates of the leases signed in year 2023 to estimate the market rent.

Tenant Category	No of Tenants	Total GLA (SQM)	Annual Rent	Rent / SQM
Ads	3	3	319,000	106,333
Anchor	2	7,342	5,036,600	686
Shops	44	5,614	9,390,703	1,673
ATM	7	7	285,000	40,714
Kiosks	31	31	4,259,475	137,402
F&B	20	1,462	3,627,829	2,482
Total	107	14,459	22,918,607	1,585

- We have not been provided with the individual lease documentation in respect of the occupational interests within the subject property.
- For the purpose of this valuation, we have assumed that no onerous conditions exist in lease agreements. Should legal advisers discover adverse matters, we reserve the right to review our valuation and this report.
- For the purpose of this valuation, we have explicitly assumed that the tenancy schedule provided is correct and the actual data. Should this not be the case, we reserve the right to amend our valuation and report.

Revenues Estimation

Market Rent Estimate

- Aaad team has used the experience in the relevant area to conclude the average rental price for different leasable area types.
- We have analyzed the recent lease rates signed in year **2023** and found that the recent lease rates indicates the current market rates. Thus, we believe using the recent lease rates is an appropriate indicator to calculate the fair value of the subject property.
- We have considered that the current lease contract rent will expire at the lease end date. Thus, the lease rate and operation expenses, after the contract period will continue based on market performance and market rent will be increased at inflation rate.
- The total annual income of the Subject property is estimated to be **66,030,913 SAR** for Year **1**.
- The following table shows the concluded rental prices for each tenant category.

Concluded Market Rent Summary:

Tenant Category	Leased rent per SQM	Recent Lease Rent per SQM	Concluded Average Market Rent Per SQM
Ads	106,333	106,333	106,000
Anchor	482	686	700
Shops	1,778	1,673	1,700
ATM	40,714	40,714	40,710
Kiosks	152,127	137,402	137,000
Stores	750	0	750
F&B	2,307	2,482	2,500
Network	36,667	0	36,600

Lease Expiration Schedule:

- We have considered that the current lease contract rent will expire at the lease end date. After the contract period, lease rate will continue based on market rent which will be increased at inflation rate during the analysis period.
- The following table shows the lease expiration schedule for next **10** years per rent roll.

Year	Lease Expiration %	Cummulative %
2024	15%	15%
2025	2%	17%
2026	24%	41%
2027	1%	42%
2028	21%	63%
2029	5%	68%
2030	1%	69%
2031	0%	69%
2032	0%	69%
2033	10%	79%
2034	0%	79%
2035	0%	79%

Valuation

Revenues Estimation

Operation Expenses

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.
- See below table for Sept YTD 2023 operating expenses provided by Client. We have annualized the expenses for our valuation purpose.

Property	Amount
YTD Sept Expenses (SAR)	12,700,000
Annualized Expenses (SAR)	16,933,333

- We have adopted OpEx of SAR 16,933,333 for the subject property and increased by inflation rate for year 1 OpEx estimate which calculates the OpEx ratio of 29.1% in year 1.
- We have concluded the stabilized OpEx of 29.1% based on Subject Property Performance.

Void Costs:

- We have reflected 10% void costs throughout the cash flow period. Void allowance to reflect lost income and incentives and reflecting any marketing and advertising costs.



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Valuation

Income Approach



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As a result of the prior information, cash flows were calculated to reach the value of the subject property covering a period of 10 years, with an income of 66,030,913 SAR if fully occupied for the first year. The cash flows schedule is prepared on annual basis:

Summary of Cash Flow Calculations:

Period	1	2	3	4	5	6	7	8	9	10
Full Rental Income	66,030,913	65,691,006	74,708,637	78,355,797	84,721,829	88,892,062	91,725,807	94,906,075	97,258,830	99,923,833
Occupancy (%)	91%	91%	91%	91%	91%	91%	91%	91%	91%	91%
Vacant Unit Rent	6,262,471	6,230,234	7,085,480	7,431,382	8,035,146	8,430,657	8,699,414	9,001,035	9,224,174	9,476,927
Rent Received	59,768,441	59,460,772	67,623,157	70,924,415	76,686,683	80,461,405	83,026,393	85,905,039	88,034,656	90,446,905
OPEX (%)	29.1%	29.1%	29.1%	29.1%	29.1%	29.1%	29.1%	29.1%	29.1%	29.1%
OPEX	17,407,467	17,317,858	19,695,140	20,656,627	22,334,878	23,434,260	24,181,309	25,019,711	25,639,958	26,342,522
Void Costs	1,740,747	1,731,786	1,969,514	2,065,663	2,233,488	2,343,426	2,418,131	2,501,971	2,563,996	2,634,252
Net Income	40,620,228	40,411,127	45,958,502	48,202,125	52,118,316	54,683,718	56,426,953	58,383,358	59,830,702	61,470,131
Terminal Value										683,001,456
Net Cashflow	40,620,228	40,411,127	45,958,502	48,202,125	52,118,316	54,683,718	56,426,953	58,383,358	59,830,702	744,471,587
PV of Cashflow	36,332,941	32,330,868	32,888,227	30,853,112	29,838,800	28,003,171	25,846,038	23,919,640	21,925,417	244,022,624
Fair Value (Rounded)	506,000,000									
Fair Value (SAR/GLA)	10,692									

Site Location and Valuation Analysis



Marriott Executive Apartments – Madinah

Site Location Analysis

Property Description

- The Subject Property, identified as Marriott Residences Inn, is a four-star apartment hotel with 66 fully furnished apartment units.
- The Subject Property is part of total land area of 63,532 square meters which is shared with Al Madinah Mega Mall, with gross leasable area (GLA) of 25,361.51 square meters.
- The Subject Property is a three-storey building mainly built of reinforced concrete structures with glass and aluminum cladding exterior wall finishes. Interior finishes consist of painted wall and ceiling, granite & carpet tiles flooring, glass main entrance door and wooden room doors.
- It is equipped with elevators, centralized air conditioning, firefighting with alarm system & emergency exit stairs, 24/7 monitored security with CCTV cameras and parking slots for its patrons.
- The subject hotel apartment's facilities consist of indoor swimming pool, fitness gym & billiard hall, two meeting rooms, jacuzzi, steam bath, restaurants, lounge and coffee shops.
- Room amenities includes refrigerators, ovens, microwaves, dishwashers, coffee makers, flat TV screens, free internet, etc.
- It has direct access to the Al Rashid Mega Mall on its southern-most portion. It is situated along the southeast side of King Abdullah Road and approximately 1.20 kilometers northwest of Knowledge Economic City.

Subject Property Map



Site Location Analysis

Property Photographs



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Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.

Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

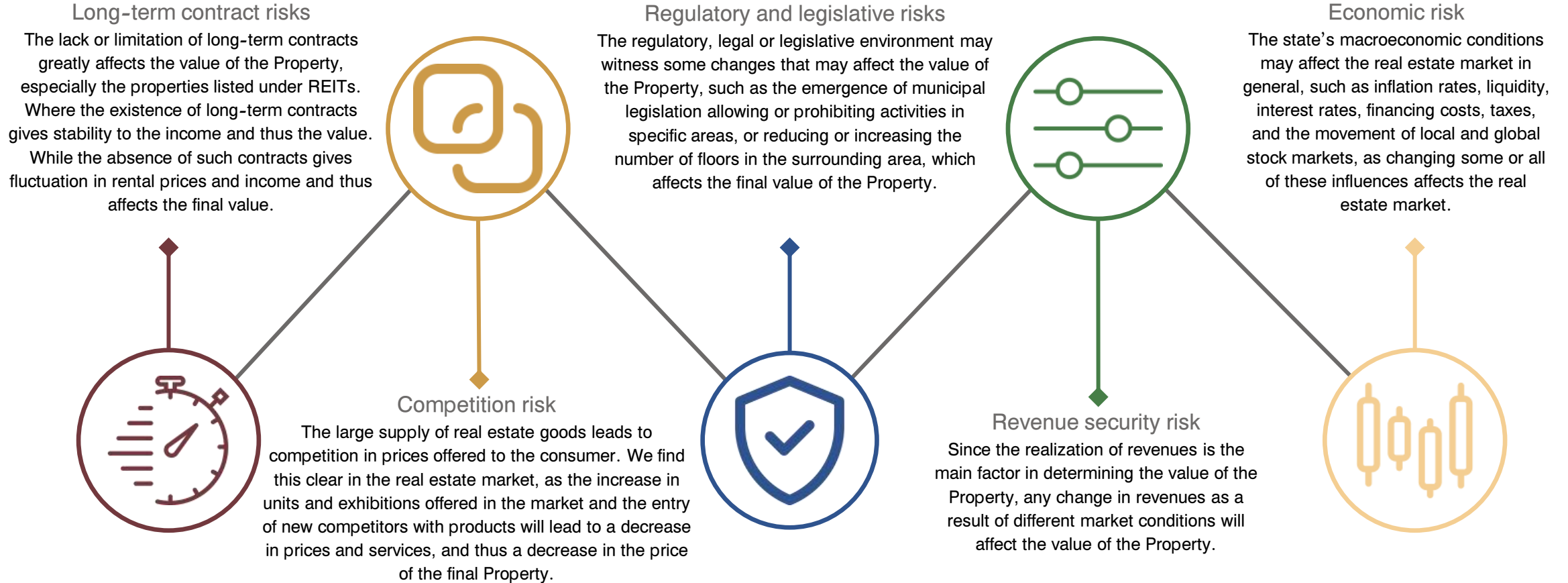
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation

Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- Based on Abaad experience in the subject property area considering the location, performance, capacity, and facilities, we have adopted a cap rate of 7.50% for the subject property.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a long-term binding lease securing income, market risk is null. Hence, the discount rate is set as 10.30%.

Valuation

Revenue Assessment

Market Analysis

We summarize below our research findings, which were used to analyse the Subject Property using the Market Approach. The following competitors' sites are the some of 4 and 5-Star hotel in the Al Madinah, the table below shows a sample of the ADR per 4 and 5-Star hotel in December 2023.

4 and 5-Star hotel in Al Madinah:

Hotel	Star	Average ADR (SAR)
Madinah Hilton Hotel	5	1350
Anwar Al Madinah Movenpick	5	800
Millennium Madinah Airport	5	455
Taiba Madinah Hotel	4	550
Dallah Taibah Hotel	5	742
Elaf Al Taqwa Hotel	4	700
Crowne Plaza Madinah, an IHG Hotel	5	600

Source: Booking.com

Expenses:

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.

Valuation

Trading Projections



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Year		1	2	3	4	5
Keys		66				
ADR (Pre-Inflation)	SAR	761	761	761	761	761
Occupancy	%	70%	70%	70%	70%	70%
RevPAR	SAR	533	533	533	533	533
REVENUE ASSUMPTIONS						
Rooms Revenue	% of Total Revenue	91%	89%	89%	89%	89%
F&B Revenue	% of Total Revenue	8%	10%	10%	10%	10%
Other Income	% of Total Revenue	1%	1%	1%	1%	1%
DEPARTMENTAL EXPENSES						
Rooms Expenses	% of Departmental Revenue	20%	20%	20%	20%	20%
Food and Beverage Expenses	% of Departmental Revenue	45%	45%	45%	45%	45%
Other Expenses	% of Departmental Revenue	45%	45%	45%	45%	45%
UNDISTRIBUTED & FIXED EXPENSES						
Administrative & General	% of Total Revenue	7.00%	7.00%	7.00%	7.00%	7.00%
Sales & Marketing	% of Total Revenue	5.00%	5.00%	5.00%	5.00%	5.00%
Maintenance	% of Total Revenue	6.00%	6.00%	6.00%	6.00%	6.00%
Utilities	% of Total Revenue	6.00%	6.00%	6.00%	6.00%	6.00%
Building Insurance	% of Total Revenue	0.50%	0.50%	0.50%	0.50%	0.50%
MANAGEMENT FEES & FF&E RESERVE						
Base Management Fee	% of Total Revenue	2.00%	2.00%	2.00%	2.00%	2.00%
Incentive Fee	% of Gross Operating Profit	8.00%	8.00%	8.00%	8.00%	8.00%
FF&E Reserve Fund	% of Total Revenue	2.00%	2.00%	2.00%	2.00%	2.00%
EBITDA						
Net Income	SAR ('000)	6,040	6,121	6,121	6,121	6,121
Profit Conversion		42.71%	42.45%	42.45%	42.45%	42.45%

Valuation

Income Approach - DCF

We outline below the table of the Property for the next 10 years, and we have used the following:

- With respect to the valuation, we have used the following assumptions based on our knowledge of the Hotel, the local market characteristics and performance, as well as current and future supply.

