



# **Real State Valuation Report**

# Presented to: Mulkia Gulf Real Estate REIT Fund



Al Jadah Commercial Hotel Property

# MULKIA INVESTMENT

QIAM VALUATION REAL ESTATE VALUATION REPORT



Report No.: 448224

STEPPEREED



QIAM VALUATION REAL ESTATE VALUATION REPORT





#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Al-Jadah Commercial Hotel Property Evaluation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **Qurtubah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below.

Based on the completed study, we attach to you the results of the fair price estimation of Al-Jadah Commercial Hotel property for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2024** AD, **for an amount of only (375,386,000) three hundred and seventy-five million, three hundred and eighty-six thousand Saudi riyals.** 

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH





Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

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The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity			
		Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052			
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> </ul>			
		<ul> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>			
Assumed value	Value Basis	Purpose of the valuation			
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund			
Report type for client	Valuation Approach	Asset subject to valuation			
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Commercial hotel property (Al Jadah )			
Report issuance date	Valuation date (measurement)	Inspection date			
18/07/2024AD 30/06/2024 AD		10/06/2024 AD			
Scope of the Valuer search - Standard No. 102					

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

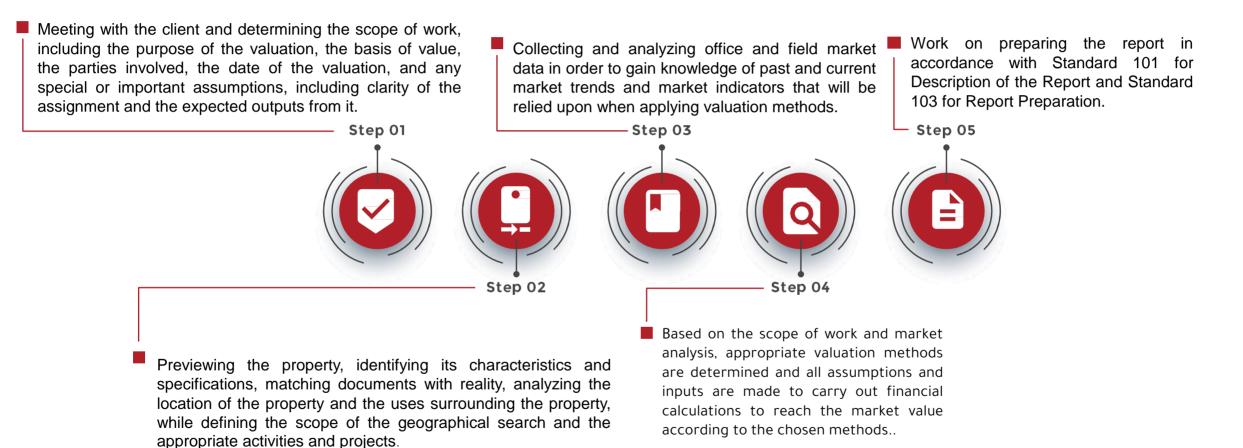
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



#### Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

#### Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
	Title deed	Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices		Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



#### Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

#### 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

#### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



#### Real estate and investment properties in the preparation of financial reports

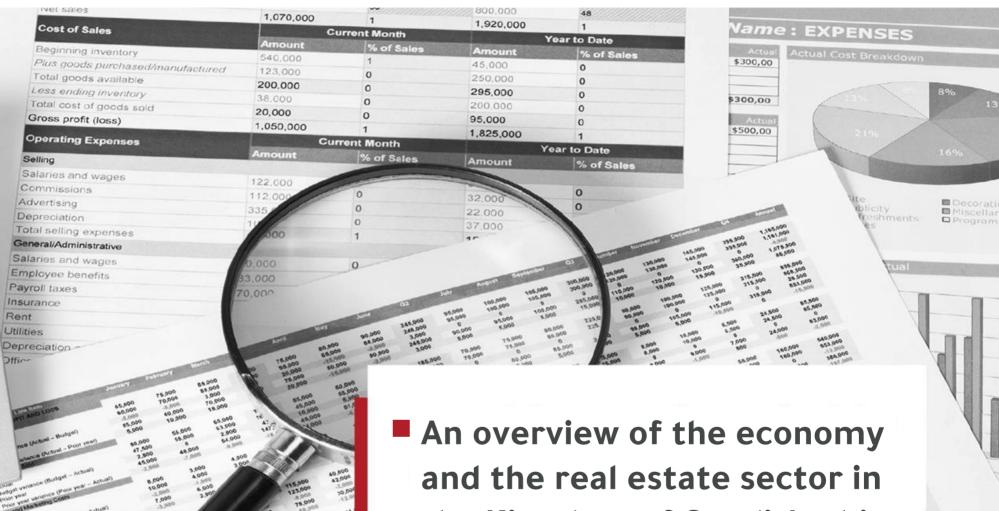
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
· · ·	right-of-use asset) to earn rental income or To		
in the financial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



#### 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



#### Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





#### **Business Sectors Overview**

#### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

#### **Office Sector**

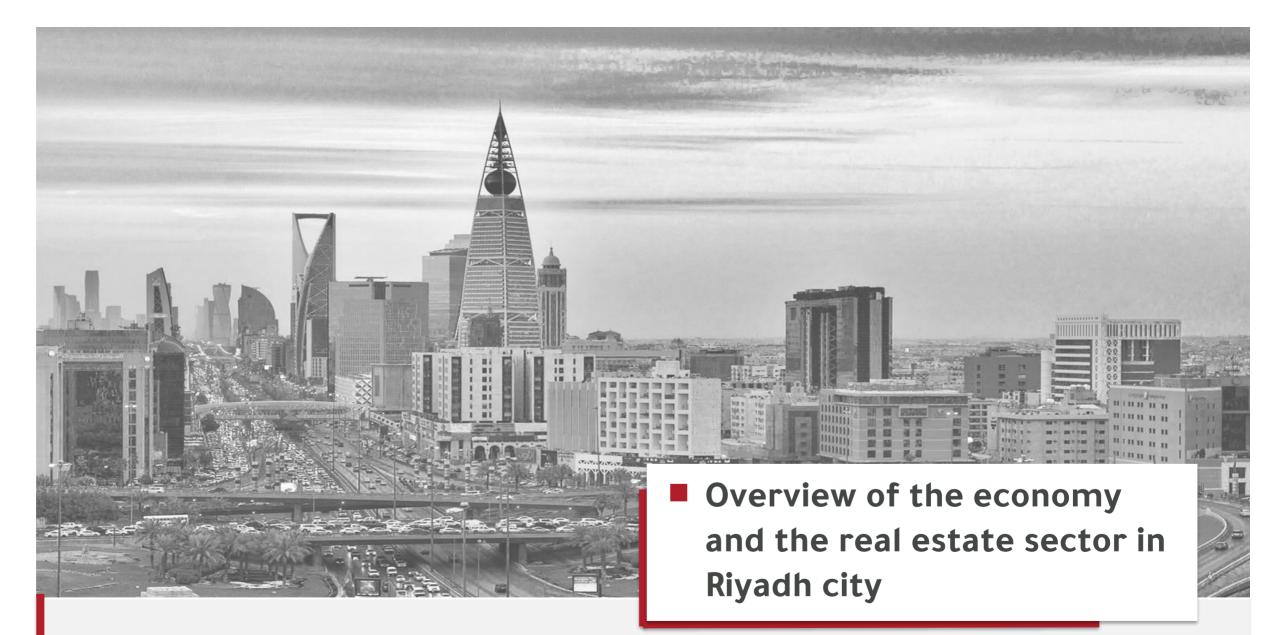
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





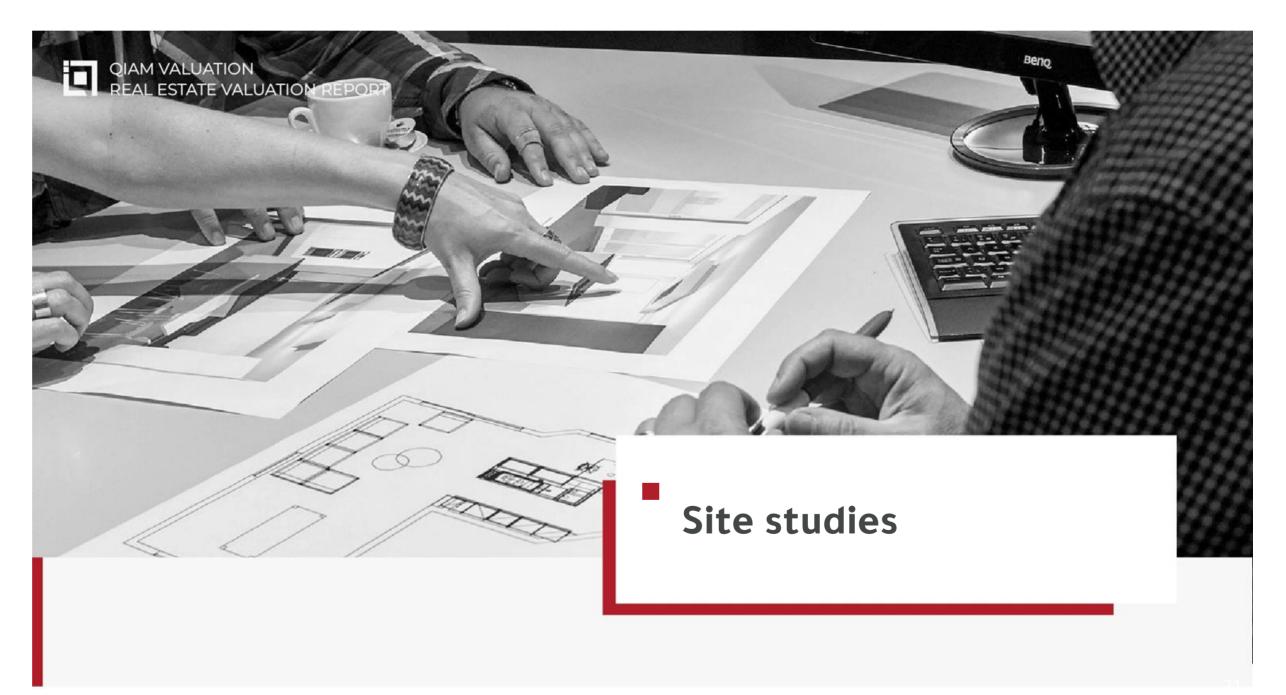
Social, service and real estate indicators - Riyadh City - 2023 AD

#### Social and service indicators:

<b>882</b>	<b>30+ML</b>	<b>1.2ML</b>	<b>4.78ML</b>	7.67ML	<b>1,973KM</b>
Public and private school	Traveler	Student	Size of the workforce	Population	Area
<b>2</b>	<b>7.8+K</b>	<b>70+</b>	<b>4300</b>	<b>112</b>	<b>7</b>
Airports	Tourist and visitor	Markets (mall)	Factory in the area	Hospital	Universities
<b>110</b>	% <b>68</b>	<b>20+K</b>	<b>20</b>	<b>43</b>	<b>28</b>
Number of hotels	Hospitality Occupancy	Hotel room	5 Star Class	4 Star Class	3 Star Class

## **Real estate indicators:**

150+ML	2.6+Billion	661+K	101+Billion	7.6+Billion	71+K
Rental spaces Commercial / m <sup>2</sup>	Total value of residentia transactions	Residential rental deal	Total value of rental deals	Total value of sales transactions	Executed transaction





#### Property Risk Analysis

#### Strength point:

- The location is close to King Khalid International Airport and the SAR train station.
- The main axial roads linked to the property's location and connecting it to parts of Riyadh (Al-Thumama Road, Airport Road).
- The noticeable urban expansion north and east of Riyadh with the growing economic and population power surrounding the property.

#### **Opportunities:**

- Benefit from the proximity of the property to event centers.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market's needs.

### Weak points:

- Business areas are heading north and west of Riyadh.
- Continuous traffic disruption on Al-Thumama Road.

#### Challenges:

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	381912000111 781912000112 798507018272	23/11/1444 AH 23/11/1444 AH 13/07/1443 AH	Absolute ownership Absolute ownership Absolute ownership
	998507018273	13/07/1443 AH	Absolute ownership

> Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Qurtubah	1 - 2 - 4 - 6	3115	21670.9 square meters

> Borders and lengths:

			Borders and	lengths:			
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
46m wide street	307,02	20m wide street	303,34	28m wide street	46,5	20m wide street	60,35

# Assumptions regarding ownership of the property

There are two mortgaged deeds in favor of Al Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is a good and valid title free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property value may be affected.



# Real estate data and Services available in the real estate area

	Real Estate Data				
City	Riyadh	Riyadh Neighborhood			
Street	Al Thumama Road	Property type	Commercial hotel building		
No. land plan	3115	Plot number	1-2-4-6		
Land Area	21670.9 square meters	Built-up area	33102.39 square meters		
	Services and facilities avail	able in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Water drainage network	Mosque	Dispensary	Garden		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Public markets	Civil defense	Police station	Hospital		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Hotels	Petrol station	Schools	Governmental services and centers		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		



# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located to the west of Riyadh in the Qurtubah district on Al-Thumama Road with easy access to the airport road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	East of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Residential - Commercial - Hotel
	Building ratio - number of floors	Ground floor + first floor building Factor 1.2
Economic factors	Supply and demand	High
	Land prices	High
Legal factors	Deficit and trespassing on the property	N,A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (3) years based on the (Building permit).
- The state of the property on the date of valuation (30/6/2024)

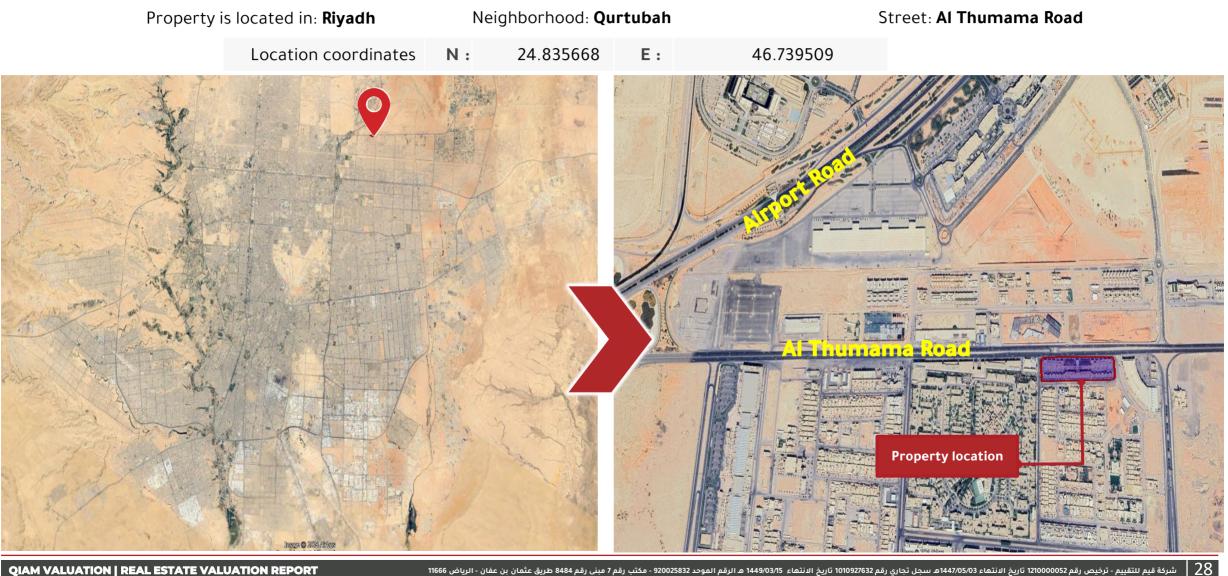
When examining the property, it became clear to us that it is a **(Commercial hotel building)**. Detailed as below:

	Building components					
#	Floor	Area (m2)	Use			
1	Basement	3911,61	Entertainment - Parking			
2	First floor	4958,50	42 Hotel Units			
3	Ground floor	4790,37	42 Hotel Units			
4	Second basement	9376,60	Entertainment - Parking			
5	Commercial ground floor	3018,90	1 Trade Show			
6	Commercial First floor	1293.33	Exhibitions			
7	First floor	1009,30	Restaurant			
8	Office First floor	1087,60	Offices			
9	Upper extensions	1439,75	20 Hotel Units			
10	Upper extensions	839,98	Offices			
11	Ground floor	1009,30	Restaurant			
12	Fences	370,75	Services			

INTERIOR FINISHES								
Doors		Ceiling Wall Cladding		Floors				
Electric Securit (	Glass	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain				
Windows		Health kits	Stairs	Insulation type				
Aluminum and doubl	e glazing	High quality	High quality Marble					
EXTERIOR FINISHES								
Facades		Facilities	Doors	Floors				
Glass - Marble - Anti-enviro	onmental paint	Cosmetic implants	Electric Securit Glass	Marble - Granite				
Electromechanical and air conditioning systems								
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System				
Central	5 Elevators	High quality	High quality energy saving	g Automatic electric pump system				
Security and safety systems - other facilities								
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems				
N.A.	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hotel	Fire Detection Systems - Fire Hose for All Hotel Parts Indoor and outdoor surveillance cameras - inspection devices - con					
	and monitoring room							



# **Property location**



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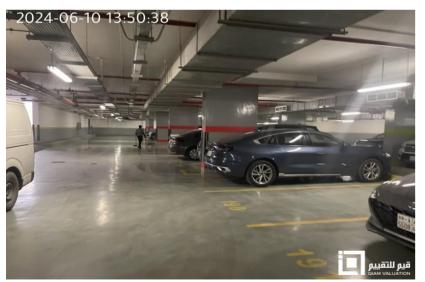
# Photographic survey of the Property





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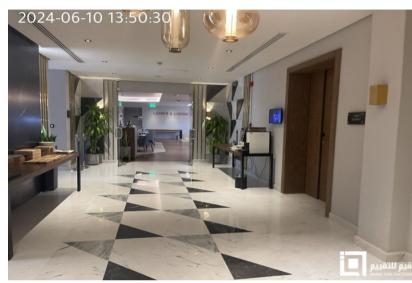




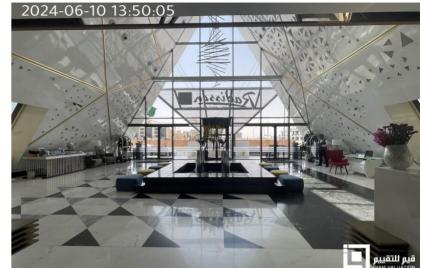


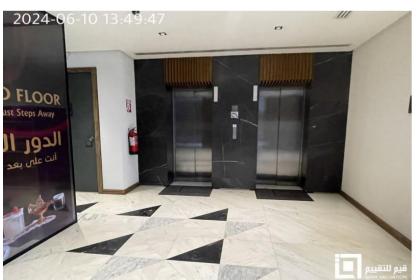


# Photographic survey of the Property

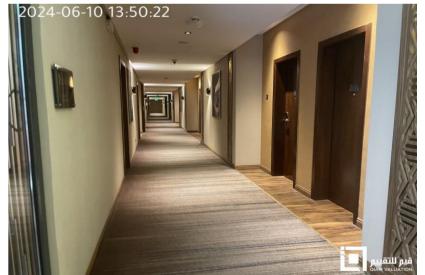














#### Londo problem

# Valuation



### Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



#### Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

#### The market approach should be applied and afforded significant weight under the following circumstances:

- The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

#### The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



#### Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

#### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

#### Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

#### Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

#### Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

#### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### **Income Approach Methods:**

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

#### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

#### **Used valuation methods**

Valuation Approaches	Market Approach	Cost Approach	Income Approach	
Used approach	Used as an assist	Used as an assist	Mainly used	
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method	
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating	

#### Hierarchy:

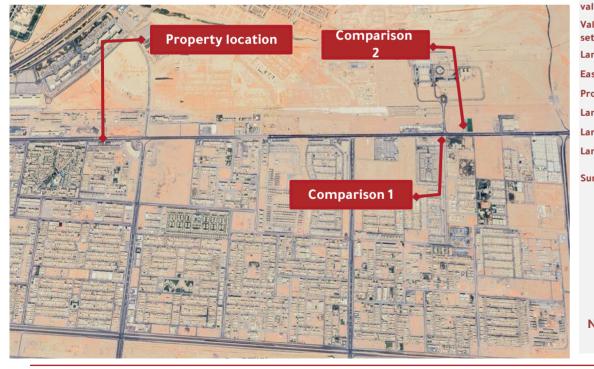
The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation

Comparative real estate						
Comparison factors	Comparison 1	Comparison 2				
Area (m2)	10,000	6274				
Ease of access	High	High				
Property location	Average	Average				
Land shape	Flat	Flat				
Land topography	Regular	Regular				
Use	Commercial	Commercial				
Surrounding streets	4	2				
Price per meter (SR)	7000	8000				
Comparative condition	Available offer	Available offer				



Clause         Comparison 1         Comparison 2           Adjustments factors         Property under valuation         Value         Adjustment         Value         Value	
Adjustments factorsProperty under valuationValueAdjustmentValuePrice per square meter***7,0008,000Condition***Available offerAvailable offerDate of valuation/offer202420242024Market Condition***%10.00-700 -%10.00-Financing terms***(700.00)-%0.00(800.00)Value after initial settlements***6,3007,2007,200	,
ValueValueValueValuePrice per square meter***7,0008,000Condition***Available offerAvailable offerDate of valuation/offer202420242024Market Condition***%10.00-700%10.00-Financing terms***%0.00-%0.00Market conditions***(700.00)-%0.00Value after initial settlements***6,3007,200	-
Condition***Available offerAvailable offerDate of valuation/offer202420242024Market Condition***%10.00-700%10.00-Financing terms***%0.00-%0.00Market conditions value***(700.00)-%0.00Value after initial settlements***6,3007,200	Adjustment
ConditionAvailable offerAvailable offerDate of valuation/offer20242024Market Condition***%10.00-700Financing terms***%0.00-%0.00Market conditions value***(700.00)-(800.00)Value after initial settlements***6,3007,200	
Market Condition***%10.00-700-%10.00-Financing terms***%0.00-%0.00Market conditions value***(700.00)***(800.00)Value after initial settlements***6,3007,200	er
Market condition% 10.00-700-% 10.00-Financing terms***% 0.00-% 0.00Market conditions value***(700.00)(800.00)Value after initial settlements***6,3007,200	
Market conditions value***(700.00)(800.00)Value after initial settlements***6,3007,200	800 -
value***(700.00)(800.00)Value after initial settlements***6,3007,200	-
settlements 6,300 7,200	
Land area (m <sup>2</sup> ) 21670.90 10,000 %5- 6,274	
	%10-
Ease of access High High 90 High	%0
Property location High Average %5 Average	%5
Land shape Flat Flat Flat Flat Flat	%0
Land topography Regular Regular %0 Regular	%0
Land use Commercial Commercial %0 Commercial	%0
Surrounding streets 4 %0 2	%10
Total %0.00 %5.00	
Adjustment value per square meter - 360	
Final meter value after Adjustments6,3007,560	
Net average value per square meter (SR / m <sup>2</sup> ) 6,930	
Market value of the land (SR / m <sup>2</sup> ) 150179337	



# Property Valuation - Cost Approach - Replacement Method

Clause	Built up area m2 S	R / m2	Value (SR)		
Basement	13,288.21	2,200	29,234,062		
Buildings - Hotel	11,188.62	5,000	55,943,100		
Buildings - Commercial	6,330.83	2,200	13,927,826		
Buildings - Office	1,927.58	2,200	4,240,676		
Fence	371	600	222,390		
Total (SR)	33,106		103,568,054		
Second: Other costs (indirect)					
Professional fees	%2		2,071,361		
Utilities Network	%2		2,071,361		
Administration costs	%2		2,071,361		
Financing costs (0 years / 0%)	%0		-		
Developer's profitability	%15		15,535,208		
Total (SR)			21,749,291		
Total cost of buildings (SAR) 125,317,345					

Third: Depreciation cost		
Life span of the property (year)	Year	50
The current age of the property (year)	Year	3
Remaining life of the property (year)	Year	47
Depreciation rate	%	6
Depreciation value	SR	7,519,041
Final value of th	117,798,305	
Fourth: Value of the property accord	ing to the Cost Approach	
Final value of t	the land (SR)	150,179,337
Final value of b	ouildings (SR)	117,798,305
Market value of the property ac (SR	267,977,642	
Market value of the property ac after roun	267,978,000	



# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

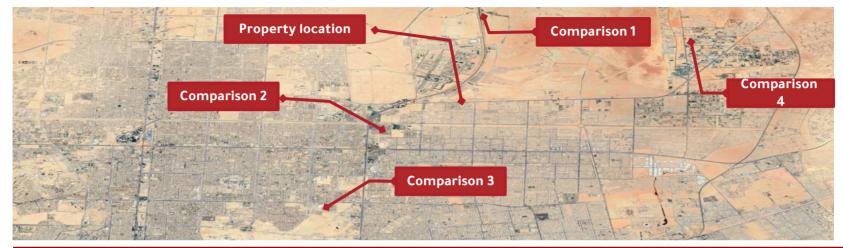
Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.



# Market Survey Data Analysis - Hotel



Similar Comparisons - Market Survey - Hotel Rooms							
Comparison factors Comparison 1 Comparison 2 Results - Property u							
Hotel	Holiday Inn Riyadh Business Districts	Fairmont Riyadh Hotel	Radisson Blu Hotel, Riyadh Qurtubah				
Classification / Stars	5	5	5				
Average Nightly Room Rate	750	1350	1050				
Annual Expense Rate	%40	%45	%43				
Annual Occupancy Rate	%65	%70	%68				

Similar Comparisons - Market Survey - Hotel Villas								
عوامل المقارنة Comparison3 Comparison 4 Results - Property under va								
Hotel	Vittori Palace Hotel Riyadh	Arjan Park Hotel Villas	Radisson Blu Hotel, Riyadh Qurtubah					
Classification / Stars	5	5	5					
Average nightly price for a villa	2400	3650	3025					
Annual Expense Rate	%40	%35	%38					
Annual Occupancy Rate	%50	%50	%50					

# Market Survey Data Analysis - Office

Comparative Properties - Administrative Offices							
<b>Comparison factors</b>	Comparison 1	Comparison 2					
Area (m2)	300	80					
Ease of access	High	Average					
Property Location	High	Average					
Parking Availability	Average	Average					
Design	Average	Average					
Rental Price per Meter							
(SAR/Meter)	933	800					
Occupancy Rate	%10	%10					
<b>Comparison Status</b>	Available offer	Available offer					



Estimating the v	alue of the rental mete	r - Administrative offi Comparison methoo	0	to the Market	Approach -		
C	lause		Comparative real estates				
Adjustments factors	Property under	Comparison 1		Comparis	on 2		
Aujustinents fuetors	valuation	Value	Adjustment	Value	Adjustment		
Rental price per square meter	***	933	800				
Condition	***	Available of	fer	Available	eoffer		
valuation/offer date	2024	2024		2024	4		
Market conditions	***	%10.00-	93	%10.00-	80		
Financing terms	***	%0.00	-	%0.00	-		
Market conditions value	***	(93.30)		(80.00)			
Value after initial settlements	***		840		720		
Area (m2)	800.00	300	%5-	80	%5-		
Ease of access	High	High	%0	Average	%0		
Property location	Average	High	%5-	Average	%0		
Parking availability	High	Average	%5	Average	%0		
Design	High	Average	%5	Average	%5		
	Total	%0.00		%0.0	0		
Adjustment val	ue per square meter	-		-			
Final meter value after Adjustments		840		720	)		
Net average value per square meter (SR / m²)			780				
Net average value per meter (SR/meter) after rounding			800				

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# Market Survey Data Analysis - Trade shows

C	omparative Properties - Trade Sh	iows	Estimating the	value of the rental met	er - Trade fairs - Accordir	o to the Marke	t Approach - Cor	nnarison
Comparison factors	Comparison 1	Comparison 2			method			inputison
Area (m2)	149	515	Clause			nparative real e	states	
Ease of access	High	Average		Property under	Comparison 1		Compariso	n 2
Property Location	High	Average	Adjustments factors	valuation	Value	Adjustment	Value	Adjustment
Parking Availability	High	Average	Rental price per	***	1200		000	-
Design	Average	Average	square meter		1,300		900	
Rental Price per Meter	1200	000	Condition	***	Rented		Rented	l
(SAR/Meter)	1300	900	valuation/offer date	2024	2024		2024	
Occupancy Rate	%10	%10	Market conditions	***	%0.00	07	0.00	-
Comparison Status	Rented	Rented	Market conditions		%0.00	- %	0.00	
	Comparison 2		Financing terms	***	%0.00	- %	0.00	-
			Market conditions	***	-		-	
			value					
L BALL & THE A	Comparison 1		Value after initial settlements	***	1,300			900
A STATE AND	FIIF 22		Area (m2)	164.00	149	%0	515	%10
of grant of the state state	ff the second second		Ease of access					% <b>0</b>
				High	High	% <b>0</b>	Average	
	Turit A		Property location	High	High	%0	Average	%0
			Parking availability	High	High	%0	Average	%5
	Property lo		Design	High	Average	% <b>10</b>	Average	%10
	Property to			Total	%10.00		%25.00	)
			Adjustment val	ue per square meter	130		225	
			Final meter valu	ie after Adjustments	1,430		1,125	
			-	per square meter (SR / m²)		1,278		
				per meter (SR/meter) rounding		1,300		

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# Analysis of income data for the property subject to valuation

Hotel income analysis						
Claus	se	Number	Daily rent	Number of days in the year		Total revenue
Hotel ro	Hotel rooms 104		1050	36	65	39,858,000
Hotel	villas	16	3025	36	55	17,666,000
Other revenues (ha	alls - health club)	5	4000	36	35	7,300,000
other revenues (ne	,	Fotal Annual Revenue	4000	50		64,824,000
		nnual occupancy rate				%59
	Aver	age annual expense ratio				%40
Annu	al Rent - Al Jadah Complex Si	nowrooms	Area	(square meter)	Meter value	Value (SR)
Al Jadah 1	Bouga Catering Company			769	1,229	945,000
Al Jadah 2	Khaled Mohammed Al-Mutairi M	ledical Company		604	1,123	678,100
Al Jadah 3	Delicious Food Company			611.5	1,313	802,594
Al Jadah 4	Arab Pharmaceutical Company			654	1,014	663,350
Al Jadah 5A	Sikkat Al-Tayeb Company			322.1	1,512	487,015
Al Jadah 5B	Brand Reduction Company (On	e Person Company)		291	1,320	384,120
Al Jadah 7	Al-Ajlan International Company			167.94	1,350	226,720
Al Jadah 8	Integrated Mobile Communicat	ions Company		167.71	1,723	288,900
Al Jadah 9	Advanced Controls Company for	r Information Technology		167	1,210	202,050
Al Jadah 10	Sabil Al-Masakin Real Estate Est	ablishment		117.39	1,269	149,016
Al Jadah 15	Zawiya Al-Laham Food Trading	Establishment		168	1,365	229,334
Al Jadah 16	Nahez Food Company			167.63	1,205	202,050
Al Jadah 17	Jawdah and Excellence Trading	Company		149.91	1,500	224,866
18BAI Jadah -1	Al-Nafoura Coffee Establishmer	nt for Beverages		166	1,237	205,396
18BAl Jadah -2	Al-Nafoura Coffee Establishmer	nt for Beverages		156	1,317	205,396
Al Jadah 20	Itmam Medical Company			618.21	800	494,568
Al Jadah 21	Al Jadah 21 Dentex Medical Company			618.17	1,200	741,804
Al Jadah 22	Al Jadah 22 Saud Abdulaziz Al-Shaalan Limited Company			822	1,000	822,000
Al Jadah Offices (9 Offices) 1927.58m				300	2,319	695,672
Al Jadah 23	Al Jadah Hotel Company - Etijal	nat Al-Mood Company		883.39	306	270,000



#### Operating and capital expenditure rate:

Operating expenses are the expenses for renting and maintaining the property, and capital expenses are the expenses incurred by the owner in order to keep it in good condition to achieve an appropriate annual income. The percentage of operating expenses is 10% - 15% for similar projects in the surrounding area, depending on the size and services provided. The property is rented with contracts that include a clause that (the tenant bears the services of electricity and water), and other contracts that the tenant pays a lump sum for the operational services provided. - There is a maintenance contract that has been reviewed, which reflects the calculated percentage.

#### **Rental income:**

The property income was analyzed by reviewing the property contracts and similar contracts to the property being evaluated and this was compared to the market for verification. Accordingly, the income data received from the client was approved and the total income for commercial exhibitions and offices was (8,918,000) rivals. The hotel income was analyzed according to the market survey data.

#### **Operational rate of return:**

Capitalization rate analysis - the method of extracting from the market by looking at the market activity and similar reports of Qiam Investments Company, as well as by looking at the economic reports issued by some research centers and the Qim valuation Company Information Center, it became clear to us that the return in the region ranges from 8% to 7%. Accordingly, the return rate was assumed at 8%. There are many factors that affect the return rate, including the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Cumulative Model method						
Government bond rate of return	4.94	Saudi Tadawul Fund				
Inflation rate (current year average)	1.8	Saudi Central Bank				
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market				
Special risk premium (the resulting costs of the property)	1.5	According to the condition and circumstances of the property				
Discount rate with all data above	10%	%				

#### **Assumptions:**

Discounted Cash Flow method assumptions							
Total rental income	8,918,000	Total hotel income	64,824,000	Discount rate	%10.00		
Occupancy rate and credit risk	%10	Occupancy rate	%59	Capitalization rate	%8		
Operating Expense Rate	%10	Operating Expense Rate	%40	Growth rate - annual from 4th year	%10		



# Calculating the market value - Discounted Cash Flow method

							Investment years					
Cash flow - Inflow	s	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Rever
		1	2	3	4	5	6	7	8	9	10	Kevei
	Expected growth value	0.00%	0.00%	0.00%	10.00%	0.00%	0.00%	0.00%	10.00%	0.00%	0.00%	
otal hotel income	64,824,000	64,824,000	64,824,000	64,824,000	71,306,400	71,306,400	71,306,400	71,306,400	78,437,040	78,437,040	78,437,040	
Occupancy rate	%59	38,084,100	38,084,100	38,084,100	41,892,510	41,892,510	41,892,510	41,892,510	46,081,761	46,081,761	46,081,761	
Actual gross income		38,084,100	38,084,100	38,084,100	41,892,510	41,892,510	41,892,510	41,892,510	46,081,761	46,081,761	46,081,761	
ninus operating expense ratio	%40	15,233,640	15,233,640	15,233,640	16,757,004	16,757,004	16,757,004	16,757,004	18,432,704	18,432,704	18,432,704	
lotel net operating income (NOI)		22,850,460	22,850,460	22,850,460	25,135,506	25,135,506	25,135,506	25,135,506	27,649,057	27,649,057	27,649,057	
otal rental income for offices and howrooms	8,918,000	8,918,000	8,918,000	8,918,000	9,809,800	9,809,800	9,809,800	9,809,800	10,790,780	10,790,780	10,790,780	
Ainus vacancy rate and credit risk	10%	891,800	891,800	891,800	980,980	980,980	980,980	980,980	1,079,078	1,079,078	1,079,078	
actual total rental income		8,026,200	8,026,200	8,026,200	8,828,820	8,828,820	8,828,820	8,828,820	9,711,702	9,711,702	9,711,702	
Ainus the operating expense ratio	10%	802,620	802,620	802,620	882,882	882,882	882,882	882,882	971,170	971,170	971,170	
let operating income for offices and show	wrooms (NOI)	7,223,580	7,223,580	7,223,580	7,945,938	7,945,938	7,945,938	7,945,938	8,740,532	8,740,532	8,740,532	
Net Operating Income (NOI)		30,074,040	30,074,040	30,074,040	33,081,444	33,081,444	33,081,444	33,081,444	36,389,588	36,389,588	36,389,588	
eversion value of the building												
let Cash Flow		30,074,040	30,074,040	30,074,040	33,081,444	33,081,444	33,081,444	33,081,444	36,389,588	36,389,588	36,389,588	
Piscount Factor		0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855	0
resent Value of Cash Flows		27,340,036	24,854,579	22,595,071	22,595,071	20,540,974	18,673,613	16,976,012	16,976,012	15,432,738	14,029,762	175

Final Property Value375,385,887Final Property Value (after rounding)375,386,000



# Final value of the property

Based on the purpose of the valuation and the nature of the property and its characteristics as a hotel and office property, the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
375,386,000	Three hundred and seventy-five million, three hundred and eighty-six thousand Saudi riyals.

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT









#### العقار

مساحة العقار( م²)		نوع العقار		رقم اله
3,400		لا يوجد		У
بج العقار	نموذ	البوقع		
لأيرجد			لايوجد	
المدينة	الحي	المخطط	بة رقم	رقم القط
الرياض	قرطبة	3115		2
الطول (م <sup>2</sup> )		وصف الحد	النوع	الحد
50		عرض 46م	شارع	شمالا
50		عرض 20م	شارع	جنوبا
68		رقم 1	anta	شرقا
68		رقم 3	قطمة	غربا

المقحة 1 من 1	صدرت طدة الوثيقة من البررصة المقاربة. وبمكن النحق من صحة هذة الوثيقة عبر الخدمات الالكترونية النابعة لوزارة العدل ووزارة الغثرون البلدية والقروبة والإسكان.
- J	المرت من بزري بسراد راميل مين بن هم من رئيم مر محمد ، بابتراي منه زيرار سن بريد وبراي منه وبراي در مين



مساحة العقار( م²)		نوع العقار	بة العقارية	رقم الهو
4,485.2		لا يوجد	لا يوجد	
ذج العقار	لمو		الموقع	
لايرجد	<u>}</u>		لايوجد	
المدينة	الحي	م المخطط	: رئ	رقم القطعا
الرياض	قرطبة	3115		1
الطول ( م²)		وصف الحد	التوع	الحد
62.02		عرض 46م	شارع	شمالا
50.52		عرض 20م	شارع	جنوبا
46.5		عرض 28م	شارع	شرقا
68		رقم 2	قطعة	غربا

صدرت هذة الوثيقة من البورسة العقارية. ويمكن التحق من صحة هذة الوثيقة عبر الخدمات الالكترونية التابعة لوزارة المدل ووزارة الشؤون البلدية والقروية والإسكان.

المفحة لا من ا

#### Documents received from the client



الحد لله وحده والصلاة والسلام على من لا نبي يعده ويعد: فإن قطعة الأرض رقم 6 من البلك رقم 1 من المخطط رقم 1115 الواقع في حي فرطبة بمدينة الرياض . و قطعة الارض رقم 6 من البلك رقم 1 من المخطط رقم 1115 الواقع في حي قرطبة بمدينة الرياض . و حفودها واطو لها : "مسالاً: سأر ع حرض 64 من يعلول 95 خمسة و تسعون متر + تطفه 7.37 جنوبا: شار ع حرض 20 مطول لها : "مسالاً: سأر ع حرض 64 من متر و النين و تعلون متر تر متر أو خمسة و عندون بعد علول 64 تعانية و ستون متر خربا: شارع حرض 20 م يعلول 25.63 تلثة و سنعون متر أو خمسة و تشرون سنتعتر أو مساحتها 7.87 ميوبا: شارع عرض 20 م يعلول 25.63 تلثة و سنعون متر أو خمسة و عشرون سنتعتر أو مساحتها 7.850 متقالات و تسعيانة و يموجب سجل تجاري رقم 2012/169 للمقارية حصر الملك المحلول 46 تعانية و ستون متر خربا: شارع عرض 20 م يعوجب سجل تجاري رقم 2012/169 معنون ما رقم و منعون متر و مساحتها 7.37 بموجب سجل تجاري رقم 2012/169 للمقار من يعام أو المحلول المقارية المقارية و الراحص للتعاوين المحدود (شركة شخص واحد) بموجب الصك الصادر من الموتقين بالرياض 6 برقم الراحص للتعاوين و المون معرا و معام و سعون و الما المادر من الموتقين بالرياض 1018/200 الموجب المولية المولية المعلون المقارة معام و معام و معام و أو مستام و المعالية من بناء لصالح / شركة الراحص للتعاوين المحدود (شركة شخص واحد) بموجب حمل تجاري رقم 10282800 1001 معموديا لا خير. مسبع الراحي و تلاتون ما معام و معام و تعاوي العام أو اربعمانه و تماتون ريالا المقار بالقيبة الني تنتهي عندها الراحيات أوامتيان العام أو اربعمانه و تماتون ريالا المقار بالقيب الي تنتهي عندها الراحيات أوامتيانه ملكي في وقي من ميالية و ماتون ريالا المقار باليته الني تنتهي عندها الراحيات والعانه الما و أربعمانه و ماتون ريالا المان باليلام شرعاً و عليه جرى التصدين تحريراً في تمالو الرام من ميلي وما تقص يو مع علي بي علي بينا محمد والم القام برجار و عليه جرى التصدين تحرياً في تمالا الرام من ميلي وما تقص ير ومع غيار بي من محمد واله وصحبه وسلم.





# Documents received from the client



الحد لله وحده والصلاة والسلام على من لا نبي بعده وبعد: فإن قطعة الارض رقم 6 من البلك رقم 1 من المخطط رقم 1155 الواقع في حي قرطية بمنينة الرياض . و قطعة الارض رقم 6 من البلك رقم 1 من المخطط رقم 3115 الواقعة في حي قرطية بمنينة الرياض . و هنوه الارض رقم 5 من البلك رقم 1 من بطول 95 حسة و تسعون متر + تطفه 7.37 جنوبا: شارع عرض 20 مطول 28.501 مائة و خسة منز و الثين و شانون ستنفق شرقا: قطعة رقم 4 بطول 68 ثمانية و ستون متر غربا: شارع عرض 20م بطول 56 حسة و نسعون متر + تطفه 7.37 جنوبا: شارع عرض 20 مطول 28.501 مائة و خسة بطول 53.26 ثلاثة و ستون متر أو خصة و عشرون ستنمتر أو مساحتها 55.77 بطول 53.250 ثلاثة و ستون متر أو خصة و عشرون ستنمتر أو مساحتها 55.780 مثالات و تسعمانة و بعوجب سجل تجاري رقم 2012899 موجب الصك الصلام من طوبا: شارع عرض 20 بموجب سجل تجاري رقم 202322 في 7 / 100 موجب الصك الصادر من الموتقين بالرياض 6 الراجعي للتطوير المحدودة (شركة شخص واحد) سوجب سجل تجاري رفم طبيا من ناه الصالح / شركة الراجعي للتطوير المحدودة (شركة شخص واحد) سوجب مع تجاري رفم وطبيا من ياري نامي 100105828 بعد 1010158289 في 8 / 70 / 1443 قد تمر دنها وما أقيم أو سيعام طبيا من ناه الحالح / شركة الراجعي للتطوير المحدودة (شركة شخص واحد) سوجب سجل تجاري رفم وطبيا من يارياض 6 بيرة معونيا لا غير . سبب الزهن : أداد عسان للوفاء بالميدينية عند شركة وفي حالة و متلية و تمانون ريالاً معونيا لا غير . سبب الزهن : أداد عسان للوفاء بالمديونية عند شركة وفي حالة حم الساد الحمل تهن بيع معونيا لا غير . سبب الزهن : أداد عسان للوفاء بالمديونية عند شركة وفي حالة مع المانونية و عليه و تمانون الو أو معونيا لا غير . منبيا و من : أداد عسان للوفاء بالمديونية عند شركة وفي حالة عم الساد الحمل تهن بيع معونيا لا غير . منبيا و من : أداد عسان للوفاء بالمديونية عند شركة وفي حالة مع المائينية و عليه مع بليه مع بينه معونيا لا غير . منبيا من : أداد عسان للوفاء بالمديونية عند شركة وفي حالة عم الماد فلم تين بيع معونيا م من و طبه جرى التصديق تعريراً في 140 / 10 / 11 لا عصائه مو عليه عليه بينيا



رقم الرخصة : ٢٠٢٧/١٩٦٢ تاريخ الرخصة : ٢٠٢٧/١٩٢٢			ديــة وية	اید منطقه الریاس رخص ایداد صادر ۱۹۵۱/۱۳۶/۲۸ ۲۰ ملل	معاملة :
تاريخ الإنتهاء : ١، ١، ٠٠				THE RANGE COLOR OF BUT	MIN.
تېوم ئېډري مکنيي+مطاعم دوع الرخــصــــة : تديل رخصة	م بناء فندق ه	رحصا		www.alriyadh	gov.
الرخصة اللورية		نه بن عضان السا		مع السعساسات :	
	تاريخه:			the second s	رق.
تــاريـخــــــــه: ١٤٢٦٠٠٨٠٦٠		11.1	11	الـمــك:	_
رقم المخطط التنظيمي : ٢١١٠			ا الى ا	: à <u>• bā</u> !	
رقم العــــــــــــــــــــــــــــــــــــ	_			ارع :	
نسوع السبستساء : سنح			هي قرطبه		~
سوارة م / ط النطاق العـمـرانـــي : مرحلة ٢	محيط الأ		1, 11775,6	حــة الأرض :	La
	الإرتداد	الأبعاد		الحدود	جهة
-	1	7.47		شارع عرض ٤٩م	مال
شارع عرض 46م	0,7	13,0		شارع عرض ۲۸م	رق
307.02 6 5.6		7.7.71		شارع عرض ۲۰ م	نوب ا
	1	1.,70	-	شارع عرض ۲۰ م	<del>ر</del> ب ا
	الإستخدام	المساحة	عدد الوحدات	كونات البناء	1 10
303.34	۔ ترقیهی+سواقف	7911.11			بر
در ه مدن ۵۰ مدمد مدید	رميهى+تر طن قتدق	1904.0.	17		يو. ور أول
- ایت افرایه طن شمر 1000 من مدانه الطام عدانه بدرها رای اینه افرنسی - ایت افرایه طن شمر 1000 من مدانه الطام عدانه بدرها رای اینه افرنسی	للتق	£¥57¥	11		ور ارض
ر ۱۹۶۳م و رشمل الماته هذه البنيج شنارات والتي سن ترميه سطى الايين عليه؟ التر مش هذ الدراف سو مكان من السمن تبلت التبلي اليتسة السمارية و متيه يكون ستور لا عن التقيّر محب الرغمية.	ىيىن ئرفيهى+ىراقف	\$793.3.			ور ارسم پر ثانی
والمفقفات والاترام بلائمة المرابط والذروط المقلمة لأصل الرقابة على المبلي والمنشك وعليه ليلاع الإمادا في حل	ر بېټې بېټو مغن مدار طن	T-14.5.	10		يو ندي رشي تڊ
سرت آن ساطنات تعدد آناد العبر (133، سورایه «هو اکرل بسامة 19، (364)، برقت ر24، (260)، مدانا: - «هر اکان بسامة 10، 117،400 هرک قادر 2، (221،5 مدانا	معارس مطـعم	1		ų.,	رسي مع ور اول
اجيريت المفطيلات المطنية من جزية البهاية والاكار ينفظة الرياض بريب الرار لينة الريمس بتصويس إنثاء بياني مقصلة لم حرمتها في الإبتناع 85 وتم الريبيه بأن يقتار من تعلق طارد	معارض	1117.77			ور اون ول تجارع
ر بحث طی ریخ الجانی الأماديه در التقیه بر كانه الجانی الموارره بعد اللاکه من أن اللطي لجاريه بخاط المون. بر ام حرصها في الاختماع 50 بر ام الترجه بلي بلارم بالتميلات.	مكاتب	1-49.3.			ین مهار : ول مکتبر
	الليني. اللدق	1179,70			رن مصبر للاحق عل
* المستد الذي يجب الالتر ام مند تقيد المشاة هو رخمسة النام وإن اختلف المحلمات المحدة * جب الاترام يتفيد العران العراري المصروس	مكاتب	AF4.4A			يمين م الاحق عا
عليه وفق كود البناء السعودي وذلك حسب تعميم وزير الدون البلاية والفروية رقد5858 تاريخ 1434-2-17 هـ	مطبعو	1			معنی م ور ارضم
وريد صوفي عليه ورون دون 100 مربع (٢ عامل). په بارم ترفين خو قد کورياه رابهاند ۲۹/۵ اذا تجارزت مسطحات البناء عن 1000م2	يتعمر كليات	771.10		4	در ارمم موار
اتر اخذ تعود خطر من الدالك يانه ان ترصل له الخدمه الكوريانية في حال عدم تلفيد. العزل الحراري طبقا لكود البناء السعودي					
الحراري طبقا لكود البناء السعودي		Contration of the			1
				لصمم : عدالمصن	
بز النظام : مناسيب الشوارع المحيطة :	-	لشروع : ١	رقم ۱.	خيص : ۲۰۳۱	م التر
ال رقم : ۱۵٬۰۱۰٬۲۰ وتاريخ : ۲۰۰۰٬۲۱۱ ه	موجب الإيص	ريال به	15491 ;	رسوم مبلغ وقدره :	دد الر (حط
الم العملية علي معليد ما دول اللغير فراند 1100 مع العلي اللغير فراند 111 مع اللغير العليم ومن المرابع	معتمدر من بسيه ٢٢ . تصوي ٢٣ . تعلقه رقم ٢ ١ هـ وتعلم الطول الا الفه ٢ - منطقة التقر من جهة الشوارع عنه رقم ٢ - ١٢ / ١ م ٢ . ١ م / ١ / ١ - ١ . م روشه العام السياحة الى ينه العامة السياحة ال	عد ۲۱/۱۹/۱ . عد ۲۱/۱۹/۱ . ريخ ۲۱/۱۹/۱ و شط او ۲۰۸۰ و مطابر او شط الدن عن ۲۵ ۱۰ مطابر بلدید از ۱۰ معتبیه شطق مط مشتبه من من الا ۲۵ موروب الاتر ۲۵ موروب الاتر	۲۹ بیاریخ ۲۱۰۱۷ بیار ۱۹۹۰ بیار ۱۹۹	(۲۷۷۴، ۲ ۲۹۱۰، ۱ ۳۱۰، ۲ ۱۱ مطول الج ۱۹۹۵ ۲ ۲۹۹۵ ۲ ۲۹۹۹ ۲ ۲۹۹۹ ۲۹۹۹ ۲۹۹۹ ۲۹۹۹ ۲۹۹۹ ۲ ۲۹۹۹ ۲۹۹۹	
رون المركز التي المستخدم المركز منه الشرك مع مجار المحالية معرد المركز المركز المركز المركز	ة الرخص	Al mai and		انیس قسم الرخص منفر سعید ال خرصان	at to

رقم الطلب : ۱۹۲۸٬۹٬۱۹۹۱ ۱۹۲۸٬۹۰	« المريان»	ية منطقة الرياض بندية الروضه
نىغال)	مام البناء ( شمهادة الإ (الكتروني)	شهادة إت
	تم	ع الحمد بن عبدالله بن عثمان السلا ع
ريخـــه ١٤٣٦٨.١٠	3	T1.11T1
م القطعةالى؟	6	ارار
يخ الإصنار		
4	مقــار فندق ٥ ٽجوم تجاري مکتبي+مطاد	ط ۲۱۱۰ نوع ال
	ارع	ي هي قرطيه ش
ريخـــه		رق التنمية العقارية
	ىدىر ع	حي قرطيه ش



حالة ما إذا أخل صاحب المبنى بالشروط الموضحه برخصة البناء بعد إصدار الشهادة.





111/11-1/-



#### Samples of the contracts that were







الهيئة المامة للمقار

#### يعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيدًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ

Contract Data					ا بياتات العقد
Contract Type	جديد	توع العقد:	Contract No.	20340589175 / 1-0	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2024-03-19	تاريخ إبرام العقد:
Tenancy End Date	2034-07-14	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2024-07-15	تاريخ بداية مدَّة الإيجار:
Contract is conditional			4		معلق بشرط

Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين الاول <mark>ى</mark> العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجِلَ التَّجَارِي:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	24	جهة الإصدار:

Lessor Represe	intative Data			مۇچر	٣ بيانات مُمثِّل ال
Name		ن يحيى معيدي	<mark>سلمان حسین</mark> بز		الاسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address		الرياض	العلياء		العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2025-08-31	2022-10-04	وكالة شرعية إلكترونية	441361636

Company name/Founder	مجمع خالد محمد المطيري الطبي	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	وع المنظمة:
Unified Number	7013639625	الرقم الموجد	CR No.	2050098463	رقم السَّجل التَّجاري:
CR Date	2014-02-27	تاريخ السجل التجاري:	Issued by	20	جهة الإصدار:

# G R O U P

يعون للدكم الاتقاق في يوم الأهد بتاريخ: 15/ 14/40 هـ الموافق: 28/ 70/ 10 20 م بن قل من: 1 – العزم: (الطرف الأران): السسيد (عبد العزر: محد عبد العزيز القلسم (1863/1861)، عثواته : عندينة الرياض هي : المحقة

السود/ لعد عبد الله عثمان السلامة المعترمين / المعتر م عامل هوية رقم (1037239215) , عترانه : مدينة الرياض هي: المسطلة

2 - المستأبور (الطرف الثاني) : السادة /: شركة الأغذية الثليدة لتقديم الوجبات سجل تجاري رقم(1010574871) المعترمين / المعترم

ويعلمها السنيدار خاند طسيف للدعوض الخزي هوية رقم (1112983267) وطواله منيلة: الرياض ، الايعيل المحد الفاص بالستاجر (

تعهيد بعرجب المك رقم 910114036792 وتاريخه 110380600 هـ. رصك رقم 210114036792 وتاريخه 210114036794 مـــ رصك رقم 21011403679 وتاريخه 21008099 مـــ رصك رقم 21011403679 وتاريخه 2000991 مـــ الصدر من قلبة عنل تريض يستك طرف الأرل العقر العان بمنية الريض من قرطبة طريق المنامة والمنوى له، وك أبدر الفرف الذي مرغبة في استنجاز

لحين المشعر لها لاحظه والوقاد بيقاة الشعوط الوزردة في هذا العلم والمارقية عليه، وقبل الطرف الإول بلك , وهذا بعلن المؤسسا الشرعة والتقليمة , وقد تعلقا على ما بلي : الماذة الإولى سفة الصبيح :

Se a little start as the

التعهيد السابق جزّه لا يتجزّأ من هذا الطدر. <u>المادة الثلقية: موضوع الطا</u>

- 214 اجر الطرف الثلاقي الثلقي العن الموصوفة النذة والمثل إليها فهما يعد يقعن المؤجرة وعلوالها الألى: . اسم المنطقة الرياضي اسم المشروع إليهامة النوع العن: بعرض الرفة لعنهي: 60
- 2/2 البلغ اجمالي المساحة المؤجرة للطرف الثلى (611.5) متر مربع وهي فليلة للنقص والزيادة تسريطة الالزيد السبة التقيير اطى عشــرة بقدانة من المســـلمة المتلق عليها في هذا المقد ولزيد الأجرة وتنقص بناء على هذا التف

#### المادة الثلثة: الغرض من التلجير

3/1 - الغرض من تأجير العين هو استنصالها من قبل الطرف الثاني في غرض معرض بعا تخوته ان الرحمت التهارية التي يمارس بها التشاط روبحسب ما يتواق مع الانظمة والتواتح المعمول بها في المملكة العربية السعونية ;

#### المادة الرابعة: مدة العلد

- 44 اجمائي مذها العلام ( 5) سسترات ميلادية مذيها مستقين الزامية هل تطرف الثلثي وهي تسستين الإولى .بسمار (1256) وبال للمثر المربع بإيجالي مناغ (164,376) بان ( اسبع مذة و اربعة ويستون اللا ولتلاة منة وتعتبد وسيعون زيار للغلا لأطول "للمثانة الواحدة، و تكون بدياية الايجار بحد 60 يوم من ارسال شيهادات المام اليذاء وشهادة الملاح الطلي عبر الإيميل لمعتمد الملمان بالمستقير .
- 4/2 يجد العقد لمدة جديدة للقانيا بط التهام الفترة الملية ما ثم يبنغ أن طرف الطرف الإغر. عن رغبته يعم تهديد الحد يغطب رسمي.
- 4/3 حد الرغبة في حم التوبيد بتر تبتية الغرف الاخر خطياً وتلته فيل ثلاثة متسهور من تزريع انهية مدة علا الطر أو المة المبعدة , وفي معة السنوات الانفارية غضمونة في منا علمة يجب التبليغ في تولية السنة ,كلاثة للسيد . سيالة , سيوم التجنية رحم التبليغ بحل التوبيد التقلي تهة .

م المكو الفاسة، القيمة الإيوارية: معالج الأول الثني بسناء قيمة السنة الإيجار المستحلة للغرف الإيل طلما على قسطين والسط كل سنة شيور والإيراب المكونية ، و وقع المسالة بعرجة شيك مسرعي لو تعويل يقني على حساب مجهورة إيراق 100% الم 100%

radh, Anas bin Malik St. 966 11 454 5775

info@asg-mena.com





يعتبر هذا العقد عقَّدا موثَّقا وسنَّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ٢٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20038215199	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2021-08-03 12:17:59 UTC	تاريخ إبرام العقد:
Tenancy End Date	2030-11-14	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2021-11-15	تاريخ بداية مدَّة الإيجار:
Contract is conditional			4		معلق بشرط
			Ejar Fees Paid By	الدفع عن طريق رصيد الوسيط العقاري	طريقة دفع رسوم العقد:

Lessor Data					۲ بيانات المؤجّر
Name		ثمان السلامه	احمد عبدالله ع		الاسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1037239215	رقم الهويَّة:	ID Type	الهوية الوطنية	نوع الهويَّة:
Email	abdulaziz@asg- mena.com	البريد الإلكتروني:	Mobile No.	+966505460067	رقم الجوَّال:
National Address		3738, 7901, Down T ك	own, 47914, TAB 9jj	iuk.	العنوان الوطني:

Lessor Representative Data The lessor is represented by himself or herself.				ا بيانات مُمثِّل المؤجر		
					يمثل المؤجر بنفسه.	
Tenant Data					٤ بيانات المستأجر	
Company name/Founder	شركة بوقا لتقديم الوجبات	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	وع المنظمة:	
Unified Number	-	الرقم الموحد	CR No.	1010595181	ِمَم السَّجل التَّجاري:	
CR Date	2019-09-15	تاريخ السجل التجاري:	Issued by		حمة الاصدار:	

Tenant Representative Data		المستأجر	٥ بيانات مْمثّْل
Name	تامر علي علوي سائم		الدسم:
	Nationality	المملكة العربية السعودية	الجنسيَّة:



**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

<u>
 info@qiam.com.sa</u>

www.qiam.com.s

🖉 +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05/14 هـ الرقم الموحد 25232029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report**

# Presented to: Mulkia Gulf Real Estate REIT Fund



Al Yasmeen Residential Building

# MENT





Report date: 18/07/2024 AD

Report No.: 448220

EFEFEEEEE



QIAM VALUATION | REAL ESTATE VALUATION REPORT



#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Al-Yasmine Residential Building Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **AI-Yasmine** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of AI-Yasmine Residential Building property for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2024** AD, **For an amount of only (20,000,000) twenty million Saudi riyals.** 

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

#### Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
Appendix	07



The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Direct Capitalization Method). This is because the property is leased under one contract and with a fixed rental value throughout the contract period.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).

No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid. Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that,

- This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears.
- The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





### Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity	
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>	
Assumed value	Value Basis	Purpose of the valuation	
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund	
Report type for client	Valuation Approach	Asset subject to valuation	
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Direct Capitalization Method)	Al Yasmeen Residential Building	
Report issuance date	Valuation date (measurement)	Inspection date	
18/07/2024AD	30/06/2024 AD	10/06/2024 AD	
Scope of the Valuer search - Standard No. 102			

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

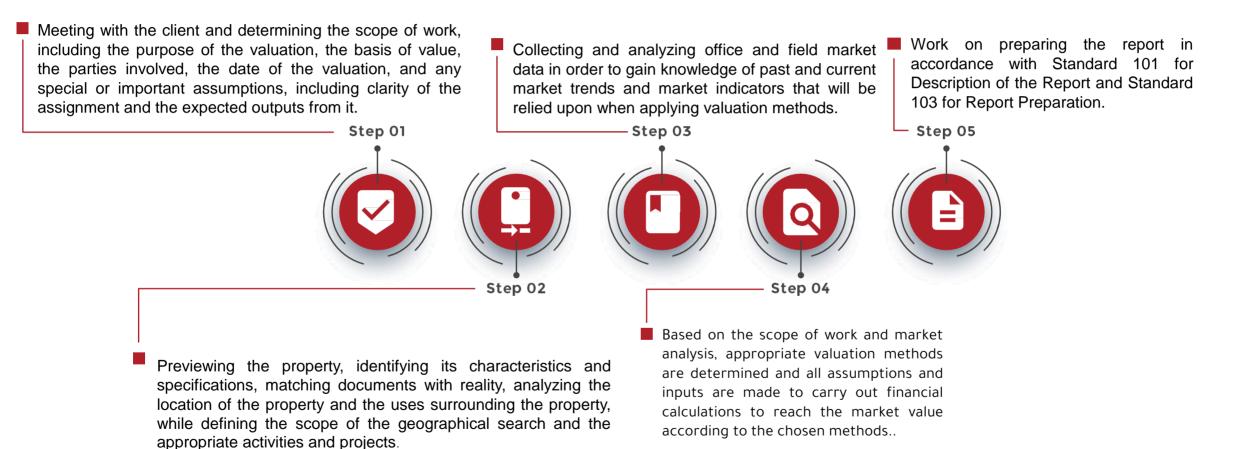
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



#### Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

### Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
	Title deed	Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



#### Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

#### 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

## 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

#### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



## Real estate and investment properties in the preparation of financial reports

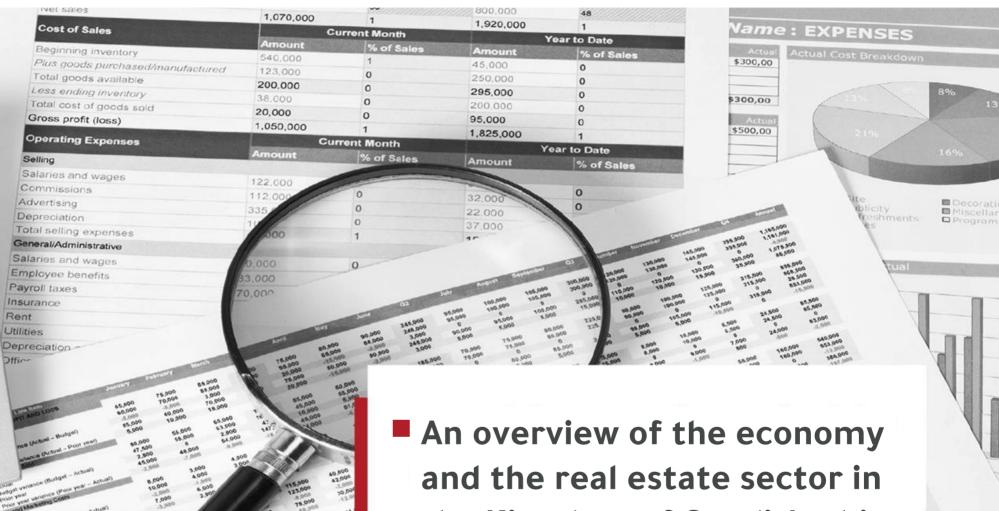
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the inductor	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



### 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



#### Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





#### **Business Sectors Overview**

#### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

### **Office Sector**

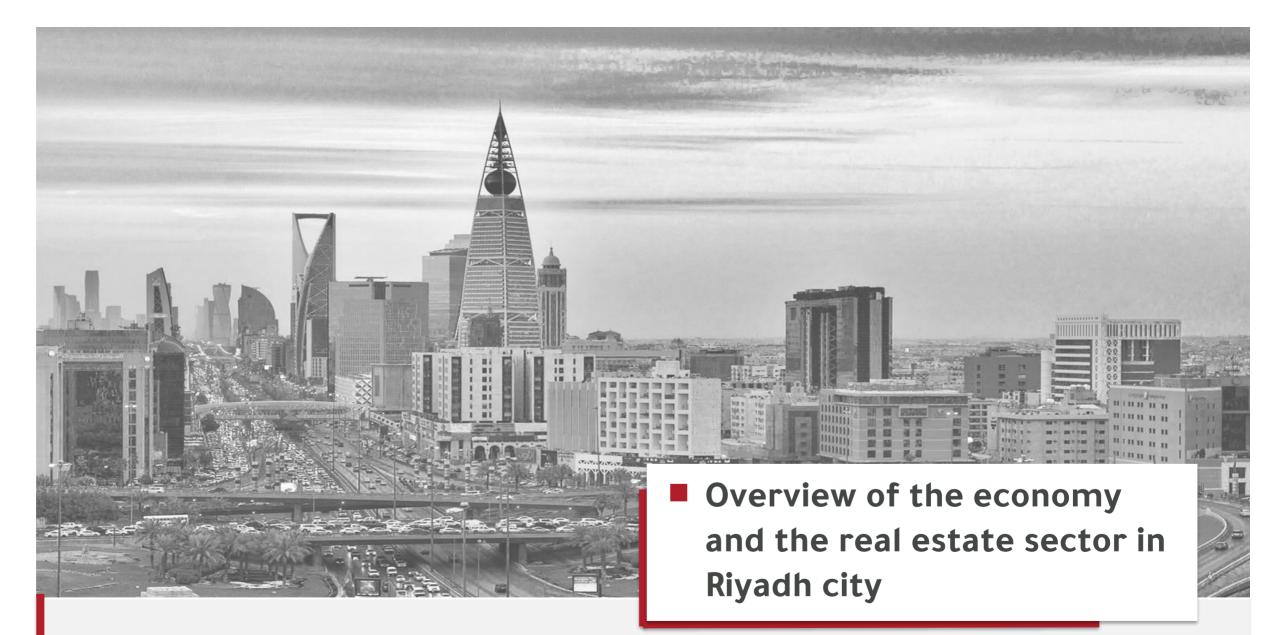
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

## **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





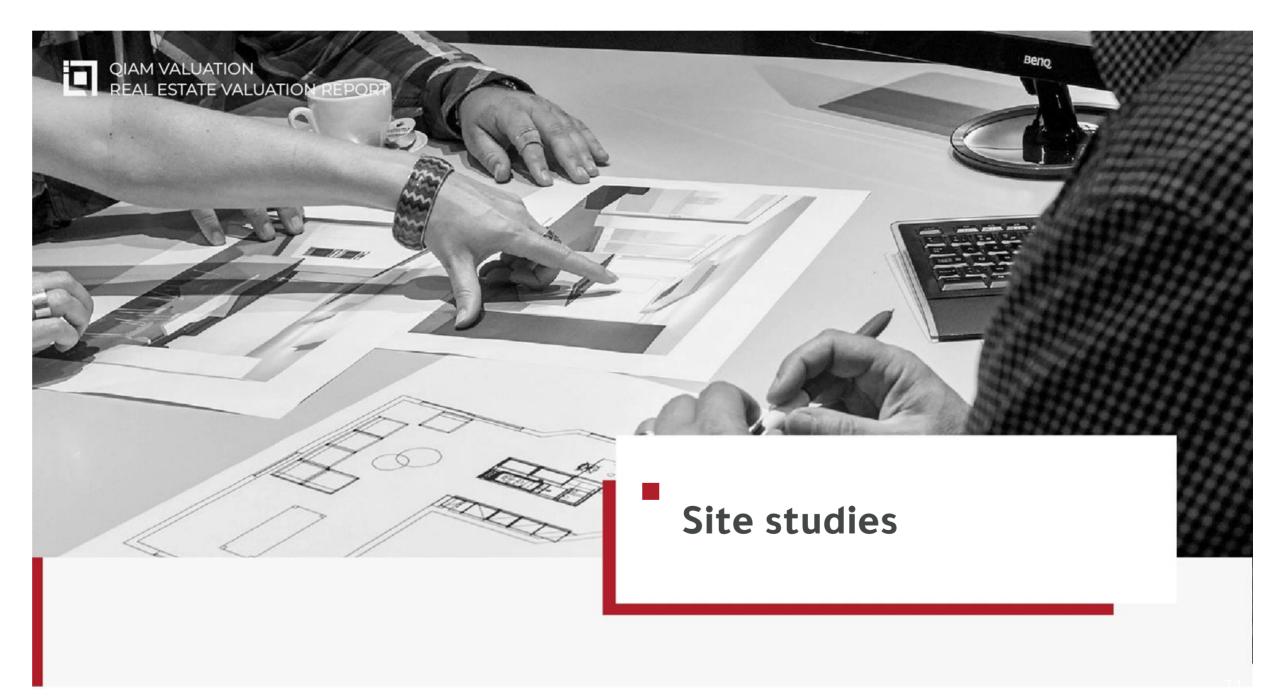
Social, service and real estate indicators - Riyadh City - 2023 AD

## Social and service indicators:

882	<b>30+ML</b>	<b>1.2ML</b>	<b>4.78ML</b>	7.67ML	<b>1,973KM</b>
Public and private school	Traveler	Student	Size of the workforce	Population	Area
<b>2</b>	<b>7.8+K</b>	<b>70+</b>	<b>4300</b>	<b>112</b>	<b>7</b>
Airports	Tourist and visitor	Markets (mall)	Factory in the area	Hospital	Universities
<b>110</b>	% <b>68</b>	<b>20+K</b>	<b>20</b>	<b>43</b>	<b>28</b>
Number of hotels	Hospitality Occupancy	Hotel room	5 Star Class	4 Star Class	3 Star Class

# **Real estate indicators:**

150+ML	2.6+Billion	661+K	101+Billion	7.6+Billion	71+K
Rental spaces Commercial / m <sup>2</sup>	Total value of residentia transactions	Residential rental deal	Total value of rental deals	Total value of sales transactions	Executed transaction





# Property Risk Analysis

# Strength point:

- The property is located in the north of Riyadh.
- The location is close to the main roads that connect it to other parts of Riyadh, such as (Abu Bakr Al-Siddiq Road and Anas bin Malik Road).
- The noticeable urban expansion north of Riyadh with the growing demand for housing

# **Opportunities:**

- Benefit from the proximity of the property to event centers.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market's needs.

