WHITE CUBES
VALUATION & ADVISORY SERVICES

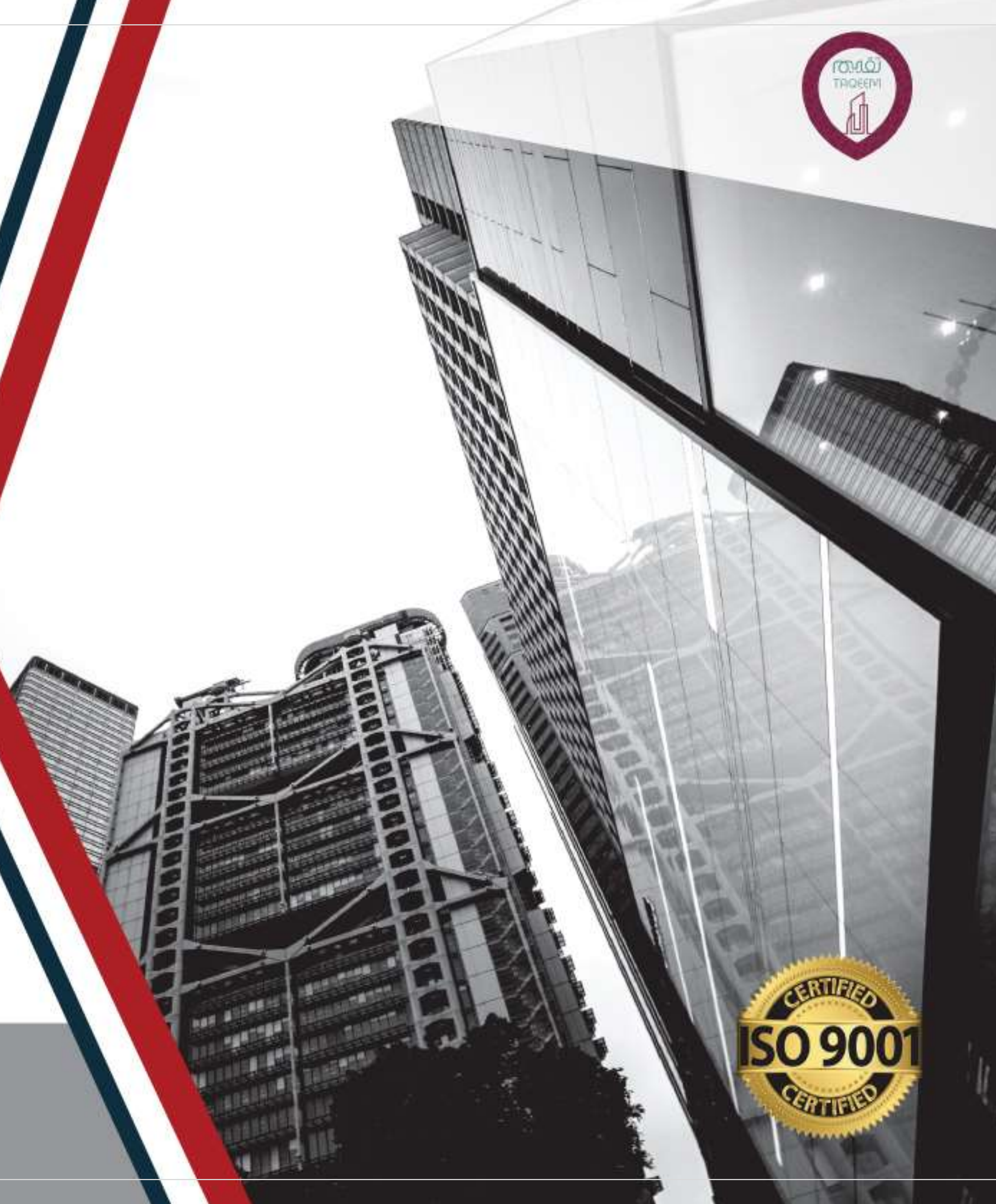
TAHA CORP
REAL ESTATE CONSULTING SERVICES

VALUATION REPORT

GALLERY MALL
AL KHABEER CAPITAL

NOVEMBER 2019

REAL ESTATE VALUATION



REF: WCRE-19-384-5
Date: 25/12/2019
M/S Al Khabeer Capital
Attn Mr. Tarek Aql

Land Line: +966 12 612 9361
Email: t.aql@alkhabeer.com

Subject: Valuation Report for the leasing right of Gallery Mall in Tabuk City, Saudi Arabia.

Dear Sir,

With reference to your request and approval dated on November 12, 2019 for valuation service of the Retail project (Gallery Mall) located in Tabouk city, please find hereafter our detailed valuation report including other information related to the mentioned property.

Issued without prejudice and liabilities

WHITE CUBES REAL ESTATE

Dr. Mohammad Taha – CEO WHITE CUBES GLOBAL

Mr. Essam Al Hussaini – GM- WHITE CUBES KSA

Member of the Saudi Authority of Accredited Valuers (Taqeem)	License No. 1220000263
Member of the International Association of certified valuer	License No. MIE00394
Member of the Arab Academy for Valuation	License No. 20100112
Senior Sworn Valuer in the Lebanese Ministry of Justice	
Member of the American Institute for Valuation	

Member of the Saudi Authority of Accredited Valuers (Taqeem)	License No. 1210000474

WHITE CUBES REAL ESTATE is the exclusive real estate advisory agent for TAHA CORP CONSULTING in the Kingdom of SAUDI ARABIA

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TAQEEM LISCENCE NUMBER: 1210000474

INTRODUCTION

This section is to express disclosures, disclaimers and general statements about the limitations of the valuation procedures.

1.1 INSTRUCTION

We have received instruction from AL KHABEER CAPITAL dated on November 12, 2019 to proceed with the valuation service for Gallery Mall in Tabouk city.

Valuation Type	Real Estate
Instructions From	Al Khabeer Capital
Property Type	Retail
Property Name	Gallery Mall
Location	KSA, Tabouk City

1.2 CLIENT

The client to whom this report is prepared is AL KHABEER CAPITAL, a company working under the Saudi law and regulations.

Client Name	Al Khabeer Capital
Domain	Asset Management Company
Location	KSA, Jeddah
Contact Person	Tarek Aql
Contact No.	+966 12 612 9361

1.3 INTEREST TO BE VALUED

We are instructed that the Subject Property should be valued as freehold, free from any encumbrances or third-party interests. We have not made any investigation on the title and have assumed that any such investigation would not identify any discrepancies in ownership.

1.4 STATUS OF CONSULTANT / VALUER

We confirm that the Valuer / Consultant has no material connection or involvement with the subject of the valuation or with the Client and can provide an objective and unbiased valuation. We confirm the Valuer is competent to undertake the valuation assignment and has sufficient skills and knowledge of the respective market to undertake the valuation.

1.5 INDEPENDENT CONSULTANT

An External Valuer is defined in the RICS Standards as; "*A valuer who, together with any associates, has no material links with the client company or the subject of the assignment*."

We confirm that we are an independent contractor for the subject service, and nothing contained in this agreement shall be construed as constituting any relationship with the client other than that of client and independent contractor, or as creating any employment relationship whatsoever between the client & White Cubes staff. We also confirm that we have no conflict of interest to the client's property.

1.6 STRUCTURAL STABILITY (IF ANY)

Our scope of service does not include any technical testing of structure for stability and strength measurements. However, and in case of any visually observed and noted deficiencies within the structure, we will note them in our report and to be reflect in the estimation of value.

1.7 OPINION OF VALUE

All the outputs will be shown in this report (Values) are based on our best knowledge of the market, documents received from the client (assumed to be correct), market findings and inspection inputs. Yet, the estimated values of the subject property / properties express our opinion of values based on the previously mentioned findings.

1.8 VALUATION STANDARDS

The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Royal Institution of Chartered Surveyors (RICS) Valuation Standards (2014 edition) and Rules of Conduct for members. In addition to recently published International Valuation Standards issued by IVSC (International Valuation Standards Council) and applied by TAQEEM (Saudi Authority for Accredited Valuers).

1.9 PURPOSE OF VALUATION

The client requested to know the current market value of the subject property for Real Estate Investment Trust Purposes.

Acquisition Purposes	**Selling Purposes**	**Private Fund Raising**
-------------------------------	-------------------------------	-------------------------------
Public Fund Raising	**Real Estate Investment Trust (REIT)**	**Internal Decision Making**
-------------------------------	✔	-------------------------------
Insurance Purposes	**Liquidation Purposes**	**Distribution of inheritance**
-------------------------------	-------------------------------	-------------------------------
Financing Purposes	**Court Disputes**	**Partnership Purposes**
-------------------------------	-------------------------------	-------------------------------
Government expropriation Purposes	**Losses& Damages Purposes**	**Others.**
-------------------------------	-------------------------------	-------------------------------

Therefore, and according to the valuation purpose, and as requested by the client, we will adapt the valuation methodologies of Discounted Cash Flow Approach (DCF)

1.1 CLIENT APPROVAL DATE

The client approval date reflects the green light given to use by the client to start the inspection procedures of the property / properties subject to the valuation process.

November 12, 2019.

1.2 INSPECTION DATE

The inspection date reflects the exact date of the property's inspection and the date of executed market survey. Yet, the outcome value of the subject property / properties will be based on the findings at the inspection date.

December 15, 2019.

1.3 VALUATION DATE

The Valuation date is the date on which the opinion of value/s applies. The date of valuation is the date were the value/s of the subject property / properties is reflected. The valuation date is at

December 25, 2019.

