

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



Al Jadah Commercial Hotel Property

**MULKIA
INVESTMENT**



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

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none">▪ Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013<ul style="list-style-type: none">▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

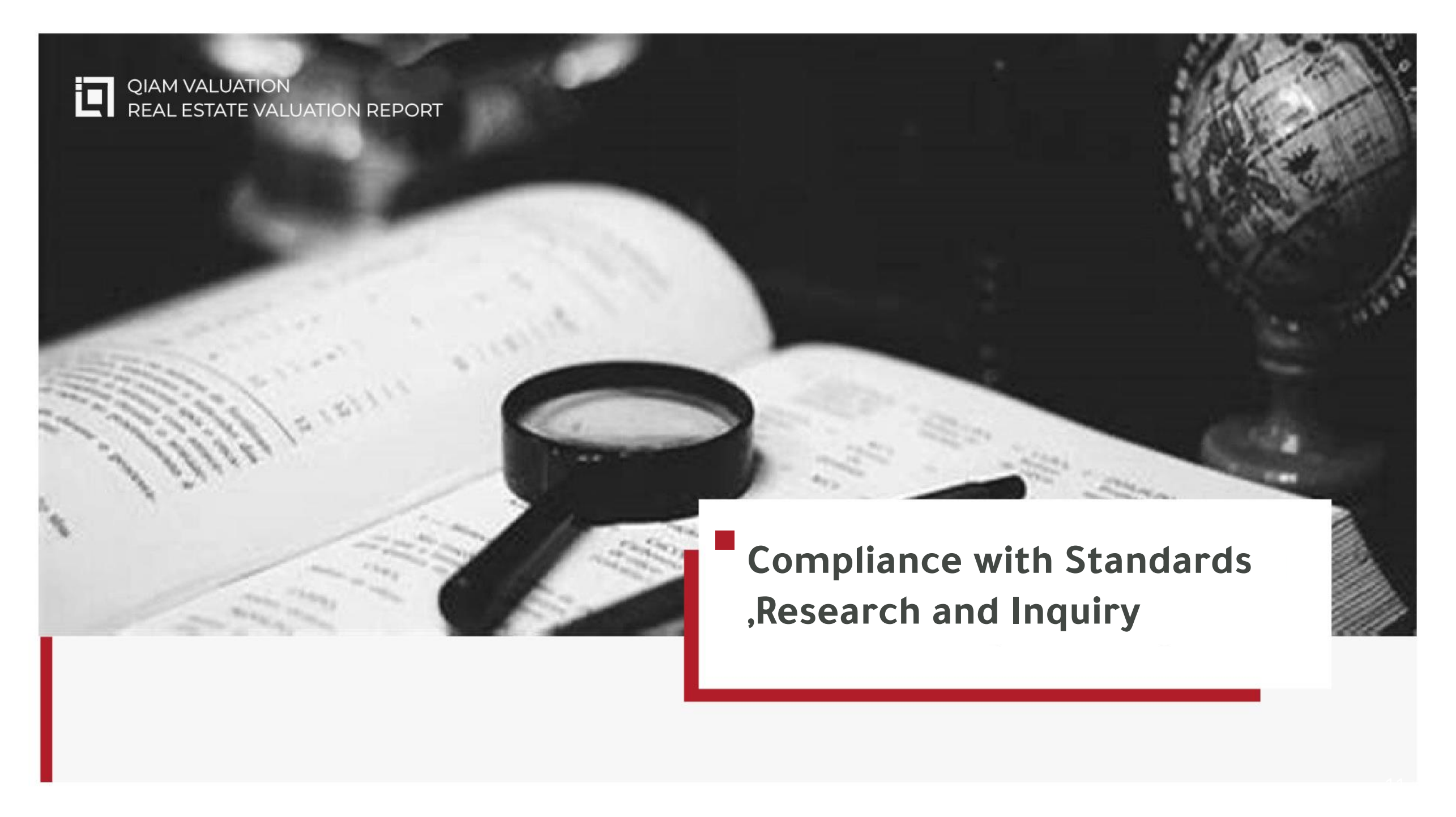
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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.



- **Overview of the economy and the real estate sector in Riyadh city**

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

Social and service indicators:

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

Real estate indicators:

150+ML Rental spaces Commercial / m²	2.6+Billion Total value of residential transactions	661+K Residential rental deal	101+Billion Total value of rental deals	7.6+Billion Total value of sales transactions	71+K Executed transaction
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Site studies

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.

Weak points:

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

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.

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	23/11/1444 AH	Absolute ownership
	781912000112	23/11/1444 AH	Absolute ownership
	798507018272	13/07/1443 AH	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	Neighborhood	Qurtubah
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 available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	East of the city
	Infrastructure	Completed
	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

Property Description

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 double glazing	High quality	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Glass - Marble - Anti-environmental 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	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 Parts	Indoor and outdoor surveillance cameras - inspection devices - control and monitoring room

Property location

Property is located in: **Riyadh**

Neighborhood: **Qurtubah**

Street: **Al Thumama Road**

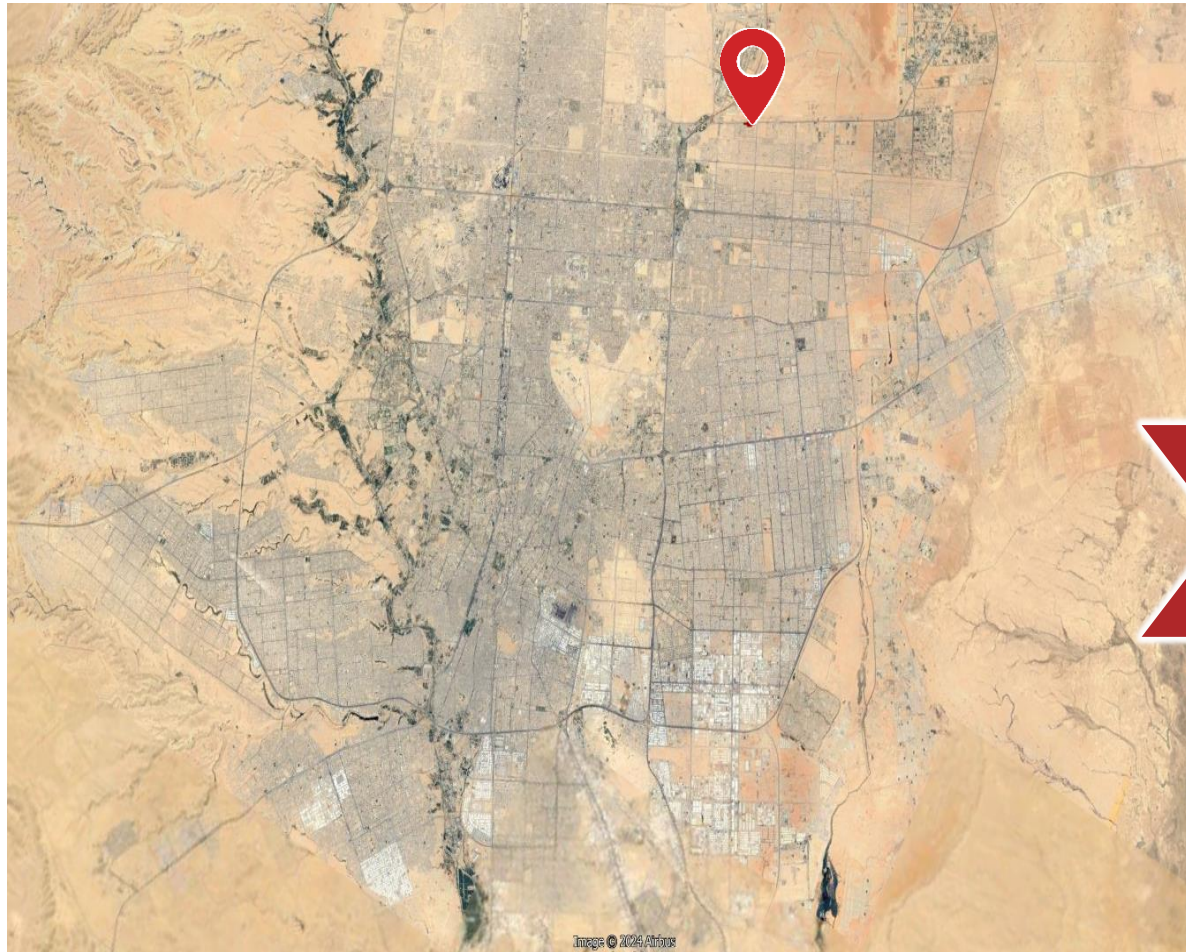
Location coordinates

N :

24.835668

E :

46.739509



Photographic survey of the Property

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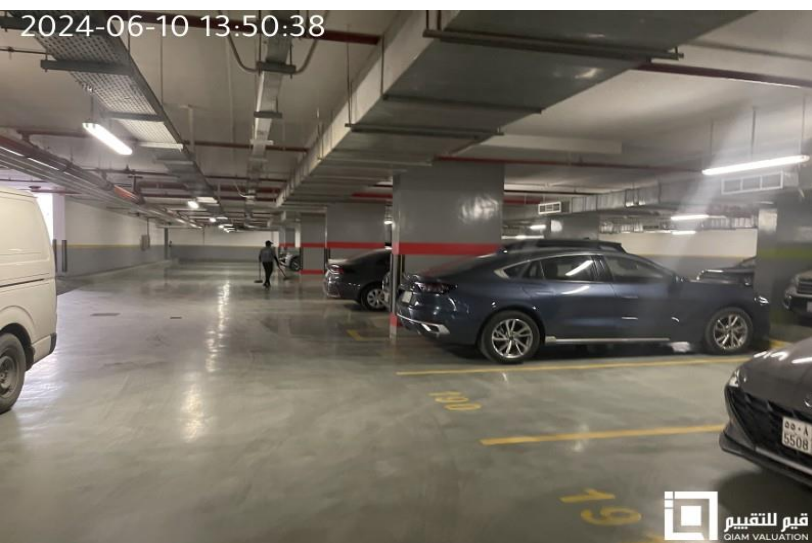
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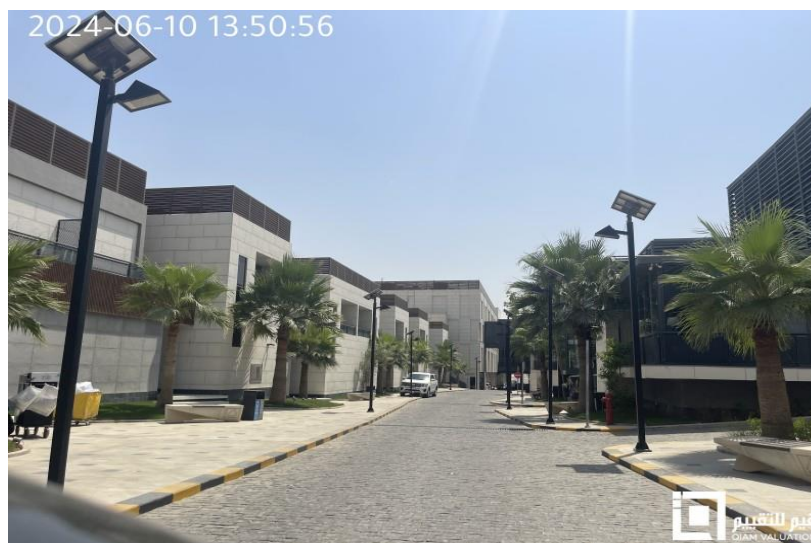
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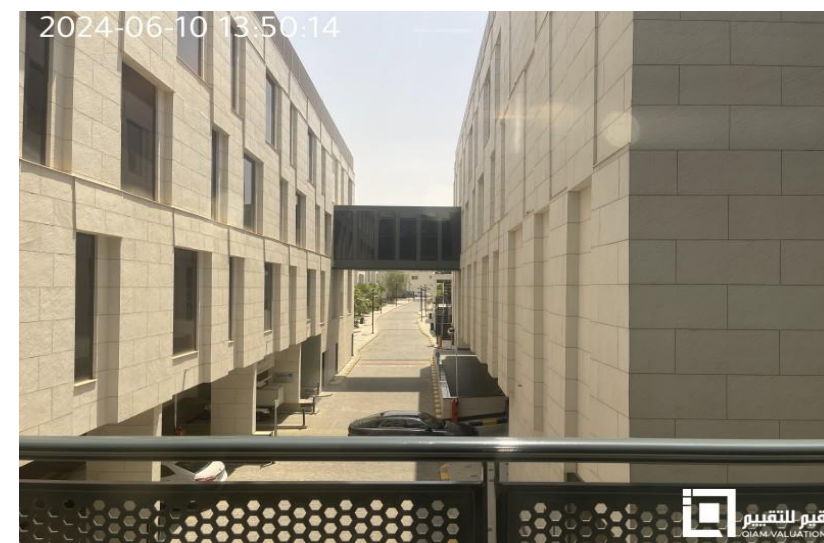
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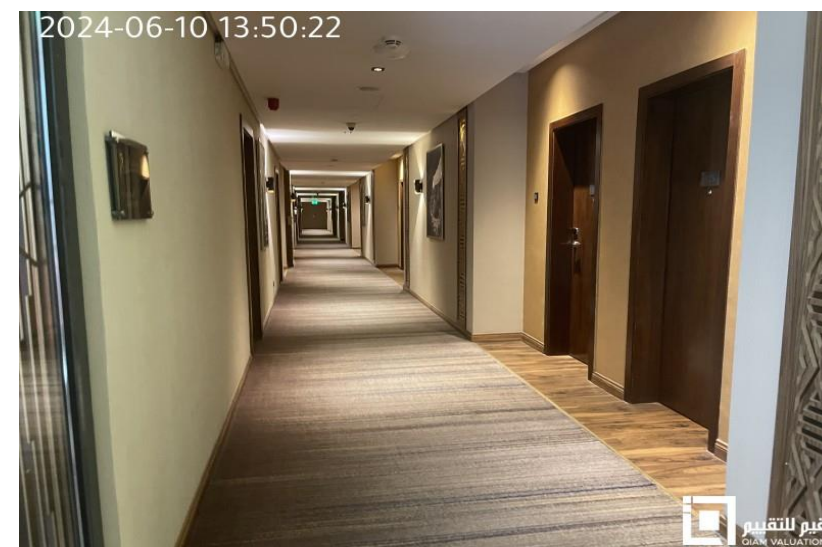
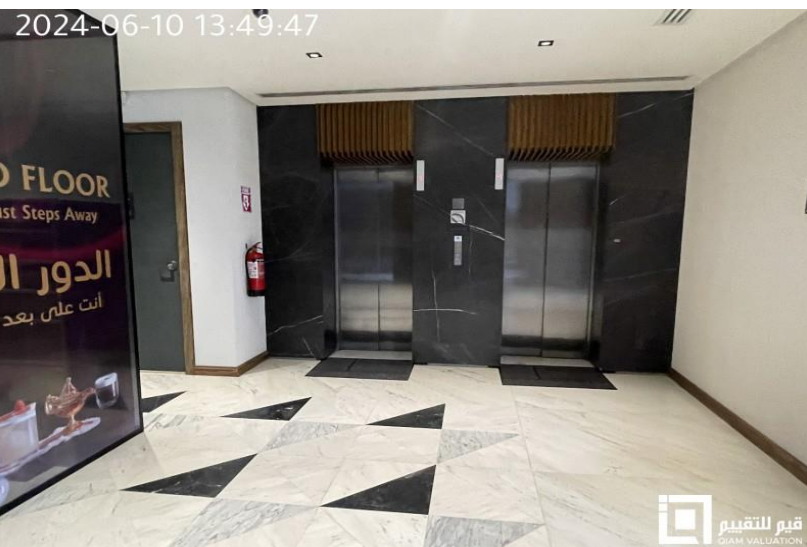
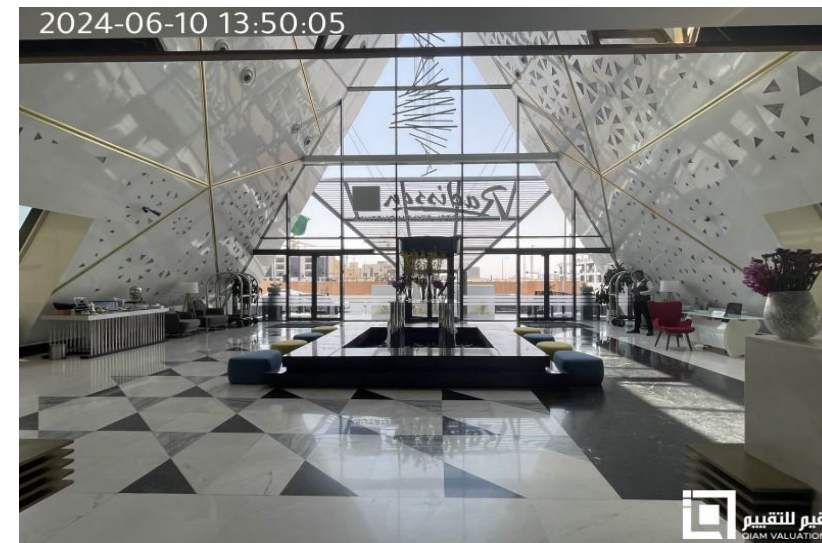
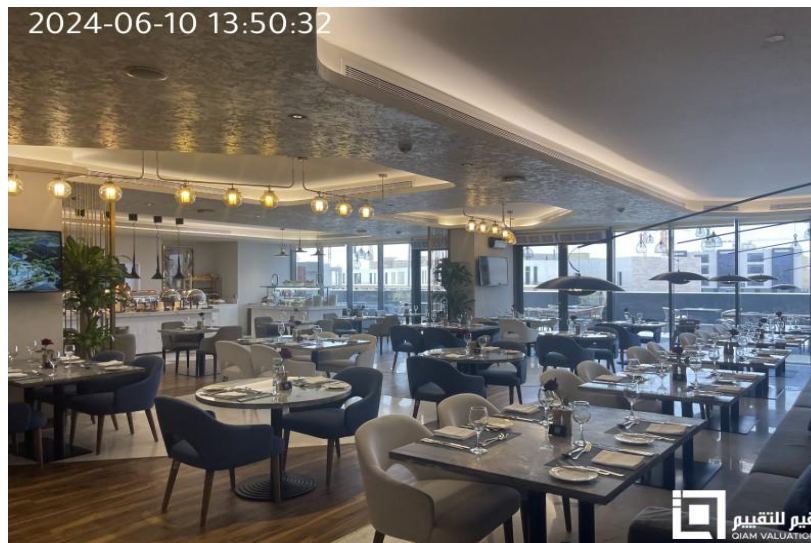
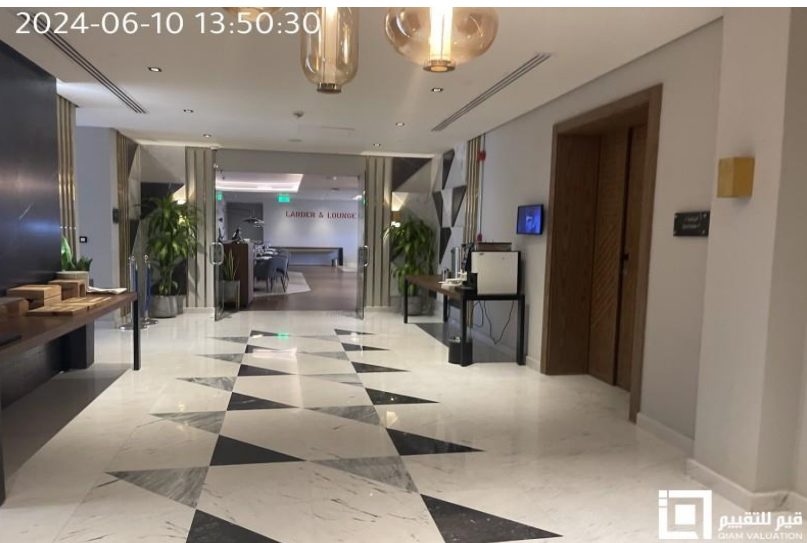
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Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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:

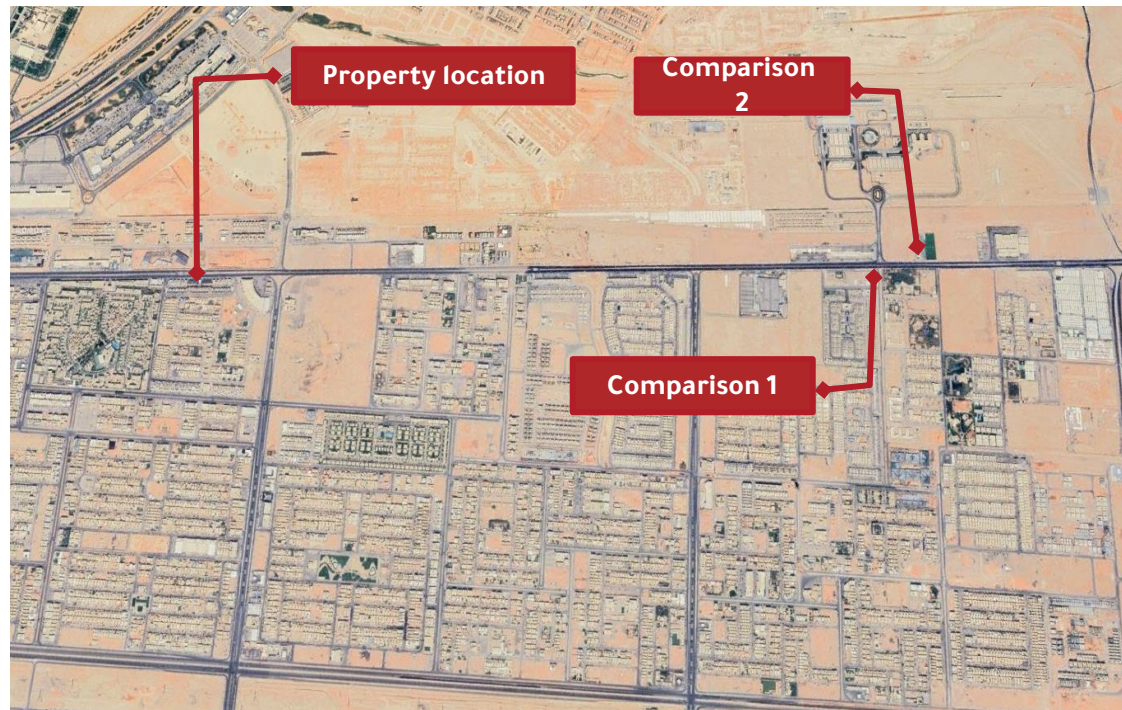
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the 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)	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



Valuating the land according to Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	7,000		8,000	
Condition	***	Available offer		Available offer	
Date of valuation/offer	2024	2024		2024	
Market Condition	***	%10.00-	700 -	%10.00-	800 -
Financing terms	***	%0.00	-	%0.00	-
Market conditions value	***	(700.00)		(800.00)	
Value after initial settlements	***	6,300		7,200	
Land area (m²)	21670.90	10,000	%5-	6,274	%10-
Ease of access	High	High	%0	High	%0
Property location	High	Average	%5	Average	%5
Land shape	Flat	Flat	Flat	Flat	%0
Land topography	Regular	Regular	%0	Regular	%0
Land use	Commercial	Commercial	%0	Commercial	%0
Surrounding streets	4	4	%0	2	%10
Total		%0.00		%5.00	
Adjustment value per square meter		-		360	
Final meter value after Adjustments		6,300		7,560	
Net average value per square meter (SR / m²)		6,930			
Market value of the land (SR / m²)		150179337			

Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)			
Clause	Built up area m2	SR / 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 the building (SR)		117,798,305
Fourth: Value of the property according to the Cost Approach		
Final value of the land (SR)		150,179,337
Final value of buildings (SR)		117,798,305
Market value of the property according to the Cost Approach (SR)		267,977,642
Market value of the property according to the Cost Approach after rounding (SR)		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 condition 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.

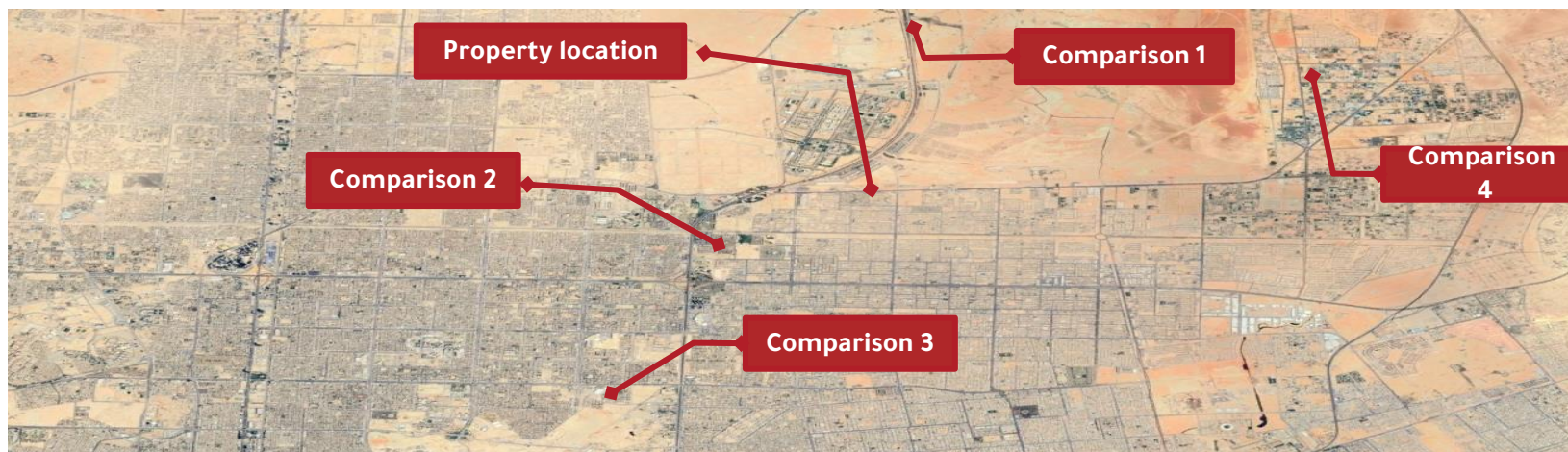
Location of the property: The location is where the property is located, whether it is on a road front or second row, or has two roads or two entrances, and it has a direct and high impact on the value of the property, and half of it is (high, medium, low), accordingly, a rate of 5% was assumed for each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



Estimating the value of the rental meter - Administrative offices - According to the Market Approach - Comparison method					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1 Value	Adjustment	Comparison 2 Value	Adjustment
Rental price per square meter	***	933		800	
Condition	***	Available offer		Available offer	
valuation/offer date	2024	2024		2024	
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		%0.00	
Adjustment value 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			

Market Survey Data Analysis - Trade shows

Comparative Properties - Trade Shows

Comparison factors	Comparison 1	Comparison 2
Area (m2)	149	515
Ease of access	High	Average
Property Location	High	Average
Parking Availability	High	Average
Design	Average	Average
Rental Price per Meter (SAR/Meter)	1300	900
Occupancy Rate	%10	%10
Comparison Status	Rented	Rented



Estimating the value of the rental meter - Trade fairs - According to the Market Approach - Comparison method

Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Rental price per square meter	***	1,300		900	
Condition	***	Rented		Rented	
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	***	1,300		900	
Area (m2)	164.00	149	%0	515	%10
Ease of access	High	High	%0	Average	%0
Property location	High	High	%0	Average	%0
Parking availability	High	High	%0	Average	%5
Design	High	Average	%10	Average	%10
Total		%10.00		%25.00	
Adjustment value per square meter		130		225	
Final meter value after Adjustments		1,430		1,125	
Net average value per square meter (SR / m²)			1,278		
Net average value per meter (SR/meter) after rounding			1,300		

Analysis of income data for the property subject to valuation

Hotel income analysis				
Clause	Number	Daily rent	Number of days in the year	Total revenue
Hotel rooms	104	1050	365	39,858,000
Hotel villas	16	3025	365	17,666,000
Other revenues (halls - health club)	5	4000	365	7,300,000
Total Annual Revenue				64,824,000
Annual occupancy rate				%59
Average annual expense ratio				%40

Annual Rent - Al Jadah Complex Showrooms		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 Medical 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 (One 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 Communications Company	167.71	1,723	288,900
Al Jadah 9	Advanced Controls Company for Information Technology	167	1,210	202,050
Al Jadah 10	Sabil Al-Masakin Real Estate Establishment	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 Establishment for Beverages	166	1,237	205,396
18BAI Jadah -2	Al-Nafoura Coffee Establishment for Beverages	156	1,317	205,396
Al Jadah 20	Itmam Medical Company	618.21	800	494,568
Al Jadah 21	Dentex Medical Company	618.17	1,200	741,804
Al Jadah 22	Saud Abdulaziz Al-Shaalan Limited Company	822	1,000	822,000
Al Jadah Offices (9 Offices) 1927.58m	Rasan Information Technology Company	300	2,319	695,672
Al Jadah 23	Al Jadah Hotel Company - Etijahat Al-Mood Company	883.39	306	270,000

Analysis of valuation assumptions data - Discounted Cash Flow Methods

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) riyals. The hotel income was analyzed according to the market survey data.

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

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%	%

Calculating the market value - Discounted Cash Flow method

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	
	Expected growth value	0.00%	0.00%	0.00%	10.00%	0.00%	0.00%	0.00%	10.00%	0.00%	0.00%	
Total 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	
minus 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	
Hotel 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	
Total rental income for offices and showrooms	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	
Minus 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	
Minus 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	
Net operating income for offices and showrooms (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	
Reversion value of the building												
Net 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	
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		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	175,372,020
Net present value of the property												375,385,887

Final Property Value	375,385,887
Final 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



Appendix

Documents received from the client

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٣/٧/١٤٤٣ هـ
رقم الصك: ٧٩٨٥٠٧٠١٨٢٧٢

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد: فإن قطعة الأرض رقم 6 من البلك رقم 1 من المخطط رقم 3115 الواقع في حي قرطبة بمدينة الرياض . و قطعة الأرض رقم 5 من البلك رقم 1 من المخطط رقم 3115 الواقعة في حي قرطبة بمدينة الرياض . وحدودها وأطوالها : شمالاً: شارع عرض 46م بطول 95 خمسة وتسعون متر + شططه 7,37م جنوباً: شارع عرض 20م بطول 105,82 مائة وخمسة متر و اثنين وثمانون سنتيمتر شرقاً: قطعة رقم 4 بطول 68 ثمانية وستون متر غرباً: شارع عرض 20م بطول 63,25 ثلاثة وستون متراً وخمسة و عشرون سنتيمتراً ومساحتها 6985,7 ستة آلاف وتسعمائة وخمسة و ثمانون متر مربعاً وسبعون سنتيمتراً مربعاً حسب المخطط المسلوكة لـ شركة تمدين الأولى العقارية بموجب سجل تجاري رقم 1010896622 بموجب الصك الصادر من الموثقين بالرياض 6 برقم 293523003583 في 8 / 07 / 1443 قد تم رهنها وما أقيم أو سيقيم عليها من بناء لصالح / شركة الراحي للتطوير المحدودة (شركة شخص واحد) بموجب سجل تجاري رقم 1010158249 ضماناً للوفاء بـ 34087488 فقط أربعة وثلاثون مليوناً وسبعة و ثمانون ألفاً وأربعمائة و ثمانية و ثمانون ريالاً سعودياً لا غير . سبب الرهن : أداء ضمان للوفاء بالمديونية عقد شركة وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عنها الرعايا، واستيفاء باقي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً، وعليه جرى التصديق تحريراً في 13 / 07 / 1443 لاعتدائه، وصلى الله على نبينا محمد وآله وصحبه وسلم.

سندت هذه الوثيقة من وزارة العدل ، ويجب التحقق من بياناتها وسريانها عبر الخدمات الإلكترونية لوزارة العدل
[هذا النموذج مخصص للاستخدام بالمعاش (أي ويطلق عليه)]
صفحة رقم 1 من 1
نسخة مطبوع الموقعة: ٢٩٢١٥٦
نموذج رقم (١٢-٢٠٠٠)



الرقم: 781912000112
التاريخ: 1444/11/23

وثيقة تملك عقار

المجموعة العقارية
Real Estate Market





البيانات الأساسية						
رقم الوثيقة	781912000112	تاريخ الوثيقة	1444/11/23			
المصدر	الموثقين بالرياض 12	الحالة	فعال			
المساحة (م ²)	4,485.2	التقيد	لا يوجد قيد			
نوع العملية	نقل ملكية	قيمة الصفقة				
رقم الوثيقة السابقة	410114036790	تاريخ الوثيقة السابقة	1438/6/9			
الملاك						
رقم الهوية	الاسم	الجنسية	نسبة التملك			
7010776792	شركة تمدين الأولى العقارية شركة شخص واحد	-	100 %			
العقار						
رقم الهوية العقارية	نوع العقار	مساحة العقار (م ²)				
لا يوجد	لا يوجد	4,485.2				
الموقع	نموذج العقار					
لا يوجد	لا يوجد					
رقم القطعة	رقم المخطط	الحي	المدينة			
1	3115	قرطبة	الرياض			
الحد	النوع	وصف الحد	الطول (م ²)			
شمالا	شارع	عرض 46م	62.02			
جنوبا	شارع	عرض 20م	50.52			
شرقا	شارع	عرض 28م	46.5			
غربا	قطعة	رقم 2	68			

صدرت هذه الوثيقة من البورصة العقارية ويمكن التحقق من صحة هذه الوثيقة عبر الخدمات الإلكترونية التابعة لوزارة العدل ووزارة الشؤون البلدية والقروية والإسكان. الصفحة 1 من 1

الرقم: 381912000111
التاريخ: 1444/11/23

وثيقة تملك عقار

الجمهورية الجزائرية
Real Estate Market

وزارة المالية
Ministry of Finance

1444/11/23

فعل

لا يوجد قيود

1438/6/9

تاريخ الوثيقة

الحالة

القيود

قيمة الصفقة

تاريخ الوثيقة السابقة

381912000111

الموثقين بالرياض 12

3,400

نقل ملكية

210114036791

رقم الوثيقة

المصدر

المساحة (م²)

نوع العملية

رقم الوثيقة السابقة

المللاك

نسبة التملك	الجنسية	الاسم	رقم الهوية
100 %	-	شركة تمدين الأولى العقارية شركة شخص واحد	7010776792

العقار

رقم الهوية العقارية	نوع العقار	مساحة العقار (م ²)
لا يوجد	لا يوجد	3,400

الموقع	نموذج العقار
لا يوجد	لا يوجد

رقم القطعة	رقم المخطط	الحي	المدينة
2	3115	قرطبة	الرياض

الحد	النوع	وصف الحد	الطول (م ²)
شمالا	شارع	عرض 46م	50
جنوبا	شارع	عرض 20م	50
شرقا	قطعة	رقم 1	68
غربا	قطعة	رقم 3	68

صدرت هذه الوثيقة من البورصة العقارية ويمكن التحقق من صحة هذه الوثيقة عبر العدادات الإلكترونية التابعة لوزارة العدل ووزارة الشؤون البلدية والقروية والإسكان.

الصفحة 1 من 1

Samples of the contracts that were reviewed

ASG AHMED ALSALAMAH GROUP

بعون الله تم الاتفاق في يوم الأحد بتاريخ: 14/04/11/25 هـ الموافق: 28/09/2019 م بين كل من:

1 - المودع (الطرف الأول): السيد /عبد العزيز محمد عبد العزيز القاسم المحترم / حامل هوية رقم (1026174811) ، عنوانه : مدينة الرياض - حي : الصفاة .

2 - المستأجر (الطرف الثاني) : السيدة /عبد الله عثمان السلامة ، عنوانه : مدينة الرياض - حي : الصفاة .

3 - الشركة (الطرف الثالث) : شركة الأغنية للتأجير لتقديم الوجبات سجل تجاري رقم (1010574871) المحترمين / المستأجرين / حامل هوية رقم (1037239215) ، عنوانه : مدينة الرياض - حي : الصفاة .

ويتمثلها السيد/ خالد ضيف الله عوض العزي - هوية رقم (1112983267) وعنوانه : مدينة الرياض - الإميل المعتمد الخاص بالمستأجر ()

تتمتع بموجب العقد رقم 910114036792 وتاريخه 14/38/06/09 هـ - وصك رقم 210114036791 وتاريخه 210114036790 هـ - وصك رقم 410114036790 وتاريخه 1438/06/09 هـ - وصك رقم 210114036789 وتاريخه 1438/06/09 هـ - المستأجر من كتابة عن الرياض يمتلك الطرف الأول

العقد الخاص بمدينة الرياض حي فرطية طريق الشمامة والمعولك له، وقد أبدى الطرف الثاني رغبته في استئجار العين المشتركة لها لاحقاً، والوفاء بكافة الشروط الواردة في هذا العقد وبكافة الأجزاء والقرارات المتعلقة به، وهذا بكامل إرادتهما الشرعية والنظامية ، وقد اتفقا على ما يلي :

المادة الأولى: صفة التسهيل:

التسهيل السابق جزء لا يتجزأ من هذا العقد.

المادة الثانية: موضوع العقد

2/1 - أجر الطرف الأول للطرف الثاني العين الموصوفة أدناه والمشار إليها فيما بعد بالعين المؤجرة وعنوانها الآتي :-

اسم العقار: الرياض - اسم الحي: فرطية - اسم الشارع: للشمامة

اسم المشروع: الجدة - نوع العين: معرض - رقم العين: 03

2/2 - تبلغ إجمالي المساحة المؤجرة للطرف الثاني (811.5) متر مربع ، وهي قابلة للتخص والزيادة شريطة ألا تزيد نسبة التغير على عشرة بالمئة من المساحة المتفق عليها في هذا العقد وتكرار الأجرة وتلتصق بقاء على هذا التغير .

المادة الثالثة: الغرض من التسهيل

3/1 - الغرض من تأجير العين هو استئجارها من قبل الطرف الثاني في غرض معرض، بما تفعله له الرخصة التجارية التي يمارس بها النشاط، ويحسب ما يتوافق مع الأنظمة واللوائح المعمول بها في المملكة العربية السعودية .

المادة الرابعة: مدة العقد

4/1 - إجمالي مدة هذا العقد (5) سنوات ميلادية منها مستلكن الزامية على الطرف الثاني وهي الستينين الأولى من الشهر (1250) ريال للمتر المربع إيجالي مبلغ (764.375) ريال (سبع مئة وأربعة وستون ألفاً وثلاثة مئة وخمسة وتسعون ريال فقط لأخيراً) تسعة أواحدة ، وتكون بداية الإيجار بعد 60 يوم من إرسال شهادات تمام البناء وشهادة فحاج المحلل عبر الإميل المعتمد الخاص بالمستأجر .

4/2 - يحدد العقد لمدة جديدة تلقائياً بعد انتهاء الفترة الحالية ما لم يبلغ أي طرف الطرف الآخر عن رغبته بعدم تجديد العقد بخطاب رسمي .

4/3 - عند الرغبة في عدم التجديد يتم تنبيه الطرف الآخر خطياً وذلك قبل ثلاثة شهور من تاريخ نهاية مدة هذا العقد أو المدة المحددة ، وفي حالة السنوات الاختيارية المتضمنة في هذا العقد يجب التنبيه قبل نهاية السنة بكتابة شهر عدم التجديد وعدم التخليع على التجديد تلقائياً لها .

المادة الخامسة: قيمة الإيجار:

يتمثلها الطرف الثاني بمسداء قيمة أقساط الإيجار المسجلة للطرف الأول مقدماً على أقساطين (السطح كل ستة شهور) على حساب محاسبه أو تمويلاً يلقى على حساب محاسبه . ويتم المسداد بموجب شيك مصرفي أو تحويل بنكي .

Kingdom of Saudi Arabia
Riyadh, Anas bin Malik St.
+966 11 454 5775
info@asg-mena.com
www.asg-mena.com



العقد الموحد
التجاري الموحد
Contract Contract

يعتبر هذا العقد عقداً موثقاً وسعداً تنفيذياً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٠/٤/٣ هـ.

1 بيانات العقد			
Contract Type	جديد	Contract No.	20340589175 / 1-0
Contract Sealing Location	الرياض	Contract Sealing Date	2024-03-19
Tenancy End Date	2034-07-14	Tenancy Start Date	2024-07-15
Contract is conditional	لا		

2 بيانات المؤجر			
Company name/Founder	شركة لمدين الدولي العقارية شركة شخص واحد	Organization Type	التجارية
Unified Number	7010776792	CR No.	1010896422
CR Date	2017-10-04	Issued by	-

3 بيانات مُمثل المؤجر			
Name	سلمان حسين بن يحيى معدي		
Nationality	المملكة العربية السعودية		
ID No.	1073134924	ID Type	هوية وطنية
Email	muaidis@mulkia.com.sa	Mobile No.	+966554322153
National Address	الحياء الرياض		
	تاريخ الانتهاء	تاريخ الصدار	نوع المستند
	Expiry Date	Issue Date	Type
	2025-08-31	2022-10-04	وكالة شرعية إلكترونية
			441361636

4 بيانات المستأجر			
Company name/Founder	مجمع خالد محمد المطيري الطبي	Organization Type	التجارية
Unified Number	7013639625	CR No.	2050098463
CR Date	2014-02-27	Issued by	-

1



العقد الموحد
التجاري الموحد
Contract Contract

يعتبر هذا العقد عقداً موثقاً وسعداً تنفيذياً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٠/٤/٣ هـ.

1 بيانات العقد			
Contract Type	جديد	Contract No.	2038215199
Contract Sealing Location	الرياض	Contract Sealing Date	2021-08-03 12:17:59 UTC
Tenancy End Date	2030-11-14	Tenancy Start Date	2021-11-15
Contract is conditional	لا		
طريقة دفع رسوم العقد:	الدفع عن طريق رصيد الوسيط العقاري	Eljar Fees Paid By	

2 بيانات المؤجر			
Name	احمد عبدالله عثمان السلامة		
Nationality	المملكة العربية السعودية		
ID No.	1037239215	ID Type	رقم الهوية
Email	abdulaziz@asg-mena.com	Mobile No.	+966505460047
National Address	3738, 7901, Down Town, 47914, TABUK, توبك		

3 بيانات مُمثل المؤجر			
The lessor is represented by himself or herself.			

4 بيانات المستأجر			
Company name/Founder	شركة بوقا لتقديم الوجبات	Organization Type	التجارية
Unified Number	-	CR No.	1010595181
CR Date	2019-09-15	Issued by	-

5 بيانات مُمثل المستأجر			
Name	تامر علي علوي سالم		
Nationality	المملكة العربية السعودية		

1

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



Al Yasmeen Residential Building

**MULKIA
INVESTMENT**

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, Al-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 Al-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

قيـم للتقـيـم

QIAM VALUATION

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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.
- 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.
- 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.
- 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,
- 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.
- 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.
- 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 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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none"> ▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052 ▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013 <ul style="list-style-type: none"> ▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

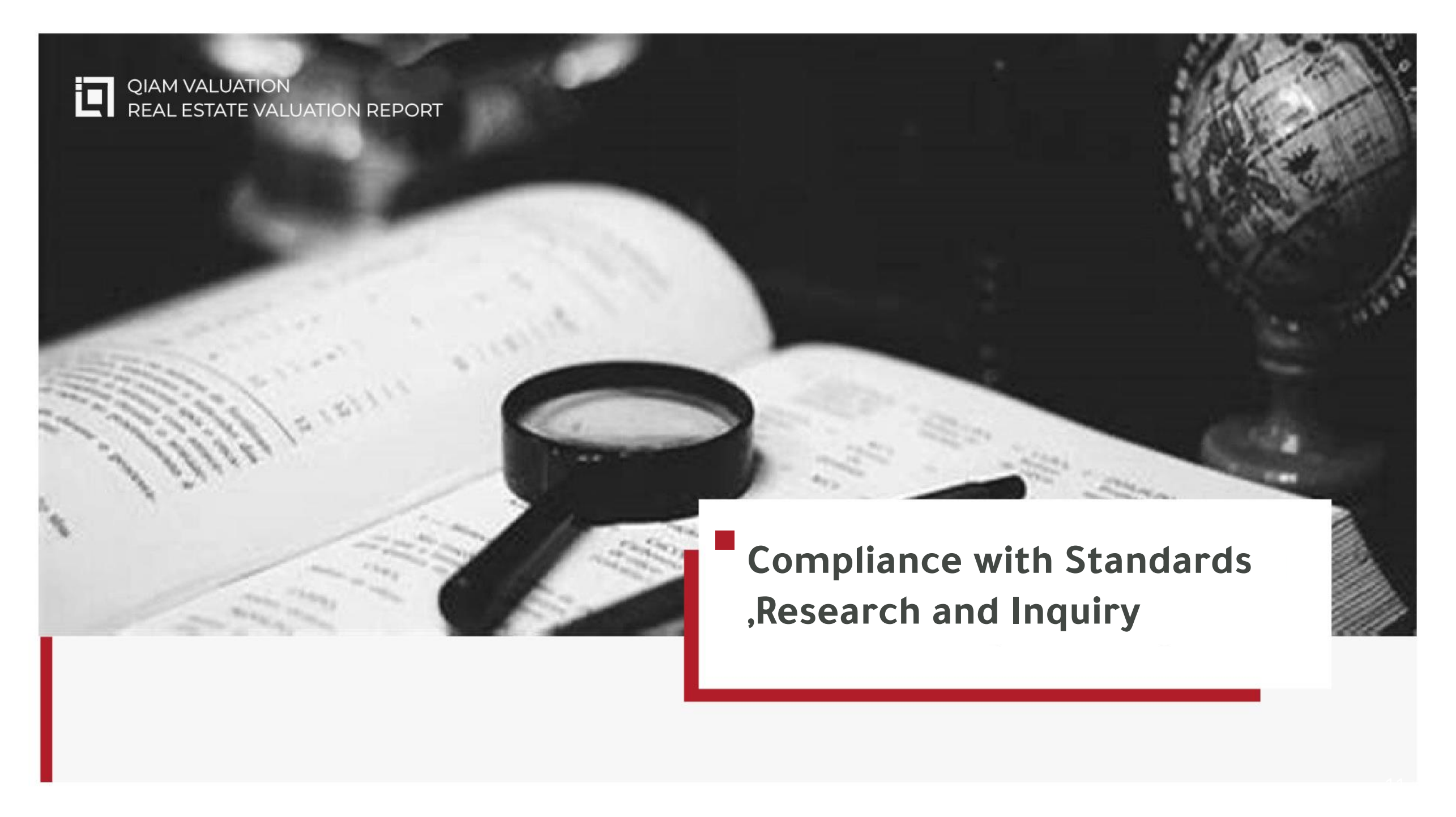
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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.



- **Overview of the economy and the real estate sector in Riyadh city**

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

Social and service indicators:

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

Real estate indicators:

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



Site studies

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 Al 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 available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	North of the city
	Infrastructure	Completed
	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.

- 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 wood	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain
Windows	Health kits	Stairs	Insulation type
Aluminum and double glazing	High quality	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Stone	Cosmetic implants	Electric Securit Glass	Ceramic

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	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 Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al-Yasmin**

Street: **Al-Qadisiyah Street**

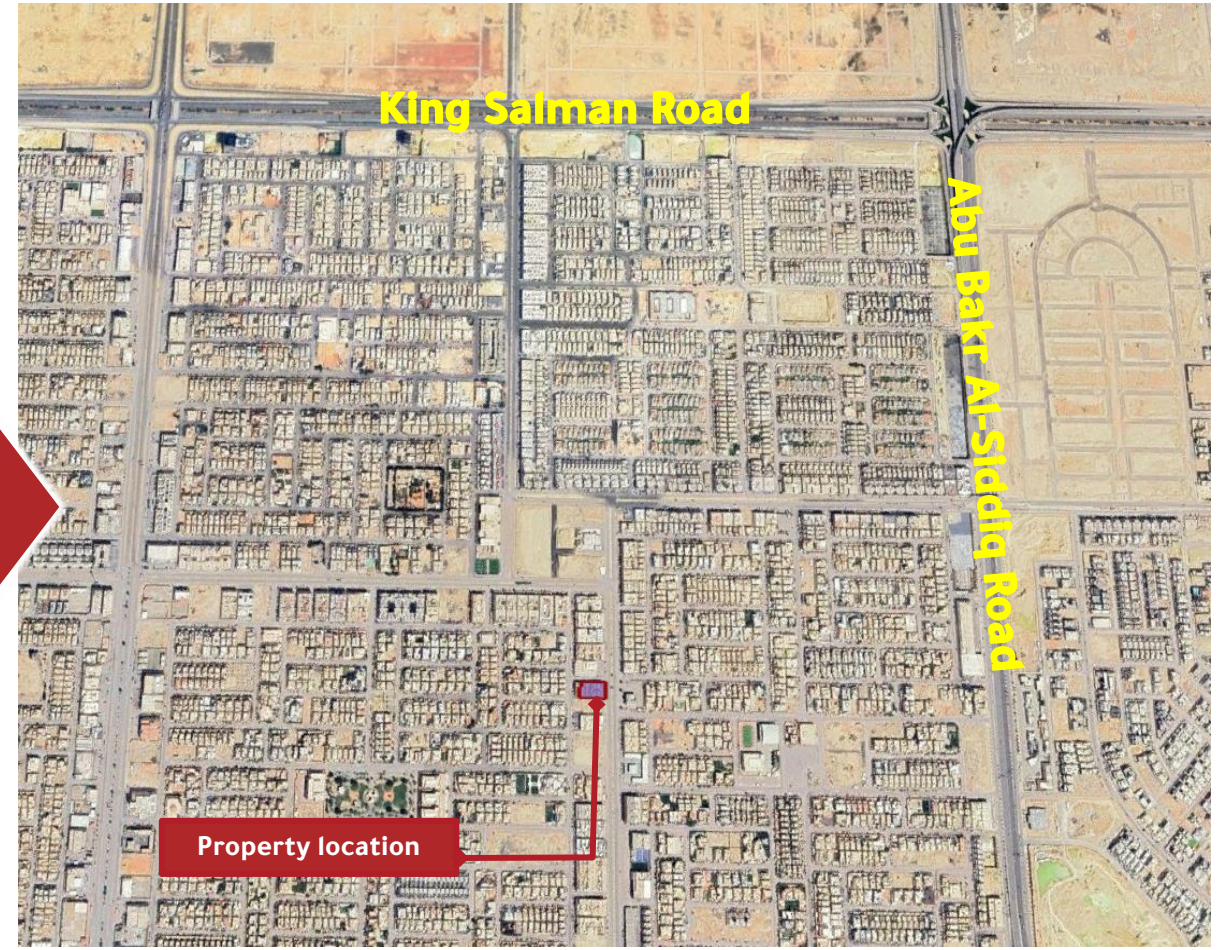
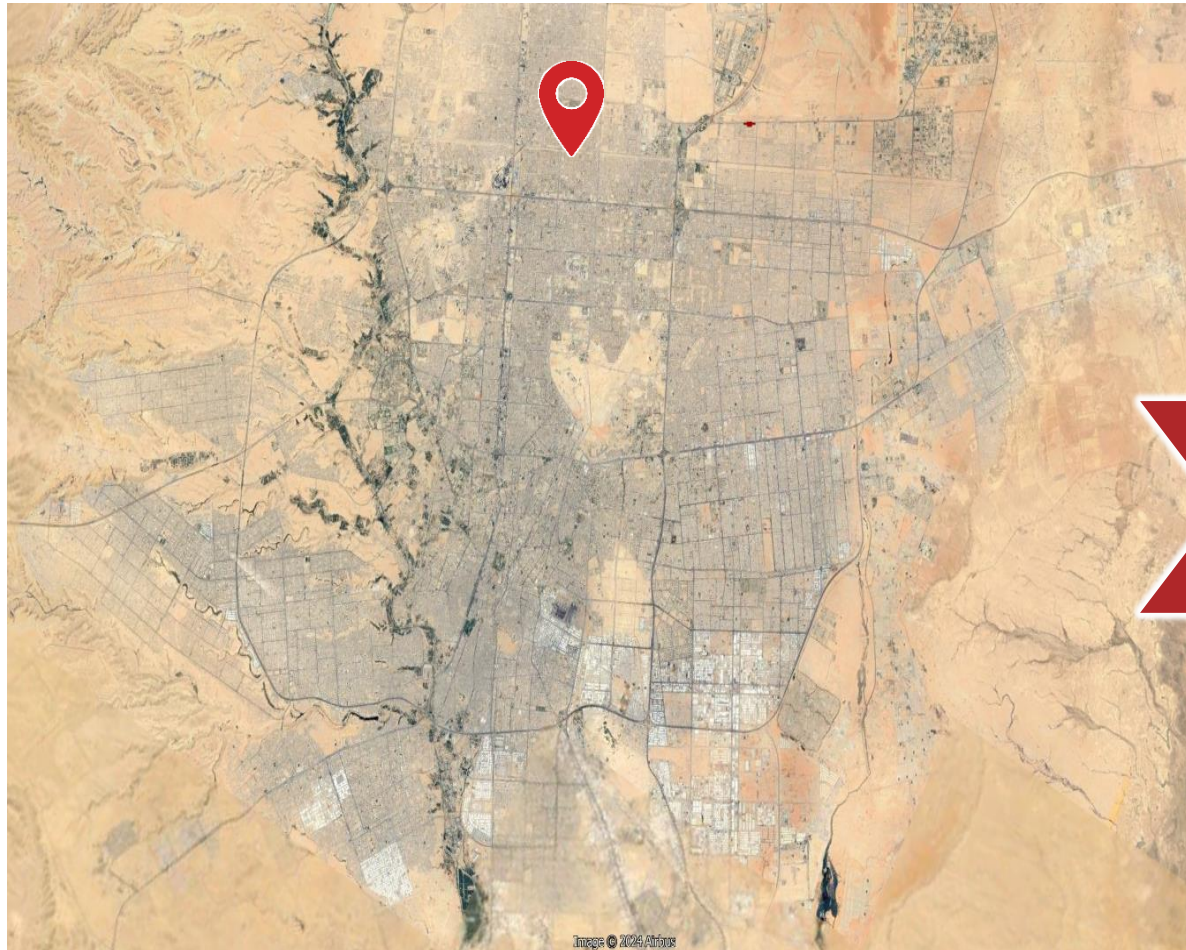
Location coordinates

N :

24.828662

E :

46.650461



Photographic survey of the Property

2024-06-21 21:10:27



2024-06-21 21:10:24



2024-06-21 21:10:28



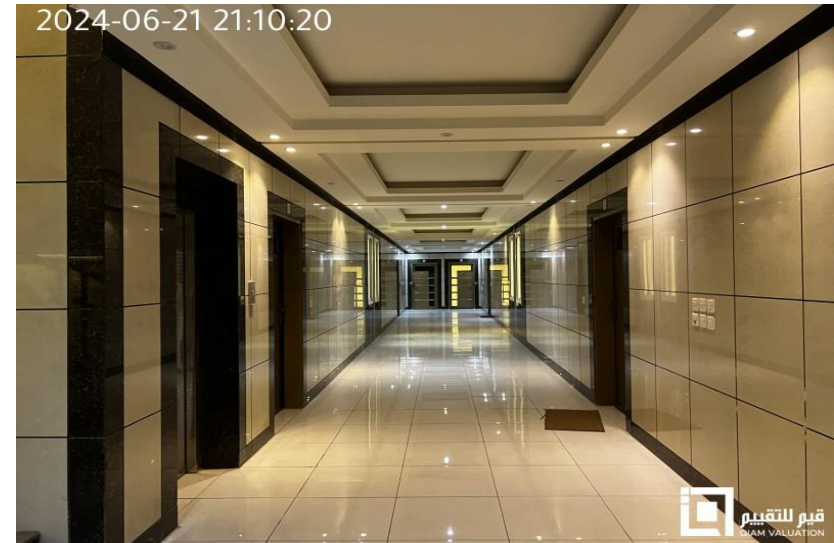
2024-06-21 21:10:01



2024-06-21 21:10:11



2024-06-21 21:10:20





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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:

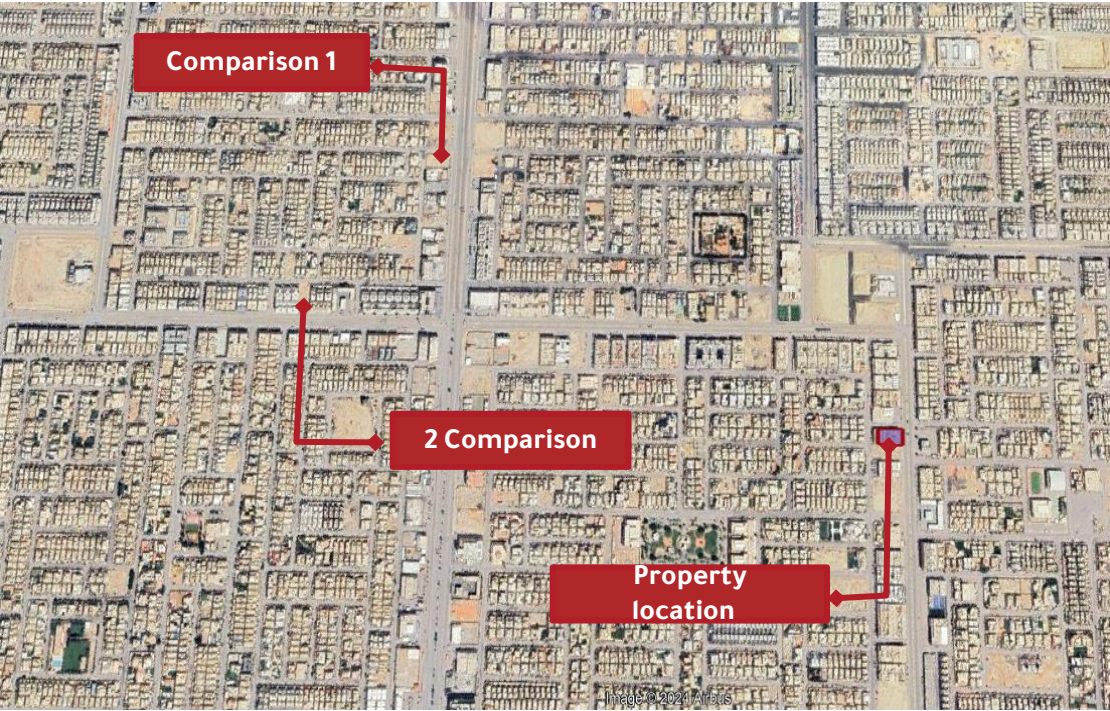
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the 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)	1,500	3,000
Ease of access	Average	High
Property location	Average	High
Land shape	Flat	Flat
Land topography	Regular	Regular
Use	Commercial Residential	Commercial Residential
Surrounding streets	2	2
Price per meter (SR)	6600	7500
Comparative condition	Available offer	Available offer



Valuating the land according to Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	6,600		7,500	
Condition	***	Available offer		Available offer	
Date of valuation/offer	2024	2024		2024	
Market Condition	***	%10.00-	660 -	%10.00-	750
Financing terms	***	%0.00	-	%0.00	-
Market conditions value	***	(660.00)		(750.00)	
Value after initial settlements	***	5,940		6,750	
Land area (m²)	2309.76	1,500	%2-	3,000	%2
Ease of access	Average	Average	%0	High	%5-
Property location	Average	Average	%0	High	%5-
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
Total		%3.00		%3.00-	
Adjustment value per square meter		178		-203	
Final meter value after Adjustments		6,118		6,548	
Net average value per square meter (SR / m²)			6,333		
Market value of the land (SR / m²)			14,627,364		

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 condition 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.

