



Mulkia Gulf Real Estate REIT Fund

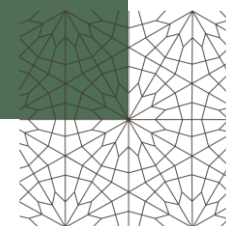
Semi - Annual report for the period from July 1st to December 31 2019

Fund reports are available upon request free of charges

Licensed by Saudi Capital Market Authority No. (13170- 37) in 5/11/2013

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Fund summary

Fund Manager Mulkia investment Company

Type of Fund Closed Public Fund


Fund Period 99 Years

Fund Capital 600 MN

Fund Launching 05/11/2017

Fund Auditor
Allied Accountants 

Custodian 

Shariah Committee
Shariah Review
Bureau 

Dividend distribution Policy:

The fund aims to distribute at least 90% of the fund net profit during the fund life and at a minimum of once a year within 90 days of the end of the fiscal year ending 31 December

Fund Objectives:

The Fund aims to acquire real estate properties that are constructed & developed, capable of achieving periodic income, the fund should distribute at least 90% of the fund net profit during the fund life and at a minimum of once a year within 90 days of the end of the fiscal year ending 31 December as per the following strategy:

- Investment of 75% of the total value of the Fund's assets based on the latest audited financial statements in a constructed & developed properties and are subject to periodic and rental income.
- Investing 25% or less of the total value of the Fund's assets according to an audited financial statement in a real estate development. The development can be through the development of the properties owned by the Fund in order to raise rental yields and achieve capital returns at partial sale or through investment in real estate development in non-owned properties to the Fund.
- The Fund aims to invest at the beginning of its launch in real estate in the commercial, industrial and residential sectors, and can invest in subsequent periods in other sectors that achieve regular returns exceeding the average yield of the Fund for the last 12 months.
- All Fund investments is shariah compliant.
- All Fund investment will be inside Kingdom of Saudi Arabia.
- The Fund may invest in real estate investment funds that comply with Shariah principles, not exceeding 10% of the total value of the Fund's assets according to the latest audited financial statements.



The Fund Manager Information...

Mulkia Investment Company, with its main office address as below, is licensed from Capital Market Authority (CMA) license No (13170-37) dated 2/1/1435H corresponding to 5/11/2013G and carried out dated 28/6/1435H corresponding to 28/4/2014G and her C.R. no (1010407245) in securities business including: Managing Investment Funds, Managing Clients' Portfolios, Custody, Dealing as Principal, Underwriting, Arranging and Advising Services.:

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Fund Activities / Fund Assets

SL	Property	Type	Location	Acquisition Value (S.R.)	Contract period	Land Area SQM	Building Area SQM	Annual Rent	Weight in Fund	Acquisition % of total value
1	West Avenue	Commercial	Dammam, Faisalia	309,000,000	18	57,000	56,000	24,720,000	39%	100%
2	Teqnia complex	Industrial/ Commercial	Riyadh, Faisalia	121,500,000	2	45,749	36,554	8,419,500	16%	100%
3	Dinar Building	Commercial/ offices	Jeddah, Alzahraa	124,470,490	5	4,761	14,900	9,957,640	16%	100%
4	Vivienda villas	Hospitality/ hoteling	Riyadh, Alhada	125,000,000	19	10,000	7,200	10,937,500	16%	100%
5	Alysamin Building	Residential	Riyadh, Alyasmin	18,677,220	vacant	2,309	5,303	Vacant	2%	100%
6	Burger King restaurant	Restaurant	Khamees Mushiati	13,058,889	16	1,500	567	1,150,000	2%	100%
7	Burger King Restaurant	Restaurant	Jeddah, Alsheraa	15,562,500	NA *	1,995	864	1,250,000	2%	100%
8	Burger King Restaurant	Restaurant	Jeddah Obhur	7,338,235	16	552	180	610,000	1%	100%
9	First room Hotel Apartments	Hospitality/ hoteling	Riyadh/ Namuzaiyah	50,000,000	10	3,062	11,467	5,000,000	6%	100%

As of 31/12/2019

* Contract signed, but not yet started

Number of Tenants 9



Fund Performance/ Occupancy...