1.4 REPORT DATE

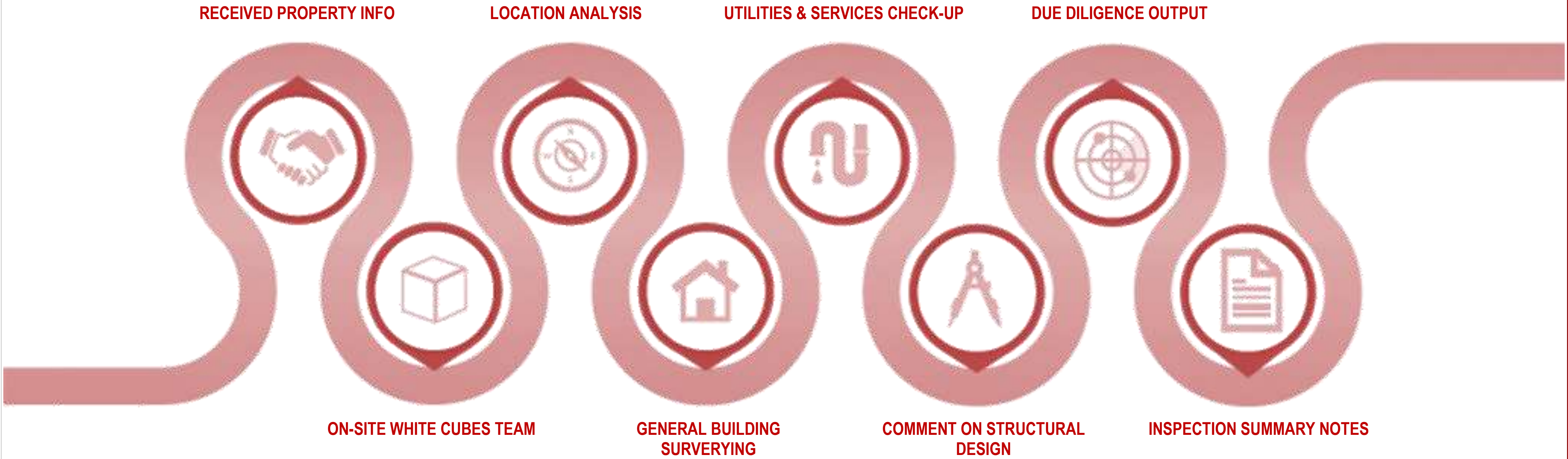
The valuation reports usually dated exactly as the valuation date. Yet, and in some cases, the report date can be after the valuation date depending on the nature, size and location of the subject property.

December 25, 2019.

TAQEEM LISCENCE NUMBER: 1210000474

1.5 INSPECTION ROLE

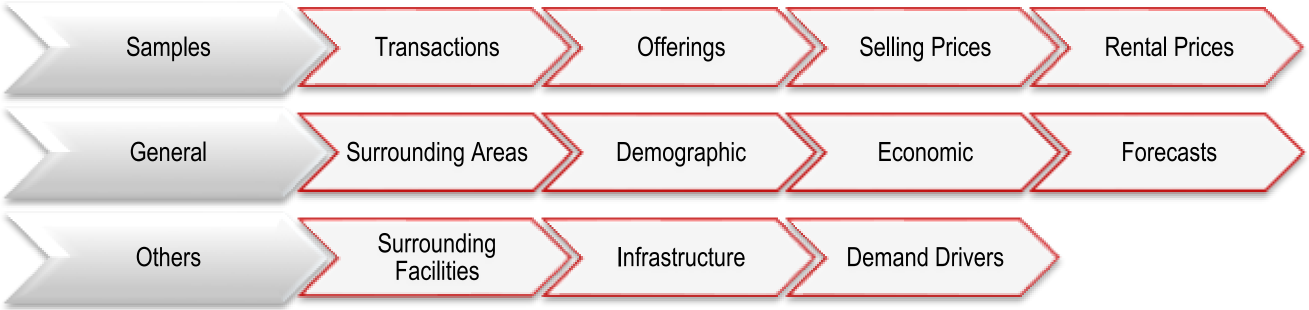
A visit to a property or inspection of an asset, to examine it and obtain relevant information, in order to express a professional opinion of its value. We hereby confirm that we have inspected the subject property / Asset at the date of inspection. Our inspection procedure covers only the surface / boundaries / out layers of the property. No technical inspection has been made such as soil test, construction durability, etc. the following shows the findings from the inspection procedures.



TAQEEM LISCENCE NUMBER: 1210000474

1.6 MARKET SURVEY

During the site visit, our team has made the market survey for the immediate surrounding areas of the subject property to collect all the possible and related data to the valuation process. The collected data will be prices, rents, land offerings, properties transactions, etc. the collected data type will be according to the property data and the purpose of valuation.



1.7 REPORT CURRENCY

This report is using the currency of Saudi Arabian Riyals (SAR)

1.8 INSURANCE

We have not been provided with any insurance policy for the subject property.

1.9 LEGAL NOTICES

We are not aware of nor have we been informed of any legal notices served on the property, outstanding or pending in the courts of law.

	No Issues	Issues Noted	We have not been informed
Court Disputes	--------------------------------	--------------------------------	✓
Un Authorized Documents	--------------------------------	--------------------------------	✓
Conflict with Municipality Regulations and Law	--------------------------------	--------------------------------	✓
Mortgage and financing issues	--------------------------------	--------------------------------	✓

1.10 INFORMATION SOURCE

For the purpose of this report, it is assumed that the written and verbal information provided to us by the Client is up to date, complete and correct. White Cubes has furthermore undertaken further research with respect to, but not limited to, general price levels of lands; occupancies, lease and daily active most known recent market activities. In addition, we have relied on the following sources in the valuation process.

- Market Survey done by our team
- Site inspection done by our team
- Local Real Estate Agents

1.11 KNOWLEDGE & SKILLS

We confirm that the undersigned valuer(s) undertaking this instruction are suitably qualified and have the appropriate knowledge and skills to undertake this instruction. Even so, the valuer(s) acknowledge the significant assistance provided by the:

WHITE CUBES TEAM

Team Leader
Dr. Mohammad N Taha - Group CEO
Approved Valuer

Site Inspection Team
Mr Essam Hussaini - Head of Valuation Dpt.
Approved Valuer

1.12 OUR ACCREDITED VALUERS IN TAQEEM

Our main accredited Valuers and officially authorized by White Cubes Real Estate to sign on any document published by us are as per the following:

1. Dr. Mohammad N Taha – Partner – CEO
   License Number 1220000263

2. Mr. Essam M. Hussaini – Owner – Head of Valuation Team
   License Number 1210000474

101 → 102 → 103 → 104 → 105 → 106 → 107 → 108 → 109 → 110 → 111 → 112 → 113 → 114 → 115 → 116

Valuer Name	Completed Courses in Taqeem															
	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116
Dr. Mohammad N Taha	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Essam M. Hussaini	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				

1.13 VALUATION COMPLIANCE

The valuation has been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation – Professional Standards (January 2014 Edition) and the International Valuation Standards Council (IVSC) International Valuations Standards (2014 Edition). It should be further noted that this valuation is undertaken in compliance with generally accepted valuation concepts, principles and definitions as promulgated in the IVSC International Valuation Standards (IVS) as set out in the IVS General Standards, IVS Asset Standards, and IVS Valuation Applications.

1.14 VALUATION STANDARDS

The valuation approach done into this report took into consideration the valuation standards approved by the following associations.

- TAQEEM (Saudi Authority of Accredited Valuers).
- RICS (Royal Institution of charted Surveyors)
- IACVA (International Association of Certified Valuers & Analysts)
- IVSC (International Valuation Standards Council)
- ARV (Arabic Academy of Valuation)

1.15 BASIS OF VALUATION

Market Value
Market Value is defined as: -
The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion.

The definition of Market Value is applied in accordance with the following conceptual framework:
"*The estimated amount*" refers to a price expressed in terms of money payable for the asset in an arm's length market transaction. Market value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of special value;

AN ASSET SHOULD EXCHANGE

"***an asset should exchange***" refers to the fact that the value of an asset is an estimated amount rather than a predetermined amount or actual sale price. It is the price in a transaction that meets all the elements of the market value definition at the valuation date;

ON THE VALUATION DATE

"***on the valuation date***" requires that the value is time-specific as of a given date. Because markets and market conditions may change, the estimated value may be incorrect or inappropriate at another time. The valuation amount will reflect the market state and circumstances as at the valuation date, not those at any other date;

BETWEEN WILLING BUYER

"***between a willing buyer***" refers to one who is motivated, but not compelled to buy. This buyer is neither over eager nor determined to buy at any price. This buyer is also one who purchases in accordance with the realities of the current market and with current market expectations, rather than in relation to an imaginary or hypothetical market that cannot be demonstrated or anticipated to exist. The assumed buyer would not pay a higher price than the market requires. The present owner is included among those who constitute "the market";

AND WILLING SELLER

"**and a willing seller**" is neither an over eager nor a forced seller prepared to sell at any price, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the asset at market terms for the best price attainable in the open market after proper marketing, whatever that price may be. The factual circumstances of the actual owner are not a part of this consideration because the willing seller is a hypothetical owner;

IN AN ARM'S LENGTH TRANSACTION

"***in an arm's-length transaction***" is one between parties who do not have a particular or special relationship, eg parent and subsidiary companies or landlord and tenant, that may make the price level uncharacteristic of the market or inflated because of an element of special value. The market value transaction is presumed to be between unrelated parties, each acting independently;

AFTER PROPER MARKETING

"**after proper marketing**" means that the asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price reasonably obtainable in accordance with the market value definition. The method of sale is deemed to be that most appropriate to obtain the best price in the market to which the seller has access. The length of exposure time is not a fixed period but will vary according to the type of asset and market conditions. The only criterion is that there must have been sufficient time to allow the asset to be brought to the attention of an adequate number of market participants. The exposure period occurs prior to the valuation date;

KNOWLEDGEABLY AND PRUDENTLY

‘**where the parties had each acted knowledgeably**, **prudently’** presumes that both the willing buyer and the willing seller are reasonably informed about the nature and characteristics of the asset, its actual and potential uses and the state of the market as of the valuation date. Each is further presumed to use that knowledge prudently to seek the price that is most favorable for their respective positions in the transaction. Prudence is assessed by referring to the state of the market at the valuation date, not with benefit of hindsight at some later date. For example, it is not necessarily imprudent for a seller to sell assets in a market with falling prices at a price that is lower than previous market levels. In such cases, as is true for other exchanges in markets with changing prices, the prudent buyer or seller will act in accordance with the best market information available at the time;

AND WITHOUT COMPULSION

‘**and without compulsion’** establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it. Market value is the basis of value that is most commonly required, being an internationally recognized definition. It describes an exchange between parties that are unconnected (acting at arm’s length) and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale, or equivalent legal document, on the valuation date, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximizes its productivity and that is possible, legally permissible and financially feasible. Market value is the estimated exchange price of an asset without regard to the seller’s costs of sale or the buyer’s costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.