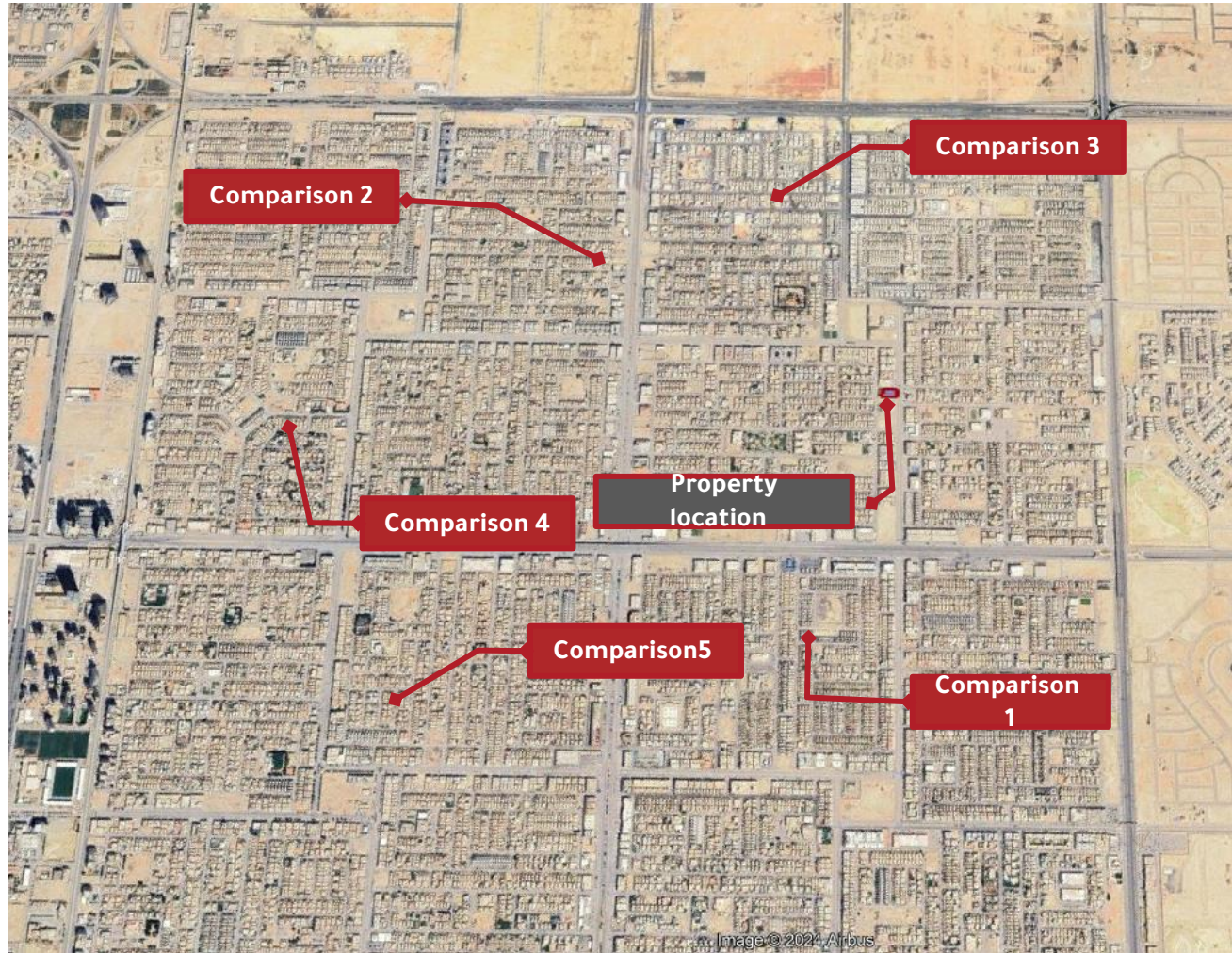
Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)			
Clause	Built up area m2	SR / m2	Value (SR)
Ground floor	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
Second: Other costs (indirect)			
Professional fees	%2		191,588
Utilities Network	%2		191,588
Administration costs	%2		191,588
Financing costs (0 years / 0%)	%0		-
Developer's profitability	%15		1,436,909
Total (SR)			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 building (SR)		8,403,520
Fourth: Value of the property according to the Cost Approach		
Final value of the land (SR)		14,627,364
Final value of buildings (SR)		8,403,520
Market value of the property according to the Cost Approach (SR)		23,030,883
Market value of the property according to the Cost Approach after rounding (SR)		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	%0
Actual gross income	1,300,000
Operating expense ratio	%0
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 1210000005



Appendix

Documents received from the client

١٤٢٤/١٤٢٥	رقم الشهادة :		المملكة العربية السعودية وزارة الشؤون البلدية والقروية أمانة منطقة الرياض بلدية شمال الرياض	
١٤٣٤.١٣.٠٤	التاريخ :			
١٤٣٤/١٤٣٥	رقم الطلب :			
١٣٨٤٤				
شهادة إتمام البناء				
١٤٣١.٠٣.٢٨	تاريخه	طرق محمد ناصر العبودي	اسم المالك	٨٩.١١.٠٠.٩٠٧٢
١٦	رقم القطعة		رقم المسك	
١٤٣١.٠٧.٠٤	تاريخ الإصدار		رقم المصار	١٢٧٣٩
	عمارة سكنية/ نظام البناء المحور)		رقم الرخصة	٣٢٢٩
		نوع العقار	حي النسيم	رقم المخطط
		شارع	حسي	
	تاريخه		رقم صندوق التنمية العقارية	

عام شركة المياه الوطنية

السلام عليكم ورحمة الله وبركاته ... وبعد
نفيدكم أن الاستفيد الموضع اسمه اعلاء قد اكمل بناء عقاره حسب الرخصة المدون رقمها وتاريخها وباليه
ولعدم وجود اي ملاحظات نأمل اكمال اللازم ، وتحتفظ الأمانة بحق الرجوع عن الشهادة وقطع الخدمة في
حالة ما إذا أخل صاحب المبنى بالشروط الموضحة برخصة البناء بعد إصدار الشهادة.

وتقبلوا تحياتنا

المراقب الفني

الإسم _____
التوقيع _____ التاريخ ١٣٠٤ / ٩ - ٢٥
(Signature)

رئيس قسم مراقبة البناء

الاسم م/ مشعل بن أحمد السالم
التوقيع _____ التاريخ _____
(Signature)

رئيس بلدية شمال الرياض

الإسم م/ عمران بن عبد العزيز
التوقيع _____ التاريخ ١٣٠٤ / ٩ - ٢٥
(Signature)

٦٧٨ / ٧٧-٧٤ / ط

175 / 17-8 / 4

176548

اي كسحط أو تعديل يلغى هذه الشهادة

البلدية العامة - الرياض

إدارة رخص البناء

وزارة الشؤون البلدية والقروية

أمانة منطقة الرياض

إدارة رخص البناء

خاصة ببناء عازرة سكنية (نظام البناء المطور)

اسم المالك: طارق محمد ناصر العبدوي
رقم الهاتف: ١٠٠١٥١٠٩٤٨
رقم الصك: ٨١٠١٠٠٠٩٠٧٢
رقم القطعة: ١٦
الشـارع: ١٦
حي التأسيس: ٢٤
مساحة الأرض: ٢٤٠٩,٧٦ م^٢
محيط الأسوار: ٤٠ م / ط
المنطقة العمرانية: مرحلة ١

الجهة: الممر ١٠ م
شمال شارع ٣٦ م
شرق ١٥ م
جنوب شارع ١٨ م
غرب

الحدود: الإيجاد ١٦,٩٩ م
الترتداد ٦ م
٢ م
٣,٦ م

عدد الوحدات: ١٢
المساحة الإستخدام ١٦٨٢,٠٠ م^٢
سكني ١٦٢,٠٠ م^٢
سكني ١٥٥,٠٠ م^٢
غرفة مخبرية ٢,٠٠ م^٢
ملاط طوية ٧٣١,٠٠ م^٢
خدمات ١٣٩,٩٨ م^٢

مكونات البناء: أرضي سكني
أول سكني
ثاني سكني
غرفة مخبرية
ملاط طوية
أسوار

أمانة منطقة الرياض
تور: دةمة لتخطيط العمراني
١٤٣١/١٤٩٩٦٧
الشارع: ١٤٣١-٠٨-٠٦
الترقيات: ٢١٨٥٧

المكتب المصمم: سواد للهندسة المعمارية
رقم الترخيص: ٣٢٢٥, رقم المشروع: ٢٤, رمز النظام: مناسيب الشوارع المحيطة: مستوى
سداد الرسوم مبلغ وقدره: ١٩١٩ ريال بموجب الإيصال رقم: ٣١٠١٤٩٢٥٠٦ وتاريخ: ١٤٣١-٠٧-٢١ هـ

ملاحظات: ١- بموجب التقارير المصاحبة رقم ١٤٣١/١٦٧٢٢ بتاريخ ١٤٣١-٠٤-٢١ هـ الصادر من بلدية شمال الرياض القرعية.
٢- نظام البناء المطور حالة رقم ٤.
٣- ارتداد الدور الثاني من الأول من الجهة الخلفية ٤٠ م كحد أدنى.
٤- ارتداد الملاحق الخلفية عن تقاطعها لا يقل عن ١٠ م من حد الملكية.
٥- لإسبغ عمل المداخل والمخارج لوقوف السيارات في الشوارع الخلفية إذا كان عرض الشارع أقل من ٢٠ م.
٦- يمنع عمل فتحات الملاحق الخلفية جهة المسطوحين.

مدير عام التخطيط العمراني: م/ عساعدا إبراهيم المحيا
مدير إدارة الرخص: م/ علي بن أحمد الثوري
رئيس قسم الرخص: م/ عبدالله بن محمد بلوئس
م/ عبدالله بن محمد بلوئس

بلدية شمال الرياض

١٤٣١-٠٧-٢١

رقم الصك: 493010005755
التاريخ: 1443/03/13 هـ

وزارة العدل
ابراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

صک رہن

[illegible]

الموثق

الختم الرسمي

ابراهيم عمر محمد الحسين

Documents received from the client

الجنسية:	المملكة العربية السعودية	Nationality	
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية: 1047130487
رقم الجوال:	+966554537750	Mobile No.	البريد الإلكتروني: Email
رقم سند التمثيل	نوع المستند	تاريخ الصصدار	تاريخ الانتهاء
Number	Type	Issue Date	Expiry Date
42111748	وكالة شرعية	2020-11-29	2025-10-04

1 بيانات المنشأة العقارية والوسيط			
اسم المنشأة العقارية:	(شركة روعة انجاز المحدودة (شركة شخص واحد		
Brokerage Entity Name			
عنوان المنشأة العقارية:	نجم الدين النويبي, 14929, 6071, 2998 الرياض, الرياض		
Brokerage Entity Address			
رقم السجل التجاري:	1010635760	CR No.	رقم الهاتف: Landline No.
			رقم الفاكس: Fax No.
اسم الوسيط:	فيصل سعد ابن محمد الخطاطي		
BO Manager Name			
الجنسية:	المملكة العربية السعودية	Nationality	
نوع الهوية:	الهوية الوطنية	ID Type	رقم الهوية: 1044216578
رقم الجوال:	+966554537750	Mobile No.	البريد الإلكتروني: Email null@null.com

7 بيانات صكوك التملك			
رقم الصك:	493010005755	Title Deed No:	جهة الإصدار: -
Issuer:			
تاريخ الإصدار:	2021-10-19	Issue Date:	مكان الإصدار: -
Place of Issue:			

8 بيانات العقار			
العنوان الوطني:	الياسمين, 13326, الرياض, الرياض, 2967, 6497		
National Address			
نوع بناء العقار:	عمارة	Property Type	نوع استخدام العقار: سكن عائلي
Property Usage			
عدد الأدوار:	4	Number of Floors	عدد الوحدات: 40
Number of Units			
عدد المصاعد:	-	Number of Elevators	عدد المواقف: -
Number of Parking Lots			

9 بيانات الوحدات الإيجارية			
نوع الوحدة:	شقة	Unit Type	رقم الوحدة: الأرضي
Unit No.			
رقم الدور:	1	Floor No.	مساحة الوحدة:
Unit Area			
مؤثثة:	-	Furnished	خزانة مطبخ مؤثثة: -
Kitchen Cabinets Installed			
عدد وحدات التكييف	0	Number of AC units	نوع التكييف: -
AC types			
رقم عداد الكهرباء:	-	Electricity meter number	القيارة الحالية: -
Current meter reading			
رقم عداد الغاز:	-	Gas meter number	القيارة الحالية: -
Current meter reading			

2



يعتبر هذا العقد عقدًا موثقًا وسنًا تنفيذيًا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٠/٤/٢٥ هـ.

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

2 بيانات المؤجر			
نوع المنظمة:	commercial	Organization Type	اسم الشركة/المؤسسة: شركة تمدين الولي
Company name/Founder			
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد: 7010776792
Unified Number			
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري: 2017-10-04
CR Date			

3 بيانات ممثل المؤجر			
الاسم:	سلمان حسين بن يحيى معيدي		
Name			
الجنسية:	المملكة العربية السعودية	Nationality	
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية: 1073134924
ID No.			
رقم الجوال:	+966556332153	Mobile No.	البريد الإلكتروني: muaidis@mulkia.com.sa
Email			
رقم سند التمثيل	نوع المستند	تاريخ الصصدار	تاريخ الانتهاء
Number	Type	Issue Date	Expiry Date
43661903	وكالة شرعية	2021-09-16	2022-09-05

4 بيانات المستأجر			
نوع المنظمة:	commercial	Organization Type	اسم الشركة/المؤسسة: شركة روعة انجاز المحدودة (شركة شخص واحد)
Company name/Founder			
رقم السجل التجاري:	1010635760	CR No.	الرقم الموحد: 7017199436
Unified Number			
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري: 2020-05-14
CR Date			

0 بيانات ممثل المستأجر			
الاسم:	محمد بن مفرح بن محمد الخطاطي		
Name			

1

General Administration

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



**MULKIA
INVESTMENT**

**Al Namothajiyah building for hotel
apartments**

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 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

قيـم للتقـيـم

QIAM VALUATION

Content

The specific assumptions and limitations of the report	01
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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 (**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.
- 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.
- 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.
- 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,
- 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.
- 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.
- 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 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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none">▪ Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052▪ Salem Al Fai' - Real estate-Basic Follow- Membership No 1210000013<ul style="list-style-type: none">▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

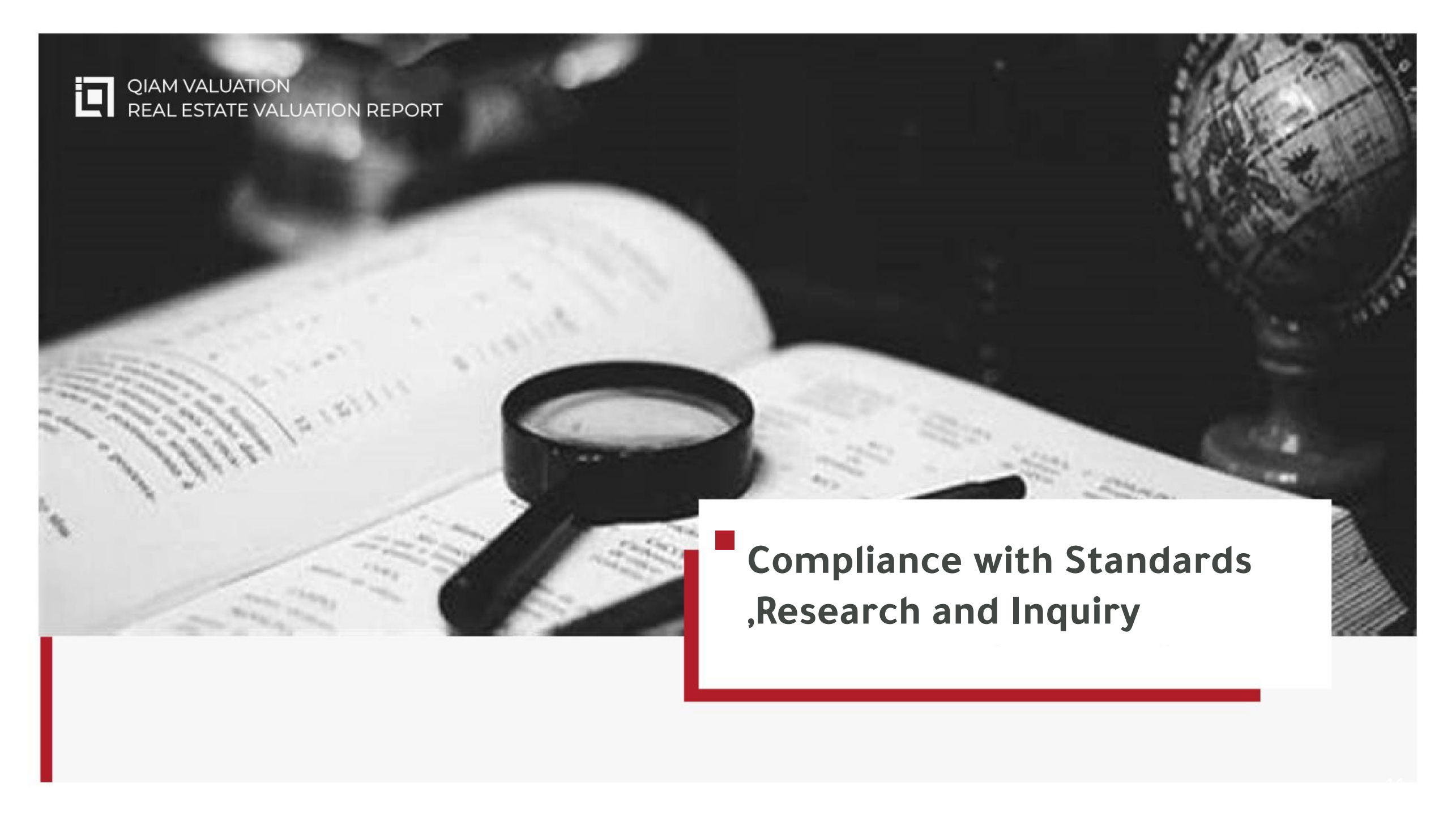
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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.



- **Overview of the economy and the real estate sector in Riyadh city**

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

Social and service indicators:

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

Real estate indicators:

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

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 Namudhajiyyah	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 Al 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 available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	City center
	Infrastructure	Completed
	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 wood	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain
Windows	Health kits	Stairs	Insulation type
Aluminum and double glazing	High quality	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Glass - Paint	Cosmetic implants	Electric Securit Glass	Marble

Electromechanical and air conditioning 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 Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **An Namudhajiya**

Street: **Fahd bin Salman bin Abdulaziz**

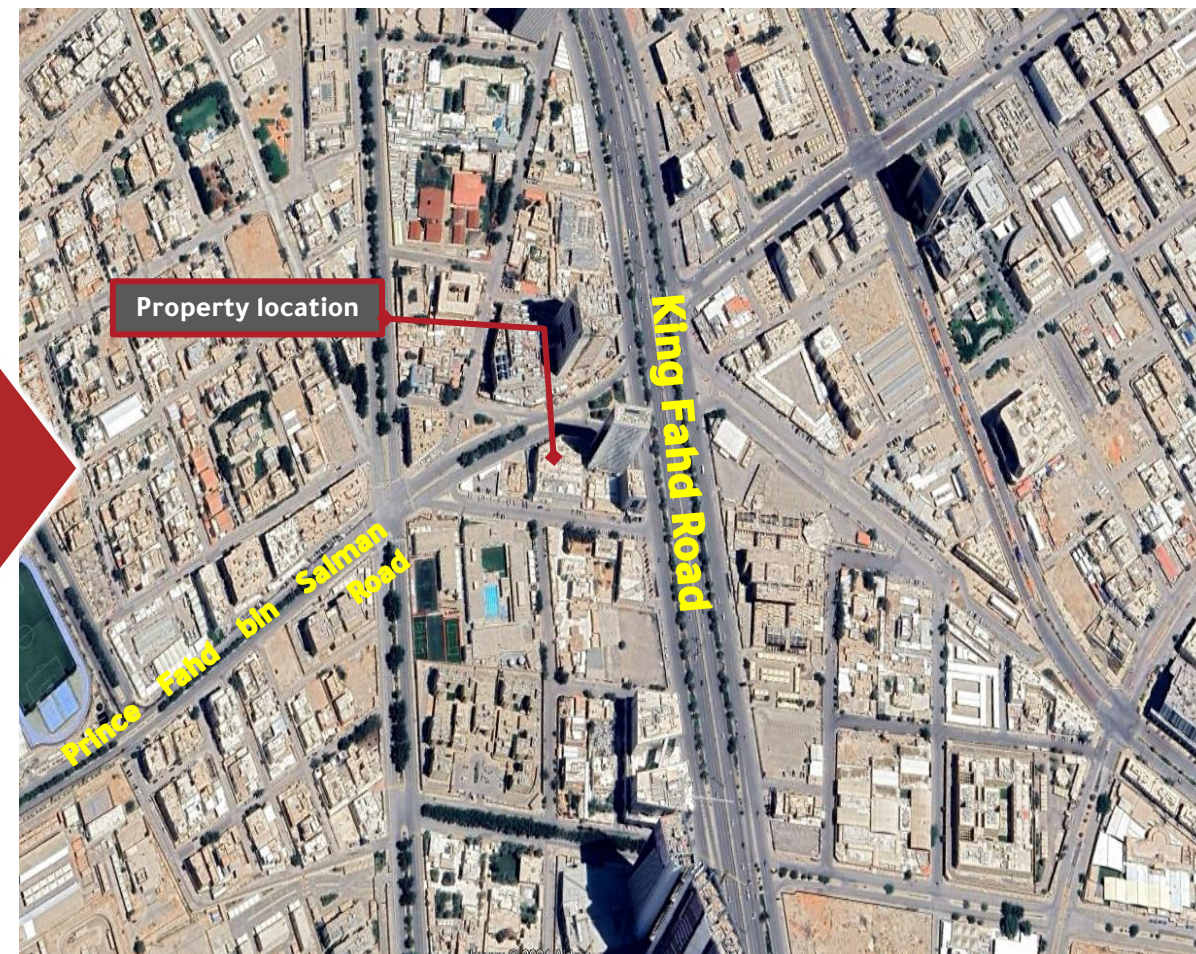
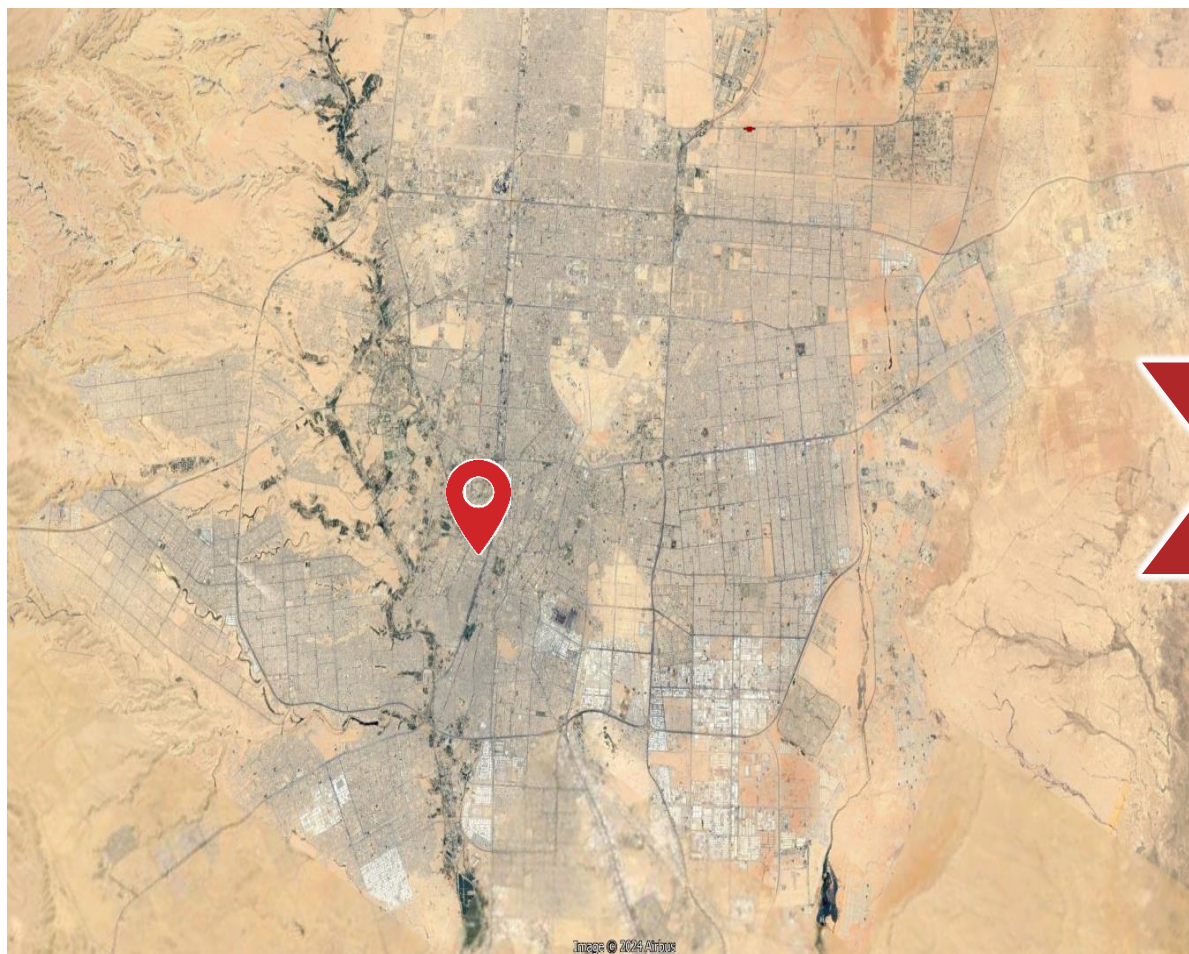
Location coordinates

N :

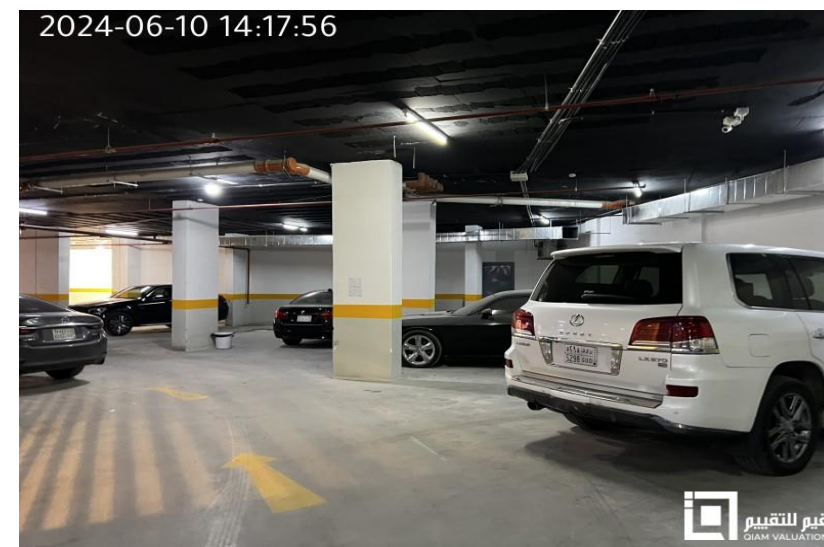
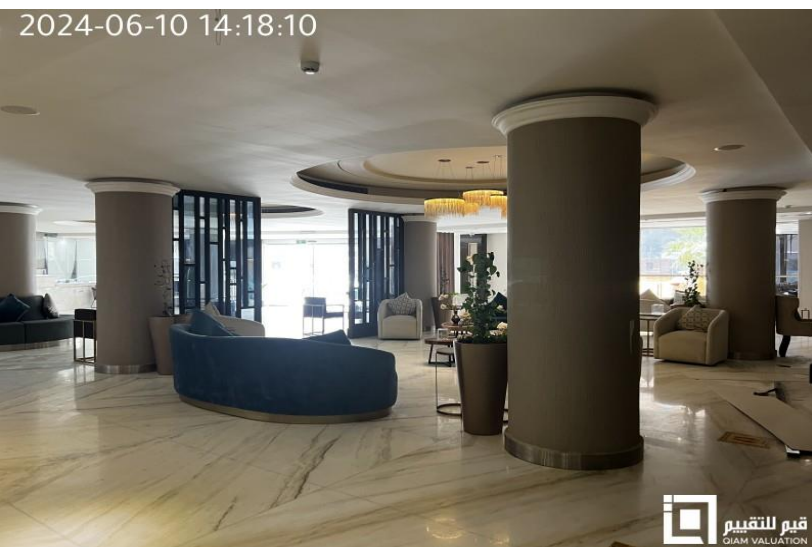
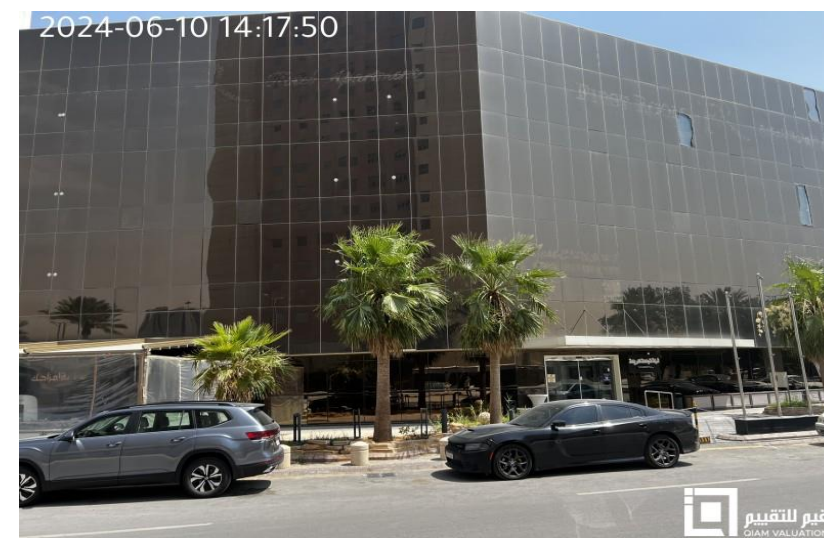
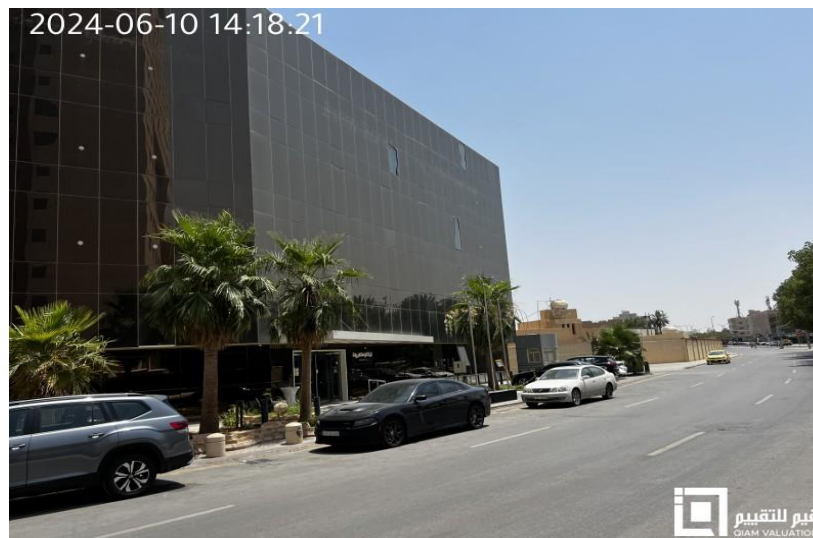
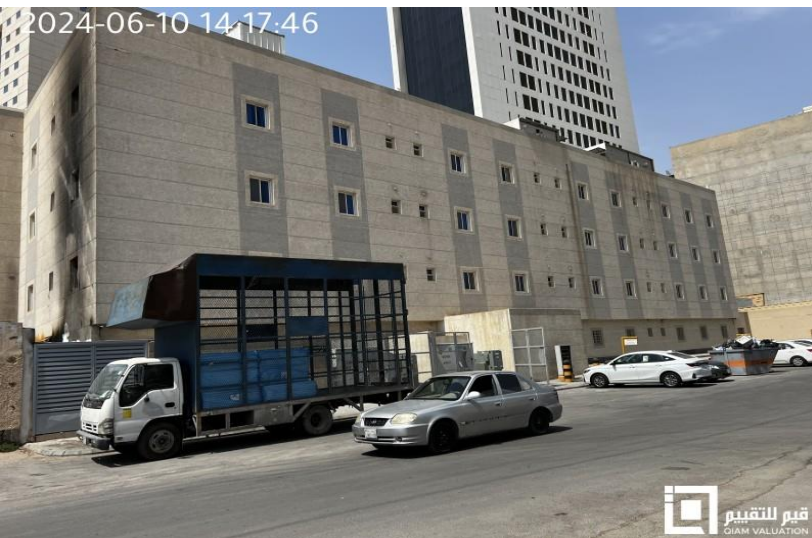
24.65791

E :

46.69408



Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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	----	----	----	----

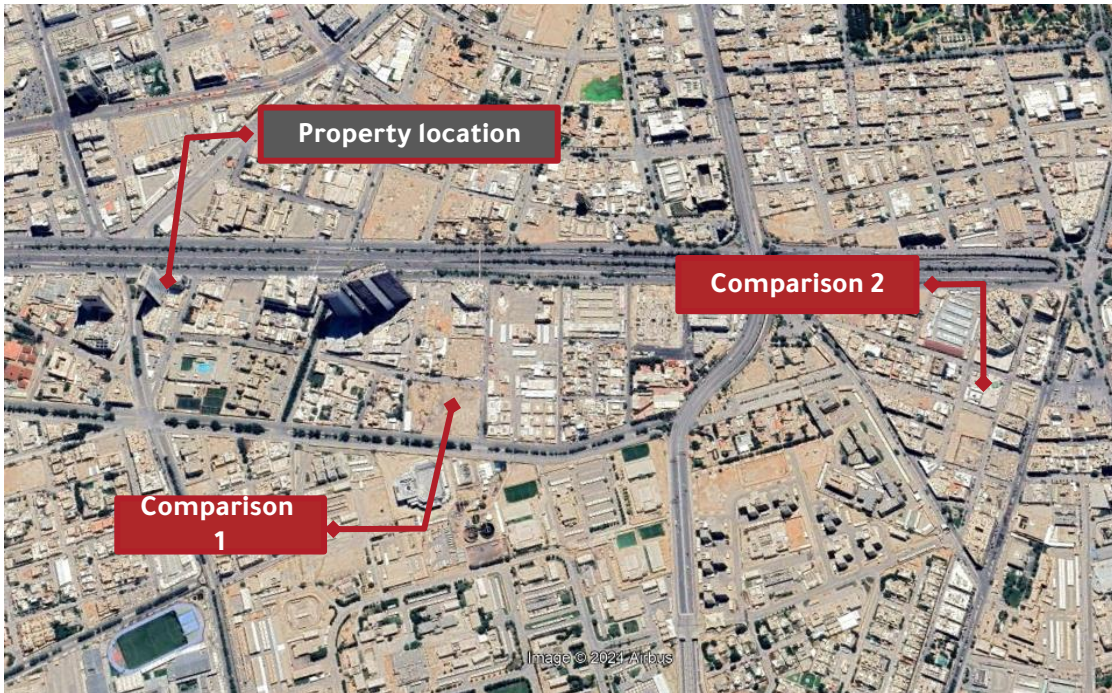


Value Estimation

Estimating the value of the land - Market Approach - Comparisons method

Comparative real estate

Comparison factors	Comparison 1	Comparison 2
Area (m2)	7,833	1,000
Ease of access	Average	Average
Property location	Low	Low
Land shape	Flat	Flat
Land topography	Irregular	Irregular
Use	Commercial Residential	Commercial Residential
Surrounding streets	3	2
Price per meter (SR)	3200	5000
Comparative condition	Available offer	Available offer



Valuating the land according to Market Approach - Method of comparison with similar sales

Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	3,200		5,000	
Condition	***	Available offer		Available offer	
Date of valuation/offer	2024	2024		2024	
Market Condition	***	%5.00-	160 -	%5.00-	250
Financing terms	***	%0.00	-	%0.00	-
Market conditions value	***	(160.00)		(250.00)	
Value after initial settlements	***	3,040		4,750	
Land area (m²)	3061.75	7,833	%5	1,000	%7-
Ease of access	High	Average	%5	Average	%5
Property location	High	Low	%10	Low	%10
Land shape	Flat	Flat	%0	Flat	%0
Land topography	Irregular	Irregular	%0	Regular	%5-
Land use	Commercial Residential	Commercial Residential	%0	Commercial Residential	%0
Surrounding streets	2	3	%5-	2	%0
Total		%15.00		%3.00	
Adjustment value per square meter		456		143	
Final meter value after Adjustments		3,496		4,893	
Net average value per square meter (SR / m²)			4,194		
Market value of the land (SR / m²)			12,841,745		

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 condition 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	500	73,000
Total (SR)	11,613		34,635,400
Second: Other costs (indirect)			
Professional fees	%2		692,708
Utilities Network	%2		692,708
Administration costs	%2		692,708
Financing costs (0 years / 0%)	%0		-
Developer's profitability	%15		5,195,310
Total (SR)			7,273,434
Total cost of buildings (SAR)			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)		33,527,067
Fourth: Value of the property according 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 according to the Cost Approach (SR)		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



Market Survey Results - Residential Units

#	Comparison	Area (m2)	Rental value
1	Apartment	60	38000
2	Apartment	80	50000
3	Furnished Apartment	35	38400
4	Furnished Apartment	70	75600

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	%0
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



Appendix

Documents received from the client

الملكة العربية
وزارة الشؤون البلدية
أمانة منطقة

إدارة رخص البناء

رخصة
بناء عارة سكنية/شقق مفروشة

رقم الرخصة: ١٤٣٢/١٠٠٨
تاريخ الرخصة: ١٤٣١/٠٥/٠٥
تاريخ انتهائها: ١٤٣٧/٠٥/٠٥
نوع الرخصة: بناء

اسم المالك: **فهد بن محمد بن أحمد الزكي**
رقم الهوية: ١٠١٤١١٣٣٨
رقم الصلح: ٣١٠٠٣٠٢٨٥٥
رقم القطعة: **٣١٠٠٣٠٢٨٥٥**
الشارع: **شارع الأمير فهد بن سلطان**
الحي: **حي النورانية**
مساحة الأرض: ٦٢٠٦١,٧٥ م^٢
محيط الأسوار: م/ط

الجهة	الحدود	الأبعاد	الارتفاع
شمال	شارع ٣٢	٦٠	٦
شرق	شارع	٦٠	٦
جنوب	شارع ٣٠	٦١,٨٥	١,٠٠
غرب	شارع	٦٠,٧٥	٣,٢

مكونات البناء	عدد الوحدات	المساحة	الاستخدام
غرف	١	٦٦٦,٥٠	مواقف
دور أرضي	١٧	١٨٣٧,٠٠	شقق مفروشة
دور أول	٣٠	١٩٩٠,٠٠	شقق مفروشة
دور ثاني	٣٠	١٩٩٠,٠٠	شقق مفروشة
دور ثالث	٣٠	١٩٩٠,٠٠	شقق مفروشة
مخارج طوارئ	١	١٩٩,٠٠	شقق مفروشة
أسوار	١	١٩٩,٠٠	مخارج

شارع عرض ٢٣ م

شارع عرض ١٨-٢٠ م - عرفة كهرباء

شارع عرض ٢٠ م - عرفة كهرباء

الكتبة الصمم: **الحدادة لهندسة التخطيط والتصميم العمراني**
رقم الترخيص: ٣٠٦٨٠
رقم المشروع: ٣٨
سجل الرسوم مبلغ وقدره: ٧٢٥٠

ملاحظات:

نوع البناء: مساح الرخصة عبارة عن ثلث مبنية ١. نوع الرخصة: إصدار رخصة تفويرية. ٢. بموجب نظام رخصة التفويرية لتأمين ٣. بموجب التفوير السليم رقم ١٤٣٢/١٠٠٨ بتاريخ ١٤٣٢/٠٥/٠٥ الصادر من بلدية الشبيبيات العامة. ٤. منطقة تقسيم: م/١٣٣. ٥. الاشتراطات التخطيطية لموقع المشروع تتواءم مع المخطط العام. ٦. شارع العرض: شارع ٣٢. ٧. ارتفاع المبنى: ١٠. ٨. ارتفاع المبنى: ١٠. ٩. ارتفاع المبنى: ١٠. ١٠. ارتفاع المبنى: ١٠. ١١. ارتفاع المبنى: ١٠. ١٢. ارتفاع المبنى: ١٠. ١٣. ارتفاع المبنى: ١٠. ١٤. ارتفاع المبنى: ١٠. ١٥. ارتفاع المبنى: ١٠. ١٦. ارتفاع المبنى: ١٠. ١٧. ارتفاع المبنى: ١٠. ١٨. ارتفاع المبنى: ١٠. ١٩. ارتفاع المبنى: ١٠. ٢٠. ارتفاع المبنى: ١٠. ٢١. ارتفاع المبنى: ١٠. ٢٢. ارتفاع المبنى: ١٠. ٢٣. ارتفاع المبنى: ١٠. ٢٤. ارتفاع المبنى: ١٠. ٢٥. ارتفاع المبنى: ١٠. ٢٦. ارتفاع المبنى: ١٠. ٢٧. ارتفاع المبنى: ١٠. ٢٨. ارتفاع المبنى: ١٠. ٢٩. ارتفاع المبنى: ١٠. ٣٠. ارتفاع المبنى: ١٠. ٣١. ارتفاع المبنى: ١٠. ٣٢. ارتفاع المبنى: ١٠. ٣٣. ارتفاع المبنى: ١٠. ٣٤. ارتفاع المبنى: ١٠. ٣٥. ارتفاع المبنى: ١٠. ٣٦. ارتفاع المبنى: ١٠. ٣٧. ارتفاع المبنى: ١٠. ٣٨. ارتفاع المبنى: ١٠. ٣٩. ارتفاع المبنى: ١٠. ٤٠. ارتفاع المبنى: ١٠. ٤١. ارتفاع المبنى: ١٠. ٤٢. ارتفاع المبنى: ١٠. ٤٣. ارتفاع المبنى: ١٠. ٤٤. ارتفاع المبنى: ١٠. ٤٥. ارتفاع المبنى: ١٠. ٤٦. ارتفاع المبنى: ١٠. ٤٧. ارتفاع المبنى: ١٠. ٤٨. ارتفاع المبنى: ١٠. ٤٩. ارتفاع المبنى: ١٠. ٥٠. ارتفاع المبنى: ١٠. ٥١. ارتفاع المبنى: ١٠. ٥٢. ارتفاع المبنى: ١٠. ٥٣. ارتفاع المبنى: ١٠. ٥٤. ارتفاع المبنى: ١٠. ٥٥. ارتفاع المبنى: ١٠. ٥٦. ارتفاع المبنى: ١٠. ٥٧. ارتفاع المبنى: ١٠. ٥٨. ارتفاع المبنى: ١٠. ٥٩. ارتفاع المبنى: ١٠. ٦٠. ارتفاع المبنى: ١٠. ٦١. ارتفاع المبنى: ١٠. ٦٢. ارتفاع المبنى: ١٠. ٦٣. ارتفاع المبنى: ١٠. ٦٤. ارتفاع المبنى: ١٠. ٦٥. ارتفاع المبنى: ١٠. ٦٦. ارتفاع المبنى: ١٠. ٦٧. ارتفاع المبنى: ١٠. ٦٨. ارتفاع المبنى: ١٠. ٦٩. ارتفاع المبنى: ١٠. ٧٠. ارتفاع المبنى: ١٠. ٧١. ارتفاع المبنى: ١٠. ٧٢. ارتفاع المبنى: ١٠. ٧٣. ارتفاع المبنى: ١٠. ٧٤. ارتفاع المبنى: ١٠. ٧٥. ارتفاع المبنى: ١٠. ٧٦. ارتفاع المبنى: ١٠. ٧٧. ارتفاع المبنى: ١٠. ٧٨. ارتفاع المبنى: ١٠. ٧٩. ارتفاع المبنى: ١٠. ٨٠. ارتفاع المبنى: ١٠. ٨١. ارتفاع المبنى: ١٠. ٨٢. ارتفاع المبنى: ١٠. ٨٣. ارتفاع المبنى: ١٠. ٨٤. ارتفاع المبنى: ١٠. ٨٥. ارتفاع المبنى: ١٠. ٨٦. ارتفاع المبنى: ١٠. ٨٧. ارتفاع المبنى: ١٠. ٨٨. ارتفاع المبنى: ١٠. ٨٩. ارتفاع المبنى: ١٠. ٩٠. ارتفاع المبنى: ١٠. ٩١. ارتفاع المبنى: ١٠. ٩٢. ارتفاع المبنى: ١٠. ٩٣. ارتفاع المبنى: ١٠. ٩٤. ارتفاع المبنى: ١٠. ٩٥. ارتفاع المبنى: ١٠. ٩٦. ارتفاع المبنى: ١٠. ٩٧. ارتفاع المبنى: ١٠. ٩٨. ارتفاع المبنى: ١٠. ٩٩. ارتفاع المبنى: ١٠. ١٠٠. ارتفاع المبنى: ١٠. ١٠١. ارتفاع المبنى: ١٠. ١٠٢. ارتفاع المبنى: ١٠. ١٠٣. ارتفاع المبنى: ١٠. ١٠٤. ارتفاع المبنى: ١٠. ١٠٥. ارتفاع المبنى: ١٠. ١٠٦. ارتفاع المبنى: ١٠. ١٠٧. ارتفاع المبنى: ١٠. ١٠٨. ارتفاع المبنى: ١٠. ١٠٩. ارتفاع المبنى: ١٠. ١١٠. ارتفاع المبنى: ١٠. ١١١. ارتفاع المبنى: ١٠. ١١٢. ارتفاع المبنى: ١٠. ١١٣. ارتفاع المبنى: ١٠. ١١٤. ارتفاع المبنى: ١٠. ١١٥. ارتفاع المبنى: ١٠. ١١٦. ارتفاع المبنى: ١٠. ١١٧. ارتفاع المبنى: ١٠. ١١٨. ارتفاع المبنى: ١٠. ١١٩. ارتفاع المبنى: ١٠. ١٢٠. ارتفاع المبنى: ١٠. ١٢١. ارتفاع المبنى: ١٠. ١٢٢. ارتفاع المبنى: ١٠. ١٢٣. ارتفاع المبنى: ١٠. ١٢٤. ارتفاع المبنى: ١٠. ١٢٥. ارتفاع المبنى: ١٠. ١٢٦. ارتفاع المبنى: ١٠. ١٢٧. ارتفاع المبنى: ١٠. ١٢٨. ارتفاع المبنى: ١٠. ١٢٩. ارتفاع المبنى: ١٠. ١٣٠. ارتفاع المبنى: ١٠. ١٣١. ارتفاع المبنى: ١٠. ١٣٢. ارتفاع المبنى: ١٠. ١٣٣. ارتفاع المبنى: ١٠. ١٣٤. ارتفاع المبنى: ١٠. ١٣٥. ارتفاع المبنى: ١٠. ١٣٦. ارتفاع المبنى: ١٠. ١٣٧. ارتفاع المبنى: ١٠. ١٣٨. ارتفاع المبنى: ١٠. ١٣٩. ارتفاع المبنى: ١٠. ١٤٠. ارتفاع المبنى: ١٠. ١٤١. ارتفاع المبنى: ١٠. ١٤٢. ارتفاع المبنى: ١٠. ١٤٣. ارتفاع المبنى: ١٠. ١٤٤. ارتفاع المبنى: ١٠. ١٤٥. ارتفاع المبنى: ١٠. ١٤٦. ارتفاع المبنى: ١٠. ١٤٧. ارتفاع المبنى: ١٠. ١٤٨. ارتفاع المبنى: ١٠. ١٤٩. ارتفاع المبنى: ١٠. ١٥٠. ارتفاع المبنى: ١٠. ١٥١. ارتفاع المبنى: ١٠. ١٥٢. ارتفاع المبنى: ١٠. ١٥٣. ارتفاع المبنى: ١٠. ١٥٤. ارتفاع المبنى: ١٠. ١٥٥. ارتفاع المبنى: ١٠. ١٥٦. ارتفاع المبنى: ١٠. ١٥٧. ارتفاع المبنى: ١٠. ١٥٨. ارتفاع المبنى: ١٠. ١٥٩. ارتفاع المبنى: ١٠. ١٦٠. ارتفاع المبنى: ١٠. ١٦١. ارتفاع المبنى: ١٠. ١٦٢. ارتفاع المبنى: ١٠. ١٦٣. ارتفاع المبنى: ١٠. ١٦٤. ارتفاع المبنى: ١٠. ١٦٥. ارتفاع المبنى: ١٠. ١٦٦. ارتفاع المبنى: ١٠. ١٦٧. ارتفاع المبنى:

رقم الصك: 393010004586

التاريخ: 1442/11/12 هـ

وزارة العدل

ابراهيم عمر محمد الحسين
الرياض

ترخيص رقم 39/999

رقم الصك: 693010004593

التاريخ: 1442/11/12 هـ

وزارة العدل

ابراهيم عمر محمد انحصين
الرياض

ترخيص رقم 39/999

صک رہن

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

فإن قطعة الأرض رقم بطون الواقع في حي التمدنية بمدينة الرياض وحدها وأصولها :
شمالاً: شارع الأمير فهد بن سلمان عرض 32 م بطول 34.3 أربعة و ثلاثون متر و ثلاثون سنتيمتر
جنوباً: شارع الشهاب الغساني عرض 20 م + 18.40 م بطول 29 تسعة و عشرون متر

شرقاً: جار بطول 40.75 ثمانية وخمسون متر وسبعون سنتيمتر
غرباً: جار بطول 58.9 أربعة عشر متر وخمسة وسبعون سنتيمتر
ومساحتها 1504.2 ألف وخمسة وأربعة عشر متراً مربعاً وسبعون سنتيمتراً مربعاً
العقارية بموجب سجل تجاري رقم 1010896622 بموجب الصادرة من الموثقين بالبراضة/ رقم 993398002677 بتاريخ 24 / 12 / 2007 قد تم فيها ما أقيم على سطحها من بناء لصالح / شركة الراجحي للتطوير المحدودة بموجب سجل تجاري رقم 10158249
تحتسب العقار بـ 14121938 فلفظ عدد سبعة وأربعين وأربعمائة وأحد وعشرون ألفاً وتسعة وأسمائة وثلاثون
سريعوباً لا 1010896622 تمتد على السطح السطح عددا 14121938 فلفظ عدد سبعة وأربعين وأربعمائة وأحد وعشرون ألفاً وتسعة وأسمائة وثلاثون
عشرون ألفاً وتسعة وأسمائة وثلاثون لا 1010896622 تاريخ حلول القسط 14121938 / 11 / 13
التي تضمنت ما يجب عليهم من مستحقات مالي مبلغ وقدره (14121938) لشركة الراجحي للتطوير المحدودة على أن يكون السداد على قسط واحد
في سبع سنوات ويبلغ بتاريخ 2027-12-30 وفي حالة عدم السداد فلتسريع بين العقار بالقيمة التي تنتهي عنها الرغبات
والتسليمات. وفي حالة عدم السداد فلتسريع بين العقار بالقيمة التي تنتهي عنها الرغبات
12 / 11 لاتعداه، وصلى الله على نبينا محمد وآله وصحبه وسلم.

11 / 12 لاعتماده ،وصلى الله على نبينا محمد وآله وصحبه وسلم.

الموثق

ابراهيم عمر محمد الحسين

الختم الرسمي

الموثق

ابراهيم عمر محمد الحسين

الختم الرسمي

الرقم التسلسلي: 2772

أرقام التماسلي: 2779

Documents received from the client

الرقم المستند No.	قيمة الإيجار Rent value	قيمة المضافة VAT	قيمة المبالغ المتبقة Services	إجمالي القيمة Total value	تاريخ الإصدار (أو) Issued Date(AD)	تاريخ الاستحقاق (أو) Due Date(AH)
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18	950000.0	142500.0	0.0	1092500.0	2026-11-26	2026-12-06
19	950000.0	142500.0	0.0	1092500.0	2027-02-26	2027-03-08
20	950000.0	142500.0	0.0	1092500.0	2027-05-26	2027-06-05

قيمة إيجارية مقبيرة سنوياً لـ

1٤ التزامات الطرفين Parties Obligations

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)
تحويل التزامات الأطراف بعد توقيعها على المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)

1٥ مواد العقد Contract Terms

المادة الأولى: البيانات المسبقة على إلتزامات الأطراف

تعد البيانات المسبقة على إلتزامات الأطراف والمحددة في البنود من (1-14) جزءاً من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبنود رقم (9) وفقاً للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد.
ويقر المستأجر بمعاييره للوحدة الإيجارية، وخبرته للتعاقد مع الأوصاف المذكورة، وأنها صالحة للشغل التجاري المتعلق عليه في البند رقم (10).

المادة الثالثة: مدة الإيجار وتحديد العقد

٣-١ مدة هذا العقد (1825) يوماً تبدأ من تاريخ 1444-01-28 هـ الموافق 2022-08-26 م وتنتهي بتاريخ 1449-03-23 هـ الموافق 2027-05-28 م، وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يعمل بالتاريخ الميلادي في جميع بنود العقد.

٣-٢ تنتهي مدة الإيجار مع انتهاء مدة العقد. وإذا رغب الطرفان بالتجديد، فتنته كتابة عقد جديد يُشَقُّ عليه الطرفان.

المادة الرابعة: الأجرة

إجمالي قيمة العقد (21850000.0) ريال سعودي، يلتزم المستأجر بدفعها للمؤجر بحسب ما هو مذكور في البند رقم (17) من هذا العقد وكما هو مذكور في البند (١٢) من هذا العقد.

المادة الخامسة: الإلتزامات تقسم إلى (التزامات المؤجر / التزامات المستأجر / أحكام عامة) بعد توقيعها في (البند 12)

٥-١ التزامات المستأجر

٥-١-١ يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتفق عليها.

٥-١-٢ يلتزم المستأجر بالتعهد بمساحة ومواصفات الوحدة الخاصة بالوحدة الإيجارية والمحددة في البند (9) من هذا العقد.

٥-١-٣ يلتزم المستأجر أن يقتصر ويأمن نشاطه التجاري خلال مدة لا تتجاوز (5) يوماً من تاريخ العقد وفي حالة انتهاء هذه المدة دون افتتاح الوحدة الإيجارية وبدء النشاط التجاري وبعد عدم تحليه مع إشعار المؤجر خلال (5) يوماً فيحق للمؤجر فسخ العقد من جهته دون الحاجة إلى إخطار أو حكم قضائي ويحق للمؤجر حينها تأجير الوحدة الإيجارية لتغير مع المحافظة على حقوق المستأجر بالمطالبة بالقي قيمة العقد المدفوعة بعد خصم العروبن والسعي بقيمة الإيجار ومعافاة الخدمات العامة من تاريخ بداية الإيجار إلى تاريخ الفسخ والإلغاء.

٥-١-٤ يلتزم المستأجر بتسليم الوحدات الإيجارية للمؤجر عند انتهاء مدة إيجار هذا العقد.

٥-١-٥ يلتزم المستأجر باستعمال الوحدات الإيجارية محل هذا العقد للاستعمال المعتاد له وطبقاً للأنظمة والأعراف والتقاليد المعمدة في المملكة العربية السعودية، وتحمل جميع الجوانب التي قد تعرض عليه من الجهات المختصة.

٥-١-٦ يلتزم المستأجر بالمحافظة على الأثاث والمرافق المشتركة التابعة للمشاركة المتضمن على الوحدات الإيجارية المؤجرة مثل دورات المياه المشتركة والأسطح وصناديق الطوارئ والصناديق والسلامة والممرات وغيرها، وأن يستعملها استعمالاً لا يتعدى الغرض المخصص لها.

٥-١-٧ يلتزم المستأجر بجميع تكاليف الصيانة الاستهلاكية المعتادة المترتبة على ارتفاع الوحدات الإيجارية فيما عدا أعمال الصيانة المفصلة في المادة السابعة.

