WHITE CUBES
REAL ESTATE VALUATION REPORT

Al Khabeer Capital

BIN 2 PLAZA

Awal Al Malqa Real Estate Company

Jeddah City
30 June 2023

TAQEEM تقييم

VISION رؤية 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

REAL ESTATE VALUATION REPORT

REF: 23-0424
Code:
Date: 30/06/2023
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 29th of May 2023. 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
WHITE CUBES Co. Real Estate Valuation Membership No: 11000171

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WHITE CUBES

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Executive Summary

Reference No.	23-0423
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	Inclusion in financial statements.
Subject Property	Commercial Project.
Property Location	Al Amwaj district, Jeddah City.
Title Deed No.	420210027007
Title Deed Date	17/08/1440
Ownership Type	Title deed-restricted
Limitations	Mortgaged to Al Rajhi Banking Investment Company.
Owner	Awal Al Malqa Real Estate Company.
Land Use	Commercial/offices.
Land Area (Sqm)	20,641.74 Sqm
BUA (Sqm)	21,305.3 Sqm.
GLA (Sqm)	14,798 Sqm
Basis of Value	Fair Value.
Value Hypothesis	Current use.
Valuation Approach	Comparable Approach, Cost Approach and Income Approach.
Currency	Saudi Arabian Riyal
Final Property Value	SAR 91,310,000
Report Date	30/06/2023
Valuation Date	30/06/2023
Inspection Date	30/05/2023
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 fair value of the property that is being evaluated.

1.2 Purpose of valuation

The client requested that we evaluate the subject properties for **inclusion in the financial statements.**

1.3 Basis of Valuation

According to Paragraph 1.2, the appropriate basis for value adopted in the evaluation process is the fair value of the property.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is based on the principle of an "exit price,"

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

Research is an important part of the valuation process. We will conduct extensive research and analysis of various factors that can impact the value of a property or asset, such as market conditions, comparable sales, property characteristics, income potential, and legal and regulatory factors.

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 May 30, 2023. We will then use this evidence to assess and evaluate the project. We remain committed to providing the client with an accurate and reliable valuation.

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 valuation, including nearby asset prices, occupancy rates, and specific information about the asset under valuation, to determine its actual fair value. The following sources were used during the field research process:

- Property records: In the absence of property ownership documents, the client has provided us with some information about the assets.
- Market trends: Real estate market trends and economic indicators can be used to assess the overall demand and supply for properties in the area.
- Income analysis: Income-producing properties such as rental properties can be valued based on their income potential.
- Personal inspection: A physical inspection of the property can provide valuable information on its condition and any unique features that may affect its value.

1.9 Assumptions and Special Assumptions

As defined by the International Valuation Standards, assumptions are logical matters that can be accepted as facts during valuation 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.

- It has been assumed that the information provided by the client is accurate, but we were not provided with the ownership documents for the asset.
- Assumed that all information received from the client is accurate and up to date as of the date of the valuation, whether oral or written.
- This is a valuation 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.
- After studying the market and using the built-up model, a discount rate of 9.50% was assumed for the project.

1.10 Use, Distribution, and Publication Restrictions

To estimate the fair 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 it is located high since it opens on 4 streets and near 2 main street Prince Abdul Majeed Road and Prince Nayef Road.

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 a copy of the title deed 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.**	420/ج/س
T.D Date	17/08/1440	**Owner**	Awal Al Malqa Real Estate Company
T.D Value		**Ownership Type**	Restricted
Date of Last Transaction		**Limitation of Document**	Mortgaged to Al Rajhi Banking Investment Company.
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 a 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

