WHITE CUBES
REAL ESTATE VALUATION REPORT

Al Khabeer Capital

BIN 2 PLAZA

Awal Al Malqa Real Estate Company

Jeddah City
December 2022

TAQEEM تقييم

VISION رؤيـــة 2030 المملكة العربية السعودية KINGDOM OF SAUDI ARABIA

REAL ESTATE VALUATION REPORT

REF: 22-0327
Code:
Date: 31/12/2022
M/S: Awal Al Malqa Real Estate Company

Subject: Valuation Report for a Commercial Center (Bin 2 Plaza) in Jeddah City, Saudi Arabia.

Dear Sir,

With reference to your request and approval dated on 8th of November 2022. We will provide you with a detailed report on the property under evaluation, including a market analysis, an economic analysis, and a description of the valuation methods. In addition, we WHITE CUBES guarantee the confidentiality of the client's information and are committed to complete impartiality in the evaluation process and acknowledge that there are no common interests between WHITECUBES and the client.

WHITE CUBES Consulting Services Co.

Mr. Essam M. Al-Husaini – President
Fellow Member of the Saudi Authority of Accredited Valuers
License No. 1210000474
Issued: 01/08/1437 Exp: 24/08/1447

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EXECUTIVE SUMMARY

Executive Summary

Reference No.	22-0327
Dep. Code	
Report Type	Detailed Report.
Client	Awal Al Malqa Real Estate Company.
Report user	Awal Al Malqa Real Estate Company.
Other users	Investors or those wishing to invest in the Real Estate Investment Trust.
Purpose of Valuation	REIT semiannual valuation
Subject Property	Commercial Project**.**
Property Location	Al Amwaj district, Jeddah City.
Title Deed No.	420210027007
Title Deed Date	17/08/1440
Ownership Type	Freehold (Mortgaged).
Owner	شركة أول الملقا العقارية
Land Use	Commercial
Land Area (Sqm)	The land has an area size of 20,641.74 Sqm
BUA (Sqm)	As per the provided construction permit, the total BUA is 21,305.3 Sqm.
GLA (Sqm)	7,336 Sqm for Showrooms and 7,631 Sqm for Offices.
Basis of Value	Market Value.
Value Hypothesis	Current use.
Valuation Approach	Comparable Approach, Cost Approach and Income Approach.
Currency	Saudi Arabian Riyal
Final Property Value	SAR 96,330,000
Report Date	31/12/2022
Valuation Date	27/11/2022
Inspection Date	14/11/2022
Expiry Date	120 days from date of the inspection unless there're any economic changes that affect the subject property.

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SCOPE OF WORK

SCOPE OF WORK

Scope of Work

1.1 Introduction

This report was prepared by WHITE CUBES Co. based on the International Valuation Standards of the Council of International Assessment Standards (IVSC 2022) and the Guide to Practice and Regulations issued by the Saudi Authority of Accredited Valuers (Taqeem), to ensure accurate access to information, the evaluation report must be read in its entirety, our firm is pleased to offer its services to Awal Al Malqa Real Estate Company in order to estimate the market value of the property that is being evaluated.

1.2 Purpose of valuation

We conducted an evaluation of the subject property at the request of the client to determine the current market value of the property for REIT semi annual valuation.

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***" 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***" 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 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 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***” is one between parties who do not have a particular or special relationship, 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**” means that the asset would be exposed to the market in the most appropriate manner to affect 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;

‘**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’** 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 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 considered 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.

1.4 Valuation Methods

Depending on the purpose of the valuation, and upon the request of the client, we will apply the comparable approach, cost approach and income approach.

1.5 Currency

Unless otherwise stated, all values in the report are in Saudi Arabian Riyals.

1.6 Scope of Research

As part of the appraisal process, our team conducted a field survey of the surrounding area of the property in question and similar properties to ensure their authenticity.

1.7 Property Inspection

Inspection refers to visiting and inspecting an asset, testing its performance, and gathering information about it from quantities, specifications, land area, building areas, rental areas, services, public utilities, project components, etc., so that an opinion can be expressed regarding its value. Therefore, we confirm that subject property was inspected on 14/11/2022 with its specifications, as well, we note that this wasn't a technical inspection, but rather a preview and recording of everything that was seen.

1.8 Information Sources

An on-site field survey was conducted by our team to ensure the accuracy of some market information required for the evaluation, including nearby asset prices, occupancy rates, and specific information about the asset under evaluation, to determine its actual market value. The following sources were used during the field research process:

- Title deed and construction permit.
- Field survey.
- The site preview.
- Our historical database of similar assets.
- Agents specializing in the same type of asset.

1.9 Assumptions and Special Assumptions

As defined by the International Valuation Standards, assumptions are logical matters that can be accepted as facts during evaluation work without being specifically checked or scrutinized. They are accepted as soon as they are mentioned. Based on the facts at the time of the valuation.

- The property under evaluation has been evaluated based on absolute ownership.
- Assumed that all information received from the client is accurate and up to date as of the date of the evaluation, whether oral or written.
- This is an evaluation report rather than a structural survey. As a result, we did not conduct any utility checks, service checks, soil tests, etc.
- The valuation methodologies are based on market data compiled using our relevant market knowledge and experience.
- This report's output (final value) is derived from assumptions used, documents received from the client, and market data. Nevertheless, the output estimates provide an indication of the property's value.