٥-١-٨ الالتزام بدفع قيمة خدمات الكهرباء والمياه والغاز والخدمات الأخرى المتعلقة بالوحدات الإيجارية الموصوفة خلال فترة سريان هذا العقد بحسب ما تم الاتفاق عليه في البند (12) من هذا العقد.

الأجرة السنوية للخدمات العامة: (يُدخل ضمن القيمة الإيجارية لعقد الإيجار)	0.0	General Services Amount:	والتي تشمل على:	-	General Services Included:
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دورة سداد الإيجار	رسمي	Rent payment cycle	عدد دفعات الإيجار:	20	Number of Rent Payments:
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دفعة الإيجار الأولى: (تشمل العروبن)	1092500.0	First rental payment: (Includes deposit)	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	2850000.0	VAT on rental value:
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الرقم المستند No.	الرقم الضريبي Vat number	نوع الهوية ID Type	رقم الهوية أو السجل التجاري ID/CR Number
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1	310199293800003	رقم التسجيل	1010896422
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القيمة السنوية للإيجار:	3800000.0	Annual Rent:	21850000.0	Total Contract value
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إجمالي قيمة العقد:	21850000.0
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يشمل: القيمة الإيجارية، ومبلغ العروبن، ومبلغ ضريبة القيمة المضافة، -إن وجدت-، وقيمة الخدمات العامة، والأجرة السنوية لـالغاز والكهرباء والمياه والصرف الصحي إذا تحدثت كميالغ ثابتة).

طرق الدفع المعتمدة	الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونياً من خلال قنوات الدفع المتاحة	Approved payment methods
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1٣ جدول سداد الدفعات Rent Payments Schedule

الرقم المستند No.	قيمة الإيجار Rent value	قيمة المضافة VAT	قيمة المبالغ المتبقة Services	إجمالي القيمة Total value	تاريخ الإصدار (أو) Issued Date(AD)	تاريخ الاستحقاق (أو) Due Date(AH)
1	950000.0	142500.0	0.0	1092500.0	2022-08-26	2022-09-05
2	950000.0	142500.0	0.0	1092500.0	2022-11-26	2022-12-06
3	950000.0	142500.0	0.0	1092500.0	2023-02-26	2023-03-08
4	950000.0	142500.0	0.0	1092500.0	2023-05-26	2023-06-05
5	950000.0	142500.0	0.0	1092500.0	2023-08-26	2023-09-05
6	950000.0	142500.0	0.0	1092500.0	2023-11-26	2023-12-06
7	950000.0	142500.0	0.0	1092500.0	2024-02-26	2024-03-07
8	950000.0	142500.0	0.0	1092500.0	2024-05-26	2024-06-05
9	950000.0	142500.0	0.0	1092500.0	2024-08-26	2024-09-05
10	950000.0	142500.0	0.0	1092500.0	2024-11-26	2024-12-06
11	950000.0	142500.0	0.0	1092500.0	2025-02-26	2025-03-08
12	950000.0	142500.0	0.0	1092500.0	2025-05-26	2025-06-05
13	950000.0	142500.0	0.0	1092500.0	2025-08-26	2025-09-05
14	950000.0	142500.0	0.0	1092500.0	2025-11-26	2025-12-06
15	950000.0	142500.0	0.0	1092500.0	2026-02-26	2026-03-08
16	950000.0	142500.0	0.0	1092500.0	2026-05-26	2026-06-05
17	950000.0	142500.0	0.0	1092500.0	2026-08-26	2026-09-05

العقد
التجاري
الموحد

Unified
Commercial
Contract

يعتبر هذا العقد عقداً موثقاً وسعداً تنفيذياً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

١ بيانات العقد Contract Data

رقم سجل العقد:	20715659137 / 1	Contract No.	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	2022-01-11	Contract Sealing Date	مكان إبرام العقد:	الرياض	Contract Sealing Location
تاريخ بداية مدة الإيجار:	2022-08-26	Tenancy Start Date	تاريخ نهاية مدة الإيجار:	2027-08-25	Tenancy End Date
معلق بشرط	لا	Contract is conditional			

طريقة دفع رسوم العقد:	الدفع عن طريق رصيد الوسيط العقاري	Eljar Fees Paid By
--------------------------	--------------------------------------	--------------------

٢ بيانات المؤجر Lessor Data

نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة تمدين الولى العقارية	Company name/Founder
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد:	7010776792	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2017-10-04	CR Date

٣ بيانات ممثل المؤجر Lessor Representative Data

الاسم:	سلمان حسين بن يحيى معويدي	Name
الجنسية:	المملكة العربية السعودية	Nationality
نوع الهوية:	هوية وطنية	ID Type
رقم الهوية:	1073134924	ID No.
رقم الجوال:	+966596332153	Mobile No.
البريد الإلكتروني:	mualids@mulkia.com.sa	Email
العنوان الوطني:	الرياض، الرياض	National Address
رقم سند التمثيل Number	نوع المستند Type	تاريخ الانتهاء Expiry Date
8	أخرى	-
2022-07-01		

٤ بيانات المستأجر Tenant Data

نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة اتجاهات الريادة للتجارة شركة شخص واحد	Company name/Founder
رقم السجل التجاري:	1010404675	CR No.	الرقم الموحد:	7004085168	Unified Number

General Administration

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 1210000052 تاريخ الانتهاء 1447/05/03 هـ سجل تجاري رقم 1010927632 تاريخ الانتهاء 1449/03/15 هـ الرقم الموحد 920025832 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



Elite Mall

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

قيـم للتقـيـم

QIAM VALUATION

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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 (**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.
- 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.
- 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.
- 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,
- 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.
- 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.
- 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 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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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	<div><div>▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052</div><div>▪ Salem Al Fai`- Real estate-Basic Follow- Membership No 1210000013</div><div>▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981</div></div>
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.

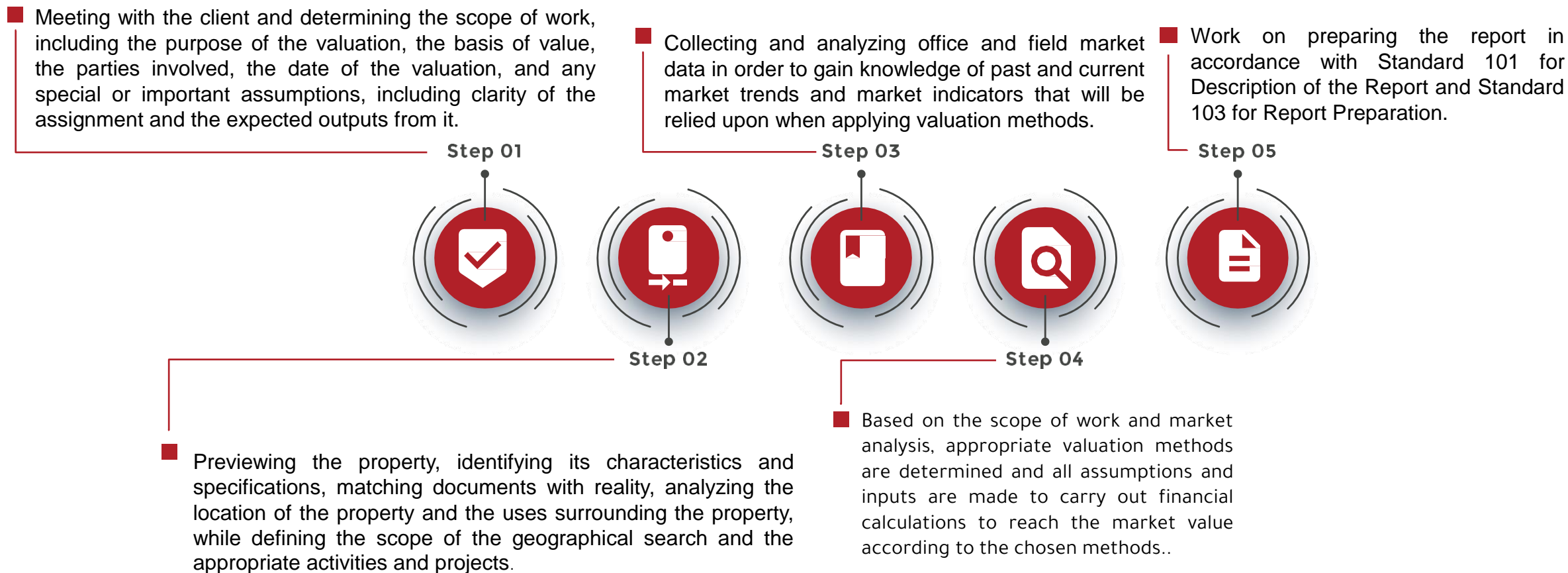
Important assumptions and special assumptions

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



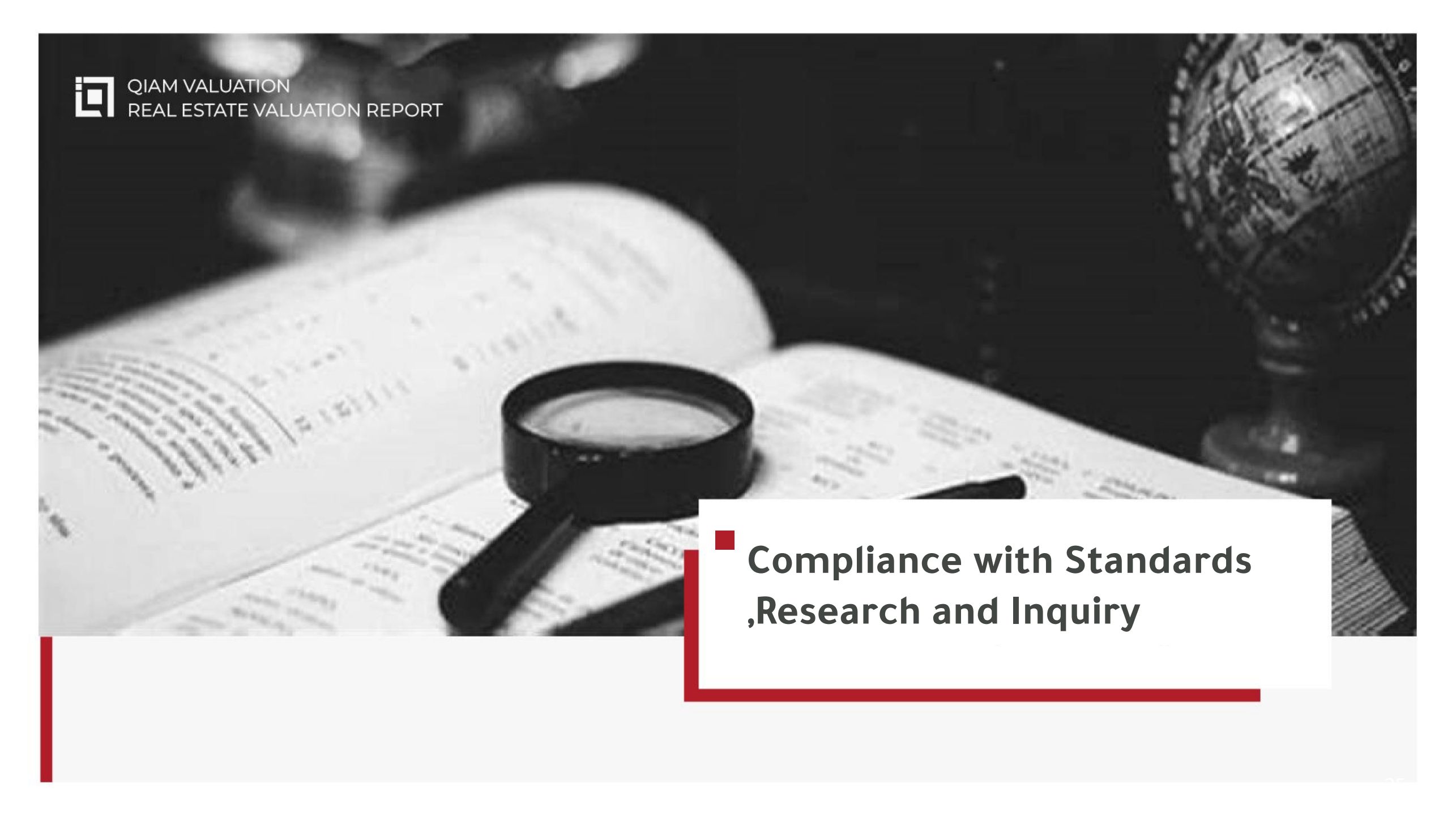
Standard 102: Compliance with Standards and Research and Inquiry

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
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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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.



- **Overview of the economy and the real estate sector in Riyadh city**

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

Social and service indicators:

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

Real estate indicators:

150+ML Rental spaces Commercial / m²	2.6+Billion Total value of residential transactions	661+K Residential rental deal	101+Billion Total value of rental deals	7.6+Billion Total value of sales transactions	71+K Executed transaction
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Site studies

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 Al 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 Musa'ed bin Jalawi	Property type	Mall
No. land plan	689	Plot number	49 / س
Land Area	9600 square meters	Built-up area	21909 square meters
Services and facilities available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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 Musa'ed bin Jalawi Street with easy access to King Abdulaziz Road.
Natural factors (Environmental)	Lands topography	Flat
	Pollution	N.A.
Planning factors (Urban)	Location from the city	City center
	Infrastructure	Completed
	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.

- 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	Wall Cladding	Floors
Veneered wood	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain
Windows	Health kits	Stairs	Insulation type
Aluminum and double glazing	High quality	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Stone - Paint	Cosmetic implants	Electric Securit Glass	Marble

Electromechanical and air conditioning systems

Air Conditioning	Elevators	Electrical wiring and outlets	lighting	Water Feeding System
Central	6 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 Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al Sulaymaniyah**

Street: **Prince Abdulaziz bin Musaed bin**

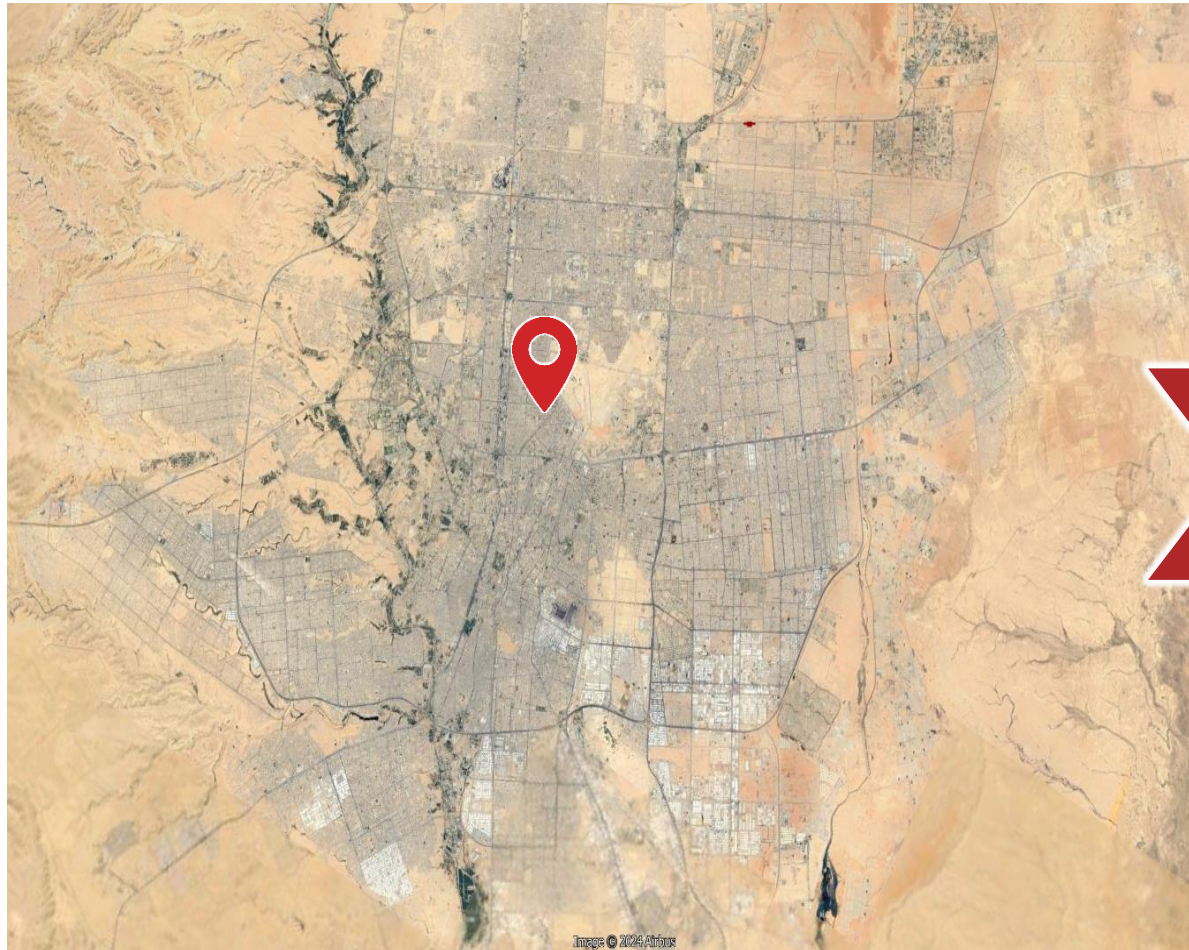
Location coordinates

N :

24.706418

E :

46.707888



Photographic survey of the Property

2024-06-10 14:20:04



2024-06-10 14:20:21



2024-06-10 14:19:37



2024-06-10 14:19:42



2024-06-10 14:19:40



2024-06-10 14:19:56





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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:

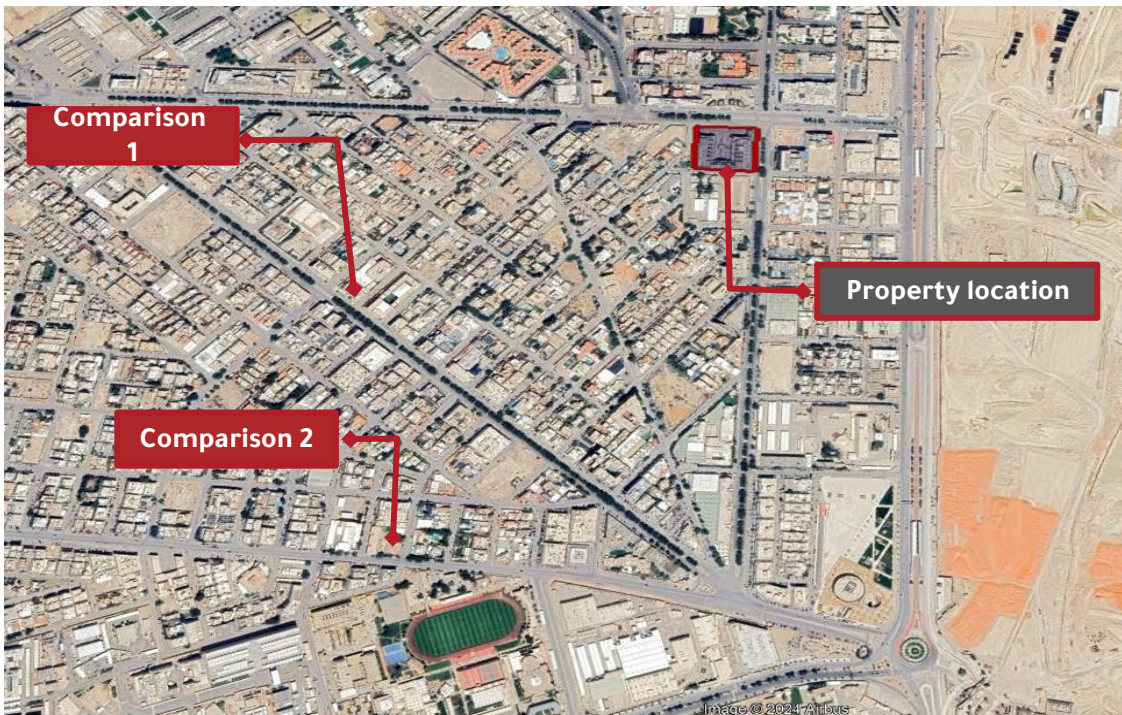
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the 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)	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



Valuating the land according to Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	5,000		5,500	
Condition	***	Available 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	%10-	5,000	%5-
Ease of access	High	Low	%10	Low	%10
Property location	High	Low	%10	Low	%10
Land shape	Flat	Flat	%0	Flat	%0
Land topography	Regular	Regular	%0	Regular	%0
Land use	Residential Commercial	Residential	%25	Residential	%25
Surrounding streets	4	3	%5	4	%0
Total		%40.00		%40.00	
Adjustment value per square meter		1,900		2,090	
Final meter value after Adjustments		6,650		7,315	
Net average value per square meter (SR / m²)			6,983		
Market value of the land (SR / m²)			67,032,000		

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 condition 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.

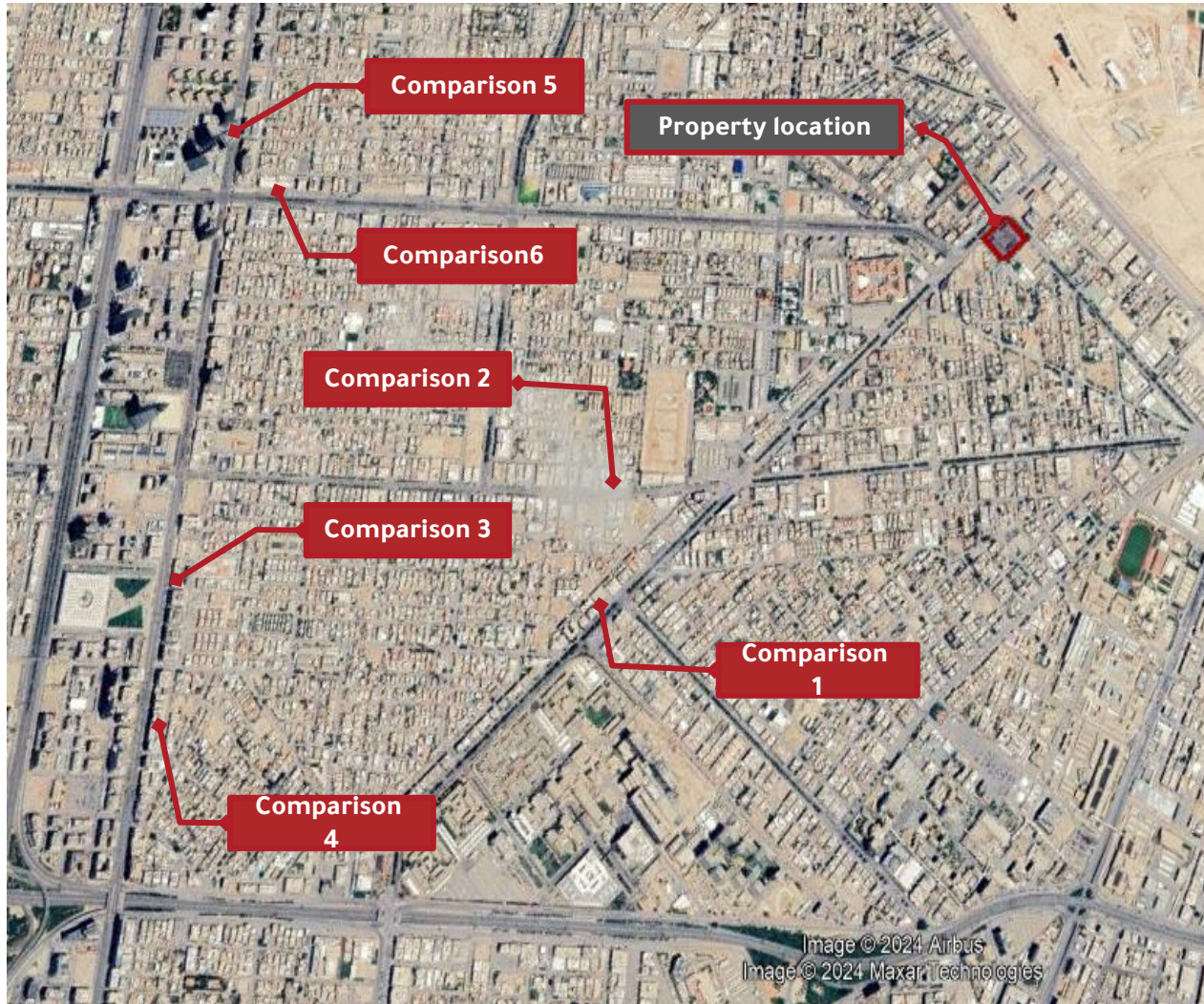
Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

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%)	%0		-
Developer's profitability	%15		9,291,420
Total (SR)			13,007,988
Total cost of buildings (SAR)			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 building (SR)		64,457,678
Fourth: Value of the property according to the Cost Approach		
Final value of the land (SR)		67,032,000
Final value of buildings (SR)		64,457,678
Market value of the property according to the Cost Approach (SR)		131,489,678
Market value of the property according 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 1210000005



Appendix

Documents received from the client

[illegible]

رقم الصك: 793010004585
التاريخ: 1442/11/12 هـ

وزارة العدل
ابراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

صک رہن

الحمد لله وحده والسلامة والسلام على من لا نبي بعده، وبعد؛
فإن قطعة الأرض رقم 149 / م من المخطط رقم 689 الواقع في حي السلمانية بمدينة الرياض وحدودها وانطواها :
شمالاً: شارع عرض 39.5م بطول 96 ستة وتسعون متر
جنوباً: حديقة مع شارع 13م بطول 96 ستة وتسعون متر
شرقاً: شارع عرض 13.7م بطول 100 مائة متر
غرباً: شارع عرض 40م بطول 100 مائة متر
وساحتها 9600 متاعاآف وساتعة متر مربعا
المملوكة لشركة آمدين الأولى العقارية بموجب سجل تجاري رقم 593598002681 برقم 1442 / 07 / 24 قد تم رهنها وما
أقيم أو سيتم عليها من بناء لصالح شركة الجارحي للتطوير المحدودة بموجب سجل تجاري رقم 1001158249
79953565 79953565 مسجون وملبوأة وتسعاآة والآة وخمسون ألفا وخمسة وستون ريالاً سعودياً لا غير. تسدد
في أقساط شهرية عددها 1 قيمة كل قسط 79953565 قسطاً وتسعة وسبعون مليوناً وثلاثة وخمسون ألفاً وخمسة وستون
وخمسة وستون ريالاً سعودياً لا غير. تاريخ كل القسط 1442/11/13 سبب التأخير في كتمان كل قسط عليهم من مستحقاآت
وبمبلغ وقدره (79953565) لصالح شركة الجارحي للتطوير المحدودة على أي يكون السداد على قسط واحد بدفع سبع سنوات وبدفع
بتاريخ 12-30-2027 وفي حالة عدم السداد فلتمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغباء واستيفاء قيمة الرهان من
مبلغ وما نقص بربح فيه عليه بد اكامل ملازم شرعاً. وعليه جرى التصديق تحريراً في 1442 / 11 / 12 لاعتمادها، وصلى الله
على نبينا محمد وآله وصحبه وسلم.

الموثق

الختم الرسمي

أبراهيم عمر محمد الحسين

Documents received from the client

الأجرة السنوية للخدمات العامة: (يُدخل ضمن القيمة الإيجارية لعقد الإيجار)	0.0	General Services Amount:	والتي تشمل على:	-	General Services Included:
دورة سداد الإيجار	نصف سنوي	Rent payment cycle	عدد دفعات الإيجار:	6	Number of Rent Payments:
دفعة الإيجار الأولى: (تشمل المرسوم)	9200000.0	First rental payment: (Includes deposit)	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	7200000.0	VAT on rental value:
الرقم المشترك .No	الرقم الضريبي Vat number	نوع الهوية ID Type	رقم الهوية أو السجل التجاري ID/CR Number		
1	310199293800003	رقم التسجيل	1010896622		
القيمة السنوية للإيجار:	16000000.0	Annual Rent:			
إجمالي قيمة العقد:	55200000.0	Total Contract value			
يشمل: القيمة الإيجارية، ومبلغ المرسوم، ومبلغ ضريبة القيمة المضافة - إن وجدت - وقيمة الخدمات العامة، والأجرة السنوية لـ (الغاز والكهرباء والمياه والصرف الصحي إذا تحدث كمبالغ ثابتة) -					
طرق الدفع المعتمدة	الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونياً من خلال قنوات الدفع المتاحة				
Approved payment methods					

١٣ جدول سداد الدفعات Rent Payments Schedule								
الرقم المسجل No	قيمة الإيجار Rent value	ضريبة القيمة المضافة VAT	قيمة الخدمات Services	إجمالي القيمة Total value	تاريخ الإصدار (م) Issued Date(AI)	تاريخ الاستحقاق (م) Due Date(AI)	تاريخ الإصدار (هـ) Issued Date(AH)	تاريخ الاستحقاق (هـ) Due Date(AH)
1	8000000.0	1200000.0	0.0	9200000.0	2022-02-20	2022-03-02	1443-07-19	1443-07-29
2	8000000.0	1200000.0	0.0	9200000.0	2022-08-20	2022-08-30	1444-01-22	1444-02-03
3	8000000.0	1200000.0	0.0	9200000.0	2023-02-20	2023-03-02	1444-07-29	1444-08-10
4	8000000.0	1200000.0	0.0	9200000.0	2023-08-20	2023-08-30	1445-02-04	1445-02-14
5	8000000.0	1200000.0	0.0	9200000.0	2024-02-20	2024-03-01	1445-08-10	1445-08-20
6	8000000.0	1200000.0	0.0	9200000.0	2024-08-20	2024-08-30	1446-02-16	1446-02-26

قيمة إيجارية متغيرة سنوياً: -

١٤ 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	
١٥ مواد العقد Contract Terms	
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 ومكاملة له.	
المادة الثانية: محل العقد	
اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبنود رقم(9) وفقاً للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد. وبمقر المستأجر بمعاينته للوحدة الإيجارية، وقبوله للتعاقب حسب الأوصاف المذكورة، وأنها صالحة لنشاط التجاري المتفق عليه في البند رقم (10).	
المادة الثالثة: مدة الإيجار وتجديد العقد	

16



يعتبر هذا العقد عقداً موثقاً وستأخذ تنفيذاً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

بيانات العقد				Contract Data	
رقم سجل العقد:	20269757823	Contract No.	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	2021-12-08	Contract Sealing Date	مكان إبرام العقد:	الرياض	Contract Sealing Location
تاريخ بداية مدة الإيجار:	2022-02-20	Tenancy Start Date	تاريخ نهاية مدة الإيجار:	2025-02-19	Tenancy End Date
معلق بشروط		لا		Contract is conditional	
طريقة دفع رسوم العقد:		الدفع عن طريق الوسيط العقاري			
Ejar Fees Paid By					

بيانات المؤجر				Lessor Data	
نوع المنظمة:	commercial	Organization Type	الاسم الشركة/المؤسسة:	شركة تمدين التولى العقابية	
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد:	7010776792	
جهة الإصدار:	=	Issued by	تاريخ السجل التجاري:	2017-10-04	
CR Date					

بيانات مُمَثِّلِ المؤجر				Lessor Representative Data	
الاسم:	سلمان حسين بن يحيى مهدي				
الجنسية:	المملكة العربية السعودية	Nationality			
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:	1073134924	
رقم الجوال:	+966556332153	Mobile No.	البريد الإلكتروني:	muaidis@mulkia.com.sa	
العنوان الوطني:	الرياض، الرياض				
رقم سند التمثيل Number	نوع المستند Type	تاريخ الإصدار Issue Date	تاريخ الانتهاء Expiry Date		
43661903	وكالة شرعية إلكترونية	2021-09-16	2022-09-05		

٤ بيانات المستأجر			Tenant Data	
نوع المنظمة:	commercial	Organization Type	الاسم الشركة/المؤسسة:	شركة المشاريع الأولى المحدودة (شركة شخص واحد)
رقم السجل التجاري:	1010269036	CR No.	الرقم الموحد:	7001890933
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2009-06-03
CR Date				

1

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Technology Commercial Complex
BLK 6

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




Valuation report filing code

At the Saudi Authority for Accredited Valuers

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none">▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013<ul style="list-style-type: none">▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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.

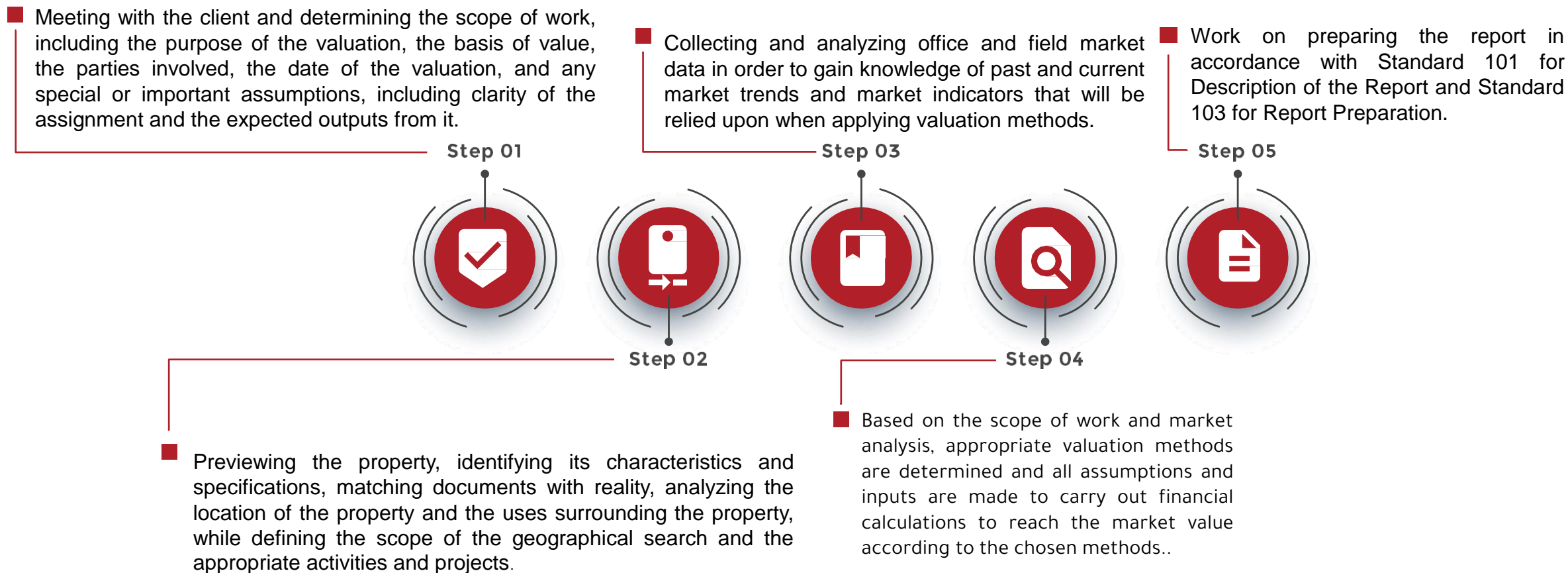
Important assumptions and special assumptions

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



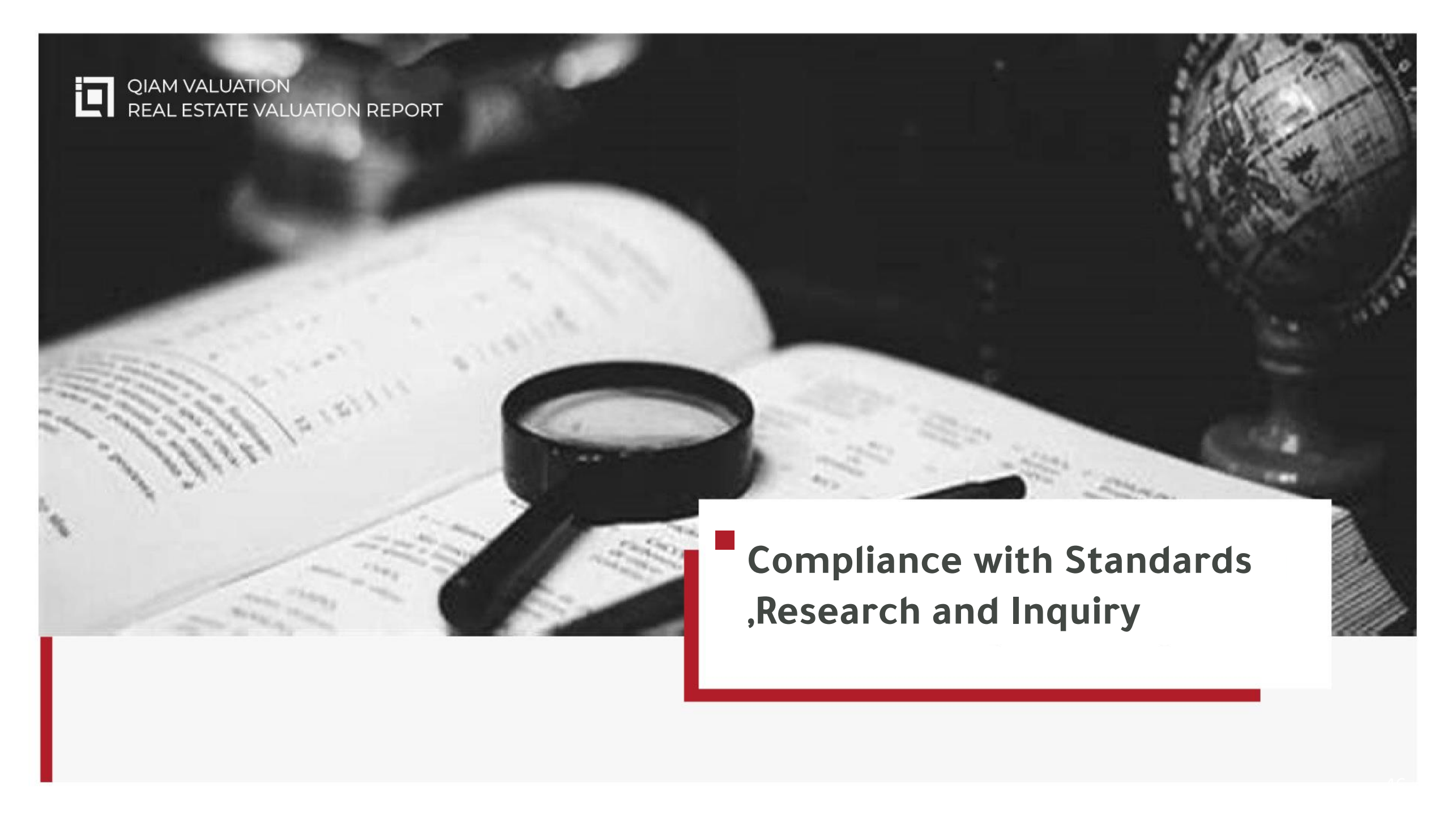
Standard 102: Compliance with Standards and Research and Inquiry

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.
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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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.



- **Overview of the economy and the real estate sector in Riyadh city**

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

Social and service indicators:

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

Real estate indicators:

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

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.

Weak points:

- Changing the building regulations in the property area.

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.

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 length
20m wide street	89.34	25m wide street	57.61	25m wide street	203.11	25m wide street	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 Al 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
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	South of the city
	Infrastructure	Completed
	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.

- 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	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 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 Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al-Faisaliah**

Street: **Unnamed**

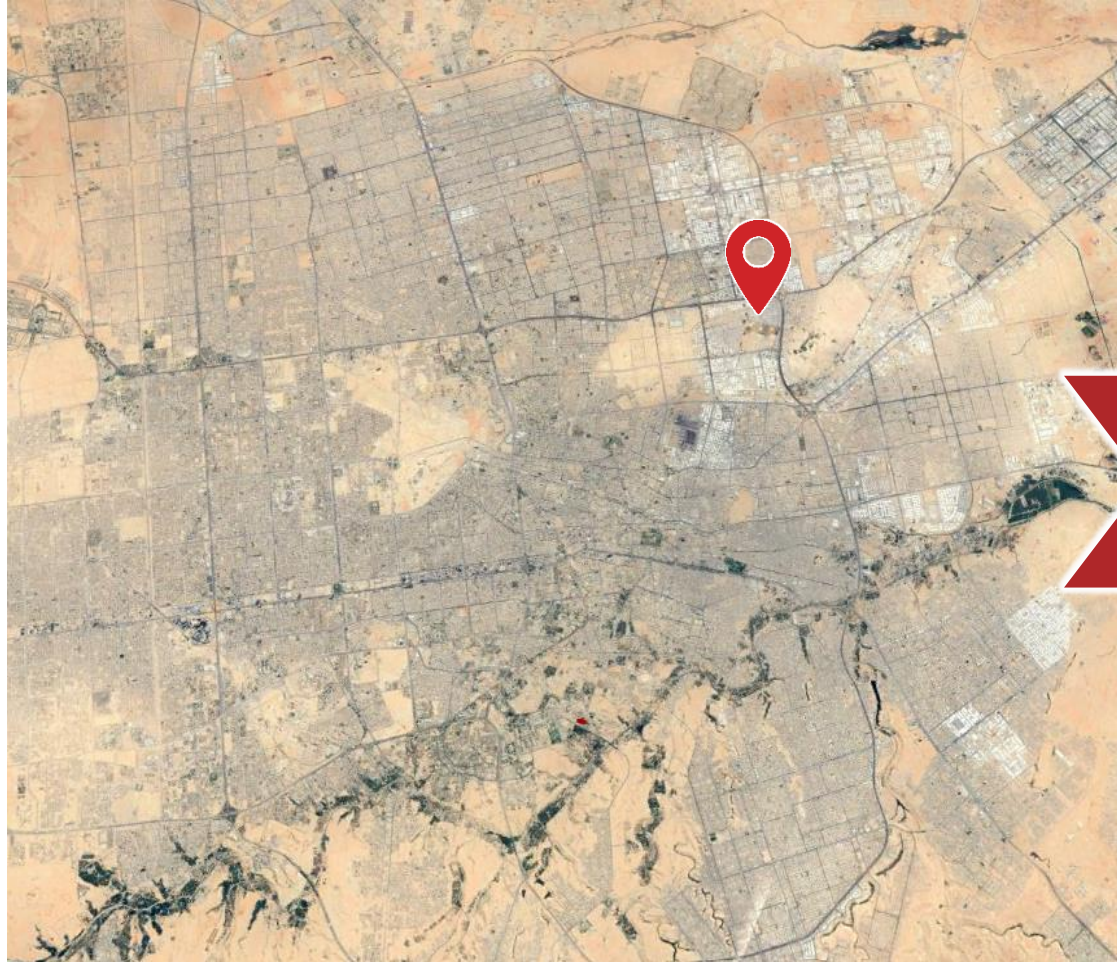
Location coordinates

N :

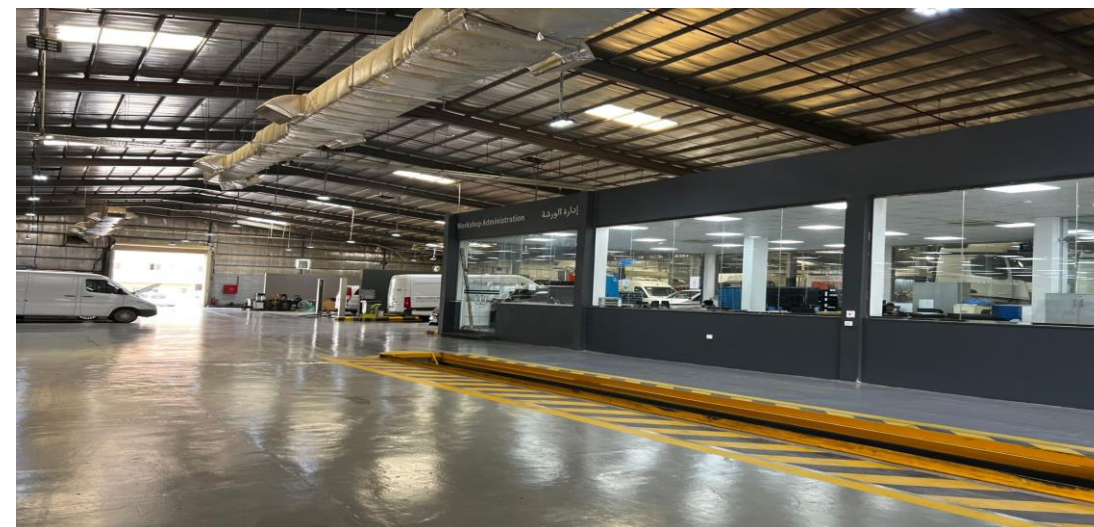
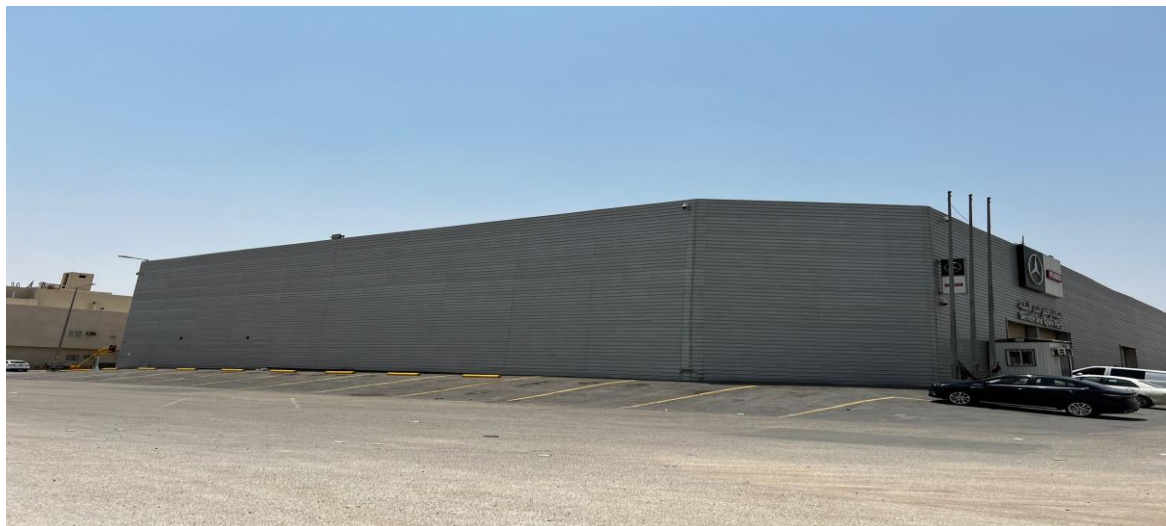
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46.798832



Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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:

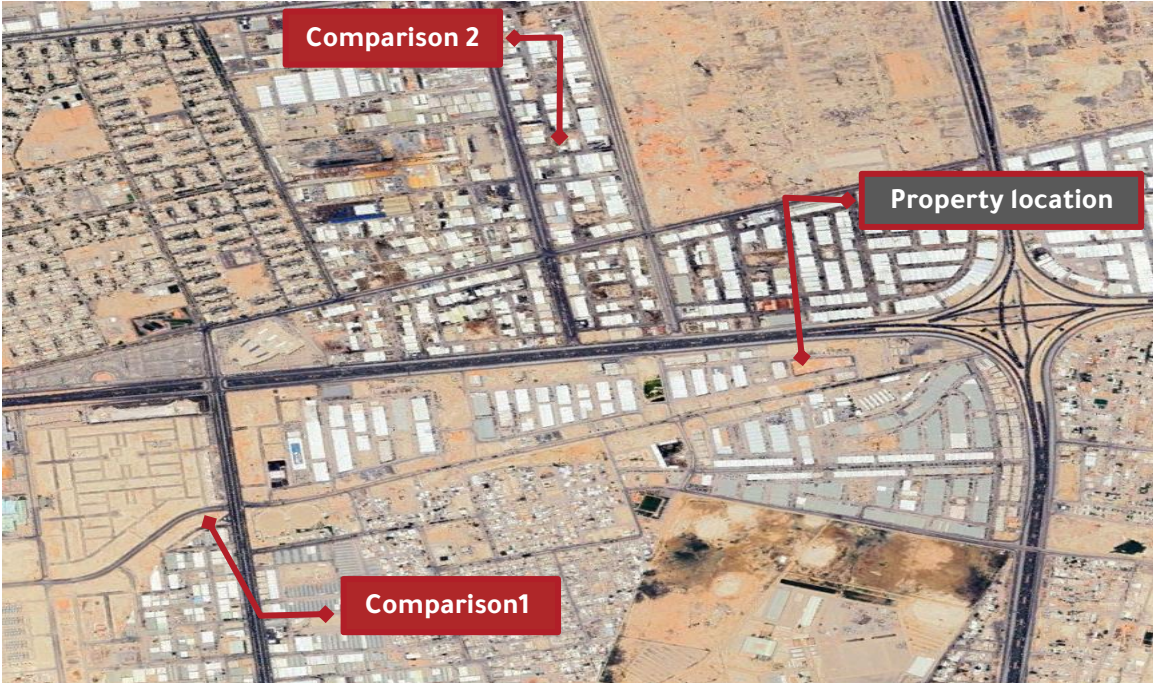
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the 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)	1,373	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 the land according to Market Approach - Method of comparison with similar sales							
Clause		Comparative real estates					
Adjustments factors	Property under valuation	Comparison 1			Comparison 2		
		Value	Adjustment		Value	Adjustment	
Price per square meter	***	2,400			2,100		
Condition	***	Available offer			Available 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			1,890		
Land area (m²)	14713.87	1,373	%15-		1,446	%15-	
Ease of access	High	High	%0		Average	%5	
Property location	High	High	%0		Average	%5	
Land shape	Irregular	Regular	%10-		Regular	%10-	
Land topography	Flat	Flat	%0		Flat	%0	
Land use	industrial	industrial	%0		industrial	%0	
Surrounding streets	4	3	%5		2	%10	
Total		%20.00-			%5.00-		
Adjustment value per square meter		-432			-95		
Final meter value after Adjustments		1,728			1,796		
Net average value per square meter (SR / m²)		1,762					
Market value of the land (SR / m²)		25,922,160					

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 condition 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
Total (SR)			2,150,033
Total cost of buildings (SAR)			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 the building (SR)			8,258,855
Fourth: Value of the property according to the Cost Approach			
Final value of the land (SR)			25,922,160
Final value of buildings (SR)			8,258,855
Market value of the property according to the Cost Approach (SR)			34,181,015
Market value of the property according to the Cost Approach after rounding (SR)			34,181,000

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

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 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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		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 Property Value	30,311,446
----------------------	------------

Final Property Value (after rounding) 30,311,000

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 1210000005



Appendix

Documents received from the client

[illegible]

رقم الصك: 393010005763
التاريخ: 1443/03/13 هـ

وزارة العدل
ابراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

صک رہن

[illegible]

الموثقي

الختم الرسمي

ابراهيم عمر محمد الحسين

Documents received from the client

الأجرة السنوية للمياه:	0	Water Annual Amount:	
الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)	0.0	General Services Amount:	والتي تشمل على: -
دورة سداد الإيجار	حسب اختيار العميل لدفعة السداد	Rent payment cycle	عدد دفعات الإيجار: 10
دفعه الإيجار الأولى: (تشمل المهورون)	2415000.0	First rental payment: (Includes deposit)	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية: 3309750.0
الرقم المسلسل .No.	310199293800003	رقم الهوية ID Type	رقم الهوية أو السجل التجاري ID/CR Number
1	رقم التسجيل	1010896622	
القيمة السنوية للإيجار:	2206500.0	Annual Rent:	
اجمالي قيمة العقد:	25374750.0	Total Contract value	
يشمل: القيمة الإيجارية، ومبلغ المهورون، ومبلغ ضريبة القيمة المضافة - إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية لـ الماء والكهرباء، والمياه والصرف الصحي (إذا أخذت كميالو ثابتة) .			
طرق الدفع المعتمدة	الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونيا من خلال قنوات الدفع المتاحة	Approved payment methods	

١٣ جدول سداد الدفعات									
Rent Payments Schedule									
الرقم المسلسل .No	قيمة الإيجار Rent value	قيمة الضريبة المضافة VAT	قيمة الخدمات العامة Total value	إجمالي القيمة Total value	تاريخ الإصدار Issued Date(AD)	تاريخ الاستحقاق Due Date(AD)	تاريخ الإصدار Issued Date(AH)	تاريخ الاستحقاق Due Date(AH)	
1	2100000.0	315000.0	0.0	2415000.0	2021-12-22	2022-01-01	1443-05-18	1443-05-28	
2	2100000.0	315000.0	0.0	2415000.0	2022-12-22	2023-01-01	1444-06-08	1444-05-28	
3	2100000.0	315000.0	0.0	2415000.0	2023-12-22	2024-01-01	1445-06-19	1444-05-28	
4	2205000.0	330750.0	0.0	2535750.0	2024-12-22	2025-01-01	1446-07-01	1446-06-21	
5	2205000.0	330750.0	0.0	2535750.0	2025-12-22	2026-01-01	1447-07-12	1447-07-02	
6	2205000.0	330750.0	0.0	2535750.0	2026-12-22	2027-01-01	1448-07-23	1448-07-13	
7	2205000.0	330750.0	0.0	2535750.0	2027-12-22	2028-01-01	1449-08-04	1449-07-24	
8	2315000.0	347250.0	0.0	2662250.0	2028-12-22	2029-01-01	1450-08-16	1450-08-06	
9	2315000.0	347250.0	0.0	2662250.0	2029-12-22	2030-01-01	1451-08-26	1451-08-16	
10	2315000.0	347250.0	0.0	2662250.0	2030-12-22	2031-01-01	1452-09-07	1452-08-27	

قيمة إيجارية متغيرة سنوياً :-

١٤ 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)	
١٥ مواد العقد	
Contract Terms	

13



يعتبر هذا العقد عقداً موثقاً وساداً تنفيذياً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

١ بيانات العقد			
رقم سجل العقد:	20745637513	Contract No.	نوع العقد:
تاريخ إبرام العقد:	2021-09-22	Contract Sealing Date	مكان إبرام العقد:
تاريخ بداية مدة الإيجار:	2021-12-22	Tenancy Start Date	تاريخ نهاية مدة الإيجار:
معلق بشرط	نعم	Contract is conditional	

الشروط المعطى عليه بداية الإيجار: تعليق العقد بدفع الإيجار

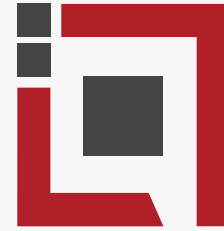
طريقة دفع رسوم العقد:	المؤجر	Ejar Fees Paid By
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٢ بيانات المؤجر			
نوع المنظمة:	commercial	Organization Type	اسم الشركة/المؤسسة:
رقم السجل التجاري:	1010896622	CR No.	رقم المودع
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:

٣ بيانات ممثّل المؤجر			
الاسم:	سلمان حسين بن يحيى معويدي	Name	
الجنسية:	المملكة العربية السعودية	Nationality	
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:
رقم الدّوّال:	+966556332153	Mobile No.	البريد الإلكتروني:
العنوان الوطني:	الرياض، الرياض	National Address	
رقم سند التمثيل Number	43661903	رقم المستند Type	تاريخ الانتهاء Expiry Date
	وكالة شرعية إلكترونية	2021-09-16	2022-09-05

٤ بيانات المستأجر			
نوع المنظمة:	commercial	Organization Type	اسم الشركة/المؤسسة:
رقم السجل التجاري:	1010713552	CR No.	رقم المودع

1



General Administration

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

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☎ +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 1210000052 تاريخ الانتهاء 1447/05/03 هـ سجل تجاري رقم 1010927632 تاريخ الانتهاء 1449/03/15 هـ الرقم الموحد 920025832 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Technology Commercial Complex
BLK 7

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




Valuation report filing code

At the Saudi Authority for Accredited Valuers

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none"> ▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052 ▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013 <ul style="list-style-type: none"> ▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

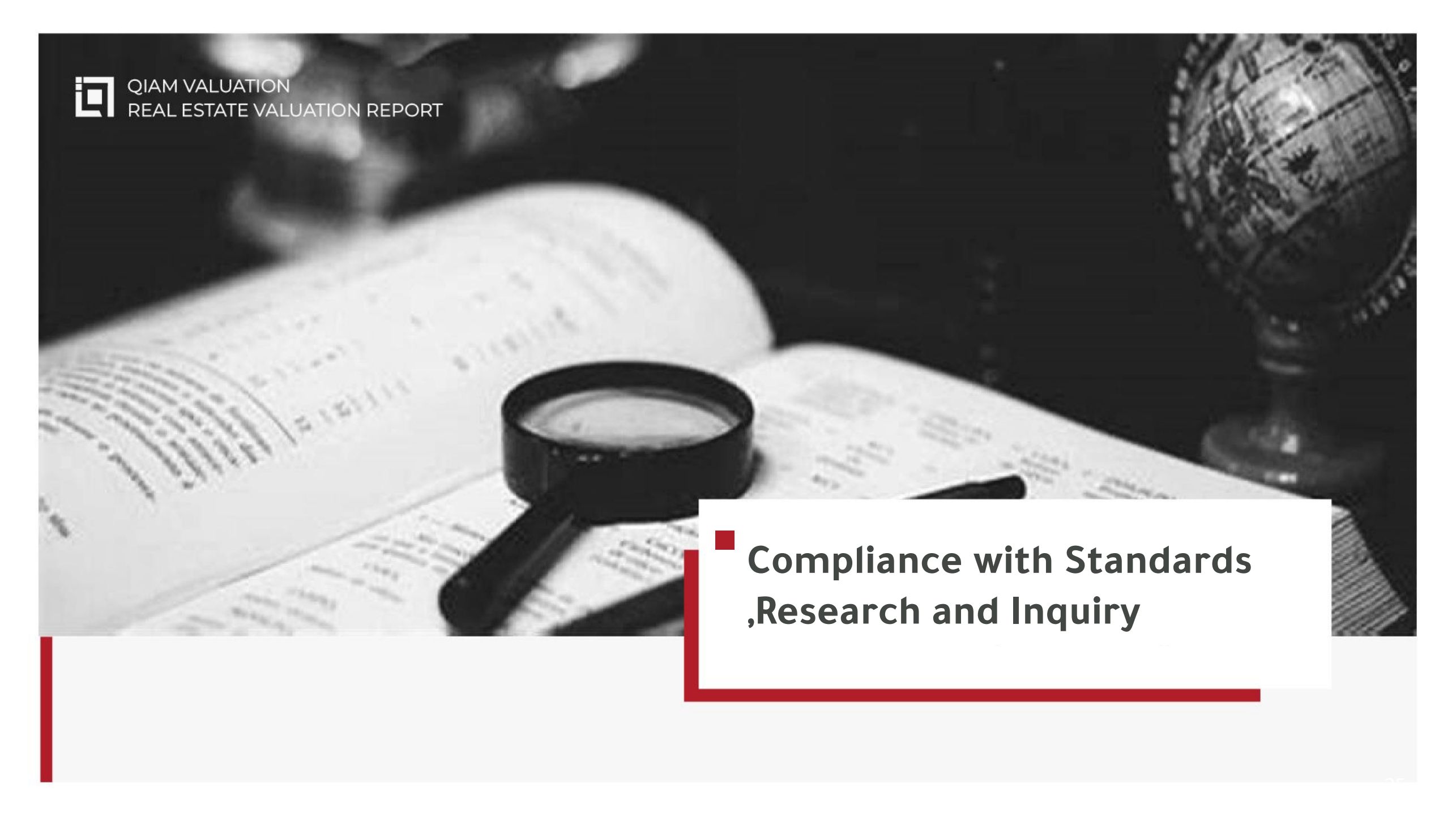
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ Site studies

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.

