AL FARABI TRAINING CENTER

AL KHABEER CAPITAL

RIYADH CITY

DECEMBER 2020

Valuation Report

REF: **2010834-1**
Date: **30/12/2020**
M/S **AL KHABEER CAPITAL**

Subject: Valuation Report for an Under Construction Educational Facility (AlFarabi Training Center) in Riyadh City, Saudi Arabia.

Dear Sir,

With reference to your request and approval dated on November 29, 2020 for valuation service of an educational facility (AlFarabi Training Center), located in Riyadh 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

Mr. Essam Al Hussaini – GM- WHITE CUBES KSA

Member of the Saudi Authority of Accredited Valuers (Taqeem)

COPYRIGHT © WHITE CUBES REAL ESTATE. 2020
This report is the sole property of WHITE CUBES REAL ESTATE and must not be copied in any form or by any means, either in whole or in part, without the prior written consent of WHITE CUBES REAL ESTATE. The information included in this report has been obtained and collected from external sources generally known to be reliable. However, no warranty given in respect to the accuracy of these information. We would like to be informed of any inaccuracies so that we may correct them.

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

TAHA CORP
REAL ESTATE CONSULTING SERVICES

TAQEEM LISCENCE NUMBER: 1210000474

Table of Contents

(Please Click on the Title for Direct Access)

1.1	EXECUTIVE SUMMARY	7
1.2	VALUATION REFERENCE	9
1.3	BASIS OF VALUATION	9
1.4	CLIENT APPROVAL DATE	11
1.5	INSPECTION DATE	11
1.6	VALUATION DATE	11
1.7	REPORT DATE	11
1.8	OPINION OF VALUE	11
1.9	PURPOSE OF VALUATION	11
1.10	INSPECTION ROLE	11
1.11	MARKET SURVEY	12
1.12	PROPERTY & LOCATION DESCRIPTION	14
1.13	INFRASTRUCTURE FACILITIES	14
1.14	LOCATION	15
1.15	PROPERTY ACCESS	16
1.16	TITLE DEED & OWNERSHIP	17
1.17	CONSTRUCTION & BUILDINGS	17
1.18	INSURANCE	18
1.19	PHOTO RECORD	19
1.20	SAUDI ARABIA ECONOMIC INDICATORS	21
1.21	BUDGET ALLOCATION FOR 2019	21
1.22	SWOT ANALYSIS	22
1.23	SECTOR BRIEF	22
1.24	RISK ANALYSIS	24
1.25	DOCUMENTS RECIEVED	26
1.26	GENERAL ASSUMPTIONS	26
1.27	LEGAL NOTICES	26
1.28	INFORMATION SOURCE	27
1.29	STRUCTURAL EXAMINATION OF BUILDINGS (IF ANY)	27
1.30	VALUATION APPROACH	27
1.31	INPUT VALUATION PROCESS	28
1.32	COMPARABLE APPROACH	29

TAQEEM LISCENCE NUMBER: 1210000474

1.33	COST APPROACH (DRC)	30
1.34	LEASING CONTRACT	32
1.35	SUBJECT PROPERTY VALUE IN DIFFERENT APPROACHES	32
1.36	SUBJECT PROPERTY VALUE	32
1.37	VALUATION NOTES	32
1.38	REPORT USE	33
1.39	DISCLAIMER	33
1.40	CONCLUSION	33
1.41	CONSULTANT STATUS	35
1.42	DISCLOSING CONFLICT OF INTEREST	35
1.43	CONFIDENTIALITY	35
1.44	ENVIRONMENTAL MATTERS	35

TAQEEM LISCENCE NUMBER: 1210000474

EXECUTIVE SUMMARY

WHITE CUBES
REAL ESTATE

1.1 EXECUTIVE SUMMARY

Introduction	We received instructions from Mr. Tarek Aql on 2/11/2020 to implement a real estate valuation service in Riyadh city.
Client	For whom this report is being prepared is Al Khabeer Capital, a valuation for AlFarabi Training Center in Riyadh city.
Reference No.	2010834- 1
Purpose of Valuation	Acquisition Purpose
Subject Property	Educational Facility
Property Location	The property is located in Ishbiliya district, Riyadh City.
Title Deed Information	Title Deed No: 493225000301, Title Deed Date: 6/01/1442, Issued from Riyadh Notary
Ownership Type	Freehold
Owner	شركة اول الملقا العقارية
Land Use	Educational
Land Area (Sqm)	Based on the title deed, the land has an area size of 11,340 Sqm
BUA (Sqm)	The building is composed of 4 floors
Vacancy Rate	Based on the leasing contract provided by the client, the subject property is fully leased to one tenant, although the property is still under development
Valuation Approach	The Depreciated Replacement Cost (DRC) and the Comparable Approach
Final Property Value	69,480,000 SAR
Valuation Date	30/12/2020
Inspection Date	05/12/2020

TAQEEM LISCENCE NUMBER: 1210000474

TERMS OF REFERENCE & VALUATION

WHITE CUBES
REAL ESTATE

1.2 VALUATION REFERENCE

This report was prepared based on the instructions issued to us by Al Khabeer Capital to estimate the market value of the real estate that is the subject of this report for the mentioned purpose only. This report may not be used for other purposes. The evaluation was prepared in accordance with the International Evaluation Standards of the Council of International Assessment Standards (IVSC) issued in 2017 by the Saudi Authority for Accredited Residents in the Kingdom of Saudi Arabia.

1.3 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";

TAQEEM LISCENCE NUMBER: 1210000474

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.

TAQEEM LISCENCE NUMBER: 1210000474

1.4 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 29, 2020.

1.5 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 05, 2020.

1.6 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 30, 2020.

1.7 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 30, 2020.

1.8 OPINION OF VALUE

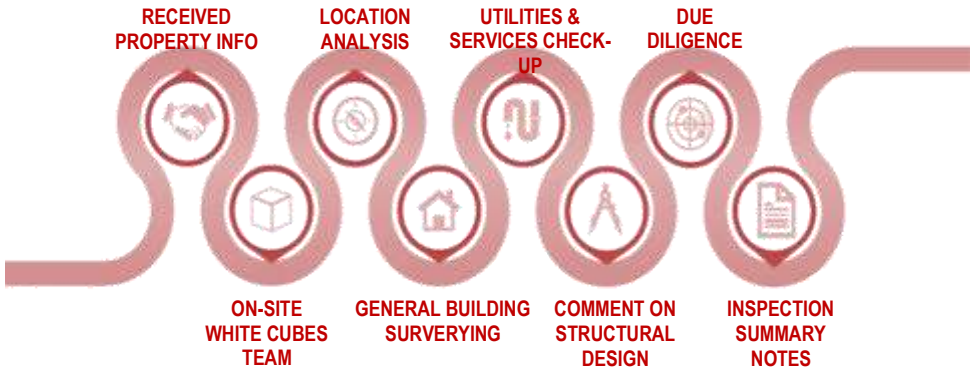
All the outputs will be shown in this report (Values) are based on our best knowledge of the market, documents received from the client (assumed to be correct), market findings and inspection inputs. Yet, the estimated values of the subject property / properties express our opinion of values based on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

