

أبجد
للتقييم العقاري

Valuation Report

Riyad REIT Portfolio, Fifteen Properties Across Saudi Arabia

Client: Riyadh Capital

15 August 2024

V240207

P240301



Introduction



Dear Riyadh Capital

RE: Real Estate Valuation of Riyadh REIT Portfolio, Fifteen 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 properties.

We have prepared our valuation on the basis of Fair Value as of **30 June 2024** for fund reporting purposes.

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

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Registration Certificate



Table of Contents

4

Executive Summary

Properties Overview
Valuation Comments

24

Riyadh Properties

Macro Analysis
Property Description
Valuation

8

Valuation Terms

Introduction
Applicable Standards
Status of Valuer and Conflicts of Interest
Purpose of Valuation
Date of Valuation
Date of Inspection
Basis of Valuation
Sources of Information

99

Dammam & Khobar Properties

Macro Analysis
Property Description
Valuation

118

Jeddah Properties

Macro Analysis
Property Description
Valuation

10

Disclaimers

138

Valuation Summary

13

Tenure

Title Information
Market Overview

141

Appendices

Appendix 1: Property Documents
Appendix 2: Valuation Glossary

Executive Summary

4

Executive Summary

Properties Overview
Valuation Comments

Valuation Terms

Disclaimers

Tenure

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation

Appendices

Executive Summary

Properties Overview

- Riyadh REIT portfolio consists of fifteen income-generating properties located in the three major cities of Saudi Arabia, Riyadh, Jeddah, and Dammam.
- All properties are operating except for Al Forsan Tower, which is currently undergoing renovation in coordination with the Hilton hotel chain and will open by the end of 2024.
- Riyadh REIT portfolio contains eleven properties in Riyadh, two in Dammam, and two in Jeddah.
- In terms of fair value, the allocation is 75.3%, 12.8%, and 11.9% for Riyadh, Dammam & Khobar, and Jeddah, consecutively.

Properties Details

Site Details	Information
Location	Riyadh, Dammam & Khobar, and Jeddah
Permitted Use	Mix Use
Tenure	Freehold
Deed Number	Various
Deed Date	Various
Land Area (sqm)	N/A
Owner	Riyad REIT



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Properties Value

Property Name	City	Land Area (SQM)	Fair Value (SAR)
Olaya tower	Riyadh	2,555	81,300,000
Alfursan Towers	Riyadh	1,740	163,000,000
Saudi Electronic University	Riyadh	14,210	150,000,000
JW Marriott Hotel Riyadh	Riyadh	-	930,200,000
STC Academy			
The Reisdence	Riyadh	5,000	87,400,000
Baira Hetin	Riyadh	10,000	125,400,000
Vivenda	Riyadh	2,800	51,700,000
Altamayoz	Riyadh	4,630	55,600,000
Alizdihar	Riyadh	2,515	42,800,000
Alraed	Riyadh	5,000	196,700,000
Ansam Al Shatee Towers	Dammam	6,300	98,500,000
Ascott - Khobar	Khobar	2,784	220,400,000
Omnia	Jeddah	10,000	154,400,000
Ascott - Jeddah	Jeddah	2,025	143,200,000

Valuation Summary

Site Details	Information
Report Type	Detailed Report
Purpose of Valuation	Financial Reporting Purposes
Valuation Approach	Income Approach
Basis of Value	Fair Value
Other Intended Users	Fund Managers and Investors – Report Reviewers
Adopted Currency	Saudi Riyal
Aggregate Fair Value	2,500,600,000

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.

Valuation Terms

8

Executive Summary

Valuation Terms

Introduction
Applicable Standards
Status of Valuer and Conflicts of Interest
Purpose of Valuation
Date of Valuation
Date of Inspection
Basis of Valuation
Sources of Information

Disclaimers

Tenure

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation

Appendices

Valuation Terms



Introduction

- Abaad was requested by Riyad REIT on **16 July 2024** to provide a valuation of the freehold interest of Riyad REIT Portfolio, Fifteen Properties Across Saudi Arabia. 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 Sindi and Ammar Qutub, 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 unaware of any conflict of interest in acting on your behalf on this Property.

Purpose of Valuation

- We have prepared our valuation for fund reporting purposes.

Date of Inspection

- We confirm that the Properties was inspected by Abaad Team during **01 August 2024**.

Date of Valuation

- We confirm that the date of valuation is **30 June 2024**.

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

In preparing the evaluation report, we relied on a set of sources, information, and office and field data that we believe are equivalent to the purpose and time of the evaluation. We also relied on the set of data provided by the client related to the property under evaluation, which will clearly affect the outputs of this report, and therefore any change or error in the data is considered incomplete and must be referred to the evaluator.

Property Location.

- Title Deeds.
- Building Permits.
- Tenant Schedule.
- Operating Expenses.

Therefore, we assume the integrity of the information and the absence of anything contrary or contrary to it, and the report was issued based on this and we disclaim our responsibility from all that contradicts it.

Disclaimers

Executive Summary

Valuation Terms

10

Disclaimers

Tenure

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation

Appendices

Disclaimers

General Disclaimers

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.

Applied Assumption:

- Al Fursan's incentive management fee were assumed to follow the client's agreement with the operator which states the following:
 - If $GOP < 25\%$ → incentive management fee is 0% from AGOP;
 - If $25\% < GOP < 30\%$ → incentive management fee is 4% from AGOP;
 - If $30\% < AGOP < 35\%$ → incentive management fee is 5% from AGOP;
 - If $35\% < AGOP < 40\%$ → incentive management fee is 6% from AGOP;
 - If $40\% < AGOP < 45\%$ → incentive management fee is 7% from AGOP;
 - If $AGOP > 45\%$ → incentive management fee is 8% from AGOP.
- Client did not provide actual operating statement of any of the hotel assets. Therefore, we have estimated the revenue and expenses based on our experience in the market. ABAAD team reserve the right to change the assumptions for any differences with actuals.

Fair Value Valuation Disclaimers

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.

Disclaimers

Executive Summary

Valuation Terms

Disclaimers

Tenure

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation

Appendices

Title Information

Title Information–Al Izdihar (1)

ID	Description
Owner	Riyad REIT
Plot No.	566
Masterplan	1822
District	Al Izdihar
Land Area	700
Street Name	
Coordinates	24°46'18.7"N 46°42'41.6"
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 91782101724 Deed Date 21/04/1442

Dimensions–Al Izdihar (1)

Description	Length (m)	Frontage	Type	Street Width (m)
North	25	Street	Internal	30
South	25	Plot 567	Land	-
East	28	Plot 564	Land	-
West	28	Plot 568	Land	-

Title Information–Al Izdihar (2)

ID	Description
Owner	Riyad REIT
Plot No.	568
Masterplan	1822
District	Al Izdihar
Land Area	1,815
Street Name	
Coordinates	24°46'18.7"N 46°42'41.6"
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 61012109033 Deed Date 16/03/1437

Dimensions–Al Izdihar (2)

Description	Length (m)	Frontage	Type	Street Width (m)
North	33	Street	Internal	30
South	33	Street	Internal	15
East	55	Plot 567 and 566	Land	-
West	55	Street	Main	80

- We have been provided with the details of the Title Deeds and Lease Agreement for the Subject Properties, 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 and lease agreement 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-Braira

ID	Description
Owner	Riyad REIT
Plot No.	-
Masterplan	-
District	Hettin
Land Area	10,000
Street Name	
Coordinates	24°45'17.0"N 46°35'12.4"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 310107044372 Deed Date 25/08/1438

Dimensions-Braira

Description	Length (m)	Frontage	Type	Street Width (m)
North	100	Street	Main	80
South	100	Street	Internal	15
East	100	Street	Main	-
West	100	Street	Internal	20

- We have been provided with the details of the Title Deeds and Lease Agreement for the Subject Properties, 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 and lease agreement 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-Olaya Tower

ID	Description
Owner	Riyad REIT
Plot No.	1925
Masterplan	1863
District	Al Sahafa
Land Area	2,555
Street Name	
Coordinates	24°47'54.4"N 46°37'57.1"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 317806001502 Deed Date 28/04/1442

Dimensions-Olaya Tower

Description	Length (m)	Frontage	Type	Street Width (m)
North	70	Plot 1926	Land	-
South	70	Plot 1924	Land	-
East	36.5	Street	Internal	15
West	36.5	Street	Main	40

Title Information

Title Information-AI Shatee Towers

ID	Description
Owner	Riyad REIT
Plot No.	577-578-579-580
Masterplan	337/1
District	-
Land Area	6,300
Street Name	
Coordinates	26°28'13.4"N 50°07'26.6"E
City	Dammam
Ownership Type	Freehold
Title Deed Info	Deed No. 730113019278
	Deed Date 30/01/1443

Dimensions-AI Shatee Towers

Description	Length (m)	Frontage	Type	Street Width (m)
North	90	Plots 581 and 582	Land	-
South	90	Street	Internal	8
East	70	Street	Internal	18
West	70	Street	Main	40

- We have been provided with the details of the Title Deeds and Lease Agreement for the Subject Properties, 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 and lease agreement 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-Ascott Khobar

ID	Description
Owner	Riyad REIT
Plot No.	281-282
Masterplan	2/78
District	Al Yurmouk
Land Area	2,784
Street Name	
Coordinates	26°18'41.1"N 50°13'23.0"E
City	Khobar
Ownership Type	Freehold
Title Deed Info	Deed No. 330210007397
	Deed Date 30/01/1443

Dimensions-Ascott Khobar

Description	Length (m)	Frontage	Type	Street Width (m)
North	70	Street	Internal	20
South	70	Plot 283	Land	-
East	36.5	Street	Main	45
West	36.5	Street	Internal	10

Title Information

Title Information–Al Tamayuz

ID	Description
Owner	Riyad REIT
Plot No.	137-138-139-140
Masterplan	2956
District	Ghernata
Land Area	4,630
Street Name	
Coordinates	26°28'13.4"N 50°07'26.6"E
City	Dammam
Ownership Type	Freehold
Title Deed Info	Deed No. 317821003612
	Deed Date 30/01/1443

Dimensions–Al Tamayuz

Description	Length (m)	Frontage	Type	Street Width (m)
North	63	Street	Internal	15
South	53	Street	Main	60
East	70	Plots 135 and 136	Land	-
West	50	Street	Main	60

- We have been provided with the details of the Title Deeds and Lease Agreement for the Subject Properties, 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 and lease agreement 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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Title Information–Saudi Electronic University

ID	Description
Owner	Riyad REIT
Plot No.	1859 → 1874
Masterplan	1867/k
District	Al Rabih
Land Area	14,210
Street Name	
Coordinates	24°47'38.40"N 46°40'37.60"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 810111058734
	Deed Date 23/04/1442

Dimensions–Saudi Electronic University

Description	Length (m)	Frontage	Type	Street Width (m)
North	203	Street	Internal	20
South	203	Land	Land	-
East	70	Street	Main	60
West	70	Street	Internal	8

Title Information

Title Information–Al Fursan

ID	Description
Owner	Riyad REIT
Plot No.	50/51
Masterplan	1184
District	Al Olaya
Land Area	1,740
Street Name	
Coordinates	24°42'21.60"N 46°40'32.60"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 317815004214 Deed Date 11/03/1443

Dimensions–Al Fursan

Description	Length (m)	Frontage	Type	Street Width (m)
North	60	Street	Internal	20
South	60	Plots 52 and 53	Land	-
East	29	Street	Internal	20
West	29	Street	Main	80

- We have been provided with the details of the Title Deeds and Lease Agreement for the Subject Properties, 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 and lease agreement 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–JW Marriott Hotel Riyadh and STC Academy

ID	Description
Owner	Riyad REIT
Plot No.	-
Masterplan	-
District	Al Sahafa
Land Area	-
Street Name	
Coordinates	24°47'32.3"N 46°38'00.1"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 699072002286 Deed Date 20/04/1444

Dimensions–JW Marriott Hotel Riyadh and STC Academy

Description	Length (m)	Frontage	Type	Street Width (m)
North	-	-	-	-
South	-	-	-	-
East	-	-	-	-
West	-	-	-	-

Title Information

Title Information-The Residence

ID	Description
Owner	Riyad REIT
Plot No.	-
Masterplan	-
District	Hettin
Land Area	5,000
Street Name	
Coordinates	24°45'17.0"N 46°35'12.4"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 917815004213 Deed Date 11/03/1443

Dimensions-The Residence

Description	Length (m)	Frontage	Type	Street Width (m)
North	50	Street	Main	80
South	50	Street	Internal	15
East	100	Street	Internal	15
West	100	Land	Land	-

- We have been provided with the details of the Title Deeds and Lease Agreement for the Subject Properties, 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 and lease agreement 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- Vivienda

ID	Description
Owner	Riyad REIT
Plot No.	167
Masterplan	2219
District	Um Al Hamam
Land Area	2,800
Street Name	
Coordinates	24°41'51.70"N 46°39'56.50"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 317807003670 Deed Date 11/03/1443

Dimensions- Vivienda

Description	Length (m)	Frontage	Type	Street Width (m)
North	40	Street	Internal	15
South	40	Street	Main	30
East	70	Plot 166	Land	-
West	70	Plot 168	Land	-

Title Information

Title Information-AI Raed

ID	Description
Owner	Riyad REIT
Plot No.	246
Masterplan	207
District	Al Raed
Land Area	5,000
Street Name	
Coordinates	24°42'54.80"N 46°38'9.10"E
City	Riyadh
Ownership Type	Freehold
Title Deed Info	Deed No. 317807003669
	Deed Date 11/03/1443

Dimensions-AI Raed

Description	Length (m)	Frontage	Type	Street Width (m)
North	50	Street	Main	80
South	50	Street	Internal	20
East	100	Plot 247	Land	-
West	100	Plot 245	Land	-

- We have been provided with the details of the Title Deeds and Lease Agreement for the Subject Properties, 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 and lease agreement 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-Omnia

ID	Description
Owner	Riyad REIT
Plot No.	2/1
Masterplan	-
District	Al Rawdah
Land Area	10,000
Street Name	
Coordinates	24°41'51.70"N 46°39'56.50"E
City	Jeddah
Ownership Type	Freehold
Title Deed Info	Deed No. 320217023075
	Deed Date 25/01/1442

Dimensions- Omnia

Description	Length (m)	Frontage	Type	Street Width (m)
North	100	Street	Internal	12
South	100	Street	Internal	12
East	100	Street	Internal	12
West	100	Street	Internal	12

Market Overview

Market Study - Demand and Supply

Market Overview

Market Study - Demand and Supply

Office

- Office supply in Riyadh stood at 5.9 million sqm as of end of 2023. Notable additions include Hiyazah Gate, Yline, North Yard and Luxury Plaza located in Al Yasmin district of Riyadh.
- In 2024, the office market in Riyadh saw two notable transactions take place, where two leading global firms acquired 3,000 square metres and 22,000 square metres in King Abdullah Financial District (KAJD) and Laysen Valley, respectively. These transactions denote the ongoing trend of global firms establishing a foothold in Saudi Arabia as part of the “Program HQ” initiative.
- A significant portion of the King Abdullah Financial District (KAJD) office supply has been successfully delivered, demonstrating high pre-leasing/leasing rates with an estimated 65% of space being leased by the end of the fourth quarter of 2023. The occupancy rate for occupiable space in KAJD has increased by 6.4% to reach 93.2% in Q4 2023. With such unprecedented levels of demand from occupiers, we are also seeing a select number of developments being repurposed into office space to capture this and expected future demand.
- Riyadh saw rental levels increase across all grades in the 12 months to Q4 2023, with average Prime rents increasing by 20.7% to reach SAR 2,717 per sqm. Grades A and B average rents in the capital grew year-on-year by 13.0% and 22.2% to SAR 1,933 and 1,571 per square metre respectively. In terms of average occupancy rates, the Grade A rate increased by 0.8% to reach fully occupancy and the Grade B rate stands at 99.4%.
- Riyadh, is expected to maintain its position as the primary employment hub in the Kingdom. This is due to an increasing number of multinational companies choosing to establish their headquarters and operations in Riyadh, as well as various public and private initiatives that aim to promote the city.

Source of Info: CBRE 2024

Residential

- The number of sales transactions registered in Riyadh totaled 23,900, recording a year-on-year increase of 77.0%. The value of residential properties sold over this period stood at SAR 32.7 billion.
- In the year to the first quarter of 2024, average villa prices in Riyadh registered an increase of 3.6% to stand at SAR 5,808 per square metre.
- In the apartment segment of the market, in Q1 2024, average prices in Riyadh grew by 8.4% compared to the year prior, reaching average sales rates of SAR 4,939 per square metre.
- By the end of 2023, Sales prices and rents have experienced growth across Riyadh, with sales rates in Riyadh increasing by 5% and 8% for villas and apartments respectively, based on transaction data from the Ministry of Justice.
- Residential supply in the key markets of Riyadh has continued to increase in 2023 in comparison to 2022. New projects delivered in 2023 include Al Majidiah 139 and Ajlan Riviera 37 in Riyadh along with Itlalat Al Bahar and Al Wajihah in Dammam.
- In Riyadh as of the end of 2023, approximately 80% of the transacted apartments in the last 12 months were priced between SAR 250,000 to SAR 1 million, (USD 66,000 to USD 266,000), primarily catering to the low to mid-income segments of the population. While North Riyadh has emerged as a prominent residential hub, South Riyadh has witnessed maximum growth in the share of transactions in the last five years, mainly due to the availability of affordable stock.
- Residential preferences are seen shifting towards homes that accommodate remote work by incorporating wellness-centric features.

Source of Info: CBRE 2024

Market Overview

Market Study - Demand and Supply

Retail

- The Economist Intelligence Unit (EIU) estimates that the total retail sales volume in KSA will decrease by approximately 1% in 2024, with sales expected to increase by 2.7% by 2027.
- Considering a review of performance in 2023, Over the past 12 months, retail rents across KSA have increased, with average regional and super-regional mall rents rising by 3%.
- The total existing retail supply in Riyadh stands at 3.5 million sqm, with around 90,000 sqm of retail space entering the market in the year to Q2 2023. We expect the retail stock to further grow to 4.4 million sqm by 2025, representing a 23% increase. The substantial uplift in supply will likely put pressure on retailers, mall operators, and developers to ensure their offerings remain relevant, on-trend, and centered on experiences if they are to effectively compete and survive the coming deluge of new supply.
- In Riyadh, luxury and high-end retail has witnessed a surge in offerings with the opening of the 600,000 sqm in Q2 of 2023.
- While the market is currently dominated by international retail platforms, a recent survey by Kearney and Mukatafa revealed that 74% of online shoppers support buying local and are expecting to increase their purchases from Saudi platforms. The current e-commerce market in the Kingdom is valued at around 6% of total retail sales, and this is expected to increase by a further 7.5% by 2025 (Euromonitor).
- The retail sector in Saudi Arabia is undergoing a significant digital transformation. E-commerce is thriving, with platforms such as Noon and Amazon gaining popularity, offering a wide range of products and seamless mobile shopping experiences. The preference for digital payment methods is increasingly favored, promoting cashless transactions.

Source of Info: Knight Frank 2024

Hospitality

- The number of air passengers in the kingdom registered an increase of 26.0% totaling 112 million, with the number of international travelers growing by 46.0% to reach 61 million. Over this period, the total number of international visitors registered at 27.4 million, almost half of which were religious tourists.
- Riyadh's average occupancy rate declined by 4.4 percentage points, and its ADR increased by 26.8% resulting in a rise of 18.9% in the city's average RevPAR.
- Occupancy in Riyadh averaged 65% in 2023. Riyadh's average daily rate (ADR) surged by 18% Y-o-Y during 2023, reaching SAR 797 (USD 213).
- Both ADR and occupancy rates exhibited improvement from the previous year, as a country-wide recovery was supported by the ease of travel and faster visa processing for tourists. Riyadh hotels recorded the strongest occupancy in October and November, with a reach of 80% in November in 2023.
- In the year to date to March 2024 the average occupancy rate registered an increase of 8.8 percentage points compared to its pre-pandemic baseline, as all tracked cities have surpassed their 2019 levels. Over this period, the ADR stood at 62.3% above its 2019 baseline and as a result, we saw the average RevPAR outperform the 2019 figure by 85.8%.
- As part of its efforts to increase tourism in the Kingdom and reach the target of 100 million visits a year by 2030, the government has launched a new national airline, Riyadh Air, which will have its hub at Riyadh's King Salman International Airport. Additionally, a new stop-over (transit) visa was also announced for passengers traveling using existing national airlines, Saudia and Flynas. All these initiatives are going to boost the hospitality industry and help position Saudi Arabia as a global tourism destination in the long run.

Source of Info: JLL 2024

Riyadh Properties

Executive Summary

Valuation Terms

Disclaimers

Tenure

24

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation

Appendices

Site Location Analysis

Macro Location

- The subject properties are 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 **10.5 million** in **1443/2021**.
- Riyadh is one of the largest cities of the Arab World in terms of area. The developed area of the city is around **1,913 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 are located in several districts, mainly in the center, North and West of Riyadh.
- All of the locations are considered prime locations of which form the heart of business and entertainment sectors in Riyadh.

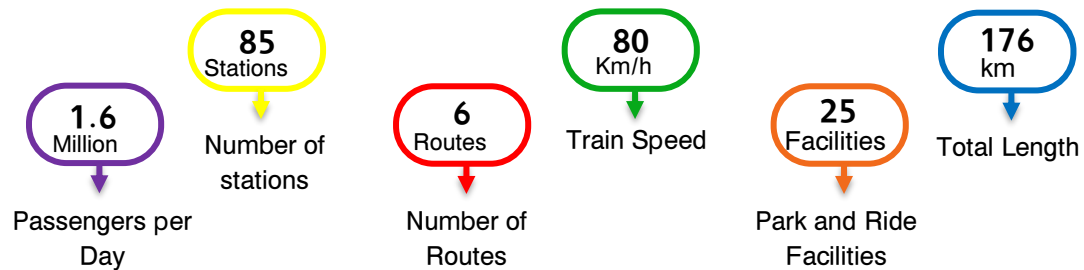
Riyadh Properties Map



Site Location Analysis

Public Transport – Riyadh Metro

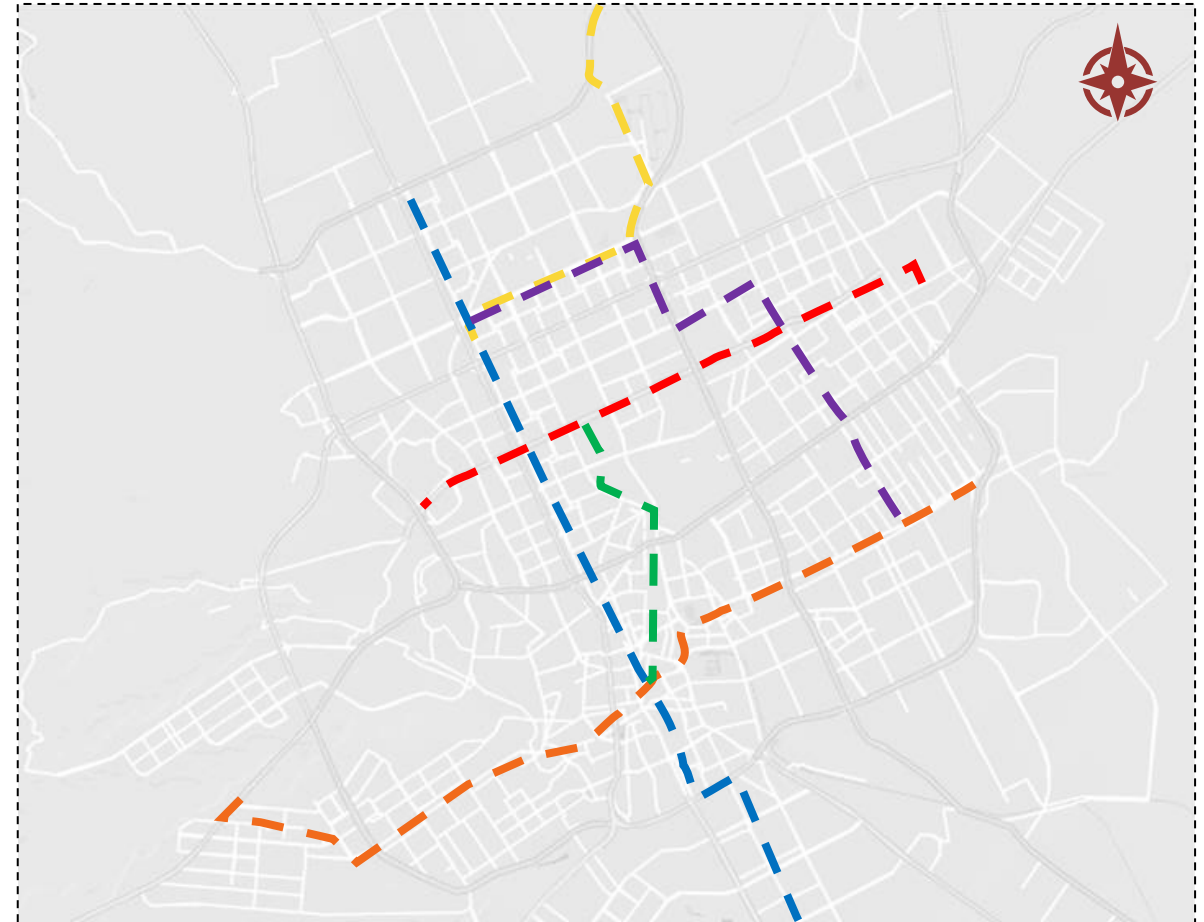
- Metro Riyadh is a high-speed transport system. It is currently under construction. It is one of the largest infrastructure projects in the City of Riyadh.
- The Metro is designed as a world-class transport system, including 756 metro cars, 85 stations, six metro lines, and a network spanning 176 kilometers.
- 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



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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.