1.10 Use, Distribution, and Publication Restrictions

To estimate the market value of the assets being evaluated, WHITE CUBES Co. has prepared this report. There are restrictions on the transfer, referencing, and presentation of this report and its contents to any other party except as stipulated in the contract letter, and the client must obtain our prior written consent in order to use this report for any other purpose other than that stated in this report.

1.11 Legal Notes

As far as we are aware, no legal notices have been served on the property, whether they are in progress or pending in the court system.

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PROPERTY DETAILS

PROPERTY
DETAILS

Property and Location Description

2.1 Property Description

The subject property is a commercial project located in Al Amwaj district, Jeddah City. Based on the provided copy of the title deed the subject property has a total land area of 20,641.74 sqm and as per the provided construction permit the total BUA of 21,305.3 Sqm. As per the site inspection done by our team for the purpose of valuation, the land open on 4 sides with a direct view on by Abdullah bin Al Khattab from the east side.

2.2 Surrounding Area

the subject property is surrounded mostly by several residential and commercial buildings.

2.3 Ease of Access

Based on the current location of the subject property, the access level is high since its open on 4 streets and near 2 main street Prince Abdul Majeed and Prince Nayef Roads.

2.4 Infrastructure

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

2.5 Title Deed and Ownership

The client provides us with copy of the title deeds related to the subject property which is owned by one title deed. The details of the subject property:

City	Jeddah	**Land Area**	20,641.74Sqm
District	Al Amwaj	**Plot No.**	35 to 63
T.D Type	Electronic	**Block No.**	---
T.D Number	420210027007	**Layout No.**	ج/س/420
T.D Date	17/08/1440	**Owner**	Awal Al Malqa Real Estate Company
T.D Value	38,181,818.19 SAR	**Ownership Type**	Freehold
Date of Last Transaction	17/08/1440	**Limitation of Document**	Mortgaged
Issued From	Jeddah First Notary		
North Side	15 meters street	**East Side**	32 meters street
South Side	15 meters street	**West Side**	15 meters street

Note: 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.

2.6 Construction and Buildings

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, the Client has provided us with a copy of the Construction Permit issued by Riyadh Municipality with the below details:

Subject Property	
Construction Permit Type	New Permit
Property Type	Commercial
Construction Permit No.	505232
Construction Permit Date	29/02/1431

Description	No. of Units	Area (sqm)	Use
Ground Floor	----	7928.6	Showrooms
Mezzanine	----	4727.9	Showrooms
First Floor	----	8,648.8	Offices
Total BAU (sqm)		**21,305.30**	

2.7 Building Gross Leasable Area (GLA)

The client provided us with a list of the unit details and GLA as shown in the below table:

Unit No.	Type	Area (Sqm)	Unit No.	Type	Area (Sqm)
1	A-Office	374	3	B-Offices	378
2	A-Office	310	4	B-Offices	201
3	A-Office	310	5	B-Offices	378
4	A-Office	201	6	B-Offices	378
5	A-Office	274	7	B-Offices	374
6	A-Office	378	1-7	B-Showroom	2,428
7	A-Office	374	1-7	C-Offices	2,948
1-4	A-Showroom	1,323	1-2	C-Showroom	822
5	A-Showroom	378	3	C-Showroom	334
6	A-Showroom	376	4	C-Showroom	167
7	A-Showroom	378	5	C-Showroom	378
1	B-Offices	374	6	C-Showroom	378
2	B-Offices	378	7	C-Showroom	374
			Total		**14,967**

2.8 Photographs of the Subject Property

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MARKET INDICATORS

MARKET
INDICATORS

Market Indicators

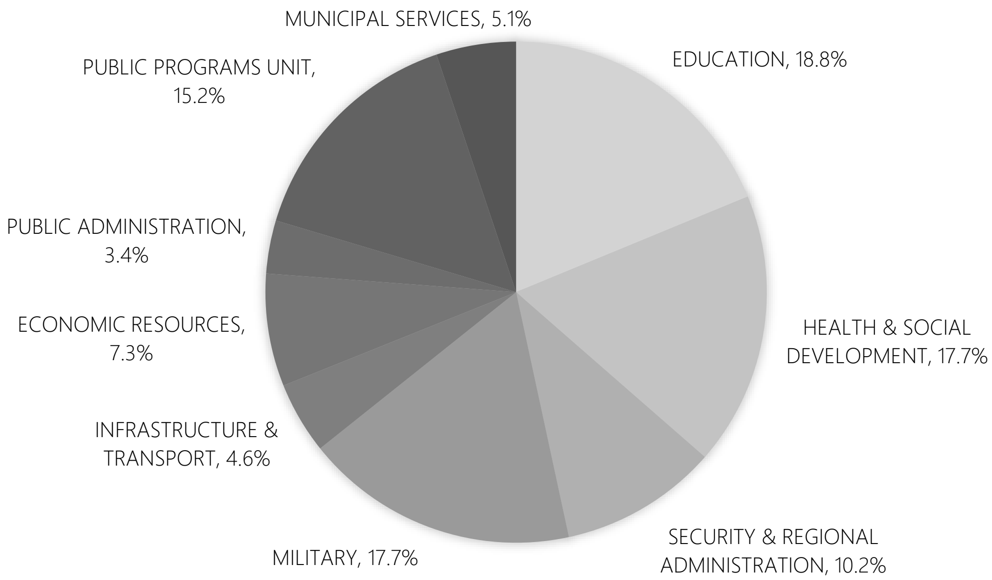
3.1 Saudi Arabia Economic Indicators

Economic Indicator	2021 Budget	2022 Expectations	2023 Estimated
Nominal GDP (Billion Riyals)	2,866	3,042	3,232
Real GDP Growth	3.2%	3.4%	3.5%
Inflation Rate	2.9%	2.0%	2.0%
Total Revenue (Billion Riyals)	849	864	928
Total Expenses (Billion Riyals)	990	955	941
Budget Deficit	-141	-91	-13
Public Debt	937	1,013	1,026
Government Reserves at the Saudi Central Bank	280	265	265