# Weak points:

- The location is on a secondary commercial street.
- Twice the length of the property's main facade

# **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	493010005755	13/03/1443 AH	Absolute ownership

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Yasmine	16 block 3	3229	2309.76 square meters

#### > Borders and lengths:

Borders and lengths:							
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
10m wide corridor	69.99	Plot No. 15	69.99	36m wide street	33	18m wide street	33

# Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



# Real estate data and Services available in the real estate area

Real Estate Data							
City	Riyadh	Neighborhood	Al-Yasmin				
Street	Al-Qadisiyah Street	Property type	Residential building				
No. land plan	3115	Plot number	16 block 3				
Land Area	2309.76 square meters	Built-up area	5422.98 square meters				
	Services and facilities avail	able in the real estate area					
Electricity network	Telephone network	Water network	Sewerage network				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Water drainage network	Mosque	Dispensary	Garden				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Public markets	Civil defense	Police station	Hospital				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Hotels	Petrol station	Schools	Governmental services and centers				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				



# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located to the northwest of Riyadh in Al-Yasmin district on Al-Qadisiyah Street with easy access to Abu Bakr Al-Siddiq Road and Anas bin Malik Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	North of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Apartments
	Building ratio - number of floors	Ground floor + first floor building lab 1.2
Economic factors	Supply and demand	High
	Land prices	High
Legal factors	Deficit and trespassing on the property	N,A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (11) years based on the (Building permit).
- Building permit number **12739/1431** dated **24/07/1434 AH**
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Residential building)**. Detailed as below:

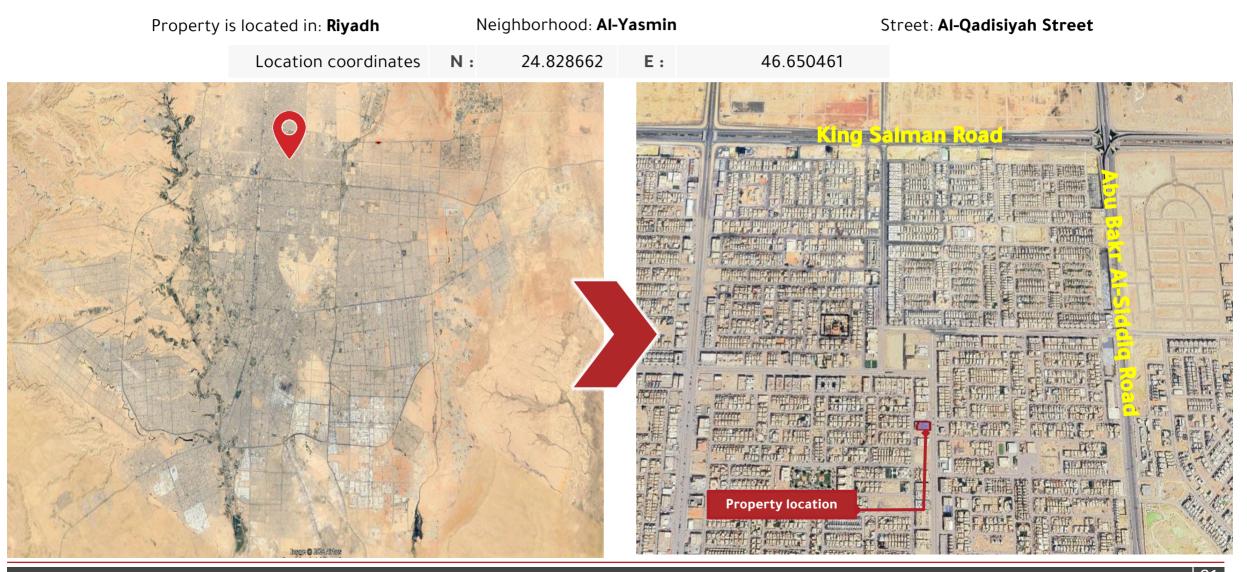
	Building components				
#	Floor	Area (m2)	Use		
1	Ground floor	1382	12 residential units		
2	First floor	1620	12 residential units		
3	Second floor	1550	11 residential units		
4	Upper extensions	731	7 residential units		
5	Fences	139.98	Services		

# Property Description

INTERIOR FINISHES							
Doors		Ceiling	Wall Cladding	Floors			
Veneered woo	d	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain			
Windows		Health kits	Stairs	Insulation type			
Aluminum and double	e glazing	High quality	Marble	Thermal - Hydro			
	EXTERIOR FINISHES						
Facades		Facilities	Doors	Floors			
Stone		Cosmetic implants	Cosmetic implants Electric Securit Glass				
		Electromechanical and air conditioning	systems				
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System			
Split separate	2 Elevators	High quality	High quality energy saving	g Automatic electric pump system			
	Security and safety systems - other facilities						
Facilities	Parking	Fire Alarm and Extinguishing Systems	Fire Alarm and Extinguishing Systems Security Systems				
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hotel	Parts Indoor an	door and outdoor surveillance cameras			



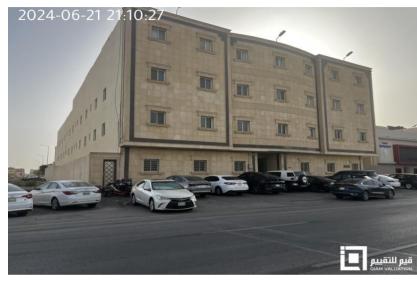
# **Property location**



**QIAM VALUATION | REAL ESTATE VALUATION REPORT** 



# Photographic survey of the Property







2024-06-21 21:10:28







QIAM VALUATION | REAL ESTATE VALUATION REPORT



Londo problem

# Valuation



# Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



# Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

# The market approach should be applied and afforded significant weight under the following circumstances:

- The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

# The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



# Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

# Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

# Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

# Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

# Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

#### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

#### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

#### **Used valuation methods**

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

# Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation

	Comparative real estate		Valuatir	ng the land according to Mark	et Approach - Method o	of compar	ison with similar sales	
Comparison factors	Comparison 1	Comparison 2		Clause	Comparative real estates			
Area (m2)	1,500	3,000	Adjustments factors	Property under valuation	Comparison 1		Comparison	2
Ease of access	Average	High	Aujustments factors	Property under valuation	Value	Adjustment	Value	Adjustment
Property location	Average	High	Price per square meter	***	6,600		7,500	
Land shape	Flat	Flat	Condition	***	Available offe	r	Available off	er
Land topography	Regular	Regular	Date of valuation/offer	2024	2024		2024	
Use	Commercial Residential	Commercial Residential	Market Condition	***	%10.00-	660	- %10.00-	750
Surrounding streets	2	2				000		100
Price per meter (SR)	6600	7500	Financing terms	***	%0.00	-	%0.00	-
Comparative condition	Available offer	Available offer	Manhad ann dtáinn a					
			Market conditions value	***	(660.00)		(750.00)	
Comparison			Value after initial settlements	***	5,940		6,750	
明治罪 一時間 一時間間方柱			Land area (m²)	2309.76	1,500	%2-	3,000	%2
			Ease of access	Average	Average	%0	High	%5-
一個目目的一個戶口			Property location	Average	Average	%0	High	%5-
4月77世 月二百年96月			Land shape	Flat	Flat	%0	Flat	%0
			Land topography	Regular	Regular	%0	Regular	%0
			Land use	Commercial Residential	Commercial Residential	%0	Commercial Residential	%0
			Surrounding streets	3	2	%5	2	%5
王即四四百年百年月		南京の正日目的時期では		Total	%3.00		%3.00-	
	2 Comparison			t value per square meter	178		-203	
				Final meter value after Adjustments			6,548	
	Property location		Net average value	e per square meter (SR / m²)			6,333	
			Market valu	ie of the land (SR / m²)		14	4,627,364	



# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.



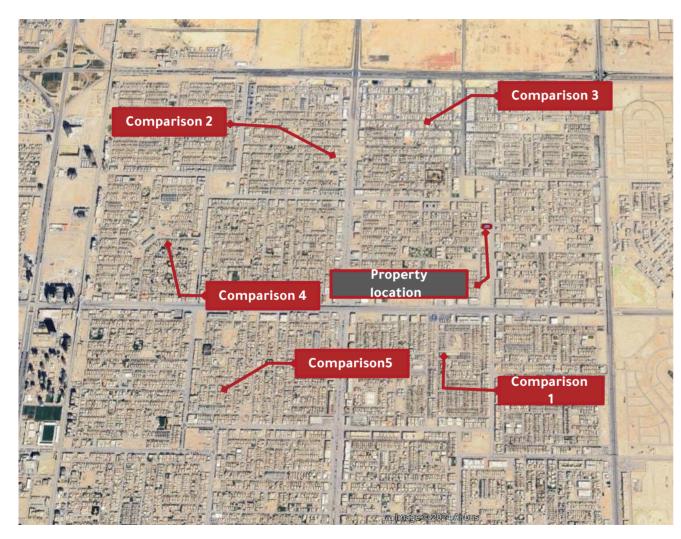
# Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)							
lause	Built up area m2	SR / m2	Value (SR)				
Ground floor	1382	1,800	2,487,600				
First floor	1620	1,800	2,916,000				
Second floor	1550	1,800	2,790,000				
Upper extensions	731	1,800	1,315,800				
Fence	139.98	500	69,990				
Total (SR)	5,423		9,579,390				
econd: Other costs (indirect)							
Professional fees	%2		191,588				
Jtilities Network	%2		191,588				
Administration costs	%2		191,588				
Financing costs (0 years / 0%)	%0	•	-				
Developer's profitability	%15	5	1,436,909				
1	2,011,672						
Total cost	of buildings (SAR)		11,591,062				

Third: Depreciation cost		
Life span of the property (year)	Year	40
The current age of the property (year)	Year	11
Remaining life of the property (year)	Year	29
Depreciation rate	%	28
Depreciation value SR		3,187,542
Final value of the	8,403,520	
Fourth: Value of the property according to	the Cost Approach	
Final value of th	e land (SR)	14,627,364
Final value of bu	8,403,520	
Market value of the property accord	23,030,883	
Market value of the property accord rounding	23,031,000	



# Market Survey Data Analysis - Residential units



### Market Survey Results - Residential Units

#	Comparison	Area (m2)	Rental value
1	Apartment	160	65,000
2	Apartment	142	55000
3	Apartment	144	60000
4	Apartment	95	45000
5	Apartment	139	60000



# Valuation Assumptions Data Analysis - Direct Capitalization

#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Valuation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 6% to 7%. Accordingly, the return rate was assumed to be 6.5%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Operating and capital expenditure rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.

#### Vacancy rate and credit risk:

Since the property is leased under a single contract, the vacancy rate and credit risk have been assumed at 0%.

#### **Rental income:**

The property income was analyzed by reviewing the property contract and comparing it to the market, as the rental value of the property is 1,300,000 riyals.

# Market Value Calculation - Direct Capitalization Method

Market Value Calculation - Income Approach - Direct Capitalization Method						
Clause Value						
Gross rental income	1,300,000					
Vacancy rate and credit risk	% <b>0</b>					
Actual gross income	1,300,000					
Operating expense ratio	% <b>0</b>					
Net operating income	1,300,000					
Rate of return	%6.50					
Market value of property according to income capitalization method	20,000,000					



# Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Direct Capitalization method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property subject to valuation, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
20,000,000	Twenty million Saudi riyals.

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT



#### 493010005755 رقم الصك: وزارة العل ايراهيم عمر محمد الحسين الرياض ترخيص رقم 39/999 صك رهـــن الحمد لله وحده والصلاة والسلام على من لا نبى بحد، ويعا: فإن قطعة الارض رائم 16 من البلك رقم 3 من المخطط رائم 3229 الواقع في حي الياسمين بمدينة الرياض . وحدودها شمالا: ممر مشاة عرض 10م بطول 69.99 تسعة و ستون متر و تسعة و تسعون سنتمتر واطوالها: جنوبا: قطعة رقم 15 بطول 69.99 تسعة و ستون متر و نسعة و تسعرن سنتمتر شرقا: شارع عرض 36م بطول 33 ثلاثة و ثلاثون متر غربا: شارع عرض 18م بطول 33 ثلاثة و الطون متر ومسلطتها 2309.76 أقلان و ثلاثملغة و تسعة متر مربع و ستة و سيعون سم مربع السلوكة لـ شرحة نمدين الاولى الستارية بمرجب سطر تعارى رقم 101089662 بمرجب الصك الصادر من كتابة الحل بغرب الرياض برقم 101089692 في 24 / بموجب سدن نجرى رسم ٢٥٦١٥٥٥ بموجب است المندر من هنيه العان يترب الريص يزم ٢٥٩، ١٥٥٥ و ٢ هـ ١/ ١/ ٢٥٥ ه م ٢/ ٢ 11 / 1442 قد ثمر رهنها وما أقيم أو سيقام عليها من يناه تصالح / غريكة الراجعي للتقاوير المحدودة بموجب سجل تجارى رقم 1010158249 مستقا للرقام بـ 15617071 فقط خصة عشر مليوتا و سنمانة و سيمة عشر القا و واحد و سيعون ريالا سعرديا لا غير. تسدد على المسلط شهرية عدما 1 قبمة كل قسط تاريخ حلول القسط 1443/03/14 سبب الرهن : اداة ضمان للوقاء بالمديونية عقد رقم 22455468 ويحق للمصرف بيع الطقر إذا تعتر المدين عن سداد المديونية أو جزء منها قبل حلول كل الدين المضمون(السداد على قسط واحد بعيلة 15617071جال بناريخ 12-30-12-2028م) وفي حالة عام السداد فالمرتهن بيخ السقار بالقيمة التي تنتهي عدها الرغبات. واستيفاع مالي لمة الراهن من مبلغ وما تقص يرجع فيه عليه بعد اكمال مايلزم شرعا. وعليه جرى التصديق تحريرا في 1444 / 33 / 12 لاعتماده وصلى الله على نبينا محمد واله وصحيه وسلم.

الموثق

الخلم الرسمي

ايراهيم عمر محمد الحسين

رقم الرخصية : ١٤٣١/١٢٣٩ تاريخ الرخصية : ١٤٣١/١٢٣٩ تاريخ الإنتهاء : ١٠٢-١٢٢-١ يتاريخ الإنتهاء : ١٠٢-١٢			لقروية	کة العربية الس الشنون البلدية وا بانة منطقة الرياء ردارة رخص البناء	وزارة
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# Documents received from the client



سعادة / مدير عام شركة المياة الرطنية

السلام عليكم ورحمة الله وبركاته ... وبعد

نفيدكم أن المستفيد الموضح اسمه أعلاه قد اكمل بناء عقاره حسب الرخصة المدون رقمها وتاريخها بعاليه ولعدم وجود أي ملاحظات نامل إكمال اللازم ، وتحتفظ الأمانة بعق الرجوع عن الشهادة وقطع الخدمه في حالة ما إذا أخل صاحب المبنى بالشروط الموضحه برخصة البناء بعد إصدار الشهادة.





# Documents received from the client

ID No. Email

	السعودية			
نوع الهويَّة:	هوية وطنية	ID Type	رقم الهويَّة:	1047130487
رقم الجوَّال:	+966554537750	Mobile No.	البريد الإلكتروني:	
رقم سند التمثيل Number	نوع المستند Type	تاريخ التصدار Issue Date	تاريخ الانتهاء Expiry Date	
42111748	وكالة شرعية	2020-11-29	2025-10-06	

Nationality

المملكة العربية

الحنسيَّة:

Brokerage Entity and Broker Dat	a	هارية والوسيط	٦ بيانات المنشأة الع
Brokerage Entity Name	(شركة روعة انجاز المحدودة (شركة شخص واحد		اسم المنشأة العقارية:
Brokerage Entity Address	نجم الدين الايوبي, 14929, 6071, 2998, 2998 الرياض, الرياض		عنوان المنشأة العقارية:
Landline No.	.CR No رقم الهاتف:	1010635760	رقم السَّجل التَّجاري:
Fax No.	رقم الفاكس:		
B0 Manager Name	فيصل سعد ابن محمد القحطاني		سم الوسيط:
	Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No. 1044216578	ID Type رقم الهويّة:	الهوية الوطنية	نوع الهويَّة:
Email null@null.com	Mobile No. البريد الإلكتروني:	+966554537750	رقم الجوَّال:

Title Deeds Data			التَّملك	۷ بیانات مکوك	
Issuer:	-	جهة الإصدار:	Title Deed No:	493010005755	رقم الصَّك:
Place of Issue:	-	مكان الإصدار:	Issue Date:	2021-10-19	تاريخ الإصدار:

Property Data					۸ بیانات العقار
National Address		ى, الرياض ,2967, 6697	الياسمين, 13326 , الرياة		العنوان الوطني:
Property Usage	سكن عائلات	نوع استخدام العقار:	Property Type	عمارة	نوع بناء العقار:
Number of Units	40	عدد الوحدات:	Number of Floors	4	عدد الأدوار:
Number of Parking Lots	-	عدد المواقف:	Number of Elevators		عدد المصاعد:

Rental Units Data				جارية	٩ بيانات الوحدات الإي
Unit No.	الترضي	رقم الوحدة:	Unit Type	شقة	نوع الوحدة:
Unit Area		مساحة الوحدة:	Floor No.	1	رقم الدَّور:
Kitchen Cabinets Installed		خزائن مطبخ مركّبة:	Furnished		مۇڭئە:
AC types		نوع التكييف	Number of AC units	0	عدد وحدات التكييف
Current meter reading		القراءة الحالية	Electricity meter number		رقم عدّاد الكهرباء
Current meter reading		القراءة الحالّية	Gas meter number		رقم عدّاد الغاز







#### يعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	10473603359	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2022-01-02	تاريخ إبرام العقد:
Tenancy End Date	2027-09-04	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2022-09-05	تاريخ بداية مدَّة الإيجار:
			Ejar Fees Paid By	الدفع عن طريق رصيد الوسيط العقاري	طريقة دفع رسوم العقد:

Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين الاولى العقارية	اسم الشَّركة/المؤسَّسة:	Organization Type	commercial	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

۳ بیانات مُمثَّل المؤجر Lessor Representative Data					
Name		سلمان حسين بن يحيى معيدي			الاسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2022-09-05	2021-09-16	وكالة شرعية	43661903

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة روعة انجاز المحدودة (شركة (شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	commercial	نوع المنظمة:
Unified Number	7017199436	الرقم الموحد	CR No.	1010635760	رقم السِّجل التِّجاري:
CR Date	2020-05-14	تاريخ السجل التجاري:	Issued by		جهة الإصدار:

0 ييانات مُمثّل المستأثير وييانات مُمثّل المستأثير Name محمد بن مفرد بن محمد القحطاني



**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

<u>
 info@qiam.com.sa</u>

www.qiam.com.s

🖉 +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 22000001 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05 ها لرقم الموحد 22822019 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report**

# Presented to: Mulkia Gulf Real Estate REIT Fund



QIAM VALUATION

Al Namothajiyah building for hotel apartments

Report date: 18/07/2024 AD

Report No.: 448222

FEFEFEFEFEFE



QIAM VALUATION REAL ESTATE VALUATION REPORT

**REAL ESTATE VALUATION REPORT** 



#### Statement

# Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Al Namothajiyah building for hotel apartments Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **Al Namothajiyah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Al Namothajiyah building for hotel apartments property for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**. In the amount of only (**54,286,000**) fifty-four million, two hundred and eighty-six thousand Saudi rivals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

# Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
Appendix	07



The specific assumptions and limitations of the report

# Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Direct Capitalization Method). This is because the property is leased under one contract and with a fixed rental value throughout the contract period.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).

No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid. Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that,

- This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears.
- The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity		
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>		
Assumed value	Value Basis	Purpose of the valuation		
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund		
Report type for client	Valuation Approach	Asset subject to valuation		
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Direct Capitalization Method)	Al Namothajiyah building for hotel apartments		
Report issuance date	Valuation date (measurement)	Inspection date		
18/07/2024AD	30/06/2024 AD	10/06/2024 AD		
Scope of the Valuer search - Standard No. 102				

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

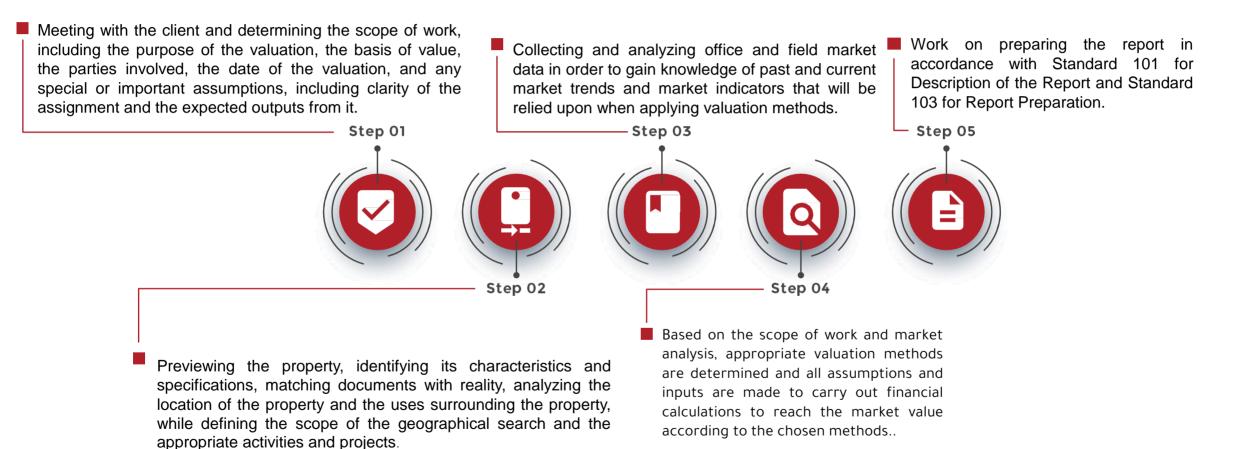
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



# Work Stages





## Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

# Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
	Title deed	Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Market Practical experience of real estate offices		Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



# Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

# 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

## 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

# Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

## Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



# Real estate and investment properties in the preparation of financial reports

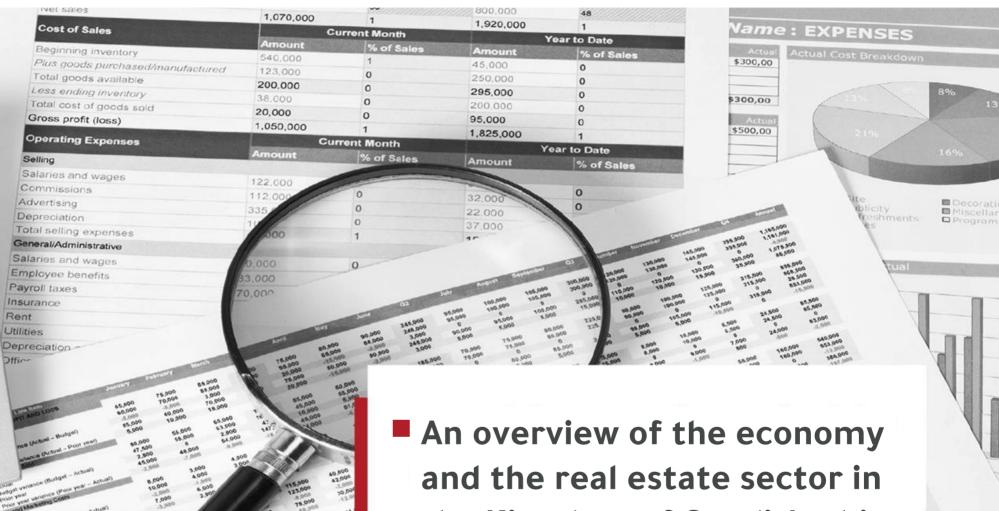
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the inducial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



# 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



# Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





# **Business Sectors Overview**

## **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

# **Office Sector**

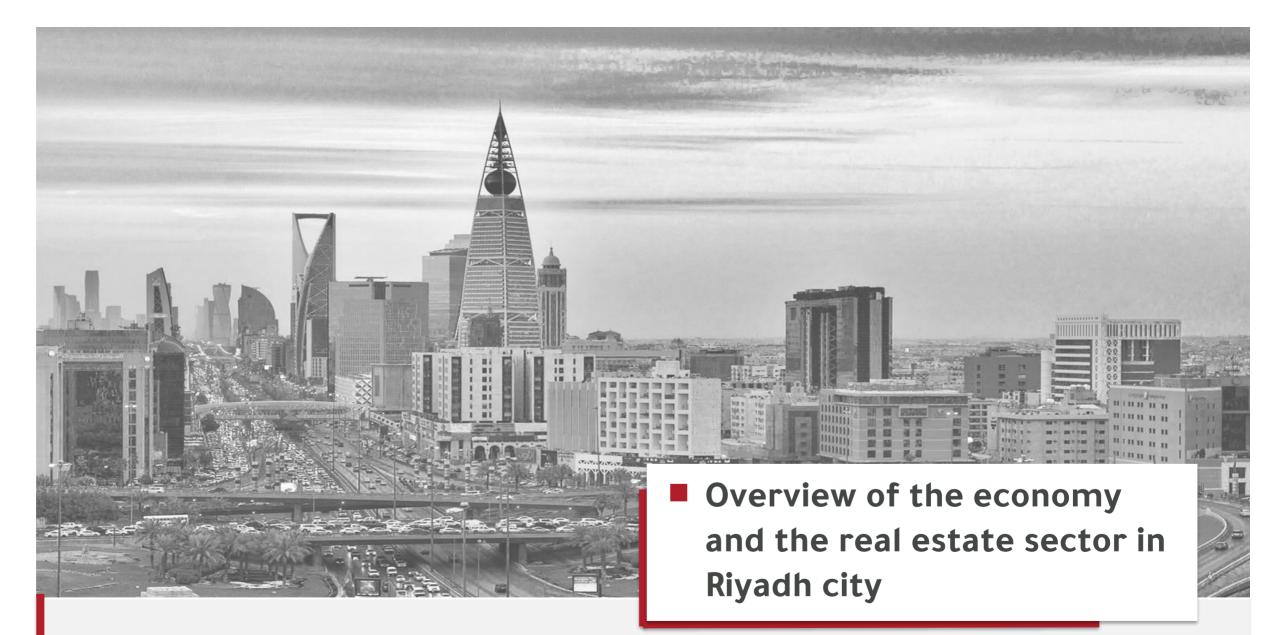
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





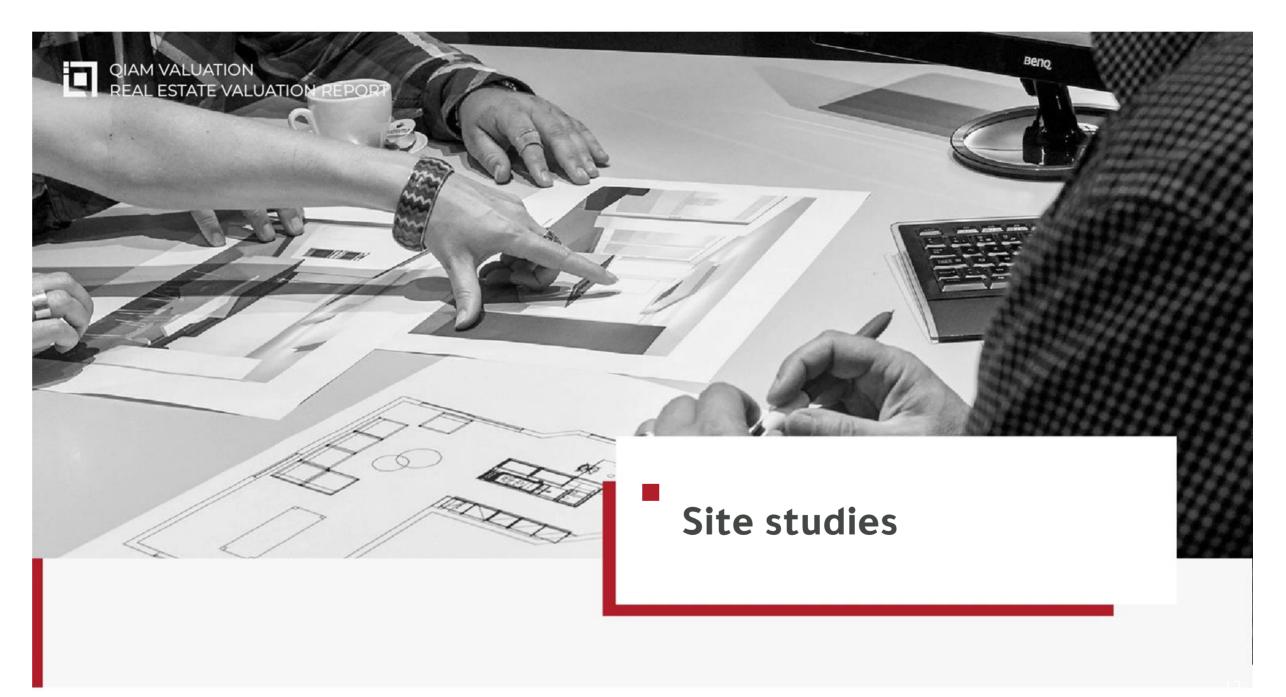
Social, service and real estate indicators - Riyadh City - 2023 AD

## Social and service indicators:

<b>882</b>	<b>30+ML</b>	<b>1.2ML</b>	<b>4.78ML</b>	7.67ML	<b>1,973KM</b>
Public and private school	Traveler	Student	Size of the workforce	Population	Area
<b>2</b>	7.8+K	<b>70+</b>	<b>4300</b>	<b>112</b>	<b>7</b>
Airports	Tourist and visitor	Markets (mall)	Factory in the area	Hospital	Universities
<b>110</b>	% <b>68</b>	<b>20+K</b>	<b>20</b>	<b>43</b>	<b>28</b>
Number of hotels	Hospitality Occupancy	Hotel room	5 Star Class	4 Star Class	3 Star Class

# **Real estate indicators:**

150+ML	2.6+Billion	661+K	101+Billion	7.6+Billion	71+K
Rental spaces Commercial / m <sup>2</sup>	Total value of residentia transactions	Residential rental deal	Total value of rental deals	Total value of sales transactions	Executed transaction





# Property Risk Analysis

# Strength point:

- The property is located in the center of Riyadh.
- The location is close to the main roads that connect it to other parts of Riyadh, such as (King Fahd Road and King Khalid Road).
- The location is close to business centers, ministries and major hospitals

# **Opportunities:**

- Seeking to develop in line with the Kingdom's economy and its orientation towards global markets.
- Eliminating all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.
- The location of the property within the old neighborhoods of the city

# Weak points:

- The location is on a secondary commercial street.
- The shape of the land is irregular.

# **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	693010004593 393010004586	12/11/1443 AH 12/11/1443 AH	Absolute ownership

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - An Namudhajiyah	N.A.	N.A.	3061.75 square meters

#### > Borders and lengths:

	Borders and lengths:						
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
32m wide corridor	59.5	20m wide street	56.58	Neighbor	60	Neighbor	40.75

# Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



# Real estate data and Services available in the real estate area

	Real Estate Data						
City	Riyadh	Neighborhood	An Namudhajiyah				
Street	Fahd bin Salman bin Abdulaziz	Property type	Hotel apartment building				
No. land plan	N.A.	Plot number	N.A.				
Land Area	3061.75 square meters	Built-up area	11613 square meters				
	Services and facilities avail	able in the real estate area					
Electricity network	Telephone network	Water network	Sewerage network				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Water drainage network	Mosque	Dispensary	Garden				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Public markets	Civil defense	Police station	Hospital				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Hotels	Petrol station	Schools	Governmental services and centers				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				



# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located north of Riyadh in the Al Namuthajiyah district on Prince Fahd bin Salman bin Abdulaziz Street with easy access to King Fahd Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	City center
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Irregular sides and lengths
Building Regulations	Land use	Residential - Commercial - Office
	Building ratio - number of floors	Ground floor + 3 floors + 50% upper extensions
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (10) years based on the (Building permit).
- Building permit number 1434 / 15058 dated 18/07/1434 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a (Hotel apartment building). Detailed as below:

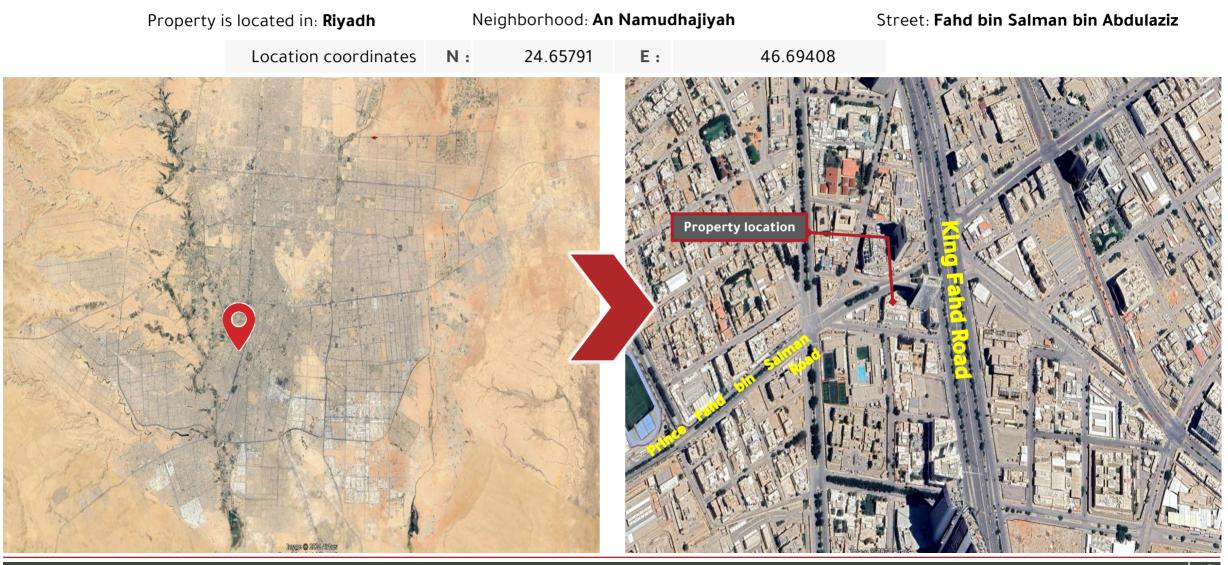
	Building components				
#	Floor	Area (m2)	Use		
1	Basement	2665	Parking		
2	Ground floor	1837	Hotel units		
3	First floor	1990	Hotel units		
4	Second floor	1990	Hotel units		
5	Third floor	1990	Hotel units		
6	Upper extensions	995	Hotel units		
7	Fences	146	Services		

# Property Description

	INTERIOR FINISHES							
Doors		Ceiling	Wall Cladding	Floors				
Veneered woo	d	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain				
Windows		Health kits	Stairs	Insulation type				
Aluminum and double	e glazing	High quality	Marble	Thermal - Hydro				
		EXTERIOR FINISHES						
Facades		Facilities	Facilities Doors					
Glass - Paint		Cosmetic implants	Electric Securit Glass	Marble				
		Electromechanical and air conditionin	g systems					
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System				
Central	2 Elevators	High quality	High quality energy saving	Automatic electric pump system				
Security and safety systems - other facilities								
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems				
N.A.	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hote	el Parts Indoor and	Indoor and outdoor surveillance cameras				



# **Property location**



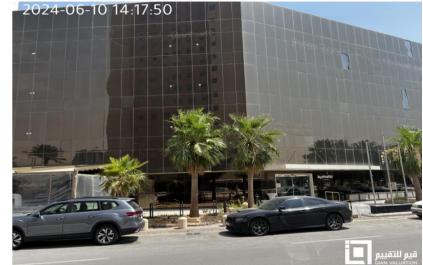
**QIAM VALUATION | REAL ESTATE VALUATION REPORT** 



# Photographic survey of the Property

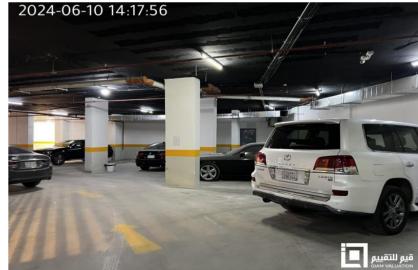














Londo probación

# Valuation



# Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



# Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

# The market approach should be applied and afforded significant weight under the following circumstances:

- The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

# The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- Value indicators are reconciled if more than one evaluation scale is used.



# Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

# Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

# Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

# Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

# Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

## Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

### **Income Approach Methods:**

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

## **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

### **Used valuation methods**

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

# Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



	Comparative real estate		Valuati	ng the land according to Marke	t Approach - Method	l of compariso	n with similar sales	
Comparison factors	Comparison 1	Comparison 2		Clause		Comparative I	real estates	
Area (m2)	7,833	1,000	Adjustments factors	Property under valuation	Comparisor		Comparison	
Ease of access	Average	Average			Value	Adjustment	Value	Adjustment
Property location	Low	Low	Price per square meter	***	:	3,200	5,	000
Land shape	Flat	Flat	Condition	***	Available of	ffer	Available of	ifer
Land topography	Irregular	Irregular	Date of valuation/offer	2024	:	2024	2024	
Use	Commercial Residential	Commercial Residential	Market Condition	***	%5.00-	160 -	%5.00-	250
Surrounding streets	3	2	Market condition		70 <b>3.00</b> -		/03.00-	200
Price per meter (SR)	3200	5000	Financing terms	***	%0.00	-	%0.00	-
Comparative condition	Available offer	Available offer						
			Market conditions value	***	(160.00)		(250.00)	
			Value after initial settlements	***	3,040		4,750	
P	roperty location		Land area (m²)	3061.75	7,833	%5	1,000	%7-
	THE COM	1 the Barry Start	Ease of access	High	Average	%5	Average	%5
ELEK KALTT			Property location	High	Low	%10	Low	%10
			Land shape	Flat	Flat	% <b>0</b>	Flat	%0
	A DESCRIPTION OF THE REAL PROPERTY OF THE REAL PROP	Comparison 2	Land topography	Irregular	Irregular	% <b>0</b>	Regular	%5-
		MAR ESTA	Land use	Commercial Residential	Commercial Residential	%0	Commercial Residential	%0
			Surrounding streets	2	3	% <b>5-</b>	2	%0
	And		Total	%15.00		%3.00	%3.00	
Comparison		Adjustmen	t value per square meter	456		143		
			Final meter value after Adjustments		3,496 4,893			
Interes @ 2022 #itfors				Net average value per square meter (SR / m²)		4,194		
			Martatust	$10 \text{ of the land } (SP / m^2)$		12,84	41,745	

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# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

# Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)						
Clause	Built up area m2	SR / m2	Value (SR)			
Basement	2665	2,400	6,396,000			
Ground floor	1837	3,200	5,878,400			
First floor	1990	3,200	6,368,000			
Second floor	1990	3,200	6,368,000			
Third floor	1990	3,200	6,368,000			
Upper extensions	995	3,200	3,184,000			
Fence	146	146 500				
Total (SR)	11,613		34,635,400			
Second: Other costs (indirect)						
Professional fees	% <b>2</b>		692,708			
Utilities Network	%2	% <b>2</b>				
Administration costs	%2	% <b>2</b>				
Financing costs (0 years / 0%)	%0		-			
Developer's profitability	%15	%15				
т	7,273,434					
Total cost o	41,908,834					

Third: Depreciation cost			
Life span of the property (year)	Year	50	
The current age of the property (year)	Year	10	
Remaining life of the property (year)	Year	40	
Depreciation rate	%	20	
Depreciation value	SR	8,381,767	
Final value of the building (SR)			
Fourth: Value of the property according t	to the Cost Approach		
Final value of	the land (SR)	12,841,745	
Final value of	buildings (SR)	33,527,067	
Market value of the property acc	46,368,812		
Market value of the property according	to the Cost Approach after rounding (SR)	46,369,000	



# Market Survey Data Analysis - Residential units

Comparison 2	Market Survey Results - Residential Units		idential Units	
Comparison 1	#	Comparison	Area (m2)	Rental value
	1	Apartment	60	38000
Comparison 4 Property	2	Apartment	80	50000
location Comparison 3	3	Furnished Apartment	35	38400
Integra 2024 Minus	4	Furnished Apartment	70	75600

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# Valuation Assumptions Data Analysis - Direct Capitalization

#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Valuation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7.5%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Operating and capital expenditure rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.

#### Vacancy rate and credit risk:

Since the property is leased under a single contract, the vacancy rate and credit risk have been assumed at 0%.

#### **Rental income:**

The property income was analyzed by reviewing the property contract and comparing it to the market to verify that the rental value of the property is 3,800,000 riyals with one contract and a fixed rental value throughout the contract period.

# Market Value Calculation - Direct Capitalization Method

Market Value Calculation - Income Approach - Direct Capitalization Method			
Clause	Value		
Gross rental income	3,800,000		
Vacancy rate and credit risk	%0		
Actual gross income	3,800,000		
Operating expense ratio	% <b>0</b>		
Net operating income	3,800,000		
Rate of return	%7		
Market value of property according to income capitalization method	54,285,714		
Market value of the property according to the income capitalization method (after rounding)	54,286,000		



# Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Direct Capitalization method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property subject to valuation, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
54,286,000	Fifty-four million, two hundred and eighty-six thousand Saudi riyals

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





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الاستاد قدن بجب الالزار به عند تعيد قدشان هر رحمت قداء وان الطلق المعطفات قسنده پور بجب الالزار المترقت الحرا المعرفي فضر من مردر الازان قلباء قسرمار وازرية محمد بشريح وزير 2012-111 م. ىلە بارم ئولىر غرفة كېرباء بابندە تام قاشتايزن مىطمان الىلام عن ١٠٠٠م٢

لم الحَدَّ تعهد لقطي من المالك بأنه لن توصل له الخدمة الكهربانية في هال عدم تنفيدً -

مناسيب الشوارع المحيطة :

وتاريخ :

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الختم الرسمي

شارع عرض ۱۸.۱۰–۲۰ م عرفةً كهرياء

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لعزل الحرارى طيقا لكود البناء السعودي

رمز النظام :

البنان ريبته «الله بال أرياض بأملكه مثلقة الرياض قبل لليه بالثليلة. • أه يهم المحافظة على تصومية المهاريين ورضع الضوابط لتن تكلن لله. • أ-يوجد ملك الذر ينسرا غير القريم بن عبد العزيز الزامل سبق منش رقم ١٩٦٨-١٠، ١٢، الرغمية تشيل صك الذر يدقم ١٩٣٨-١٠٠١ الا من مريحية معرفين معرفين مريض معن معرفين معرفة المعادين الما فيضع معن معرفة معرفة المحاركة المعادية المراقع الاحتاج الاسروبية المراقع المراكزات الوليوني مها تشارع التي عرض الاحام سلططات تعاشما على الكون معاهد السي على سر الطباء الاستعادية المارة المهاطي معالية معرفيا بشكل هو 11- المثلية المواسي الملكة سنون سوارية الملة من تقاسم المط الاجام الاستعادية المراقية المهاطي معالية المعاطنة المطلقة الملقة مع رضمة البناء والنفاة التيام المحالة المعاطنة

ريال بموجب الإيصال رقم : ٢١٠١٨١١٢٨٠

يجبأ الإلتزام بالشروط الوضحة خلف الرخصة

2005

رقم الرخسمة المرما (١٣١/١٩٠٨)

/ تاريخ الرخىصة / ١٢٢١٠٠٧٠١٨

نوع الرخــحـــة ( إَسْدَر

تاريخــــه : ۱۳۱۰،۰۰۰

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رقم المخطط التنظيمي

رقم العــقـار:

نوع البتاء :

النطاق العسمراني :

تاريخ الإنتسهماء : ١١٢٧..٧

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م مشهور معملو الطبيشي

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			نظ مله	. رقم الة	: بدينة البياض , وجدودها واطوالها :	الحمد لله وحده والصلاة والسلام على من لا نبي بعده، ويعد: فإن قطعة الارض رقم بدون الواقع في هي الموذهبية به		
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الغرين وثعا	قاس جهة الجار	إطبى وبارتداد لغ	البور الار					
الله عدم تطار التعليماتين	ورة الي <b>بليقي</b> خ سلاللة الإلفامة	رالمساهات المذكر د النظامية حيال	الملذمة و الإهراءات					
)		31405050000	$\square$	S				

الرقم المناسلي: 2772

الرقم المناسلي: 2779

مدير عام التخطيط العمراني

م/ ستيكان عيدالرجمن القراج







#### يعتبر هذا العقد عقَّدا موثَّقا وسنَّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٢١) وتاريخ ١٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20715659137 / 1	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2022-01-11	تاريخ إبرام العقد:
Tenancy End Date	2027-08-25	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2022-08-26	تاريخ بداية مدَّة الإيجار:
Contract is conditional			J.		معلق بشرط
				الدفع عن طبيق رميد	طبيقة دفع بسوم

ة دفع رسوم الدفع عن طريق رحيد : الوسيط العقاري :

Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين الاولى العقارية	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

۳ بیانات مُمثَّل المؤجر Tessor Representative Data					
Name		ن يحيى معيدي	سلمان حسين بز		الاسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	وع الهوية:
Email	muaidis@mutkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	قم الجوَّال:
National Address		الرياض	الرياض.		لعنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ الاصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2022-07-01	-	أخرى	ŧ

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة اتجاهات الربادة للتجارة شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	وع المنظمة:
Unified Number	7004085168	الرقم الموحد	CR No.	1010404675	رقم السَّجل التَّجاري:

الأجرة السنو للخدمات الد ضمن القيما لعقد الإيجار	امة: (يدخل الإيجارية	0.0	es	General Servic Amount:	والتي تشمل على:		•5	General Service ncluded:		
دورة سداد ا	لايجار	ربعي	cycle	Rent payment	عدد دفعات الإيجار	<b>)</b> ;	2	Number of Rent Payments:		
دفعة الإيجا (تشمل العر		1092500.0	udes	First rental payment: (Inclu deposit)	مبلغ ضريبة القيمة المضافة على القير الإيجارية:		alue: 28500	/AT on rental v		
الرَّقم المسَّا No.		الرقم الخريبي Vat number	نوع ال <del>و</del> Type (		رقم الهوية أو الس التجاري ID/CR Number	جل				
1		0199293800003	310 رقم الت	سجيل	1010896622					
القيمة الشنر	ية للإيجار:	3800000.0		Annual Rent:						
اجمالي قيم	:sāall			0.000	21850		value	fotal Contract v		
يشمل: القيمة الإيجارية، ومبلغ المربون، ومبلغ ضربية القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية ل(الفاز والكهرباء والمياه والمرض المحي إذا خددت كمبالغ ثابتة).										
والصرف الد			الدف	ه عن طريق الوسر	بط العقاري/المؤجر	al				
والصرف الد طرق الدفع					بط العقاري/المؤجر ي قنوات الدفع المت		ents Schedule	Approved paym		
والصرف الد طرق الدفع	لمعتمدة									
والصرف الم طرق الدفع ۲۳ جدول الزمم المسلسل	لمعتمدة و <b>سداد الدف</b> قيمة الإيجار	نع <b>ات</b> ضريبة الفيمة الممانة VAT	الدفع فيمة المبالغ الثابتة	ر إلكترونيا من خلار إيمالي المبعة	ن قلوات الدفع المت تاريخ الإصدار (م)	احة تاريخ الاستحقاق (م)	ents Schedule تاريخ الإعطار (م)	Rent Payme تاريخ الاستحقاق (م)		
والمرف الم طرق الدفع ۲ <b>۲ جدول</b> الژقم المسلسل ۲۰۰	لمعتمدة ر <b>سداد الدغ</b> قيمة الإيدار Rent value	<b>نعات</b> المصلية المصلية VAT 142500.0	الدقو فيمة المبالغ الثابتة Services	ر إلكترونيا من خلدل إحمالي القيمة Total value	ي قلوات الدفع المت تاريخ الإعدار (م) Issued Date(AD)	احة تاريخ الاستحفاق (م) Due Date(AD)	ents Schedule تاریخ البصدار (a) Issued Date(AM)	Rent Payme تاريخ الدستحقاق (ه) Due Date(AH)		
والصرف الد طرق الدفع الترقم الترقم الترقم الترقم الترقم الترقم الترقم	معتمدة مسداد الدف قيمة Rent value 950000.0	معات مريبة الفيمة مالية المصافة VAT 142500.0 142500.0	الدقع المالغ الثابته Services 0.0	<b>إلكترونيا من خلار</b> إيتمالي التميمة Total value 1092500.0	و قنوات الدفع المت (م) (ssued Date(AD) 2022-08-26	احة الربع الاستحقاق (م) Due Date(AD) 2022-09-05	ents Schedule تاریخ البصدار (ه) Issued Date(Ari) 1444-01-28	Rent Payme تاریخ الاستحقاق (ه) Due Date(AH) 1444-02-09		
<mark>والحرف الح</mark> طرق الدفع <b>۱۲ جدوا</b> الإنم الإنم الأمر المم المم المم المم المم المم المم ال	لمعتمدة , سداد الدغ ميمة الإيدار Rent value 950000.0	عمات المصافة المصافة VAT 142500.0 142500.0	الدفع ميمة المنالم Services 0.0 0.0	ر <b>إلكترونيا من خلار</b> إلكترونيا من خلار المالي المالية المالي المالي المالية مالي ماليا مالي مالياليا مالي ماليالي ماليالي مالي م	ي فنوات الدفع المت من الإمدار (م) 144040 (2022-08-26 2022-11-26	احة (م) الاربد الاستحقاق (م) Due Date(AD) 2022-09-05 2022-12-06	ents Schedule (ه) الاستخلا الاستخلاف المعاد (عالم المعاد (عالم علم المعاد (عالم المعاد (عالم المعاد (عالم المعاد (عالم المعاد (عالم المعاد (عالم المعاد (عالم المعاد (عالم المعاد (عالم علم علم المعاد (عالم علم علم علم المعاد (عالم علم علم علم علم علم علم علم علم علم ع	Rent Payme ناریز الاستحقاق می Due Date(AH) 1444-02-09 1444-05-12		
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	تاريخ الاستحقاق	إجمالي	قيمة المبالغ	ضريبة القيمة	

Documents received from the client

1448-06-26	1448-06-16	2026-12-06	2026-11-26	1092500.0	0.0	142500.0	950000.0	18
1448-09-29	1448-09-19	2027-03-08	2027-02-26	1092500.0	0.0	142500.0	950000.0	19
1448-12-30	1448-12-20	2027-06-05	2027-05-26	1092500.0	0.0	142500.0	950000.0	20

#### نيمة إيجارية متغيرة سنوياً: لا

۲۵ التزامات الطرفين Parties Obligations

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

تحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

Contract Terms	١٥ مواد العقد
	المادة الأولى: البيانات السابقة على إلتزامات الأطراف

تعد البيانات السابقة على إلتزامات الأطراف والمحددة في البنود من (١-١٩) جزءً لا يتجزأ من هذا العقد ومفسرة ومكملة له.

#### المادة الثانية: محل العقد

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبند رقم(9) وفقا للشروط والأحكام والإلترامات المنصوص عليها في هذا العقد. ويفر المستأجر بمعاينته للوحدة الإيجارية، وقبوله للتعاقد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

#### المادة الثالثة: مدة الإيجار وتجديد العقد

١-٣ مدَّة هذا العقد (1265) يومّا تبدأ من تاريخ 1444-ا0-28 هـ الموافق 222-26-26 م. وتنتهي بتاريخ 1444-0-23 هـ الموافق 2027-08-25 م. وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

٢-٣ تنتهي مدّة الإيجار مع انتهاء مدّة العقد. وإذا رغب الطَّرفان بالتَّجديد، فتتمُّ كتابة عقدٍ جديدٍ يتّفق عليه الطَّرفان.

#### المادة الرابعة: الأجرة

بصالى قيمة العقد ( 21850000 ) ريأك سعوديًا، ينتزم المستأجر بدفعها للمؤ جر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مجدول في البند (١٣) من هذا العقد.

المادة الخامسة: الإلتزامات تقسم الى (التزامات المؤجر / التزامات المستأجر/ أحكام عامه) بعد تحديدها في (البند 12)

#### ٥-١ التزامات المستأجر

1446-09-08

1446-12-09

1447-03-13

1447-06-15

1447-09-19

1447-12-19

1448-03-23

1446-08-27

1446-11-28

1447-03-03

1447-06-05

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1447-12-09

1448-03-13 2026-09-05

2025-03-08

2025-06-05

2025-09-05

2025-12-06

2026-03-08

2026-06-05

١-١-١ يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتَّفق عليها.

٢-١-٦ يلتزم المستأجر بالتقيد بمساحة ومواصفات اللوحة الخاصة بالوحدة الإيجارية والمحددة في البند (9) من هذا العقد.

٣-١٠-٣ يتزم المستاجر أن يشتح ويباشر شاطه التجاري خلال مدة لا تتداوز ( 5) يوماً من تاريخ العقد وفي دالة انتهاء مده المدة دون اشتاح الوحدة الإيديارية ويد. الساطة التجاري ويعد معر تجايمه مع أسفار المؤجز ذلكر ( 5) يوماً منيحق المقد من جهته دون الحادق إلى إعلام أو حكم غمائي ويحق للمؤجر جنها تأجير الوحدة الإيجامية للغير مع المداخطة على حقوق المستأجر بالمطالبة بباغى فيمة المقد المدومية مع المراحي مع الم الأحدان المعام من تاريخ بداية الإيجار إلى تاريخ المندع إلى الأحدانية بعض المقد من حملة من الحادق إلى المراحي

٤-١-٦ يلتزم المستأجر بتسليم الوحدات الإيجارية للمؤجر عند انتهاء مدة إيجار هذا العقد.

٥- ٥- ابن يلتزم المستأجر باستعمال الوحدات الإبجازية محل هذا العقد الاستعمال المعتاد له وطبقا للأنظمة والأعراف والتقاليد المرعية في المملكة العربية السعودية. وتحمل جميع الجزاءات التي قد تفرض عليه من الجهات المختصة.

1-1-1 بلتزم المستأجر بالمحافظة على الأجزاء والمرافق المشتركة التابعة للعقار المشتمل على الوحدات الإيجارية المؤجزة مثل دورات المياه المشتركة والأسطح ومخارج الطوارئ والمصاعد والسلالم والممرات وغيرها. وأن يستعملها استعمالا صالحاً للغرض المخصص لها.

٧- ٢- ٥ يلتزم المستأجر بجميع تكاليف الحيائة الاستهلاكية المعتادة المترتبة على الانتفاع بالوحدات الإيجارية. فيما عدا أعمال الصيانة المفصلة في المادة السابقة.

٨-١-٨ الالتزام بدفع قيمة خدمات الكهرباء والمياه والغاز والخدمات الأخرى المتعلقة بالوحدات الإيجارية الموصوفة خلال فترة سربان هذا العقد بحسب ما تم الاتفاق. عليه في البند(12) من هذا العقد.



**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

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 info@qiam.com.sa</u>

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شركة قيم للتقييم - ترخيص رقم 22000001 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05 ها لرقم الموحد 22822019 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666









#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Elite Mall Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **Al Sulaymaniyah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Elite Mall property for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**. For an amount of only (200,000,000) two hundred million Saudi riyals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

#### Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
Appendix	07



The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Direct Capitalization Method). This is because the property is leased under one contract and with a fixed rental value throughout the contract period.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).

No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid. Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that,

- This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears.
- The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





### Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity						
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>						
Assumed value	Value Basis	Purpose of the valuation						
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund						
Report type for client	Valuation Approach	Asset subject to valuation						
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Direct Capitalization Method)	Elite Mall						
Report issuance date	Valuation date (measurement)	Inspection date						
18/07/2024AD	30/06/2024 AD	10/06/2024 AD						
	Scope of the Valuer search - Standard No. 102							

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

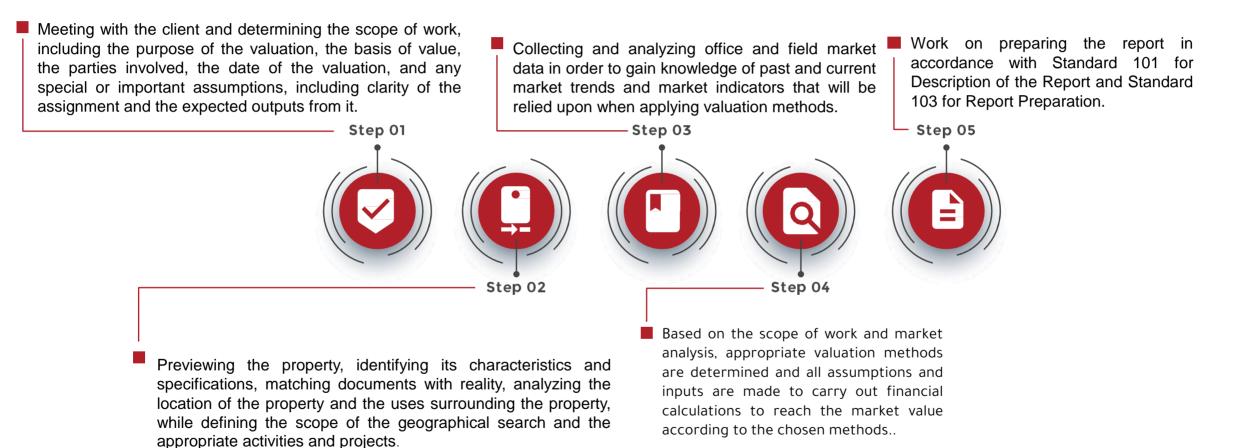
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



#### Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

## Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons		
	Title deed	Trusted	The deed sent by the client has been verified		
Client	Building permit Trusted		Construction Permit Validated - Balady platform.		
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.		
	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data		
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area		
	Source independence	Trusted	A source independent and external to the asset being valued		



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



#### Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

#### 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

#### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



### Real estate and investment properties in the preparation of financial reports

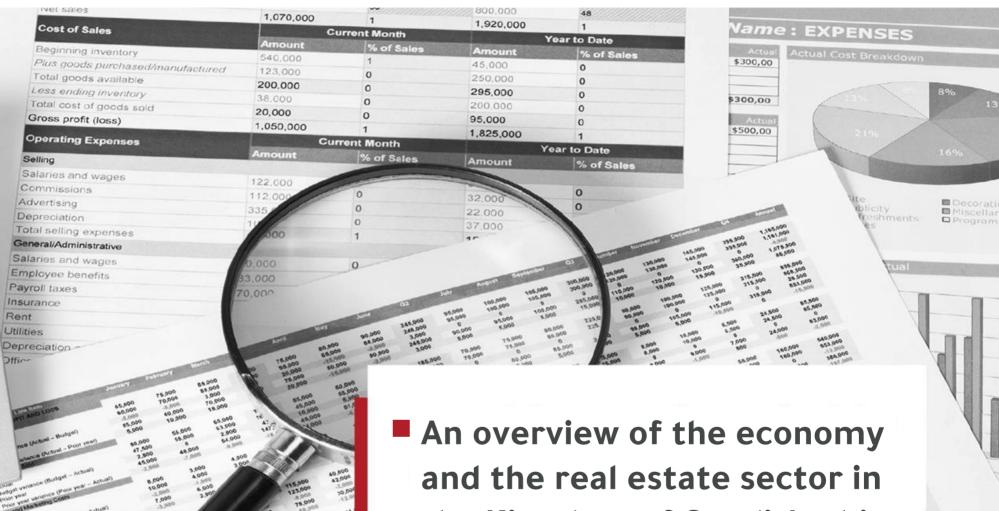
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any			
	property (land or a building - or part of a building -			
nvestment properties	or both) held (by the owner or by the lessee as a			
in the financial	right-of-use asset) to earn rental income or To			
in the inducial	grow the capital or for both, and not:			
statements	- For use in producing, supplying goods, providing			
	services, or for administrative or			
	- To sell it in the ordinary course of business			

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



### 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



#### Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





#### **Business Sectors Overview**

#### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

#### **Office Sector**

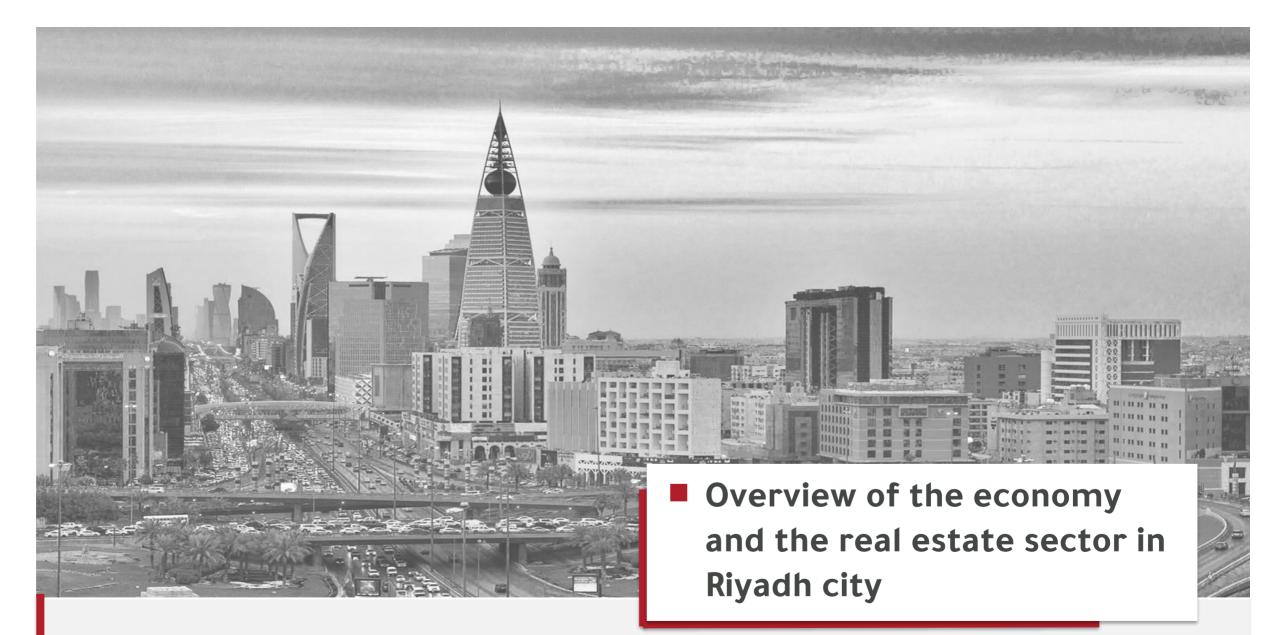
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





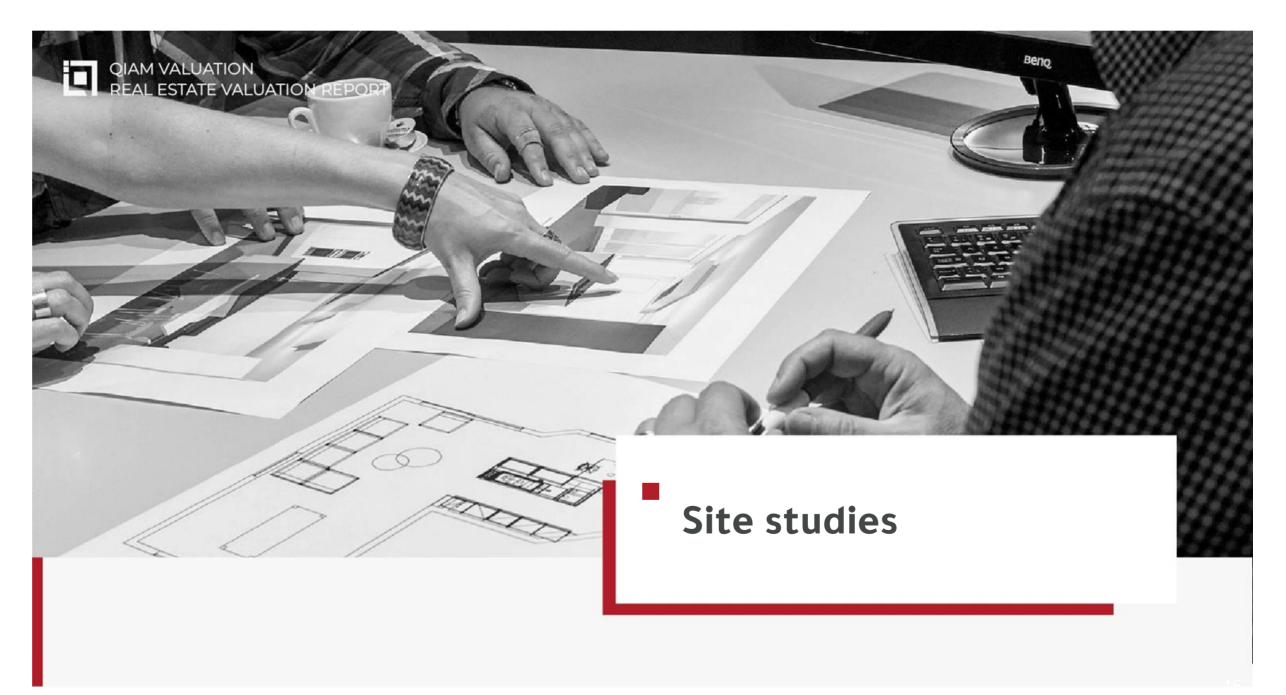
Social, service and real estate indicators - Riyadh City - 2023 AD

#### Social and service indicators:

<b>882</b>	<b>30+ML</b>	<b>1.2ML</b>	<b>4.78ML</b>	7.67ML	<b>1,973KM</b>
Public and private school	Traveler	Student	Size of the workforce	Population	Area
<b>2</b>	7.8+K	<b>70+</b>	<b>4300</b>	<b>112</b>	<b>7</b>
Airports	Tourist and visitor	Markets (mall)	Factory in the area	Hospital	Universities
<b>110</b>	% <b>68</b>	<b>20+K</b>	<b>20</b>	<b>43</b>	<b>28</b>
Number of hotels	Hospitality Occupancy	Hotel room	5 Star Class	4 Star Class	3 Star Class

# **Real estate indicators:**

150+ML	2.6+Billion	661+K	101+Billion	7.6+Billion	71+K
Rental spaces Commercial / m <sup>2</sup>	Total value of residential transactions	Residential rental deal	Total value of rental deals	Total value of sales transactions	Executed transaction





# Property Risk Analysis

#### Strength point:

- The property is located in the center of Riyadh.
- The location is close to the main roads that connect it to other parts of Riyadh, such as (King Abdulaziz Road and Khurais Road).
- The location is close to business centers, ministries and major hospitals.

#### **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries and major hospitals.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

#### Weak points:

• The location is on a secondary commercial street.

#### **Challenges:**

- Seeking to develop in line with the Kingdom's economy and its orientation towards global markets.
- Eliminating all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.
- The location of the property within the old neighborhoods of the city.