2.80% Per Annum

Growth Rate

10.30% Per Annum

Discount Rate

7.50% Per Annum

Exit Rate

Discounted Cashflow Table

Period	1	2	3	4	5	6	7	8	9	10
EBIDTA (000 SAR)	6,209	6,468	6,649	6,836	7,027	7,224	7,426	7,634	7,848	8,067
Terminal Value (000 SAR)										107,567
Present Value (000 SAR)	5,629	5,317	4,955	4,618	4,304	4,012	3,739	3,485	3,248	43,384
Fair Value (SAR)	82,690,000									
Fair Value (SAR/Key)	1,253,000									

Al Madinah Properties

Executive Summary

Valuation Terms

Disclaimers

Tenure

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Riyadh Properties

Al Madinah Properties

Abha and Jazan Properties

Valuation Summary

Appendices

Site Location Analysis

Macro Location - Abha



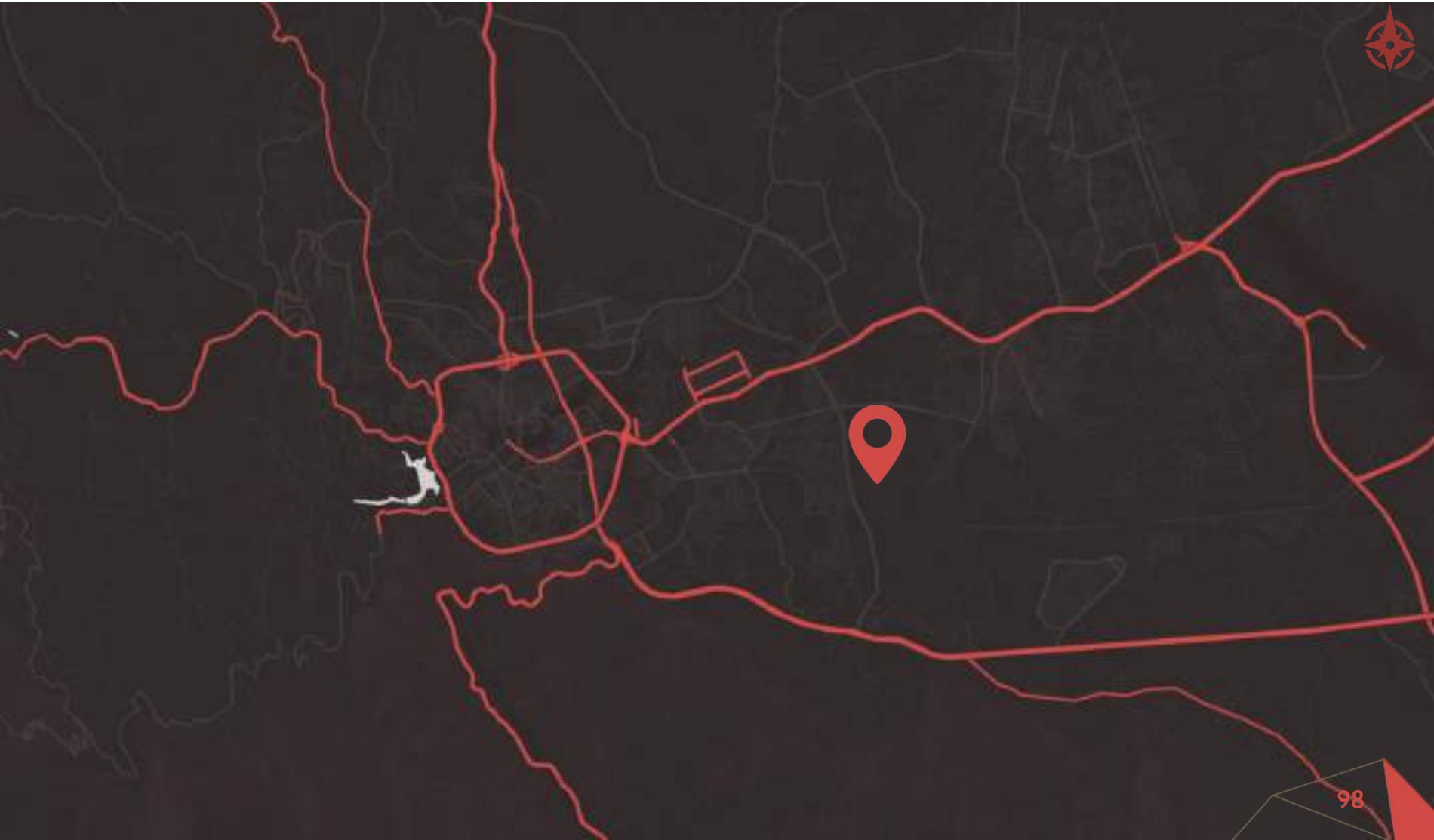
Abha is the capital of The Aseer Region in Saudi Arabia, with a population of 2,371,158 as of 2022. It is situated 2,270 meters above sea level in the fertile Asir.

Mountains of southwestern Saudi Arabia, near Asir National Park. Abha's mild climate makes it a popular tourist destination for Saudis. Saudis also call the city the Bride of Mountain due to its position above the sea.

The city of Abha is composed of four quarters, the largest of which contains a fortress. Hilltop fortresses are a characteristic feature of the city. Shadda Palace, built in 1927, is now a museum displaying local handicrafts and household items. Other notable buildings in Abha include the Abha Great Mosque, the Al-Tahy restaurant, the Abha Palace Hotel, and the fun park next to Lake Sadd. The New Abha five-star hotel is recently construction on the lake, 1.5 southwest of the town. The head office and the main printing presses of Al Watan, a major Saudi daily, are in Abha.

The site is located in Aseer Province, a region situated in the south of the country. Aseer is surrounded by Mecca to the northwest, Al Bahah to the northwest, Riyadh to the northeast, Jazan to the south, and Najran to the southeast. The capital of Aseer is Abha.

The Saudi government has launched many infrastructure development projects in Aseer regions in line with Saudi Vision 2030.



Site Location Analysis

Local Infrastructure and Development Projects

Abha

As part of Vision 2030, Asser in general and Abha in particular are attracting investment and applying development projects to enhance the situation. The following are some of the project that are expected or currently undergoing.



Asser Investment Forum

Asser Development Authority and Gas Solutions Company have signed a cooperation to support the investment sector and mega projects of Asser province and to facilitate communication between investors and the company.



Commercial Complexes

Arc Avenue in Khamis Mshet and The Point in Abha are both commercial projects that have retail shops, and showrooms, alongside other spaces that will enhance tourism, commercial activities, and the economic cycle, in the end.



Walt Disney

Walt Disney has 6 branches of its entertainment facility in 4 countries that are USA, China, Japan, and France. The 7th branch will be in the Middle East in Asser, bringing the most benefitable agreement to this area and putting Asser on the map.



Means of Transportation

Abha will be on a date with the expansion of Abha International Airport allowing to have more capacity for domestic and international travelers. Moreover, the a new train for goods transportation between Riyadh and Khamis Mshet. The dry port in the East of Khamis Mshet, along side the highways that will have length of 131 Km, with 3lines on each side, passing through 11 tunnels and reducing the travel time by 50%.



Industrial areas

The forum also talked about the second industrial city in Asser geographic location and workshops to the north of Khamis Mshet.

Site Location and Valuation Analysis



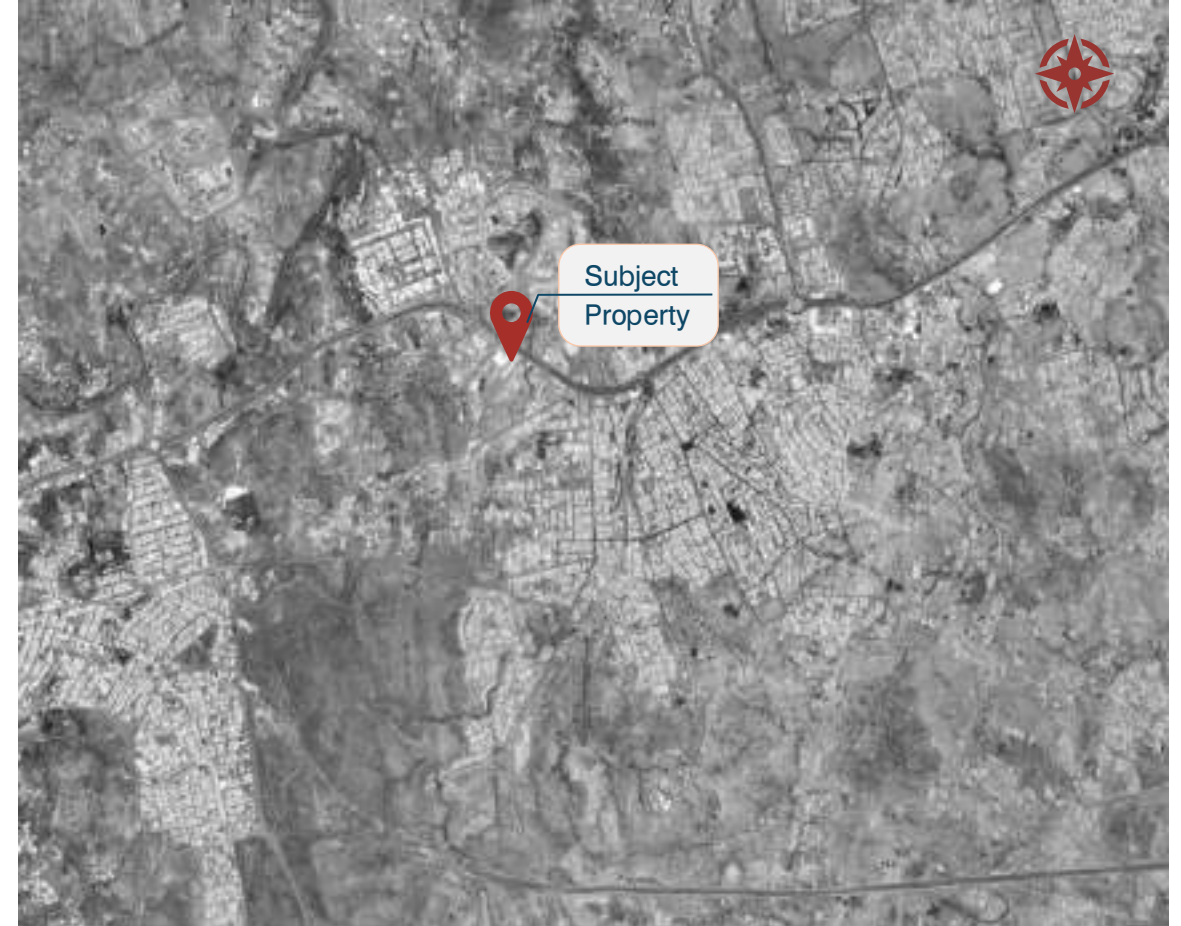
Al Rashid Mall – Abha

Site Location Analysis

Property Description

- The subject Property, commonly known as “Al Rashid Mall”, is located along King Fahd Road, within Al Mozvin District, Abha.
- The Subject Property is a retail mall comprised of **210** tenants. The area of the land is **78,602** square meters, with gross leasable area (GLA) of **57,623** square meters.
- It is a two-level basement structure built mainly of reinforced concrete and steel frame. Architectural finishes consist of glass and aluminum cladding exterior wall, plastered and painted interior walls, glass partition wall, acoustic and painted ceiling and mostly granite tiles flooring.
- Mall facilities consist of escalators, elevators, centralized air conditioning system, firefighting with sprinklers & alarm system, and security with CCTV cameras.
- The mega mall has a total of **210** tenant which includes a hypermarket, several internationally branded anchor stores & shops and entertainment halls (fun city). Its food court will consist of more than **30** restaurants and various coffee shops.
- Al Rashid Mall - Abha has a total built-up area of **139,355.45** square meters with about **1,000** parking spaces
- It is situated along the southwest side of King Fahd Road, adjacent to Saudi Electricity Company, about **650** meters southeast of Abha Chamber of Commerce and Industry and approximately **900** meters west of King Khalid University – Academic Complex.