3.2 Budget Allocation for 2021

Public Administration	34 SAR bn
Military	175 SAR bn
Security & Regional Adm.	101 SAR bn
Municipal Services	51 SAR bn
Education	186 SAR bn
Health & Social Dev.	175 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	46 SAR bn
General Items	151 SAR bn

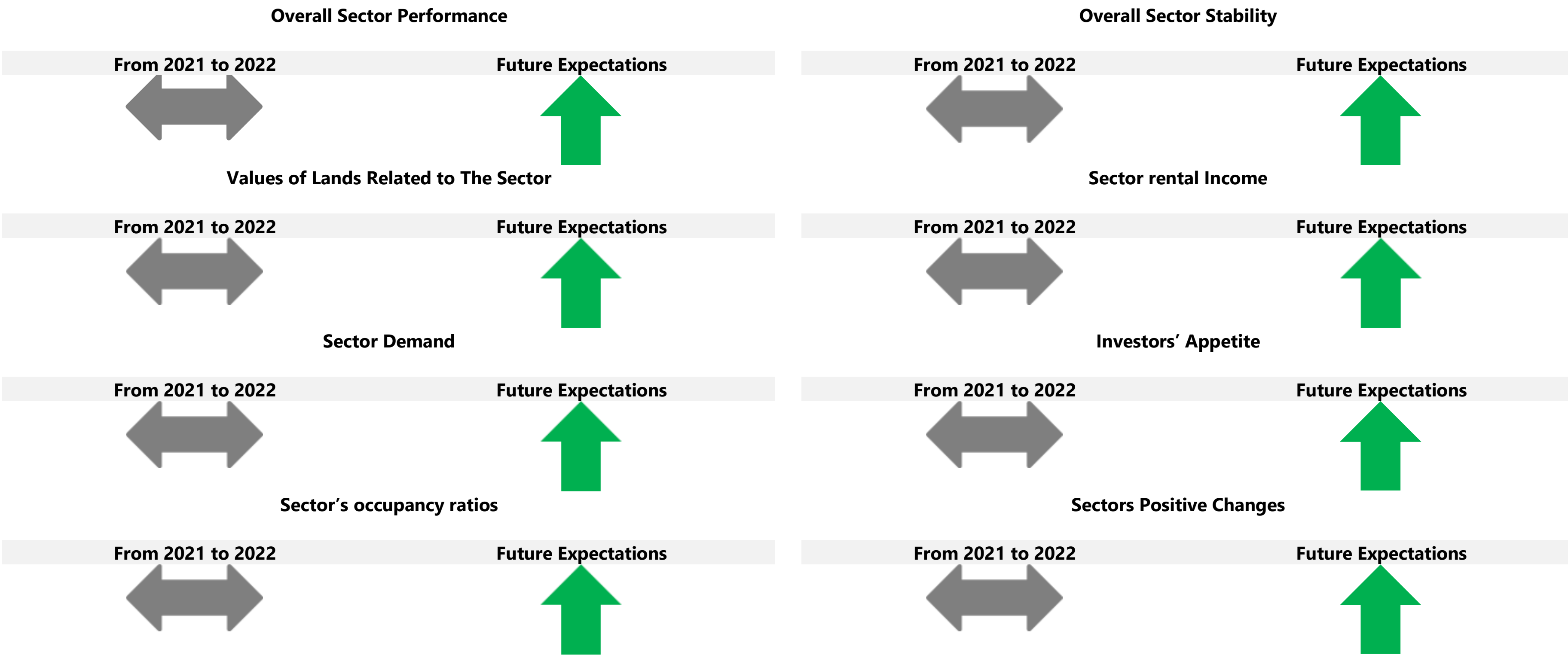
Source: Ministry of Economy



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



White Cubes Team's Analysis

3.4 Risk Analysis

- Sector Analysis

Risk Factor	Very Low Risk (1) 1-6	Minimal Risk (2) 7-12	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	2	15	0	0
Risk Category	**17 Risk Points - Medium Risk**				

-Land Analysis

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	8	0	0	0
Risk Category	**8 Risk Points – Minimal Risk**				

-Property Analysis

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	2	6	0	0
Risk Category	**8 Risk Points - Medium Risk**				

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PROPERTY VALUATION

PROPERTY
VALUATION

Property Valuation

4 Valuation Methods

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:

	Market Approach	Cost Approach	Income Approach			
	Comparable method	DRC method	DCF method	Invest. method	Cap. Rate method	RLV method
Land	✓	----	----	----	----	----
Buildings	----	✓	----	----	----	----
Property	----	----	----	----	✓	----

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.

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.

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.

