

أبعاد
للتقييم العقاري

Final Valuation Report

V230094

Al-Malqa Compound in Al-Malqa District-Riyadh

Client / AlKhabeer Capital

18 July 2023

الخبير المالية
Alkhabeer Capital



Introduction



Dear / Alkhabeer Capital

The Subject: Valuation of Al-Malqa in Al-Malqa District-Riyadh

Please find attached the report as per your request for a property valuation, hoping that the report meets your requirements as requested from us, and complies with the International Valuation Standards (IVS) issued by the International Valuation Standards Council (IVSC) in 2022, as well as the rules and regulations of the Saudi Authority for Accredited Valuers (TAQEEM). Please do not hesitate to contact us should you have any queries or questions.

Best Regards,

Engineer Ammar Abdulaziz Sindi
Chief Executive Officer

Version Control

Details	Information
Status	Final
Reference Number	V230094
Proposal Reference Number	P230167

Registration Certificate



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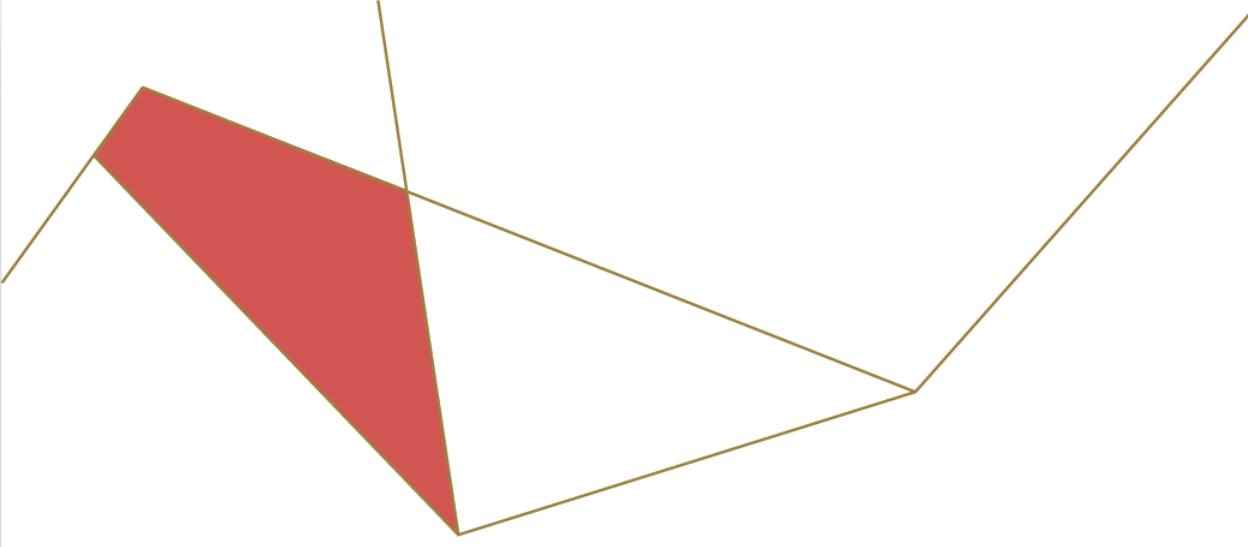
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Executive Summary

- Summary of the Report
- General Terms and Conditions

Executive Summary

Report Summary

- The Subject Property is a residential compound comprised of **18** buildings containing **252** housing units. The area of the land is **15,925** square meters, featuring a total built-up area of **41,361** square meters.
- The Property is located in Al Malqa District, along Wadi Hajar Street, branching from King Fahd Road, Riyadh.
- The subject property is located approximately **17** kilometers from the City Center and **25** kilometers from King Khalid International Airport.
- The Subject Property is located in Riyadh, the Capital of the Kingdom of Saudi Arabia and the largest of its cities, with a population of **6.9** million in **1440/2018**.

Property Information

Site Details	Information			
District	Al Malqa			
Use	Residential			
Tenure	Limited Ownership			
Number of Title Deed	814009006124	814009006125	314002002198	614004005871
Date of Title Deed	14/9/1440H-15/9/1440H			
Land Area (m2)	15,925			
Total Built-Up Area (m2)	41,361 m2			
Gross Leasable Area (m2)	39,734 m2			
Owner	Awwal Al Malqa Real Estate Company			

Valuation Summary

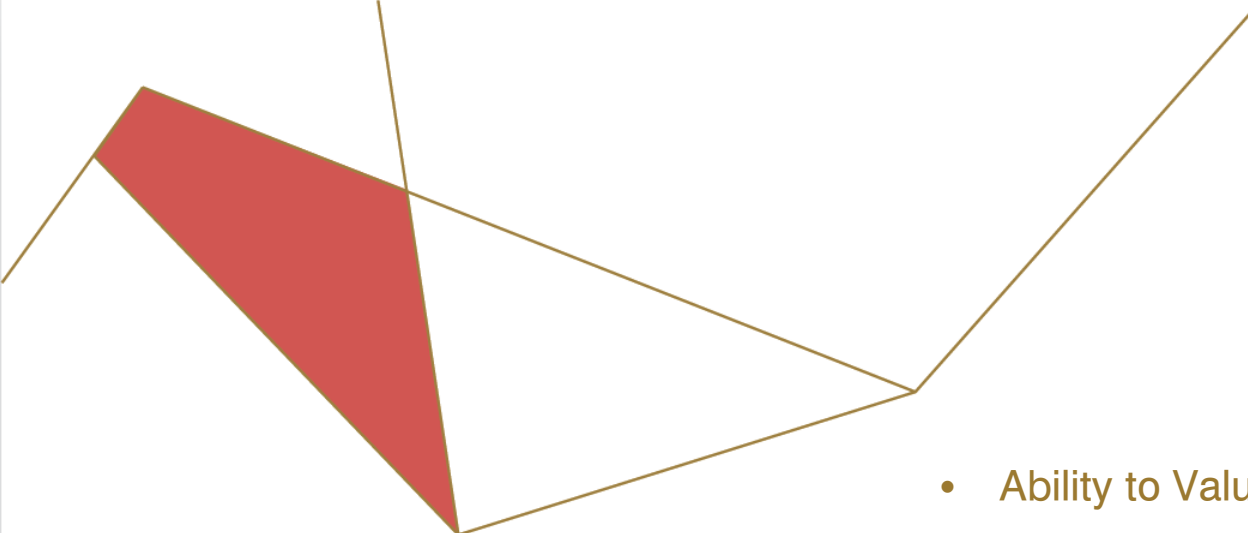
Details	Information
Purpose of Valuation	Financial Statements
Other independent Users	Fund Manager and Investors – Report Reviewers
Report Type	Detailed report
Date of Approval	29 May 2023
Date of Inspection	12 June 2023
Date of Valuation	30 June 2023
Basis of Value	Fair Value
Valuation Hypothesis	Current use
Valuation Approach	Income Approach
Currency	Saudi Arabian Riyal (SAR)
Property fair value	270,670,000