# **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	793010004585	12/11/1442 AH	Absolute ownership

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Sulaymaniyah	49 / س	689	9600 square meters

#### > Borders and lengths:

	Borders and lengths:							
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length	
39.5m wide corridor	96	Garden + 13m wide street	96	13.5m wide street	100	40m wide street	100	

### Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



# Real estate data and Services available in the real estate area

Real Estate Data							
City	Riyadh	Neighborhood	Al Sulaymaniyah				
Street	Prince Abdulaziz bin Musaed bin Jalawi	Property type	Mall				
No. land plan	689	Plot number	49 / ىىں				
Land Area	9600 square meters	Built-up area	21909 square meters				
	Services and facilities avail	able in the real estate area					
Electricity network	Telephone network	Water network	Sewerage network				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Water drainage network	Mosque	Dispensary	Garden				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Public markets	Civil defense	Police station	Hospital				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Hotels	Petrol station	Schools	Governmental services and centers				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				



# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located in the middle of Riyadh city in Al Sulaymaniyah district on Prince Abdulaziz bin Musaed bin Jalawi Street with easy access to King Abdulaziz Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	City center
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Residential - Commercial
	Building ratio - number of floors	65% - Three floors
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (7) years based on the (Building permit).
- Building permit number 544/1431 dated 13/01/1436 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Commercial office complex)**. Detailed as below:

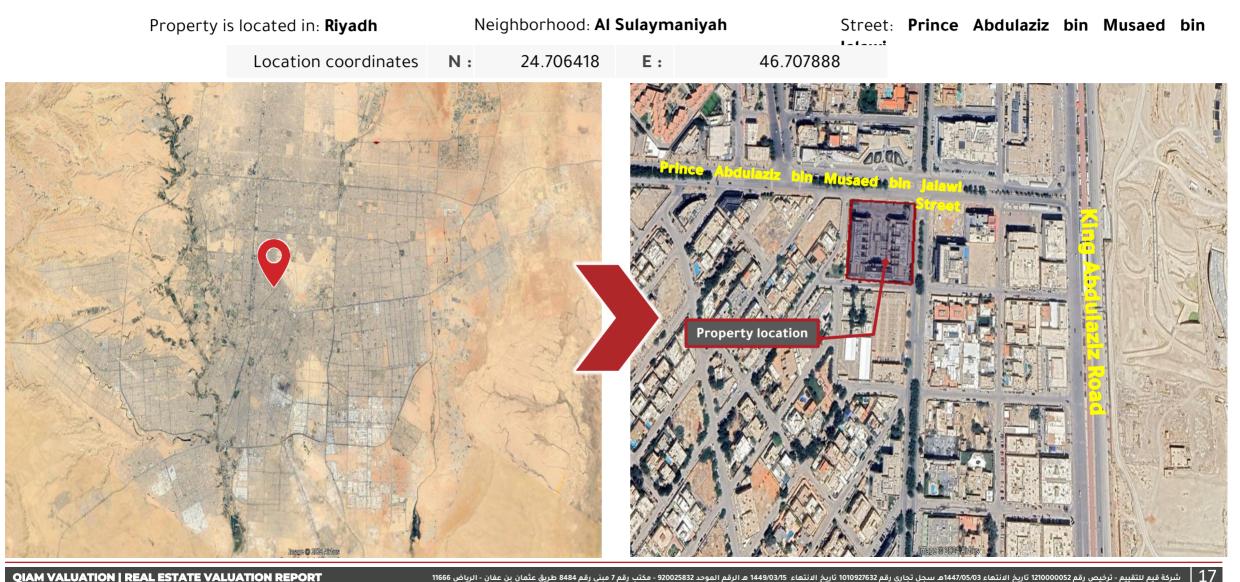
	Building components						
#	Floor	Area (m2)	Use				
1	Basement	9586.5	Parking				
2	Commercial ground floor	4703.30	Trade shows				
3	Commercial mezzanine floor	2349.60	Trade shows				
4	Commercial First floor	3406.60	Administration offices				
5	Upper extensions	1679	Administration offices				
6	Fences	184	Services				

# Property Description

INTERIOR FINISHES								
Doors		Ceiling	Ceiling Wall Clad		Floors			
Veneered woo	d	Gypsum plasterboard suspended ceilings		Paint	Marble - Porcelain			
Windows		Health kits		Stairs	Insulation type			
Aluminum and double	e glazing	High quality		Marble	Thermal - Hydro			
		EXTERIOR FINISHES						
Facades		Facilities	Facilities Doors		Floors			
Stone - Paint		Cosmetic implants	Cosmetic implants Electric Securit Glass		Marble			
		Electromechanical and air conditioning	g systems					
Air Conditioning	Elevators	Electrical wiring and outlets		lighting	Water Feeding System			
Central	6 Elevators	High quality	Н	ligh quality energy saving	Automatic electric pump system			
Security and safety systems - other facilities								
Facilities	Parking	Fire Alarm and Extinguishing Systems	Fire Alarm and Extinguishing Systems Security Systems					
N.A.	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hote	l Parts	Indoor and outdoor surveillance cameras				



# **Property location**



**QIAM VALUATION | REAL ESTATE VALUATION REPORT** 



# Photographic survey of the Property





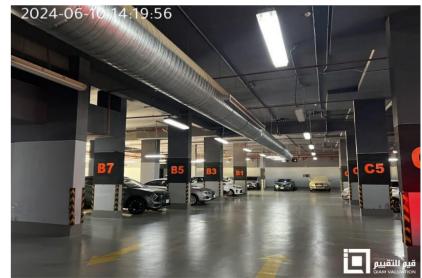






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Londo probación

# Valuation



### Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



#### Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

#### The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

#### The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



#### Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

#### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

#### Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

#### Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

# Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

## Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

## **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

# Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

# **Hierarchy:**

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



	Comparative real estate	
Comparison factors	Comparison 1	Comparison 2
Area (m2)	2,264	5,000
Ease of access	Low	Low
Property location	Low	Low
Land shape	Flat	Flat
Land topography	Regular	Regular
Use	Residential	Residential
Surrounding streets	3	4
Price per meter (SR)	5000	5500
Comparative condition	Available offer	Available offer
Comparison 1		
		Property location
	A CONTRACT	
Comparison 2		

ti im

Valuating the land according to Market Approach - Method of comparison with similar sales						
Cla	ause		Comparative r			
Adjustments factors	Property under	Comparison 1		Comparison 2		
	valuation	Value	Adjustment	Value	Adjustment	
Price per square meter	***	5,000		5,500		
Condition	***	Available o	offer	Available offer		
Date of valuation/offer	2024	2024		2024		
Market Condition	***	%5.00-	250 -	%5.00-	275 -	
Financing terms	***	%0.00	-	%0.00	-	
Market conditions value	***	(	(250.00)		(275.00)	
Value after initial settlements	***	4,750		5,225		
Land area (m²)	9600.00	2,264	% <b>10-</b>	5,000	%5-	
Ease of access	High	Low	%10	Low	%10	
Property location	High	Low	%10	Low	%10	
Land shape	Flat	Flat	% <b>0</b>	Flat	% <b>0</b>	
Land topography	Regular	Regular	% <b>0</b>	Regular	% <b>0</b>	
Land use	Residential Commercial	Residential	%25	Residential	%25	
Surrounding streets	4	3	%5	4	% <b>0</b>	
т	otal	%40.00		%40.00		
Adjustment value per square meter		1,900		2,090		
Final meter value after Adjustments		6,650			7,315	
	per square meter (SR / m²)		6,983	}		
Market value of	the land (SR / m²)		67,032,	000		

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# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

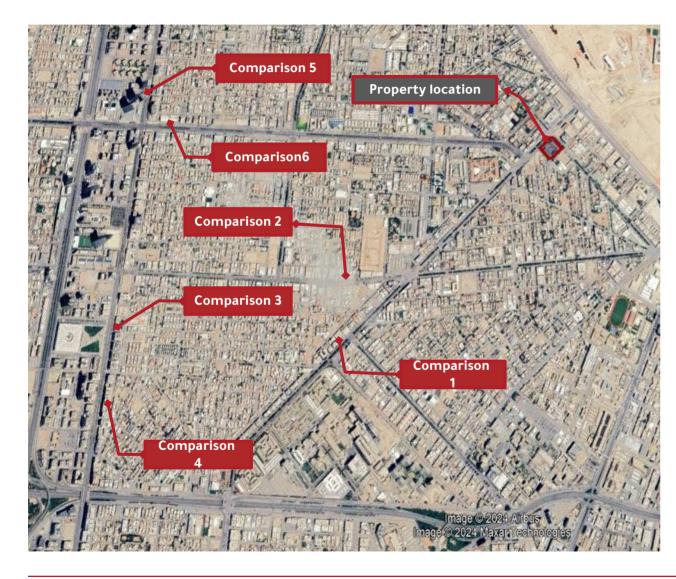
# Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)						
Clause	Built up area m2	SR / m2	Value (SR)			
Basement	9586.5	2,400	23,007,600			
Commercial ground floor	4703.3	3,200	15,050,560			
Commercial mezzanine floor	2349.6	3,200	7,518,720			
Commercial First floor	3406.6	3,200	10,901,120			
Upper extensions	1679	3,200	5,372,800			
Fences	184	500	92,000			
Total (SR)	21,909		61,942,800			
Second: Other costs (indirect)						
Professional fees	%2		1,238,856			
Utilities Network	%2		1,238,856			
Administration costs	%2		1,238,856			
Financing costs (0 years / 0%)	% <b>0</b>		-			
Developer's profitability	%15		9,291,420			
Тс	13,007,988					
Total cost o	74,950,788					

Third: Depreciation cost		
Life span of the property (year)	Year	50
The current age of the property (year)	Year	7
Remaining life of the property (year)	Year	43
Depreciation rate	%	14
Depreciation value	SR	10,493,110
Final value of the b	ouilding (SR)	64,457,678
Fourth: Value of the property according to	the Cost Approach	
Final value of the	e land (SR)	67,032,000
Final value of buil	ldings (SR)	64,457,678
Market value of the property accord	131,489,678	
Market value of the property accord	ing to the Cost Approach after	
rounding (	(SR)	131,490,000



# Market Survey Data Analysis



# Market Survey Results - Trade Shows - Administrative Offices

#	Comparison	Area (m2)	Rental meter value
1	Trade Show	35	2500
2	Trade Show	65	1550
3	Trade Show	700	1200
4	Office	113	1100
5	Office	124	1500
6	Office	184	1600



# Valuation Assumptions Data Analysis - Direct Capitalization

#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Valuation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 8%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Operating and capital expenditure rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.

#### Vacancy rate and credit risk:

Since the property is leased under a single contract, the vacancy rate and credit risk have been assumed at 0%.

#### **Rental income:**

The property income was analyzed by reviewing the property contract and comparing it to the market to verify that the rental value of the property is 16,000,000 riyals and is rented with a single contract at a fixed value.

# Market Value Calculation - Direct Capitalization Method

Market Value Calculation - Income Approach - Direct Capitalization Method				
Clause	Value			
Gross rental income	16,000,000			
Vacancy rate and credit risk	%0			
Actual gross income	16,000,000			
Operating expense ratio	%0			
Net operating income	16,000,000			
Rate of return	%8			
Market value of property according to income capitalization method	200,000,000			



# Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Direct Capitalization method) is considered the best method for estimating the price on the measurement date of 30/06/2024, which was reached using the Income Approach as a basis for the fair value of the property subject to evaluation, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
200,000,000	Twenty million Saudi riyals.

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





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# Documents received from the client

وزارة العدل

ابراهيم عمر محمد الحسين الرياض ترخيص رقم 39/999

صك ر هــــن

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، ويعد: فإن قطعة الارض رقم 49 / س من المخطط رقم 689 الواقع في حي السليمانية بمدينة الرياض . وحدودها واطوالها :

شمالا: شارع عرض 39.5م بطول 96 ستة و تسعون متر

جنوبا: حديقة مع شارع 13م بطول 96 سنة و تسعون متر شرقا: شارع عرض 13.7م بطول 100 سنة متر

غريا: شارع عرض 40م بطول 100 مالة متر

حرية سارع حرص نامم بعدن 100 محمل ومسلحتها 9600 تسمالات و مستندة متر مربعا المملوكة لـ شركة تمدين الاولى العقارية الموجب سجل تجاري رقم 1010896622 في 24 / 70 / 1422 قد تم رهفا وما أقيم أو سيقام عليها من بناء لصالح اشركة الراجعي لتعلوير المحدودة بموجب سجل تجاري رقم 1010158249 هستا، للوفاء ب القيم أو سيقام عليها من بناء لصالح اشركة الراجعي التعلوير المحدودة بموجب سجل تجاري رقم 1010158249 هستا، للوفاء ب 79953565 فقط تسعة و سيعين مليونا و تستعملة و ثلاثة و خمسون الفا و خمسماتة و خمسة و سنون ريالا سعوديا لا غير. تسدد على المسلط شهرية عددها 1 قيمة كل قسط 79953565 فقط تسعة و سبعون مليونا و تسعملنة و ثلاثة و خمسون الفا و خمسمانة و عنى المناط تسهريه عدامة 1 فيمه كل قسط 79953665 فعط تسعه و سبعون منيونا و تسعمانه و تلاته و خمسون الفا و خمسمانه و خمسة و سنون ريالا مسعوديا لا غير تاريخ طول القسط 1442/11/13 سبب الرهن : كضمان لما وجب عليهم من مستقطت ملية بميلغ وقدره (19553650) لصالح شركة الراجحي للقطوير المحدود على أن يكون السداد على قسط واحد بعد سع مستوات ويدفع ميلغ وما تقص برجع فيه عليه بعد لكمال مايلزم شرعا. وعليه جرى التصديق تحريراً في 1442 / 11 / 12 لاعتماده ، وصلى ال ما إنها وما تقلق على مليه بعد المان مايلزم شرعا. وعليه جرى التصديق تحريراً في 1442 / 11 / 12 لاعتماده ، وصلى الش على نبينا محمد وآله وصحبه وسلم.

الخلم الرمسي

الموثق

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التاريمين: 1442/11/12 هـ

رقم الصك:

ايراهيم عمر محمد الحسين

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فروسی محکمه بالدول کل می باردیم و در یا به طالحی الداری می هم وی می می استایه ویان پیش ایم یا به پیش میرمیمه انتقاع المانی زیم می ۵۰ هم باین مسلما قدر الارضی الامانی می مراعظ که محرم الدول می شود می محمد مالی مطل می الد می کرد الای بیان و می مده ۱۹۵۰ در بازی یا ۲۰۱۰ م با شرکه التهریاه رکم ۱۹۸۸ ۲۵۱۰ در بازی یا ۲۰۱۰ م مالی می	تظیم ۸۰ نسبه المیزانین ۲۸ دهاد با تنظیم الاحد	الرياض قيل اليده ية	في بامانه منطقه	مكتب دار الرياد د	وينتله	-
طبط العداني الختم الرسمي		دار در همی ۱ بعد الدروی			CER	-

ائرقم التستسلي: 2771



# **Documents received from the client**

وزارة الإسكان	ایجار E JAR
	إيجار EJAR

يعتبر هذا العقد عقَّدا موثَّقا وسنَّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ٣/٤٢٥/٤ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20269757823	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2021-12-08	تاريخ إبرام العقد:
Tenancy End Date	2025-02-19	تاريخ نهاية مدّة الإيجار:	Tenancy Start Date	2022-02-20	تاريخ بداية مدَّة الإيجار:
Contract is conditional		۵			معلق بشرط

الدفع عن طريق رصيد طريقة دفع رسوم Ejar Fees Paid By الوسيط العقاري

العقد Unified التجاري Commercial الموحد Contract

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Lessor Data					r بيانات المؤجّر
Company name/Founder	شركة تمدين الأولى العقارية	اسم الشَّركة/المؤسَّسة:	Organization Type	commercial	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

Lessor Represe	entative Data			ۇچر	٣ بيانات مُمثِّل الم
Name		ن يديى معيدي	سلمان حسين بز		الدسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address		الرياض	الرياض.		العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2022-09-05	2021-09-16	وكالة شرعية إلكترونية	43661903

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة المشاريع الأولى المحدودة (شركة (شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	commercial	نوع المنظمة:
Unified Number	7001890933	الرقم الموحد	CR No.	1010269036	رقم السَّجل التَّجاري:
CR Date	2009-06-03	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

General Services Included:		والتي تشمل على:	General Services Amount:	0.0	الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)
Number of Rent Payments:	6	عدد دفعات الإيجار:	Rent payment cycle	نصف سنوى	دورة سداد الايجار
VAT on rental value:	7200000.0	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	First rental payment: (Includes deposit)	9200000.0	دفعة الإيجار الأولى: (تشمل العربون)
		رقم الهوية أو السجل التجاري ID/CR Number	نوع الهوية ID Type	الرقم الخريبي Vat number	الرَّقم المسَلسَل No.
		1010896622	رقم التسجيل	310199293800003	1
			Annual Rent:	1600000.0	القيمة السّنوية للإيجار:
Total Contract value		55200	0000.0		اجمالي قيمة العقد:

يشمل: القيمة الإيجارية، ومبلغ العربون، ومبلغ ضريبة القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية ل(الغاز والكهرباء والمياه والصرف الصحي إذا حُددت كمبالغ ثابتة) .

Approved payment methods	الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونيا من خلال قنوات الدفع المتاحة	طرق الدفع المعتمدة
--------------------------	---	--------------------

Rent Payme	ents Schedule					ە	ن سداد الدفعا	۱۳ جدول
تاريخ الاستحقاق (ه) Due Date(AH)	تاريخ الإصدار (ها Issued Date(AH)	تاريخ النستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	قيمة المبالغ قائبتة Services	ضربية القيمة المضافة VAT	قيمة الإيجار Rent value	الرَّهَمِ المسلسّل No.
1443-07-29	1443-07-19	2022-03-02	2022-02-20	9200000.0	0.0	1200000.0	8000000.0	1
1444-02-03	1444-01-22	2022-08-30	2022-08-20	9200000.0	0.0	1200000.0	8000000.0	2
1444-08-10	1444-07-29	2023-03-02	2023-02-20	9200000.0	0.0	1200000.0	8000000.0	3
1445-02-14	1445-02-04	2023-08-30	2023-08-20	9200000.0	0.0	1200000.0	8000000.0	4
1445-08-20	1445-08-10	2024-03-01	2024-02-20	9200000.0	0.0	1200000.0	8000000.0	5
1446-02-26	1446-02-16	2024-08-30	2024-08-20	9200000.0	0.0	1200000.0	8000000.0	6

قيمة إيجارية متغيرة سنوياً: -

٤ التزام

ies Obligations	ات الطرفين

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

تحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

١٥ مواد العقد	Contract Terms
المادة الأولى: البيانات السابقة على إلتزامات الأطراف	

تعد البيانات السابقة على إلتزامات الأطراف والمحددة في البنود من (1–14) جزءَ لا يتجزأ من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبند رقم(9) وفقا للشروط والأحكام والإلتزامات المنصوص عليها في هذا العقد. ويقر المستأجر بمعاينته للوحدة الإيجارية، وقبوله للتعاقد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

المادة الثالثة: مدة الإيجار وتجديد العقد





**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

<u>
 info@qiam.com.sa</u>

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🖉 +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 121000005 تاريخ الانتهاء 1447/05/03 سبجل تجاري رقم 1010927632 تاريخ الانتهاء115/03/95 ها لرقم الموحد 2202583 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report**

# Presented to: Mulkia Gulf Real Estate REIT Fund



Technology Commercial Complex BLK 6



Report date: 18/07/2024 AD

Report No.: 448225 - 1

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QIAM VALUATION | REAL ESTATE VALUATION REPORT





#### Statement

# Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Technology Commercial Complex BLK 6 Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **Al-Faisaliah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Technology Commercial Complex **BLK 6** property for the purpose of periodic valuation

of the Fund's assets and their current status on the estimation date of 30/06/2024 AD, For an amount of only (30,311,000) thirty million, three hundred and eleven thousand

# Saudi riyals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

# Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
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The specific assumptions and limitations of the report

# Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity		
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>		
Assumed value	Value Basis	Purpose of the valuation		
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund		
Report type for client	Valuation Approach	Asset subject to valuation		
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Technology Commercial Complex - BLK 6		
Report issuance date	Valuation date (measurement)	Inspection date		
18/07/2024AD	30/06/2024 AD	10/06/2024 AD		
Scope of the Valuer search - Standard No. 102				

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

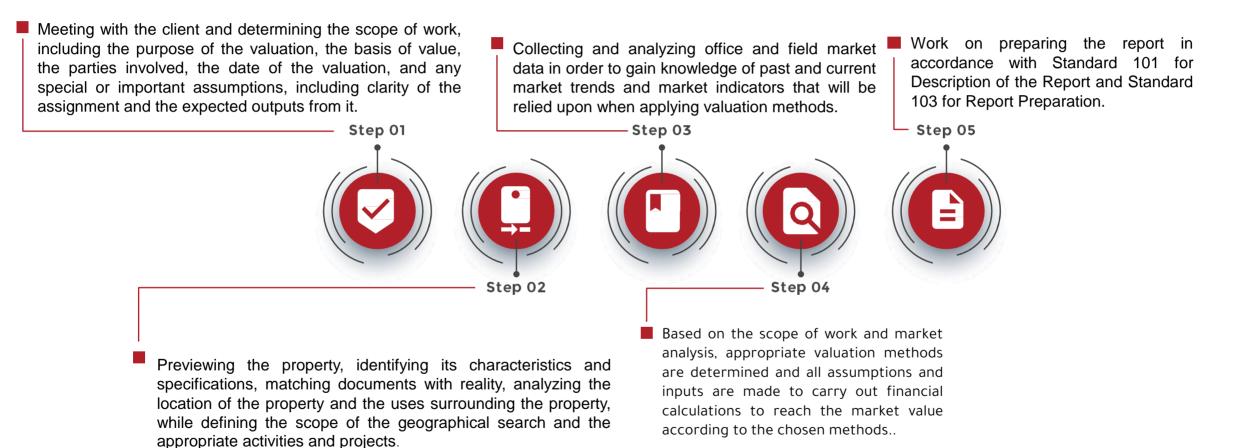
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



# Work Stages





# Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

# Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
Client	Title deed	Trusted	The deed sent by the client has been verified
	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



# Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

# 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

# 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

# Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

# Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



# Real estate and investment properties in the preparation of financial reports

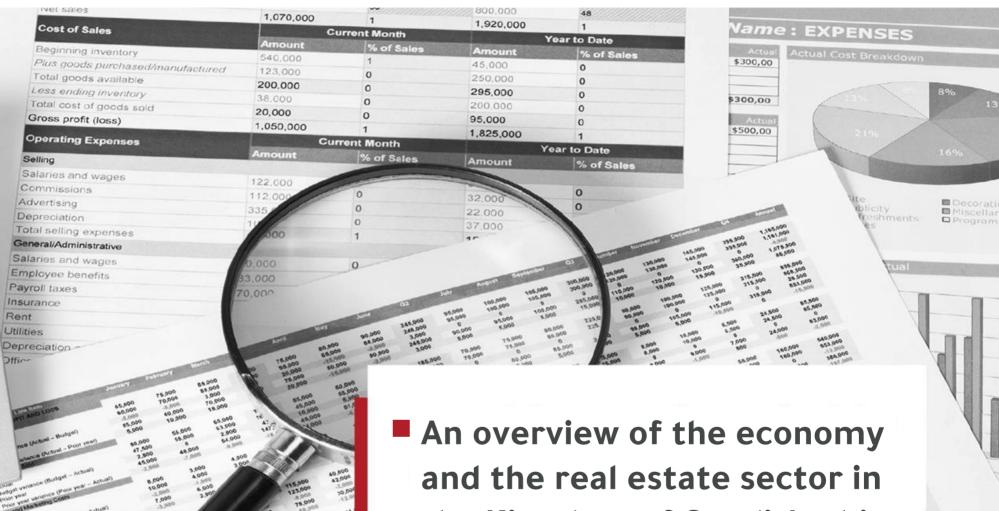
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any			
	property (land or a building - or part of a building -			
nvestment properties	or both) held (by the owner or by the lessee as a			
in the Constant	right-of-use asset) to earn rental income or To			
in the financial	grow the capital or for both, and not:			
statements	- For use in producing, supplying goods, providing			
	services, or for administrative or			
	- To sell it in the ordinary course of business			

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



# 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



# Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





# **Business Sectors Overview**

## **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

# **Office Sector**

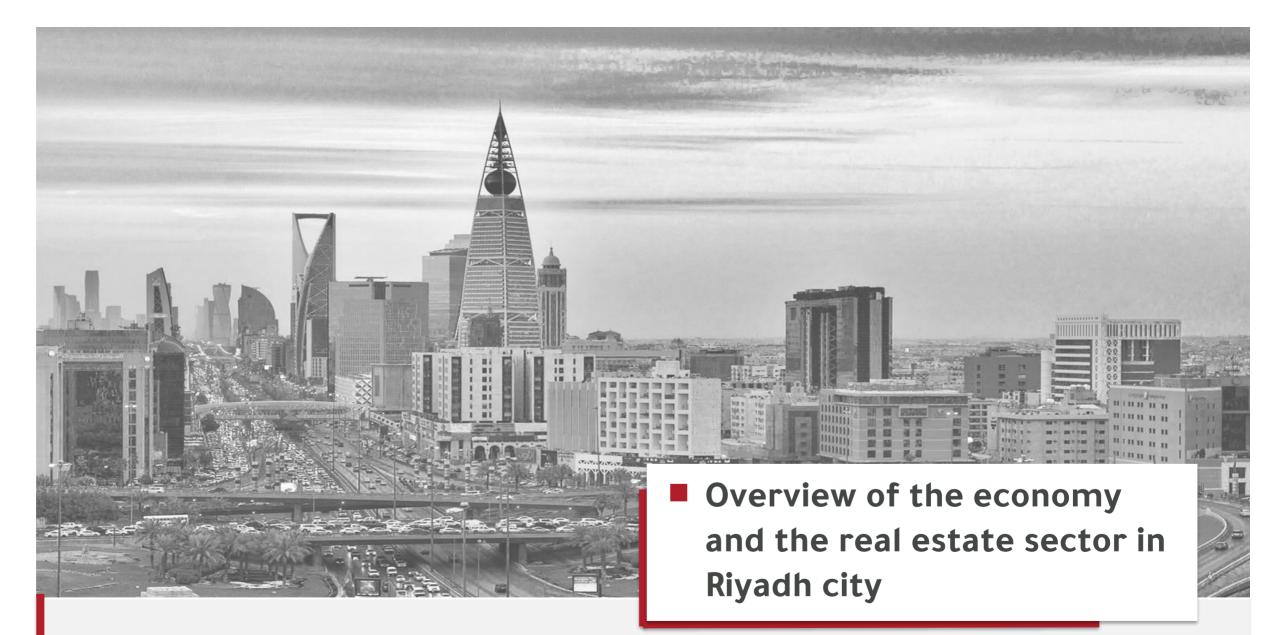
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





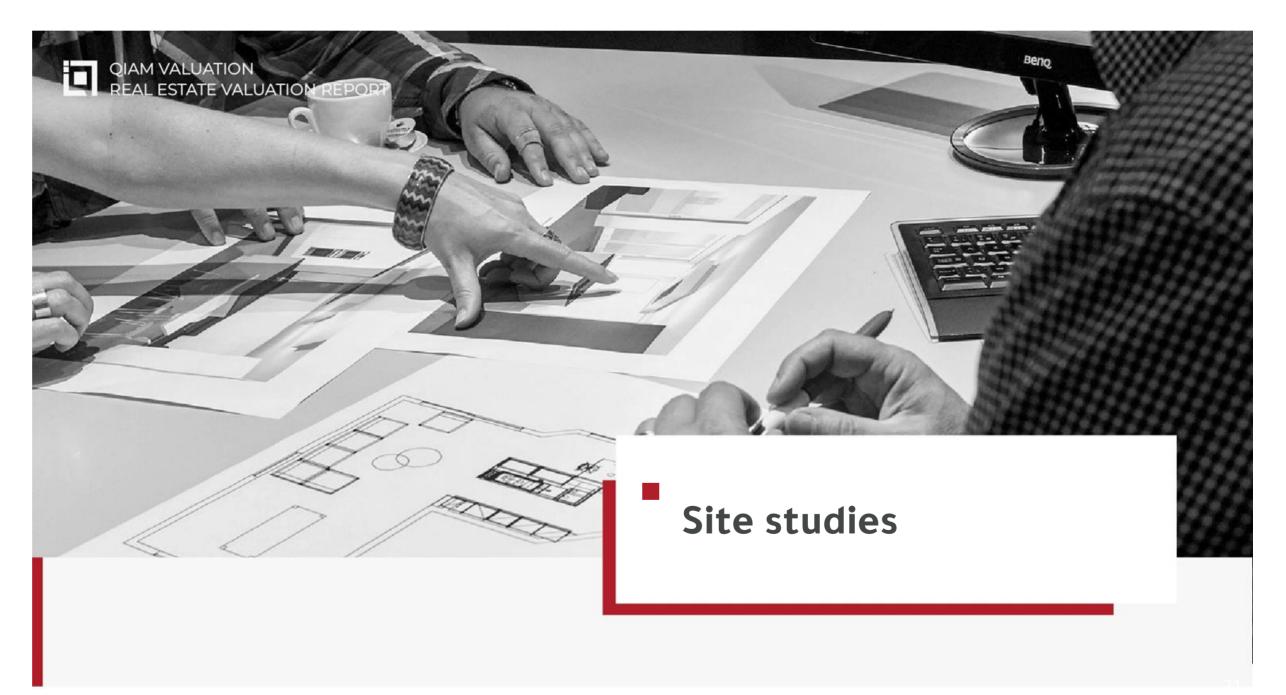
Social, service and real estate indicators - Riyadh City - 2023 AD

# Social and service indicators:

<b>882</b>	<b>30+ML</b>	<b>1.2ML</b>	<b>4.78ML</b>	7.67ML	<b>1,973KM</b>
Public and private school	Traveler	Student	Size of the workforce	Population	Area
<b>2</b>	7.8+K	<b>70+</b>	<b>4300</b>	<b>112</b>	<b>7</b>
Airports	Tourist and visitor	Markets (mall)	Factory in the area	Hospital	Universities
<b>110</b>	% <b>68</b>	<b>20+K</b>	<b>20</b>	<b>43</b>	<b>28</b>
Number of hotels	Hospitality Occupancy	Hotel room	5 Star Class	4 Star Class	3 Star Class

# **Real estate indicators:**

150+ML	2.6+Billion	661+K	101+Billion	7.6+Billion	71+K
Rental spaces Commercial / m <sup>2</sup>	Total value of residential transactions	Residential rental deal	Total value of rental deals	Total value of sales transactions	Executed transaction





# Property Risk Analysis

# **Strength point:**

- The property is located in the industrial and storage area near the Eastern Ring Road.
- The location is close to the main axial roads that connect it to parts of Riyadh, such as

#### (Eastern Ring Road, Southern Ring Road).

• The location is close to the storage and industrial trade centers in Riyadh.

# **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries, archaeological sites and events.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

# Weak points:

• Changing the building regulations in the property area.

# **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



## **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	393010005763	13/03/1443 AH	Mortgaged

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Faisaliah	From plot 556 to plot 577	3251	14713.87 square meters

#### > Borders and lengths:

Borders and lengths:							
Northen border Border length Southern border Border length Eastern border Border length Western border Border						Border length	
20m wide street         89.34         25m wide street         57.61         25m wide street         203.11         25m wide street         214.1							214.14

## Assumptions regarding ownership of the property

For the purposes of this report, we assume that there is good, valid and free ownership and that the property is mortgaged to AI Rajhi Development Company Limited.



## Real estate data and Services available in the real estate area

	Real Estate Data						
City	Riyadh	Neighborhood	Al-Faisaliah				
Street	Unnamed	Property type	Industrial workshops				
No. land plan	3251	Plot number	From 556 to 577				
Land Area	14713.87 square meters	Built-up area	12045 square meters				
	Services and facilities available in the real estate area						
Electricity network	Telephone network	Water network	Sewerage network				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Water drainage network	Mosque	Dispensary	Garden				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Public markets	Civil defense	Police station	Hospital				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Hotels	Petrol station	Schools	Governmental services and centers				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				



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## Factors affecting the property

Impact element	Impact determinants	Description	
Area overview	Importance of the area	The property is located south of Riyadh in Al Faisaliah district with easy access to the Eastern Ring Road.	
Natural factors (Environmental)	Lands topography	Flat	
	Pollution	N.A.	
	Location from the city	South of the city	
	Infrastructure	Completed	
Planning factors (Urban)	Municipal equipment	Completed	
	Land properties	Regular sides and lengths	
Building Regulations	Land use	Commercial - Industrial	
	Building ratio - number of floors	70% - 2 floors	
Economic factors	Supply and demand	Average	
	Land prices	Average	
Legal factors	Deficit and trespassing on the property	N,A.	



## **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (10) years based on the (Building permit).
- Building permit number **10137/1432** dated **01/06/1432 AH**
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a (Car workshop). Detailed as below:

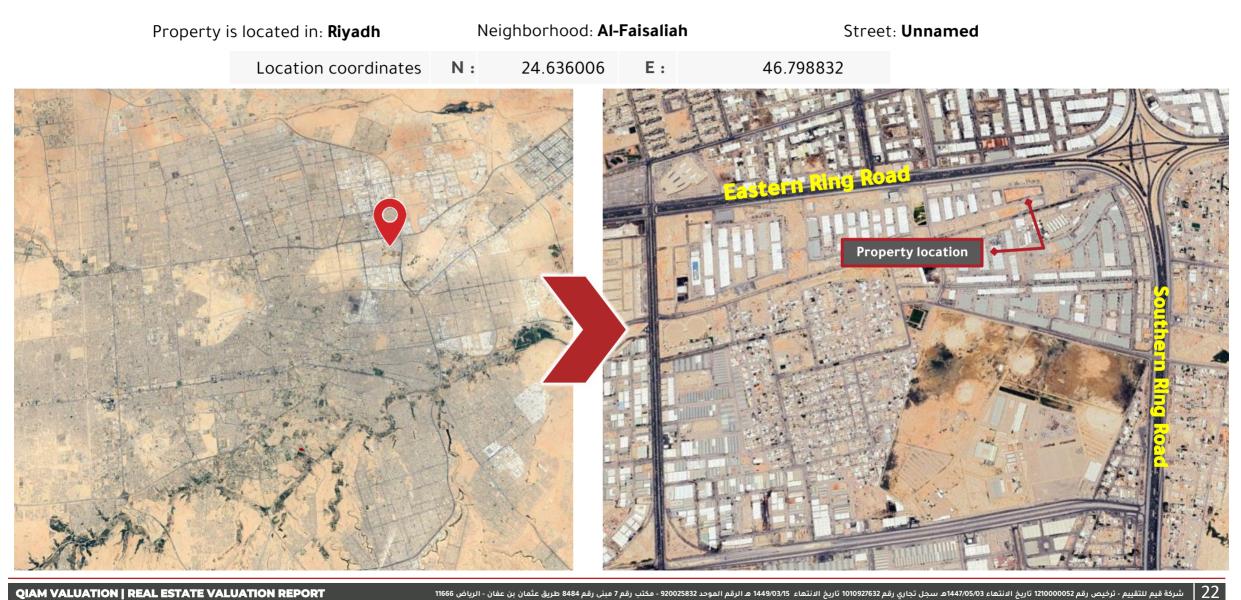
Building components			
#	Floor	Area (m2)	Use
1	Ground floor	12045	Car maintenance workshop

## Property Description

		INTERIOR FINISHES				
Doors		Ceiling	Wall Cladding	Floors		
Drawing iron	1	Iron hangar	Paint - Iron Hangar	Epoxy casting - tiles		
Windows		Health kits	Stairs	Insulation type		
				Thermal - Hydro		
	EXTERIOR FINISHES					
Facades		Facilities	cilities Doors			
Iron hangar			Electric Securit Glass - Drawn Iron	asphalt		
		Electromechanical and air conditioning	systems			
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System		
Central	-	High quality	High quality energy saving	Automatic electric pump system		
		Security and safety systems - other faci	lities			
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems		
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hotel	Parts Indoor and o	outdoor surveillance cameras		



## **Property location**



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## Photographic survey of the Property









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Londo problem

# Valuation



## Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



## Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

## The market approach should be applied and afforded significant weight under the following circumstances:

- The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

## The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



## Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

## Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

## Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

## Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

## Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

## Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

## **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

## Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

## **Hierarchy:**

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

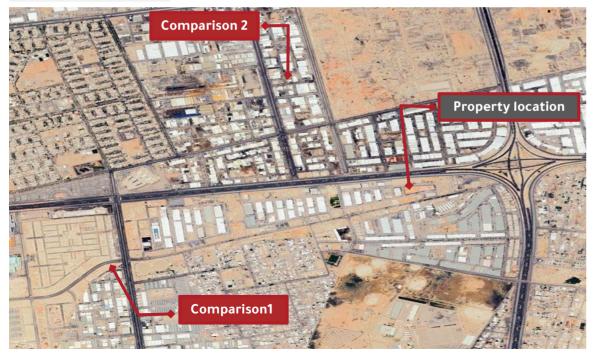
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



Comparative real estate					
Comparison factors	Com <u>paris</u> on 1	Com <u>pariso</u> n 2			
Area (m2)	1,373	1,446			
Ease of access	High	Average			
Property location	Average	Average			
Land shape	Regular	Regular			
Land topography	Flat	Flat			
Use	industrial	industrial			
Surrounding streets	3	2			
Price per meter (SR)	2400	2100			
Comparative condition	Available offer	Available offer			



Valuating	Valuating the land according to Market Approach - Method of comparison with similar sales					
с	lause		Comparative re	al estates		
	Property under	Compariso	11	Compariso	on 2	
Adjustments factors	valuation	Value	Adjustment	Value	Adjustment	
Price per square meter	***	2,400		2,100		
Condition	***	Available of	fer	Available o	ffer	
Date of valuation/offer	2024	2024		2024		
Market Condition	***	%10.00-	240 -	%10.00-	210 -	
Financing terms	***	%0.00	-	%0.00	-	
Market conditions value	***	(2	40.00)		(210.00)	
Value after initial settlements	***		2,160		1,890	
Land area (m²)	14713.87	1,373	%15-	1,446	% <b>15</b> -	
Ease of access	High	High	%0	Average	%5	
Property location	High	High	%0	Average	%5	
Land shape	Irregular	Regular	%10-	Regular	% <b>10-</b>	
Land topography	Flat	Flat	%0	Flat	%0	
Land use	industrial	industrial	%0	industrial	% <b>0</b>	
Surrounding streets	4	3	%5	2	%10	
	Total	%2	0.00-	%5	.00-	
Adjustment val	ue per square meter	-432		-95		
Final meter value after Adjustments		1,728		1,796	1,796	
Net average value per square meter (SR / m²)			1,76	2		
Market value o	f the land (SR / m²)		25,922,	,160		

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## Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

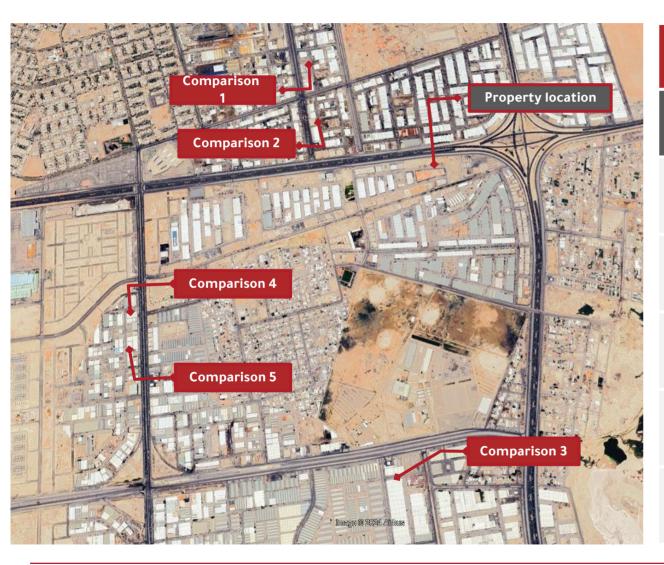
## Property Valuation - Cost Approach - Replacement Method

	First: Construction Costs (Direct Costs)			
Clause	Built up area m2	SR / m2	Value (SR)	
Ground Floor	12045	850	10,238,250	
Total (SR)	12,045		10,238,250	
	Second: Other costs (indirect)			
Professional fees	%2		204,765	
Utilities Network	%2		204,765	
Administration costs	%2		204,765	
Financing costs (0 years / 0%)	%0		-	
Developer's profitability	%15		1,535,738	
Τα	2,150,033			
Total cost o	12,388,283			
	Third: Depreciation cost			
Life span of the property (year)	Year		30	
The current age of the property (year)	Year		10	
Remaining life of the property (year)	Year		20	
Depreciation rate	%		33	
Depreciation value	SR		4,129,428	
Final value of t	the building (SR)		8,258,855	
For	urth: Value of the property according to the Co	st Approach		
Final value of the land (SR)			25,922,160	
Final value of buildings (SR)			8,258,855	
Market value of the property ac	cording to the Cost Approach (SR)		34,181,015	
Market value of the property according	to the Cost Approach after roundin	g (SR)	34,181,000	

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## Market Survey Data Analysis



Market Survey Results - Rental Values - Workshops and Warehouses

#	Comparison	Area (m2)	Rental price per meter
1	Warehouses	2062	170
2	Warehouses	2020	140
3	Warehouses	1325	188
4	Workshops	1800	240
5	Workshops	1200	250



#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cumulative model method)						
Government bond rate of return	4.94	Saudi Tadawul Fund				
Inflation rate (current year average)	1.8	Saudi Central Bank				
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market				
Special risk premium (the resulting costs of the property)	1	According to the condition and circumstances of the property				
Discount rate with all data above	9.5%	%				

#### Assumptions:

Discounted Cash Flow method assumptions						
Total property income	2,100,000	Discount rate	%9.5			
Occupancy rate	%100	Capitalization rate	%7			
Operating Expense Rate	%0	Growth rate - annual from 4th year	%5			

#### **Rental income:**

The property income was analyzed by reviewing the property contract and comparing it to the market, as the rental value of the property is 2,100,000 riyals until 2025, then increases by 5% for the period from 2025 to 2029, and the rental value increases by 5% until the end of the contract. At the end of the contract, an increase of 15% was assumed due to the increase in the rental value in the property area.

#### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

#### **Operating Expense Rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.



## Calculating the market value - Discounted Cash Flow method

							Investment years					
Cash flow - Infl	lows	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Reversion value
		1	2	3	4	5	6	7	8	9	10	
Expected growth value		0.00%	5.00%	0.00%	0.00%	0.00%	4.99%	0.00%	0.00%	15.00%	0.00%	
Total rental value	2,100,000	2,100,000	2,205,000	2,205,000	2,205,000	2,205,000	2,315,000	2,315,000	2,315,000	2,662,250	2,662,250	
Occupancy rate	100%	2,100,000	2,205,000	2,205,000	2,205,000	2,205,000	2,315,000	2,315,000	2,315,000	2,662,250	2,662,250	
Actual gross income		2,100,000	2,205,000	2,205,000	2,205,000	2,205,000	2,315,000	2,315,000	2,315,000	2,662,250	2,662,250	
minus operating expense ratio	0%	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		2,100,000	2,205,000	2,205,000	2,205,000	2,205,000	2,315,000	2,315,000	2,315,000	2,662,250	2,662,250	
Reversion value of the building												
Net Cash Flow		2,100,000	2,205,000	2,205,000	2,205,000	2,205,000	2,315,000	2,315,000	2,315,000	2,662,250	2,662,250	
Discount Factor		0.9132	0.8340	0.7617	0.6956	0.6352	0.5801	0.5298	0.4838	0.4418	0.4035	0.4035
Present Value of Cash Flows		1,917,808	1,838,994	1,679,447	1,533,741	1,400,677	1,342,970	1,226,456	1,120,051	1,176,310	1,074,256	16,000,736
Net present value of the property												30,311,446
									Final Prope	erty Value	3	0,311,446
								Final Pr	Final Prope operty Valu	e (after rou	nding) 3	0,311,000



## Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of 30/06/2024, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
30,311,000	Thirty million, three hundred and eleven thousand Saudi riyals.

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT





## **Documents received from the client**

مىك: 393010005763 مى خ: 1443/03/13 م	1.0	وزارة الحل
	~	ايراهيم عمر محمد الحسين
		الرياض ترخيص رقم 39/999
	مىڭ رەسىن	
ي النهسلية بعدينة الريش . و قسم الريض رقم الارعن رقم الحاة من المقطر لم لم يتكون الريض ، ف ملفة الارض در الم 256 من المسلمة بدينة در الم 256 من المسلمة بينية الريض در الم 256 من المعلمة الرش رقم لم 258 من المقطم رقم 2551 الواقع من المغطم رقم 2551 الواقع في مي ر قلمة الارض رقم 572 من المولية بر 2551 الواقع في مي م 2552 الواقع في مي المعطم رقم م 2553 من المغطط رقم م 2575 من المخطط رقم م 2575 من من من م 2575 من المخطط رقم م 2575 من من م 2575 من م 2575 من المخطط رقم م 2575 من من م 2575 من م 2575 من م 2575 م 2575 من م	1752 بنينية الرياض ، في قلمة الارض , فم 3558 الراض , فم 3558 قرم 558 قرم 558 قرم كارت المحلم المراح في المعلمة الارض , فم 355 الرافع في من الفيسلية بمدينة الرياض , و فلمة الارض , فم 355 الرافع في من الفيسلية بمدينة الرياض , فم 355 الرافع في من الفيسلية لمدينة في 355 الرافع في من الفيسلية لمدينة و المراح من المعلمة لرام 155 و من المعلمة الارض , فم 355 من المعلمة الارض , في 355 من المعلمة لرام 155 و من قدم 155 و المراح من من المعلمة لرام 155 و من المعلمة الارض الم 155 و من المعلمة لرام 155 و من من مع من و من المعلمة لرام 155 و من من مالمة لرام 155 و من من مالمة لرام 155 و من مالمة لمالمة لرام 155 و من مالمة لمام 155 و من مالمة لرام 155 و من مالمة لرام 155 و من مالمة مممة لمالمة لمممة مممة لمالمة لما	المخطفر (م. 1325 الوالع في حي المحسب التحسين المرتبة الريان . و المحلم المرة الارمن . (الإرض رقم 650 من المحفظ رقم 1321 الوالي . و محلم المحفظ رقم 1321 الوالي في من المحسب الوالي في رقم 436 من المحفظ رقم 1321 الوالي عن رقم 657 من المحف الرابق في حي القيميان بمنيئة الرياض . و قملة الرياض . و قملة الارض رقم 1351 الوالي في حي القيميل و قملة الارض رقم 1352 الوالي في حي القيميل القيميان ، و قملة الارض رقم 1355 الوالي في حي القيميان ، و قملة الارض رقم 1355 الوالي في حي القيميان ، و قملة الارض رقم 1355 الوالي في حي القيميان ، و قملة الارض رقم 1355 الوالي في حي القيميان ، و قملة 13 من المحفظ رقم 1 الارض رقم 1355 من المحفظ رقم 1352 الارض رقم 1355 من المحفظ رقم 1352 من المحفظ رقم 1355 الوالي في حي القيميل معملان ، في حون 25 م بطول 14.08 في معملان ، في 25 م بطول 14.134 من المان الماني ، و حض 25 م بطول 14.144 روالي 14.138 الولية من 14.1510 من الماني و مسلحتها 13118 الولية من القالي 14.144 و موالي 14.138 الولية من الماني الماني 14.144 من الماني معن 25 م بطول 14.141 من الماني معن 25 م بطول 14.141 من 14.145 من الماني الماني معن 14.144 من الماني معن 25 م بطول 14.141 من 14.145 من الماني 14.145 من الماني معن 25 م بطول 14.145 من الماني معن 25 م بطول 14.145 من الماني الماني الماني معن 25 م بطول 14.145 من الماني معن 25 م م بطول 14.145 من الماني الماني معن 14.145 من من الماني معن 25 م معن الماني معن الماني 14.145 من الماني معن 25 م معن الماني معن الماني معن الماني 14.145 من من الماني الماني معن 14.145 من من 14.145 من من الماني معن معن مولي من من معن من معن من معن من معن الماني معن معن الماني الماني معن الماني 14.145 من مولي معن مولي مولي من معن معن مولي من معن معن من معن من معن الماني معن معن معن معن معن معن من معن معن معن
الموبق		
	الختم الرسمي	
ابر اهيم عمر محمد الحسين		

رقم الرخصة ، ١٢٢/١٠٠٢٧ وزارة الشنون البلدية والقروية تاريخ الرخيصية : ١٤٣٢-٠٦٠١ أمانة منطقة الرياض تاريخ الإنتسهساء : ١٤٣٠-٠١٠ توع الرخــمــة : إهدار رخصة بناءورشة إدارة رخص البثاء الرخصة القورية اسر المسالية : شركة مجموعة عبد اللطيف العيسي المحدودة رقم الإشبيات : ١٠١٠١٤٠٥١٤ تاريخــــه : ۱۱۲۹.۰۷.۲۴ رقم المصلك : ٤١٠٠١٦٠٠٠٤٧٠٢ رقم المخطط التنظيمي : ٢٢٠١ رقم القطع : من ٥٠٥١١ ٧٧٠ رقم العـــــقـــار : الـشـــارع: نوع البياء : معلى النطاق العـمـراني : مرحلة ١ محيط الأسوار، م / ط مــسـاحــة الأرض : ١٤٧١٢،٦٢م٢ الأبعاد الإرتداد ۸۹٫۳۴ ٤ الحمة الحدود A4.71 شارع عرض ۲۰ شمال . 7.7.11 شارع عرض ٢٥م شرق 0 01.11 شارع عرض ٢٥م جنوب 111.11 . شارع عرض ۲۰م غرب الإستخدام الساحة عدد مكوئات البئاء لمحدات ورشه 17.50... 0 دور ارضي المكتب المصمم : معاب للاستشارات الهندسية مستوي مناسيب الشوارع المحيطة : رقم الترخيص : ١٣٠٢ رقم المشروع : ٢٨ رمر النظام : وتاريخ : ١١٢٢-٠٠-١١ سدد الرسوم مبلغ وقدره : ١٦٤٩ ريال بموجب الإيصال رقم : ٣٢٠١٢١٨٢٢٢ -ملاحظات: intain (A) مدير إدار و الوقص مدير عام التخطيط العمراني بليس قسم الرخص م/ علي بن المد الدروي م/ مساعد المديا Kinginger and lidering 44 L يجب الإلتزام بالشروط الموضحة خلف الرخصة أي كشط أو شطب يلغي هذه الرخصة .

الجلكة العربية السعودية

الرقع الماسلسلي: 728



## **Documents received from the client**



#### يعتبر هذا العقد عقّدا موثَّمًا وسنّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ

Contract Type	جديد	نوع العقد:	Contract No.	20745637513	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2021-09-22	تاريخ إبرام العقد
Tenancy End Date	2031-12-21	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2021-12-22	تاريخ بداية مدَّة الإيجا <mark>ر:</mark>
Contract is conditional		4	نع		معلق بشرط

		Ejar Fees Paid By	المؤجر	طريقة دفع رسوم العقد:
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Unified العقد Unified التجاري Commercial الموحد Contract

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Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين الأولى العقارية	اسم الشَّرِحَة/المؤسَّسَة:	Organization Type	commercial	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رمَم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجارى:	Issued by	•	جهة الإصدار:

ssor Repre	sentative Data			يۇچر	۲ بیانات مُمثَّل اله
e		ن يديي معيدي	سلمان حسين بز		الدسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
2.	1073134924	رقم الهويّا:	ID Type	هوية وطنية	نوع الهويَّة:
ii.	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
nal Address		الرياض	الرياض.		العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ التصدا <mark>ر</mark> Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2022-09-05	2021-09-16	وكالة شرعية إلخترونية	43661903

Tenant Data					٤ يبانات المستأجر	
Company name/Founder	مؤسسة آرتس العقارية	اسم الشَّركة/المؤسَّسة:	Organization Type	commercial	نوع المنظمة:	
Unified Number	7010433642	الرقم الموحد	CR No.	1010713552	رهم السَّجل التَّجاري:	

			Water Annual Amount:	0	الأجرة السَّنوية للمياه:		
General Services Included:		والتي تشمل على:	General Services Amount:	0.0	الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)		
Number of Rent Payments:	10	عدد دفعات الإيجار:	Rent payment cycle	حسب اختيار العميل لدفعة السداد	دورة سداد الايجار		
VAT on rental value:	3309750.0	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	First rental payment: (Includes deposit)	2415000.0	دفعة الإيجار الأولى: (تشمل العربون)		
رقم الهوية أو السجل التجاري ID/CR Number				الرقم الضريبي Vat number	الرَّقم المشلسَل No.		
		310199293800003	1				
	القيمة السَّنوية للإيجار:						
اجمالي قيمة العقد: "Total Contract value 25374750.0							
يشمل: القيمة الإيجارية، ومبلغ العربون، ومبلغ ضربية القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية ل(الفاز والكهرباء والمياه والصرف الصحي إذا خددت كميالغ ثابتة) .							
Approved payment meth	طرق الدفع المعتمدة الدفع عن طريق الوسيط العقاري/المؤجر أو Approved payment methods						

الدفع إلكترونيا من خلال قنوات الدفع المتاحة

Rent Payments Schedule

Parties Obligations

تاريخ الدستحطاق (ھ) Due Date(AH)	تاويخ الإصدار (ھ) Issued Date(AH)	تاريخ الاستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	قيمة المبالغ الثابتة Services	خريبة القيمة المخافة VAT	قيمة الإيجار Rent value	الرَّمَم المسَلسَل No
1443-05-28	1443-05-18	2022-01-01	2021-12-22	2415000.0	0.0	315000.0	2100000.0	1
1444-06-08	1444-05-28	2023-01-01	2022-12-22	2415000.0	0.0	315000.0	2100000.0	2
1445-06-19	1445-06-09	2024-01-01	2023-12-22	2415000.0	0.0	315000.0	2100000.0	3
1446-07-01	1446-06-21	2025-01-01	2024-12-22	2535750.0	0.0	330750.0	2205000.0	4
1447-07-12	1447-07-02	2026-01-01	2025-12-22	2535750.0	0.0	330750.0	2205000.0	5
1448-07-23	1448-07-13	2027-01-01	2026-12-22	2535750.0	0.0	330750.0	2205000.0	6
1449-08-04	1449-07-24	2028-01-01	2027-12-22	2535750.0	0.0	330750.0	2205000.0	7
1450-08-16	1450-08-06	2029-01-01	2028-12-22	2662250.0	0.0	347250.0	2315000.0	8
1451-08-26	1451-08-16	2030-01-01	2029-12-22	2662250.0	0.0	347250.0	2315000.0	9
1452-09-07	1452-08-27	2031-01-01	2030-12-22	2662250.0	0.0	347250.0	2315000.0	10

قيمة إيجارية متغيرة سنوياً: -١٤ التزامات الطرفين

١٥ مواد العقد

۱۳ جدول سداد الدفعات

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

تحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)





**General Administration** 

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شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/05/041 هـ الرقم الموحد 2522029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





## **Real State Valuation Report**

## Presented to: Mulkia Gulf Real Estate REIT Fund



Technology Commercial Complex BLK 7



Report date: 18/07/2024 AD

Report No.: 448225 - 2

PEPEPEPEPE



QIAM VALUATION | REAL ESTATE VALUATION REPORT



#### Statement

## Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Technology Commercial Complex BLK 7 Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **Al-Faisaliah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Technology Commercial Complex **BLK 7** property for the purpose of periodic valuation

of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**, For an amount of only (13,113,000) thirteen million one hundred and thirteen thousand

## Saudi riyals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

## Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
Appendix	07



The specific assumptions and limitations of the report

## Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





## Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity				
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>				
Assumed value	Value Basis	Purpose of the valuation				
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund				
Report type for client	Valuation Approach	Asset subject to valuation				
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Technology Commercial Complex - BLK 7				
Report issuance date	Valuation date (measurement)	Inspection date				
18/07/2024AD	30/06/2024 AD	20/06/2024 AD				
Scope of the Valuer search - Standard No. 102						

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

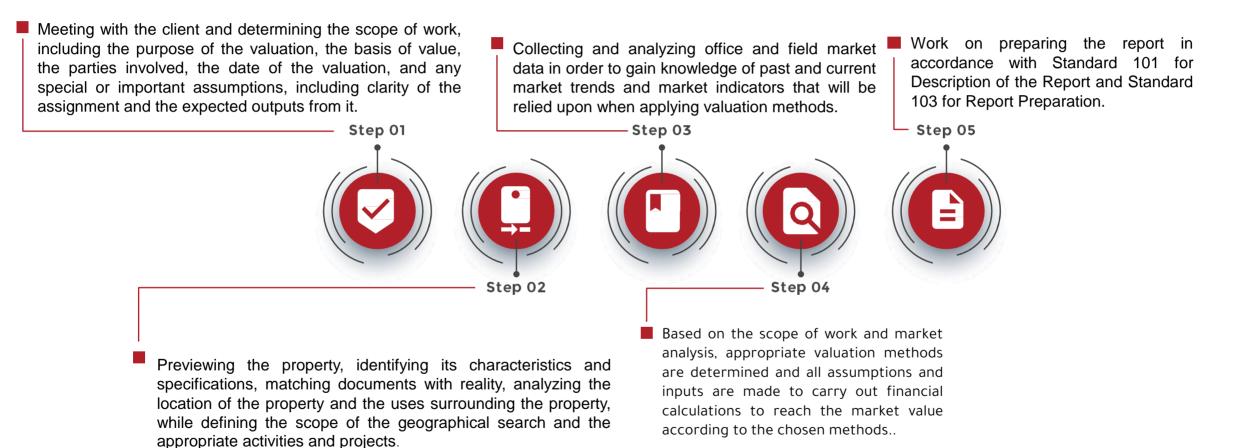
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



## Work Stages





## Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

## Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons		
	Title deed	Trusted	The deed sent by the client has been verified		
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.		
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.		
Market	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data		
	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area		
	Source independence	Trusted	A source independent and external to the asset being valued		



QIAM VALUATION REAL ESTATE VALUATION REPORT

## Compliance with Standards ,Research and Inquiry



## Compliance with Standards and Research and Inquiry

## 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

## 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

## 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

## 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

## 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

## 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

## Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

## Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



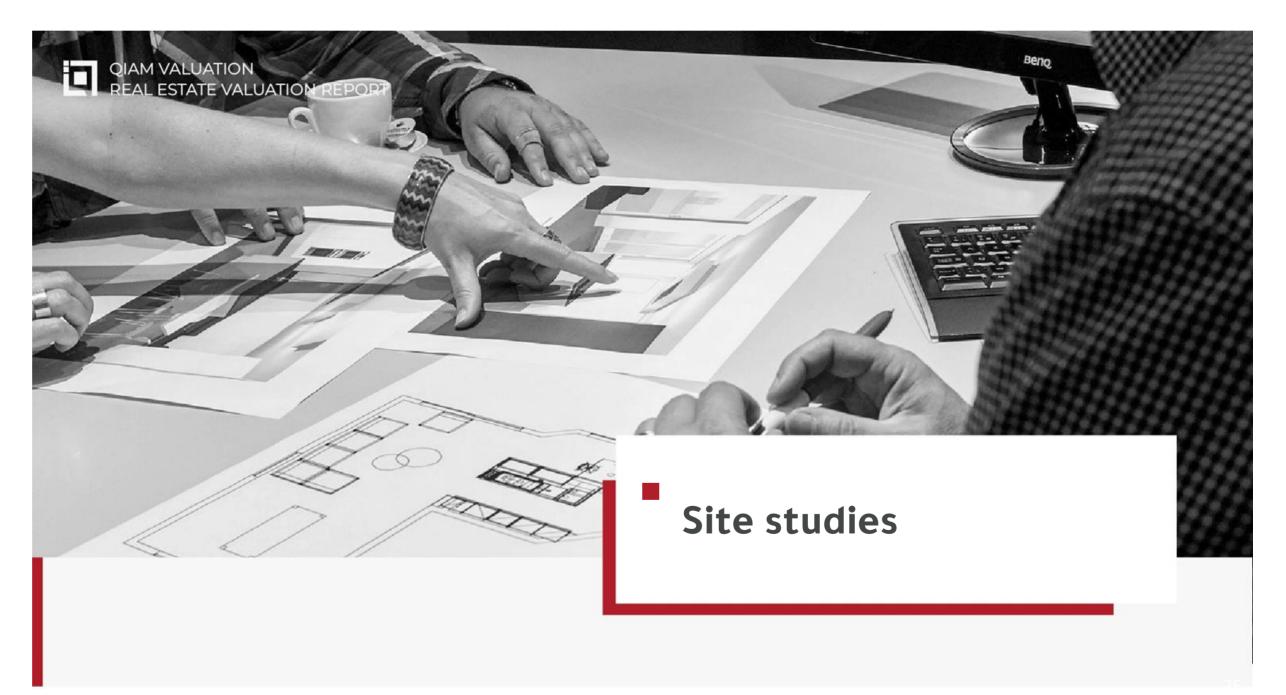
## Real estate and investment properties in the preparation of financial reports

## Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the inducial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





## Property Risk Analysis

## Strength point:

- The property is located in the industrial and storage area near the Eastern Ring Road.
- The location is close to the main axial roads that connect it to parts of Riyadh, such as

### (Eastern Ring Road, Southern Ring Road).

• The location is close to the storage and industrial trade centers in Riyadh.

## **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries, archaeological sites and events.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

## Weak points:

• Changing the building regulations in the property area.

## **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



## **Ownership Data**

### > Title deed information

Owner name	Owner name Deed number		Ownership Type
Tamdeen First Real Estate Company	393010004591	13/03/1443 AH	Mortgaged

### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Faisaliah	From plot 546 to plot 555	3251	4865.5 square meters

### > Borders and lengths:

Borders and lengths:							
Northen border Border length Southern border Border length Eastern border Border length Western border Border						Border length	
20m wide street	101.75	20m wide street	92.87	25m wide street	50	25m wide street	50.8

## Assumptions regarding ownership of the property

For the purposes of this report, we assume that there is good, valid and free ownership and that the property is mortgaged to AI Rajhi Development Company Limited.



## Real estate data and Services available in the real estate area

	Real Est	Real Estate Data					
City	Riyadh	Neighborhood	Al-Faisaliah				
Street	Unnamed	Property type	Industrial workshops				
No. land plan	3251	Plot number	From 546 to 555				
Land Area	4865.5 square meters	Built-up area	3663.78 square meters				
	Services and facilities avail	able in the real estate area					
Electricity network	Telephone network	Water network	Sewerage network				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Water drainage network	Mosque	Dispensary	Garden				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Public markets	Civil defense	Police station	Hospital				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Hotels	Petrol station	Schools	Governmental services and centers				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				



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## Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located south of Riyadh in Al Faisaliah district with easy access to the Eastern Ring Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	South of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Commercial - Industrial
	Building ratio - number of floors	70% - 2 floors
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



## **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (10) years based on the (Building permit).
- Building permit number 10144/1432 dated 01/06/1432 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Car workshop)**. Detailed as below:

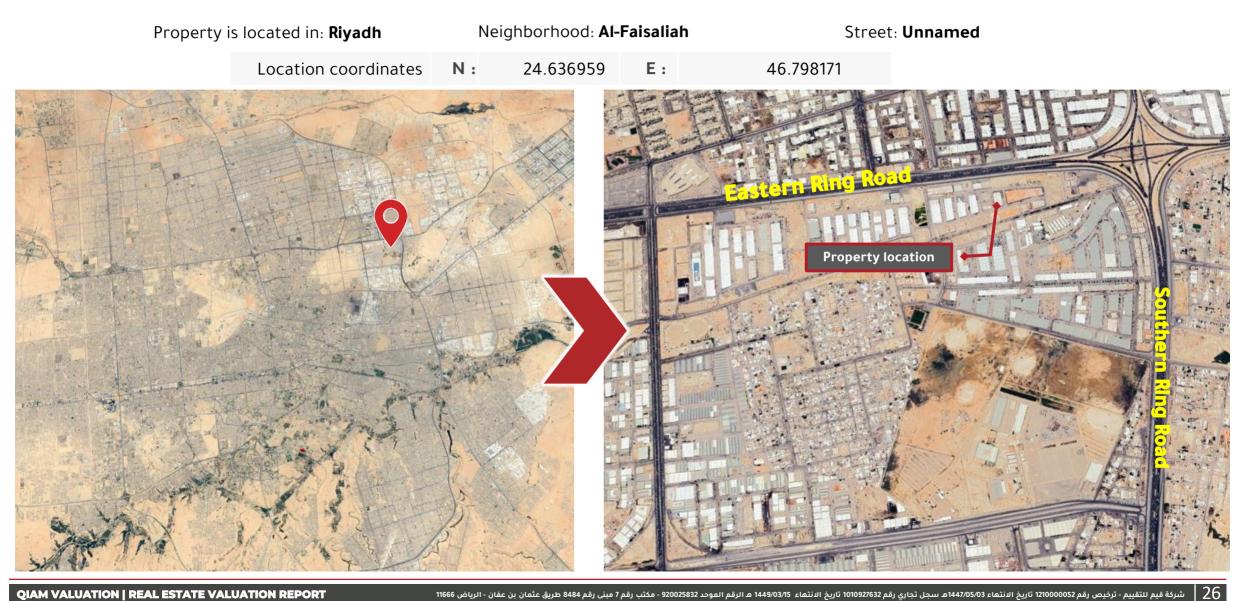
Building components				
#	Floor	Area (m2)	Use	
1	Ground floor	3663.78	Car maintenance workshop	

## **Property Description**

	INTERIOR FINISHES						
Doors		Ceiling	Wall Cladding	Floors			
Drawing iron	1	Iron hangar	Paint - Iron Hangar	Epoxy casting - tiles			
Windows		Health kits	Stairs	Insulation type			
				Thermal - Hydro			
	EXTERIOR FINISHES						
Facades	Facades		Doors	Floors			
Iron hangar			Electric Securit Glass - Drawn Iron				
		Electromechanical and air conditioning	g systems				
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System			
Central		High quality	High quality energy saving	Automatic electric pump system			
		Security and safety systems - other f	facilities				
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems			
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hote	Parts Indoor and	outdoor surveillance cameras			



## **Property location**



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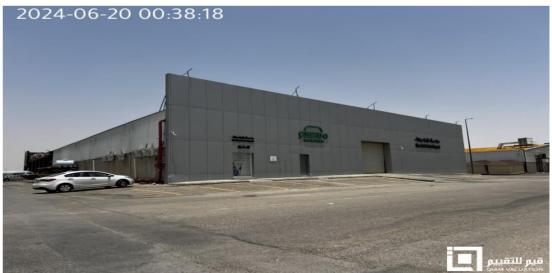


## Photographic survey of the Property











Londo probación

## Valuation



## Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



## Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

## The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

## The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



## Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

## Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

## Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

## Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

## Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

## Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

## Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

## **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

## **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

## **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

## Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

## Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



## تقدير القيمة

Estimated value



Comparative real estate			Valuatin	g the land according to Mar	ket Approach - Me	thod of comparis	son with similar sa	les	
Comparison factors	Comparison 1	Comparison 2	C	lause		Comparative r	eal estates		
Area (m2)	1,373	1,446	Adjustments factors	Property under	Compariso	on 1	Comparise	on 2	
Ease of access	High	Average	Adjustments factors	valuation	Value	Adjustment	Value	Adjustment	
Property location	High	Average	Price per square meter	***	2,400		2,100	)	
Land shape	Regular	Regular	Condition	***	Available o	offer	Available	offer	
Land topography	Flat	Flat	Date of valuation/offer	2024	2024		2024		
Use	industrial	industrial	Market Condition	***	%10.00-	240 -	%10.00-	210 -	
Surrounding streets	3	2			/010.00	240	///////////////////////////////////////	210 -	
Price per meter (SR)	2400	2100	Financing terms	***	%0.00	-	%0.00	-	
Comparative condition	Available offer	Available offer							
			Market conditions value	***		(240.00)		(210.00)	
THURS -	مقارنة 2		Value after initial settlements	***	2,160		1,890		
			Land area (m²)	4865.50	1,373	%7-	1,446	%7-	
			Ease of access	High	High	% <b>0</b>	Average	%5	
Langales.			Property location	High	High	% <b>0</b>	Average	%5	
N ANDER		🔤 موقع العقار	Land shape	Regular	Regular	% <b>0</b>	Regular	%0	
Con Est	The state of the		Land topography	Flat	Flat	% <b>0</b>	Flat	%0	
		HUE KON	Land use	Industrial	Industrial	% <b>0</b>	Industrial	%0	
The second second			Surrounding streets	4	3	%5	2	%10	
ALL AND THE Y			K Total		%2.00-		%13.00		
	THE MURDER CLU		Adjustment va	ue per square meter	-43		246		
TEPELI-B	HUB		Acjustinent fu		-+3 2+0				
			Final meter val	ue after Adjustments	2,117		2,136	<b>;</b>	
			Net average value per square meter (SR / m²)		2,126				
	مقارنة 1		Market value o	of the land (SR / m²)		10,34	5,269		

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## Similar Comparisons Method Assumptions

### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

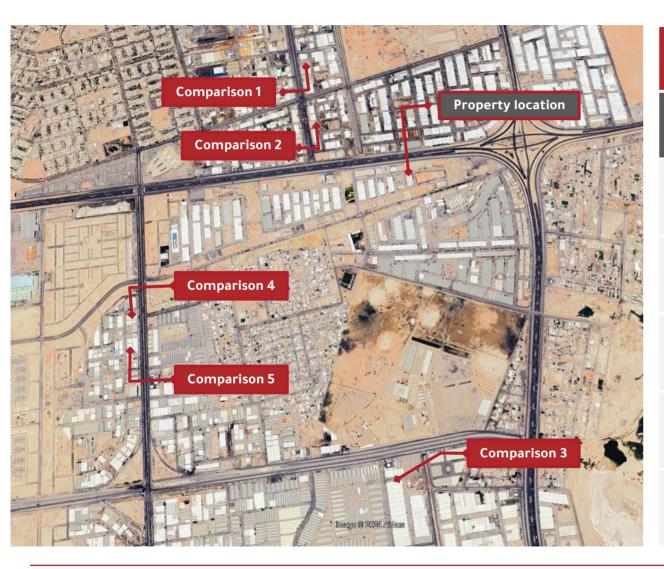


## Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)					
Clause	Built up area m2	SR/m2	Value (SR)		
Ground floor	3664	800	2,931,200		
Total (SR)	3,664		2,931,200		
	Second: Other costs (indirect)				
Professional fees	%2		58,624		
Utilities Network	%2		58,624		
Administration costs	%2		58,624		
Financing costs (0 years / 0%)	%0		-		
Developer's profitability	%15		439,680		
	615,552				
Total cost of buildings (SAR)			3,546,752		
	Third: Depreciation cost				
Life span of the property (year)	Year		30		
The current age of the property (year)	Year		10		
Remaining life of the property (year)	Year		20		
Depreciation rate	%		33		
Depreciation value	SR		1,182,251		
Final value of	the building (SR)		2,364,501		
Fourth: Value of the property according to the Cost Approach					
Final value of the land (SR)			10,345,269		
Final value of buildings (SR)			2,364,501		
Market value of the property a	ccording to the Cost Approach (SR)		12,709,771		
Market value of the property accordin	g to the Cost Approach after rounding (SR)		12,710,000		



## Market Survey Data Analysis



## Market Survey Results - Rental Values - Workshops and Warehouses

#	Comparison	Area (m2)	Rental price per meter
1	Warehouses	2062	170
2	Warehouses	2020	140
3	Warehouses	1325	188
4	Workshops	1800	240
5	Workshops	1200	250



### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

### **Discount rate:**

Discount rate (cumulative model method)						
Government bond rate of return	4.94	Saudi Tadawul Fund				
Inflation rate (current year average)	1.8	Saudi Central Bank				
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market				
Special risk premium (the resulting costs of the property)	1.5	According to the condition and circumstances of the property				
Discount rate with all data above	10%	%				

### **Assumptions:**

	Discounted Ca	ash Flow method assumptions	
Total property income	962,876	Discount rate	%10.0
Occupancy rate	%100	Capitalization rate	%7
Operating Expense Rate	%0	Growth rate - annual from 4th year	%5

### **Rental income:**

The property income was analyzed by reviewing the property contracts and comparing it to the market, as the rental value of the property for all contracts is 962,876 riyals for the period from 2024 to 2027, and the rental value increases by 5% until the end of the contract. At the end of the contract, an increase of 15% was assumed due to the increase in the rental value in the property area.

### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

### **Operating Expense Rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.



## Calculating the market value - Discounted Cash Flow method

							Investment years					
Cash flow - Inflo	ows	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Reversion value
		1	2	3	4	5	6	7	8	9	10	
Expected growth	value	%0.00	%0.00	%0.00	%5.19	%0.00	%0.00	%0.00	%15.00	%0.00	%0.00	
Total rental value	962,876	962,876	962,876	962,876	1,012,876	1,012,876	1,012,876	1,012,876	1,164,808	-	-	
Occupancy rate	%100	962,876	962,876	962,876	1,012,876	1,012,876	1,012,876	1,012,876	1,164,808	-	-	
Actual gross income		962,876	962,876	962,876	1,012,876	1,012,876	1,012,876	1,012,876	1,164,808	-	-	
minus operating expense ratio	% <b>0</b>	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		962,876	962,876	962,876	1,012,876	1,012,876	1,012,876	1,012,876	1,164,808	-	-	
Reversion value of the	e building											
Net Cash Flow		962,876	962,876	962,876	1,012,876	1,012,876	1,012,876	1,012,876	1,164,808	0	0	
Discount Factor		0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855	0.3855
Present Value of Cash Flows		875,342	795,765	723,423	691,808	628,916	571,742	519,766	543,391	0	0	7,762,734
Net present value of the property												13,112,888
								Final Prop	perty Value		13	8,112,888
							Final P	Property Val	ue (after rou	ınding)	13	,113,000



## Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Direct Capitalization method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property subject to valuation, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
13,113,000	Thirteen million one hundred and thirteen thousand Saudi riyals.

