



Property Valuation Report Al Jazeera REIT

Presented to:



Issued No. 2022-A0420

2023/01/03

To:
AL JAZIRA CAPITAL

Attached is the real estate appraisal report:

This report is provided as evidence that the property has been visited and the necessary evaluation procedures have been applied. The purpose of this report is to estimate the market value of the mentioned property. After conducting the necessary studies mentioned, the report concluded that the market value of the property is **88,090,429 SAR**, as the market value of the property is the price most likely to be achieved by the value of the property in a competitive and open market in all the conditions necessary for a fair sale.

Our evaluation is based on the details of the property provided along with the supporting data from the client and we have relied on this information which is assumed to be correct and complete as provided.

The purpose of the appraisal is to estimate the value of the property under current market conditions. AMAM Company for Real Estate Appraisal realizes that this report will be used for determining the market value of the property. Accordingly, AMAM Co. agrees to use this report for the given requested purpose, provided that this approval is subject to the terms and conditions of the agreement related to it.

Our opinion shows the market value of the property based on the subject of the application only, and we have no current or future interest in the subject property.

The valuation is only for estimating the market value "as is" as of the date of this valuation. It should not be relied upon as being equivalent to the price which would necessarily be received in the event of a sale or otherwise disposed of. Real changes in the real estate markets may influence the value, going up or down.

The use of other valuation methodologies produces a higher or lower value. Our opinion is subject to the said assumptions and restrictive conditions.

This valuation report provides us with a value conclusion in relation to the property. Definitions of value, discussions of the valuation methodology used, and the accompanying restrictive assumptions and conditions are an integral part of this report.

General Manager

Turki Al-Zoghaibi



2022/12/31



Scope of Work			
Client Name	Al Jazeera REIT		
The purpose of the evaluation	Accounting Purpose	Value Basis	Market Value
Valuation Date	2022/12/31	Preview Date	2022/12/27
Report Type	A Short Report	Valuation Currency	SAR

Professional Standards	The report has been prepared in accordance with the IVS International Valuation Standards effective from January 2022 issued by the International Valuation Standards Council IVSC and approved by the Saudi Authority for Accredited Valuers.
Acknowledgment of freedom and no conflict of interest	The resident affirms and acknowledges independence and no conflict of interest

Subject for Valuation				The method or method of evaluation used		
✓ Warehouse	Commercial	Villa	Land	✓ Cost Method	✓ Income Method	Market Style
Not Built	Under Construction	✓ Used	New	✓ Cost Method (Contractor)	✓ Investment Method (Income Capitalization)	Comparative Method

Area m ²	Coordinates		District	City	Region
33,591.63	N: 21.328398°	E: 39.188732°	Al Wadi District	Jeddah	Makkah

Area m ²	Coordinates		District	City	Region
31,796.08	N: 21.323906°	E: 39.188806°	Al Wadi District	Jeddah	Makkah

Influential environment of the property			
Commercial Market	Security Facility	Medical Facility	Mosque
Garden	Educational Facility	Government Headquarters	✓ Highway

Property Description	The property consists of two warehouses
Own Assumptions	

Services and facilities			
✓ Electricity	✓ Waters	✓ Sanitation	✓ Phone

Date of inspection and evaluation:

An opinion on the value was extracted on 3 January 2023 while the date of research and inspection is 27 December 2022 and the date of issue of the report is 3 January 2023 . The valuation reflects our opinion of the value at this date. But property values are subject to fluctuations over time on the market conditions.

Nature and source of information:

The information contained in the title deeds attached to the property was relied upon. Also, the data on the real estate market and economic data presented within this report are based on various sources, including sales agents and real estate experts in the region, governmental and semi-government open sources, published real estate bulletins, and other open real estate sources. The price level of real estate in the region is studied based on the principle of supply and demand, where market data is extracted closely to determine the equilibrium point for the workers. We have researched as much as possible and investigated through the real estate offices operating in the close vicinity of the site area to determine the latest sales that took place in the subject site area, and we have also reviewed all our previous records for evaluation to be guided by the historical change of the real estate price curve in the region.

Rating range:

The scope of the evaluation included research and analysis to prepare the report according to the intended purpose in accordance with international evaluation standards IVS, as the property was examined and inspected on the stated date in this report. All data necessary to prepare the report was obtained.

The work in this evaluation task was carried out based on the following assumption:

- The analysis and conclusions are limited only to the assumptions and circumstances disclosed in this report.
- Income data is obtained from the market as well as the data received from the client, and its rationality was reviewed according to the market.
- All known and available relevant market data that has an impact on the value of the research property was considered.
- The neighborhood and competitive market areas surrounding the property were researched to find similar market data. Real estate agents, landlords, and property managers in the vicinity of the property were interviewed during the process.
- This market data has been confirmed by personal contact with real estate offices nearby the site location and by marketers and property managers specialized in projects similar to this property under study.

Search scope:

A field survey of the site under evaluation and similar real estate properties, and we have collected and analyzed data to produce results that serve this report and desired purpose for it.

Report type:

A brief report that contains an integrated explanation of all evaluation work, including steps, data, information, financials, etc.