Subject Property Map



Site Location Analysis

Property Photographs



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Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is multi tenant income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.

Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

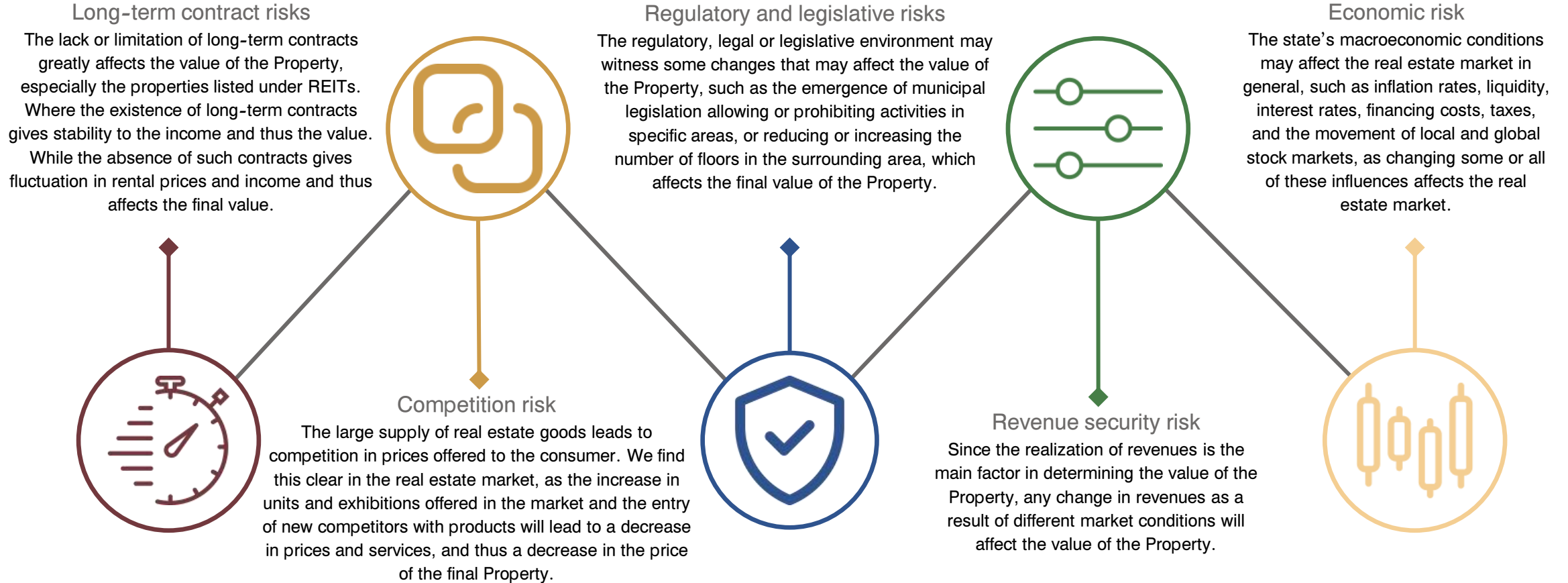
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate:** Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- Comparing the Al Makan Mall to the subject property considering the location, performance, capacity, and facilities, we have adopted a cap rate of 9.50% for the subject property.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a long-term binding lease securing income, market risk is null. Hence, the discount rate is set as 12.30%.

Occupancy

- The subject property has a current occupancy of 94%. Abaad's team has conducted market research to conclude the stable occupancy rate for the subject property. Thus, the market study shows a stable occupancy rate similar to the Subject Property occupancy of 95%.
- Therefore, the DCF will have stabilize occupancy of 95%.

Revenues Estimation

Rent Roll Summary

- Abaad team has used the experience in the relevant area to conclude the average rental price for different leasable area types.
- We have analyzed the actual tenancy rates and found that the actual lease rates fall within the market range. Thus, we believe using the actual lease rates is an appropriate indicator to calculate the fair value of the subject property.
- We have been provided the tenancy schedule for the subject property indicating unit types, tenants, lease duration, annual rents, etc. Below is a summary of the said tenancy schedule:

Leased Spaces Summary:

Tenant Category	No of Tenants	Total GLA (SQM)	Annual Rent	Rent per SQM
Offices	3	2,355	1,388,893	590
Anchor Store	9	31,597	22,523,180	713
Store	32	1,420	1,382,020	973
Resturant	14	803	3,089,316	3,849
Shops	97	16,254	38,790,070	2,386
Cafe	9	1,866	4,720,206	2,529
Kiosks	42	42	11,095,710	264,184
ATM	4	4	200,000	50,000
Total Leased	210	54,341	83,189,395	1,531
Vacant Area	57	3,282	5.7%	
Total GLA	267	57,623		

Recent Leasing Summary

- We have analyzed the tenancy rates of the leases signed in year 2023 to estimate the market rent.

Tenant Category	No of Tenants	Total GLA (SQM)	Annual Rent	Rent / SQM
Anchor Store	2	3,527	3,537,960	1,003
Store	28	1,245	1,271,745	1,021
Resturant	9	414	1,704,877	4,123
Shops	44	4,615	13,367,343	2,897
Cafe	6	1,112	2,819,674	2,536
Kiosks	34	34	8,863,101	260,679
ATM	4	4	200,000	50,000
Total	127	10,951	31,764,700	2,901

- We have not been provided with the individual lease documentation in respect of the occupational interests within the subject property.
- For the purpose of this valuation, we have assumed that no onerous conditions exist in lease agreements. Should legal advisers discover adverse matters, we reserve the right to review our valuation and this report.
- For the purpose of this valuation, we have explicitly assumed that the tenancy schedule provided is correct and the actual data. Should this not be the case, we reserve the right to amend our valuation and report.

Valuation

Revenues Estimation

Market Rent Estimate

- Abaad team has used the experience in the relevant area to conclude the average rental price for different leasable area types.
- We have analyzed the recent lease rates signed in year **2023** and found that the recent lease rates indicates the current market rates. Thus, we believe using the recent lease rates is an appropriate indicator to calculate the fair value of the subject property.
- We have considered that the current lease contract rent will expire at the lease end date. Thus, the lease rate and operation expenses, after the contract period will continue based on market performance and market rent will be increased at inflation rate.
- The total annual income of the Subject property is estimated to be **97,865,162 SAR** for Year 1.
- The following table shows the concluded rental prices for each tenant category.

Concluded Market Rent Summary:

Tenant Category	Lease Rent per SQM	Recent Lease Rent per SQM	Concluded Average Market Rent per SQM
Offices	590	None	600
Anchor Store	713	1,003	1,000
Store	973	1,021	1,000
Resturant	3,849	4,123	4,100
Shops	2,386	2,897	2,900
Cafe	2,529	2,536	2,500
Kiosks	264,184	260,679	262,430
ATM	50,000	50,000	50,000

Lease Expiration Schedule:

- We have considered that the current lease contract rent will expire at the lease end date. After the contract period, lease rate will continue based on market rent which will be increased at inflation rate during the analysis period.
- The following table shows the lease expiration schedule for next **10** years per rent roll.

Year	Lease Expiration %	Cummulative %
2024	20%	20%
2025	7%	27%
2026	4%	30%
2027	28%	59%
2028	2%	61%
2029	0%	61%
2030	0%	61%
2031	0%	61%
2032	7%	68%
2033	5%	73%
2034	0%	73%
2035	10%	83%

Valuation

Revenues Estimation

Operation Expenses

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.
- We have concluded the stabilized OpEx of 28.0% based on Subject Property Performance including void costs.



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Valuation

Income Approach



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As a result of the prior information, cash flows were calculated to reach the value of the subject property covering a period of 10 years, with an income of 97,865,162 SAR if fully occupied for the first year. The cash flows schedule is prepared on annual basis:

Summary of Cash Flow Calculations:

Period	1	2	3	4	5	6	7	8	9	10
Total Rent Income	97,865,162	103,913,034	110,862,932	114,909,405	123,956,255	126,784,896	129,987,452	133,760,953	137,582,310	144,192,408
Occupancy (%)	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Vacant Unit Rent	4,893,258	5,195,652	5,543,147	5,745,470	6,197,813	6,339,245	6,499,373	6,688,048	6,879,116	7,209,620
Rent Received	92,971,904	98,717,383	105,319,786	109,163,935	117,758,442	120,445,651	123,488,079	127,072,905	130,703,195	136,982,788
OPEX (%)	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%	28.0%
OPEX	26,032,133	27,640,867	29,489,540	30,565,902	32,972,364	33,724,782	34,576,662	35,580,413	36,596,894	38,355,181
Void Costs	2,603,213	2,764,087	2,948,954	3,056,590	3,297,236	3,372,478	3,457,666	3,558,041	3,659,689	3,835,518
Net Income	64,336,558	68,312,429	72,881,292	75,541,443	81,488,842	83,348,391	85,453,751	87,934,450	90,446,611	94,792,089
Terminal Value										997,811,466
Net Cashflow	64,336,558	68,312,429	72,881,292	75,541,443	81,488,842	83,348,391	85,453,751	87,934,450	90,446,611	1,092,603,556
PV of Cashflow	57,289,900	54,167,677	51,460,831	47,497,008	45,624,631	41,554,559	37,937,861	34,763,301	31,840,105	342,503,526
Fair Value (Rounded)	744,600,000									
Fair Value (SAR/GLA)	12,922									