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT





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## Documents received from the client

39	3010004591	رقم الصك:	وزارة الحدل
*	1442/11/12	التاريـــــخ:	اير الهم عمر محمد الحسين الرياض محمد محمد محمد محمد محمد محمد محمد محمد
			تريخيص رقم 39/999

صك رهـــن

الحدد لله رحده والصلاة والسلام على من لا نبي بعده، ويعد: فإن قطمة الارض رقم 546 من المنظطر رقم 3251 الواقع في حي القيمشية بمدينة الرياض , و قطعة الارض رقم 547 من المنظطر رقم 1321 الواقع في حي القيمسلية بمدينة الرياض , و قطعة الارض رقم 548 من المخططر رقم 2551 الواقع في حي التهريسة بمدينة الرياض , و قطعة الربض رقم 649 من المنظطر رقم 2511 الواقع في حي الارض رقم 550 من المنظطر رقم 1321 الواقع في حي القيمسلية بمدينة الرياض , و قطعة الارض رقم 547 من الارض رقم 550 من المنظطر رقم 1321 الواقع في حي التهريسة بمدينة الرياض , و قطعة الارض رقم 545 من المنظر رقم 2551 من المنظر رقم 1551 من مدينة الرياض , فقطمة الارض رقم 553 من المنظطر قم 1325 الواقع في حي القيمسلية بمدينة الرياض , و قطعة الارض رقم 255 رقم 4564 من المنظطر رقم 1325 الواقع في حي القيمسلية بمدينة الرياض , و قطعة الارض رقم 2551 من مدينة الرياض , فقطمة الارض رقم 553 من المنظطر قم 1325 من المنظر رقم 3551 من المنظر القرفي مريح رقم 4564 من المنظطر رقم 1325 الواقع في حي القيمسلية بمدينة الرياض , و قطعة الارض رقم 3551 من مدينة المائي مدينة الرياض , فقطمة الرض رقم 1555 من المنظر القاط في حين القيمسلية عمينة المنظر من مرقم 350 من مع من المنظر المائيسلية بدينة الرياض , في حين القيملية بمدينة الرياض , فقطمة الارض رقم 3551 من المنظر المائيس مدينة مع مائيسلية المائيس من مع مدينا الماضا المائيس مدينة الرياض , و قطعة الارض رقم 3551 من المنظط رقم 3551 من المنظر المائيس مدينية الرياض , و قطعة الارض من من 355 من المنظط رقم 3551 من المنظر المائيس مدين مائيسلية بمدينة الرياض , و قطعة الارض من من 3551 من المنظر مرقم 3551 من المائيس الواقع في حي الفيصلية بمدينة الرياض . وحدودها واطوالها :

شمالا: شارع عرض 20 م بطول 101.75 مالة و واحد متر و خمسة و سبعون سنتمتر

جنوبا: شارع عرض 20 م بطول 92.87 اثنين و تسعون متر و سبعة و ثمانون سنتمتر

شرقا: شارع عرض 25 م بطول 50 خمسون متر

سي. سي حيل من مرجع مدن من سيرين غرية نشرع حرض 25 م بطون 8.08 فسيرن مترا و ثمانون سنتمترا ومسلحتها 185.55 لريعةالاف و شرقمة و خمسة و ستون متر مربعا و خمسون سنتمترا مربعا المعلوكة لـ شركة تعدين الاولى العقارية. بموجب سجل تجاري رقم 1010896622 بموجب الصك الصادر من الموثقين بالرياض6 برقم 393598002682 ١٣٤٦، انتقارية بعدوية معن دجري وم 2010/2002 بعربية المسا المساد من معوسين بدريعان بريعان 2020000 255 في 24/ 77 / 1442 قد مرهفها وما أقيم أو سقام عليها من بناء المالج / شركة الراجمي للتطوير المحدودة بدويت سجل كجاري رقم 14823111 14 مستة الدفات 151252 فقط تحسبة ماذيين و منة و تشاية و تحسين الفا و منتان و خمسة و تسعون ريالاً معربياً لا غير. تسدد على أفساط شهرية عدها 1 قيمة كل قسط 151255 فقط خمسة ماذيين و منة، و تستية و خمسون الفا و منتان و خمسة و تسعون ريالا سعوديا لا غير. تاريخ حلول القسط 1442/11/13 سبب الرهن : كضمان لما وجب عليهم من مست و محمد و معمون ريد معربي د حور مريح هدون معمت درام (1777) (1777) ٢٩٢ معيد مرس عن وعجب عويم من مستحلات ملية بيناع فراد (1582625) مسالح شركة الراجعن للتغوير المحفودة على أن يكون السلاح على قسط واحد بعد سبع مستوات ريفع بتاريخ 30-21-2207 وفي علام عم السلا فللم تهن بيع العلام بالقيمة التي تشهي عندها الرغبات واستيفاه ماقي ذمة الراهن من ملية وما تقص برجا فيه عليه بعد اكمال مايلزم شرعا. وعليه جرى التصديق تحريراً في 1442 / 11 / 12 لاعتده ، وصلى الله على نيبياً محد واله وصحيه وسلم.

الختم الرسمي

ايراهيم عمر محمد الصبين

الموثق

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د الصادر من بلدية البطماء الفرعية.	رخص البناء بالأمانة قبل وتاريخ ٠٠٧-١٤٣٩ م	ن رقم ۲۳٦٤٥	لتقرير المساه	۲-يېم مرابع ۲-يمو چې ۱	
ه. الخاص بالمستودعات والورش.	٤ بتاريخ ١٤٢٦-٣-١٤٢ التجزنة عن ٢٠٠٠م٢.	لملوضة رقم ٢٤	حضر اللجنة ا	۳-يموجب ه	
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ىكتب سحاب للاستشارات الهندسية . يخ ١٠٣-١٢٣٢ هـ والتقرير القني المرقق بالمعاملة رقم ٨٠٩٤ بتاريخ ٧-١٤٣٣ هـ	آت المعتمدة المقدمة من « قد م 3 ( ۲۳/٤ ) ( بتار	بموجب المخطط	عدد الوحدات	۷۔ تم تعدیل	
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الرقم الماسلي: 2777



## Documents received from the client

Contract Terms



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#### يعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيذيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ٢٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20121519953 / 1	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2022-01-19	تاريخ إبرام العقد:
Tenancy End Date	2032-01-31	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2022-02-01	تاريخ بداية مدَّة الإيجار:
Contract is conditional			a l		معلق بشرط
			Ejar Fees Paid By	الدفع عن طريق رصيد الوسيط العقاري	طريقة دفع رسوم العقد:

Company name/Founder	شركة تمدين الاولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التِّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

Lessor Represe	entative Data			ىۋچر	٣ بيانات مُمثِّل الد
Name		ن يحيى معيدي	سلمان حسين بز		الدسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهوية:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address		الرياض	الرياض.		العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2022-09-05	2021-09-16	وكالة شرعية إلكترونية	43661903

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة بترومين	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7013609123	الرقم الموحد	CR No.	1010429804	رقم السَّجل التَّجاري:

Unit Finishing Fee (Not included in total contract amount):	ريال لكل متر مربع من مساحة الوحدة الإيجارية			لغ تجهيز الوحدة الإيجارية (لا يدخل ضمن القيمة لإجمالية لعقد الإيجار		
Retainer Fee (Included i amount):	n total contract			ه (يدخل ضمن القيمة	مبلغ العربون المُتفق عليا الإجمالية لعقد الإيجار):	
Gas Annual Amount:	-	الأجرة السَّنوية للغاز:	Electricity Annual Amount:	-	الأجرة السَّنوية للكهرباء:	
			Water Annual Amount:	-	الأجرة السّنوية للمياه:	
General Services Included:		والتي تشمل على:	General Services Amount:	0.0	الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)	
Number of Rent Payments:	10	عدد دفعات الإيجار:	Rent payment cycle	سنوي	دورة سداد الايجار	
VAT on rental value:	847500.0	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	First rental payment: (Includes deposit)	575000.0	دفعة الإيجار الأولى: (تشمل العربون)	
		رقم الهوية أو السجل التجاري ID/CR Number	نوع الهوية ID Type	الرقم الضريبي Vat number	الرَّقم المسَلسَل No.	
		1010896622	رقم التسجيل	310199293800003	1	
			Annual Rent:	500000.0	القيمة السَّنوية للإيجار:	
Total Contract value		6497	500.0		اجمالي قيمة العقد:	
فاز والكهرباء والمياه	مة، والأجرة الستوية ل(الا	ت- وقيمة الخدمات العا	بة القيمة المضافة -إن وجد		يشمل: القيمة الإيجارية، والصرف الصحي إذا حُددنا	
ومرجعي والمحمدة الدفع عن طريق الوسيط العقاري المؤدر أو طرق الدفع المعتمدة الدفع عن طريق الوسيط العقاري المؤدر أو						

d payment methods	الدمع عن طريق الوسيط المساري السوجر او	الدفع المعتمدة
	الدفع إلكترونيا من خلال قنوات الدفع المتاحة	

تاريخ الاستحقاق (ھ) Due Date(AH)	تاريخ الإصدار (ھ) Issued Date(AM)	تاریخ الاستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	قيمة المبالغ الثابتة Services	خريبة القيمة المخافة VAT	قيمة الإيجار Rent value	لڙھم سلسل No.
1443-07-10	1443-06-29	2022-02-11	2022-02-01	575000.0	0.0	75000.0	500000.0	1
1444-07-20	1444-07-10	2023-02-11	2023-02-01	575000.0	0.0	75000.0	500000.0	2
1445-08-01	1445-07-20	2024-02-11	2024-02-01	632500.0	0.0	82500.0	550000.0	3
1446-08-12	1446-08-02	2025-02-11	2025-02-01	632500.0	0.0	82500.0	550000.0	4
1447-08-23	1447-08-13	2026-02-11	2026-02-01	632500.0	0.0	82500.0	550000.0	5
1448-09-04	1448-08-24	2027-02-11	2027-02-01	690000.0	0.0	90000.0	600000.0	6
1449-09-15	1449-09-05	2028-02-11	2028-02-01	690000.0	0.0	90000.0	600000.0	7
1450-09-27	1450-09-17	2029-02-11	2029-02-01	690000.0	0.0	90000.0	600000.0	8
1451-10-08	1451-09-28	2030-02-11	2030-02-01	690000.0	0.0	90000.0	600000.0	9
1452-10-19	1452-10-09	2031-02-11	2031-02-01	690000.0	0.0	90000.0	600000.0	10

							,	فيرة ستويآ: نعا	قيمة إيجارية مت
السنة العاشرة	السنة التاسعة	السنة الثامنة	السنة السابعة	السنة السادسة	السنة الخامسة	السنة الرابعة	السنة الثالثة	السنة الثانية	السنة الأولى
+20%	+20%	+20%	+20%	+20%	+10%	+10%	+10%	0	0
Parties 0	bligations							ت الطرفين	٤ التزاما

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر) .

تحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

١٥ مواد العقد

### المادة الأولى: البيانات السابقة على إلتزامات الأطراف

تعد البيانات السابقة على إلتزامات الأطراف والمحددة في البنود من (1-14) جزءَ لا يتجزأ من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

تفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبند رقم(9) وفقا للشروط والأحكام والإلتزامات المنصوص عليها في هذا العقد. ويقر المستأجر بمماينته للوحدة الإيجارية، وقبوله للتفاقد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

#### المادة الثالثة: مدة الإيجار وتجديد العقد

ا-٣ مددًّ هذا العقد (1651) يوماً تبدأ من ناريخ 1441-60-29 هـ الموافق 2202-02-10 م. ونتنهي بتاريخ 1453-10-11 هـ الموافق 2032-10-11 م. وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

٢-٣ تنتهي مدَّة الإيجار مع انتهاء مدَّة العقد. وإذا رغب الطَّرفان بالتَّجديد، فتتمُّ كتابة عقدٍ جديدٍ يتَّفق عليه الطَّرفان.

#### المادة الرابعة: الأجرة

إجمالي فيمة العقد ( 6497500.0 ) ربأك سعودًيا. يلتزم المستأجر بدفعها للمؤ جر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مجدول في البند (١٢) من هذا العقد.

المادة الخامسة: الإلتزامات تقسم الى (التزامات المؤجر / التزامات المستأجر/ أحكام عامه) بعد تحديدها في (البند 12)

#### ۱ - ۱ التزامات المستأجر

١-١-١ يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتَّفق عليها.

٢-١١-٢ يلتزم المستأجر بالتقيد بمساحة ومواصفات اللوحة الخاصة بالوحدة الإيجارية والمحددة في البند (9) من هذا العقد.

٣-١٠-٣ يلتزم المستأبر أن يفتيح ويباشر شاطه التجاري خليل مدة لا تتجاوز (10 ) يوماً من تاريخ العقد وفي حالة انتهاء هذه المدة دون استناح الوحدة الإيجارية وبدء الناضاة الخاري ويعم عمر تناويه مع أشغار المؤجر خليل (10 ) يوماً فيحق المؤجر فسخ العقد من دون محافة إلى الزدار أو حكم قضائي ويحق للمؤجر دونها تأجير الوحدة الإيجارية الفير مع المحافظة على حقوق المستأجر بالمطالبة بالتي قيمة العقد المدفوعة بعد خصم العربون والسعي وقيمة الإيجار ومصاريف التحمات العالم من تاريخ بداية الإيجاري التيزل المستأجر بالمطالبة بالتي قيمة العقد المدفوعة بعد خصم العربون والسعي وقيمة الإيجار ومصاريف التحمات العالم من تاريخ بداية الإيجاري التيزل المستأجر الانتها.

E-1-8 بلتزم المستأجر بتسليم الوحدات الإيجارية للمؤجر عند انتهاء مدة إيجار هذا العقد.

٥-١-٥ يلتزم المستأجر باستعمال الوحدات الإبجارية محل هذا العقد الاستعمال المعتاد له وخلبقا للأنظمة والأعراف والتقاليد المرعية في المملكة العربية السعودية. وتحمل جميع الجزاءات التي قد تفرض عليه من الجهات المختصة.

٦-١١- يلتزم المستَّبُر بالمحافظة على الأجزاء والمرافق المشتركة التابعة للعقار المشتمل على الوحدات الإبجارية المؤجرة مثل دورات المياه المشتركة والأسطح ومخارج الطوارئ والمصاعد والسلائلم والممرات وغبرها، وأن يستعملها استعماً لا صاتحاً للغرض المخصص لها.

٧-١-٧ يلتزم المستأجر بجميع تكاليف الصيانة الاستهلاكية المعتادة المترتبة على الانتفاع بالوحدات الإيجارية. فيما عدا أعمال الصيانة المفصلة في المادة السابقة.

٨-١-٨ الدائرام بدفع قيمة خدمات الكهرباء والمياه والفاز والخدمات الأخرى المتعلقة بالوحدات الإيجارية الموصوفة خلال فترة سربان هذا العقد بحسب ما تم الدتفاق عليه في البند(12) من هذا العقد.

1-1-1 يترتم المستأبر بالخلا الاستياطات اللازمة لمنع تمرض الوحدة الإيجارية وقاضة متمقاتها والمتواجدين فيها سواة من تابعيه أو عمائته أو زئربه لأي ضرو كان يسبب من أسبا المواقع القامرة أو تاتج عن الفطاع الكهرباء أو المياه أو أجوزة التكنيف أو أى لخل بالتجهيزات الميكنيكية إن المي أو أي عملية استيل أو نصب أو سرفة وشتفه.

ا -1-1-1 بالزم المسلمين بالحصول على بوليمة أنبن شامل تعاونية والملعنة الأخدام الشريعة الإسلامية اللوحنة الإيجازية وأخلاف مستلكاته من ديثور وبضائع موجودة بالوحنة الإيجازية وذلك مح ميع الأخدار أمثل الحتري وتسرب الميامات والسرمنة والسطو والخرات الميلويية والخروب وأعمل المخاطر والأخدران التي قد تعبب المواجرة والوحنة الإيجانية إنها الفير سبب المستاحر أو أحد تابيمه، وتسلسم في من س

١١-١-١ يلتزم المستأجر بالمحافظة على جميع التجهيزات الميكانيكية والكهربائية، ومراعاة الأحمال الكهربائية في المجمع وغيرها من التجهيزات التي وضعها المؤجر





## Documents received from the client





### يعتبر هذا العقد عقَّدا موثَّقا وسنَّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٢١) وتاريخ ٢٤٣٥/٤/٣ هـ

Contract Type	وديد	نوع العقد:	Contract No.	20056726995 / 1	رقم سجل العقد:
contract rype	-444	بوع الفليد.	contract no.	2003072477371	מק שביט וששב.
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2022-06-22	اريخ إبرام العقد:
Tenancy End Date	2027-08-31	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2022-09-01	اريخ بداية مدَّة الإيجار:
Contract is conditional			a l		ىعلق بشرط
			Ejar Fees Paid By	الدفع عن طريق رصيد الوسيط العقاري	لريقة دفع رسوم لعقد:

Lessor Data					۲ بیانات الموجر
Company name/Founder	شركة تمدين الاولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

Lessor Represe	ntative Data			مۇجر	۳ بیانات مُمثَّل الد		
Name		سلمان حسين بن يحيى معيدي					
			Nationality	المملكة العربية السعودية	الجنسيَّة:		
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهوية:		
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:		
National Address		الرياض	الرياض.		العنوان الوطني:		
		تاريخ الانتهاء Expiry Date	تاريخ الاصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number		

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Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة مراكب للتجارة	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	وع المنظمة:
Unified Number	7003536419	الرقم الموحد	CR No.	2050110560	قم السَّجل التَّجاري:

Unit Finishing Fee (Not included in total contract amount):	ريال لكل متر مربع من مساحة الوحدة الإيجارية		-	ية (لا يدخل ضمن القيمة	مبلغ تجهيز الوحدة الإيجار (الإجمالية لعقد الإيجار):
Retainer Fee (Included amount):	in total contract			ه (يدخل ضمن القيمة	مبلغ العربون المُتفق عليا الإجمالية لعقد الإيجار):
Gas Annual Amount:	-	الأجرة السَّنوية للغاز:	Electricity Annual Amount:	-	الأجرة السَّنوية للكهرباء:
			Water Annual Amount:	-	الأجرة السّنوية للمياه:
General Services Included:		والتي تشمل على:	General Services Amount:	0.0	الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)
Number of Rent Payments:	10	عدد دفعات الإيجار:	Rent payment cycle	نصف سنوی	دورة سداد الايجار
VAT on rental value:	309656.25	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	First rental payment: (Includes deposit)	237403.00	دفعة الإيجار الأولى: (تشمل العربون)
		رقم الهوية أو السجل التجاري ID/CR Number	نوع الهوية ID Type	الرقم الخريبي Vat number	الرَّقم المسَلسَل No.
		1010896622	رقم التسجيل	310199293800003	1
			Annual Rent:	412875.00	القيمة السَّنوية للإيجار:
Total Contract value		23740	31.00		اجمالي قيمة العقد:
باز والكهرباء والمياه	مة، والأجرة الستوية ل(الا	ت- وقيمة الخدمات العا	ة القيمة المضافة -إن وجد		يشمل: القيمة الإيجارية، والصرف الصحي إذا حُددنا
Approved payment met	hods	بط العقاري/المؤجر أو قندات الدخم المتاحة	الدفع عن طريق الوسي الدفع الكتيونيا من ذلايا		طرق الدفع المعتمدة

g. manu G	الدها عن طائق بالستيد بمصاد	
الدفع المتاحة	الدفع إلكترونيا من خلال قنوات ا	

Rent Payme	ents Schedule					e e	, سداد الدفعاء	۱۳ جدول
تاريخ الاستحقاق (هـ) Due Date(AH)	تاريخ الإصدار (ھ) Issued Date(AH)	تاريخ الاستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	قيمة المبالغ الثابتة Services	ضريبة القيمة المضافة VAT	قيمة الإيجار Rent value	الرَّقم المشلشل No
1444-02-15	1444-02-05	2022-09-11	2022-09-01	237403.00	0.00	30965.70	206438.00	1
1444-08-19	1444-08-09	2023-03-11	2023-03-01	237403.00	0.00	30965.70	206438.00	2
1445-02-26	1445-02-16	2023-09-11	2023-09-01	237403.00	0.00	30965.70	206438.00	3
1445-09-01	1445-08-20	2024-03-11	2024-03-01	237403.00	0.00	30965.70	206438.00	4
1446-03-08	1446-02-28	2024-09-11	2024-09-01	237403.00	0.00	30965.70	206438.00	5
1446-09-11	1446-09-01	2025-03-11	2025-03-01	237403.00	0.00	30965.70	206438.00	6
1447-03-19	1447-03-09	2025-09-11	2025-09-01	237403.00	0.00	30965.70	206438.00	7
1447-09-22	1447-09-12	2026-03-11	2026-03-01	237403.00	0.00	30965.70	206438.00	8
1448-03-29	1448-03-19	2026-09-11	2026-09-01	237403.00	0.00	30965.70	206438.00	9

تاريخ الاستحقاق (ه) Due Date(AH)	تاويخ الإصدار (ھ) Issued Date(AH)	تاريخ الدستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	فيمة المبالغ الثابتة Services	ضريبة القيمة المضائنة VAT	قيمة الإيجار Rent value	الرَّقم المشلسل No
1448-10-03	1448-09-22	2027-03-11	2027-03-01	237404.00	0.00	30964.95	206433.00	10
							ىتغيرة سنوياً: لا	بمة إيجارية د

### Parties Obligations

Contract Terms

(المستأدر) المؤدر)	so desilicadee.	ستحمل الالتنامات	يتم تحديد الطرف الذي

نحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

### 100.10

د العقد
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### المادة الأولى: البيانات السابقة على إلتزامات الأطراف

تعد البيانات السابقة على إلتزامات الأطراف والمحددة في البنود من (1-14) جزءً لا يتجزأ من هذا العقد ومفسرة ومكملة له.

### المادة الثانية: محل العقد

١٤ التزامات الطرفين

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبند رقم(9) وفقا للشروط والأحكام والإلتزامات المنصوص عليها في هذا العقد. ويقر المستأجر بمعاينته للوحدة الإيجارية، وقبوله للتعاقد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

### المادة الثالثة: مدة الإيجار وتجديد العقد

١-٣ مدّة هذا العقد (1825) يومّا تبدأ من تاريخ 1444-02-08 هـ الموافق 2022-09-01 م. وتنتهي بتاريخ 1444-03-29 هـ الموافق 2027-88-31 م. وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

٣-٢ تتجدّد مدّة الإيجار تلقائيًا لمدّة مماثلة ما لم يخطر أحد الطّرفين الطّرف الآخر برغبته إنهاء العقد قبل (60) يومًا من تاريخ انتهاء مدّة الإيجار.

### المادة الرابعة: الأجرة

إجمالي قيمة العقد ( 2374031.00 ) ريألا سعودًيا، يلتزم المستأجر بدفعها للمؤ جر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مجدول في البند (١٣) من هذا العقد.

المادة الخامسة: الإلتزامات تقسم الى (التزامات المؤجر / التزامات المستأجر/ أحكام عامه) بعد تحديدها في (البند 12)

### 1-0 التزامات المستأجر

١-١-١ يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتَّفق عليها.

r-r-r يلتزم المستأجر بالتقيد بمساحة ومواصفات اللوحة الخاصة بالوحدة الإيجارية والمحددة في البند (9) من هذا العقد.

٣-١-١ يلتزم المستأجر أن يفتتح ويباشر نشاطه التجارى خلال مدة لا تتجاوز ( 1 ) يوماً من تاريخ العقد وفي حالة انتهاء هذه المدة دون افتتاح الوحدة الإيجارية وبدء النشاط التجاري وبعد عدم تجاوبه مع اشعار المؤجر خلال ( 1 ) يوماً فيدقُ للمؤجز فسخ العقد من جهته دون الحاجة إلى إندار أو حكم مَضائي وبحق للمُؤَخَّر حينها تأجير الوحدة الإيجارية للغير مع المحافظة على حقوق المستأجر بالمطالبة بباقي قيمة العقد المدفوعة بعد خصم العربون والسعي وقيمة الإيجار ومصاريف الخدمات العامة من تاريخ بداية الإيجار إلى تاريخ الفسخ والإخلاء.

٤-١-٦ يلتزم المستأجر بتسليم الوحدات الإيجارية للمؤجر عند انتهاء مدة إيجار هذا العقد.

٥-١-١ يلتزم المستأجر باستعمال الوحدات الإيجارية محل هذا العقد الدستعمال المعتاد له وطبقا للأنظمة والأعراف والتقاليد المرعبة في المملكة العربية السعودية. وتحمل جميع الجزاءات التي قد تفرض عليه من الجهات المختصة.

٦-١-١ يلتزم المستأجر بالمحافظة على الأجزاء والمرافق المشتركة التابعة للعقار المشتمل على الوحدات الإيجارية المؤجرة مثل دورات المياه المشتركة والأسطح ومخارج الطوارئ والمصاعد والسلالم والممرات وغيرها، وأن يستعملها استعما لا صالحًا للغرض المخصص لها.

٧-١-١ يلتزم المستأجر بجميع تكاليف الصيانة الاستهلاكية المعتادة المترتبة على الانتفاع بالوحدات الإيجارية. فيما عدا أعمال الحيانة المفصلة في المادة السابقة.

٨-١-٥ الدلتزام بدفع قيمة خدمات الكهرباء والمياه والغاز والخدمات الأخرى المتعلقة بالوحدات الإيجارية الموصوفة خلال فترة سربان هذا العقد بحسب ما تم الاتفاق عليه في البند(12) من هذا العقد.

٩-١-٩ يلتزم المستأجر باتخاذ الاحتياطات اللازمة لمنع تعرض الوحدة الإيجارية وكافة ملحقاتها والمتواجدين فيها سواء من تابعيه أو عملائه أو زائريه لأي ضرر كان بسبب من أسباب القوة القاهرة أو ناتج عن انقطاع الكهرباء أو المياه أو أجهزة التكييف أو أي خلل بالتجهيزات الميكانيكية أو الكهربائية أو أي عملية احتيال أو نصب أو سرقة وخلافه.

-١-١-٥ يلتزم المستأجر بالحصول على بوليصة تأمين شامل تعاونية (موافقة لأحكام الشريعة الإسلامية) للوحدة الإيجارية وكافة ممتلكاته من ديكور وبضائع موجودة بالوحدة الإيجارية وذلك ضد جميع الأخطار (مثل الحريق وتسرب المياه والفيضانات والسرقة والسطو والكوارث الطبيعية والحروب وأعمال الشغب وغيرها من المخاطر والأضرار) التي قد تصيب المؤجر أو الوحدة الإيجارية أو الغير بسبب المستأجر أو أحد تابعيه. وتسلم نسخة من بوليصة التأمين أو تجديدها للمؤجر.



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شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/05/041 هـ الرقم الموحد 2522029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





## **Real State Valuation Report**

## Presented to: Mulkia Gulf Real Estate REIT Fund



Technology Commercial Complex BLK 9



Report date: 18/07/2024 AD

Report No.: 448225 - 3

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QIAM VALUATION | REAL ESTATE VALUATION REPORT



### Statement

## Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

### Subject: Technology Commercial Complex BLK 9 Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **AI-Faisaliah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Technology Commercial Complex **BLK 9** property for the purpose of periodic valuation

of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**, For an amount of only (**11,963,000**) eleven million nine hundred and sixty-three thousand Saudi riyals.

### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

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Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
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The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





## Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity					
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>					
Assumed value	Value Basis	Purpose of the valuation					
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund					
Report type for client	Valuation Approach	Asset subject to valuation					
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Technology Commercial Complex - BLK 9					
Report issuance date	Valuation date (measurement)	Inspection date					
18/07/2024AD	30/06/2024 AD	20/06/2024 AD					
	Scope of the Valuer search - Standard No. 102						

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

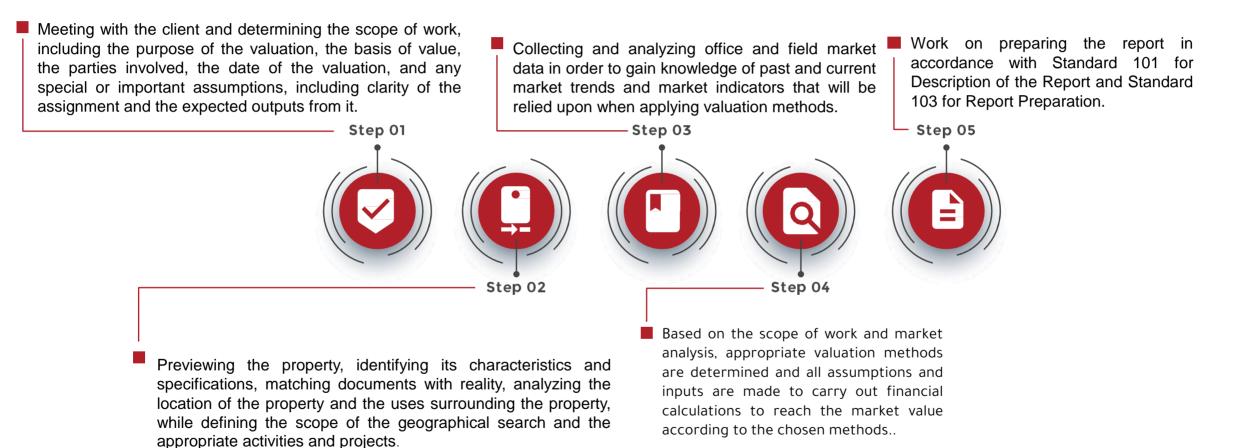
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



#### Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

## Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
	Title deed	Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices		Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



#### Compliance with Standards and Research and Inquiry

## 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

## 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

## 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



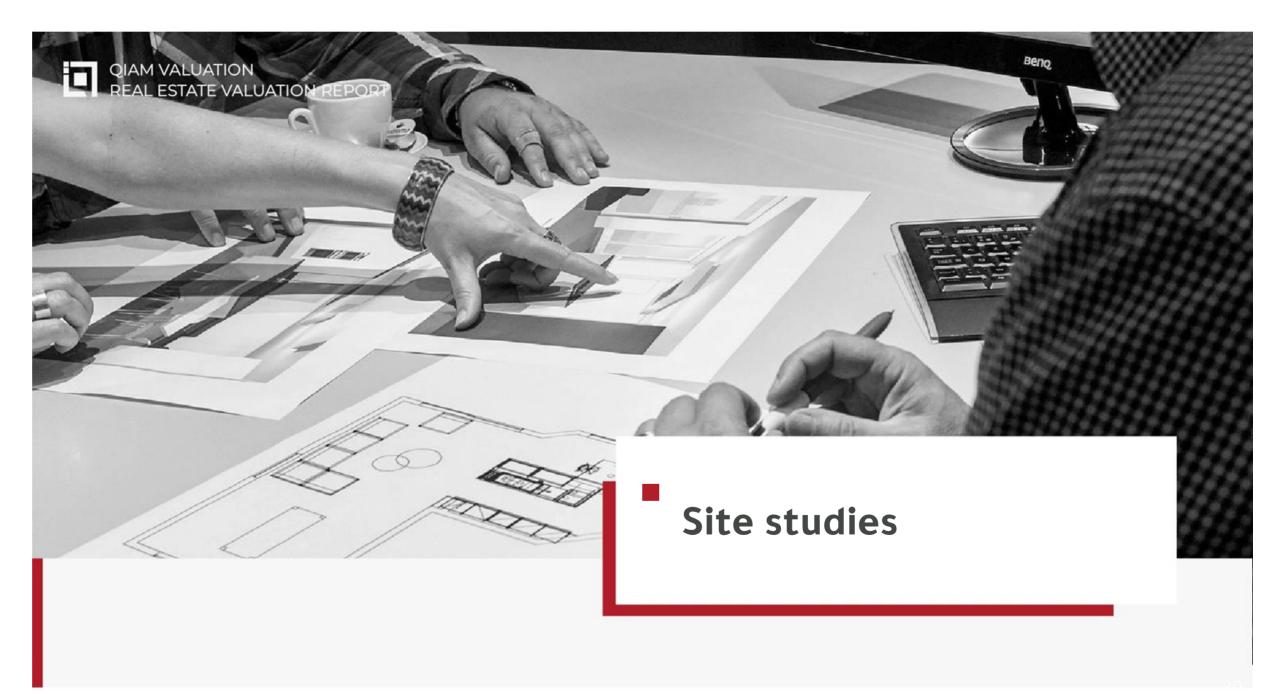
## Real estate and investment properties in the preparation of financial reports

# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the inducial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





## Property Risk Analysis

#### **Strength point:**

- The property is located in the industrial and storage area near the Eastern Ring Road.
- The location is close to the main axial roads that connect it to parts of Riyadh, such as

#### (Eastern Ring Road, Southern Ring Road).

• The location is close to the storage and industrial trade centers in Riyadh.

#### **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries, archaeological sites and events.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

#### Weak points:

• Changing the building regulations in the property area.

#### **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	393010005756	13/03/1443 AH	Mortgaged

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Faisaliah	From plot 534 to plot 545	3251	6098.38 square meters

#### > Borders and lengths:

Borders and lengths:							
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
20m wide street	126.61	20m wide street	117.72	25m wide street	50	25m wide street	50.8

# Assumptions regarding ownership of the property

For the purposes of this report, we assume that there is good, valid and free ownership and that the property is mortgaged to AI Rajhi Development Company Limited.



# Real estate data and Services available in the real estate area

	Real Estate Data						
City	Riyadh	Neighborhood	Al-Faisaliah				
Street	Unnamed	Property type	Industrial workshops				
No. land plan	3251	Plot number	From 534 to 545				
Land Area	6098.38 square meters	Built-up area	4711 square meters				
	Services and facilities avail	able in the real estate area					
Electricity network	Telephone network	Water network	Sewerage network				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Water drainage network	Mosque	Dispensary	Garden				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Public markets	Civil defense	Police station	Hospital				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Hotels	Petrol station	Schools	Governmental services and centers				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				



# Factors affecting the property

Impact element	Impact determinants	Description	
Area overview	Importance of the area The property is located south of Riyadh in Al Faisaliah district with easy access to the Eastern		
Natural factors (Environmental)	Lands topography	Flat	
	Pollution	N.A.	
	Location from the city	South of the city	
	Infrastructure	Completed	
Planning factors (Urban)	Municipal equipment	Completed	
	Land properties	Regular sides and lengths	
Building Regulations	Land use	Commercial - Industrial	
	Building ratio - number of floors	70% - 2 floors	
Economic factors	Supply and demand	Average	
	Land prices	Average	
Legal factors	Deficit and trespassing on the property	N,A.	



## **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (10) years based on the (Building permit).
- Building permit number 10124/1432 dated 01/06/1432 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Car workshop)**. Detailed as below:

Building components					
#	Floor	Area (m2)	Use		
1	Ground floor	4711	Car maintenance workshop		

# **Property Description**

	INTERIOR FINISHES							
Doors		Ceiling	Wall Cladding	Floors				
Drawing iron	I	Iron hangar	Paint - Iron Hangar	Epoxy casting - tiles				
Windows		Health kits	Stairs	Insulation type				
				Thermal - Hydro				
	EXTERIOR FINISHES							
Facades		Facilities	Doors	Floors				
Iron hangar		Electric Securit Glass - Drawn Iron		asphalt				
		Electromechanical and air conditioning	g systems					
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System				
Central	-	High quality	High quality energy saving	Automatic electric pump system				
	Security and safety systems - other facilities							
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems				
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hote	Fire Detection Systems - Fire Hose for All Hotel Parts Indoor and outdoor surveillance cameras					



# Property location



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# Photographic survey of the Property











#### Londo problem

# Valuation



## Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



## Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

## The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

## The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



## Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

#### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

#### Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

## Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

### Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

#### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### **Income Approach Methods:**

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

#### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

#### Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

## Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



#### Estimating the value of the land - Market Approach - Comparisons method

Comparative real estate			Valuating the land according to Market Approach - Method of comparison with similar sales						
Comparison factors	Comparison 1	Comparison 2	Cla	ause		Comparative real estates			
Area (m2)	1,373	1,446		Property under	Comparis	on 1	Comparison 2		
Ease of access	High	Average	Adjustments factors	valuation	Value	Adjustment	Value	Adjustment	
Property location	High	Average	Price per square meter	***	2,400	)	2,100		
Land shape	Regular	Regular	Condition ***		Available offer		Available offer		
Land topography	Flat	Flat	Date of valuation/offer	2024	2024	2024		2024	
Use	Industrial	Industrial		***					
Surrounding streets	3	2	Market Condition	***	%10.00-	240 -	%10.00-	210 -	
Price per meter (SR)	2400	2100		***	~ ~ ~ ~		~~~~~~		
Comparative condition	Available offer	Available offer	Financing terms		%0.00	-	%0.00	-	
and the second states	omparison 2		Market conditions value	***		(240.00)		(210.00)	
and the co			Value after initial settlements	***	2,160		1,890		
The second			Land area (m²)	6098.38	1,373	% <b>10-</b>	1,446	%10-	
V. ETEL-			Ease of access	High	High	%0	Average	%5	
TRACTER			Property location	High	High	% <b>0</b>	Average	%5	
1- Herrichter		Property location	Land shape	Regular	Regular	% <b>0</b>	Regular	%0	
			Land topography	Flat	Flat	% <b>0</b>	Flat	%0	
			Land use	Industrial	Industrial	% <b>0</b>	Industrial	%0	
10 Internet	THE FUEL DE THE		Surrounding streets	4	3	%5	2	%10	
11			Total		% <b>5.00-</b>		%10.00		
			Adjustment value per square meter		-108		189		
			Final meter value after Adjustments		2,052		2,079		
	Comparison1			er square meter (SR / n²)	2,066				
			Market value of	the land (SR / m²)		12,590	5,204		

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## Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.



15,258,000

# Property Valuation - Cost Approach - Replacement Method

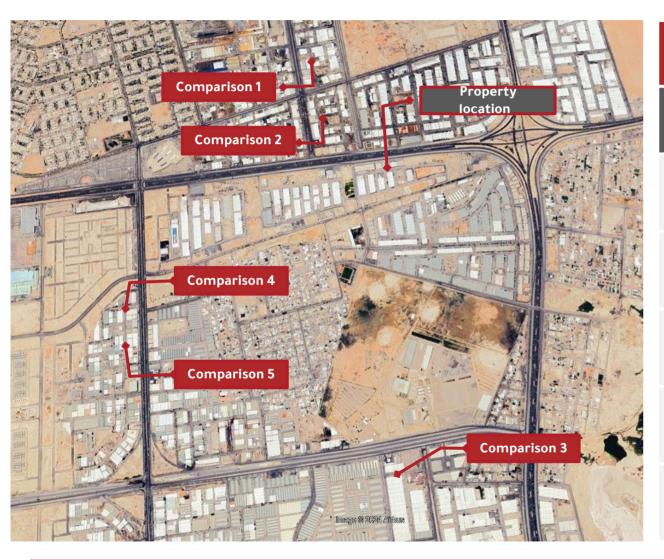
	First: Construction Costs (Direct Cost	s)				
Clause	Built up area m2	SR / m2	Value (SR)			
Ground floor	4711	700	3,297,700			
Total (SR)	4,711		3,297,700			
	Second: Other costs (indirect)					
Professional fees	%2		65,954			
Utilities Network	%2		65,954			
Administration costs	%2		65,954			
Financing costs (0 years / 0%)	%0		-			
Developer's profitability	%15		494,655			
	Total (SR)					
Total	Total cost of buildings (SAR)					
Third: Depreciation cost						
Life span of the property (year)	Year		30			
The current age of the property (year)	Year		10			
Remaining life of the property (year)	Year		20			
Depreciation rate	Depreciation rate %					
Depreciation value	SR		1,328,742			
Final va	2,661,474					
Fourth: Value of the property according to the Cost Approach						
	Final value of the land (SR)					
Final va	2,661,474					
Market value of the proper	15,257,678					

Market value of the property according to the Cost Approach after rounding (SR)

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# Market Survey Data Analysis



#### Market Survey Results - Rental Values - Workshops and Warehouses

#	Comparison	Area (m2)	Rental price per meter
1	Warehouses	2062	170
2	Warehouses	2020	140
3	Warehouses	1325	188
4	Workshops	1800	240
5	Workshops	1200	250



#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cumulative model method)						
Government bond rate of return	4.94	Saudi Tadawul Fund				
Inflation rate (current year average)	1.8	Saudi Central Bank				
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market				
Special risk premium (the resulting costs of the property)	1.5	According to the condition and circumstances of the property				
Discount rate with all data above	10	%				

#### Assumptions:

Discounted Cash Flow method assumptions					
Total property income	763,600	Discount rate	%10		
Occupancy rate	%100	Capitalization rate	%7		
Operating Expense Rate	%0	Growth rate - annual from 4th year	%5		

#### **Rental income:**

The property income was analyzed by reviewing the property contracts and comparing it to the market, as the rental value of the property for all contracts is 763,600 riyals and the contract ends in 2024 AD. An increase of 15% was assumed due to the increase in the rental value in the property area from the beginning of 2025 AD and an increase of 5% growth every three years.

#### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

#### **Operating Expense Rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.



# Calculating the market value - Discounted Cash Flow method

							Investment years	;				
Cash flow - Inflow	5	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Reversion valu
		1	2	3	4	5	6	7	8	9	10	
	Expected growth value	0.00%	15.00%	0.00%	5.00%	0.00%	0.00%	0.00%	5.00%	0.00%	0.00%	
Total rental value	763,600	763,600	878,140	878,140	922,047	922,047	922,047	922,047	968,149	968,149	968,149	
Occupancy rate	100%	763,600	878,140	878,140	922,047	922,047	922,047	922,047	968,149	968,149	968,149	
Actual gross income		763,600	878,140	878,140	922,047	922,047	922,047	922,047	968,149	968,149	968,149	
ninus operating expense ratio	0%	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		763,600	878,140	878,140	922,047	922,047	922,047	922,047	968,149	968,149	968,149	
Reversion value of the b	uilding											
Net Cash Flow		763,600	878,140	878,140	922,047	922,047	922,047	922,047	968,149	968,149	968,149	
Discount Factor		0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855	0.3855
Present Value of Cash Flows		694,182	725,736	659,760	629,771	572,519	520,471	473,156	451,649	410,590	373,263	6,452,126
Net present value of the property												11,963,22
								Final Pro	perty Value		11,	,963,222

Final Property Value (after rounding) 11,963,000



### Final value of the property

Based on the purpose of the evaluation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Direct Capitalization method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property subject to valuation, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
11,963,000	Eleven million nine hundred and sixty-three thousand Saudi riyals

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT



# Appendix



# Documents received from the client

رقم الرخصة : ١٤٣٢/١٠١٢٤

المملكــة العربيــة السعوديـة		
وزارة الشنون البلدية والقروية	رقم الصك: 393010005756	
أمانة منطقة الرياض	ريم ــــــــــــــــــــــــــــــــــــ	وزارة الحل
إدارة رخص البناء		ايراهيم عمر محمد الحسين
اسم الممالك : شركة مجموع رقم الإشبيك : ١٠١٤٠٥١٤		الرياهن
رقم المصلك: (١٣٢١٠٠		تريغيص رائم 39/999
رقم القطع : من ٢٤ الى	صلك رهـــن	
الــــــــــــــــــــــــــــــــــــ		
مساحة الأرض: ١٠٨١.٣٧	لا ٿين پنده ويند: طريقہ 1927 الواقع في جي القيصلية بيدينة الرينض ، و قطعة الارض رقم 255 من اسينية الرياضي ، و قطعة الارض ريام 256 من المنظمار قرم 1924 الواقع في حي	م من المرابة والمبلاء على من
الجهة الحدود	طرقم 3251 الواقع في حين الفيصنين بحقة عزان المخطط رقم 3251 الواقع في حي	الحمد الله وحدة والمسلحة و
شمال شارع ۲۰	م مين 1324 الواقع في من اللوصلية بمدينة الرياض و المعة الرواض الرواض عن الولقة في حي ايسلية بمدينة الرياض ، فلمة الارض رام 365 من المنطبرية بمدينة الرياض ، و الملعة ض رقم 537 من المنطط رقم 1255 الواقع في هي القيصلية بمدينة الرياض ، و الملعة و2. الواقع في حي الليصلية بمدينة الرياض ، و الملعة الارض رقم 359 من المخطط رقم	المخطط رقم 3251 الواقع في حي ال
شرق شارع ۲۰	يتسترين لم 363 من المنطقة (م) 1355 البالغ غير من المسترين المخطط رقم 2012 الناقع في حيا نشيطية المناقب و المقلم الارض رقم 153 من المخطط رقم 131 الباطني و الملطة الارض رقم 450 من السيرية المراقع المؤاقع في حي القيصانية	الفيصلية بمدينة الرياض . و قطعة الار
جنوب شارع ۲۰	المان و قطعة الأرض رقم 540 من المحصر إلى المحمد إلى المحمد الم من	الارض رائم 338 من المحسد رم
غـرب شارع ٢٠	3251 Jak de da	3251 الواقع في هي العيسية
مكونات البناء عدد	له مرتيس في 2014 أوراقة في حي القيصلية بعنية الريس في 3.2 من المحلولة في 3.2 من المحلولة من 125 أوراقة في حيات الريض في 3.2 من القيصلية بعنية الريض ويتفاقة الريض في 3.2 من القيصلية بعنية الريض ويتفاقة في حي القيصلية بعنية المحلولة ويتفاقة الريض وحدودها واطوالها : و قلمة الارض رقم 4.4 من أستخلف القيصلية بعدية الرياض . وحدودها واطوالها : و استخلف في 125 أله أقلع في حي القيصلية بعدينة الرياض . وحدودها واطوالها :	بعديلة الرياضي . و ق 643 من المخطط قم 3251 الر
الوحدات		
دور أرضي		
	126 مله و سنه و صدرون مرز در سر 117 مله و سیعة عشر متر و انتشان و سیتون سنتمتر 114 میره مند	شمالا: شارع عرض 20م بطول 61.
		جنوبا: شارع عرض 024 بعون 21.
	حصون مترا و تستود مندورية و تشكرة تلاكون سنتمترا مربعا المعلوية لـ شركة تصدين الاولى تمتية و تسعون مند مربعاً و تشكرة تلاكون سنتمترا مربعا المعلوية لـ شركة تصدين الاولى مرابعة و سيولم عليها من نظرة المسلحج / شركة الراجحي التعلوير المحمونة بسيولة تجفراني 2006 تقالة تعليها من نظرية حلول القسط المحالية ( المحاولة المحلونة بيال الامع الذي يوم محل 2006 تقالة تقليها من نظرية حلول القسط المحالية و خصون القال و خصة و ستون ديلاً 2006 تقليها من نظرية المعلوم / شركة الراجحين المحاورة بيال الامع الذي محلون 2006 تقليما تقليها من نظرية المحالية ( المحلونة المحلونة بيال الامع الذي تعلق 2006 تقليما تشكرينا والدين المحلوم المناسبة المحلومة المحلونة المحلونة المحلون المحلومة المحلوم المحلومة المحلومة 2006 تقليما تقليما من المحلومة المحلومة المحلومة المحلومة المحلومة المحلومة المحلومة المحلومة المحلومة المحلومة 2006 تعلق المحلومة المحلوم	غربا: غدارع حرض 25م بقول، ۵.۵۵ ومساحقها 6098.38 سنڌلالك او الطنارية، يموجب سيل تجاري رقم 22 رقم 1442 / 11 / 24 شد تمامنا اليقام، رشايا لواه رقم 1010158249 سنجاني المستقد اليقام، اليوقام بالمدينية عقد رقم 1455468 سنجاب من
المكتب المصميم : سحاب للاستشارات الها		
رقم الترخيص : ١٣٠٢ رقم		
سدد الرسوم مبلغ وقدره : ۳۷۷۹	الموثق	
ملاحظات : ١- بيتم مراجعة مكتب دا	الثائم الرسمي	
۲-بموجب انقلزير المنا ۲-بموجب محضر الذين ۱-بجب الا يلق مناهة «-يجب الا يلق عرض	ايراهيم عمر محمد الحسين	
1		
A the stand the second		

المعالية المسلمة تاريخ الوخصف المدمد شنون البلدية والقروية نة منطقة الرياض رة رخص البناء الرخصة القورية مالك : شركة مجموعة عبد اللطيف العيسى المحدودة میسی معدوده تناریخه : ۱۴۱۱-۱۰-۱۴۱ ـــدره : <del>ژ با</del>ک : ۱۰۱۰۱٤۰۰۱٤ تاريخ ه: ۱۵۲۹-۰۷-۱۲ (11.1.0.1771.) : 4 .... رقم المخطط التنظيمي : ٣٢٠١ رقم العــــةـــار : نـــوع الـــبــــاء : معنى ارع : ي القوصليه النطاق العمراني : مرحلة ١ محيط الأسوارء م / ط سة الأرض : ١٠٨٩.٣٧ م ي : الحدود شارع ۲۰ الإرتداد t الأبعاد 111 113.31 0 .. شارع ۲۰ 1 112.27 شارع ۲۰ . 0 . . A شارع ٢٥ 5 بنات البناء الإستخدام المساحة عدد لوحدات ورشه £¥31... ۸ سمم : سحاب للاستشارات الهندسية مناسيب الشوارع المحيطة : مستوى فيص : ١٣٠٢ رقم المشروع : ٢١ رمز النظام : وتاريخ : ١٤٣٢-٠٠-١٢ ه موم مبلغ وقدره : ٣٧٧٩ ريال بموجب الإيصال رقم : ٣٢٠١٢١٨٢٤٩ : -----(D) مدير عام التخطيط العمراني amila مدير إدار مالوخص upp the in م/ علي بن المحد الذروي in م/ مساعد البراهيم المحيا يور محمد الطبيشي يجب الإلتزام بالشروط الموضحة خلف الرخصة اي كشط أو شطب يلغى هذه الرخصة .

河南间

الرقم التسلسلين 718



# Documents received from the client



ایجار وزارة البسکان LAR

يعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيذيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ٤/٣٤/٤ هـ

العقد Unified التجاري Commercial الموحد Contract

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20223258597	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2021-10-10	تاريخ إبرام العقد:
Tenancy End Date	2024-12-21	تا <mark>ر</mark> يخ نهاية مدَّة الإيجار:	Tenancy Start Date	2021-12-22	تاريخ بداية مدَّة الإيجار:
Contract is conditional		P	لع		معلق بشرط
			ر الليجار	لإيجار: العقد معلق بدفع	الشرط المع <mark>ل</mark> ق عليه بداية ا
			Ejar Fees Paid By	المؤجر	طريقة دفع رسوم العقد:
Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين الاولى العقارية	اسم الشَّركة/المؤسّسة:	Organization Type	commercial	نوع المنظمة:
Unified Number	7010776792	الرقم الموجد	CR No.	1010896622	رمَم السَّجِلِ التَّجَارِي:
CR Date	2017-10-04	تاريخ السجل التجارى:	Issued by		جهة الإصدار:

Lessor Repre	sentative Data			مۇجر	٣ بيانات مُمثَّل ال
Name		ن يديي معيدي	سلمان حسين بز		الدسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّا:	ID Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address		الرياض	الرياض.		العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ النصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2022-09-05	2021-09-16	وكالة شرعية إلكترونية	43661903

Tenant Data	Tenant Data				
Company name/Founder	شركة العيس <mark>ى</mark> العالمية للسيارات	اسم الشَّركة/المؤسَّسة:	Organization Type	commercial	وع المنظمة:
Unified Number	7001751077	الرقم الموحد	CR No.	1010269251	إهم السَّجِل التَّجَارِي:

	رقم الهوية أو السجل التجاري ID/CR Number	نوع الهوية ID Type	الرقم الضريبي Vat number	الرَّقم المسَلسَل No.	
	1010896622	رقم التسجيل	310199293800003	1	
	Ar	nnual Rent:	763600.0	القيمة السّنوية للإيجار:	
otal Contract value	2634420	0.0		اجمالي قيمة العقد:	
يشمل: القيمة الإيجارية، ومبلغ العربون، ومبلغ ضريبة القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوبة ل(الغاز والكهرباء والعياه والصرف الصحي إذا خددت كمبالغ ثابتة) .					
pproved payment methods	وسيط العقاري/المؤجر أو خلال قنوات الدفع المتاحة			طرق الدفع المعتمدة	

تاريخ الاستحقاق (ھ) Due Date(AH)	تاريخ الإصدار (ھ) Issued Date(AH)	تاريخ الاستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	قيمة المبالغ الثابتة Services	خريبة القيمة المخافة VAT	قيمة الإيجار Rent value	الرُقم لمسّلسّل No.
1443-05-28	1443-05-18	2022-01-01	2021-12-22	439070.0	0.0	57270.0	381800.0	1
1443-12-03	1443-11-23	2022-07-02	2022-06-22	439070.0	0.0	57270.0	381800.0	2
1444-06-08	1444-05-28	2023-01-01	2022-12-22	439070.0	0.0	57270.0	381800.0	3
1444-12-14	1444-12-04	2023-07-02	2023-06-22	439070.0	0.0	57270.0	381800.0	4
1445-06-19	1445-06-09	2024-01-01	2023-12-22	439070.0	0.0	57270.0	381800.0	5
1445-12-26	1445-12-16	2024-07-02	2024-06-22	439070.0	0.0	57270.0	381800.0	6

التزامات الطرفين

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

تحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

ontract Terms	١٥ مواد العقد
	المادة الأولى: البيانات السابقة على إلتزامات الأطراف
	تعد البيانات السابقة على إلتزامات الأطراف والمحددة في البنود من (1-14) جزءً لا يتجزأ من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

تفق المؤدر والمستأبر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبند رقم(9) وفقا للشروط والأحكام والإنتزامات المتصوص عليها في هذا العقد. ويقر المستأبر بمعاينته للوحدة الإيجارية، وقبوله للتعاقد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

المادة الثالثة: مدة الإيجار وتجديد العقد

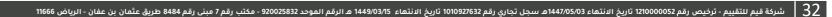
ا-٣ هذه هذا العقد (1965) يوقا تبدأ من تاريخ 144-55-18 هـ الموافق 221-221-22 م. وتنتهي بتاريخ 1446-60-20 هـ الموافق 222-21-21 م. وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

٣-٢ تنتهي مدَّة الإيجار مع انتهاء مدَّة العقد. وإذا رغب الطَّرفان بالتَّجديد، فتتمُّ كتابة عقدٍ جديدٍ يتَّفق عليه الطَّرفان.

المادة الرابعة: الأجرة

إجمالي قيمة العقد ( 2634420 ) ريأك سعودًيا، يلتزم المستأجر بدفعها للمؤجر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مجدول في البند (١٢) من هذا العقد.

المادة الخامسة: الإلترامات تقسم الى (الترامات المؤجر / الترامات المستأجر/ أحكام عامه) بعد تحديدها في (البند 12)





**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

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 info@qiam.com.sa</u>

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شركة قيم للتقييم - ترخيص رقم 22000001 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05 ها لرقم الموحد 22822019 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report**

# Presented to: Mulkia Gulf Real Estate REIT Fund



QIAM VALUATION

Technology Commercial Complex BLK 10



PEPEPEPEPE

Report No.: 448225 - 4



QIAM VALUATION | REAL ESTATE VALUATION REPORT

**REAL ESTATE VALUATION REPORT** 



#### Statement

# Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Technology Commercial Complex BLK 10 Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **Al-Faisaliah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Technology Commercial Complex **BLK 10** property for the purpose of periodic valuation

of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**, For an amount of only (18,842,000) eighteen million, eight hundred and forty-two thousand Saudi rivals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

# Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
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The specific assumptions and limitations of the report

# Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity			
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>			
Assumed value	Value Basis	Purpose of the valuation			
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund			
Report type for client	Valuation Approach	Asset subject to valuation			
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Technology Commercial Complex - BLK 10			
Report issuance date	Valuation date (measurement)	Inspection date			
18/07/2024AD	30/06/2024 AD	20/06/2024 AD			
	Scope of the Valuer search - Standard No. 102				

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

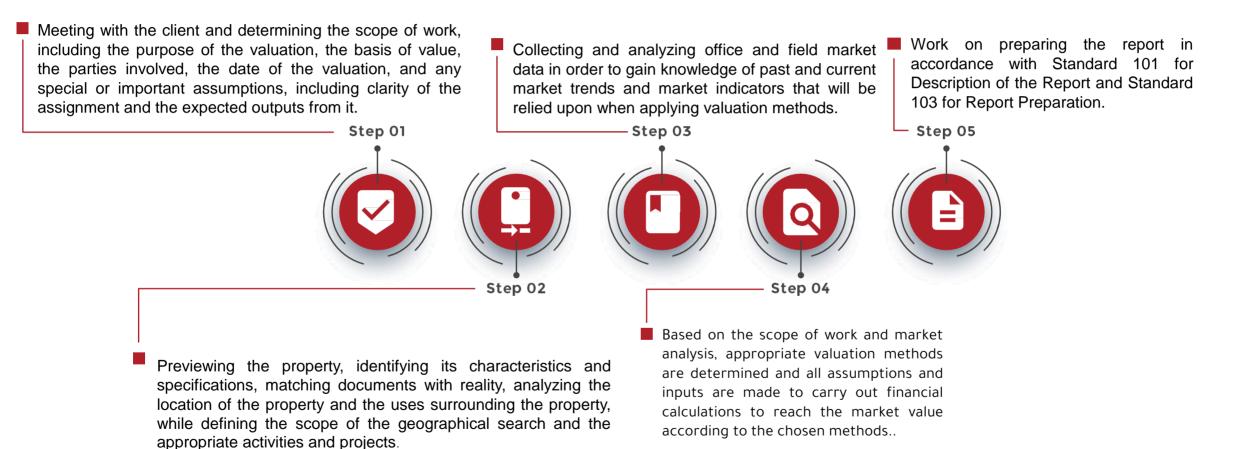
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



# Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

# Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
Client	Title deed	Trusted	The deed sent by the client has been verified
	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
Market Practical experience of real es	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



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# Compliance with Standards ,Research and Inquiry



# Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

# 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

# Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



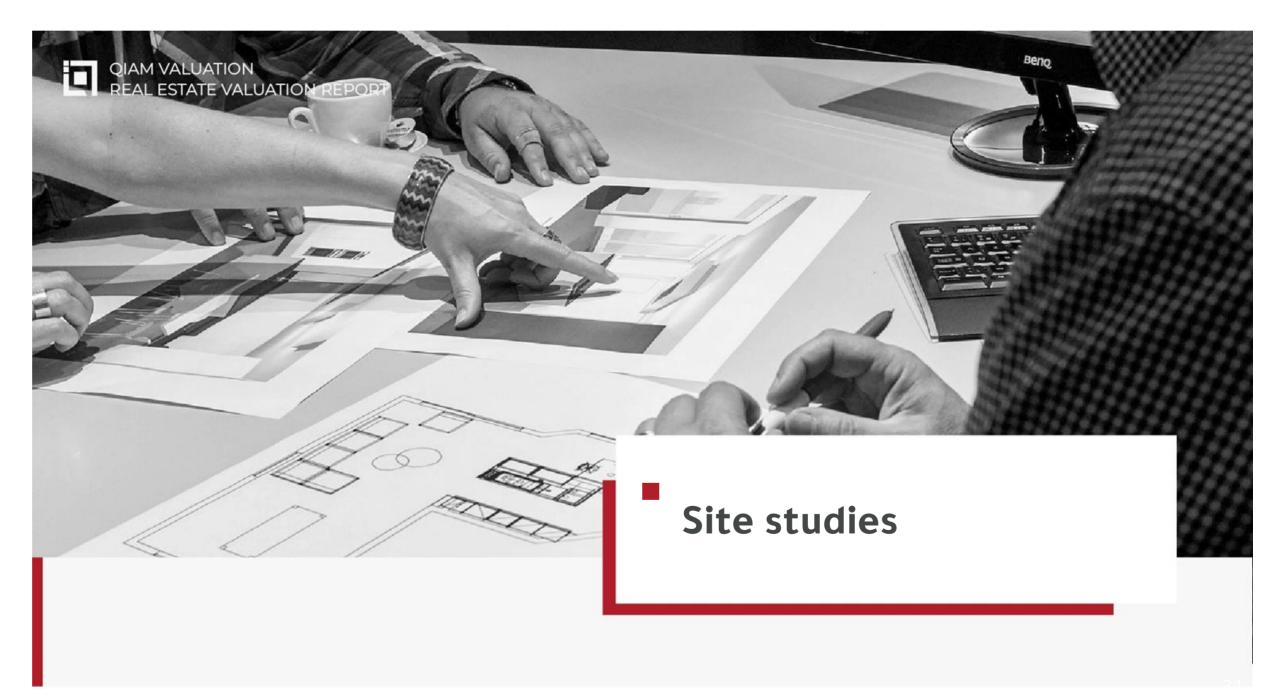
# Real estate and investment properties in the preparation of financial reports

# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the inducial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





# Property Risk Analysis

# Strength point:

- The property is located in the industrial and storage area near the Eastern Ring Road.
- The location is close to the main axial roads that connect it to parts of Riyadh, such as

#### (Eastern Ring Road, Southern Ring Road).

• The location is close to the storage and industrial trade centers in Riyadh.

# **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries, archaeological sites and events.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

# Weak points:

• Changing the building regulations in the property area.

# **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### > Title deed information

Owner name	Owner name Deed number		Ownership Type
Tamdeen First Real Estate Company	793010004590	12/11/1442 AH	Mortgaged

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Faisaliah	From plot 522 to plot 533	3251	6729.88 square meters

#### > Borders and lengths:

Borders and lengths:							
Northen border Border length Southern border Border length Eastern border Border length Western border Border							Border length
20m wide street	139.04	20m wide street	130.15	25m wide street	50	25m wide street	50.8

# Assumptions regarding ownership of the property

For the purposes of this report, we assume that there is good, valid and free ownership and that the property is mortgaged to AI Rajhi Development Company Limited.



# Real estate data and Services available in the real estate area

	Real Est	Real Estate Data					
City	Riyadh	Neighborhood	Al-Faisaliah				
Street	Unnamed	Property type	Industrial workshops				
No. land plan	3251	Plot number	From 522 to 533				
Land Area	6729.88 square meters	Built-up area	5233 square meters				
	Services and facilities available in the real estate area						
Electricity network	Telephone network	Water network	Sewerage network				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Water drainage network	Mosque	Dispensary	Garden				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Public markets	Civil defense	Police station	Hospital				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				
Hotels	Petrol station	Schools	Governmental services and centers				
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$				



# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located south of Riyadh in Al Faisaliah district with easy access to the Eastern Ring Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	South of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Commercial - Industrial
	Building ratio - number of floors	70% - 2 floors
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N.A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (10) years based on the (Building permit).
- Building permit number 10131/1432 dated 01/06/1432 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Car workshop)**. Detailed as below:

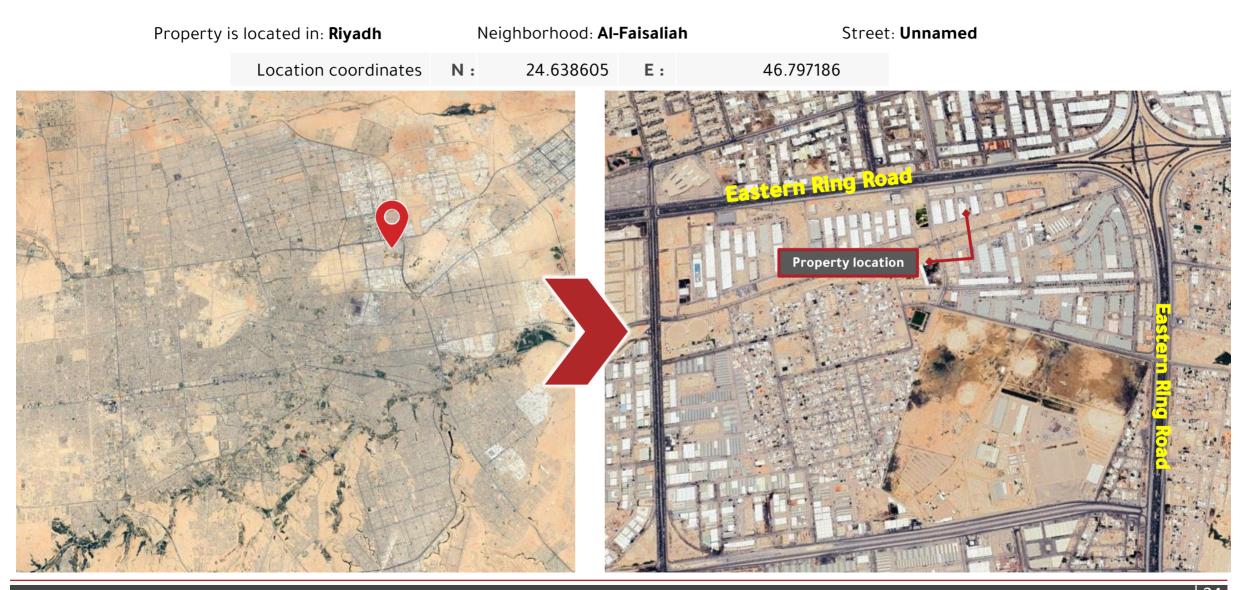
Building components			
#	Floor	Area (m2)	Use
1	Ground floor	5233	Car maintenance workshop

# **Property Description**

		INTERIOR FINISHES				
Doors		Ceiling	Wall Cladding	Floors		
Drawing iron	I	Iron hangar	Paint - Iron Hangar	Epoxy casting - tiles		
Windows		Health kits	Stairs	Insulation type		
				Thermal - Hydro		
	EXTERIOR FINISHES					
Facades		Facilities	Facilities Doors			
Iron hangar			Electric Securit Glass - Drawn Iron			
		Electromechanical and air conditioning	g systems			
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System		
Central	-	High quality	High quality energy saving	Automatic electric pump system		
		Security and safety systems - other f	acilities			
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems		
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hote	tel Parts Indoor and outdoor surveillance cameras			



# **Property location**



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# Photographic survey of the Property









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Londo problem

# Valuation



# Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



# Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

# The market approach should be applied and afforded significant weight under the following circumstances:

- The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

# The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



# Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

# Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

# Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

# Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

# Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

#### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### **Income Approach Methods:**

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

#### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

#### Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

# Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				

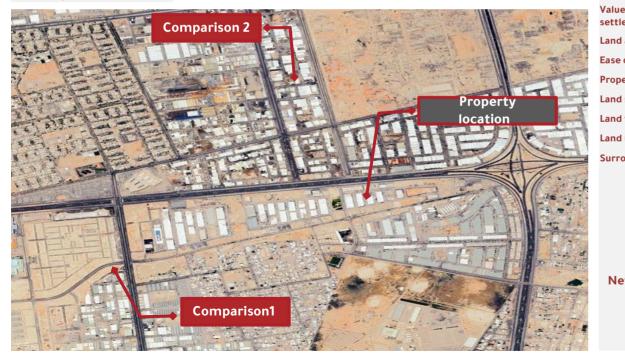


# Value Estimation



# Estimating the value of the land - Market Approach - Comparisons method

	Comparative real estate	
Comparison factors	Com <u>paris</u> on 1	Com <u>pariso</u> n 2
Area (m2)	1,373	1,446
Ease of access	High	Average
Property location	High	Average
Land shape	Regular	Regular
Land topography	Flat	Flat
Use	Industrial	Industrial
Surrounding streets	3	2
Price per meter (SR)	2400	2100
Comparative condition	Available offer	Available offer



Valuating	the land according to Ma	arket Approach - M	ethod of compari	son with similar s	ales	
Cla	use		Comparative re	eal estates		
Adjustments factors	Property under	Compariso	on 1	Comparis	son 2	
Adjustments factors	valuation	Value	Adjustment	Value	Adjustment	
Price per square meter	***	2,400		2,100	)	
Condition	***	Available o	ffer	Available	offer	
Date of valuation/offer	2024	2024		2024		
Market Condition	***	%10.00-	240 -	%10.00-	<b>210</b> ·	
Financing terms	***	%0.00	-	%0.00	-	
Market conditions value	***		(240.00)		(210.00)	
Value after initial settlements	***		2,160		1,890	
Land area (m²)	6729.88	1,373	% <b>11-</b>	1,446	% <b>11-</b>	
Ease of access	High	High	% <b>0</b>	Average	%5	
Property location	High	High	% <b>0</b>	Average	%5	
Land shape	Regular	Regular	% <b>0</b>	Regular	%0	
Land topography	Flat	Flat	% <b>0</b>	Flat	%0	
Land use	Industrial	Industrial	% <b>0</b>	Industrial	%0	
Surrounding streets	4	3	%5	2	%10	
Το	otal	%6.00-		% <b>9.00</b>		
Adjustment value	per square meter	-130		170		
Final meter value after Adjustments		2,030		2,06	2,060	
Net average value per square meter (SR / m²)			2,0	45		
Market value of	the land (SR / m²)		13,764	4,287		

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# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.



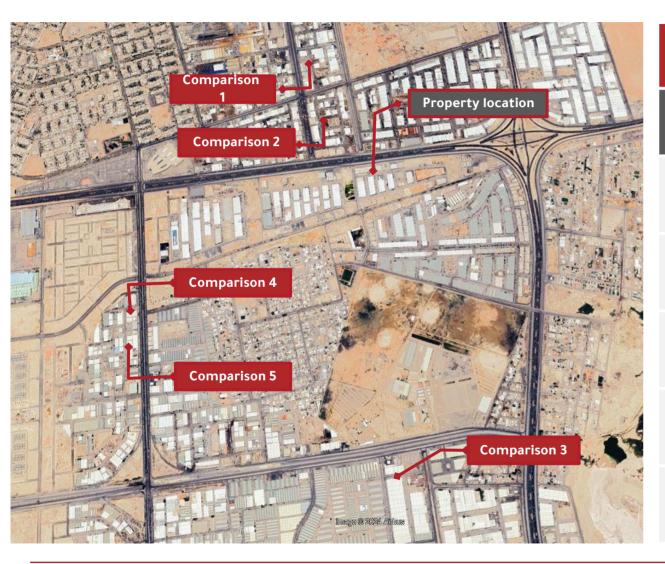
# Property Valuation - Cost Approach - Replacement Method

	First: Construction Costs (Direct Costs)	· · · · · · · · · · · · · · · · · · ·	
Clause	Built up area m2	SR / m2	Value (SR)
Ground floor	4233	700	2,963,100
Total (SR)	4,233		2,963,100
	Second: Other costs (indirect)		
Professional fees	%2		59,262
Utilities Network	%2		59,262
Administration costs	%2		59,262
Financing costs (0 years / 0%)	%0		-
Developer's profitability	%15		444,465
	Total (SR)		622,251
Total cos	Total cost of buildings (SAR)		
	Third: Depreciation cost		
Life span of the property (year)	Year		30
The current age of the property (year)	Year		10
Remaining life of the property (year)	Year		20
Depreciation rate	%		33.3
Depreciation value	SR		1,193,921
Final value of	of the building (SR)		2,391,429
	Fourth: Value of the property according to the C	ost Approach	
Final value	e of the land (SR)		13,764,287
Final value	Final value of buildings (SR)		
Market value of the property	according to the Cost Approach (SR)		16,155,716
Market value of the property according	ng to the Cost Approach after rounding	g (SR)	16,156,000

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### Market Survey Data Analysis



Market Survey Results - Rental Values - Workshops and Warehouses

#	Comparison	Area (m2)	Rental price per meter
1	Warehouses	2062	170
2	Warehouses	2020	140
3	Warehouses	1325	188
4	Workshops	1800	240
5	Workshops	1200	250



#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cumulative model method)								
Government bond rate of return	4.94	Saudi Tadawul Fund						
Inflation rate (current year average)	1.8	Saudi Central Bank						
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market						
Special risk premium (the resulting costs of the property)	1.5	According to the condition and circumstances of the property						
Discount rate with all data above	10	%						

#### **Rental income:**

The property income was analyzed by reviewing the property contract and comparing it to the market, as the rental value of the property is 1,200,000 riyals for the period from 2024 to 2025, and the rental value increases by 10% until the end of the contract. At the end of the contract, an increase of 15% was assumed due to the increase in the rental value in the property area.

#### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

#### Assumptions:

Discounted Cash Flow method assumptions								
Total property income	1,200,000	Discount rate	%10					
Occupancy rate	%100	Capitalization rate	%7					
Operating Expense Rate	%0	Growth rate - from the second year	%10					

#### **Operating Expense Rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.



#### Analysis of valuation assumptions data - Discounted Cash Flow Methods

					l.	nvestment years						
Cash flow - Inflows		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Reversion valu
		1	2	3	4	5	6	7	8	9	10	Reversion valu
Expected growth	value	0.00%	10%	0.00%	15.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Total rental value	1,200,000	1,200,000	1,320,000	1,320,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	
Occupancy rate	100%	1,200,000	1,320,000	1,320,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	
Actual gross income		1,200,000	1,320,000	1,320,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	
minus operating expense ratio	0%	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		1,200,000	1,320,000	1,320,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	
Reversion value of th	e building											
Net Cash Flow		1,200,000	1,320,000	1,320,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	1,518,000	
Discount Factor		0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855	0.3855
Present Value of Cash Flows		1,090,909	1,090,909	991,736	1,036,814	942,559	856,871	778,974	708,158	643,780	585,255	10,116,546
et present value of the property												18,842,511

18,842,511Final Property Value

18,842,000 Final Property Value (after rounding)



#### Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)				
18,842,000	Eighteen million, eight hundred and forty-two thousand Saudi riyals.				

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





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#### Documents received from the client

وزارة العدل ابراهيم عمر محمد الحسين الرياض ترخيص رقم 39/999

صے رہےن

الحدد لله وحده والصلاة والسلام على من لا نبى بعد، وبعد: فإن للعذة الارض رفع 225 من المنظط رفع 255 الواقع في حي القيصلية بعدينة الرياض . و فطعة الارض رفم 253 من المنظر رفم 2351 الواقع في حي القيسلية بمنذات الرياض . و قطعة الارض رقم 524 من المخطط رقم 2551 الواقع في حي الإرض رام 2351 الواقع في حي القيسلية بمنذات الرياض . و قطعة الارض رقم 524 من المخطط رقم 2551 الارض رام 255 من القيل في حقيقة الارض رقم 255 من المنظط رقم 2551 الواقع في حي القيصلية بعدينة الرياض . و قطعة الرياض . و قطعة الارض رقم 255 من المنظط رقم 2551 الواقع في حي القيصلية بعدينة الرياض . و قطعة الاربض . و قطعة الارض رقم 2550 من المنظط رقم 2551 الواقع في حي يعدينة الرياض . و قطعة الارض رقم 2550 من المنظط رقم 2551 الواقع في حينا يعدينة الرياض . و قطعة الارض رقم 255 من القيطسية بدينية الرياض . الواقع في حي القيصلية بدينية الرياض . و قطعة الارض رقم 2553 من القيط الاربض . الرياض . و قطعة الارض رقم 2551 ماق في حينا الموطلية بدينية الرياض . شمالا : شرع 200 من المنظ مرقم على 255 الواقع في حينا الموطلية بدينية الرياض . شمالا : من 200 من ما تقد 251 الواقع في حينا الموطلية بدينية في من الموطلية الرياض . الموض رائي 250 من القيط الموضل الموطلية الموطلية الارض . الموض رائيم 250 من القيط من الموطل من 255 الواقع في حينا الموطلية بدينية الرياض . شمالا : ما 200 من الموطلية بدينية الرياض . ما مالا : ما 255 الواقع في حين الموطل من من واليوم من مالهم الموطلية بدينية الرياض . ما مالا : مارض 250 مات الموطل من من و المولان من و 155 الواقع في حينا الموطلية بدينية الرياض . ما مالا : مارج 250 مالموطل من من و 155 مالياض من و الموطل من ماليوط ينه من الموطلية بدينية الرياض . ما مالا : مارض 250 مات الموطل من و ولمات عمل و من الموطل من من والياض من ماليط الموطل الموطل الموطلي الموطلي الموطلية الموطلي الموطل الموطلية الموطلية الموطل الموطلية الموطلي الموطلي الموطلية الموطلية الموطل الموطلية الموطل من والمو 250 مال الموطل من والموطل الموطل الموطل الموطل ا جنوبا: شارع 20م بطول 130.15 مانة و ثلاثون متر و خمسة عثير سنتمتر شرقا: شارع 25م بطول 50 خمسون متر مرية منزح 25 ميلون 10 مسعول من . غربة منزع 25 مطول 8.08 مسون مترا و ثمانون سنتمترا ومسلحتها 8.0720 مشالات و سيعملة و تسعة و عطوري متر مربعا و ثمانية و ثمانون سنتمترا مربعاً بانه 10 المعلوكة لـ

شركة تعدين الأولى المقادية. بموجب سجل تجاري رقم 1010896622 بموجب الصك الصادر من الموثقين بالرياض6 برقه 693598002680 في 24 / 77 / 1442 قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي للتطوير المحدودة يموجب سجل تجاري رقم 1010158249 ضدتنا للوقاء بـ 196346 فقط أربعة ملايين و تسعمانة و واهد و خمسون القا و تسعمانة و ثلاثة و متون ريالا معوديا لا غير. تسدد على المسلط شهرية عدها 1 قيمة كل قسط 196366 فقط أربعة ملايين و تسعيلة وروادد و خصون الله المتعلقة و ثلاثة و متكن ريالا معرية بلا غير تاريخ خلول القسط 1442/147 معم الدين و تسعيلة وروادد و خصون الله المتعملة و ثلاثة و متكن ريالا معريا بلا غير تاريخ خلول القسط 1442/147 معم الدين و كفتمان اما وجب طبهم من مستحلف طبة بمبلغ وقدره (14951964) امسالح شركة الداجم بالتطوير المعدودة على أن بكون السداد سيميان بعا ريب عنيم من مستحد صدر بدين وعدر وريون (1993) عصمي صرب مراجعي منطوير منصوره، عن اي يون منطقة. إلر غيات إستيقام ملي نمه الزان ويذع بتاريخ 40-12-2027م وفي هلة عنم المداد الملريقين بيل الغرائي القيم التي عن الرغيات إستيقام ملي نمه الزان من منيلة وما نطق برجع فيه حقوب العال ميلام هر ما. وعليه جرى التمادين تحريراً في

> الموثق الختم الرسعي

ابراهيم عمر محمد الحسين

رِغَم المنك: 793010004590

التاريـــــخ: 1442/11/12 هـ

وزارة الشنون البلدية والقروية تاريخ الرخصة : ١ - ١ - ١ الرخ أمانة منطقة الرياض تاريخ الإنتسهاء ، ١ .... ١ تاريخ توع الرخصصة ، إصدار خصية بناء ورشة إدارة رخص البناء الرخصة اللورية اس د ال م ال ا : شركة مجموعة عد اللطيف العرسي المحدودة تاريخه: ١٤١١-١٠-١٤ رقم الإشبيات : ١٠١٠١٤٠٥١٤ رقم الصك : ۲۱۰۱۰۸۰۱۲۷۲۰ تاريخــــه : ۱۱۲۹-۰۷-۲۴ رقم المخطط التنظيمي : ٢٠٠١ رقم القطع : من ٢٠ مالى ٢٣٠ رقم العقار: \_ارع : تسوع السبستساء : معنى \_\_\_\_\_ : حي الليصلية ~1 مسساحة الأرض : ١٧٢٩،٨٨ النطاق العمراني : مرحلة ١ محيط الأسوار؛ م/ط الإرتداد 1 الأبعاد ١٣٩.٠٤ الحهة الحدود شارع ۲۰ ۲م شمال 0. 0 شارع ٢٥م شرق 6 17.10 شارع ۲۰م جنوب . 0., 1 شارع ٢٠م غرب الإستخدام المساحة عدد مكونات البناء م حداد ورشه ..... دور أرضى المكتب المصميم : محاب للاستشارات الهندسية رقم الترخيص : ١٣٠٢ رقم المشروع : ٢٨ 16 544 مناسيب الشوارع المحيطة : رمز النظام : سدد الرسوم مبلغ وقدره : ١١٧٧ ريال بموجب الإيصال رقم : ٢٢٠١٢١٨١٨١ وتاريخ : ملاحظات: مدير إدارة الكرخص مراجل مراجل مراجل واليس قسم الدخص مدير عام التقطيط العمران The aling and the the م/ مساعد اير اهيم المحيا يبب الإلتزام بالشروط الموضحة خلف الرخصة . ای کشط او شطب یلغی هذه الرخصة

如周期间

الجملكية العربيية السعوديية

الرقر المناسلي: 2776



### Documents received from the client

السنة الخامسة +10%







#### يعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ٢٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20117094703 / 2	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2022-11-10	تاريخ إبرام العقد:
Tenancy End Date	2027-10-25	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2022-10-26	ناريخ بداية مدَّة الإيجار:
Contract is conditional			u .		معلق بشرط
			Ejar Fees Paid By	المؤجر	طريقة دفع رسوم المقدد

Lessor Data					٢ بيانات المؤجَّر
Company name/Founder	شركة تمدين النولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

۳ بیانات مُمثَّل المؤجر Lessor Representative Data						
Name			الدسم:			
			Nationality	المملكة العربية السعودية	الجنسيَّة:	
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:	
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:	
National Address					العتوان الوطني:	
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number	
		2025-08-31	2022-10-04	وكالة شرعية إلكترونية	441361636	

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة محمد يوسف ناغي للسيارات	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7009395323	الرقم الموحد	CR No.	4030065137	رقم السَّجل التَّجاري:

Engineering Supervision Fe (Not included in total contract amount):	ريغ من ۲	ريال لكل متر م مساحة الوحدة الإيد		-		خل ضمن القيمة	ب الهندسی (لا ید عقد الإیجار	مبلغ الإشراة (الإجمالية ل
Unit Finishing F (Not included in total contract amount):	ربع من	ريال لكل متر م مساحة الوحدة الإيد			۵	ا يدخل ضمن القيم		مبلغ تجهيز ا (الإجمالية ل
Retainer Fee (In amount):	ncluded in total c	ontract		-		خل ضمن القيمة	ن المُتفق عليه (يد قد الإيجار):	مبلغ العربور الإجمالية لع
Gas Annual Am	ount:		الأجرة السّنوية للغاز:	Electricity Ar Amount:	nual	-	ā,	الأجرة السُنو للكهرباء:
				Water Annua Amount:	a	-	ية للمياه:	الأجرة السنو
General Service Included:	e5	-	والتي تشمل على:	General Serv Amount:	rices	0.0	نامة: (يدخل ة الإيجارية	الأجرة السنو للخدمات اله ضمن القيمة لعقد الإيجار
Number of Ren Payments:	t	5	عدد دفعات الإيجار:	Rent paymer	it cycle	سنوي	لايجار	دورة سداد ا
VAT on rental v	value: 9360	000.00	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	payment: (In	cludes	1380000.00		دفعة الإيجا (تشمل العرب
			رقم الهوية أو السجل التجاري ID/CR Number	i a	نوع الهور ID Type	نم الخريبي Vat numl		الرَّقم المسَل No.
			1010896622	جيل ا	رقم التس	3101992938000	03	1
				Annual Rent:		1200000.00	وية للإيجار:	القيمة الشنر
Total Contract	value		7176	000.00			ة العقد:	اجمالي قيما
باء والمياه	نوية ل(الغاز والكهر	نامة، والأجرة الس	ت- وقيمة الخدمات الع	لمضافة -إن وجدت	بريبة القيمة ا		عة الإيجارية، ومبا نحي إذا حُددت كه	
Approved payn	nent methods		د العقاري/المؤجر أو قنوات الدفع المتاحة				المعتمدة	طرق الدفع
Rent Payme	ents Schedule					6	, سداد الدفعا	۱۳ جدول
تاریخ الاستحقاق (ه) Due Date(AH)	تاريخ الإصدار (ھ) Issued Date(AH)	تاريخ الاستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	فيمة المبالغ الثابتة Services	ضربية الليمة المضافة VAT	قيمة الإيجار Rent value	الرَّقم المشلشل No.
1444-04-11	1444-04-01	2022-11-05	2022-10-26	1380000.00	0.00	180000.00	1200000.00	1
1445-04-21	1445-04-11	2023-11-05	2023-10-26	1380000.00	0.00	180000.00	1200000.00	2
1446-05-03	1446-04-23	2024-11-05	2024-10-26	1380000.00	0.00	180000.00	1200000.00	3

1448-05-25 1448-05-15 2026-11-05 2026-10-26 1518000.00 0.00 198000.00 1320000.00

0	0	0	+10%	+10%
١٤ التزامات الطرفين				Parties Obligations
يتم تحديد الطرف الذي يتحمل				
تحول التزامات الأظراف بعد تد	:ها إلى المادة الخامسة تحت	(التزامات المؤجر / التزامات الم	ستأجر / أحكام عامة)	
١٥ مواد العقد				Contract Terms
المادة الأولى: البيانات السابة	على [لتزامات الأطراف			
تعد البيانات السابقة على إلتزام	الأطراف والمحددة في الينو	بد من (1-14) جزءً لا يتجزأ من ه	ا العقد ومفسرة ومكملة له.	
المادة الثانياد محل العقد				
			نقا للشروط والأحكام والإلتزامات 4 للنشاط التجاري المتفق عليه في	ت المنصوص عليها في هذا العقد. في البند رقم (10).
المادة الثالثة: مدة الإيجار وتد	د العقد			
		هـ الموافق 2022-10-26 م. وت ميلادي في جميع بنود العقد.	تهي بتاريخ 1449-25-05 هـ الموا	وافق 25-10-2027 م. وفي حال
٣-٢ تنتهى مدَّة الإيجار مع انتها	مدَّة العقد. وإذا رغب الطَّرفان	، بالتَّجديد. فتتمَّ كتابة عقدٍ جديد	يتَّفق عليه الطَّرفان.	
المادة الرابعة: الأجرة				
إجمالي قيمة العقد ( 6000.00 البند (١٣) من هذا العقد.	7 ) ريألا سعودًيا، يلتزم المس	تأجر بدقعها للم <mark>و</mark> ّ جر بحسب ما «	و مذکور فی البند رقم (۱۲) من ه	هذا العقد وكما هو مجدول في
المادة الخامسة: الإلترامات ت	ىم الى (الترامات المؤجر / الترا	امات المستأجر/ أحكام عامه) به	د تحديدها في (البند 12)	
٥-١ الترامات المستأجر				
١-١-٥ يلتزم المستأجر بدفع قي	الأجرة في المواعيد المتَّفق :	عليها.		
٥-١-٢ يلتزم المستأجر بالتقيد به	باحة ومواصفات اللوحة الخاص	ة بالوحدة الإيجارية والمحددة ف	ي البند (9) من هذا العقد.	
النشاط التجاري وبعد عدم تجاو	مع اشعار المؤجر خلال ( 30 ) حافظة على حقوق المستأجر	يوماً فيحق للمؤجر فسخ العقد بالمطالبة بباقي قيمة العقد ال		دة دون افتتاح الوحدة الإيجارية وب و حكم قضائي وبحق للمؤجر حينها هي وقيمة الإيجار ومصاريف
٥-١-٤ يلتزم المستأجر بتسليم ١				
0-1-0 يلتزم المستأجر باستعماز وتحمل جميع الجزاعات التي قد			نا للأنظمة والأعراف والتقاليد المر	عرعية في المملكة العربية السعوه
		كة التابعة للعقا <mark>ر</mark> المشتمل على شعملها استعما-لا صالحًا للغرض		دورات المياه المشتركة والأسطح
				عيانة المفصلة في المادة السابقة
٨-١-٨ الالتزام بدفع قيمة خدم عليه في البند(12) من هذا العد		مات الآخرى المتعلقة بالوحدات	الإيجارية الموصوفة خلال فترة س	سريان هذا العقد بحسب ما تم الات
٩-١-٩ يلتزم المستأجر باتخاذ الا	باط <mark>ات اللازمة لمنع تعرض الو</mark>		المتواجدين فيها سواء من تابعيه ا ل بالتجهيزات الميخانيكية أو الكهر	، أو عملائه أو زائريه لأي ضرر كان بربائية أو أي عملية احتيال أو نصب
سرقة وخلافه.				

١٠-١٠- ١ يلتزم المستأجر بالمحافظة على جميع التجهيزات الميكانيكية والكهربائية، ومراعاة الأحمال الكهربائية في المجمع وغيرها من التجهيزات التي وضعها المؤجر في الوحدة الإيجارية والعقار.

١١-١١-٩ يلتزم المستأجر وموظفيه بعدم التدخين في الممرات وردهات العقار والتقيد بالتدخين في الأماكن المخصصة لذلك.

١-١-١٢ يلتزم المستأجر بالقاء المخلفات في المكان المخصص لذلك، وعدم رمي أي مواد صلبة أو زبوت في مجاري الصرف الصحي.



5

قيمة إيجارية متغيرة سنوياً: نعم



**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

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شركة قيم للتقييم - ترخيص رقم 22000001 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05 ها لرقم الموحد 22822019 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





## **Real State Valuation Report**

### Presented to: Mulkia Gulf Real Estate REIT Fund



Technology Commercial Complex BLK 11



Report date: 18/07/2024 AD

Report No.: 448225 - 5

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QIAM VALUATION | REAL ESTATE VALUATION REPORT



#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Technology Commercial Complex BLK 11 Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **AI-Faisaliah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Technology Commercial Complex **BLK 11** property for the purpose of periodic valuation

of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**, For an amount of only (22,671,000) twenty-two million, six hundred and seventy-one thousand Saudi rivals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

#### Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
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The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





### Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity				
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>				
Assumed value	Value Basis	Purpose of the valuation				
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund				
Report type for client	Valuation Approach	Asset subject to valuation				
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Technology Commercial Complex - BLK 11				
Report issuance date	Valuation date (measurement)	Inspection date				
18/07/2024AD	30/06/2024 AD	20/06/2024 AD				
Scope of the Valuer search - Standard No. 102						

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

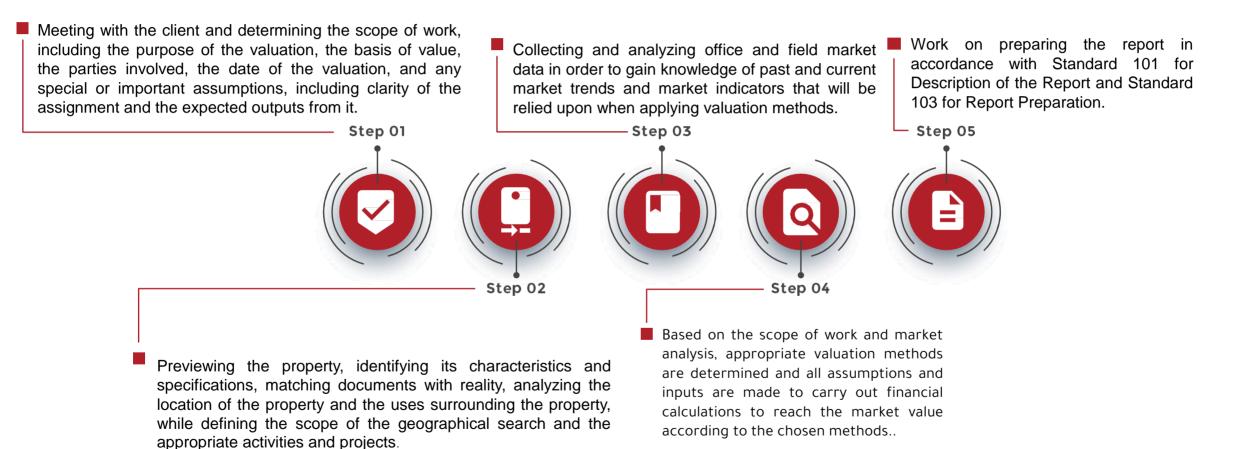
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



#### Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

### Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons	
	Title deed	Trusted	The deed sent by the client has been verified	
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.	
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.	
Commercial meter prices		Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data	
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area	
	Source independence	Trusted	A source independent and external to the asset being valued	



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



#### Compliance with Standards and Research and Inquiry

### 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

### 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

### 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

### 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

### 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

#### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



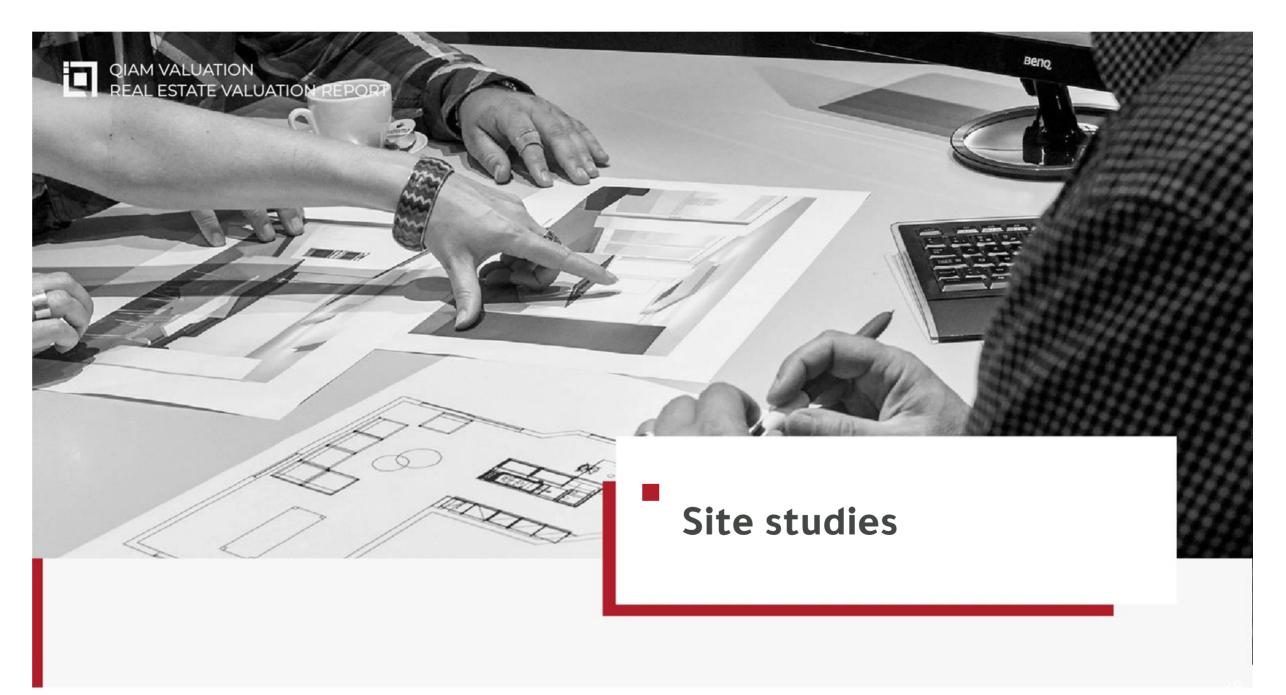
### Real estate and investment properties in the preparation of financial reports

### Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the inducial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





### Property Risk Analysis

#### Strength point:

- The property is located in the industrial and storage area near the Eastern Ring Road.
- The location is close to the main axial roads that connect it to parts of Riyadh, such as

#### (Eastern Ring Road, Southern Ring Road).

• The location is close to the storage and industrial trade centers in Riyadh.

#### **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries, archaeological sites and events.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

#### Weak points:

• Changing the building regulations in the property area.

#### **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



### **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	793010004587	12/11/1442 AH	Mortgaged

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Faisaliah	From plot 508 to plot 521	3251	7341.13 square meters

#### > Borders and lengths:

	Borders and lengths:						
Northen border Border length Southern border Border length Eastern border Border length Western border Border length							Border length
20m wide street	151.47	20m wide street	141.58	25m wide street	50	25m wide street	50.8

### Assumptions regarding ownership of the property

For the purposes of this report, we assume that there is good, valid and free ownership and that the property is mortgaged to AI Rajhi Development Company Limited.



### Real estate data and Services available in the real estate area

	Real Estate Data					
City	Riyadh	Neighborhood	Al-Faisaliah			
Street	Unnamed	Property type	Industrial workshops			
No. land plan	3251	Plot number	From 508 to 522			
Land Area	7341.13 square meters	Built-up area	5733 square meters			
	Services and facilities avail	able in the real estate area				
Electricity network	Telephone network	Water network	Sewerage network			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Water drainage network	Mosque	Dispensary	Garden			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Public markets	Civil defense	Police station	Hospital			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Hotels	Petrol station	Schools	Governmental services and centers			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			



### Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located south of Riyadh in Al Faisaliah district with easy access to the Eastern Ring Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	South of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Commercial - Industrial
	Building ratio - number of floors	70% - 2 floors
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



### **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (10) years based on the (Building permit).
- Building permit number 10149/1432 dated 01/06/1432 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Car workshop)**. Detailed as below:

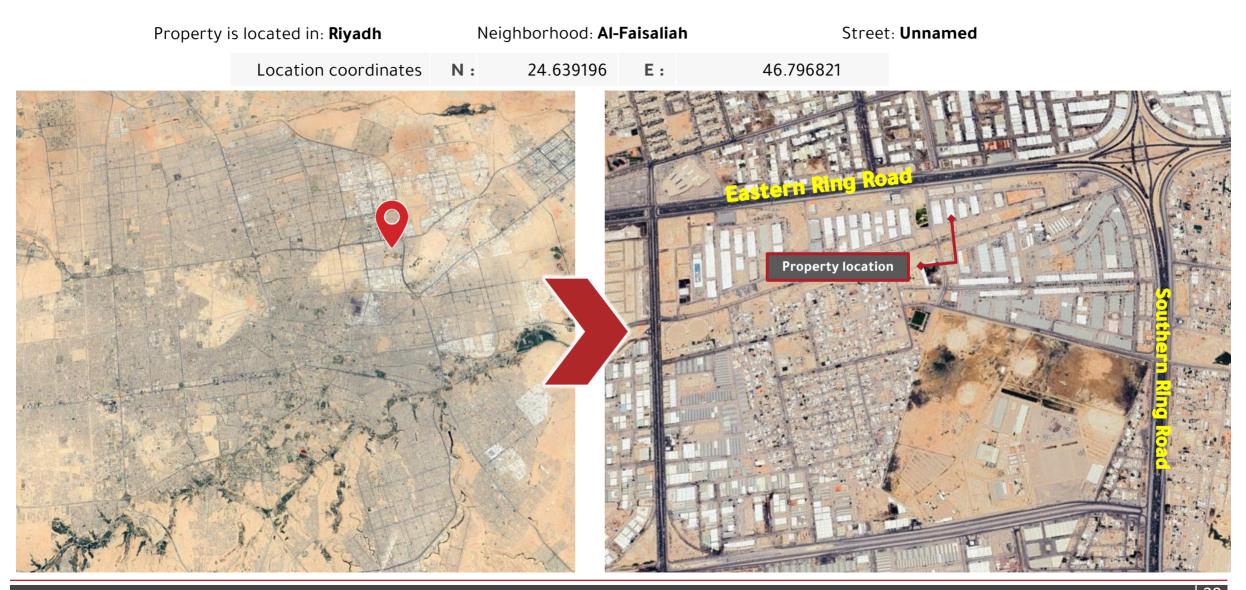
Building components				
#	Floor	Area (m2)	Use	
1	Ground floor	5733	Car maintenance workshop	

### **Property Description**

INTERIOR FINISHES								
Doors		Ceiling	Wall Cladding	Floors				
Drawing iron	Drawing iron Iron hangar			Epoxy casting - tiles				
Windows		Health kits	Stairs	Insulation type				
				Thermal - Hydro				
	EXTERIOR FINISHES							
Facades	Facades Facilities Doors Flo			Floors				
Iron hangar			Electric Securit Glass - Drawn Iron					
		Electromechanical and air conditioning	g systems					
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System				
Central	-	High quality	High quality energy saving	Automatic electric pump system				
Security and safety systems - other facilities								
Facilities	Parking	Fire Alarm and Extinguishing Systems Security Systems						
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hote	Hotel Parts Indoor and outdoor surveillance cameras					



### **Property location**

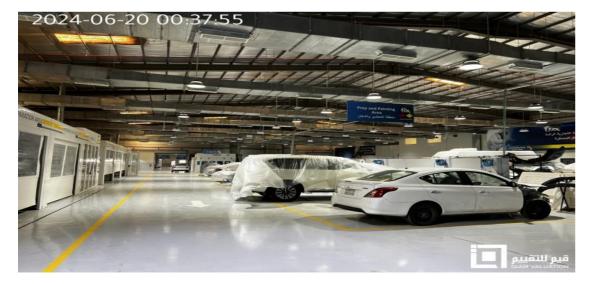


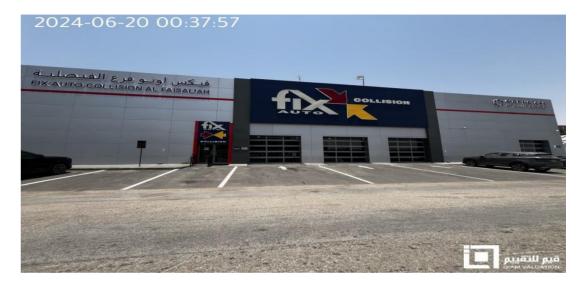
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### Photographic survey of the Property









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#### Londo problem

# Valuation



### Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



#### Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

### The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

### The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



#### Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

#### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

### Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

### Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

# Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

## Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

## **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

# Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

# Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



# Estimating the value of the land - Market Approach - Comparisons method

Comparative real estate							
Comparison factors	Com <u>paris</u> on 1	Com <u>pariso</u> n 2					
Area (m2)	1,373	1,446					
Ease of access	High	Average					
Property location	High	Average					
Land shape	Regular	Regular					
Land topography	Flat	Flat					
Use	Industrial	Industrial					
Surrounding streets	3	2					
Price per meter (SR)	2400	2100					
Comparative condition	Available offer	Available offer					



Valuating th	ne land according to Ma	rket Approach - M	ethod of compa	arison with similar	sales		
Cla	use		Comparative r	eal estates			
Adjustments factors	Property under	Compariso	n 1	Compariso	on 2		
Adjustments factors	valuation	Value	Adjustment	Value	Adjustment		
Price per square meter	***	2,400		2,100			
Condition	***	Available o	ffer	Available o	offer		
Date of valuation/offer	2024	2024		2024			
Market Condition	***	%10.00-	240 -	%10.00-	210 -		
Financing terms	***	%0.00	-	%0.00			
Market conditions value	***	(	(240.00)		(210.00)		
Value after initial settlements	***		2,160	1	1,890		
Land area (m²)	7341.13	1,373	% <b>11-</b>	1,446	%11-		
Ease of access	High	High	% <b>0</b>	Average	%5		
Property location	High	High	% <b>0</b>	Average	%5		
Land shape	Regular	Regular	% <b>0</b>	Regular	%0		
Land topography	Flat	Flat	% <b>0</b>	Flat	%0		
Land use	Industrial	Industrial	% <b>0</b>	Industrial	%0		
Surrounding streets	4	3	%5	2	%10		
Тс	otal	%6.	.00-	% <b>9.00</b>			
Adjustment value	e per square meter	-130	-130		170		
Final meter value	after Adjustments	2,030		2,060			
· · · ·	er square meter (SR / 1²)		2,0	)45			
Market value of	the land (SR / m²)		15,01	4,446			

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# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.



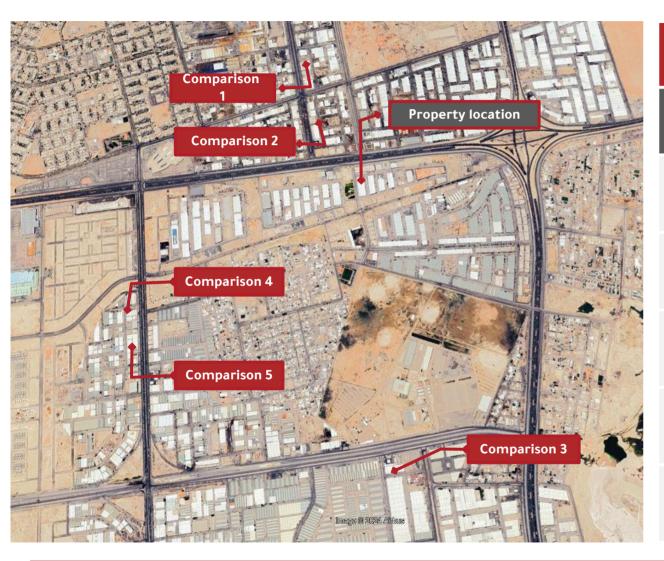
# Property Valuation - Cost Approach - Replacement Method

	First: Construction Costs (Direct Costs)					
Clause	Built up area m2	SR / m2	Value (SR)			
Ground floor	5733	700	4,013,100			
Total (SR)	5,733		4,013,100			
	Second: Other costs (indirect)					
Professional fees	%2		80,262			
Utilities Network	%2		80,262			
Administration costs	%2		80,262			
Financing costs (0 years / 0%)	%0		-			
Developer's profitability	%15		601,965			
	Total (SR)		842,751			
Total co	4,855,851					
	Third: Depreciation cost					
Life span of the property (year)	Year		30			
The current age of the property (year)	Year		10			
Remaining life of the property (year)	Year		20			
Depreciation rate	%		33.3			
Depreciation value	SR		1,616,998			
Final value	of the building (SR)		3,238,852			
	Fourth: Value of the property according to the Cos	t Approach				
Final value	Final value of the land (SR)					
Final valu	e of buildings (SR)		3,238,852			
Market value of the property	according to the Cost Approach (SR)		18,253,298			
Market value of the property accord	ing to the Cost Approach after rounding	(SR)	18,253,000			

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# Market Survey Data Analysis



Market Survey Results - Rental Values - Workshops and Warehouses

#	Comparison	Area (m2)	Rental price per meter
1	Warehouses	2062	170
2	Warehouses	2020	140
3	Warehouses	1325	188
4	Workshops	1800	240
5	Workshops	1200	250



#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cumulative model method)								
Government bond rate of return	4.94	Saudi Tadawul Fund						
Inflation rate (current year average)	1.8	Saudi Central Bank						
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market						
Special risk premium (the resulting costs of the property)	1.5	According to the condition and circumstances of the property						
Discount rate with all data above	10	%						

#### Assumptions:

	Discounted Ca	Discounted Cash Flow method assumptions					
Total property income	1,579,050	Discount rate	%10				
Occupancy rate	%100	Capitalization rate	%7				
Operating Expense Rate	%0	Growth rate - annual from 4th year	%15				

#### **Rental income:**

The property income was analyzed by reviewing the property contract and comparing it to the market, as the rental value of the property is 1,579,050 riyals until the end of the contract. At the end of the contract, an increase of 15% was assumed due to the increase in the rental value in the property area.

#### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

#### **Operating Expense Rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.



# Calculating the market value - Discounted Cash Flow method

							Investment years					
Cash flow - Inflow	ıs	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Reversion value
		11	2	3	4	5	6	7	8	9	10	
Expected growth va	lue	0.00%	0.00%	0.00%	15.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Total rental value	1,579,050	1,579,050	1,579,050	1,579,050	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	
Occupancy rate	100%	1,579,050	1,579,050	1,579,050	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	
Actual gross income		1,579,050	1,579,050	1,579,050	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	
minus operating expense ratio	0%	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		1,579,050	1,579,050	1,579,050	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	
Reversion value of the t	ouilding											
Net Cash Flow		1,579,050	1,579,050	1,579,050	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	1,815,908	
Discount Factor		0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855	0.3855
Present Value of Cash Flows		1,435,500	1,305,000	1,186,364	1,240,289	1,127,536	1,025,032	931,848	847,134	770,122	700,111	12,101,918
et present value of the property												22,670,854

Final Property Value22,670,854

Final Property Value (after rounding) 22,671,000



# Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)			
22,671,000	Twenty-two million, six hundred and seventy-one thousand Saudi riyals.			

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





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# **Documents received from the client**

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\*

\_\_\_\_ يجب لإلتزام بالشروط الموضحة خلف الرخصة

🏹 اي كشط او شطب يلغي هذه الرخصة .

رقم الرئيسية : ٢٠٢٠، ٢٠٦٠ تاريخ الرئيسية : ٢٠٢٠، ٢٠٦٠ تاريخ الرئيسية : ٢٠٢٠، ٢٠٦٠ نوع الرئيسية : ٢٠٢٠ تاريخ الرئيسية : ٢٢٠٠ تاريخ المنابع : ٢٢٠٠ تاريخ البنيا : ٢٢٠ تاريخ البني : ٢٢٠ تاريخ البنيا : ٢٢٠ تاريز : ٢٢٠ تاريز : ٢٢٠ تاري : ٢٢		قورية تاريخ ريكة ميمرعة عبد التلفية ١٠١٠١٤٤٠١٢٢٠ ن٨٠٥٤لي٢١٥ ن٨٠٥٤لي٢١٥	الجباكة العربية الميلية والمربية المناول المليون المناول المليون المناول المليون المناول المناول المناول المناول المناول المناول المناوع: الم	وزيرة العل ابرافهم عر معد العدا الرياضي تارياضي تريين تعريفي المسلاة والسلام على من لا تمي بعده ويست معال معالي معال معالي معال معال معالي معال معال معال معال معال معال معال معال
ال البدة بالتنافرة. . الصادر من بلدية البطحاة القرعية. بر الخاص بالمستودمات و الوريق.	موجب الإيصال رف ارة رخص البناء بالأستة ام 7 وتاريخ ٧	رقم المشروع : ، ۱۹۹۷ ريال پر پمة منتب در اريش لمي او تلگري (۲۰۱۸ مرام کر ۲۰ بنل مسلم اورت ارايش بنل مسلم اورت ارايش بنل عرض الواجهة علي از	۲-يدو چې ۳-يدو چې	محد واله ومسعية وسلم. المقتم الرسمي الموثق ايراهيم عمر محدد الحسين

الرقم التسلسلي: 2773



41

# **Documents received from the client**

Total Contract value

Parties Obligations

Contract Terms





#### يعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20983950069 / 1	قم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2023-02-21	اريخ إبرام العقد:
Tenancy End Date	2027-12-31	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2023-01-01	ناريخ بداية مدَّة الإيجار:
Contract is conditional	L		<u>ل</u>		معلق بشرط
			Ejar Fees Paid By	المؤجر	غريقة دفع رسوم لعقد:
Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين الدولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	وع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	قم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	بهة الإصدار:

۲ بیانات مُمثَّل المؤجر Lessor Representative Data					
Name	.سم: سلمان حسين بن يحيى معيدي			الاسم:	
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address					العتوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2025-08-31	2022-10-04	وكالة شرعية	441361636

Tenant Data					٤ بيانات المستأجر
Company name/Founder	الشركة الخليجية للسيارات (شركة (شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:

						بالغ ثابتة) .	هي إذا فددت كم	والصرف الم
Approved payn	الدفع عن طريق الوسيط المقاري/المؤجر أو الدفع إلفترونيا من خلال قنوات الدفع المتاحة					لمعتمدة	طرق الدفع ا	
Rent Paym	ents Schedule					6	سداد الدفعا	۱۳ جدول
تاريخ الاستحقاق (ھ) Due Date(AH)	تاريخ الإصدار (هـ) Issued Date(AH)	تاريخ النستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي الثيمة Total value	قيمة الميالغ الثابتة Services	ضربية القيمة المضافة VAT	قيمة الإيجار Rent value	الرَّمَم المسَلسَل No
1444-06-18	1444-06-08	2023-01-11	2023-01-01	907953.00	0.00	118428.75	789525.00	1
1444-12-23	1444-12-13	2023-07-11	2023-07-01	907953.00	0.00	118428.75	789525.00	2
1445-06-29	1445-06-19	2024-01-11	2024-01-01	907953.00	0.00	118428.75	789525.00	3
1446-01-05	1445-12-25	2024-07-11	2024-07-01	907953.00	0.00	118428.75	789525.00	4
1446-07-11	1446-07-01	2025-01-11	2025-01-01	907953.00	0.00	118428.75	789525.00	5
1447-01-16	1447-01-06	2025-07-11	2025-07-01	907953.00	0.00	118428.75	789525.00	6
1447-07-22	1447-07-12	2026-01-11	2026-01-01	907953.00	0.00	118428.75	789525.00	7
1448-01-26	1448-01-16	2026-07-11	2026-07-01	907953.00	0.00	118428.75	789525.00	8
1448-08-03	1448-07-23	2027-01-11	2027-01-01	907953.00	0.00	118428.75	789525.00	9
1449-02-07	1449-01-26	2027-07-11	2027-07-01	907961.00	0.00	118428.75	789525.00	10

Annual Rent:

9079538.00

يشمل: القيمة الإيجارية، ومبلغ العربون، ومبلغ ضريبة القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة الستوية ل(الغاز والكهرباء والمياه

#### قيمة إيجارية متغيرة سنوياً: لا

القيمة السَّنوية للإيجار:

اجمالي قيمة العقد:

#### ١٤ التزامات الطرفين

#### يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

. نحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

#### ١٥ مواد العقد

1579050.00

المادة الأولى: البيانات السابقة على إلتزامات الأطراف

تعد البيانات السابقة على إلتزامات الأطراف والمحددة في البنود من (1-14) جزءَ لا يتجزأ من هذا العقد ومفسرة ومكملة له.

#### المادة الثانية: محل العقد

تفق المؤدر والمستأبر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبند رقم(9) وفقا للشروط والأحكام والإلتزامات المتصوص عليها في هذا العقد. وبقر المستأبر بمعاينته للوحدة الإيجارية، وقبوله للتعاقد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

#### المادة الثالثة: مدة الإيجار وتجديد العقد

١-٣ مدَّة هذا العقد (1825) يومَا تبدأ من تاريخ 1444-66-08 هـ الموافق 2203-01-01 م. وتنتهى بتاريخ 1444-08-03 هـ الموافق 2027-12-31 م. وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

٣-٢ تنتهي مدَّة الإيجار مع انتهاء مدَّة العقد. وإذا رغب الطَّرفان بالتَّجديد، فتتمُّ كتابة عقدٍ جديدٍ يتَّفق عليه الطَّرفان.

#### المادة الرابعة: الأجرة

إجمالى قيمة العقد ( 9079538.00 ) ريأك سعوديا، يلتزم المستأجر بدفعها للمؤ جر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مجدول في البند (١٢) من هذا العقد.





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شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05/14 هـ الرقم الموحد 25232029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report**

# Presented to: Mulkia Gulf Real Estate REIT Fund



QIAM VALUATION

Technology Commercial Complex BLK 24 & 25

Report date: 18/07/2024 AD

FEFEFEFEFEFE

Report No.: 448225 - 6



QIAM VALUATION | REAL ESTATE VALUATION REPORT

**REAL ESTATE VALUATION REPORT** 



#### Statement

#### Subject: Technology Commercial Complex BLK 24 and 25 Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **AI-Faisaliah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below.

Based on the completed study, we attach to you the results of the fair price estimation of Technology Commercial Complex **BLK 24 and 25** property for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**, For an amount of only (**35,987,000**) thirty-five million, nine hundred and eighty-seven thousand Saudi rivals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

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The specific assumptions and limitations of the report

# Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity				
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>				
Assumed value	Value Basis	Purpose of the valuation				
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund				
Report type for client	Valuation Approach	Asset subject to valuation				
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Technology Commercial Complex - Block 24 & 25				
Report issuance date	Valuation date (measurement)	Inspection date				
18/07/2024AD	30/06/2024 AD	20/06/2024 AD				
	Scope of the Valuer search - Standard No. 102					

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

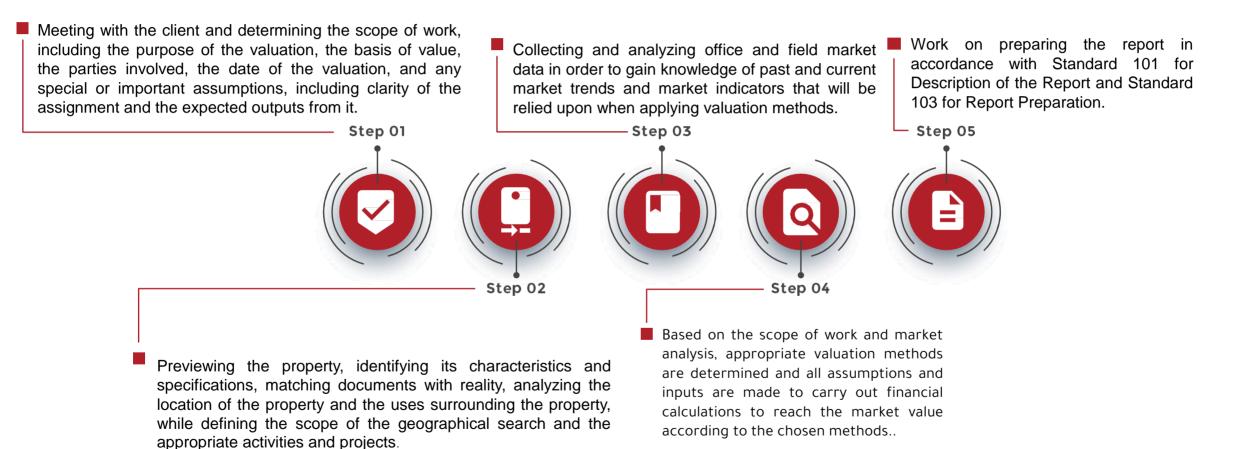
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



# Work Stages





# Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

# Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
	Title deed	Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



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# Compliance with Standards ,Research and Inquiry



# Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

# 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

# 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

# Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

# Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



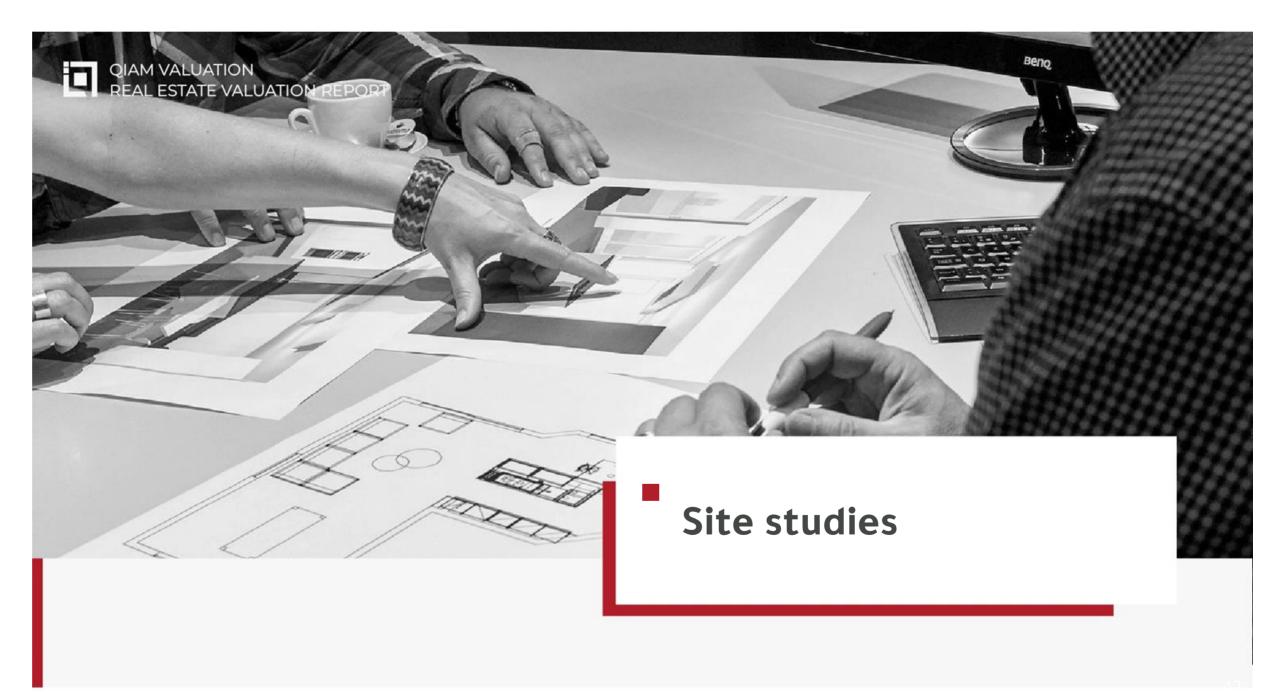
# Real estate and investment properties in the preparation of financial reports

# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the financial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





# Property Risk Analysis

# **Strength point:**

- The property is located in the industrial and storage area near the Eastern Ring Road.
- The location is close to the main axial roads that connect it to parts of Riyadh, such as

#### (Eastern Ring Road, Southern Ring Road).

• The location is close to the storage and industrial trade centers in Riyadh.

# **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries, archaeological sites and events.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

# Weak points:

• Changing the building regulations in the property area.

# **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	693010005751	13/03/1443 AH	Mortgaged

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Faisaliah	Plot 24 and Plot No. 25	3251	6000 square meters

#### > Borders and lengths:

Borders and lengths:							
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
10m wide corridor	60	Plot No. 26	60	100m wide street	100	25m wide street	100

# Assumptions regarding ownership of the property

For the purposes of this report, we assume that there is good, valid and free ownership and that the property is mortgaged to AI Rajhi Development Company Limited.



# Real estate data and Services available in the real estate area

	Real Estate Data				
City	Riyadh	Neighborhood	Al-Faisaliah		
Street	Unnamed	Property type	Commercial Industrial Workshops		
No. land plan	3251	Plot number	24 and 25		
Land Area	6000 square meters	Built-up area	5288 square meters		
	Services and facilities avail	able in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Water drainage network	Mosque	Dispensary	Garden		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Public markets	Civil defense	Police station	Hospital		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Hotels	Petrol station	Schools	Governmental services and centers		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		



# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located south of Riyadh in Al Faisaliah district with easy access to the Eastern Ring Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	South of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Commercial - Industrial
	Building ratio - number of floors	70% - 2 floors
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (10) years based on the (Building permit).
- Building permit number 17964/1432 dated 01/06/1432 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Car showroom - Service center)**. Detailed as below:

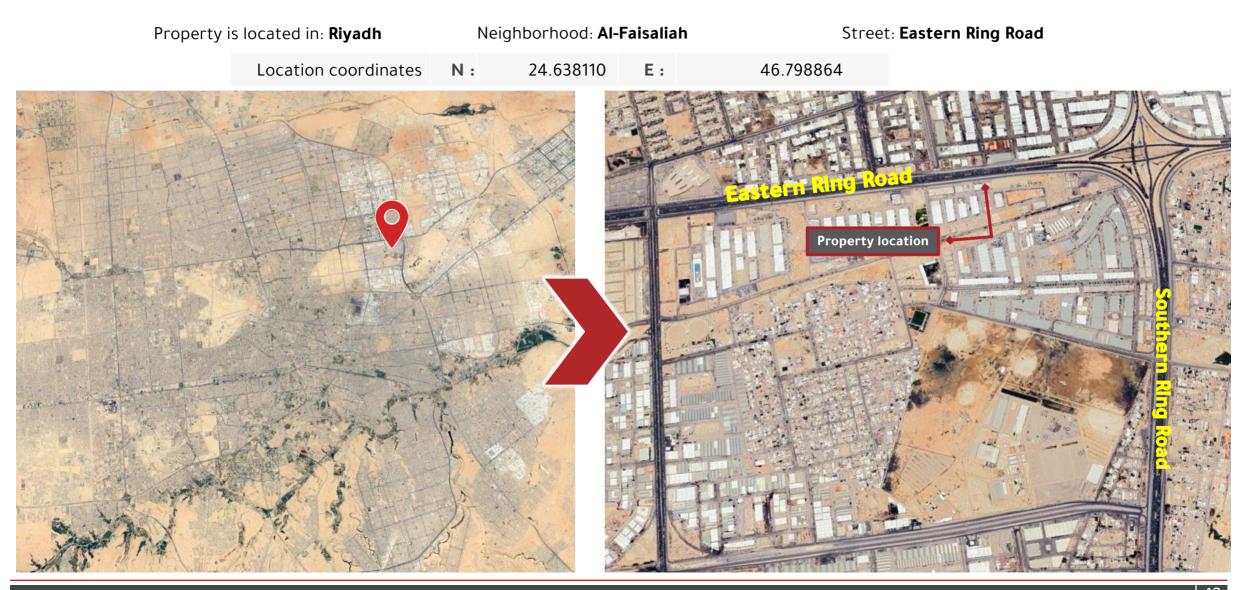
Building components						
#	Floor	Area (m2)	Use			
1	Ground floor	3600	Commercial			
2	Mezzanine	1568	Commercial			
3	Fences	120	Services			

# **Property Description**

INTERIOR FINISHES								
Doors		Ceiling	Wall Cladding	Floors				
Electric Securit	Glass	lron hangar	Paint - Iron Hangar	Epoxy casting - tiles				
Windows		Health kits	Stairs	Insulation type				
Double glazin	g		Marble	Thermal - Hydro				
EXTERIOR FINISHES								
Facades		Facilities	Doors	Floors				
Secret Glass - Iron I	langer		Electric Securit Glass - Drawn Iron	Tiles				
Electromechanical and air conditioning systems								
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System				
Central	-	High quality	High quality energy saving	Automatic electric pump system				
Security and safety systems - other facilities								
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems				
N.A.	A. Outdoor Fire Detection Systems - Fire Hose for All Hotel Parts			Indoor and outdoor surveillance cameras				



# **Property location**

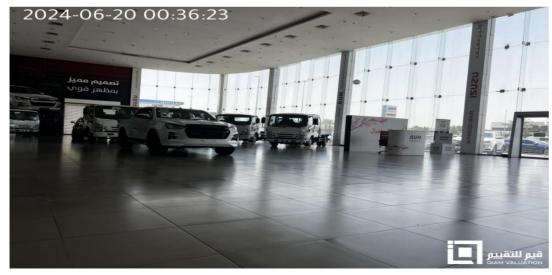


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# Photographic survey of the Property









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Londo problem

# Valuation



# Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



## Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

#### The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

#### The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



### Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

#### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

## Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

## Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

### Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

#### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### **Income Approach Methods:**

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

#### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

#### Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

## Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



#### Estimating the value of the land - Market Approach - Comparisons method

	Comparative real estate		Valuating	g the land according to M	arket Approach - M	ethod of compari	son with similar s	ales
Comparison factors	Comparison 1	Comparison 2	CI	lause		Comparative re	eal estates	
Area (m2)		4,339 4,500		<b>Property under</b>	Compariso	on 1	Comparis	ion 2
Ease of access	High	Average	Adjustments factors	valuation	Value	Adjustment	Value	Adjustment
Property location	High	Average	Price per square meter	***	4,000		4,500	D
Land shape	Regular	Regular	Condition	***	Available o	ffer	Available	offer
Land topography	Flat	Flat	Date of valuation/offer	2024	2024		2024	
Use	Industrial	Industrial	Market Condition	***	%5.00-	200 -	%5.00-	225 -
Surrounding streets	1	3			,	200	703.00	
Price per meter (SR)	4000	4500	Financing terms	***	%0.00	-	%0.00	-
Comparative condition	Available offer	Available offer	-	***				
			Market conditions value	<b>**</b> **		(200.00)		(225.00)
- Perenti			Value after initial settlements	***	3,800		4,275	
			Land area (m²)	6000	4,339	% <b>2</b> -	4,500	%2-
			Ease of access	High	High	% <b>0</b>	Average	%10
L'AREATS		HE	Property location	High	High	% <b>0</b>	Average	%10
		Property	Land shape	Regular	Regular	% <b>0</b>	Regular	%0
THE FEET	Comparison 2	location	Land topography	Flat	Flat	% <b>0</b>	Flat	%0
明前四十日	A BARAN	FILENCE	Land use	Industrial	Industrial	% <b>0</b>	Industrial	%0
			Surrounding streets	3	1	%10	3	%0
IL de l'est			1	Total		%8.00		%18.00
			Adjustment valu	ue per square meter	304		770	
	Comparise	on1						
THE FULL		En ETT -	Final meter valu	e after Adjustments	4,104		5,04	5
HELE			Net average value i	per square meter (SR /				
				m²)		4,5	74	
			Market value of	f the land (SR / m²)		27,445	5,500	
			market value of					

M VALUATION | REAL ESTATE VALUATION REPORT



# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.



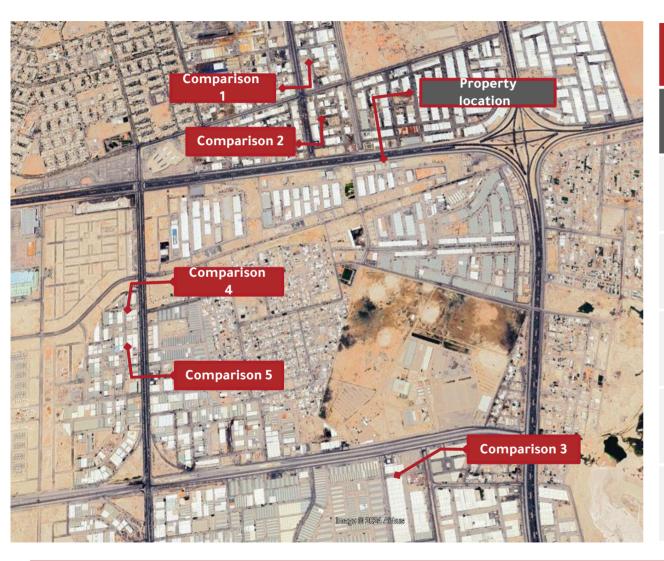
# Property Valuation - Cost Approach - Replacement Method

Firs	st: Construction Costs (Dire	ect Costs)	
Clause	Built up area m2	SR / m2	Value (SR)
Ground floor	3600	1500	5,400,000
Mezzanine	1568	1500	2,352,000
Fences	120	600	72,000
Total (SR)	120		7,824,000
	Second: Other costs (indir	ect)	
Professional fees	%2		156,480
Utilities Network	% <b>2</b>		156,480
Administration costs	% <b>2</b>		156,480
Financing costs (0 years / 0%)	%0		-
Developer's profitability	%15		1,173,600
Т	otal (SR)		1,643,040
Total cost o	of buildings (SAR)		9,467,040

1	Third: Depreciation cost	
Life span of the property (year)	Year	40
The current age of the property (year)	Year	10
Remaining life of the property (year)	Year	30
Depreciation rate	%	25
Depreciation value	SR	2,366,760
Final value of the	building (SR)	7,100,280
Fourth: Value of the	e property according to the Cost Approa	ich
Final value of th	e land (SR)	27,445,500
Final value of bu	ildings (SR)	7,100,280
Market value of the property accor	ding to the Cost Approach (SR)	34,545,780
Market value of the property acc after round	•	34,546,000



# Market Survey Data Analysis



Market Survey Results - Rental Values - Workshops and Warehouses

#	Comparison	Area (m2)	Rental price per meter
1	Warehouses	2062	170
2	Warehouses	2020	140
3	Warehouses	1325	188
4	Workshops	1800	240
5	Workshops	1200	250



#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cumulative model method)						
Government bond rate of return	4.94	Saudi Tadawul Fund				
Inflation rate (current year average)	1.8	Saudi Central Bank				
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market				
Special risk premium (the resulting costs of the property)	1.5	According to the condition and circumstances of the property				
Discount rate with all data above	10	%				

#### Assumptions:

	Discounted Ca	sh Flow method assumptions	
Total property income	2,600,000	Discount rate	%10
Occupancy rate	%100	Capitalization rate	%7
Operating Expense Rate	%0	Growth rate - annual from 4th year	%15

#### **Rental income:**

The property income was analyzed by reviewing the property contracts and comparing it to the market, as the rental value of the property for all contracts is 2,600,000 riyals and the contract ends in 2026 AD. An increase of 10% was assumed due to the increase in the rental value in the property area from the beginning of 2027 AD.

#### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

#### **Operating Expense Rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.



# Calculating the market value - Discounted Cash Flow method

							nvestment years					
Cash flow - Inflow	'5	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Reversion v
		1	2	3	4	5	6	7	8	9	10	
Expected growth va	lue	0.00%	0.00%	0.00%	10.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Total rental value	2,600,000	2,600,000	2,600,000	2,600,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	
Occupancy rate	100%	2,600,000	2,600,000	2,600,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	
Actual gross income		2,600,000	2,600,000	2,600,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	
Ainus operating expense ratio	0%	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		2,600,000	2,600,000	2,600,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	
Reversion value of the b	uilding											
Net Cash Flow		2,600,000	2,600,000	2,600,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	2,860,000	
Discount Factor		0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855	0.3855
Present Value of Cash Flows		2,363,636	2,148,760	1,953,418	1,953,418	1,775,835	1,614,395	1,467,632	1,334,211	1,212,919	1,102,654	19,060,1
et present value of the property												35,987,0
									<b>F</b> <sup>1</sup> <b>. . . . . . . . . .</b>		2	
									Final Prope	erty value	3	5 <b>,987,0</b> 3
								<b>Final Dr</b>	operty Valu	e (after rou	nding) 3	5,987,0



#### Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
35,987,000	Thirty-five million, nine hundred and eighty-seven thousand Saudi riyals.

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT





#### Documents received from the client

رقم الرخصية : ١٤٣٢/١٧٩٦٤

تاريخ الرخيصية ، ١٤٣٢-١٠٣٠

تاريخ الإنتسهماء : ١٤٣٠،٠٠٠

تاريخــــه: ۱۱۲۹۰،۷۰۲۱

نسوع السبسناء : معلى اسلع

لة معدلية

مناسيب الشوارع المحيطة ا

وتاريخ:

مىشوى

YAY

14 XE

النطاق العمرانى : مرحلة ا

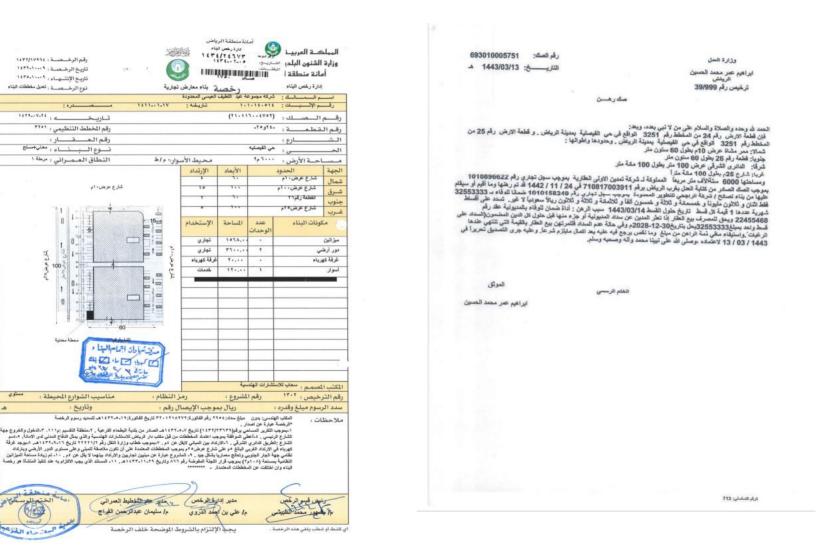
رقم المخطط التنظيمي : ٢٢٠١

رقم العقار:

- P. 1.

شارع عرض ۱۰م

نوع الرخـــمـــة ; تعهل مغططات البنام





#### **Documents received from the client**



#### يعتبر هذا العقد عقّدا موثَّقا وسنّدا تنفيذَيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ٣/٤٢٥/٤ هـ

العقد Unified التجاري Commercial

Contract Ilage

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Contract Type					
	جديد	نوع العقد:	Contract No.	20523819982 / 2	رقم سجل العقد:
Contract Sealing Location	الرياض	مكان إبرام العقد:	Contract Sealing Date	2023-08-14	تاريخ إبرام العقد:
Tenancy End Date 2	026-11-14	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2023-11-15	تاريخ بداية مدَّة الإيجار:
Contract is conditional			d i		معلق بشرط

Company name/Founder	شركة تمدين الدولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	وع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	قم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	بهة الإصدار:

Name			الدسم:		
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address					العنوان الوطني:

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة يوسف بن احمد كانو المحدودة	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7000074570	الرقم الموحد	CR No.	2050000443	رقم السَّجل التَّجاري:
CR Date	1957-08-11	تاريخ السجل التجاري:	Issued by	كتابة عدل	جهة الإصدار:

ant Representative Data		٥ بيانات مْمثَّل المستأجر
	رامى محمدسعيد مساعد الجدعاني	الدسم:

Gas Annual Amount:		الأجرة السّنوية للغاز:	Electricity Annual Amount:	-	الأجرة السَّنوية للكهرباء:
			Water Annual Amount:	-	الأجرة السّنوية للمياه:
General Services Included:		والتي تشمل على:	General Services Amount:	0.0	الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)
Number of Rent Payments:	6	عدد دفعات الإيجار:	Rent payment cycle	نصف سئوى	دورة سداد الايجار
VAT on rental value:	630000.00	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	First rental payment: (Includes deposit)	805000.00	دفعة الإيجار الأولى: (تشمل العربون)
		رقم الهوية أو السجل التجاري ID/CR Number	نوع الهوية ID Type	الرقم الضريبي Vat number	الرَّقم المشلسَل No.
		3101992938	tin_number	310199293800003	1
			Annual Rent:	1400000.00	القيمة السّنوية للإيجار:
Total Contract value		48300	00.00		اجمالي قيمة العقد:
فاز والكهرباء والمياه	ة. والأجرة السنوية ل(ال	ت- وقيمة الخدمات العام	ة القيمة المضافة -إن وجد		يشمل: القيمة الإيجارية، و والصرف الصحي إذا خُددت
الدفع عن طريق الوسيط العقاري/المؤدر أو الدفع إلكترونيا من خلال قنوات الدفع المتاحة					طرق الدفع المعتمدة

تاريخ الاستحقاق (ھ) Due Date(AH)	تاريخ الإصدار (ھ) Issued Date(AH)	تاريخ الاستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	قيمة المبالغ قلابلة Services	عربية القيمة المضافة VAT	قيمة الإيجار Rent value	الرَّهم المسلسل No
1445-05-11	1445-05-01	2023-11-25	2023-11-15	805000.00	0.00	105000.00	700000.00	1
1445-11-17	1445-11-07	2024-05-25	2024-05-15	805000.00	0.00	105000.00	700000.00	2
1446-05-23	1446-05-13	2024-11-25	2024-11-15	805000.00	0.00	105000.00	700000.00	3
1446-11-27	1446-11-17	2025-05-25	2025-05-15	805000.00	0.00	105000.00	700000.00	4
1447-06-04	1447-05-24	2025-11-25	2025-11-15	805000.00	0.00	105000.00	700000.00	5
1447-12-08	1447-11-28	2026-05-25	2026-05-15	805000.00	0.00	105000.00	700000.00	6

Rent Payments Schedule

1	سنويا:	متغيرة	رية	إيجا	مە

۱۳ جدول سداد الدفعات

es Obligations	زامات الطرفين

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

نحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

المادة الأولى: البيانات السابقة على إلتزامات الأطراف

تعد البيانات السابقة على إلتزامات الأطراف والمحددة في البنود من (1-14) جزء لا يتجزأ من هذا العقد ومفسرة ومكملة له.





#### Documents received from the client

Unit Einishing Eng

Parties Obligations

ally.	
الاسكانات وزارة الإسكان موادة الإسكان	إيجار EJAR



يعتبر هذا العقد عقّدا موثّقًا وسنّدا تنفيدًيا بموجب قرار مجلس الوزراء رقم (١٢١) وتاريخ ١٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	ېدېد	نوع العقد:	Contract No.	20734008182	رقم سجل العق <del>د:</del>
Contract Sealing Location	الرياض	مكان إيرام العقد:	Contract Sealing Date	2021-10-10	تاريخ إبرام العقد
Tenancy End Date	2024-12-21	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2021-12-22	تاريخ بداية مدَّة الإيجار:
Contract is conditional		A	ai		معلق بشرط

inne!