Limitations of using this report:

The report was prepared for the client and may not be used except for the purpose for which it was prepared, and it should not be distributed, published, or part of it except after obtaining written approval from AMAM Company for Real Estate Appraisal.

Standards followed:

International Valuation Standards IVS version (2022) issued by the Saudi Authority for Accredited Valuers (TAQEEM).

Conflict of interest:

We acknowledge that we (AMAM Company for Real Estate Appraisal) do not have any special interest in real estate, and there is no conflict of interest with the participating parties and real estate, whether present or potential future.

Limitations of Responsibility and Independence:

Acknowledgment that there is no conflict of interest with the parties to the evaluation process and the asset being evaluated and a statement of independence. The evaluation process was carried out with complete independence and without bias or special feelings. This report is valid for a period of three months from its date (there may be variables that affect the value of the property during the next three months, including natural disasters and changes in urban legislation in the vicinity of the property or the development of new major projects in the vicinity of the property).

Determining the property subject to appraisal:

The subject property of this evaluation is the real estate property on the land area of 65,387.71 m² located in Al Wadi district, south of Jeddah.

The purpose of the valuation:

The purpose of this valuation is to estimate the market value of Al Jazeera REIT property during 27/12/2022, the date of inspecting the property.

The final estimate of the value in this report is based on usage considerations at the specific time the valuation was done. Any change in the current use of the property or the valuation date may affect the final conclusion of the value mentioned in this report.

- No legal document has been verified for the property under evaluation, which includes planning, ownership, mortgage, and legal matters on which all or part of this report is based, and it was considered reliable. It was assumed that the instrument is valid. It was also assumed that the property is free from any legal obligations, mortgage rights, or any other obstacles. If any information is found to be incorrect in the future that was mentioned in the report unintentionally and outside of control, the value contained in this report may change. This evaluation should not be construed as an opinion on these legal issues.
- Legal uses available for real estate based on municipal regulations: According to the valuation survey, compared to real estate located in the same streets of real estate, there are no specific negative conditions or regulations specific for use.
- During the completion of this evaluation, field information was obtained from primary sources such as (real estate offices, real estate owners, and individuals in the vicinity of the property subject to evaluation. This information is assumed to be correct and reliable and does not bear any responsibility for any errors in this data.
- According to the definition of the international standards for evaluation, "Assumptions are reasonable matters that can be accepted as truth in the context of evaluation work without verification or scrutiny in a specific way. They are also matters that are accepted once stated actual existing on the valuation date.
- The property improvement descriptions and analyzes in this report are based on a visual inspection of the property. The property has not been examined constructively or examined for any hidden defects, and it must be understood that this is an evaluation report and not a structural examination. The appraiser has no responsibility for any hidden defects that may be present in any structure or any part of the building.
- The appraiser did not notice the presence of any dangerous substances in the property or the surrounding, which may have a negative effect on the property. The appraiser is not aware of the existence of such materials and is not eligible to disclose these materials. The estimation of the value is based on the assumption that there are no such substances in the property and we are not responsible for any such dangers, and we do not have any experience or engineering knowledge required to discover them.
- The appraiser confirms that he has verified the real estate data and has studied the market to reach the value of the property under study.