4.1 Comparable Approach

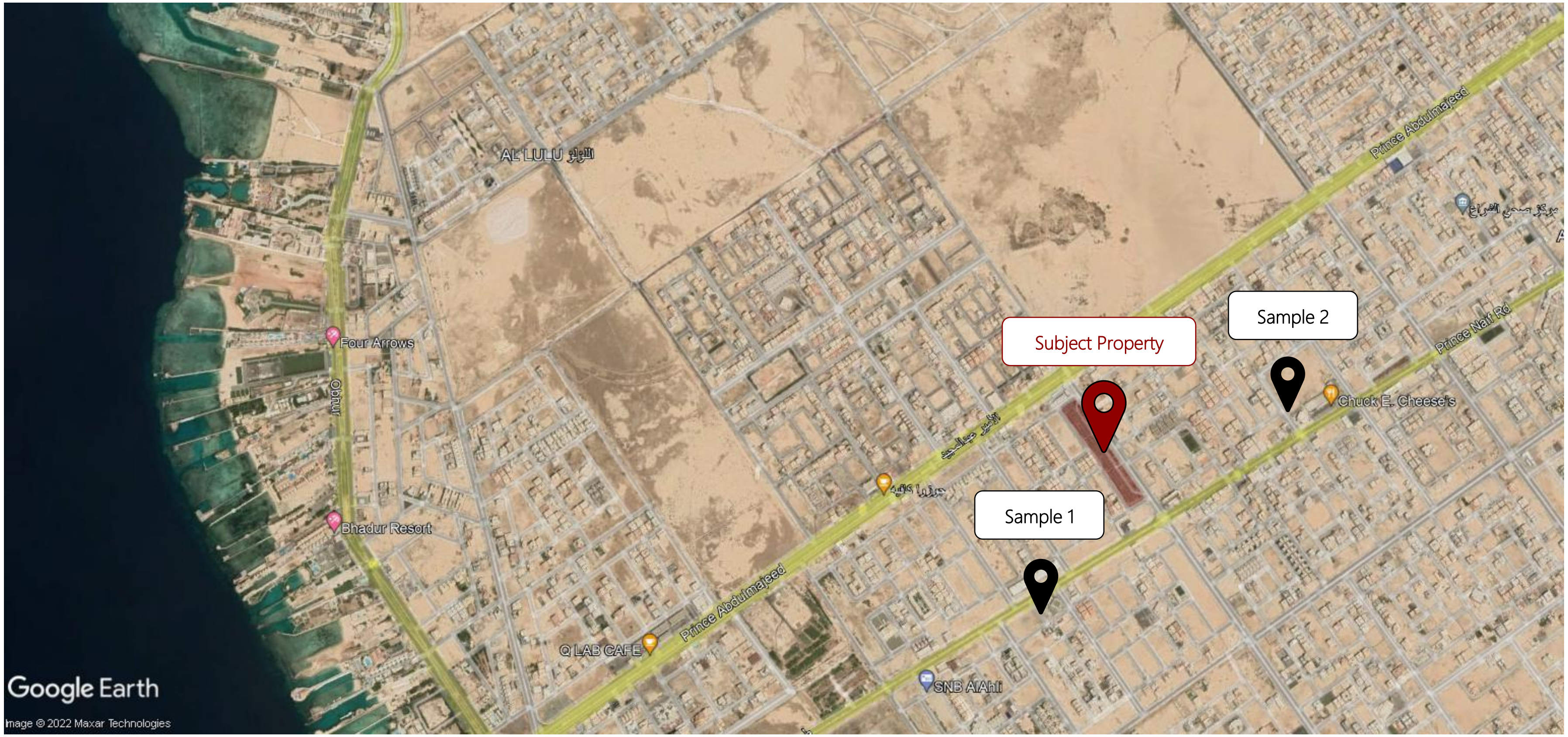
This method aims to collect data and information on actual sales and / or current offers of similar properties within the surrounding market, and then make the necessary adjustments to these comparisons in terms of area, location, shape, quality, content, and others. Below is a summary of the valuation process using the comparable method and the amendments made to the available comparisons

Characteristics of Samples			
Feature	Subject Property	Sample 1	Sample 1
Quoting	---------	Offering	Offering
District	Al Amwaj	Al Amwaj	Al Amwaj
Sale Price	----------	SAR 2,700,000	SAR 2,628,000
Data Source	Title Deed	Market Survey	Market Survey
Area Size	20,641.74	900.00	876.00
SAR / Sqm	--------	SAR 3,000	SAR 3,000
Sides Open	4	1	3

Adjustment Analysis					
		SAMPLE 1		SAMPLE 1	
Area size	20,641.74	900.00	-20.00%	876.00	-20.00%
Location Desirability	Average	Average	0.00%	Average	0.00%
Accessibility	Excellent	Excellent	0.00%	Excellent	0.00%
Main Street Width (m)	32	32	0.00%	32	0.00%
Sides Open	4	1	5.00%	3	5.00%
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			-15.00%		-15.00%
Total Adjustment Amount			-SAR 450.0		-SAR 450.0
Net After Adjustment			SAR 2,550.0		SAR 2,550.0
SAR / Sqm		SAR 2,550			
Rounded Value		SAR 2,550			

SENSITIVITY ANALYSIS					
	-10%	-5%	0%	5%	10%
Land Area	20,642	20,642	20,642	20,642	20,642
SAR / Sqm	SAR 2,295.0	SAR 2,422.5	SAR 2,550.0	SAR 2,677.5	SAR 2,805.0
Property Value	SAR 47,372,793	SAR 50,004,615	SAR 52,636,437	SAR 55,268,259	SAR 57,900,081
			PROPERTY VALUE		

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 price 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.