Ejar Fees Paid By	المؤجر	سع رسوم	

Lessor Data					٢ يبانات المؤجَّر
Company name/Founder	شركة تمدين النولى العقارية	اسم الشَّركة/المؤسَّسة:	Organization Type	commercial	نوع المنظمة:
Unified Number	7010776792	الرقم الموجد	CR No.	1010896622	رمَم السَّحِل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	2.72	جهة الإصدار:

Lessor Repres	Lessor Representative Data				٣ بيانات مُمثَّل ال
Name		ن يديي معيدي	سلمان حسين بز		الاسم:
			Nationality	المملكة الع <mark>ربية</mark> السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Туре	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address		الرياض	الرياض.		العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ النصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2022-09-05	2021-09-16	وكالة شرعية إلكترونية	43661903

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة العيسى العالمية للسيارات	اسم الشَّركة/المؤسَّسة:	Organization Type	commercial	نوع المنظمة:
Unified Number	7001751077	الرقم الموحد	CR No.	1010269251	رهم السَّجل التَّجاري:

Unit Finishing Fee (Not included in total contract amount):	ريال لكل متر مربع من مساحة الوحدة الإيجارية	c	0.0	رية (لا يدخل ضمن القيمة	مبلغ تجهيز الوحدة الإيجار (الإجمالية لعقد الإيجار):
Retainer Fee (Included in total contract 0.0		.0	ه (يدخل ضمن القيمة	مبلغ العربون المُتفق عليا الإجمالية لعقد الإيجار):	
Gas Annual Amount:	0	الأجرة السّنوية للغاز:	Electricity Annual Amount:	0	الأجرة السَّنوية للكهرباء:
			Water Annual Amount:	0	الأجرة السَّنوية للمياه:
General Services Included:		والتي تشمل على:	General Services Amount:	0.0	الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)
Number of Rent Payments:	6	عدد دفعات الإيجار:	Rent payment cycle	نصف سنوى	دورة سداد الايجار
VAT on rental value:	540000.0	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	First rental payment: (Includes deposit)	690000.0	دفعة الإيجار الأولى: (تشمل العربون)
		رقم الهوية أو السجل التجاري ID/CR Number	نوع الهوية ID Type	الرقم الخريبي Vat number	الرَّقم المسَلسَل No.
		1010896622	رقم التسجيل	310199293800003	1
			Annual Rent:	1200000.0	القيمة السَّنوية للإيجار:
Total Contract value		4140	000.0		اجمالي قيمة العقد:
يشمل: القيمة الإيجارية، ومبلغ الديرون، ومبلغ ضربية القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة الستوية ل(الفاز والكهرباء والمياه والصرف الصحي إذا خددت كمبالغ ثابتة) .					
للدفع عن طريق الوسيط العقاري /المؤجر أو Approved payment methods طرق الدفع المعتمدة الدفع والكتونيا من خلال قنوات الدفع المتاحة					
۲۴ جدول سداد الدفعات الدفعات					
	چ الدستحقاق تاریخ الپ (م) (م)	تاريخ اليصدار تاري (م)	المبالغ إجمالي ثلاق الغيمة		الرَّقم قيمة المنبلينا، البيدة

تاريخ الاستحقاق (ه) Due Date(AH)	تاريخ الإحدار (a) Issued Date(AH)	تاريخ الاستحقاق (م) Due Date(AD)	تاريخ الإصدار (م) Issued Date(AD)	إجمالي القيمة Total value	قيمة المبالغ الثابتة Services	خريبة القيمة المضافة VAT	قيمة الإيجار Rent value	الرَّقم المسلسل No.
1443-05-28	1443-05-18	2022-01-01	2021-12-22	690000.0	0.0	90000.0	600000.0	1
1443-12-03	1443-11-23	2022-07-02	2022-06-22	690000.0	0.0	90000.0	600000.0	2
1444-06-08	1444-05-28	2023-01-01	2022-12-22	690000.0	0.0	90000.0	600000.0	3
1444-12-14	1444-12-04	2023-07-02	2023-06-22	690000.0	0.0	90000.0	600000.0	4
1445-06-19	1445-06-09	2024-01-01	2023-12-22	690000.0	0.0	90000.0	600000.0	5
1445-12-26	1445-12-16	2024-07-02	2024-06-22	690000.0	0.0	90000.0	600000.0	6

قيمة إيجارية متغيرة سنوياً: -

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

تحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)





**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

<u>
 info@qiam.com.sa</u>

www.qiam.com.s

🖉 +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05/14 هـ الرقم الموحد 25232029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report Presented to: Mulkia Gulf Real Estate REIT Fund**



Vivienda Hotel Villas

QIAM VALUATION **REAL ESTATE VALUATION REPORT** 

Report date: 18/07/2024 AD

Report No.: 448221

STEPPEREED



QIAMVALUATION | REAL ESTATE VALUATION REPORT



#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Vivienda Hotel Villas Complex Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Riyadh**, **Al-Hada** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Vivienda Hotel Villas Complex property for the purpose of periodic valuation of the fair price estimation of the fair price estimation of the fair price estimation of the property.

Fund's assets and their current status on the estimation date of **30/06/2024 AD**, **In the amount of only (135,690,000) one hundred and thirty-five and six hundred and ninety thousand Saudi rivals.** 

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

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The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity		
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</li> </ul>		
Assumed value	Value Basis	Purpose of the valuation		
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund		
Report type for client	Valuation Approach	Asset subject to valuation		
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Vivienda Hotel Villas		
Report issuance date	Valuation date (measurement)	Inspection date		
18/07/2024AD	30/06/2024 AD	10/06/2024 AD		
Scope of the Valuer search - Standard No. 102				

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

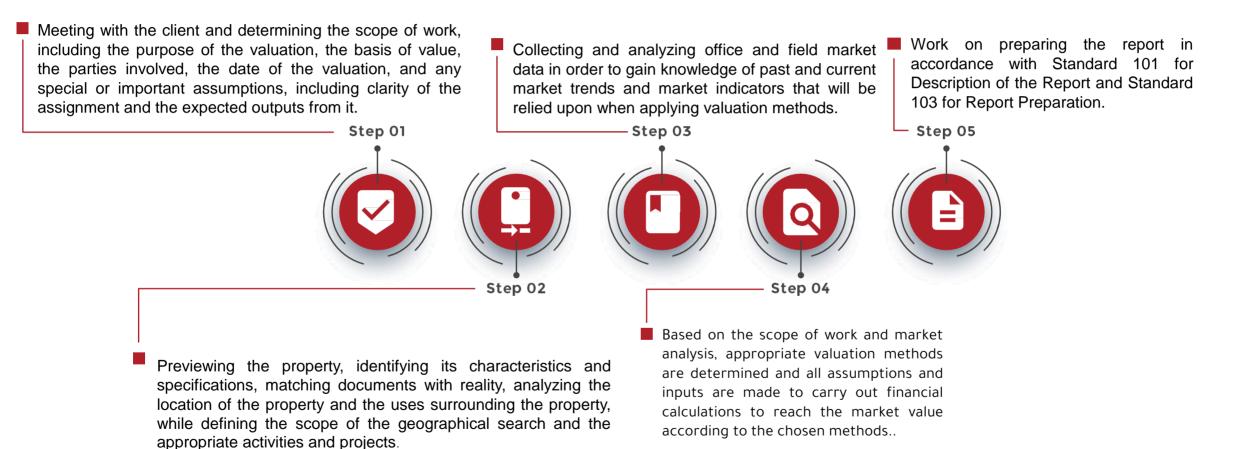
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



#### Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

# Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
Client	Title deed	Trusted	The deed sent by the client has been verified
	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



#### Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

## 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

#### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



# Real estate and investment properties in the preparation of financial reports

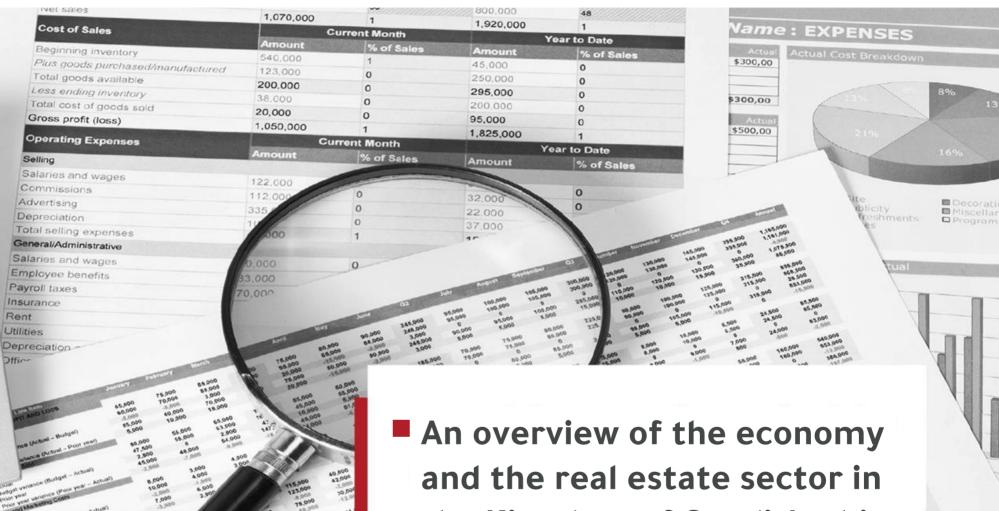
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the inducial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



## 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.





#### Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





#### **Business Sectors Overview**

#### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

## **Office Sector**

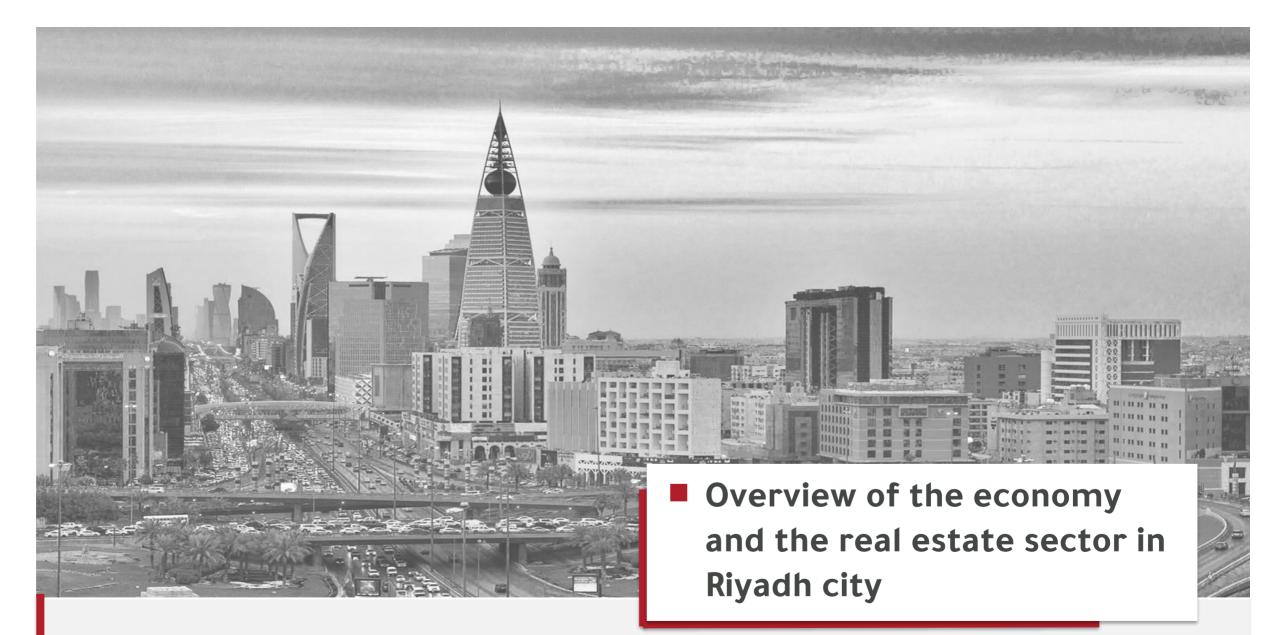
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





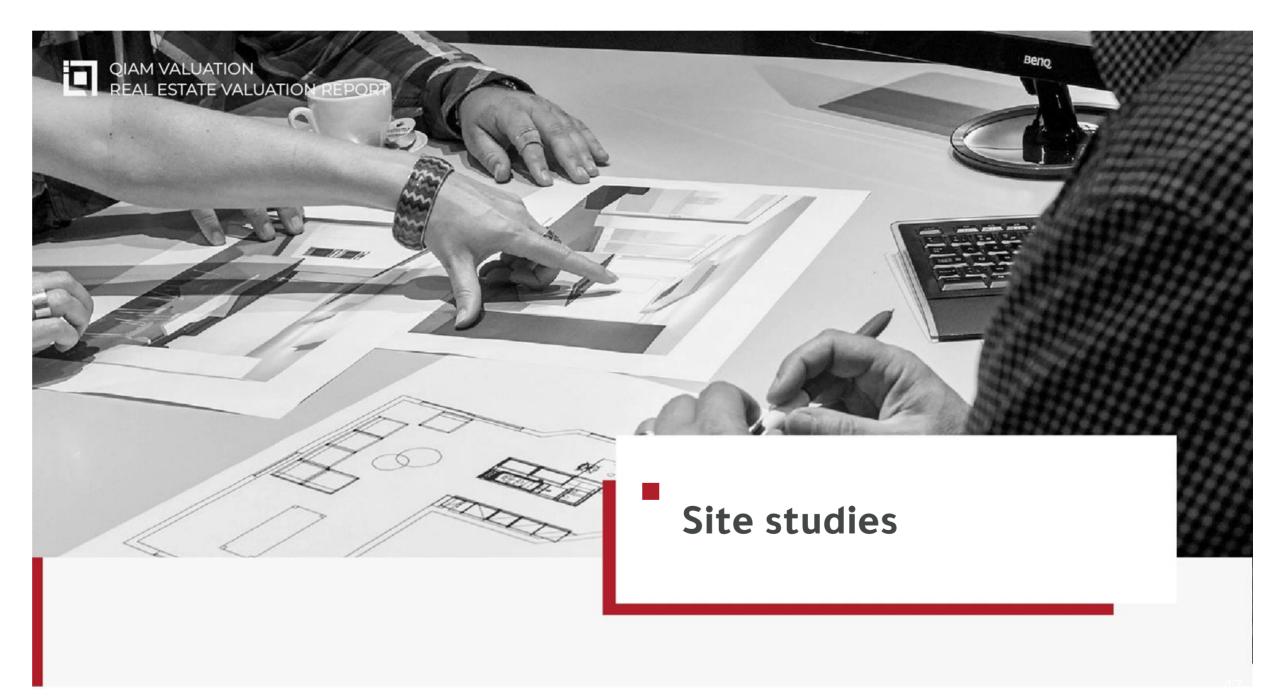
Social, service and real estate indicators - Riyadh City - 2023 AD

#### Social and service indicators:

<b>882</b>	<b>30+ML</b>	<b>1.2ML</b>	<b>4.78ML</b>	7.67ML	<b>1,973KM</b>
Public and private school	Traveler	Student	Size of the workforce	Population	Area
<b>2</b>	<b>7.8+K</b>	<b>70+</b>	<b>4300</b>	<b>112</b>	<b>7</b>
Airports	Tourist and visitor	Markets (mall)	Factory in the area	Hospital	Universities
<b>110</b>	% <b>68</b>	<b>20+K</b>	<b>20</b>	<b>43</b>	<b>28</b>
Number of hotels	Hospitality Occupancy	Hotel room	5 Star Class	4 Star Class	3 Star Class

# **Real estate indicators:**

150+ML	2.6+Billion	661+K	101+Billion	7.6+Billion	71+K
Rental spaces Commercial / m <sup>2</sup>	Total value of residential transactions	Residential rental deal	Total value of rental deals	Total value of sales transactions	Executed transaction





# Property Risk Analysis

#### Strength point:

- The property is located in the center of Riyadh.
- The location is close to the main roads that connect it to other parts of Riyadh, such as (Al-Diwan Road, Khurais Road).
- The location is close to business centers, ministries, archaeological sites, and events.

#### **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries, archaeological sites and events.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

### Weak points:

• The location is on a secondary commercial street.

## **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	393010004592	12/11/1442 AH	Absolute ownership

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Riyadh - Al Hada	1/5	N.A.	10000 square meters

#### > Borders and lengths:

			Borders and I	lengths:			
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
20m wide corridor	97.88	40m wide street	98.42	20m wide street	97	Plot No. 6/1	107

## Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



# Real estate data and Services available in the real estate area

	Real Est	ate Data	
City	Riyadh	Neighborhood	Al-Hada
Street	King Saud Road	Property type	Hotel villa complex
No. land plan	N.A.	Plot number	1/5
Land Area	10000 square meters	Built-up area	7747 square meters
	Services and facilities avail	able in the real estate area	
Electricity network	Telephone network	Water network	Sewerage network
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
Water drainage network	Mosque	Dispensary	Garden
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
Public markets	Civil defense	Police station	Hospital
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$
Hotels	Petrol station	Schools	Governmental services and centers
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$



# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located in the middle of the west of Riyadh city in Al Hada district on King Saud Street with easy access to Al Diwan Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	Midwest City
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Residential
	Building ratio - number of floors	Residential villas, ground floor + first floor + 50% upper extensions
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N.A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (9) years based on the (Building permit).
- Building permit number **5961/1434** dated **23/03/1434** AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Hotel villa complex)**. Detailed as below:

	Building components		
#	Floor	Area (m2)	Use
1	Basement	138	Parking
2	Residential ground floor	3070	Residential Villas
3	Residential first floor	3586	Residential Villas
4	Electricity room	20	Services
5	Upper extensions	552	Residential Villas
6	Fences	400.65	Services

# Property Description

		INTERIOR FINISHES		
Doors		Ceiling	Wall Cladding	Floors
Veneered woo	d	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain
Windows		Health kits	Stairs	Insulation type
Aluminum and double	e glazing	High quality	Marble	Thermal - Hydro
		EXTERIOR FINISHES		
Facades		Facilities	Doors	Floors
Stone - Paint		Cosmetic implants	Electric Securit Glass	Marble
			sus all alartha	مسيقته جرج المقلية
		Electromechanical and air conditionir	ng systems	
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System
Central	- High quality		High quality energy saving	Automatic electric pump system
		Security and safety systems - other	facilities	
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems
N.A.	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hot	el Parts Indoor and	outdoor surveillance cameras



# **Property location**



**QIAM VALUATION | REAL ESTATE VALUATION REPORT** 



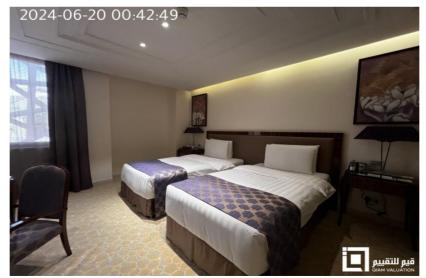
# Photographic survey of the Property

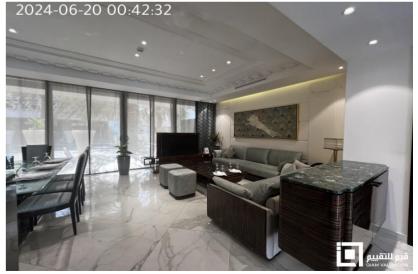














Londo probación

# Valuation



## Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



### Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

### The market approach should be applied and afforded significant weight under the following circumstances:

- The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

## The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



### Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

#### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

## Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

## Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

### Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

#### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

#### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

#### Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial hotel building.	The fact that the property is income-generating

## Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



#### Estimating the value of the land - Market Approach - Comparisons method

	Comparative real estate	
Comparison factors	Comparison 1	Comparison 2
Area (m2)	1,618	3,250
Ease of access	Average	Average
Property location	Average	Average
Land shape	Flat	Flat
Land topography	Regular	Regular
Use	Residential	Residential
Surrounding streets	1	3
Price per meter (SR)	5200	5600
Comparative condition	Available offer	Available offer
Comparison1		Property location

to imit

Valuating	, the land according to M	larket Approach - M	ethod of compa	rison with similar sa	ales			
CI	ause	Comparative real estates						
Adjustments factors	Property under	Comparison 1 Comparison 2						
Aujustments factors	valuation	Value	Adjustment	Value	Adjustment			
Price per square meter	***	5,200		5,600				
Condition	***	Available o	ffer	Available o	ffer			
Date of valuation/offer	2024	2024		2024				
Market Condition	***	%10.00-	520 -	%10.00-	560 -			
Financing terms	***	%0.00	-	%0.00	-			
Market conditions value	***		(520.00)		(560.00)			
Value after initial settlements	***	4,680		5,040				
Land area (m²)	10000.00	1,618	% <b>13</b> -	3,250	%7-			
Ease of access	High	Average	%5	Average	%5			
Property location	High	Average	% <b>0</b>	Average	%0			
Land shape	Flat	Flat	%0	Flat	%0			
Land topography	Regular	Regular	% <b>0</b>	Regular	%0			
Land use	<b>Commercial Residential</b>	Residential	%10	Residential	%10			
Surrounding streets	3	1	%10	3	%0			
T	lotal 🛛	%12.50	)	%8.00	%8.00			
Adjustment valu	ie per square meter	585		403				
Final meter valu	e after Adjustments	5,265	5,265 5,443					
Net average value pe	r square meter (SR / m²)	5,354		,354				
Market value of	f the land (SR / m²)		53,5	41,000				

M VALUATION | REAL ESTATE VALUATION REPORT



# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.



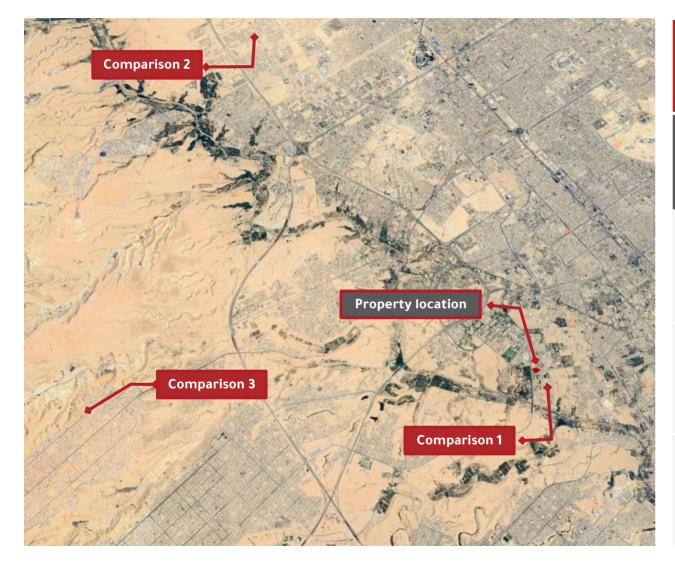
# Property Valuation - Cost Approach - Replacement Method

Fi	rst: Construction Costs (Dire	ct Costs)	
Clause	Built up area m2	SR / m2	Value (SR)
Basement	138	2,400	331,200
Residential ground floor	3070	5,000	15,350,000
Residential first floor	3586	5,000	17,930,000
Upper extensions	552	5,000	2,760,000
Fences	400.65	1,000	400,650
Total (SR)	7,747		36,771,850
	Second: Other costs (indire	ct)	
Professional fees	%2		735,437
Utilities Network	%2		735,437
Administration costs	%2		735,437
Financing costs (0 years / 0%)	%0		-
Developer's profitability	%15		5,515,778
T		7,722,089	
Total cost o	of buildings (SAR)		44,493,939

Thir	d: Depreciation cost	
Life span of the property (year)	Year	50
The current age of the property (year)	Year	8
Remaining life of the property (year)	Year	42
Depreciation rate	%	16
Depreciation value	SR	7,119,030
Final value of the l	building (SR)	37,374,908
Fourth: Value of the pr	operty according to the Cost A	pproach
Final value of the	e land (SR)	53,541,000
Final value of bui	ldings (SR)	37,374,908
Market value of the property accord	ling to the Cost Approach (SR)	90,915,908
Market value of the property acco after roundir		90,916,000



# Market Survey Data Analysis



		Market Survey Results -	Hotel Villas
#	Comparison	Hotel	Daily rental price
1	Hotel villa	La Casa Hotel	3000
2	Hotel villa	Braira Hotel	4500
3	Hotel villa	Luxury Hotel	3000



#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 8%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cumulative model method)								
Government bond rate of return	4.94	Saudi Tadawul Fund						
Inflation rate (current year average)	1.8	Saudi Central Bank						
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market						
Special risk premium (the resulting costs of the property)	2	According to the condition and circumstances of the property						
Discount rate with all data above	10.5%	%						

#### Assumptions:

Discounted Cash Flow method assumptions							
Total hotel income	11,703,124	Discount rate	%10.5				
Occupancy rate	%100	Capitalization rate	%8				
Operating Expense Rate	%0	Growth rate - annual from year 3 according to contract	%7				

#### **Rental income:**

The property income was analyzed by reviewing the property contract and comparing it to the market, as the rental value of the property is 11,703,124 riyals for the period from 2024 to 2027, and the rental value increases by 7% for every three years according to the contract.

#### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

#### **Operating Expense Rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.



# Calculating the market value - Discounted Cash Flow method

	Investment years											
Cash flow - Inflows		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	Reversion value
Expected growth value	ue	%0.00	%0.00	%0.00	%7.00	%0.00	%0.00	%0.00	%0.00	%7.00	%0.00	
Total rental value	11,703,124	11,703,124	11,703,124	11,703,124	12,522,343	12,522,343	12,522,343	12,522,343	12,522,343	13,398,907	13,398,907	
Occupancy rate	%100	11,703,124	11,703,124	11,703,124	12,522,343	12,522,343	12,522,343	12,522,343	12,522,343	3,398,907	13,398,907	
Actual gross income		11,703,124	11,703,124	11,703,124	12,522,343	12,522,343	12,522,343	12,522,343	12,522,343	13,398,907	13,398,907	
Minus operating expense ratio	% <b>0</b>	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		11,703,124	11,703,124	11,703,124	12,522,343	12,522,343	12,522,343	12,522,343	12,522,343	13,398,907	13,398,907	l.
Reversion value of the bu	uilding											
Net Cash Flow		11,703,124	11,703,124	11,703,124	12,522,343	12,522,343	12,522,343	12,522,343	12,522,343	13,398,907	13,398,907	
Discount Factor		0.9050	0.8190	0.7412	0.6707	0.6070	0.5493	0.4971	0.4499	0.4071	0.3684	0.3684
Present Value of Cash Flows		10,591,062	9,584,672	8,673,911	8,399,172	7,601,061	6,878,788	6,225,147	5,633,618	5,455,177	4,936,812	61,710,149
Net present value of the property												135,689,569
						Fina	al Property Va	alue			135,689,	,569
					F	inal Propert	rty Value (afte	er rounding	,)		135,690,0	000



#### Final value of the property

Based on the purpose of the evaluation and the nature and characteristics of the property, as it is a residential building property rented under a single contract, the valuation of the property using the Income Approach (Direct Capitalization method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property subject to valuation, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
135,690,000	One hundred and thirty-five and six hundred and ninety thousand Saudi riyals

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Turki Saeed Al-Wadaei Real estate - Associate Membership No 1210002981



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT





#### رقم الصك: 393010004592

التاريسيني: 1442/11/12 هـ

وزارة العدل ابراهيم عمر محمد الحسين الرياض ترخيص رقم 39/999

صت ر هـــن

الحمد لله وحده والصلاة والسلام على من لا نبى بعده، وبعد: فإن قطعة الارض رقم 5 / 1 الواقع في حي الهوا بمدينة الرياض . وحدودها واطوالها : شمالا: شارع عرض 40 متر بطول 28.98 سمية و تسعون متر و الثنية و ثمانون سنتمتر غربا: شارع عرض 40 متر بطول 97 صبعة و تسعون متر و الثنين و اربعون سنتمتر غربا: قطعة رقم 6/ 1 بطول 25.70 ملة و سبعة مترا فربا: قطعة رقم 6/ 1 بطول 7.50 ملة و سبعة مترا فربا: قطعة رقم 6/ 1 بطول 7.50 ملة و سبعة مترا ومساحتها 2000 عشر قالاف متر مريعا المجزاء حسب المحضر رقم 1829 في 1/11/ 1422 هـ والمقد برقم 1725/31 في 4/ فربا: قطعة رقم 6/ 1 بطول 7.50 ملة و سبعة مترا ومساحتها 2000 عشر قالاف متر مريعا المجزاء حسب المحضر رقم 1829 في 1/11/ 1422 هـ والمقد برقم 1725/31 في 4/ الماد 1000 عشرة الاف متر مريعا المجزاء حسب المحضر رقم 1829 في 1/11/ 1422 هـ والمقد برقم 1725/31 في 4/ ومساحتها 2000 عشرة الاف متر مريعا المجزاء حسب المحضر رقم 1829 في 1/11/ 1422 هـ والمقد برقم 1725/31 في 4/ الماد قلين بتريض عرض 20 متر يطول 7.50 ملة على 1/11/ 1422 هـ والماد من الموثقين بتريضا 6 برقم 17302000 وقد في 2/ 70 لي 1424 ملي الفران من القوام و18438 طفط متية و أربعون مليونا و الموثقين بتريض القرة الاف متر مريعا الموثر و تسعيا تجاري رقم 182960 طفط منياء الصالار من متملة و مثلية و مندولة عليه من يناء الصالح من ريا العوديا لا غير. تمديعا وما القوام و18438 طفط متية و أربعون مليونا و المتماة و تمنية و ثلايونا و منعيناته و تستماة و شترية و ثلاون الغال أربوسادة و تسعة عشر ريالا سوليا لا غير. تاريخ طول 1001 مندولة عليه الماليا للعن علي و منعيا من مالية بميلغ وتره و184388 طفط متية و أربعون مليونا و متملة و مندولة 21/11/241 ميب الرهن : كضمان لها وجب عليهم من مستحقات مالية بميلغ وتره و 102-21018 ومنطول المداد المادريان الماد المون عليونا مو قالما والما يع مستحقات مالية بميلغ وقدره (14208 للفا على علي 1/11/241 مع المداد القامر بياليا لمقار المون : كضمان لها وجب عليهم من مستحقات مالية بميلغ وقدره و المنعون ماليونا عمر الموالي على والما مرما الموالي عد مع الموليا من من المو والغافي و عربة مراع المداد اللوبر المعقر المون : يكون الما ووجب عليهم من مستحقات مالية بميلغ وقدره و 12-2000 موق موق مالة عمر مرا الموحي لللوبلاب مرمي و وعليهه

القلم الرسمى

الموثق

ايراهيم عمر محمد الصبين

Documents received from the client
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رقم الرخصة : ١٠٢/٥٩٦١ تاريخ الرخصة : ١٠٢٠٠-١٠٢	35. 1	٤/١٢٥٧٦ ١٣١-٠١-١١ ١٣١-٠١-١١		الشنون البل ستر المت	
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	سكلي	004	A	علوية	لاحق :
لا بازم التسیق مع شرکة الکهرباه بخصوص غرفة الکهرباء على أن تكون ضمن الجنى أو بارتدادات نظامية -	لحصات	1	1		سو از
🛠 يجب مراجعة الدفاع المدني ويمثله مكتب دار الرياض للاستشارات الهندسية	-				
بامانة منطقة الريادن قبل البدء بالتفيد . [بحسار الملك خطاب من الدفاح المدني بثبت التسوق بهذا الخصوص					
لا لا يسمح باستغدام الأسوار المحيطة بالأرض لأى أغراض دعائية أو تهارية					
إلا بحد إصدار رخصة البناء والتنسيق مع الإدارة العامه لشمية الإستثمار					
🖈 الاستشاري والملك سنزولين سنزواية كاملة عن المغططات المقدمة والمساهك		-			
المذكورة فيها وفي حال عدم تطابق المساحات بين للمغططات و المبنى المنظ منتخذ الأسابة كافة الإجراءات النظامية حيال مخالفة الأنظمة و التطيمات .					
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ة: ١٤٣٤-١٤، ١-يموجب التقرير المسلحي برقم، ١٢٣/٥٩٦١ اتاريخ ٥٣-١٢، ١٤٣٤هـ الصادر	۴۴۰ تاريخ الفاتور	1	د: ١٧ رقم القاتو	ات : مبلغ سدا	حظا
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#### Documents received from the client

1452/07/01	1452/06/15	2030-10-28	2030-10-13	3600173.90		469587.90	3130586.00	41
1452/10/05	1452/09/19	2031-01-28	2031-01-13	3600173.90		469587.90	3130586.00	42
1453/01/06	1452/12/21	2031-04-28	2031-04-13	3600173.90		469587.90	3130586.00	43
1453/04/08	1453/03/23	2031-07-28	2031-07-13	3600173.90		469587.90	3130586.00	44
1453/07/12	1453/06/26	2031-10-28	2031-10-13	3600173.90		469587.90	3130586.00	45
1453/10/15	1453/09/30	2032-01-28	2032-01-13	3600173.90		469587.90	3130586.00	46
1454/01/18	1454/01/03	2032-04-28	2032-04-13	3600173.90		469587.90	3130586.00	47
1454/04/20	1454/04/05	2032-07-28	2032-07-13	3600173.90		469587.90	3130586.00	48
1454/07/23	1454/07/08	2032-10-28	2032-10-13	3852186.05		502459.05	3349727.00	49
1454/10/27	1454/10/12	2033-01-28	2033-01-13	3852186.05		502459.05	3349727.00	50
1455/01/28	1455/01/13	2033-04-28	2033-04-13	3852186.05		502459.05	3349727.00	51
1455/05/01	1455/04/16	2033-07-28	2033-07-13	3852186.05		502459.05	3349727.00	52
1455/08/05	1455/07/19	2033-10-28	2033-10-13	3852186.05	-	502459.05	3349727.00	53
1455/11/08	1455/10/22	2034-01-28	2034-01-13	3852186.05		502459.05	3349727.00	54
1456/02/09	1456/01/24	2034-04-28	2034-04-13	3852186.05		502459.05	3349727.00	55
1456/05/12	1456/04/27	2034-07-28	2034-07-13	3852186.05		502459.05	3349727.00	56
1456/08/16	1456/08/01	2034-10-28	2034-10-13	3852186.05		502459.05	3349727.00	57
1456/11/18	1456/11/03	2035-01-28	2035-01-13	3852186.05		502459.05	3349727.00	58
1457/02/20	1457/02/05	2035-04-28	2035-04-13	3852186.05	-	502459.05	3349727.00	59
1457/05/23	1457/05/08	2035-07-28	2035-07-13	3852186.05		502459.05	3349727.00	60
1457/08/27	1457/08/12	2035-10-28	2035-10-13	3852186.05		502459.05	3349727.00	61
1457/11/30	1457/11/15	2036-01-28	2036-01-13	3852186.05		502459.05	3349727.00	62
1458/03/02	1458/02/16	2036-04-28	2036-04-13	3852186.05		502459.05	3349727.00	63
1458/06/05	1458/05/19	2036-07-28	2036-07-13	3852186.05		502459.05	3349727.00	64
1458/09/09	1458/08/23	2036-10-28	2036-10-13	3852186.05		502459.05	3349727.00	65
1458/12/12	1458/11/26	2037-01-28	2037-01-13	3852186.05	-	502459.05	3349727.00	66
1459/03/12	1459/02/27	2037-04-28	2037-04-13	3852186.05		502459.05	3349727.00	67
1459/06/15	1459/05/29	2037-07-28	2037-07-13	3852192.95	-	502459.95	3349733.00	68
	-		-					

#### التزامات الطرفين

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

تحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

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المادة الأولى: البيانات السابقة على إلتزامات الأطراف

تعد البيانات السابقة على إلتزامات الأطراف والمحددة في البنود من (1-12) جزءَ لا يتجزأ من هذا العقد ومفسرة ومكملة له.

#### المادة الثانية: محل العقد

اتفق المؤجر والمستأبر بموجب هذا النقد على تأجير الوحدة الإيدارية المحددة بالند رقم (7) وفقا للشروط والأحكام والإنتزامات المنموص عليها في هذا النقد. ويقر المستأجر بمعاينته للوحدة الإيجارية. وقبوله للتفاقد حسب الأوصاف المذكورة. وأنها صائحة للنشاط التجاري المتفق عليه في البند رقم (8).

#### المادة الثالثة: مدة الإيجار وتجديد العقد

۴۰۱ مدّة هذا المقد (6209) يوفا تبدأ من تاريخ 2020-10-82 م الموافق 1442/03/11 هر وتنتهي بتاريخ 2037-10-72 م الموافق 1459/09/14 هـ وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، إيسل بالتاريخ الميلادي في جميع بنود المقد.

العقد Unified التجاري Commercial		
Contract الموجد	ایجار وزار EJAR	وزارة الإسكان MINISTRY OF HOUSING

يعتبر هذا العقد عقدًا موثقًا وسندًا تنفيذيًا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ

بنود العقد				
			ا بیانات العقد	
جديد	نوع العقد	300002468668 / 1-0	رقم سجل العقد	
الرياض	مكان إبرام العقد	2021-03-15	تاريخ إبرام العقد	
2037-10-27	تاريخ نهاية مدة الايجار	2020-10-28	تاريخ بداية مدة الايجار	
		L.	معلق بشرط	
			الشرط المعلق عليه بداية الإيجار:	
	الدفع عن طريق رصيد الوسيط العقاري		طريقة دفع رسوم العقد:	

الاسم	شركة تمدين الاولى العقارية ويمثلها سلمان حسين بن يحبى معيدي				
الجنسيَّة	السعودية	نوع الهويَّة	هوية وطنية		
رقم الهويّة	1073134924	رقم نسخة الهويَّة	4		
رقم الجوال	00966556332153	البريد الإلكتروني	muaidis@mulkia.com.sa		
العنوان الوطني	2239 , الامير محمد بن عبدالعزيز , العليا , الرياض , -				
رقم الوكالة:	411561630	جهة إصدار الوكالة:			
تاريخ إصدار الوكالة:	1441/07/15	مكان إصدار الوكالة:			
تاريخ إنتهاء الوكالة:	1446/09/10				

شركة فرص للاستثمار والتطوير العقاري مساهمة مقفلة			اسم الشَّركة/المؤسَّسة:
1427/09/04	تاريخ السجل التجاري:	1010223681	رقم السَّجل التَّجاري:
	رقم الهاتف:		رقم الرخصة:
	رقم الفاكس:		البريد الإلكتروني:
			العنوان الوطني:
عالك	اسم مالك المؤسسة		
هوية وطنية	نوع الهويَّة	السعودية	الجنسيَّة
	رقم نسخة الهويَّة	1012971949	رقم الهويّة
almalik@forus.com.sa	البريد الإلكتروني	00966544666333	رقم الجوال
, الرياض , -	العنوان الوطني		
		المستأجر ممثل لنفسه	بيانات ممثل المستأجر:

#### ٤ بيانات المنشأة العقارية والوسيد

اسم المنشأة العقارية

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**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

<u>
 info@qiam.com.sa</u>

www.qiam.com.s

🖉 +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/05/041 هـ الرقم الموحد 2522029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report**

# Presented to: Mulkia Gulf Real Estate REIT Fund



Dinar Commercial Building

QIAM VALUATION

REAL ESTATE VALUATION REPORT

Report date: 18/07/2024 AD

Report No.: 448228

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QIAM VALUATION | REAL ESTATE VALUATION REPORT



#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Dinar Commercial Building Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Jeddah**, **Al-Zahraa** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Dinar Commercial Building property for the purpose of periodic valuation of the Fund's

assets and their current status on the estimation date of **30/06/2024 AD**, **In the amount of only (120,712,000) one hundred and twenty million, seven hundred and twelve thousand Saudi riyals.** 

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

# Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
Appendix	07



The specific assumptions and limitations of the report

# Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity		
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Walid Qalisi'- Real estate-Basic Follow- Membership No 1220001145</li> </ul>		
Assumed value	Value Basis	Purpose of the valuation		
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund		
Report type for client	Valuation Approach	Asset subject to valuation		
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Dinar Commercial Building		
Report issuance date	Valuation date (measurement)	Inspection date		
18/07/2024AD	30/06/2024 AD	11/06/2024 AD		
Scope of the Valuer search - Standard No. 102				

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

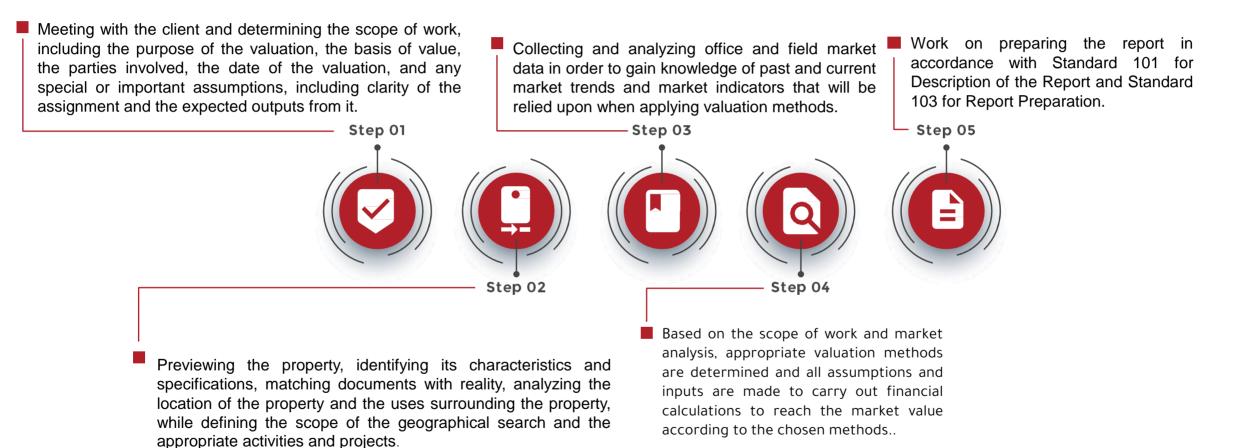
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



# Work Stages





### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

# Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
Title deed		Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Market Practical experience of real estate offices		Certified by official records in the real estate area
	Source independence		A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



# Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

# 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

## 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

# Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

## Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



# Real estate and investment properties in the preparation of financial reports

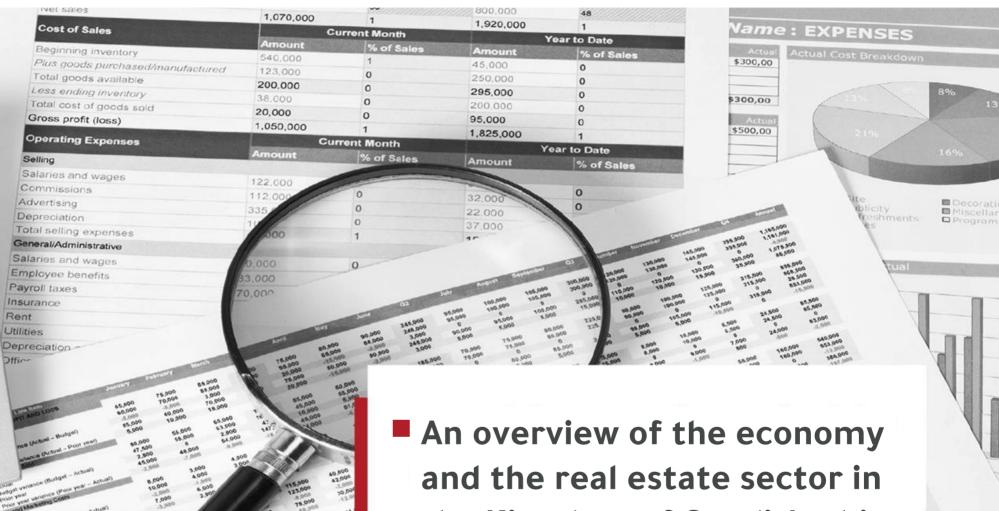
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



# 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



# Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





# **Business Sectors Overview**

#### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

# **Office Sector**

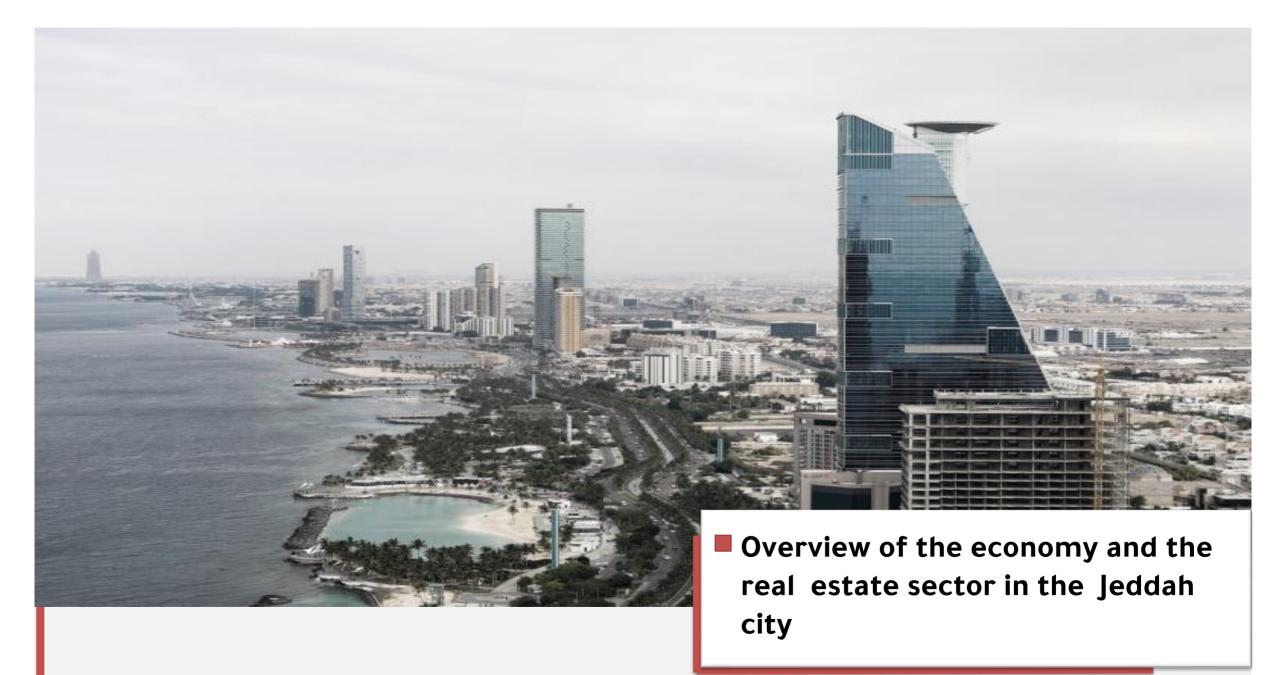
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





Social, service and real estate indicators - Jeddah City - 2023 AD

# Social and service indicators:

<b>470</b>	<b>14</b>	+45ML	<b>1,215ML</b>	4,7ML	770KM
Public and private school	University and College	Traveler	Size of the workforce	Population	Area
2	<b>3</b>	+300	1457	<b>52</b>	+7.8K
Ports	Airports	Markets and mails	Factory	Hospitals	Tourist and visitor

# **Real estate indicators:**

+2,8Billion	+83,5K	+55Billion	+91K
Total value of leasing transactions	Rental deal	Total value of the deals	Executed transaction



Social, service and real estate indicators - Jeddah City - 2023 AD

# Hospitality sector indicators:

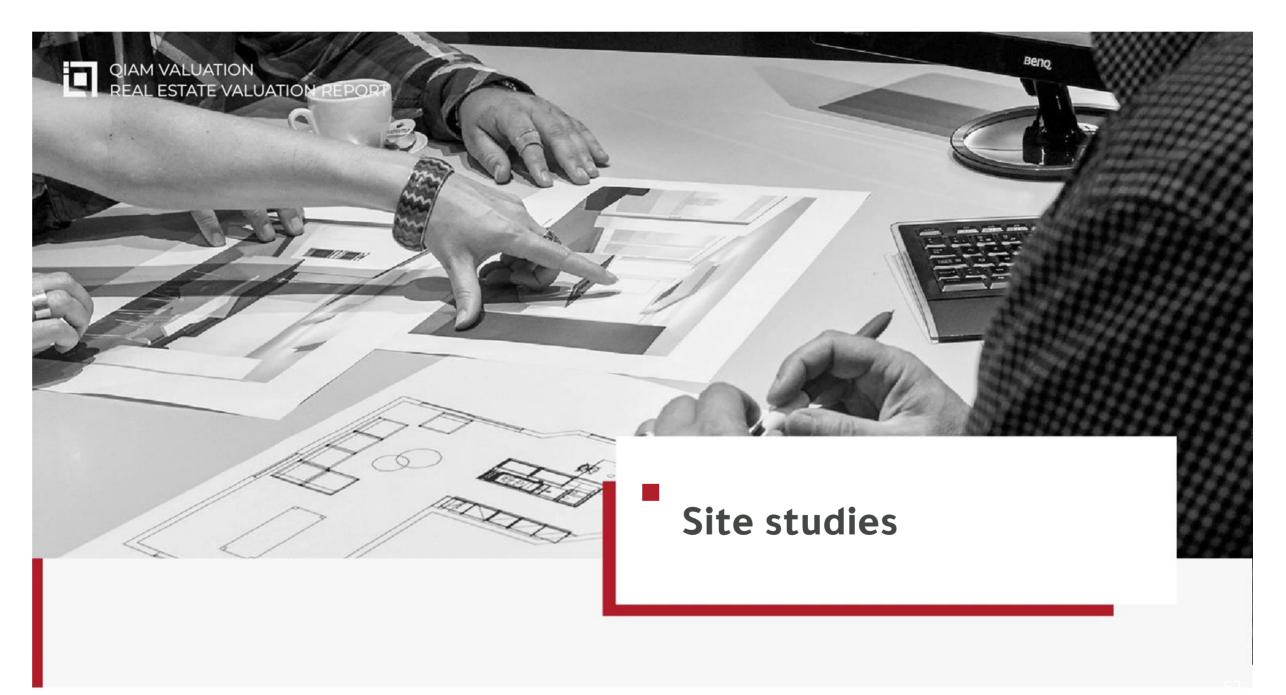
<b>62</b> %	+16K	94	25	27	42
Occupancy	Hotel room	Number of	5 Star Class	4 Star Class	3 Star Class
		hotels			

# Administrative sector indicators:

82%	+300SR	+600SR	+1000SR	+1,250ML
Occupancy	Average value of a rental meter	Average value of a rental meter	Average value of a rental meter	r Commercial rental
	C class	B class	A class	space/m2

# Administrative sector indicators:

80%	+900SR	+1500SR	+2600SR	+2ML
Occupancy	Average value of a rental meter	Average value of a rental meter	Average value of a rental meter	Commercial rental
	C class	B class	A class	space/m2





# Property Risk Analysis

# Strength point:

- The property's prime location is on Prince Sultan Road.
- The location is close to the main roads that connect it to parts of Jeddah, such as

#### (King Abdulaziz Road, Medina Road).

• The location is close to business centers, ministries and events.

# **Opportunities:**

- Benefit from the proximity of the property to business centers, ministries, archaeological sites and events.
- The scarcity of distinctive residential, hotel and administrative projects that meet the market needs in the property area.

# Weak points:

• Risks of changing the building system in the property area.

# **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	393010004588	12/11/1442 AH	Absolute ownership

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Jeddah - Al Zahraa	177	د / 526 / 3	4761.5 square meters

#### > Borders and lengths:

Borders and lengths:								
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length	
15m wide corridor	41	Plot No. 183	47	70m wide street	105	Plot No. 178-179-181-182	109	

# Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



# Real estate data and Services available in the real estate area

Real Estate Data								
City	Jeddah	Neighborhood	Al-Zahraa					
Street	Prince Sultan Road	Property type	Commercial and administrative building					
No. land plan	2 / 526 / 3	Plot number	177					
Land Area	4761.5 square meters	Built-up area	17359 square meters					
	Services and facilities available in the real estate area							
Electricity network	Telephone network	Water network	Sewerage network					
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$					
Water drainage network	Mosque	Dispensary	Garden					
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$					
Public markets	Civil defense	Police station	Hospital					
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$					
Hotels	Petrol station	Schools	Governmental services and centers					
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$					



# Factors affecting the property

Impact element	Impact determinants	Description			
Area overview	Importance of the area	The property is located west of Jeddah in Al Zahraa district on Prince Sultan Street with easy access to King Abdulaziz Road.			
Natural factors (Environmental)	Lands topography	Flat			
	Pollution	N.A.			
	Location from the city	West of the city			
	Infrastructure	Completed			
Planning factors (Urban)	Municipal equipment	Completed			
	Land properties	Regular sides and lengths			
Building Regulations	Land use	Residential - Commercial - Administrative Multi-Use			
	Building ratio - number of floors	According to the building mass factor, maximum 12 floors			
Economic factors	Supply and demand	Average			
	Land prices	Average			
Legal factors	Deficit and trespassing on the property	N,A.			



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (17) years based on the (Building permit).
- Building permit number 1420000609 dated 24/03/1424 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Commercial and administrative building)**. Detailed as below:

Building components					
#	Floor	Area (m2)	Use		
1	Basement	3935	Parking		
2	Ground floor	3991	Commercial		
3	Mezzanine floor	2150	Commercial		
4	First floor	2983	Administrative		
5	Second floor	2983	Administrative		
6	Upper extensions	1124.40	Administrative		
7	Fences	193	Services		

# Property Description

INTERIOR FINISHES								
Doors		Ceiling	Wall Cladding	Floors				
Veneered woo	d	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain				
Windows		Health kits	Stairs	Insulation type				
Aluminum and double	e glazing	High quality	High quality Marble					
	EXTERIOR FINISHES							
Facades		Facilities	Facilities Doors					
Glass - Cladding -	Paint	Cosmetic implants	Electric Securit Glass	Marble				
	Electromechanical and air conditioning systems							
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System				
Central	4 Elevators	High quality	High quality energy saving	Automatic electric pump system				
Security and safety systems - other facilities								
Facilities	Parking	Fire Alarm and Extinguishing Systems Security Systems		Security Systems				
N.A.	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hote	l Parts Indoor and	Indoor and outdoor surveillance cameras				



# **Property location**



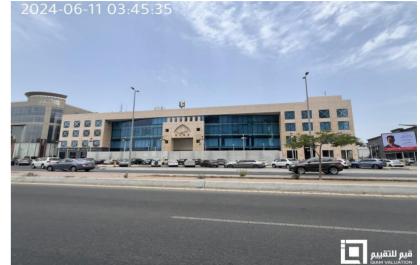
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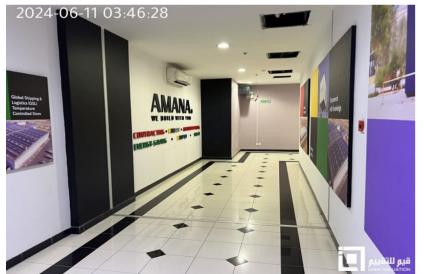


# Photographic survey of the Property















#### Londo problem

# Valuation



# Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



# Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

# The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

# The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



# Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

# Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

# Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

# Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

# Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

#### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

#### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

### Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is an administrative commercial building	The fact that the property is income-generating

# Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



# Estimating the value of the land - Market Approach - Comparisons method

	Comparative real estate		Valuatir	ng the land according to M	Market Approach - Meth	nod of compa	arison with similar sales	
Comparison factors Comparison 1 Comparison 2			C	Clause Comparative real estates			e real estates	
Area (m2)	1,050	1,120	Adjustments factors	Adjustments factors Property under		Comparison 1		
Ease of access	High	High	Aujustments factors	valuation	Value	Adjustment	Value	Adjustment
Property location	High	Average	Price per square meter	***	15,250		14,300	
Land shape	Flat	Flat	Condition	***	Available offe	ər	Available offer	r
Land topography	Average	Low	Date of valuation/offer	2024	2024		2024	
Use	Commercial Residential	Commercial Residential	Market Condition	***	%5.00-	763 -	% <b>5.00</b> -	715 -
Surrounding streets	2	1				,		•
Price per meter (SR)	15250	14300	Financing terms	***	%0.00	-	%0.00	-
Comparative condition	Available offer	Available offer		***	(762 50)		(715,00)	
			Market conditions value Value after initial		(762.50)		(715.00)	
			settlements	***	14,4	488	13,58	5
	MARTIN FISH	TITLE STATE	Land area (m²)	4761.50	1,050	%10-	1,120	%10-
Comparison1			Ease of access	High	High	% <b>0</b>	High	%0
	HALT HAR THE STORE STORE	THE SECTION OF THE SE	Property location	High	High	% <b>0</b>	Average	%10
A The share of the	the plant		Land shape	Flat	Flat	% <b>0</b>	Flat	%0
STOPE-	A A A A A A A A A A A A A A A A A A A		Land topography	High	Average	% <b>10</b>	Low	%15
	and and the second s	operty	Land use	<b>Commercial Residential</b>	Commercial Residential	%0	<b>Commercial Residential</b>	%0
	loc	cation	Surrounding streets	2	2	%0	1	%5
IS MARTINE			7	Total	%0.00		%20.00	
MARTINE H			Adjustment val	ue per square meter			2,717	
	A HELITZAT		Aujustment valu	le per square meter			۷,/۱/	
展下提出,在你们们			Final matter value often Adjustmente		14 400		16,302	
Comparison 2			Final meter value after Adjustments		14,488 16,302			
Companison 2			Net average value per square meter (SR /		15,395			
THE FROM			m²)				5,535	
						72	202402	
Ent Stort	THE FALLE		Market value of	f the land (SR / m²)		75,3	302,102	

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# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

# Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)							
Clause	Built up area m2	SR / m2	Value (SR)				
قبو	3935	2,400	9,444,000				
الدور الأرضي	3991	2,200	8,780,200				
الميزانيين	2150	2,200	4,730,000				
الدور الأول	2983	2,200	6,562,600				
الدور الثاني	2983	2,200	6,562,600				
ملاحق علوية	1124.4	2,200	2,473,680				
السور	193	600	115,800				
Total (SR)	17,359		38,668,880				
	Second: Other costs (indi	rect)					
Professional fees	%2		773,378				
Utilities Network	%2		773,378				
Administration costs	%2		773,378				
Financing costs (0 years / 0%)	%0		-				
Developer's profitability	%15		5,800,332				
То	tal (SR)		8,120,465				
Total cost of	f buildings (SAR)		46,789,345				

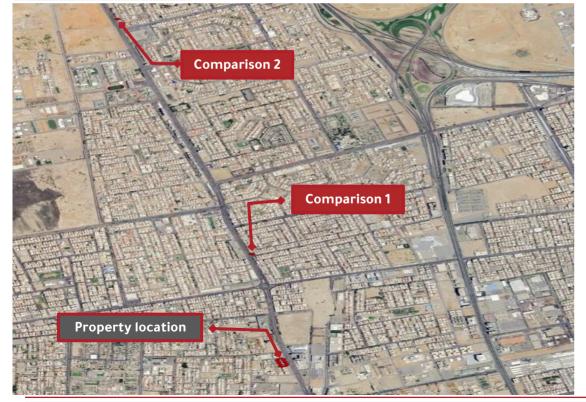
#### ثالثا : تكلفة الإهلاك

Life span of the property (year)	Year	40
The current age of the property (year)	Year	17
Remaining life of the property (year)	Year	23
Depreciation rate	%	43
Depreciation value	SR	19,885,472
Final value of the bui	26,903,873	
Fourth: Value of the pro	operty according to the Cost Approach	
Final value of the la	and (SR)	73,302,102
Final value of build	26,903,873	
Market value of the property accordin	100,205,975	
Market value of the property accord after rounding	100,206,000	



# Market Survey Data Analysis - Trade shows

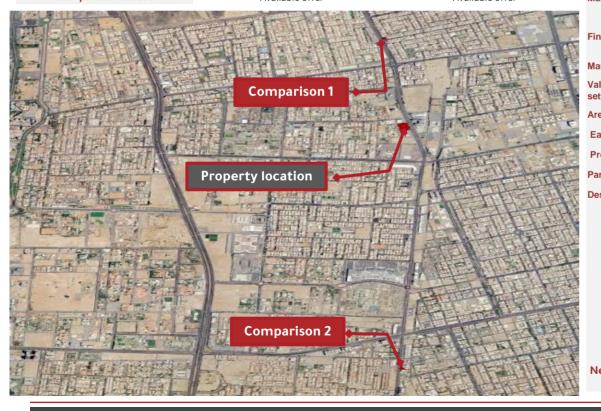
	Comparative Properties - Trade shows								
Comparison factors Comparison 1 Comparison 2									
Area (m2)	150	250							
Ease of access	High	Average							
Property Location	High	Average							
Parking Availability	High	Average							
Design	High	Average							
Rental Price per Meter (SAR/Meter)	1400	1200							
Occupancy Rate	%5	%5							
<b>Comparison Status</b>	Available offer	Available offer							



Estimating the val	ue of the rental meter - Trade s	hows - According to	o the Market Ap	proach - Compa	rison method			
	Clause		Comparative real estates					
Adjustments factors	Property under valuation	Compariso Value	on 1 Adjustment	Comparison 2 Value Adjust				
Rental price per square meter	***	1,400		1,200	)			
Condition	***	Available	offer	Available	offer			
valuation/offer date	2024	2024		2024				
Market conditions	***	%0.00	-	%0.00				
Financing terms	***	%0.00	-	%0.00				
Market conditions value	***	-		-				
Value after initial settlements	***		1,400		1,200			
Area (m2)	300.00	150	%5-	250	%0			
Ease of access	High	High	%0	Average	%5			
Property location	High	High	% <b>0</b>	Average	%			
Parking availability	High	High	% <b>0</b>	Average	%			
Design	High	High	% <b>0</b>	Average	%			
	Total	%5.00	-	% <b>20.0</b>	0			
Adjustmer	nt value per square meter	-70		240				
Final mete	r value after Adjustments	1,330		1,440	)			
Net average valu	ie per square meter (SR / m²)		1,38	5				
-	e per meter (SR/meter) after rounding		1,40	0				

# Market Survey Data Analysis - Office

Comparative Properties - Administrative Offices							
Comparison factors	Comparison 1	Comparison 2					
Area (m2)	181	165					
Ease of access	High	High					
Property Location	High	High					
Parking Availability	High	High					
Design	High	High					
Rental Price per Meter							
(SAR/Meter)	860	700					
Occupancy Rate	%5	%5					
Comparison Status	Available offer	Available offer					



Estimating the	e value of the rental meter - Ad			o the Market A	Approach -	
		nparison method				
	Clause		Comparative re	eal estates		
Adjustments factors	Property under valuation	Comparis	son 1	Compari	son 2	
	rioperty ander valuation	Value	Adjustment	Value	Adjustment	
Rental price per square meter	***	860	)	700	D	
Condition	***	Available	offer	Available	e offer	
valuation/offer date	2024	2024	1	202	4	
Market conditions	***	%0.00	-	%0.00	-	
Financing terms	***	%0.00	-	%0.00	-	
Market conditions value	***		-	-		
Value after initial settlements	***	86	860		0	
Area (m2)	230.00	181	% <b>2-</b>	165	%2-	
Ease of access	High	High	% <b>0</b>	High	%0	
Property location	High	High	% <b>0</b>	High	%0	
Parking availability	High	High	% <b>0</b>	High	%0	
Design	High	High	% <b>0</b>	High	%0	
	Total	%2.0	0-	%2.0	0-	
Adjustm	ent value per square meter	-17		-14		
Final me	ter value after Adjustments	843	843		686	
			76	4		
Net average va	lue per square meter (SR / m²)					
Net average value p	er meter (SR/meter) after rounding		75	0		



#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 8%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cumulative model method)						
Government bond rate of return	4.94	Saudi Tadawul Fund				
Inflation rate (current year average)	1.8	Saudi Central Bank				
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market				
Special risk premium (the resulting costs of the property)	1	According to the condition and circumstances of the property				
Discount rate with all data above	9.5	%				

#### Assumptions:

Discounted Cash Flow method assumptions							
Total property income 10,5		10,502,000	Discount rate		%9.5		
Occupancy rate %100		%100	Capitalization rate		%8		
Operating Expense Rate		%10	Growth rate - annual from year 3 according to contract		%6		
		Annual property i	income statement (according to market surve	y data)			
Clause	Number of units	Area (m2)	Rental value per meter (SAR/meter)	Rental va	lue (SR )		
showrooms	4	2836	1,400	3,970,400			
Offices	28	8630	750	6,472,500			
Rooms	10	100	600	60,000			
	10,502,900						

#### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

#### **Operating Expense Rate:**

Based on market survey data, the average operating expenses in similar properties are 15%. Given that the property is leased with contracts, taking into account that tenants bear a percentage of service expenses of 5%, the average operating expenses were assumed to be 10%.

#### **Rental income:**

The property income was analyzed by reviewing the property contracts and comparing it to the market. It became clear to us that the rental value according to the market is logical for the current situation. Accordingly, the rental value was calculated based on market survey data, with a growth rate of 6% calculated every 3 years.



# Calculating the market value - Discounted Cash Flow method

							Investment years					
Cash flow - Inflow	/5	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Reversion val
		1	2	3	4	5	6	7	8	9	10	
Expected growth va	lue	0.00%	0.00%	6.00%	0.00%	0.00%	6.00%	0.00%	0.00%	6.00%	0.00%	
Total rental value	10,502,900	10,502,900	10,502,900	11,133,074	11,133,074	11,133,074	11,801,058	11,801,058	11,801,058	12,509,122	12,509,122	
Occupancy rate	100%	10,502,900	10,502,900	11,133,074	11,133,074	11,133,074	11,801,058	11,801,058	11,801,058	12,509,122	12,509,122	
Actual gross income		10,502,900	10,502,900	11,133,074	11,133,074	11,133,074	11,801,058	11,801,058	11,801,058	12,509,122	12,509,122	
Minus operating expense ratio	10%	1,050,290	1,050,290	1,113,307	1,113,307	1,113,307	1,180,106	1,180,106	1,180,106	1,250,912	1,250,912	
Net Operating Income (NOI)		9,452,610	9,452,610	10,019,767	10,019,767	10,019,767	10,620,953	10,620,953	10,620,953	11,258,210	11,258,210	
Reversion value of the b	ouilding											
Net Cash Flow		9,452,610	9,452,610	10,019,767	10,019,767	10,019,767	10,620,953	10,620,953	10,620,953	11,258,210	11,258,210	
Discount Factor		0.9132	0.8340	0.7617	0.6956	0.6352	0.5801	0.5298	0.4838	0.4418	0.4035	0.4035
Present Value of Cash Flows		8,632,521	7,883,580	7,631,594	6,969,492	6,364,833	6,161,391	5,626,841	5,138,667	4,974,418	4,542,847	56,785,592
et present value of the property												120,711,776
								Fi	inal Property	v Value	120	,711,776
									inan ropere	yvulue	120	,, ,, , , o
								Final Prop	erty Value (	after round	ing) 120	,712,000



#### Final value of the property

Based on the purpose of the valuation and the nature of the property and its characteristics as a commercial and administrative building property, the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
120,712,000	One hundred and twenty million, seven hundred and twelve thousand Saudi riyals.

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Walid Muhammad Qalisi Real estate-Basic Follow Membership No 1220001145



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005

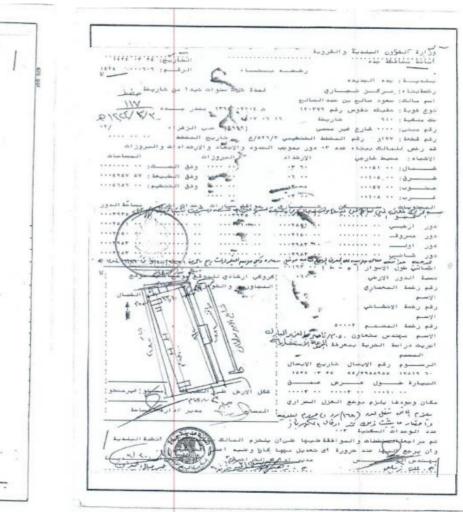


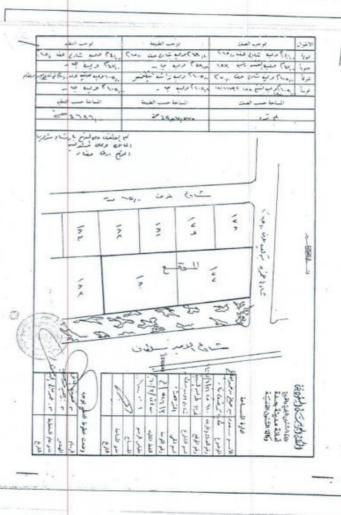






#### Documents received from the client





رقم الصك: 393010004588

التاريـــــخ: 1442/11/12 هـ

صك ر هـــن

الحمد لله وحده والصلاة والسلام على من لا نبي يعده، ويعد:

وزارة العدل

يراهيم عمر محمد الحسين الرياض ترخيص رقم 39/999

الرقم التسلميلي: 2774

فإن مركز تجارى المقام على الأرضا ويناء رقم 177 من المخطط رقم 3 / 256/ع الواقع في حي الزهراء بمدينة جدة . و مركز تجاري المقام على الأرضا ويناء رقم 180 من المخطط رقم 3 / 256/ ع الواقع في هي الزهراء يعدينة جدة . وحدودها و اطو الها :

شمالا: شارع عرض 15م بطول 41 واحد و أربعون متر

جنوبا: قطعة رقم 183 بطول 47 سبعة و أربعون متر

شرقا: شارع السبعين مترا بطول 105 مانة و خمسة متر غربا: قطعة رقم 178 و 179 و 181 و 182 بطول 109 مائة و تسعة متر

ومساحقها 4761.5 أربعةًا لأف و سبعدائة و واحد و ستون متر مربعا و خمسون سنتمترا مربعا المعلوكة لـ شركة تعدين الاولى المقاربة بموجب سجل تجاري رقم 1010896622 بموجب الصك الصادر من الموثقين بالرياض6 برقم 993598002675 في 24 / 70 / 1442 قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجعي للتطوير المحدودة بموجب سجل تجاري رقم 1010158249 ضماتا للوفاء بـ 49970978 فقط تسعة و أربعون مليونا و تسعمانة و سبعون الفا و تسعمانة و شمانية و سبعون ريالا سعوديا لا غير. تسدد على أقساط شهرية عدها 1 قيمة كل قسط 49970978 فقط تسعة و أريعون مليونا و تسعمانة و سبعون ألفا و تسمالة و تُملية و سبعون ريالا سعوديا لا غير. تاريخ حلول القسط 1442/11/13 سبب الرهن : كضمان لما وجب عليهم من سنوات ويدفع بتاريخ 20-12-2027م وفي حالة عم السداد فللمرتهن بيع العقار بالقيمة التي تنتهى عدها الرغبات واستيفاء مافي ذمة الراهن من مبلغ وما نقص برجع فيه عليه بعد اكمال مليلزم شرعا. وعليه جرى التصديق تحريرا في 1444 / 11 / 12 لاعتماده ،وصلى الله على نبيدًا محمد وآله وصحيه وسلم.

الختم الرسعى

الموثق

ابراهيم عمر محمد الحسين



#### Samples of the contracts that were



55





Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20146257354 / 1	رقم سجل العقد:
Contract Sealing Location	جدة	مكان إبرام العقد:	Contract Sealing Date	2023-08-20	تاريخ إبرام العقد:
Tenancy End Date	2024-04-30	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2023-05-01	تاريخ بداية مدَّة الإيجار:
Contract is conditional		L	J I		معلق بشرط

Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة حبا العقارية المحدودة	اسم الشَّركة/المؤسّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7014896273	الرقم الموحد	CR No.	1010437473	رقم السَّجل التَّجاري:
CR Date	2015-09-10	تاريخ السجل التجاري:	Issued by		جهة الإصدار:

۲ بیانات مُمثَّل المؤجر ۲					
Name		اهيم السلوم	خالد يوسف ابر		الدسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1002760260	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:
Email	hussein.bahamid@sabah ome.com	البريد الإلكتروني:	Mobile No.	+966531441000	رقم الجوَّال:
National Address					العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2024-02-10		أخرى	

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة التبته الخضراء لتقديم المشروبات	اسم الشَّركة/المؤسّسة:	Organization Type	التجارية	وع المنظمة:
Unified Number	7004443458	الرقم الموحد	CR No.	4650201645	قم السَّجل التَّجاري:
CR Date	2018-07-22	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:





#### بعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ٢٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20063057026 / 1-0	رقم سجل العقد:
Contract Sealing Location	جدة	مكان إبرام العقد:	Contract Sealing Date	2024-03-07	تاريخ إبرام العقد:
fenancy End Date	2026-04-09	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2024-04-10	تاريخ بداية مدَّة الإيجار:
Contract is conditional			J.		معلق بشرط

Lessor Data					٢ بيانات المؤجَّر
Company name/Founder	شركة تمدين الدولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by		جهة الإصدار:

ا بيانات مُمثِّل المؤجر Lessor Representative Data					
Name			الدسم:		
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address		الرياض	العلياء,		العنوان الوطني:

Name		د الديري	عمر محم		الاسم:
و بيانات مُمثَّل المستأجر Tenant Representative Data					
CR Date	2010-03-24	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:
Unified Number	7001614119	الرقم الموحد	CR No.	4030199041	رقم السَّجل التَّجاري:
Company name/Founder	شركة حمزة محمد الديري للمقاولات شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:



نجاحاتكم؛ لذا نأمل تفهمكم وضعنا وتقديره على أن تبقى العلاقة الايجارية فيما بيننا حسب المتفق عليه مع مفوضكم وتفصيلها كالاتي:

1-أن تكون المدة الايجارية (عشر سنوات) كما هي بالعقد المبرم مع شركة صبا؛ نظراً لما تم ايضاحه لكم أعلاه من تكبدنا تكاليف باهظة لتهيئة الوحدة الايجارية للانتفاع بما تأسيساً على ان مدة العقد كما هي عشر سنوات. 2- ان تكون بداية استحقاق دفعات الأجرة ابتداء من تاريخ 2024/11/26م؛ الى تاريخ 2032/11/25 ما أوضحناه لكم من أسباب سبق ايضاحها مع احتساب المبالغ المسلمة للمفوض سابقاً وخصمها من الدفعات؛ على أن يراعي في حال حلول تاريخ سريان العقد قبل الانتهاء من جاهزية المبنى لاستصدار تصاريح الدفاع المدنى من جانبكم يتوقف السريان الى حتى صدور ترخيص المبنى.