1.16 VALUATION APPROACH

According to the International Valuation Standard Council (IVSC), and according to the TAQEEM valuation principles, there are 3 main types of real estate valuation Approach as follows:

Cost Approach	Cost Method (DRC)		
Comparable Approach	Market Comparison Method		
Income Approach	RLV	Cap Rate	DCF

DEPRECIATED REPLACEMENT COST (DRC)

A cost approach is a real estate valuation method that surmises that the price someone should pay for a piece of property should not exceed what someone would have to pay to build an equivalent building. In cost approach pricing, the market price for the property is equivalent to the cost of land plus cost of construction, less depreciation. It is often most accurate for market value when the property is new. Generally, the cost approach considers what the land, devoid of any structures, would cost, then adds the cost of building the structures, then depreciation is subtracted. The cost approach is most often used for public buildings, such as schools and churches, because it is difficult to find recently sold comparable properties in the local market, and public buildings do not earn income, so the income approach cannot be used, either. A property that already has improvements will usually contribute a certain amount of value to the site, but improvements can also lower property value if the site's potential buyers wish to use the property for another use that would entail removing some of the improvements to the current site. The cost approach is best used when improvements are new and there is adequate pricing information to value the property components. The cost approach may be less desirable if there are no recent sales of vacant land for which to compare, since the major method of valuing vacant lands is to use the sales comparison approach, or when construction costs are not readily available. The cost approach method includes:

- Estimate what the vacant property would be worth.
- Estimate the current cost of building the structures, then add that value to the value of the vacant land.
- Estimate the amount of accrued depreciation of the subject property, then subtract it from the total to arrive at the property's worth.

COMPARABLE METHOD

This is the method most are familiar with as it is the accepted method for valuing residential real estate. Typically, this method involves selecting properties with similar characteristics in the same market area that have recently sold. Once those properties are found they are compared to the property in question and a professional appraiser will deduct value from the subject property for comparative deficiencies and increase value for advantages. Typically, this method is required if the investor is seeking conventional financing. For comparable information, property brokers, dealers and estate agents are contacted to ascertain the asking and selling prices for property of the nature in the immediate neighborhood and adjoining areas. Neighboring properties, which have been recently sold or purchased, are investigated to ascertain a reasonable selling price.

CAPITALIZATION METHOD (CAP RATE)

The income approach values property by the amount of income that it can potentially generate. Hence, this method is used for apartments, office buildings, malls, and other property that generates a regular income.
The appraiser calculates the income according to the following steps:

- Estimate the potential annual gross income by doing market studies to determine what the property could earn, which may not be the same as what it is currently earning.
- The effective gross income is calculated by subtracting the vacancy rate and rent loss as estimated by the appraiser using market studies.
- The net operating income (NOI) is then calculated by subtracting the annual operating expenses from the effective gross income. Annual operating expenses include real estate taxes, insurance, utilities, maintenance, repairs, advertising and management expenses. Management expenses are included even if the owner is going to manage it, since the owner incurs an opportunity cost by managing it herself. The cost of capital items is not included, since it is not an operating expense. Hence, it does not include mortgage and interest, since this is a debt payment on a capital item.

Estimate the capitalization rate (aka cap rate), which is the rate of return, or yield, that other investors of property are getting in the local market.

DISCOUNTED CASH FLOW (DCF)

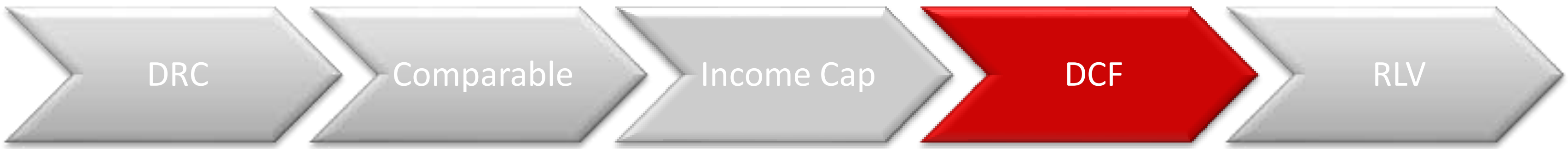
The Discounted Cash Flow Method involves estimating net cash flows of an income generating property over specific period of time, and then calculating the present value of that series of cash flows by discounting those net cash flows using a selected "discount rate." A discounted cash flow method (DCF) is a valuation method used to estimate the attractiveness of an income generating property

RESIDUAL LAND VALUE (RLV)

The residual land value is a method used to determine the value and potential profitability of a piece of property less any expenses related to the land. Residual land value is the value of the land that remains after any and all deductions associated with the cost of developing, maintaining or reselling the land. The application of the residual method of valuation is based on the principle that the price to be paid for a property that is suitable for development is equal to the difference between (i) the completed value of the highest and best form of permitted development and (ii) the total cost of carrying out that development. Thus, the net capital value of the completed development is assessed (after deducting any costs of sale) on the assumption that it has been developed for the most valuable form of development, and from that value is deducted the cost of all construction and building work required to carry out the development (including all ancillary costs, e.g. purchase costs, letting fees, finance, etc.), as well as an appropriate allowance for profit on the development

With reference to the valuation purpose, taking into consideration the nature of the subject property, we will use the following ticked methods to estimate the market value of the subject property:

	DRC	Comparable	Income Cap	DCF	RLV
Land	------------------	------------------	------------------	------------------	------------------
Building	------------------	------------------	------------------	------------------	------------------
Overall Property	------------------	------------------	------------------	✓	------------------



1.17 DISCLOSING CONFLICT OF INTEREST

We would like to bring to your attention the following:

	No	If Yes		Remarks
		Client	Date	
The subject property was previously valued by White Cubes		Al Khabeer Capital	June 2019	-------------------------------------
White Cubes was previously involved in selling activities related to the property	✔	------------------	---------	-------------------------------------
White Cubes was previously involved in advisory services related to the property	✔	------------------	---------	-------------------------------------

1.18 CONFIDENTIALITY

This document and / or any other documents received from the client are confidential between White Cubes Est. and the client. Except as may be required by any court or authority, the subject service shall not disclose or use or cause to be disclosed or used, at any time during the Term.

Any of the Client's secrets and/or confidential information, any other non-public information relating to the client business, financial or other affairs acquired by the subject service during the process remain confidential.

1.19 ENVIRONMENTAL MATTERS

We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.

In undertaking our work, we have been instructed to assume that no contaminative or potentially contaminative use has ever been carried out on the property.

We have not carried out any investigation into past or present uses, either of the properties or of any neighboring land, to establish whether there is any contamination or potential for contamination to the subject properties from the use or site and have therefore assumed that none exists.

However, should it be established subsequently that contamination exists at the properties or on any neighboring land, or that the premises has been or is being put to any contaminative use, this might reduce the value now reported.

PROPERTY INFO

This section indicates full description of the subject property / properties that contains the legal document info, location, components, status, condition and many other elements.

WHITE CUBES
VALUATION & ADVISORY SERVICES

2.1 PROPERTY DESCRIPTION

The subject property is a lease hold Retail Project (Gallery Mall) located in Tabuk city. The building has a total land area of 41,630 Sqm, a total BUA of 43,624 Sqm. The project is open on 4 sides with a direct view on King Khaled Road where all the infrastructure facilities such as water, electricity, telecommunication and sewage are available in the surrounding and connected to the subject property.