Site Location and Valuation Analysis



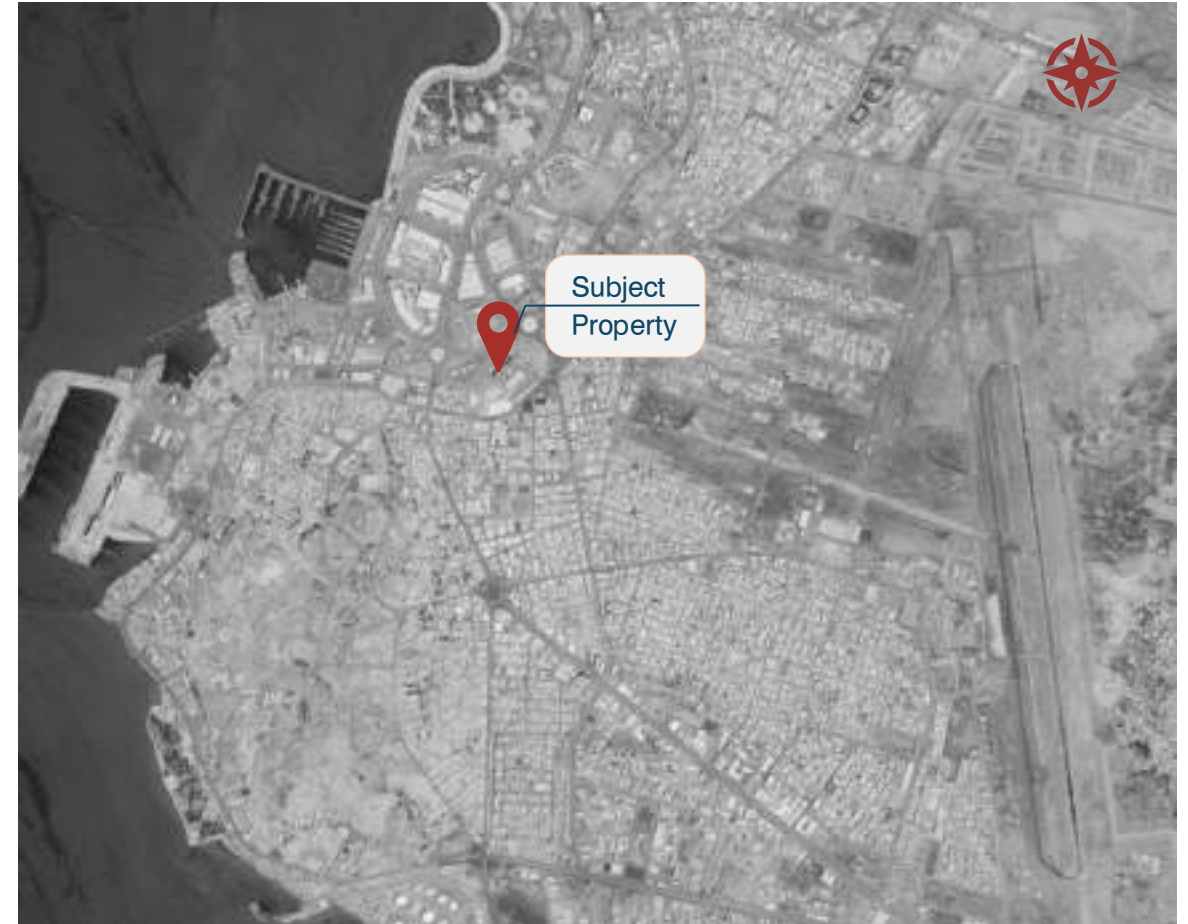
Al Rashid Mall – Jazan

Site Location Analysis

Property Description

- The subject Property, commonly known as “Al Rashid Mall”, is located within Al Rawdah District, Jazan.
- The Subject Property is a retail mall comprised of **135** tenants. The area of the land is **39,975** square meters, with gross leasable area (GLA) of **29,631** square meters.
- It is a three-level structure built mainly of reinforced concrete and steel frame. Architectural finishes consist of glass and aluminum cladding exterior wall, plastered and painted interior walls, glass partition wall, acoustic and painted ceiling and mostly granite tiles flooring.
- Mall facilities consist of escalators, elevators, centralized air conditioning system, firefighting with sprinklers & alarm system, and security with CCTV cameras.
- The mega mall has a total of **135** tenant which includes a Panda Supermarket, international branded anchor stores such as H&M, Victoria Secrets, Mango, etc and entertainment hall (fun city). Moreover, it has also more than **20** restaurants, various coffee shops, ATM machines and a satellite office of the Civil Affairs.
- Al Rashid Mall – Jazan has a total built-up area of **67,997** square meters with about **700** parking spaces
- It is situated between Prince Mohammad bin Nasser Road and King Fahd Road, about **300** meters south of The Sail Roundabout and approximately **430** meters east of Marina Roundabout.

Subject Property Map



Site Location Analysis

Property Photographs



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Income Valuation Methodology - DCF

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- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.

Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

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Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

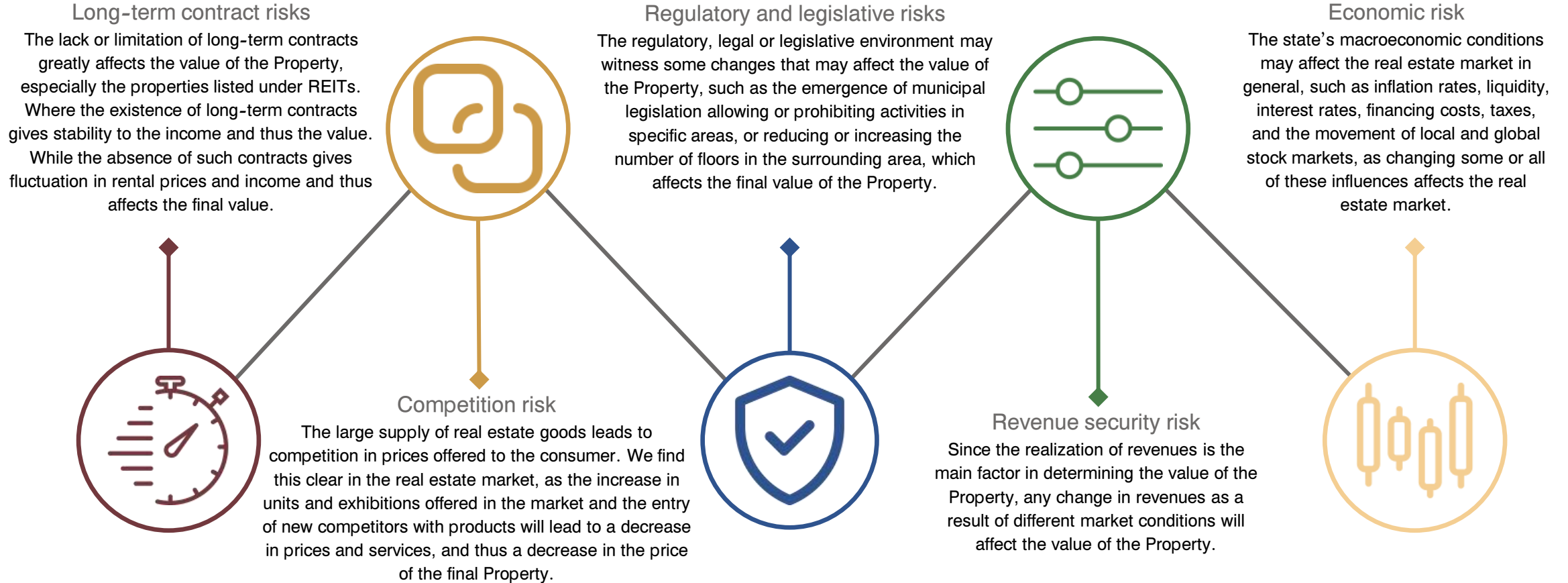
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- Based on the experience to the subject property area considering the location, performance, capacity, and facilities, we have adopted a cap rate of 9.50% for the subject property.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a long-term binding lease securing income, market risk is null. Hence, the discount rate is set as 12.30%.

Occupancy

- The subject property has a current occupancy of 87%. Abaad's team has conducted market research to conclude the stable occupancy rate for the subject property. Thus, the market study shows a stable occupancy rate similar to the Subject Property occupancy of 87%.
- Therefore, the DCF will have stabilize occupancy of 87%.

Revenues Estimation

Rent Roll Summary

- Aaad team has used the experience in the relevant area to conclude the average rental price for different leasable area types.
- We have analyzed the actual tenancy rates and found that the actual lease rates fall within the market range. Thus, we believe using the actual lease rates is an appropriate indicator to calculate the fair value of the subject property.
- We have been provided the tenancy schedule for the subject property indicating unit types, tenants, lease duration, annual rents, etc. Below is a summary of the said tenancy schedule:

Leased Spaces Summary:

Tenant Category	No of Tenants	Total GLA (SQM)	Annual Rent	Rent per SQM
Advertising	1	1	6,000	6,000
Anchor Store	7	17,795	10,195,287	573
Shops	52	6,701	12,257,539	1,829
ATM	7	7	325,000	46,429
F&B	11	831	1,896,100	2,281
Kiosks	41	49	5,799,500	144,988
Stores	14	287	289,500	979
Network	2	2	97,000	48,500
Total Leased	135	25,672	30,865,926	1,202
Vacant Area	96	3,959	13.4%	
Total GLA	231	29,631		

Recent Leasing Summary

- We have analyzed the tenancy rates of the leases signed in year 2023 to estimate the market rent.

Tenant Category	No of Tenants	Total GLA (SQM)	Annual Rent	Rent / SQM
Advertising	1	1	6,000	6,000
Shops	26	2,187	4,310,275	1,971
ATM	5	5	215,000	43,000
F&B	7	324	992,385	3,060
Kiosks	30	30	4,263,500	142,117
Stores	10	191	132,000	691
Total	80	2,748	9,999,660	3,639

- We have not been provided with the individual lease documentation in respect of the occupational interests within the subject property.
- For the purpose of this valuation, we have assumed that no onerous conditions exist in lease agreements. Should legal advisers discover adverse matters, we reserve the right to review our valuation and this report.
- For the purpose of this valuation, we have explicitly assumed that the tenancy schedule provided is correct and the actual data. Should this not be the case, we reserve the right to amend our valuation and report.

Revenues Estimation

Market Rent Estimate

- Abaad team has used the experience in the relevant area to conclude the average rental price for different leasable area types.
- We have analyzed the recent lease rates signed in year **2023** and found that the recent lease rates indicates the current market rates. Thus, we believe using the recent lease rates is an appropriate indicator to calculate the fair value of the subject property.
- We have considered that the current lease contract rent will expire at the lease end date. Thus, the lease rate and operation expenses, after the contract period will continue based on market performance and market rent will be increased at inflation rate.
- The total annual income of the Subject property is estimated to be **43,840,595 SAR** for Year 1.
- The following table shows the concluded rental prices for each tenant category.

Concluded Market Rent Summary:

Tenant Category	Lease Rent per SQM	Recent Lease Rent per SQM	Concluded Average Market Rent Per SQM
Advertising	6,000	6,000	6,000
Anchor Store	573	0	500
Shops	1,829	1,971	1,820
ATM	46,429	43,000	44,710
F&B	2,281	3,060	2,281
Kiosks	144,988	0	144,988
Stores	979	1,062	1,020
Network	48,500	0	48,500

Lease Expiration Schedule:

- We have considered that the current lease contract rent will expire at the lease end date. After the contract period, lease rate will continue based on market rent which will be increased at inflation rate during the analysis period.
- The following table shows the lease expiration schedule for next 10 years per rent roll.

Year	Lease Expiration %	Cummulative %
2024	18%	18%
2025	2%	20%
2026	1%	21%
2027	4%	26%
2028	0%	26%
2029	4%	30%
2030	32%	62%
2031	0%	62%
2032	0%	62%
2033	0%	62%
2034	8%	70%
2035	0%	70%

Valuation

Revenues Estimation

Operation Expenses

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.
- We have concluded the stabilized OpEx of 35.0% based on Subject Property Performance.

Void Costs:

- We have reflected 10% void costs throughout the cash flow period. Void allowance to reflect lost income and incentives and reflecting any marketing and advertising costs.

Valuation

Income Approach



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As a result of the prior information, cash flows were calculated to reach the value of the subject property covering a period of 10 years, with an income of 43,840,595 SAR if fully occupied for the first year. The cash flows schedule is prepared on annual basis:

Summary of Cash Flow Calculations:

Period	1	2	3	4	5	6	7	8	9	10
Full Rental Income	43,840,595	45,530,731	46,890,601	47,722,958	48,787,197	49,831,999	51,753,570	53,338,722	54,834,063	56,294,345
Occupancy (%)	87%	87%	87%	87%	87%	87%	87%	87%	87%	87%
Vacant Unit Rent	5,856,960	6,082,757	6,264,431	6,375,631	6,517,810	6,657,392	6,914,108	7,125,879	7,325,652	7,520,741
Rent Received	37,983,635	39,447,974	40,626,170	41,347,327	42,269,387	43,174,607	44,839,462	46,212,843	47,508,411	48,773,604
OPEX (%)	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
OPEX	13,294,272	13,806,791	14,219,159	14,471,564	14,794,286	15,111,112	15,693,812	16,174,495	16,627,944	17,070,762
Void Costs	1,329,427	1,380,679	1,421,916	1,447,156	1,479,429	1,511,111	1,569,381	1,617,450	1,662,794	1,707,076
Net Income	23,359,936	24,260,504	24,985,095	25,428,606	25,995,673	26,552,383	27,576,269	28,420,898	29,217,673	29,995,767
Terminal Value										315,744,913
Net Cashflow	23,359,936	24,260,504	24,985,095	25,428,606	25,995,673	26,552,383	27,576,269	28,420,898	29,217,673	345,740,680
PV of Cashflow	20,801,367	19,237,131	17,641,753	15,988,346	14,554,667	13,238,079	12,242,700	11,235,690	10,285,557	108,380,941
Fair Value (Rounded)	243,600,000									
Fair Value (SAR/GLA)	8,221									

Site Location and Valuation Analysis



Courtyard Marriott – Jazan

Site Location Analysis

Property Description

- The Subject Property, identified as Courtyard Marriott, is a four-star apartment hotel with 129 guest rooms.
- The Subject Property is part of total land area of 39,975 square meters which is shared with Al Rashid Mall - Jazan.
- The Subject Property is a six-storey building mainly built of reinforced concrete structures with glass and aluminum cladding exterior wall finishes. Interior finishes consist of painted wall and ceiling, granite & carpet tiles flooring, glass main entrance door and wooden room doors.
- It is equipped with elevators, centralized air conditioning, firefighting with alarm system & emergency exit stairs, 24/7 monitored security with CCTV cameras and parking slots for its patrons.
- The Subject Property have common facilities and amenities which consist of 7 meeting halls, fitness center, indoor swimming pool, healthy club, restaurants, laundry, coffee lobby, concierge desk, full-service spa and massage area. The hotels have direct access to Al Rashid Mall.
- The Subject Property is located on the left side of Al Rashid Mall and approximately 350 meters east of Marina Roundabout, while Residence Inn by Marriott is situated on the right side of Al Rashid Mall and about 230 meters south of The Sail Roundabout. Both properties are situated about 100 meters southeast of Prince Mohammad bin Nasser Road and approximately 230 meters northwest of King Fahd Road, within Ar Rawdah District, Jazan City.