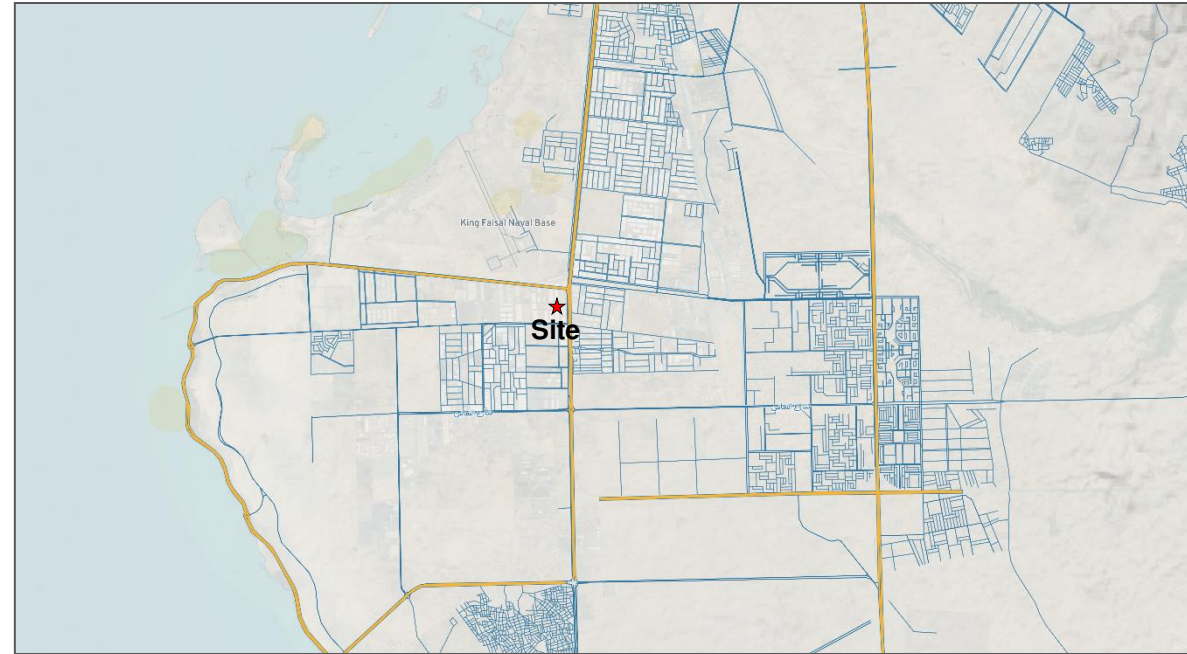
- This evaluation report has been prepared for the exclusive and sole use of the client mentioned in this report. Third parties are not entitled to rely on this report without the express written consent of AMAM Company for Real Estate Appraisal.
- When the values of properties, not understudy or improvements are presented separately, they are only used as an aid to better estimate the value of the property under study. This does not mean that it is an evaluation of the properties used for comparison in itself.
- The income and expenses projections contained in this report are based on information provided by the property owner as well as data extracted from the local real estate market and are based on the present. The evaluator believes this information is accurate and is based on the best data available at the time of writing this report. However, these data and expectations are based on assumptions about the conditions and events surrounding the property, they are subject to changes that may arise in the future with changes surrounding the property. Accordingly, the evaluator cannot assure that the expected results will be correct in the future.
- There will be no obligation to testify or appear in court for the evaluator or the evaluation company because of this evaluation. Disclosure of the contents of this evaluation is subject to the regulations and requirements of the Saudi Authority for Accredited Valuers.
- The appraiser did not perform any analysis and study of the soil or the geological and seismic characteristics of the property and therefore he does not bear any responsibility for the geological or seismic matters of the property land. This evaluation should not be relied upon as to whether, if any, a seismic problem exists.
- The estimated values in this report are for the property under study only and according to the report's narration. This report should not be used for any other purposes.
- Changing the purpose of the evaluation or the use of the property for which the report was prepared may affect the values mentioned in this report and may be incorrect.
- It is not permissible to include all or part of this report or refer to it in any document, circular, or statement published or re-issued electronically or the like without referring to the AMAM Company for Real Estate Appraisal and obtaining prior approval on that.
- The report was issued impartially, without conflict of interest or personal gain.
- This evaluation report is considered valid only if it is approved by the company's seal in addition to the signature of the approved appraisers.

- The appraiser has the ability to evaluate this type of real estate asset, and he has the necessary competence to carry out the evaluation, and accordingly, accepted the evaluation task.
- The property was evaluated based on International Valuation Standards (IVS) Issued by the International Valuation Standards Council (IVSC) And according to the professional procedures and rules issued by the Saudi Authority for Accredited Valuers in the Kingdom of Saudi Arabia (Taqeem). Which is based on analysis, comparison, and direct inspection of each unit, and searching as much as possible for the positive and negative effects and characteristics of the property for valuation.
- The basis of the market value, which is according to the International Valuation Standards 2022 (IVS). The market value is the estimated amount on the basis of which assets or liabilities should be exchanged on the valuation date between a willing buyer and a willing seller in the framework of a transaction on a neutral basis after appropriate promotion, whereby each party acts on the basis of knowledge in accordance with the principle of prudence and caution without coercion.
- It has been assumed that there are no legal, statutory, or commercial impediments to real estate that prevent any behavior that transfers ownership or benefit alike.

Warehouses are one of the most important economic activities supporting industry and traders in the Kingdom, and they are important and necessary for the operation and success of many industrial projects, wholesale projects, and the retail sector. The Corona pandemic (Covid-19) has led to an acceleration in the pace of the progress of delivery applications, with the increasing levels of dependence on technology means and the development of electronic marketing companies such as Noon, Amazon, and other technology companies, with government legislation stimulating investment and encouraging pioneering projects in the Kingdom that seek to promote non-oil activities, encouraging and attracting investments for foreign direct investment coupled with investments in infrastructure and logistical capabilities to provide a demand for warehouses in general in the Kingdom.

The market situation in the city of Jeddah Warehouse areas are concentrated in Jeddah in its south, specifically near the First Industrial City and Jeddah Islamic Port. It is the main area for warehouses, logistics, and distribution centers in the city of Jeddah. The decrease in the demand for warehouses has put pressure on the performance of warehouses in Jeddah, where rents in the market decreased by up to 15% during 2019 and 2020, now the market is witnessing stability in prices with a slight increase. It is expected that the demand for traditional warehouses will decrease and the demand for modern warehouses to adopt modern practices of supply chain management due to the potential growth of electronic commerce that depends on modern technologies and requires high specifications. This structural change in the warehousing and services sector is expected to increase the demand for modern high-tech logistics and distribution centers and warehouses. With the uncertainty prevailing in the market and the slowdown in global economic growth, the warehouse sector will likely be stable in the short term. However, it is expected that the logistics market will witness a state of recovery in the long term, with the emergence of the realization of the Saudi Vision 2030 and the National Transformation Program. It is expected that government spending will increase and thus the demand for warehouses and logistics services.

- **Location:** The property is located in the south of Jeddah is one of the distinguished neighborhoods. Al-Wadi district, in which the demand is concentrated on warehouses. The location is distinguished in terms of easy access to an attractive area for logistics services, as it is distinguished by its proximity to the Jeddah Islamic Port and the industrial area. The location is characterized by easy access and proximity to King Faisal Road and Corniche Road. The property is being used as a warehouse and is fully leased out.