Executive Summary

Terms and Conditions



- The Subject Property has been valuated according to the International Valuation Standards (IVS) issued by the Council of International Valuation Standards (IVSC) in 2022 and the rules and regulations of the Saudi Authority for Accredited Valuers in the Kingdom of Saudi Arabia (Taqeem).
- This report was relied upon and valuated according to the specific conditions and restrictions presented in this report.
- The report was issued without any conflict of interest or personal gain.
- This valuation report was prepared based on the instructions received from “The Client” to estimate its “basis of value” for the “purpose” as requested by “The Client”.
- Abaad and Partner Co. are confident that this report meets the client's requirements and instructions, and that the information contained in this report is completely confidential and that the report is issued to the client only.
- The responsibility of the Abaad and Partner Co. is limited to the report and the information contained in the report. Otherwise, the (client) is responsible for requesting the valuation of the property and the legal consequences thereof.
- The estimated values in this report are for The Subject Property, and any distribution of (value - values) on the parts of the property applies only according to the narration of the report and for its purpose, and these values should not be used for any other purposes, as it may be incorrect if the purpose has been changed from the valuation for which the report was created.
- This report has been prepared based on the information collected or received and analyzed according to best practices to reach the value, and any material observations that may impact the value are usually noted.
- Please be aware that our inspection was carried out on a visual basis only. No part of the structure was opened up for a detailed examination or testing. We have therefore, where appropriate, made assumptions based on experience of the property type, construction and materials used. We cannot guarantee that defects do not exist in those parts of the structure, which are concealed, unexposed or not reasonably accessible.
- In the event that any information in the future that is mentioned in the report is found to be untrue and unintentional, the value in this report may change and the client will be notified in due course.
- This valuation report is valid only if approved by the company's seal, in addition to the signature of the accredited valuers.



Valuation Terms

- Ability to Value
- Subject of Valuation
- Professional Standards
- Valuation Approach
- Basis of Valuation
- Valuation Date
- Inspection Date
- Inspection Limits
- Sources of Information

Valuation Conditions



Ability to Valuate:

- Abaad Real Estate Valuation Company employs professional staff capable of providing valuation of this type of assets. It also has the requisite competence to assess the fair value by the required date.

Subject of Valuation:

- The subject of the valuation is the assessment of the Fair Value of Al-Malagah in Al-Malagah District-Riyadh, for Financial Statements Purposes.

Professional Standards:

- The valuation exercise was carried out in compliance with the International Valuation Standards (IVS) issued by the International Valuation Standards Council (IVSC) in 2022, as well as the rules and regulations of the Saudi Authority for Accredited Valuers (TAQEEM), and based on recognized procedures and professional used in valuation of real estate properties, which rely on analysis, comparison, and direct inspect of each property, as well searching to the extent possible for positive and negative effects and characteristics of the subject property.

Valuation Approach:

- The approach used in valuation is the income approach.

Basis of Valuation:

- Our valuation will be submitted on the basis of the fair value, which is defined in accordance with the International Valuation Standards in 2022 as follows:

- Our valuation will be presented on the basis of fair value, which is defined in accordance with the International Valuation Standards (IVS) in 2022 as follows:
- International Accounting Standard No. (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.

Valuation Date

- We confirm that the valuation was carried out on 30 June 2023.

Inspection Date:

- We confirm that the inspection was carried out on 12 June 2023.

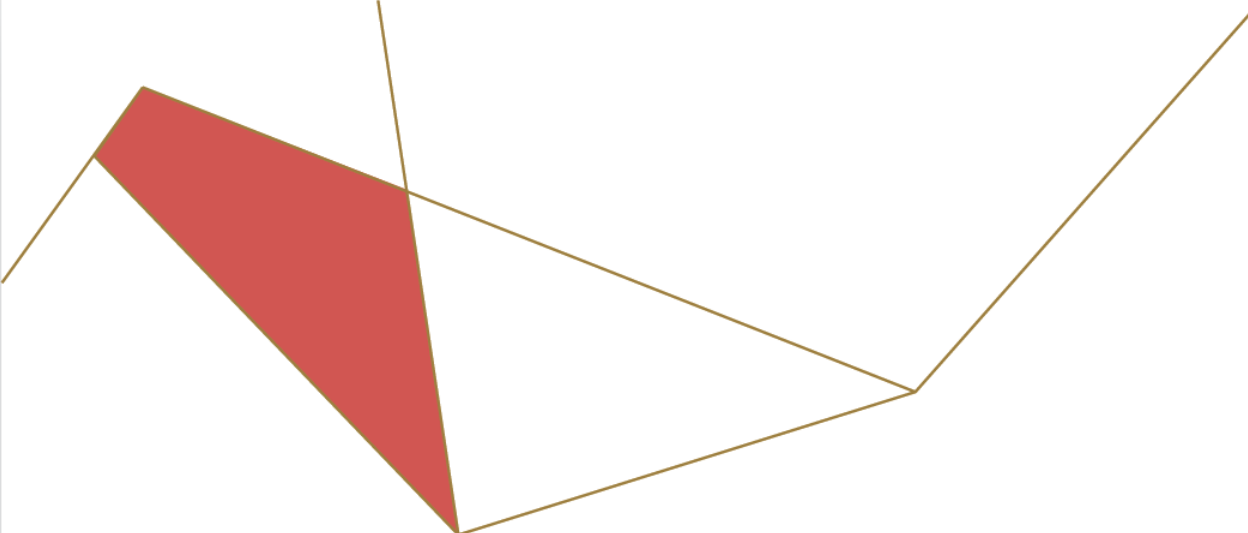
Sources of Information:

- In the preparation of the valuation report, we have relied on a set of resources, information and office and field data which we believe are commensurate with the purpose and timing of the valuation. We have also relied on the set of data provided by the Client related to the subject property, and which will clearly affect the output of this report. Therefore, any change or error in the data will render this report as incomplete, and the valuer shall be reverted to.

The Following Documents Were Reviewed:

- Title deed
- Lease agreements and details
- Alkhabeer REIT Fund Prospectus

We, therefore, assume that the information is correct and that there is nothing to contradict or conflict with them. The report is issued on this basis and we disclaim any liability for anything to the contrary.



Disclaimers

- Intellectual Property and Re-publishing
- Confidentiality
- Important Assumptions and Special Assumptions
- Report Validity

Disclaimers



Intellectual Property and Re-Publishing

- This report is issued for personal use only, and for the professional advisors, for the specific purpose referred to therein.
- Abaad Real Estate Valuation Company may not be held liable to any third party for all or part of the contents of the report.