Weak points:

- Changing the building regulations in the property area.

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.

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	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 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 Al 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 546 to 555
Land Area	4865.5 square meters	Built-up area	3663.78 square meters
Services and facilities available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	South of the city
	Infrastructure	Completed
	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	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 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 Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al-Faisaliah**

Street: **Unnamed**

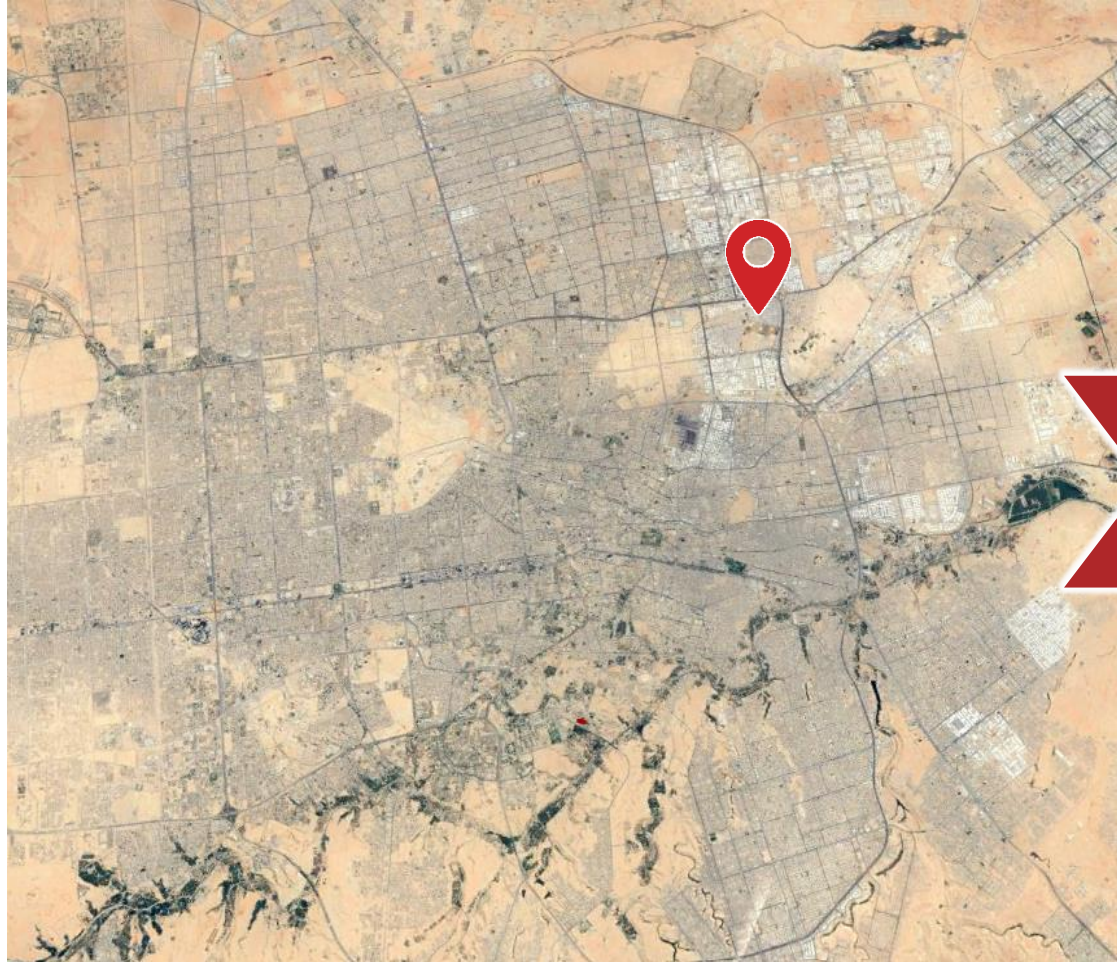
Location coordinates

N :

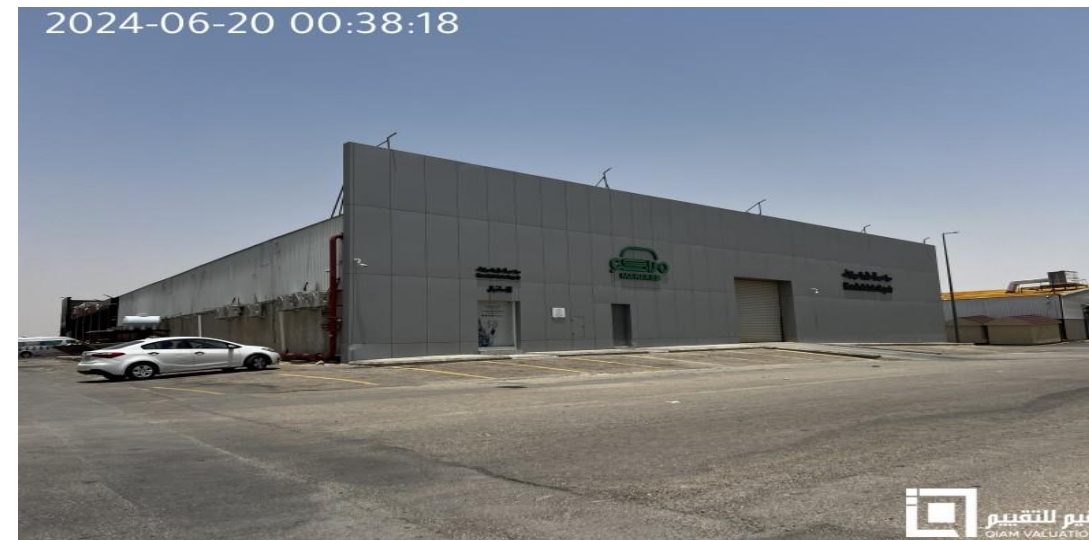
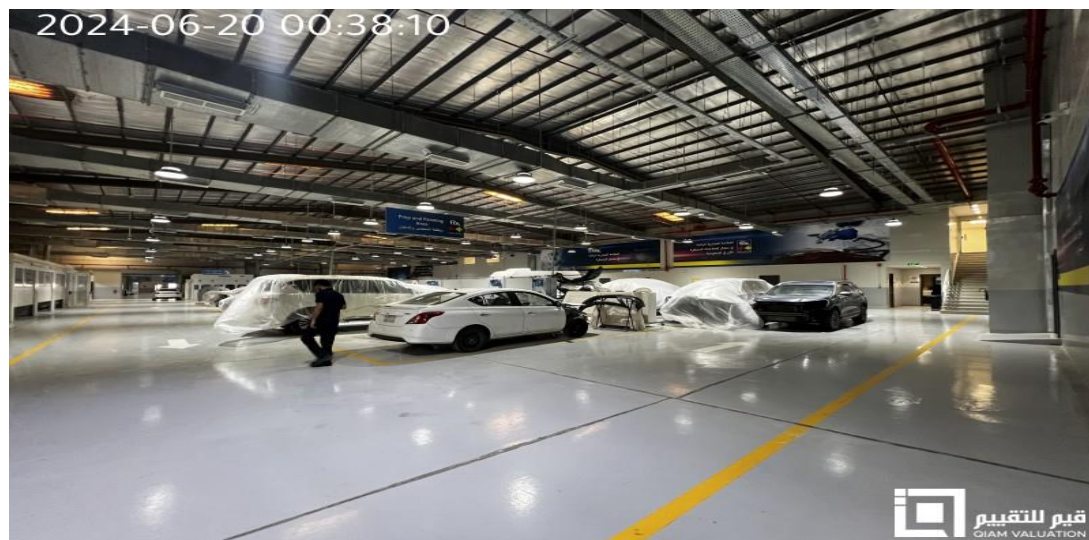
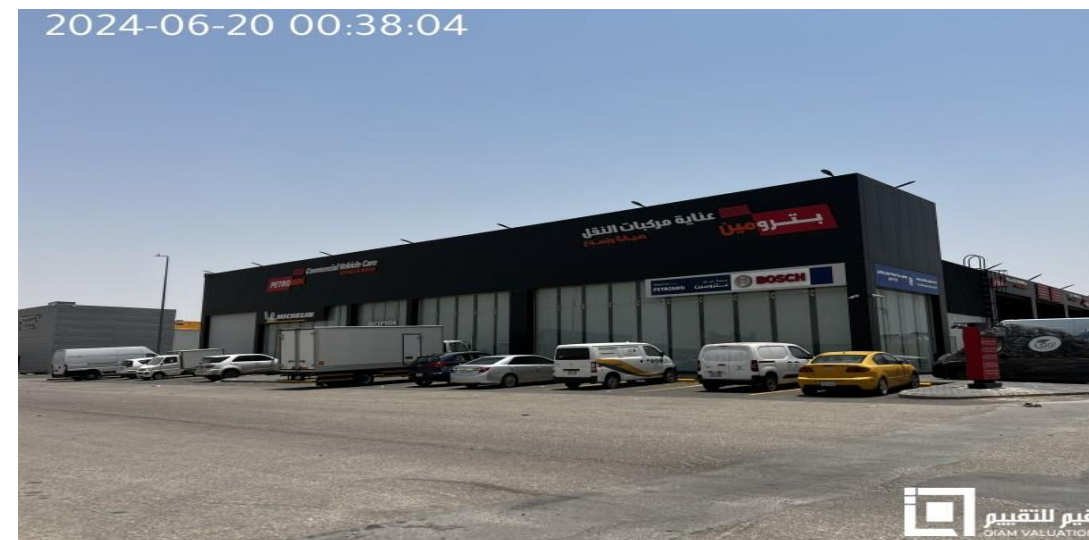
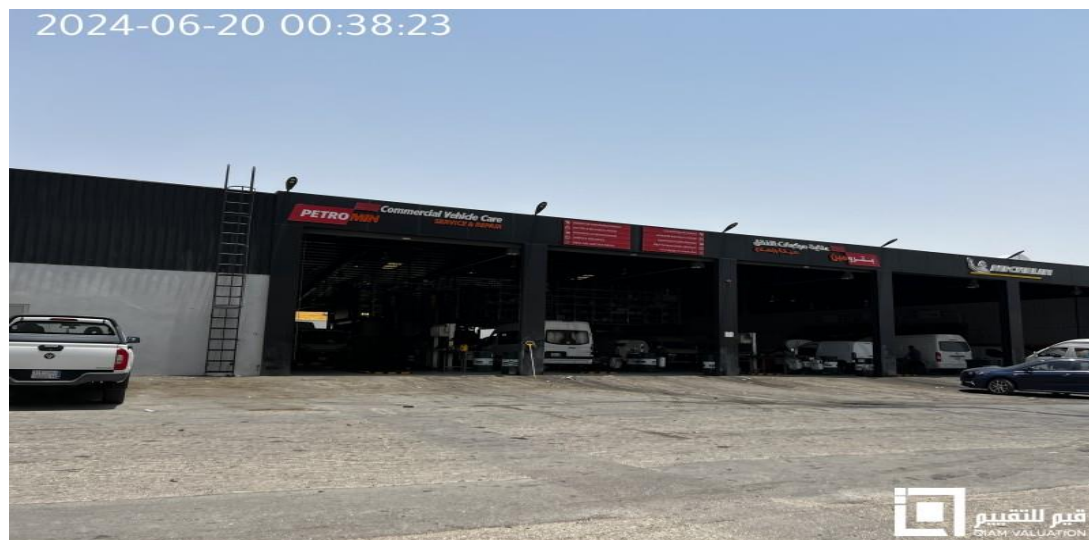
24.636959

E :

46.798171



Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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:

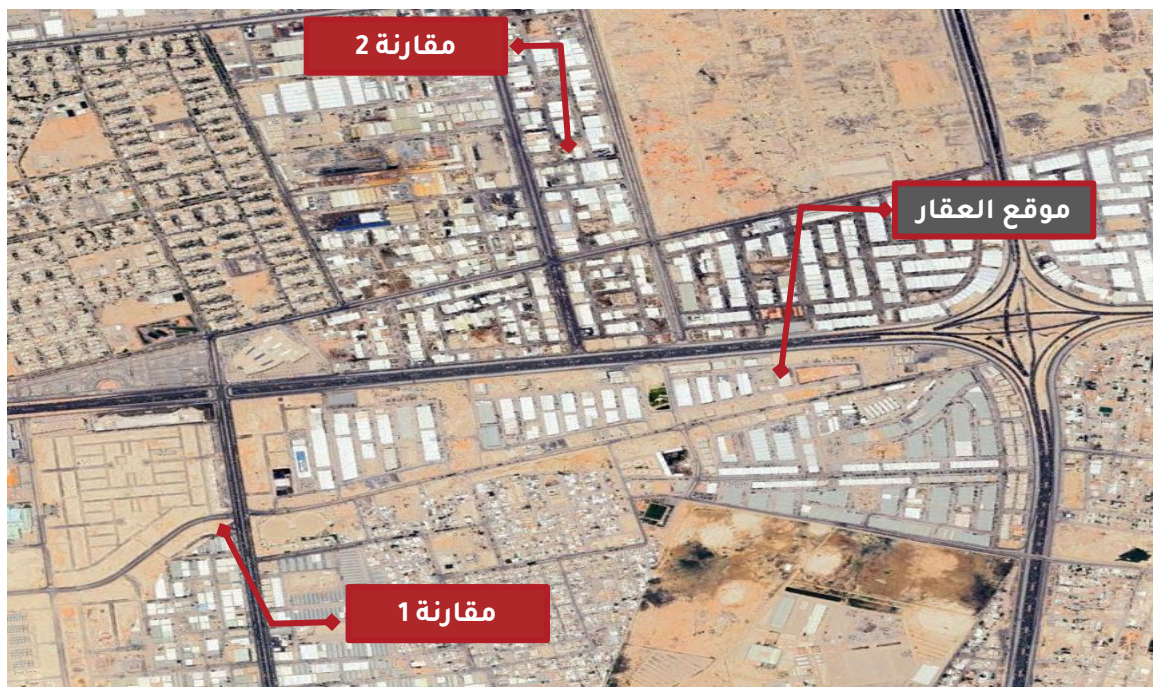
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the 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

Valuating the land according to Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	2,400		2,100	
Condition	***	Available offer		Available 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		1,890	
Land area (m²)	4865.50	1,373	%7-	1,446	%7-
Ease of access	High	High	%0	Average	%5
Property location	High	High	%0	Average	%5
Land shape	Regular	Regular	%0	Regular	%0
Land topography	Flat	Flat	%0	Flat	%0
Land use	Industrial	Industrial	%0	Industrial	%0
Surrounding streets	4	3	%5	2	%10
Total		%2.00-		%13.00	
Adjustment value per square meter		-43		246	
Final meter value after Adjustments		2,117		2,136	
Net average value per square meter (SR / m²)			2,126		
Market value of the land (SR / m²)			10,345,269		



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 condition 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
Total (SR)		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 according to the Cost Approach (SR)

12,709,771

Market value of the property according 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

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 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	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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		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	%0	-	-	-	-	-	-	-	-	-	-	
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 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 Property Value												13,112,888
Final Property Value (after rounding)												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 1210000005



Appendix

Documents received from the client

[illegible]

رقم الصك: 393010004591
التاريخ: 1442/11/12 هـ

وزارة العدل
ابراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

صك رهن

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

إن قلعة الأرض رقم 546 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 547 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 548 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 549 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 550 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 551 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 552 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 553 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 554 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، و قطعة الأرض رقم 555 رقم المخطوط رقم 3251 الواقع في الحي الفصليسية بمدينة الرياض ، وهدوا وأطافوا :

شمالاً: شارع عرض 25 بطول 101.75 متر واحد متر وخمسة وسبعون سنتيمتر

جنوباً: شارع عرض 25 بطول 92.87 متر اثنين وتسعون متر وسبعة وأربعون سنتيمتر

شرقاً: شارع عرض 25 بطول 50.85 متر خمسون متر وثمانون سنتيمتر

غرباً: شارع عرض 25 بطول 50.85 متر خمسون متر وثمانون سنتيمتر

وساحتها 4865.5 أمتار مربعة ، ومسوت متر مربعاً وخمسون سنتيمتراً مربعاً المملوكة لشركة تعدين الأولى (م.ت.أ) رقم تجاري 1010896622 بموجب المصادق من الموثقين بالرياض6/3/2022م 393598002682 رقم الأوراق 1442/ 07 رقمها وأقيم إلى سابقه علمه من أجل تصاريح / أمانة / ضاحية وخمسون ألفاً وثمان مائة وتسعون ريالاً 1010168249 ضمانة الأمانة 158295 رقم قسمة ملايين ومائة وثمانية وخمسون ألفاً ومائة وتسعون ريالاً

سودياً : إلى تاسد على أفضاضه شرعية عدداً 158295 رقم قسمة ملايين ومائة وثمانية وخمسون ألفاً ومائة وتسعون ريالاً

سودياً : إلى تاسد على أفضاضه شرعية عدداً 1442/11/13 رقمها وأقيم إلى سابقه علمه من أجل تصاريح / أمانة / ضاحية وخمسون ألفاً ومائة وتسعون ريالاً

مستغفلة بانيه وفكر (158295) رقم قسمة ملايين ومائة وثمانية وخمسون ألفاً ومائة وتسعون ريالاً

سنوات بتاريخ 2027-12-30 وأصله عدم الجداد للشرع بين الحق بالقيمة التي يتوكل عليها الدائغ ، وإستافاه على (عدم الزاها) من مبلغ ومئتي بربع فيه عليه بعد اكمال ميلازم شرعا. و عليه جرى التصديق تحريراً في 1442 / 11 / 12 لصاحده ووصلني إلى عليا بمحمد وأبو وصفيه وسلم

الموئى

الختم الرسمي

ابراهيم عمر محمد الحسين

الرقم التسلسلي: 2777

Documents received from the client

قيمة إيجارية مثبته سنوياً: نعم									
السنة الأولى	السنة الثانية	السنة الثالثة	السنة الرابعة	السنة الخامسة	السنة السادسة	السنة السابعة	السنة الثامنة	السنة التاسعة	السنة العاشرة
0	0	+10%	+10%	+10%	+10%	+20%	+20%	+20%	+20%

١٤ التزامات الطرفين

يتم تحديد الطرف الذي يحمل 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) جزءاً لا يتجزأ من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبنود رقم(9) وفقاً للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد. ويؤكد المستأجر بمصادقته للوحدة الإيجارية، وقبوله للعقود حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

المادة الثالثة: مدة الإيجار وتجديد العقد

٣-١ مدة هذا العقد (3651) يوماً تبدأ من تاريخ 29-06-1443 هـ الموافق 01-02-2022 م، وتنتهي بتاريخ 18-10-1453 هـ الموافق 31-01-2032 م. وفي حال وجود اتفاق بين الطرفين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

٣-2 تنتهي مدة الإيجار مع انتهاء مدة العقد. وإذا رغب الطرفان بالتجديد، فتمتد كلفة عقد جديد يُتفق عليه الطرفان.

المادة الرابعة: الأجرة

إجمالي قيمة العقد (6497500.٠) ريال سعودي، يلتزم المستأجر بدفعها للمؤجر حسب ما هو مذكور في البند رقم (1٢) من هذا العقد وكما هو مجدول في البند (1٣) من هذا العقد.

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

٥-١ التزامات المستأجر

٥-١-١ يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتفق عليها.

٥-١-٢ يلتزم المستأجر بالتقيد بفساحة ومواصفات الوحدة الخاصة بالوحدة الإيجارية والمحددة في البند (9) من هذا العقد.

٥-١-٣ يلتزم المستأجر أن يفتتح ويشارك نشاطه التجاري خلال مدة لا تتجاوز (١0) يوماً من تاريخ العقد وفي حالة انتهاء هذه المدة دون افتتاح الوحدة الإيجارية وبدء النشاط التجاري وبعد عدم نجاحه مع أشهر المؤجر خلال (١0) يوماً فيقوم للمؤجر فسخ العقد من جهته دون الحاجة إلى إيداع أو حكم قضائي ويحق للمؤجر حينها تأجير الوحدة الإيجارية لتأجير مع المحافظة على حقوق المستأجر بالمطالبة بأعلى قيمة العقد المدفوعة بعد خصم المبرور والسعي وقيمة الإيجار ومتاحيف الخدمات العامة من تاريخ بداية الإيجار إلى تاريخ الفسخ والوقف.

٥-١-٤ يلتزم المستأجر بتسليم الوحدات الإيجارية للمؤجر عند انتهاء مدة إيجار هذا العقد.

٥-١-٥ يلتزم المستأجر باستعمال الوحدات الإيجارية محل هذا العقد استعمال المعتاد له وطبقاً للأنظمة والأعراف والتقاليد المعمية في المملكة العربية السعودية، وتحمل جميع الحوادث التي قد تعرض عليه من الجهات المختصة.

٥-١-٦ يلتزم المستأجر بالمحافظة على الأجزاء والمرافق المشتركة التابعة للمنفق الشامل على الوحدات الإيجارية المؤجرة مثل دورات المياه المشتركة والأسطح ومخارج الطوارئ والمخارج والمخارج والممرات وغيرها وأن يستعملها استعمالاً عادلاً وفقاً للغرض المخصص لها.

٥-١-٧ يلتزم المستأجر بجميع تكاليف الصيانة الاستهلاكية المعقدة المترتبة على استئجار بالوحدات الإيجارية. فيما عدا أعمال الصيانة البسيطة في المادة السابقة.

٥-١-٨ يلتزم بقسط قيمة خدمات الكهرباء والمياه والغاز والخدمات الأخرى المتعلقة بالوحدات الإيجارية الموصوفة خلال فترة سريان هذا العقد بحسب ما تم الاتفاق عليه في البنود (12) من هذا العقد.

٥-١-٩ يلتزم المستأجر باتخاذ الاحتياطات اللازمة لمنع تعرض الوحدة الإيجارية وكافة ملحقاتها والمتواجدين فيها سواء من ناحية أو عملة أو زلزلة 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 وكلهم.

٥-١-١٠ يلتزم المستأجر بالتحمل على بوليصة تأمين شامل تعاقية مواءمة لأحكام الشريعة الإسلامية للوحدة الإيجارية وكافة ممتلكاته من ديكور ومبلمان مودودة بالوحدة الإيجارية وذلك بعد دفع الأخطار (مثل الحريق وسرقة المياه والفيماضات والسرقة والسطو والكوارث الطبيعية والحدوب وأعمال الشغب وغيرها من المخاطر والأضرار) التي قد تسبب المؤجر أو الوحدة الإيجارية أو الغير بسبب المستأجر أو أحد تابعيه. وتسلم نسخة من بوليصة التأمين أو تحديدها للمؤجر.

٥-١-١١ يلتزم المستأجر بالمحافظة على جميع التجهيزات الميكانيكية والكهربائية، ومراعاة الأعمال الكهربائية في المجمع وغيرها من التجهيزات التي وضعها المؤجر

Unit Finishing Fee (Not included in total contract amount): - ريال لكل متر مربع من مساحة الوحدة الإيجارية

Retainer Fee (Included in total contract amount): - مبلغ المبرور المتفق عليه (يدخل ضمن القيمة الإجمالية لعقد الإيجار)

Gas Annual Amount: - الأجرة السنوية للغاز: Electricity Annual Amount: - الأجرة السنوية للكهرباء:

Water Annual Amount: - الأجرة السنوية 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 دورة سداد الإيجار: Rent payment cycle: سنوي

VAT on rental value: 847500.0 First rental payment: (Includes deposit) 575000.0 دفعة الإيجار الأولى: (تشمل المبرور)

ID/CR Number: رقم الهوية أو السجل التجاري No. الرقم المسلسل الرقم الضريبي نوع الهوية

1010896622 310199293800003 1010896622 رقم التسجيل

Annual Rent: 500000.0 القيمة السنوية للإيجار:

Total Contract value 6497500.0 إجمالي قيمة العقد:

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

الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونياً من خلال قنوات الدفع المتاحة

Approved payment methods طرق الدفع المعتمدة

١٣ جدول سداد الدفعات

الرقم المسلسل No.	قيمة الإيجار Rent value	قيمة القيمة المضافة VAT	قيمة المبلغ المتبقي Total value	إجمالي القيمة المضافة Services	تاريخ السداد Due Date(AD)	تاريخ الإصدار Issued Date(AH)	تاريخ الفسخ Due Date(AH)
1	500000.0	75000.0	0.0	575000.0	2022-02-01	2022-02-11	1443-07-10
2	500000.0	75000.0	0.0	575000.0	2023-02-01	2023-02-11	1444-07-20
3	550000.0	82500.0	0.0	632500.0	2024-02-01	2024-02-11	1445-07-20
4	550000.0	82500.0	0.0	632500.0	2025-02-01	2025-02-11	1446-08-12
5	550000.0	82500.0	0.0	632500.0	2026-02-01	2026-02-11	1447-08-23
6	600000.0	90000.0	0.0	690000.0	2027-02-01	2027-02-11	1448-08-24
7	600000.0	90000.0	0.0	690000.0	2028-02-01	2028-02-11	1449-09-15
8	600000.0	90000.0	0.0	690000.0	2029-02-01	2029-02-11	1450-09-27
9	600000.0	90000.0	0.0	690000.0	2030-02-01	2030-02-11	1451-10-08
10	600000.0	90000.0	0.0	690000.0	2031-02-01	2031-02-11	1452-10-19



العقد التجاري الموحد
Unified Commercial Contract



يعتبر هذا العقد عقداً موثقاً وستدأ تنفيذاً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

١ بيانات العقد

رقم سجل العقد:	20121519953 / 1	Contract No.	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	2022-01-19	Contract Sealing Date	مكان إبرام العقد:	الرياض	Contract Sealing Location
تاريخ بداية مدة الإيجار:	2022-02-01	Tenancy Start Date	تاريخ نهاية مدة الإيجار:	2032-01-31	Tenancy End Date
معلق بشرط	لا				
Contract is conditional					

طريقة دفع رسوم العقد:	الدفع عن طريق رصيد الوسيط العقاري	Eljar Fees Paid By
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٢ بيانات المؤجر

نوع المنظمة:	التجارية	اسم الشركة/المؤسس:	شركة تمدين دولي العقارية شركة شخص واند	Company name/Founder
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد	7010776792
وجه الإصدار:	-	Issued by	تاريخ السجل التجاري:	2017-10-04
CR Date				

٣ بيانات ممثّل المؤجر

الاسم:	سلمان حسين بن يحيى معوي			
الجنسية:	المملكة العربية السعودية			
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:	1073134924
رقم الجوّال:	+964556332153	Mobile No.	البريد الإلكتروني:	muzaidis@mulkia.com.sa
العنوان الوطني:	الرياض، الرياض			
رقم سند الترخيل Number	نوع المستند Type	تاريخ الانتهاء Expiry Date		
43661903	وكالة شريعة إلكترونية	2021-09-16	2022-09-05	

٤ بيانات المستأجر

نوع المنظمة:	التجارية	اسم الشركة/المؤسس:	شركة بترموين	Company name/Founder
رقم السجل التجاري:	1010429804	CR No.	الرقم الموحد	7013609123
Unified Number				

Documents received from the client

الرقم المتسلسل	قيمة الإيجار	قيمة الصيانة	قيمة الخدمة	قيمة التأمين	إجمالي القيمة	تاريخ الإصدار (م)	تاريخ الاستحقاق (م)	تاريخ الإصدار (م)	تاريخ الاستحقاق (م)
No.	Rent value	Services	VAT		Total value	Issued Date(AD)	Due Date(AD)	Issued Date(AH)	Due Date(AH)
10	206433.00	30964.95	0.00		237404.00	2027-03-01	2027-03-11	1448-09-22	1448-10-03

القيمة إيجارية سنوية: لا

1 ع الترتيبات الطرفيين

يتم تحديد الطرف الذي يتحمل الترتيبات التالية بالاختيار بين (المستأجر / المؤجر)
تحويل الترتيبات الأطراف بعد تنفيذها إلى المادة الخامسة تحت الترتيبات المؤجر / الترتيبات المستأجر / أحكام عامة

10 مواد العقد

المادة الأولى: البيانات السابقة على الترتيبات الأطراف

تعد البيانات السابقة على الترتيبات الأطراف والمحددة في البند من (14-1) جزء لا يتجزأ من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالمند رقم(م) وفقاً للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد.
ويقر المستأجر بمعاييره لتوذية الإيجارية، وغرضه للتعاقد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

المادة الثالثة: مدة الإيجار وتحديد العقد

1- مدة هذا العقد (1825) يوماً تبدأ من تاريخ 05-02-1444 هـ الموافق 01-09-2022 م، وتنتهي بتاريخ 29-03-1449 هـ الموافق 31-08-2027 م. وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يعمل بالتاريخ الميلادي في جميع بنود العقد.
2- تجدد مدة الإيجار تلقائياً لمدة مماثلة ما لم يخطر أحد الطرفين بخلاف الآخر برغبته إنهاء العقد قبل (60) يوماً من تاريخ انتهاء مدة الإيجار.

المادة الرابعة: الأجرة

إجمالي قيمة العقد (2374031.00) ريال سعودي، يلتزم المستأجر بدفعها للمؤجر بحسب ما هو مذكور في البند رقم (17) من هذا العقد وكما هو مذكور في البند (13) من هذا العقد.

المادة الخامسة: الترتيبات تنقسم إلى الترتيبات المؤجر / الترتيبات المستأجر / أحكام عامة بعد تنفيذها في البند (12)

0-1 الترتيبات المستأجر

0-1-1 يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتفق عليها.

0-1-2 يلتزم المستأجر بتلقيد بمساحة ومواصفات اللوحة الخاصة بالوحدة الإيجارية والمحددة في البند (9) من هذا العقد.

0-1-3 يلتزم المستأجر بفتح ويأشر نشاطه التجاري خلال مدة لا تتجاوز (1) يوماً من تاريخ العقد وفي حالة انتهاء هذه المدة دون افتتاح الوحدة الإيجارية وبدء النشاط التجاري وبعد عدم توافقه مع اشعار المؤجر خلال (1) يوماً فيقبل للمؤجر فسخ العقد من جهته دون الحاجة إلى إقرار أو حكم قضائي ويحق للمؤجر حينها تأجير الوحدة الإيجارية لتغير مع المحافظة على حقوق المستأجر بالمطالبة بإعاني قيمة العقد المدفوعة بعد خصم المبرور والسعي وقيمة الإيجار ومعايير الخدمات العامة من تاريخ بداية الإيجار إلى تاريخ الفسخ والإدفع.

0-1-4 يلتزم المستأجر بتسليم الوحدة الإيجارية للمؤجر عند انتهاء مدة إيجار هذا العقد.

0-1-5 يلتزم المستأجر باستعمال الوحدات الإيجارية محل هذا العقد للاستعمال المعتاد له وفقاً للأنظمة والأعراف والتقاليد العربية في المملكة العربية السعودية، وتعمل جميع الإجراءات التي قد تعرض عليه من الجهات المختصة.

0-1-6 يلتزم المستأجر بالمحافظة على الأجزاء والمرافق المشتركة التابعة للعقار المشتمل على الوحدات الإيجارية المؤجرة مثل دورات المياه المشتركة والأسطح وصنادير الطوارئ والمصاعد والسلالم والممرات وغيرها وأن يستعملها استعماً لا يحلها لغرض المخصص لها.

0-1-7 يلتزم المستأجر بتأمين تكاليف القيمة الاستهلاكية المتعددة المترتبة على ارتفاع بالوحدات الإيجارية، فيما عدا أعمال الصيانة المفصلة في المادة السابقة.

0-1-8 لا يلتزم بدفع قيمة خدمات الكهرباء والمياه والغاز والخدمات الأخرى المتعلقة بالوحدات الإيجارية الموصوفة خلال فترة سريان هذا العقد بحسب ما تم اتفاق عليه في البند(12) من هذا العقد.

0-1-9 يلتزم المستأجر باتخاذ الاحتياطات اللازمة لمنع تعرض الوحدة الإيجارية وكافة ملحقاتها والمتواجدين فيها سواء من تاجيه أو عائلته أو زائريه لأي ضرر كان يسبب من أسباب القوة القاهرة أو ناتج من إهمال الكهرباء أو المياه أو أجهزة التكييف أو أي دخل بالتجهيزات الميكانيكية أو للكهرباء أو أي عملية احتيال أو نصب أو سرقة وتلف.

0-1-10 يلتزم المستأجر بالتوصل على بوليصة تأمين شامل تعاقبية (مواصفة لأحكام الشريعة الإسلامية) لتوذية الإيجارية وكافة ممتلكاته من ديكر وصانع موجودة بالوحدة الإيجارية وذلك ضد جميع الأخطار (مثل الحريق وتسرب المياه والفيضانات والصرف والمسطح والكوارث الطبيعية والحروب وأعمال الشغب وغيرها من المخاطر والأضرار) التي قد تسبب المؤجر أو الوحدة الإيجارية أو الغير بسبب المستأجر أو أحد تابعيه، وتسلم نسخة من بوليصة التأمين أو تحديثها للمؤجر.

Unit Finishing Fee (Not included in total contract amount):
ريال لكل متر مربع من مساحة الوحدة الإيجارية

Retainer Fee (Included in total contract amount):
مبلغ العربون المتفق عليه (لا يدخل ضمن القيمة الإجمالية لعقد الإيجار)

Electricity Annual Amount:
الأجرة السنوية للكهرباء:

Water Annual Amount:
الأجرة السنوية للمياه:

General Services Amount:
الأجرة السنوية للخدمات العامة: (لا يدخل ضمن القيمة الإيجارية لعقد الإيجار)

Rent payment cycle:
دورة سداد الإيجار:

First rental payment: (Includes deposit)
دفعة الإيجار الأولى:

Vat number:
رقم القيمة المضافة أو السجل التجاري ID/CR Number

Annual Rent:
القيمة السنوية للإيجار:

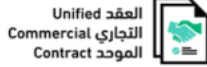
Total Contract value:
إجمالي قيمة العقد:

يشمل: القيمة الإيجارية، ومبلغ العربون، ومبلغ ضريبة القيمة المضافة، إن وجدت، وقيمة الخدمات العامة، والأجرة السنوية لـ(الغاز والكهرباء والمياه والصرف الصحي إذا تخدمت كميات كبيرة).

طرق الدفع المعتمدة
الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونياً من خلال قنوات الدفع المتاحة

13 جدول سداد الدفعات

الرقم المتسلسل	قيمة الإيجار	قيمة الصيانة	قيمة الخدمة	قيمة التأمين	إجمالي القيمة	تاريخ الإصدار (م)	تاريخ الاستحقاق (م)	تاريخ الإصدار (م)	تاريخ الاستحقاق (م)
No.	Rent value	VAT			Total value	Issued Date(AD)	Due Date(AD)	Issued Date(AH)	Due Date(AH)
1	206438.00	30965.70	0.00		237403.00	2022-09-01	2022-09-11	1444-02-05	1444-02-15
2	206438.00	30965.70	0.00		237403.00	2023-03-01	2023-03-11	1444-08-09	1444-08-19
3	206438.00	30965.70	0.00		237403.00	2023-09-01	2023-09-11	1445-02-16	1445-02-26
4	206438.00	30965.70	0.00		237403.00	2024-03-01	2024-03-11	1445-08-20	1445-09-01
5	206438.00	30965.70	0.00		237403.00	2024-09-01	2024-09-11	1446-02-28	1446-03-08
6	206438.00	30965.70	0.00		237403.00	2025-03-01	2025-03-11	1446-09-01	1446-09-11
7	206438.00	30965.70	0.00		237403.00	2025-09-01	2025-09-11	1447-03-09	1447-03-19
8	206438.00	30965.70	0.00		237403.00	2026-03-01	2026-03-11	1447-09-12	1447-09-22
9	206438.00	30965.70	0.00		237403.00	2026-09-01	2026-09-11	1448-03-19	1448-03-29



يعتبر هذا العقد عقداً موثقاً وسعداً تنفيذاً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

1 بيانات العقد
رقم سجل العقد: 20056724995 / 1
نوع العقد: جديد
تاريخ إبرام العقد: 2022-06-22
مكان إبرام العقد: الرياض

تاريخ بداية مدة الإيجار: 2022-09-01
تاريخ نهاية مدة الإيجار: 2027-08-31
معلق بشرط: لا

طريقة دفع رسوم العقد: الدفع عن طريق رصيد الوسيط العقاري

2 بيانات المؤجر
نوع المنظمة: التجارية
اسم الشركة/المؤسسة: شركة تمدين التولي
المقارية شركة شخص واحد

رقم السجل التجاري: 1010896422
CR No. 7010776792
جهة الإصدار: -

3 بيانات ممثل المؤجر
الاسم: سلمان حسين بن يحيى معدي
Nationality: المملكة العربية السعودية
هوية وطنية: 96655432153

نوع الهوية: ID No. 1073134924
رقم الهوية: Mobile No. 96655432153
العنوان الوطني: الرياض، الرياض

رقم سداد التحويل: 43661903
نوع المستند: وكالة شرعية إلكترونية
تاريخ الانتهاء: 2022-09-05

4 بيانات المستأجر
نوع المنظمة: التجارية
اسم الشركة/المؤسسة: شركة مراكز للتجارة
CR No. 7003536419

رقم السجل التجاري: 2050110560
CR No. 7003536419

5

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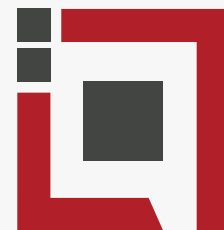
9

10

11

12

13



General Administration

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Technology Commercial Complex
BLK 9

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, 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 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




Valuation report filing code

At the Saudi Authority for Accredited Valuers

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none">▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013<ul style="list-style-type: none">▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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.

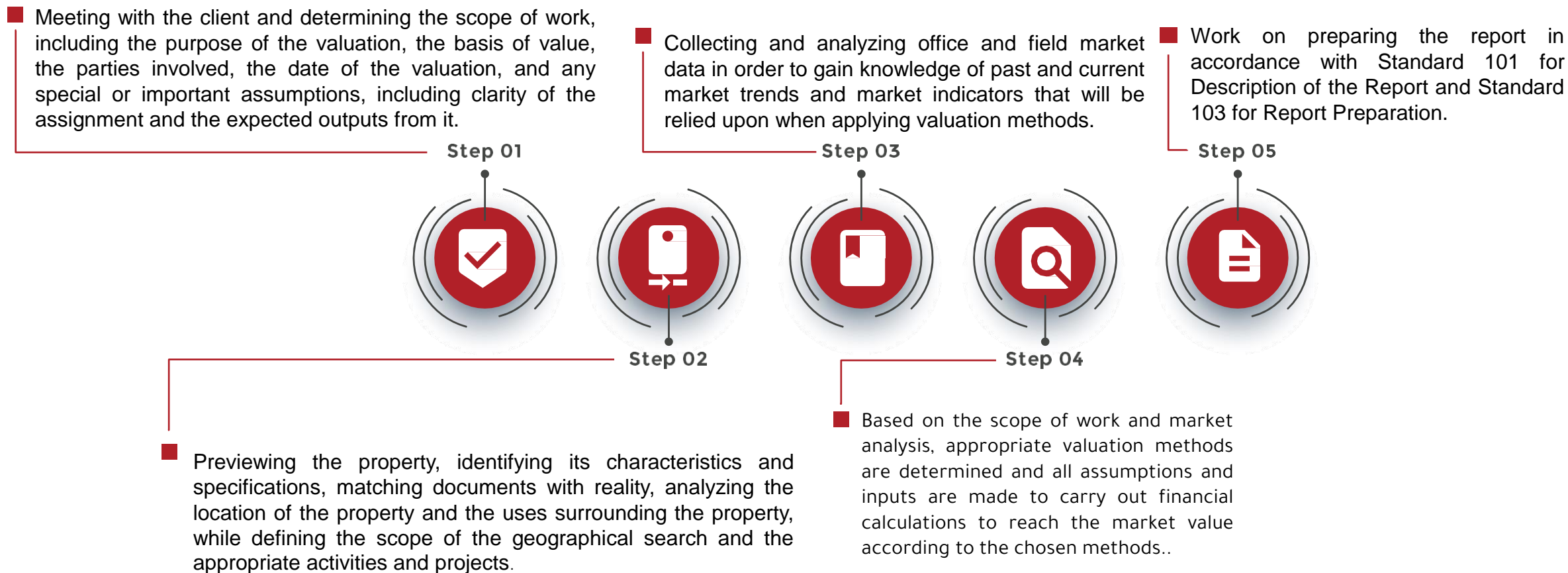
Important assumptions and special assumptions

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



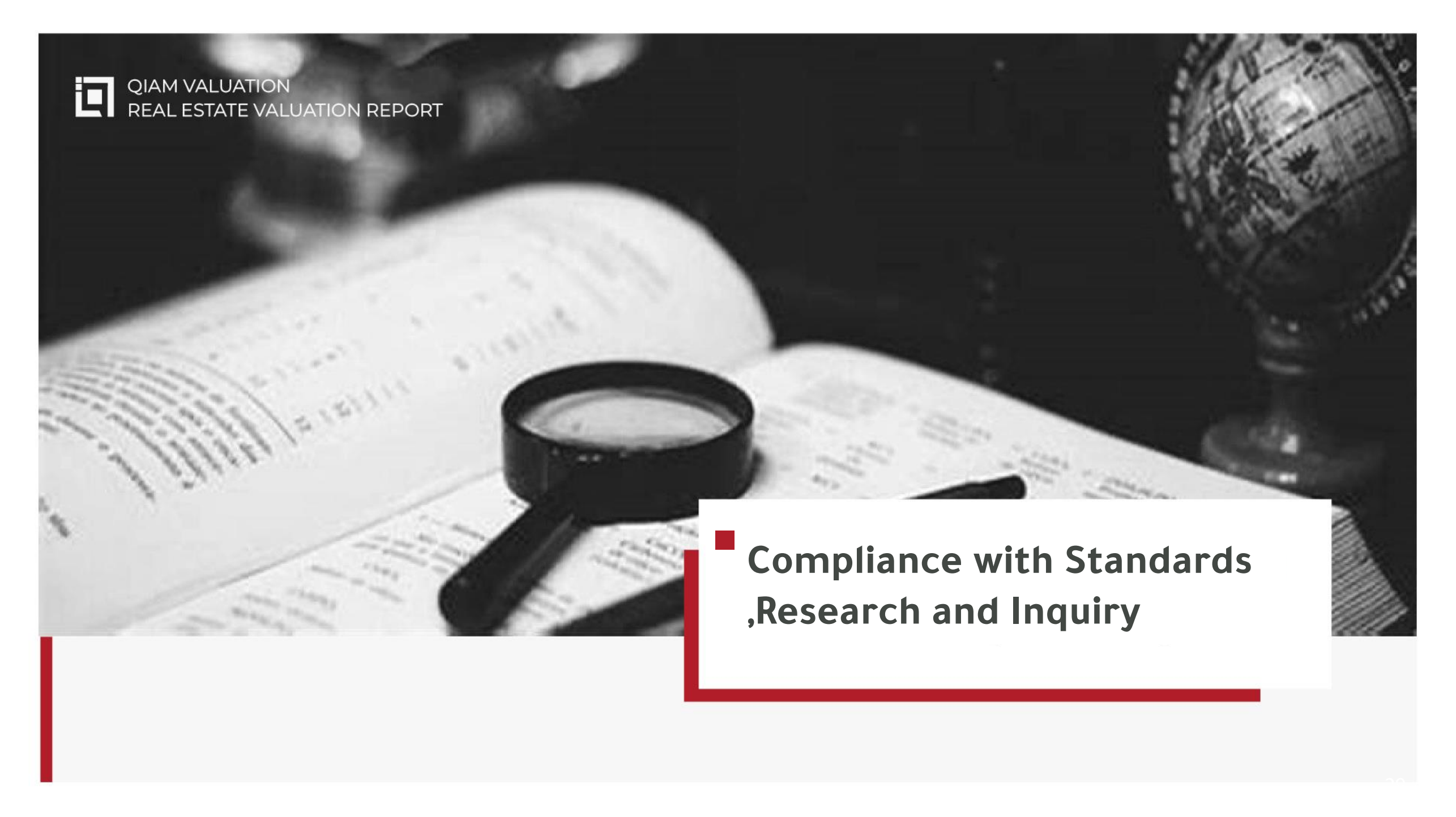
Standard 102: Compliance with Standards and Research and Inquiry

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
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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



Site studies

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 Al 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 available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	South of the city
	Infrastructure	Completed
	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	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 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 Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al-Faisaliah**

Street: **Unnamed**

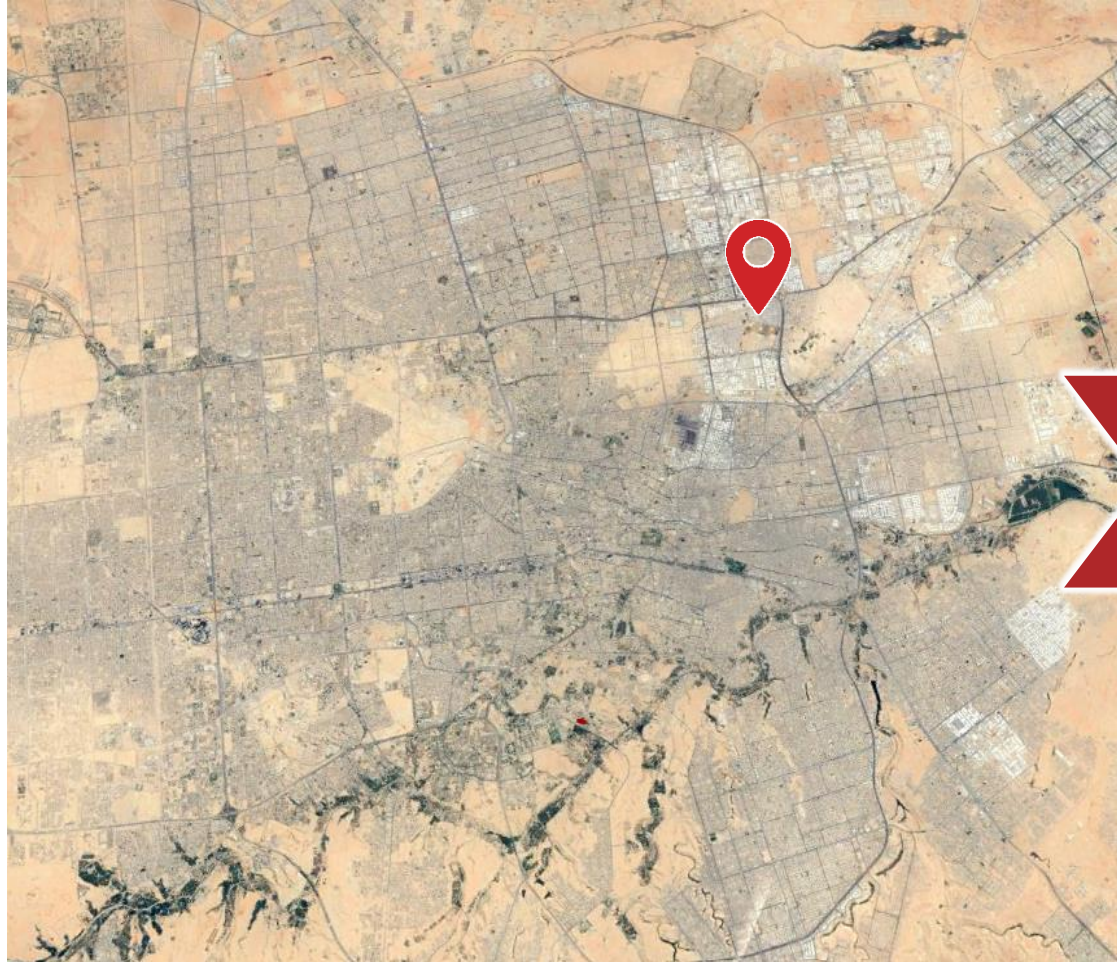
Location coordinates

N :

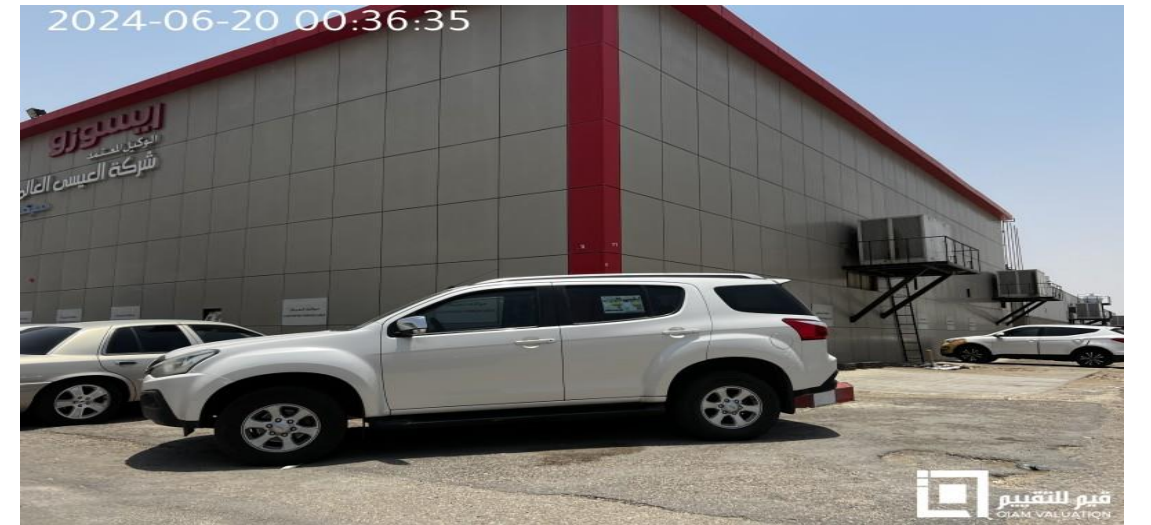
24.638114

E :

46.797479



Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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:

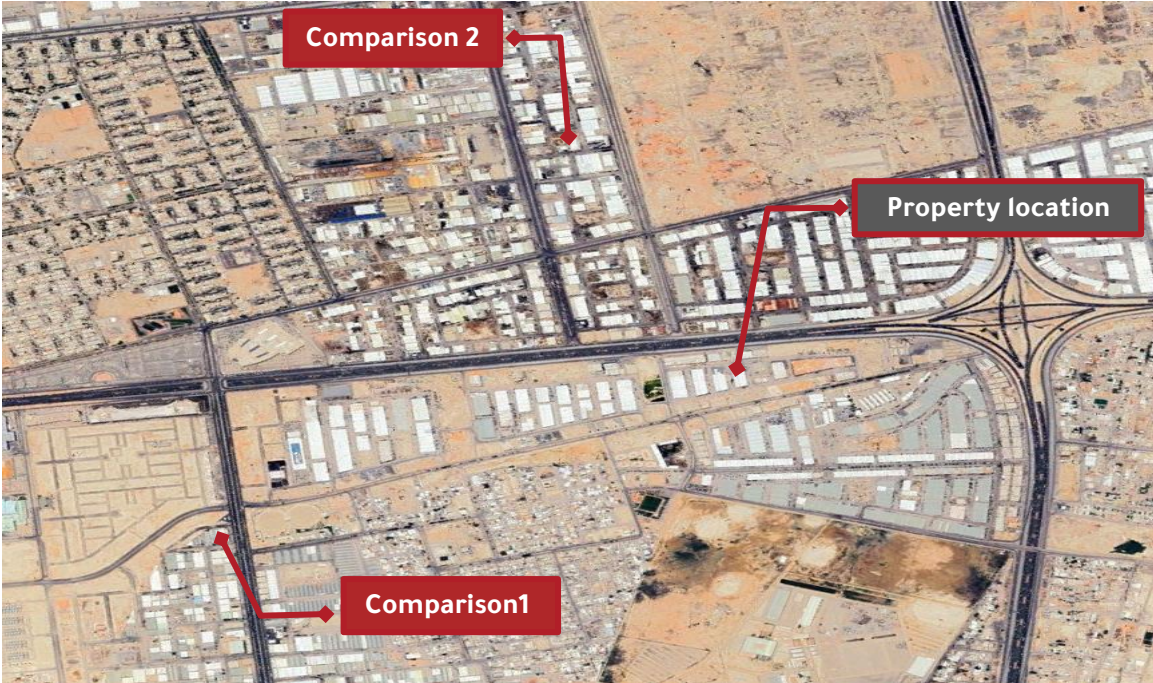
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the 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)	1,373	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 Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	2,400		2,100	
Condition	***	Available offer		Available 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		1,890	
Land area (m²)	6098.38	1,373	%10-	1,446	%10-
Ease of access	High	High	%0	Average	%5
Property location	High	High	%0	Average	%5
Land shape	Regular	Regular	%0	Regular	%0
Land topography	Flat	Flat	%0	Flat	%0
Land use	Industrial	Industrial	%0	Industrial	%0
Surrounding streets	4	3	%5	2	%10
Total		%5.00-		%10.00	
Adjustment value per square meter		-108		189	
Final meter value after Adjustments		2,052		2,079	
Net average value per square meter (SR / m²)			2,066		
Market value of the land (SR / m²)			12,596,204		

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 condition 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.