1.9 PURPOSE OF VALUATION

The client requested to know the current market value of the subject property for Acquisition Purposes. Therefore, and according to the valuation purpose, and as requested by the client, we will adapt the valuation methodologies of The Income Approach, The Depreciated Replacement Cost (DRC), The Comparable and the Discounted Cash Flow Approach (DCF)

1.10 INSPECTION ROLE

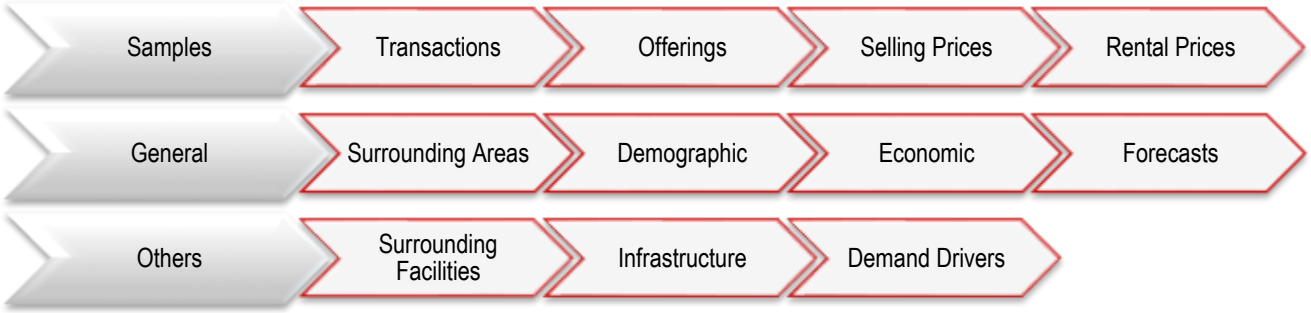
A visit to a property or inspection of an asset, to examine it and obtain relevant information, in order to express a professional opinion of its value. We hereby confirm that we have inspected the subject property / Asset at the date of inspection. Our inspection procedure covers only the surface / 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

1.11 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.



TAQEEM LISCENCE NUMBER: 1210000474

PROPERTY DETAILS

WHITE CUBES
REAL ESTATE

1.12 PROPERTY & LOCATION DESCRIPTION

Property Description

AlFarabi Training Center is an under construction educational facility with a land area of 11,340 square meters. As per the provided information by construction permit, the subject property has a total BUA of 48,770.66 square meters, overlooking 4 streets, where the main façade is the western side, which overlooks Al Bahar Al Arabi Street.

Location Description

The property being valuated is AlFarabi Training Center in Ishbilia District in the northeast of Riyadh.
The property is bordered from the north by a vacant land
The property is bordered from the south by AL Farabi College of Medicine
The Property is bordered from the east by residential buildings
The property is bordered to the west by the main road, Al Bahar Al Arabi Rd.

Ease of Access

The ease of access to the property is high, based on its current location as it is located on Al Bahar Al Arabi Street.

Area Surrounding the Property

Mostly of residential and commercial uses.

The Main Landmarks

The property subject of valuation is surrounded by several major landmarks such as Ishbilia Residential Compound.

Land	
Land Use	Commercial
No. of Streets	4
Land Shape	Graded
Direct View on the Main Road	Al Bahar Al Arabi Street
Direct View on an Internal Street	Yes, Al Naham Street
Land Condition	Under Development

Building	
Building Type	Educational Building still under development
Building Structural Conditions	Under Development
External Elevation Conditions	Under Development
Building Finishing Conditions	Under Development
Overall Building Conditions	Under Development

1.13 INFRASTRUCTURE FACILITIES

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

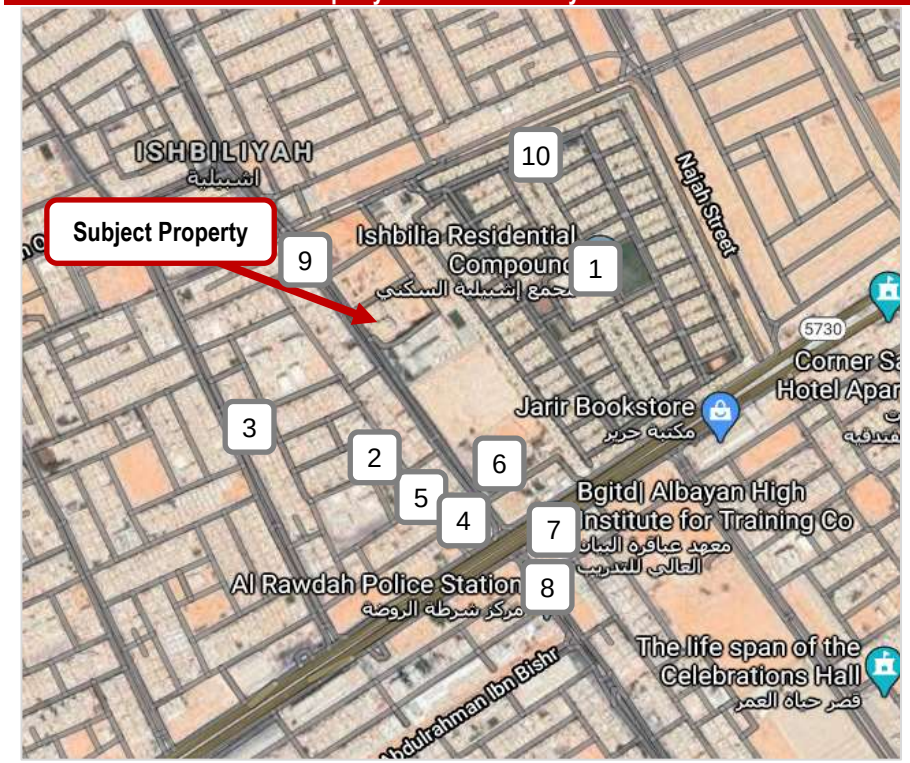
All the infrastructural facilities are available in the surroundings, but they are not connected to the subject property.