North Warehouse	21.328398° 39.188732°
South Warehouse	21.323906° 39.188806°

North Property Title Deed

Owner's Name	Alinma Investment
SAK No.	420205026531
SAK Date	1438/05/12
Subdividing Land Plan No.	503 / ج / ص
Land No.	39 to 54
Land Area Space	33,591.63 m ²

City	Jeddah
Property Location	Al Wadi District
Property Type	Land & Building
Property Description	Warehouse Use

Borders & Lengths		
North	Street 42 m	100.78 m
South	Street 32 m	100.00 m
East	Street 32 m	289.30 m
West	Street 25 m	302.36 m
Area	33,591.63 m ²	

Title Deed

بسم الله الرحمن الرحيم

الجمهورية العربية السعودية
وزارة العدل
[٢٧٧]

صك

تاريخ الصك: ١٤٣٨/٥/١٢ هـ
رقم الصك: ٤٢٠٢٠٥٠٢٦٥٣١

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

فإن قطعة الأرض 39 و قطعة الأرض 40 و قطعة الأرض 41 و قطعة الأرض 42 و قطعة الأرض 43 و قطعة الأرض 44 و قطعة الأرض 45 و قطعة الأرض 46 و قطعة الأرض 47 و قطعة الأرض 48 و قطعة الأرض 49 و قطعة الأرض 50 و قطعة الأرض 51 و قطعة الأرض 52 و قطعة الأرض 53 و قطعة الأرض 54 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة .

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض 42م بطول: (100.78) بطول مائة متر و ثمانية و سبعون سنتيمتر ثم ينكسر جنوب غرب بطول 6.64م

جنوباً: شارع عرض 32م بطول: (100) بطول مائة متر ثم ينكسر شمال شرق بطول 7.07م

شرقا: شارع عرض 32م بطول: (289.3) بطول مئتين و تسعة و ثمانون متر و ثلاثون سنتيمتر ثم ينكسر شمال غرب بطول 7.48م

غرباً: شارع عرض 25م بطول: (302.36) بطول ثلاثمائة و اثنين متراً و ستة و ثلاثون سنتيمتر ثم ينكسر جنوب شرق بطول 7.07م

ومساحتها: (33,591.63) ثلاثة و ثلاثون ألفاً و خمسمائة و واحد و تسعون متراً مربعاً و ثلاثة و ستون سنتيمتر مربعاً فقط

والمستند في إفراغها على الصك الصادر من هذه الإدارة برقم 820204018420 في 25 / 5 / 1435 هـ

قد انتقلت ملكيتها لـ: شركة الإنماء للاستثمار بموجب سجل تجاري رقم 1010269764 في 23 / 6 / 1430 هـ ، بنش و قدره 60620143.14 ستون مليوناً و ستمائة و عشرون ألفاً و مائة و ثلاثة و أربعون ريال و أربعة عشر هلاله و عليه جرى التصديق تحريراً في 12 / 5 / 1438 هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

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

نموذج رقم (١٢-٣-١٠٠٠)

ملحقة مطابح الحكومة-٢٩١٥٩٠

صفحة رقم 1 من 1

South Property Title Deed

Owner's Name	Alinma Investment
SAK No.	920205026530
SAK Date	1438/05/12
Subdividing Land Plan No.	503 / ج / ص
Land No.	129 to 142
Land Area Space	31,796.08 m ²

City	Jeddah
Property Location	Al Wadi District
Property Type	Land & Building
Property Description	Warehouse Use

Borders & Lengths		
North	Street 32 m	100.00 m
South	Street 60 m	100.06 m
East	Street 32 m	281.18 m
West	Street 25 m	277.84 m
Area	31,796.08 m ²	

Title Deed

بسم الله الرحمن الرحيم

الجمهورية العربية السعودية
وزارة العدل
[٢٧٧]

صك

تاريخ الصك: ١٤٣٨/٥/١٢ هـ
رقم الصك: ٩٢٠٢٠٥٠٢٦٥٣٠

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

فإن قطعة الأرض 129 و قطعة الأرض 130 و قطعة الأرض 131 و قطعة الأرض 132 و قطعة الأرض 133 و قطعة الأرض 134 و قطعة الأرض 135 و قطعة الأرض 136 و قطعة الأرض 137 و قطعة الأرض 138 و قطعة الأرض 139 و قطعة الأرض 140 و قطعة الأرض 141 و قطعة الأرض 142 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة .

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض 32م بطول: (100) بطول مائة متر ثم ينكسر جنوب غرب بطول 7.07م جنوباً: شارع عرض 60م بطول: (100.06) بطول مائة متر و ستة سنتيمتر ثم ينكسر شمال شرق بطول 6.96م شرقاً: شارع عرض 32م بطول: (281.18) بطول مئتين و واحد و ثمانون متر و ثمانية عشر سنتيمتر ثم ينكسر شمال غرب بطول 7.07م غرباً: شارع عرض 25م بطول: (277.84) بطول مئتين و سبعة و سبعون متراً و أربعة و ثمانون سنتيمتراً ثم ينكسر جنوب شرق بطول 7.18م ومساحتها: (31,796.08) واحد و ثلاثون ألفاً و سبعمائة و ستة و تسعون متراً مربعاً و ثمانية سنتيمتراً مربعاً فقط

والمستند في إقرارها على الصك الصادر من هذه الإدارة برقم 420204018426 في 25 / 5 / 1435 هـ

قد انتقلت ملكيتها لـ: شركة الإنماء للاستثمار بموجب سجل تجاري رقم 1010269764 في 23 / 6 / 1430 هـ ، بنسبة قدره 57379856.86 سبعة و خمسون مليوناً و ثلاثمائة و تسعة و سبعون ألفاً و ثمانمائة و ستة و خمسون ريال و ستة و ثمانون هلة و عليه جرى التصديق تحريراً في 12 / 5 / 1438 هـ لاعتماد ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل ، ويجب التحقق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل نموذج رقم (١٢-٣-١٠٠)

مصلحة طبابع الحكومة - ٢٤١٥٩ (هذا النموذج مخصص للاستخدام بالمحاسب الآلي ويمنع تقليده)

صفحة رقم 1 من 1

The foundations and criteria used in real estate appraisal are as follows:

Cost method:

Provide indicators of value using the economic principle, which states that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset with the same benefit, whether through purchase or construction. More than the cost of purchasing or creating an equivalent asset unless there are factors such as inappropriate timing, risk, or other factors. And often the asset subject to evaluation is less attractive than the alternative that can be purchased or constructed due to the age of the asset or its obsolescence. In this case, there is a need to make adjustments in the cost of the alternative asset according to the value basis.

Required. Source: International Valuation Standards IVS

Income method:

It provides an indication of value by converting future cash flows into a single present value of money. This method deals with the income that the asset achieves during its useful life and the value is estimated through the capitalization process. Income flows are handled under contracts or non-contractual arrangements, such as the expected profit from the use or retention of an asset. Methods that fall under the income method include

1. Capitalization of income by applying a risk factor or total capitalization to one typical income period.
2. The present value of cash flows, where the discount rate is applied to a series of cash flows for future periods to arrive at the present value.
3. Pricing models with multiple options.

Source: International Valuation Standards IVS.

The most important changes in the real estate market in the south of Jeddah, in particular, the industrial use and warehouses. The area witnessing an urbanization movement as a result of the demand for warehouses, which is visible by the construction of modern warehouses nearby.

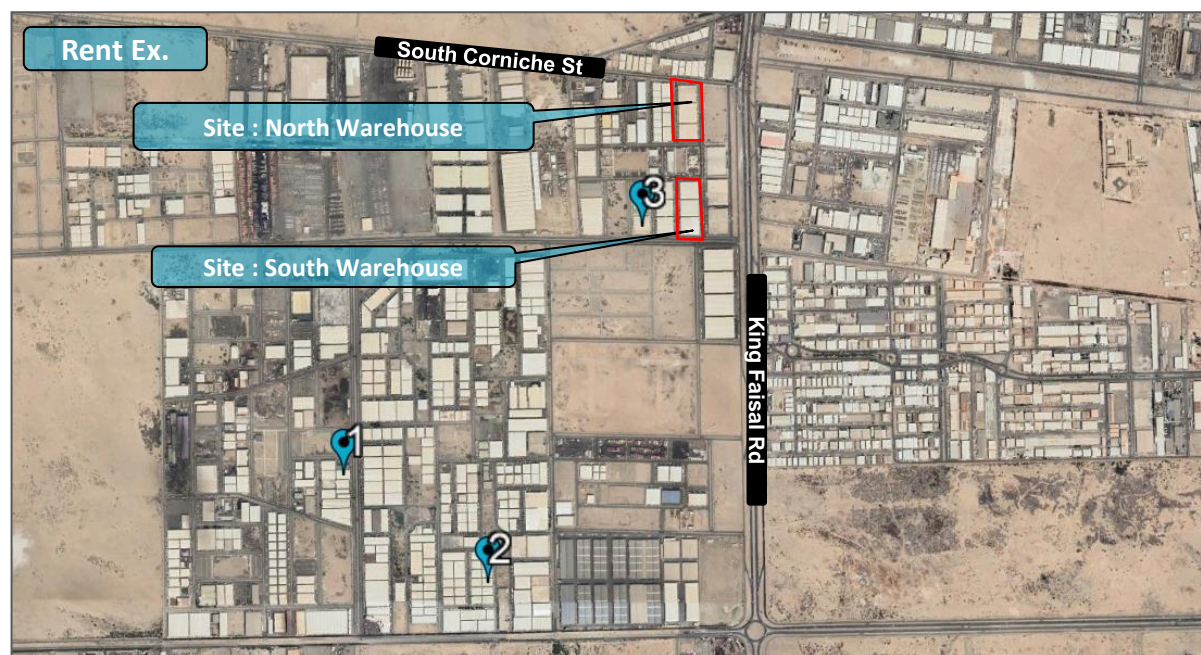
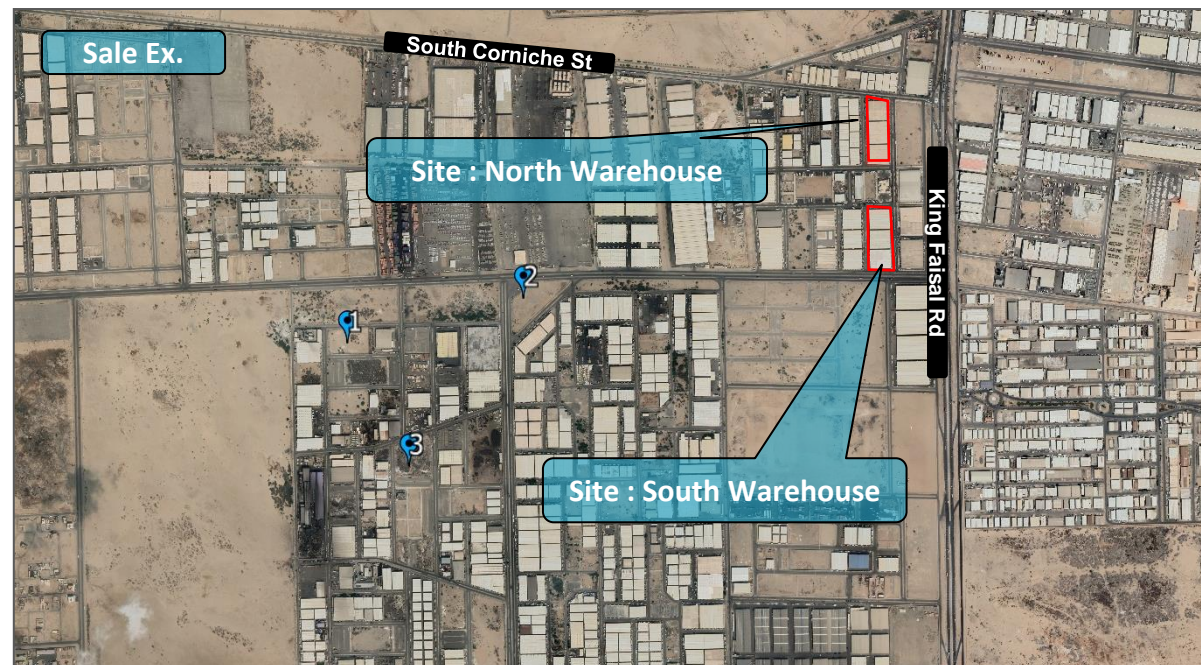
Factors affecting demand:

- Sale prices of land for commercial use.
- The completion of urbanization in the surrounding area.
- Building regulations in the same area.

Risks related to the property:

- A general decline in real estate prices in southern Jeddah.
- Infrastructure is incomplete.
- The emergence of price competition in the surrounding areas.
- The comparisons included in this report are based on the information provided by real estate owners in the region and the offers available in the market at present. These examples are analyzed and compared to:
- Four comparative examples of land prices have been used to build a price base to conclude the market value of land to be applied in the cost method.
- Comparative examples to determine rent prices. It has been used to build a price base to ascertain the real estate's fair value to be applied in the income method.

The appraiser believes that this information is accurate and is based on the best data available at the time of writing this report. However, these statements and projections are based on assumptions about the conditions and events surrounding the property and are subject to changes that may arise in the future with changes in the surrounding property.



First: Calculating the value of the land and the total construction costs using the cost method.

Element	Property Rating - Site	Example 1	Variation Rate	Example 2	Variation Rate	Example 3	Variation Rate
Land For Sale Date	-	Dec-22	-	Dec-22	-	Dec-22	-
Price SAR/m ²	***	1,200	-	700	-	1,100	-
Land Area m ²	33,591.63	12,000	-10%	32,000	-1%	19,000	-7%
Land Use	Warehouse	Warehouse	0%	Warehouse	0%	Warehouse	0%
Neighborhood	Al Wadi	Al Wadi	0%	Al Wadi	0%	Al Wadi	0%
No of Streets	4	3	3%	3	3%	3	3%
Street Width m	42	30	1%	40	0%	20	2%
Façade m	820	500	1%	850	0%	350	2%
Ease of Access	High	Moderate	5%	Moderate	5%	Moderate	5%
Characteristics of Land	Moderate	Moderate	0%	Poor	5%	Moderate	0%
Market Status	-	Moderate	0%	Moderate	0%	Moderate	0%
Deviation	-	1	0%	86	12%	54	5%
Net value after adjusting comparable		1,201		786		1,154	
The value SAR/m ² after taking the average				1,047			
The value SAR/m ² after rounding				1,050			

Land Value by Comparison Method		
Total Land Area	33,591.63	m ²
Land Price/m ²	1,050	SAR/m ²
Total Land Price	35,271,212	SAR
Build Value		
Approximate Build Area	27,000	m ²
Approximate Build Price	550	SAR/m ²
Total Build Price	14,850,000	SAR
Property Age	10	Years
Depreciation Rate	3.33%	Yearly
Total Build Value After Depreciation	9,900,000	SAR
Value of the Property	45,171,212	SAR

The value of the property using the income method (a comparative analysis to determine the current market rent price).