Confidentiality

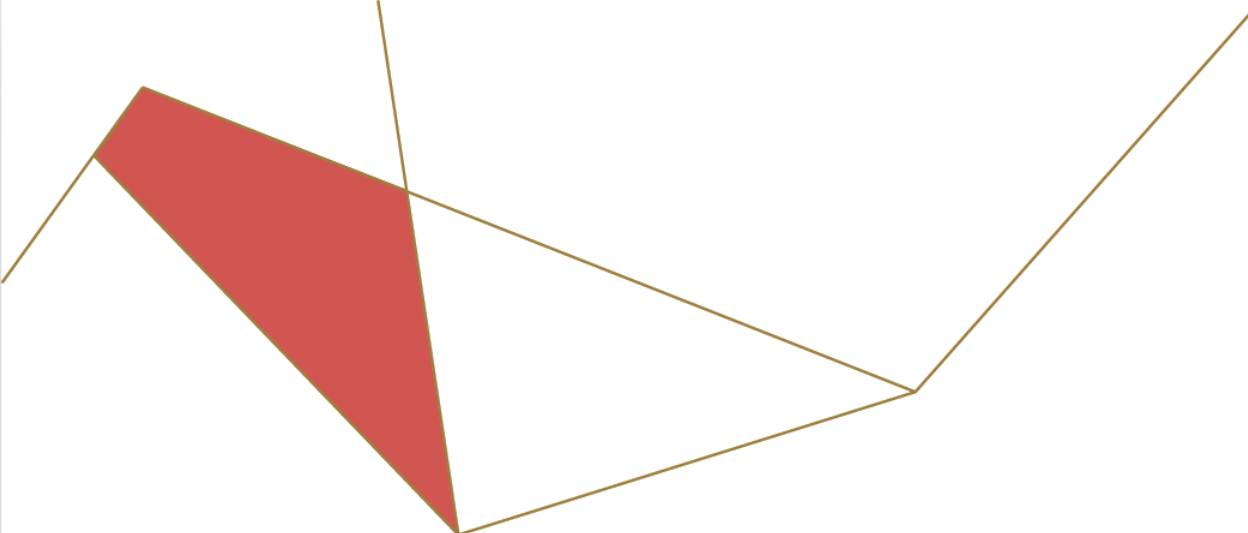
- This report is prepared upon special request and for an advisory purpose. We therefore understand that it is of utmost importance to the originator of the request to safeguard the confidentiality of the contents and output of this report. We are committed to this and the Client's information will not be used in anything other than this report. The Client's information is considered to be proprietary to its owner and to the users specified in this report, and may not be reviewed by any third party.

Important Assumptions and Special Assumptions

- According to the definition of the International Valuation Standards "Important Assumptions and special assumptions must be reasonable and relevant having regard to the purpose for which the valuation is required, and may be accepted as fact in the context of the valuation exercises without verification or validation in a specific manner. Moreover, they are matters which are accepted when stated. Such.
- No important assumptions or any special assumptions were applied.

Report Validity

- This report is valid for **120** days from Valuation Date unless something changes in the real estate market that affects the value of the property, such as government decisions.



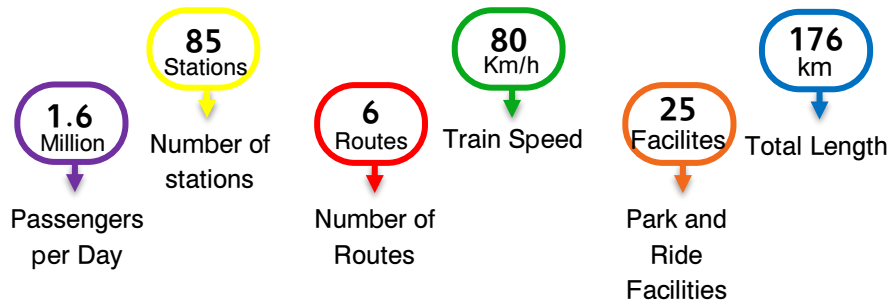
Site Location Analysis

- Public Transport
- Development Projects at City Level
- The Property at City Level
- The Property at District Level
- Property Description
- Property Photographs

Site Location Analysis

Public Transport – Riyadh Metro

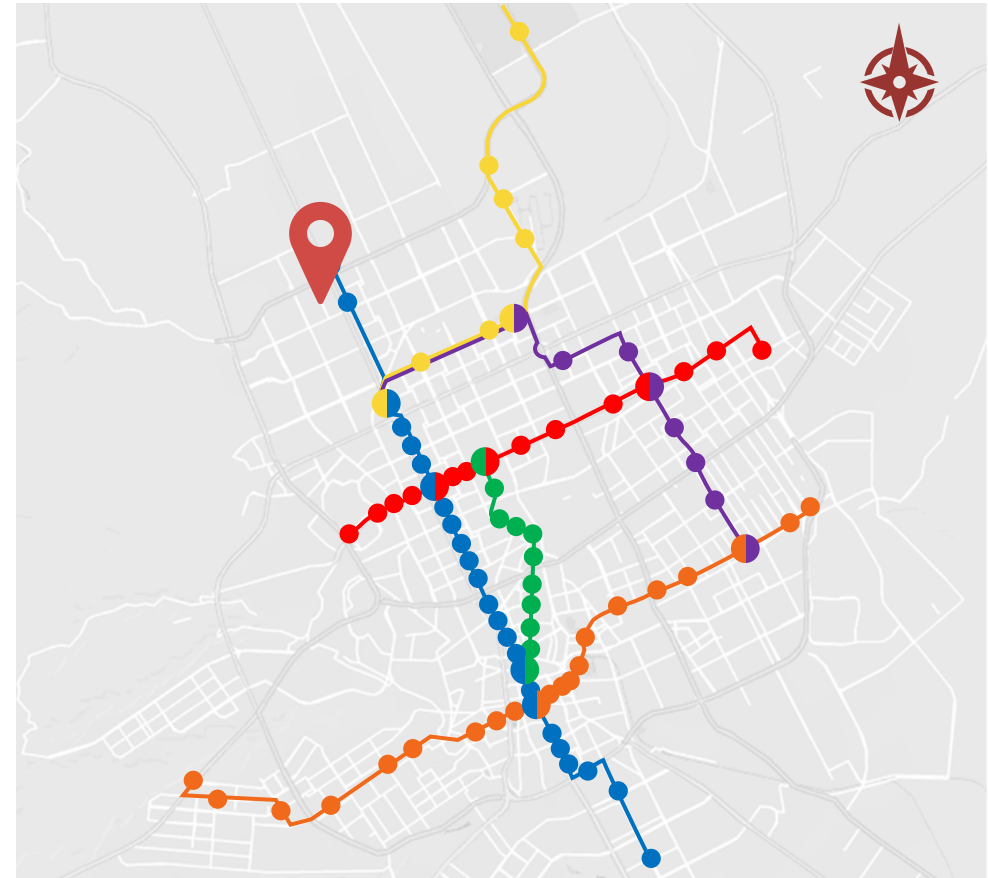
- Metro Riyadh is a high-speed transport system. It is currently under construction. It is one of the largest infrastructure projects in the City of Riyadh.
- The Metro is design as a world class transport system, including 756 metro cars, 85 stations, six metro lines and a network spanning 176 kilometers.
- The construction of the metro system has resulted in several road closures which affected traffic in various parts of the city.



Length of Riyadh Metro Routes

Route	Route Length (Km)
First Route (Blue)	38.0
Second Route (Red)	25.3
Third Route (Orange)	40.7
Fourth Route (Yellow)	29.6
Fifth Route (Green)	12.9
Sixth Route (Purple)	29.5

Riyadh Metro Route Map:



Site Location Analysis

Development Projects at City Level



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The Royal Commission for the City of Riyadh carries out many programs and development projects which are strategic in nature with multiple objectives and dimensions and different requirements for execution over time.