Land	
Land Use	**Commercial**
Number of Streets	**4**
General Land Shape	**Regular**
Direct View on the Main Road	**King Khaled Road**
Direct View on an internal Street	**Muin Ibn Zaidah Street**
Land Status	**Constructed**

Infrastructural Facilities	
Water	**Available and Connected to the subject property**
Electricity	**Available and Connected to the subject property**
Sewage	**Available and Connected to the subject property**
Telecommunication	**Available and Connected to the subject property**

Building	
Building Condition	**Fully Constructed**
External Elevation	**Good**
Finishing	**Good**
Overall Building Condition	**Good**
Building Components	**Good**

2.2 TITLE DEED & OWNERSHIP

We were not provided with copy of the title deed of the subject property. The details of the subject property:

City	Tabuk
District	Al Salihiya
T.D Type	N/A
T.D Number	N/A
T.D Date	N/A
T.D Value	N/A
Date of Last Transaction	N/A
Issue from	N/A
Land Area	41,630
Plot No.	N/A
Block No.	N/A
Layout No.	N/A
Owner	شركة أول الملقى العقارية
Ownership Type	Leasehold
Boundaries	
North	King Khaled Road
South	Gaber Ibn Hayyan Road
East	Muin Ibn Zaidah Road
West	Unnamed Road
Notes	The client has not provided us with copy of the Title Deed. Yet, and as per the received copy of the construction permit, the subject property is owned by Tabuk Municipality and leased to Qudaibi and Sons for construction company

2.3 CONSTRUCTION & BUILDINGS

The subject property is under-construction Retail project composed of 2 floors. The Client has provided us with a copy of the Construction Permit issued by Tabuk Municipality with the below details:

Subject Property	
Construction Permit Type	New Permit
Property Type	Retail
Construction Permit No.	58457
Construction Permit Date	01/07/1434 AH
Permit Expiry Date	01/07/1437 AH

Description	No. of Units	Area (sqm)	Use
Basement	----	12,243	Parking
Ground Floor	----	16,136	Commercial
Typical Floors	----	15,245	Commercial
----	----	----	----
----	----	----	----
----	----	----	----
----	----	----	----
----	----	----	----
----	----	----	----
----	----	----	----
----	----	----	----
Total BAU (sqm)		**43,624**	

The client has provided us with copy of the Title Deed which was assumed to correct and authentic. It is not in our scope to run legal diagnoses to any legal document.
The construction permit shows the maximum allowed BUA approved by the city municipality. Yet, the actual constructed BUA may vary. Therefore, if the client did not provide us with copy of the approved AS Build Drawings, then our valuation will be based on the provided construction permit.
In case the client did not provide us with any copy of legal documents that shows the total BUA, then we will estimate the BUA using our team skills combined by the city's municipality rules and regulations

TAQEEM LISCENCE NUMBER: 1210000474

2.4 LAND SPECS

The subject property (Land Only) has the following criteria:

Current Land Status	
Vacant	------------
Constructed	✓
Under Construction	------------
Excavated	------------
Raw Land	------------

Current Land Use	
Commercial	✓
Industrial	-------------
Residential	-------------
Agricultural	-------------
Mix Use	-------------

Current Land Grading	
Graded	✓
Semi-Graded	------------
Mountain	------------
Valley	------------
Slope	------------

Current Surrounding Property	
Commercial	✓
Industrial	-------------
Residential	✓
Agricultural	-------------
Mix Use	✓

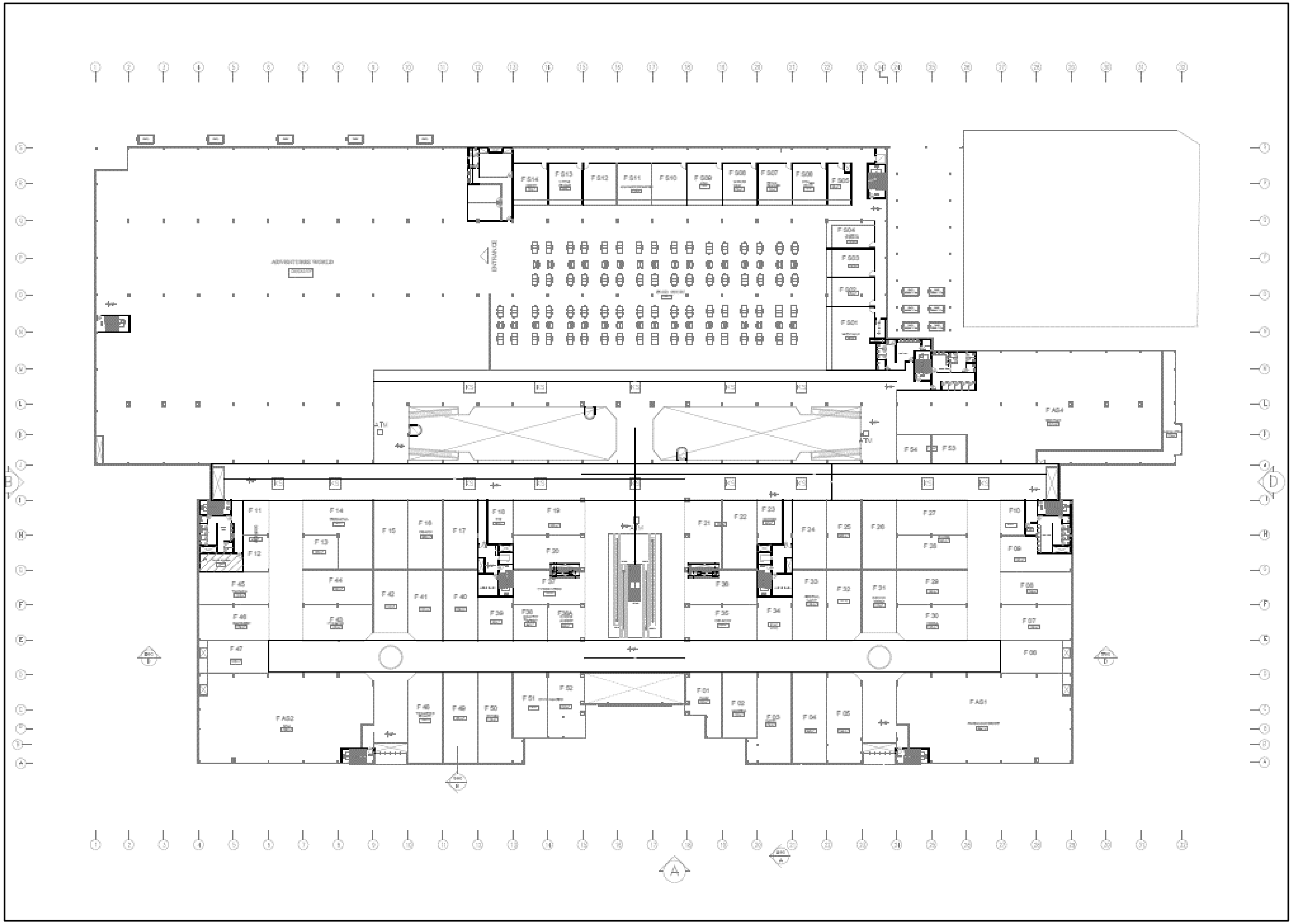
2.5 INFRASTRUCTURE FACILITIES

	Available in the surrounding	Connected to the property
Water	✓	✓
Electricity	✓	✓
Tele-Communication	✓	✓
Sewage	✓	✓

All the infrastructural facilities are available in the surroundings and connected to the subject property.

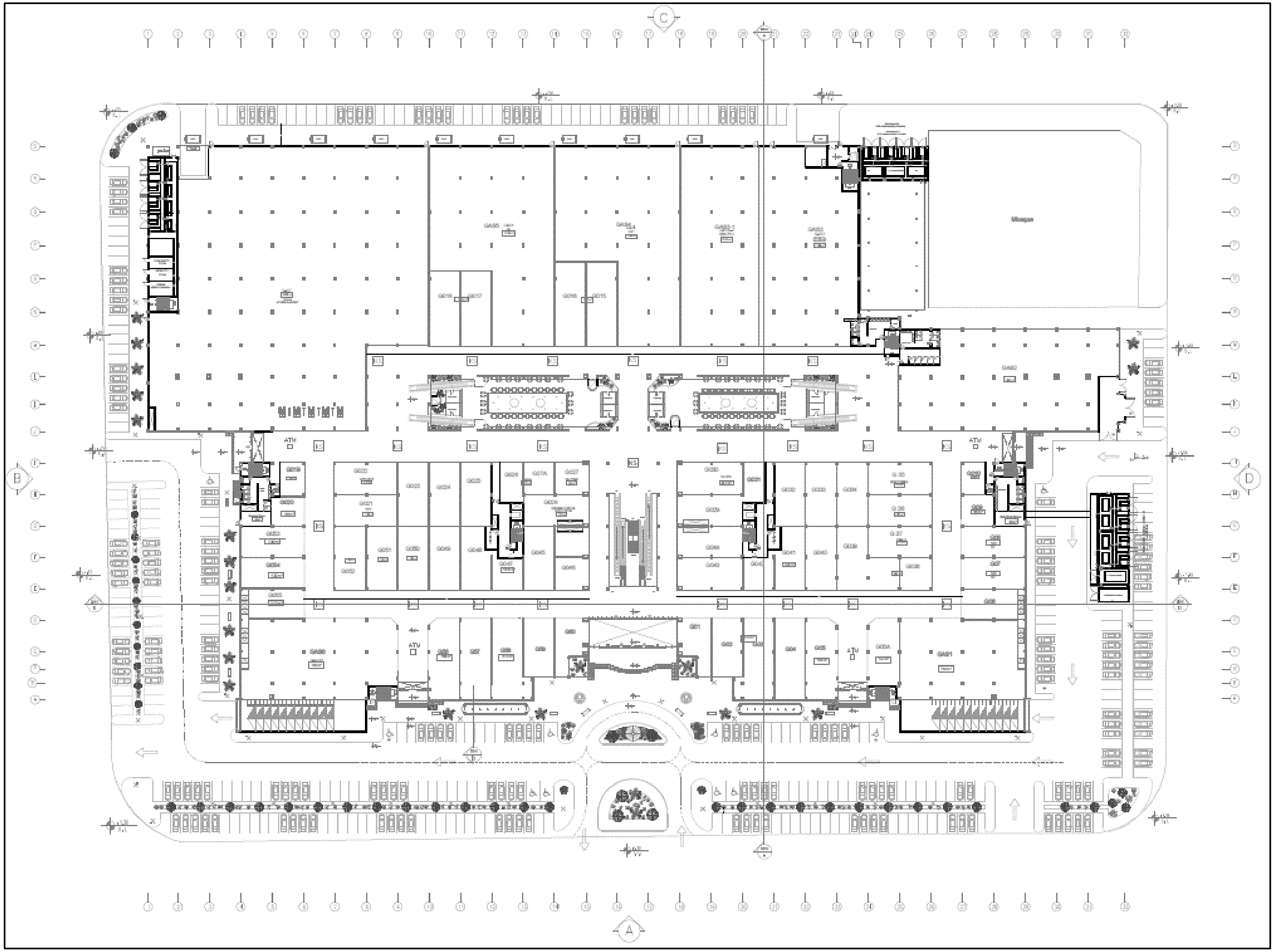
2.6 PROPERTY LAYOUTS

First Floor



TAQEEM LISCENCE NUMBER: 1210000474

Ground Floor



TAQEEM LISCENCE NUMBER: 1210000474

2.7 OCCUPANCY & VACANCY

As per the list of tenants received from the client, the subject property is partially leased to several tenants although the development process of the property is not completed yet. As per the provided contract dates, the subject project should be fully operated by early 2016 which did not happen until now. The overall expected actual and expected revenues of the project are as follows (Highlighted revenues in Gray are actual as per the signed contract).