TAQEEM LISCENCE NUMBER: 1210000474

1.14 LOCATION

The subject property is in Ishbilia district, Riyadh city and surrounded by several landmarks as follows:

Property Location on a City Scale



Property Location on a District Scale

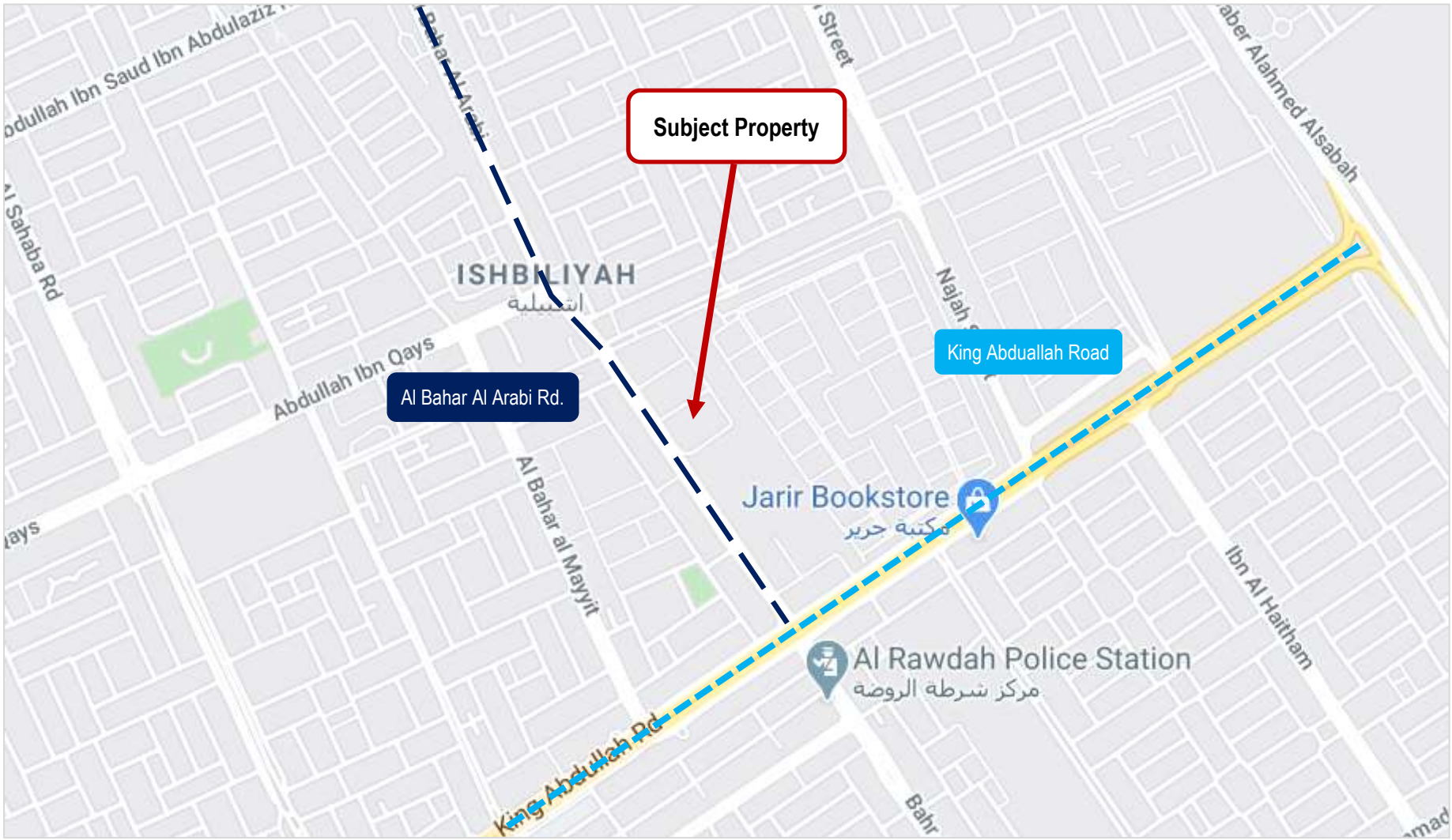
Surrounding Landmarks

1- Ishbilia Residential Compound (0.25 Kilometers)
2- Sevilla School for the memorization of the Koran girl (0.20 Kilometers)
3- Kids Saray International School (0.33 Kilometers)
4- Beam Crossfit (0.40 Kilometers)
5- Al Itisaliyat Company (0.30 Kilometers)
6- Oasis Day Care Center (0.30 Kilometers)
7- Bgitd Albayan High Institute for Training Co (0.50 Kilometers)
8- Al Rawdah Police Station (0.60 Kilometers)
9- Al Rowad Schools - Ishbilia (0.45 Kilometers)
10- Ishbilia Kindergarten (0.45 Kilometers)

TAQEEM LISCENCE NUMBER: 1210000474

1.15 PROPERTY ACCESS

The subject property can be accessed as shown in the map below:



TAQEEM LISCENCE NUMBER: 1210000474

1.16 TITLE DEED & OWNERSHIP

We were provided with copy of the title deed of the subject property which is owned by one title deed. The details of the subject property:

City	Riyadh	**Land Area**	11,340 Sqm
District	Ishbilia	**Plot No.**	From Plot No.9 to No.16
T.D Type	Electronic	**Block No.**	N/A
T.D Number	493225000301	**Layout No.**	2932
T.D Date	26/01/1442	**Owner**	شركة اول الملقا العقارية
T.D Value	25,025,000 SAR	**Ownership Type**	Freehold
Date of Last Transaction	26/01/1442	**Limitation of Document**	N/A
Issued From	Riyadh Notary		
North Side	15 m Wide street	**East Side**	15 m Wide street
South Side	15 m Wide street	**West Side**	40 m Wide street

Notes	The client has provided us with copy of the Title Deed which was assumed to be correct and authentic. It is not in our scope to run legal diagnosis on any legal document.

1.17 CONSTRUCTION & BUILDINGS

The client provided us with a construction permit to the subject property with a total BUA of 48,770.66 Sqm distributed on 3 underground floors and 2 upper floors. The building permit indicates the maximum permissible BUA approved by the city municipality. However, the actual area may differ from the area mentioned in the building permit. Therefore, if the customer does not provide us with a copy of the approved plans, the evaluation will be done based on the building permit provided by the customer. In the event that the customer does not provide us with a copy of the legal documents that show the total building surfaces, we will evaluate them using the skills of our team along with the municipality's laws and regulations, and therefore the building surfaces will be estimated only roughly.

Source of BUA		Actual Age of the Property		Status of the property	
Construction Permit	✓	**Construction Permit**	✓	**New**	----------
As Built Drawings	----------	**As Built Drawings**	----------	**Fully Constructed**	✓
Other Documents	----------	**Other Documents**	----------	**Under Construction**	----------
Verbal Information	----------	**Verbal Information**	----------		
Estimation	----------	**Estimation**	----------		

TAQEEM LISCENCE NUMBER: 1210000474

The customer provided us with a building permit for the property under evaluation, which contains the following data:
The subject property is an under development commercial building consisting of 4 floors.

Subject Property	
Construction Permit Type	New Permit
Property Type	Educational Facility
Construction Permit No.	1434/20267
Construction Permit Date	15/09/2013
Permit Expiry Date	14/08/2016

Description	No. of Units	Area (sqm)	Use
Ground Floor	1	5946.95	Educational
Basement 3	0	11,322	
Basement 2	0	11,322	Parking Area
Basement 1	0	11,322	Parking Area
First Floor	0	6060.61	Educational
Electricity Chamber	0	20.00	Electricity Chamber
Upper Annexes	0	2777.10	Educational
Fences	1	430.96	Services
Total BAU (sqm)		**48770.66**	

The Total BUA as per the construction permit is 48770.66 Sqm, yet, only 2 basement floors have been executed although the permit allows 3 floors. So, the current BUA of the building excluding Basement 3 is 37448.66 Sqm and we will use this number in our valuation process.