4.2 Depreciated Replacement Cost (DRC) Approach

As a first step, the cost of reconstructing the building (the cost of replacement) was estimated, based on the average construction costs of similar properties and at the same level of finishes, services, utilities, and others. The opinion of some engineering experts was used in this regard. The following table shows the expected replacement costs for such property.

	Min Cost (SAR / Sqm)	Max Cost (SAR / Sqm)	Average Cost
Skeleton - Concrete Cost	SAR 700	SAR 900	SAR 800
MEP	SAR 250	SAR 350	SAR 300
Finishing Materials	SAR 600	SAR 800	SAR 700
Site Improvements	SAR 130	SAR 170	SAR 150
Owner Profit	18%	22%	20%

In the following table, we will estimate the direct replacement cost of the property taking into consideration 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**
20,641.74	SAR 2,550	SAR 52,636,437

Building			
	Unit	**No of Floors**	**Total BUA**
Ground Floor	Sqm	1	7,928.60
Mezzanine	Sqm	1	4,727.90
Upper Floors	Sqm	1	8,648.80
Total (SQM)	**21,305.30**		

Development Cost					
Hard Cost - Upper Floors					
	Area	**SAR / Sqm**	**Total**	**Completion Rate**	**Total Cost**
Skeleton & Block	21,305.30	SAR 800	SAR 17,044,240	100%	SAR 17,044,240
Electro Mechanic	21,305.30	SAR 300	SAR 6,391,590	100%	SAR 6,391,590
Finishing	21,305.30	SAR 700	SAR 14,913,710	100%	SAR 14,913,710
Fit outs & Appliances	21,305.30	SAR 0	SAR 0	100%	SAR 0
Furniture	21,305.30	SAR 0	SAR 0	100%	SAR 0
Site Improvement	20,641.74	SAR 150	SAR 3,096,261	100%	SAR 3,096,261
Total			**SAR 41,445,801**	**100.00%**	**SAR 41,445,801**

Overall Soft Cost			
	Total Hard Cost	Ratio	Soft Cost
Initial Project Pre Cost	SAR 41,445,801	0.10%	SAR 41,446
Design	SAR 41,445,801	0.50%	SAR 207,229
Eng Consultant	SAR 41,445,801	1.00%	SAR 414,458
Management	SAR 41,445,801	5.00%	SAR 2,072,290
Contingency	SAR 41,445,801	5.00%	SAR 2,072,290
Others	SAR 41,445,801	0.00%	SAR 0
TOTAL		**11.60%**	**SAR 4,807,712.92**

Total Hard Cost	**SAR 41,445,801**	**BUA**	**21,305.30**
Total Soft Cost	**SAR 4,807,712.92**	**SAR / Sqm**	**SAR 2,171**
Total Construction Cost	**SAR 46,253,513.92**	**Overall Completion**	**100.0%**

After knowing the total construction costs at a rate of 2,171 SAR per square meter, we will estimate the economic life of the property according to the type of construction and its general condition, then apply the depreciation rates based on the actual age of the property. The developer's profitability will be added to the property's value after depreciation to reflect the estimated market value of the building

DEVELOPMENT VALUE			
Total Dev Cost	**SAR 46,253,514**	**Net Dep Rate**	30.00%
		Dev Cost After Depreciation	**SAR 32,377,460**
Economic Age	30		
Annual Dep Rate	3.33%	**Total Completion Rate**	100.00%
		Developer Profit Rate	20.0%
Actual Age	9		
Total Dep Rate	30.00%		
Add Appr Rate	0.00%	**Dev. Profit Amount**	SAR 6,475,492
Net Dep Rate	**30.00%**	**Development Value**	**SAR 38,852,952**

In order to determine the full value of the property, the construction costs will be added to the market value of the land as follows:

Total Dev. Value	Land Value	Total Property Value	Rounded Value
SAR 38,852,952	**SAR 52,636,437**	**SAR 91,489,389**	**SAR 91,490,000**

4.3 Income Approach Based on Market Rates

Market Rental Analysis

By studying the rental rates for similar properties in the surrounding area of the subject property, we have found that the average renting rates for commercial units with similar qualities, size, etc range from 800 to 900 SAR / Sqm. As for office units, the rental rates range from 350 to 400 SAR / Sqm. The following is a table that shows some of the comparisons that were used in analysing the market rental rates, as well as the occupancy rates for similar properties:

	Commercial Units	**Office Units**
Comparable	Rental Rate/ Sqm	Rental Rate/ Sqm
Office 1	-	400 SAR/ Sqm
Obhur Mall	900 SAR/ Sqm	-
Commercial Unit 1	850 SAR/ Sqm	-
Average	**875 SAR/ Sqm**	**400 SAR/ Sqm**

As per the market survey done by our team, the market rental rates for Obhur mall range between 850 and 950 SAR/ Sqm for commercial units. Yet the property subject of valuation has better location, quality, etc which we will apply an adjustment 20% to achieve 1,100 SAR/ Sqm for commercial units and 500 SAR/ Sqm for offices.