Element	Property Rating - Site	Example 1	Variation Rate	Example 2	Variation Rate	Example 3	Variation Rate
Land For Sale Date	-	Dec-22	-	Dec-22	-	Dec-22	-
Rent SAR/m ²	***	130	-	130	-	150	-
Area m ²	27,000.00	6,000	-16%	2,400	-18%	10,000	-13%
Land Use	Warehouse	Warehouse	0%	Warehouse	0%	Warehouse	0%
Neighborhood	Al Wadi	Al Wadi	0%	Al Wadi	0%	Al Wadi	0%
No of Streets	4	1	6%	1	6%	3	2%
Street Width m	42	50	0%	15	1%	60	-1%
Façade m	820	50	2%	50	2%	300	1%
Ease of Access	High	High	0%	Moderate	5%	High	0%
Characteristics of Land	Moderate	Moderate	0%	Moderate	0%	Moderate	0%
Market Status	-	Low	-5%	Low	-5%	Low	-5%
Deviation	-	-17	-13%	-12	-9%	-23	-15%
Net value after adjusting comparable		113		118		127	
The value SAR/m ² after taking the average		119					
The value SAR/m ² after rounding		120					

First: Calculating the value of the land and the total construction costs using the cost method.

Element	Property Rating - Site	Example 1	Variation Rate	Example 2	Variation Rate	Example 3	Variation Rate
Land For Sale Date	-	Dec-22	-	Dec-22	-	Dec-22	-
Price SAR/m²	***	1,200	-	700	-	1,100	-
Land Area m²	31,796.08	12,000	-10%	32,000	0%	19,000	-6%
Land Use	Warehouse	Warehouse	0%	Warehouse	0%	Warehouse	0%
Neighborhood	Al Wadi	Al Wadi	0%	Al Wadi	0%	Al Wadi	0%
No of Streets	4	3	3%	3	3%	3	3%
Street Width m	60	30	1%	40	0%	20	2%
Façade m	787	500	1%	850	0%	350	1%
Ease of Access	High	Moderate	5%	Moderate	5%	Moderate	5%
Characteristics of Land	Moderate	Moderate	0%	Poor	5%	Moderate	0%
Market Status	-	Moderate	0%	Moderate	0%	Moderate	0%
Deviation	-	3	0%	92	13%	58	5%
Net value after adjusting comparable		1,203		792		1,158	
The value SAR/m² after taking the average		1,051					
The value SAR/m² after rounding		1,050					

Land Value by Comparison Method		
Total Land Area	31,796.08	m ²
Land Price/m ²	1,050	SAR/m ²
Total Land Price	33,385,884	SAR
Build Value		
Approximate Build Area	26,000	m ²
Approximate Build Price	550	SAR/m ²
Total Build Price	14,300,000	SAR
Property Age	10	Years
Depreciation Rate	3.33%	Yearly
Total Build Value After Depreciation	9,533,333	SAR
Value of the Property	42,919,217	SAR

The value of the property using the income method (a comparative analysis to determine the current market rent price).

Element	Property Rating - Site	Example 1	Variation Rate	Example 2	Variation Rate	Example 3	Variation Rate
Land For Sale Date	-	Dec-22	-	Dec-22	-	Dec-22	-
Rent SAR/m ²	***	130	-	130	-	150	-
Land Area m ²	26,000.00	6,000	-15%	2,400	-18%	10,000	-12%
Land Use	Warehouse	Warehouse	0%	Warehouse	0%	Warehouse	0%
Neighborhood	Al Wadi	Al Wadi	0%	Al Wadi	0%	Al Wadi	0%
No of Streets	4	1	6%	1	6%	3	2%
Street Width m	60	50	1%	15	2%	60	0%
Façade m	820	50	2%	50	2%	300	1%
Ease of Access	High	High	0%	Moderate	5%	High	0%
Characteristics of Land	Moderate	Moderate	0%	Moderate	0%	Moderate	0%
Market Status	-	Low	-5%	Low	-5%	Low	-5%
Deviation	-	-16	-12%	-11	-8%	-21	-14%
Net value after adjusting comparable		114		119		129	
The value SAR/m ² after taking the average		121					
The value SAR/m ² after rounding		120					