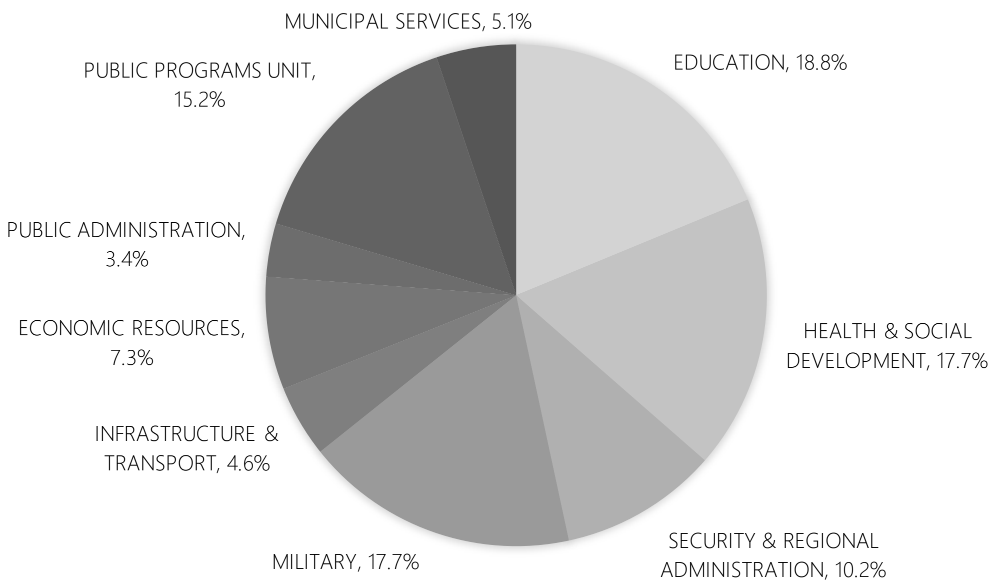
3.1 Saudi Arabia Economic Indicators

Economic Indicator	Budget	Expectations	Estimated	
	2022	2023	2024	2025
Total revenue	1,234	1,130	1,146	1,205
Total expenses	1,132	1,114	1,125	1,134
Budget surplus	102	16	21	71
Debt	985	951	959	962
GDP growth	8.5%	3.1%	5.7%	4.5%
Nominal gross domestic product	3,957	3,869	3,966	4,247
Inflation	2.6%	2.1%	2.1%	2.0%

3.2 Budget Allocation for 2022

Public Administration	37 SAR bn
Military	259 SAR bn
Security & Regional Adm.	105 SAR bn
Municipal Services	63 SAR bn
Education	189 SAR bn
Health & Social Dev.	189 SAR bn
Economic Resources	72 SAR bn
Infrastructure Transport	34 SAR bn
General Items	165 SAR bn

Source: Ministry of Finance



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

Overall Sector Performance

From 2022 to 2023	Future Expectations
↔	↑

Overall Sector Stability

From 2022 to 2023	Future Expectations
↔	↑

Values of Lands Related to The Sector

From 2022 to 2023	Future Expectations
↔	↑

Sector rental Income

From 2022 to 2023	Future Expectations
↔	↑

Sector Demand

From 2022 to 2023	Future Expectations
↔	↑

Investors' Appetite

From 2022 to 2023	Future Expectations
↔	↑

Sector's occupancy ratios

From 2022 to 2023	Future Expectations
↔	↑

Sectors Positive Changes

From 2022 to 2023	Future Expectations
↔	↑

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 fair 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	----	----	----	----	✓	----

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 fair 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 mosques, 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 subject 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.

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.