1.18 INSURANCE

We have not been provided with any insurance policy for the underlying asset.

TAQEEM LISCENCE NUMBER: 1210000474

1.19 PHOTO RECORD

TAQEEM LISCENCE NUMBER: 1210000474

MARKET INDICATORS

WHITE CUBES
REAL ESTATE

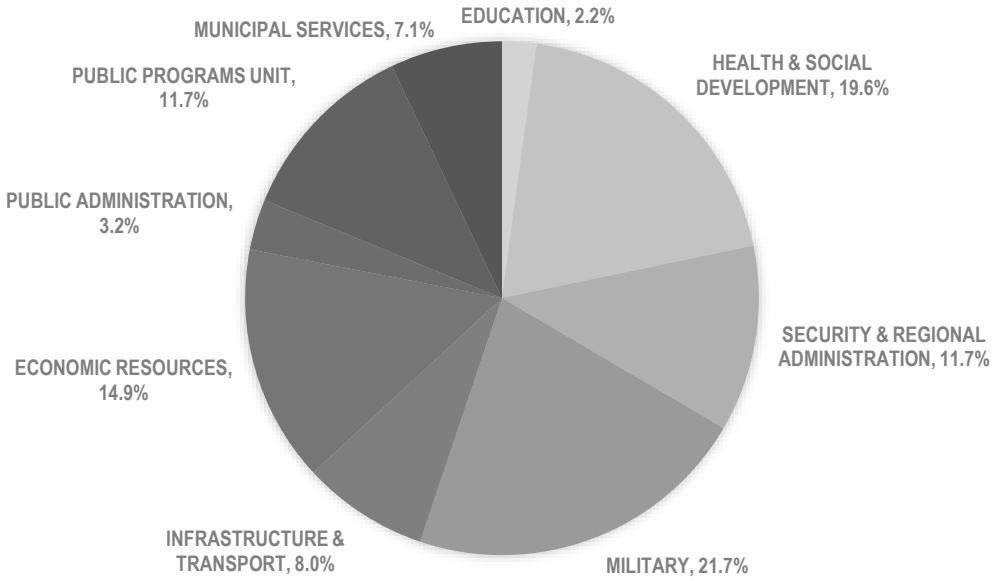
1.20 SAUDI ARABIA ECONOMIC INDICATORS

Economic Indicator	2018	2019	2020
GDP (Source: General Authority for Statistics)	(Q2) 732,747 Bn	642.8 Bn (E)	657.58 Bn (E)
GDP Growth (Source: Ministry of Finance)	%2.3	0.5%	2% (E)
Inflation Rate (Source: SAMA)	2.45%	-1.22%	-1.5% (E)
Interest Rates (Source: Trading Economics)	2.75%	3%	2.5% (E)
Government Revenues (Source: General Authority for Statistics)	895 Bn	978 Bn	833 Bn (E)
Government Spending (Source: General Authority for Statistics)	1,079 Bn	1,050 Bn (E)	1,020 Bn (E)
Unemployment Rate (Source: General Authority for Statistics)	6%	5.6%	5.2% (E)
Population (Source: General Authority for Statistics)	33,413,660	34,413,660	34,218,169

1.21 BUDGET ALLOCATION FOR 2019

Public Administration	28 SAR bn
Military	191 SAR bn
Security & Regional Adm.	103 SAR bn
Municipal Services	62 SAR bn
Education	193 SAR bn
Health & Social Dev.	172 SAR bn
Economic Resources	131 SAR bn
Infrastructure & Transport	70 SAR bn
Public Programs Unit	103 SAR bn

Source: Ministry of Economy

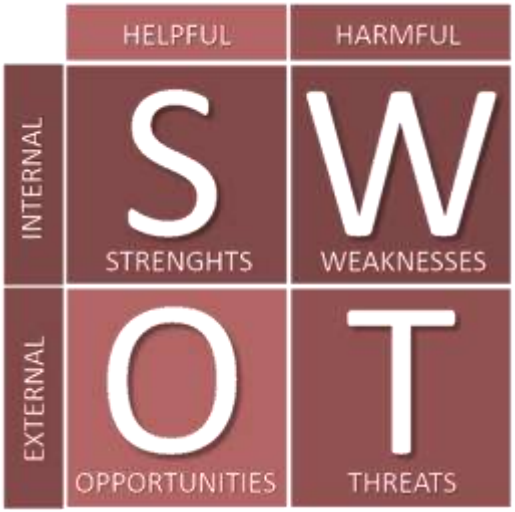


TAQEEM LISCENCE NUMBER: 1210000474

1.22 SWOT ANALYSIS

Strength	Weakness
- Direct view on the main road, Al Bahar Al Arabi Rd. - Surrounded by several landmarks	- The property is located far from city center
Opportunities	**Threats**
- Increase in the demand for such properties in the surrounding area due to the high concentration of residential units	- Existing and upcoming similar projects

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.