Target Assets

- The Fund aims to acquire real estate properties that are constructed & developed, capable of achieving periodic income

Assets and Return information

Date	NAV	No. of Units	NAV / Unit
5 Nov. 2017	600,000,000	60,000,000	10.0
31 Dec. 2018	592,346,268	60,000,000	9.87
31 Dec. 2019	594,904,922	60,000,000	9.92

NAV Value

2017		2018		31/12/2019	
Lowest	Highest	Lowest	Highest	Lowest	Highest
9.91	10.06	9.77	9.96	9.70	9.94

Yield on Unit Price

2017	2018	2019	Inception	3 Years
- 0.89%	- 0.39%	0.43%	-0.85%	-0.85%

Expenses to total assets for the 2nd half of 2019

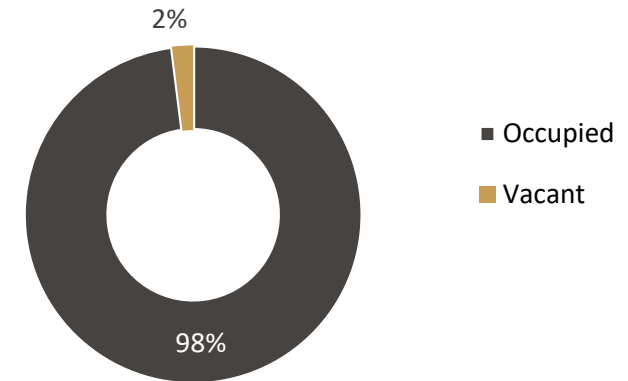
1.93%

Income distribution per unit for the 2nd half of 2019

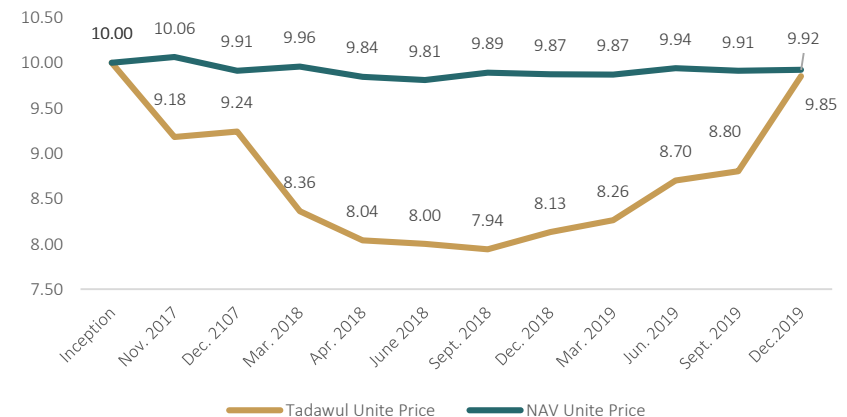
50%

- All the numbers are as per NAV value and the un audited financials, the accurate & final numbers should be based on the audited financials.