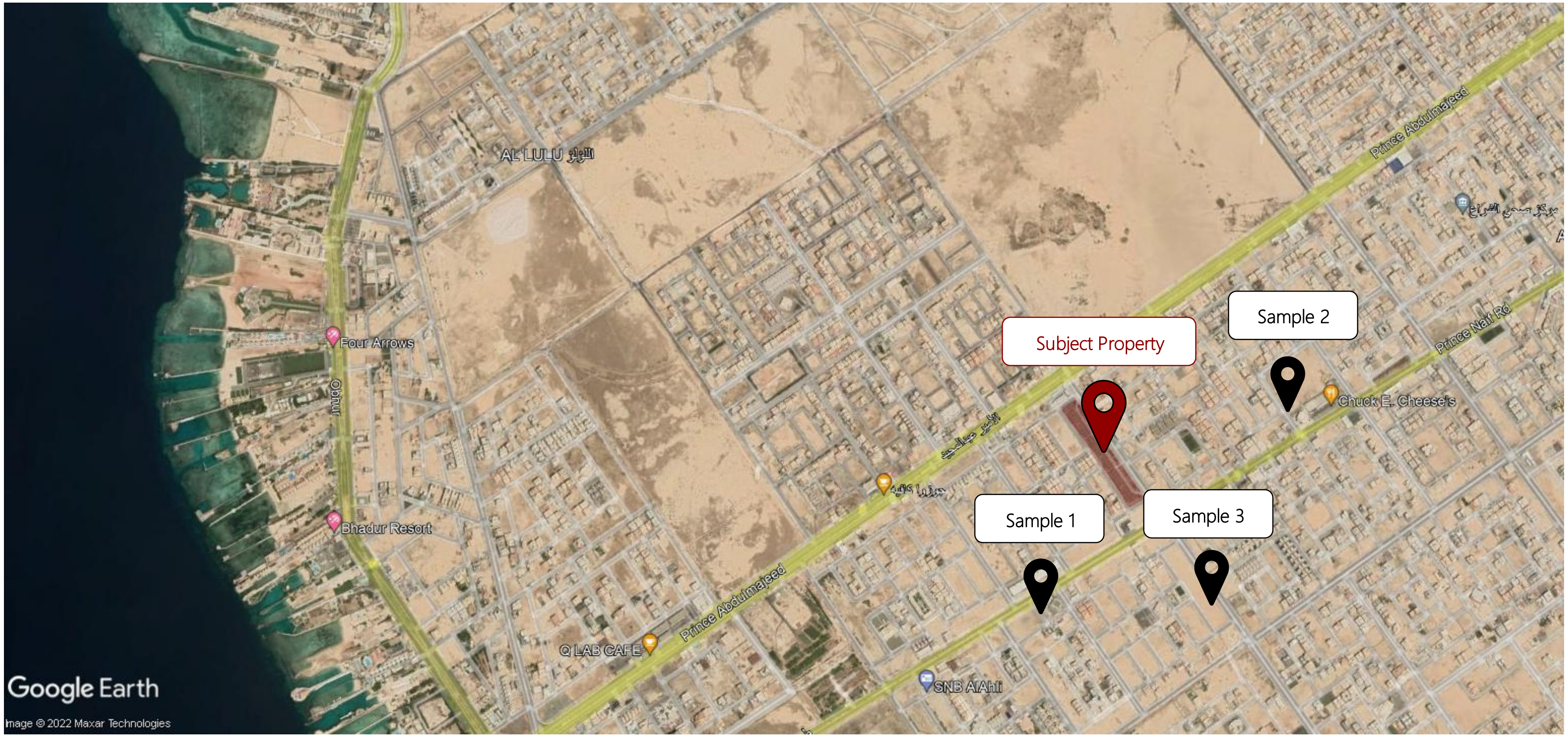
4.1 Comparable Method

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 2**		**Sample 3**	
Quoting	---------	Offering		Offering		Offering	
City	Jeddah	Jeddah		Jeddah		Jeddah	
Sale Price	----------	SAR 2,700,000		SAR 2,628,000		SAR 2,000,000	
Data Source	Client	Market Survey		Market Survey		Market Survey	
Area Size	20,641.74	900.00		876.00		890.00	
SAR / Sqm	--------	SAR 3,000		SAR 3,000		SAR 2,247	
Market Conditions Adjustment Analysis							
	Subject Property	**Sample 1**		**Sample 2**		**Sample 3**	
SAR/ Sqm before Adj.	--------	SAR 3,000.0		SAR 3,000.0		SAR 2,247.2	
Mortgage	--------	Cash	0.00%	Cash	0.00%	Cash	0.00%
Market Conditions	--------	--------	0.00%	--------	0.00%	--------	0.00%
Total Adjustments Ratio			0.00%		0.00%		0.00%
Total Adjustment Amount			SAR 0.00		SAR 0.00		SAR 0.00
Net After Adjustment			SAR 3,000.00		SAR 3,000.00		SAR 2,247.19
Location Adjustment Analysis							
	Subject Property	**Sample 1**		**Sample 2**		**Sample 3**	
Area Size	20,641.74	900.00	5.00%	876.00	5.00%	890.00	5.00%
Location Desirability	Average	Average	0.00%	Average	0.00%	Average	0.00%
Accessibility	Average	Average	0.00%	Average	0.00%	Average	0.00%
Main Street Width (m)	32	30	0.00%	30	0.00%	30	0.00%
Sides Open	4	1	-5.00%	3	0.00%	3	0.00%
Land Shape	Regular	Regular	0.00%	Regular	0.00%	Regular	0.00%
Close to main street	Yes	No	0.00%	No	0.00%	No	0.00%
Total Adjustments Ratio			0.00%		5.00%		5.00%
Total Adjustment Amount			SAR 0.0		SAR 150.0		SAR 112.4
Net After Adjustment			SAR 3,000.0		SAR 3,150.0		SAR 2,359.6
Weighted Mean			**20%**		**20%**		**60%**
			SAR 600.00		SAR 630.00		SAR 1,415.73
SAR / Sqm	**SAR 2,646**						
Rounded Value	**SAR 2,650**						

Property Value	Sensitivity Analysis					
		-10%	-5%	0%	5%	10%