هيئة تطوير
بوابة الدرعية



Between the architectural, cultural, economic and social features and the environmental development requirements of Wadi Hanifa, it provides a model for the development of the oasis.

The program adopted the principle of integration with the City of Riyadh, making Diriya a world class cultural, tourism and promotional suburb.

Riyadh Art Project



Includes the performance of over 1000 artworks by local and international artists in front of audiences in the various parts of the City of Riyadh, as part of 10 programs covering residential neighborhoods, public parks, natural promenades, public squares, public transport stations, bridges, pedestrian crossings, city entrances and all tourism destinations of the city.

Riyadh Boulevard



Extends 135 kilometers, penetrating the City of Riyadh to connect Wadi Hanifa in the west of the City with Wadi Al Sulay in its east. It includes sports, cultural, recreational and environmental activities, including bicycle tracks, horse tracks, pedestrian sidewalks, a number of gates, stations and rest areas for bikers and hikers. Along the Boulevard inside the City and at Wadi Hanifa and Wadi Al Sulay, recreational services are provided to bikers and hikers, including coffee shops and diverse retail outlets.

Green Riyadh



The program aims at planting over 7.5 million trees in all parts of the city, including public parks, community parks, promenades, mosques, schools, academic, health and public installations and facilities, green belts along the spans of public utility lines, in addition to King Khalid International Airport, a roads and streets network, in addition to public transport routes, car parking spaces, vacant lands, valleys and river tributaries.

King Salman Park:



The largest city park in the World with an area exceeding 13 square kilometers. It is considered to be an environmental, cultural, sports and recreational project which contributes to the changing lifestyle in the city.

Site Location Analysis

The Property at City Level



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The subject property is located in Riyadh, the Capital of the Kingdom of Saudi Arabia, and the largest of its cities. Riyadh is the largest Saudi city, with a total population of 10.5 million in 2021.

Riyadh is one of the largest Arabic cities in terms of area. The developed area of the city is around 1,913 square kilometers.

Riyadh is witnessing significant infrastructure and public transport development, with the Riyadh Metro Project and the Public Transport Project currently in progress.

The Subject property is approximately 17 kilometers from the city center and 25 kilometers from King Khalid International Airport.

Site Location Analysis

The Property at District Level



The Subject property is located in Riyadh City Center. The property is bordered from the North by King Salman Road, from the South by Anas Ibn Malik Road with a direct view from the East on King Fahad Road.

The Subject property is located in Al-Malqa District, and it's bordered to the north by Qairawan district, from the south by Al-Aqiq and Hittin districts, to the east by Al-Yasmin and Al-Sahafa districts, and to the west by Al-Diriyah area.

The surrounding area of the Subject Property can be accessed from several important axes and roads at the city level, including King Fahad Road and King Salman Road. The Subject Property has a regular shape and a direct view of Wadi Hajar Street branching from King Fahd Road.

Site Location Analysis

Property Description



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للتقييم العقاري



The Property is a closed residential complex consisting of 18 residential buildings with three floors and an annex, including 252 housing units. The land area is 15,925 square meters.

The building area is 41,361 square meters.

The property consists of 252 residential units consisting of three bedrooms (224 units), two bedrooms (10 units) and one bedroom (18 units).

The complex has an underground car parking area of 10,000 square meters, two swimming pools, two playground areas, and a health club.

The Property is located in Al Malqa District, along Wadi Hajar Street, branching from King Fahd Road, Riyadh.

The Property's age is 6 years.

Site Location Analysis

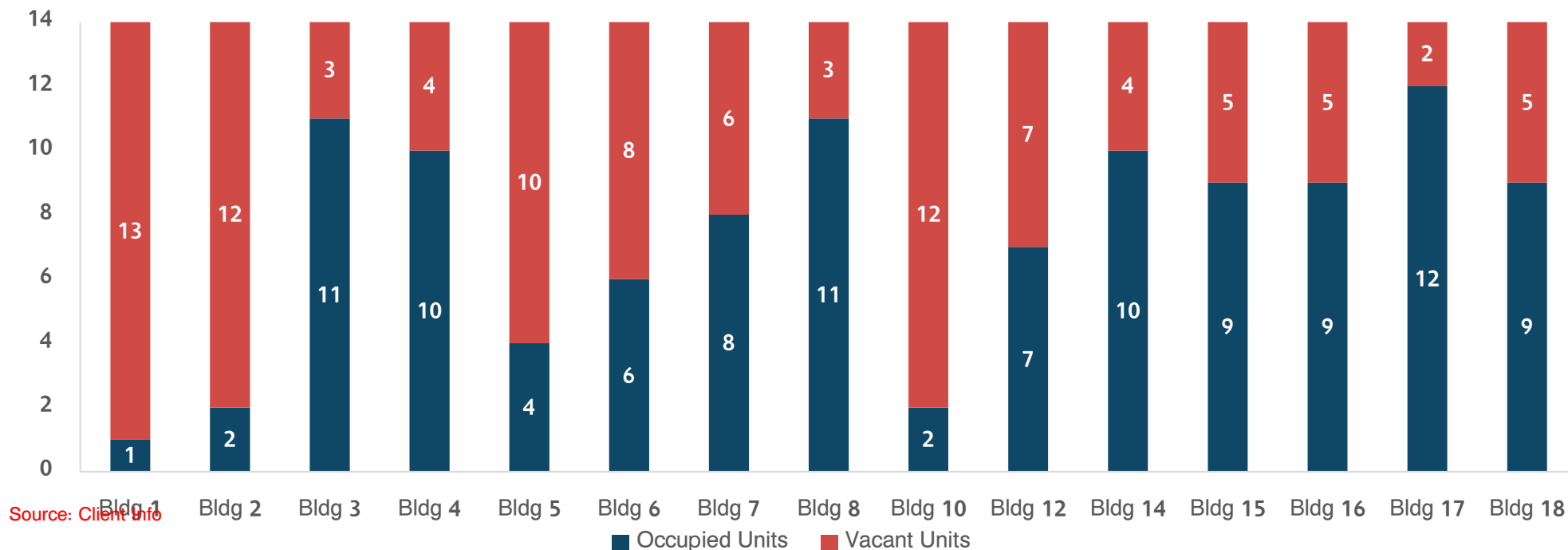
Property Description



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Detailing buildings and units:

- 3 buildings were leased entirely to Rana Medical Services Company, and the occupancy rate of the tenant represents 17% of the entire property with a total of 42 units.
- As for the rest of the building that forms 83% of the total leasable area, 111 units were rented of the 210 units
- The chart below shows the unit details for individually rented buildings, where each building consists of 14 units.