3–ان تكون الأجرة كما تم الاتفاق مع من كان له الصفة قبل فسخكم العقد معه؛ وأن الأجرة المتفق عليها تعكس القيمة السوقية العادلة إلى سعر المتر المآجر لإستإجارنا مساحات كبري تتعدى مساحة 1000 م؛ على ان تكون الأجرة على النحو التالى:

-السنة الاولى: (2.100.000) ريال.

- -السنة الثانية: (2.250.000) ريال.
- -السنة الثالثة: (2.250.000) ريال.
- -السنة الرابعة: (2,400,000) ريال.
- -السنة الخامسة:(2.400.000) ريال.

حي المحجر - شارع المهاجر عبدالله

rent - rrere aus

لمملكة العربية السعود

agiimesdaaq.cor

سجل تجارى: ١٩٠٨٣١-٢٠١ +973 17 3-9000

-السنة السادسة وما يليها من سنوات حتى السنة العاشرة :(2.650.000) ريال.

Al Mohjar Dist. Al Muhajar Adulta St.	
Jeddah 22425 - 2946	
Kingdom of Saudi Arabia	
C.R. 4030190831	
+966 12 6091111	
mesdaag@mesdaag.com	





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 info@qiam.com.sa</u>

www.qiam.com.s

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شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05/14 هـ الرقم الموحد 25232029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report**

# **Presented to: Mulkia Gulf Real Estate REIT Fund**



**Burger King Trade show - Obhur** 

# **IENT**

QIAM VALUATION **REAL ESTATE VALUATION REPORT** 

Report date: 18/07/2024 AD

Report No.: 448227

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#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Burger King - Trade show - Obhur Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Jeddah**, **Northern Obhur** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Trade show (Burger King restaurant) property for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**. For an amount of only (**7,429,000**) seven million, four hundred and twenty-nine thousand Saudi riyals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

#### Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
Appendix	07



The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity				
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Walid Qalisi'- Real estate-Basic Follow- Membership No 1220001145</li> </ul>				
Assumed value	Value Basis	Purpose of the valuation				
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund				
Report type for client	Valuation Approach	Asset subject to valuation				
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Burger King Trade show - Obhur				
Report issuance date	Valuation date (measurement)	Inspection date				
18/07/2024AD	30/06/2024 AD	11/06/2024 AD				
	Scope of the Valuer search - Standard No. 102					

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

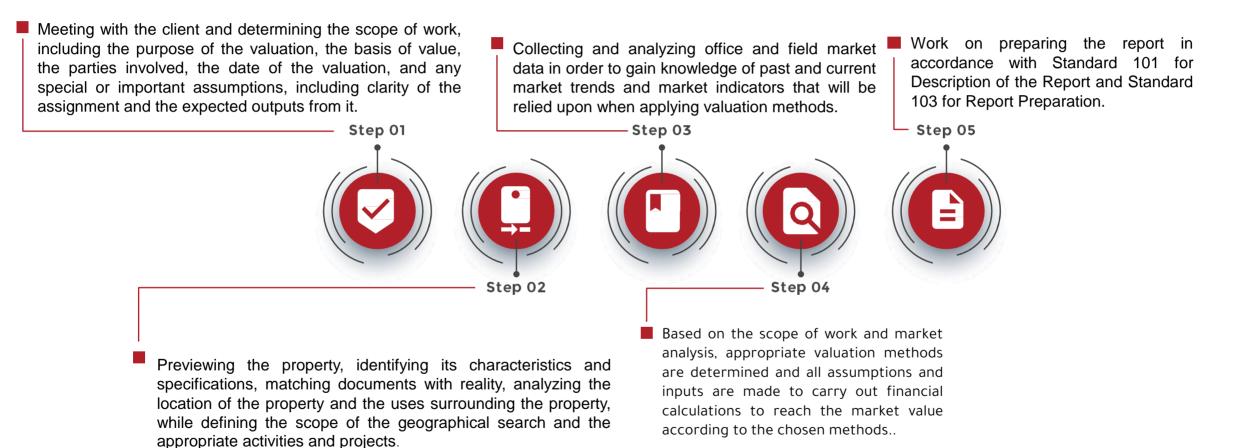
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



#### Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

## Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
	Title deed	Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices Trus		Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



#### Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

#### 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

# 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

#### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



## Real estate and investment properties in the preparation of financial reports

# Clarifying the difference between real estate and investment properties in the financial statements

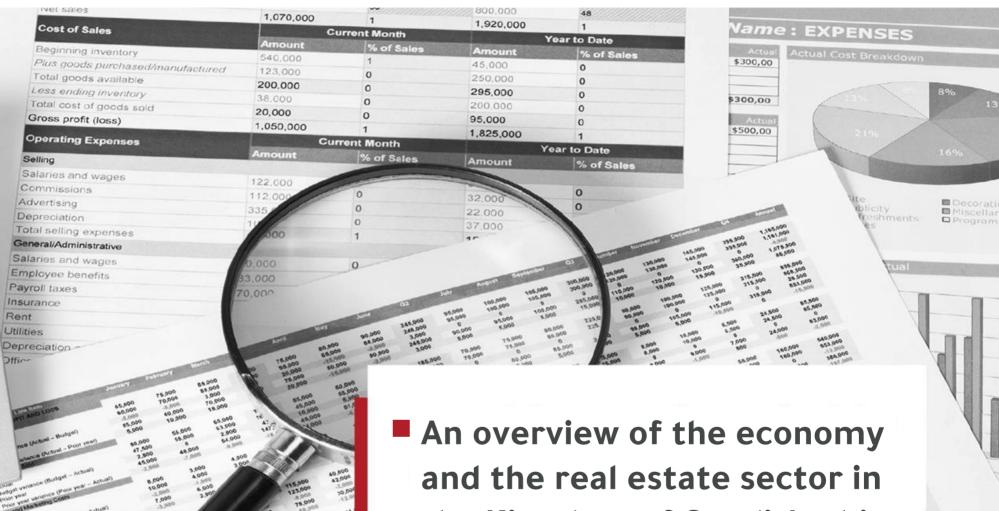
	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
in the financial	right-of-use asset) to earn rental income or To		
in the inducial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period

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## 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



#### Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





#### **Business Sectors Overview**

#### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

#### **Office Sector**

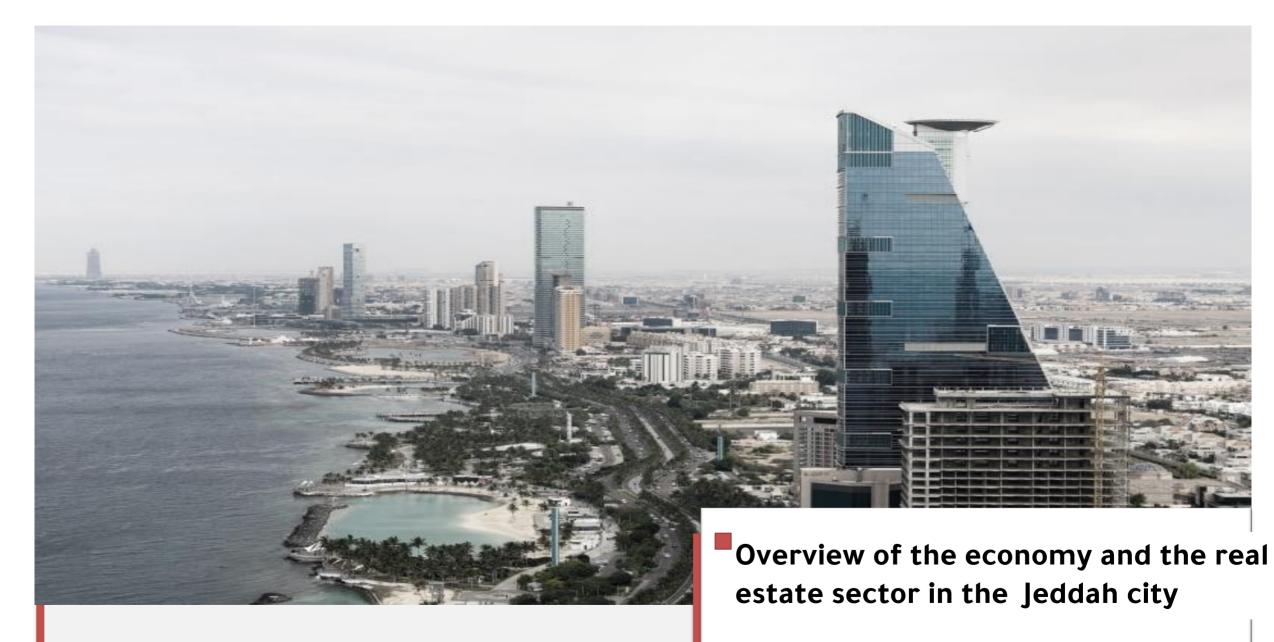
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





Social, service and real estate indicators - Jeddah City - 2023 AD

#### Social and service indicators:

<b>470</b>	<b>14</b>	+45ML	<b>1,215ML</b>	<b>4,7ML</b>	770KM
Public and private school	University and College	Traveler	Size of the workforce	Population	Area
2	<b>3</b>	+300	1457	<b>52</b>	<b>+7.8K</b>
Ports	Airports	Markets and mails	Factory	Hospitals	Tourist and visitor

#### **Real estate indicators:**

+2,8Billion	+83,5K	+55Billion	+91K
Total value of leasing transactions	Rental deal	Total value of the deals	Executed transaction



Social, service and real estate indicators - Jeddah City - 2023 AD

#### Hospitality sector indicators:

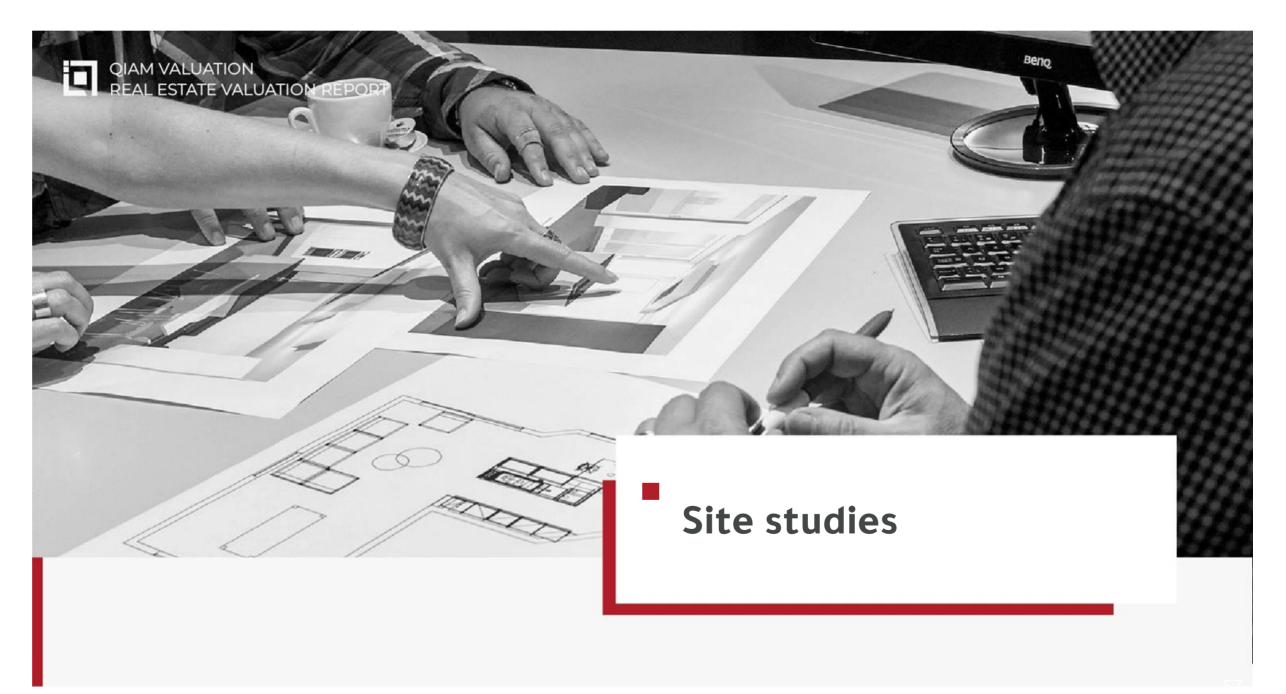
<b>62</b> %	+16K	94	25	27	42
Occupancy	Hotel room	Number of	5 Star Class	4 Star Class	3 Star Class
		hotels			

#### Administrative sector indicators:

82%	+300SR	+600SR	+1000SR	+1,250ML
Occupancy	Average value of a rental meter	Average value of a rental meter	Average value of a rental meter	Commercial rental
	C class	B class	A class	space/m2

#### Administrative sector indicators:

80%	+900SR	+1500SR	+2600SR	+2ML
Occupancy	Average value of a rental meter	Average value of a rental meter	Average value of a rental meter	Commercial rental
	C class	B class	A class	space/m2





# Property Risk Analysis

#### Strength point:

- The property's distinguished location is in the north of Jeddah.
- The location is close to the main roads that connect it to parts of Jeddah, such as (Abdullah Al Faisal Road, Prince Nayef Road).
- The population density surrounding the property's location.

## Weak points:

- Risks of changing the building system in the property area.
- The market value depends on the value of the lease contract.

#### **Opportunities:**

- Benefit from the proximity of the property by establishing a restaurant with a distinctive brand.
- The scarcity of distinctive commercial projects that meet the market needs in the property area.

# **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### Title deed information

Owner name	Deed number	Deed date	Ownership Type	
Tamdeen First Real Estate Company	893010005753	13/03/1443 AH	Absolute ownership	

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area	
Jeddah - Northern Obhur	204	230 / ب	552 square meters	

#### > Borders and lengths:

Borders and lengths:							
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
Plot No. 202	24	Plot No. 206	24	Plot No. 203	23	52m wide street	23

# Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



## Real estate data and Services available in the real estate area

Real Estate Data								
City	Jeddah	Neighborhood	Northern Obhur					
Street	Aabir Al Qarath Road	Property type	Trade show					
No. land plan	230 / ب	Plot number	204					
Land Area	552 square meters	552 square meters Built-up area						
	Services and facilities available in the real estate area							
Electricity network	Telephone network	Water network	Sewerage network					
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$					
Water drainage network	Mosque	Dispensary	Garden					
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$					
Public markets	Civil defense	Police station	Hospital					
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$					
Hotels	Petrol station	Schools	Governmental services and centers					
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$					



## Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located northwest of Jeddah in the northern Obhur district on Aber Al-Qarat Street with easy access to Prince Abdullah Al-Faisal Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	Northwest of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Residential - Commercial Multi-Use
	Building ratio - number of floors	65% - Commercial ground floor + mezzanine + two floors and extensions
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



## **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (6) years based on the (Building permit).
- Building permit number **3700105020** dated **22/01/1438 AH**
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a (Trade show ). Detailed as below:

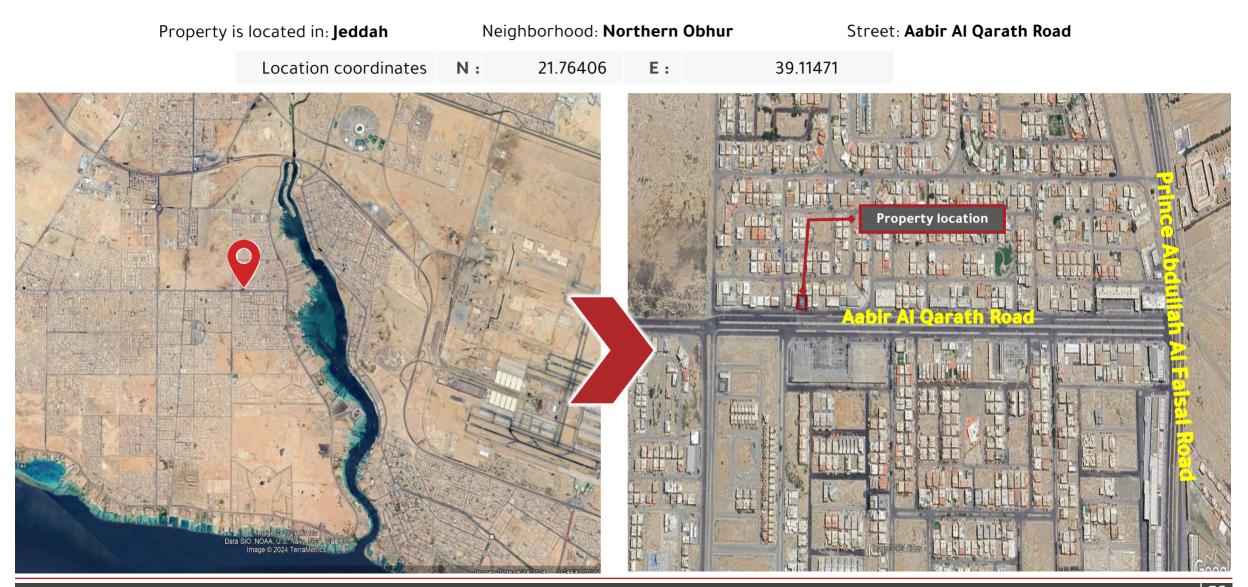
Building components						
#	Floor	Area (m2)	Use			
1	Ground floor	180.06	Burger King Restaurant (Drive Thru Service)			

## Property Description

		INTERIOR FINISHES						
Doors		Ceiling	Wall Cladding		Floors			
Glass		Gypsum plasterboard suspended ceilings		Ceramic - Porcelain				
Windows		Health kits		Stairs	Insulation type			
Aluminum and doubl	e glazing	High quality			Thermal - Hydro			
	EXTERIOR FINISHES							
Facades		Facilities	Doors		Floors			
Glass - Paint		Cosmetic implants	Secret glass		Ceramic			
		Electromechanical and air conditioning	g systems					
Air Conditioning	Elevators	Electrical wiring and outlets		lighting	Water Feeding System			
Central	N.A.	High quality		High quality energy saving	Automatic electric pump system			
Security and safety systems - other facilities								
Facilities	Parking	Fire Alarm and Extinguishing Systems	Fire Alarm and Extinguishing Systems Security Systems					
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hotel Parts Indoor and outdoor surveillance cameras						



## **Property location**



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## Photographic survey of the Property









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Londo probación

## Valuation



## Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



## Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

## The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

## The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



## Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

## Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

## Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

## Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

## Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

## Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

## **Income Approach Methods:**

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

## **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

## **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

## **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

## Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach			Mainly used
Used valuation methods			Discounted Cash Flow method
Reasons for use / not use			The property is rented on a long-term contract.

## Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



## Market Survey Data Analysis - Land Leasing

Comparative Properties - Commercial Land						
<b>Comparison factors</b>	Comparison1	Comparison 2				
Area (m2)	1,090	945				
Ease of access	High	Average				
Property location	High	Low				
Parking availability	High	Average				
Land shape	Average	Average				
Rental price per meter (SR/meter)	550	530				
Comparative condition	Available offer	Available offer				



Estimating the value	e of the rental meter - commerc	ial lands - according	g to the Market	Approach - Comp	arison method	
	Clause		Comparative r	eal estates		
Adjustments factors	Droporty under valuation	Compariso	on 1	Comparis	on 2	
Adjustments factors	Property under valuation	Value	Value Adjustment		Adjustment	
Rental price per square meter	***	550		530		
Condition	***	Available o	offer	Available	offer	
Date of valuation/offer	2024	2024		2024		
Market Condition	***	%0.00	-	%0.00	-	
Financing terms	***	%0.00	-	%0.00	-	
Market conditions value	***		-		-	
Value after initial settlements	***		550		530	
Land area (m²)	552.00	1,090	%5	9 45	%5	
Ease of access	High	High	% <b>0</b>	Average	%5	
Property location	High	High	% <b>0</b>	Low	%10	
Parking availability	High	High	% <b>0</b>	Average	%5	
Land shape	High	Average	%10	Average	%10	
	Total	%15.00	)	%35.00		
Adjustmen	it value per square meter	83		186		
Final meter	r value after Adjustments	633		716		
Net average valu	e per square meter (SR / m²)		6	74		
Net average value	e per meter (SR/meter) after rounding		70	00		

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## Analysis of valuation assumptions data - Discounted Cash Flow Methods

#### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar commercial lands ranges from 5% to 6%. Accordingly, the return rate was assumed to be 5.5%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cumulative model method)								
Government bond rate of return	4.94	Saudi Tadawul Fund						
Inflation rate (current year average)	1.8	Saudi Central Bank						
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market						
Special risk premium (the resulting costs of the property)	1	According to the condition and circumstances of the property						
Discount rate with all data above	9.5%	%						

#### Assumptions:

Discounted Cash Flow method assumptions							
Total property income	502,500	Discount rate	%9.5				
Occupancy rate	%100	Capitalization rate	%5.5				
Operating Expense Rate	% <b>0</b>	Growth rate - annual from 4th year according to the contract	%10.15				

#### Vacancy rate and credit risk:

Since the property is leased under one contract, the occupancy rate has been assumed to be 100%.

#### **Operating Expense Rate:**

Since the property is rented under a single contract, taking into account the tenant's bearing of all expenses and obligations related to the property, the operating expense rate has been assumed at 0%.

#### **Rental income:**

The property income was analyzed by reviewing the lease contract for the land being evaluated. After verifying the rental value by surveying the market for similar properties, the rental value stated in the contract was relied upon in calculating the market value, taking into account the growth rate stated in the contract.



## Calculating the market value - Discounted Cash Flow method

Cash flow Juffer		2024	2025	2020	2027	2020	2020	Investme		2032	2033	2034	2025	2020	
Cash flow - Inflow	/S	2024 1	2025 2	2026 3	2027 4	2028 5	2029 6	2030 7	2031 8	2032 9	2033 10	2034 11	2035 12	2036 13	Reversion value
Expected growth va	alue	%0.00	%0.00	%0.00	%10.15	%0.00	%0.00	%0.00	%9.76	%0.00	%0.00	%0.00	%0.00	%0.00	
- Total rental value	502,500	502,500	502,500	502,500	553,500	553,500	553,500	553,500	607,500	607,500	607,500	607,500	607,500	607,500	
Occupancy rate	%100	502,500	502,500	502,500	553,500	553,500	553,500	553,500	607,500	607,500	607,500	607,500	607,500	607,500	
Actual gross income		502,500	502,500	502,500	553,500	553,500	553,500	553,500	607,500	607,500	607,500	607,500	607,500	607,500	
Minus operating expense ratio	% <b>0</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		502,500	502,500	502,500	553,500	553,500	553,500	553,500	607,500	607,500	607,500	607,500	607,500	607,500	
Reversion value of the	ne building														
Net Cash Flow		502,500	502,500	502,500	553,500	553,500	553,500	553,500	607,500	607,500	607,500	607,500	607,500	607,500	
Discount Factor		0.9132	0.8340	0.7617	0.6956	0.6352	0.5801	0.5298	0.4838	0.4418	0.4035	0.3685	0.3365	0.3073	0.3073
Present Value of Cash Flows		458,904	419,091	382,731	385,001	351,599	321,095	293,237	293,923	268,423	245,135	223,867	204,445	186,708	3,394,688
Net present value of the property															7,428,845
									Fi	inal Prope	rty Value			7,428,	845
									Final Prop	erty Value	e (after rou	inding)		<b>7,429</b> ,	000



## Final value of the property

Based on the purpose of the valuation and the nature of the property and its characteristics as a residential building property, the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
7,429,000	Seven million, four hundred and twenty-nine thousand Saudi riyals.

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Walid Muhammad Qalisi Real estate-Basic Follow Membership No 1220001145



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT





## Documents received from the client

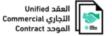
رقم الصلك: 893010005753	وزارة الحل
التاريــــــــــــــــــــــــــــــــــــ	ورارة العن ايراهيم عمر محمد الحسين
	الرياض
	تريقيص رقم 39/999
رهـــن	مىگە :
يقي حي ابحر الشمالية بمنيئة جدة , وحدودها واطوالها : بلوكة لـ شركة تمدين الاولى العقارية بموجب سعل تجاري رقم يرقم 493598002674 في 24 / 100 144 لك تم رهنها وما مدهود فيموجب سعيل تجاري رقم 100168244 به الرش : اناة تمانان للقاب الميليونية عنه رام 20048 مدانة المادرتين بيع العقار بالايسانية على قسط راهد مماد القادرتين بيع العقار بالثمية التي تنتهي عندما الرغيات (باستهام مدينة م شرع) و عليه جرى التصديق تحريراً في 1444 / 30 / 30 / 30	القرآ المرابع بوجب المستعمر الرجب للتطوير الم القرأ و سيتام طيوبا من يتاع لصالح / شركة الراجمي للتطوير الم 19442105 فقط سيمة ملايين و الريعمنة و الثان و أربعت القا عدما 1 قيمة كل قسط التربيخ حلول القسط 14/3/0/4/4 سر
الموثق	
، الرسمى	الغك
ايراشيم عمر محمد المحين	

وزارة الشؤون البلدية والمروبة ä امـــــــــــانة محافظة حدة رخيصة بناء сö إدارة رخيص المسيناء إصدار رخصة بناء تجارية 1441/محرم/21 صلاحيتما 22/محرم/22 الناريخ 3700105020 رفم الرخصة تاريخ الصك رقم الصك رقم السجل اسم صاحب الرخصة الاستخدام 101373910 لراشیم محمد ایراهیم الحدیثی جوال رقم 0506514889 1437/6anal 143/5 320219014668 رخصة بناء محلات تجارية مساحة الأرض اسم الشارع الحاف رقم الغطعة رقم المخطط رفم الكروكې البلدية 663 ير مسمى أبحر الشمالية 204 J 230 3701618516 ذفبان الفرعية حميع المهدات الباردة بالمعنفة الأكثرونية تعمير عليمة المنتخب المنتخب والحلالة كل فيما يخمه ولمن عميم المنتخب الرئيسية، ولم أميل الحريرات العلمي من العاصر الوريسي و المساقرة، بعث العامر رحمه النظام لا يتبدأ والموقفة على المراكبة علم المراكبي العالمي المراكبة المعاركة ولمن محمة النظام لا يتبدأ والموقفة على المراكبة علم المراكبي العالمي المراكبة المراكبة المعار ولمن الحريرات المكسور المراكبين ولمن المراكبة علم المراكبي المراكبة المراكبة والمراكبة المحمة كتب الحريرات المكسور المراكبين ولمن المالي المراكبين المراكبة كتب الحريرات المكسور المراكبين معا قديمة المراكبين المراكبة ا الارتداد الجهة ILCLOC بطول 24.00 متر يحدها القطعة رقم 4.7 الشمال بطول 23.00 متر يحدها القطعة رقم الشرق يطول 24.00 متر يحدغا القطعة رقم. 206 4.75 لحنوب كشف الحوار بطول 23 متر بحدها شارع عرض 52.00منر القرب المساحات وعدد الوحدات ومواقف السبارات احداثيات الكروكاي إجمالك اخرى تجارى سكنى الشماليات محتويات المبندى مساحة عدد 316 335 مساحة مساحة 220 مساحة 180.06 180.06 فابق ارضع 2406832.2737 0 0 الشرقيات 512061.6324 المكتب الهندسي حصاد البناء للاستشارات الهندسية المكنب المشرف حصاد البناء للاستشارات الهندسية قيمة رسوم الرخصة عدد غرف الكهرباء لا يوجد 178.85 عدد المواقف 6 لكروكف الارشادي طول النسور 60 المدقق الإداري عدد الوحدات 2 أحمد سعد علوان الفامدي عدد الأدوار مهندس الدراسة ختم الامانه عيدالرحفن احفد محمد الأسمري اعتماد مدير النجاري/إداري عاصم اسامة احمد سمارة مدير ادارة رخص البناء Sal and م قارس بن أحمد رجب تعتبر الشروط العامة المدونة خلف نموذج رخصة البناء جرء لا يتجرأ من هذه الرخصة وعلى المالك النفيد بما نصت عليه هذه الشروط a ta la contrata وتغع تحت مسلوليته 21

الممــــلكة العربية السمودية



## Samples of the contracts that were



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#### يعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيذَيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20200782393 / 1	رقم سجل العقد:
Contract Sealing Location	جدة	مكان إبرام العقد:	Contract Sealing Date	2022-08-31	تاريخ إبرام العقد:
Tenancy End Date	2037-09-15	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2022-09-16	تاريخ بداية مدَّة الإيجار:
Contract is conditional			J.		معلق بشرط
			Eiar Fees Paid By	المؤدر	طريقة دفع رسوم

Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين النولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التِّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

۲ بیانات مُمثَّل المؤجر ۲ Lessor Representative Data						
Name		ن يحيى معيدي	سلمان حسين بن يد			
			Nationality	المملكة العربية السعودية	الجنسيَّة:	
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:	
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:	
National Address					العنوان الوطني:	
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number	
		2022-09-05	2021-09-16	وكالة شرعية إلكترونية	43661903	

Tenant Data					٤ بيانات المستأجر
Company name/Founder	شركة العليان للخدمات الغذائية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:

الدفع عن طريق الوسيط المقاري/المؤجر أو دفع المعتمدة الدفع الكترونيا من خلال قنوات الدفع المتاحة Approved payment methods					
فاز والكهرباء والمياه	مة. والأجرة الستوية ل(الا	ت- وقيمة الخدمات العا	بة القيمة المضافة -إن وجد		يشمل: القيمة الإيجارية. والصرف الصحي إذا حُددنا
Total Contract value		95651	25.00		اجمالي قيمة العقد:
			Annual Rent:	502500.00	لقيمة السَّنوية للإيجار:
		1010896622	رقم التسجيل	310199293800003	1
		رقم الهوية أو السجل التجاري iD/CR Number	نوع الهوية ID Type	الرقم الخريبي Vat number	لرَّهم المسَلسَل No.
VAT on rental value:	1247625.00	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	First rental payment: (Includes deposit)	577875.00	دفعة الإيجار الأولى: إتشمل العربون)
Number of Rent Payments:	15	عدد دفعات الإيجار:	Rent payment cycle	سنوي	دورة سداد الايجار
General Services Included:		والتي تشمل على:	General Services Amount:	0.0	الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)
			Water Annual Amount:		لأجرة السَّنوية للمياه:
Gas Annual Amount:		الأجرة السَّنوية للغاز:	Electricity Annual Amount:		لأجرة السُنوية للكهرياء:
Retainer Fee (Included i amount):	n total contract			ه (يدخل ضمن القيمة	مبلغ العربون المُتفق عليا لإجمالية لعقد الإيجار):
Unit Finishing Fee (Not included in total contract amount):	ربال لكل متر مربع من مساحة الوحدة الإيجارية		-	رية (لا يدخل ضمن القيمة	مبلغ تجهيز الوحدة الإيجار (الإجمالية لعقد الإيجار
Supervision Fee (Not included in total contract amount):	ربال لكل متر مربع من مساحة الوحدة الإيجارية			إلا يدخل ضمن القيمة	مبلغ الإشراف الهندسى ( (الإجمالية لعقد الإيجار):

تاريخ الاستحقاق		تاريخ الاستحقاق		إجمالي	قيمة المبالغ	ضربية القيمة		
(.a) Due Date(AH)	ھ) Issued Date(AH)	(م) Due Date(AD)	(م) Issued Date(AD)	القيمة Total value	قابلية Services	المحادة VAT	الإيجار Rent value	للتعل و
1444-02-30	1444-02-20	2022-09-26	2022-09-16	577875.00	0.00	75375.00	502500.00	1
1445-03-11	1445-03-01	2023-09-26	2023-09-16	577875.00	0.00	75375.00	502500.00	
1446-03-23	1446-03-13	2024-09-26	2024-09-16	577875.00	0.00	75375.00	502500.00	
1447-04-04	1447-03-24	2025-09-26	2025-09-16	577875.00	0.00	75375.00	502500.00	- 4
1448-04-15	1448-04-05	2026-09-26	2026-09-16	577875.00	0.00	75375.00	502500.00	
1449-04-25	1449-04-15	2027-09-26	2027-09-16	636525.00	0.00	83025.00	553500.00	
1450-05-07	1450-04-26	2028-09-26	2028-09-16	636525.00	0.00	83025.00	553500.00	

نژهم سلسل No.	قيمة الإيجاز Rent value	ضرببة القيمة المخافة VAT	قيمة المبالغ الثابتة Services	إجمالي القيمة Total value	تاريخ الإصدار (م) Issued Date(AD)	تاريخ الدستحقاق (م) Due Date(AD)	تاويخ الإصدار (ھ) Issued Date(AH)	تاريخ الاستحقاق (هـ) Due Date(AH)
8	553500.00	83025.00	0.00	636525.00	2029-09-16	2029-09-26	1451-05-07	1451-05-17
9	553500.00	83025.00	0.00	636525.00	2030-09-16	2030-09-26	1452-05-18	1452-05-28
10	553500.00	83025.00	0.00	636525.00	2031-09-16	2031-09-26	1453-05-28	1453-06-09
11	607500.00	91125.00	0.00	698625.00	2032-09-16	2032-09-26	1454-06-11	1454-06-21
13	607500.00	91125.00	0.00	698625.00	2033-09-16	2033-09-26	1455-06-22	1455-07-02
1:	607500.00	91125.00	0.00	698625.00	2034-09-16	2034-09-26	1456-07-03	1456-07-13
14	607500.00	91125.00	0.00	698625.00	2035-09-16	2035-09-26	1457-07-14	1457-07-24
1	607500.00	91125.00	0.00	698625.00	2036-09-16	2036-09-26	1458-07-25	1458-08-06

السنة الحادية عشر	السنة العاشرة	السنة الناسعة	السنة الثامنة	السنة السابعة	السنة السادسة	السنة الخامسة				
+20.8955224%	+10.1492537%	+10.1492537%	+10.1492537%	+10.1492537%	+10.1492537%	0	0	0	0	0

Parties Obligations	٤ ا التزامات الطرفين
	يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)

يحر سبية بالمركب سبي يسعن بحسر حسر بلي والمادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة) تحول التزامات الأطراف بعد تحديدها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

Contract Terms	١٥ مواد العقد
	المادة الأولى: البيانات السابقة على إلتزامات الأطراف
	تعد البيانات السابقة على إلتزامات الأطراف والمحددة في الينود من (١-١٩) جزءَ لا يتجزأ من هذا العقد ومفسرة ومكملة له.
	المادة الثلابة: مدا المقد

#### المادة الثانية: محل العقد

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبند رقم(9) وفقا للشروط والأحكام والإلتزامات المنصوص عليها في هذا العقد. ويقر المستأجر بمعاينته للوحدة الإيجارية، وقبوله للتعافد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

#### المادة الثالثة: مدة الإيجار وتجديد العقد

١-٣ هذه هذا المقد (1478) يوماً تبدأ من تاريخ 1444-02-20 هـ الموافق 2024-09-14 م وتنتهى بتاريخ 1459-08-05 هـ الموافق 2037-09-15 م. وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود المقد.

٣-٢ تنتهي مدَّة الإيجار مع انتهاء مدَّة العقد. وإذا رغب الطَّرفان بالتَّجديد، فتتمُّ كتابة عقدٍ جديدٍ يتَّفق عليه الطَّرفان.

#### المادة الرابعة: الأجرة

إجمالي قيمة العقد ( 566125.00 ) رباًلا سعودًيا. يلتزم المستأجر بدفعها للمؤ جر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مجدول في البند (١٢) من هذا العقد.

المادة الخامسة: الإلتزامات تقسم الى (التزامات المؤجر / التزامات المستأجر/ أحكام عامه) بعد تحديدها في (البند 12)

#### ١-٥ التزامات المستأجر

١-١-٥ يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتَّفق عليها.

٢-١-١ يلتزم المستأجر بالتقيد بمساحة ومواصفات اللوحة الخاصة بالوحدة الإيجارية والمحددة في البند (9) من هذا العقد.

٣-١-٣ يلتزم المستأمر أن يفتتح وسافر نشاطه التداري خلبل مدف لا تتجاوز ( 30 ) يوماً من تاريخ المقد وفي دالة التهاء مدد وفي افتتاح الوحدة الإيجارية ويد. الاستاخر التداري وعد عمر تجاوبه مع أشغر المؤدر خلبل ( 30 ) يوماً منحق للمؤخر منها لمد المداخرة إلى الدارة ولحم أسقل وحل للمؤخر دينها تأثير الوحدة الإيجازية للقبر مع المشاخفة على حقوق المتحتاري المطالبة بفائي منهم العدام المدينية بحد مماليون ويك



**General Administration** 

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 info@qiam.com.sa</u>

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شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05/14 هـ الرقم الموحد 25232029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# Real State Valuation Report Desented to: Mulkia Gulf Real Estate REIT Fund Al-Shiraa Trade Shows

QIAM VALUATION REAL ESTATE VALUATION REPORT

Report date: 18/07/2024 AD

Report No.: 448226

PEPEPEPEPE



QIAMVALUATION REAL ESTATE VALUATION REPORT



### Statement

## Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Al-Shiraa Trade Shows Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Jeddah**, **Al-Shiraa** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Al-Shiraa Trade Shows property for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**, **For an amount of only (12,068,000) twelve million and sixty-eight thousand Saudi riyals.** 

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

## Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
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The specific assumptions and limitations of the report

## Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the property was not evaluated using the Income Approach because the construction of the property was not fully completed and is under construction and it was not fully rented, and therefore the valuation was done using the Cost Approach only.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value). Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.

Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

- No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.
- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that,

- This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.
- The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





## Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity		
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Walid Qalisi'- Real estate-Basic Follow- Membership No 1220001145</li> </ul>		
Assumed value	Value Basis	Purpose of the valuation		
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund		
Report type for client	Valuation Approach	Asset subject to valuation		
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Cost approach (Replacement Cost method)	Al-Shiraa Trade Shows		
Report issuance date	Valuation date (measurement)	Inspection date		
18/07/2024AD	30/06/2024 AD	11/06/2024 AD		
Scope of the Valuer search - Standard No. 102				

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

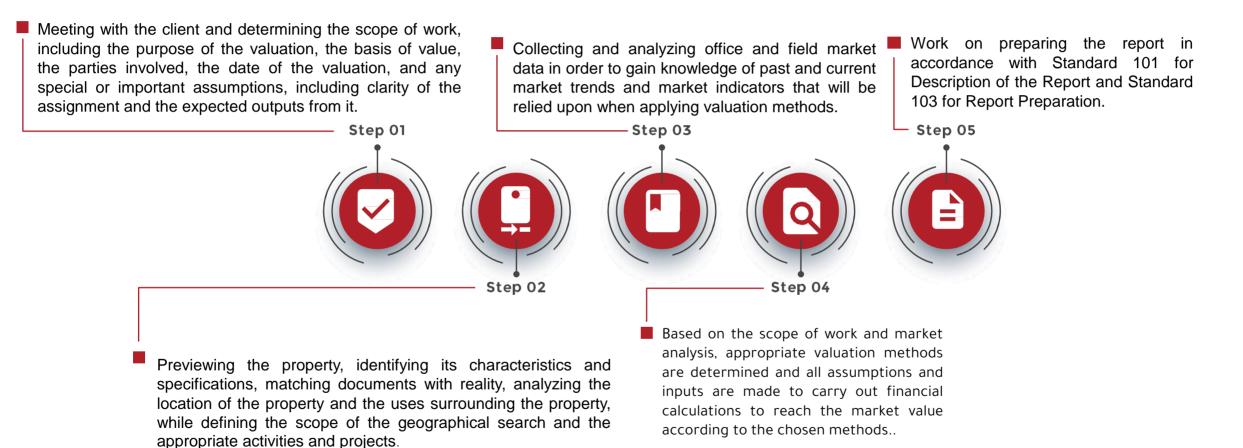
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



## Work Stages





## Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

## Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
Client	Title deed	Trusted	The deed sent by the client has been verified
	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
Market	Commercial meter prices	Trusted	Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

## Compliance with Standards ,Research and Inquiry



## Compliance with Standards and Research and Inquiry

## 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

## 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

## 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

## 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

## 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

## 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

## Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

## Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



## Real estate and investment properties in the preparation of financial reports

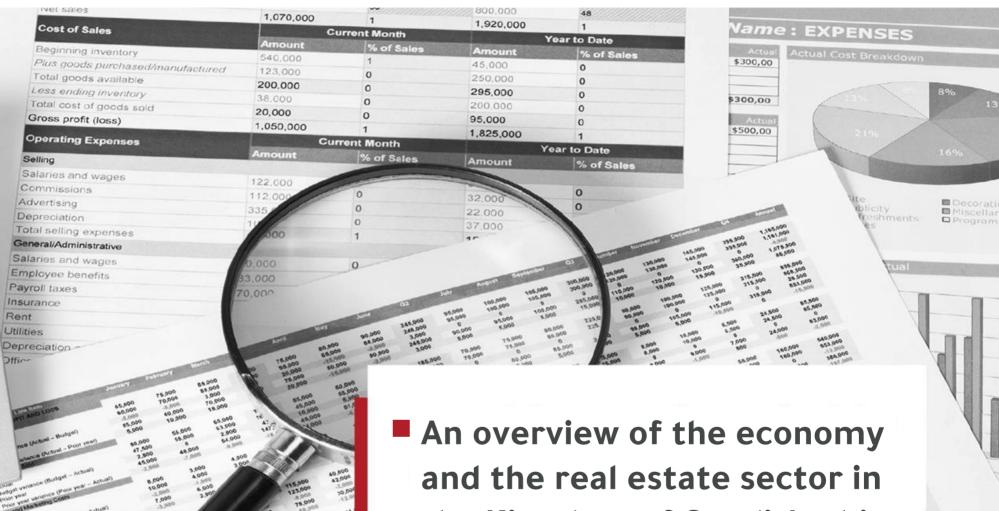
## Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any	
	property (land or a building - or part of a building -	
nvestment properties	or both) held (by the owner or by the lessee as a	
in the financial	right-of-use asset) to earn rental income or To	
	grow the capital or for both, and not:	
statements	- For use in producing, supplying goods, providing	
	services, or for administrative or	
	- To sell it in the ordinary course of business	

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



## 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



#### Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





#### **Business Sectors Overview**

#### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

#### **Office Sector**

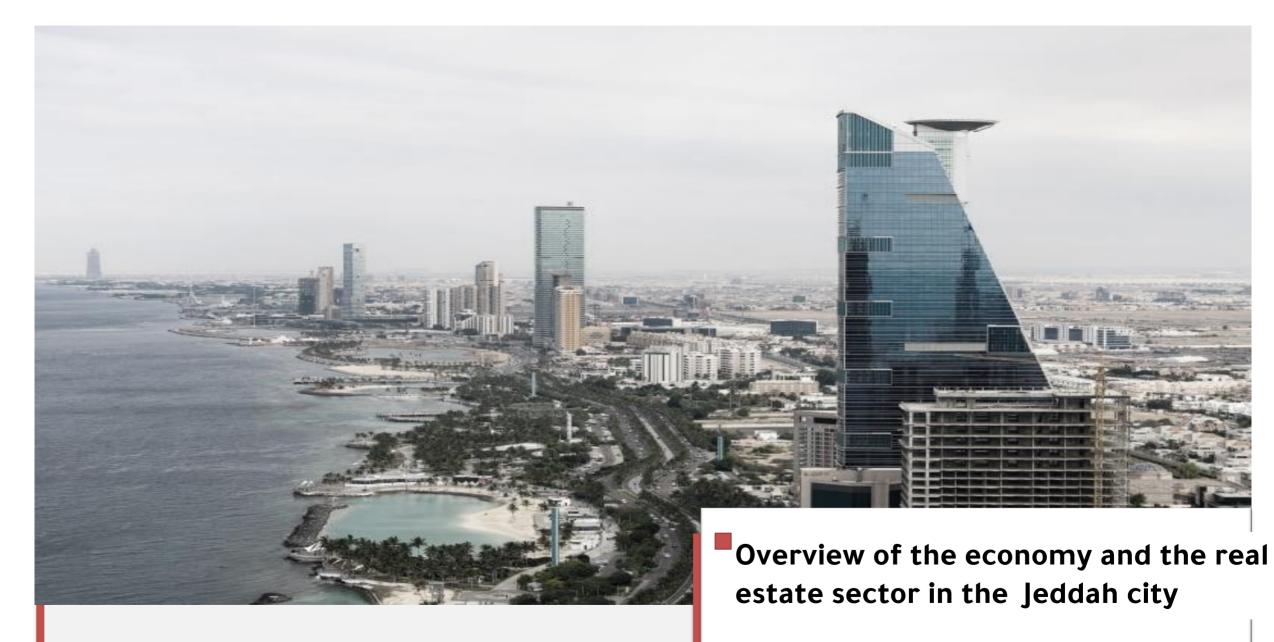
The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.





Social, service and real estate indicators - Jeddah City - 2023 AD

#### Social and service indicators:

<b>470</b>	<b>14</b>	+45ML	<b>1,215ML</b>	<b>4,7ML</b>	770KM
Public and private school	University and College	Traveler	Size of the workforce	Population	Area
2	<b>3</b>	+300	1457	<b>52</b>	+7.8K
Ports	Airports	Markets and mails	Factory	Hospitals	Tourist and visitor

#### **Real estate indicators:**

+2,8Billion	+83,5K	+55Billion	+91K
Total value of leasing transactions	Rental deal	Total value of the deals	Executed transaction



Social, service and real estate indicators - Jeddah City - 2023 AD

#### Hospitality sector indicators:

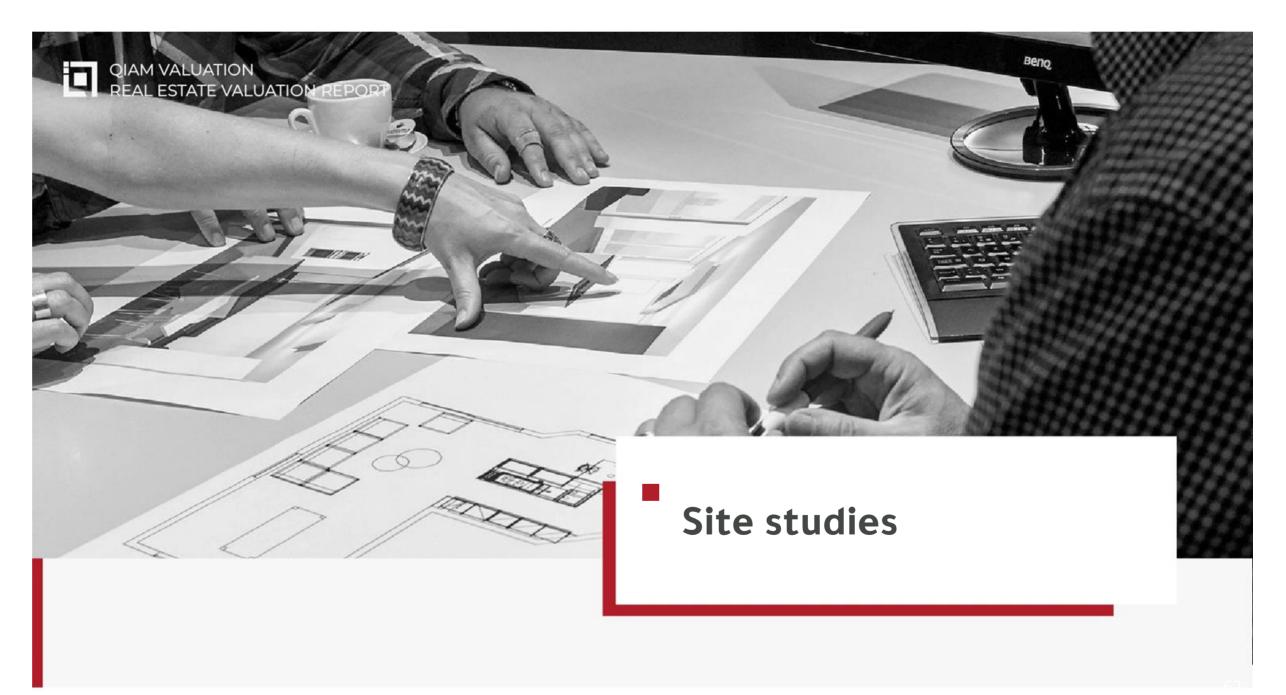
<b>62</b> %	+16K	94	25	27	42
Occupancy	Hotel room	Number of	5 Star Class	4 Star Class	<b>3 Star Class</b>
		hotels			

#### Administrative sector indicators:

82%	+300SR	+600SR	+1000SR	+1,250ML
Occupancy	Average value of a rental meter	Average value of a rental meter	Average value of a rental meter	Commercial rental
	C class	B class	A class	space/m2

#### Administrative sector indicators:

80%	+900SR	+1500SR	+2600SR	+2ML
Occupancy	Average value of a rental meter	Average value of a rental meter	Average value of a rental meter	Commercial rental
	C class	B class	A class	space/m2





# Property Risk Analysis

#### Strength point:

- The property's prime location is on Prince Abdul Majeed Road, north of Jeddah.
- The location is close to the main roads that connect it to parts of Jeddah, such as (Madinah Road).

#### **Opportunities:**

- Benefit from the proximity of the property to the new neighborhoods north of Jeddah.
- The scarcity of distinctive commercial projects that meet the market needs in the property area.

#### Weak points:

• Risks of changing the building system in the property area.

#### **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	793010005754	13/03/1443 AH	Absolute ownership

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Jeddah - Al Shiraa	270/ ب	5 / 505 / ت	1995.5 square meters

#### > Borders and lengths:

Borders and lengths:							
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
52m wide corridor	41.24	Plot No. 185	40	10m wide street	47	Plot No. 268 and 249	50

## Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



# Real estate data and Services available in the real estate area

	Real Estate Data					
City	Jeddah	Neighborhood	Al-Shiraa			
Street	Prince Abdulmajeed Bin Abdulaziz	Property type	Trade Shows			
No. land plan	5 / 505 / ت	Plot number	220 / ب			
Land Area	1995.5 square meters	Built-up area	544.6 square meters			
	Services and facilities avail	able in the real estate area				
Electricity network	Telephone network	Water network	Sewerage network			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Water drainage network	Mosque	Dispensary	Garden			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Public markets	Civil defense	Police station	Hospital			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Hotels	Petrol station	Schools	Governmental services and centers			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			



# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located northwest of Jeddah in Al-Sheraa district on Prince Abdul Majeed Street with easy access to Madinah Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	Northwest of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Residential - Commercial Multi-Use
	Building ratio - number of floors	65% - Commercial ground floor + mezzanine + two floors and extensions
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (0) years based on the (Building permit).
- Building permit number 4400195566 dated 19/06/1444 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Trade Shows)**. Detailed as below:

	Building components				
#	Floor	Area (m2)	Use		
1	Ground floor	544.6	Trade Shows		
2	Fences	90	Services		

# Property Description

Doors		Ceiling	Wall Cladding	Floors		
Glass		Gypsum plasterboard suspended ceilings	Paint	Porcelain		
Windows		Health kits	Stairs	Insulation type		
Aluminum and double	e glazing	N.A.	N.A.	Thermal - Hydro		
		EXTERIOR FINISHES				
Facades	Facades Facilities Doors			Floors		
Paint		N.A.	Secret glass	Tiles		
		Electromechanical and air conditioning	systems			
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System		
Under installation	N.A.	Under installation	N.A.	N.A.		
Security and safety systems - other facilities						
Facilities	Parking	Fire Alarm and Extinguishing Systems	ns Security Systems			
N.A.	Outdoor	N.A.	N.A.			



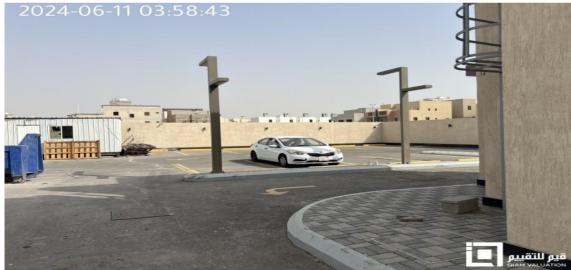
# **Property location**



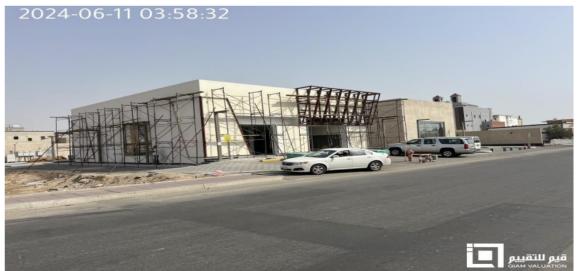


# Photographic survey of the Property











Londo problem

# Valuation



## Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



#### Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

#### The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

#### The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



#### Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

#### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

#### Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

#### Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

#### Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

#### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

#### **Income Approach Methods:**

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

#### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

#### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

#### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

#### Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Mainly used	
Used valuation methods	Similar Comparisons	Replacement cost	
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial showroom.	

#### Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



#### Estimating the value of the land - Market Approach - Comparisons method

Comparative real estate				
Comparison factors	Comparison 1	Comparison 2		
Area (m2)	7,888	3,581		
Ease of access	High	High		
Property location	High	High		
Land shape	Flat	Flat		
Land topography	Average	High		
Use	Commercial Residential	Commercial Residential		
Surrounding streets	2	3		
Price per meter (SR)	4900	5275		
Comparative condition	Executed	Executed		



Valuating the land according to Market Approach - Method of comparison with similar sales					
CI	ause	Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1 Value	Adjustment	Comparison 2 Value	2 Adjustment
Price per square meter	***	4,900		5,275	
Condition	***	Executed		Executed	
Date of valuation/offer	2024	2024		2024	
Market Condition	***	%0.00	-	%0.00	-
Financing terms	***	%0.00	-	%0.00	-
Market conditions value	***	-		-	
Value after initial settlements	***	4,900		5,275	
Land area (m²)	1995.50	7,888	%10	3,581	%5
Ease of access	High	High	%0	High	%0
Property location	High	High	%0	High	%0
Land shape	Flat	Flat	% <b>0</b>	Flat	% <b>0</b>
Land topography	Average	Average	%0	High	%5-
Land use	<b>Commercial Residential</b>	Commercial Residential	% <b>0</b>	<b>Commercial Residential</b>	%0
Surrounding streets	2	2	%0	3	%5-
1	Fotal	%10.00		%5.00-	
Adjustment value per square meter		490 -26		-264	
Final meter value after Adjustments		5,390 5,0		5,011	
Net average value per square meter (SR / m²)		5,201			
Market value of the land (SR / m²)		10,377,847			



# Similar Comparisons Method Assumptions

#### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

# Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)						
Clause	Built up area m2	SR / m2	Value (SR)			
Ground floor	544.6	2,200	1,198,120			
Parking lot	1451	100	145,100			
Fences	90	600	54,000			
Total (SR)	2,086		1,397,220			
	Second: Other costs (indirect)					
Professional fees	%2		27,944			
Utilities Network %2			27,944			
Administration costs %2			27,944			
Financing costs (0 years / 0%) %0			-			
Developer's profitability	%15		209,583			
Total (SR)			293,416			
Total cost of buildings (SAR)			1,690,636			

Third: Depreciation cost			
Life span of the property (year)	Year	40	
The current age of the property (year)	Year	0	
Remaining life of the property (year)	Year	40	
Depreciation rate	%	-	
Depreciation value	SR	-	
Final value of the l	1,690,636		
Fourth: Value of the p	roperty according to the Cost A	opproach	
Final value of the land (SR)		10,377,847	
Final value of buildings (SR)		1,690,636	
Market value of the property according to the Cost Approach (SR)		12,068,483	
Market value of the property according to the Cost Approach after rounding (SR)		12,068,000	



# Final value of the property

Based on the purpose of the valuation and the nature and characteristics of the property, being a commercial exhibition property under construction, the evaluation of the property using the Cost Approach (Replacement Cost method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Cost Approach as a basis for the fair value of the property being evaluated, as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
12,068,000	Twelve million and sixty-eight thousand Saudi riyals

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi



Team



Walid Muhammad Qalisi Real estate-Basic Follow Membership No 1220001145



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





QIAM VALUATION REAL ESTATE VALUATION REPORT





#### Documents received from the client

مانة

النابي /1445

ناريح الصك

1/21/21/21/1

مساحة الأرض

احماله

عدد مساحه

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وزارة العل ايراهيم عمر محمد الحسين الرياض

ترخيص رقم 39/999

الرقر الشلسلي: 716

صك ر هـــن

الحمد لله وحده والسلام والسلام على من لا تنى بعده ويعة: فإن قضله الارض رقم 270 / ب من المنظط رقم 3 / 205/ ت الواقع في حي الشراع بمنيئة جدة . و قطعة الارض رقم 250 / ب من المنظفر أم 3 / 205/ ت الواقع في حي الشراع بمدينة جدة . و قطعة الارض رقم 209 / ب من المخطط رقم 3 / 505 / ت الواقع في حي المار بعدينة جدة . و قطعة الارض رقم 251 / ب من المخطط رقم 3 / 505/ ت الواقع في حي الشراع سور من الواقع في حي الدرا بعدينة جدة . و قطعة الارض رقم 261 / ب من المخطط رقم 3 / 505/ ت الواقع في حي الشراع

سميد جده , وحدوده والترسية . شمالا: مواقق سيارات مترسط عرض 2.00 م شارع عرض 52.00 بطول 37 بيدا من الغرب للشمال الشرقي بطول سيمة و بمدينة جدة . وحدودها واطوالها :

تحتون متر ثم يتصر بشطقه للشرق بطول 24 كم جنوبا: شرقًا جزء من القطعة رقم 285 مكرر وغربا جزء من القطعة رقم 285 يطول 40 أربعون مكر يتوري: ميزيا جزء من المعمه رتم 205 مترز. وحربة جرء من المعمد رتم 205 يعوي ريه اريخون متر شرقاً: شمالا شارع عرض 10م وجنوبا مراقف سيلز ان مقرسط عرض 18م يطول 47 سيمة و أريعون متر غربا: جنوبا القطعة رقم 268 وشمالا اللطمة رقم 249 بطول 50 لمسرون متر

عرب: جنوب المعمه رقم 200 وتستار المعمه رقم 249 بقرل 50 عندون على ومسلحتها 1995، الله و تسعيلة و خمسة و تسعون مثر مريما و خمسون مثليرا مريعا وذلك بموجب خطليه الملة جدة رقم 3600062483 في 3 / 4 / 1417 لمالقيد لنبا برقم 2013/17 في 6 / 1 / 1417 هـ المعلوكة لـ شركة تمدين الأولى 1 مرور معمله قد حسوبا مصل المعلون مثر موجب الصال المساور من الموقين بلريضى برقم 493598002676 في 24 1 مرور معمله قد حسوبا مصل المعلون مثر من مريما الصال من الموقين مثلين بلريضى مرقم 4935980 من 24 سعاريه بيروجب سچن بجري رم ع200000 10 19 درية لسلاح / شركة الراجمي للتطوير المحدولة بيرجب سجل تجاري رائم / 1407 1444 قد تر رهنها رما اقبراً و سوقت عليها من بناء لسلاح / شركة الراجمي للتطوير المحدولة بيرجب سجل تجاري رائم / / / / / 14 / 1444 هـ مر رسو، وب البرا تر سولم حديه من بداء تصنع / مرزحه الراجعي للسفورين المحدودة. بدوجيه سعواري رام 1010158249 هـ شال الوقاء به 15266453 فقط خمسة عشر مقبوناً و منتقان و ستة و سقون القا و أربعستة و 1250 و خمسون ريابا سعودياً لا غير. تمدد على المناط شهرية عدما 1 قيمة كل قسط تاريخ حلول القسط 1443/03/14 سبب الرمن : اداة شمان ريية سويو د عن معد على المسد سورية معدم وعد من مند المركز التقر الدون عن سداء المديونية أو جزء منها المال خلول ك الوفاء بالسبونية عند رقم 22455468 ويدق للمسرف بيع الطار إذا تعرّ الدون عن سداد المديونية أو جزء منها المال خلل ك الدين المضمون(السداد على قسط واحد بمبلغ12566453 ويدف بتاريخ208-12-2028م) وفي حلة عمر السداد فللمرتهن بيع الطار سين معصمون(عصات حي عصد وبند بمبع 12009021 يحر بدريجان2002-1-2002) وكي هاية علم السند عمر بهن بيع العمار بالقيمة التي تتنهي عندها الرغبات ,واستيقام عالي ثمة الراهن من مائع وما تقص يرجع فيه عليه بعد الكمل مايلارم شرعا، وعليه جرى التصديق تحريرا في 1443 / 30 / 13 لاعتلاء ،وصلى الله على تبينا محمد واله وصحبه وسلم.

الختم الرسمي

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رقر الصك: 793010005754

ايراهيم عمر محمد المسين

بريع الألفية لأستشارات الهندسة المكتب المشرف ويع الألفية لاستشارات المندسة di das بيانات رسوم الرخصة احمالي المسطحات رقم السداد: 231200045576 فيمة رسوم: 3016.16 29.9616 المخلفات 29.9616 عدد عرف الكهرباء 1 29 عدد المواقف ومكور الارشادي 90 طول السور المدفق الأداري مجد أحمد سمندر لأستشارات الهندسة المعمارية عدد الوجدات [3 عدد الأدوار 1 مهندس الدراسة مجد أحمد سمندر لاستشارات الهندسة المعمارية 368 m Ilasiac مجد أحمد سمندر لاستشارات لهندسة المعمارية مدير ادارة رخص البناء . عمرو أحمد نشار الرشيدي

رخيصة بنياء

اسم صاحب الرخصة

رفم المحطط

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فتوبات المبني

لابق ارضاب - معدل

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سركة تمدين الأولى العقارية. جوال رقم 0556332153

رفم الكروكي

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الحدود

دا من الغرب للشمال الشرق 37تم كسر 14.9دم شا52م

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الحى

جميع العهدات الواردة بالمعاملة الأكثرونية نصر ملزمة على المكتب الهندسي والمالك كل قيما يحصه وعلى حمية المالت الهندسة مرورة والأكل المالك على جميع العهدات وضعر عن مستوليمو، بحت الأسار مسعد المراء الجاري في هم المرات المرادي المحدمة بمعاهل المراح المراحية بلمستول المراحي رتيكي عادة مالة معقمل كلي رحمة اسكنية وأصبات المراحية وتركية مرتصان المالور مرتبك عاد مياد معقمل كلي رحمة اسكنية وأصبات المراحية في تركيب مرتصان المالو

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الشبراع

لمساحات وعدد الوحدات ومواقف السيارات

عدد مساحه

بحارى

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صلاحبتها

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مساحه

لممسلكة العربية السعودية ورارة الشؤوب البلدية والفروية

رقم الرخصة

الاستحدام

البلدية

يحر الشمالية الدعية

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محالمه وليد قيمة

اصافه وتعديل

الله محافظة حدة

تعتبر الشروط العامة المدونة خلف نموذج رخصة البناء جزء لا يتجزأ من هذه الرخصة وعلى المالك التغيد بما نصت عليه هذه الشروط ونفع نحت مسئولينه 21



**General Administration** 

Riyadh 11666, Othman Bin Affan Road, Building No. 8484, Office No. 6

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 info@qiam.com.sa</u>

www.qiam.com.s

🖉 +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 22000015 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05/14 هـ الرقم الموحد 25232029 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666









#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: West Avenue Mall Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Dammam, Al-Faisaliah** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of West Avenue Mall property for the purpose of periodic valuation of the Fund's assets

and their current status on the estimation date of 30/06/2024 AD, In the amount of only (280,972,000) two hundred and eighty million, nine hundred and seventy-two thousand Saudi rivals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

#### Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
Appendix	07



The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





# Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity				
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Nidal Ahmed Al-Ghamdi- Associate Member - Real Estate - 1210000135</li> </ul>				
Assumed value	Value Basis	Purpose of the valuation				
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund				
Report type for client	Valuation Approach	Asset subject to valuation				
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	West Avenue Mall				
Report issuance date	Valuation date (measurement)	Inspection date				
18/07/2024AD	30/06/2024 AD	11/06/2024 AD				
	Scope of the Valuer search - Standard No. 102					

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

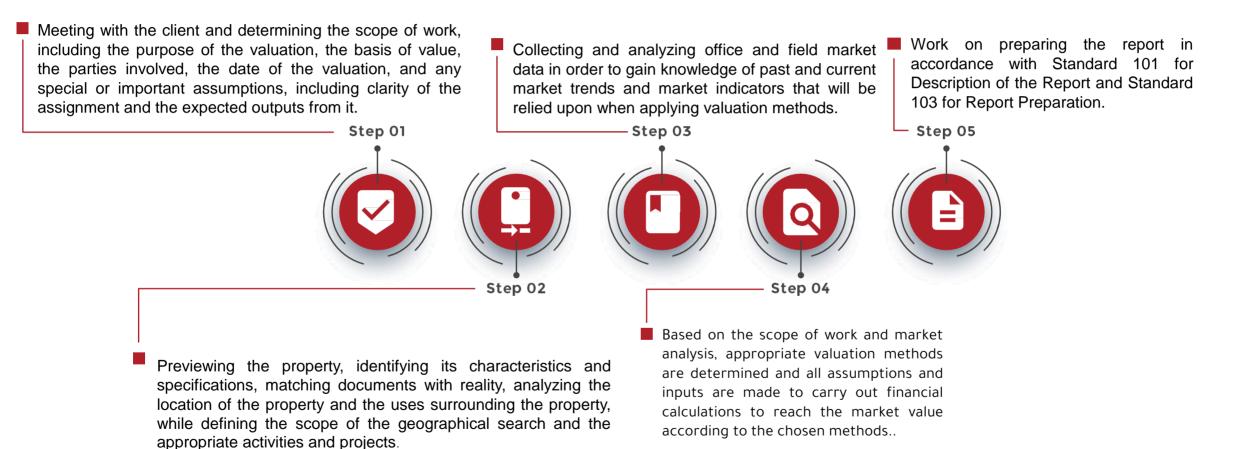
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



### Work Stages





### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

### Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
	Title deed	Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts	Trusted	The contracts were viewed and authenticated by the Ejar platform.
	Commercial meter prices		Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



### Compliance with Standards and Research and Inquiry

# 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

### 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

## 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards.

General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



## Real estate and investment properties in the preparation of financial reports

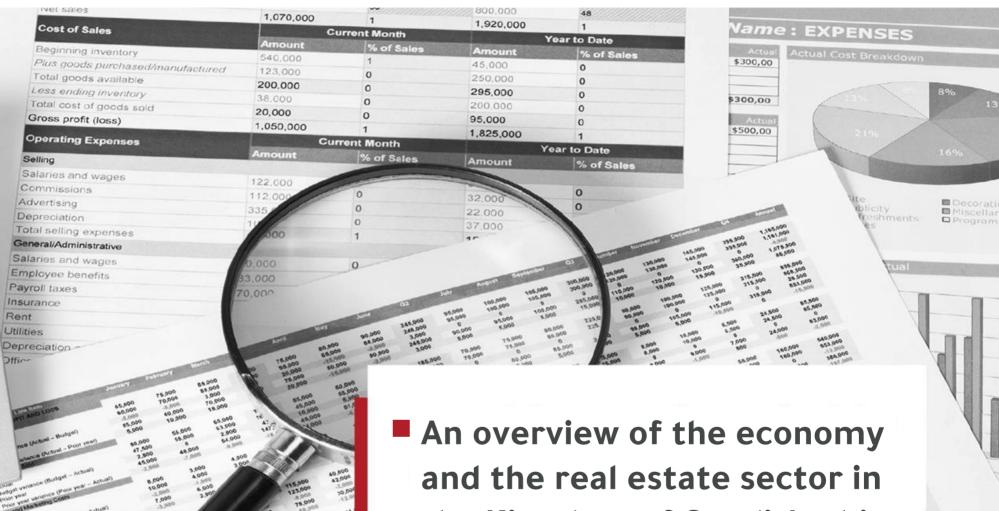
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any			
	property (land or a building - or part of a building -			
nvestment properties	or both) held (by the owner or by the lessee as a			
in the financial	right-of-use asset) to earn rental income or To			
in the inductor	grow the capital or for both, and not:			
statements	- For use in producing, supplying goods, providing			
	services, or for administrative or			
	- To sell it in the ordinary course of business			

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





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### 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.