SAR 54,700,000	**Land Area**	20,642	20,642	20,642	20,642	20,642
	SAR / Sqm	SAR 2,385.0	SAR 2,517.5	SAR 2,650.0	SAR 2,782.5	SAR 2,915.0
	Property Value	SAR 49,230,550	SAR 51,965,580	SAR 54,700,611	SAR 57,435,642	SAR 60,170,672

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 2,200 - 3,000 SAR / Sqm with an average of 2,650 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
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
Developer 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 2,650		SAR 54,700,611

Building			
	Unit		**Total BUA**
Ground Floor	Sqm		7,928.60
Mezzanine	Sqm		4,727.90
Upper Floor	Sqm		8,648.80
Total (SQM)	**21,305.30**		

Development Cost					
Hard Cost - (Upper Floors)					
	Area	**SAR / Sqm**	**Total**	**Completion Rate**	**Total Cost**
Skeleton and 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
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%**

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 fair value of the building.

DEVELOPMENT VALUE			
Total Dev Cost	**SAR 46,253,514**	**Annual Dep Rate**	3.3%
Total Completion Rate	100.00%	**Actual Age**	10
Developer Profit Rate	20.0%	**Total Dep Rate**	33.33%
Dev. Profit Amount	SAR 9,250,703	**Add Appr Rate**	0.00%
Development Value	**SAR 55,504,217**	**Net Dep Rate**	**33.33%**
Economic Age	30	**Cost After Depreciation**	**SAR 37,002,811**

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

Total Dev. Value	Land Value	Total Property Value	Rounded Value
SAR 37,002,811	**SAR 54,700,611**	**SAR 91,703,422**	**SAR 91,700,000**

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 12% to achieve 875 SAR/ Sqm for commercial units and 400 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	8% to 12%

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 23% 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.