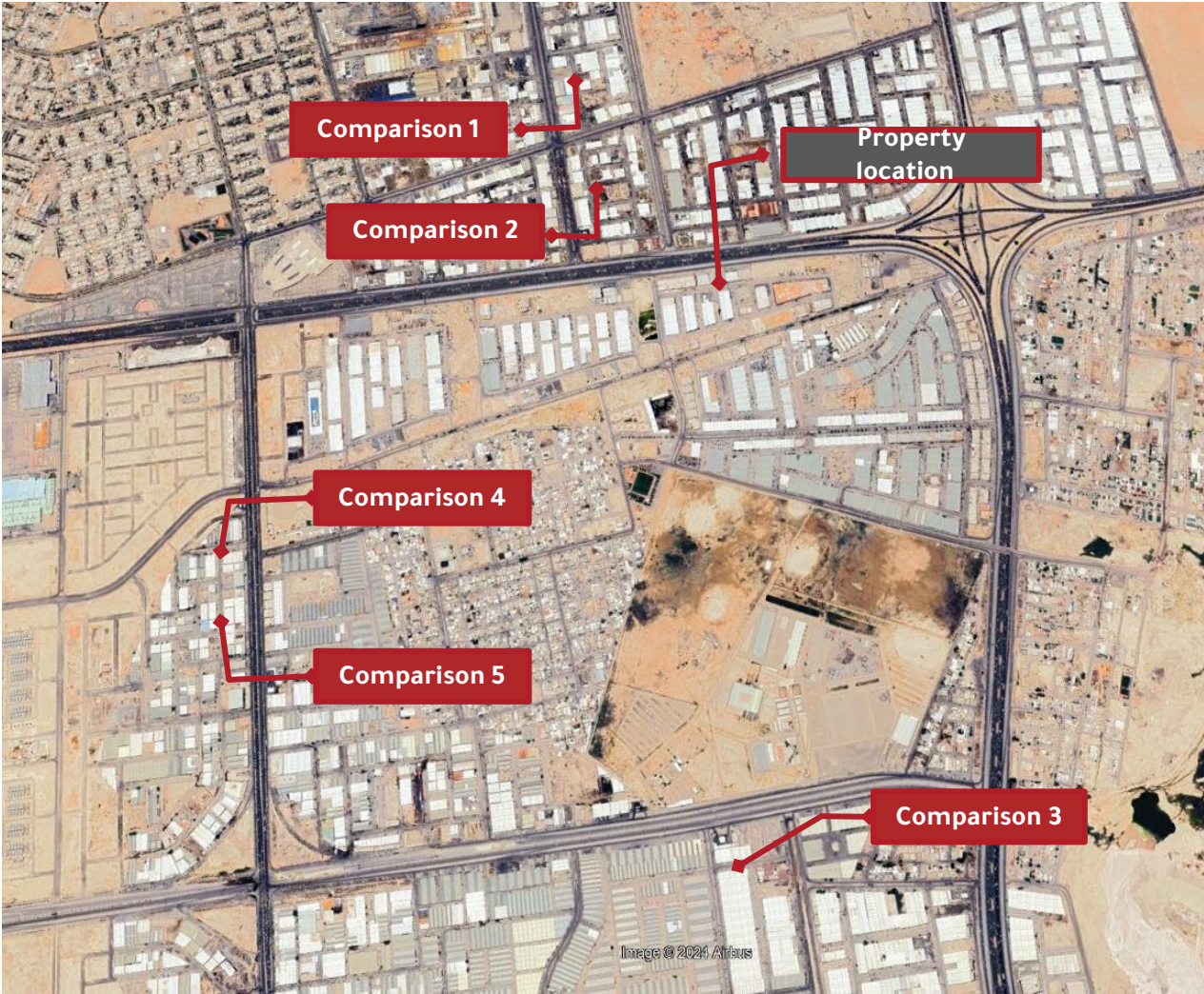
Usage: The planning of the property was taken into account, as it is a layout (Residential, Commercial, Office, Agricultural, Industrial) for the property being evaluated and the comparative properties, and it is possible for the property to include more than one use, and accordingly, a rate of 5% was 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	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)			692,517
Total cost of buildings (SAR)			3,990,217
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		1,328,742
Final value of the building (SR)			2,661,474
Fourth: Value of the property according to the Cost Approach			
Final value of the land (SR)			12,596,204
Final value of buildings (SR)			2,661,474
Market value of the property according to the Cost Approach (SR)			15,257,678
Market value of the property according to the Cost Approach after rounding (SR)			15,258,000

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

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 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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		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	
minus 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 building												
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												
							Final Property 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 1210000005



Appendix

Documents received from the client

[illegible][illegible]

Documents received from the client

الرقم المستقل No.	الرقم الضريبي Vat number	نوع الهوية ID Type	رقم الهوية أو السجل التجاري ID/CR Number
1	310199293800003	رقم التسجيل	1010896622
القيمة السنوية للإيجار:		Annual Rent:	763600.0
اجمالي قيمة العقد:		Total Contract value	2634420.0
يشمل: القيمة الإيجارية، ومبلغ العربون، ومبلغ ضريبة القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية ل(الغاز والكهرباء والمياه والصرف الصحي إذا تحدث كمبالغ ثابتة) .			
طرق الدفع المعتمدة		الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونيا من خلال قنوات الدفع المتاحة	
Approved payment methods			

١٣ جدول سداد الدفعات Rent Payments Schedule							
الرقم المستقل No	قيمة الإيجار Rent value	ضريبة القيمة المضافة VAT	قيمة المبلغ التامة Services	إجمالي القيمة Total value	تاريخ الإصدار (أد) Issued Date(AD)	تاريخ الاستحقاق (أد) Due Date(AD)	تاريخ الاستحقاق (أد) Due Date(AD)
1	381800.0	57270.0	0.0	439070.0	2021-12-22	2022-01-01	1443-05-18
2	381800.0	57270.0	0.0	439070.0	2022-06-22	2022-07-02	1443-12-03
3	381800.0	57270.0	0.0	439070.0	2022-12-22	2023-01-01	1444-06-08
4	381800.0	57270.0	0.0	439070.0	2023-06-22	2023-07-02	1444-12-04
5	381800.0	57270.0	0.0	439070.0	2023-12-22	2024-01-01	1445-06-19
6	381800.0	57270.0	0.0	439070.0	2024-06-22	2024-07-02	1445-12-16

قيمة إيجارية مفقودة سنويًا -

١٤ 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)

١٥ مواد العقد Contract Terms
المادة الأولى: البيانات السابقة على التزامات الأطراف
تعد البيانات السابقة على التزامات الأطراف والمحددة في البنود من (1-14) جزء لا يتجزأ من هذا العقد ومفسرة ومكملة له.
المادة الثانية: مدخل العقد
اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبنود رقم(١١) وفقا للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد. ويقر المستأجر بمعاييره للوحدة الإيجارية، وقبوله للتعاقب حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري الملتحق عليه في البند رقم (10).
المادة الثالثة: مدة الإيجار وتجديد العقد

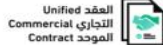
١- مدة هذا العقد (1095) يوما تبدأ من تاريخ 1443-05-18 هـ الموافق 2021-12-22 م، وتنتهي بتاريخ 1444-06-20 هـ الموافق 2024-12-21 م، وفي حال وودود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

٢- تنتهي مدة الإيجار مع انتهاء مدة العقد. وإذا رغب الطرفان بالتجديد، فتتأثر كتابة عقد جديد يُتفق عليه الطرفان.

المادة الرابعة: الأجرة
إجمالي قيمة العقد (2634420.0) ريال سعودي، يلتزم المستأجر بدفعها للمؤجر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مذكور في البند (١٣) من هذا العقد.
المادة الخامسة: (التزامات المؤجر / التزامات المستأجر/ أحكام عامة) بعد تحديدها في البند (12)

9

Documents received from the client



يعتبر هذا العقد عقداً موثقاً وسعداً تنفيذاً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

١ بيانات العقد Contract Data			
رقم سجل العقد:	20223258597	Contract No.	نوع العقد:
تاريخ إبرام العقد:	2021-10-10	Contract Sealing Date	مكان إبرام العقد:
تاريخ بداية مدة الإيجار:	2021-12-22	Tenancy Start Date	تاريخ نهاية مدة الإيجار:
معلق بشرط	نعم	Contract is conditional	
الشروط المعلق عليه بداية الإيجار: العقد معلق بدفع الإيجار			
طريقة دفع رسوم العقد:	المؤجر	Ejar Fees Paid By	

٢ بيانات المؤجر Lessor Data			
نوع المنظمة:	commercial	Organization Type	اسم الشركة/المؤسسة:
رقم السجل التجاري:	1010896622	CR No.	شركة تمدين النوى العقارية
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:

٣ بيانات ممثّل المؤجر Lessor Representative Data			
الاسم:	سلمان حسين بن يحيى معيدي	Name	
الجنسية:	المملكة العربية السعودية	Nationality	
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:
رقم الجوال:	+966556332153	Mobile No.	البريد الإلكتروني:
العنوان الوطني:	الرياض، الرياض	National Address	
رقم سند التمثيل:	43661903	Number	نوع المستند:
			تاريخ الانتهاء:

٤ بيانات المستأجر Tenant Data			
نوع المنظمة:	commercial	Organization Type	اسم الشركة/المؤسسة:
رقم السجل التجاري:	1010269251	CR No.	شركة العيسى التجارية لتساريات
			الرقم المودع:

1

General Administration

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

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☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Technology Commercial Complex
BLK 10

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 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

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none">▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013<ul style="list-style-type: none">▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

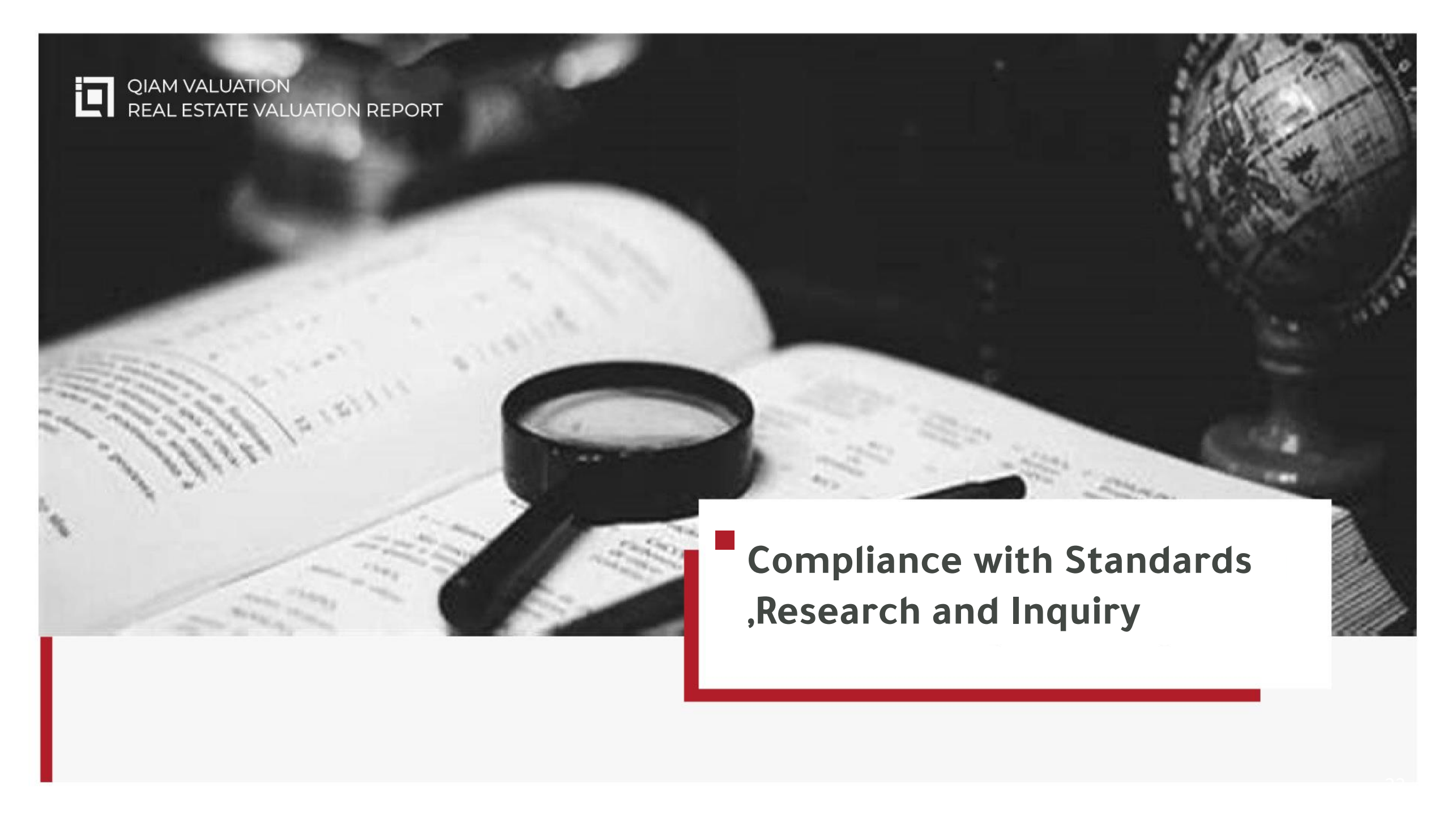
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ Site studies

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.

Weak points:

- Changing the building regulations in the property area.

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.

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	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 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 Al 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 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
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	South of the city
	Infrastructure	Completed
	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	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 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 Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al-Faisaliah**

Street: **Unnamed**

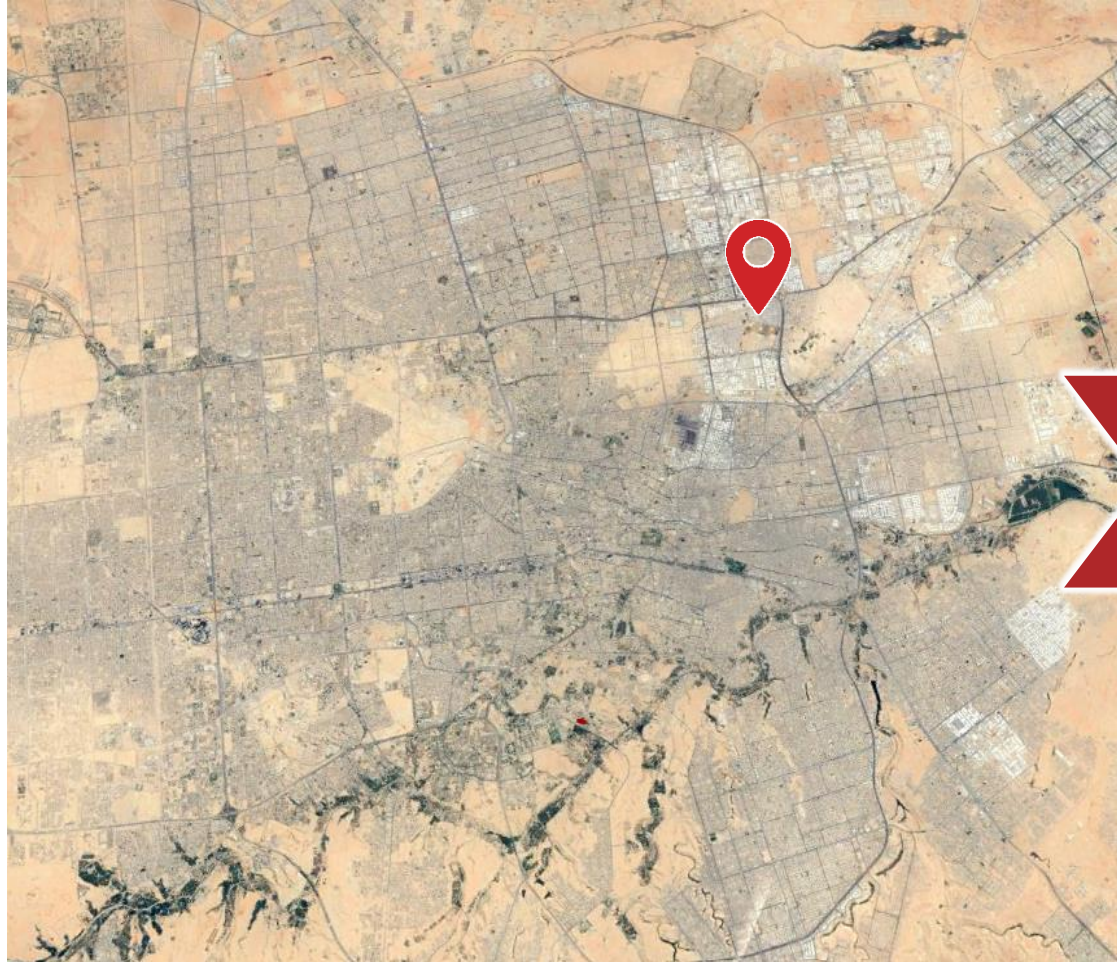
Location coordinates

N :

24.638605

E :

46.797186



Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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:

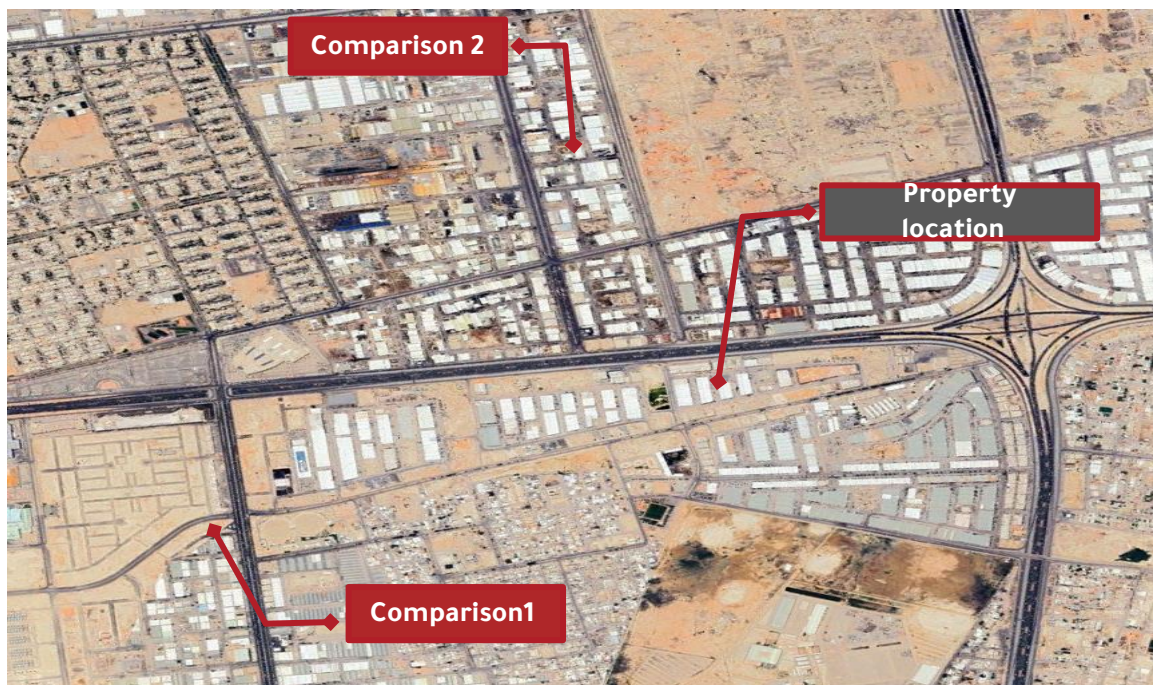
The fair value hierarchy categorizes the inputs to the valuation techniques used to measure fair value at the measurement date into three levels, as follows:

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

Valuating the land according to Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	2,400		2,100	
Condition	***	Available offer		Available 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		1,890	
Land area (m²)	6729.88	1,373	%11-	1,446	%11-
Ease of access	High	High	%0	Average	%5
Property location	High	High	%0	Average	%5
Land shape	Regular	Regular	%0	Regular	%0
Land topography	Flat	Flat	%0	Flat	%0
Land use	Industrial	Industrial	%0	Industrial	%0
Surrounding streets	4	3	%5	2	%10
Total		%6.00-		%9.00	
Adjustment value per square meter		-130		170	
Final meter value after Adjustments		2,030		2,060	
Net average value per square meter (SR / m²)		2,045			
Market value of the land (SR / m²)		13,764,287			



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 condition 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 cost of buildings (SAR)			3,585,351
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 the building (SR)			2,391,429
Fourth: Value of the property according to the Cost Approach			
Final value of the land (SR)			13,764,287
Final value of buildings (SR)			2,391,429
Market value of the property according to the Cost Approach (SR)			16,155,716
Market value of the property according to the Cost Approach after rounding (SR)			16,156,000

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

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 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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	
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 the 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
Net present value of the property												18,842,511

18,842,511

Final 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 1210000005



Appendix

Documents received from the client

[illegible]

رقم الصك: 793010004590
التاريخ: 1442/11/12 هـ

وزارة العدل
ابراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

صک رہن

[illegible]

الموثق

الختم الرسمي

ابراهيم عمر محمد الحسين

الرقم التماسي: 2776

Documents received from the client

السنة الأولى	السنة الثانية	السنة الثالثة	السنة الرابعة	السنة الخامسة
0	0	0	+10%	+10%

التزامات الطرفين
يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالتناوب بين (المؤجر / المستأجر / المودر) تحول التزامات الأطراف بعد تحديثها إلى المادة الخامسة تحت (التزامات المؤجر / التزامات المستأجر / أحكام عامة)
10 مواد العقد
المادة الأولى: البيانات السابقة على التزامات الأطراف.
تعد البيانات السابقة على التزامات الأطراف والمحددة في البنود من (1-14) جزءاً من هذا العقد ومفسرة ومكملة له.
المادة الثانية: محل العقد.
اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بأيند رقم 99 وفقاً للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد.
ويقر المستأجر بمعاينة الوحدة الإيجارية، وفريقه لتتأكد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).
المادة الثالثة: مدة الإيجار وتحديد العقد.
٢-١ مدة هذا العقد (1825) يوماً تبدأ من تاريخ 01-04-1444 هـ الموافق 26-10-2022 م، وتنتهي بتاريخ 25-05-1449 هـ الموافق 25-10-2027 م، وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يعمل بالتاريخ الميلادي في جميع بنود العقد.
٢-٢ تنتهي مدة الإيجار مع انتهاء مدة العقد. وإذا رغب الطرفان بالتجديد، فتتم كتابة عقد جديد يتفق عليه الطرفان.
المادة الرابعة: الأجرة
إجمالي قيمة العقد (7174000.00) ريال سعودي، يلتزم المستأجر بدفعها للمؤجر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مبدول في البند (١٣) من هذا العقد.
المادة الخامسة: التزامات المؤجر / التزامات المستأجر / أحكام عامة بعد تحديثها في (البند 12)
٥-١ التزامات المستأجر

- ٥-١-١ يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتفق عليها.
- ٥-١-٢ يلتزم المستأجر بالتقيد بمساحة ومواصفات الوحدة الخاصة بالوحدة الإيجارية والمحددة في البند (9) من هذا العقد.
- ٥-١-٣ يلتزم المستأجر أن يلتزم ويشتر شاشته التجاري خلال مدة لا تتجاوز (30) يوماً من تاريخ العقد وفي حالة انتهاء هذه المدة دون امتلاك الوحدة الإيجارية وبدء النشاط التجاري وبعد عدم تجاوزه مع إشعار المؤجر خلال (30) يوماً فيحق للمؤجر فسخ العقد من جهته دون الحاجة إلى إخطار أو حكم قضائي ويحق للمؤجر حينها تأجير الوحدة الإيجارية لتغير مع المحافظة على حقوق المستأجر بالمخالفة بإنهاء قيمة العقد المدفوعة بعد خصم المبرور والسعي بقيمة الإيجار ومصاريف الخدمات العامة من تاريخ بداية الإيجار إلى تاريخ الفسخ وإلغائه.
- ٥-١-٤ يلتزم المستأجر بتسليم الوحدات الإيجارية للمؤجر عند انتهاء مدة إيجار هذا العقد.
- ٥-١-٥ يلتزم المستأجر باستعمال الوحدات الإيجارية محل هذا العقد استعمال المعتاد له وفقاً للأنظمة والأعراف والتقاليد المعمية في المملكة العربية السعودية، وتحمّل جميع الجزاءات التي قد تفرض عليه من الجهات المختصة.
- ٥-١-٦ يلتزم المستأجر بالمحافظة على الأجزاء والمرافق المشتركة التابعة لتأجير المشتمل على الوحدات الإيجارية المؤجرة مثل دورات المياه المشتركة والأسطح ومخارج النواحي والمقاعد والسلالم والممرات وغيرها، وأن يستعملها استعمالاً عادلاً وفقاً للغرض المخصص لها.
- ٥-١-٧ يلتزم المستأجر بتجديد تكاليف الصيانة الاستهلاكية المعتادة المترتبة على الانتفاع بالوحدات الإيجارية، فيما عد أعمال الصيانة الصعبة في المادة السابقة.
- ٥-١-٨ الالتزام بدفع قيمة خدمات الكهرباء والمياه والغاز والخدمات الأخرى المتعلقة بالوحدات الإيجارية الموصوفة خلال فترة سريان هذا العقد بحسب ما تم الاتفاق عليه في البند(12) من هذا العقد.
- ٥-١-٩ يلتزم المستأجر باتخاذ الاحتياطات اللازمة لمنع تعرض الوحدة الإيجارية وكافة ملحقاتها والموجودين فيها سواء من تسببه أو عمله أو غيره لأي ضرر كان يسبب من أسباب القوة القاهرة أو ناتج عن انقطاع الكهرباء، أو المياه أو أجهزة التكييف أو أي مثل بالتجهيزات الميكانيكية أو الكهربائية أو أي عملية احتياطي أو نصب أو سيرة وإخلاء.
- ٥-١-١٠ يلتزم المستأجر بالمحافظة على جميع التجهيزات الميكانيكية والكهربائية، ورعاية الأحمال الكهربائية في المجمع وغيرها من التجهيزات التي وضعها المؤجر في الوحدة الإيجارية والمعار.
- ٥-١-١١ يلتزم المستأجر وموظفيه بعدم التدخين في الممرات ودورات المياه والتبديد بالتدخين في الأماكن المخصصة لذلك.
- ٥-١-١٢ يلتزم المستأجر بإبقاء الممتلكات في المكان المخصص لذلك، وعدم رمي أي مواد سائلة أو زبوت في حاويات الصرف الصحي.

5

مبلغ الإشراف الهندسي (لا يدخل ضمن القيمة الإيجارية لعقد الإيجار)	-	ريال لكل متر مربع من مساحة الوحدة الإيجارية	Engineering Supervision Fee (Not included in total contract amount):
مبلغ تجهيز الوحدة الإيجارية (لا يدخل ضمن القيمة الإيجارية لعقد الإيجار)	-	ريال لكل متر مربع من مساحة الوحدة الإيجارية	Unit Finishing Fee (Not included in total contract amount):
مبلغ العمرون المتفق عليه (لا يدخل ضمن القيمة الإيجارية لعقد الإيجار):	-		Retainer Fee (Included in total contract amount):
الأجرة الشهرية للكهرباء:	-	الأجرة الشهرية للغاز:	Electricity Annual Amount: Gas Annual Amount:
الأجرة الشهرية للمياه:	-		Water Annual Amount:
الأجرة السنوية للخدمات العامة: (يدخل ضمن القيمة الإيجارية لعقد الإيجار)	0.8	والتي تشمل على:	General Services Amount: General Services Included:
دورة سداد الإيجار	سوي	عدد دفعات الإيجار:	5
دفعه الإيجار الأولى: (تشمل العمرون)	1380000.00	مبلغ قيمة القيمة المتبقية على القيمة الإيجارية:	First rental payment: (Includes deposit)
الرقم المتسلسل No.	310199293800003	رقم الهوية التجاري ID/CR Number	رقم التسجيل 1010894622
القيمة الشهرية للإيجار:	1200000.00	رقم التسجيل	Annual Rent: 7174000.00
إجمالي قيمة العقد:			Total Contract value
يشمل: القيمة الإيجارية، وسجل العمرون، وسجل قربة القيمة المتأخر -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية للغاز والكهرباء والمياه والصرف الصحي إذا خذت كمبالغ (أمانة).			
الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونياً من خلال قنوات الدفع المتاحة			
طرق الدفع المعتمدة			
Approved payment methods			

١٣ جدول سداد الدفعات									
Rent Payments Schedule									
الرقم المتسلسل سداد	قيمة الإيجار Rental value	قيمة القيمة المتبقية VAT	قيمة الخدمات Services	إجمالي المبلغ Total value	تاريخ السداد (م)	تاريخ السداد (هـ)	تاريخ السداد (م)	تاريخ السداد (هـ)	تاريخ السداد (م)
1	1200000.00	180000.00	0.00	1380000.00	2022-11-05	2022-10-26	2022-11-05	2022-10-26	1444-04-11
2	1200000.00	180000.00	0.00	1380000.00	2023-11-05	2023-10-26	2023-11-05	2023-10-26	1445-04-11
3	1200000.00	180000.00	0.00	1380000.00	2024-11-05	2024-10-26	2024-11-05	2024-10-26	1446-05-03
4	1320000.00	198000.00	0.00	1518000.00	2025-11-05	2025-10-26	2025-11-05	2025-10-26	1447-05-14
5	1320000.00	198000.00	0.00	1518000.00	2026-11-05	2026-10-26	2026-11-05	2026-10-26	1448-05-25

قيمة إيجارية متغيرة سنوياً: نعم

4



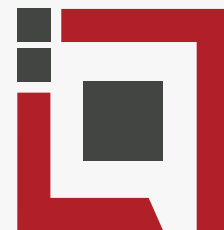
يعتبر هذا العقد عقداً موثقاً وسأداً تنفيذياً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٠/٤/٣ هـ.

١ بيانات العقد			
رقم سجل العقد:	Contract No.	نوع العقد:	جديد
تاريخ إبرام العقد:	Contract Sealing Date	مكان إبرام العقد:	الرياض
تاريخ بداية مدة الإيجار:	Tenancy Start Date	تاريخ نهاية مدة الإيجار:	2022-10-26 2027-10-25
معلق بشروط	Contract is conditional	لا	
طريقة دفع رسوم العقد:	Ejar Fees Paid By	المؤجر	
٢ بيانات المؤجر			
نوع المنطقة:	التجارية	اسم الشركة/المؤسس:	شركة تعدين دولي المفارية شركة شخص واحد
رقم السجل التجاري:	1010896422	CR No.	7010774792
جهة الإصدار:	-	Issued by	2017-10-04

٣ بيانات شتمل المؤجر			
الاسم:	سلمان حسين بن يحيى معيدي	الجنسية:	المملكة العربية السعودية
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية: 1073134924
رقم الجوال:	+964556332153	Mobile No.	البريد الإلكتروني: muaidis@mutkia.com.sa
العنوان الوطني:	441361636	وكالة شريعية إلكترونية	2022-10-04 2025-08-31

٤ بيانات المستأجر			
نوع المنطقة:	التجارية	اسم الشركة/المؤسس:	شركة محمد يوسف تألي للسرايات
رقم السجل التجاري:	4030065137	CR No.	7009395323

1



General Administration

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Technology Commercial Complex
BLK 11

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, 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 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 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

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none"> ▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052 ▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013 <ul style="list-style-type: none"> ▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

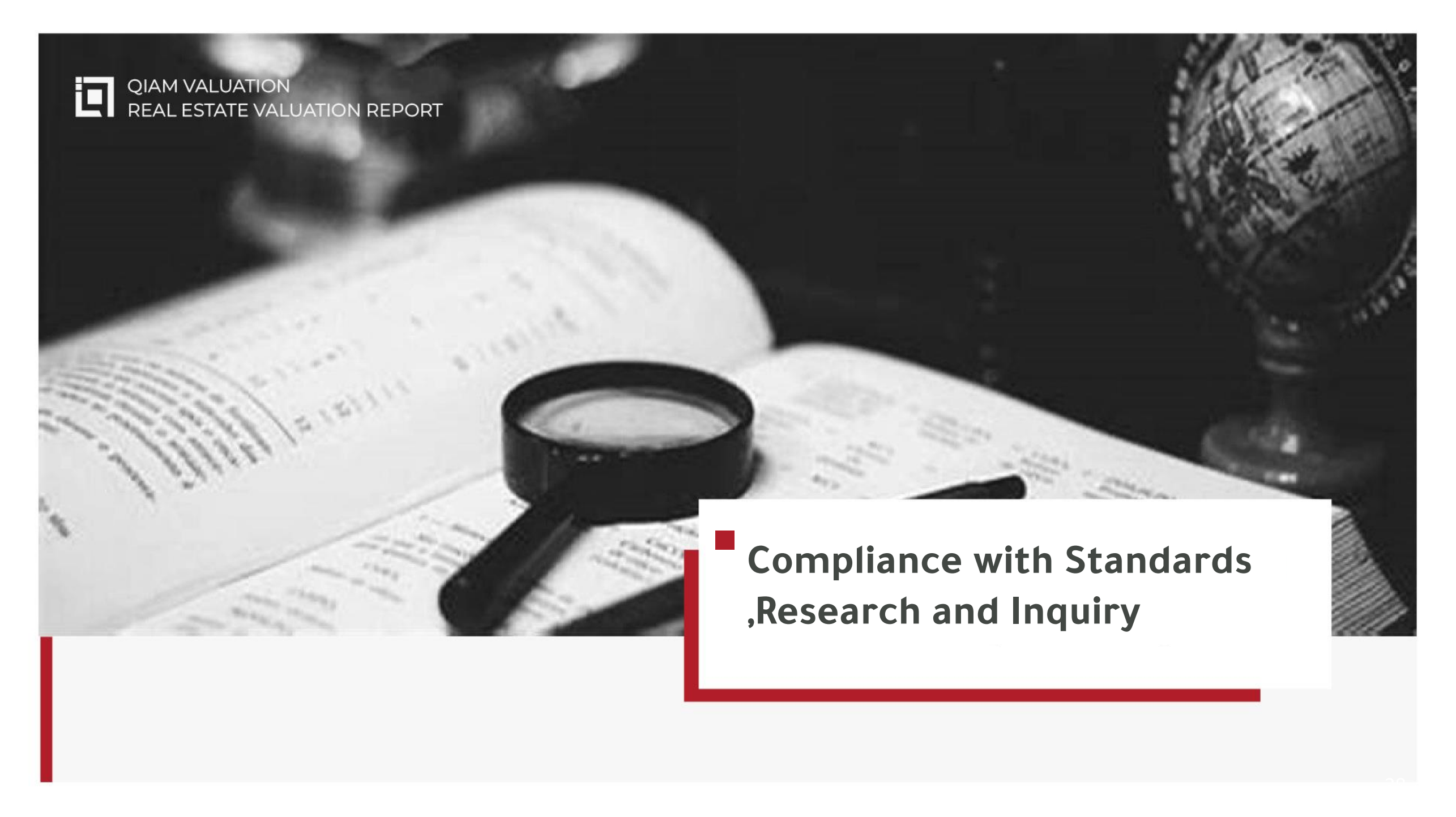
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ Site studies

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.

Weak points:

- Changing the building regulations in the property area.

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.

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
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 Al 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 available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	South of the city
	Infrastructure	Completed
	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	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 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 Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al-Faisaliah**

Street: **Unnamed**

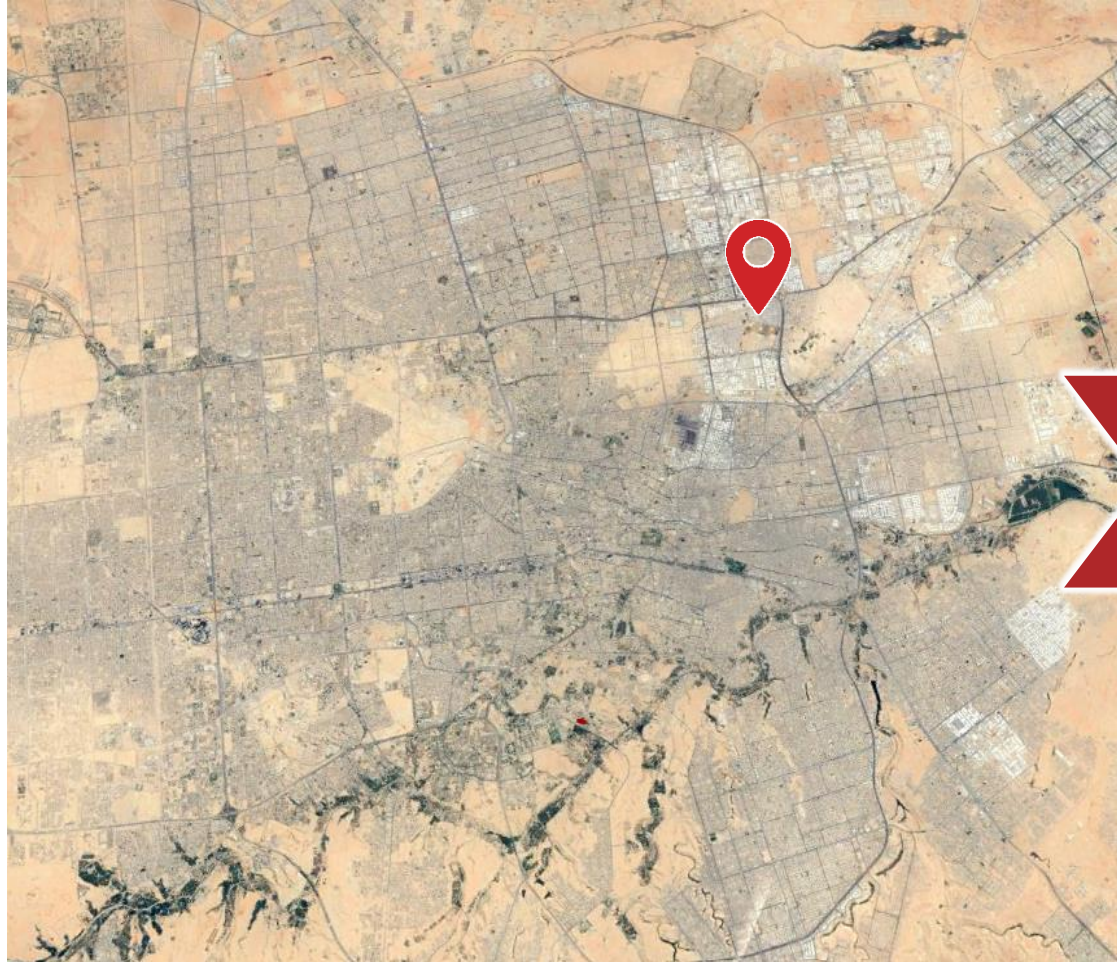
Location coordinates

N :

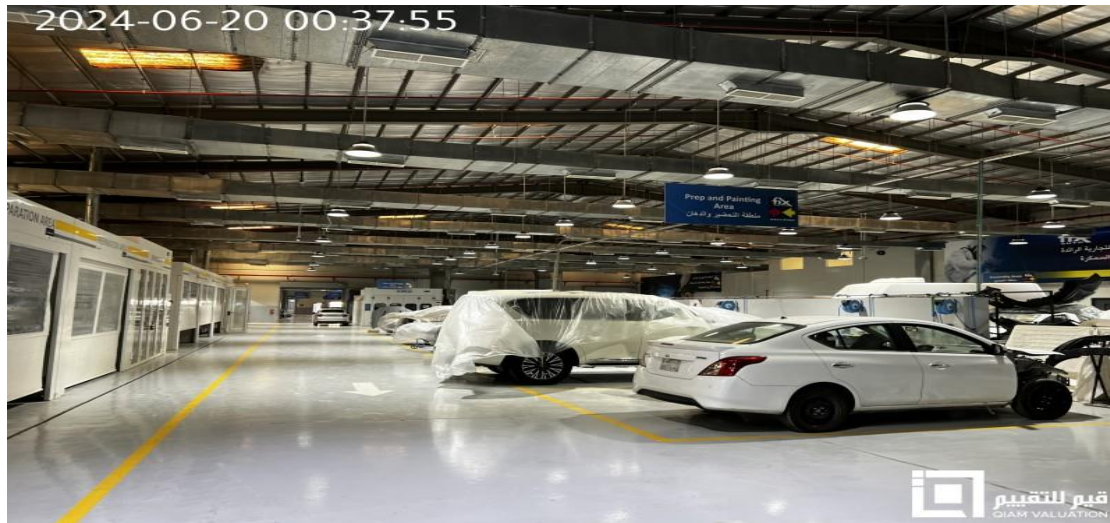
24.639196

E :

46.796821



Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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:

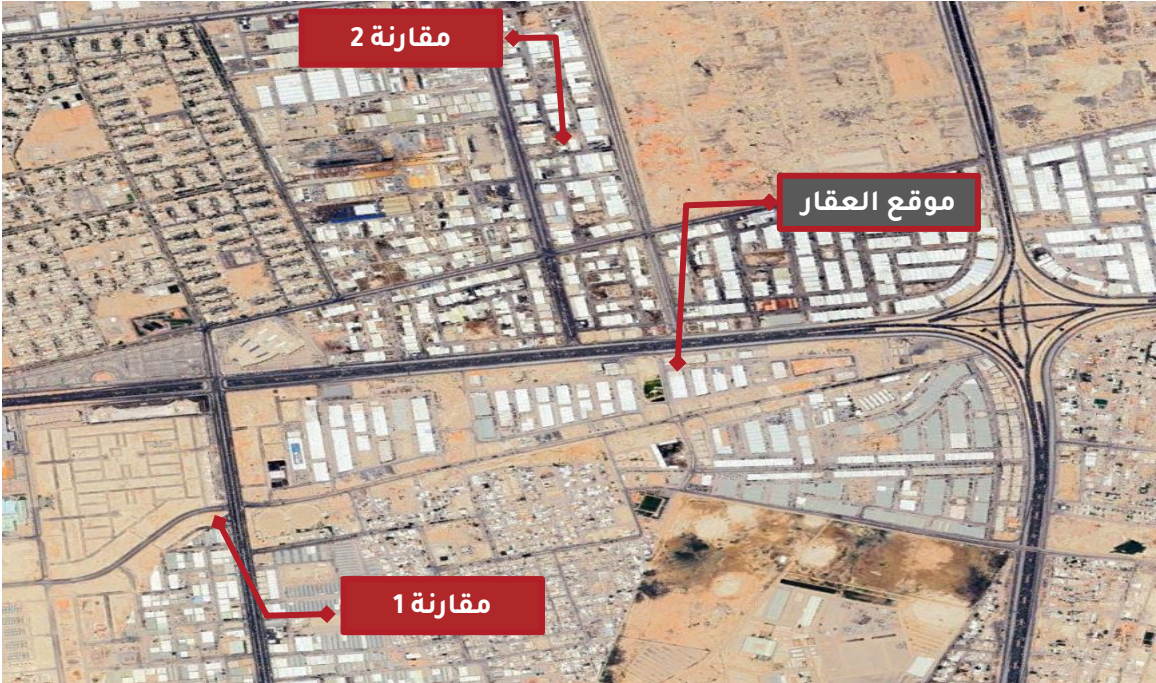
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the 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)	1,373	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 Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	2,400		2,100	
Condition	***	Available offer		Available 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		1,890	
Land area (m²)	7341.13	1,373	%11-	1,446	%11-
Ease of access	High	High	%0	Average	%5
Property location	High	High	%0	Average	%5
Land shape	Regular	Regular	%0	Regular	%0
Land topography	Flat	Flat	%0	Flat	%0
Land use	Industrial	Industrial	%0	Industrial	%0
Surrounding streets	4	3	%5	2	%10
Total		%6.00-		%9.00	
Adjustment value per square meter		-130		170	
Final meter value after Adjustments		2,030		2,060	
Net average value per square meter (SR / m²)			2,045		
Market value of the land (SR / m²)			15,014,446		

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 condition 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 cost of buildings (SAR)			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 Cost Approach			
Final value of the land (SR)			15,014,446
Final value 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 according to the Cost Approach after rounding (SR)			18,253,000

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

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 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	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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	
Expected growth value		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 building												
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
Net present value of the property												22,670,854

Final Property Value	22,670,854
----------------------	------------

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 1210000005



Appendix

Documents received from the client

[illegible]

رقم الصك: 793010004587
التاريخ: 1442/11/12 هـ

صك رهبن

وزارة العدل
ابراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

[illegible]

الموثق

الختم الرسمي

ابراهيم عمر محمد الحسين

Documents received from the client

القيمة السنوية للإيجار:

Annual Rent:

1579050.00

اجمالي قيمة العقد:

Total Contract value

9079538.00

يشمل: القيمة الإيجارية، ومبلغ عربون، ومبلغ ضريبة القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية لـ(الغاز والكهرباء، والمياه والصرف الصحي إذا تحدثت فسيبلغ ثابتة) .

الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونياً من خلال قنوات الدفع المتاحة

طرق الدفع المعتمدة

١٣ جدول سداد الدفعات

Rent Payments Schedule

الرقم الترتيب No	قيمة الإيجار Rent value	ضريبة القيمة المضافة VAT	قيمة الخدمات Services	إجمالي القيمة Total value	تاريخ الإصدار (م) Issued Date(AD)	تاريخ الاستحقاق (م) Due Date(AD)	تاريخ الإصدار (هـ) Issued Date(AH)	تاريخ الاستحقاق (هـ) Due Date(AH)
1	789525.00	118428.75	0.00	907953.00	2023-01-01	2023-01-11	1444-06-08	1444-06-18
2	789525.00	118428.75	0.00	907953.00	2023-07-01	2023-07-11	1444-12-13	1444-12-23
3	789525.00	118428.75	0.00	907953.00	2024-01-01	2024-01-11	1445-06-19	1445-06-29
4	789525.00	118428.75	0.00	907953.00	2024-07-01	2024-07-11	1445-12-25	1446-01-05
5	789525.00	118428.75	0.00	907953.00	2025-01-01	2025-01-11	1446-07-01	1446-07-11
6	789525.00	118428.75	0.00	907953.00	2025-07-01	2025-07-11	1447-01-06	1447-01-16
7	789525.00	118428.75	0.00	907953.00	2026-01-01	2026-01-11	1447-07-12	1447-07-22
8	789525.00	118428.75	0.00	907953.00	2026-07-01	2026-07-11	1448-01-16	1448-01-26
9	789525.00	118428.75	0.00	907953.00	2027-01-01	2027-01-11	1448-07-23	1448-08-03
10	789525.00	118428.75	0.00	907961.00	2027-07-01	2027-07-11	1449-01-26	1449-02-07

قيمة إيجارية متغيرة سنوياً. لـ

١٤ التزامات الطرفين

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)
تحول التزامات الأطراف بعد تحديثها إلى المادة الخامسة تحت الالتزامات المؤجر / التزامات المستأجر / أحكام عامة

١٥ مواد العقد

Contract Terms

المادة الأولى: البيانات السابقة على التزامات الأطراف

تعد البيانات السابقة على التزامات الأطراف والمحددة في البنود من (14-1) جزء لا يتجزأ من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبنود رقم(9) وفقاً للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد. ويقر المستأجر بمعاييره لتوعدة الإيجارية، وقبوله للتعاقب حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

المادة الثالثة: مدة الإيجار وتحديد العقد

٣-١ مدة هذا العقد (1825) يوماً تبدأ من تاريخ 08-06-1444 هـ الموافق 01-01-2023 م، وتنتهي بتاريخ 03-08-1449 هـ الموافق 31-12-2027 م، وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

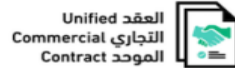
٣-٢ تنتهي مدة الإيجار مع انتهاء مدة العقد. وإذا رغب الطرفان بالتجديد، فتتم كتابة عقد جديد يُتفق عليه الطرفان.

المادة الرابعة: الأجرة

إجمالي قيمة العقد (9079538.00) يأتى سعودي، يلتزم المستأجر بدفعها للمؤجر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مذكور في البند (١٣) من هذا العقد.

10

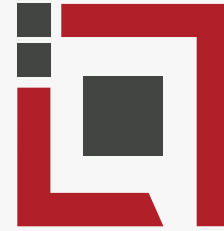
Documents received from the client



يعتبر هذا العقد عقداً موثقاً وسُجِّدَ تنفيذياً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

١ بيانات العقد Contract Data			
رقم سجل العقد:	20983950069 / 1	Contract No.	نوع العقد:
تاريخ إبرام العقد:	2023-02-21	Contract Sealing Date	مكان إبرام العقد:
تاريخ بداية مدة الإيجار:	2023-01-01	Tenancy Start Date	تاريخ نهاية مدة الإيجار:
معلق بشرط	لا	Contract is conditional	
طريقة دفع رسوم العقد:	المؤجر	Ejar Fees Paid By	
٢ بيانات المؤجر Lessor Data			
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:
رقم السجل التجاري:	1010896422	CR No.	الرقم الموحد:
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:
٣ بيانات مُمثل المؤجر Lessor Representative Data			
الاسم:	سلمان حسين بن يحيى معويدي	Name	
الجنسية:	المملكة العربية السعودية	Nationality	
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:
رقم الدوّل:	+966556332153	Mobile No.	البريد الإلكتروني:
العنوان الوطني:		National Address	
رقم سند التمثيل Number	441361636	رقم المستند Type	تاريخ الانتهاء Expiry Date
		وكالة شرعية	2022-10-04
٤ بيانات المستأجر Tenant Data			
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:
رقم السجل التجاري:	1010896422	CR No.	الرقم الموحد:
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:

1



General Administration

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

✉ info@qiam.com.sa

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☎ +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 1210000052 تاريخ الانتهاء 1447/05/03 هـ سجل تجاري رقم 1010927632 تاريخ الانتهاء 1449/03/15 هـ الرقم الموحد 920025832 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Technology Commercial Complex
BLK 24 & 25

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, 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 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 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

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none"> ▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052 ▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013 <ul style="list-style-type: none"> ▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

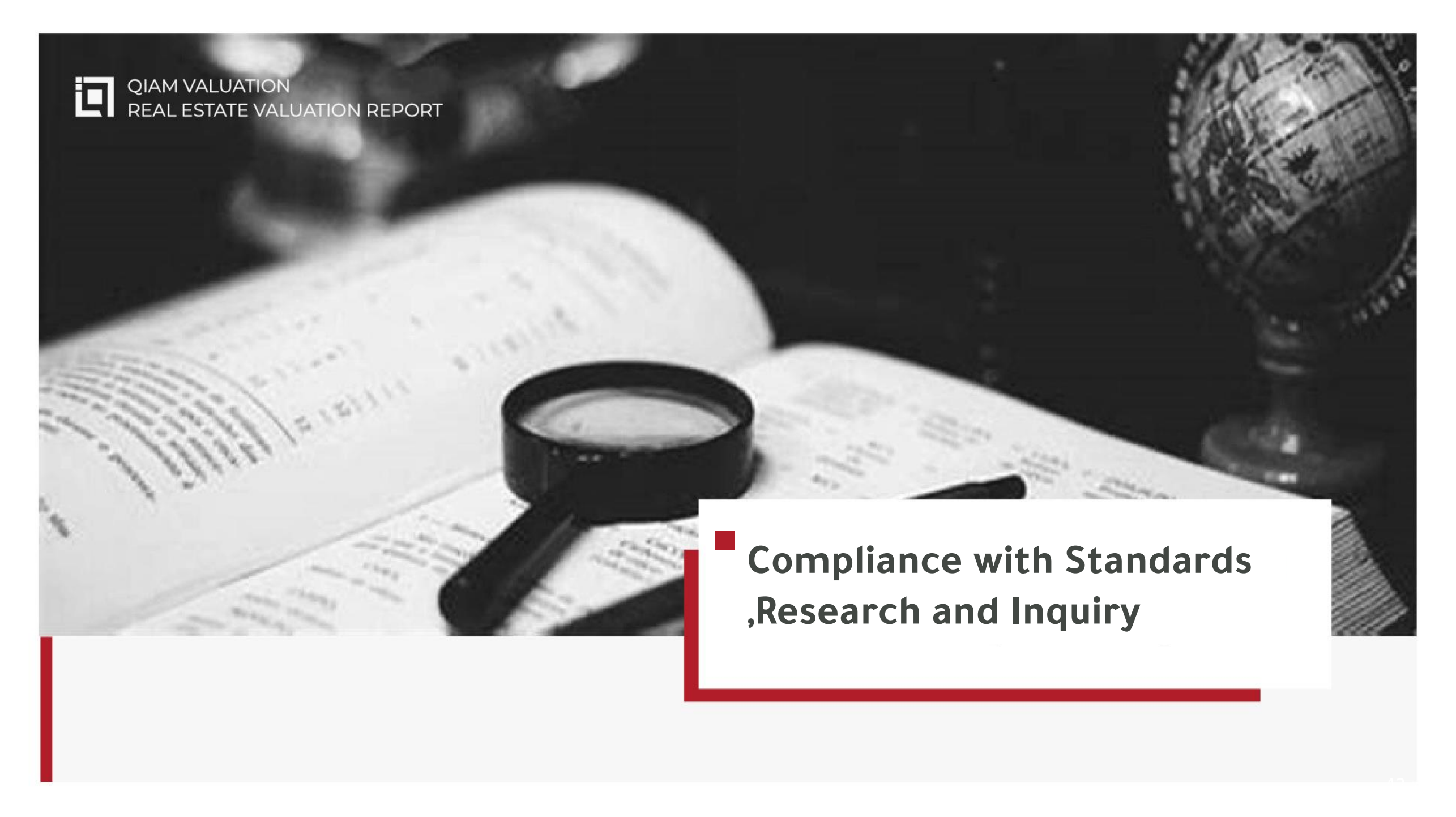
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ Site studies

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 Al 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 available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	South of the city
	Infrastructure	Completed
	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	Iron hangar	Paint - Iron Hangar	Epoxy casting - tiles
Windows	Health kits	Stairs	Insulation type
Double glazing	---	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Secret Glass - Iron Hanger	----	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.	Outdoor	Fire Detection Systems - Fire Hose for All Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al-Faisaliah**

Street: **Eastern Ring Road**

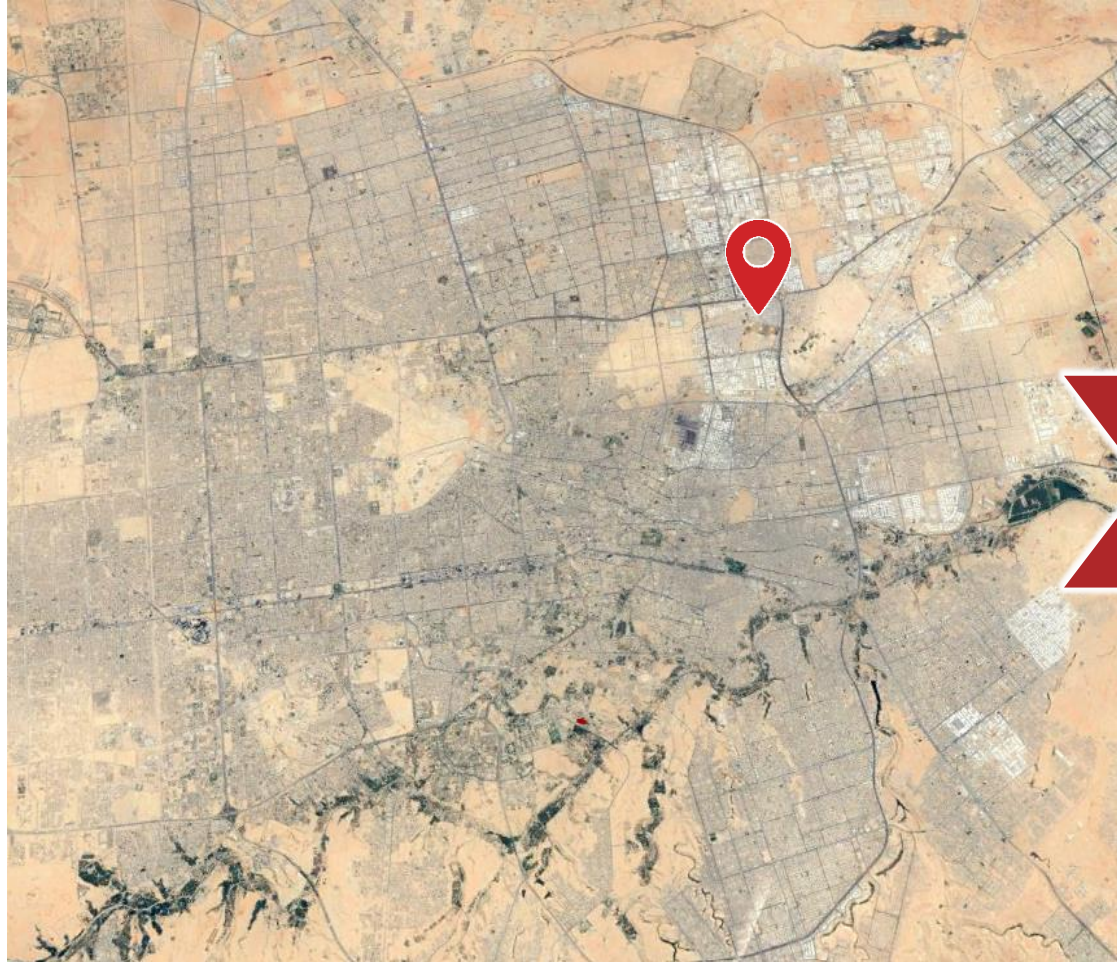
Location coordinates

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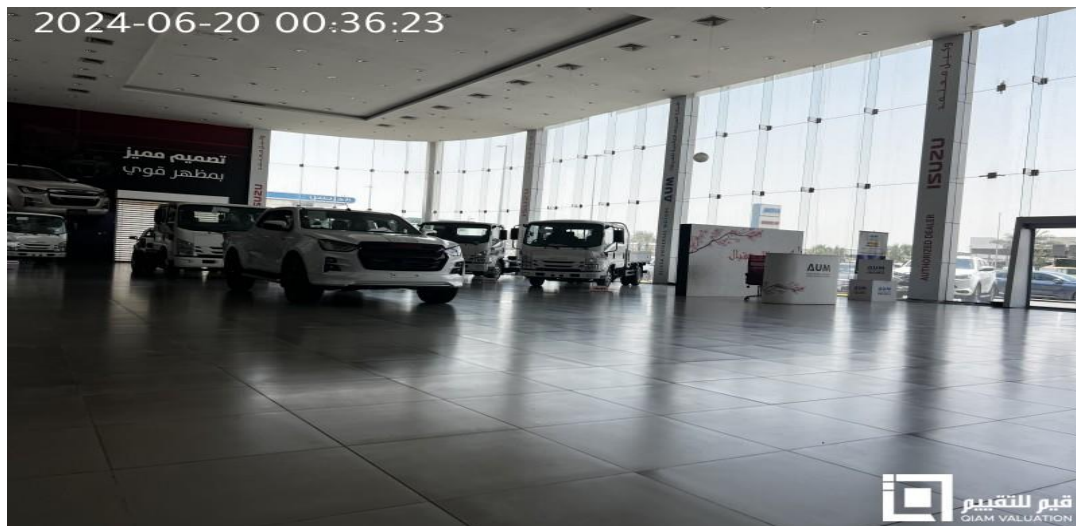
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46.798864



Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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

شركة قيم للتقييم - ترخيص رقم 1210000052 تاريخ الانتهاء 1447/05/03 هـ سجل تجاري رقم 1010927632 تاريخ الانتهاء 1449/03/15 هـ الرقم الموحد 920025832 - مكتب رقم 7 مبنى رقم 84

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 condition 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.