Site Location Analysis

Subject Property Photos



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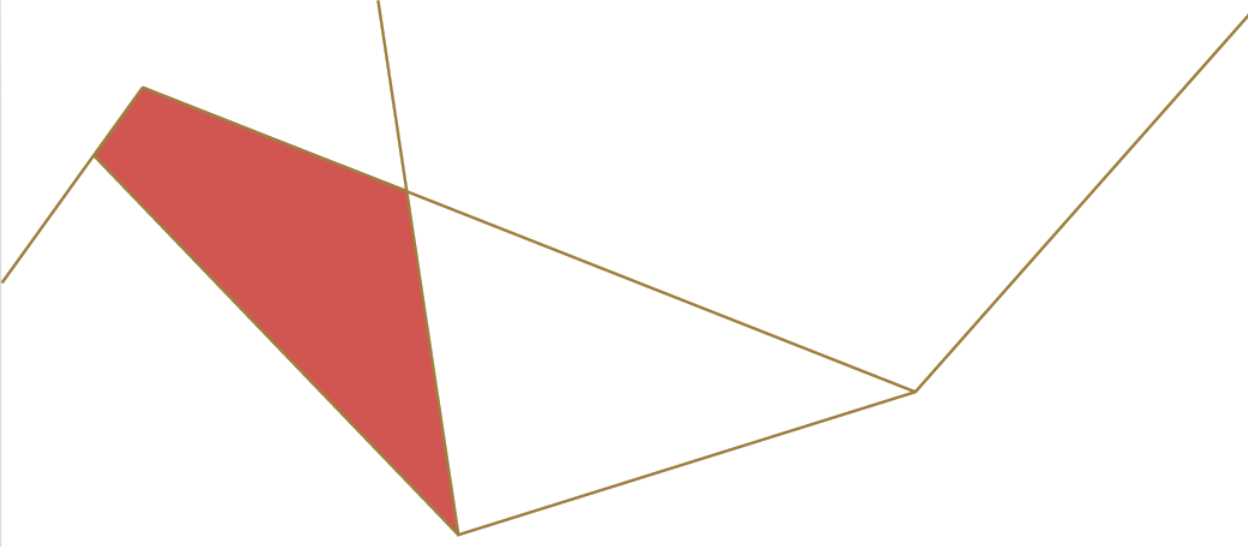
Site Location Analysis

Subject Property Photos



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Property Details

- Title Information

Property Details (Freehold Details)

ID	Description	
Owner	Awwal Almalga Real Estate Company	
Property Name	Al-Malqa Compound	
Plot No.	1/2337 + 1/2336 + 1/2335 + 2333/2334	
District	Al Malqa District	
Street Name	Wadi Hajar	
Coordinates	46°36'51.2"E	24°48'54.9"N
City	Riyadh	
Ownership Type	Restricted Ownership	
Title Deed Info	Deed No.	614004005871
	Deed Date	1440/9/15
Title Deed Info	Deed No.	314002002198
	Deed Date	1440/9/14
Title Deed Info	Deed No.	814009006125
	Deed Date	1440/9/14
Title Deed Info	Deed No.	814009006124
	Deed Date	1440/9/14

• Sources: Title Deed

Dimensions and street widths for Plot N.1/2337

Side	Dimension	Street Name	Type	Width (m)	Frontage
North	53 m	Wadi Hajar	Commercial	36 m	1
South	53 m	Unnamed	Local	20 m	2
East	65.7 m	Adjacent	-	-	4
West	65.7 m	Unnamed	Local	15 m	3

Dimensions and street widths Plot N.1/2336

Side	Dimension	Street Name	Type	Width (m)	Frontage
North	53 m	Wadi Hajar	Commercial	36 m	1
South	53 m	Unnamed	Local	20 m	2
East	65.7 m	Adjacent	-	-	3
West	65.7 m	Adjacent	-	-	4

No legal document has been verified for the subject property under evaluation, which includes planning, ownership, mortgage and some legal matters on which all or part of this report is based and considered reliable. It was assumed that the instrument was valid and binding. It was also assumed that the property is free from any legal obligations, mortgage rights or any Constraints.

• Sources: Title Deed

Tenure

Property Information

Dimensions and street widths for Plot N.1/2335

Side	Dimension	Street Name	Type	Width (m)	Frontage
North	53 m	Wadi Hajar	Commercial	36 m	1
South	53 m	Unnamed	Local	20 m	2
East	65.7 m	Adjacent	-	-	3
West	65.7 m	Adjacent	-	-	4

Dimensions and street widths for Plot N.2333/2334

Side	Dimension	Street Name	Type	Width (m)	Frontage
North	53 m	Wadi Hajar	Commercial	36 m	1
South	53 m	Unnamed	Local	20 m	2
East	65.6 m	Unnamed	Local	-	3
West	65.7 m	Adjacent	-	-	4

No legal document has been verified for the subject property under evaluation, which includes planning, ownership, mortgage and some legal matters on which all or part of this report is based and considered reliable. It was assumed that the instrument was valid and binding. It was also assumed that the property is free from any legal obligations, mortgage rights or any Constraints.

Sources: Title Deed

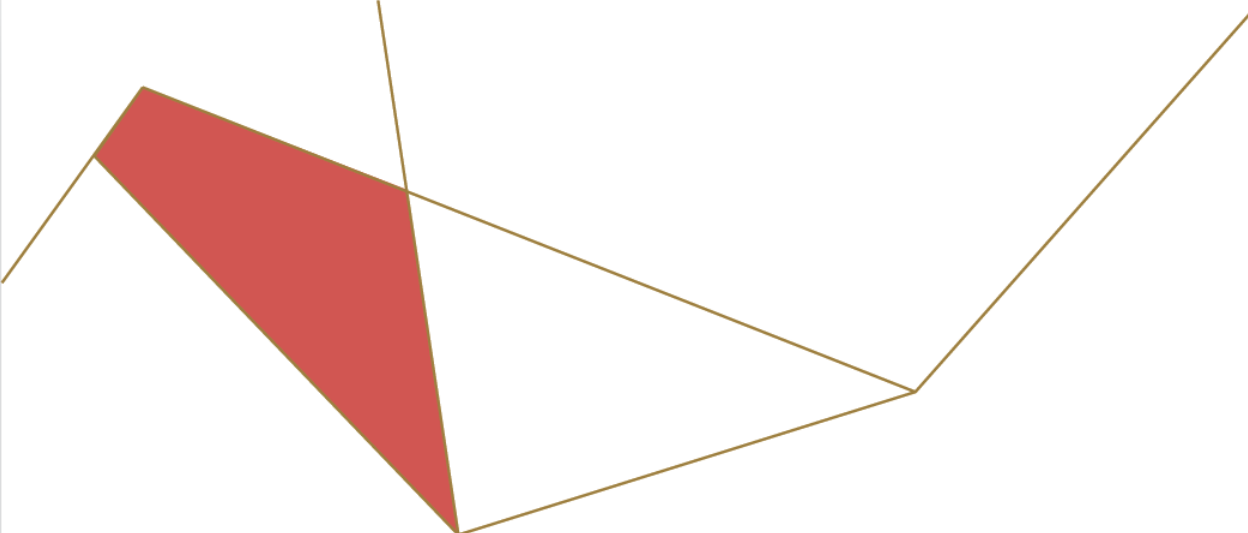
Lease Contract Summary:

	Lessee	Leased Buildings	End Date
1	Rana Company	3 Buildings	2025

Operation and Maintenance Contract Summary:

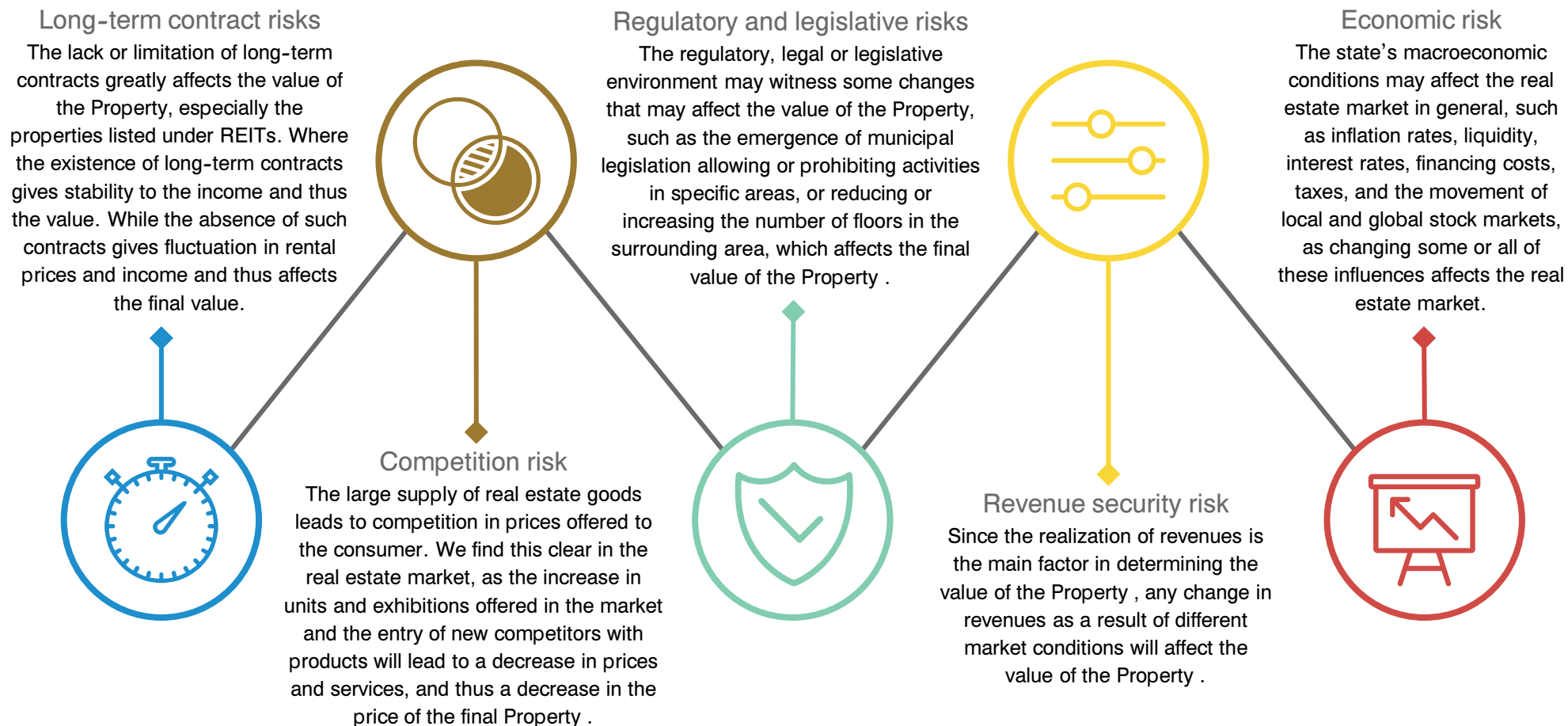
	Description	Duration	Amount
1	Bennett Operation and Maintenance Company	4 years	2,200,000

- Sources (Lease Contract Copy).



Valuation

- Analysis of Property Risks
- Market Study-Demand and Supply
- Valuation Method
- Income Method of Valuation
- Summary of Value



Office

- In the first three months of **2023**, around **50,000** sq. m. of office gross leasable area (GLA) was delivered in Riyadh and Jeddah collectively. This brought the total existing stock to approximately **4.9** million sq. m. in the capital and **1.2** million sq. m. in Jeddah. Over the remainder of this year, an additional **61,000** sq. m. and **583,000** sq. m. of office GLA is scheduled to enter the market in Jeddah and Riyadh, respectively.
- In the capital, the supply and demand dynamics have further shifted the tide towards landlords, and they are expected to continue to remain bullish in order to capitalize on the strong demand. Additionally, corporates have been expanding towards the north, where office offerings come with better accessibility and parking. There is tight availability of good quality office space in the market. Indeed, the average market-wide vacancy in Riyadh dropped to **1%** in **Q1 2023**. As a result, average Grade A rents increased by **19%** year-on-year (Y-o-Y) to reach **SAR 1,764** per sq. m. per annum during the same period.
- In Jeddah however, the office market is exhibiting signs of softening. That said, well managed, single owned quality office spaces are highly sought after. Consequently, average Grade A rents rose by **15%** Y-o-Y to reach **SAR 1,199** per sq. m. per annum in the first quarter of **2023**. Broadly, market-wide demand is being led by local companies and family businesses relocating to newer areas towards the north and west. Accordingly, the citywide average vacancy stood at **8%** in **Q1 2023**.
- The office market in the Kingdom is expected to sustain its positive momentum. As Riyadh is being positioned as the new commercial nerve center, we expect more efforts towards substantially improving the infrastructure of the capital, to cater to its increasing popularity.

Source of Info: JLI

Residential

- Riyadh witnessed the completion of close to **7,800** residential units in **Q1 2023**, pushing up the total stock to **1.4** million residential units. Over the same period, **4,400** units were handed over in Jeddah to bring the city's residential inventory to **864,000** units. In the remaining months of this year, **45,000** units are planned to be delivered across the two cities combined.
- Several government-backed projects were launched in recent months to support the growing residential sector, such as the first phase of Al Arous in Jeddah, Al Fursan, and the second phase of Khuzum in the capital. One of the biggest announcements has been the launch of New Murabba in Riyadh, which aims to be one of the world's largest downtowns. All these announcements are reflective of strong pent-up demand and the government's continued confidence in the long-term growth of the residential sector in the Kingdom.
- The government has introduced several measures to expedite home ownership among Saudi nationals and boost the residential sector. Demand has been increasing, and I expect to continue to trend up. In a recent announcement, **100** million sq. m. of land was allocated to the residential sector in the capital and other cities to control the increase in land and residential prices. Undeniably, in the first quarter of **2023**, average sale prices and rents in Riyadh increased by **7%** and **2%**, Y-o-Y, respectively. On the same basis, in Jeddah, average sale prices increased by **11%** annually, and average rents climbed by **9%**.
- Overall, there has been a structural shift in the market, and demand for apartments has been outpacing villas, with sale prices registering an annual growth of **6%** in the capital and **17%** in Jeddah, in **Q1 2023**. Over the same period, rents for apartments grew by **4%** in Riyadh and **13%** in Jeddah.