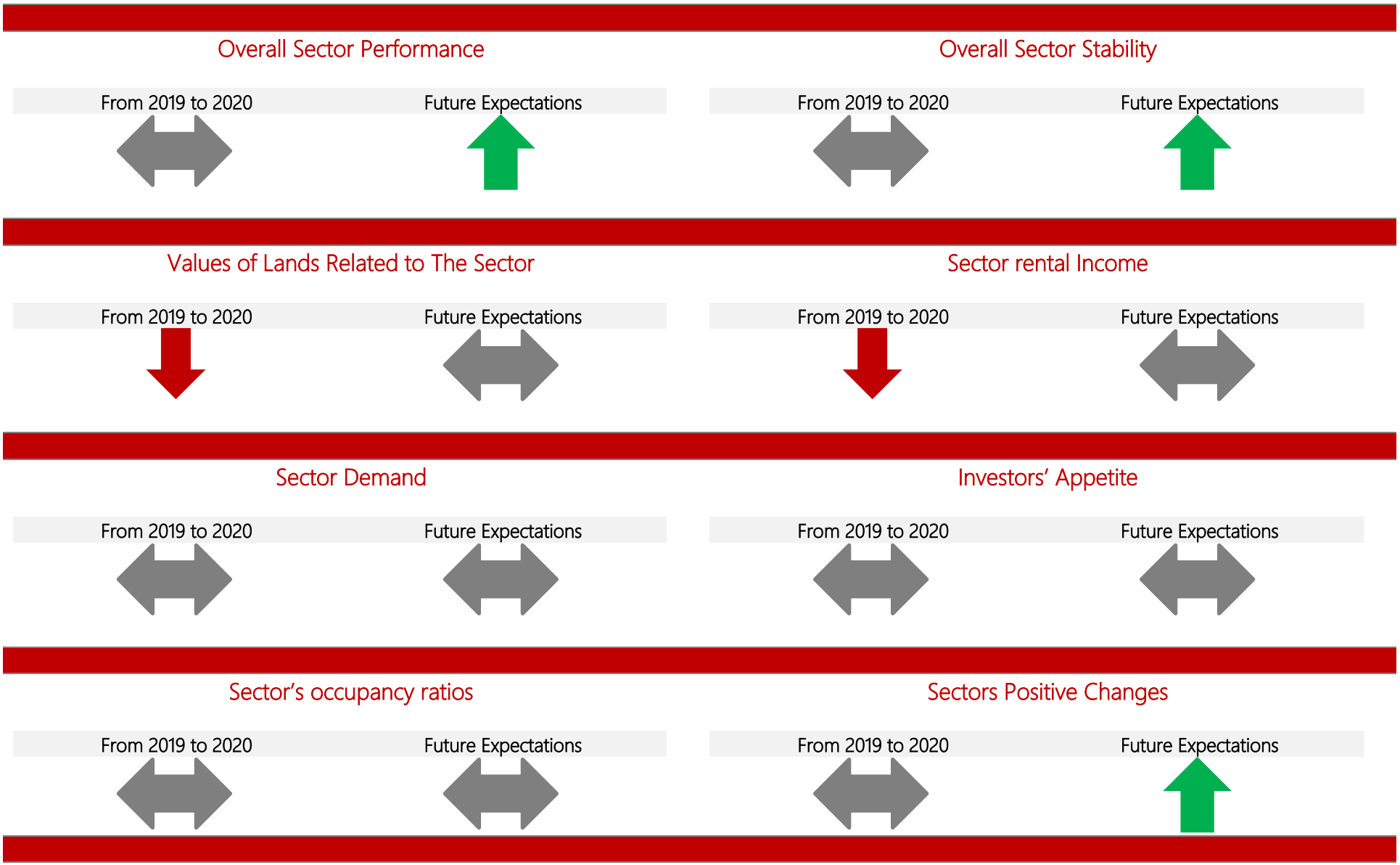


1.23 SECTOR BRIEF

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

TAQEEM LISCENCE NUMBER: 1210000474



White Cubes Team's Analysis

TAQEEM LISCENCE NUMBER: 1210000474

1.24 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	4	12	0	0

Risk Category 16 Risk Points - Medium Risk

Sector Analysis

Risk Category- 16 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	0	4	6	0	0

Risk Category 10 Risk Points – Minimal Risk

Land Analysis

Risk Category- 10 Risk Points - Minimal 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	0	4	3	0	0

Risk Category 7 Risk Points - Medium Risk

Property Analysis

Risk Category- 7 Risk Points - Medium Risk

TAQEEM LISCENCE NUMBER: 1210000474

PROPERTY VALUATION

WHITE CUBES
REAL ESTATE

1.25 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 ---
Leasing Contract ✓	Income & Revenues ✓	Operational Cost - OPEX ---

1.26 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.

1.27 LEGAL NOTICES

We are not aware of and have not been notified of any legal notices on the property, whether they are ongoing or pending in the courts.

TAQEEM LISCENCE NUMBER: 1210000474

1.28 INFORMATION SOURCE

Referring to the purpose of this report, it has been assumed that all information received from the customer, whether verbal or written, is up-to-date and correct. Our team conducted a field research in order to ensure the validity of some market information for the purpose of valuation, which included the values of assets in the region, occupancy rates and market information related to the asset being valued in order to reach the market value of the asset being valued. During the field research process, some sources were relied on as follows:

- The field survey prepared by us
- Site inspection done by our team
- Our historical database for the similar assets of the property being valuated
- Sales agents specialized with the same type of assets subject to valuation

1.29 STRUCTURAL EXAMINATION OF BUILDINGS (IF ANY)

Our service scope does not include any technical testing of buildings or construction structures, and this does not include any quality assurance of these constructions. However, in the event of any visible and observed deficiencies in the structural structure, we will write it down in our report and reverse the effect on the value estimate.

1.30 VALUATION APPROACH

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

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.

TAQEEM LISCENCE NUMBER: 1210000474

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.

1.31 INPUT VALUATION 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.

TAQEEM LISCENCE NUMBER: 1210000474

1.32 COMPARABLE APPROACH

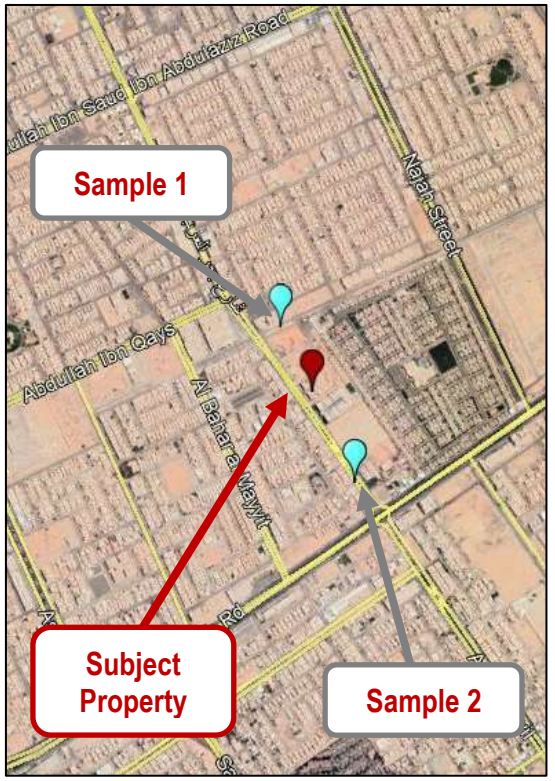
This method aims to collect data and information on actual sales or current offers of real estate similar to the original subject matter being evaluated, and then make the necessary adjustments to these comparisons in terms of area, location, shape, quality, content and others. Below is a summary of the evaluation process in the style of comparisons and the amendments made to the available comparisons

Characteristics of Samples

Feature	Subject Property	Sample 1	Sample 2
Quoting	---------	Offering	Offering
District	Ishbilia	Ishbilia	Ishbilia
Sale Price	----------	SAR 7,300,000	SAR 1,980,000
Data Source	Title Deed	Market Survey	Market Survey
Area Size	11,340.00	3,000.00	900.00
SAR / Sqm	--------	SAR 2,433	SAR 2,200
Sides Open	4	2	1