Subject Property Map



Site Location Analysis

Property Photographs



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Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.

Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

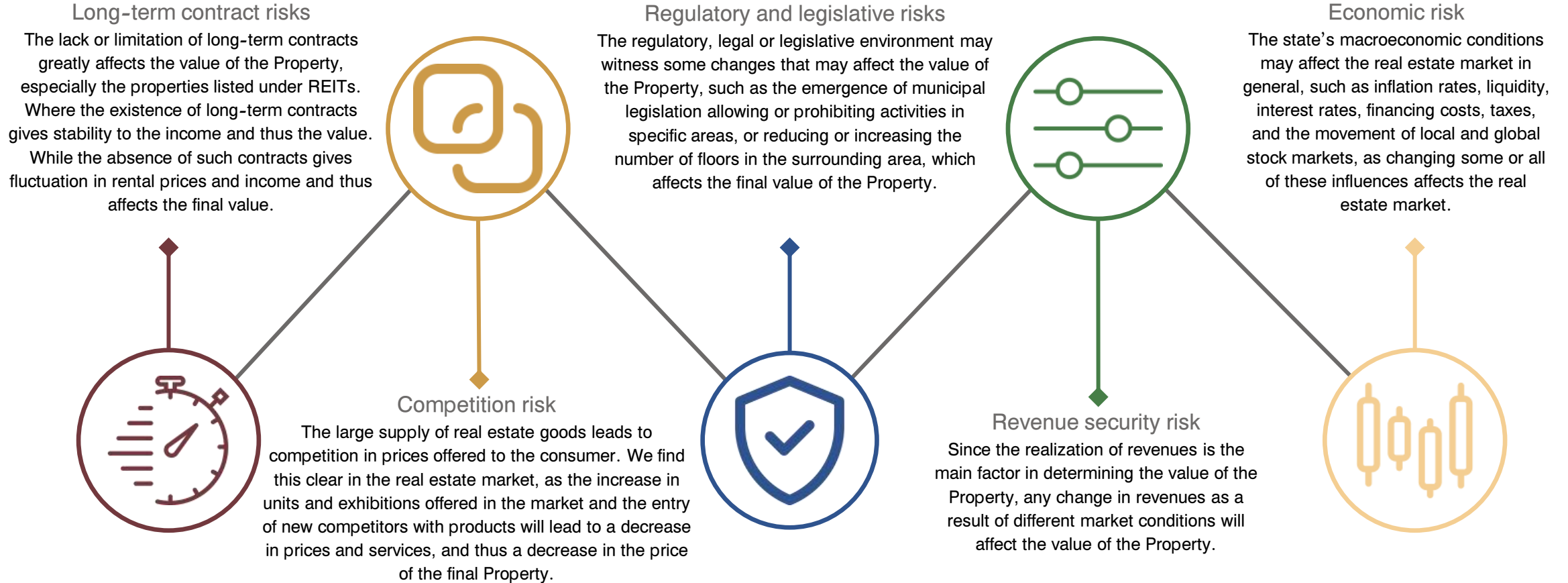
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation

Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- Based on Abaad experience in the subject property area considering the location, performance, capacity, and facilities, we have adopted a cap rate of 9.00% for the subject property.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a long-term binding lease securing income, market risk is null. Hence, the discount rate is set as 11.80%.

Valuation

Revenue Assessment

Market Analysis

We summarize below our research findings, which were used to analyse the Subject Property using the Market Approach. The following competitors' sites are the some of 4 and 5-Star hotel in the Al Madinah, the table below shows a sample of the ADR per 4 and 5-Star hotel in December 2023, January and February 2024.

4 and 5-Star hotel in Al Madinah:

Hotel	Star	Average ADR (SAR)			
		Dec-23	Jan-24	Feb-24	Average
Radisson Blu Resort Jizan	5	425	528	517	490
Novotel Jazan	5	419	396	394	403
Al Maali Hotel Jazan	4	230	326	230	262
Swiss Blue	4	300	700	350	450
Holiday Jazan Hotel	4	316	348	324	329
AWJ Jazan Hotel Suites	4	332	382	350	354
Courtyard by Marriott Jazan	5	465	511	600	525
Golden Armada Hotel	5	510	528	540	526

Source: Booking.com

Expenses:

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.

Valuation

Trading Projections



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Year		1	2	3	4	5
Keys		129				
ADR (Pre-Inflation)	SAR	460	480	500	500	500
Occupancy	%	23%	28%	36%	44%	44%
RevPAR	SAR	106	134	180	220	220
REVENUE ASSUMPTIONS						
Rooms Revenue	% of Total Revenue	41%	47%	53%	59%	59%
F&B Revenue	% of Total Revenue	46%	41%	36%	31%	31%
Other Income	% of Total Revenue	13%	12%	11%	10%	10%
DEPARTMENTAL EXPENSES						
Rooms Expenses	% of Departmental Revenue	36%	31%	26%	25%	25%
Food and Beverage Expenses	% of Departmental Revenue	72%	67%	62%	57%	57%
Other Expenses	% of Departmental Revenue	45%	45%	45%	45%	45%
UNDISTRIBUTED & FIXED EXPENSES						
Administrative & General	% of Total Revenue	9.46%	9.46%	9.46%	9.46%	9.46%
Sales & Marketing	% of Total Revenue	2.18%	2.18%	2.18%	2.18%	2.18%
Maintenance	% of Total Revenue	5.07%	5.07%	5.07%	5.07%	5.07%
Utilities	% of Total Revenue	15.34%	15.34%	15.34%	15.34%	15.34%
Building Insurance	% of Total Revenue	0.50%	0.50%	0.50%	0.50%	0.50%
MANAGEMENT FEES & FF&E RESERVE						
Base Management Fee	% of Total Revenue	2.00%	2.00%	2.00%	2.00%	2.00%
Incentive Fee	% of Gross Operating Profit	8.00%	8.00%	8.00%	8.00%	8.00%
FF&E Reserve Fund	% of Total Revenue	2.00%	2.00%	2.00%	2.00%	2.00%
EBITDA						
Net Income	SAR ('000)	3,563	4,022	5,015	5,559	5,559
Profit Conversion		29.07%	29.65%	31.16%	31.47%	31.47%

Valuation

Income Approach - DCF

We outline below the table of the Property for the next 10 years, and we have used the following:

- With respect to the valuation, we have used the following assumptions based on our knowledge of the Hotel, the local market characteristics and performance, as well as current and future supply.

2.80% Per Annum

Growth Rate

11.80% Per Annum

Discount Rate

9.00% Per Annum

Exit Rate

Discounted Cashflow Table

Period	1	2	3	4	5	6	7	8	9	10
EBIDTA (000 SAR)	3,663	4,250	5,449	6,208	6,382	6,561	6,744	6,933	7,127	7,327
Terminal Value (000 SAR)										81,411
Present Value (000 SAR)	3,276	3,400	3,899	3,974	3,654	3,360	3,089	2,841	2,612	29,087
Fair Value (SAR)	59,190,000									
Fair Value (SAR/Key)	459,000									

Site Location and Valuation Analysis



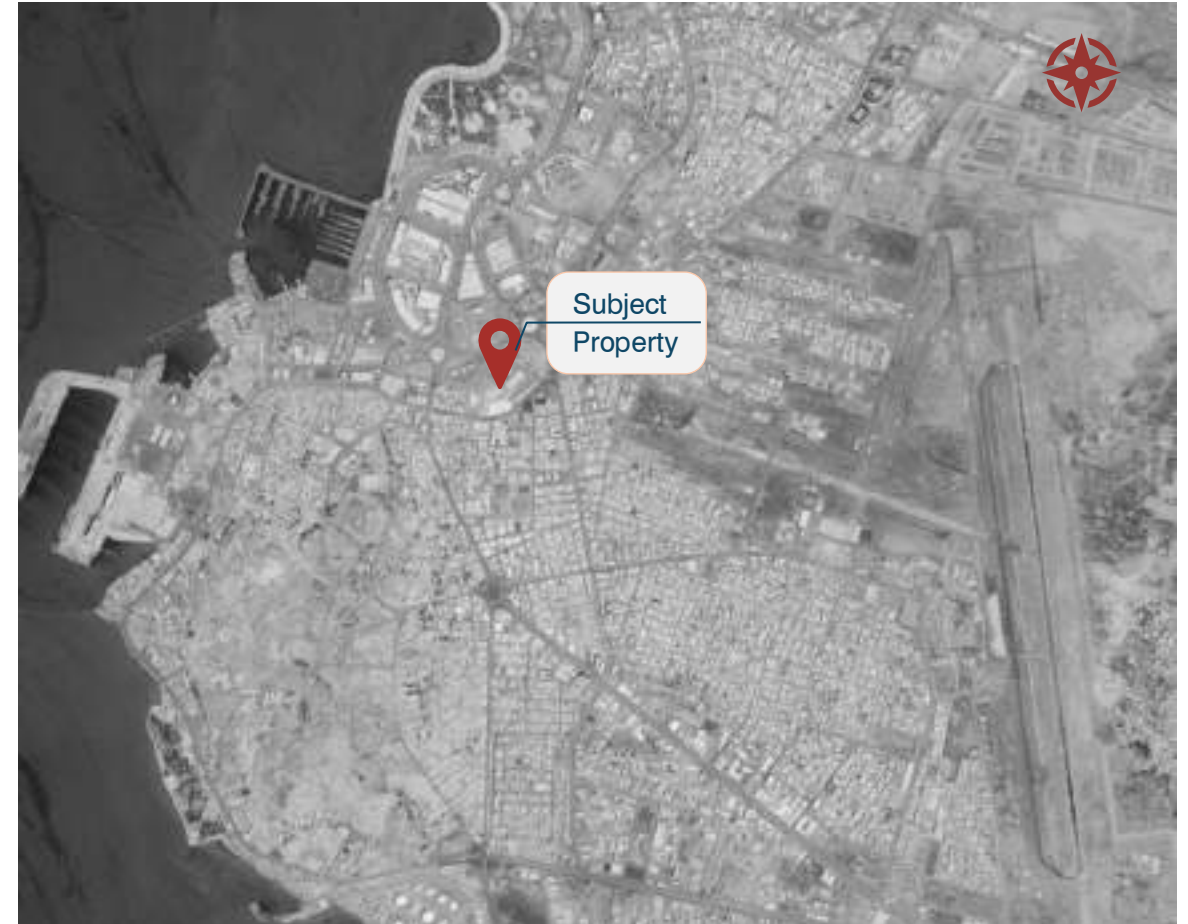
Marriott Residence Inn – Jazan

Site Location Analysis

Property Description

- The Subject Property, identified as Marriott Residence Inn, is a three-star apartment hotel with **79** guest rooms.
- The Subject Property is part of total land area of **39,975** square meters which is shared with Al Rashid Mall - Jazan.
- The Subject Property is a six-storey building mainly built of reinforced concrete structures with glass and aluminum cladding exterior wall finishes. Interior finishes consist of painted wall and ceiling, granite & carpet tiles flooring, glass main entrance door and wooden room doors.
- It is equipped with elevators, centralized air conditioning, firefighting with alarm system & emergency exit stairs, **24/7** monitored security with CCTV cameras and parking slots for its patrons.
- The Subject Property have common facilities and amenities which consist of **7** meeting halls, fitness center, indoor swimming pool, healthy club, restaurants, laundry, coffee lobby, concierge desk, full-service spa and massage area. The hotels have direct access to Al Rashid Mall.
- The Subject Property is located on the left side of Al Rashid Mall and approximately **350** meters east of Marina Roundabout, while Residence Inn by Marriott is situated on the right side of Al Rashid Mall and about **230** meters south of The Sail Roundabout. Both properties are situated about **100** meters southeast of Prince Mohammad bin Nasser Road and approximately **230** meters northwest of King Fahd Road, within Ar Rawdah District, Jazan City.