Source of Info: JLI

Retail

- In Q1 2023, there were two retail developments completed in Riyadh, adding approximately 84,000 sq. m. of retail space and increasing the total supply to 3.4 million sq. m. Over the same period, Jeddah's retail stock increased by roughly 46,000 sq. m. to 1.8 million sq. m. In the remaining nine months of this year, 478,000 sq. m. of retail floorspace is scheduled to enter the market in Jeddah and about 105,000 sq. m. in Riyadh. With the retail market softening in Jeddah, we continue to be cautious about completing future projects on schedule.
- Overall, strip retail and smaller community centers have been performing better than larger super regional malls. The majority of the inquiries were for smaller spaces, particularly in Jeddah, where enquired spaces ranged between 8 to 120 sq. m. Additionally, tenants displayed a preference for corner locations with high visibility on the street, and outdoor seating areas have become very important for F&B (Food and Beverage) retailers due to their increasing popularity among consumers. In line with this trend, several malls have started to establish a separate F&B area located outside of the malls to attract tenants and increase footfall in their developments.
- F&B and entertainment segments have been the key footfall generators with increased focus on experiential retail. Moreover, landlords in the capital are trying to attract new market entrants who do not have a local presence in the country. In contrast, landlords in Jeddah are being more cautious and are seeking well-known brands to avoid risks associated with new market entrants.
- Looking at the rental performance, in annual terms, rents for super regional and regional malls increased by 11% and 8%, respectively, in Riyadh in the first quarter of this year. On the same basis, rents in Jeddah fell on average by 6% across super regional malls and remained stable for regional malls, signaling slowing market conditions in the city.

Source of Info: JII

Hospitality

- There were no new hotel developments completed in the capital in Q1 2023, keeping the total stock stable at 21,000 keys. During the same period, Jeddah saw the delivery of 300 keys, increasing the total existing supply to 16,000 keys. An additional 3,000 keys are scheduled to enter the market in 2023 in both cities combined. Of this, around 2,000 keys are expected to enter Riyadh, and the remaining 1,000 keys are in Jeddah.
- As part of its efforts to increase tourism in the Kingdom and reach the target of 100 million visits a year by 2030, the government recently launched a new national airline, Riyadh Air, which will have its hub at Riyadh's King Salman International Airport. Additionally, a new stop-over (transit) visa was also announced for passengers traveling using existing national airlines, Saudia and Flynas. All these initiatives are going to boost the hospitality industry and help position Saudi Arabia as a global tourism destination in the long run.
- The Saudi market is currently going through a cultural shift, where new entertainment venues are being created, and global events are being hosted to establish its presence on the global tourism map. Looking at the growth prospects of the hotel industry, the majority of the operators who already have a presence in the country are planning to aggressively expand their offerings in the Kingdom and increase the volume of rooms under their portfolios. That said, owners of hospitality developments, are seeking to attract new unique operators.
- As a result, the hospitality sector performed strongly in the first quarter of 2023. Riyadh's occupancy rate rose to 76%, and the average daily rate (ADR) increased to USD 212 for YT February 2023, compared to the same period last year. On the same basis, Jeddah's occupancy rate reached 54% and ADR was recorded at USD 147. The Saudi hospitality market is expected to sustain its positive drive and improve further.

Source of Info: JII

Valuation Methods Used

- When selecting the best approach to assess the value of the subject property, we have taken into consideration the information provided by the Client, the current condition of the property and our own analysis of the local market conditions. When determining the fair value of the subject property, we have used the following methods and approaches:

Income Approach (Discounted Cash Flows)

- The income method provides an indicator of the value by converting the future cash flows into a single present value. According to this method, the value of the asset is determined using the value of revenues or cash flows or cost savings from the asset. The discount rate is usually reached by analyzing the suitable market and development transactions. We are also in communication with real estate agents and local investors to gauge the sensitivity of the figures.

Key Assumptions in the Discounted Cash Flow Method:

Revenues

- **According to the information provided by the client**, the total annual income of 3 buildings leased for Rana Medical Services Company is **1,900,000 SAR**. Also, the annual income of the **111** units rented for individuals is **8,168,093 SAR**. The before-mentioned income is used for the remaining period of the lease contract of Rana Medical Services Company which is **5 years**. For the remaining years, income will be estimated based on market leasing rates.

Inflation Rate.

- In respect of the cash flow of the project, an inflation rate of **2.80%** is applied.

Cap Rate .

- A cap rate of **7.75%** is applied.

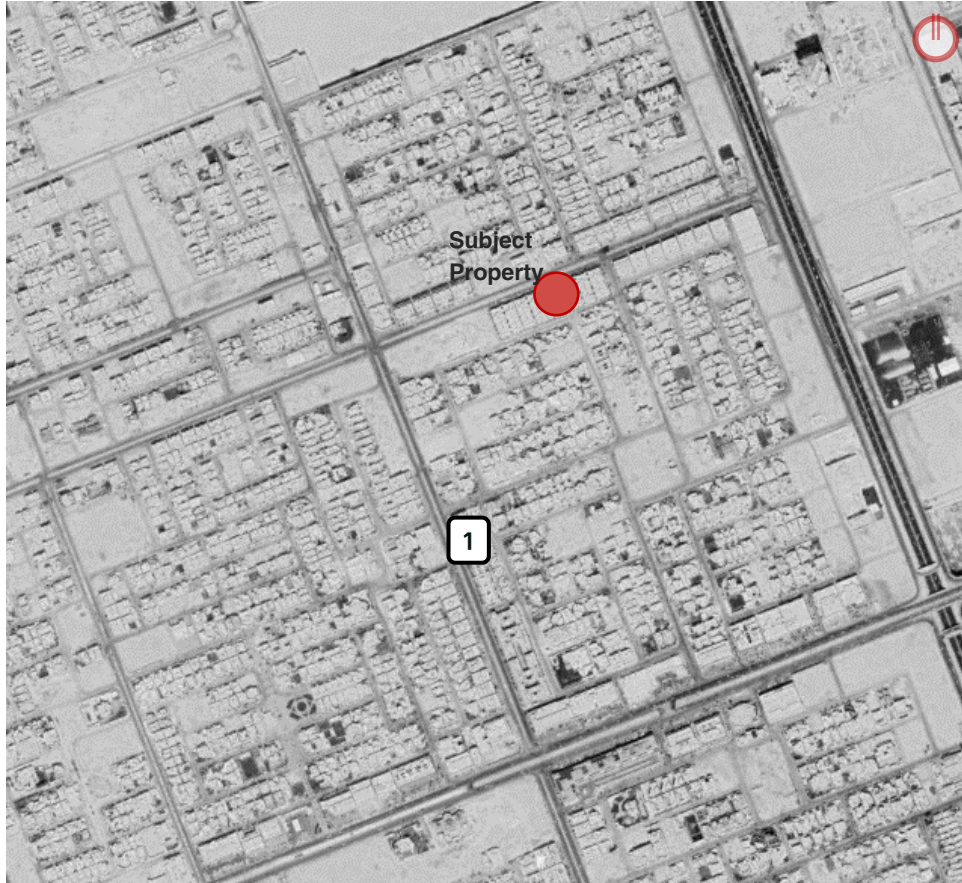
Discount Rate

- Based on our understanding of similar properties in the area of the property, and taking into consideration the site features, area, uses, terrain and supply and demand, we have applied a discount rate of **10.55%**.