هيئة تطوير
بوابة الدرعية



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

المسار الرياضي
Sports 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

الرياض الخضراء
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.

Site Location and Valuation Analysis

Olaya Tower, Riyadh

Site Location Analysis

Property Description – Olaya Tower

- The Subject Property is located in Al Sahafa District, Riyadh with a land area of 2,555 Sqm, total built-up area of 12,603 Sqm.
- It has commercial use, can be accessed primarily from Olaya Road of which has a direct frontage on.
- According to the building permit, it contains a total of 32 offices.
- It has a total of eight floors and is leased entirely to one tenant with an annual amount of 6.5 million Saudi Riyal until 31 May 2025.
- Based on client input, lease renewal is not done as of valuation date.

BUA Breakdown

Description	BUA (sqm)	Units	Type
Underground Parking 1	2,555	0	Services
Underground Parking 2	2,555	0	Services
Ground Floor	844	2	Offices
First Floor	887	4	Offices
Second Floor	887	4	Offices
Third Floor	887	4	Offices
Fourth Floor	887	4	Offices
Fifth Floor	887	4	Offices
Sixth Floor	887	4	Offices
Seventh Floor	887	4	Offices
Annex	443	2	Offices
Total	12,603	32	-

Subject Property Map

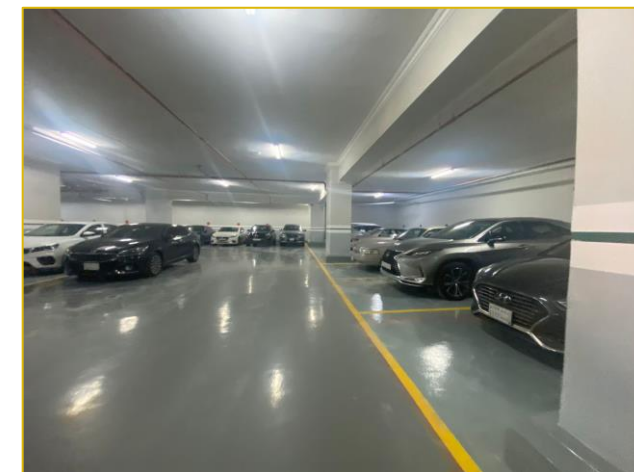
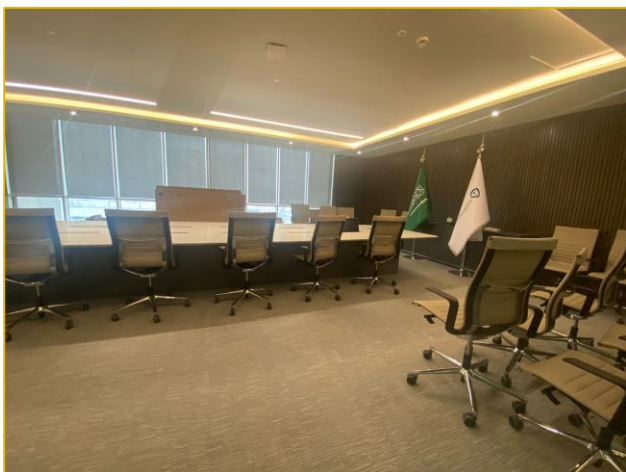
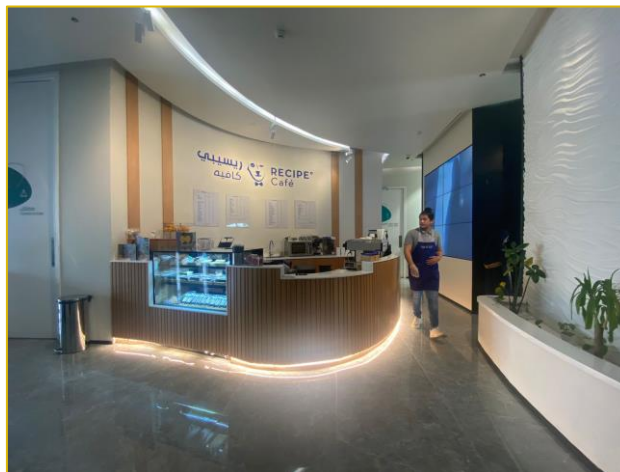
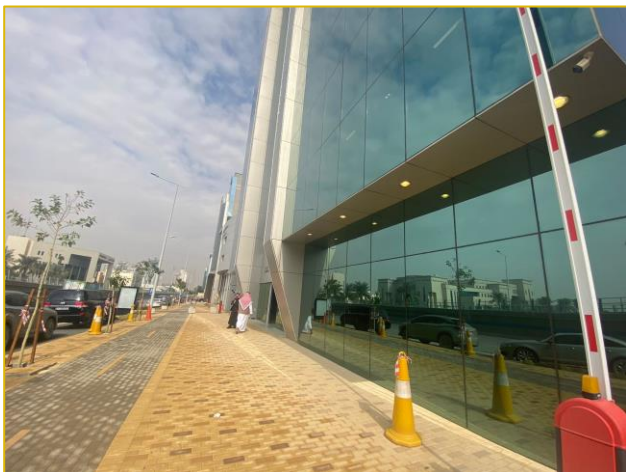


Site Location Analysis

Property Photographs – Olaya Tower



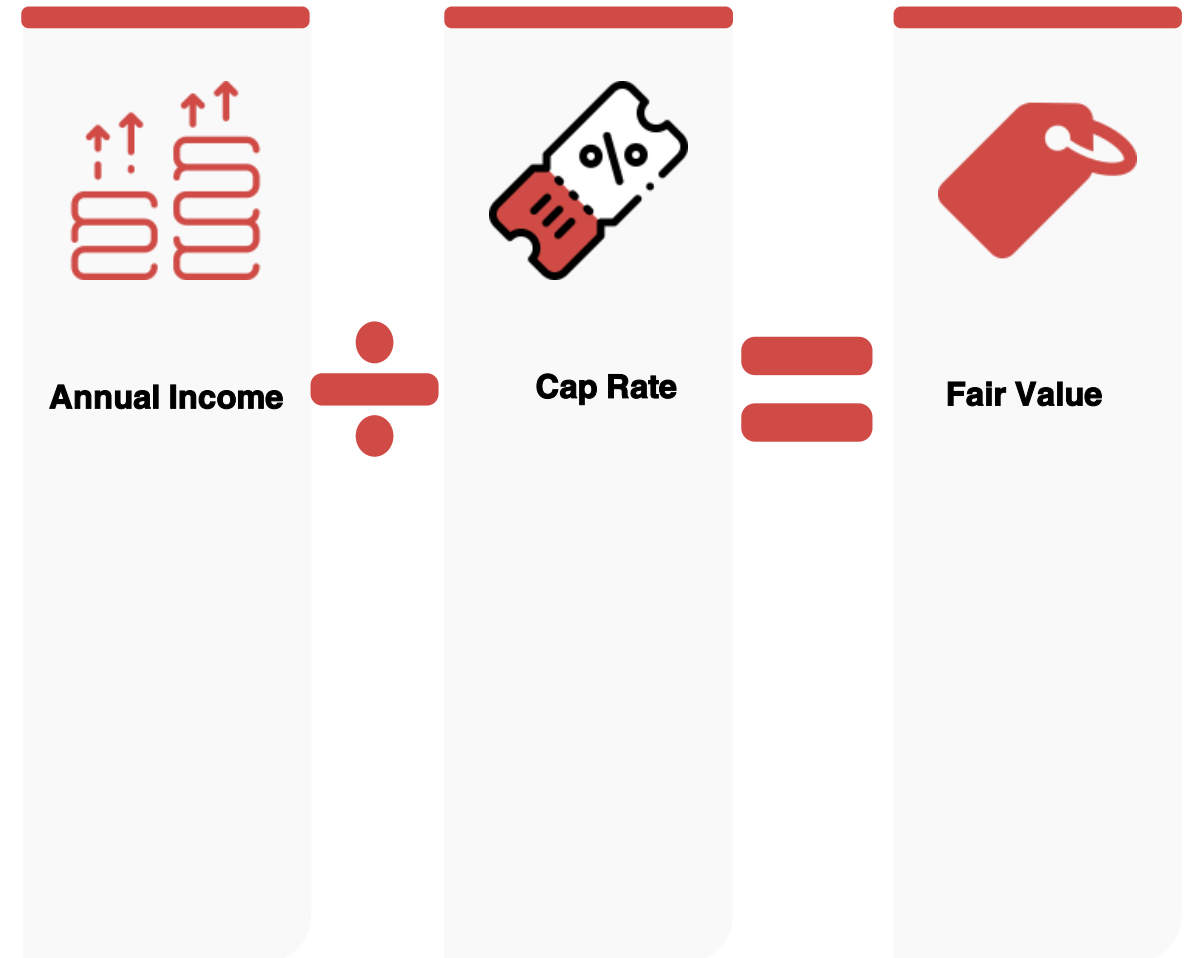
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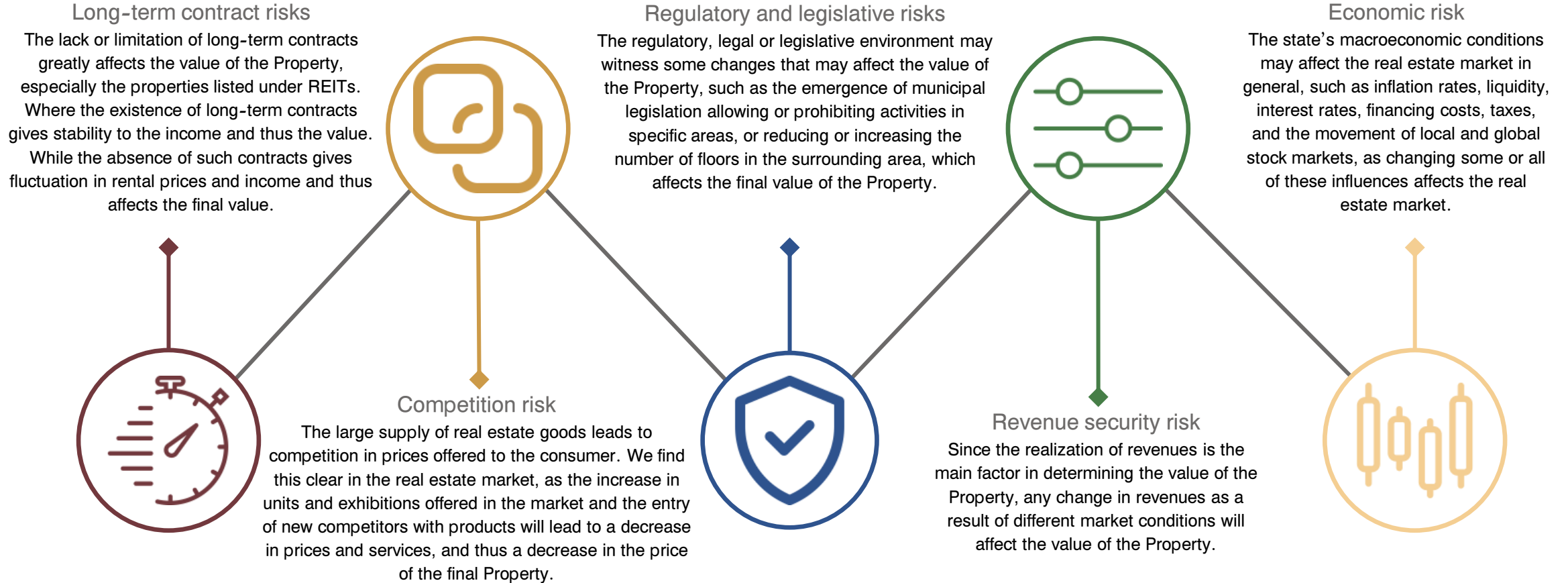
Valuation Methodology

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).



Property Risk Analysis



Valuation

Valuation – Olaya Tower

Valuation Commentary

- Based on the contract between the client and the tenant, all operating and maintenance expenses are incurred by the tenant.
- Regarding lease rates for offices, they vary in Al Sahafa from 500 to 900 SAR/sqm depending on the size and the finishing.
- Thus, based on the property finishing and taking into consideration that it is leased entirely to one tenant who is also incurring the operating and maintenance expenses, 516 SAR/sqm lies within the market range.

Revenues

Payments Date	Annual Lease Payment (SAR)
6/01/2024 to 5/31/2025	6,500,000

- As per discussion with Client, lease renewal is not done as of the valuation date.
- Based on the above table, we have assumed that the rent 6,500,000 SAR to be equal to full year payment of year 2024/2025.

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.
- 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%.



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Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Main Inputs

Description	Input
Property Name	Olaya Tower
Total Tenants	1
Leasable Area (sqm)	12,603
Blended Lease Rate (SAR/sqm)	516
Occupancy %	100%
Revenue	6,500,000

Capitalization Approach Valuation

Description	Input
Revenue	6,500,000
Operating Expenses %	0.0%
Operating Expenses	0
Maintenance %	0.0%
Maintenance	0
Net Income	6,500,000
Cap-Rate	8.00%
Fair Value	81,300,000

Site Location and Valuation Analysis

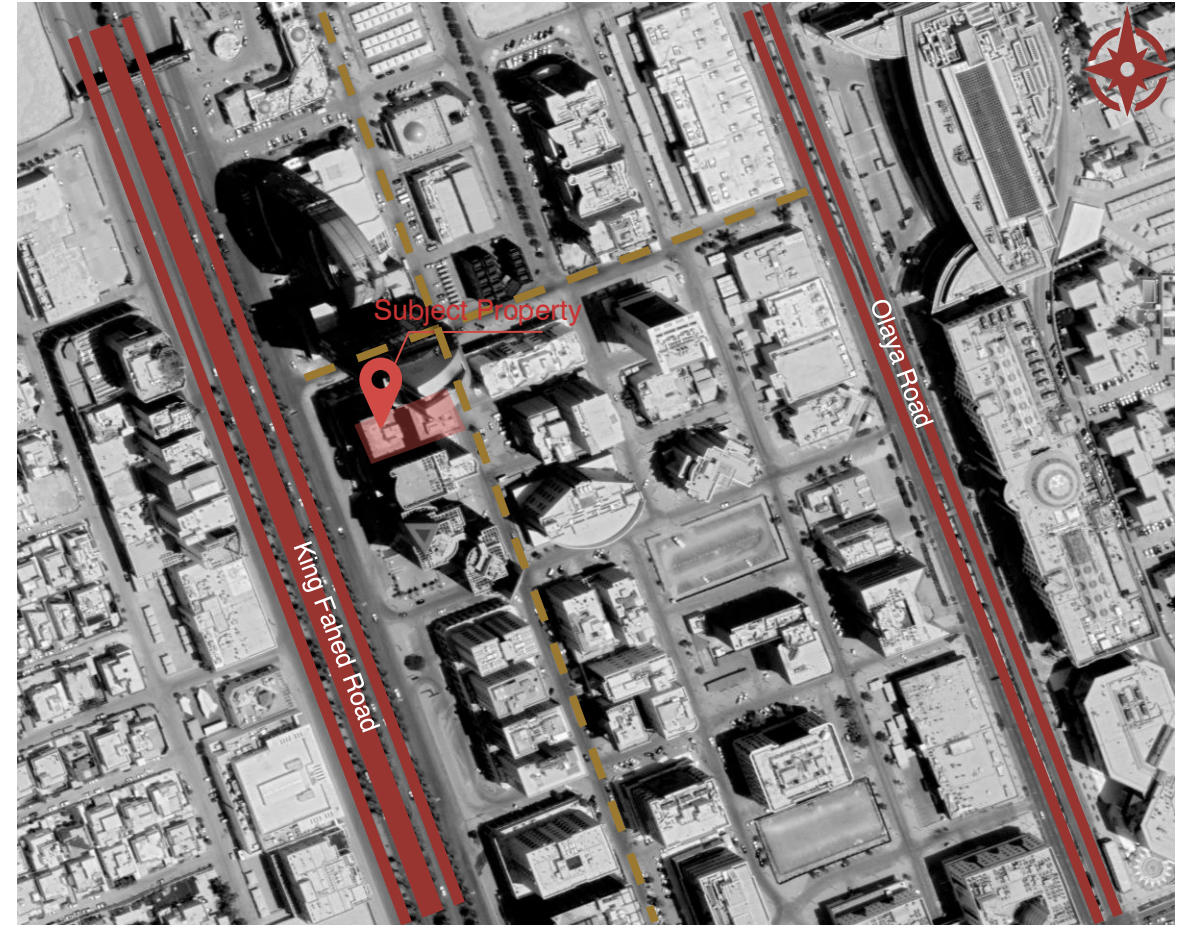
Al Fursan Tower, Riyadh

Site Location Analysis

Property Description – Al Fursan Tower

- The Subject Property is located in Al Olaya District, Riyadh with a land area of 1,740 sqm.
- It has commercial use, can be accessed primarily from King Fahed Road of which has a direct frontage on.
- The Subject property is under renovation, and the work is expected to be concluded at the end of 2024 with HILTON DOUBLE TREE HOTEL as the operator containing 147 keys.
- However, the construction is facing some delay as per the Progress report provided by RICHMOND.
- Based on the information provided by the client, total budget of the project is SAR 105,813,492. Payment of SAR 63,000,000 has been done as of valuation date.
- There is a difference between the completion percentage and the payments settlement percentage because the total cumulative amount is registered in the completion progress but settlement takes its due time cycle of approval from the consultant and settlement by the vendors.

Exhibit 37: Subject Property Map

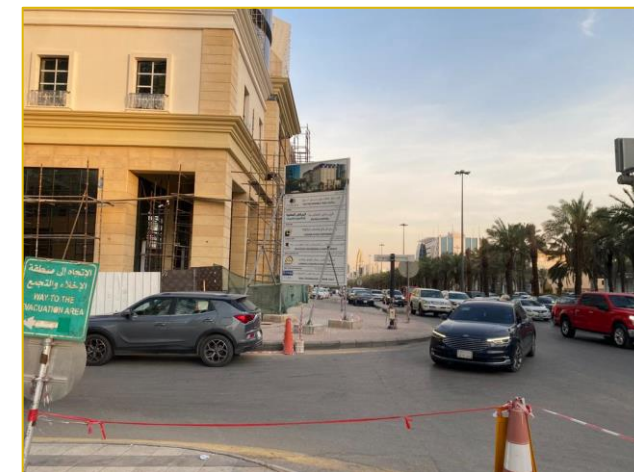
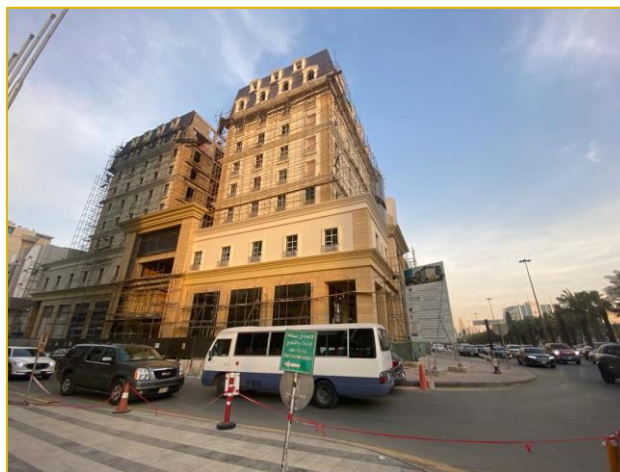


Site Location Analysis

Property Photographs – Al Fursan 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 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 2.7%.
- 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 Fair 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 2.7 %/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.

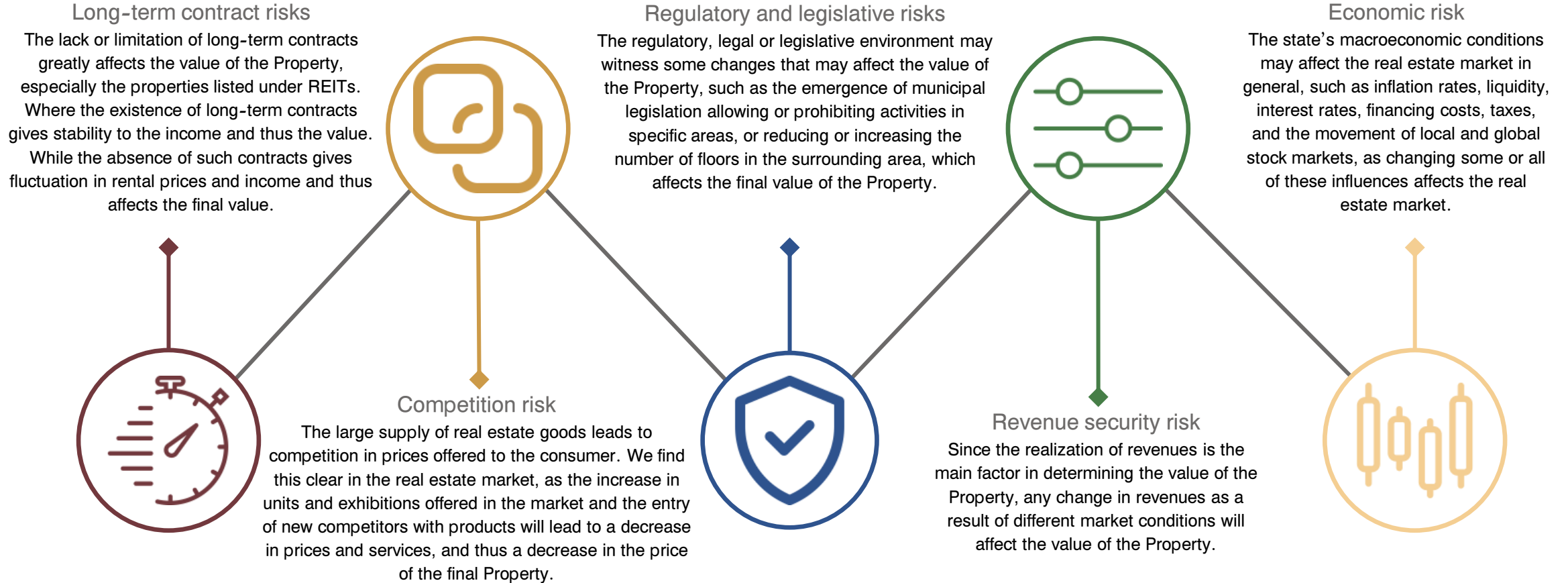
Discount Rates Commentary

- 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 2.7% 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 10.70%.