Adjustment Analysis

		SAMPLE 1		SAMPLE 2	
Area size	11,340.00	3,000.00	-10.00%	900.00	-10.00%
Location Desirability	Average	Average	0.00%	Average	0.00%
Accessibility	Excellent	Excellent	0.00%	Excellent	0.00%
Street Width (m)	40	35	0.00%	40	0.00%
Sides Open	4	2	10.00%	1	15.00%
Land Shape	Regular	Regular	0.00%	Regular	0.00%
Close to main street	Yes	Yes	0.00%	Yes	0.00%
Negotiable	---------	No	0.00%	No	0.00%
Other Factor	----------	----------	0.00%	----------	0.00%
Total Adjustments Ratio			0.00%		5.00%
Total Adjustment Amount			SAR 0.0		SAR 110.0
Net After Adjustment			SAR 2,433.3		SAR 2,310.0
SAR / Sqm		SAR 2,372			
Rounded Value		SAR 2,400			



SENSITIVITY ANALYSIS

	-10%	-5%	0%	5%	10%
Land Area	17,046	17,046	11,340	17,046	17,046
SAR / Sqm	SAR 1,912.5	SAR 2,018.8	SAR 2,400.0	SAR 2,231.3	SAR 2,337.5
Property Value	SAR 32,600,475	SAR 34,411,613	SAR 27,216,000	SAR 38,033,888	SAR 39,845,025
			PROPERTY VALUE		

TAQEEM LISCENCE NUMBER: 1210000474

Based on the market samples obtained with the assistance of some real estate experts in the region and the inspection made by our team, the average prices for similar properties falls in the range of 2,000 - 3,000 SAR / Sqm with an average of 2,500 SAR / Sqm. When comparing with the results of the analysis of comparisons, we found that the property value falls within the same range and is close to the market average values.

1.33 COST APPROACH (DRC)

As a first step, the cost of reconstructing the building (the cost of replacement) was estimated, based on the average construction costs of the real estate similar to the property being evaluated, and at the same level of finishes, services, utilities, and others. The opinion of some engineering experts was used in this regard, and in the following table the scope of the expected costs for replacing the building under evaluation.

	Min Cost (SAR / Sqm)	Max Cost (SAR / Sqm)	Average Cost
Skeleton - Concrete Cost	SAR 1,100	SAR 1,200	SAR 1,150
MEP	SAR 350	SAR 450	SAR 400
Finishing Materials	SAR 650	SAR 750	SAR 700
Site Improvements	SAR 80	SAR 120	SAR 100
Owner Profit	18%	22%	20%

In the following table, we will calculate an estimate of the direct costs of the building in the new condition, according to the main components of the building, such as the concrete structure, electromechanical work, finishes, site improvements, etc. Then we will estimate the value of the indirect costs as a percentage of the total direct costs to estimate the total construction costs of the project

LAND				
Land Area		**SAR / Sqm**		**Total Value**
11,340.00		SAR 2,400		SAR 27,216,000
Building				
		Unit		**Total BUA**
Upper and Underground Floors		Sqm		37,448.66
Total (SQM)		**37,448.66**		
Development Cost				
Hard Cost				
	Area	**SAR / Sqm**	**Total**	**Completion Rate**	**Total Cost**
Skeleton & Block	37,448.66	SAR 1,150	SAR 43,065,959	80%	SAR 34,452,767
Electro Mechanic	37,448.66	SAR 400	SAR 14,979,464	0%	SAR 0
Finishing	37,448.66	SAR 700	SAR 26,214,062	0%	SAR 0
Fit outs & Appliances	37,448.66	SAR 200	SAR 7,489,732	0%	SAR 0
Site Improvement	11,340.00	SAR 100	SAR 1,134,000	100%	SAR 1,134,000
Total			**SAR 92,883,217**	**38.31%**	**SAR 35,586,767**

TAQEEM LISCENCE NUMBER: 1210000474

Overall Soft Cost			
	Total Hard Cost	Ratio	Soft Cost
Initial Project Pre Cost	SAR 35,586,767	1.00%	SAR 355,868
Design	SAR 35,586,767	1.00%	SAR 355,868
Eng Consultant	SAR 35,586,767	2.00%	SAR 711,735
Management	SAR 35,586,767	2.00%	SAR 711,735
Contingency	SAR 35,586,767	5.00%	SAR 1,779,338
Others	SAR 35,586,767	0.00%	SAR 0
TOTAL		11.00%	SAR 3,914,544.39

Total Hard Cost	SAR 35,586,767	BUA	37,448.66
Total Soft Cost	SAR 3,914,544.39	SAR / Sqm	SAR 1,055
Total Construction Cost	SAR 39,501,311.59	Overall Completion	38.3%

After knowing the total building construction costs at a rate of 1,055 SAR per square meter, we will estimate the life span of the property according to the type of construction and its general condition, and then apply the depreciation rates based on the actual age of the property. Then, the developer's profitability will be added to the property's value after depreciation to see the estimated market value of the building

DEVELOPMENT VALUE			
Total Dev Cost	SAR 39,501,312	Net Dep Rate	0.00%
		Dev Cost After Depreciation	SAR 39,501,312
Economic Age	40		
Annual Dep Rate	2.50%	Total Completion Rate	38.31%
		Developer Profit Rate	7.0%
Actual Age	0		
Total Dep Rate	0.00%		
Add Appr Rate	0.00%	Dev. Profit Amount	SAR 2,765,092
Net Dep Rate	0.00%	Development Value	SAR 42,266,403

The total market value of the building is 42,266,403 SAR, which will be added to the market value of the land in order to get the full value of the property as follows:

Total Dev. Value	Land Value	Total Property Value	Rounded Value
SAR 42,266,403	SAR 27,216,000	SAR 69,482,403	SAR 69,480,000

The client informed us that there are no changes in the completion rates of the project since June 2020.

TAQEEM LISCENCE NUMBER: 1210000474

1.34 LEASING CONTRACT

The client provided us with a leasing contract with the below details:

1st Party: شركة المقصد العقارية
2nd Party: شركة كليات الفارابي للتعليم
Duration: 25 Years
Starting Date: 2021
Ending Date: 2045
As per the leasing contract, there are promissory notes for the contracts full period.

1.35 SUBJECT PROPERTY VALUE IN DIFFERENT APPROACHES

Methodology	Subject of Valuation	Value in Numbers	Value in Letters
Comparable Approach	Land	SAR 26,649,000	Twenty-Six Million and Six Hundred Forty-Nine Thousand Saudi Riyals
DRC Approach	Land + Building	SAR 69,480,000	Sixty-Nine Million and Four Hundred Eighty Thousand Saudi Riyals

It is true that the subject property considered as a special property (educational facility), but since the subject property is being leased on a long term bases with the availability of the promissory notes (provided by the tenant) and taking into consideration the purpose of valuation, we will indicate the final value of the subject property based on the Cost Approach.

1.36 SUBJECT PROPERTY VALUE

We are of an opinion that the total market value of the subject property taking into consideration the purpose of valuation by using the DRC Approach is:
Property Value: **69,480,000 SAR**
Sixty-Nine Million and Four Hundred Eighty Thousand Saudi Riyals

1.37 VALUATION NOTES

We did not apply the income approach while valuating the subject property for the following 2 reasons:

- The subject property considered as a special property due to its nature of use, where no active market transactions for such property types. Therefore, we have applied the DRC approach.
- The subject property still in the construction phase and expected to be finished in 2 years' time.