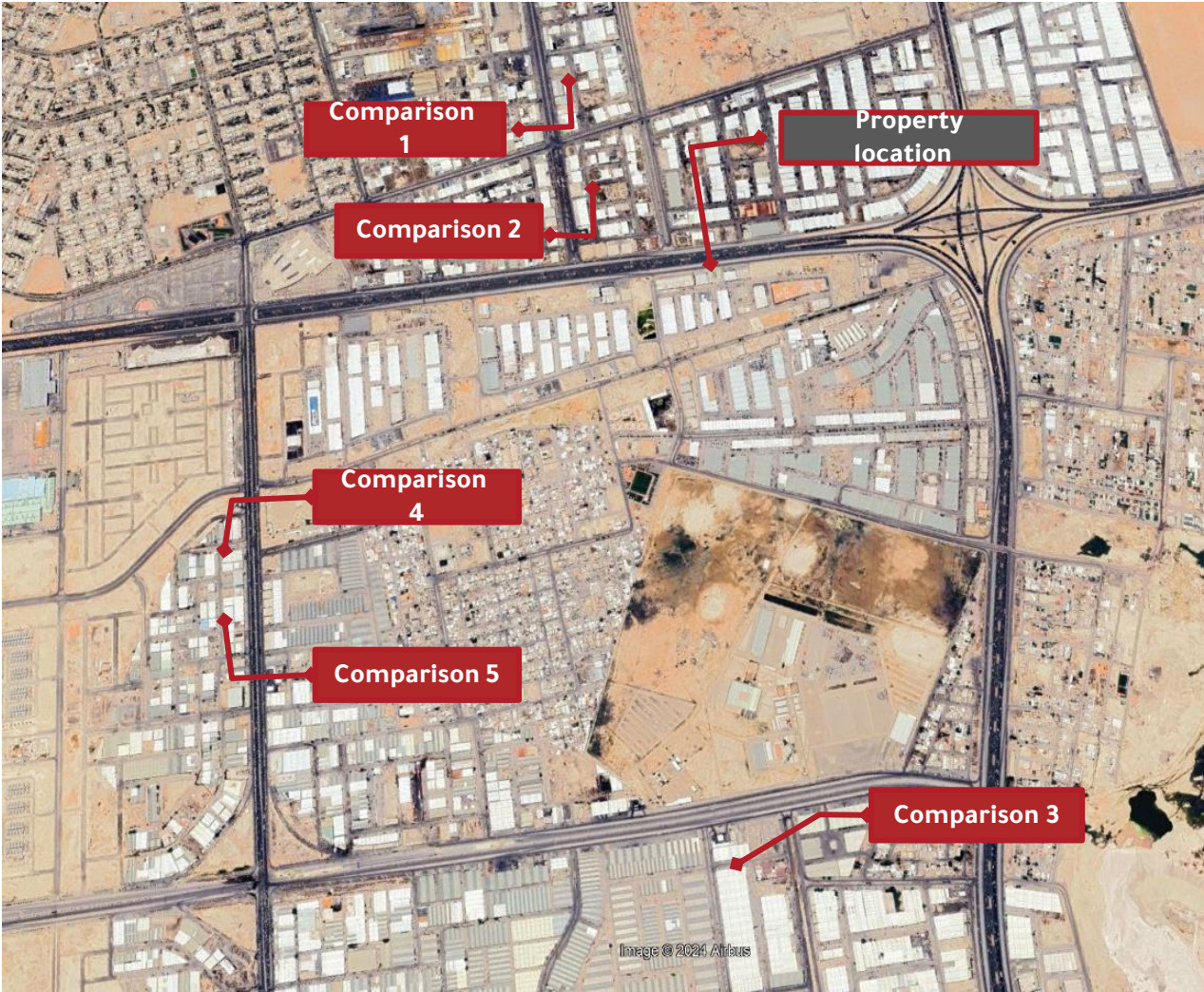
Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)			
Clause	Built up area m2	SR / m2	Value (SR)
Ground floor	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 (indirect)			
Professional fees	%2		156,480
Utilities Network	%2		156,480
Administration costs	%2		156,480
Financing costs (0 years / 0%)	%0		-
Developer's profitability	%15		1,173,600
Total (SR)			1,643,040
Total cost of buildings (SAR)			9,467,040

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 property according to the Cost Approach		
Final value of the land (SR)		27,445,500
Final value of buildings (SR)		7,100,280
Market value of the property according to the Cost Approach (SR)		34,545,780
Market value of the property according to the Cost Approach after rounding (SR)		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

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 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	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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	
Expected growth value		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	
Minus 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 building												
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	19,060,159
Net present value of the property												35,987,039

Final Property Value 35,987,039

Final Property Value (after rounding) 35,987,000

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)
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 1210000005



Appendix

Documents received from the client

المملكة العربية السعودية
وزارة الشؤون البلدية
أمانة منطقة الرياض
إدارة رخص البناء

رقم الرخصة: ١٤٣٢/١٧٨٦٤
تاريخ الرخصة: ١٤٣٢-١٠-٠٩
تاريخ الانتهاء: ١٤٣٥-١٠-٠٩
نوع الرخصة: تعديل مخططات البناء

أمانة منطقة الرياض
رقم رخص البناء: ١٤٣٤/٢٤١٧٣
التاريخ: ١٤٣٤-١٠-٠٩

رخصة بناء معارض تجارية

اسم المالك: شركة مجموعة عبد الطيف العمري المحدودة
رقم الترخيص: ١٠٠١٤٠٥١٤
تاريخه: ١٤١٠-١٠-١٧
مسقطه: ١٤٢٩-٧-٢٤
رقم المخطط التنظيمي: ٣٢٢١
رقم الشارع: ٢٥٩٢٠
حي النقصية
مساحة الأرض: ٢٦٠٠٠ م^٢
محيط الأسوار: م / ط
النطاق العمراني: مرحلة ١

الجهة: شمال
الحدود: ١٠
الإرتداد: ٤
الارتفاع: ١٠
العرض: ١٠
العمق: ١٠
العرض: ١٠
العمق: ١٠
العرض: ١٠
العمق: ١٠

مكونات البناء:
عدد الوحدات: ٢
المساحة: ١٥٩٨٠٠
نوع الاستخدام: تجاري
عدد الوحدات: ٢
المساحة: ٣٦٠٠٠٠
نوع الاستخدام: تجاري
عدد الوحدات: ٢
المساحة: ٢٠٠٠٠
نوع الاستخدام: غرفة كهرباء
عدد الوحدات: ١
المساحة: ١٢٠٠٠
نوع الاستخدام: خدمات

ملاحظات:

رقم الترخيص: ١٣٠٢
رقم المشروع: ١٣٠٢
رسم النظام: ١٣٠٢
مناشيب الشوارع المحيطة: مسكوي
سند الرسوم مبالغ وقدره: ريال بموجب الإيضاح رقم: ١٣٠٢
ملاحظات:

المالك: المهندس: بون مبالغ سداد: ٢٩٩٠٠٠٠ رقم القطورة: ٢٢٠١٢٩٨٧٢٢ تاريخ القطورة: ١٤٣٢-٠٩-١٩
الخريطة: خريطة عن اصدار: ١٣٠٢
ملاحظات:

١- بموجب الترخيص المسموح به (١٣٠٢/٢٤١٧٣) تاريخ ١٤٣٢-٠٩-١٩ الصادر من بلدية الرياض القديمة رقم ١٣٠٢-٠٩-١٩
٢- منطقة التقسيم رقم ١٣٠٢-٠٩-١٩
٣- تقسيم الفروع جهة الشارع الرئيسي: ١- اراضي المواقف بموجب اصدار المخططات من قبل مكتب دار الرخص لالتصاريح الهندسية والذي يمثل قطاع اراضي دار الرخص
٤- اراضي المواقف بطريق دائري الشرقي: ١- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
٥- اراضي المواقف
٦- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
٧- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
٨- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
٩- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٠- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١١- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٢- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٣- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٤- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٥- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٦- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٧- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٨- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
١٩- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩
٢٠- اراضي المواقف بموجب اصدار وزارة النقل رقم ٢٢٢١٧٢ تاريخ ١٤٣٢-٠٩-١٩

مدير إدارة الرخص: م/ علي بن أحمد التوي
م/ سليمان عبد الرحمن الفراج
م/ محمد بن أحمد التوي
م/ محمد بن أحمد التوي

يجب الالتزام بالشروط الموضحة خلف الرخصة

أي كسب أو شطب يلغى هذه الرخصة

رقم الصك: 693010005751
التاريخ: 1443/03/13 هـ

وزارة العدل
ابراهيم صر محمد الحسين
الرياض
ترخيص رقم 39/999

صك رهن

الجدد قد وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم 24 من المخطط رقم 3251 الواقع في حي النقصية بمدينة الرياض، و قطعة الأرض رقم 25 من المخطط رقم 3251 الواقع في حي النقصية بمدينة الرياض، و حدودها وأطرافها:
شمالاً: ممر مشاة عرض 10 م بطول 60 متراً
جنوباً: قطعة رقم 26 بطول 60 متراً
شرقاً: الدائري الشرقي عرض 100 متر بطول 100 متر
غرباً: شارع 25 م بطول 100 متر
ومساحتها 6000 متر مربعاً
المملوكة لشركة تعدين الأواشي الطاقية بموجب سجل تجاري رقم 1010896622
بموجب الصك الصادر من كتابة العدل برقم 710817003911 في 1442 / 11 / 24 قد تم رهنها وما القيم أو سيقم عليها من بناء لصالح / شركة تراجي للتطوير المعمورة بموجب سجل تجاري رقم 1010158240 ضمناً للقاء بـ 32553333 فقط اثنان و ثلاثون مليوناً وخمسة مائة و ثلاثة و خمسون ألفاً و ثلاثمائة و ثلاثة و ثلاثون ريالاً سعودياً لا غير. تسند على القسط شهرية عددها 1 قيمة كل قسط تاريخ حلول القسط 1443/03/14 سبب الرهن: أداء ضمان للوفاء بالمعنوية عقد رقم 22455468 ويقع للمصرف بيع العقار إذا تعثر المدين عن سداد المعنوية أو جزء منها قبل حلول كل الدين المضمون بالسداد على قسط واحد بمبلغ 32553333 ريال بتاريخ 2028-12-30م وفي حالة عدم السداد قلمتروهن بيع العقار بالقيمة التي تنتهي عندها الرغبات، واستيفاء مبالغ دة الرهن من مبلغ وما نقص يرجع فيه عليه بعد اكتمال مايلزم شرعاً وعليه جرى التصديق تحريراً في 13 / 03 / 1443 لا عواده، ووصلى الله على نبيينا محمد وآله وصحبه وسلم.

الموقع

الختم الرسمي

ابراهيم صر محمد الحسين

رقم قسماً 713

Documents received from the client

الأجرة السنوية للكهرباء:	-	Electricity Annual Amount:	-	الأجرة السنوية للغاز:	-	Gas Annual Amount:
الأجرة السنوية للمياه:	-	Water Annual Amount:	-	والتي تشمل على:	-	General Services Included:
الأجرة السنوية للخدمات العامة: (يُدخل ضمن القيمة الإيجارية لعقد الإيجار)	0.0	General Services Amount:	0.0	عدد دفعات الإيجار:	6	Number of Rent Payments:
دورة سداد الإيجار	نصف سنوي	Rent payment cycle	First rental payment: (includes deposit)	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	630000.00	VAT on rental value:
رقم التسجيل	310199293800003	tin_number	نوع الهوية	رقم الهوية أو السجل التجاري ID/CR Number		
القيمة السنوية للإيجار:	1400000.00	Annual Rent:	اجمالي قيمة العقد:	4630000.00	Total Contract value	
يشمل: القيمة الإيجارية، ومبلغ ضريبة القيمة المضافة -إن وجدت-، وقيمة الخدمات العامة والأجرة السنوية لـ الماء والكهرباء والمياه والصرف الصحي إذا تحدثت كمبالغ ثابتة).			الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونياً من خلال قنوات الدفع المتاحة	Approved payment methods		

١٣ جدول سداد الدفعات									
Rent Payments Schedule									
الرقم التسلسلي No.	قيمة الإيجار Rent value	قيمة القيمة المضافة VAT	قيمة المبالغ الإيجارية Total value	إجمالي القيمة الإيجارية Total value	تاريخ الإصدار Issued Date(AD)	تاريخ الاستحقاق Due Date(AD)	تاريخ الإصدار Issued Date(AH)	تاريخ الاستحقاق Due Date(AH)	تاريخ الإصدار Issued Date(AH)
1	700000.00	105000.00	805000.00	805000.00	2023-11-15	2023-11-25	1445-05-01	1445-05-11	1445-05-11
2	700000.00	105000.00	805000.00	805000.00	2024-05-15	2024-05-25	1445-11-07	1445-11-17	1445-11-17
3	700000.00	105000.00	805000.00	805000.00	2024-11-15	2024-11-25	1446-05-13	1446-05-23	1446-05-23
4	700000.00	105000.00	805000.00	805000.00	2025-05-15	2025-05-25	1446-11-17	1446-11-27	1446-11-27
5	700000.00	105000.00	805000.00	805000.00	2025-11-15	2025-11-25	1447-05-24	1447-06-04	1447-06-04
6	700000.00	105000.00	805000.00	805000.00	2026-05-15	2026-05-25	1447-11-28	1447-12-08	1447-12-08

قيمة إيجارية متغيرة سنوياً لـ

١٤ 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

١٥ مواد العقد									
Contract Terms									

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.



العقد التجاري الموحد
Unified Commercial Contract



يعتبر هذا العقد عقداً موثقاً وسليماً تنفيذاً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

١ بيانات العقد					
رقم سجل العقد:	20523819982 / 2	Contract No.	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	2023-08-14	Contract Sealing Date	مكان إبرام العقد:	الرياض	Contract Sealing Location
تاريخ بداية مدة الإيجار:	2023-11-15	Tenancy Start Date	تاريخ نهاية مدة الإيجار:	2026-11-14	Tenancy End Date
معلق بشروط	لا	Contract is conditional			

٢ بيانات المؤجر					
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة تميمين الدولي العقارية شركة شخص واحد	Company name/Founder
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد:	7010776792	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2017-10-04	CR Date

٣ بيانات مُمَثِّلِ المؤجر					
الاسم:	سلمان حسين بن يحيى معيدي	Name	الجنسية:	المملكة العربية السعودية	Nationality
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:	1073134924	ID No.
رقم الدوال:	+964556332153	Mobile No.	البريد الإلكتروني:	mualidis@mulkia.com.sa	Email
العنوان الوطني:		National Address			

٤ بيانات المستأجر					
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة يوسف بن احمد كاتو المحدودة	Company name/Founder
رقم السجل التجاري:	2050000443	CR No.	الرقم الموحد:	7000074570	Unified Number
جهة الإصدار:	كتابة عدل	Issued by	تاريخ السجل التجاري:	1957-08-11	CR Date

٥ بيانات مُمَثِّلِ المستأجر					
الاسم:	رامي محمد سعيد مساعد الجدعاني	Name			

Documents received from the client

Unit Finishing Fee (Not included in total contract amount):	0.0	ريال لكل متر مربع من مساحة الوحدة الإيجارية	مبلغ تجهيز الوحدة الإيجارية (لا يدخل ضمن القيمة الإجمالية لعقد الإيجار)
Retainer Fee (Included in total contract amount):	0.0		مبلغ العروون المتفق عليه (يدخل ضمن القيمة الإجمالية لعقد الإيجار):
Gas Annual Amount:	0	الأجرة السنوية للغاز:	Electricity Annual Amount: 0
			الأجرة السنوية للكهرباء:
Water Annual Amount:	0		الأجرة السنوية 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
			دورة سداد الإيجار
VAT on rental value:	540000.0	مبلغ ضريبة القيمة المضافة على القيمة الإيجارية:	First rental payment: (Includes deposit) 690000.0
			دفعه الإيجار الأولى:
		رقم الهوية أو السجل التجاري ID/CR Number	الرقم الضريبي Vat number
		1010896622	310199293800003
		Annual Rent:	1200000.0
			القيمة السنوية للإيجار:
Total Contract value	4140000.0		إجمالي قيمة العقد:
			يشمل: القيمة الإيجارية، ومبلغ العروون، ومبلغ ضريبة القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية للغاز والكهرباء، والمياه والصرف الصحي (إذا وجدت كميالغ ثابتة) .
Approved payment methods		الدفع عن طريق الوسيط العقاري/المؤجر أو الدفع إلكترونيا من خلال قنوات الدفع المتاحة	طرق الدفع المعتمدة

13 جدول سداد الدفعات Rent Payments Schedule									
تاريخ التسليم المستحق	تاريخ الإصدار	تاريخ التسليم المستحق	تاريخ الإصدار	إجمالي القيمة	قيمة المبلغ المتبقي	قيمة الضريبة	قيمة المبلغ المتبقي	رقم الفاتورة	الترتيب
Due Date(AH)	Issued Date(AH)	Due Date(AD)	Issued Date(AD)	Total value	Services	VAT	Rent value	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 -

Parties Obligations

يتم تحديد الطرف الذي يتحمل الالتزامات التالية بالاختيار بين (المستأجر / المؤجر)
تحويل التزامات الأطراف بعد تحديد ما إلى المادة الخامسة تحت (الالتزامات المؤجر / التزامات المستأجر / أحكام عامة)

4



وزارة الإسكان

المملكة العربية السعودية



إيجار

EJAR

العقد الموحد

التجاري Unified

Contract Contract



يعتبر هذا العقد عقدًا موثقًا وسدًا تنفيذيًا بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

1 بيانات العقد

Contract Data

رقم سجل العقد:	Contract No.	20734008182	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	Contract Sealing Date	2021-10-10	مكان إبرام العقد:	الرياض	Contract Sealing Location
تاريخ بداية مدة الإيجار:	Tenancy Start Date	2021-12-22	تاريخ نهاية مدة الإيجار:	2024-12-21	Tenancy End Date
معلق بشرط	نعم		Contract is conditional		

الشروط المعلق عليه بداية الإيجار: العقد معلق بدفع الإيجار

طريقة دفع رسوم العقد:	المؤجر	Ejar Fees Paid By
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2 بيانات المؤجر

Lessor Data

نوع المنظمة:	commercial	Organization Type	اسم الشركة/المؤسسة:	شركة تمدين النوى العقارية	Company name/Founder
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد:	7010776792	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2017-10-04	CR Date

3 بيانات ممثل المؤجر

Lessor Representative Data

الاسم:	سلمان حسين بن يحيى معيدي	Name
الجنسية:	المملكة العربية السعودية	Nationality
نوع الهوية:	هوية وطنية	ID Type
رقم الجوال:	+966556332153	Mobile No.
	البريد الإلكتروني:	muaidis@mulksa.com.sa
العنوان الوطني:	الرياض، الرياض	National Address
رقم سند التمثيل Number	نوع المستند Type	تاريخ الإصدار Issue Date
43661903	وكالة شرعية إلكترونية	2021-09-16
		تاريخ الانتهاء Expiry Date
		2022-09-05

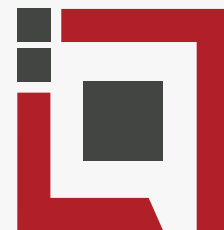
4 بيانات المستأجر

Tenant Data

نوع المنظمة:	commercial	Organization Type	اسم الشركة/المؤسسة:	شركة العيسى العالمية للسيارات	Company name/Founder
رقم السجل التجاري:	1010269251	CR No.	الرقم الموحد:	7001751077	Unified Number

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General Administration

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Vivienda Hotel Villas

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 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 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

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none">▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013<ul style="list-style-type: none">▪ Turki Saeed Al-Wadaei - Associate Member - Real Estate - 1210002981
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

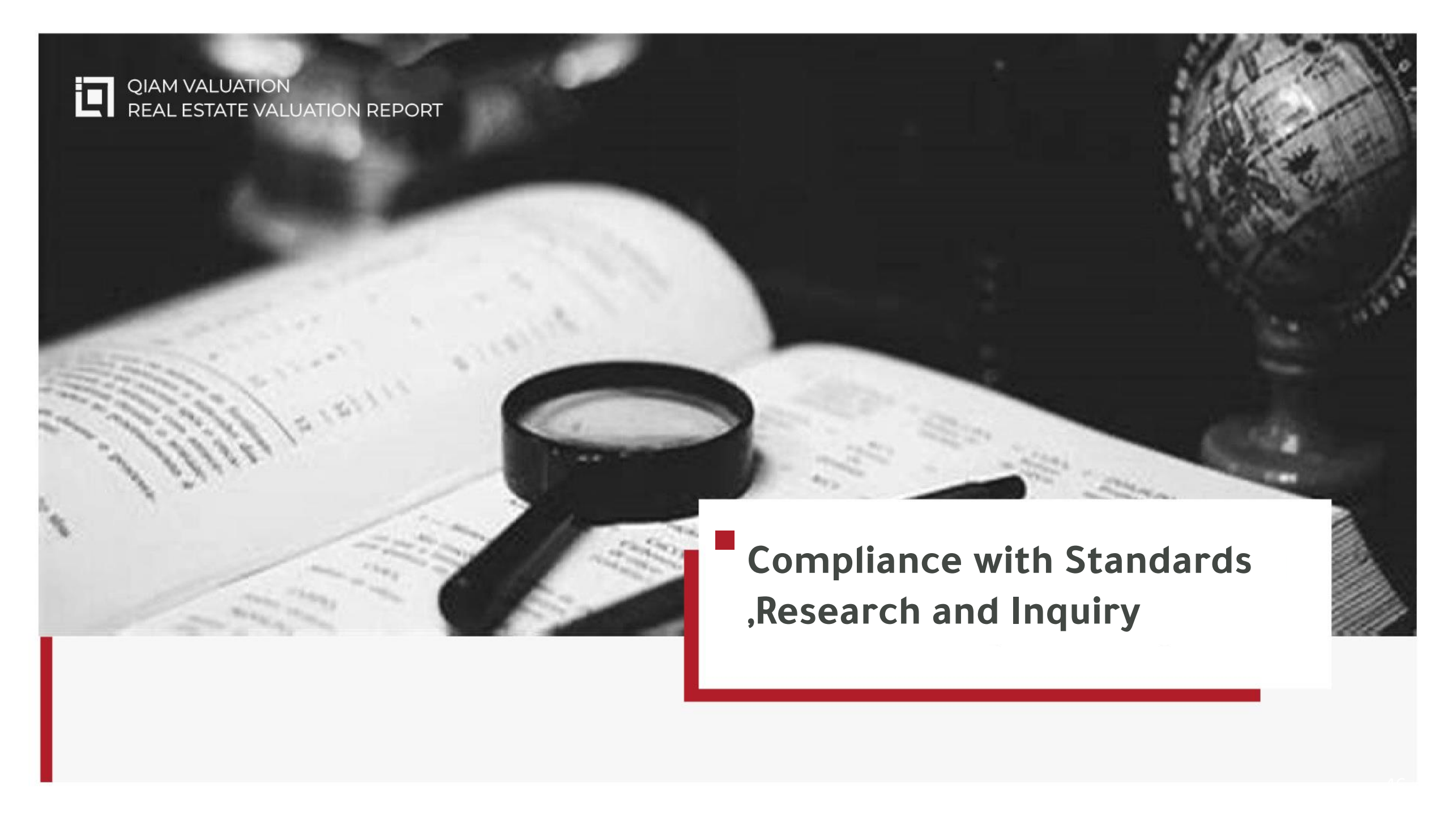
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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.



- **Overview of the economy and the real estate sector in Riyadh city**

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

Social and service indicators:

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

Real estate indicators:

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

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 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 Al 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-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 available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	Midwest City
	Infrastructure	Completed
	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.

- 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 wood	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain
Windows	Health kits	Stairs	Insulation type
Aluminum and double glazing	High quality	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Stone - Paint	Cosmetic implants	Electric Securit Glass	Marble

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.	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Riyadh**

Neighborhood: **Al-Hada**

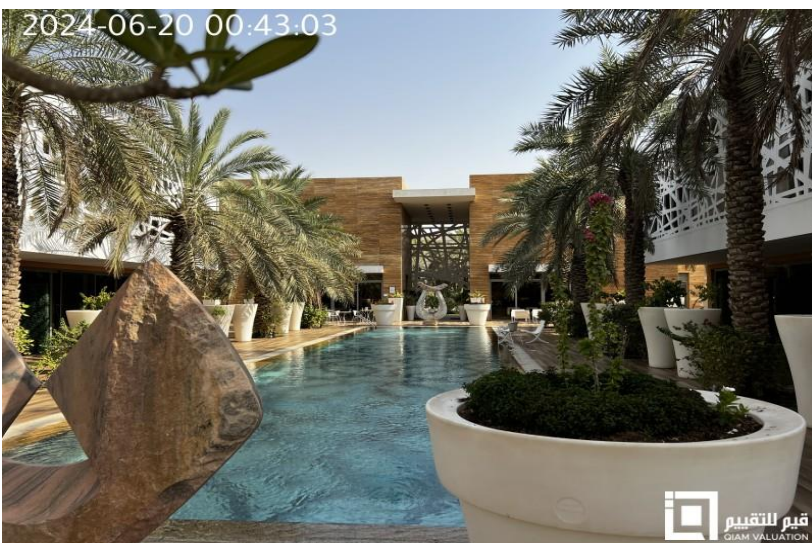
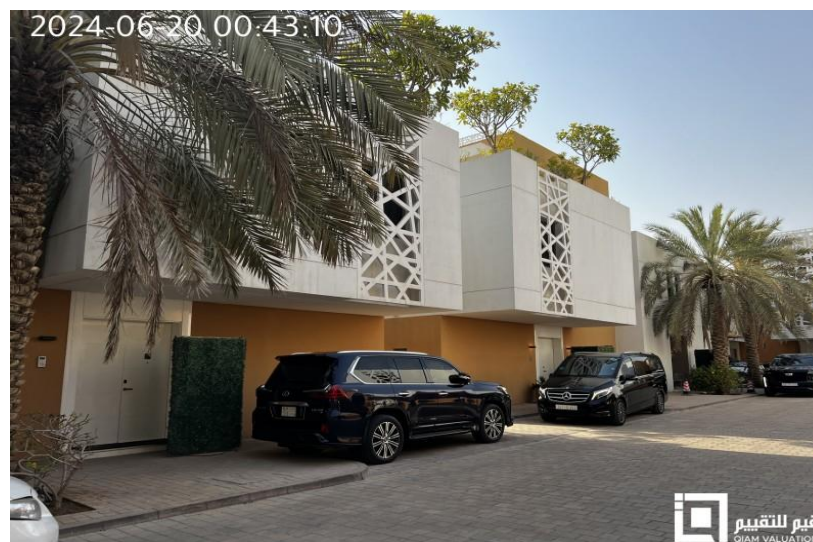
Street: **King Saud Road**

Location coordinates

N :	24.65039	E :	46.6478
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Photographic survey of the Property





Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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

Valuating the land according to Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	5,200		5,600	
Condition	***	Available offer		Available offer	
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	%13-	3,250	%7-
Ease of access	High	Average	%5	Average	%5
Property location	High	Average	%0	Average	%0
Land shape	Flat	Flat	%0	Flat	%0
Land topography	Regular	Regular	%0	Regular	%0
Land use	Commercial Residential	Residential	%10	Residential	%10
Surrounding streets	3	1	%10	3	%0
Total		%12.50		%8.00	
Adjustment value per square meter		585		403	
Final meter value after Adjustments		5,265		5,443	
Net average value per square meter (SR / m²)			5,354		
Market value of the land (SR / m²)			53,541,000		



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 condition 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.

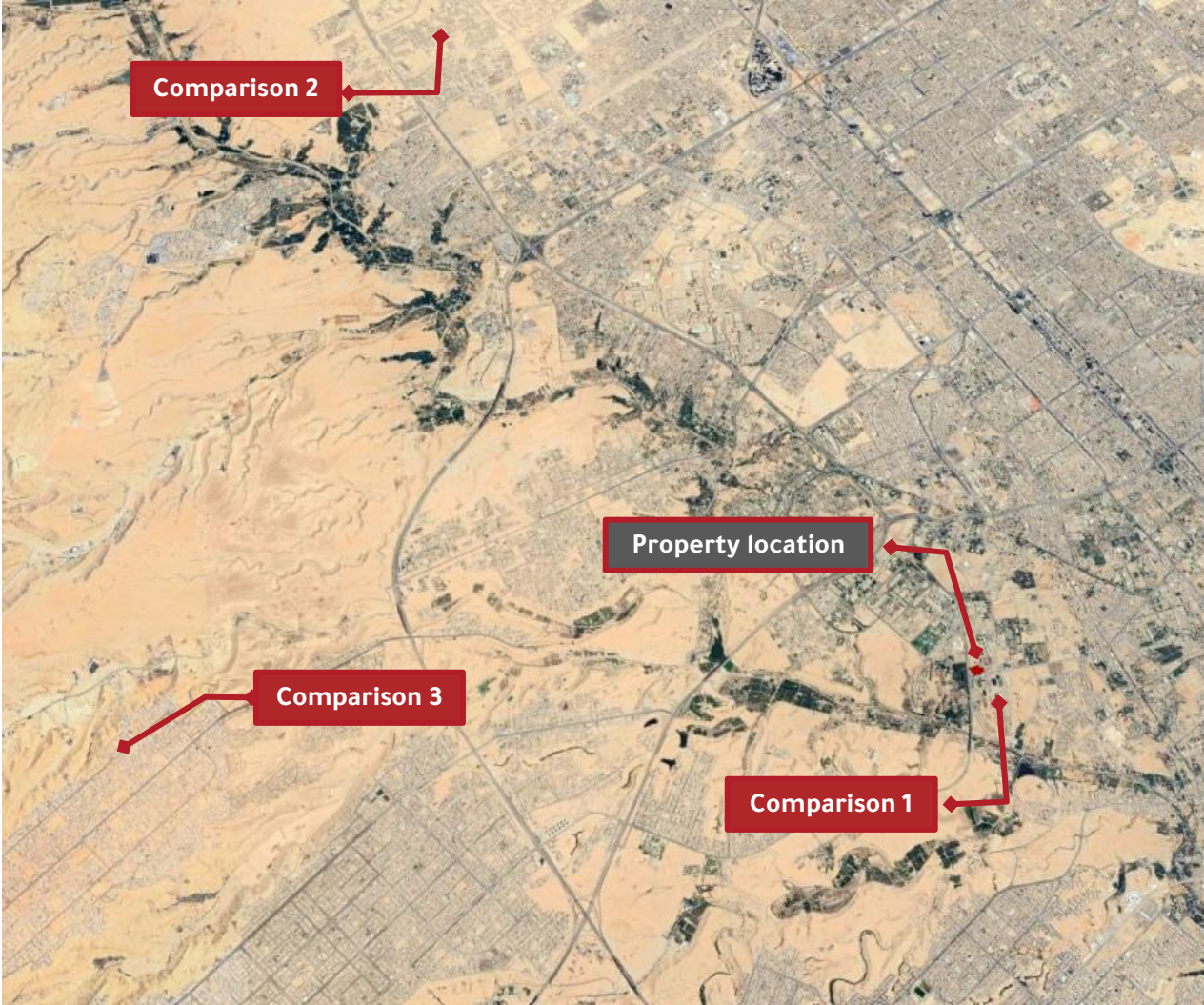
Surrounding streets: The location affects the value of real estate directly if it is on one or two streets, as well as the views it provides and the provision of various advantages. Accordingly, a rate of 5% was assumed for each difference for one street.

Property Valuation - Cost Approach - Replacement Method

First: Construction Costs (Direct Costs)			
Clause	Built up area m2	SR / m2	Value (SR)
Basement	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 (indirect)			
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
Total (SR)			7,722,089
Total cost of buildings (SAR)			44,493,939

Third: 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 building (SR)		37,374,908
Fourth: Value of the property according to the Cost Approach		
Final value of the land (SR)		53,541,000
Final value of buildings (SR)		37,374,908
Market value of the property according to the Cost Approach (SR)		90,915,908
Market value of the property according to the Cost Approach after rounding (SR)		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

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 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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	
Expected growth value		%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	%0	-	-	-	-	-	-	-	-	-	-	
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	

Reversion value of the building

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

Final Property Value	135,689,569
Final Property Value (after rounding)	135,690,000

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 riyls

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 1210000005



Appendix

Documents received from the client

[illegible]

رقم الصك: 393010004592
التاريخ: 1442/11/12 هـ

وزارة العدل
ابراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

صك رهن

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

فإن قطعة الأرض رقم 1 / 5 الواقعة في حي الهادي بمدينة الرياض، وحدودها واطوالها :

شمالاً: شارع عرض 20م بطول 97.88 سبعة وتسعون متر وثمانية وثمانون سنتيمتر

جنوباً: شارع عرض 40 متر بطول 98.42 ثمانية وتسعون متر واثنتين وأربعون سنتيمتر

شرقاً: شارع عرض 20 متر بطول 97 سبعة وتسعون متر

غرباً: قطعة رقم 1 / 6 بطول 107.35 ستة وسبعة وأربع وخمسة وثلاثون سنتيمتر

وساحتها 10000 عشرة آلاف متر مربعاً المجازة مع المخطط رقم 1829 في 1 / 11 / 1422هـ والمقدّر برقم 31 / 725 في 4 / 1431هـ. المملوكة لشركة تدعى الأولى العقارية بموجب سجل تجاري رقم 1010896622 بموجب الضمان الصادر من الموثقين بالرياض برقم 20679 برقم 3935980027 في 2 / 7 / 1442 م سجل رهنها ما أقيم أو سبقه عليها من بناء لصالح / شركة / الراجي للتطوير المحدودة بموجب سجل تجاري رقم 1010158249 ضماناً للقرض بـ 48638419 فقط ثمانية وأربعون مليوناً وستة وثمانية وثلاثون ألفاً واربعمائة وتسعة عشر ريالاً سعوديً لا قيمة له كسقط

وسلمناه وثمانية وثلاثون ألفاً واربعمائة وتسعة عشر ريالاً سعوديً لا قيمة له كسقط

48638419 فقط ثمانية وأربعون مليوناً وستة وثمانية وثلاثون ألفاً واربعمائة وتسعة عشر ريالاً سعوديً لا قيمة له كسقط تاريخ حلول

القرض 1442/11/13 سبب الرهن: كتمان ما وجد عليه من مستحقات الديون بمبلغ وقرره (48638419) لصالح شركة / الراجي للتطوير المحدودة على أن يكون المالك على سبب وثائق بتاريخ 2027-12-30 وفي حالة عدم

الرجوع للمقرن بعد شهر البعالة التي تنتهي عندها الرغبات. واستيفاء الرهن في مبالغ ومقتضى يرجع فيه عليه بعد

تكمال مزاياها شرعاً. عليه غير التصديق تحريراً في 1442 / 11 / 12 لاعتماده، ووصلني الله على نبينا محمد وآله وصحبه وسلم.

الموثق
الشيخ الرسمي
ابراهيم عمر محمد الحسين

الرقم التمسعي: 2778

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
1454/01/28	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

١٢. الزراعات الطرقيين

يتم تحديد الطرف الذي يحمل التزامات التالية بـ (المستأجر / الموفر)

تحويل التزامات الأطراف بعد تعديلها إلى المدة الخامسة تحت (الالتزامات الموفرة / التزامات المستأجر / أحكام عامة)

١٣. موارد العقد

المادة الأولى: البيانات السابقة على التزامات الأطراف

تعد البيانات السابقة على التزامات الأطراف والمحددة في البنود من (12-11) جزءاً لا يتجزأ من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

تقع الموفرة والمستأجر بموجب هذا العقد على تأجير الوحدة الإيجارية المحددة بالبنود رقم (7) وفقاً للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد، ويقر المستأجر بمقابلته للوحدة الإيجارية وقبوله للتعاقب حسب الأوصاف المذكورة، وأنها ماثلة للنشاط التجاري المعلق عليه في البند رقم (8).

المادة الثالثة: مدة الإيجار وتجديد العقد

٢-٤ مدة هذا العقد (6209) يوماً تبدأ من تاريخ 2020-10-28 الموافق 1442/03/11 هـ وتنتهي بتاريخ 2037-10-27 الموافق 1459/09/18 هـ. وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

رقم (المستأجر)	رقم الإيجار	رقم الإيجار	تاريخ الاستحقاق (هـ)	تاريخ الإصدار (هـ)	القيمة (هـ)	رقم الحساب	رقم الحساب	رقم الحساب
1442/03/11	1442/02/26	2020-10-28	2020-10-13	3144531.25	-	410156.25	2734375.00	1
1442/06/15	1442/05/29	2021-01-28	2021-01-13	3144531.25	-	410156.25	2734375.00	2
1442/09/16	1442/09/01	2021-04-28	2021-04-13	3144531.25	-	410156.25	2734375.00	3
1442/12/18	1442/12/03	2021-07-28	2021-07-13	3144531.25	-	410156.25	2734375.00	4
1443/03/22	1443/03/07	2021-10-28	2021-10-13	3144531.25	-	410156.25	2734375.00	5
1443/06/25	1443/06/10	2022-01-28	2022-01-13	3144531.25	-	410156.25	2734375.00	6
1443/09/27	1443/09/12	2022-04-28	2022-04-13	3144531.25	-	410156.25	2734375.00	7
1443/12/29	1443/12/14	2022-07-28	2022-07-13	3144531.25	-	410156.25	2734375.00	8
1444/04/03	1444/03/17	2022-10-28	2022-10-13	3364648.15	-	438867.15	2925781.00	9
1444/07/06	1444/06/20	2023-01-28	2023-01-13	3364648.15	-	438867.15	2925781.00	10
1444/10/08	1444/09/22	2023-04-28	2023-04-13	3364648.15	-	438867.15	2925781.00	11
1445/01/10	1444/12/25	2023-07-28	2023-07-13	3364648.15	-	438867.15	2925781.00	12
1445/04/13	1445/03/28	2023-10-28	2023-10-13	3364648.15	-	438867.15	2925781.00	13
1445/07/16	1445/07/01	2024-01-28	2024-01-13	3364648.15	-	438867.15	2925781.00	14
1445/10/19	1445/10/04	2024-04-28	2024-04-13	3364648.15	-	438867.15	2925781.00	15
1446/01/22	1446/01/07	2024-07-28	2024-07-13	3364648.15	-	438867.15	2925781.00	16
1446/04/25	1446/04/10	2024-10-28	2024-10-13	3364648.15	-	438867.15	2925781.00	17
1446/07/28	1446/07/13	2025-01-28	2025-01-13	3364648.15	-	438867.15	2925781.00	18
1446/10/30	1446/10/15	2025-04-28	2025-04-13	3364648.15	-	438867.15	2925781.00	19
1447/02/03	1447/01/18	2025-07-28	2025-07-13	3364648.15	-	438867.15	2925781.00	20
1447/05/06	1447/04/21	2025-10-28	2025-10-13	3364648.15	-	438867.15	2925781.00	21
1447/08/09	1447/07/24	2026-01-28	2026-01-13	3364648.15	-	438867.15	2925781.00	22
1447/11/11	1447/10/25	2026-04-28	2026-04-13	3364648.15	-	438867.15	2925781.00	23
1448/02/14	1448/01/28	2026-07-28	2026-07-13	3364648.15	-	438867.15	2925781.00	24
1448/05/17	1448/05/02	2026-10-28	2026-10-13	3364648.15	-	438867.15	2925781.00	25
1448/08/20	1448/08/05	2027-01-28	2027-01-13	3364648.15	-	438867.15	2925781.00	26
1448/11/21	1448/11/06	2027-04-28	2027-04-13	3364648.15	-	438867.15	2925781.00	27
1449/02/24	1449/02/09	2027-07-28	2027-07-13	3364648.15	-	438867.15	2925781.00	28
1449/05/28	1449/05/13	2027-10-28	2027-10-13	3600173.90	-	469587.90	3130586.00	29
1449/09/01	1449/08/16	2028-01-28	2028-01-13	3600173.90	-	469587.90	3130586.00	30
1449/12/03	1449/11/18	2028-04-28	2028-04-13	3600173.90	-	469587.90	3130586.00	31
1450/03/06	1450/02/20	2028-07-28	2028-07-13	3600173.90	-	469587.90	3130586.00	32
1450/06/10	1450/05/24	2028-10-28	2028-10-13	3600173.90	-	469587.90	3130586.00	33
1450/09/13	1450/08/28	2029-01-28	2029-01-13	3600173.90	-	469587.90	3130586.00	34
1450/12/14	1450/11/29	2029-04-28	2029-04-13	3600173.90	-	469587.90	3130586.00	35
1451/03/16	1451/03/01	2029-07-28	2029-07-13	3600173.90	-	469587.90	3130586.00	36
1451/06/20	1451/06/05	2029-10-28	2029-10-13	3600173.90	-	469587.90	3130586.00	37
1451/09/24	1451/09/09	2030-01-28	2030-01-13	3600173.90	-	469587.90	3130586.00	38
1451/12/25	1451/12/10	2030-04-28	2030-04-13	3600173.90	-	469587.90	3130586.00	39
1452/03/27	1452/03/12	2030-07-28	2030-07-13	3600173.90	-	469587.90	3130586.00	40

العقد الموحد
Commercial Contract

وزارة الإسكان
Ministry of Housing

إيجار
EJAR

يعتبر هذا العقد علناً موثقاً وسيداً تطبيقياً بموجب قرار مجلس الوزراء رقم (١٣٣٥/١٣) وتاريخ ١٤٣٥/١٣ هـ

بنود العقد

١. بيانات العقد

رقم سجل العقد	300002468668 / 1-0	نوع العقد	جديد
تاريخ إبرام العقد	2021-03-15	مكان إبرام العقد	الرياض
تاريخ بداية مدة الإيجار	2020-10-28	تاريخ نهاية مدة الإيجار	2037-10-27
معلق بشرط	لا		
الشرط المعلق عليه بداية الإيجار:	-		
طريقة دفع رسوم العقد:	الدفع عن طريق رصيد الوسيط العقاري		

٢. بيانات المؤجر

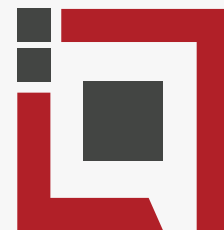
الاسم	شركة تمدين الأولى العقارية ويمثلها سلمان حسين بن بجوي معدي
الجنسية	السعودية
رقم الهوية	1073134924
رقم الهاتف	4
رقم الدوال	00966556332153
الموقع الوطني	البريد الإلكتروني muaidis@mulkia.com.sa
رقم الوثيقة	2239 ، الامير محمد بن عبدالعزيز ، العليا ، الرياض ، -
تاريخ إصدار الوثيقة	411561630
تاريخ انتهاء الوثيقة	1441/07/15
تاريخ انتهاء الوثيقة	1446/09/10

٣. بيانات المستأجر

اسم الشركة/المؤسسة:	شركة فرص للاستثمار والتطوير العقاري مساهمة محفلة
رقم السجل التجاري:	1010223681
رقم الرخصة:	1427/09/04
البريد الإلكتروني:	-
الموقع الوطني:	-
اسم مالك المؤسسة	محمد صالح حمد المالك
الجنسية	السعودية
رقم الهوية	1012971949
رقم الدوال	00966544666333
الموقع الوطني	البريد الإلكتروني almalik@forus.com.sa
بيانات ممثل المستأجر:	7315 ، الملك فهد ، العليا ، الرياض ، -
المستأجر ممثل لنفسه	

٤. بيانات المنشأة العقارية والوسيط

اسم المنشأة العقارية



General Administration

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Dinar Commercial Building

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

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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	▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052 ▪ Salem Al Fai' - Real estate-Basic Follow- Membership No 1210000013 ▪Walid Qalisi' - Real estate-Basic Follow- Membership No 1220001145
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

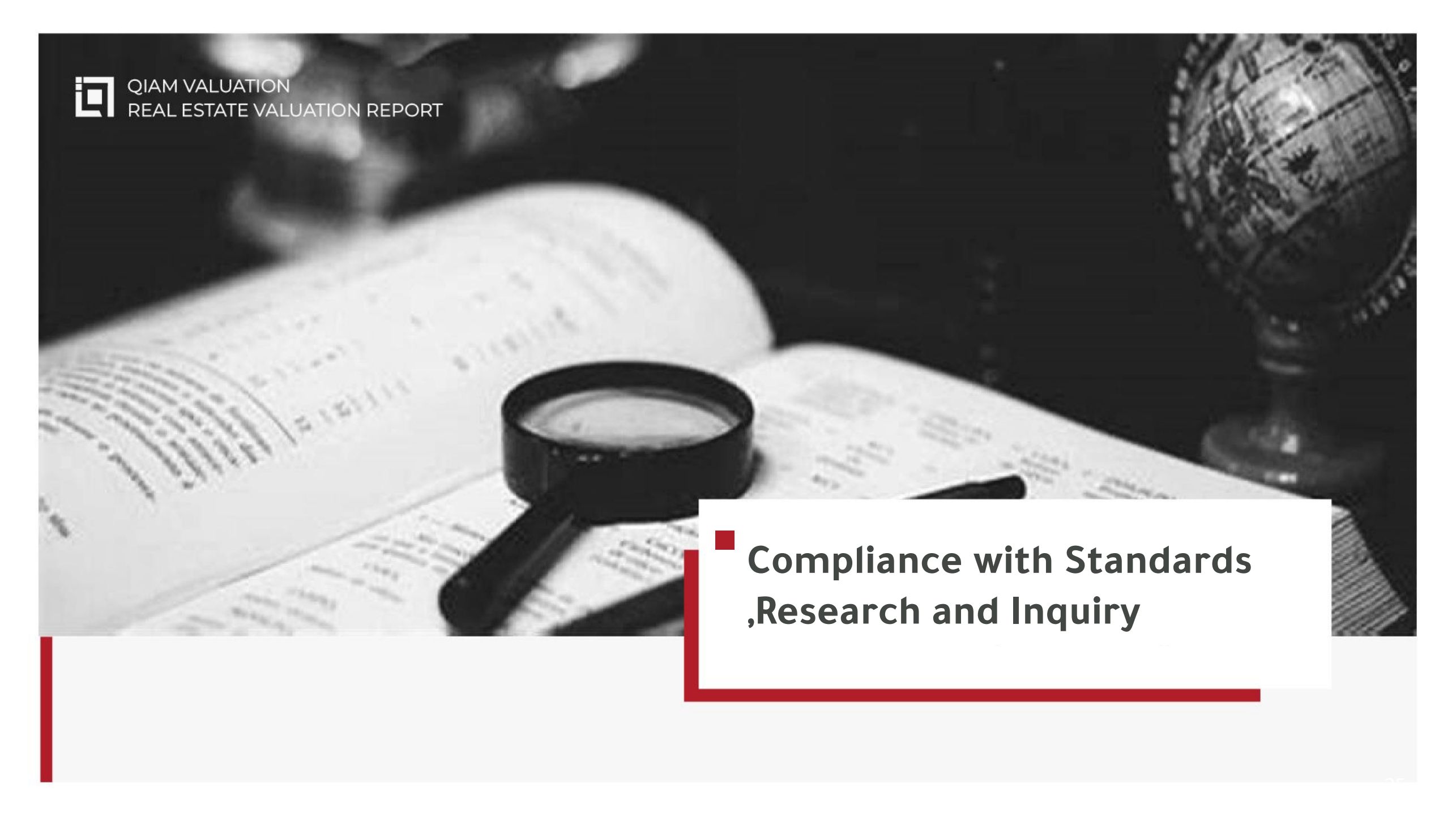
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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

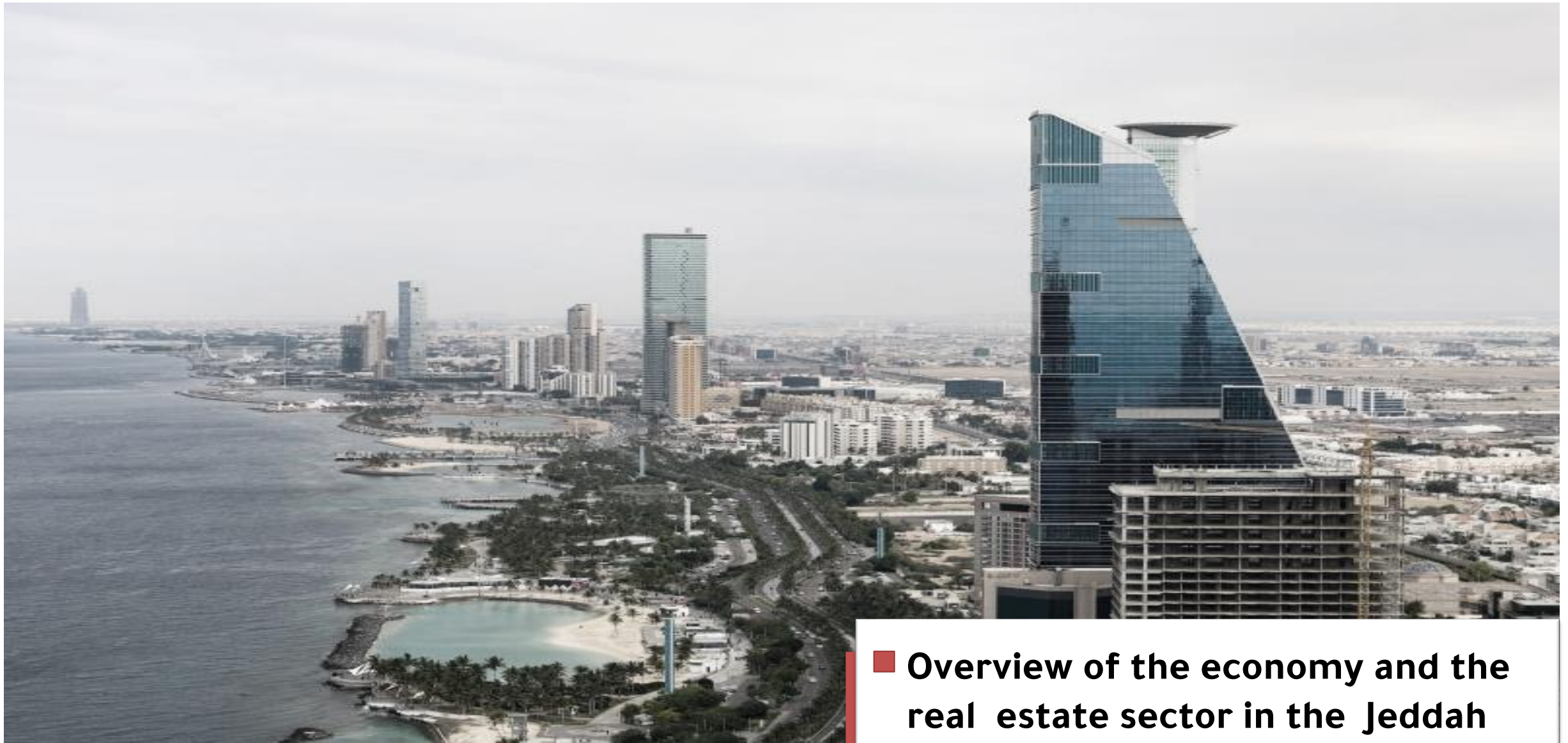
- The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the 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.



- **Overview of the economy and the real estate sector in the Jeddah city**

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

Social and service indicators:

<div>470</div> <div>Public and private school</div>	<div>14</div> <div>University and College</div>	<div>+45ML</div> <div>Traveler</div>	<div>1,215ML</div> <div>Size of the workforce</div>	<div>4,7ML</div> <div>Population</div>	<div>770KM</div> <div>Area</div>
<div>2</div> <div>Ports</div>	<div>3</div> <div>Airports</div>	<div>+300</div> <div>Markets and malls</div>	<div>1457</div> <div>Factory</div>	<div>52</div> <div>Hospitals</div>	<div>+7.8K</div> <div>Tourist and visitor</div>

Real estate indicators:

+2,8Billion Total value of leasing transactions	+83,5K Rental deal	+55Billion Total value of the deals	+91K Executed transaction
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Social, service and real estate indicators - Jeddah City - 2023 AD

Hospitality sector indicators:

62% Occupancy	+16K Hotel room	94 Number of hotels	25 5 Star Class	27 4 Star Class	42 3 Star Class
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Administrative sector indicators:

82% Occupancy	+300SR Average value of a rental meter C class	+600SR Average value of a rental meter B class	+1000SR Average value of a rental meter A class	+1,250ML Commercial rental space/m2
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Administrative sector indicators:

80% Occupancy	+900SR Average value of a rental meter C class	+1500SR Average value of a rental meter B class	+2600SR Average value of a rental meter A class	+2ML Commercial rental space/m2
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Site studies

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.

Weak points:

- Risks of changing the building system in the property area.

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.

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	ع / 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 Al 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	ع / 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
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	West of the city
	Infrastructure	Completed
	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 wood	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain
Windows	Health kits	Stairs	Insulation type
Aluminum and double glazing	High quality	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
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
N.A.	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Jeddah**

Neighborhood: **Al-Zahraa**

Street: **Prince Sultan Road**

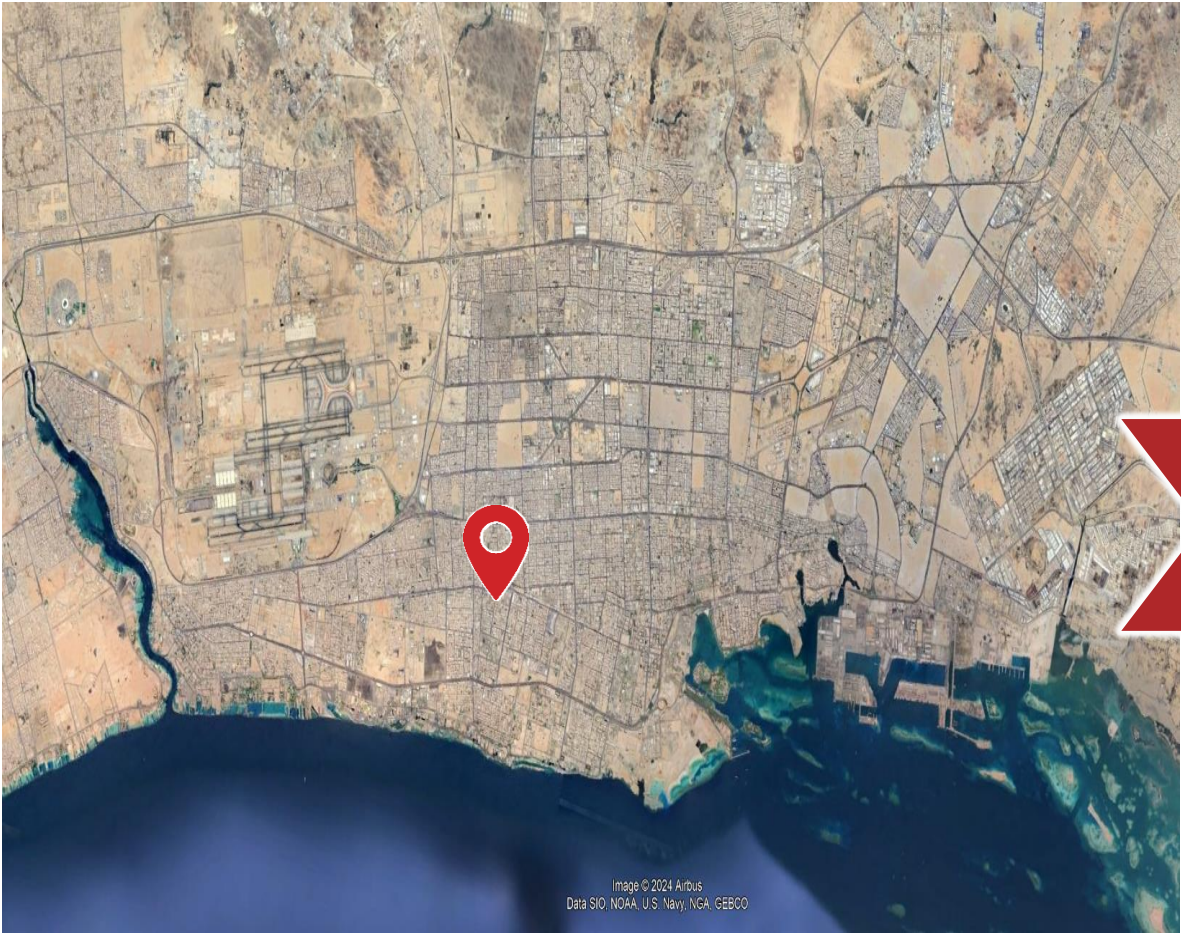
Location coordinates

N :

21.60216

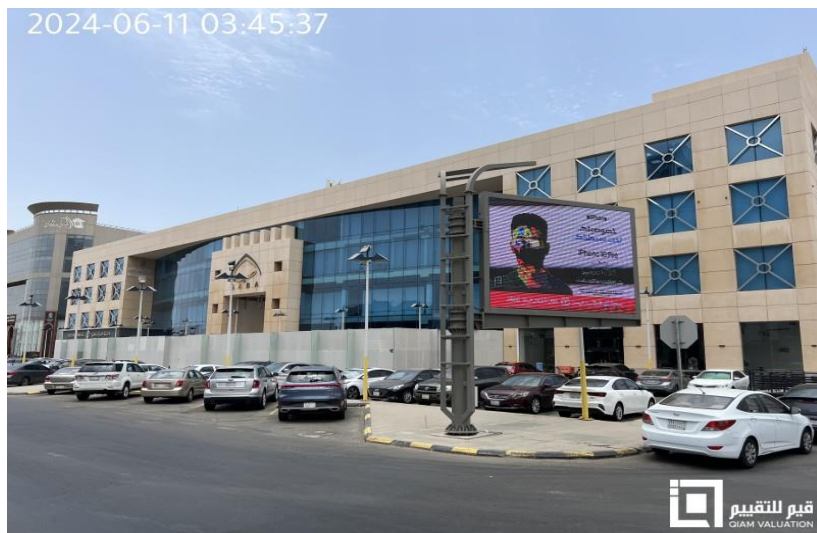
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39.14234



Photographic survey of the Property

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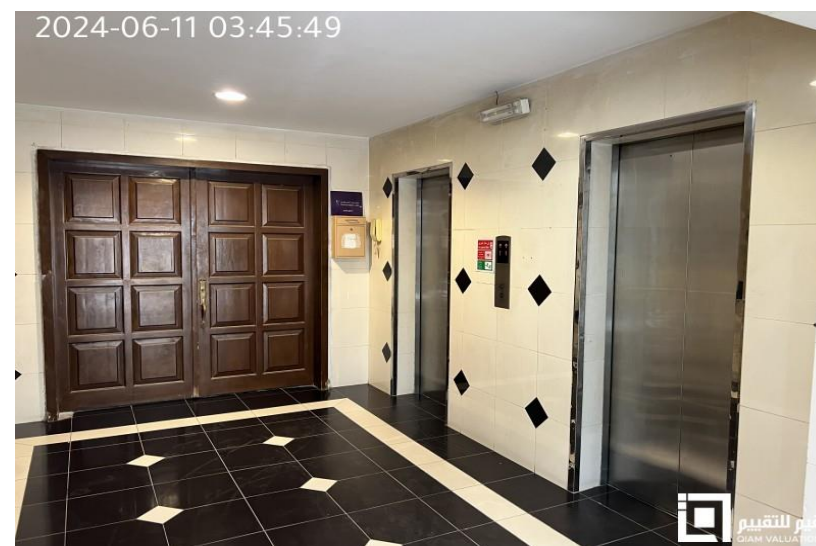
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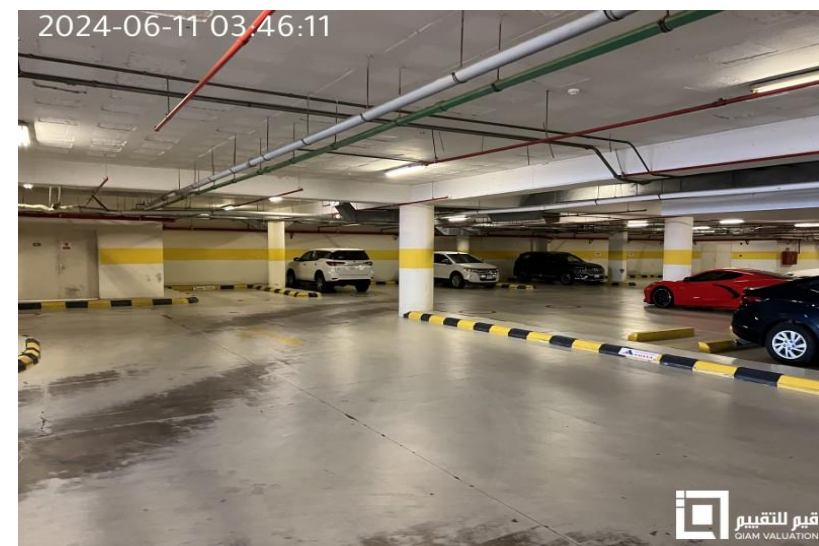
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Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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		
Comparison factors	Comparison 1	Comparison 2
Area (m2)	1,050	1,120
Ease of access	High	High
Property location	High	Average
Land shape	Flat	Flat
Land topography	Average	Low
Use	Commercial Residential	Commercial Residential
Surrounding streets	2	1
Price per meter (SR)	15250	14300
Comparative condition	Available offer	Available offer



Valuating the land according to Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	15,250		14,300	
Condition	***	Available offer		Available offer	
Date of valuation/offer	2024	2024		2024	
Market Condition	***	%5.00-	763 -	%5.00-	715 -
Financing terms	***	%0.00	-	%0.00	-
Market conditions value	***	(762.50)		(715.00)	
Value after initial settlements	***	14,488		13,585	
Land area (m²)	4761.50	1,050	%10-	1,120	%10-
Ease of access	High	High	%0	High	%0
Property location	High	High	%0	Average	%10
Land shape	Flat	Flat	%0	Flat	%0
Land topography	High	Average	%10	Low	%15
Land use	Commercial Residential	Commercial Residential	%0	Commercial Residential	%0
Surrounding streets	2	2	%0	1	%5
Total		%0.00		%20.00	
Adjustment value per square meter		-		2,717	
Final meter value after Adjustments		14,488		16,302	
Net average value per square meter (SR / m²)		15,395			
Market value of the land (SR / m²)		73,302,102			

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 condition 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.