Valuation

Trading Projections – Al Fursan Towers

Based on the market study done by Abaad and STR Global Data, below are the main inputs for the hotel valuation for the first five years.

Real Trading Projections

Year	1	2	3	4	5
Rooms	147	147	147	147	147
Occupancy	55.0%	65.0%	75.0%	75.0%	75.0%
ADR (SAR)	620	620	620	620	620
RevPAR (SAR)	341	403	465	465	465
Total Revenue (SAR 000s)	31,116	36,774	42,431	42,431	42,431
Departmental Expenses (SAR 000s)	9,968	11,518	12,987	12,987	12,987
Departmental Profit (SAR 000s)	21,148	25,255	29,444	29,444	29,444
Undistributed Expenses (SAR 000s)	8,028	8,348	8,401	8,401	8,401
Gross Operating Profit (SAR 000s)	13,120	16,908	21,043	21,043	21,043
Management Fees (SAR 000s)	1,439	1,812	2,214	2,214	2,214
Fixed Charges (SAR 000s)	1,462	1,581	1,697	1,697	1,697
FF&E Reserve (SAR 000s)	311	368	424	424	424
EBITDA (SAR 000s)	9,908	13,147	16,707	16,707	16,707
Net Profit %	31.8%	35.7%	39.4%	39.4%	39.4%

Inflated Trading Projections

Year	1	2	3	4	5
Rooms	147	147	147	147	147
Occupancy	55.0%	65.0%	75.0%	75.0%	75.0%
ADR (SAR)	637	654	672	690	708
RevPAR (SAR)	350	425	504	517	531
Total Revenue (SAR 000s)	31,956	38,786	45,962	47,203	48,477
Departmental Expenses (SAR 000s)	10,238	12,149	14,068	14,448	14,838
Departmental Profit (SAR 000s)	21,719	26,638	31,894	32,755	33,639
Undistributed Expenses (SAR 000s)	8,245	8,804	9,100	9,346	9,598
Gross Operating Profit (SAR 000s)	13,474	17,833	22,793	23,409	24,041
Management Fees (SAR 000s)	1,477	1,911	2,398	2,463	2,529
Fixed Charges (SAR 000s)	1,502	1,668	1,838	1,888	1,939
FF&E Reserve (SAR 000s)	320	388	460	472	485
EBITDA (SAR 000s)	10,175	13,866	18,097	18,586	19,088
Net Profit %	31.8%	35.7%	39.4%	39.4%	39.4%



Discounted Cash-Flow – Al Fursan Towers

We outline below the Cash Flow of the Property for the next 10 years, assuming that expenses percentage will stabilize from year 5 onward, and we have used the following assumptions:

- Development Cost of **105,813,492**
- Long-term Saudi Arabia Inflation of **2.70%**
- Cap-Rate of **8.00%**
- Discount rate of **10.70%**

Discounted Cash-Flow

Period	0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5
Construction Cost	43,387,624	0	0	0	0	0	0	0	0	0
Net Income - Hotel	0	10,175,195	13,866,024	18,097,299	18,585,926	19,087,746	19,727,580	20,807,251	21,369,047	21,946,011
Net Income - Showrooms	0	658,800	676,588	694,855	713,617	732,884	752,672	772,994	793,865	815,299
Total Income	0	10,833,995	14,542,611	18,792,154	19,299,542	19,820,630	20,480,252	21,580,245	22,162,912	22,761,310
Exit Value										284,516,380
Net Cashflow	-43,387,624	10,833,995	14,542,611	18,792,154	19,299,542	19,820,630	20,480,252	21,580,245	22,162,912	22,761,310
Net Present Value	-41,237,475	9,301,805	11,279,071	13,166,183	12,214,697	11,331,973	10,577,323	10,068,139	9,340,541	116,984,583
Fair Value	163,026,842									
Fair Value (Rounded)	163,000,000									

Site Location and Valuation Analysis

Saudi Electronic University, Riyadh

Site Location Analysis

Property Description – Saudi Electronic University

- The Subject Property is located in Al Rabi District, Riyadh with a land area of 14,210 sqm, a built-up area of 30,099 sqm and a net leasable area of 17,750 sqm.
- The Property Basement contains 287 Parking, two storage rooms, one smoking area, and three separate elevators.
- The Ground floor of the property consists of classrooms, training areas, the building cafeteria, and the Al-Bilad Bank branch. The first floor contains a praying area and the university administration that goes all the way to the second floor alongside faculty members' offices and restrooms.
- It is leased entirely to Saudi Electronic University with an annual amount of 12,000,000 Saudi Riyal until 12 April 2024.
- Based on client input, We have assumed that the lease renewal is done as of valuation date.

BUA Breakdown

Description	BUA (sqm)	Units	Use
Underground	9,115	0	Parking
Ground Floor	4,013	27	Offices
Ground Floor	4,500	31	Commercial
First Floor	8,317	54	Offices
Annex	4,154	36	Offices
Total	30,099	148	-

Subject Property Map

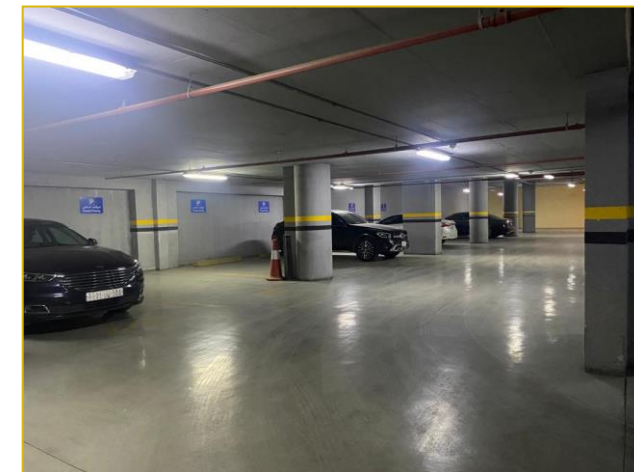
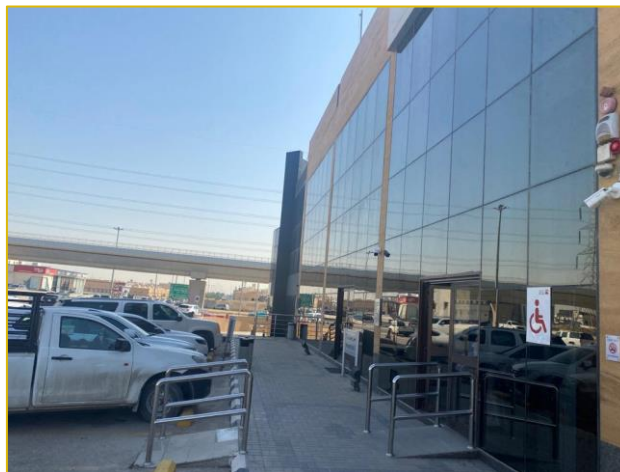


Site Location Analysis

Property Photographs – Saudi Electronic University



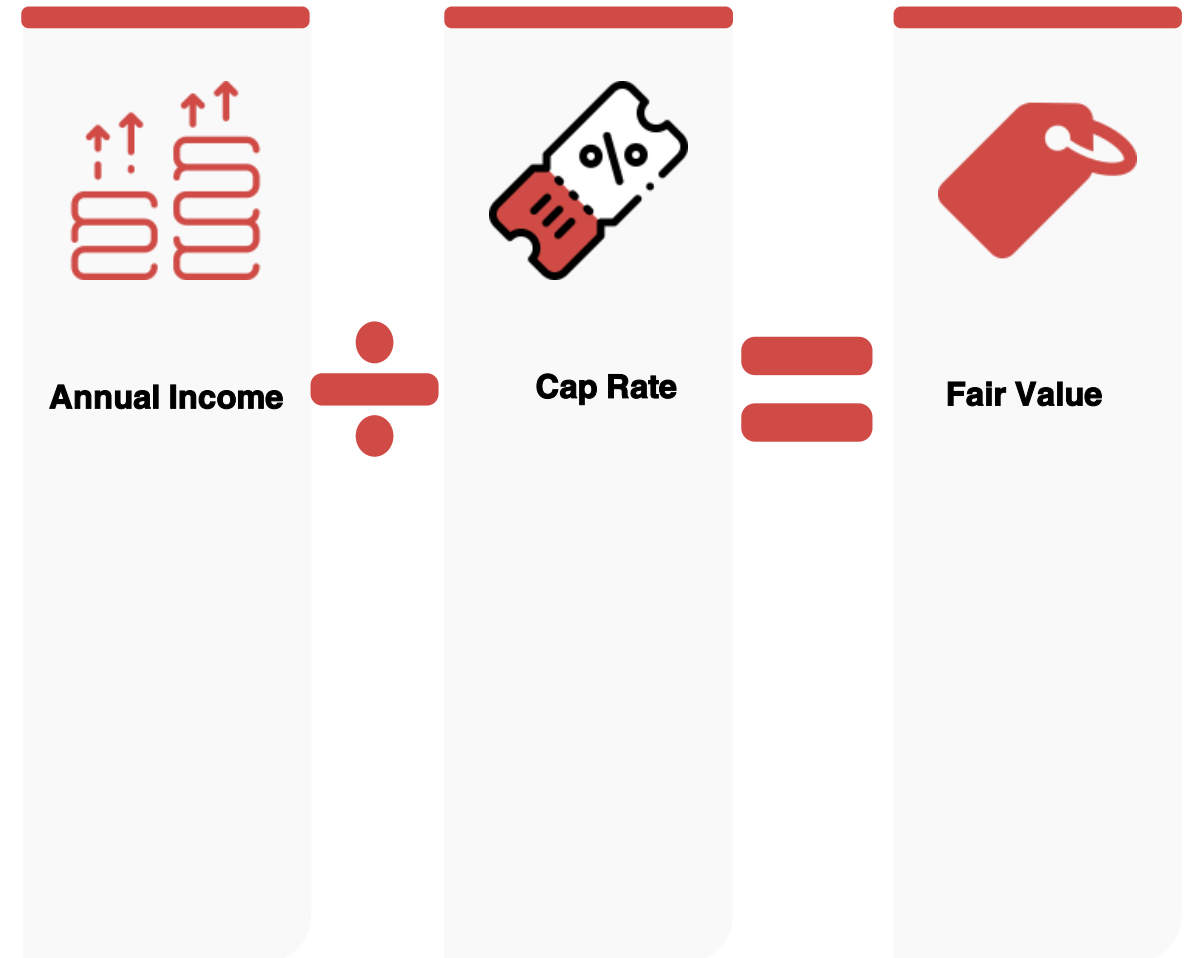
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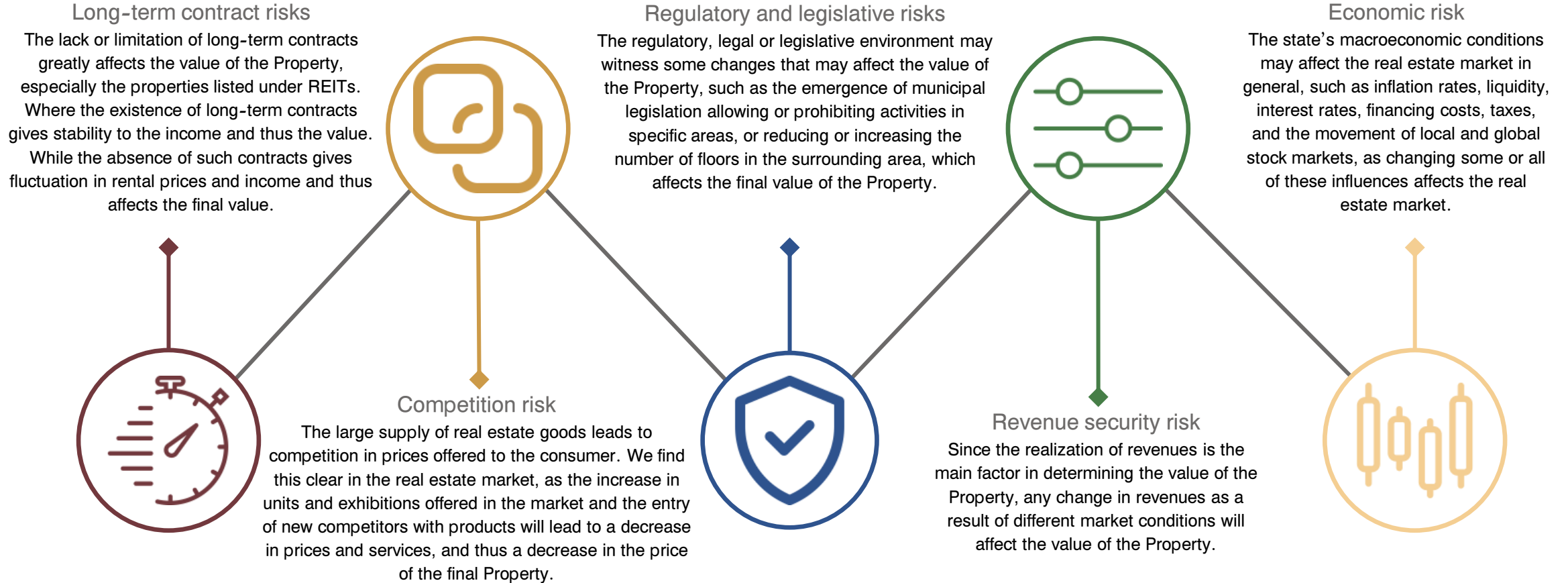
Valuation Methodology

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).



Property Risk Analysis



Valuation

Valuation – Saudi Electronic University

Valuation Commentary

- Based on the contract between the client and the tenant, all operating and maintenance expenses are incurred by the tenant.
- Regarding lease rates for offices, they vary on Prince Mohammed Bin Salman Road from **500 to 700 SAR/sqm** depending on the size and the finishing. Regarding lease rates for showrooms, they vary on Prince Mohammed Bin Salman Road from **900 to 1,200 SAR/sqm** depending on the size and the finishing.
- Thus, based on the property finishing and taking into consideration that it is leased entirely to one tenant who is also incurring the operating and maintenance expenses, **676 SAR/sqm** lies within the market range as the majority of the units are offices.

Revenues

Payments Date	Annual Lease Payment (SAR)
4/13/2021 to 4/12/2024	12,000,000

- As per discussion with Client, we have assumed that the lease renewal is done as of valuation date and there is no change in rental payment.
- Based on the above table, we have assumed that the rent **12,000,000 SAR** to be equal to full year payment of year **2024/2025**.



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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.
- 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%**.

Valuation



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Valuation – Saudi Electronic University

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Main Inputs

Description	Input
Property Name	Saudi Electronic University
Total Tenants	1
Leasable Area (sqm)	17,750
Blended Lease Rate (SAR/sqm)	676
Occupancy %	100%
Revenue	12,000,000

Capitalization Approach Valuation

Description	Input
Revenue	12,000,000
Operating Expenses %	0.0%
Operating Expenses	0
Maintenance %	0.0%
Maintenance	0
Net Income	12,000,000
Cap-Rate	8.00%
Fair Value	150,000,000

Site Location and Valuation Analysis

JW Marriott Hotel Riyadh and STC Academy, Riyadh

Site Location Analysis

Property Description – JW Marriott Hotel Riyadh and STC Academy

- The Subject Properties are located in Al Sahafa District, Riyadh on a land area of 21,106 sqm on which Rafal Tower is built on containing JW Marriott Hotel, STC Academy and many other developments.
- The client owns the built-up are that JW Marriott Hotel and STC Academy operate in, and they share the same title deed of Rafal's Residence.
- They can be accessed from mainly from King Fahed Road of which has a direct frontage on.
- JW Marriott Hotel is a 5+ stars luxurious hotel operating in Riyadh hosting 349 keys.
- STC Academy is operating in the ground and first floors with a net leasable area of 4,482 sqm.

Rafal's Tower BUA Breakdown

Description	BUA (sqm)	Use
Underground	18,636	Parking
Underground 2	18,535	Parking
Ground Floor	11,662	Commercial
First Floor	7,573	Commercial
Second Floor	6,158	Commercial
Third Floor	4,274	Commercial
Forth Floor	4,627	Commercial
Fifth Floor	1,872	Hotel
6-22 Floors	27,523	Hotel
23rd Floor	1,567	Services
24 Floor	1,567	Apartments
25-65	66,246	Apartments
Total	170,240	-

Subject Property Map

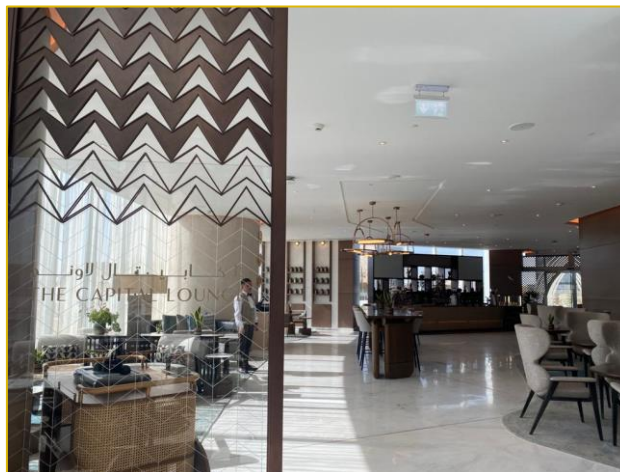


Site Location Analysis

Property Photographs – JW Marriott Hotel Riyadh



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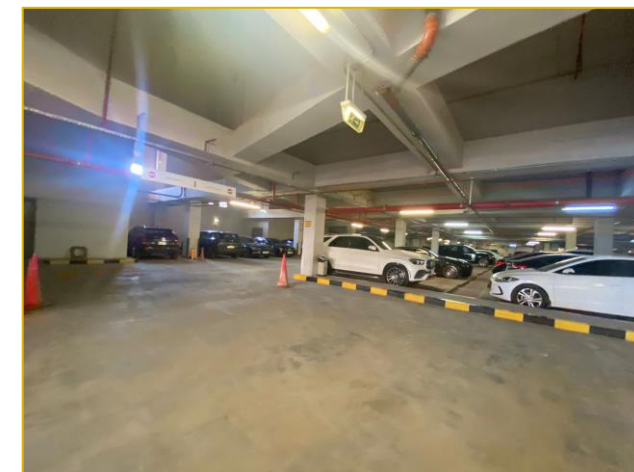
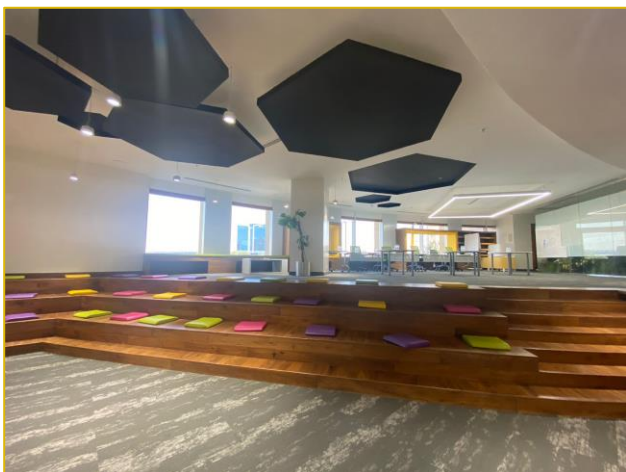


Site Location Analysis

Property Photographs – STC Academy



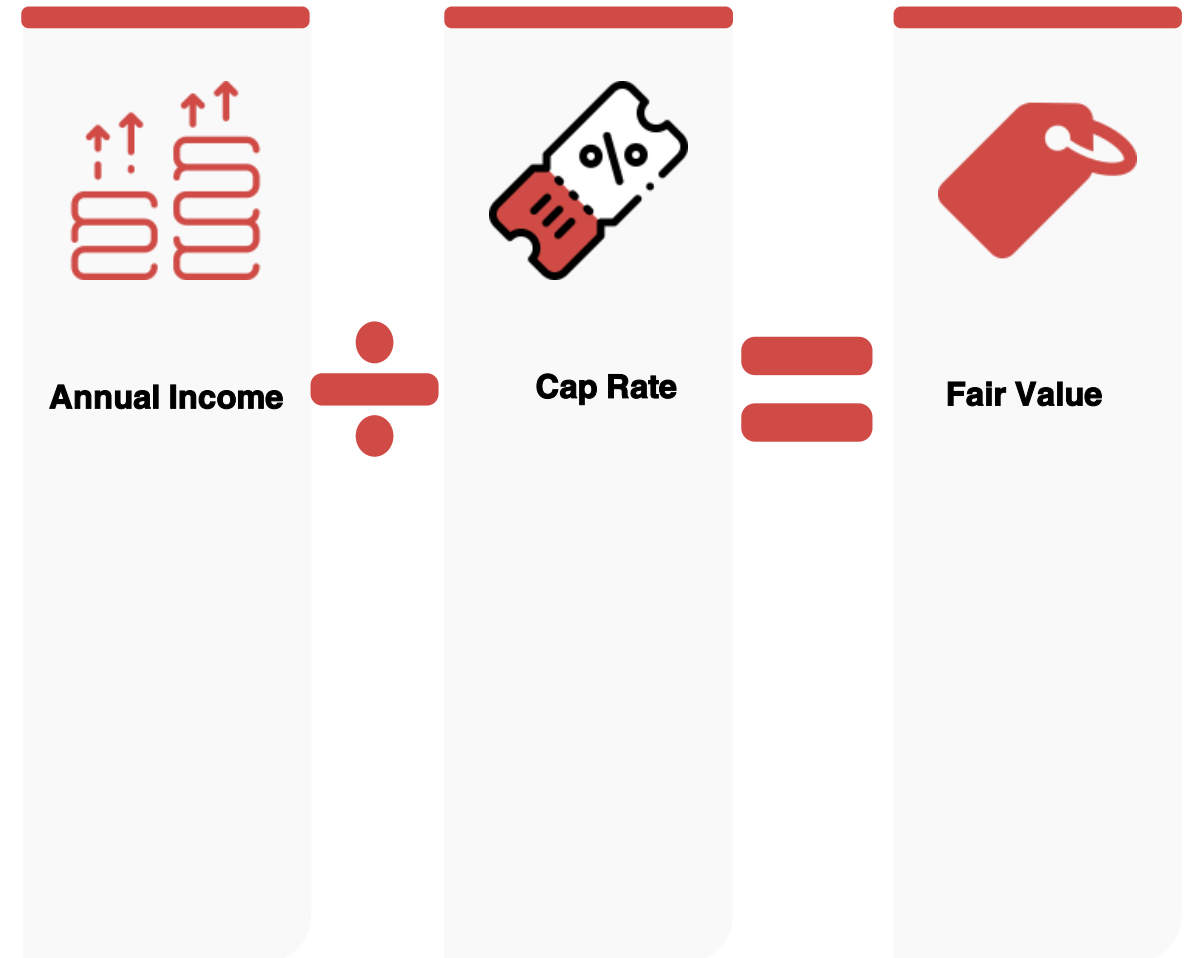
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Valuation Methodology

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).



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 2.7%.
- 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 Fair 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 2.7 %/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.