Percentage of Leased & Vacant properties/ total assets



Unit Price Since inception

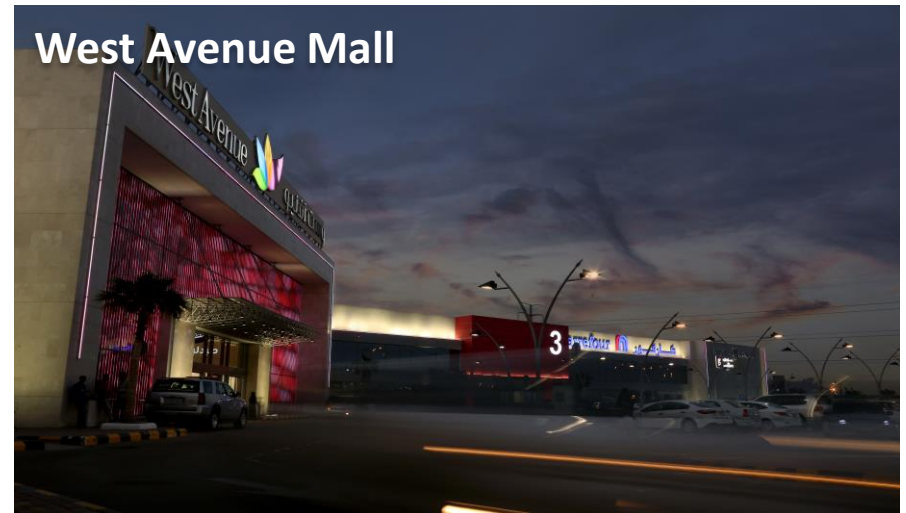


Fund's Main Properties...

West Avenue Mall



West Avenue Mall



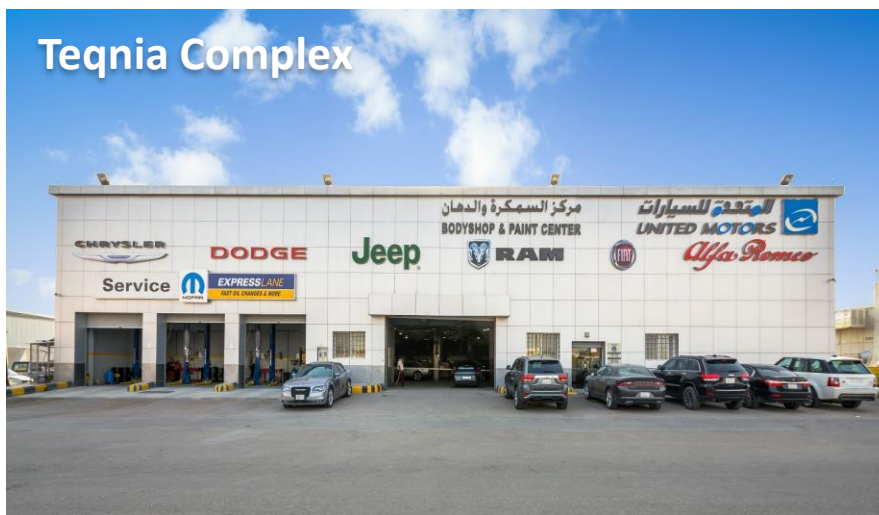
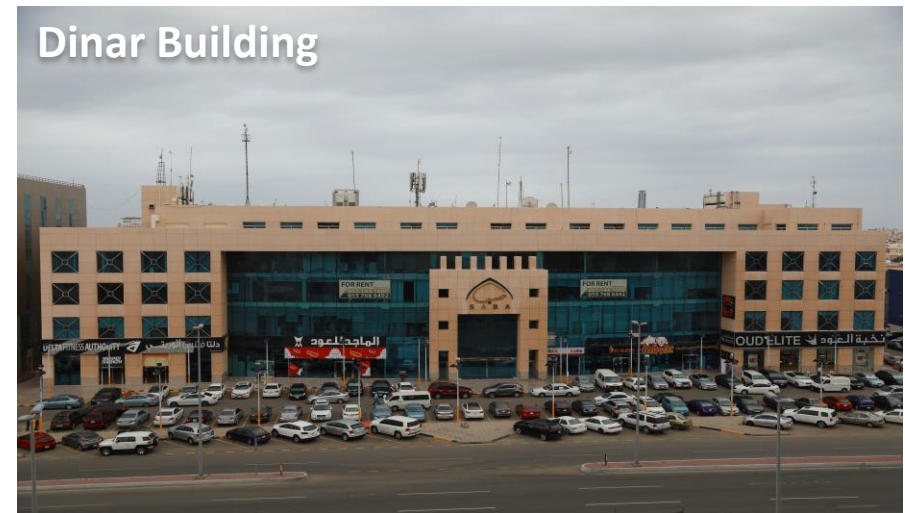
Vivienda Villas