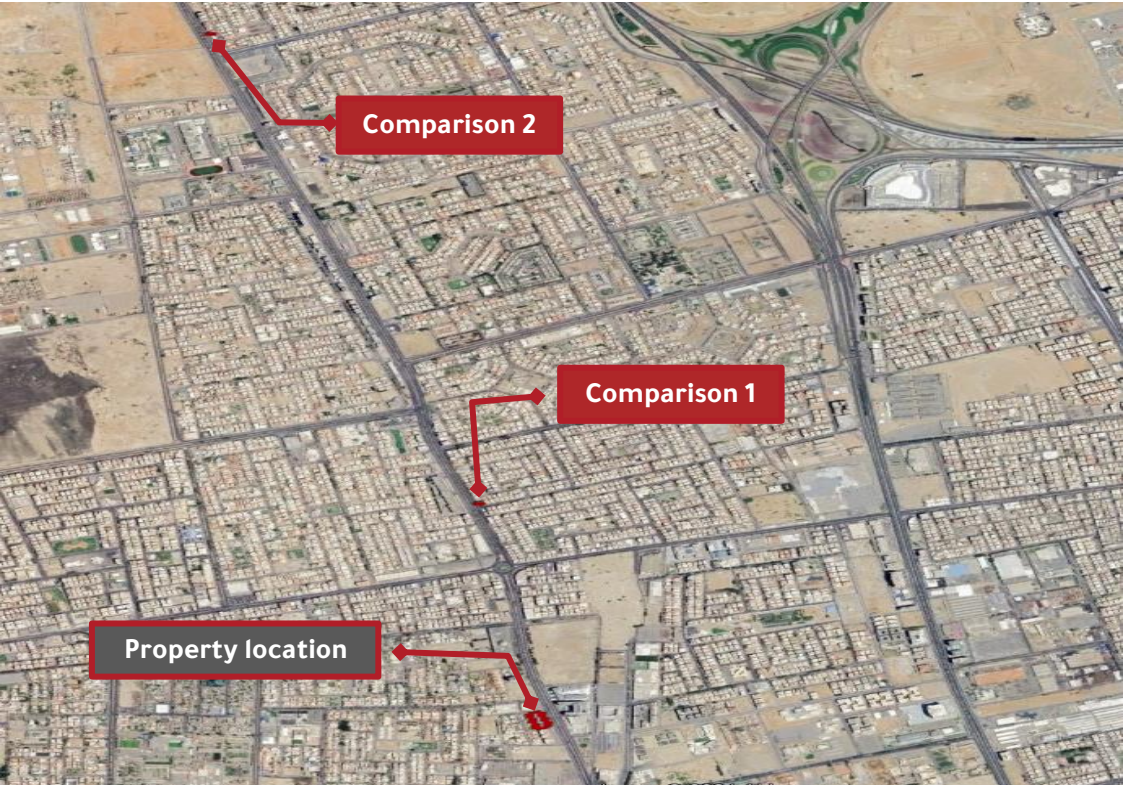
Property Valuation - Cost Approach - Replacement Method

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 (indirect)			
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
Total (SR)			8,120,465
Total cost of 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 building (SR)		26,903,873
Fourth: Value of the property according to the Cost Approach		
Final value of the land (SR)		73,302,102
Final value of buildings (SR)		26,903,873
Market value of the property according to the Cost Approach (SR)		100,205,975
Market value of the property according to the Cost Approach after rounding (SR)		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	
Comparison Status	Available offer		Available offer	



Estimating the value of the rental meter - Trade shows - According to the Market Approach - Comparison method					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
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	%0	Average	%5
Parking availability	High	High	%0	Average	%5
Design	High	High	%0	Average	%5
Total		%5.00-		%20.00	
Adjustment value per square meter		-70		240	
Final meter value after Adjustments		1,330		1,440	
Net average value per square meter (SR / m²)			1,385		
Net average value per meter (SR/meter) after rounding			1,400		

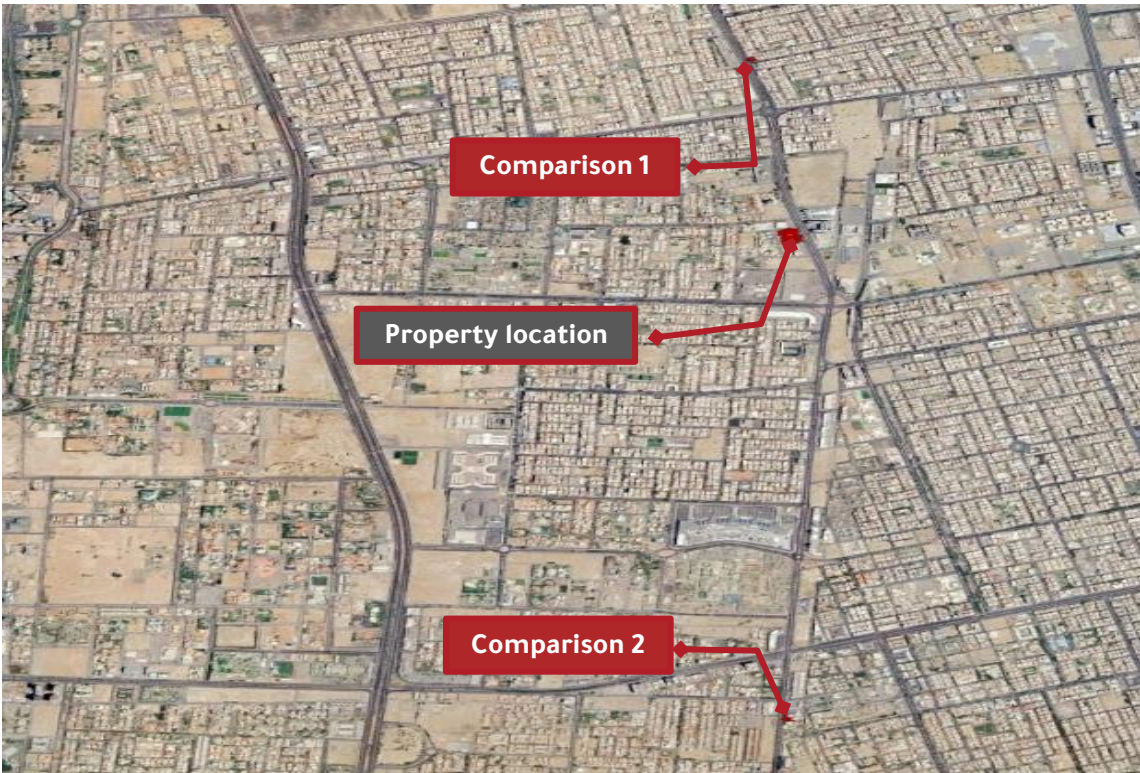
Market Survey Data Analysis - Office

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 value of the rental meter - Administrative offices - According to the Market Approach - Comparison method

Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Rental price per square meter	***	860		700	
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	***	860		700	
Area (m2)	230.00	181	%2-	165	%2-
Ease of access	High	High	%0	High	%0
Property location	High	High	%0	High	%0
Parking availability	High	High	%0	High	%0
Design	High	High	%0	High	%0
Total		%2.00-		%2.00-	
Adjustment value per square meter		-17		-14	
Final meter value after Adjustments		843		686	
Net average value per square meter (SR / m²)			764		
Net average value per meter (SR/meter) after rounding			750		



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 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	%

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%.

Assumptions:

Discounted Cash Flow method assumptions

Total property income	10,502,000	Discount rate	%9.5
Occupancy rate	%100	Capitalization rate	%8
Operating Expense Rate	%10	Growth rate - annual from year 3 according to contract	%6

Annual property income statement (according to market survey data)

Clause	Number of units	Area (m2)	Rental value per meter (SAR/meter)	Rental value (SR)
showrooms	4	2836	1,400	3,970,400
Offices	28	8630	750	6,472,500
Rooms	10	100	600	60,000
Total annual property income (SR)			10,502,900	

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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	
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	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 building												
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
Net present value of the property												120,711,776

Final Property Value	120,711,776
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Final Property Value (after rounding)	120,712,000
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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 1210000005



Appendix

Documents received from the client

رقم الصك: 393010004588
التاريخ: 1442/11/12 هـ

وزارة العدل
ابراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

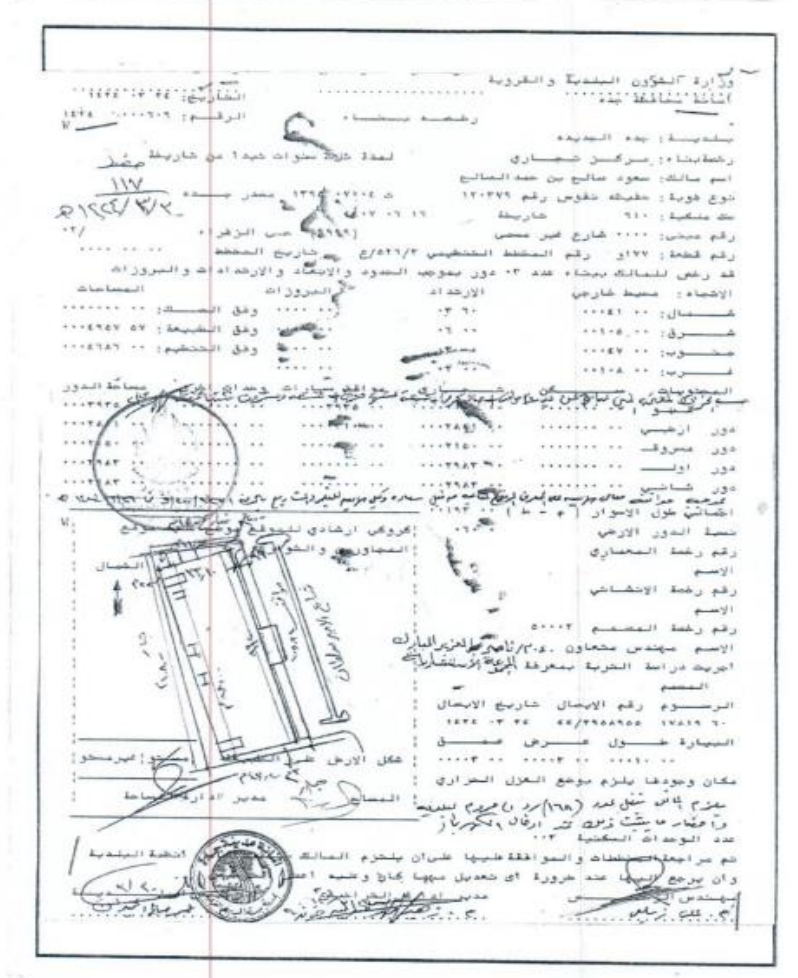
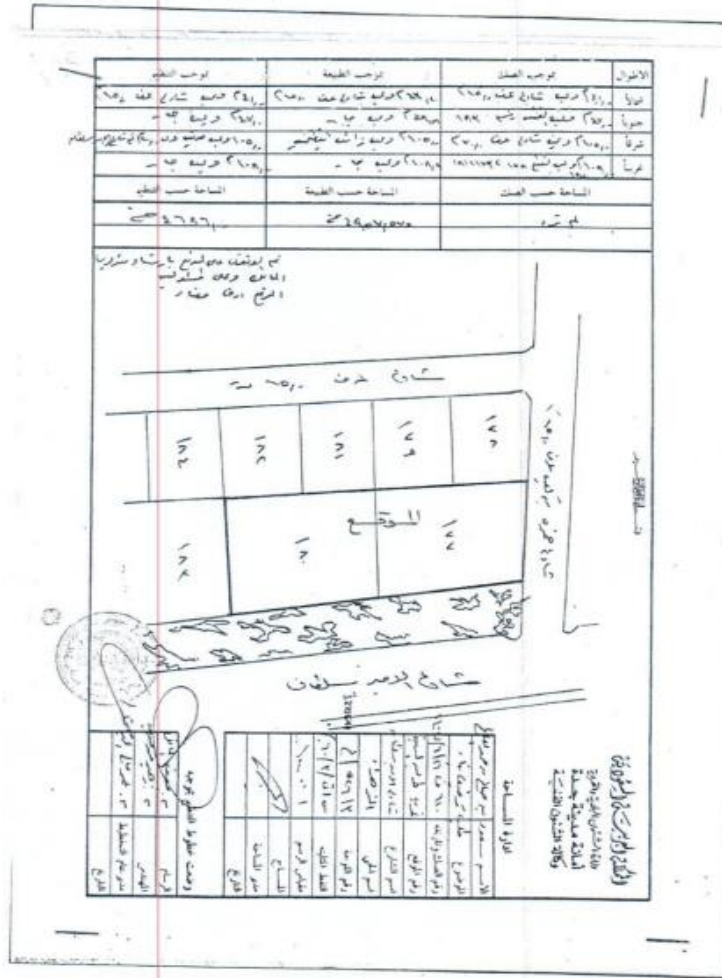
صك رهبن

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن مركز تجاري المقام على الأرض وبناء رقم 177 من المخطط رقم 3 / 526 ع الواقع في حي الزهراء بمدينة جدة . و
مركز تجاري المقام على الأرض وبناء رقم 180 من المخطط رقم 3 / 526 ع الواقع في حي الزهراء بمدينة جدة . وحدودها
وأطوالها :
شمالاً: شارع عرض 15م بطول 41 واحد و أربعون متر
جنوباً: قطعة رقم 183 بطول 47 سبعة و أربعون متر
شرقاً: شارع السبعين متراً بطول 105 مائة و خمسة متر
غرباً: قطعة رقم 178 و 179 و 181 و 182 بطول 109 مائة و تسعة متر
ومساحتها 4761.5 أربعة آلاف و سبعمائة و واحد و ستون متر مربعاً و خمسون سنتماً مربعاً المملوكة لشركة تمدن الأولى
الطارية بموجب سجل تجاري رقم 1010896622 بموجب الصك الصادر من الموثقين بالرياض 6 برقم 993598002675 في 24 / 07 / 1442
قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي للتطوير المحدودة بموجب سجل تجاري رقم
1010158249 ضماناً للوفاء بـ 49970978 فقط تسعة و أربعون مليوناً و تسعمائة و سبعون ألفاً و ثمانية و سبعون
ريالاً سعودياً لا غير . تسدد على المساق شهرية عددها 1 قيمة كل قسط 49970978 فقط تسعة و أربعون مليوناً و تسعمائة و سبعون
ألفاً و تسعمائة و ثمانية و سبعون ريالاً سعودياً لا غير . تاريخ حلول القسط 1442/11/13 سبب الرهن : كضمان لما يجب عليهم من
مستحقات مالية بمبلغ وقدره (49970978) لصالح شركة الراجحي للتطوير المحدودة على أن يكون السداد على قسط واحد بعد سبع
سنوات وينفع بتاريخ 2027-12-30 وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات . واستيفاء مالي
دعة الراهن من مبلغ و ما نقص يرجع فيه بعد اكتمال مايلزم شرعاً . وعليه جرى التصديق تحريراً في 1442 / 11 / 12 لاعتماده
بوصلى الله على نبينا محمد وآله وصحبه وسلم.

الموثق

الختم الرسمي

ابراهيم عمر محمد الحسين



Samples of the contracts that were reviewed



نجاحاتكم؛ لذا نأمل تفهمكم وضعنا وتقديره على أن تبقى العلاقة الايجارية فيما بيننا حسب المتفق عليه مع مفوضكم وتفصيلها كالآتي:

- 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 تأسس على ان مدة العقد كما هي عشر سنوات.
 - 2- ان تكون بداية استحقاق دفعات الأجرة ابتداءً من تاريخ 2024/11/26م؛ الى تاريخ 2032/11/25م لما أوضحنه لكم من أسباب سبق ايضاحها مع احتساب المبالغ المسلمة للمفوض سابقاً وخصمها من الدفعات؛ على أن يراعى في حال حلول تاريخ سريان العقد قبل الانتهاء من جاهزية المبني لاستصدار تصاريح الدفاع المدني من جانبكم يتوقف السريان الى حق صدور ترخيص المبني.
 - 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 المأجر لإستجارنا مساحات كبرى تتعدى مساحة 1000 م؛ على ان تكون الأجرة على النحو التالي:
- 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.
 - السنة السادسة وما يليها من سنوات حتى السنة العاشرة: (2.650.000) ريال.

حي المحجر - شارع المهاجر عبدالله
جدة ٢٢٤٢٥ - ٢٢٤٢٤
Kingdom of Saudi Arabia
C.R. 4030190831
+966 12 6091111
mesdaq@mesdaq.com



العقد الموحد
Commercial Contract

يعتبر هذا العقد عقداً موثقاً وسدّاً تنفيذاً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

١ بيانات العقد					
رقم سجل العقد:	Contract No.	20043057026 / 1-0	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	Contract Sealing Date	2024-03-07	مكان إبرام العقد:	جدة	Contract Sealing Location
تاريخ بداية مدة الإيجار:	Tenancy Start Date	2024-04-10	تاريخ نهاية مدة الإيجار:	2026-04-09	Tenancy End Date
معلق بشرط	Contract is conditional	لا			

٢ بيانات المؤجر					
نوع المنطقة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة تمدين النولى العقارية شركة شخص واحد	Company name/Founder
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد:	7010776792	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2017-10-04	CR Date

٣ بيانات مُمَثِّلِ المؤجر					
الاسم:	سلطان حسين بن يحيى معوي	Name	الجنسية:	المملكة العربية السعودية	Nationality
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:	1073134924	ID No.
رقم الجوال:	+966556332153	Mobile No.	البريد الإلكتروني:	mualdis@mulkia.com.sa	Email
العنوان الوطني:	الحياء الرياض	National Address			

٤ بيانات المستأجر					
نوع المنطقة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة حمزة محمد الحيري للمقاولات شركة شخص واحد	Company name/Founder
رقم السجل التجاري:	4030199041	CR No.	الرقم الموحد:	7001614119	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2010-03-24	CR Date

٥ بيانات مُمَثِّلِ المستأجر					
الاسم:	عمر محمد الحيري	Name			

1



العقد الموحد
Commercial Contract

يعتبر هذا العقد عقداً موثقاً وسدّاً تنفيذاً بموجب قرار مجلس الوزراء رقم (١٣١) وتاريخ ١٤٣٥/٤/٣ هـ.

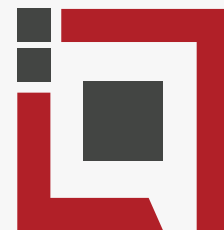
١ بيانات العقد					
رقم سجل العقد:	Contract No.	20146257354 / 1	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	Contract Sealing Date	2023-08-20	مكان إبرام العقد:	جدة	Contract Sealing Location
تاريخ بداية مدة الإيجار:	Tenancy Start Date	2023-05-01	تاريخ نهاية مدة الإيجار:	2024-04-30	Tenancy End Date
معلق بشرط	Contract is conditional	لا			

٢ بيانات المؤجر					
نوع المنطقة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة صبا العقارية المحدودة	Company name/Founder
رقم السجل التجاري:	1010437473	CR No.	الرقم الموحد:	7014894273	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2015-09-10	CR Date

٣ بيانات مُمَثِّلِ المؤجر					
الاسم:	خالد يوسف ابراهيم السليم	Name	الجنسية:	المملكة العربية السعودية	Nationality
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:	1002760260	ID No.
رقم الجوال:	+966531441000	Mobile No.	البريد الإلكتروني:	hussein.bahamid@sabahome.com	Email
العنوان الوطني:		National Address			
رقم سند التمثيل Number	-	نوع المستند Type	تاريخ الإصدار Issue Date	-	تاريخ الانتهاء Expiry Date
					2024-02-10

٤ بيانات المستأجر					
نوع المنطقة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة البتة الخضراء لتقديم المشروبات	Company name/Founder
رقم السجل التجاري:	4650201645	CR No.	الرقم الموحد:	7004443458	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2018-07-22	CR Date

1



General Administration

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

✉ info@qiam.com.sa

🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



Burger King Trade show - Obhur

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

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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	▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052 ▪ Salem Al Fai' - Real estate-Basic Follow- Membership No 1210000013 ▪Walid Qalisi' - Real estate-Basic Follow- Membership No 1220001145
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

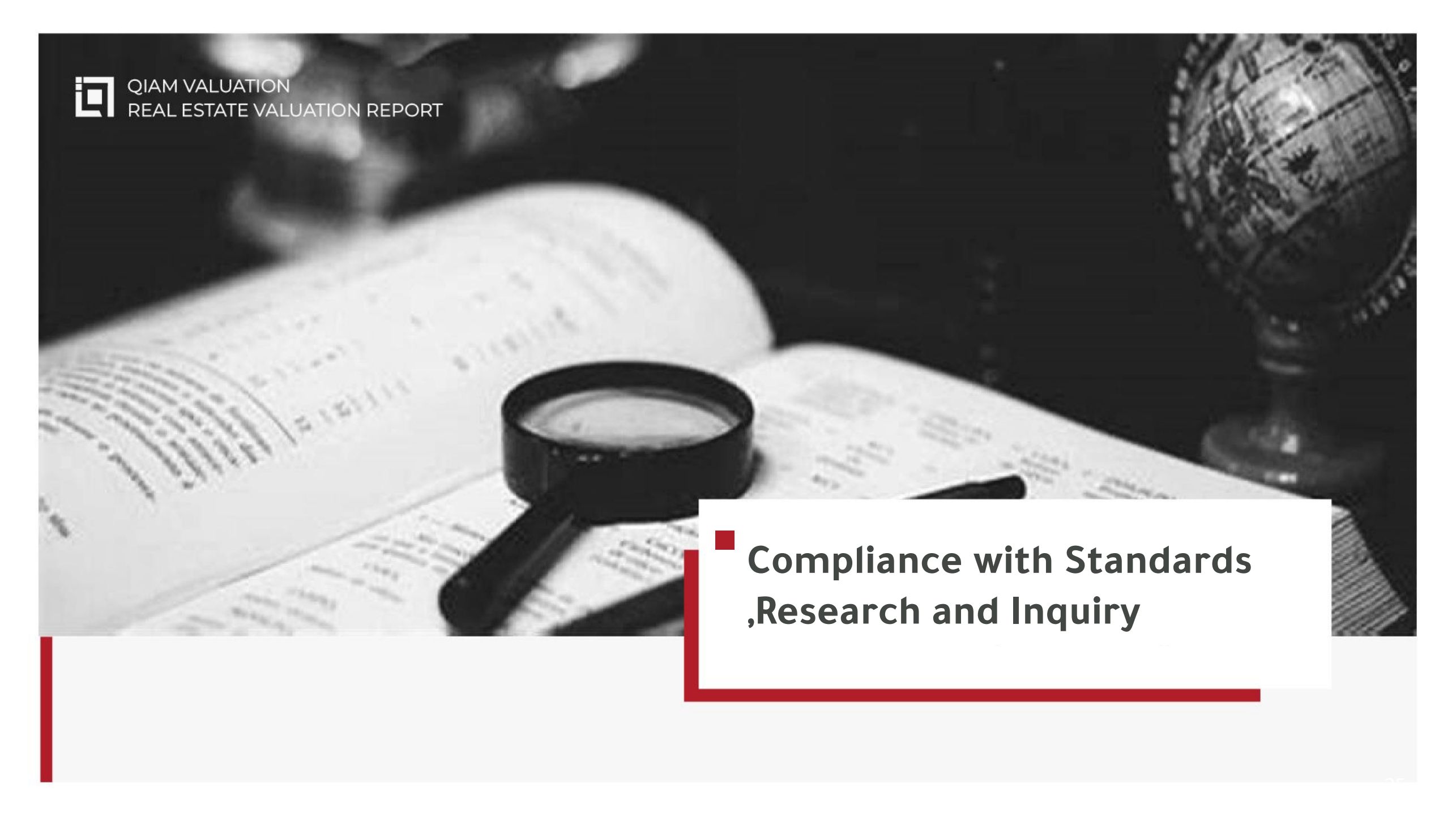
Standard 102: Compliance with Standards and Research and Inquiry

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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

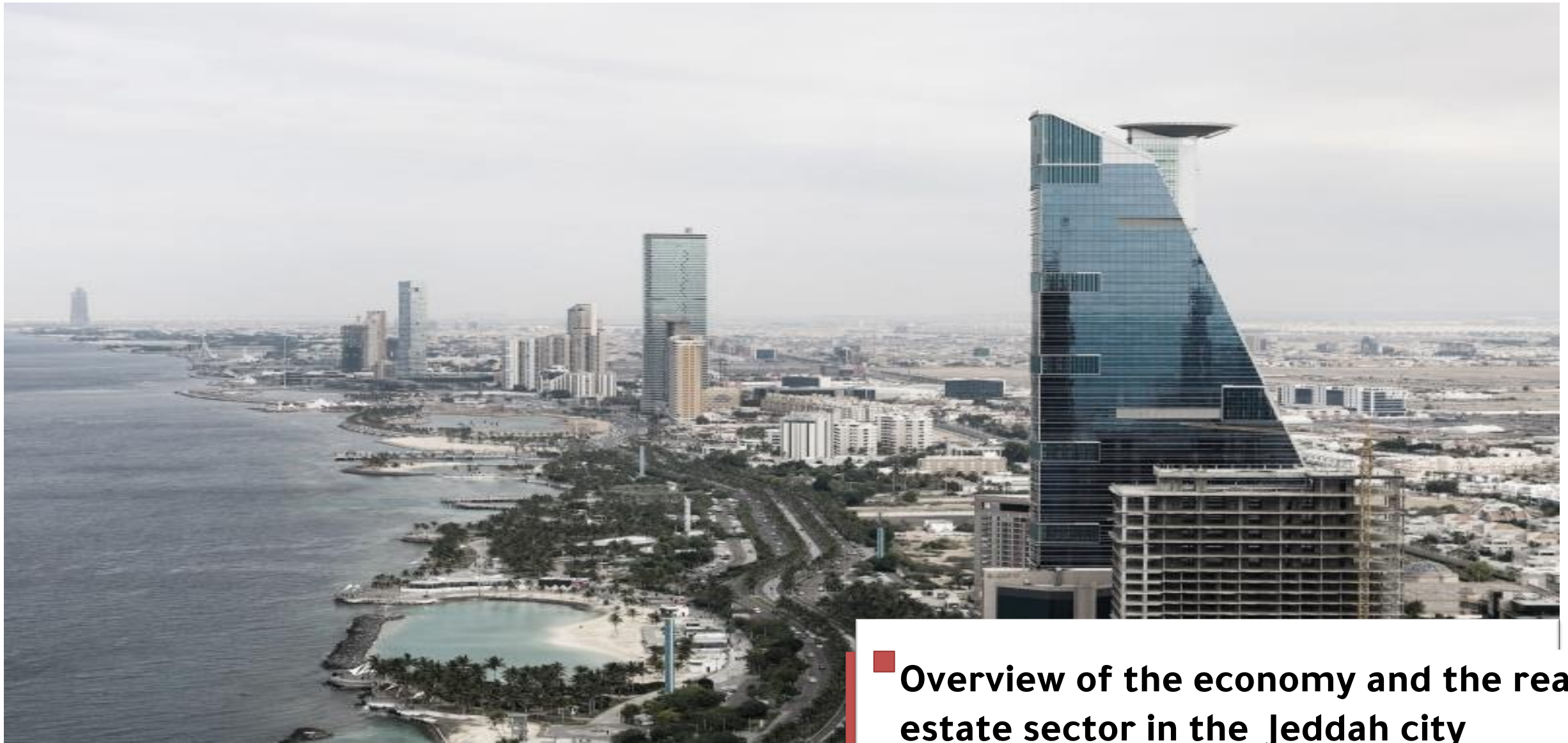
- The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the 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.



- **Overview of the economy and the real estate sector in the Jeddah city**

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

Social and service indicators:

<div>470</div> <div>Public and private school</div>	<div>14</div> <div>University and College</div>	<div>+45ML</div> <div>Traveler</div>	<div>1,215ML</div> <div>Size of the workforce</div>	<div>4,7ML</div> <div>Population</div>	<div>770KM</div> <div>Area</div>
<div>2</div> <div>Ports</div>	<div>3</div> <div>Airports</div>	<div>+300</div> <div>Markets and malls</div>	<div>1457</div> <div>Factory</div>	<div>52</div> <div>Hospitals</div>	<div>+7.8K</div> <div>Tourist and visitor</div>

Real estate indicators:

<div>+2,8Billion</div> <div>Total value of leasing transactions</div>	<div>+83,5K</div> <div>Rental deal</div>	<div>+55Billion</div> <div>Total value of the deals</div>	<div>+91K</div> <div>Executed transaction</div>
---	--	---	---

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

Hospitality sector indicators:

62%	+16K	94	25	27	42
Occupancy	Hotel room	Number of hotels	5 Star Class	4 Star Class	3 Star Class

Administrative sector indicators:

82%	+300SR	+600SR	+1000SR	+1,250ML
Occupancy	Average value of a rental meter C class	Average value of a rental meter B class	Average value of a rental meter A class	Commercial rental space/m2

Administrative sector indicators:

80%	+900SR	+1500SR	+2600SR	+2ML
Occupancy	Average value of a rental meter C class	Average value of a rental meter B class	Average value of a rental meter A class	Commercial rental space/m2



Site studies

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.

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.

Weak points:

- Risks of changing the building system in the property area.
- The market value depends on the value of the lease contract.

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	ب / 230	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 Al 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	ب / 230	Plot number	204
Land Area	552 square meters	Built-up area	180 square meters
Services and facilities available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	Northwest of the city
	Infrastructure	Completed
	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.

- 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	Paint	Ceramic - Porcelain
Windows	Health kits	Stairs	Insulation type
Aluminum and double glazing	High quality	--	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Glass - Paint	Cosmetic implants	Secret glass	Ceramic

Electromechanical and air conditioning 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	Security Systems
N.A.	Outdoor	Fire Detection Systems - Fire Hose for All Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Jeddah**

Neighborhood: **Northern Obhur**

Street: **Aabir Al Qarath Road**

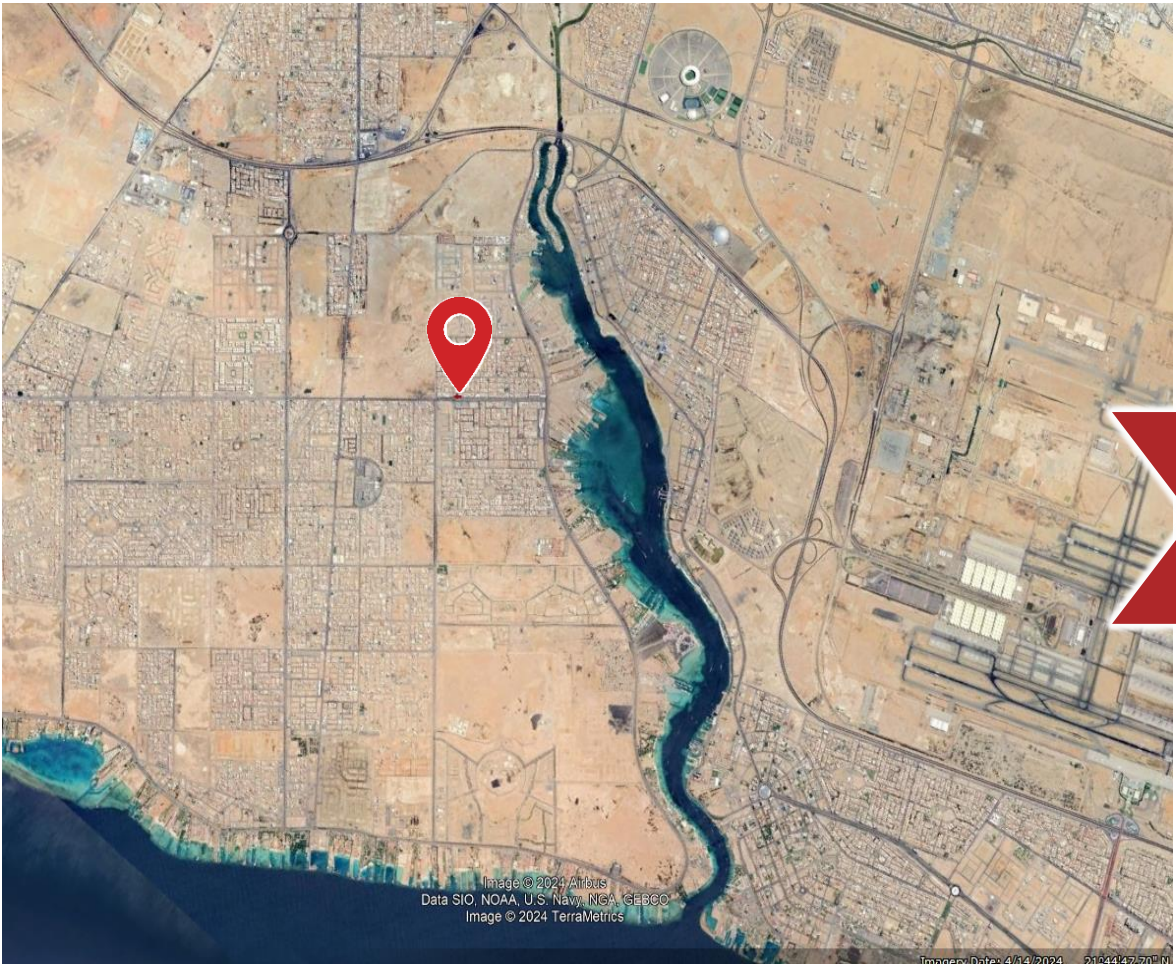
Location coordinates

N :

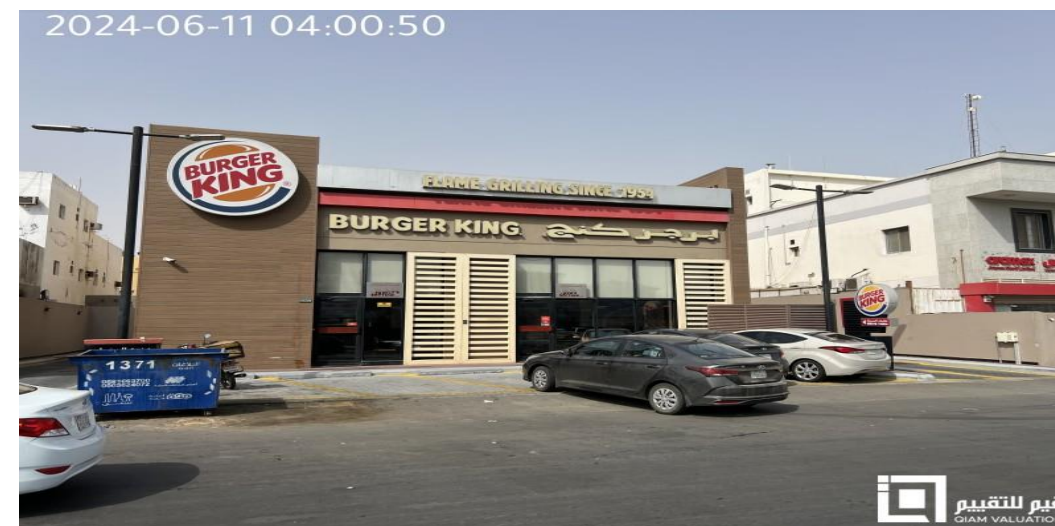
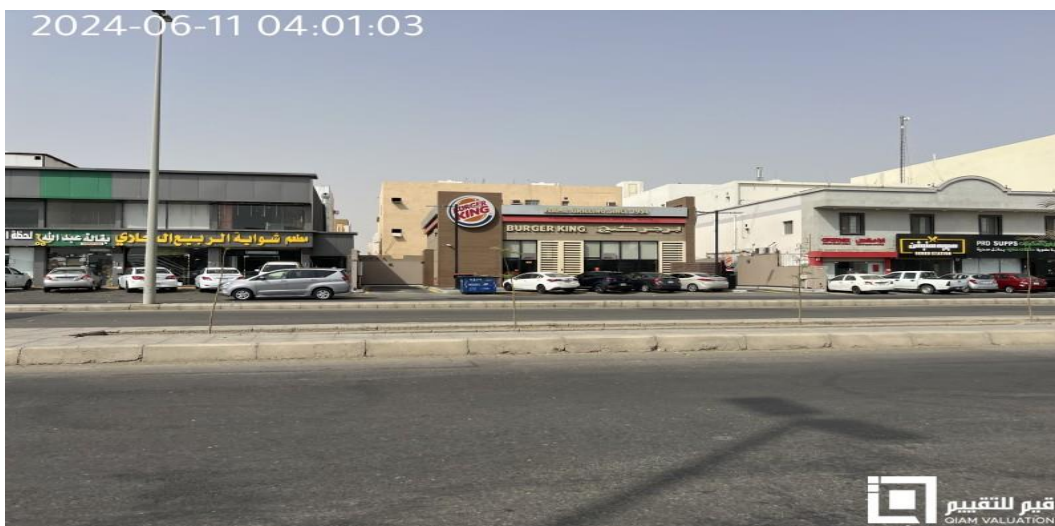
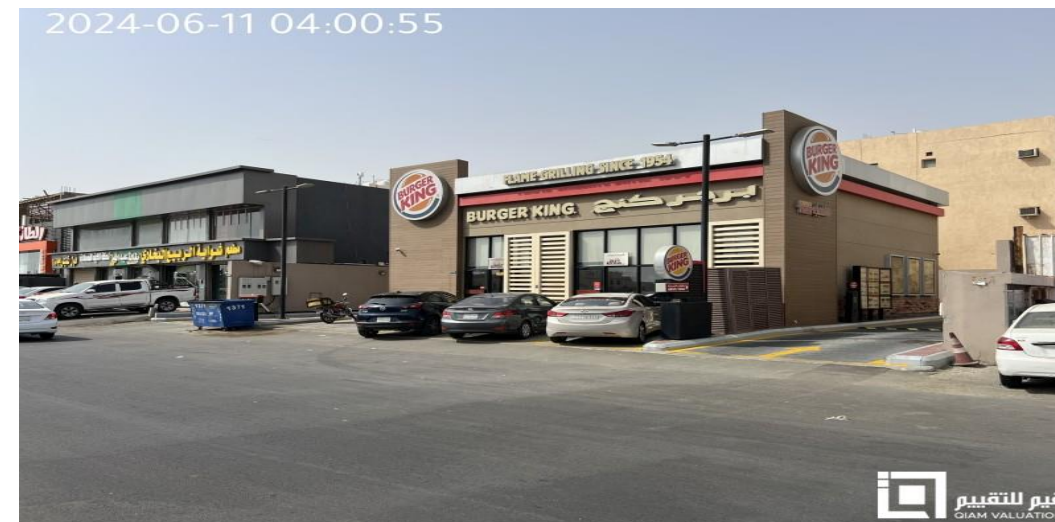
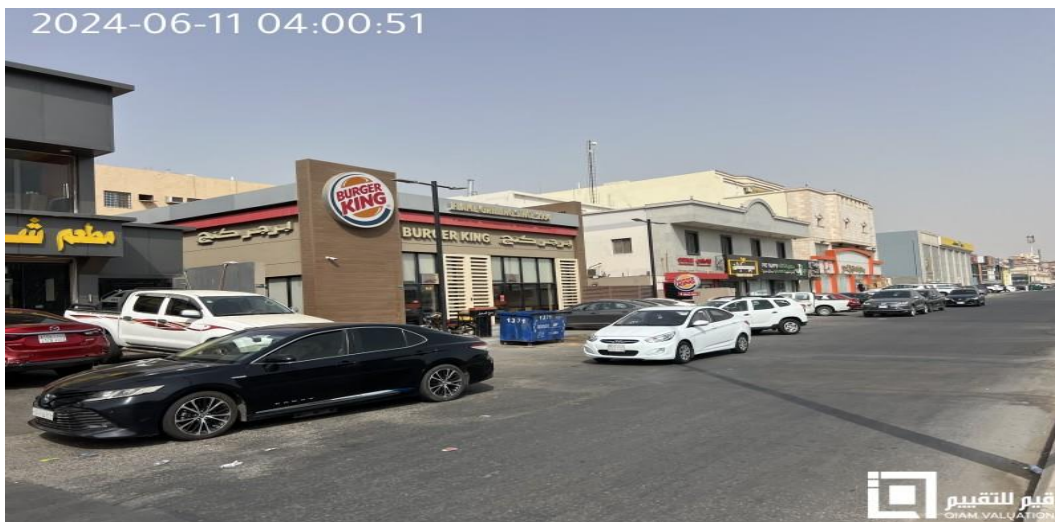
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Photographic survey of the Property





Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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	----	----	----	----

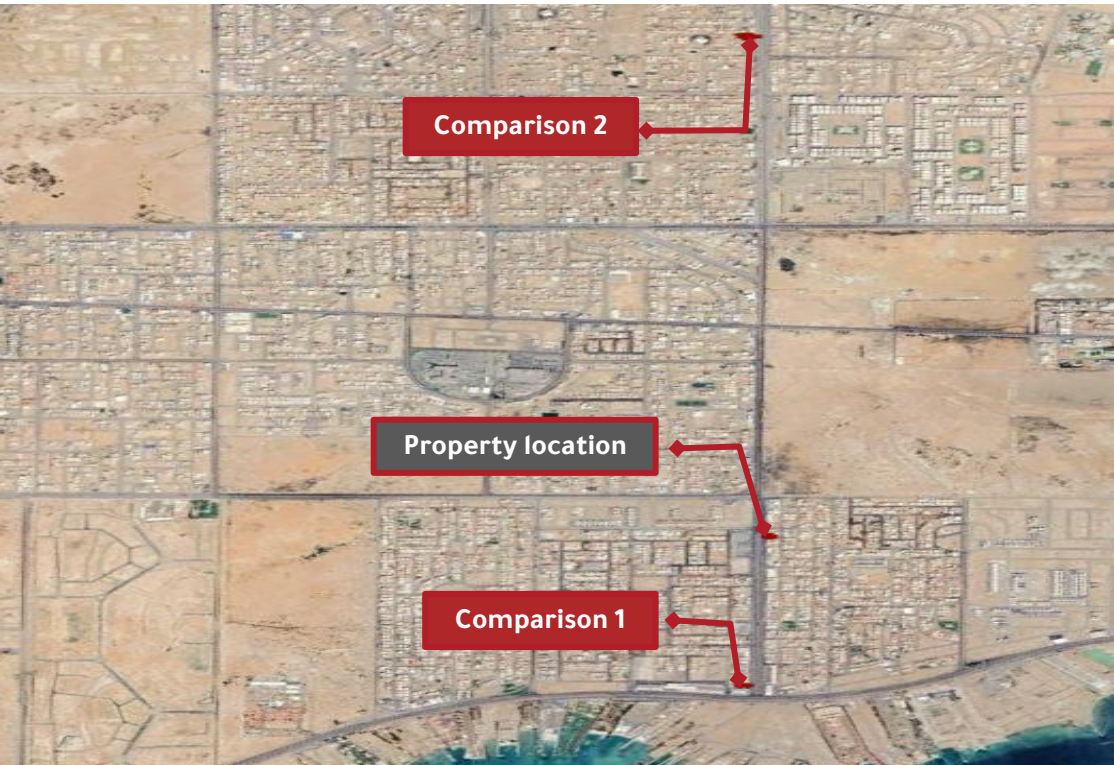


■ Value Estimation

Market Survey Data Analysis - Land Leasing

Comparative Properties - Commercial Land

Comparison factors	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 of the rental meter - commercial lands - according to the Market Approach - Comparison method

Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Rental price per square meter	***	550		530	
Condition	***	Available 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	945	%5
Ease of access	High	High	%0	Average	%5
Property location	High	High	%0	Low	%10
Parking availability	High	High	%0	Average	%5
Land shape	High	Average	%10	Average	%10
Total		%15.00		%35.00	
Adjustment value per square meter		83		186	
Final meter value after Adjustments		633		716	
Net average value per square meter (SR / m²)			674		
Net average value per meter (SR/meter) after rounding			700		

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	%0	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 - Inflows		Investment years													Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
Expected growth value		1	2	3	4	5	6	7	8	9	10	11	12	13	
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	%0	-	-	-	-	-	-	-	-	-	-	-	-	-	
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 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													
Final Property Value														7,428,845	
Final Property Value (after rounding)														7,429,000	

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 1210000005



Appendix

Documents received from the client

[illegible]

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

فإن قطعة الأرض رقم 204 من المخطط رقم 230 ب / شمالاً: قطعة رقم 202 بطول 24 أربعة و عشرون متر جنوباً: قطعة رقم 206 بطول 24 أربعة و عشرون متر شرقاً: قطعة رقم 203 بطول 23 ثلاثة و عشرون متر غرباً: شارع عرض 52 م بطول 23 ثلاثة و عشرون متر ومساحتها 552 خمسة و إثنتي و خمسون متر مربعاً

المملوكة لشركة تمدين الأولى العقارية بموجب سجل تجاري رقم 1010896622 بموجب الصك الصادر من الموثقين بالرياض 6 برقم 1010158249 في 24 / 07 / 1442 قد تم رخصتها وما أقيم أو سيقيم عليها من بناء لصالح / شركة الراجحي للتطوير المحدودة بموجب سجل تجاري رقم 1010158249 ضمناً للوفاء بـ 7442105 فقط سبعة ملايين و أربعمئة و الثمان و أربعمائة و ثلاث و مائة و خمسة و مئالت سعودي لا غير. تسند على أقساط شهرية عددها 1 قيمة كل قسط تاريخ حلول القسط 14/03/1443 سبب الرهن : أداة ضمان للوفاء بالمديونية عدد رقم 22453466 ويحق للمصرف بيع العقار إذا تعذر المدين عن سداد المديونية أو جزء منها قبل حلول كل الدين المضمون (السداد على قسط واحد بمبلغ 7442105 ريال بتاريخ 30-12-2028م) وفي حالة عدم السداد فلتتميز بيع العقار بالقيمة التي تنتهي عندها الرهات واستيفاء مبالغ ثمة التراهن من مبلغ وما نقص عليه بعد اكتمال مبالغهم شرعاً. وعليه جرى التصديق تحريراً في 13 / 03 / 1443

لاعتماده ، بوصني الله على نبينا محمد وآله وصحبه وسلّم.

الموافق

القائم الرسمي

ابراهيم عمر محمد المسين

Samples of the contracts that were

رقم التمويل	قيمة البريد	قيمة الخصاصة	قيمة المبالغ اللتزئة	إجمالي القيمة	تاريخ الإفصاح (أه)	تاريخ الاستحقاق (أه)
التمويل	Rem value	VAT	Services	Total value	Issued Date(AH)	Due Date(AD)
8	553500.00	83025.00	0.00	636525.00	1451-05-17	2029-09-26
9	553500.00	83025.00	0.00	636525.00	1452-05-28	2030-09-26
10	553500.00	83025.00	0.00	636525.00	1453-06-09	2031-09-26
11	607500.00	91125.00	0.00	698625.00	1454-06-21	2032-09-26
12	607500.00	91125.00	0.00	698625.00	1455-07-02	2033-09-26
13	607500.00	91125.00	0.00	698625.00	1456-07-13	2034-09-26
14	607500.00	91125.00	0.00	698625.00	1457-07-24	2035-09-26
15	607500.00	91125.00	0.00	698625.00	1458-08-06	2036-09-26

قيمة إيجارية متغيرة سنوياً: نعم

السنة الأولى	السنة الثانية	السنة الثالثة	السنة الرابعة	السنة الخامسة	السنة السادسة	السنة السابعة	السنة الثامنة	السنة التاسعة	السنة العاشرة	السنة الحادية عشر
0	0	0	0	0	+0.1492537%	+0.1492537%	+0.1492537%	+0.1492537%	+0.1492537%	+20.8955224%

١٤ التزامات الطرفين

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

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

١٥ مواد العقد

المادة الأولى: البيانات السابقة على التزامات الأطراف

تعد البيانات السابقة على التزامات الأطراف والمحددة في البند من (1-14) جزءاً لا يتجزأ من هذا العقد ومفسرة ومكملة له.

المادة الثانية: محل العقد

اتفق المؤجر والمستأجر بموجب هذا العقد على تأجير الوحدة التجارية المحددة بالبنود رقم (9) وفقاً للشروط والأحكام والالتزامات المنصوص عليها في هذا العقد. يقر المستأجر بمعاييره للوحدة التجارية، وقبوله لتعاقد حسب الأوصاف المذكورة، وأنها صالحة للنشاط التجاري المتفق عليه في البند رقم (10).

المادة الثالثة: مدة الإيجار وتجديد العقد

٢-١ مئة هذا العقد (5478) يومًا تبدأ من تاريخ 20-02-1444 هـ الموافق 16-09-2022 م، وتنتهي بتاريخ 05-08-1459 هـ الموافق 15-09-2037 م، وفي حال وجود اختلاف بين التاريخين الهجري والميلادي، يُعمل بالتاريخ الميلادي في جميع بنود العقد.

٢-٣ تنتهي مدة الإيجار مع انتهاء مدة العقد. وإذا رغب الطرفان بالتجديد، فتنتم كتابة عقد جديد يتفق عليه الطرفان.

المادة الرابعة: الأجرة

إجمالي قيمة العقد (9565125.00 ريال سعودي، يلتزم المستأجر بدفعها للمؤجر بحسب ما هو مذكور في البند رقم (١٢) من هذا العقد وكما هو مجدول في البند (١٣) من هذا العقد.

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

colimall:del71 0-1

٥-١-١ يلتزم المستأجر بدفع قيمة الأجرة في المواعيد المتفق عليها.

٢-١-٥ يلتزم المستأجر بالتقيد بمساحة ومواصفات اللوحة الخاصة بالوحدة التجارية والمحددة في البند (٩) من هذا العقد.

١-٣-٥ يقرزم المستأجر أن يفتتح ويأبشر نشاطه التجاري خلال مدة لا تتجاوز (30) يوماً من تاريخ العقد وفي حالة انتهاء هذه المدة دون افتتاح الوحدة التجارية وبعد
النشاط التجاري وبعد عدم تجاوبه مع اشعار المؤجر خلال (30) يوماً فيقبل للمؤجر فسخ العقد من جهته دون الحاجة إلى إذار أو حكم قضائي ويقب للمؤجر حينها
تأجير الوحدة الإيجارية للغير مع المحافظة على حقوق المستأجر بالمطالبة باقى قيمة العقد المدفوعة بخصم بعد العرون والسعى وقيمة الإيجار ومصاريف

Engineering Supervision Fee (Not included in total contract amount):	ريال لكل متر مربع مساحة الوحدة الإيجارية	-	مبلغ الإشراف الهندسي (لا يدخل ضمن القيمة الإجمالية لعقد الإيجار)
Unit Finishing Fee (Not included in total contract amount):	ريال لكل متر مربع مساحة الوحدة الإيجارية	-	مبلغ تجهيز الوحدة الإيجارية (لا يدخل ضمن القيمة الإجمالية لعقد الإيجار)
Retainer Fee (Included in total contract amount):		-	مبلغ الحريون المتفق عليه (يدخل ضمن القيمة الإجمالية لعقد الإيجار):
Gas Annual Amount:	-	الأجرة السنوية للغاز:	-
		Electricity Annual Amount:	-
		الأجرة السنوية للكهرباء:	-
		Water Annual Amount:	-
		الأجرة السنوية للمياه:	-

General Services Included:	0.0	General Services Amount:	والتي تشمل على:	الخدمة السنوية للخدمات العامة (يعدل ضمن القيمة الإيجارية لعقد الإيجار)
Number of Rent Payments:	15	Rent payment cycle	عدد دفعات الإيجار:	دورة سداد الإيجار سنوي

VAT on rental value:	1247625.00	First rental payment: (Includes deposit)	577875.00	دفعه التيجار الأولى: (تشمّل العربون)
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الرقم المتسلسل .No	الرقم الضريبي Vat number	نوع الهوية ID Type	رقم الهوية أو السجل التجاري ID/CR Number
-----------------------	-----------------------------	-----------------------	--

1	310199293800003	رقم التسجيل	1010896622
القيمة السنوية للإيجار:	502500.00	Annual Rent:	

Total Contract value **9565125.00**

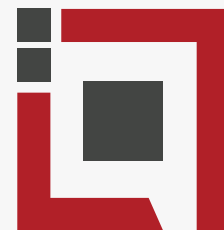
إجمالي قيمة العقد:

يشمل : القيمة الإيجارية، ومبلغ الكربون، ومبلغ ضريبة القيمة المضافة -إن وجدت- وقيمة الخدمات العامة، والأجرة السنوية للغاز والكهرباء والمياه والصرف الصحي إذا حددت كمبالغ ثابتة) .

Approved payment methods	الدفع عن طريق الوسيط العقاري/الموَجَّر أو الدفع الإلكتروني من خلال قنوات الدفع المتاحة	طرق الدفع المعتمدة
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١٢ جدول سداد الدفعات

رقم العميل	قيمة الإيجار	قيمة الممتلكات	تاريخ الإصدار	تاريخ الإصدار
العميل	الإيجار	الممتلكات	التاريخ	التاريخ
No.	Rent value	VAT	Issued Date(AD)	Issued Date(AH)
1	502500.00	75375.00	2022-09-16	1444-02-30
2	502500.00	75375.00	2023-09-16	1445-03-11
3	502500.00	75375.00	2024-09-16	1446-03-23
4	502500.00	75375.00	2025-09-16	1447-04-04
5	502500.00	75375.00	2026-09-16	1448-04-15
6	553500.00	83025.00	2027-09-16	1449-04-25
7	553500.00	83025.00	2028-09-16	1450-05-07



General Administration

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

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🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Al-Shiraa Trade Shows

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

قيـم للتقـيـم

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 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.
- 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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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	▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052 ▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013 ▪Walid Qalisi'- Real estate-Basic Follow- Membership No 1220001145
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.