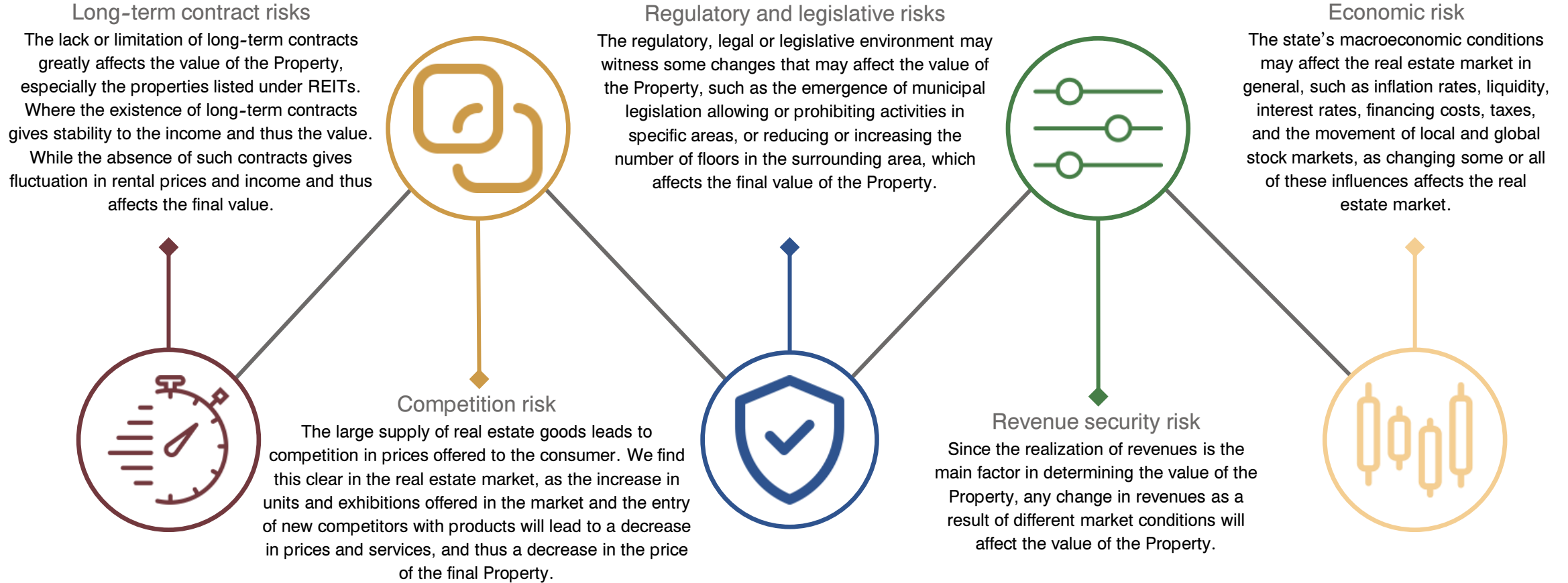
Discount Rates Commentary

- 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 2.7% 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 hospitality 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 7.50%.

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 10.20%.

Valuation

Trading Projections – JW Marriott Hotel Riyadh

Based on the market study done by Abaad and STR Global Data, below are the main inputs for the hotel valuation for the first five years.

Real Trading Projections

Year	1	2	3	4	5
Rooms	349	349	349	349	349
Occupancy	75.00%	75.00%	75.00%	75.00%	75.00%
ADR (SAR)	1,550	1,550	1,550	1,550	1,550
RevPAR (SAR)	1,163	1,163	1,163	1,163	1,163
Total Revenue (SAR 000s)	251,845	251,845	251,845	251,845	251,845
Departmental Expenses (SAR 000s)	94,089	94,089	94,089	94,089	94,089
Departmental Profit (SAR 000s)	157,756	157,756	157,756	157,756	157,756
Undistributed Expenses (SAR 000s)	64,976	64,976	64,976	64,976	64,976
Gross Operating Profit (SAR 000s)	92,780	92,780	92,780	92,780	92,780
Management Fees (SAR 000s)	16,874	16,874	16,874	16,874	16,874
Fixed Charges (SAR 000s)	12,340	11,333	10,578	10,578	10,578
FF&E Reserve (SAR 000s)	2,518	2,518	2,518	2,518	2,518
EBITDA (SAR 000s)	61,047	62,055	62,810	62,810	62,810
Net Profit %	24.2%	24.6%	24.9%	24.9%	24.9%

Inflated Trading Projections

Year	1	2	3	4	5
Rooms	349	349	349	349	349
Occupancy	75.00%	75.00%	75.00%	75.00%	75.00%
ADR (SAR)	1,592	1,635	1,679	1,724	1,771
RevPAR (SAR)	1,194	1,226	1,259	1,293	1,328
Total Revenue (SAR 000s)	258,645	265,629	272,801	280,166	287,731
Departmental Expenses (SAR 000s)	96,630	99,239	101,918	104,670	107,496
Departmental Profit (SAR 000s)	162,015	166,390	170,882	175,496	180,234
Undistributed Expenses (SAR 000s)	66,730	68,532	70,383	72,283	74,235
Gross Operating Profit (SAR 000s)	95,285	97,858	100,500	103,213	106,000
Management Fees (SAR 000s)	17,329	17,797	18,278	18,771	19,278
Fixed Charges (SAR 000s)	12,674	11,953	11,458	11,767	12,085
FF&E Reserve (SAR 000s)	2,586	2,656	2,728	2,802	2,877
EBITDA (SAR 000s)	62,696	65,451	68,036	69,873	71,760
Net Profit %	24.2%	24.6%	24.9%	24.9%	24.9%

Valuation

Discounted Cash-Flow – JW Marriott Hotel Riyadh

We outline below the Cash Flow of the Property for the next 5 years, assuming that expenses percentage are stabilized, and we have used the following assumptions:

- Long-term Saudi Arabia Inflation of 2.70%/-
- Cap-Rate of 7.50%/-
- Discount rate of 10.70%/-

Discounted Cash-Flow

Period	1	2	3	4	5
Net Income	62,695,589	65,450,884	68,036,460	69,873,444	71,760,027
Exit Value					982,633,971
Net Cashflow	62,695,589	65,450,884	68,036,460	69,873,444	1,054,393,998
Net Present Value	56,892,549	53,895,478	50,838,991	47,378,987	648,776,264
Fair Value	857,782,269				
Fair Value (Rounded)	857,800,000				



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Valuation

Valuation – STC Academy

Valuation Commentary

- Based on the contract between the client and the tenant, all operating and maintenance expenses are incurred by the tenant.
- Regarding lease rates for offices, they vary in Al Sahafa from 500 to 900 SAR/sqm depending on the size and the finishing.
- Thus, based on the property finishing and taking into consideration the iconic building it is located on and the high-end finishing, 1,372 SAR/sqm is within the market rates as it requires a 100% premium to the average rate of the offices located in the surrounding areas due to the services provided in Rafal Tower and the iconic location.

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.
- 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%.

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Main Inputs

Description	Input
Property Name	STC Academy
Total Tenants	1
Leasable Area (sqm)	4,482
Blended Lease Rate (SAR/sqm)	1,372
Occupancy %	100%
Revenue	6,151,400

Capitalization Approach Valuation

Description	Input
Revenue	6,151,400
Operating Expenses %	0.0%
Operating Expenses	0
Maintenance %	0.0%
Maintenance	0
Net Income	6,151,400
Cap-Rate	8.50%
Fair Value	72,400,000

Site Location and Valuation Analysis

The Residence and Braira Hettin Villas, Riyadh

Site Location Analysis

Properties Description – The Residence and Braira Hettin Villas

- The Subject Properties are located in Hettin District, Riyadh with a total land area of 15,000 sqm.
- The Residence is a commercial complex with a land area of 5,000 sqm and a leasable area of 6,388 sqm. It consists of sixteen showrooms and three offices according to the building permit.
- Braira Villas are operated by Boudl and consist of thirty-two units and built on a land area of 10,000 sqm.
- The Subject properties can be accessed from Prince Mohammed Ibn Salman Ibn Abdulaziz Road of which has a direct frontage on.
- Both properties share one building permit having a total BUA of 15,277 sqm.

BUA Breakdown

Description	BUA (sqm)	Units	Use
Underground	2,926	0	Parking
Mezzanine	1,223	0	Commercial
Ground Floor	505	3	Offices
Ground Floor	2,702	32	Residential
Ground Floor	2,281	8	Commercial
First Floor	518	0	Offices
First Floor	2,702	0	Residential
First Floor	2,281	8	Commercial
Services	139	0	Commercial
Total	15,277	51	-

Subject Properties Map

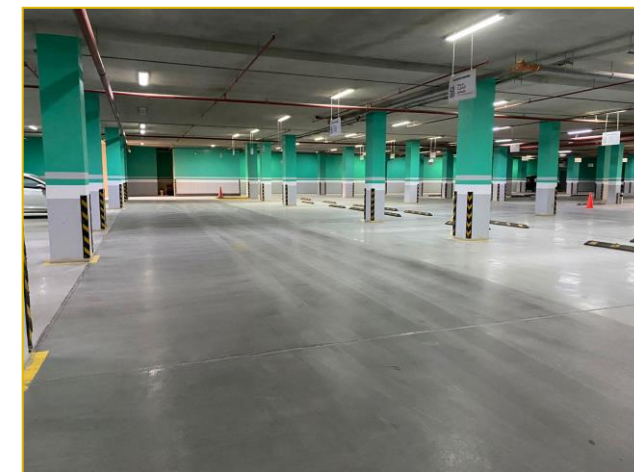
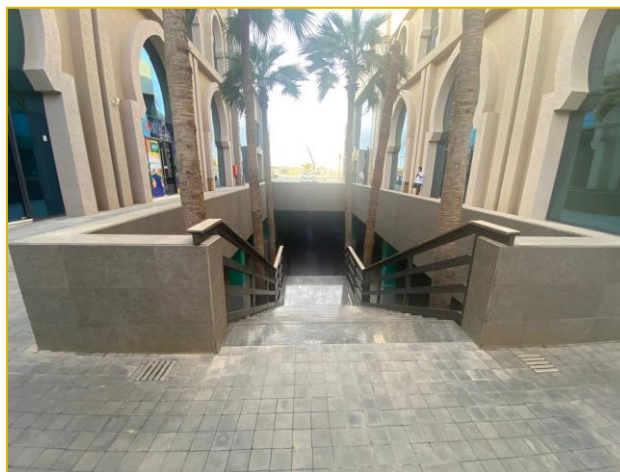


Site Location Analysis

Property Photographs – The Residence



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Site Location Analysis

Property Photographs – Braira Hettin Villas



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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 2.7%.
- 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 Fair 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 2.7 %/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.

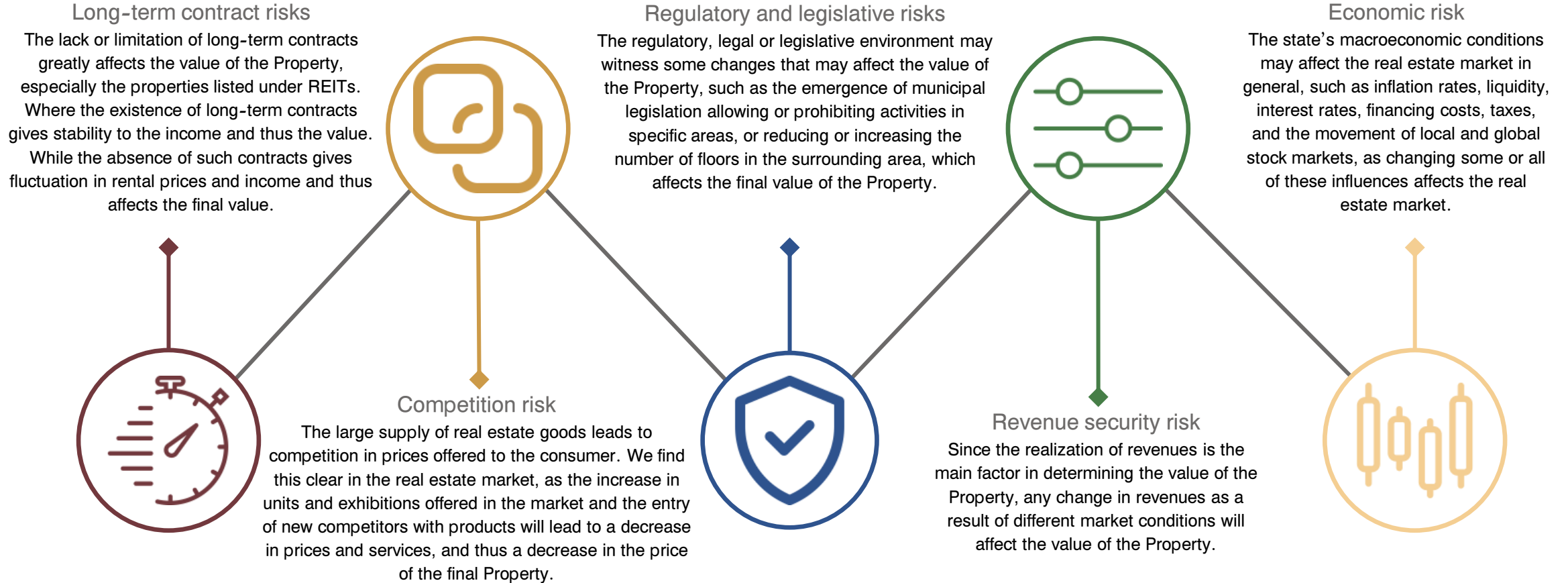
Discount Rates Commentary

- 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 2.7% 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 hospitality 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 10.70%.

Valuation

Valuation – The Residence

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Area Analysis

Description	Input
Area	5,000
BUA	9,873
Leasable Area	6,657
Leased Area	6,603
Vacant Area	54
Vacancy (%)	1%

Revenue Analysis

Description	Leasable Area	Vacancy	Blended Lease Rate
Total	6,603	1%	1,133

Revenue Breakdown

Description	Secured Income	Potential Income	Gross Potential Income
Income	7,483,772	110,000	7,593,772
Income (%)	99%	1%	100%
Blended Lease Rate	1,133	2,037	1,141

Main Inputs

Description	Input
Operating Expenses and Maintenance	721,199
Operating Expenses and Maintenance (%)	10%
Inflation	2.70%
Exit Yield	8.00%
Discount Rate	10.70%

Discounted Cash-Flow Model

Period	1	2	3	4	5
Gross Income	7,798,804	8,009,372	8,225,625	8,447,716	8,675,805
Vacancy %	1%	1%	1%	1%	1%
Effective Income	7,735,542	7,944,401	8,158,900	8,379,191	8,605,429
OPEX (%)	10%	10%	10%	10%	10%
OPEX	745,462	765,589	786,260	807,489	829,292
Net Income	6,990,080	7,178,812	7,372,640	7,571,701	7,776,137
Terminal Value	0	0	0	0	99,826,161
Cash Flow	6,990,080	7,178,812	7,372,640	7,571,701	107,602,298
Fair Value	87,400,000				

Valuation

Trading Projections – Braira Villas

Based on the market study done by Abaad and STR Global Data, below are the main inputs for the hotel valuation for the first five years.

Real Trading Projections

Year	1	2	3	4	5
Rooms	32	32	32	32	32
Occupancy	85.00%	90.00%	90.00%	90.00%	90.00%
ADR (SAR)	1,450	1,450	1,450	1,450	1,450
RevPAR (SAR)	1,233	1,305	1,305	1,305	1,305
Total Revenue (SAR 000s)	24,482	25,532	25,278	25,278	25,278
Departmental Expenses (SAR 000s)	6,174	6,421	6,342	6,342	6,342
Departmental Profit (SAR 000s)	18,308	19,110	18,935	18,935	18,935
Undistributed Expenses (SAR 000s)	6,733	6,383	5,839	5,839	5,839
Gross Operating Profit (SAR 000s)	11,575	12,728	13,096	13,096	13,096
Management Fees (SAR 000s)	1,175	1,430	1,694	1,694	1,694
Fixed Charges (SAR 000s)	1,200	1,123	1,036	1,036	1,036
FF&E Reserve (SAR 000s)	490	511	506	506	506
EBITDA (SAR 000s)	8,711	9,664	9,861	9,861	9,861
Net Profit %	35.6%	37.9%	39.0%	39.0%	39.0%

Inflated Trading Projections

Year	1	2	3	4	5
Rooms	32	32	32	32	32
Occupancy	85.00%	90.00%	90.00%	90.00%	90.00%
ADR (SAR)	1,489	1,529	1,571	1,613	1,657
RevPAR (SAR)	1,266	1,376	1,414	1,452	1,491
Total Revenue (SAR 000s)	25,143	26,929	27,381	28,120	28,879
Departmental Expenses (SAR 000s)	6,341	6,773	6,870	7,055	7,246
Departmental Profit (SAR 000s)	18,802	20,156	20,511	21,065	21,634
Undistributed Expenses (SAR 000s)	6,914	6,732	6,325	6,496	6,671
Gross Operating Profit (SAR 000s)	11,888	13,424	14,186	14,569	14,962
Management Fees (SAR 000s)	1,207	1,508	1,835	1,884	1,935
Fixed Charges (SAR 000s)	1,232	1,185	1,123	1,153	1,184
FF&E Reserve (SAR 000s)	503	539	548	562	578
EBITDA (SAR 000s)	8,946	10,193	10,681	10,970	11,266
Net Profit %	35.6%	37.9%	39.0%	39.0%	39.0%

Valuation

Discounted Cash-Flow – Braira Villas

We outline below the Cash Flow of the Property for the next 5 years, assuming that expenses percentage are stabilized, and we have used the following assumptions:

- Long-term Saudi Arabia Inflation of 2.70%/-
- Cap-Rate of 8.00%/-
- Discount rate of 10.70%/-

Discounted Cash-Flow

Period	1	2	3	4	5
Net Income	8,945,999	10,192,619	10,681,281	10,969,675	11,265,856
Net Cashflow	8,945,999	10,192,619	10,681,281	10,969,675	155,891,288
Net Present Value	8,081,300	8,317,457	7,873,729	7,304,715	93,774,280
Exit					144,625,431
Fair Value	125,351,481				
Fair Value (Rounded)	125,400,000				



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Site Location and Valuation Analysis

Vivienda, Riyadh

Site Location Analysis

Property Description – Vivienda

- The subject property is a hotel that consists of villas, located on Musa Ibn Nusair Street, Um Al Hamam District, in the city of Riyadh, with an area of **2,800 sqm** and BUA of **4,279 sqm**.
- The Building regulation is Residential / Commercial / Office, and the Coverage is up to **60%** for the ground floor and **75%** for the repeated floors.
- The subject property has frontages on Moussa Ibn Nusair Street and on Albadeh Street (internal road.)
- The subject property have facilities such as Restaurants, Swimming Pools, Lounges, and Gyms.
- It is leased entirely to an independent operator for an annual amount of **3.9 million Saudi Riyal** until **22 April 2026**.
- Based on client input, lease rental will increase by **10%** from **23 April 2026** through the end of lease term. Lease will expire on **23 April 2031**.

BUA Breakdown

Description	BUA (sqm)	Units	Use
Underground	1,311	1	Parking and Entertainment
Ground Floor	913	10	Residential
First Floor	1,328	2	Residential
Annex	507	1	Residential
Total	4,059	14	-

Subject Property Map

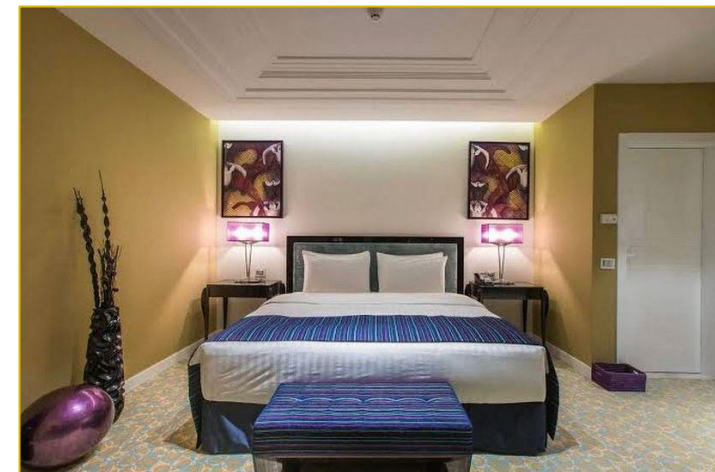


Site Location Analysis

Property Photographs – Vivienda



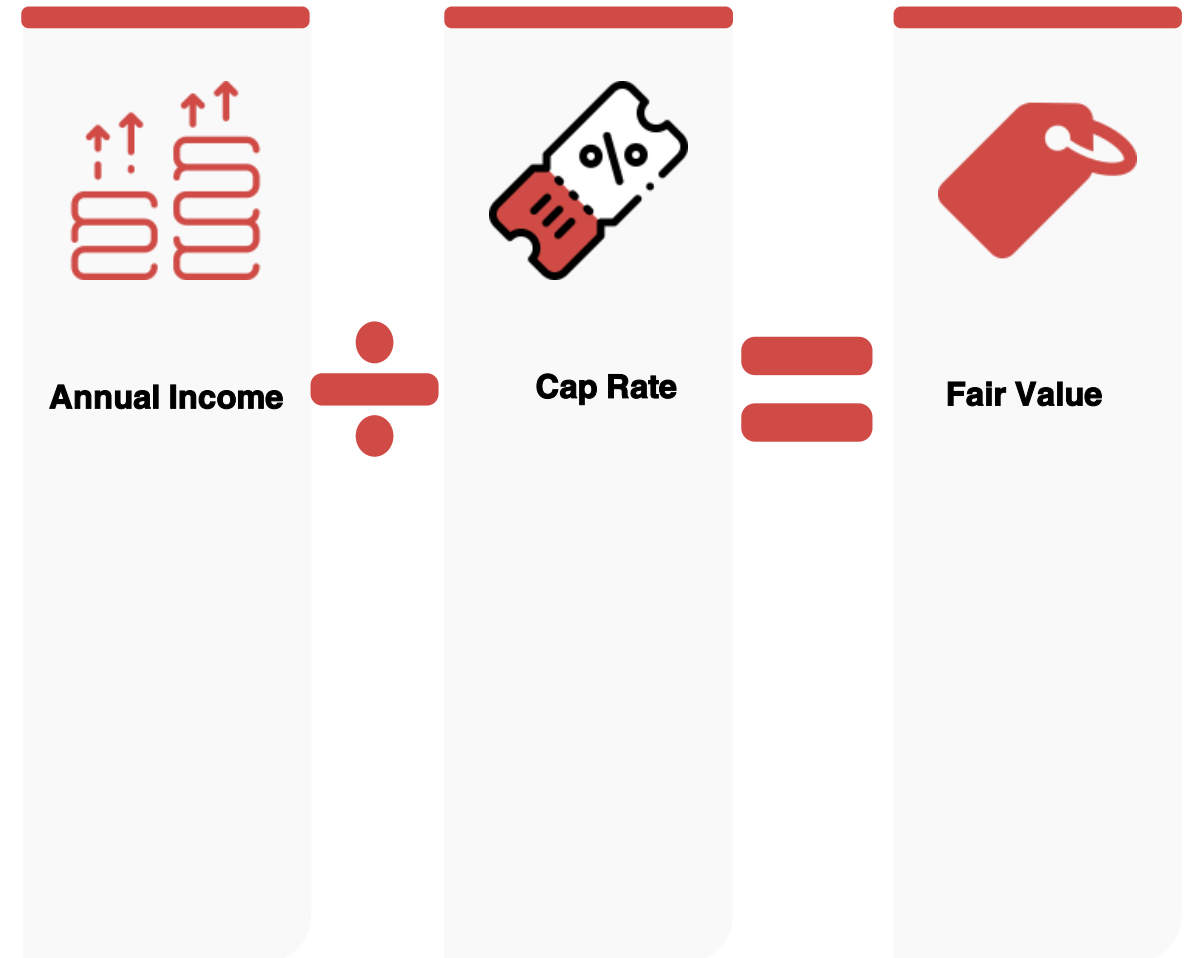
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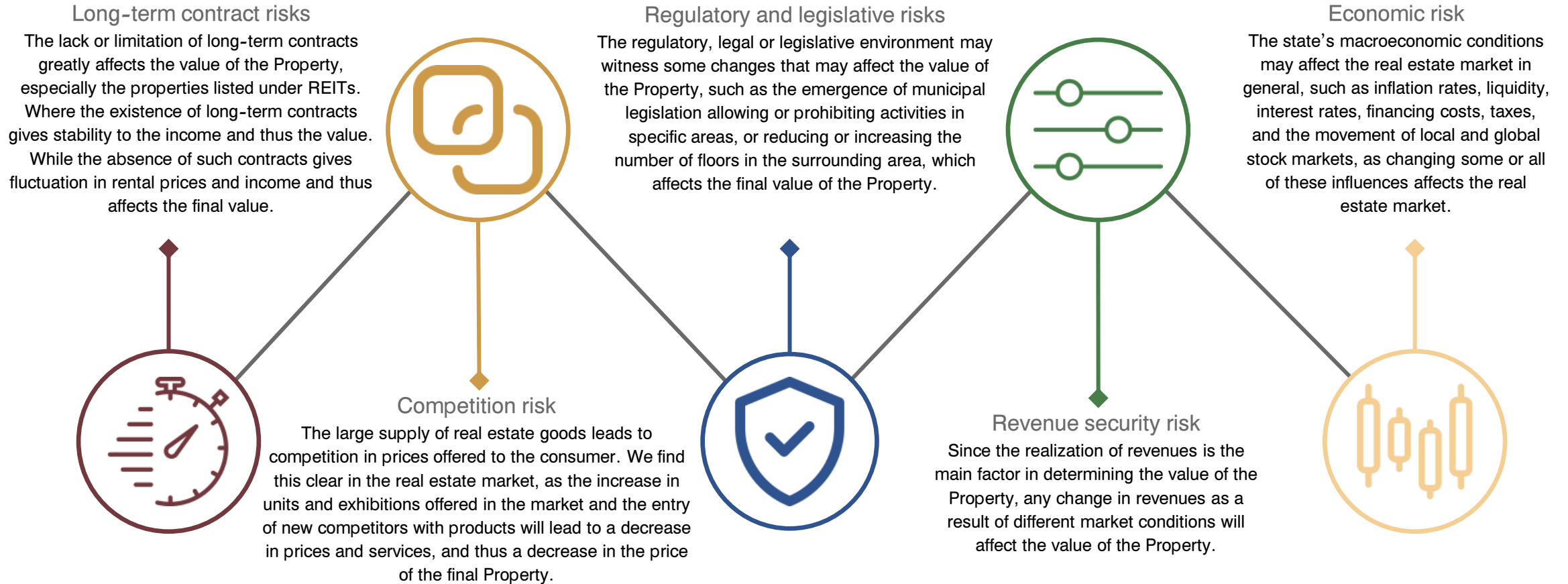
Valuation Methodology

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).