GROUND FLOOR

C/R	Unit No.	Floor	Company / Customer Name	Size m2	Per Mt.	Total
1	G001	الأرضي		104	1,300	135,200
2	G002	الأرضي		133	1,300	172,900
3	G003	الأرضي		165	1,300	214,500
4	G004	الأرضي		167	1,650	275,550
5	G005	الأرضي	مؤسسة عبدالعزيز راشد الحميضي للتجارة	166	1,650	273,900
6	G005A	الأرضي		142	1,650	234,300
7	G006A	الأرضي		110	1,650	181,500
8	G006G007	الأرضي	مؤسسة ثنيان عبدالعزيز الثنيان	237	1,200	284,400
9	G008	الأرضي	مؤسسة مروان علي باوزير للتجارة	128	1,300	166,400
10	G009	الأرضي	مؤسسة مختارات بنتي التجارية	65	2,000	130,000
11	G010	الأرضي	شركة ركن الجلديات للتجارة	50	1,300	65,000
12	G015G016	الأرضي	صيدلية الجمال السادسة الطبية	340	1,250	425,000
13	G017G018	الأرضي	شركة دلتا للتسويق المحدودة	300	1,500	450,000
14	G019	الأرضي	شركة ركن الجلديات للتجارة	50	1,300	65,000
15	G020	الأرضي	الشركة العربية لتجارة العود و العطورات الشرقية	63	2,500	157,500
16	G021	الأرضي		130	1,300	169,000
17	G022	الأرضي	شركة ركن الجلديات للتجارة	132	1,300	171,600
18	G023G024	الأرضي		256	1,300	332,800
19	G025	الأرضي		128	1,300	166,400
20	G026G027A	الأرضي	شركة الاكسير المحدوة للتجارة	124	1,500	186,000
21	G027	الأرضي		69	2,500	172,500
22	G028	الأرضي	شركة ركن الجلديات للتجارة	132	1,300	171,600
23	G029G030G031	الأرضي	شركة فاروق للتعهدات و الأعمال التجارية المحدودة	324	1,250	405,000
24	G032	الأرضي		129	1,300	167,700
25	G033	الأرضي		129	1,300	167,700
26	G034	الأرضي		127	1,300	165,100
27	G035	الأرضي	شركة ركن الجلديات للتجارة	132	1,300	171,600
28	G036	الأرضي	مؤسسة نجوم العليا للعطورات	130	1,500	195,000
29	G037	الأرضي	محل عبدالله سليمان مشاط	132	1,500	198,000
30	G038	الأرضي	شركة نهج الخيال التجارية	66	1,300	85,800
31	G038AG039	الأرضي	شركة نهج الخيال التجارية	181	1,050	190,050
32	G040	الأرضي		129	1,300	167,700
33	G041	الأرضي		129	1,300	167,700
34	G042	الأرضي		83	1,300	107,900
35	G043G044	الأرضي		267	1,300	347,100
36	G045	الأرضي		127	1,300	165,100
37	G046	الأرضي		68	1,300	88,400
38	G046A	الأرضي		66	1,300	85,800
39	G047	الأرضي		83	1,300	107,900
40	G048	الأرضي		127	1,300	165,100

C/R	Unit No.	Floor	Company / Customer Name	Size m2	Per Mt.	Total
41	G049	الأرضي		128	1,300	166,400
42	G050	الأرضي		126	1,300	163,800
43	G051	الأرضي		130	1,300	169,000
44	G052	الأرضي		130	1,300	169,000
45	G053	الأرضي		130	1,300	169,000
46	G054G055	الأرضي	شركة امتياز العربية المحدودة	256	1,100	281,600
47	G056	الأرضي	شركة عبدالرحمن الدهام وشركاه	167	1,500	250,500
48	G057	الأرضي		167	1,500	250,500
49	G058	الأرضي		165	1,500	247,500
50	G059	الأرضي		133	1,500	199,500
51	G060	الأرضي		104	1,500	156,000
52	GAS1	الأرضي		641	550	352,550
53	GAS2	الأرضي		1380	550	759,000
54	GAS3	الأرضي		1195	550	657,250
55	GAS3A	الأرضي	شركة المربع التاسع للتجارة	1012	550	556,600
56	GAS4	الأرضي		1284	450	577,800
57	GAS5	الأرضي	شركة التجزئة الشرقية للموضة للملابس الجاهزة	1284	475	609,900
58	GAS6	الأرضي		782	475	371,450
59	GAS7	الأرضي	الشركة السعودية للتسويق المحدودة	4810	425	2,044,250
60	GK01	الأرضي	شركة درامة التجارية المحدودة	7.5	20,000	150,000
61	GK02	الأرضي	مؤسسة فراهية للتجارة	7.5	16,000	120,000
62	GK03	الأرضي		7.5	16,000	120,000
63	GK04	الأرضي		7.5	16,000	120,000
64	GK05	الأرضي		7.5	16,000	120,000
65	GK06	الأرضي	مؤسسة احمد صالح احمد العمودي	7.5	16,000	120,000
66	GK07	الأرضي	مؤسسة اطياب غناتي	7.5	17,333	130,000
67	GK08	الأرضي	مؤسسة أستاني للتجارة	7.5	18,667	140,000
68	GK09	الأرضي		7.5	18,000	135,000
69	GK10	الأرضي		7.5	18,000	135,000
70	GK11	الأرضي		7.5	18,000	135,000
71	GK12	الأرضي		7.5	18,000	135,000
72	GK13	الأرضي		7.5	18,000	135,000
73	GK14	الأرضي		7.5	18,000	135,000
74	GK15	الأرضي	شركة عبد العزيز ماطر الرشيدي و شريكته	7.5	20,000	150,000
75	GK16	الأرضي		7.5	20,000	150,000
76	GK17	الأرضي		7.5	20,000	150,000
77	GK18	الأرضي		7.5	20,000	150,000
78	GK19	الأرضي		7.5	20,000	150,000
79	GK20	الأرضي		7.5	20,000	150,000
80	GK21	الأرضي		7.5	20,000	150,000
81	GK22	الأرضي		7.5	20,000	150,000
82	GK23	الأرضي		7.5	20,000	150,000
83	GK24	الأرضي		7.5	20,000	150,000
84	GK25	الأرضي	مؤسسة صبيح حمد الصبيح للتجارة	7.5	24,000	180,000
				19,832		19,411,300

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1st FLOOR

C/R	Unit No.	Floor	Company / Customer Name	Size m2	Per Mt.	Total
1	F001	الاول	مؤسسة دام الموضة	104	1,200	124,800
2	F002	الأول	مؤسسة ركن انوش للملابس الجاهزة	133	900	119,700
3	F003	الأول		168	900	151,200
4	F004	الأول	مؤسسة نجوم العليا للعطورات	165	1,100	181,500
5	F005	الأول	شركة واحة الجلابية التجارية المحدودة	166	1,000	166,000
6	F006FAS1	الأول	شركة نوادر العرب	886	450	398,700
7	F007	الأول	الرشاقة السعيدة للتجارة	130	1,200	156,000
8	F008	الأول		126	1,200	151,200
9	F009	الأول	مؤسسة عبد العزيز ابراهيم القرشي	100	1,400	140,000
10	F010	الأول	مؤسسة مختارات الجوارب التجارية	45	1,800	81,000
11	F011F012	الأول	مؤسسة مصطفى أحمد البار للتجارة	98	1,300	127,400
12	F013	الأول		133	1,300	172,900
13	F014	الأول		129	1,300	167,700
14	F015	الأول		127	1,300	165,100
15	F016	الأول		129	1,300	167,700
16	F017	الأول		129	1,300	167,700
17	F018	الأول	مؤسسة الأطفال الأربعة للتجارة	50	1,800	90,000
18	F019	الأول		135	1,300	175,500
19	F020	الأول		131	1,300	170,300
20	F021	الأول	شركة نهج الخيال التجارية	132	700	92,400
21	F022	الأول	شركة نهج الخيال التجارية	132	700	92,400
22	F023	الأول	شركة امتياز العربية المحدودة	60	850	51,000
23	F024F025	الأول		257	600	154,200
24	F026	الأول		126	600	75,600
25	F027028	الأول	شركة المربع التاسع للتجارة	264	700	184,800
26	F029	الأول		133	700	93,100
27	F030	الأول	مؤسسة اوبرا للتجارة	125	1,000	125,000
28	F031	الأول		110	1,000	110,000
29	F032	الأول		127	1,000	127,000
30	F033	الأول	مؤسسة خالد عبد الله محمد الحقبي	129	1,200	154,800
31	F034	الأول	مؤسسة فيفي الحديثة للملابس الجاهزة	81	900	72,900
32	F036F035	الأول	شركة المدعج التجارية المحدودة	264	1,200	316,800
33	F037	الأول	شركة دلتا للتسويق المحدودة	128	1,000	128,000
34	F038	الأول	شركة الصفا للادوية و المستلزمات الطبية	64	1,500	96,000
35	F038A	الأول	شركة زهور الريف التجارية	69	1,700	117,300
36	F039	الأول	شركة نزية السعودية لمواد التجميل	83	1,500	124,500
37	F040	الأول	مؤسسة ركن برونز للتجارة	129	900	116,100
38	F041	الأول		127	900	114,300
39	F042	الأول	شركة بدون اسم التجارية	114	1,200	136,800
40	F043	الأول		125	1,200	150,000
41	F044	الأول		133	1,200	159,600
42	F045	الأول	مؤسسة الوزن المثالي للتجارة	124	1,200	148,800
43	F046	الأول	شركة مادلين المحدودة	129	1,200	154,800
44	F047	الأول		106	1,200	127,200
45	F048	الأول	مؤسسة النواخذ التجارية	166	800	132,800
46	F049	الأول		165	800	132,000
47	F050	الأول		168	800	134,400
48	F051F052	الأول	مؤسسة نور ميسان للتجارة	237	1,000	237,000
49	FAS02	الأول	مؤسسة الزركون الذهبي التجارية	486	600	291,600