شركة قيم للتقييم - ترخيص رقم 1210000052 تاريخ الانتهاء 1447/05/03 سجل تجارى رقم 1010927632 تاريخ الانتهاء 1449/03/15 هـ الرقم الموحد 26320029 - مكتب رقم 7 مبنى رقم 8484 هريق عثمان بن عفان - الرياض 1666



### Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





### **Business Sectors Overview**

### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

### **Office Sector**

The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

# **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.



Overview of the economy and the real estate sector in the Dammam city



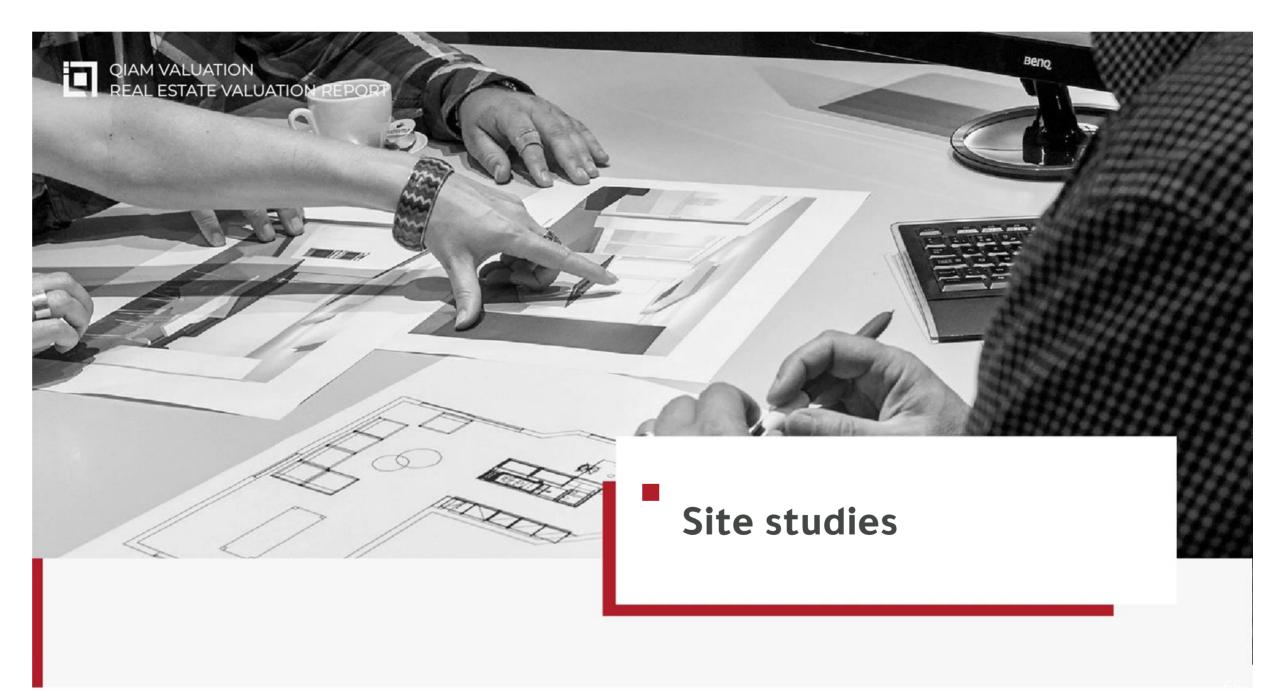
Social, service and real estate indicators - Dammam City - 2023 AD

### Social and service indicators:

<b>91</b>	<b>2</b>	+5ML	+1.8ML	+1.5K	<b>800KM</b>
Public and private school	University and College	Traveler	Workforce size	Population	Area
<b>1</b> Ports	<b>1</b> Airports	+28 Markets and shopping malls	<b>265</b> Factory	<b>6</b> hospital	+1.8ML Tourists and visitors

### **Real estate indicators:**

+144ML	+9.1K	+19.5Billion	+11.8K
Total value of rental transactions	Rental deal	Total value of executed transactions	Executed deal





## Property Risk Analysis

### Strength point:

- The property's prime location is on King Abdullah Road, intersecting with Omar Bin Al Khattab Road.
- The site is close to the main axial roads that connect it to parts of the Eastern Province, such as **(King Abdullah Road and Dhahran-Jubail Expressway).**

### **Opportunities:**

- Benefit from the proximity of the property to the largest and most important commercial centers in the city.
- The scarcity of distinctive commercial projects that meet the market needs in the property area.

### Weak points:

• Risks of changing the building system in the property area.

### **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



# **Ownership Data**

#### Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	330129001945	16/06/1443 AH	Absolute ownership

### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Dammam Al Faisaliah District	5 block 2	1330	57215.32 square meters

### > Borders and lengths:

	Borders and lengths:						
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
30m wide corridor	174.4	20m wide street	187.43	60m wide street	353.04	20m wide street	334.03

## Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



# Real estate data and Services available in the real estate area

	Real Estate Data					
City	Dammam	Neighborhood	Al-Faisaliah			
Street	Omar bin Al-Khattab Road	Property type	Mall			
No. land plan	1330	Plot number	5 block 2			
Land Area	57215.32 square meters	Built-up area	81,873 square meters			
	Services and facilities available in the real estate area					
Electricity network	Telephone network	Water network	Sewerage network			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Water drainage network	Mosque	Dispensary	Garden			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Public markets	Civil defense	Police station	Hospital			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			
Hotels	Petrol station	Schools	Governmental services and centers			
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$			



66

# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located west of Dammam city in Al Faisaliah district on Omar bin Al Khattab Road intersecting with King Abdullah Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	West of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Commercial Multi-Use
	Building ratio - number of floors	Commercial ground floor + 3 repeated floors + 50% upper extensions
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



# **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (6) years based on the (Building permit).
- Building permit number 002353/1436 dated 20/09/1436 AH
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a (Mall). Detailed as below:

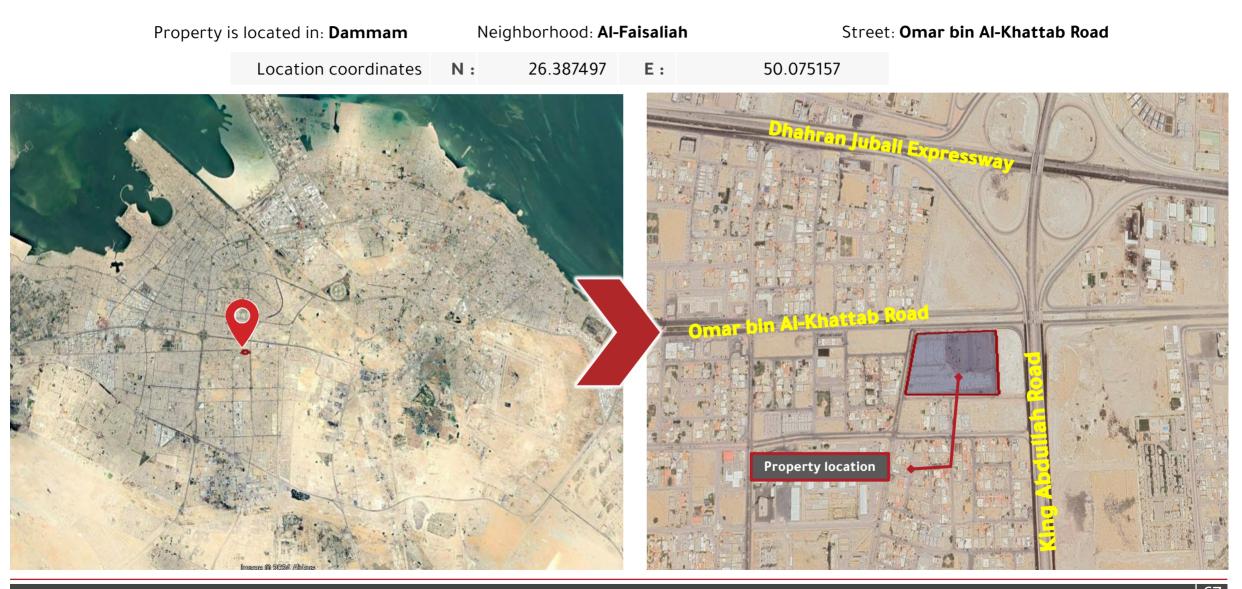
	Building components				
#	Floor	Area (m2)	Use		
1	Basement 1	19481	Parking		
2	Basement 2	6993	Services		
3	Ground floor 1	31105	Trade shows		
4	Ground floor 2	18378	Parking		
5	Mezzanine	419	Trade shows		
6	First floor	2000	Trade shows		
7	Second floor	2000	Trade shows		

# Property Description

INTERIOR FINISHES						
Doors		Ceiling	Wall Cladding	Floors		
Veneered woo	d	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain		
Windows		Health kits	Stairs	Insulation type		
Aluminum and double	e glazing	High quality	Marble	Thermal - Hydro		
		EXTERIOR FINISHES				
Facades	Facades Facilities Doors			Floors		
Paint - Stone		Cosmetic implants	Cosmetic implants Electric Securit Glass			
		Electromechanical and air conditioning	g systems			
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System		
Central	4 Elevators	High quality	High quality energy saving	Automatic electric pump system		
Security and safety systems - other facilities						
Facilities	Parking	Fire Alarm and Extinguishing Systems	ns Security Systems			
Private pools for some villas	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hote	arts Indoor and outdoor surveillance cameras			



# **Property location**



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# Photographic survey of the Property

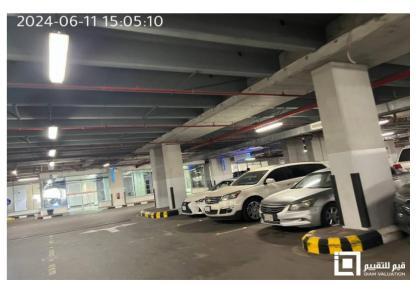






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### Londo problem

# Valuation



## Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



### Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

### The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

### The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



### Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

### Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

### Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

### Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

### **Income Approach Methods:**

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

### Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial showroom.	The fact that the property is income-generating

### Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				



# Value Estimation



### Estimating the value of the land - Market Approach - Comparisons method

Comparative real estate					
Comparison factors	Comparison 1	Comparison 2			
Area (m2)	1,170	1,440			
Ease of access	High	High			
Property location	High	High			
Land shape	Regular	Regular			
Land topography	Average	Average			
Use	Commercial Residential	<b>Commercial Residential</b>			
Surrounding streets	2	2			
Price per meter (SR)	4400	3500			
Comparative condition	Available offer	Available offer			



Valuating the land according to Market Approach - Method of comparison with similar sales					
CI	ause		Comparativ	e real estates	
	Property under	Comparison 1		Comparison 2	
Adjustments factors	valuation	Value	Adjustment	Value	Adjustment
Price per square meter	***	4,400		3,500	
Condition	***	Available offer		Available offer	
Date of valuation/offer	2024	2024		2024	
Market Condition	***	%15.00-	660 -	%15.00-	525 -
Financing terms	***	%0.00	-	%0.00	-
Market conditions value	***	(66	0.00)	(525.00)	
Value after initial settlements	***	3,	3,740		2,975
Land area (m²)	57215.32	1,170	%25-	1,440	%25-
Ease of access	High	High	%0	High	%0
Property location	High	High	%0	High	%0
Land shape	Regular	Regular	% <b>0</b>	Regular	%0
Land topography	Average	Average	%0	Average	%0
Land use	<b>Commercial Residential</b>	Commercial Residential	% <b>0</b>	<b>Commercial Residential</b>	%0
Surrounding streets	3	2	%5	2	%5
١	Fotal	%20.00-		% <b>20.00-</b>	
Adjustment value per square meter		-748		-595	
Final meter value after Adjustments		2,992		2,380	
Net average value per square meter (SR / m²)		2,686			
Market value of the land (SR / m²)		153,680,350			

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# Similar Comparisons Method Assumptions

### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.



# Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)						
Clause	Built up area m2	SR / m2	Value (SR)			
Basement 1 indoor parking	19481	2,200	42,858,200			
Basement 2 indoor parking	6993	2,200	15,384,600			
Ground floor 1	31105	2,500	77,762,500			
Ground floor 2 outdoor parking	18378	150	2,756,700			
Mezzanine	419	2,500	1,047,500			
First floor	2000	2,500	5,000,000			
Second floor	2000	2,500	5,000,000			
Workshop	961	800	768,800			
Wall	536	800	428,800			
Total (SR)	81,873		151,007,100			
Second: Other costs (indirect)						
rofessional fees		3,020,142				
Jtilities Network	%2		3,020,142			
dministration costs	%2		3,020,142			
inancing costs (0 years / 0%)	%0		-			
Developer's profitability	%15		22,651,065			
	31,711,491					
Total cost	182,718,591					

Third: Depreciation cost				
Life span of the property (year)	Year	40		
The current age of the property (year)	Year	6		
Remaining life of the property (year)	Year	34		
Depreciation rate	%	15		
Depreciation value	SR	27,407,789		
Final value of the	155,310,802			
Fourth: Value of the	property according to the Cost	Approach		
Final value of th	153,680,350			
Final value of bu	155,310,802			
Market value of the property accor	308,991,152			
Market value of the property accord rounding	308,991,000			

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Property income according to income data sent by the client

Rental price analysis based on market survey data results					
Property Type	Property Type Average area (m2) Aver				
Big trade show	500 - 300		1,300		
Small trade show		150 - 100	1,500		
Kiosks		15	4,000		
Hyper Showrooms	5000 - 2500		550		
	Calculat	ing the income of the property being valued			
Clause	Rental area (m2)	Average rental value per square meter (SR/mete	er) Total rental value (SAR)		
Rented units	28200	699.35	19,721,702		
Vacant units	4063	1400	5,688,200		
	Total rental income	2	25,409,902		

### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 8%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

### **Operating Expense Rate:**

Considering the market activity and similar reports from Qiam Investments, it became clear to us that the vacancy rate is between 10% and 15%, and accordingly 10% was assumed as the operating expenses rate.

### Growth rate:

Considering the market activity and similar contracts, we found that the growth rate for contracts is 6% every three years. Accordingly, 6% was assumed as the growth rate for every 3 years.

#### Vacancy rate and credit risk:

Considering the market activity and similar reports from Qim Investments, we found that the occupancy rate ranges between 5% and 10%. Accordingly, the occupancy rate was assumed to be 87% based on the income data received from the client.

#### **Discount rate:**

Discount rate (cumulative model method)				
Government bond rate of return	4.94	Saudi Tadawul Fund		
Inflation rate (current year average)	1.8	Saudi Central Bank		
Market risk premium (recession and recovery)	1	According to the condition and circumstances of the market		
Special risk premium (the resulting costs of the property)	1	According to the condition and circumstances of the property		
Discount rate with all data above	9	%		

#### Assumptions:

Discounted Cash Flow method assumptions					
Total property income	25,409,902	Discount rate	<b>%9</b>		
Occupancy rate	%87	Capitalization rate	%8		
Operating Expense Rate	%10	Growth rate - every 3 years	%6		

### Rental income:

Based on the income data sent by the client, it became clear to us that the current income of the property based on the rented units is (19,721,702 riyals) and it was assumed for the first year and the rental of the remaining units was assumed based on market prices and reversed from the second year.



# Calculating the market value - Discounted Cash Flow method

						I	nvestment year	·s				
Cash flow - Inflows		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Reversion value
		1	2	3	4	5	6	7	8	9	10	Reversion value
Expected growth value		%0.00	%0.00	%6.00	%0.00	%0.00	%6.00	%0.00	%0.00	%6.00	%0.00	
Total rental value	25,409,902	19,721,702	25,409,902	26,934,496	26,934,496	26,934,496	28,550,566	28,550,566	28,550,566	30,263,600	30,263,600	
Occupancy rate	% <b>87</b>	-	22,106,615	23,433,012	23,433,012	23,433,012	24,838,992	24,838,992	24,838,992	26,329,332	30,263,600	
Actual gross income		19,721,702	22,106,615	23,433,012	23,433,012	23,433,012	24,838,992	24,838,992	24,838,992	26,329,332	30,263,600	
Minus operating expense ratio	%10	1,972,170	2,210,661	2,343,301	2,343,301	2,343,301	2,483,899	2,483,899	2,483,899	2,632,933	3,026,360	
Net Operating Income (NOI)		17,749,532	19,895,953	21,089,710	21,089,710	21,089,710	22,355,093	22,355,093	22,355,093	23,696,399	27,237,240	
Reversion value of the building	I											
Net Cash Flow		17,749,532	19,895,953	21,089,710	21,089,710	21,089,710	22,355,093	22,355,093	22,355,093	23,696,399	27,237,240	
Discount Factor		0.9174	0.8417	0.7722	0.7084	0.6499	0.5963	0.5470	0.5019	0.4604	0.4224	0.4224
Present Value of Cash Flows		16,283,974	16,746,026	16,285,126	14,940,483	13,706,865	13,329,612	12,229,001	11,219,267	10,910,480	11,505,304	143,816,306
Net present value of the property												280,972,444
								Final	Property Va	lue	280	0,972,444
							F	inal Property	y Value (afte	er rounding)	280	0,972,000



#### Final value of the property

Based on the purpose of the valuation and the nature of the property and its characteristics as a commercial complex property (Mall), the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
280,972,000	Two hundred and eighty million, nine hundred and seventy-two thousand Saudi riyals

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Nidal Ahmed Al-Ghamdi Real estate - Associate Membership No 1210000135



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005



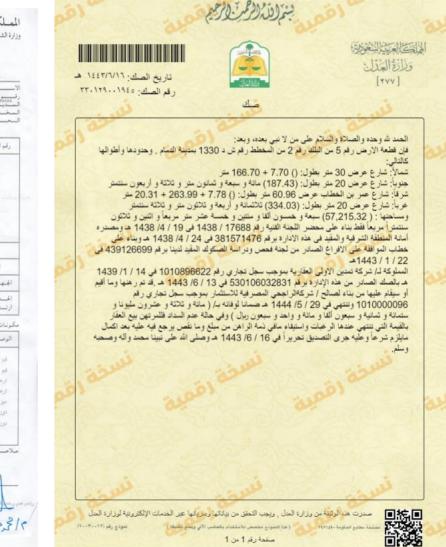


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#### Documents received from the client









# Samples of the contracts that were



#### يعتبر هذا العقد عقّدا موثّقا وسنّدا تنفيذًيا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ٢٤٣٥/٤/٣ هـ

العقد Unified

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Contract الموجد

التجاري Commercial

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20309434154 / 1	رقم سجل العقد:
Contract Sealing Location	الدمام	مكان إبرام العقد:	Contract Sealing Date	2023-05-17	تاريخ إبرام العقد:
Tenancy End Date	2024-05-15	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2023-05-16	تاريخ بداية مدَّة الإيجار:
Contract is conditional			4		معلق بشرط

Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين الئولى العقارية شركة شخص واحد	اسم الشّركة/المؤسّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by	-	جهة الإصدار:

Lessor Represe	entative Data			ۇجر	٣ بيانات مُمثِّل الم
Name		ن يحيى معيدي	سلمان حسين بز		الاسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address					العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ التصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2025-08-31	2022-10-04	وكالة شرعية إلكترونية	441361636

Tenant Data					٤ بيانات المستأجر
Company name/Founder	الشركه العالميه للمواد الأستهلاكيه والأغذيه المحدوده	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7013191684	الرقم الموحد	CR No.	2050029957	رقم السَّجل التَّجاري:
CR Date	1995-06-18	تاريخ السجل التجاري:	Issued by		جهة الإصدار:













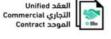
#### لا يعد هذا العقد سندًا تنفيذيًا؛ لوجود بنود أو شروط إضافية

Contract Data					ا بيانات العقد
Contract Type	جديد	نوع العقد:	Contract No.	20648671620 / 1	قم سجل العقد:
Contract Sealing Location	الدمام	مكان إبرام العقد:	Contract Sealing Date	2023-03-01	ناريخ إبرام العقد:
Tenancy End Date	2027-11-06	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2022-11-07	اريخ بداية مدَّة الإيجار:
Contract is condition	nal	1	4		معلق بشرط
			Ejar Fees Paid By	المؤجر	طريقة دفع رسوم العقد:
Lessor Data					۲ بيانات المؤجّر
Company name/Founder	شركة تمدين النولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	وع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	قم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by		بهة الإصدار:
Lessor Represe	entative Data			اجر	٣ بيانات مُمثِّل المؤ
Name		ن يحيى معيدي	سلمان حسين بز		لاسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	ID Type	هوية وطنية	وع الهويَّة:
Email	muaidis@mulkia.com.	البريد الإلكتروني: ち	Mobile No.	+966556332153	قم الجوَّال:
National Address					لعنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ الاصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2025-08-31	2022-10-04	وكالة شرعية إلكترونية	441361636

Tenant Data					٤ بيانات المستأجر
Company name/Founder	الشركة السعودية للعدد والددوات ساكو مساهمه عامة	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:







#### لا يعد هذا العقد سندًا تنفيذيًا؛ لوجود بنود أو شروط إضافية

Contract Data					ا بيانات العقد
Contract Type	çeşe	نوع العقد:	Contract No.	20018994084 / 1-0	رقم سجل العقد:
Contract Sealing Location	الدمام	مكان إبرام العقد:	Contract Sealing Date	2024-01-30	تاريخ إيرام العقد:
Tenancy End Date	2027-08-09	تاريخ نهاية مدَّة الإيجار:	Tenancy Start Date	2023-08-10	تاريخ بداية مدّة الإيجار:
Contract is conditional			4		معلق بشرط

Lessor Data					٢ بيانات المؤجّر
Company name/Founder	شركة تمدين الاولى العقارية شركة شخص واحد	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	نوع المنظمة:
Unified Number	7010776792	الرقم الموحد	CR No.	1010896622	رقم السَّجل التَّجاري:
CR Date	2017-10-04	تاريخ السجل التجاري:	Issued by		جهة الإصدار:

Lessor Repres	entative Data			مۇجر	٣ بيانات مُمثِّل ال
Name		ې يديې معيدې	سلمان حسين بن		الدسم:
			Nationality	المملكة العربية السعودية	الجنسيَّة:
ID No.	1073134924	رقم الهويَّة:	1D Type	هوية وطنية	نوع الهويَّة:
Email	muaidis@mulkia.com.sa	البريد الإلكتروني:	Mobile No.	+966556332153	رقم الجوَّال:
National Address		الرياض	العلياء, ا		العنوان الوطني:
		تاريخ الانتهاء Expiry Date	تاريخ النصدار Issue Date	نوع المستند Type	رقم سند التمثيل Number
		2025-08-31	2022-10-04	وكالة شرعية إلكترونية	441361636

Company name/Founder	شركة الشايع الدولية للتجارة	اسم الشَّركة/المؤسَّسة:	Organization Type	التجارية	وع المنظمة:
Unified Number	7013619528	الرقم الموحد	CR No.	2050094953	مَم السُّحِل التَّحِاري:
CR Date	2013-10-21	تأريخ السجل التجاري:	Issued by		بهة الإصدار:



**General Administration** 

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 info@qiam.com.sa</u>

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شركة قيم للتقييم - ترخيص رقم 22000001 تاريخ الانتهاء 1447/05/03 سجل تجاري رقم 1010927632 تاريخ الانتهاء21/10/05 ها لرقم الموحد 22822019 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666





# **Real State Valuation Report**

# Presented to: Mulkia Gulf Real Estate REIT Fund



**Trade shows - Khamis Mushait** 

# **IENT**





Report date: 18/07/2024 AD

Report No.: 448230

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QIAM VALUATION | REAL ESTATE VALUATION REPORT



#### Statement

#### Dear Esteemed : Mulkia Gulf Real Estate REIT Fund Greetings

#### Subject: Trade shows - Khamis Mushait Valuation Report

We, Qiam and Partner Real Estate valuation Company, extend our sincere thanks and appreciation to you for choosing us and granting you your precious trust to evaluate the property located in the city of **Khamis Mushait, King Khalid Road** neighborhood, pursuant to the assignment issued by you on **26/05/2024 AD**, based on the license granted to us by the Saudi Authority for Accredited Valuers, following the latest version of the internationally recognized **2022** valuation standards and the rules and ethics of the profession to reach the final neutral evaluation based on the actual inspection by the work team and the study of the market area surrounding the property. The fair price estimate was reached using the various valuation methods contained in each report. Accordingly, we are pleased to present to you the real estate valuation certificate listed below. Based on the completed study, we attach to you the results of the fair price estimation of Trade shows properties for the purpose of periodic valuation of the Fund's assets and their current status on the estimation date of **30/06/2024 AD**. For an amount of only (6,929,000) six million nine hundred and twenty-nine thousand Saudi riyals.

#### With sincere gratitude...

This report was approved by the Executive Director,

Ismail Mohammed Al-Dubaikhi

Under License No. / 1210000052 dated 06-03-1443 AH







Valuation report filing code

At the Saudi Authority for Accredited Valuers

# **قير للتقيير** QIAM VALUATION

#### Content

The specific assumptions and limitations of the report	01
Scope of work	02
An overview of the economy and the real estate sector in the Kingdom of Saudi Arabia	03
Site studies	04
Valuation	05
Value Estimation	06
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The specific assumptions and limitations of the report

#### Important assumptions and special assumptions

Based on the type of property, its characteristics, and the purpose of the evaluation, the property was evaluated using the Cost Approach (Replacement Method) and the Income Approach (Discounted Cash Flow Method).

- Based on the purpose of the valuation, which is (Periodic Valuation of the Mulkiya Gulf Real Estate REIT Fund), the evaluation was based on the value (fair value).
- Qiam Valuation Company acknowledges that there is no conflict of interest with the fund managers, property owners and managers, property tenants, and all direct and indirect parties in everything related to the fund.
- Our company does not bear any responsibility for any information received from the customer, which is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and did not offer any kind of guarantee for the accuracy or completeness of the data except as indicated clearly in this report.

The property has been inspected outwardly and the property has not been structurally inspected, or this appraisal report is considered valid only if it bears the company's seal and the signature of the accredited valuers. No legal document was verified for the property that was evaluated or for legal matters involving ownership or mortgage, and it was assumed that the information provided by the client (Title deed) is current and valid.

- The values estimated in this report are for the property under valuation, and any distribution of the value to parts of the property will not be correct, and this value should not be used for any other purposes, as it could be incorrect if used as well.
- The information provided by other parties, especially with regard to planning, land ownership, leasing, etc., on which all or part of this report was based, was considered reliable, but not all of its authenticity has been confirmed in all cases, and no guarantee has been provided regarding the authenticity of this information if it appears that this information is incorrect. The value shown in this report may change.

The property was valued in accordance with International Valuation Standards 2022 AD, and the estimated value in this report is for the property under study, and in case of changing the purpose of the valuation, these values may be incorrect. Boundaries and lengths are according to the client's information (Title deed). The company is not responsible for the boundaries and lengths, and therefore the total area of the lands is taken according to the Title deed data. The company is not responsible for that, This report may not be used in whole or in part, or have references to it made without mentioning Qiam and its partner real estate valuation company. It may also not be published in any way without the company's prior written consent, in the form and content in which it appears. The company's responsibility with regard to the report and valuation is limited to the client, who is the entity conducting the valuation. Some of the required data was not received from the client, and if any hidden information is available, it could affect the value of the property.





## Scope of work Standard No. 101

Other users	Client (Report Owner)	Real estate valuer's identity			
Mulkia REIT Fund - Capital Market Authority	Mulkia Gulf Real Estate REIT Fund	<ul> <li>Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</li> <li>Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013</li> <li>Alwaleed Khaled Musa- Associate Member - Real Estate - 1210001381</li> </ul>			
Assumed value	Value Basis	Purpose of the valuation			
Current use	Fair value	Periodic valuation of the assets of Gulf Real Estate REIT Fund			
Report type for client	Valuation Approach	Asset subject to valuation			
Investment or use, and in some cases the property is partly used by the client and partly invested, and has special considerations)	Income Approach (Discounted Cash Flow method)	Trade shows - Khamis Mushait			
Report issuance date	Valuation date (measurement)	Inspection date			
18/07/2024AD 30/06/2024 AD		10/06/2024 AD			
	Scope of the Valuer search - Standard No. 102				

Gathering sufficient information through a field visit, visible inspection, and conducting analyzes. A study was conducted from sites close to the real estate site and from approved real estate offices in the real estate area, and all information was investigated and studied accurately.

#### **Definition of Value Basis**

Fair value is 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. (This definition is taken from IFRS (13)) paragraph 9. It is also defined in IVS 104 Bases of Value paragraph 90 among other bases of value for valuation for financial reporting purposes.



Scope of work Standard No. 101

Report currency

Saudi riyal

#### Description of report type

A narrative report that explains the valuation methodology, steps, and valuation results, and includes illustrative images of the limits of the asset being valued, along with details of the data.

#### Valuation Standard followed

All work was carried out in accordance with the regulations of accredited valuers and the executive regulations related to real estate valuation issued by the applicable valuation standards published by the magazine of the Saudi Authority for Certified Valuers (Taqeem) and the latest version of the valuation standards and the valuers who adhere to its requirements. Valuations may be subject to follow-up by these bodies, and the review includes the conformity of the valuation with Requirements of International Valuation Standards for the year 2022 AD

#### Nature and source of information

The information contained in the report was issued by official bodies, real estate offices in the targeted area, or offices specialized in research and studies, and with reference to the database of Qaim and its partner real estate valuation company.

#### Important assumptions and special assumptions

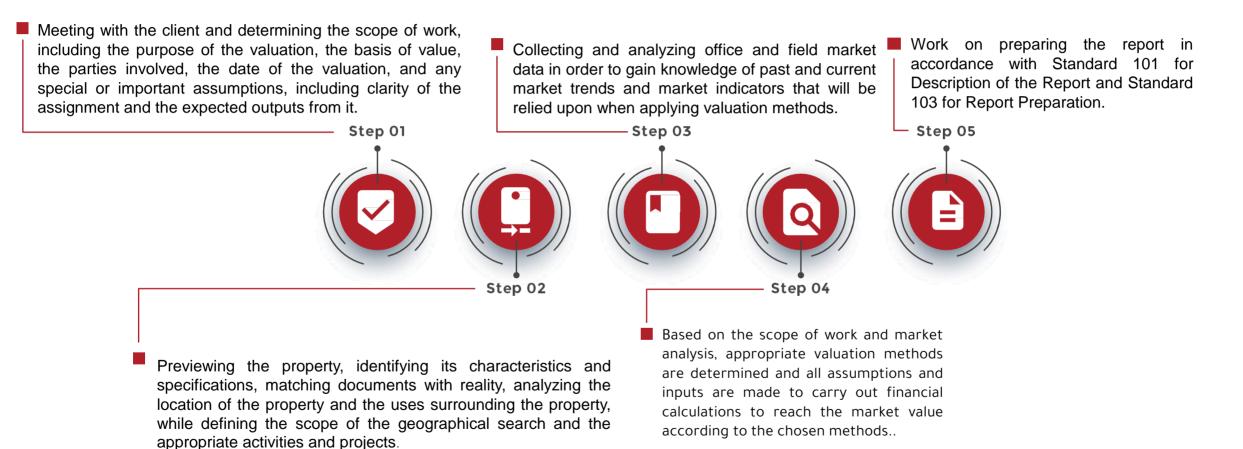
Our company does not assume any responsibility for any information received from the client, which is supposed to be safe and reliable Also, our company does not endorse the accuracy or completeness of the available data and does not express its opinion, nor did it offer any kind of guarantee for the accuracy of the data or completeness except as indicated clearly in this report

#### **Report usage restrictions**

Valuations and reports are confidential to the party to whom they are referred and to whomever they are referred for a specific purpose, with no liability of any kind to any third party. It is not permissible to publish this report in its entirety or any part of it or refer to it in any document or statement or publish it periodically or in any other medium. Communicate with any third party without obtaining prior written consent in the form and context in which it appears. It is a matter of caution that the company and the evaluator reserve the right to make any amendments and make any review of the valuation or support the valuation result under specific circumstances. The company reserves the right, but not any obligation, to review the valuation calculations and amend and revise its results in light of information that existed at the valuation date but became clear to it later.



#### Work Stages





#### Standard 102: Compliance with Standards and Research and Inquiry

This valuation work was carried out in accordance with the principle of Standard 102 of compliance with the standards, research and survey work, in the following items:

- The basis of value (Fair value ) is consistent with the purpose of the valuation (Periodic valuation of the assets of Gulf Real Estate REIT Fund).
- Gathering evidence through field visits at the time of inspecting the property with the inquiries raised at the time of the evaluation of some accredited offices in the area of the property.
- Evidence from field visits was collected and analysis and computational procedures performed to ensure that valuation work was adequately supported.
- The data cited was judged to ensure the adequacy of all such information obtained to ensure that it is sufficient for the purpose of the evaluation.
- Limitations of the research and survey that were carried out indicate the limitations in the scope of work with the analysis of all evaluation inputs mentioned in the report.
- Reliability of the information provided by the real estate offices in the real estate area has been confirmed, and they are accredited and licensed offices in the real estate area.

#### Judging the reliability of the information provided and taken into the report

Provider	Data and information	Verdict	Judgment reasons
	Title deed	Trusted	The deed sent by the client has been verified
Client	Building permit	Trusted	Construction Permit Validated - Balady platform.
	Lease contracts		
	Commercial meter prices		Based on the market survey - direct interviews - accredited offices in the real estate area - internal company data
Market	Practical experience of real estate offices	Trusted	Certified by official records in the real estate area
	Source independence	Trusted	A source independent and external to the asset being valued



QIAM VALUATION REAL ESTATE VALUATION REPORT

# Compliance with Standards ,Research and Inquiry



#### Compliance with Standards and Research and Inquiry

## 01

The research and investigations undertaken in the context of the valuation mission are appropriate to the valuation purpose and value basis

#### 02

Carry out calculations and perform analyzes by gathering sufficient evidence by the following means, such as: field visit, inspection, inquiries and ensuring that evaluation work is appropriately reinforced and professional judgment facility to ensure that the information obtained is sufficient and that it fulfills the purpose of the evaluation

# 03

In the event that there are restrictions on the research and investigation carried out by the evaluator that do not enable him to adequately valuer the inputs and assumptions, which are clarified in the special assumptions

#### 04

Taking into account the reliability of the information so that the evaluation results do not appear, and the inputs provided to the valuer (and) from the client or his representative) were considered.

# 05

Consider the credibility and reliability of the information provided The following matters were taken into consideration:

The purpose of the valuation

The relevance of the information to the outcome of the valuation The source practical experience in relation to the subject matter of the valuation

Is the source independent of the asset being evaluated or the beneficiary of it.

#### 06

Record the valuation purpose, basis of value, and scope And the limits of research and survey, and the sources of information that reliable in the scope of work, which must Communicating it to all parties to the evaluation task

#### Regulatory framework on the International Valuation Standards (IVS 2022)

General Standards - Criterion 101 Scope of Work Paragraph 20: Emphasizing that the valuation will be prepared in accordance with international valuation standards and 1 that the valuer will assess the appropriateness of all important inputs: Deviations from international evaluation standards and their nature must be mentioned

60.3 Some professional appraisal institutions or regulations allow procedures that deviate from the International Appraisal Standards and in such circumstances, except as described in paragraphs 60.1 and 60.2, the resulting valuation will not be in compliance with the Standards. General framework: the generally accepted valuation principles and the concepts that should be followed when applying these standards with regard to objectivity, discretionary efficiency, judgment, and the of deviating from the possibility (60.1-60.2). standards, Paragraph requirements mentioned in the reports

#### Note:

Real estate valuations performed in order to prepare financial reports are regarded as situations of systematic deviation from international valuation norms in order to satisfy certain criteria for the purpose of the relevant valuation.



#### Real estate and investment properties in the preparation of financial reports

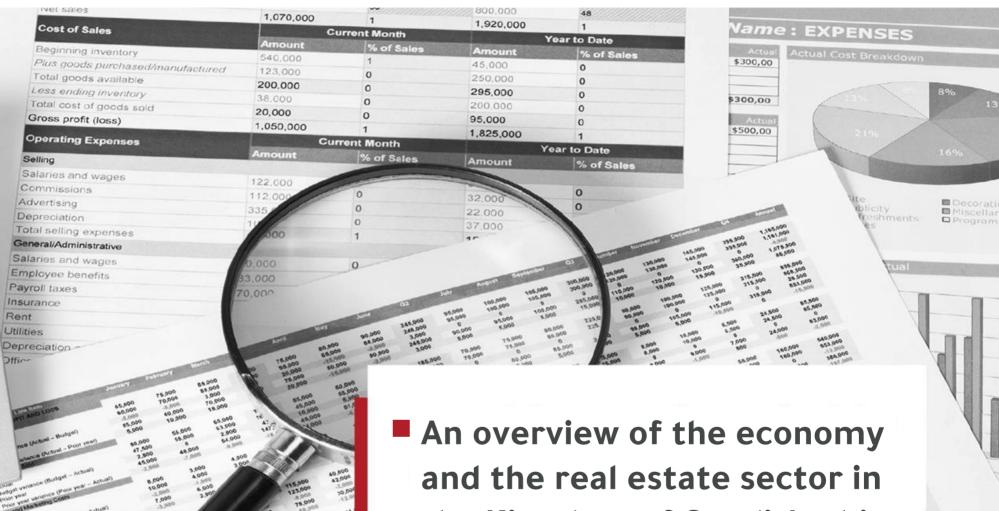
# Clarifying the difference between real estate and investment properties in the financial statements

	IAS 40 defines investment property as any		
	property (land or a building - or part of a building -		
nvestment properties	or both) held (by the owner or by the lessee as a		
to dec Constal	right-of-use asset) to earn rental income or To		
in the financial	grow the capital or for both, and not:		
statements	- For use in producing, supplying goods, providing		
	services, or for administrative or		
	- To sell it in the ordinary course of business		

Real estates included in the term of real estate, machinery and equipment in the financial statements

The International Accounting Standard No. 16 "property, plant and equipment" IFRS16 defines as the tangible items that: - It is kept for use in the production or supply of goods or services, or it is kept for rent to others (except for investment real estate) or for use in administrative purposes. - It is expected to be used during more than one period





11.000 11.000 18.000 18.000 . 6.900 the Kingdom of Saudi Arabia



#### 2030 Vision

His Royal Highness Prince **Mohammed bin Salman bin Abdulaziz Al Saud**, Crown Prince, Deputy Prime Minister and Chairman of the Council for Economic Affairs and Development.



Our ambition is to build a more prosperous country in which every citizen will find what he desires. For the future of our homeland, which we build together, we will accept nothing but to make it at the forefront of the world, with education and rehabilitation, with opportunities available to all, and advanced services, in employment, health care, housing entertainment and others.



#### Economic growth in Saudi Arabia

During its modern era, the Saudi economy has witnessed growth in a large number of sectors, taking advantage of the Kingdom's natural resources, and its geographical and cultural position among the three continents of the world. This growth resulted in building a solid economic base, as it became among the twenty largest global economies and an active member of the Group of Twenty, and one of the main players in the global economy and global oil markets, supported by a strong financial system and an effective banking sector, and giant government companies based on highly qualified Saudi cadres.

In the past years, the Kingdom has also witnessed structural reforms on the economic and financial side, which enhance the increase in economic growth rates while maintaining financial stability and sustainability.

In order to develop and diversify the economy and reduce dependence on oil, the Kingdom of Saudi Arabia launched the Saudi Vision 2030 based on many economic and financial reforms, which aimed at transforming the structure of the Saudi economy into a diversified and sustainable economy based on enhancing productivity, raising the contribution of the private sector, and enabling the third sector.

Since the launch of the vision, the Kingdom has succeeded in implementing many supportive initiatives and structural reforms to enable economic transformation.

This transformation consists of several major efforts centered on a sectoral dimension that includes the promotion of local content, national industry, and the launch of various sectors. Promising economy and its development, enabling dimension that aims to maximize the role of the private sector, small and medium enterprises, and enhance the sustainability of Public Finance. It is expected that the pace of this structural transformation towards sustainable economic growth will continue in the coming years, especially in light of the number of Giant investment initiatives, under the umbrella of the Public Investment Fund, and leading companies. It is also expected that the pace of settlement will accelerate Knowledge and innovative technologies.





#### **Business Sectors Overview**

#### **Tourism Sector**

Within the framework of the Kingdom's Vision 2030, which aims to lay effective foundations and pillars for the future of the Kingdom of initiatives aimed at reducing the main dependence on oil, through many sectors to support the national economy, including the tourism sector, given what this sector represents from a value, social, civilized and economic dimension. The tourism sector and the hotel sector are closely linked to the Saudi Vision 2030, and it revolves around helping those involved in the hospitality sector, food and entertainment industries to plan for the future.

#### **Office Sector**

The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the private sector within the national system of vision realization offices in government agencies. Including Riyadh's endeavor to transform into a regional center for international commercial entities, which made it issue a decision to refuse to contract with any company that does not have a regional headquarters in Saudi Arabia by 2024, especially those that have contracts with government agencies, whether they are bodies, institutions, investment funds or devices. Increases the demand for the office sector.

#### **Retail Sector**

The vision of the Kingdom's national transformation for the post-oil stage 2030 paid great attention to the development of the commercial and industrial sector in the Kingdom, as the vision is based on focusing on the development and development of the local industry that will achieve great economic returns for the Saudi economy, and among the goals of the vision by 2030 is to raise the percentage of exports The Kingdom's rank in the Logistics Performance Index increased from 16% to 25 globally and first regionally, and the private sector's contribution to the GDP increased from 40% to 65%.

**Housing Sector-**

Vision 2030 has provided sustainable housing solutions that enable Saudi families to own suitable homes according to their needs and financial capabilities. To achieve this, the housing system, in terms of structuring, procedures, and policies for dealing with banks and the private sector, has developed a high percentage of Saudi families' ownership of homes, as the proportion of Saudi families' ownership of homes did not exceed 47% in 2016, and rose to 70% by the end of the first phase of the housing program in 2021.



Mushait city



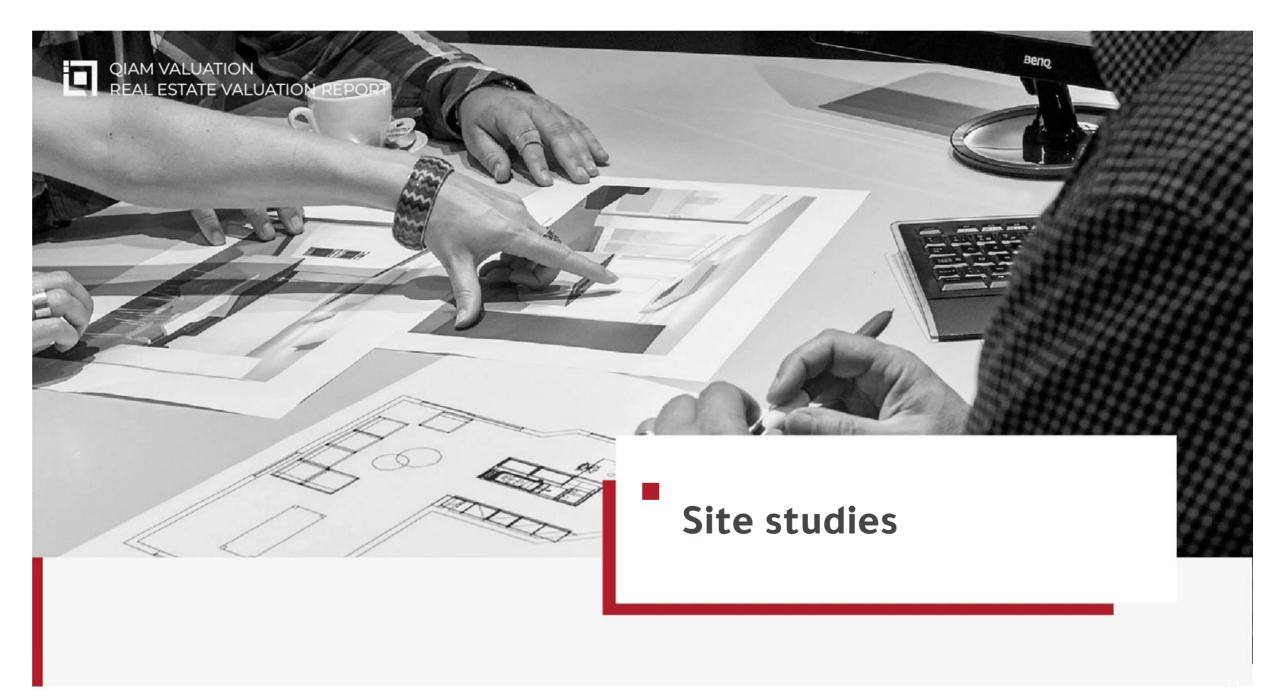
Social, service and real estate indicators - Khamis Mushait City - 2023

#### Social and service indicators:

<b>88</b>	<b>2</b>	+10ML	<b>220K</b>	+601K	500KM
Public and private school	University and College	Traveler	Workforce size	Population	Area
	<b>1</b> Airports	+24 Markets and shopping malls	<b>265</b> Factory	<b>4</b> Hospital	+1.8ML Tourists and visitors

#### **Real estate indicators:**

+33ML	+2521K	+2.8Billion	+4.2K
Total value of rental transactions	Rental deal	Total value of executed transactions	Executed deal





#### Property Risk Analysis

#### **Strength point:**

- The property's prime location is on King Khalid Road.
- The site is close to the main roads that connect it to the rest of the Asir region, such

as (Prince Sultan Road, King Abdullah Road, and King Fahd Road).

#### **Opportunities:**

- Benefit from the proximity of the property to the largest and most important commercial centers in the governorate.
- The scarcity of distinctive commercial projects that meet the market needs in the property area.

#### Weak points:

• Risks of changing the building system in the property area.

#### **Challenges:**

- It seeks to develop in a way that suits the Kingdom's economy and its orientation towards global markets.
- Eliminate all types of risks that threaten the real estate area.
- Achieving revenue is the main factor in estimating the value of the property.



#### **Ownership Data**

#### > Title deed information

Owner name	Deed number	Deed date	Ownership Type
Tamdeen First Real Estate Company	393010005752	13/03/1443 AH	Absolute ownership

#### > Location- plan number - plot number - land area:

City - District	Plot number	Plan number	Land area
Khamis Mushait - King Khalid Road	N.A.	N.A.	1500 square meters

#### > Borders and lengths:

			Borders and	lengths:			
Northen border	Border length	Southern border	Border length	Eastern border	Border length	Western border	Border length
20m wide corridor	30	20m wide street	30	16m wide street	50	64m wide street	50

## Assumptions regarding ownership of the property

The property being evaluated is mortgaged to AI Rajhi Development Company Limited. For the purposes of this report, we have assumed that there is good and valid ownership free of any obstacles, mortgages, fees, or interests of any third parties, etc. If this is not achieved, the opinion of the property's value may be affected.



# Real estate data and Services available in the real estate area

	Real Estate Data				
City	Khamis Mushait	Neighborhood	King Khalid Road		
Street	King Khalid Road	Property type	Trade Shows		
No. land plan	N.A.	Plot number	N.A.		
Land Area	1500 square meters	Built-up area	567.2 square meters		
	Services and facilities available in the real estate area				
Electricity network	Telephone network	Water network	Sewerage network		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Water drainage network	Mosque	Dispensary	Garden		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Public markets	Civil defense	Police station	Hospital		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		
Hotels	Petrol station	Schools	Governmental services and centers		
$\checkmark$	$\checkmark$	$\checkmark$	$\checkmark$		



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# Factors affecting the property

Impact element	Impact determinants	Description
Area overview	Importance of the area	The property is located south of Khamis Mushait city on King Khalid Road with easy access to Prince Sultan Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
	Location from the city	South of the city
	Infrastructure	Completed
Planning factors (Urban)	Municipal equipment	Completed
	Land properties	Regular sides and lengths
Building Regulations	Land use	Residential - Commercial - Administrative (Multi-use)
	Building ratio - number of floors	65% - maximum four floors and an extensions
Economic factors	Supply and demand	Average
	Land prices	Average
Legal factors	Deficit and trespassing on the property	N,A.



## **Property Description**

- The building area was determined based on the (Building permit).
- The age of the property was determined as (6) years based on the (Building permit).
- Building permit number **450614241889** dated **17/07/1437 AH**
- The state of the property on the date of valuation (30/6/2024)

When examining the property, it became clear to us that it is a **(Trade Shows)**. Detailed as below:

	Building components				
#	Floor	Area (m2)	Use		
1	Ground floor	567.2	Trade Shows		
2	Fences	160	Services		

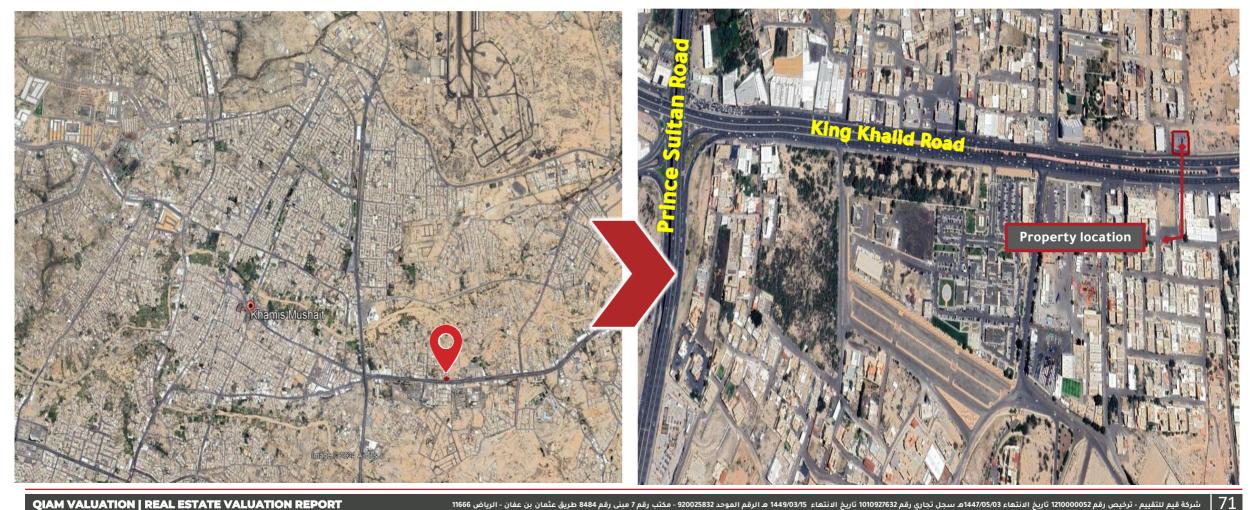
# **Property Description**

		INTERIOR FINISHES			
Doors		Ceiling	Wall Cladding	Floors	
Glass		Gypsum plasterboard suspended ceilings	Paint	Porcelain	
Windows		Health kits	Stairs	Insulation type	
Aluminum and double glazing		N.A.	N.A.	Thermal - Hydro	
		EXTERIOR FINISHES			
Facades		Facilities	Doors	Floors	
Paint		N.A.	Secret glass	Tiles	
		Electromechanical and air conditioning	g systems		
Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System	
Under installation	N.A.	Under installation	N.A.	N.A.	
		Security and safety systems - other f	acilities		
Facilities	Parking	Fire Alarm and Extinguishing Systems		Security Systems	
N.A.	Outdoor	N.A.		N.A.	



# **Property location**

Street: King Khalid Road Property is located in: Khamis Mushait Location coordinates N : 18.27093 **E** : 42.73898



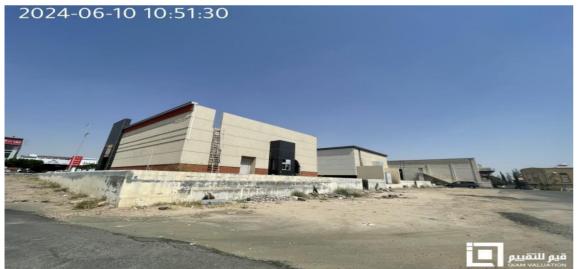
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# Photographic survey of the Property









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Londo probación

# Valuation



## Valuation Approaches



The market approach provides an indication of value by comparing the asset with identical or comparable (similar) assets for which price information is available.



Income Approach

The income approach provides an indication of value by converting future cash flows into one current value. According to this method, the value of the asset is determined by reference to the value of the revenue and cash flows generated by the asset or the costs it provides.



The cost approach provides an indication of value using the economic principle that states that the buyer will not pay an asset more than the cost of obtaining an asset of similar benefit, whether through purchase or construction unless there are time, disturbance, risk, or other related factors. The method provides an indication of value by calculating the current cost of transferring or reproducing the asset, and then discounting the physical wear and tear of all other obsolescence's.



## Market Approach-Standard No. 105

It is an approach of estimating the value of a real estate or real estate property based on the market comparison between the property being evaluated and similar properties in the same area that were recently sold. The value indicator of the property being valued is derived by applying appropriate comparison units and making adjustments and adjustments to the selling prices of similar properties based on the comparative elements.

## The market approach should be applied and afforded significant weight under the following circumstances:

- \* The subject asset has recently been sold in a transaction appropriate for consideration under the basis of value
- The subject asset or substantially similar assets are actively publicly traded.
- There are frequent and/or recent observable transactions in substantially similar assets.

### The key steps in the comparable transactions method are:

- Define the units of comparison used by relevant market participants.
- Determine the relevant comparative transactions and calculate the main evaluation criteria for these transactions.
- Conduct consistent comparative analysis of the qualitative and quantitative similarities and differences between the comparable assets and the subject asset.
- Make the necessary adjustments, if any, to the evaluation scales to reflect the differences between the subject of evaluation and the comparative assets.
- Applying the revised valuation criteria to the subject asset.
- ◆ Value indicators are reconciled if more than one evaluation scale is used.



## Cost Approach - Standard No. 105

It is a valuation method that calculates the capital or market value of a property by adding the value of the real estate's land with the value of the buildings erected on the site.

### Cost Approach should be applied and afforded significant weight under the following circumstances:

- Participants would be able to recreate an asset with substantially the same utility as the subject asset, without regulatory or legal restrictions, and the asset could be recreated quickly enough that a participant would not be willing to pay a significant premium for the ability to use the subject asset immediately,
- The asset is not directly income-generating and the unique nature of the asset makes using an income approach or market approach unfeasible, and/or
- The basis of value being used is fundamentally based on replacement cost, such as replacement value

### Used methods of Cost Approach :

a. Replacement cost method: A method of arriving at value by calculating the cost of a similar asset

## Method of estimating the value of buildings using the straight line method

- The straight-line method: the straight-line method is calculated by the formula (current age of the building / Lifespan) \* 100.

### Income Approach-Standard No. 105

Income Approach provides an indication of value by converting future cash flows into a single present value. Under this approach, the value of an asset is determined by reference to the value of the revenue and cash flows that the asset generates or the costs it provides.

### Income Approach should be applied and given priority or significant weight in the following cases:

- A. When the ability of the asset to generate income is the primary factor that affects the value from the point of view of market participants.
- B. Reasonable expectations are available for the amount and timing of future revenue for the assessed asset but few, if any, relevant market comparisons.

### Income Approach Methods:

Although there are many ways to apply the income method, the methods used under the income method depend largely on discounting the amounts of future cash flows to a present value, which are various applications in using the discounted cash flow (DCF) method and the concepts below apply in part or all of the methods of the income method.

### **Discounted Cash Flow method (DCF)**

It is a financial method for estimating the value of a financial or real asset. The value index is derived by calculating the present value of future cash flows. The discounted cash flow method is applied to evaluate a property or real estate that generates income based on the expectation of future income for the property under valuation. The value index of the property is derived through Calculating the present value of net operating income or the expected net rental value of the property.

### **Direct Capitalization Method:**

The direct capitalization method is applied in the event that the net rental value of the property under valuation is fixed and equal in perpetuity.

### **Residual value method:**

The residual value method is a method of evaluating properties that can be valued by identifying the most appropriate development of the site and property and then predicting the value of such development after it is completed.



Used valuation approaches and methods - Fair value hierarchy

### Used valuation methods

Valuation Approaches	Market Approach	Cost Approach	Income Approach
Used approach	Used as an assist	Used as an assist	Mainly used
Used valuation methods	Similar Comparisons	Replacement cost	Discounted Cash Flow method
Reasons for use / not use	To know the market prices of lands and units	The property is a commercial showroom.	The fact that the property is income-generating

## Hierarchy:

The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.				
Second	They are the inputs other than the published prices within the first level that can be monitored for the asset or liability, either directly or indirectly	Commercial and commercial residential offers in the real estate area	It is classified under the second level	Accredited real estate offices in the real estate area	Reliable based on similar market analysis, verification following market research and analysis, in-person interviews, and the company's own database of deals and transactions
Third	They are the inputs that cannot be monitored and are given the lowest priority				

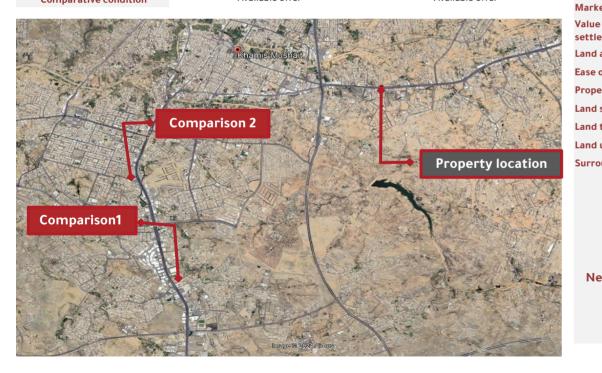


# Value Estimation



### Estimating the value of the land - Market Approach - Comparisons method

	Comparative real estate	
Comparison factors	Comparison 1	Comparison 2
Area (m2)	7,200	18,000
Ease of access	High	High
Property location	Average	Average
Land shape	Regular	Regular
Land topography	Average	Average
Use	Commercial Residential	Commercial Residential
Surrounding streets	2	3
Price per meter (SR)	3200	2200
Comparative condition	Available offer	Available offer



Valuatin	ig the land according to	Market Approach - Metho	od of com	parison with similar sales	
CI	ause	c	omparati	ve real estates	
Adjustments factors	<b>Property under</b>	Comparison 1		Comparison 2	
Aujustments factors	valuation	Value	Adjustment	Value	Adjustment
Price per square meter	***	3,200		2,200	
Condition	***	Available offer		Available offe	r
Date of valuation/offer	2024	2024		2024	
Market Condition	***	%10.00-	320 -	%10.00-	220
Financing terms	***	%0.00	-	- %0.00	
Market conditions value	***	(320	.00)	(220	.00)
Value after initial settlements	***	2,8	80	1,9	080
Land area (m²)	1500.00	7,200	% <b>12</b>	18,000	%17
Ease of access	High	High	% <b>0</b>	High	%0
Property location	High	Average	%10	Average	%10
Land shape	Regular	Regular	% <b>0</b>	Regular	%0
Land topography	High	Average	%5	Average	%5
Land use	<b>Commercial Residential</b>	<b>Commercial Residential</b>	% <b>0</b>	<b>Commercial Residential</b>	%0
Surrounding streets	3	2	%5	3	%0
I	otal	%32	.00	% <b>32</b>	.00
Adjustment valu	e per square meter	922		634	
Final meter valu	e after Adjustments	3,802		2,614	
	oer square meter (SR / m²)			3,208	
Market value of	the land (SR / m²)		4	,811,400	



## Similar Comparisons Method Assumptions

### Based on the approach used in calculating the market value, which is Market Approach (Method of similar comparisons), the following was assumed:

Relative control of the area: It is customary to promote a smaller area of the land that achieves a higher value compared to the land that is larger in area, and sometimes vice versa. Here, it was assumed that 5% would be allocated for each multiplier, and the percentage may vary according to the estimate and experience of the real estate valuer, depending on the state of the real estate market and the valuer's experience.

Market condition: Adjustments against the market conditions are often referred to as (time) Adjustment or in the case of negotiation over the offered value. Market conditions may change with the change of time, and the percentage is variable according to the market condition.

Ease of access: The movement of access to the real estate subject to evaluation is easy, as well as the ease of access to the comparable properties (high, medium, low), Accordingly, a rate of 5% was assumed for each level.

Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each level.

Land shape: One of the physical characteristics that affect the property is the shape of the land, whether it is regular or irregular, Accordingly, a rate of 5% was assumed.

Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was assumed according to the classification of use.

Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

## Property Valuation - Cost Approach - Replacement Method

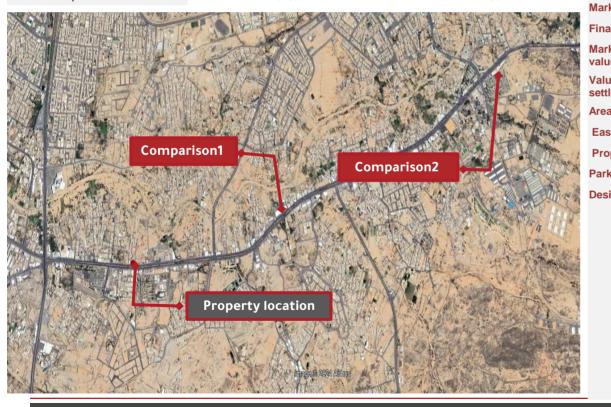
Firs	st: Construction Costs (Di	rect Costs)	
Clause	Built up area m2	SR / m2	Value (SR)
Ground floor	567.2	1,600	907,520
Fences	160	600	96,000
Total (SR)	727		1,003,520
Professional fees	% <b>2</b>		20,070
<b>Utilities Network</b>	%2		20,070
Administration costs	% <b>2</b>		20,070
Financing costs (0 years / 0%)	%0		-
Developer's profitability	%15		150,528
	Total (SR)		210,739
Total cost	of buildings (SAR)		1,214,259

Thire	d: Depreciation cost				
Life span of the property (year)	Year	40			
The current age of the property (year)	Year	6			
Remaining life of the property (year)	Year	34			
Depreciation rate	%	15			
Depreciation value	SR	182,138			
Final value of the building (SR)1,032,120					
Fourth: Value of the pro	operty according to the Cost	Approach			
Final value of the	land (SR)	4,811,400			
Final value of build	dings (SR)	1,032,120			
Market value of the property according to the Cost Approach (SR)5,843,520					
Market value of the property accordin rounding (S		5,844,000			



### Estimating the rental value per square meter for trade shows- Comparison method

Comp	arative Properties - Administrative	e Offices
Comparison factors	Comparison 1	Comparison 2
Area (m2)	180	80
Ease of access	High	High
Property Location	High	High
Parking Availability	Average	Average
Design	Average	Average
Rental Price per Meter (SR/Meter)	900	1200
Comparison Status	Rented	Rented



Estimating the val	ue of the rental meter - Trade sho	ws - According to	the Market Ap	proach - Compa	arison method
	Clause		Comparative	real estates	
Adjustments factors	Property under valuation	Comparis	son 1	Compari	ison 2
Aujustments factors	Property under valuation	Value	Adjustment	Value	Adjustment
Rental price per square meter	***	850	)	1,20	0
Condition	***	Rente	d	Rent	ed
valuation/offer date	2024	2024	L .	202	4
Market conditions	***	%0.00	-	%0.00	-
Financing terms	***	%0.00	-	%0.00	-
Market conditions value	***	-			
Value after initial settlements	***		850		1,200
Area (m2)	283.50	180	%5-	80	%10-
Ease of access	High	High	% <b>0</b>	High	%0
Property location	High	High	%0	High	%0
Parking availability	High	Average	%5	Average	%5
Design	High	Average	%5	Average	%5
	Total	%5.0	0	%0.0	00
Adjustmo	ent value per square meter	43		-	
Final met	er value after Adjustments	893	•	1,20	0
	(CD / 2)		1,	046	
	ue per square meter (SR / m <sup>2</sup> )				
Net average val	ue per meter (SR/meter) after rounding		1,	000	

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### **Operational rate of return:**

Capitalization Rate Analysis - Market Extraction Method By looking at market activity and similar Qiam Investments reports, as well as economic reports issued by some research centers and the Qiam Evaluation Information Center, it has become clear to us that the return in the region for similar residential projects ranges from 7% to 8%. Accordingly, the return rate was assumed to be 7.5%. There are also many factors that affect the return rate, such as the location of the building, its age and condition, the status of the tenants, and the degree of risk associated with repayment. The capitalization rate is affected by the rates of demand and supply for the same type of real estate.

#### **Discount rate:**

Discount rate (cur	nulative model n	nethod)
Government bond rate of return	4.94	Saudi Tadawul Fund
Inflation rate (current year average)	1.8	Saudi Central Bank
Market risk premium (recession and recovery)	1.5	According to the condition and circumstances of the market
Special risk premium (the resulting costs of the property)	2	According to the condition and circumstances of the property
Discount rate with all data above	10.5%	%

#### Assumptions:

Discounted Cash Flow method assumptions						
Total property income	567,000	Discount rate	%10			
Occupancy rate	%100	Capitalization rate	%7.5			
Operating Expense Rate	%0	Growth rate - annual from 4th year according to the contract	%6.00			

	Annu	al income statement for the property	
Clause	Area (m2)	Rental value per meter (SR/meter)	Rental value (SR )
Trade show 1	283.5	1,000	283,500
<b>Trade show 2</b>	283.5	1,000	283,500
Το	tal annual proper	ty income (SR)	567,000

### Vacancy rate and credit risk:

In the case of the property being evaluated, the occupancy rate was assumed to be 100%.

### **Operating Expense Rate:**

Based on market survey data, the average operating expenses in similar properties are 0% as showrooms are leased under contracts with the tenants bearing the operating expenses.

### Rental income:

The property income was analyzed through market survey data with a growth rate of 6% per 3 years.



# Calculating the market value - Discounted Cash Flow method

							Investment yea	ırs				
Cash flow - Infl	ows	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	Rev
Expected growth	value	%0.00	%0.00	%0.00	%6.00	%0.00	%0.00	%0.00	%6.00	%0.00	%0.00	
Total rental value	567,000	567,000	567,000	567,000	601,020	601,020	601,020	601,020	637,081	637,081	637,081	
Occupancy rate	%100	567,000	567,000	567,000	601,020	601,020	601,020	601,020	637,081	637,081	637,081	
Actual gross income		567,000	567,000	567,000	601,020	601,020	601,020	601,020	637,081	637,081	637,081	
minus operating expense ratio	%0	-	-	-	-	-	-	-	-	-	-	
Net Operating Income (NOI)		567,000	567,000	567,000	601,020	601,020	601,020	601,020	637,081	637,081	637,081	
Reversion value of the	e building											
Net Cash Flow		567,000	567,000	567,000	601,020	601,020	601,020	601,020	637,081	637,081	637,081	
Discount Factor		0.9091	0.8264	0.7513	0.6830	0.6209	0.5645	0.5132	0.4665	0.4241	0.3855	
Present Value of Cash Flows		515,455	468,595	425,995	410,505	373,186	339,260	308,418	297,203	270,185	245,622	3
Net present value of the property												6,
								Final Pro	operty Valu	e	6,9	929,39

Final Property Value (after rounding)6,929,000



## Final value of the property

Based on the purpose of the valuation and the nature of the property and its characteristics as a commercial exhibition property (not rented), the valuation of the property using the Income Approach (Discounted Cash Flow method) is considered the best method for estimating the price on the measurement date of **30/06/2024**, which was reached using the Income Approach as a basis for the fair value of the property being evaluated, which is as follows:

Price on the date of measurement in numbers (SR)	Price on the date of measurement in writing (SAR)
6,929,000	Six million nine hundred and twenty-nine thousand Saudi riyals

This report was approved by the Executive Director

Ismail Muhammad al-Dubaikhi





Team



Alwaleed Khaled Musa Real estate - Associate Membership No 1210001381



Salem Mohammed Al Fai' Real estate-Basic Follow Membership No 1210000013



Ismail Al-Dubaikhi Real estate-Basic Follow Membership No 121000005





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## Documents received from the client

رقم الصك: 393010005752 

مىڭ رە\_ن

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد: فإن الجزء المتبقى من المستودع المقلم على الأرض الواقعة على طريق المدينة العسكرية بمدينة خميس مشيط . وحدودها واطوالها :

شمالا: شارع عرضه 20م بطول 30 ثلاثون متر جنوبا: شارع عرضه 20م بطول 30 ثلاثون متر شرقا: شارع عرضه 16م بطول 50 خمسون متر غربا: طريق المدينة المسكرية عرضه 64 بطول 50 خمسون مثر ومساحتها 1500 الف و خمسمتة متر مربعا المسلوكة لـ شركة تمدين الاولى المقارية بموجب سجل تجاري ركم 1010896622 في 24 / 07 / 1442 قد تم رهنها وما 1010896622 في 24 / 07 / 1442 قد تم رهنها وما عد2005000 101 بورجين سيد المديري المريسين بورسين برشر 505000000 من جدا 707 عليها المراجع المراجع والمراجع المراجع ال 14002105 لقد أن يما من من المراجع المر 1 قيمة كل قسط المراجع ا ا موجد من مستركزي عمل المستودا المناور 144 ميلية الرحل : ماة مسمى عوده يستويين حد رام 26405495 والحق للتصرف بين العقل (با تعلق الندين عن ماداد المدينية أو جزء منها قبل ملول كل الدين المضون[المناطق على قسط والد يميليك20164[ملا بنزين]203-2182028 وفي حقة عطيه بعد اعمال ميلزم شرعاً، وعليه جرى التصديق تحريراً في 1443 / رواستيفاء مقي تسة الراهن من مانغ وما تقص برجع فيه عليه بعد اعمال ميلزم شرعاً، وعليه جرى التصديق تحريراً في 1443 30 / 13 لاعتماده ،وصلى الله على تبيتا محمد واله وصحيه وسلم.

الغثم الرسمي

الموثق

ايراهيم عمر محمد الحسين

الرقم الاستسلى: 714

وزارة العدل

ايراهيم عمر محمد الحسين الرياض

ترخيص رقم 39/999

ملاحي balady رخصة بناع نوع الظلب الصحيح بياتات رخصة اتشائية 450614241889 رقم الرخصة امانة منطقة صير الذوائة رخصة بناء ipolicai اسم وإدب الرقوة مركة تعين الأولى العقارية مركة فخس وأحد بلدية خنيس مشيط **Bulcus** دالة البذمة بوجد طلب على الرخصة 7010776792 رفم الموية 1437/07/17 تاريخ إهدارها ذهبان الغربى الحى نوع البتاء نوع الموية تاريخ إنتعائها d for محل تحارى 1440/07/17 وصف الهلي 🔰 ارشي جزء (١) ملعم جز (ب) ملعم section and TILL PLAN BALL GINAL BRIDE AND ALCOHOLD CO Interior and 1443/03/13 393010005752 100 الملاك يدون الملاك يدون دستعراص بقية وثائق المتكية اوسج الباركود اندي في الأعلى لمستعراض بقية قطع الأراضي لوسج الباركود ألذي في الأعلى لواجمة 1000 الأنعاد (م) البرئدا شارع مرض 20.00 م 30 اشمال 4.5 30 دارم مرش 20.00 م الجنوب 0 5.1 50 0 شارع مرض 16.00 م الشرق 6 50 0 طريق المدينة الع الغرب · molecture موقع العام عرض وكونات البناء poppage, ultrapoc 567.2 160 لاستمراض بقية تماذح ومكونات البناء اوسج الباركود الذي في الأعلى ووقع بالنسبة للصورة الفضائية anio III dili زاوية المقير للاستشارات الهتدسية المكتب العندسى الوضوم المقاول المتعذ includes a state of the state o 18 270002571308373 شمايات. 42,7390057089220 الشرقيات: دحظات ، يازه التعاديم مكتب عشرف وعادل بنه محسين ان الوزام وتامين شد العرب الخلية قبل الدامق البناء. يجب الاتران بينية امان الحراق في المران الحراق المحسة بخلفة المزار الحراري، يازم تقية لمزار الحراق، منه الاخرار بالمجلوري واستخدام مسولار الخيش على القدات المخافقة على حكمة المازة وخصوصة المازل المجارية من في قطب يجاه الليل المجارية بالعلم.

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**General Administration** 

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