Property Risk Analysis



Valuation

Valuation – Vivienda

Valuation Commentary

- Based on the contract between the client and the tenant, all operating and maintenance expenses are incurred by the tenant.
- Regarding lease rates for similar properties, 3 beds villas with private pool in compounds are being leased from 140,000 to 180,000 SAR per year, and from 1,500 to 2,000 SAR per day.

Revenues

Payments Date	Annual Lease Payment (SAR)
4/23/2017 to 4/22/2026	3,900,000
4/23/2016 to 4/22/2031	4,300,000

- Based on the above table, the average annual lease of the remaining period is 4,133,333 SAR.

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%.

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Main Inputs

Description	Input
Property Name	Vivienda
Total Tenants	1
Leasable Area (sqm)	4,279
Occupancy %	100%
Revenue	4,133,333

Capitalization Approach Valuation

Description	Input
Revenue	4,133,333
Operating Expenses %	0.0%
Operating Expenses	0
Maintenance %	0.0%
Maintenance	0
Net Income	4,133,333
Cap-Rate	8.00%
Fair Value	51,700,000

Site Location and Valuation Analysis

Al Tamayuz, Riyadh

Site Location Analysis

Property Description – Al Tamayuz

- The Subject Property is commercial center located in Ghernata District, Riyadh with a land area of 4,630 sqm, total built-up area of 7,106 sqm.
- It has commercial use, can be accessed primarily from Imam Abdullah ibn Saud Road and Khalid ibn Al Walid Road of which has a direct frontage on.
- According to the building permit, it contains a total of 12 showrooms and 32 offices.
- It has two different entrances with 2 elevators that connect all the floors together.

BUA Breakdown

Description	BUA (sqm)	Units	Use
Mezzanine	1,137	0	Commercial
Ground Floor	2,274	12	Commercial
First Floor	2,464	21	Offices
Annex	1,232	11	Offices
Total	7,106	44	-

Subject Property Map



Site Location Analysis

Property Photographs – Al Tamayuz



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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 2.7%.
- 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 Fair 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 2.7 %/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.

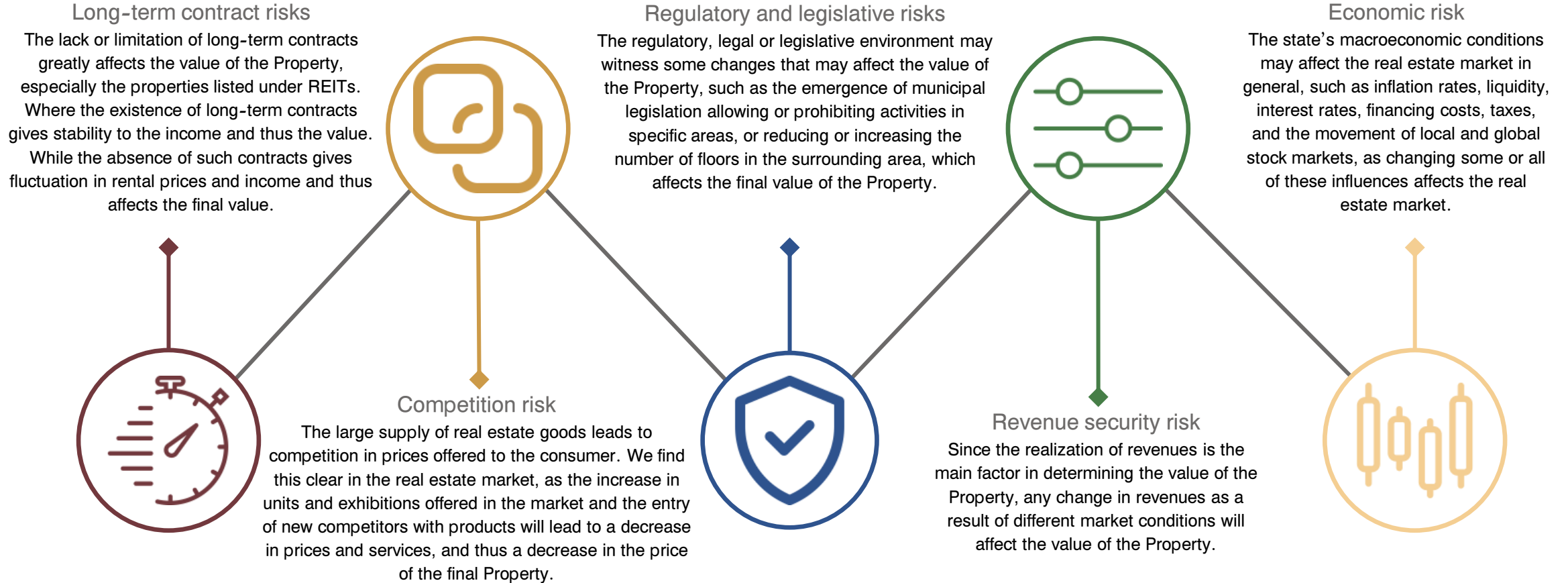
Discount Rates Commentary

- 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 2.7% 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 and retail 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 7.50%.

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 10.20%.

Valuation

Valuation – Al Tamayuz Center

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Area Analysis

Description	Input
Area	4,630
BUA	19,740
Leasable Area	6,349
Leased Area	6,349
Vacant Area	0
Vacancy (%)	0%

Revenue Analysis

Description	Type	Leasable Area	Vacancy	Blended Lease Rate
Ground Floor	Retail	3,443	0%	795
First Floor	Offices	2,003	0%	655
Second Floor	Offices	903	0%	654
Total	-	6,349	0%	731

Revenue Breakdown

Description	Secured Income	Potential Income	Gross Potential Income
Income	4,638,863	0	4,638,863
Income (%)	100%	0%	100%
Blended Lease Rate	731	0	731

Main Inputs

Description	Input
Operating Expenses and Maintenance	381,321
Operating Expenses and Maintenance (%)	8%
Inflation	2.70%
Exit Yield	7.50%
Discount Rate	10.20%

Discounted Cash-Flow Model

Period	1	2	3	4	5
Gross Income	4,764,112	4,892,743	5,024,847	5,160,518	5,299,852
Vacancy %	0%	5%	5%	5%	5%
Effective Income	4,764,112	4,648,106	4,773,605	4,902,492	5,034,859
OPEX (%)	8%	8%	8%	8%	8%
OPEX	391,617	382,081	392,397	402,992	413,872
Net Income	4,372,495	4,266,025	4,381,208	4,499,500	4,620,987
Terminal Value	0	0	0	0	63,276,714
Cash Flow	4,372,495	4,266,025	4,381,208	4,499,500	67,897,700
Fair Value	55,600,000				

Site Location and Valuation Analysis

Al Izdihar, Riyadh

Site Location Analysis

Property Description – Al Izdihar

- The Subject Property is commercial center located in Al Izdihar District, Riyadh with a land area of 2,515 sqm, total built-up area of 6,351 sqm.
- It has commercial use, can be accessed primarily from Othman bin Affan Road of which has a direct frontage on.
- According to the building permit, it contains a total of 7 showrooms and 17 offices.
- The property is 1.3 km away from Al Nakheel Mall.

BUA Breakdown

Description	BUA (sqm)	Units	Use
Underground	1,655	0	Services
Mezzanine	751	0	Commercial
Ground Floor	1,503	7	Commercial
First Floor	1,628	10	Offices
Annex	814	7	Offices
Total	6,351	24	-

Subject Property Map

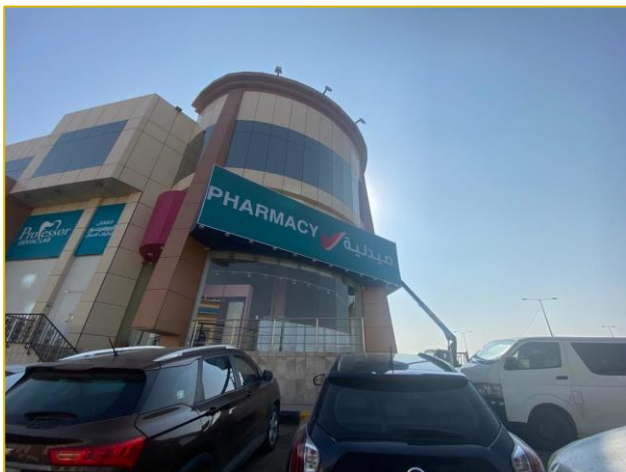


Site Location Analysis

Property Photographs – Al Izdihar



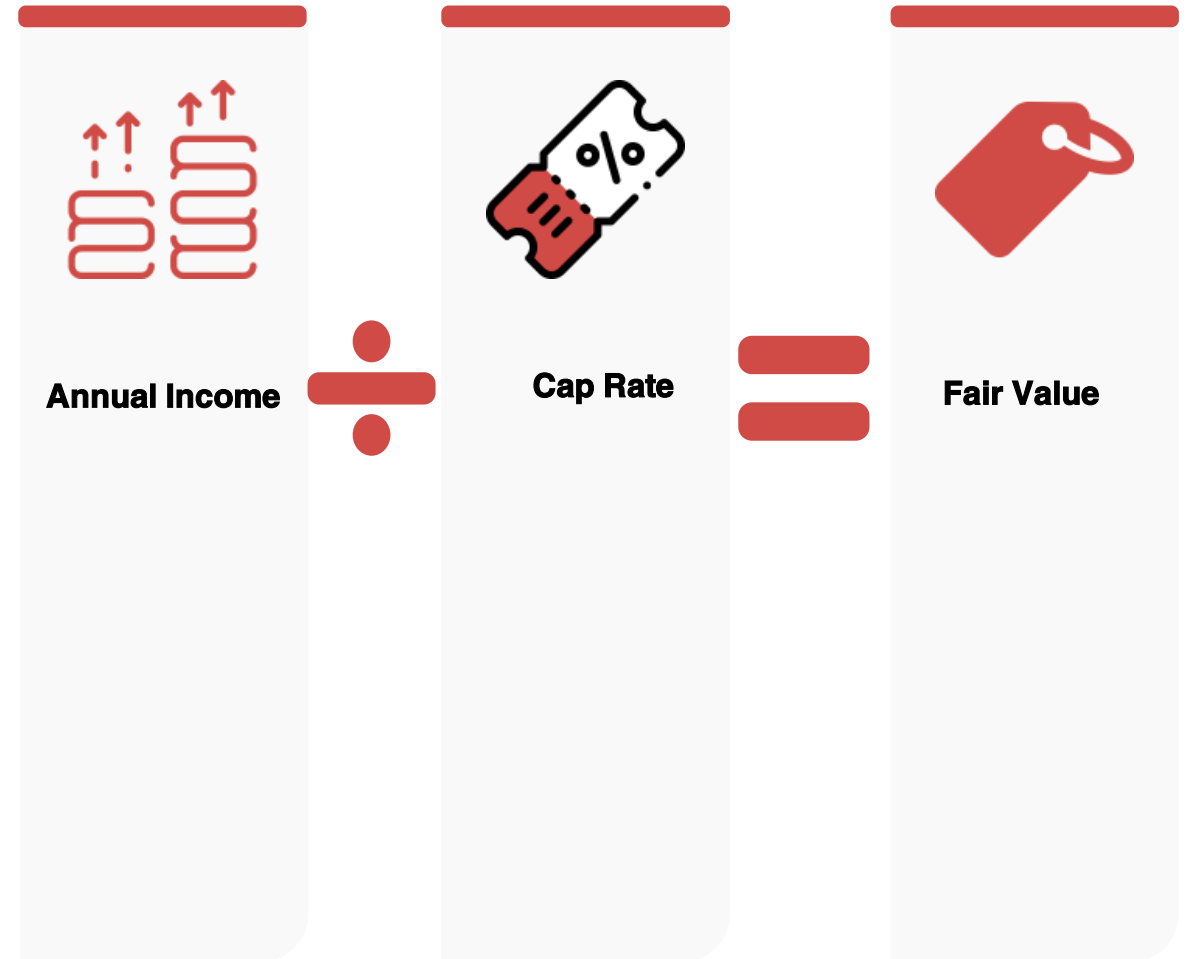
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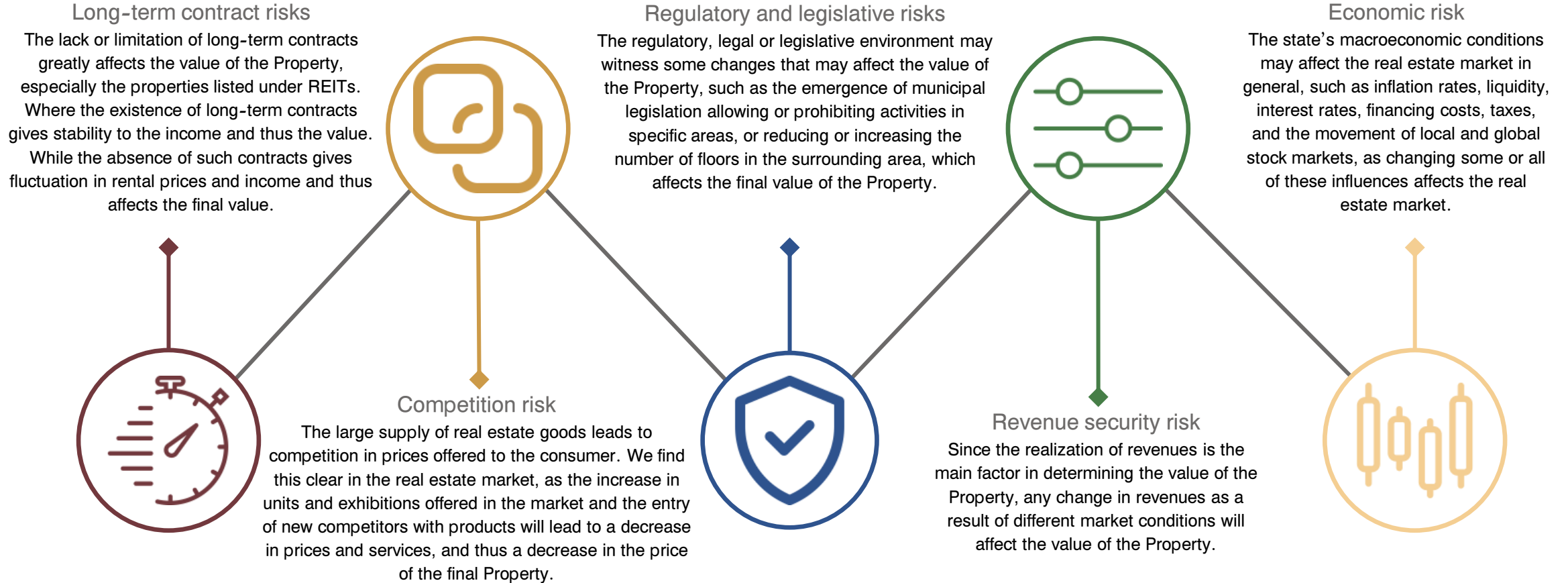
Valuation Methodology

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).



Property Risk Analysis



Valuation

Valuation – Al Izdihar Center

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Area Analysis

Description	Input
Area	2,515
BUA	6,351
Leasable Area	4,385
Leased Area	4,385
Vacant Area	0
Vacancy (%)	0%

Revenue Analysis

Description	Leasable Area	Vacancy	Blended Lease Rate	Number of Units
Retail	2,160	0%	962	4
Offices	2,225	0%	717	15
Total	4,385	0%	837	19

Revenue Breakdown

Description	Secured Income	Potential Income	Gross Potential Income
Income	3,632,245	0	3,672,425
Income (%)	100%	0%	100%
Blended Lease Rate	837	0	837

Main Inputs

Description	Input
Operating Expenses and Maintenance	249,644
Operating Expenses and Maintenance (%)	7%
Inflation	2.70%
Exit Yield	8.00%
Discount Rate	10.70%

Capitalization Approach Valuation

Description	Input
Revenue	3,672,425
Operating Expenses and Maintenance	6.8%
Operating Expenses and Maintenance (%)	249,644
Net Income	3,422,781
Cap-Rate	8.00%
Fair Value	42,800,000

Site Location and Valuation Analysis

Al Raed Building, Riyadh

Site Location Analysis

Property Description – Al Raed Building

- The Subject Property is located in Al Raed District, Riyadh with a land area of 5,000 sqm, total built-up area of 26,997 sqm.
- It has commercial use, can be accessed primarily from King Abdallah Road of which has a direct frontage on.
- It has six floors and an annex which are all offices.
- The property is leased entirely to one tenant for an annual payment of 14.755 million Saudi Riyal until 21 November 2024.
- Based on client input, lease renewal is done as of valuation date without any rental change.

BUA Breakdown

Description	BUA (sqm)	Use
Ground Floor	1,839	Offices
Parking 1	5,000	Services
Parking 2	5,000	Services
Parking 3	5,000	Services
First Floor	1,839	Offices
Second Floor	1,839	Offices
Third Floor	1,839	Offices
Fourth Floor	1,839	Offices
Fifth Floor	1,839	Offices
Electricity Room	46	Services
Annex	919	Offices
Total	26,997	-

Subject Property Map

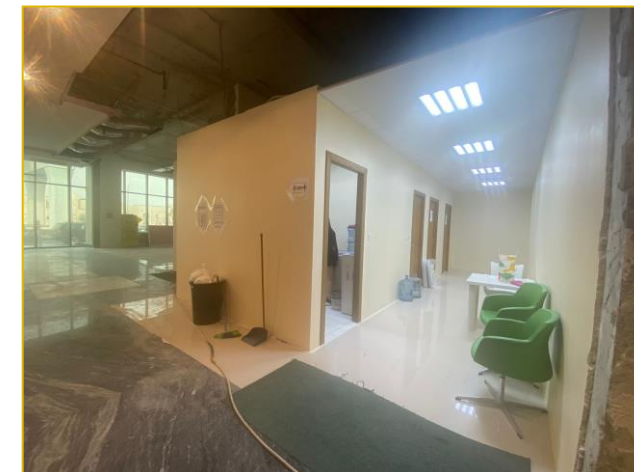


Site Location Analysis

Property Photographs – Al Raed Building



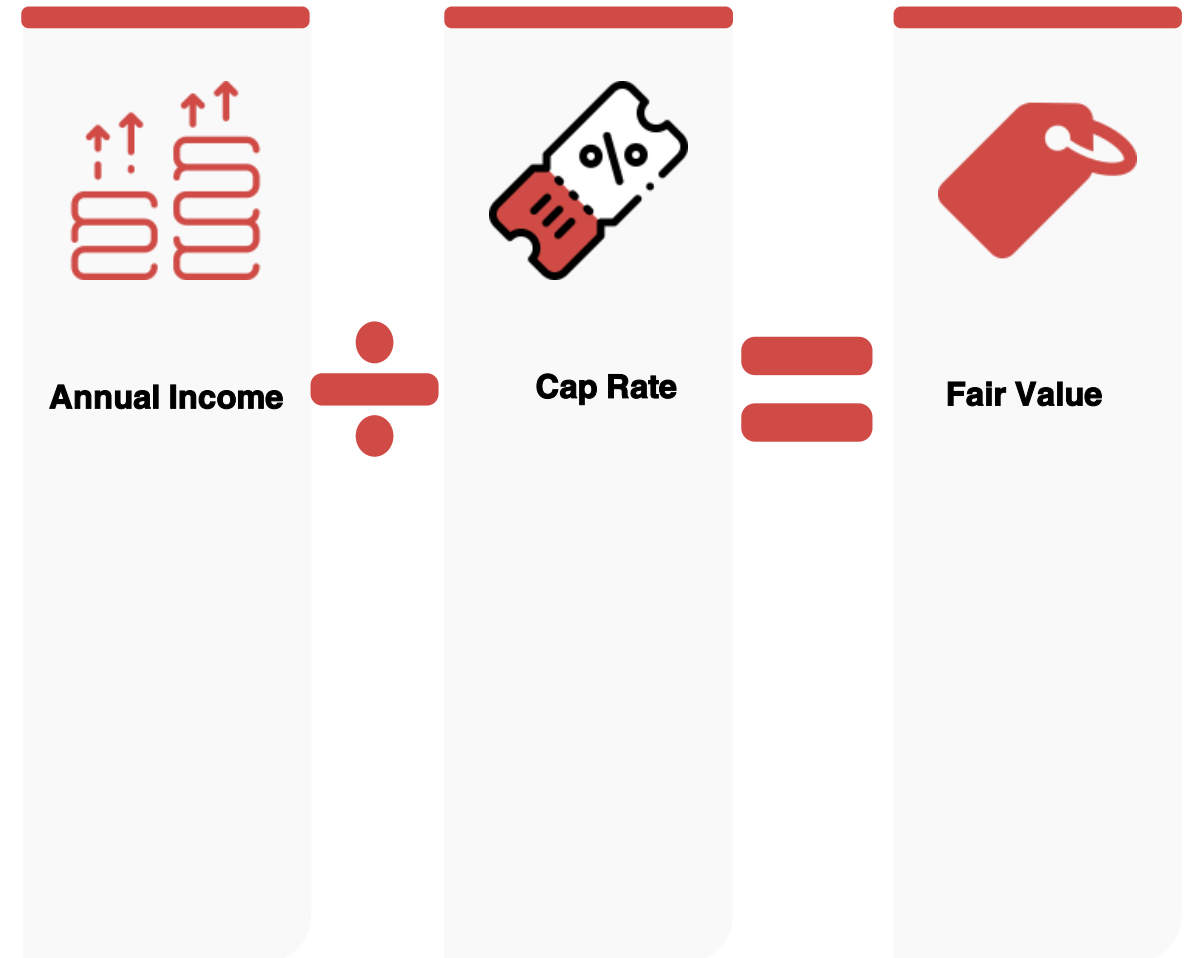
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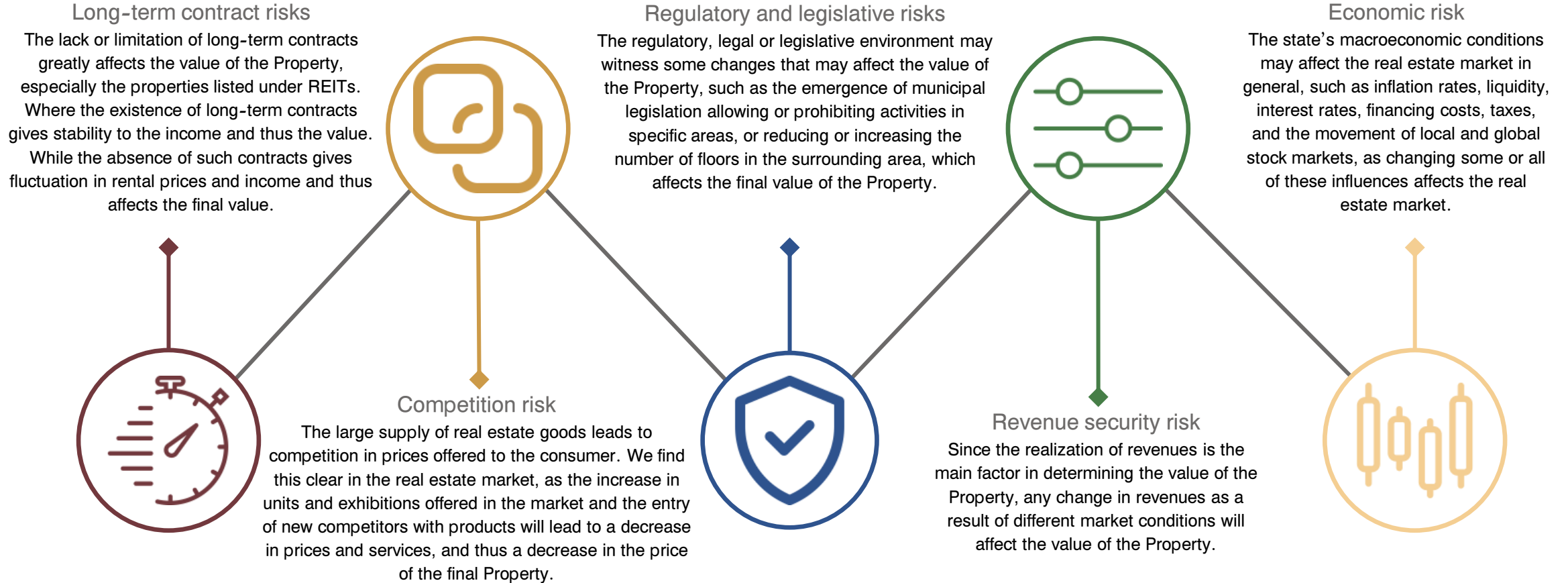
Valuation Methodology

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).