C/R	Unit No.	Floor	Company / Customer Name	Size m2	Per Mt.	Total
50	FAS03	الأول	الشركة السعودية للتسويق المحدودة	5900	375	2,212,500
51	FAS04	الأول	شركة جزيرة سماللأزياء المحدودة	1212	400	484,800
52	FK01	الأول		6.25	12,000	75,000
53	FK02	الأول		6.25	12,000	75,000
54	FK03	الأول	شركة مصنع بوابة العطور	7.5	12,000	90,000
55	FK04	الأول		6.25	12,000	75,000
56	FK05	الأول		6.25	12,000	75,000
57	FK06	الأول		6.25	12,000	75,000
58	FK07	الأول		6.25	12,000	75,000
59	FK08	الأول		6.25	12,000	75,000
60	FK09	الأول		6.25	12,000	75,000
61	FK10	الأول	مطاعم عالم الذرة لتقديم الوجبات	6	11,667	70,000
62	FK11	الأول	شركة جزيرة الحلويات التجارية	4	17,500	70,000
63	FK12	الأول		6.25	12,000	75,000
64	FK13	الأول	مؤسسة عين وهدب التجارية	9	9,444	85,000
65	FK14	الأول	شركة خفيف الغذائية	6.25	10,400	65,000
66	FS01	الأول		75	1,300	97,500
67	FS02	الأول	شركة كودو للتغذية و الاعاشة	75	1,300	97,500
68	FS03	الأول		75	1,300	97,500
69	FS04	الأول	شركة جميرة التجارية المحدودة	75	1,100	82,500
70	FS05	الأول		55	1,300	71,500
71	FS06	الأول	مطعم فاكهة الرشاقة لتقديم الوجبات	75	1,000	75,000
72	FS07	الأول	شركة العليان للخدمات الغذائية المحدودة	75	1,300	97,500
73	FS08	الأول	شركة العليان للخدمات الغذائية المحدودة	75	1,300	97,500
74	FS09	الأول		75	1,300	97,500
75	FS10	الأول		75	1,300	97,500
76	FS11	الأول		75	1,300	97,500
77	FS12	الأول		75	1,300	97,500
78	FS13	الأول	شركة بزبزة الدولية للتجارة	74	1,300	96,200
79	FS14	الأول	شركة هرفي للخدمات الغذائية	74	1,300	96,200
80	FS15	الأول		80	1,300	104,000
				15,886		12,380,800

TOTAL GLA	35,718
TOTAL ESTIMATED REVENUES	31,792,100
AVERAGE RENTAL RATE	890.10
Ground Floor	
TOTAL NO OF UNITS	84
TOTAL OCCUPIED UNITS	30
First Floor	
TOTAL NO OF UNITS	83
TOTAL OCCUPIED UNITS	43

Yet, the client will sign one tenant lease contract for an annual triple net lease of SAR 22,959,000 for 10 years of which 5 years are irrevocable. The land lease rent is SAR 1,579,000 which will be paid by the fund.

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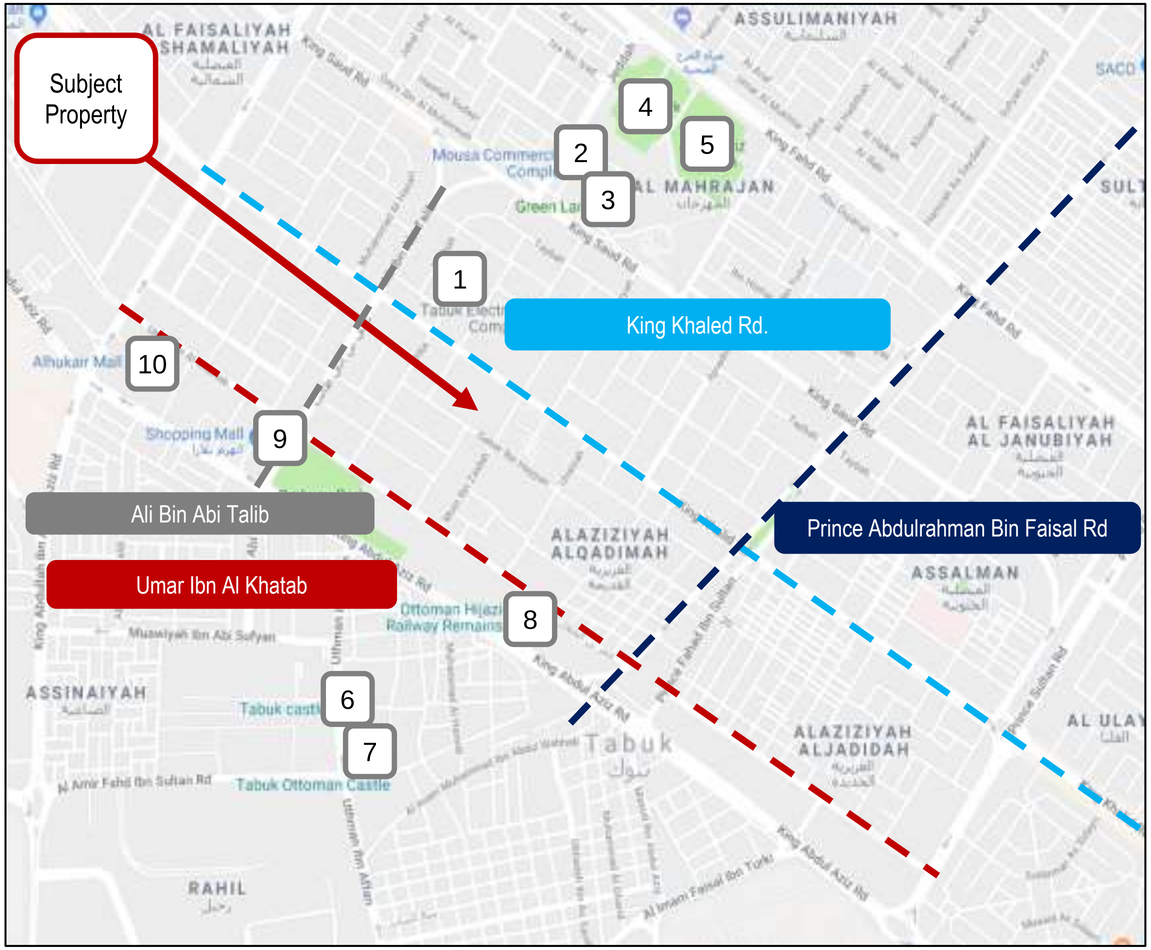
2.8 LOCATION

The subject property located in Al Salihiyah district, Tabuk City and can be accessed through the following main streets as shown in the map below.



ACCESS TO SUBJECT PROPERTY

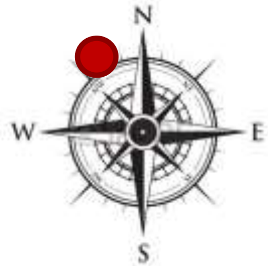
The subject property can be accessed through the following roads:

North Side:	King Khaled Road
South Side:	Umar Ibn Al Khatab
East Side:	Prince Abdulrahman Bin Faisal Road
West Side:	Ali Bin Abi Talib

LANDMARKS

1- Tabuk Electricity Company (0.4 Kilometres)
2- Mousa Commercial Complex (0.9 Kilometres)
3- Green Land (0.8 Kilometres)
4- Fun Park (1.1 Kilometres)
5- King Abdulaziz Garden (1.3 Kilometres)
6- Tabuk Castle (1.4 Kilometres)
7- Tabuk Ottoman Castle (1.6 Kilometres)
8- Ottoman Hijazi Railway Remains (1.4 Kilometres)
9- Al Haram Plaza (1 Kilometres)
10- Al Hukair Mall (1.5 Kilometres)

Location of the subject property according to the City Center



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2.9 PHOTO RECORD

















2.10 DOCUMENTS RECIEVED

The client has provided us by clear copy of the following documents.