Second: The value of the property using the cash flow method

Cash Inflows	Net Area M ² For Rent	Gross Rent Per Square Meter	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Redemption Value
			0	1	2	3	4	5	6	7	8	9	10	11	12	12
Rent Inflation Rate			0%	0%					3%					3%		
Warehouse North	27000	120	0	3,240,000	3,240,000	3,240,000	3,240,000	3,240,000	3,337,200	3,337,200	3,337,200	3,337,200	3,402,000	3,504,060	3,504,060	
Warehouse South	26000	120	0	3,120,000	3,120,000	3,120,000	3,120,000	3,120,000	3,213,600	3,213,600	3,213,600	3,213,600	3,213,600	3,310,008	3,310,008	
Total Rental Income			0	6,360,000	6,360,000	6,360,000	6,360,000	6,360,000	6,550,800	6,550,800	6,550,800	6,550,800	6,615,600	6,814,068	6,814,068	
Occupancy Rate			0	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
Discount Rate			0	318,000	318,000	318,000	318,000	318,000	327,540	327,540	327,540	327,540	330,780	340,703	340,703	
Total Actual Income			0	6,042,000	6,042,000	6,042,000	6,042,000	6,042,000	6,223,260	6,223,260	6,223,260	6,223,260	6,284,820	6,473,365	6,473,365	
Minus The Average Expense			0	302,100	302,100	302,100	302,100	302,100	311,163	311,163	311,163	311,163	314,241	323,668	323,668	
Real Estate Net Operating Income (NOI)			0	5,739,900	5,739,900	5,739,900	5,739,900	5,739,900	5,912,097	5,912,097	5,912,097	5,912,097	5,970,579	6,149,696	6,149,696	70,617,860
Net Cash Flow			0	5,739,900	5,739,900	5,739,900	5,739,900	5,739,900	5,912,097	5,912,097	5,912,097	5,912,097	5,970,579	6,149,696	6,149,696	70,617,860
Discount Factor			100%	92%	84%	77%	71%	65%	60%	55%	50%	46%	42%	39%	36%	36%
Present Value Of Cash Flow			0	5,265,963	4,831,159	4,432,256	4,066,290	3,730,541	3,525,190	3,234,120	2,967,082	2,722,094	2,522,037	2,383,209	2,186,431	25,107,101
Net Present Value Of Real Estate			0	95,724,961												

Assumptions - Investment Method	
Operating Expenses Ratio	5%
Vacancy rate	5%
Cashflow period	12
Discount rate	9%
Growth rate (Every 5 years)	3%

Based on the analysis contained in the following report, the market value of the subject property is concluded as follows:

The total value of the north Warehouse (income method)	48,765,546	SAR
The total value of the South Warehouse (income method)	46,959,415	SAR
Value using the income method	95,724,961	SAR
The total value of the north Warehouse	45,171,212	SAR
The total value of the South Warehouse	42,919,217	SAR
Value using the cost method	88,090,429	SAR


Outcomes and Value Adjustment:


Based on the purpose of the evaluation, the internal use of the customer, the cost method was adopted, and therefore it will be weighted with a relative weight of 100% as a basis for the market value of the subject property of the evaluation, which is as follows:


Applicable value type	Value	Currency
Total value (cost method) for all warehouses	88,090,429	SAR
The total value of property is "Eighty-Eight Million Ninety Thousand Four Hundred Twenty-Nine" SAR.		

Final opinion about value:

After considering all the relevant information and factors in estimating the market value of the property being evaluated, located in Al-Wadi District, in the city of Jeddah, with the absolute ownership. According to the conditions contained in this report, it was concluded that the value of the property is estimated at **88,090,429 SAR.**


Real Estate Appraiser	
Ahmed Raji	Name
	Signature
Saudi Authority for Accredited Valuers – Real Estate	
Associate Member	Membership Type
1210001682	Membership No.

Architect	
Eng. Eman Mohammed	Name
	Signature
Saudi Council of Engineers	
Civil Engineer	Membership Type
442911	Membership No.

General Manager	
Turki Ibrahim Al Zoghaibi	Name
	Signature
Saudi Authority for Accredited Valuers – Real Estate	
Associate Member	Membership Type
1210000030	Membership No.

Seal

شركة أمام للتقييم العقاري وشركه س. ت. 1010611939
تاريخ التقييم 2022/12/31

Real Estate Appraiser	
Faisal Al Harbi	Name
	Signature
Saudi Authority for Accredited Valuers – Real Estate	
Temporary Member	Membership Type
1210000547	Membership No.

Notes and recommendations:

In this part, the evaluator presents some observations and recommendations related to the findings of this report.

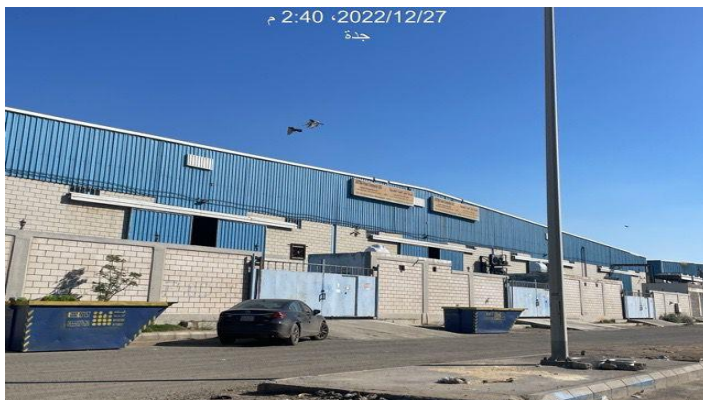
The property is located in an area close to the industrial area and Jeddah Islamic Port, and this is a strong point of qualitative advantage for the property.

All basic services are available in the vicinity of the site.

It should be taken into account that the value of the property may be affected by several factors, including:

- Municipal decisions and legislation limit the advantages of the property and the ease of access to the property.
- Decisions and legislation of the Ministry of Labor on employment and the labor market.
- Local market conditions such as oversupply and lack of demand.
- The emergence of price competition in the surrounding area.
- Bad weather conditions and natural disasters.





The background features a diagonal split between a light blue upper half and a green lower half, separated by a thin white line. Two parallel diagonal lines, one light blue and one green, run from the bottom left towards the top right.

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