TAQEEM LISCENCE NUMBER: 1210000474

1.38 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.

1.39 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.

1.40 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.

Essam Hussaini
Site Inspection Check

Member of (Taqeem)
License No. 1210000474

TAQEEM LISCENCE NUMBER: 1210000474

GENERAL NOTES

WHITE CUBES
REAL ESTATE

1.41 CONSULTANT STATUS

We confirm that the consultant / valuator has no physical contact or affiliation with the original subject matter of valuation or with the client and can provide objective, unbiased valuation. We confirm that the evaluator is competent to carry out the valuation task and has sufficient skills and market knowledge concerned to conduct the valuation.

1.42 DISCLOSING CONFLICT OF INTEREST

We affirm that we are completely independent of the customer and the subject of the valuation, and nothing contained in this agreement must be interpreted as constituting any relationship with the customer except for the normal official relationship of work, or that it aims to establish any business relationship whatsoever between the customer and White cubes employees. We also confirm that we do not have any conflicts of interest with the customer's property. We would like to draw your attention to the following:

	No	If Yes		Remarks
		Client	Date	
The subject property was previously valuated by White Cubes		Al Khabeer Cap	Sep 2020	----------
White Cubes was previously involved in selling activities related to the property	✔	----------	---------	----------
White Cubes was previously involved in advisory services related to the property	✔	----------	---------	----------

1.43 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.

1.44 ENVIRONMENTAL MATTERS

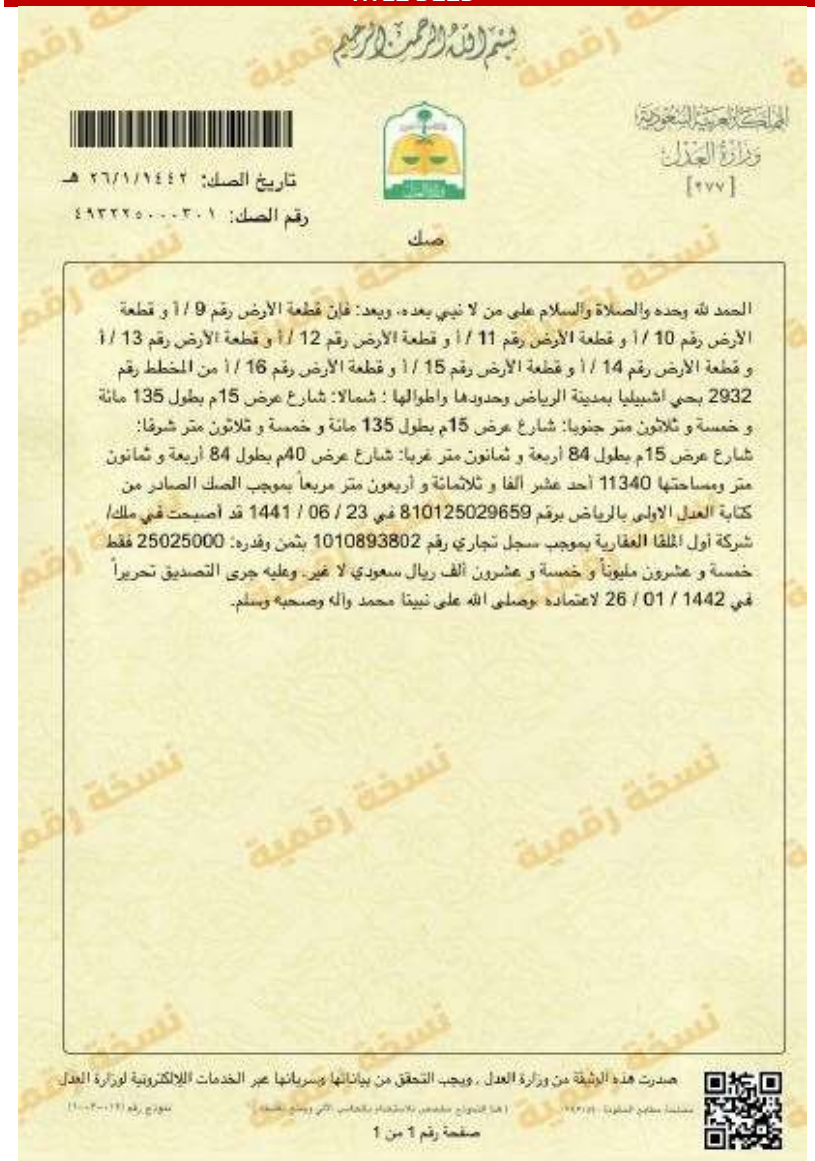
We are not aware of the content of any environmental audit or other environmental investigation or soil survey which may have been carried out on the property and which may draw attention to any contamination or the possibility of any such contamination.
In undertaking our work, we have been instructed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

TAQEEM LISCENCE NUMBER: 1210000474

DOCUMENTS COPIES

WHITE CUBES
REAL ESTATE

TITLE DEED



بسم الله الرحمن الرحيم

المملكة العربية السعودية
وزارة العدل
[٢٧٧]