Property Risk Analysis



Valuation

Valuation – Al Raed Building

Valuation Commentary

- Based on the contract between the client and the tenant, all operating and maintenance expenses are incurred by the tenant.
- Regarding lease rates, office lease rates vary from 500 to 700 SAR/sqm for area of 100 sqm, and showrooms lease rates vary from 900 to 1,400 depending on the location and the finishing.
- The subject property enjoys a premium in terms of blended lease rate as the lease rate of the vacant land that is used for parking is also embedded in the contract.

Revenues

Payments Date	Annual Lease Payment (SAR)
11/22/2021 to 11/21/2024	14,755,000
11/22/2024 to 11/21/2027	16,230,500

- As per discussion with Client, lease renewal is not done as of the valuation date.
- Based on the above table, we have assumed that the rent 14,755,000 SAR to be equal to full year payment of year 2024.

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Main Inputs

Description	Input
Property Name	Al Raed
Total Tenants	1
Leasable Area (sqm)	11,650
Blended Lease Rate (SAR/sqm)	1,267
Occupancy %	100%
Revenue	14,755,000

Capitalization Approach Valuation

Description	Input
Revenue	14,755,000
Operating Expenses %	0.0%
Operating Expenses	0
Maintenance %	0.0%
Maintenance	0
Net Income	14,755,000
Cap-Rate	7.50%
Fair Value	196,700,000

Dammam & Khobar Properties

Executive Summary

Valuation Terms

Disclaimers

Tenure

99

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation

Appendices

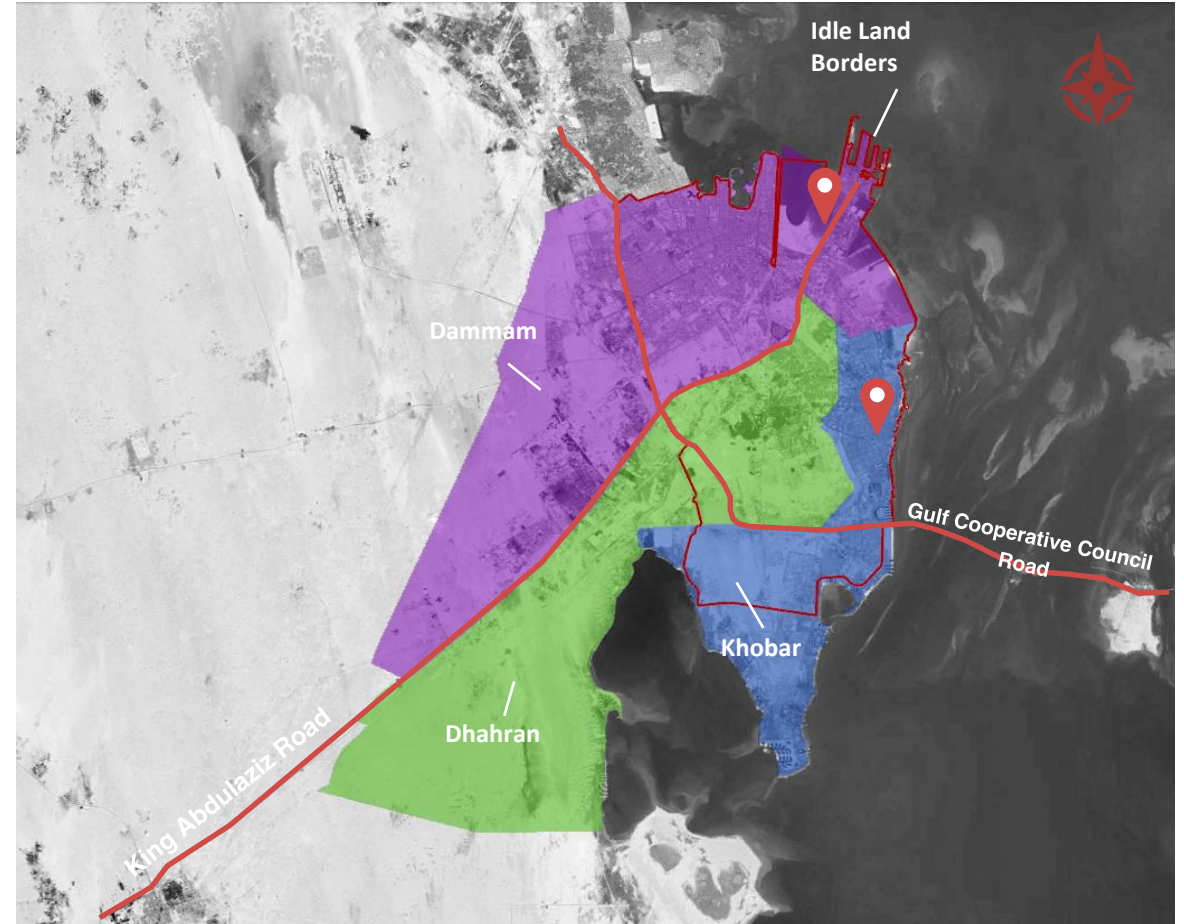
Site Location Analysis

Macro Analysis

Location

- The Subject Properties are located in Dammam and Khobar which are considered as a one major city and the Eastern province's capital located on the Arabian Gulf coast of Saudi Arabia. It is one of the largest cities in the Gulf Cooperation Council.
- The main iconic touristic sites in Dammam are the Half Moon Bay, Saudi Arabia's cultural hub, a symbol of Saudi's cultural renaissance, and the Al Khobar waterfront with dancing fountains and landscaped gardens.
- The discovery of immense oil reserves in Dammam led to a radical transformation of the once small coastal settlement into a boomtown that is now a major seaport, a petroleum and natural gas center. In addition, it is the commercial hub of eastern Saudi Arabia and the railroad's eastern terminus to Riyadh.
- Many of Dammam's residents work for the world's largest oil company and the most profitable company globally (ARAMCO). Dammam also hosts many regional and international companies. Nowadays, Dammam and Khobar are witnessing a boom period in the residential and entertainment sectors due to their strategic location, the shift in the lifestyle, Al Iskan, shi, and the increase in their residents' purchasing power. Finally, many international and local development companies announced the start of mega projects in these two cities.

Exhibit 52: Macro Location Map



Site Location and Valuation Analysis

Al Shatee Towers, Dammam

Site Location Analysis

Property Description – Al Shatee Towers

- The Subject Property is located in Al Shatee District, Dammam with a land area of 6,300 sqm, total built-up area of 15,417 sqm.
- It has mix use, can be accessed primarily from Prince Mohammed Bin Fahed Road of which has a direct frontage on.
- It consists of three buildings of which have commercial units, residential units (Hotel), and offices.

BUA Breakdown

Description	BUA (sqm)	Units	Use
Ground Floor	1,706	0	Parking
Ground Floor	807	12	Commercial
Ground Floor	162	0	Services
Mezzanine	482	0	Services
First Floor	1,175	9	Offices
First Floor	1,281	12	Residential
Second Floor	1,175	9	Offices
Second Floor	1,284	12	Residential
Third Floor	886	8	Offices
Third Floor	1,255	12	Residential
Fourth Floor	866	8	Offices
Fourth Floor	1,255	12	Residential
Fifth Floor	866	8	Offices
Fifth Floor	1,255	12	Residential
Sixth Floor	286	2	Offices
Sixth Floor	676	2	Residential
Total	15,417	118	-

Subject Property Map

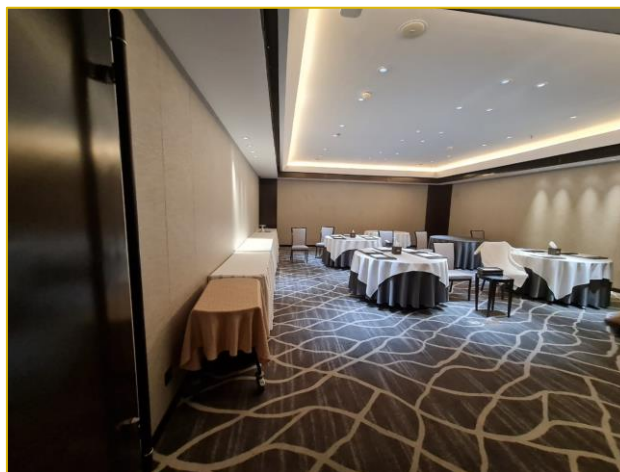
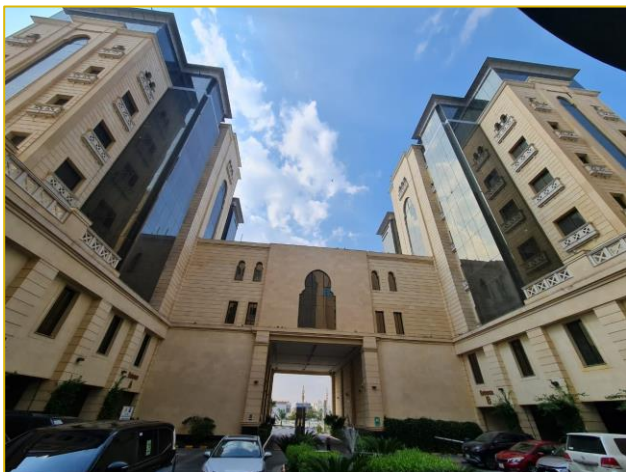


Site Location Analysis

Property Photographs – Al Shatee Towers



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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 2.7%.
- 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 Fair 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 2.7 %/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.

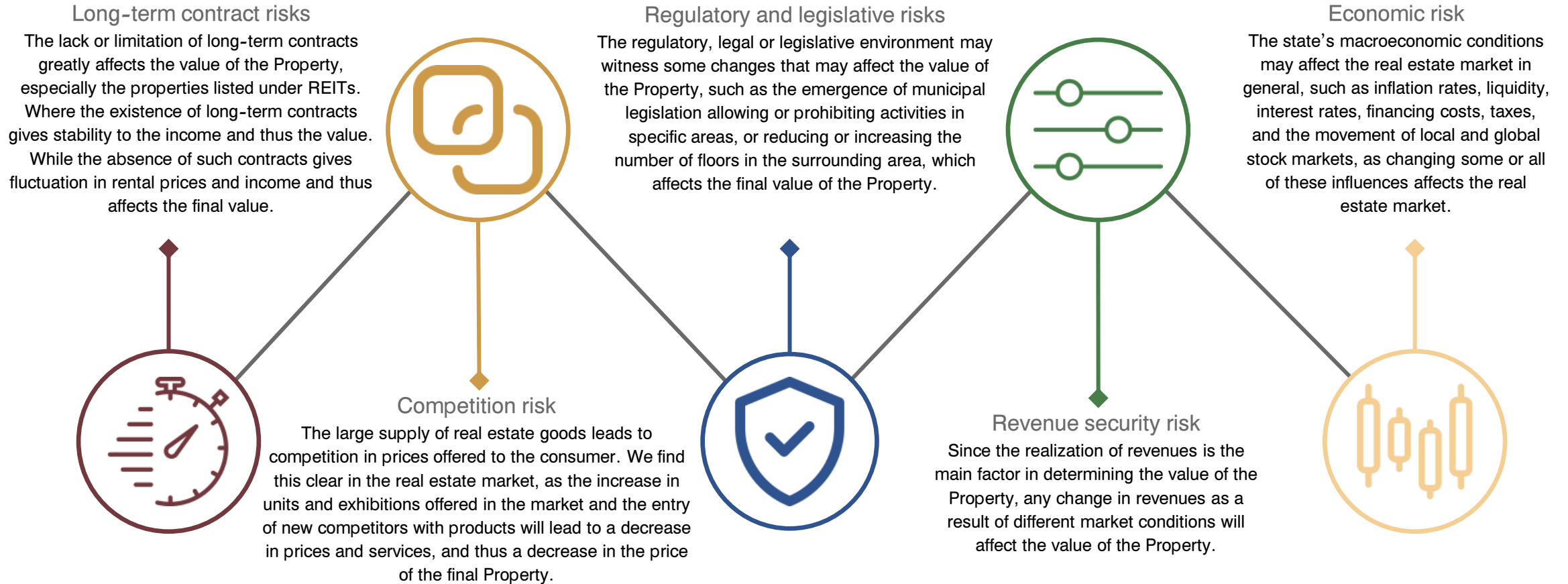
Discount Rates Commentary

- 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 2.7% 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 and retail 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 10.70%.

Valuation

Valuation – Al Shatee Towers

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Area Analysis

Description	Input
Area	6,300
BUA	15,417
Leasable Area	13,306
Leased Area	8,002
Vacant Area	5,304
Vacancy (%)	40%

Revenue Analysis

Description	Leasable Area	Leased Area	Vacancy	Revenue	Blended Lease Rate
Showrooms	1,260	308	76%	270,000	877
Offices	6,156	1,804	71%	761,790	422
Hotel	5,890	5,890	0%	4,400,000	747
Total	13,306	8,002	40%	5,431,790	679

Revenue Breakdown

Description	Secured Income	Potential Income	Gross Potential Income
Total	5,431,790	3,083,545	8,515,335
Income From Offices and Showrooms	1,031,790	3,083,545	4,115,335
Income %	25%	75%	100%
Blended Lease Rate Offices and Showrooms	489	581	555

Main Inputs

Description	Input
Operating Expenses and Maintenance	41,272
Operating Expenses and Maintenance (%)	4%
Inflation	2.70%
Exit Yield	8.00%
Discount Rate	10.70%

Discounted Cash-Flow Model

Period	1	2	3	4	5
Hotel Revenue	4,518,800	4,640,808	4,766,109	4,894,794	5,026,954
Gross Income (Offices and Showrooms)	4,226,449	4,340,563	4,457,758	4,578,118	4,701,727
Vacancy (Offices and Showrooms) %	72%	40%	20%	10%	10%
Total Effective Income	1,203,649	2,604,338	3,566,207	4,120,306	4,231,554
OPEX (%)	4%	4%	4%	4%	4%
OPEX	48,146	104,174	142,648	164,812	169,262
Net Income	5,674,303	7,140,972	8,189,668	8,850,288	9,089,246
Terminal Value	0	0	0	0	117,064,464
Cash Flow	5,674,303	7,140,972	8,189,668	8,850,288	125,772,441
Fair Value	98,500,000				

Site Location and Valuation Analysis

Ascott Hotel, Khobar

Site Location Analysis

Property Description – Ascott Hotel, Khobar

- The Subject Property is located in Al Yurmouk District, Khobar with a land area of 2,784 sqm, total built-up area of 24,192 sqm.
- It has a commercial use, can be accessed primarily from Prince Turki Road of which has a direct frontage on.
- It consists Ascott hotel hosting 122 residential units, three showrooms and an internal restaurant.

BUA Breakdown

Description	BUA (sqm)	Units	Use
Underground	2,625	0	Parking
Underground	2,625	0	Parking
Ground Floor	151	3	Commercial
Mezzanine	58	0	Commercial
Ground Floor	109	0	Reception
Ground Floor	103	1	Restaurant
Ground Floor	866	0	Services
Mezzanine	185	0	Services
Mezzanine	762	0	Services
First Floor	1,330	10	Residential
Second to Twelfth Floor	14,631	110	Residential
Thirteenth Floor	747	2	Residential
Total	24,192	126	-

Subject Property Map

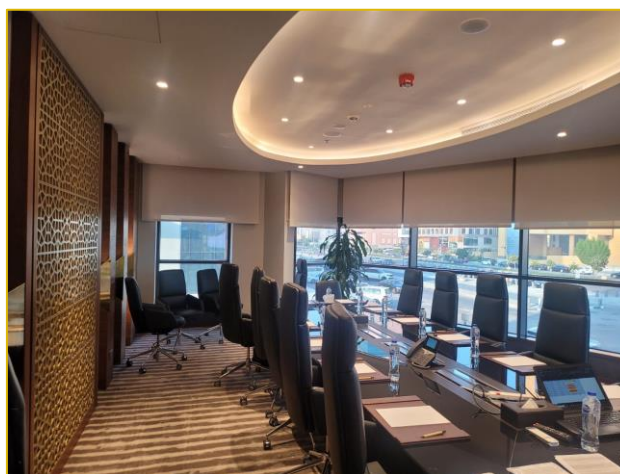


Site Location Analysis

Property Photographs – Ascott Hotel, Khobar



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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 hotel 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 2.7%.
- 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 Fair 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 2.7 %/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.

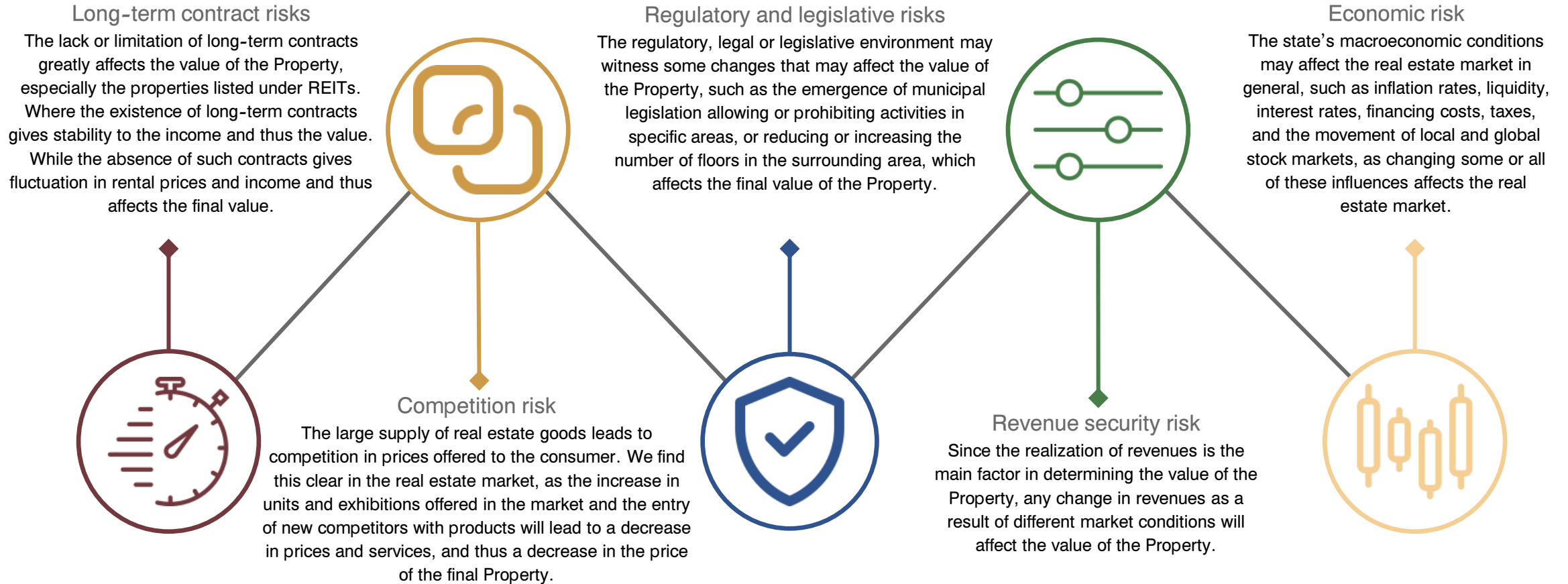
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Property Risk Analysis



Valuation Approach

Valuation Methods Used

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Inflation Rate

- Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.7% 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 hospitality 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 7.50%.

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 10.20%.

Valuation

Trading Projections – Ascott, Khobar

Based on the market study done by Abaad and STR Global Data, below are the main inputs for the hotel valuation for the first four years.