Title Deed Copy	**Construction Permit**	**Krooki**
-------------------------------	✓	-------------------------------
Master Plan	**Layouts**	**3D Design & Perspectives**
✓	✓	-------------------------------
Pictures	**Presentation of the subject property**	**Location Map**
-------------------------------	-------------------------------	-------------------------------
Location Link	**Contact Details**	**Costing & Budget**
-------------------------------	-------------------------------	-------------------------------
Tenant List	**Income & Revenues**	**Operational Cost - OPEX**
✓	✓	-------------------------------
Forecasts & Expectations	**Income & Revenues**	**Others**
✓	-------------------------------	-------------------------------

2.11 GENERAL ASSUMPTIONS

- The subject property is valued under the assumption of freehold status unless otherwise stated in the report.
- All the written and verbal information provided to us by the Client assumed to be up to date, complete and correct in relation to elements such as title deed, construction permits, land area, and any other relevant matters that are set out in the report.
- This report is a valuation report and not structural / building survey. Therefore, we did not carry out any structural due diligence, utilities check, services check, soil test, etc.
- All the inputs used in the valuation methodologies are based on the collected market data using our best know how and experience in the related market.
- The output of this report (Final Value), is based on the used assumptions, received documents from the client and available market data. Yet, the output estimates show an indicative value of the subject property / properties.

2.12 SWOT ANALYSIS

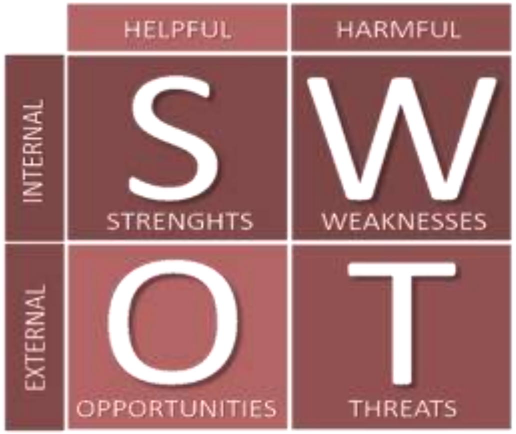
Strength	Weakness
- The subject property has a direct view on Muin Ibn Zaidah Street - The property has 4 sides open - Very Good Design - Good Quality of Exterior Finishing - Very Efficient Internal Circulation - Very Efficient Tenant Mix	- High traffic Area (King Khaled Road)
Opportunities	**Threats**
- Tabuk city is known as a tourism destination city within the kingdom. And since the existing shopping malls in the city are very few compared to high demand for such project (Tabuk city offers low GLA per capita compared to other cities), this can guarantee stability of revenues and support any increase provision in the future.	- Future similar development project - Any future and unexpected change in economy conditions

The strength and weakness points mentioned above are considered as an indicator only, where no full market study was conducted in this matter. Yet, all the mentioned points are based only on the site inspection of the subject property.

2.13 SECTOR BRIEF

In the following we will insert general information about the real estate sector related to the property subject of our valuation and which is intended to give an initial indication on the sector. These information and indicators are estimated based on our experience, the current sector performance and some other historical data collected from our side; In addition to some current economic changes in general.

Indicator showing a decrease in the current performance comparing to the last year
Indicator showing an increase in the current performance comparing to the last year
Indicator showing a stable position in the current performance comparing to the last year



Overall Sector Performance

From 2018 to 2019	Future Expectations
↔	↔

Overall Sector Stability

From 2018 to 2019	Future Expectations
↔	↔

Values of Lands Related to The Sector

From 2018 to 2019	Future Expectations
↔	↑

Sector rental Income

From 2018 to 2019	Future Expectations
↔	↑

Sector Demand

From 2018 to 2019	Future Expectations
↓	↔

Investors' Appetite

From 2018 to 2019	Future Expectations
↔	↔

Sector's occupancy ratios

From 2018 to 2019	Future Expectations
↔	↑

Sectors Positive Changes

From 2018 to 2019	Future Expectations
↔	↑

White Cubes Team's Analysis

2.14 RISK ANALYSIS

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 8-12	Medium Risk (3) 13-18	Elevated Risk (4) 19-24	Very High Risk (5) 25-30
Overall Economy	----------	----------	✓	----------	----------
Sector Current Performance	----------	----------	✓	----------	----------
Sector Future Performance	----------	✓	----------	----------	----------
Occupancy Rates	----------	✓	----------	----------	----------
Supply Rate	----------	✓	----------	----------	----------
Demand Rate	----------	✓	----------	----------	----------
Total Risk	0	8	6	0	0

Risk Category 14 Risk Points - Medium Risk

Sector Analysis

Risk Category- 14 Risk Points - Medium Risk

Risk Factor	Very Low Risk (1) 1-5	Minimal Risk (2) 6-10	Medium Risk (3) 11-15	Elevated Risk (4) 16-20	Very High Risk (5) 21-25
Access	✓	----------	----------	----------	----------
Location	✓	----------	----------	----------	----------
Land Shape	✓	----------	----------	----------	----------
Surrounding Area facilities	----------	✓	----------	----------	----------
Total Risk	1	2	0	0	0

Risk Category 5 Risk Points – Very Low Risk

Land Analysis

Risk Category- 5 Risk Points – Very Low Risk

Risk Factor	Very Low Risk (1) 1-3	Minimal Risk (2) 4-6	Medium Risk (3) 7-9	Elevated Risk (4) 10-12	Very High Risk (5) 13-15
Facilities & Amenities	----------	✓	----------	----------	----------
Management Skills	----------	✓	----------	----------	----------
Overall Condition	✓	----------	----------	----------	----------
Total Risk	1	4	0	0	0

Risk Category 5 Risk Points - Minimal Risk

Property Analysis

Risk Category- 5 Risk Points – Minimal Risk

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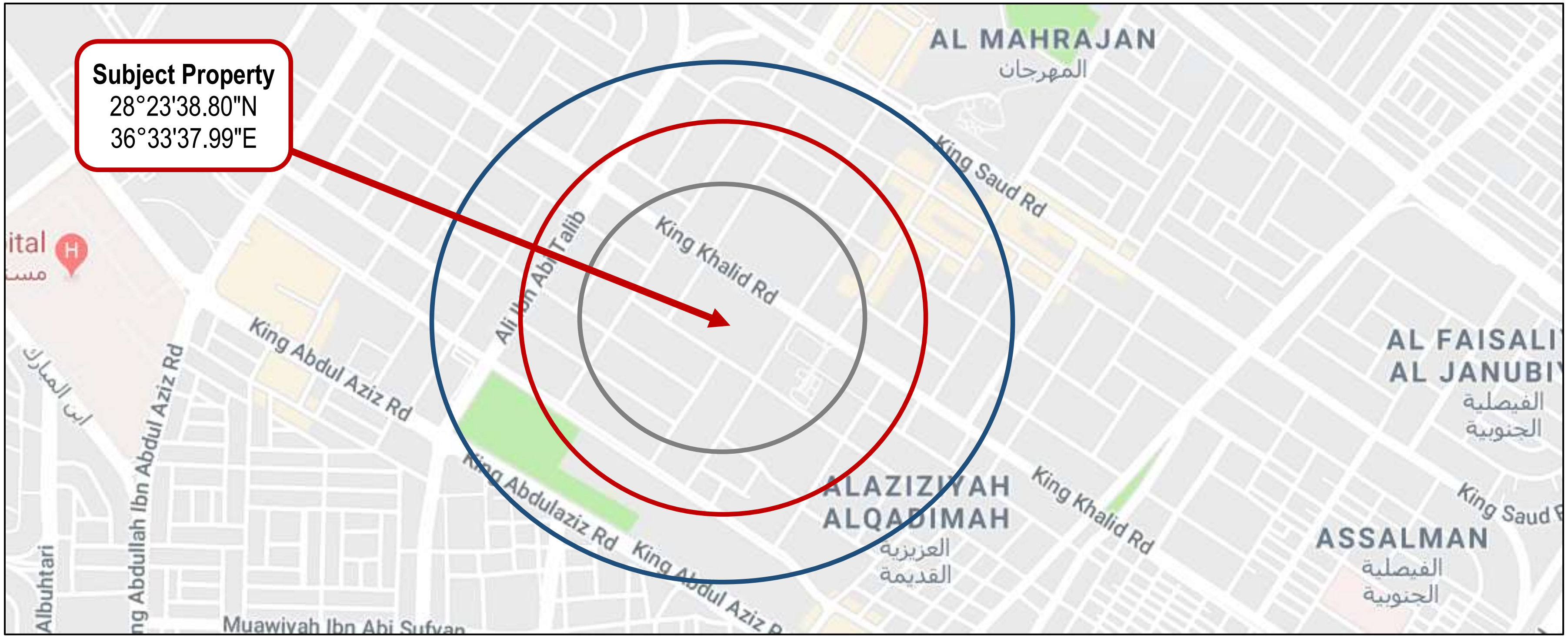
2.15 INPUT EVALUATION PROCESS

After carrying out the inspection process of the subject property, and based on the purpose of the valuation, we surveyed the surrounding area for the purpose of bringing in information related to the same sector to begin the actual assessment. This information may include similar land prices, residual values, income rates and other information that may be useful, depending on the assessment method to be followed in this report.