Analysis of Operating and Maintenance Expenses

The operating expenses of similar properties reached between 10% to 15% of the total expected income for the property. These ratios depend on the condition and quality of the property and the type of services and public facilities available in the property itself. These ratios are divided into several main categories as follows:

Management expenses	5% to 7%
Operating and maintenance expenses	5% to 6%
General service bills expenses	3% to 4%
Other incidental expenses	1% to 2%

Property Operation and Maintenance Expenses

The client did not provide us with details of the actual maintenance and operation costs of the project and accordingly market averages for similar projects will be assumed. Therefore, we will apply the rate of 13% as the OPEX which will be calculated from the total revenues of the property. This ratio is based on the condition and quality of the property and the type of services and public facilities available in the property itself.

Market Capitalization Rate Analysis

Based on recent transactions of real estate properties and funds, the average capitalization rate of acquiring such property falls in the range of 9% to 9.5%. This average is mainly driven by several factors such as the quality of the building, finishing materials, the general location, ease of access, actual age of the property, size of the project, and the extent of income stability in it. In addition to the above, the capitalization rates are also affected directly by the supply and demand rates for the same type of real estate

The Capitalization Rate Used for the Valuation

With regard to the capitalization rate used in the valuation, we will base our analysis on the average capitalization rates based on the market and then make some adjustments based on the property situation in terms of its characteristics, location and some other important elements.

Minimum capitalization rate				9.00%
Maximum capitalization rate				9.50%
Average				9.25%
The effect of the property specifications on the property				
Item	**Status**	**Influence**	**Notes**	
Ease of access to the property	--------	-0.25%	several major methods	
General condition of the property	--------	0.00%	The actual age of the property is 7 years	
The general location of the property	--------	-0.25%	The area is served excellently	
Quality and finishes	--------	0.25%	Average quality finishes	
Project Management Team	--------	0.00%	Average management and operational team level	
Services and public facilities	--------	0.25%	level and availability of services is average	
Total		**0.00%**		
Note: When the effect is negative (-), this reduces the capitalization rate, which increases the value of the property. And when the effect is positive (+), this increases the capitalization rate, which reduces the value of the property				
Total adjustments on capitalization rate		0.00%		
Capitalization rate, according to market averages		9%		
Estimated capitalization rate of the property valuation		**9.25%**		

The used rental rates are based on the location, quality, etc of the subject property. Based on the above, the value of the property using the income capitalization method is as follows:

REVENUES					
	Quantity		Revenues		
Unit Type	Total GLA	No of Units	SAR / Sqm	SAR / Unit	Total Revenues
Show Rooms	7,336	0	SAR 1,100	SAR 0	SAR 8,069,600
Offices	7,631	0	SAR 500	SAR 0	SAR 3,815,500
----------------------------------	0	0	SAR 0	SAR 0	SAR 0
				Total Revenues	**SAR 11,885,100**
EXPENSES					
Unit Type	Management	Utilities	Maintenance	Vacancy	Total Expenses
Show Rooms	5.00%	3.00%	5.00%	10.00%	23.00%
Offices	5.00%	3.00%	5.00%	10.00%	23.00%
NET OPERATING INCOME					
Unit Type	Total Revenues		Total Expenses		NOI
Show Rooms	SAR 8,069,600		23.00%		SAR 6,213,592
Offices	SAR 3,815,500		23.00%		SAR 2,937,935
----------------------------------	SAR 0		0.00%		SAR 0
				Total	**SAR 9,151,527**
Total Property Revenues					SAR 11,885,100
Total Property Expenses					-SAR 2,733,573
Net Operating Income					**SAR 9,151,527.00**
Net Operating Income	**Cap Rate**		**Property Value**		**Rounded Value**
SAR 9,151,527.00	**9.50%**		**96,331,863.16 SAR**		**96,330,000.00 SAR**

4.4 Income Approach Based on Leasing Contract

The client informed us that the subject property is fully lease to 1 tenant with a triple net revenue of 9,000,000 SAR annually with 35,000 SAR/ Annually as insurance premium. Yet, the client also informed us that a discount is introduced to the current leasing contract where the new rent is 6,480,000 SAR. Our valuation will be based on the before assumptions.

REVENUES					
	Quantity		Revenues		
Unit Type	Total GLA	No of Units	SAR / Sqm	SAR / Unit	Total Revenues
Commercial Building		The subject property is Fully leased to 1 tenant			SAR 6,480,000
----------------------------------	0	0	SAR 0	SAR 0	SAR 0
----------------------------------	0	0	SAR 0	SAR 0	SAR 0
				Total Revenues	**SAR 6,480,000**

EXPENSES					
Unit Type	Management	Utilities	Maintenance	Insurance	Total Expenses
Commercial Building	0.00%	0.00%	0.00%	SAR 35,000	SAR 35,000
-----------------------------------	0.00%	0.00%	0.00%	0.00%	0.00%
-----------------------------------	0.00%	0.00%	0.00%	0.00%	0.00%

NET OPERATING INCOME			
Unit Type	Total Revenues	Total Expenses	NOI
Commercial Building	SAR 6,480,000	SAR 35,000	SAR 6,445,000
-----------------------------------	SAR 0	0.00%	SAR 0
-----------------------------------	SAR 0	0.00%	SAR 0
		Total	**SAR 6,445,000**
Total Property Revenues			SAR 6,480,000
Total Property Expenses			-SAR 35,000
Net Operating Income			**SAR 6,445,000.00**