Real Trading Projections

Year	1	2	3	4
Rooms	172	172	172	172
Occupancy	65.00%	65.00%	65.00%	65.00%
ADR (SAR)	650	650	650	650
RevPAR (SAR)	423	423	423	423
Total Revenue (SAR 000s)	41,251	41,251	41,251	41,251
Departmental Expenses (SAR 000s)	11,078	11,078	11,078	11,078
Departmental Profit (SAR 000s)	30,173	30,173	30,173	30,173
Undistributed Expenses (SAR 000s)	9,529	9,529	9,529	9,529
Gross Operating Profit (SAR 000s)	20,644	20,644	20,644	20,644
Management Fees (SAR 000s)	2,600	2,600	2,600	2,600
Fixed Charges (SAR 000s)	1,238	1,238	1,238	1,238
FF&E Reserve (SAR 000s)	825	825	825	825
EBITDA (SAR 000s)	15,981	15,981	15,981	15,981
Net Profit %	38.7%	38.7%	38.7%	38.7%

Inflated Trading Projections

Year	1	2	3	4
Rooms	172	172	172	172
Occupancy	65.00%	65.00%	65.00%	65.00%
ADR (SAR)	668	686	704	723
RevPAR (SAR)	434	446	458	470
Total Revenue (SAR 000s)	42,365	43,509	44,684	45,890
Departmental Expenses (SAR 000s)	11,378	11,685	12,000	12,324
Departmental Profit (SAR 000s)	30,987	31,824	32,683	33,566
Undistributed Expenses (SAR 000s)	9,786	10,051	10,322	10,601
Gross Operating Profit (SAR 000s)	21,201	21,774	22,361	22,965
Management Fees (SAR 000s)	2,670	2,743	2,817	2,893
Fixed Charges (SAR 000s)	1,271	1,305	1,341	1,377
FF&E Reserve (SAR 000s)	847	870	894	918
EBITDA (SAR 000s)	16,412	16,856	17,311	17,778
Net Profit %	38.7%	38.7%	38.7%	38.7%

Valuation

Discounted Cash-Flow – Ascott, Khobar

We outline below the Cash Flow of the Property for the next 4 years, assuming that expenses percentage are stabilized, and we have used the following assumptions:

- Long-term Saudi Arabia Inflation of 2.70%/-
- Cap-Rate of 7.50%/-
- Discount rate of 10.20%/-

Discounted Cash-Flow

Period	1	2	3	4	5	6	7	8	9	10
Hotel Net Income	16,412,415	16,855,550	17,310,650	17,778,038	18,258,045	18,751,012	19,257,289	19,777,236	20,311,221	20,859,624
Showrooms Net Income	338,910	348,061	357,458	367,110	377,022	387,201	397,656	408,392	419,419	430,743
Total Income	16,751,325	17,203,611	17,668,108	18,145,147	18,635,066	19,138,213	19,654,945	20,185,628	20,730,640	21,290,368
Exit Value										283,871,568
Net Cashflow	16,751,325	17,203,611	17,668,108	18,145,147	18,635,066	19,138,213	19,654,945	20,185,628	20,730,640	21,290,368
Net Present Value	15,200,839	14,166,300	13,202,168	12,303,654	11,466,291	10,685,918	9,958,655	9,280,888	8,649,248	115,535,225
Fair Value	220,449,186									
Fair Value (Rounded)	220,400,000									

Jeddah Properties

Executive Summary

Valuation Terms

Disclaimers

Tenure

118

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation

Appendices

Site Location Analysis

Macro Location

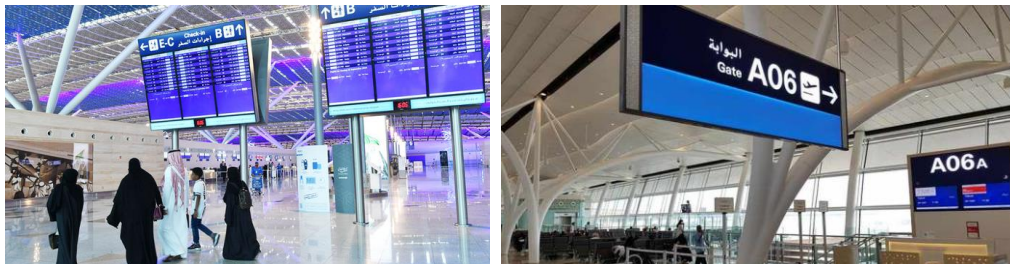
Location

- The Subject Properties are located in the Middle of Jeddah, which is the capital of the Western Province and the principal gateway to the two holy mosques. In addition, Jeddah City is considered a tourist destination and a prime commercial hub in the Kingdom of Saudi Arabia.
- The expansion of Jeddah City starts from the Center of Jeddah, where Jeddah Historical City takes place, taking a linear position towards the northern peripheries of the City.
- Variety of mega demand generators in the city are located North of Jeddah, including King Abdullah Sport City, King Abdulaziz International Airport, Jeddah Economic City, Obhur Mall, etc...
- The primary commercial and business nodes in Jeddah, take place in the Center primarily along Tahlia Street, and Madinah Road, with King Abdulaziz Road, and Prince Sultan Street hosting newly developed centers (and/or on the pipeline), adding more retail and office spaces to the supply of Jeddah Market.
- Furthermore, the industrial areas are scattered on the City's northern and eastern fringes, with the primary industrial hub and the Kingdom's largest seaport being located in the South of Jeddah.
- The residential density in the City is concentrated in the Central and Northern parts of the City, such as Al Khalidiyyah, As Samir, An Nahdah, Al Zahra, Al Rayaana Districts, with the new residential supply is taking place Far North of Jeddah towards Al Jawhara, Al Raidah, as well as, Mayasem masterplans.



Site Location Analysis

Public Transport- Al-Haramain Train



- King Abdulaziz International Airport is currently undergoing expansion plans, which are divided into three phases.
- Phase 1 of the expansion project is currently operational, although not at its full handling capacity. Phase 1 will increase the annual capacity of passengers from 13 Million Annual Passengers.
- However, due to delays in the expansion plans, the focus of the project is currently on phase 1 and uncertainty surrounds phases 2 and 3, but initially the project is expected to be completed by 2035, capturing 80 working plan.
- The new Expansion of KAIA spans a total Gross Floor Area of 670,000 sqm and featuring 120 retail outlets and 120 hospitality rooms.



120 Hospitality
Rooms



46 Gates



120 Retail Stores



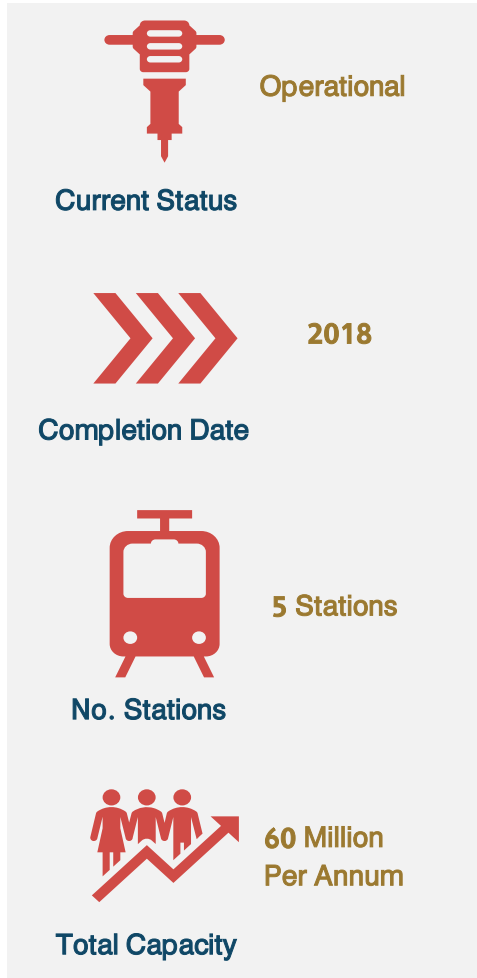
21.6K parking
lots



Hajj and Umrah
Terminal
Complex

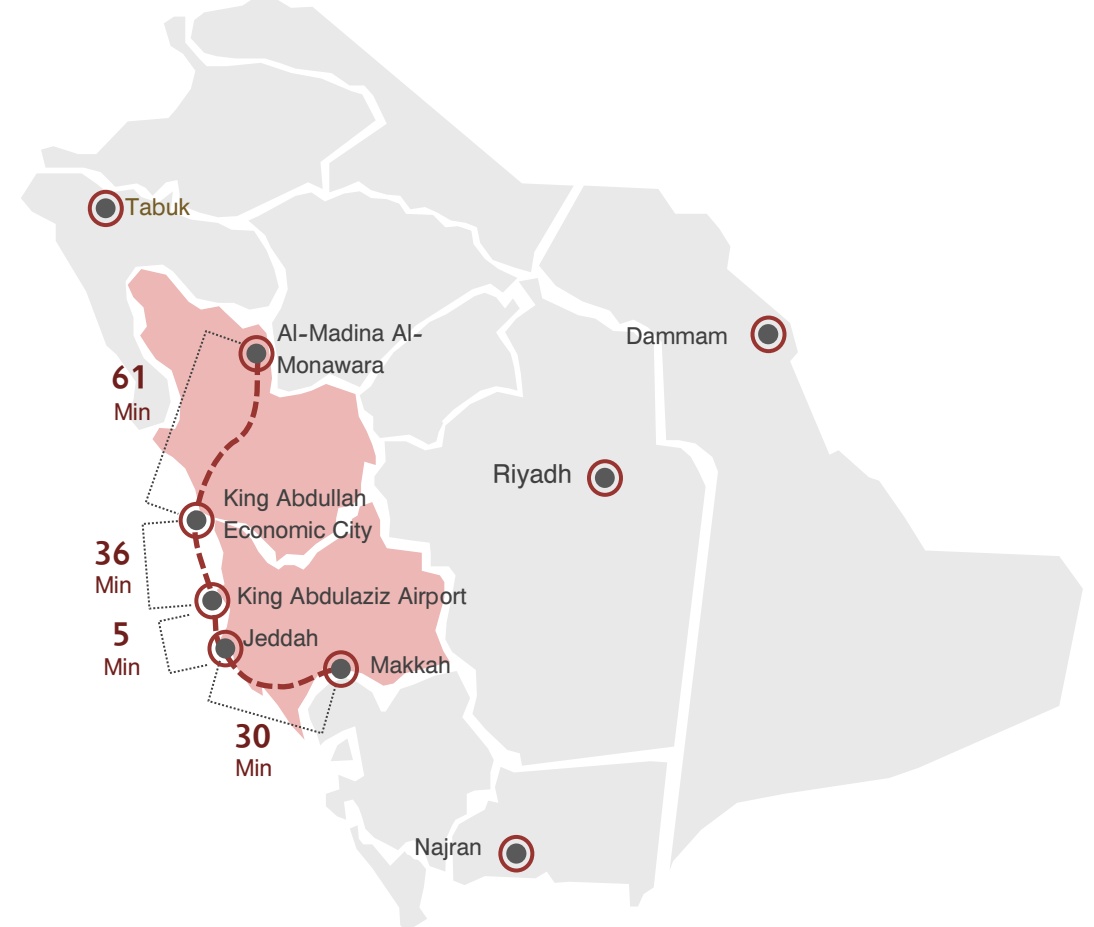
Site Location Analysis

Local Infrastructure Projects



- 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:
 - Makkah Haramain Express Railway Station
 - Jeddah Naseem Station.
 - Jeddah King Abdulaziz Int' Airport Station.
 - King Abdullah Economic City Station.
 - Madinah Station.

Transportation Map



Site Location and Valuation Analysis

Omnia Center, Jeddah

Site Location Analysis

Property Description – Omnia Center

- The Subject Property is a mix use building located in Al Rawdah District, Jeddah with a land area of 10,000 sqm, total built-up area of 20,339 sqm.
- It has a commercial use, can be accessed primarily from Prince Saud Al Faisal Road of which has a direct frontage on.
- It has four frontages, one on Saud Al Faisal Street and three on internal roads.
- It consists of 54 residential units, 11 showrooms and 25 offices.

Subject Property Map

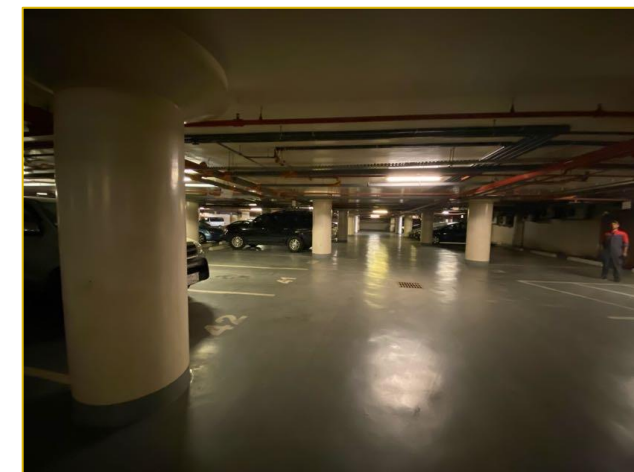
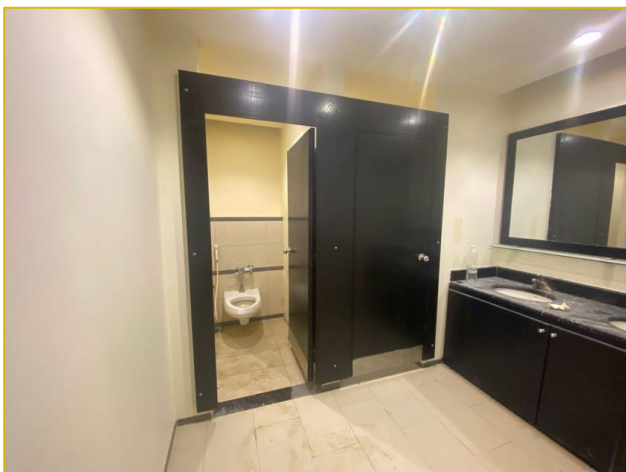
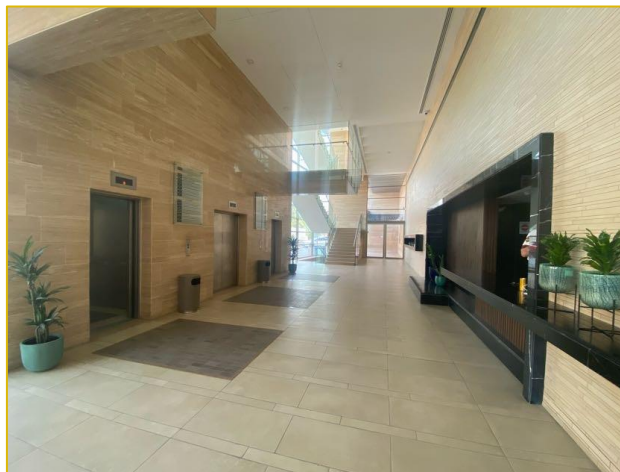
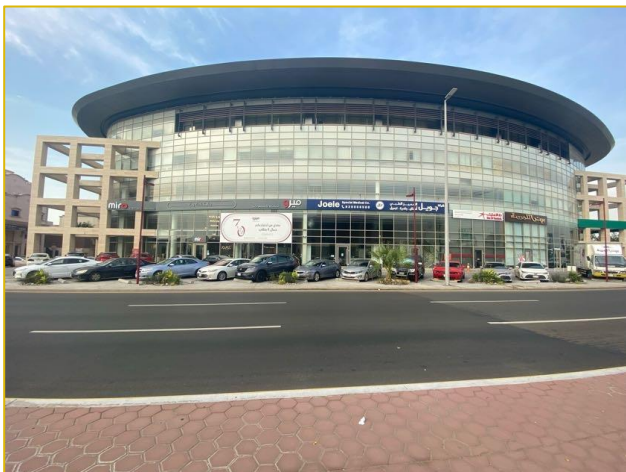


Site Location Analysis

Property Photographs – Omnia Center



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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 2.7%.
- 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 Fair 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).
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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

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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

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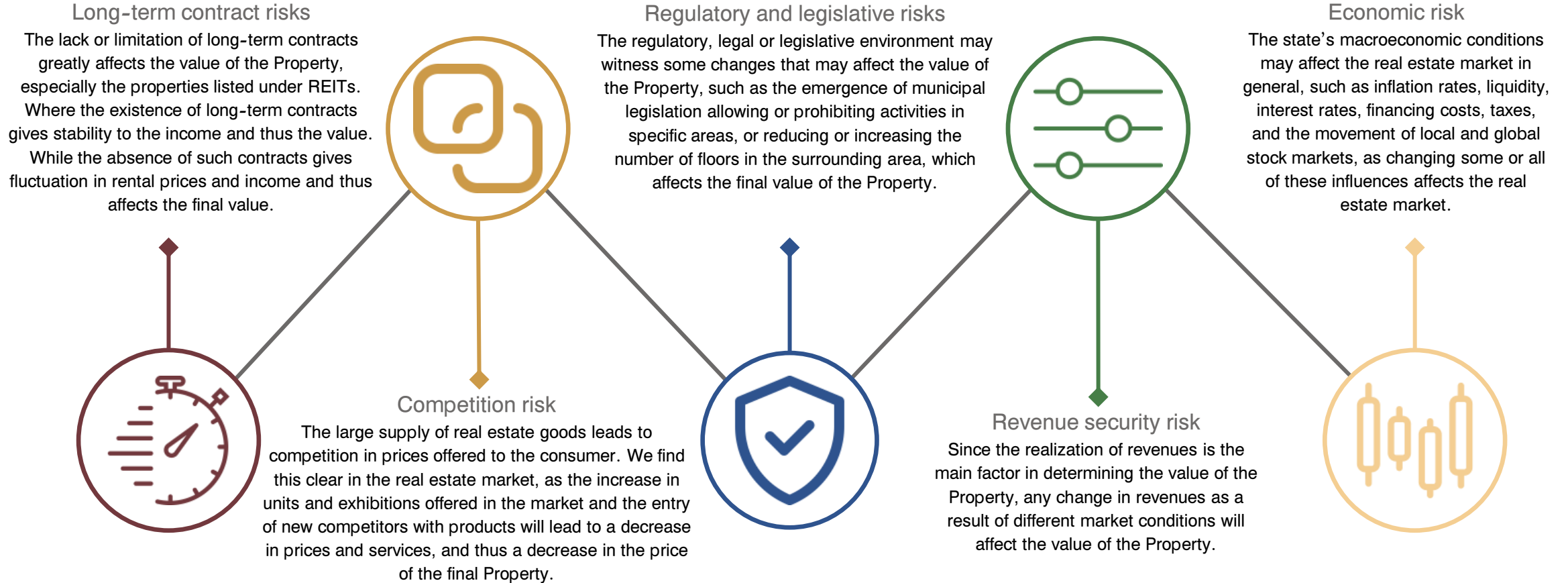
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Property Risk Analysis



Valuation

Valuation Approach

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Inflation Rate

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Capitalization Rate

- We have conducted market research about properties with similar usage to the subject property in the office and retail 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 10.70%.

Valuation

Valuation – Omnia Center

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Area Analysis

Description	Input
Area	10,000
Leasable Area	12,640
Leased Area	12,601
Vacant Area	39
Vacancy (%)	0.31%

Revenue Analysis

Description	Leasable Area	Leased Area	Vacancy	Revenue	Blended Lease Rate
Showrooms	4,596	4,596	0%	4,392,550	956
Offices	7,990	7,990	0%	6,945,302	869
Apartments (Units)	54 units	15 units	72%	472,000	31,467
Total	12,640	12,601	0%	11,809,852	937

Revenue Breakdown

Description	Secured Income	Potential Income	Gross Potential Income
Total	11,809,852	1,298,000	13,107,852
Income %	90%	10%	100%

Main Inputs

Description	Input
Operating Expenses and Maintenance	937,336
Operating Expenses and Maintenance (%)	8%
Inflation	2.70%
Exit Yield	8.00%
Discount Rate	10.70%

Discounted Cash-Flow Model

Period	1	2	3	4	5
Gross Income	13,461,764	13,825,232	14,198,513	14,581,873	14,975,583
Vacancy %	0%	0%	0%	0%	0%
Effective Income	13,420,228	13,782,575	14,154,704	14,536,881	14,929,377
OPEX (%)	8%	8%	8%	8%	8%
OPEX	1,065,150	1,093,909	1,123,445	1,153,778	1,184,930
Net Income	12,355,078	12,688,665	13,031,259	13,383,103	13,744,447
Terminal Value	0	0	0	0	176,444,340
Cash Flow	12,355,078	12,688,665	13,031,259	13,383,103	190,188,787
Fair Value	154,400,000				

Site Location and Valuation Analysis

Ascott Hotel, Jeddah

Site Location Analysis

Property Description – Ascott Hotel, Jeddah

- The Subject Property is located in Al Andalus District, Jeddah with a land area of 2,025 sqm, total built-up area of 20,339 sqm.
- It has a commercial use, can be accessed primarily from Prince Mohammad bin Abdulaziz Street of which has a direct frontage on.
- The property under evaluation is a hotel operated by Ascot and has furnished hotel units.
- The property is leased to one tenant for an annual amount of 10 million Riyals.

BUA Breakdown

Description	BUA (sqm)	Use
Underground	5,719	Parking
Ground Floor	839	Commercial
Mezzanine	326	Commercial
First Floor	680	Residential
Second Floor	821	Residential
Third Floor	725	Residential
Repeated Floors	10,211	Residential
Annex 1	465	Residential
Annex 2	465	Residential
Other	88	Services
Total	20,339	-

Subject Property Map

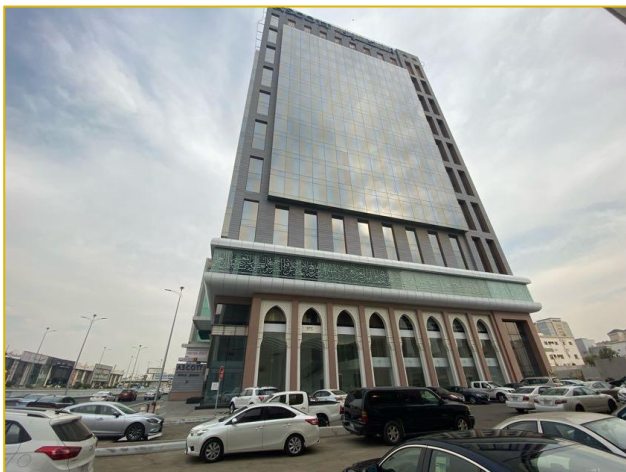


Site Location Analysis

Property Photographs – Ascott Hotel, Jeddah



أبجد
للتقييم العقاري



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 2.7%.
- 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 Fair 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 2.7 %/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.

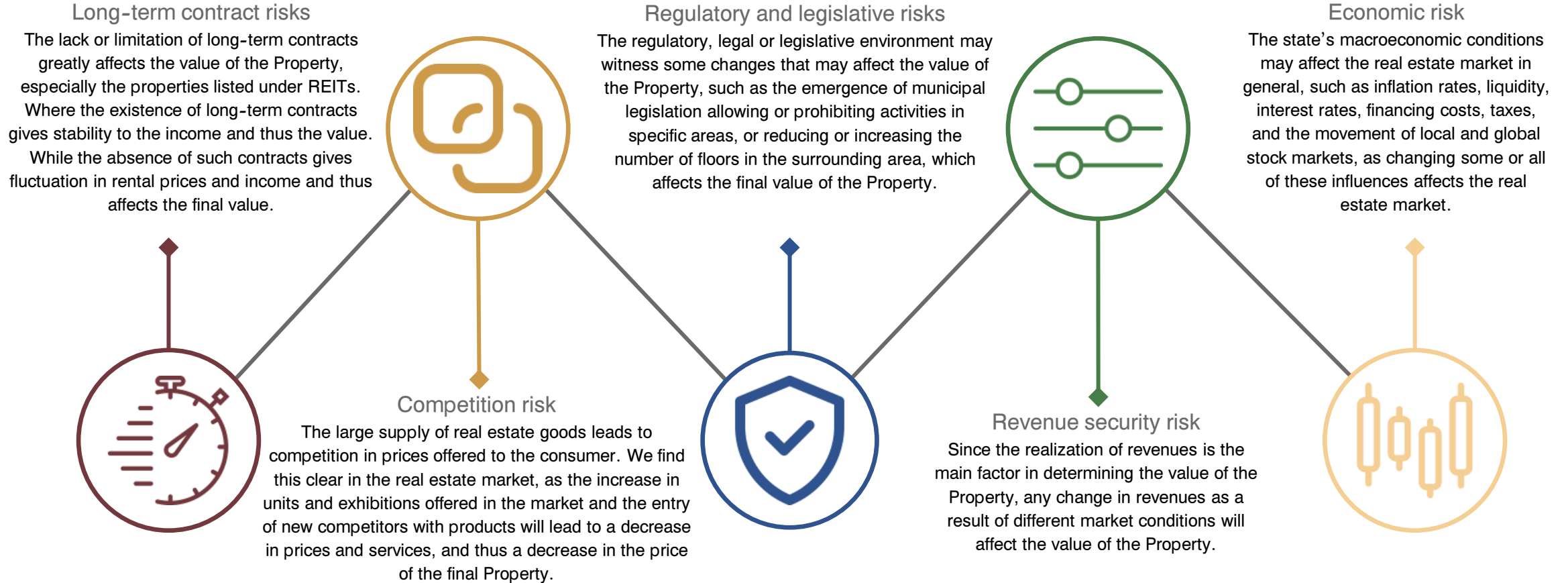
Discount Rates Commentary

- 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 2.7% 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 hospitality and commercial 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 7.75%.