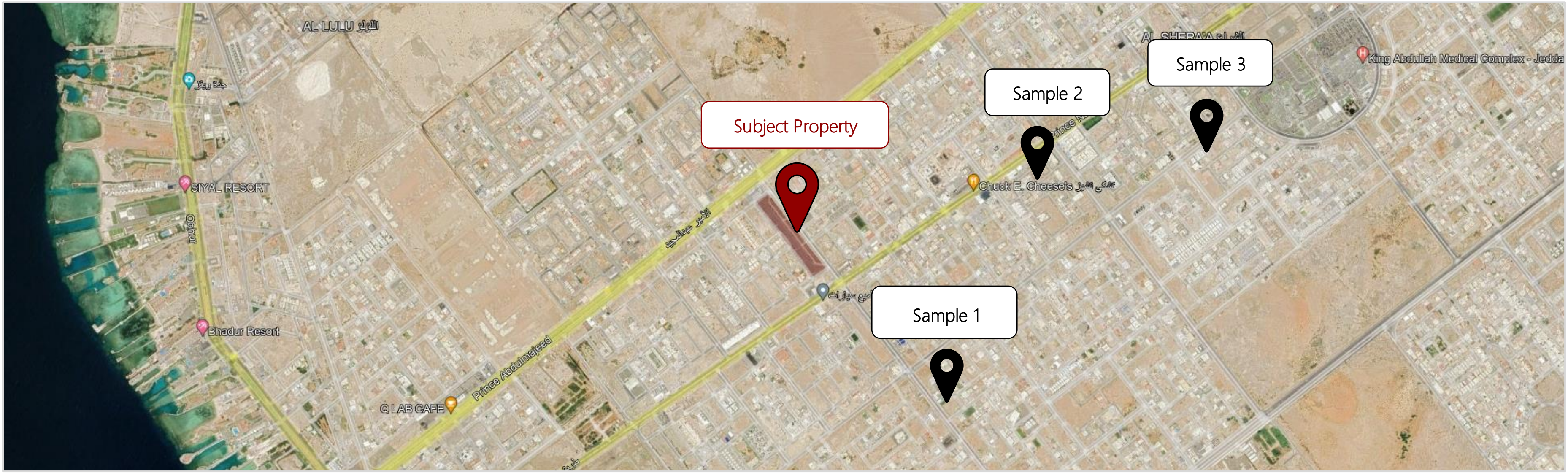
Market Capitalization Rate Analysis

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.

	Sample 1	Sample 2	Sample 3
Sale Price	110,170,500	1,336,080	173,141,000
Revenue	10,466,198	8,868,203	16,448,395
Capitalization rate	9,50%	9.50%	9.50%
Average capitalization rate		**9,50%**	



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 1,000	SAR 0	SAR 7,336,000
Offices	7,631	0	SAR 515	SAR 0	SAR 3,929,965
				Total Revenues	SAR 11,265,965
Expenses					
Unit Type	Management	Utilities	Maintenance	Others	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%
				Total Expenses	46.00%
Net Operating Income					
Unit Type	Total Revenues		Total Expenses		NOI
Show Rooms	SAR 7,336,000		23.00%		SAR 5,648,720
Offices	SAR 3,929,965		23.00%		SAR 3,026,073
				Total	SAR 8,674,793
Total Property Revenues					SAR 11,265,965
Total Property Expenses					-SAR 2,591,172
Net Operating Income					SAR 8,674,793.05
Net Operating Income	Cap Rate		Property Value		Rounded Value
SAR 8,674,793.05	9.50%		91,313,611.05		SAR 91,310,000.00

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 6,930,000 SAR annually with 35,000 SAR/ Annually as insurance premium.

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 6,930,000
				Total Revenues	SAR 6,930,000
Expenses					
Unit Type	Management	Utilities	Maintenance	Insurance	Total Expenses
Commercial Building	SAR 0	SAR 0	SAR 0	SAR 35,000	SAR 35,000
				Total Expenses	SAR 35,000
Net Operating Income					
Unit Type	Total Revenues		Total Expenses		NOI
Commercial Building	SAR 6,930,000		35,000.00		SAR 6,895,000
				Total	SAR 6,895,000
Total Property Revenues					SAR 6,930,000
Total Property Expenses					-SAR 35,000
Net Operating Income					SAR 6,895,000.00

Net Operating Income	Cap Rate	Property Value	Rounded Value
SAR 6,895,000.00	9.50%	72,578,947.37 SAR	SAR 72,580,000.00

4.5 Subject Property Value in Different Approaches

Methodology	Subject of Valuation	Value in Numbers	Value in Letters
Income- Market	Property	SAR 91,310,000	Ninety-One Million Three Hundred Ten Thousand Saudi Riyals
Income- Contract	Property	SAR 72,580,000	seventy-two million five hundred eighty thousand Saudi Riyals
DRC Approach	Land + Building	SAR 91,700,000	Ninety-One Million and Seven Hundred Thousand Saudi Riyals

4.6 Subject Property Value

We are of an opinion that the total fair value of the subject property taking into consideration the purpose of valuation by using the Income Approach- Market rates is:

Property Value: **91,310,000 SAR**
Ninety-One Million Three Hundred Ten Thousand Saudi Riyals.