Subject Property Map



Site Location Analysis

Property Photographs



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Income Valuation Methodology - DCF

Income Valuation Approach

- In determining our opinion of Fair Value for the Subject Property and based on the fact that it is income producing asset, we have utilized the Investment Approach of Valuation via the Discounted Cash Flow technique.
- Discounting Cash Flow (DCF) analysis is a financial modelling technique based on explicit assumptions regarding the prospective cashflow of a property. This analysis involves the projection of a series of periodic cash flows that a property is anticipated to generate. To this projected cash flow series, an appropriate discount rate is applied to establish an indication of the present value of the income stream associated with a property.
- With regard to the subject properties, the cashflow has been calculated on an annual basis. With respect to the growth rate applied throughout our cashflow, we have adopted the long-term average inflation rate for Saudi Arabia at 2.8%.
- The cashflow is discounted back to the date of valuation at an appropriate rate to reflect the time value of money, and in so doing thus determining the [Market Value]. It is important to note that the cashflows reflect assumptions that market participants would use when pricing the asset (i.e., determining its value).
- The projected rents, as well as costs, are forecasts formed on the basis of information currently available to us and are not representations of what the values of the Properties will be as at a future date.

Valuation Steps Using Income Approach - DCF

01

Income Approach

The Investment Approach is a commonly used approach to value income-generated assets. The approach captures the revenues generated from the operation of the asset, using the Discounted Cashflow.

02

Cost Assumptions

The Discounted Cashflow is calculated on annual basis, with a growth rate of 2.8 %/annum.

03

Property Income

The property income represents the revenue derived from the rent payments received during a year.

04

Property Costs

The property costs attribute to the costs generated from the operation of the asset, for instance, maintenance, and marketing costs. The costs are typically calculated on an annual basis.

Exit Yield Commentary

- The Exit Yield is the yield applied to the Net Annual Income at the reversionary year of our DCF in our calculations and is typically derived from transactional evidence in the local market. However, we note that due to limited market activity as well as a lack of transparency with regard to real estate transactions for large assets of this nature, we have had to rely on anticipated market participants' expectations from typical property investments. The logic behind our cash flows is to forecast stabilization of the subject property's performance and assume market-level occupancy as well as rental rate levels. Upon stabilization, we forecast a reversionary year.

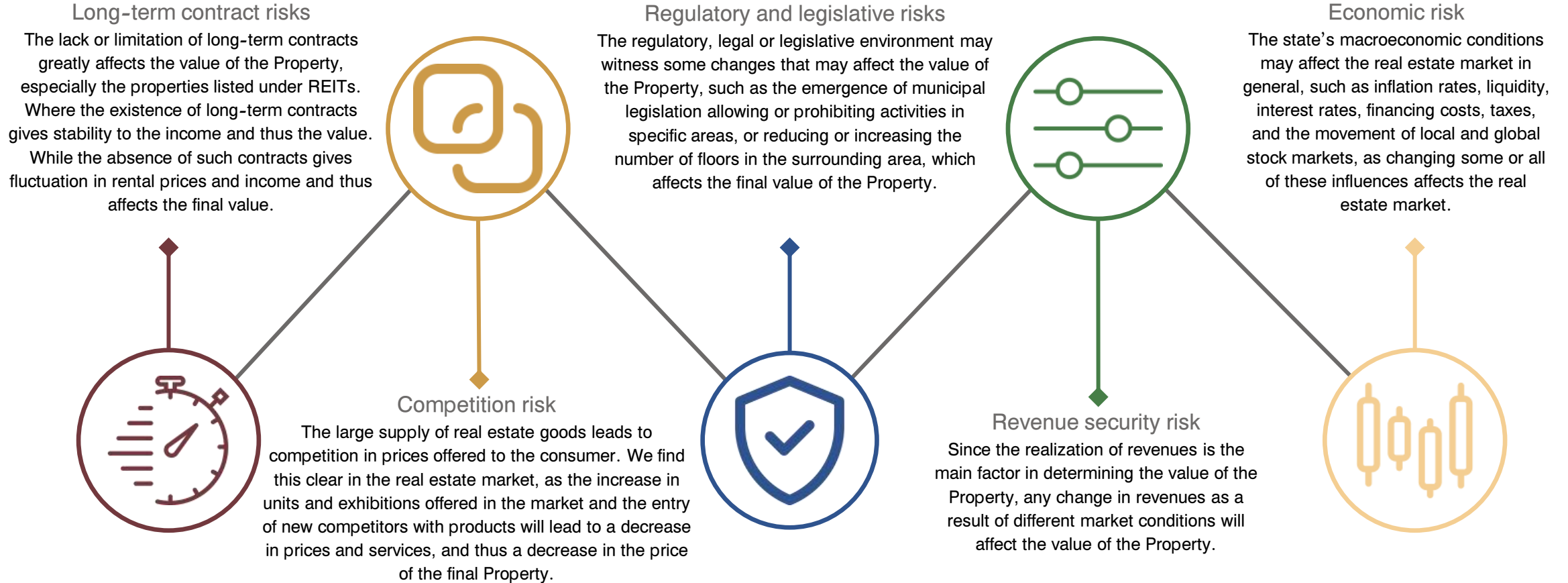
Discount Rates Commentary

- Theoretically the discount rate reflects the opportunity cost of capital as well as the return required to mitigate the risk associated with the particular investment type in question. Risk is typically related to market risk and property-specific risk, with the former relating to the state of the current property market whilst the latter relates to the specific characteristics of the asset. The associated risks assessment and the corresponding rates are based on the market participants' expectations for the risk associated with the cash flows due to variations in the amount or timing of the cash flows, the uncertainty inherent in the cash flows, and other specific risk factors.
- In general, if the properties exhibited secured revenue through strongly anchored leases with high average lease durations, there would be less risk associated with its revenue, which in turn would be accordingly reflected on the discount rate. Furthermore, properties under development and those with a high level of vacant units are subject to higher risk profiles and thus higher discount rates.

The Exit Yield refers to the estimation of the capital value of the asset in the reversionary year. Our calculations of the Exit Yield are based on local market evidence.

The use of Discount Rate is mainly to reflect the risks associated with the operation of the asset, for instance, and not exclusive to drop-in occupancy rates, reduction on lease rates, asset depreciation, etc.

Property Risk Analysis



Valuation Approach

Valuation Methods Used

- When selecting the best approach to assess the value of the Subject Property, we have taken into consideration the information provided by the Client, the current condition of the Property and our own analysis of the local market conditions. When determining the fair value of the Subject Property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Factors in the Discounted Cash Flow Method:

Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Capitalization Rate

- Based on Abaad experience in the subject property area considering the location, performance, capacity, and facilities, we have adopted a cap rate of 8.50% for the subject property.

Discount Rate

- We have used the build-up method to calculate the discount rate, which considers inflation, cap rate, and market risk.
- Since the subject property enjoys a long-term binding lease securing income, market risk is null. Hence, the discount rate is set as 11.30%.

Valuation

Revenue Assessment

Market Analysis

We summarize below our research findings, which were used to analyse the Subject Property using the Market Approach. The following competitors' sites are the some of 4 and 5-Star hotel in the Al Madinah, the table below shows a sample of the ADR per 4 and 5-Star hotel in December 2023, January and February 2024.

4 and 5-Star hotel in Al Madinah:

Hotel	Star	Average ADR (SAR)			
		Dec-23	Jan-24	Feb-24	Average
Radisson Blu Resort Jizan	5	425	528	517	490
Novotel Jazan	5	419	396	394	403
Al Maali Hotel Jazan	4	230	326	230	262
Swiss Blue	4	300	700	350	450
Holiday Jazan Hotel	4	316	348	324	329
AWJ Jazan Hotel Suites	4	332	382	350	354
Courtyard by Marriott Jazan	5	465	511	600	525
Golden Armada Hotel	5	510	528	540	526

Source: Booking.com

Expenses:

- We have estimated operating expenses based on information provided by the client.
- These OpEx are inclusive of all expenses of the property.

Valuation



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Trading Projections

Year		1	2	3	4	5
Keys		79				
ADR (Pre-Inflation)	SAR	660	660	660	660	660
Occupancy	%	69%	75%	75%	75%	75%
RevPAR	SAR	453	495	495	495	495
REVENUE ASSUMPTIONS						
Rooms Revenue	% of Total Revenue	87%	87%	87%	87%	87%
F&B Revenue	% of Total Revenue	10%	10%	10%	10%	10%
Other Income	% of Total Revenue	3%	3%	3%	3%	3%
DEPARTMENTAL EXPENSES						
Rooms Expenses	% of Departmental Revenue	24%	24%	24%	24%	24%
Food and Beverage Expenses	% of Departmental Revenue	50%	50%	50%	50%	50%
Other Expenses	% of Departmental Revenue	45%	45%	45%	45%	45%
UNDISTRIBUTED & FIXED EXPENSES						
Administrative & General	% of Total Revenue	8.59%	8.59%	8.59%	8.59%	8.59%
Sales & Marketing	% of Total Revenue	2.56%	2.56%	2.56%	2.56%	2.56%
Maintenance	% of Total Revenue	3.12%	3.12%	3.12%	3.12%	3.12%
Utilities	% of Total Revenue	6.93%	6.93%	6.93%	6.93%	6.93%
Building Insurance	% of Total Revenue	0.50%	0.50%	0.50%	0.50%	0.50%
MANAGEMENT FEES & FF&E RESERVE						
Base Management Fee	% of Total Revenue	2.00%	2.00%	2.00%	2.00%	2.00%
Incentive Fee	% of Gross Operating Profit	8.00%	8.00%	8.00%	8.00%	8.00%
FF&E Reserve Fund	% of Total Revenue	2.00%	2.00%	2.00%	2.00%	2.00%
EBITDA						
Net Income	SAR ('000)	6,271	6,849	6,849	6,849	6,849
Profit Conversion	%	41.65%	41.65%	41.65%	41.65%	41.65%

Valuation

Income Approach - DCF

We outline below the table of the Property for the next 10 years, and we have used the following:

- With respect to the valuation, we have used the following assumptions based on our knowledge of the Hotel, the local market characteristics and performance, as well as current and future supply.

2.80% Per Annum

Growth Rate

11.30% Per Annum

Discount Rate

8.50% Per Annum

Exit Rate

Discounted Cashflow Table

Period	1	2	3	4	5	6	7	8	9	10
EBIDTA (000 SAR)	6,447	7,238	7,441	7,649	7,864	8,084	8,310	8,543	8,782	9,028
Terminal Value (000 SAR)										106,210
Present Value (000 SAR)	5,792	5,843	5,397	4,985	4,604	4,252	3,928	3,628	3,351	39,504
Fair Value (SAR)	81,280,000									
Fair Value (SAR/Key)	1,028,861									

Al Madinah Properties

Executive Summary

Valuation Terms

Disclaimers

Tenure

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Riyadh Properties

Al Madinah Properties

Abha and Jazan Properties

Valuation Summary

Appendices

Valuation Summary

Opinion of Value

Abaad is of the opinion that the Fair Values of the Subject Properties, which comprises Bonyan REIT Portfolio, Eleven Properties Across Saudi Arabia as of **31 December 2023**, based upon assumptions and detail within this report, may be stated as follows:

Fair Value Summary:

Asset Name	City	Sector	Methodology	Fair Value (SAR)
Al Sahafa Office Tower	Riyadh	Office	Income Approach	135,400,000
Al Ghadeer Office Building	Riyadh	Office	Income Approach	81,600,000
Al Rafiah Village Compound	Riyadh	Residential	Income Approach	165,200,000
Al Maather Complex	Riyadh	Residential	Income Approach	6,000,000
Al Rashid Strip Mall	Riyadh	Retail	Market Approach	32,640,000
Al Rashid Mall – Jazan	Jazan	Retail	Income Approach	243,600,000
Courtyard Marriott	Jazan	Hospitality	Income Approach	59,190,000
Marriott Residence Inn	Jazan	Hospitality	Income Approach	81,280,000
Al Rashid Mega Mall – Madinah	Al Madinah	Retail	Income Approach	506,000,000
Marriott Executive Apartments	Al Madinah	Hospitality	Income Approach	82,690,000
Al Rashid Mall – Abha	Abha	Retail	Income Approach	744,600,000