Vivienda Villas

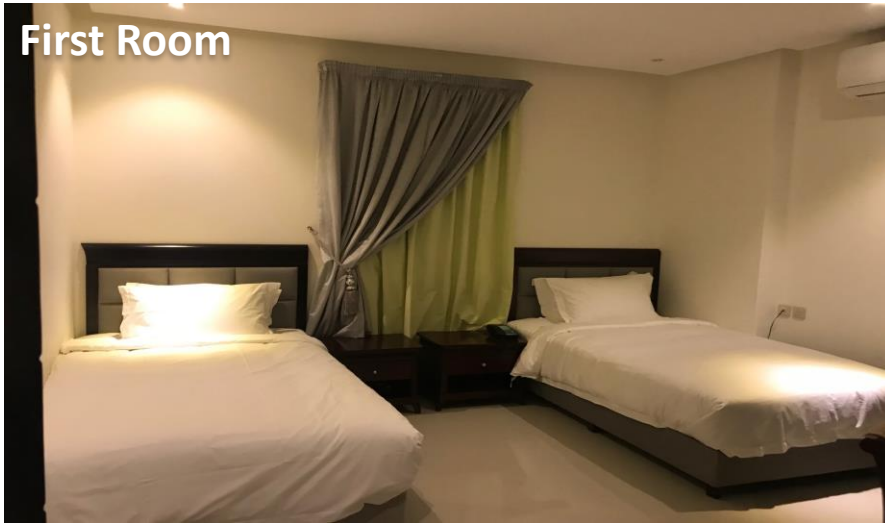


Fund's Main Properties...



Fund's Main Properties...