4.7 Notes

This report was issued based on all the data received from the client or any other party related to the evaluation mission, and on the assumption that all of this information received from us is correct. Also, all the values mentioned in this report express the opinion resulting from the evaluation process in compliance with international evaluation standards, and they are estimates based on preliminary information collected by our work team and it has been assumed to be correct. Any changes in any information contained in the report that would affect the mentioned final value of the property subject to evaluation.

4.8 Accredited Valuers

Essam M. Al Husaini President	**Nabeel M. Al Husaini** CEO	**Farah E. Al Husaini** Valuation Manager	**Nasser A. Al Arifi** Valuer	
Fellow Member of (RE Valuation) License No. 1210000474	Member of (RE Valuation) License No. 1210002782	Member of (RE Valuation) License No. 1210001964	Member of (RE Valuation) License No. 1210002399	Membership- RE Branch Membership No.: 11000171

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: ١٧ / ٨ / 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 اربعون 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 مربعا و أربعة و سبعون سنتمترا مربعا فقط الواقعة بالبحر الشمالية وبموجب الخطاب أن الصك لا يحال للجنة والمقيد في هذه الادارة برقم ٣٣٣١٣٠٨٧٢٣ في ١٣/ ٠٧/ ١٤٣٢هـ المملوكة لـ/ شركة أول الملقا العقارية بموجب سجل تجاري رقم ٤٠٣٠٨٩٣٨٠٢ وتنتهي في ١٩/ ١٠/ ١٤٤٤ هـ بالصك الصادر من هذه الإدارة برقم ٩٢٠٢١٠٠٢٦٣٨١ في ١٩/ ٦/ 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/ بملغ ٢٨١٨١٨١٨,١٩ 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

كاتب العدل
١٧ / ٨ / ١٤٤٠هـ
عبدالله بن عثمان بن فاضل الزهراني

الختم الرسمي

وزارة العدل
كتابة العدل الأولى بمحافظة جدة

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

نموذج رقم (١٢-٠٣-١٠)

(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغذيته)

مصلحة مطابع الحكومة - ٣٨٣٠٢٢

أمانة محافظة جدة

الإدارة المركزية لرخص البناء
رخصة بناء مفعلة
٢٠٠١٥٩٠٠٥
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 ٣٠٠١٩١١٥ في ١٤٣١/١/٢
* بخطاب شركة الكهرباء رقم ٩٢١٧٣٥٨٨ في ١٤٣١/١/٢١هـ
* وتعهد مراجعة الدفاع المدني وإحضار الموافقة خلال (٤٥ يوم) من تاريخ تذكرة المراجعة رقم ٩٣٩ وتاريخ ١٤٣١/٢/٢٦هـ

إجمالي طول الأسوار (م - ط)

كروكي إرشادي	
رقم رخصة المكتب الهندسي	محمد أحمد بن محفوظ

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
مدير الإدارة المركزية لرخص البناء: د/ زهير حسن صقر — التوقيع

أعد الكروكي: سلطان — التوقيع

الختم: أمانة محافظة جدة — الإدارة العامة لخدمات المركزية

على صاحب الرخصة ... وأن أمانة محافظة جدة في حال تقاعس صاحب الرخصة في توريد الدمارات المقررة ستطبق الجزاءات والعقوبات اللازمة لضمان إزالة المخلفات.

002-01-F09; V 3.0

جدة أمانة
فلتؤدِ الأمانة

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
Ministry of Commerce and Investment
إدارة المهن الاستشارية

رئيس لجنة قيد المقيمين

أ. وليد بن عبدالله الرويشد

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