Net Operating Income	Cap Rate	Property Value	Rounded Value
SAR 6,445,000.00	**9.50%**	**67,842,105.26 SAR**	**67,840,000.00 SAR**

4.5 Subject Property Value in Different Approaches

Methodology	Subject of Valuation	Value in Numbers	Value in Letters
Income- Market	Property	SAR 96,330,000	Ninety-Six Million and Three Hundred Thirty Thousand Saudi Riyals
Income- Contract	Property	SAR 67,840,000	Sixty- Seven Million and Eight Hundred Forty Thousand Saudi Riyals
DRC Approach	Land + Building	SAR 91,490,000	Ninety-One Million and Four Hundred Ninety Thousand Saudi Riyals

4.6 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 Income Approach- Market rates is:

Property Value: **96,330,000 SAR**
Ninety-Six Million and Three Hundred Thirty Thousand Saudi Riyals.

4.7 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.

4.8 Accredited Valuers

Essam M. Al Husaini	**Nabeel M. Al Husaini**	**Farah E. Al Husaini**	**Nasser A. Al Arifi**	**WHITECUBES Stamp**
President	CEO	Valuation Manager	Valuer	
Fellow Member of (Taqeem)	Member of (Taqeem)	Member of (Taqeem)	Member of (Taqeem)	
License No. 1210000474	License No. 1210002782	License No. 1210001964	License No. 1210002399	

WHITE CUBES

DOCUMENTS

DOCUMENTS

Documents Received

5.1 Title deed and Construction Permit

بسم الله الرحمن الرحيم

المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة العدل الاولى بجدة

٤٢٠٢١٠٠٢٧٠٠٧
الرقم: ٤٢٠٢١٠٠٢٧٠٠٧
التاريخ: ٠٧/ ٠٨/ ١٤٤٠ هـ

صك رهن وتملك عقار

الحمد لله وحده والصلاة والسلام على من لا نبي بعده وبعد:
فان قطعة الارض ٣٥ و قطعة الارض ٣٦ و قطعة الارض ٣٧ و قطعة الارض ٣٨ و قطعة الارض ٣٩ و قطعة الارض ٤٠ و قطعة الارض ٤١ و قطعة الارض ٤٢ و قطعة الارض ٤٣ و قطعة الارض ٤٤ و قطعة الارض ٤٥ و قطعة الارض ٤٦ و قطعة الارض ٤٧ و قطعة الارض ٤٨ و قطعة الارض ٤٩ و قطعة الارض ٥٠ و قطعة الارض ٥١ و قطعة الارض ٥٢ و قطعة الارض ٥٣ و قطعة الارض ٥٤ و قطعة الارض ٥٥ و قطعة الارض ٥٦ و قطعة الارض ٥٧ و قطعة الارض ٥٨ و قطعة الارض ٥٩ و قطعة الارض ٦٠ و قطعة الارض ٦١ و قطعة الارض ٦٢ و قطعة الارض ٦٣ من المخطط رقم ٤٢٠ / ج/ س الواقع في حي الامواج بمدينة جدة.

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ١٥م بطول: (٤٩,٠٢) تسعة و أربعون متر و اثنين سنتمتر ثم ينكسر جنوب غرب بطول ٣,٩٧م

جنوباً: شارع عرض ١٥م بطول: (٤٩,١١) تسعة و أربعون متر و أحد عشر سنتمتر ثم ينكسر شمال شرق بطول ٤,١١م

شرقاً: شارع عرض ٣٢م بطول: (٣٧١,٥٣) ثلاثمائة و واحد و سبعون متر و ثلاثة و خمسون سنتمتر ثم ينكسر شمال غرب بطول ٤,٢٣م

غرباً: شارع عرض ١٥م بطول: (٣٦٨,١) ثلاثمائة و ثمانية و ستون متر و عشرة سنتمتر ثم ينكسر جنوب شرق بطول ٤,٢٧م

ومساحتها: (٢٠,٦٤١,٧٤) عشرون ألفا و ستمائة و واحد و أربعون متر مربعاً و أربعة و سبعون سنتمتراً مربعاً فقط الواقعة بابحر الشمالية وبموجب الخطاب أن الصك لا يحال للجنة والمقيد في هذه الادارة برقم ٣٣١٣٠٨٧٣٣/ ٣٣ في ١٣/ ٠٧/ ١٤٣٢هـ المملوكة لـ/ شركة أول الملقا العقارية بموجب سجل تجاري رقم ١٠١٠٨٩٣٨٠٢ وتنتهي في ١٩/ ١٠/ ١٤٤٤ هـ بالصك الصادر من هذه الإدارة برقم ٩٢٠٢١٠٠٢٦٣٨١ في ١٩/ ٠٦/ ١٤٤٠ هـ قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥/ ١٠/ ١٣٧٦ هـ ضمانا لوفائه بـ/ بمبلغ ٣٨١٨١٨١٨,١٩ ثمانية و ثلاثون مليونا و مائة و واحد و ثمانون ألفا و ثمانمائة و ثمانية عشر ريال و تسعة عشر هللة على ان يتم سداد المديونية

الختم الرسمي

كاتب العدل
١٤٤٠هـ

عبدالله بن عثمان بن فاضل الزهراني

وزارة العدل – كتابة العدل الأولى بمحافظة جدة – كاتب العدل بمكتب رقم (١٠)