First Room



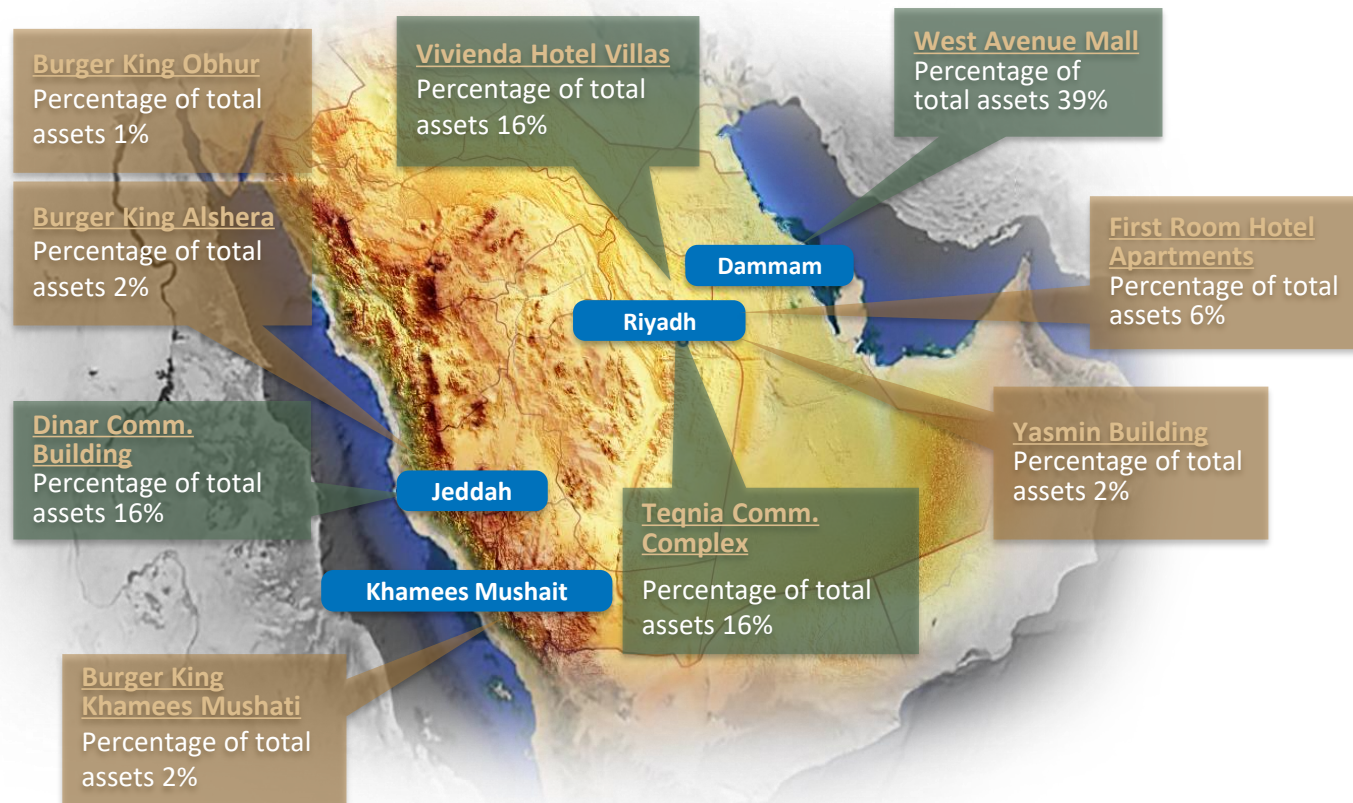
First Room



First Room



Assets Geographic Distribution...



Assets Geographic distributions

Eastern Region	39%
Middle Region	40%
Western Region	19%
Southern Region	2%





Fund Terms & Conditions...



The Fund Manager has amended the terms and conditions of the Fund on 19/08/1440 AH corresponding to 04/24/2019, to comply with the latest update Investments Funds Regulations , as well as explaining and clarifying the percentage of annual costs in the item “ Fees and charges Services charges, commissions and management fees” And the addition of Eng. Faisal bin Ali Al Sayegh and Mr. Abdul Rahman bin Sulaiman Al Amir as independent board members of the Fund’s Board of Directors.



Other information

- On 18/08/2019, the Fund Manager announced signing of an agreement to acquire Elite Mall in Riyadh in the amount of 201,500,000 SAR, which should be paid as 60% in cash through the Fund available financing and the other 40% as in kind subscription through issuing units to the property owner, after obtaining approval The Capital Market Authority and unitholders to increase the total value of the fund and acquisition of Elite Mall.
- The Fund Manager reduced his investment in the fund's units from 2.5% to 1.50% in order to fulfill the Public share in the fund.
- On November 11 2019, the Fund Manager announced that Mulkia Gulf Real Estate Fund has signed an additional Shariah compliant banking facility agreement with Bank Albilad, in the amount of SAR 300,000,000, for a period of five years.
- The investment fund is not investing in other investment funds.
- The Fund Manager has decided to distribute dividends during the year 2019 for the first, second, third and fourth quarter, with a total amount of 40,800,000 SAR, and the ratio of the distribution per unit to the initial offering price of the unit is 6.8%.
- The percentage of management fees calculated on the fund is 1% per annum of the total assets value after deduction of all expenses - calculated and paid every six months.
- The fund manager does not intend to make any deductions or fees for expenses or fees.
- The Fund Manager obtained a violation due to the delay in announcing a fundamental event in announcing the Elite Mall acquisition Agreement, as the agreement was signed outside working hours of the last working day before the Eid Al-Adha holiday and announced first working day after the vacation.
- The Fund Manager received a commission of SAR 650,000 against the acquisition of the First room hotel building.



Stay in touch

You can contact Mulkia any time and of course our employees will be happy and ready to answer your inquiries for a better service..

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Thank you



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