- This research boundary refers to the areas surrounding the subject property directly
- This research boundary refers to the areas adjacent to the subject property
- This research boundary refers to a wider area of research in the absence of information surrounding the subject property

2.16 DISCOUNTED CASH FLOW APPROACH – BASED ON MULTILPLE TENANTS

Cash Flow		1441 0	1442 1	1443 2	1444 3	1445 4	1446 5	1447 6	1448 7	1449 8	1450 9
Increase Revision		0.00%	0.00%	2.50%	0.00%	0.00%	0.00%	0.00%	2.50%	0.00%	0.00%
Expected Revenues											
Overall Revenues		31,792,100	31,792,100	32,586,903	32,586,903	32,586,903	32,586,903	32,586,903	33,401,575	33,401,575	33,401,575
Expenses											
Vacancy Rates		15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Total		4,768,815	4,768,815	4,888,035	4,888,035	4,888,035	4,888,035	4,888,035	5,010,236	5,010,236	5,010,236
OPEX	15.0%	4,768,815	4,768,815	4,888,035	4,888,035	4,888,035	4,888,035	4,888,035	5,010,236	5,010,236	5,010,236
Land Rent		1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000
Overall Expenses		11,116,630	11,116,630	11,355,071	11,355,071	11,355,071	11,355,071	11,355,071	11,599,473	11,599,473	11,599,473
NOI		20,675,470	20,675,470	21,231,832	21,231,832	21,231,832	21,231,832	21,231,832	21,802,103	21,802,103	21,802,103
Terminal Value @ --------->	0.0%										
Discount Rate	11.00%	1.00	0.90	0.81	0.73	0.66	0.59	0.53	0.48	0.43	0.39
Present Value		20,675,470	18,626,550	17,232,231	15,524,533	13,986,065	12,600,059	11,351,404	10,501,166	9,460,510	8,522,982
Market Rate / Net Present Value											

Cash Flow		1451 10	1452 11	1453 12	1454 13	1455 14	1456 15	1457 16	1458 17	1459 18
Increase Revision		0.00%	0.00%	2.50%	0.00%	0.00%	0.00%	0.00%	2.50%	0.00%
Expected Revenues										
Overall Revenues		33,401,575	33,401,575	34,236,615	34,236,615	34,236,615	34,236,615	34,236,615	35,092,530	35,092,530
Expenses										
Vacancy Rates		15%	15%	15%	15%	15%	15%	15%	15%	15%
Total		5,010,236	5,010,236	5,135,492	5,135,492	5,135,492	5,135,492	5,135,492	5,263,880	5,263,880
OPEX	15.0%	5,010,236	5,010,236	5,135,492	5,135,492	5,135,492	5,135,492	5,135,492	5,263,880	5,263,880
Land Rent		1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000
Overall Expenses		11,599,473	11,599,473	11,849,984	11,849,984	11,849,984	11,849,984	11,849,984	12,106,759	12,106,759
NOI		21,802,103	21,802,103	22,386,630	22,386,630	22,386,630	22,386,630	22,386,630	22,985,771	22,985,771
Terminal Value @ --------->	0.0%									0
Discount Rate	11.00%	0.35	0.32	0.29	0.26	0.23	0.21	0.19	0.17	0.15
Present Value		7,678,362	6,917,443	6,399,013	5,764,876	5,193,582	4,678,903	4,215,228	3,899,136	3,512,736
Market Rate / Net Present Value										186,740,251

	Discount Rate				
Discount Rate	9.00%	10.00%	11.00%	12.0%	13.0%
Market Value	208,497,896	196,494,038	186,740,251	175,892,155	167,027,746

2.17 DISCOUNTED CASH FLOW – BASED ON TRIPPLE NET LEASE

The land of the subject property is owned by Tabuk Municipality and rented for Al-Qudaibi and sons Company whom transferred it to "شركة أول الملقى العقارية" with leasing right for 25 years starting 1434 HD with annual lease rate of SAR 1,579,000. The client intends to acquire this remaining period of the leasing right (21 years), as for the first 5 years the client will lease back the project for Qudaibi & Sons for SAR 22,959,000 annually. Then, and after the five years, the client will lease the project based on market rates starting year six by applying the same rates in Point 1.16

Cash Flow		1441 0	1442 1	1443 2	1444 3	1445 4	1446 5	1447 6	1448 7	1449 8	1450 9
Increase Revision		**0.00%**	**0.00%**	**2.50%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**2.50%**	**0.00%**	**0.00%**
Expected Revenues											
Overall Revenues		22,959,000	22,959,000	22,959,000	32,586,903	32,586,903	32,586,903	32,586,903	33,401,575	33,401,575	33,401,575
Expenses											
Vacancy Rates					**15%**	**15%**	**15%**	**15%**	**15%**	**15%**	**15%**
Total					**4,888,035**	**4,888,035**	**4,888,035**	**4,888,035**	**5,010,236**	**5,010,236**	**5,010,236**
OPEX	15.0%				**4,888,035**	**4,888,035**	**4,888,035**	**4,888,035**	**5,010,236**	**5,010,236**	**5,010,236**
Land Rent					1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000
Overall Expenses		**1,579,000**	**1,579,000**	**1,579,000**	**11,355,071**	**11,355,071**	**11,355,071**	**11,355,071**	**11,599,473**	**11,599,473**	**11,599,473**
NOI		21,380,000	21,380,000	21,380,000	21,231,832	21,231,832	21,231,832	21,231,832	21,802,103	21,802,103	21,802,103
Terminal Value @ --------->	**0.0%**										
Discount Rate	11.00%	1.00	0.90	0.81	0.73	0.66	0.59	0.53	0.48	0.43	0.39
Present Value		21,380,000	19,261,261	17,352,488	15,524,533	13,986,065	12,600,059	11,351,404	10,501,166	9,460,510	8,522,982
Market Rate / Net Present Value											

Cash Flow		1451 10	1452 11	1453 12	1454 13	1455 14	1456 15	1457 16	1458 17	1459 18
Increase Revision		**0.00%**	**0.00%**	**2.50%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**2.50%**	**0.00%**
Expected Revenues										
Overall Revenues		33,401,575	33,401,575	34,236,615	34,236,615	34,236,615	34,236,615	34,236,615	35,092,530	35,092,530
Vacancy Rates		**15%**	**15%**	**15%**	**15%**	**15%**	**15%**	**15%**	**15%**	**15%**
Total		**5,010,236**	**5,010,236**	**5,135,492**	**5,135,492**	**5,135,492**	**5,135,492**	**5,135,492**	**5,263,880**	**5,263,880**
OPEX	15.0%	**5,010,236**	**5,010,236**	**5,135,492**	**5,135,492**	**5,135,492**	**5,135,492**	**5,135,492**	**5,263,880**	**5,263,880**
Land Rent		1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000	1,579,000
Overall Expenses		**11,599,473**	**11,599,473**	**11,849,984**	**11,849,984**	**11,849,984**	**11,849,984**	**11,849,984**	**12,106,759**	**12,106,759**
NOI		21,802,103	21,802,103	22,386,630	22,386,630	22,386,630	22,386,630	22,386,630	22,985,771	22,985,771
Terminal Value @ --------->	**0.0%**									**0**
Discount Rate	11.00%	0.35	0.32	0.29	0.26	0.23	0.21	0.19	0.17	0.15
Present Value		7,678,362	6,917,443	6,399,013	5,764,876	5,193,582	4,678,903	4,215,228	3,899,136	3,512,736
Market Rate / Net Present Value										188,199,748

The used discount rate (11%) based on the nature of the property itself in terms of location (Secondary City), economic risks and the stability of revenues

	Discount Rate				
Discount Rate	**9.00%**	**10.00%**	**11.00%**	**12.0%**	**13.0%**
Market Value	209,973,494	197,961,502	188,199,748	177,343,848	168,471,791

TAQEEM LISCENCE NUMBER: 1210000474

2.18 VALUATION NOTES

As the purpose of valuation is for REIT, and as the REIT fund (acquire income generating properties), we believe that most appropriate approach to do the valuation for such properties should be based on income methodology (DCF).

The used discount rate is based on the weighted average of three approaches:
1- CAPM (WACC) method
2- Economic inflation rate and market growth rate
3- Witnessing of several market transactions similar to the subject property

2.19 SUBJECT PROPERTY VALUE

We are of an opinion that the total value of the leasing right of the subject property taking into consideration the purpose of valuation by using the Discounted Cash Flow Approach is:

Property Value: **186,740,251 SAR**
Rounded Value: **186,750,000 SAR**

One Hundred Eighty-Six Million and Seven Hundred Fifty Thousand Saudi Riyals

2.20 REPORT USE

This valuation is for the sole use of the named Client. This report is confidential to the Client, and that of their advisors, and we accept no responsibility whatsoever to any third party. No responsibility is accepted to any third party who may use or rely upon the whole or any part of the contents of this report. It should be noted that any subsequent amendments or changes in any form thereto will only be notified to the Client to whom it is authorized.

2.21 DISCLAIMER

In undertaking and executing this assignment, extreme care and precaution has been exercised. This report is based on the information supplied by the bank and or the owner/s of the property. The values may differ or vary periodically due to various unforeseen factors beyond our control such as supply and demand, inflation, local policies and tariffs, poor maintenance, variation in costs of various inputs, etc. It is beyond the scope of our services to ensure the consistency in values due to changing scenarios.

2.22 CONCLUSION

We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria outlined in this report are pending copyright. This report is compiled based on the information received to the best of our belief, knowledge and understanding. The information revealed in this report is strictly confidential and issued for the consideration of the client. The valuer's approval is required in writing to reproduce this report either electronically or otherwise and for further onward distribution, hence no part of this report may be copied without prior consent. We trust that this report and valuation fulfills the requirement of your instruction. The contents, formats, methodology and criteria outlined in this report are pending copyright.

Dr. Mohammad Taha – CEO **Valuation Check**	**Essam Hussaini** **Site Inspection Check**
Mhd Taha	
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