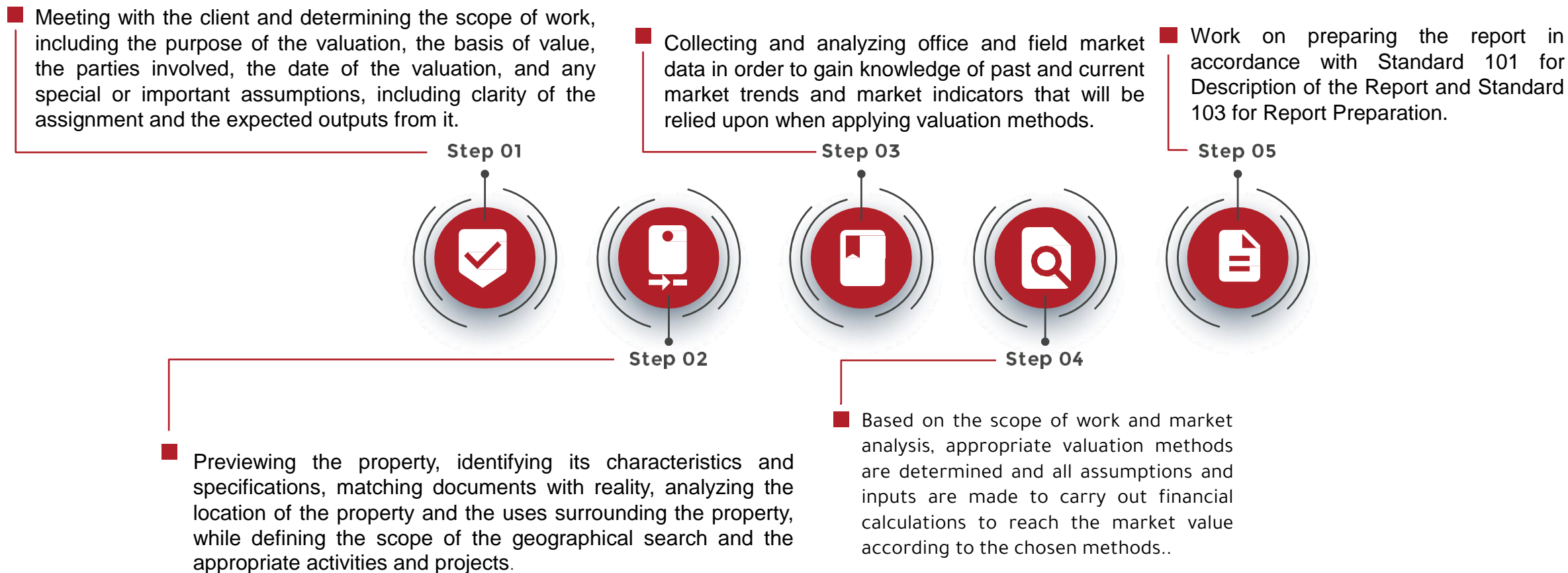
Important assumptions and special assumptions

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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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

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

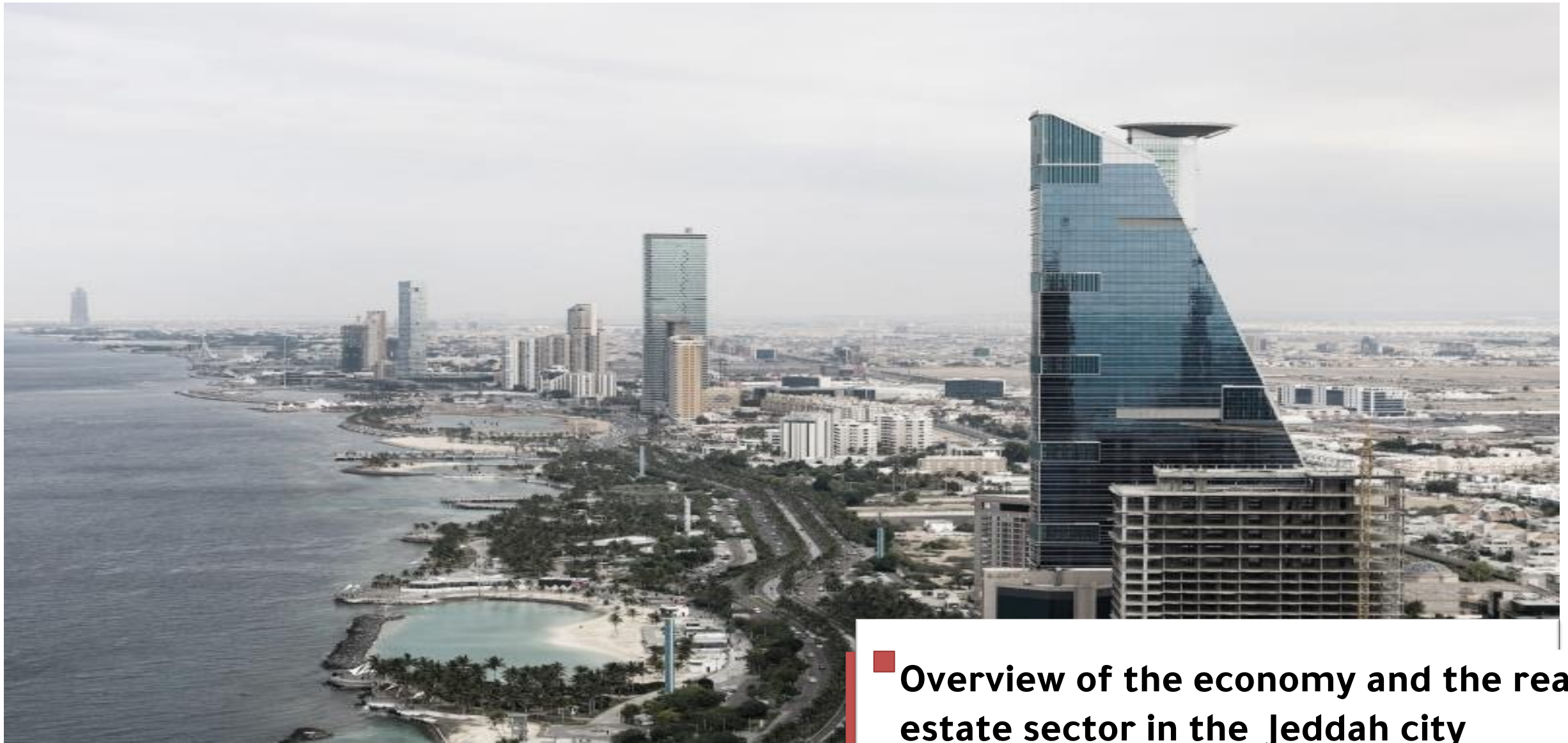
- The offices contribute to achieving the goals of the Saudi national transformation towards prosperity and sustainability by focusing on the goals of Vision 2030, which leads to raising the participation of the private sector in achieving the Kingdom's Vision 2030, working as a representative of the 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.



- **Overview of the economy and the real estate sector in the Jeddah city**

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

Social and service indicators:

470 Public and private school	14 University and College	+45ML Traveler	1,215ML Size of the workforce	4,7ML Population	770KM Area
2 Ports	3 Airports	+300 Markets and malls	1457 Factory	52 Hospitals	+7.8K Tourist and visitor

Real estate indicators:

+2,8Billion Total value of leasing transactions	+83,5K Rental deal	+55Billion Total value of the deals	+91K Executed transaction
---	------------------------------	---	-------------------------------------

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

Hospitality sector indicators:

62%	+16K	94	25	27	42
Occupancy	Hotel room	Number of hotels	5 Star Class	4 Star Class	3 Star Class

Administrative sector indicators:

82%	+300SR	+600SR	+1000SR	+1,250ML
Occupancy	Average value of a rental meter C class	Average value of a rental meter B class	Average value of a rental meter A class	Commercial rental space/m2

Administrative sector indicators:

80%	+900SR	+1500SR	+2600SR	+2ML
Occupancy	Average value of a rental meter C class	Average value of a rental meter B class	Average value of a rental meter A class	Commercial rental space/m2



Site studies

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).

Weak points:

- Risks of changing the building system in the property area.

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.

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	3 / 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 Al 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	3 / 505 / ت	Plot number	220 / ب
Land Area	1995.5 square meters	Built-up area	544.6 square meters
Services and facilities available in the real estate area			
Electricity network	Telephone network	Water network	Sewerage network
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	Northwest of the city
	Infrastructure	Completed
	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.

- 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

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 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	Security Systems
N.A.	Outdoor	N.A.	N.A.

Property location

Property is located in: **Jeddah**

Neighborhood: **Al-Shiraa**

Street: **Prince Abdulmajeed Bin Abdulaziz**

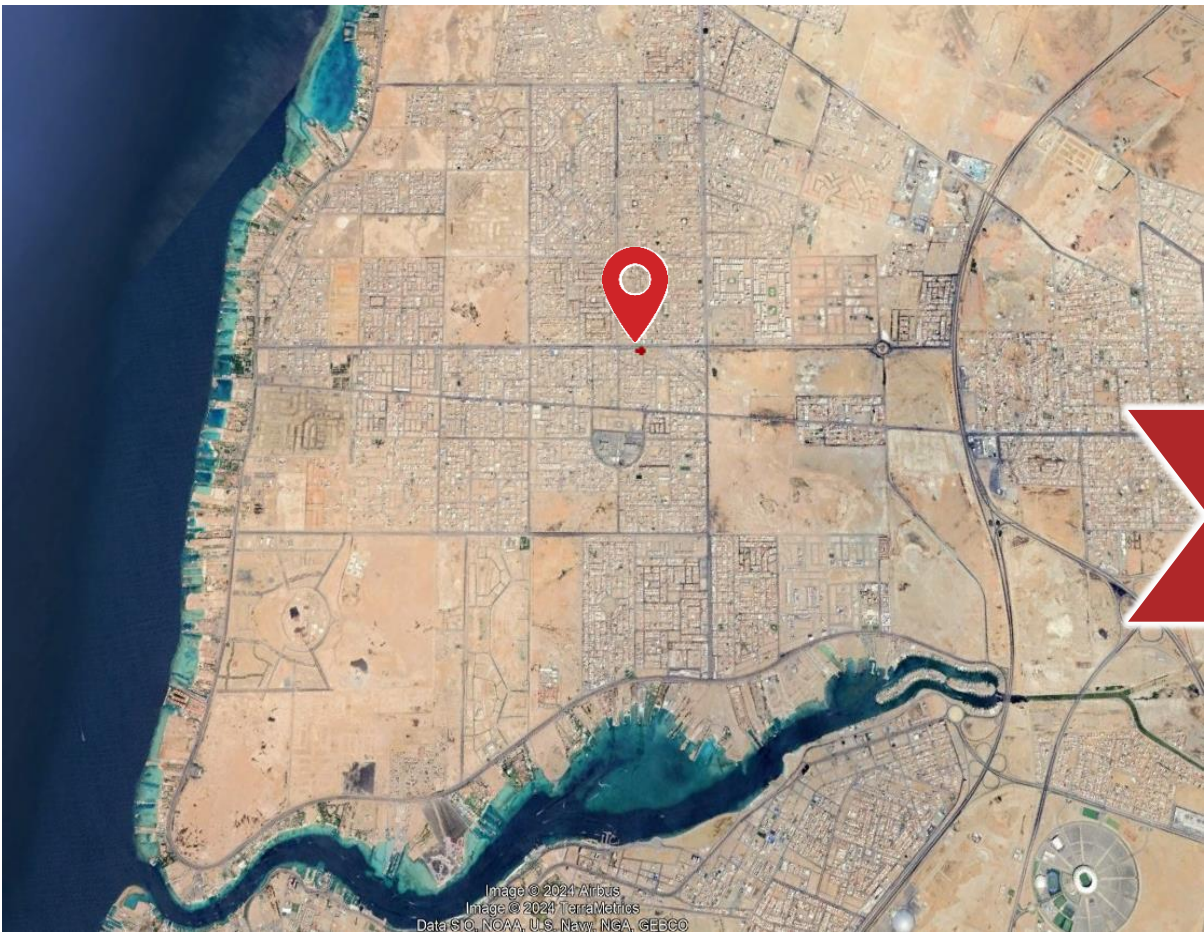
Location coordinates

N :

21.77618

E :

39.09493



Photographic survey of the Property

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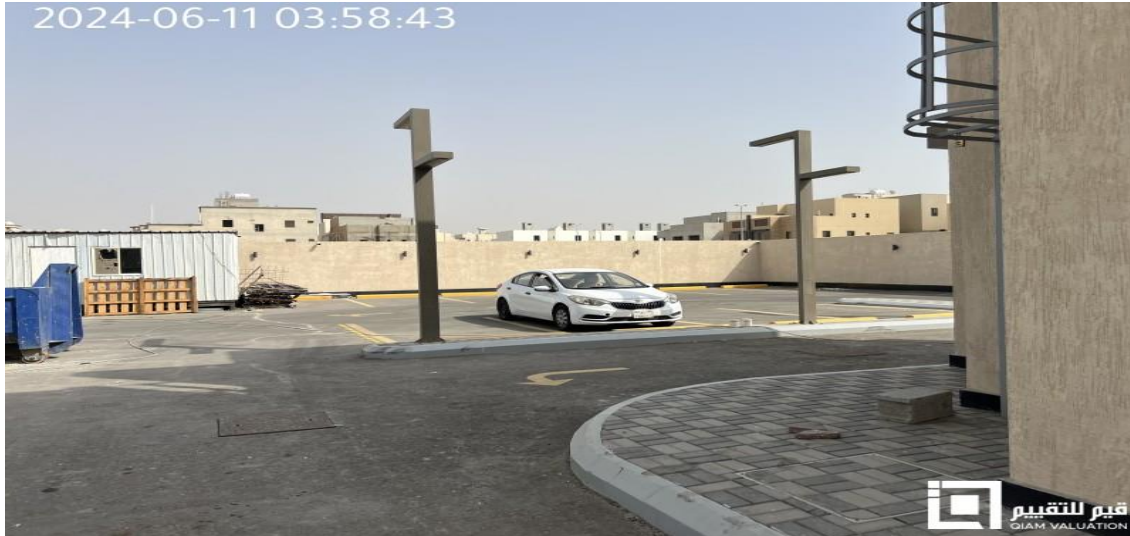
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Development

Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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	----	----	----	----

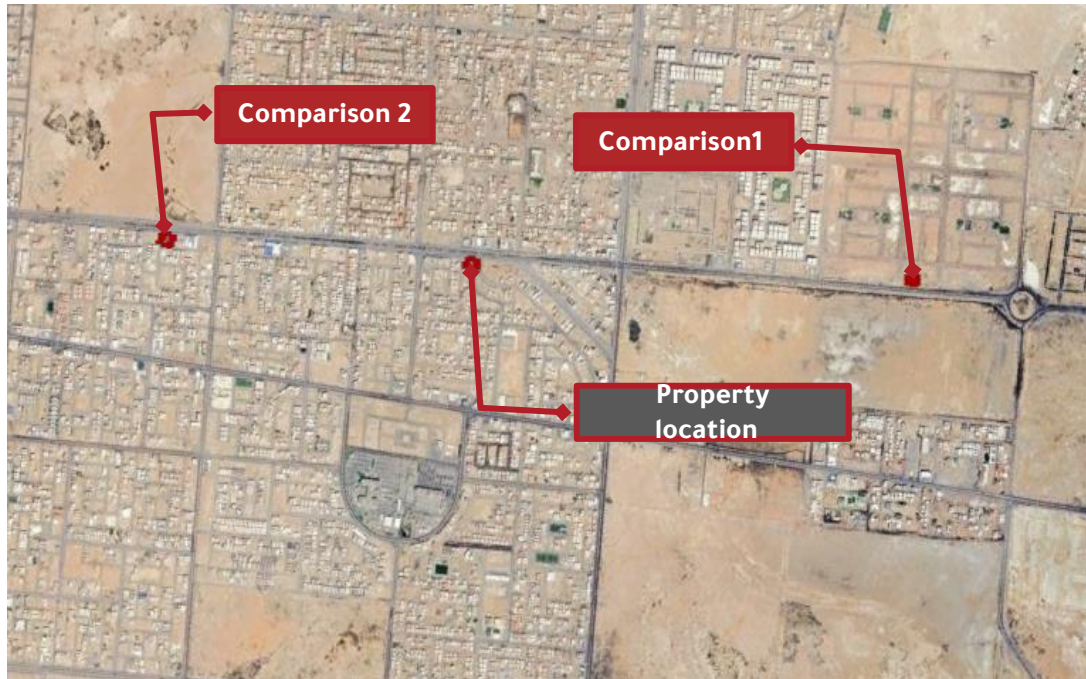


Value Estimation

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

Clause	Comparative real estates					
Adjustments factors	Property under valuation	Comparison 1		Comparison 2		
		Value	Adjustment	Value	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	%0	Flat	%0	
Land topography	Average	Average	%0	High	%5-	
Land use	Commercial Residential	Commercial Residential	%0	Commercial Residential	%0	
Surrounding streets	2	2	%0	3	%5-	
Total		%10.00		%5.00-		
Adjustment value per square meter		490		-264		
Final meter value after Adjustments		5,390		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 condition 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 building (SR)		1,690,636
Fourth: Value of the property according to the Cost Approach		
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 1210000005



■ Appendix

Documents received from the client

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رقم المسك: 793010005754
التاريخ: 1443/03/13 هـ

وزارة العدل
ابراهيم عمر محمد الحسين
الرئيس
ترخيص رقم 39/999

صك رهن

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

فإن قطعة الأرض رقم 270 / ب من المخطط رقم 505 / 3 / أ الواقع في حي الشراع بمدينة جدة . و قطعة الأرض رقم 250 / ب من المخطط رقم 505 / 3 / أ الواقع في حي الشراع بمدينة جدة . و قطعة الأرض رقم 269 / ب من المخطط رقم 505 / 3 / أ الواقع في حي الشراع بمدينة جدة . و قطعة الأرض رقم 251 / ب من المخطط رقم 505 / 3 / أ الواقع في حي الشراع بمدينة جدة . وحذوها وأطولها:

شمالاً: موقف سيارات متوسط عرض 2.00 م شارع عرض 52.00م بطول 37 يبدأ من الغرب للشمال الشرقي بطول سبعة و ثلاثون متر ثم يتفرع بـسبعة أمتار للشارع بطول 24 متر
جنوباً: شرقاً جزء من القطعة رقم 285 مكرور و غرباً جزء من القطعة رقم 285 بطول 40 أربعون متر
شرقاً: شمالاً شارع عرض 10م و جنوباً موقف سيارات متوسط عرض 18م بطول 47 سبعة و أربعون متر
غرباً: جنوباً القطعة رقم 268 و شمالاً القطعة رقم 249 بطول 50 عـ.د.م متر
ومساحتها 1995.5 ألف و تسعمائة و خمسة و تسعون متر مربعاً و خمسون سنتماً مربعاً وذلك بموجب خطاب امتهادة رقم 3600082483 في 13 / 4 / 1437 هـ المقيد لدينا برقم 371302352 في 8 / 4 / 1437 هـ. المملوكة لـ شركة تـمدين الأولى العقارية بموجب سجل تجاري رقم 1010896622 بموجب الصك الصادر من الموثقين بالرياض بـ رقم 493598002676 في 24 / 07 / 1442 هـ ثم رخصتها وما أقيم أو سلف عليها من بناء لصالح / شركة الراجحي للتطوير المحيطة بموجب سجل تجاري رقم 1010158249 شمالاً للواء ب 15266453 فقط خمسة عشر مليوناً و مئتان و ستة و ستون ألفاً و أربعمائة و ثلاثة و خمسون ريالاً سعوديلاً لا غير تسدد على القسط شهرياً عددها 15266453 قيمة كل قسط تاريخ حلول القسط 1443/03/14 سبب الرهن : أداء ضمان للواء بالمدينة وبنية عند رقم 22455468 وبحق للمصرف بيع العقار إذا تعثر المدين عن سداد المدينة أو جزء منها قبل حلول كل الدين العمومي (الضاد على قسط واحد بمبلغ 15266453 ريال بتاريخ 2028-12-30) وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما لى نمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكتمال ما يلزم شرعاً. وعليه جرى التصديق تحريراً في 13 / 03 / 1443 لا عـدده: بوصلى الله على نبينا محمد وآله وصحبه وسلم.

الموافق
ابراهيم عمر محمد الحسين

الختم الرسمي

موقعه

General Administration

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

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☎ +966 92 002 5832

شركة قيم للتقييم - ترخيص رقم 1210000052 تاريخ الانتهاء 1447/05/03 هـ سجل تجاري رقم 1010927632 تاريخ الانتهاء 1449/03/15 هـ الرقم الموحد 920025832 - مكتب رقم 7 مبنى رقم 8484 طريق عثمان بن عفان - الرياض 11666

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



**MULKIA
INVESTMENT**

West Avenue Mall

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 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

قيـم للتقـيـم

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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none">▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052▪ Salem Al Fai'- Real estate-Basic Follow- Membership No 1210000013▪Nidal Ahmed Al-Ghamdi- Associate Member - Real Estate - 1210000135
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.

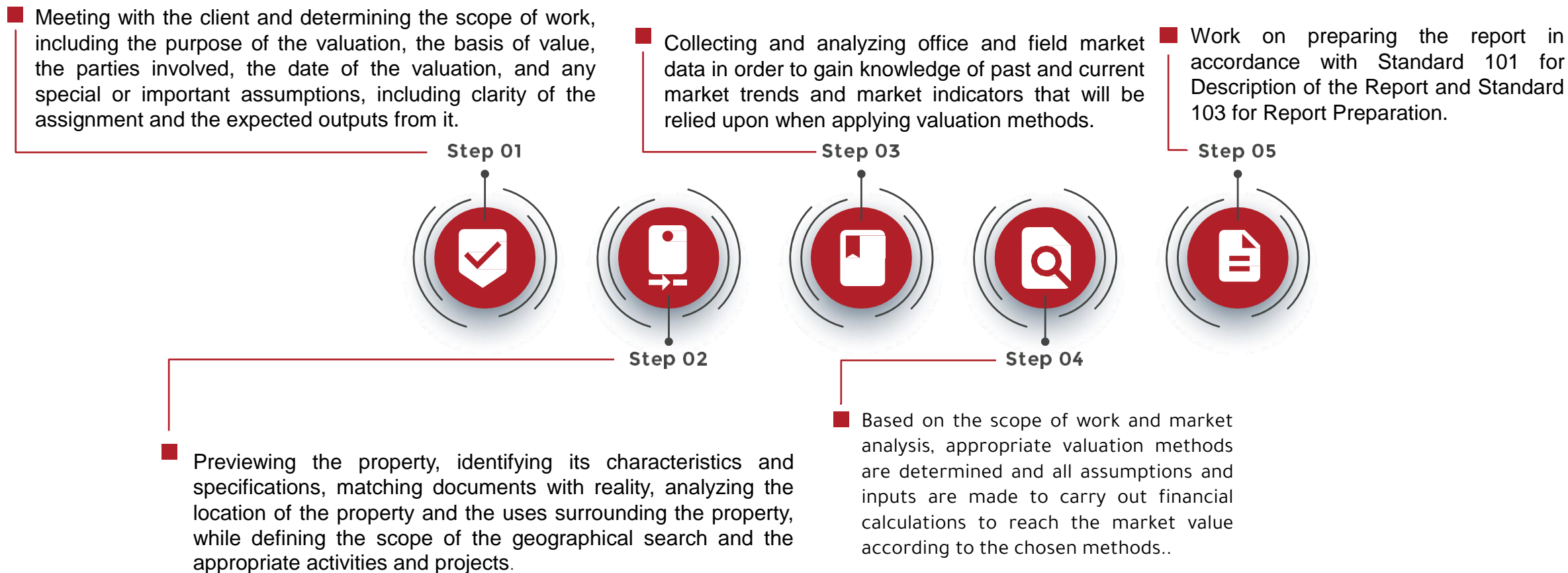
Important assumptions and special assumptions

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
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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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.



- 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:

91 Public and private school	2 University and College	+5ML Traveler	+1.8ML Workforce size	+1.5K Population	800KM Area
1 Ports	1 Airports	+28 Markets and shopping malls	265 Factory	6 hospital	+1.8ML Tourists and visitors

Real estate indicators:

+144ML Total value of rental transactions	+9.1K Rental deal	+19.5Billion Total value of executed transactions	+11.8K Executed deal
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Site studies

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)**.

Weak points:

- Risks of changing the building system in the property area.

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.

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 Al 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
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	West of the city
	Infrastructure	Completed
	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 wood	Gypsum plasterboard suspended ceilings	Paint	Marble - Porcelain
Windows	Health kits	Stairs	Insulation type
Aluminum and double glazing	High quality	Marble	Thermal - Hydro

EXTERIOR FINISHES

Facades	Facilities	Doors	Floors
Paint - Stone	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
Private pools for some villas	Basement + Outdoor	Fire Detection Systems - Fire Hose for All Hotel Parts	Indoor and outdoor surveillance cameras

Property location

Property is located in: **Dammam**

Neighborhood: **Al-Faisaliah**

Street: **Omar bin Al-Khattab Road**

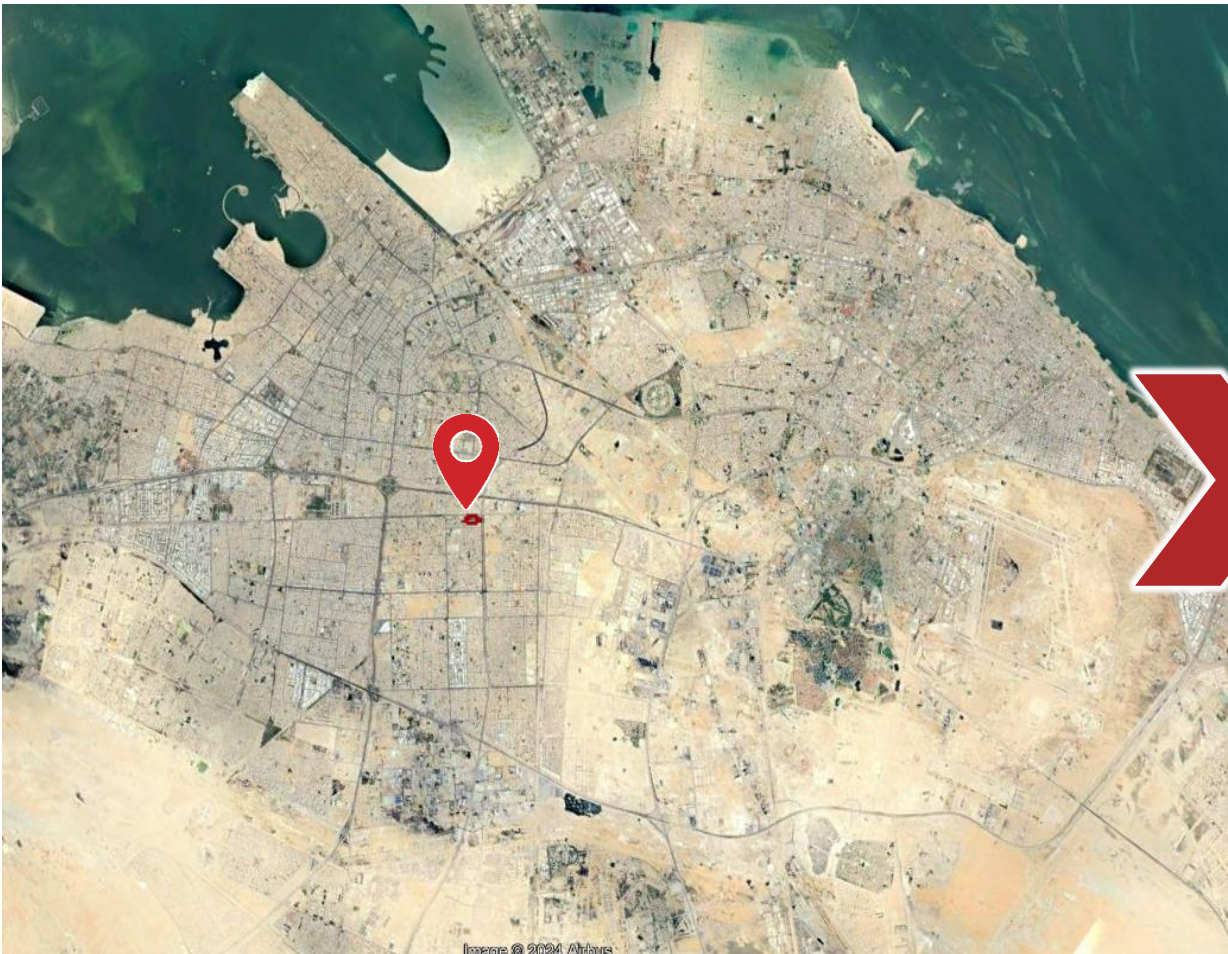
Location coordinates

N :

26.387497

E :

50.075157

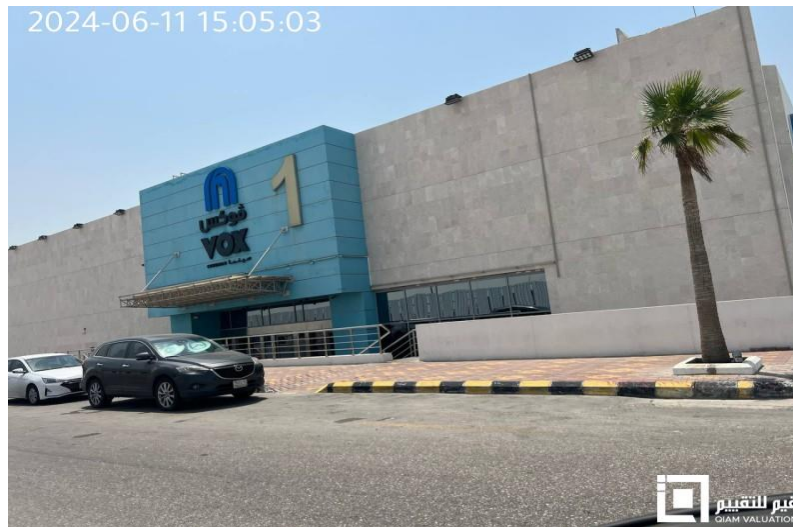


Photographic survey of the Property

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2024-06-11 15:05:05



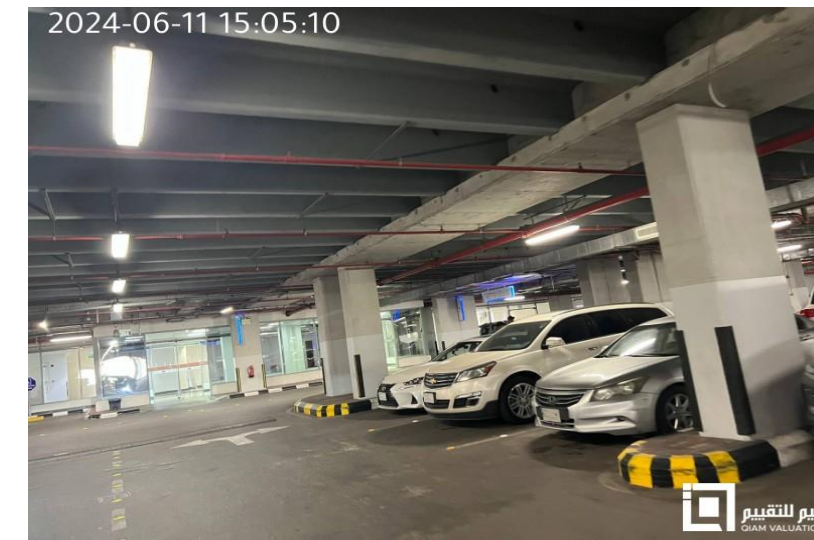
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Development



Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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	Commercial Residential
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					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		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	***	(660.00)		(525.00)	
Value after initial settlements	***	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	%0	Regular	%0
Land topography	Average	Average	%0	Average	%0
Land use	Commercial Residential	Commercial Residential	%0	Commercial Residential	%0
Surrounding streets	3	2	%5	2	%5
Total		%20.00-		%20.00-	
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		

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 condition 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)			
Professional fees	%2		3,020,142
Utilities Network	%2		3,020,142
Administration costs	%2		3,020,142
Financing costs (0 years / 0%)	%0		-
Developer's profitability	%15		22,651,065
Total (SR)			31,711,491
Total cost of buildings (SAR)			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 building (SR)		155,310,802
Fourth: Value of the property according to the Cost Approach		
Final value of the land (SR)		153,680,350
Final value of buildings (SR)		155,310,802
Market value of the property according to the Cost Approach (SR)		308,991,152
Market value of the property according to the Cost Approach after rounding (SR)		308,991,000

Property income according to income data sent by the client

Rental price analysis based on market survey data results

Property Type	Average area (m2)	Average rental value (SR/meter)
Big trade show	500 - 300	1,300
Small trade show	150 - 100	1,500
Kiosks	15	4,000
Hyper Showrooms	5000 - 2500	550

Calculating the income of the property being valued

Clause	Rental area (m2)	Average rental value per square meter (SR/meter)	Total rental value (SAR)
Rented units	28200	699.35	19,721,702
Vacant units	4063	1400	5,688,200
Total rental income			25,409,902

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 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	%9
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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
		1	2	3	4	5	6	7	8	9	10	
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	%87	-	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												
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												
							Final Property Value					280,972,444
							Final Property Value (after rounding)					280,972,000

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 1210000005



Appendix

Documents received from the client

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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

الجمهورية العربية السورية
وزارة العدل
[٢٧٧]

صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم 5 من البلدة رقم 2 من المخطط رقم د 1330 بمدينة الدمام، وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض 30 متر بطول: (7.70 + 166.70 متر
جنوباً: شارع عرض 20 متر بطول: (187.43) مائة وسبعة وثمانون متر وثلاثة وأربعون سنتيمتر
شرقاً: شارع صر بن الخطاب عرض 60.96 متر بطول: (7.78 + 263.99 + 20.31 متر
غرباً: شارع عرض 20 متر بطول: (334.03) ثلاثمائة وأربعة وثلاثون متر وثلاثة سنتيمتر
ومساحتها: (57,215.32) سبعة وخمسون ألفاً ومئتين وخمسة عشر متر مربعاً واثنين وثلاثون
سنتيمتر مربعاً فقط بناء على محضر اللجنة الفنية رقم 17688 / 1438 في 19 / 4 / 1438 هـ ومصدره
أمانة المنطقة الشرقية والمفيد في هذه الإدارة برقم 381571476 في 24 / 4 / 1438 هـ وبناء على
خطاب الموافقة على الإفراغ الصادر من لجنة فحص ودراسة الصكوك المفيد لدينا برقم 439126699 في
1443 / 1 / 22 هـ.

المملوكة لـ/ شركة تميمين الأولى العقارية بموجب سجل تجاري رقم 1010896622 في 14 / 1 / 1439
هـ بالصفحة الصادر من هذه الإدارة برقم 530106032831 في 13 / 6 / 1443 هـ. قد تم رهنها وما أقيم
أو سيقيم عليها من بناء لصالح / شركة الراحي المصرية للاستثمار بموجب سجل تجاري رقم
1010000096 وتنتهي في 29 / 5 / 1444 هـ حسبما لوفاله بـ/ (مائة وثلاثة وعشرون مليوناً و
ستمائة وثمانية وسبعون ألفاً ومائة وواحد وسبعون ريال) وفي حالة عدم السداد فليمرتين بيع العقار
بالبقية التي تنتهي عندها الرهائ واستبقاء مافي ثمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال
مايلزم شرعاً و عليه جرى التصديق تحريراً في 16 / 6 / 1443 هـ وصلى الله على نبينا محمد وآله وصحبه
وسلم.

صدرت هذه الوثيقة من وزارة العدل، ويجب التحقق من بياستها ومساوئها عبر الخدمات الإلكترونية لوزارة العدل
(هذا النموذج مخصص للاستخدام بالعماس الآلي ويمنع تعديله)
نموذج رقم (١٢-٣٠٠٠٩٠٠)

صفحة رقم 1 من 1

Samples of the contracts that were reviewed



يعتبر هذا العقد عقدًا موثقًا وسنًا تنفيذيًا بموجب قرار مجلس الوزراء رقم (١٢١) وتاريخ ٢٥/٤/٢٠٢٠ هـ.

١ بيانات العقد					
رقم سجل العقد:	Contract No.	20309434154 / 1	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	Contract Sealing Date	2023-05-17	مكان إبرام العقد:	الدمام	Contract Sealing Location
تاريخ بداية مدة الإيجار:	Tenancy Start Date	2023-05-16	تاريخ نهاية مدة الإيجار:	2024-05-15	Tenancy End Date
معلق بشرط	Contract is conditional	لا			

٢ بيانات المؤجر					
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة تعدين النولي	Company name/Founder
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد:	7010776792	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2017-10-04	CR Date

٣ بيانات مُمَثِّلِ المؤجر					
الاسم:	سلمان حسين بن يحيى معيدي	Name	الجنسية:	المملكة العربية السعودية	Nationality
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:	1073134924	ID No.
رقم الجوال:	+966556332153	Mobile No.	البريد الإلكتروني:	muaidis@mulkia.com.sa	Email
العنوان الوطني:	441361636	National Address	نوع المستند:	وكالة شريعة إلكترونية	Type
رقم سند التمثيل:	441361636	Number	تاريخ الصلاحية:	2025-08-31	Expiry Date

٤ بيانات المستأجر					
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	الشركة العالمية للمواد الاستهلاكية والأغذية المحدودة	Company name/Founder
رقم السجل التجاري:	2050029957	CR No.	الرقم الموحد:	7013191684	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	1995-06-18	CR Date

1



لا يعد هذا العقد سنًا تنفيذيًا، لوجود بنود أو شروط إضافية

١ بيانات العقد					
رقم سجل العقد:	Contract No.	20648671620 / 1	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	Contract Sealing Date	2023-03-01	مكان إبرام العقد:	الدمام	Contract Sealing Location
تاريخ بداية مدة الإيجار:	Tenancy Start Date	2022-11-07	تاريخ نهاية مدة الإيجار:	2027-11-06	Tenancy End Date
معلق بشرط	Contract is conditional	لا			

٢ بيانات المؤجر					
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة تعدين النولي	Company name/Founder
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد:	7010776792	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2017-10-04	CR Date

٣ بيانات مُمَثِّلِ المؤجر					
الاسم:	سلمان حسين بن يحيى معيدي	Name	الجنسية:	المملكة العربية السعودية	Nationality
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:	1073134924	ID No.
رقم الجوال:	+966556332153	Mobile No.	البريد الإلكتروني:	muaidis@mulkia.com.sa	Email
العنوان الوطني:	441361636	National Address	نوع المستند:	وكالة شريعة إلكترونية	Type
رقم سند التمثيل:	441361636	Number	تاريخ الصلاحية:	2025-08-31	Expiry Date

٤ بيانات المستأجر					
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	الشركة السعودية للمعدات والادوات سلكو	Company name/Founder
رقم السجل التجاري:	2050029957	CR No.	الرقم الموحد:	7013191684	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	1995-06-18	CR Date

1



لا يعد هذا العقد سنًا تنفيذيًا، لوجود بنود أو شروط إضافية

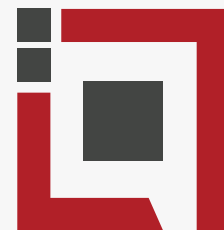
١ بيانات العقد					
رقم سجل العقد:	Contract No.	20018994084 / 1-0	نوع العقد:	جديد	Contract Type
تاريخ إبرام العقد:	Contract Sealing Date	2024-01-30	مكان إبرام العقد:	الدمام	Contract Sealing Location
تاريخ بداية مدة الإيجار:	Tenancy Start Date	2023-08-10	تاريخ نهاية مدة الإيجار:	2027-08-09	Tenancy End Date
معلق بشرط	Contract is conditional	لا			

٢ بيانات المؤجر					
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة تعدين النولي	Company name/Founder
رقم السجل التجاري:	1010896622	CR No.	الرقم الموحد:	7010776792	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2017-10-04	CR Date

٣ بيانات مُمَثِّلِ المؤجر					
الاسم:	سلمان حسين بن يحيى معيدي	Name	الجنسية:	المملكة العربية السعودية	Nationality
نوع الهوية:	هوية وطنية	ID Type	رقم الهوية:	1073134924	ID No.
رقم الجوال:	+966556332153	Mobile No.	البريد الإلكتروني:	muaidis@mulkia.com.sa	Email
العنوان الوطني:	441361636	National Address	نوع المستند:	وكالة شريعة إلكترونية	Type
رقم سند التمثيل:	441361636	Number	تاريخ الصلاحية:	2025-08-31	Expiry Date

٤ بيانات المستأجر					
نوع المنظمة:	التجارية	Organization Type	اسم الشركة/المؤسسة:	شركة الشايح الدولية للتجارة	Company name/Founder
رقم السجل التجاري:	2050094953	CR No.	الرقم الموحد:	7013619528	Unified Number
جهة الإصدار:	-	Issued by	تاريخ السجل التجاري:	2013-10-21	CR Date

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General Administration

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

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🌐 www.qiam.com.s

☎ +966 92 002 5832

Real State Valuation Report

Presented to: Mulkia Gulf Real Estate REIT Fund



MULKIA
INVESTMENT

Trade shows - Khamis Mushait



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

قيـم للتقـيـم

QIAM VALUATION

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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.



QIAM VALUATION
REAL ESTATE VALUATION REPORT



■ Scope of work

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 style="list-style-type: none">▪Ismail Al-Dubaikhi - Real estate-Basic Follow - Membership No. 1210000052▪ Salem Al Fai`- Real estate-Basic Follow- Membership No 1210000013<ul style="list-style-type: none">▪ Alwaleed Khaled Musa- Associate Member - Real Estate - 1210001381
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

- Meeting with the client and determining the scope of work, including the purpose of the valuation, the basis of value, the parties involved, the date of the valuation, and any special or important assumptions, including clarity of the assignment and the expected outputs from it.

Step 01



- Collecting and analyzing office and field market data in order to gain knowledge of past and current market trends and market indicators that will be relied upon when applying valuation methods.

Step 03



- Work on preparing the report in accordance with Standard 101 for Description of the Report and Standard 103 for Report Preparation.

Step 05



Step 02



Step 04



- Previewing the property, identifying its characteristics and specifications, matching documents with reality, analyzing the location of the property and the uses surrounding the property, while defining the scope of the geographical search and the appropriate activities and projects.

- Based on the scope of work and market analysis, appropriate valuation methods are determined and all assumptions and inputs are made to carry out financial calculations to reach the market value according to the chosen methods..

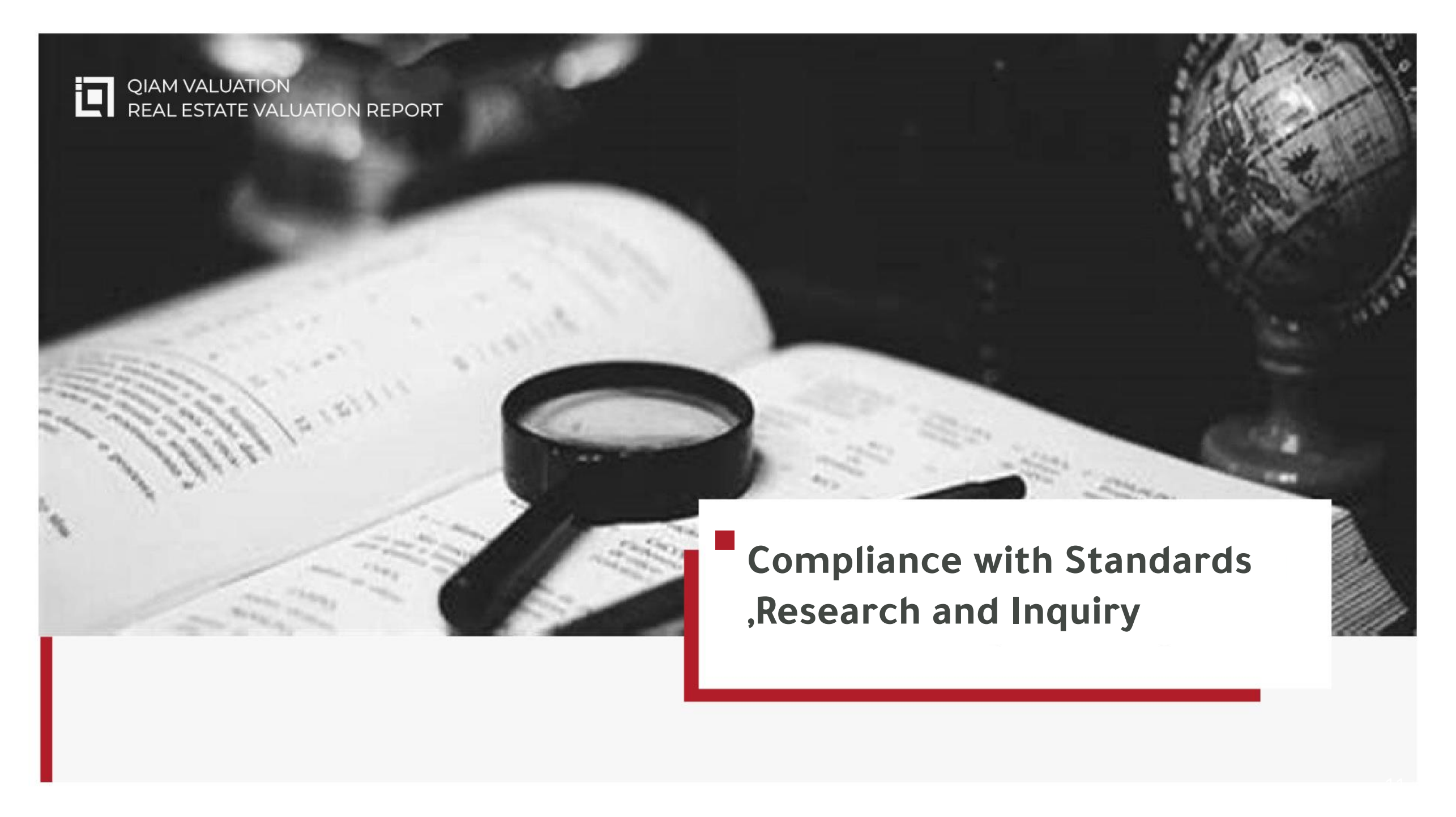
Standard 102: Compliance with Standards and Research and Inquiry

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	-----	-----
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



■ 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 value 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 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 judgment, efficiency, and the possibility of deviating from the standards, Paragraph (60.1-60.2). 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

Investment properties in the financial statements

IAS 40 defines investment property as any property (land or a building - or part of a building - or both) held (by the owner or by the lessee as a right-of-use asset) to earn rental income or To grow the capital or for both, and not:

- 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



■ An overview of the economy and the real estate sector in 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.



- **Overview of the economy and the real estate sector in the Khamis Mushait city**

Social, service and real estate indicators - Khamis Mushait City - 2023

Social and service indicators:

88 Public and private school	2 University and College	+10ML Traveler	220K Workforce size	+601K Population	500KM Area
	1 Airports	+24 Markets and shopping malls	265 Factory	4 Hospital	+1.8ML Tourists and visitors

Real estate indicators:

+33ML Total value of rental transactions	+2521K Rental deal	+2.8Billion Total value of executed transactions	+4.2K Executed deal
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Site studies

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 Al 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
✓	✓	✓	✓
Water drainage network	Mosque	Dispensary	Garden
✓	✓	✓	✓
Public markets	Civil defense	Police station	Hospital
✓	✓	✓	✓
Hotels	Petrol station	Schools	Governmental services and centers
✓	✓	✓	✓

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.
Planning factors (Urban)	Location from the city	South of the city
	Infrastructure	Completed
	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.

- 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 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	Security Systems
N.A.	Outdoor	N.A.	N.A.

Property location

Property is located in: **Khamis Mushait**

Street: **King Khalid Road**

Location coordinates	N :	18.27093	E :	42.73898
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Photographic survey of the Property





Development

Valuation

Valuation Approaches



❖ Market Approach

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.



❖ Cost Approach

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 $(\text{current age of the building} / \text{Lifespan}) * 100$.

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:

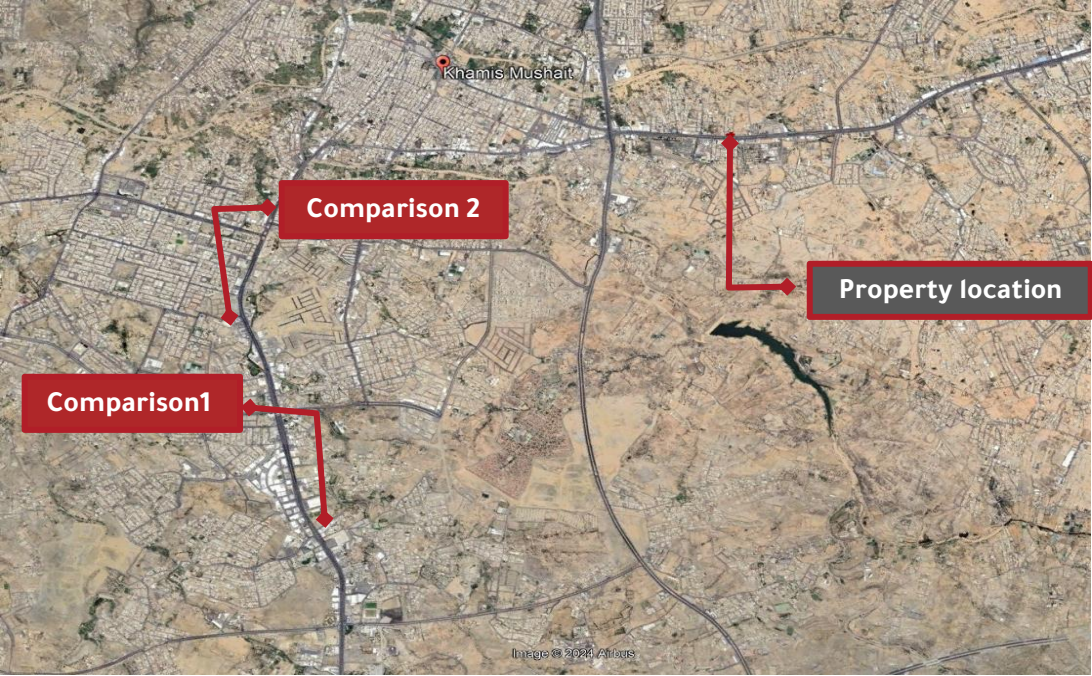
Level	Clarification	Input statement	Classification	Source	Judgment and documentation
First	Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be reached at the measurement date and are given priority.	----	----	----	----
Second	They are the inputs other than the 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



Valuating the land according to Market Approach - Method of comparison with similar sales					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Price per square meter	***	3,200		2,200	
Condition	***	Available offer		Available offer	
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	***	2,880		1,980	
Land area (m²)	1500.00	7,200	%12	18,000	%17
Ease of access	High	High	%0	High	%0
Property location	High	Average	%10	Average	%10
Land shape	Regular	Regular	%0	Regular	%0
Land topography	High	Average	%5	Average	%5
Land use	Commercial Residential	Commercial Residential	%0	Commercial Residential	%0
Surrounding streets	3	2	%5	3	%0
Total		%32.00		%32.00	
Adjustment value per square meter		922		634	
Final meter value after Adjustments		3,802		2,614	
Net average value per 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 condition 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	567.2	1,600	907,520
Fences	160	600	96,000
Total (SR)	727		1,003,520

Second: Other costs (indirect)

Professional fees	%2	20,070
Utilities Network	%2	20,070
Administration costs	%2	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

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	182,138

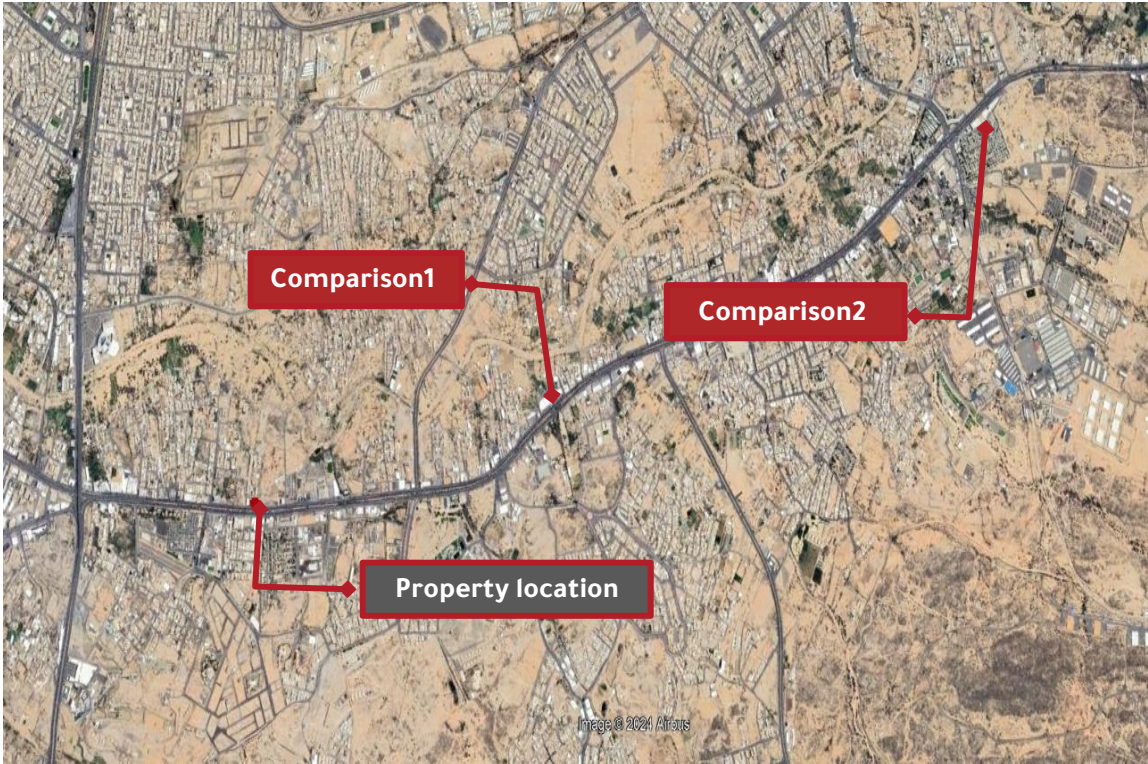
Final value of the building (SR) 1,032,120

Fourth: Value of the property according to the Cost Approach

Final value of the land (SR)	4,811,400
Final value of buildings (SR)	1,032,120
Market value of the property according to the Cost Approach (SR)	5,843,520
Market value of the property according to the Cost Approach after rounding (SR)	5,844,000

Estimating the rental value per square meter for trade shows- Comparison method

Comparative Properties - Administrative 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 value of the rental meter - Trade shows - According to the Market Approach - Comparison method					
Clause		Comparative real estates			
Adjustments factors	Property under valuation	Comparison 1		Comparison 2	
		Value	Adjustment	Value	Adjustment
Rental price per square meter	***	850		1,200	
Condition	***	Rented		Rented	
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	***	850		1,200	
Area (m2)	283.50	180	%5-	80	%10-
Ease of access	High	High	%0	High	%0
Property location	High	High	%0	High	%0
Parking availability	High	Average	%5	Average	%5
Design	High	Average	%5	Average	%5
Total		%5.00		%0.00	
Adjustment value per square meter		43		-	
Final meter value after Adjustments		893		1,200	
Net average value per square meter (SR / m²)				1,046	
Net average value per meter (SR/meter) after rounding				1,000	

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 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 (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 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

Annual 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
Trade show 2	283.5	1,000	283,500
Total annual property 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

Cash flow - Inflows		Investment years										Reversion value
		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Expected growth value		1	2	3	4	5	6	7	8	9	10	
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 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	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	3,274,965
Net present value of the property												6,929,390

Final Property Value6,929,390

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



Appendix

Documents received from the client

رقم الطلب: 1443/03/13

نوع الطلب: رخصة بناء

الجهة: بلدية الرياض

الحي: 1443/03/13

نوع البناء: تجاري

رقم الرخصة: 450614241889

نوع الرخصة: رخصة بناء

حالة الرخصة: يوجد طلب على الرخصة

تاريخ إصدارها: 1437/07/17

تاريخ إنشائها: 1440/07/17

الاسم: شركة تميم الأولى العقارية شركة تميم واحد

رقم الهوية: 7010776792

نوع الهوية: سجل تجاري

رقم المخطط: 1443/03/13

رقم وثيقة الملكية: 393010005752

نوع وثيقة الملكية: سند

وصف المبنى: رخص جز (ب) سلع

رقم المخطط: 1443/03/13

نوع المخطط: 1443/03/13

الحدود والأبعاد والارتفاعات بالمتر

الحدود	الأبعاد (م)	الارتفاع (م)
الحدود الشمالية	4.5	30
الحدود الجنوبية	4.5	30
الحدود الغربية	5.1	50
الحدود الشرقية	6	50
مساحة الأرض	1500	م

عرض وثائق البناء

نوع الوثيقة	عدد الوثائق	نوع الوثيقة	عدد الوثائق
رخصة البناء	2	رخصة البناء	2
رخصة البناء	1	رخصة البناء	1
رخصة البناء	1	رخصة البناء	1

بيانات المالك

الاسم: شركة تميم الأولى العقارية شركة تميم واحد

رقم الهوية: 7010776792

نوع الهوية: سجل تجاري

بيانات المالك

الاسم: شركة تميم الأولى العقارية شركة تميم واحد

رقم الهوية: 7010776792

نوع الهوية: سجل تجاري

بيانات المالك

الاسم: شركة تميم الأولى العقارية شركة تميم واحد

رقم الهوية: 7010776792

نوع الهوية: سجل تجاري

وزارة العدل
إبراهيم عمر محمد الحسين
الرياض
ترخيص رقم 39/999

رقم الملف: 393010005752
التاريخ: 1443/03/13 هـ

صك رهن

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن الجزء المتبقي من المستودع المظلم على الأرض الواقعة على طريق المدينة العسكرية بمدينة خميس مشيط، وحودها وأطوالها:

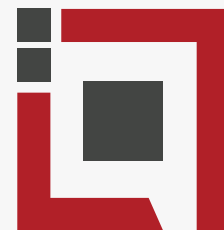
شمالاً: شارع عرضه 20م بطول 30 ثلاثون متر
جنوباً: شارع عرضه 20م بطول 30 ثلاثون متر
شرقاً: شارع عرضه 16م بطول 50 خمسون متر
غرباً: طريق المدينة العسكرية عرضه 64م بطول 50 خمسون متر
ومساحتها 1500 ألف و خمسمائة متر مربعاً المملوكة لشركة تعدين الآواني التطويرية بموجب سجل تجاري رقم 1010896622 بموجب الصك الصادر من الموثقين بالرياض 6 برقم 293598002673 في 24 / 07 / 1442 قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح شركة الرادسي للتطوير المحدودة بموجب سجل تجاري رقم 1010158249 ضمناً للوفاء بـ 14042105 فقط أربعة عشر مليوناً و الثمان و أربعون ألفاً و مئة و خمسة ريالات سعودي لا غير. تستند على أقساط شهرية عددها 1 قيمة كل القسط تاريخ حلول القسط 1443/03/14 سبب الرهن: أداة ضمان للوفاء بالمديونية على رقم 22455468 ويحق للمصرف بيع العقار إذا تكرر المدين عن سداد المديونية أي جزء منها قبل حلول كل الدين المضمون (السداد على أقساط واحد بمبلغ 14042105 ريال بتاريخ 30-12-2028م وفي حالة عدم السداد للمقرض بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء باقي ثمة الراهن من مبلغ وما نقص يروج فيه عليه بعد اكتمال الميزان شرعاً. وعليه جرى التصديق تحريراً في 1443 / 03 / 13 لاتمده، بوصلى الله على نبينا محمد وآله وصحبه وسلم.

الموثق

إبراهيم عمر محمد الحسين

القلم الرئيسي

رقم التقييم: 714



General Administration

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