Signatures

Eng. Ammar Abdulaziz Sindi

Taqeem ID: 1210000219

Fellow Member

Membership Date: 22/12/2015

Real Estate Sector

Eng. Ammar Mohamed Qutub

Taqeem ID: 1210000392

Fellow Member

Membership Date: 24/01/2016

Real Estate Sector

Eng. Yusuf Abdullah Khan

Taqeem ID: 1220001989

Provisional Member

Membership Date: 17/09/2020

Real Estate Sector

Company Name: Abaad &
Partner for Real Estate Valuation

Company No. 11000111

CR No: 4030297686

CL No: 323/18/781



Appendices

Executive Summary

Valuation Terms

Disclaimers

Tenure

Riyadh Properties

Al Madinah Properties

Abha and Jazan Properties

Valuation Summary

Appendices

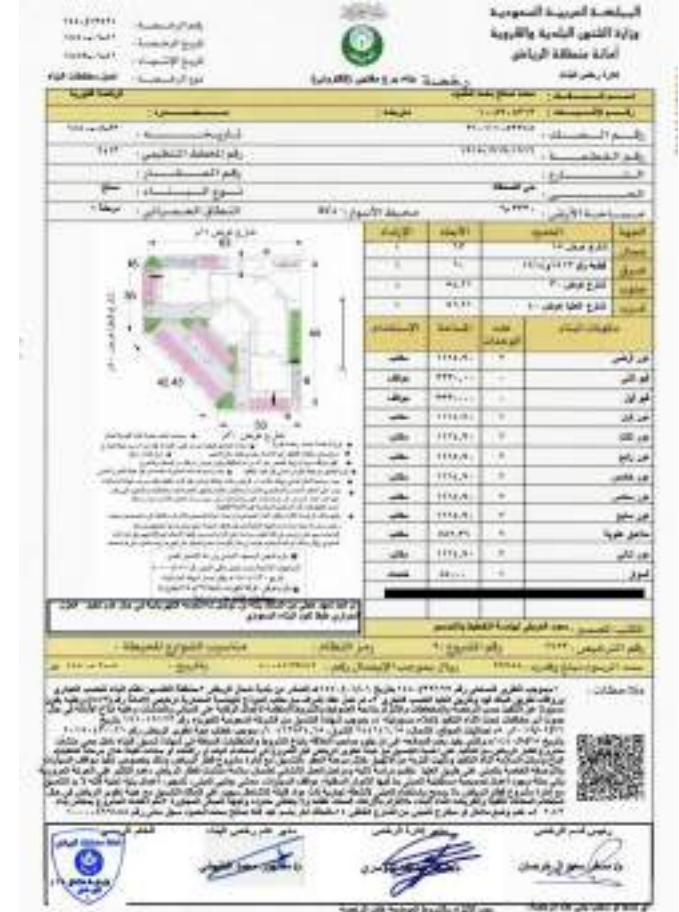
Appendices

Appendix 1: Subject Property Documents – Al Sahafa Office Tower

Title Deed:



Building Permit



Appendices

Appendix 1: Subject Property Documents – Al Ghadeer Office Building

Title Deed:

الجمهورية العربية السورية
محافظة حلب
بلدية حلب
مكتب التسجيل العقاري
رقم الملف: 1013/1014
رقم الملف: 1013/1014
رقم الملف: 1013/1014

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض 1013/1014 و قطعة الأرض 1013/1014 و قطعة الأرض 1013/1014
رقم 125 من المخطط رقم 2726 الواقع في حي الغدير بمدينة الرياض
بمساحة 28.28 متر مربعاً
شماره 36 متر بطول: (58) متراً و مساحته 28.28 متر
شماره 20 متر بطول: (76) متراً و مساحته 20 متر
شماره 36 متر بطول: (80) متر
رقم 1013/1014 و قطعة رقم 1013/1014 (80) متراً
مساحتها (4396) أربعة آلاف و ثلاثمائة و ستون متر مربعاً فقط حسب مسطح رقم 2037
رقم 1013/1014
والمستند في إقرارها على الصك الصادر من كتابة العدل الأولى بالرياض برقم 910104043706
في 1440/6/25 هـ
قد انتقلت ملكيتها إلى شركة صندوق بيان للمعارات بموجب سجل تجاري رقم 1010601003 في
1439/2/26 هـ ويتكفي في 1538/2/26 هـ بامتن وقدر 75000000 خمسة و سبعون
مليون ريال و طيه جزي التصديق تحريراً في 1443/6/27 هـ لاغراضه ، و صلى الله على سيدنا
محمد وآله وصحبه وسلم

سجلت هذه الوثيقة من وزارة العدل ، بموجب التسجيل من مكتبها حسب طلبها من المصلحة الإقليمية لوزارة العدل
في 1443/6/27 هـ
صفحة رقم 1 من 1

Building Permit

الجمهورية العربية السورية
محافظة حلب
بلدية حلب
مكتب التسجيل العقاري
رقم الملف: 1013/1014
رقم الملف: 1013/1014
رقم الملف: 1013/1014

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض 1013/1014 و قطعة الأرض 1013/1014 و قطعة الأرض 1013/1014
رقم 125 من المخطط رقم 2726 الواقع في حي الغدير بمدينة الرياض
بمساحة 28.28 متر مربعاً
شماره 36 متر بطول: (58) متراً و مساحته 28.28 متر
شماره 20 متر بطول: (76) متراً و مساحته 20 متر
شماره 36 متر بطول: (80) متر
رقم 1013/1014 و قطعة رقم 1013/1014 (80) متراً
مساحتها (4396) أربعة آلاف و ثلاثمائة و ستون متر مربعاً فقط حسب مسطح رقم 2037
رقم 1013/1014
والمستند في إقرارها على الصك الصادر من كتابة العدل الأولى بالرياض برقم 910104043706
في 1440/6/25 هـ
قد انتقلت ملكيتها إلى شركة صندوق بيان للمعارات بموجب سجل تجاري رقم 1010601003 في
1439/2/26 هـ ويتكفي في 1538/2/26 هـ بامتن وقدر 75000000 خمسة و سبعون
مليون ريال و طيه جزي التصديق تحريراً في 1443/6/27 هـ لاغراضه ، و صلى الله على سيدنا
محمد وآله وصحبه وسلم

سجلت هذه الوثيقة من وزارة العدل ، بموجب التسجيل من مكتبها حسب طلبها من المصلحة الإقليمية لوزارة العدل
في 1443/6/27 هـ
صفحة رقم 1 من 1

Appendices

Appendix 1: Subject Property Documents – Al Rafiah Village Compound

Title Deed:



Title Deed:



[illegible]

مجلس التعليم					
الرمز	نوع رقم	رقم الترخيص	مجموع ساعات الترخيص	ساعات مجموع ساعات الترخيص في	ساعات الترخيص
مجلس	رقم 1 ترخيص	1	1	1	1
	رقم 2 ترخيص	2	2	2	2
	رقم 3 ترخيص	3	3	3	3
المجلس الرئيسي		4-10	4-10		
		11-18	11-18		
الفرع	الفرق والتوزيع	1			
	ممرات المصاحف	2			
	فنون إسلامية و إسلام	3			
	الكتاب و الطب الفطري و	4			
	الفرع	5			
	المساحات الفطرية	6			
المواضع		7			
المجموع		117		117	117

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الصفحة رقم ٣ من ٩

الجمهورية العربية السورية
وزارة الشؤون البلدية
بلدية حماه
محافظة حماه

البلدية العامة
بلدية حماه
محافظة حماه

البلدية العامة
بلدية حماه
محافظة حماه

البلدية العامة
بلدية حماه
محافظة حماه

الرقم	الاسم	الجنس	الرقم	الاسم	الجنس	الرقم	الاسم	الجنس
1	أحمد محمد	ذكر	2	فاطمة أحمد	أنثى	3	عبدالله محمد	ذكر
4	مريم علي	أنثى	5	خالد أحمد	ذكر	6	زهراء محمد	أنثى
7	يوسف أحمد	ذكر	8	نور الدين محمد	ذكر	9	سحر أحمد	أنثى
10	عبدالمجيد محمد	ذكر	11	ليلى أحمد	أنثى	12	عبدالله محمد	ذكر
13	فاطمة أحمد	أنثى	14	خالد أحمد	ذكر	15	زهراء محمد	أنثى
16	يوسف أحمد	ذكر	17	نور الدين محمد	ذكر	18	سحر أحمد	أنثى
19	عبدالمجيد محمد	ذكر	20	ليلى أحمد	أنثى	21	عبدالله محمد	ذكر
22	فاطمة أحمد	أنثى	23	خالد أحمد	ذكر	24	زهراء محمد	أنثى
25	يوسف أحمد	ذكر	26	نور الدين محمد	ذكر	27	سحر أحمد	أنثى
28	عبدالمجيد محمد	ذكر	29	ليلى أحمد	أنثى	30	عبدالله محمد	ذكر

البلدية العامة
بلدية حماه
محافظة حماه

البلدية العامة
بلدية حماه
محافظة حماه

البلدية العامة
بلدية حماه
محافظة حماه

الجمهورية العربية السورية
وزارة الشؤون البلدية
محافظة حماه
البلدية العامة

رقم القيد: ١٤٣٦
رقم الملف: ١٤٣٦
رقم الملف: ١٤٣٦
رقم الملف: ١٤٣٦

محافظة حماه - بلدية حماه

الاسم	اللقب	الجنس	الدرجة	المرتبة	الدرجة	المرتبة	الدرجة	المرتبة
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أحمد	أحمد	م						

[illegible]

Appendices

Appendix 1: Subject Property Documents – Al Maather Complex

Title Deed:



Building Permit



[illegible]

151

[illegible]

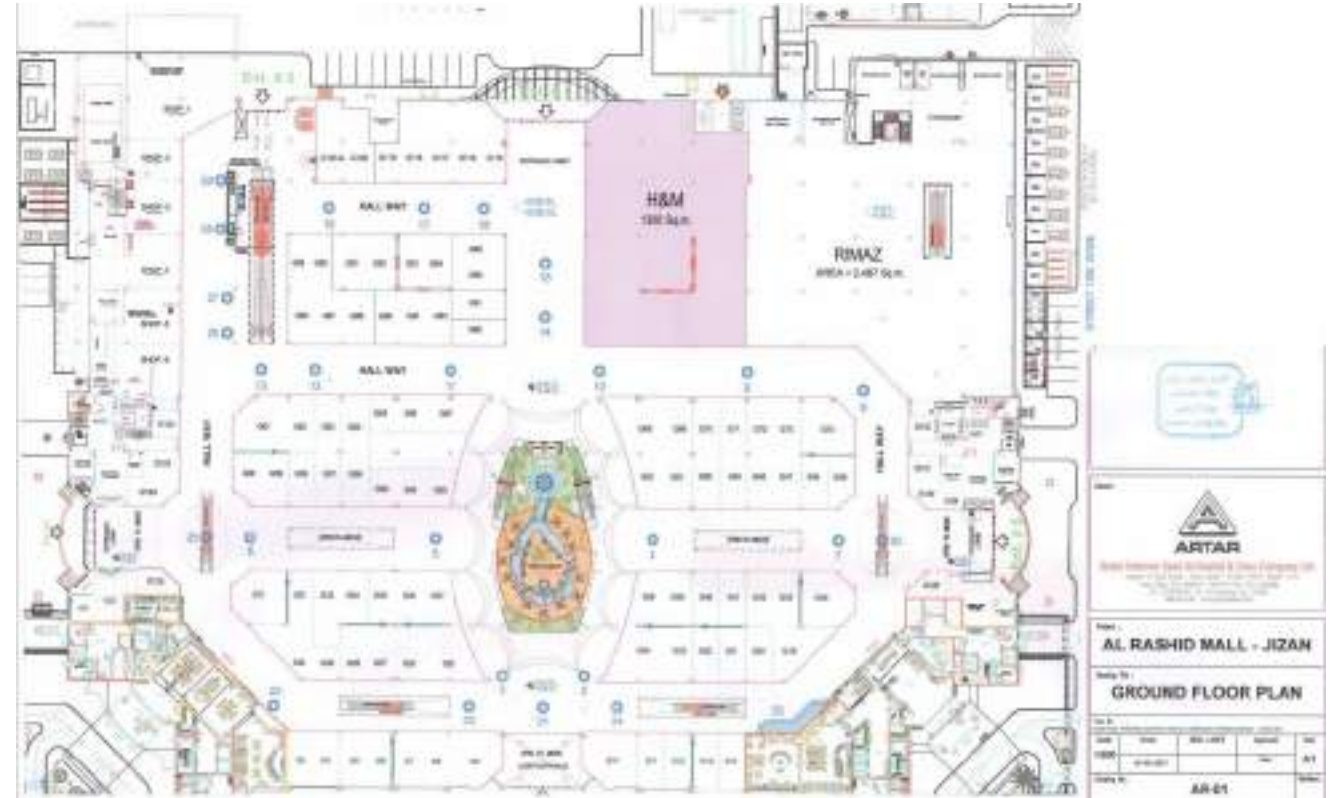
Appendices

Appendix 1: Subject Property Documents – Al Rashid Mall – Jazan

Title Deed:



Floor Plan:

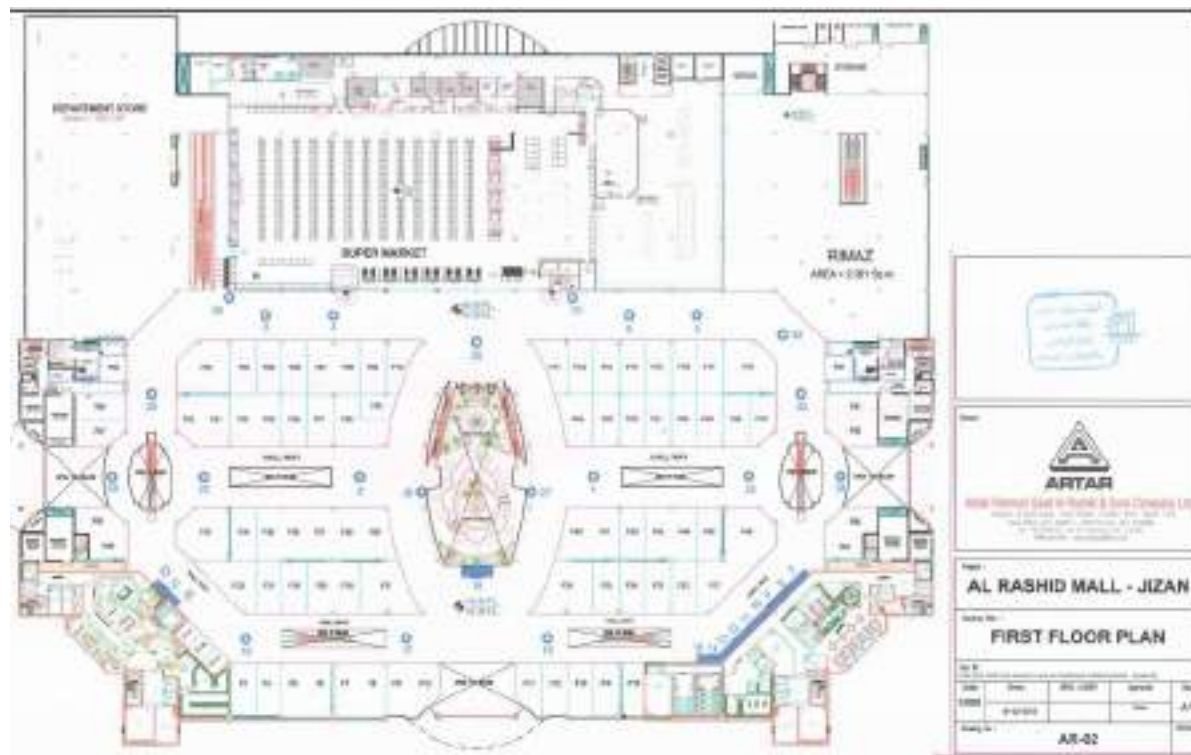


أبجد
للتقييم العقاري

Appendices

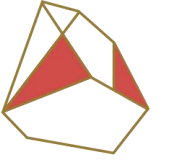
Appendix 1: Subject Property Documents – Al Rashid Mall – Jazan

Floor Plan:



أبجد
للتقييم العقاري

Appendices



أبجداد
للتقييم العقاري

Appendix 1: Subject Property Documents – Courtyard Marriott, Marriott Residence Inn - Jazan

Title Deed:

الجمهورية العربية السعودية
وزارة الداخلية
إدارة التسجيل العقاري
رقم التسلسل: ١٤٤٣ / ٢١ / ١٤٤٣
رقم الملف: ١٤٤٣ / ٢١ / ١٤٤٣

الحمد لله بعمده والمصالة والسلام على من لا نبي بعده، وبعد:

فإن شفعة الأرض رقم بطن الواقع في حي الشاطئ بمدينة جازان، بحدودها وأحوالها كالتالي:

شمالاً: مواقف سيارات ثم شارع الكورنيش بعرض 45م بطول (195) متر وخمس م وتسعين متر جنوباً: شارع عرض 10م بطول (195) متر وخمس م وتسعين متر شرقاً: شارع عرض 15م بطول (205) متر وخمس م غرباً: شارع عرض 15م بطول (205) متر وخمس م

ومساحتها: (39975) تسعة وثلاثون ألفاً وتسعين وخمس م مربعاً فقط

السلطة بالصلح الصادر عن هذه الإدارة برقم 872010003250 في 21 / 1 / 1443 هـ

في ذي الحجة سنة 1443 هـ، بين أن شركة صندوق بديان للعقارات بموجب سجل تجاري رقم 1010901003 في 26 / 12 / 1438 هـ، وتنتهي في 26 / 12 / 1538 هـ، والرهونة لصالح البيت الغربي مقابل مبلغ وقدره: 100000000 مليار ريال على أن يتم سداد المديونية دفعة واحدة بدفع في تاريخ 10 / 05 / 2025 م بموجب عقد التسليمات رقم (9533854) بتاريخ 18 / 05 / 2020 م، وفي حالة عدم السداد غنيم بيع العقار بالقيمة التي تنتهي عليها الرضات والسلفاء، الرهن منها وما نقص يرجع فيه عليه بعد اكتمال ما يلزم شرعاً.

وأنه جرى تحرير في 21 / 1 / 1443 هـ، لاقتداره، وصلى الله على نبيه محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل، وبعد الاطلاع من يمثلها بمسؤولية عن الخدمات الإلكترونية لوزارة العدل

صفحة رقم 1 من 1

Appendix 1: Subject Property Documents – Al Rashid Mega Mall, Marriott Executive Apartments – Madinah

Title Deed:

[illegible]

Building Permit

[illegible]

Appendices

Appendix 1: Subject Property Documents – Al Rashid Mall – Abha

Title Deed:



Appendix 2: Valuation Glossary

Saudi Authority

- The Saudi Authority for Accredited Valuers (TAQEEM) was established pursuant to the royal decree no.(m/43), dated (09/07/1433H) as a body of an independent, non-profit and judicial personality. TAQEEM is working under the Ministry of Commerce and Investment with an independent budget and its board of directors is chaired by His Excellency the Minister of Commerce and Investment.

Asset or Assets

- To assist in the readability of the standards and to avoid repetition, the words “asset” and “assets” refer generally to items that might be subject to a valuation engagement. Unless otherwise specified in the standard, these terms can be considered to mean “asset, group of assets, liability, group of liabilities, or group of assets and liabilities”.

Client

- The word “client” refers to the person, persons, or entity for whom the valuation is performed. This may include external clients (ie, when a valuer is engaged by a third-party client) as well as internal clients (ie, valuations performed for an employer).

Intended Use

- The use(s) of a valuer’s reported valuation or valuation review results, as identified by the valuer based on communication with the client.

Intended User

- The client and any other party as identified, by name or type, as users of the valuation or valuation review report by the valuer, based on communication with the client.

Jurisdiction

- The word “jurisdiction” refers to the legal and regulatory environment in which a valuation engagement is performed. This generally includes laws and regulations set by governments (eg, country, state and municipal) and, depending on the purpose, rules set by certain regulators (eg, banking authorities and securities regulators).

May

- The word “may” describes actions and procedures that valuers have a responsibility to consider. Matters described in this fashion require the valuer’s attention and understanding. How and whether the valuer implements these matters in the valuation engagement will depend on the exercise of professional judgement in the circumstances consistent with the objectives of the standards.

Appendix 2: Valuation Glossary

Must

- The word “must” indicates an unconditional responsibility. The valuer must fulfill responsibilities of this type in all cases in which the circumstances exist to which the requirement applies.

Participant

- The word “participant” refers to the relevant participants pursuant to the basis (or bases) of value used in a valuation engagement (see IVS 104 Bases of Value). Different bases of value require valuers to consider different perspectives, such as those of “market participants” (eg, Market Value, IFRS Fair Value) or a particular owner or prospective buyer (eg, Investment Value).

Purpose

- The word “purpose” refers to the reason(s) a valuation is performed. Common purposes include (but are not limited to) financial reporting, tax reporting, litigation support, transaction support, and to support secured lending decisions.

Should

- The word “should” indicates responsibilities that are presumptively mandatory. The valuer must comply with requirements of this type unless the valuer demonstrates that alternative actions which were followed under the circumstances were sufficient to achieve the objectives of the standards.
- In the rare circumstances in which the valuer believes the objectives of the standard can be met by alternative means, the valuer must document why the indicated action was not deemed to be necessary and/or appropriate.
- If a standard provides that the valuer “should” consider an action or procedure, consideration of the action or procedure is presumptively mandatory, while the action or procedure is not.

Appendix 2: Valuation Glossary

Significant and/or Material

- Assessing significance and materiality require professional judgement. However, that judgement should be made in the following context:
- Aspects of a valuation (including inputs, assumptions, special assumptions, and methods and approaches applied) are considered to be significant/material if their application and/or impact on the valuation could reasonably be expected to influence the economic or other decisions of users of the valuation; and judgments about materiality are made in light of the overall valuation engagement and are affected by the size or nature of the subject asset.
- As used in these standards, “material/materiality” refers to materiality to the valuation engagement, which may be different from materiality considerations for other purposes, such as financial statements and their audits.

Subject or Subject Asset:

- These terms refer to the asset(s) valued in a particular valuation engagement.

Valuation

- A “valuation” refers to the act or process of determining an estimate of value of an asset or liability by applying IVS.

- Valuation Purpose or Purpose of Valuation:
- See “Purpose”.

Valuation Reviewer

- A “valuation reviewer” is a professional valuer engaged to review the work of another valuer. As part of a valuation review, that professional may perform certain valuation procedures and/or provide an opinion of value.

Value (n)

- The word “value” refers to the judgement of the valuer of the estimated amount consistent with one of the bases of value set out in IVS 104 Bases of Value.

Valuer

- A “valuer” is an individual, group of individuals or a firm who possesses the necessary qualifications, ability and experience to execute a valuation in an objective, unbiased and competent manner. In some jurisdictions, licensing is required before one can act as a valuer.

Appendices

Appendix 2: Valuation Glossary

Weight

- The word “weight” refers to the amount of reliance placed on a particular indication of value in reaching a conclusion of value (eg, when a single method is used, it is afforded 100% weight).

Weighting

- The word “weighting” refers to the process of analysing and reconciling differing indications of values, typically from different methods and/or approaches. This process does not include the averaging of valuations, which is not acceptable.



Abaad & Partner For Real Estate Valuation Co.

Jeddah Branch (Head Office):

Mohamed Ibrahim Masoud Street,
Al-Salama District
Oash Offices Building, 5th Floor, suite 21
Jeddah, Kingdom of Saudi Arabia

Riyadh Branch:

King Abdulaziz Road,
6935 Ar-Rabi District,
1st Floor, Office 1,
Riyadh, Kingdom of Saudi Arabia

For more information, please contact us at:
Universal Access Number: **920004134**

Eng. Ammar Sindi

CEO

Mobile: +966 (50) 730 0500

Email: asindi@sa-abaad.com

Eng. Ammar Qutub

Executive Director

Mobile: +966 (55) 556 2500

Email: ammarq@sa-abaad.com