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 10.45%.

Valuation

Valuation – Ascott, Jeddah

Based on the data provided from the client and the market analysis, below are the main input of which valuation model is built on:

Revenue Analysis

Description	Leasable Area	Leased Area	Vacancy	Revenue	Blended Lease Rate
Showrooms	973	0	100%	0	0
Ascott Hotel	13,365	13,365	0%	10,000,000	748
Total	14,338	13,365	7%	10,000,000	748

Revenue Breakdown

Description	Secured Income	Potential Income	Gross Potential Income
Total	10,000,000	1,800,000	11,800,000
Income from Showrooms	0	1,800,000	1,800,000
Income %	0%	100%	100%
Blended Lease Rate	0	1,850	1,850

Main Inputs

Description	Input
Operating Expenses and Maintenance	46,215
Operating Expenses and Maintenance (%)	5%
Inflation	2.70%
Exit Yield	7.75%
Discount Rate	10.45%

Discounted Cash-Flow Model

Period	1	2
Hotel Income	10,000,000	10,000,000
Gross Income Showrooms	1,848,600	1,898,512
Vacancy Showrooms %	50%	10%
Effective Income Showrooms	924,300	1,708,661
Total Effective Income	10,924,300	11,708,661
OPEX Showrooms(%)	5%	5%
OPEX Showrooms	46,215	85,433
Net Income	10,878,085	11,623,228
Terminal Value	0	151,079,497
Cash Flow	10,878,085	162,702,724
Fair Value	143,200,000	

Valuation Summary

Executive Summary

Valuation Terms

Disclaimers

Tenure

138

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation Summary

Appendices

Valuation Summary

Valuation Summary

Valuation Summary

Property Name	City	Land Area (SQM)	Fair Value (SAR)	Weight %
Olaya tower	Riyadh	2,555	81,300,000	3.25%
Alfursan Towers	Riyadh	1,740	163,000,000	6.52%
Saudi Electronic University	Riyadh	14,210	150,000,000	6.00%
JW Marriott Hotel Riyadh STC Academy	Riyadh	-	930,200,000	37.20%
The Reisdence	Riyadh	5,000	87,400,000	3.50%
Baira Hetin	Riyadh	10,000	125,400,000	5.01%
Vivenda	Riyadh	2,800	51,700,000	2.07%
Altamayoz	Riyadh	4,630	55,600,000	2.22%
Alizdihar	Riyadh	2,515	42,800,000	1.71%
Alraed	Riyadh	5,000	196,700,000	7.87%
Ansam Al Shatee Towers	Dammam	6,300	98,500,000	3.94%
Ascott - Khobar	Khobar	2,784	220,400,000	8.81%
Omnia	Jeddah	10,000	154,400,000	6.17%
Ascott - Jeddah	Jeddah	2,025	143,200,000	5.73%
Aggregate Fair Value			2,500,600,000	100.00%



أبجد
للتقييم العقاري

Valuation Summary

Opinion of Value

Abaad is of the opinion that the Fair Values of the Subject Properties, which comprises Riyadh REIT Portfolio, Fifteen Properties Across Saudi Arabia as of 30 June 2024, based upon assumptions and detail within this report, may be stated as follows:

- Olaya Tower: **81,300,000 SAR** (Eighty-One Million Three Hundred Thousand Saudi Riyal)
- Al Fursan Towers: **163,000,000 SAR** (One Hundred Sixty-Three Million Saudi Riyal)
- Saudi Electronic University **150,000,000 SAR** (One Hundred Fifty Million Saudi Riyal)
- JW Marriott Hotel Riyadh and STC Academy: **930,200,000 SAR** (Nine Hundred Thirty Million Two Hundred Thousand Saudi Riyal)
- The Residence: **87,400,000 SAR** (Eighty-Seven Million Four Hundred Thousand Saudi Riyal)
- Braira Hettin: **125,400,000 SAR** (One Hundred Twenty-Five Million Four Hundred Thousand Saudi Riyal)
- Vivienda: **51,700,000 SAR** (Fifty-One Million Seven Hundred Thousand Saudi Riyal)
- Al Tamayuz Center: **55,600,000 SAR** (Fifty-Fve Million Six Hundred Thousand Saudi Riyal)
- Al Izdihar Center: **42,800,000 SAR** (Forty-Two Million Eight Hundred Thousand Saudi Riyal)
- Al Raed Center: **196,700,000 SAR** (One Hundred Ninety-Six Million Seven Hundred Thousand Saudi Riyal)
- Ansam Al Shatee Towers: **98,500,000 SAR** (Ninety-Eight Million Five Hundred Thousand Saudi Riyal)
- Ascott, Khobar: **220,400,000 SAR** (Two Hundred Twenty Million Four Hundred Thousand Saudi Riyal)
- Omnia Center: **154,400,000 SAR** (One Hundred Fifty-Four Million Four Hundred Thousand Saudi Riyal)
- Ascott, Jeddah: **143,200,000 SAR** (One Hundred Forty-Three Million Two Hundred Thousand Saudi Riyal)

Signatures & Authorizations

Eng. Yousuf Abdullah Khan

Taqeem ID: **1220001989**

Membership Type: Provisional Member

Sector: Real Estate Sector

Membership Date: **17/09/2020**

Contribution: Inspector, Valuer and Report Creator

Eng. Ammar Mohamed Qutub

Taqeem ID: **1210000392**

Membership Type: Fellow Member

Sector: Real Estate Sector

Membership Date: **24/01/2016**

Contribution: Valuation & Report Reviewer

Eng. Ammar Abdulaziz Sindi

Taqeem ID: **1210000219**

Membership Type: Fellow Member

Sector: Real Estate Sector

Membership Date: **22/12/2015**

Contribution: Report Reviewer & Authorizer

Company Stamp

Company Name: **Abaad & Partner for Real Estate Valuation**

Company No. **11000111**

CR No: **4030297686**

CL No: **323/18/781**



أبعاد
للتقييم العقاري



Appendices

Executive Summary

Valuation Terms

Disclaimers

Tenure

Riyadh Properties

Dammam & Khobar Properties

Jeddah Properties

Valuation

Appendices

Appendix 1: Property Documents
Appendix 2: Valuation Glossary

Appendix 1: Property Documents



أبعاد
للتقييم العقاري

بسم الله الرحمن الرحيم

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٣/١/٢٠ هـ
رقم الصك: ٧٣٠١١٣٠١٩٢٧٨

صك

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

فإن قطعة الأرض 577 و قطعة الأرض 578 و قطعة الأرض 579 و قطعة الأرض 580 البلك 47 المجاورة الثالثة الحي الثاني من المخطط رقم 1 / 337 بمدينة الدمام .

وبحدها وأطوالها كالتالي:

شمالاً: قطعة رقم 581 و رقم 582 بطول: (90) تسعون متر

جنوباً: نافذ عرض 8 متر بطول: (90) تسعون متر

شرقاً: شارع عرض 18 متر بطول: (70) سبعون متر

غرباً: شارع عرض 40 متر بطول: (70) سبعون متراً

ومساحتها : (6300) ستة آلاف و ثلاثمائة متر مربعاً فقط

الملوكة لـ/ شركة الرياض للدخل العقاري بموجب سجل تجاري رقم 1010439003 في 3 / 2 / 1437 هـ بالصك الصادر من هذه الإدارة برقم 330114004659 في 12 / 5 / 1437 هـ قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الرياض بموجب سجل تجاري رقم 1010001054 وتنتهي في 29 / 5 / 1443 هـ ضماناً لوفائه بـ/ 41580000 ريال / واحد و أربعون مليوناً و خمسمائة و ثمانون ألف ريال بموجب عقد التمويل رقم (02 - 2018) 1044 في 7/10/2020م المجاز من الهيئة الشرعية رقم 98 في 24/6/1438 هـ علماً أن اجازة الهيئة الشرعية سارية لم يرد عليها ما يعلفها أو يلغفيها وأن تنفيذ هذا العقد المعن المنشئ للمديونية على العميل قد تم أو سيتم وفق قرارات الهيئة الشرعية لا بخلافها على أن يتم سداد المديونية على دفعة واحدة تدفع في 7 / 10 / 2025م وفي حال عدم السداد يتم بيع العقار وفق نظام التنفيذ، وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرفع فيه عليه بعد اكتمال مايلزم شرعاً .

وهـ 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 (١٢-٢٠٠٠)

صفحة رقم 1 من 1

بسم الله الرحمن الرحيم

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ٢٧/٤/١٤٤٣ هـ
رقم الصك: ٩١٧٨٢١٠٠١٧٢٤

صك

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

فإن قطعة الأرض رقم 566 من البلك رقم 82 من المخطط رقم 1822 الواقع في حي الإزدهار بمدينة الرياض . و حدودها وأطوالها كالتالي:

شمالاً: شارع عرض 30م بطول: (25) خمسة و عشرون متر

جنوباً: قطعة رقم 567 بطول: (25) خمسة و عشرون متر

شرقاً: قطعة رقم 564 بطول: (28) ثمانية و عشرون متر

غرباً: قطعة رقم 568 بطول: (28) ثمانية و عشرون متر

ومساحتها : (700) سبعة مائة متر مربعاً فقط حسب المخطط المعتمد

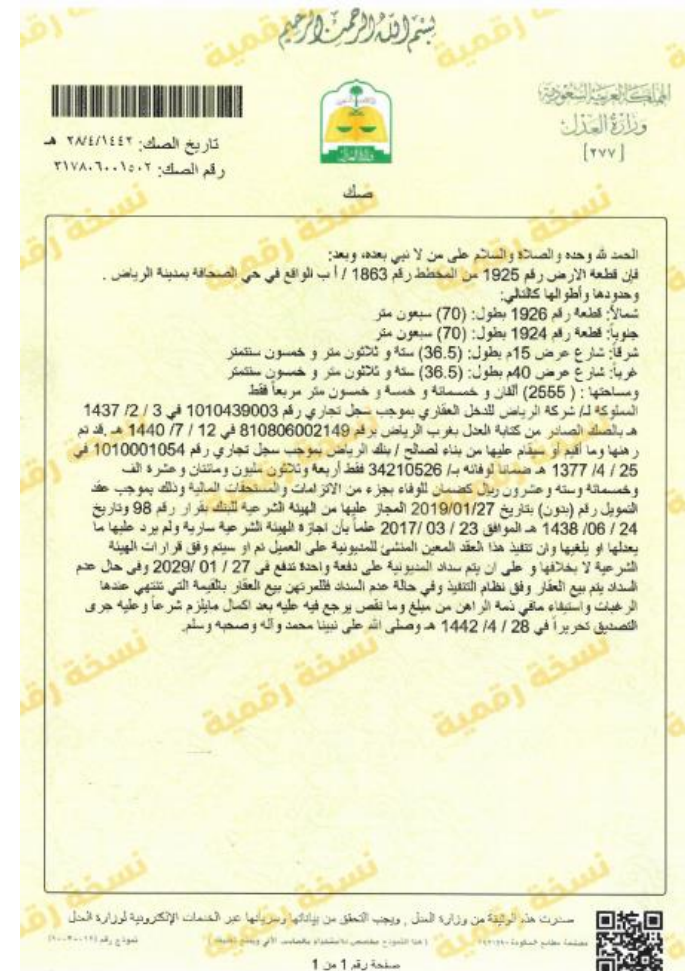
الملوكة لـ/ شركة الرياض للشغل العقاري بموجب سجل تجاري رقم 1010439003 في 3 / 2 / 1437 هـ بالصك الصادر من كتابة العدل الأولى بالرياض برقم 210121039034 في 16 / 3 / 1437 هـ قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الرياض بموجب سجل تجاري رقم 1010001054 في 4 / 4 / 1377 هـ ضماناً لوفائه بـ/ مستحقات مالية بقيمة 8726250 ثمانية مليون وسبع مائة وستة وعشرون ألف ومئتان وخمسون ريال وذلك بموجب عقد تمويل بدون بتاريخ 27 / 1 / 2019 م على أن يتم سداد المديونية دفعة واحدة تدفع في 12/29/2029م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرفع فيه عليه بعد اكتمال مايلزم شرعاً .

وهـ 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 (١٢-٢٠٠٠)

صفحة رقم 1 من 1



Appendix 1: Property Documents



أبعداد
للتقييم العقاري

بسم الله الرحمن الرحيم

الجمهورية العربية السعودية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٣/١/٣٠ هـ
رقم الصك: ٧٣.١١٣.١٩٢٧٨

صك

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

فإن قطعة الأرض 577 و قطعة الأرض 578 و قطعة الأرض 580 البلك 47 المجاورة الثالثة الحي الثاني من المخطط رقم 1 / 337 بمدينة الدمام .

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ومساحتها : (6300) ستة آلاف و ثلاثمائة متر مربعاً فقط

الملوكة لـ/ شركة الرياض للدخل العقاري بموجب سجل تجاري رقم 1010439003 في 2 / 3 / 1437 هـ بالصك الصادر من هذه الإدارة برقم 330114004659 في 12 / 5 / 1437 هـ . قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الرياض بموجب سجل تجاري رقم 1010001054 وتنتهي في 29 / 5 / 1443 هـ ضماناً لوفائه بـ/ (99963000) ريال بموجب عقد التمويل رقم (02 - 2018) 1044 م المجاز عليها من الهيئة الشرعية للبنك بقرار رقم 98 في 24 / 06 / 1438 على أن يتم سداد المديونية على دفعة واحدة تنفع في 07 / 10 / 2025 م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال ما يلزم شرعاً وعليه جرى التصديق تحريراً في 30 / 1 / 1443 هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

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

نسخة طبق المأمورة - ٩٩١١٥٩ (هذا النموذج مخصص للاستخدام بالخدمات الإلكترونية فقط)
نموذج رقم (١٢-٢٠٠٠)

صفحة رقم 1 من 1

بسم الله الرحمن الرحيم

الجمهورية العربية السعودية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٣/١/٣٠ هـ
رقم الصك: ٢٣.٢١٠.٠٧٢٩٧

صك

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

فإن قطعة الأرض رقم 281 و 282 من المخطط رقم 2 / 78 الواقع في حي اليرموك بمدينة الخبر .

وبحدها وأطوالها كالتالي:

شمالاً: شارع عرض 20 متر بطول: (40) أربعون متر

جنوباً: قطعة 283 بطول: (40) أربعون متر

شرقاً: شارع الأمير تركي عرض 45 متر بطول: (70) سبعون متر

غرباً: نافذ عرض 10 متر بطول: (70) سبعون متر

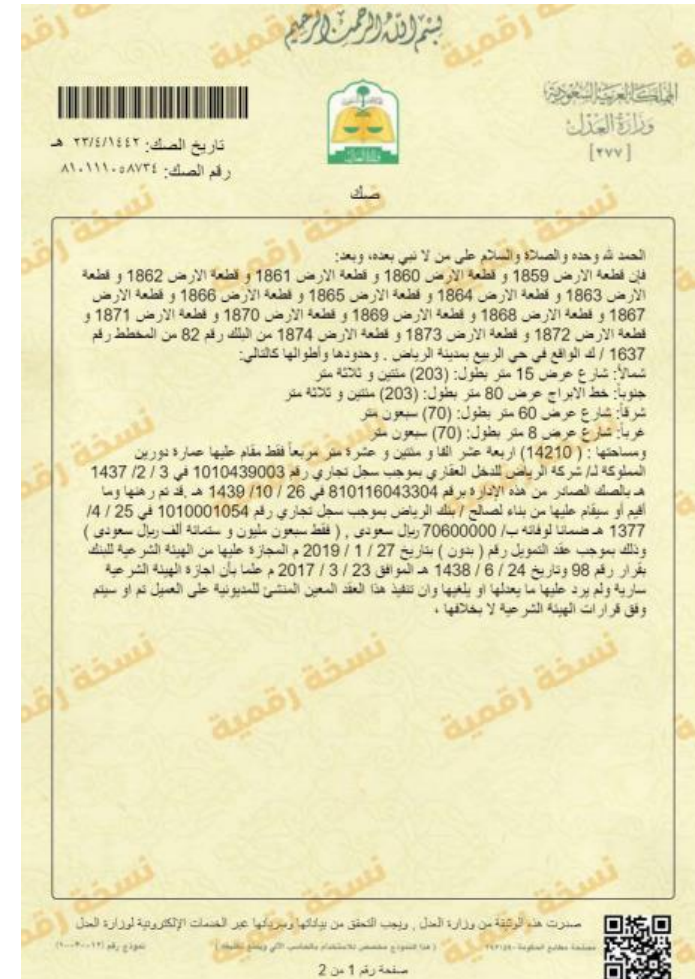
ومساحتها : (2784) ألفان و سبعمائة و أربعة و ثمانون متر مربعاً فقط

الملوكة لـ/ شركة الرياض للدخل العقاري بموجب سجل تجاري رقم 1010439003 في 3 / 2 / 1437 هـ بالصك الصادر من هذه الإدارة برقم 830207004114 في 8 / 5 / 1437 هـ . قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الرياض بموجب سجل تجاري رقم 1010001054 وتنتهي في 29 / 5 / 1443 هـ ضماناً لوفائه بـ/ (99963000) ريال بموجب عقد التمويل رقم (02 - 2018) 1044 بتاريخ 07 / 10 / 2020 م المجاز عليها من الهيئة الشرعية للبنك بقرار رقم 98 في 24 / 06 / 1438 على أن يتم سداد المديونية على دفعة واحدة تنفع في 07 / 10 / 2025 م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال ما يلزم شرعاً وعليه جرى التصديق تحريراً في 30 / 1 / 1443 هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

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

نسخة طبق المأمورة - ٩٩١١٥٩ (هذا النموذج مخصص للاستخدام بالخدمات الإلكترونية فقط)
نموذج رقم (١٢-٢٠٠٠)

صفحة رقم 1 من 1



وزارة العدل
 عبدالعزيز عبدالرحمن حمد العبدان
 الرياض
 ترخيص رقم 41/1954
 هـ 1444/04/20
 رقم الملف: 699072002286
 صفحہ ۱

الختم الرسمي

عبدالعزیز عبدالرحمن حمد العبدان

Appendix 1: Property Documents



أبعداد
للتقييم العقاري

بسم الله الرحمن الرحيم

الملك عبدالعزيز بن عبد الله آل سعود
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٣/٣/١١ هـ
رقم الصك: ٩١٧٨١٥٠٠٤٢١٣

صك

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

فإن قطعة الأرض رقم بدون الواقع في حي حطين بمدينة الرياض . وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض 80م بطول: (50) خمسون متر

جنوباً: شارع عرض 15م بطول: (50) خمسون متر

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

غرباً: ملك عبد المحسن بن عبد الملك آل الشيخ بطول: (100) مائة متر ومساحتها : (5000) خمسة آلاف متر مربعاً فقط

الملوكة لـ / شركة الرياض للدخل العقاري بموجب سجل تجاري رقم 1010439003 في 2 / 3 / 1437 هـ بالصك الصادر من كتابة العدل الأولى بالرياض برقم 310106050806 في 25 / 8 / 1438 هـ قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الرياض بموجب سجل تجاري رقم 1010001054 وتنتهي في 29 / 5 / 1443 هـ ضماناً لوفائه بـ/ سداد مبلغ وقدره (38739000) ثمانية وثلاثون مليون وسبع مائة وتسعة وثلاثون ألف ريال سعودي وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في 11 / 3 / 1443 هـ وصلى الله على نبيينا محمد وآله وصحبه وسلم.

صدرت هذه الوشقة من وزارة العدل ، ويجب التحقق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل
نموذج رقم (١٢-٤٠٠٠١٢)

صفحة رقم 1 من 1

بسم الله الرحمن الرحيم

الملك عبدالعزيز بن عبد الله آل سعود
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٣/٣/١١ هـ
رقم الصك: ٣١٧٨٠٧٠٠٣٦٧٠

صك

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

فإن قطعة الأرض رقم 167 من المخطط رقم 2219 الواقع في حي ام الحمام بمدينة الرياض . وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض 15 م بطول: (40) اربعون متر

جنوباً: شارع عرض 30 م بطول: (40) اربعون متر

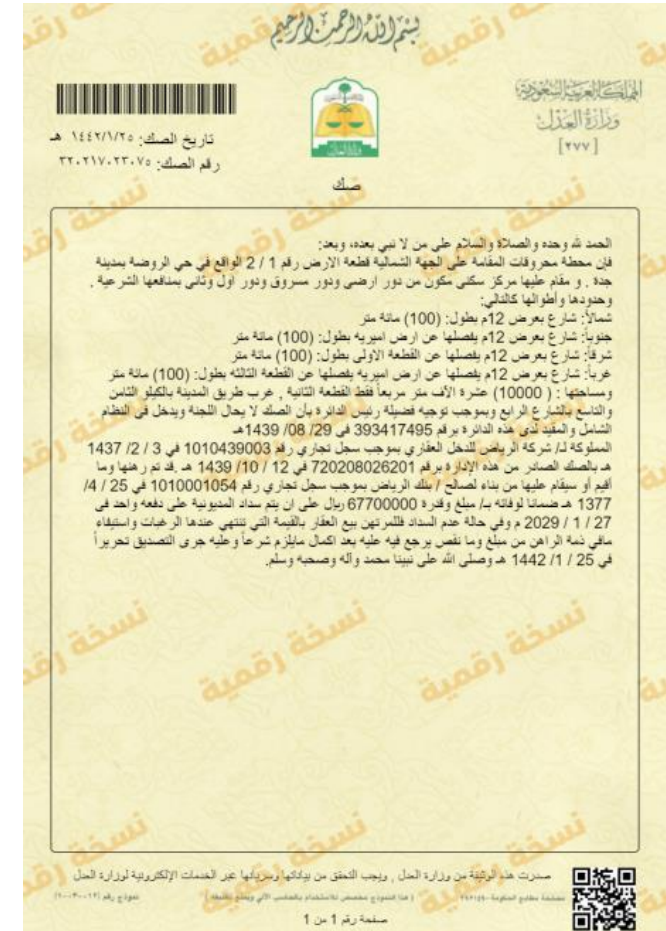
شرقاً: قطعة رقم 166 بطول: (70) سبعون متر

غرباً: قطعة رقم 168 بطول: (70) سبعون متر ومساحتها : (2800) ألفان وثمانمائة متر مربعاً فقط

الملوكة لـ / شركة الرياض للدخل العقاري بموجب سجل تجاري رقم 1010439003 في 2 / 3 / 1437 هـ بالصك الصادر من كتابة العدل الأولى بالرياض برقم 310123030485 في 21 / 8 / 1438 هـ قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الرياض بموجب سجل تجاري رقم 1010001054 وتنتهي في 29 / 5 / 1443 هـ ضماناً لوفائه بـ/ سداد مبلغ وقدره (21875000) واحد وعشرون مليوناً وثمانمائة وخمسة وسبعون ألف ريال سعودي وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في 11 / 3 / 1443 هـ وصلى الله على نبيينا محمد وآله وصحبه وسلم.

صدرت هذه الوشقة من وزارة العدل ، ويجب التحقق من بياناتها وسرياتها عبر الخدمات الإلكترونية لوزارة العدل
نموذج رقم (١٢-٤٠٠٠١٢)

صفحة رقم 1 من 1



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.

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.



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