تاريخ الصك: ٢٦/١/٧٤٤٢ هـ
رقم الصك: ٤٩٣٢٢٥٠٠٠٣٠١

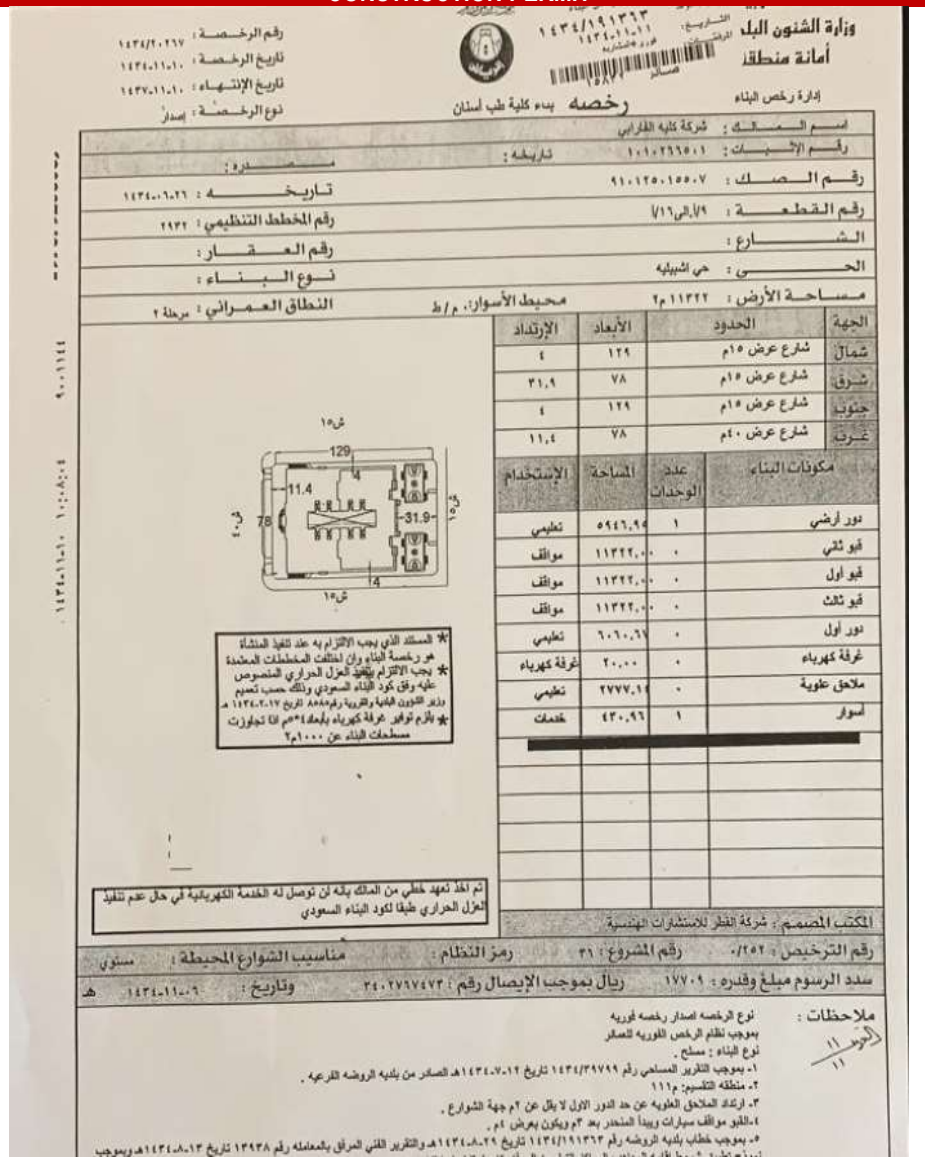
صك

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد: فإن قطعة الأرض رقم 9 / أ و قطعة الأرض رقم 10 / أ و قطعة الأرض رقم 11 / أ و قطعة الأرض رقم 12 / أ و قطعة الأرض رقم 13 / أ و قطعة الأرض رقم 14 / أ و قطعة الأرض رقم 15 / أ و قطعة الأرض رقم 16 / أ من المخطط رقم 2932 بحي اشبيليا بمدينة الرياض وحدودها واطوالها : شمالا: شارع عرض 15م بطول 135 مائة و خمسة و ثلاثون متر جنوبا: شارع عرض 15م بطول 135 مائة و خمسة و ثلاثون متر شرقا: شارع عرض 15م بطول 84 أربعة و ثمانون متر غربا: شارع عرض 40م بطول 84 أربعة و ثمانون متر ومساحتها 11340 احد عشر الفا و ثلاثمائة و أربعون متر مربعاً بموجب الصك الصادر من كتابة العدل الاولى بالرياض برقم 810125029659 في 23 / 06 / 1441 قد أصبحت في ملك/ شركة أول الملفا العقارية بموجب سجل تجاري رقم 1010893802 بثمن وقدره: 25025000 فقط خمسة و عشرون مليوناً و خمسة و عشرون الف ريال سعودي لا غير. وعليه جرى التصديق تحريراً في 1442 / 01 / 26 لاعتماده وصلى الله على نبينا محمد واله وصحبه وسلم.

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

صفحة رقم 1 من 1

CONSTRUCTION PERMIT



وزارة الشئون البلدية والقروية
أمانة منطقة الرياض
إدارة رخص البناء

رخصه بناء كلية طب أسنان

رقم الرخصة : ١٤٣٤/٢٠٢٦٧
تاريخ الرخصة : ١٤٣٤/١١/١٠
تاريخ الإنتهاء : ١٤٣٧/١١/١٠
نوع الرخصة : إصدار

اسم المالك :	شركة كلية الفارابي
رقم الإثبات :	١٠١٠٢٦٦٥٠١ تاريخه :
مصدره :	
رقم الصك :	٩١٠١٢٥٠١٥٥٠٧
تاريخه :	١٤٣٤/٠١/٠٦/٢٦
رقم القطعة :	٧٩ إلى ١/١٦
رقم المخطط التنظيمي :	٢٩٣٢
الشارع :	
رقم العقار :	
الحي :	حي اشبيليه
نوع البناء :	
مساحة الأرض :	١١٣٤٢ م٢ محيط الأسوار: م/ط
النطاق العمراني :	مرحلة ٢

الجهة	الحدود	الأبعاد	الإرتداد
شمال	شارع عرض ١٥م	١٢٩	٤
شرق	شارع عرض ١٥م	٧٨	٣١,٩
جنوب	شارع عرض ١٥م	١٢٩	٤
غرب	شارع عرض ٤٠م	٧٨	١١,٤

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
دور أرضي	١	٥٩٤٦,٩٩	تعليمي
فيو ثاني	٠	١١٣٤٢,٠٠	مواقف
فيو اول	٠	١١٣٤٢,٠٠	مواقف
فيو ثالث	٠	١١٣٤٢,٠٠	مواقف
دور أول	٠	٦٠٦٠,٩٩	تعليمي
غرفة كهرباء	٠	٢٠,٠٠	غرفة كهرباء
ملاحق علوية	٠	٢٧٧٧,١٤	تعليمي
أسوار	١	٤٣٠,٩٦	خدمات

المكتب المصمم : شركة الفطر للاستشارات الهندسية
رقم الترخيص : ٠/٢٥٢ رقم المشروع : ٣١ رمز النظام : مناسيب الشوارع المحيطة : مسنوي
سدد الرسوم مبلغ وقدره : ١٧٧٠٩ ريال بموجب الإيصال رقم : ٢٤٠٢٧٧٤٧٢ وتاريخ : ١٤٣٤-١١-٠٩ هـ

ملاحظات :
نوع الرخصه اصدار رخصه فوريه
بموجب نظام الرخص الفوريه للصادر
نوع البناء : مسلح .
١- بموجب التقرير المساحي رقم ٣٩٧٩٩/١٤٣٤ تاريخ ١٤٣٤-٧-١٢هـ الصادر من بلديه الروضه الفرعيه .
٢- منطقه التقسيم: م١١١
٣- ارتداد الملاحق العلويه عن حد الدور الاول لا يقل عن ٢م جهة الشوارع .
٤- القبو مواقف سيارات ويبدأ المنحدر بعد ٣م ويكون بعرض ٤م .
٥- بموجب خطاب بلديه الروضه رقم ١٤٣٤/١٩١٣٦٣ تاريخ ١٤٣٤-٨-٢٩هـ والتقرير الفني المرفق بالمعامله رقم ١٣٩٣٨ تاريخ ١٤٣٤-٨-١٣هـ وبموجب

TAQEEM LISCENCE NUMBER: 1210000474