هذا المستند وحدة متكاملة، وضياع أو تلف صفحة منه يؤدي إلى عدم صلاحية المستند

صفحة ١ من ٢
نموذج رقم (١٢-٠٣-١)
(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه)
مصلحة مطابع الحكومة - ٢٨٢٠٣٢

أمانة محافظة جدة

الإدارة المركزية لرخص البناء
رخصة بناء مفعلة
٢٠٠٠١٥٩٠٠٥
الرقم التسلسلي (١١٢٨)

رخصة جديدة

رقم رخصة البناء	٥٠٥٢٣٢		تاريخها	١٤٣١/٠٢/٢٩هـ	
رخصة بناء :	مركز تجاري		صالحة إلى	١٤٣٤/٠٢/٢٩هـ	
اسم المالك :	صالح محمد عوض بن لادن				
نوع هوية :	حفيظة نفوس	رقمها ١٠٠٣١٣٦٠٢٢	تاريخها ١٣٩٣/٠٦/٢٦هـ	مصدرها	جدة
صك ملكية رقم :	٢١٣٨		تاريخ ١٤٢٩/٠٢/٢٥هـ	مصدر	جدة
رقم المبنى :	٠	شارع	حي	حي ٨٠٣ أبحر الشمالية - ١	
رقم القطعة :	من ٣٥ الى ٦٣		رقم المخطط	٤٢٠/ج/س	

قد رخص للمالك ببناء عدد ٢ دور بموجب الحدود والأبعاد والارتدادات والبروزات

المحتويات	سكن	تجاري	مواقف سيارات	وحدات أخرى	مساحة الدور
البدروم	----	----	----	----	----
طابق خدمة	----	----	----	----	----
الطابق الأرضي	----	٧٩٢٨,٦	١٢٥٠٠	----	٧٩٢٨,٦
طابق الميزانين	----	٤٧٢٧,٩	----	----	٤٧٢٧,٩
الطابق الأول	----	٨٦٤٨,٨ مكاتب	----	----	٨٦٤٨,٨
الطابق الثاني	----	----	----	----	----
الطابق الثالث	----	----	----	----	----
الطابق المتكرر	----	----	----	----	----

إضافة:
* بموجب موافقة ادارة تخطيط وهندسة النقل والمرور رقم ١١٥/٣٠٠١٩٩ في ١/١/١٤٣١هـ
* وخطاب شركة الكهرباء رقم ٩٢١٧٣٥٨٨ في ١/١/١٤٣١هـ
* وتعهد مراجعة الدفاع المدني واحضار الموافقة خلال (٤٥ يوم) من تاريخ تذكرة المراجعة رقم ٩٣٩ وتاريخ ٢٦/٢/١٤٣١هـ

إجمالي طول الأسوار (م - ط)

رقم رخصة المكتب الهندسي: محمد احمد بن محفوظ

كروكي إرشادي

الرسوم	رقم الإيصال	تاريخ الإيصال
٢٨٠٦١,٦	٣١٠١١١٩٣٣٣	١٤٣١/٠٢/٢٩هـ

* تم إحضار العقود المطلوبة حسب النظام
عدد الوحدات السكنية : ٤٢

رئيس القسم: م/ عبد الرزاق عبد الرحمن شيخ عمر — التوقيع ١/٢/١٤٣١

مدير الإدارة المركزية لرخص البناء المكلف: د. زهير حتويتي — التوقيع ١/٣/١٤٣١

أعد الكروكي: سلطان الحسيني — التوقيع

الختم: أمانة محافظة جدة – الإدارة العامة للخدمات المركزية – رمز التشغيل

يجب على صاحب الرخصة الالتزام بنقل مخلفات البناء والهدم والتعمير إلى المواقع المعتمدة من الأمانة واستخدام الحاويات المخصصة لذلك وعدم إلقائها في الأماكن العامة وإلا ستلغى الرخصة.
وأن أمانة محافظة جدة في حال تقاعس صاحب الرخصة في توريد الدمارات المقررة ستطبق الجزاءات والعقوبات اللازمة لضمان إزالة المخلفات.

جدة أمانة.. فلنؤد الأمانة

002-01-F09; V 3.0

5.2 Real Estate Valuation License

وزارة التجارة والاستثمار
Ministry of Commerce and Investment

ترخيص مزاولة مهنة لفرع تقييم العقارات

فئة العضوية: أساسي

المقر الرئيسي: الرياض

رقم الترخيص **1210000474** تاريخ إصداره 1437/8/1 هـ تاريخ انتهائه 1447/8/24 هـ

يرخص **عصام محمد عبدالله الحسيني** (سعودي الجنسية) سجل مدني رقم 1044275947 لمزاولة المهنة

وقد منح هذا الترخيص بعد أن استوفى شروط القيد الواردة في المادة الخامسة من نظام المقيمين المعتمدين الصادر بالمرسوم الملكي رقم (م/43) وتاريخ 1433/07/9 هـ بموجب قرار لجنة قيد المقيمين رقم (95 /ق3 /42) وتاريخ 1442/5/22 هـ

ختم الوزارة

وزارة التجارة والاستثمار
إدارة المهن الاستشارية

رئيس لجنة قيد المقيمين

أ. وليد بن عبدالله الرويشد