Valuation

Case Study

Map Showing the Location of the Residential Compound



- information source(field research)

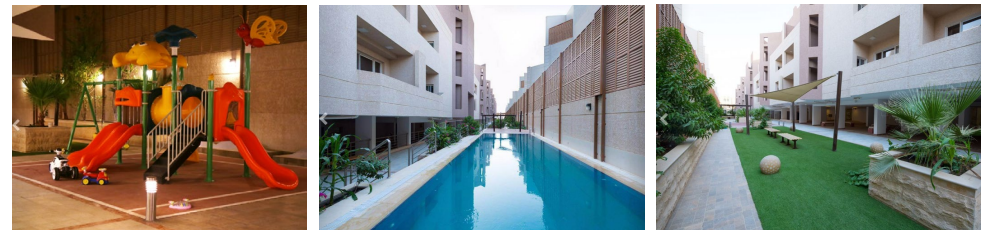
Al Malqa Village Residential Compound

	Type of Units	Area (m ²)	Number of Units	Rental Rate (SAR)	Rental Rate (SAR)
Viola Compound	1 Room	75	44	40,000	533
	2 Rooms	126	74	50,000	397
	3 Rooms	150	30	60,000	429

Services and Facilities

- The project is a complex of luxury apartments designed to ensure privacy and complete security. The complex consists of **10** adjacent buildings with **148** apartments and one elevator, and each floor is on two levels, and there are only two apartments on each level. The apartments are easily accessed from the parking. The limited entrances to the complex ensure complete security and control of movement. The units are not furnished.

Swimming Pool	Security	Maintenance	Gardens	Parking
✓	✓	✓	✓	✓
Promenade	Drivers Room	Courts	Playing Area	Health Club
✓	✓	✓	✓	✓



Valuation

Case Study

Map Showing the Location of the Residential Compound



- information source(field research)

Al Malqa Village Residential Compound

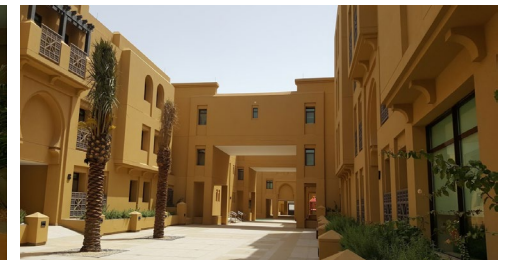
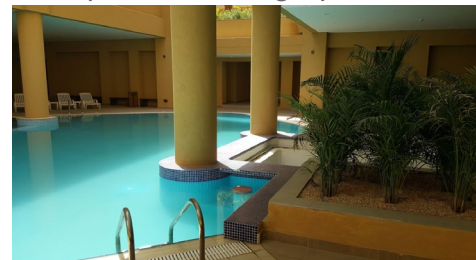
	Type of Units	Area (m ²)	Rental Rate (SAR)	Rental Rate (SAR)
Al Malqa Village Residential Compound	2 Rooms	120	85,000	708
	2 Rooms	140	95,000	679
	3 Rooms	150	105,000	700
	3 Rooms	200	135,000	675

The project is comprised of a high-end apartment complex, designed to ensure total privacy and security. It contains **16** buildings with open spaces between the buildings. The limited entrances of the compound guarantee full security and control over movement. The units are fully furnished.

Services and Facilities

Swimming Pool	Security	Maintenance	Gardens	Parking
✓	✓	✓	✓	✓
Promenade	Drivers Room	Courts	Playing Area	Health Club
✓	✓	✓	✓	✓

Compound Photographs



Valuation

Estimation of Revenues

Map Showing the Locations of the Residential Compounds



- information source(field research)

Calculation of Average Rental Rate

Upon completion of the research and collection of information, we analyzed the following comparables and made calculations and adjustments to reach the average rental value (per square meter). The below schedule shows changes and adjustments made to the valuation matrix.

Valuation Matrix

Description	Comparable 1	Comparable 2	Comparable 3
Land Area (m ²)	150	150	190
Price per Meter (SAR/m ²)	429	733	668
التسويات			
Open Spaces	0.00%	-5.00%	-5.00%
Design of Units	-5.00%	-5.00%	-5.00%
Ease of Access	0.00%	2.50%	2.50%
Area	0.00%	0.00%	5.00%
Facilities and Services	0.00%	-2.50%	-2.50%
Compound Category	0.00%	-22.50%	-22.50%
Furniture	20.00%	0.00%	0.00%
Negotiation	-7.50%	-5.00%	-5.00%
Total Percentage (%)	7.50%	-37.50%	-32.50%
Final Value After Adjustments	461	458	451
Weightage (%)	50.00%	25.00%	25.00%
Final Price per Meter (SAR/m ²)	458		

Valuation

Income Approach

As a result of the prior information, cash flows were calculated to reach the value of the subject property. The cash flows covers a period of 4.5 years based on the lease contract of the leased units (Rana Company Contract). The remaining units were calculated based on market rates, and the cash flow schedule was made for every six months:

Inflation Rate: Discounted cash flows are calculated at an annual inflation rate of 2.8% per annum by taking the average rate of inflation in the domestic product of the Kingdom of Saudi Arabia for the past 12 years as per the Central Bank of Saudi Arabia.

Discount rate: Based on our understanding of similar properties in the real estate area, and taking into account the characteristics of the location, area, use, supply and demand, we applied a discount rate of 10.55%.

Rate of return on capital: The rate of return is calculated according to the location of the property and the type of construction, as well as the field and office research for similar rates of return to the property under valuation, and according to our understanding of the real estate market in the Kingdom, a rate of 7.75% has been reached.

Summary of Cash Flow Calculations:

Period (semiannual)	1	2	3	4	5	6	7	8	9
Income from Rana Medical Company									
Occupancy rate (16%)	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Revenue (SAR)	949,998	949,998	949,998	949,998	949,998	0	0	0	0
Income from the remaining units									
Rental price (SR/m2)	464	471	477	484	491	498	504	511	519
Leasable Area (m2)	27,340	27,340	27,340	27,340	27,340	32,546	32,546	32,546	32,546
Occupancy rate (84% of the total number of units) (%)	52.9%	62.9%	72.9%	82.9%	90.0%	74.0%	84.0%	90.0%	90.0%
Income (SAR)	6,710,635	8,091,166	9,508,788	10,964,265	12,075,042	11,983,112	13,791,571	14,982,129	15,190,431
Costs									
Bennett maintenance contract costs	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Maintenance costs for remaining (%)	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Maintenance costs for remaining (SAR)	671,063	809,117	950,879	1,096,427	1,207,504	1,198,311	1,379,157	1,498,213	1,519,043
Property Insurance Costs (SAR)	58,770	58,770	58,770	58,770	58,770	58,770	58,770	58,770	58,770
Total Costs (SAR)	1,829,833	1,967,887	2,109,649	2,255,197	2,366,274	2,357,081	2,537,927	2,656,983	2,677,813
Net income (SR)	5,830,799	7,073,277	8,349,137	9,659,067	10,658,766	9,626,031	11,253,644	12,325,146	12,512,618
Exit									320,487,272
fair value of the property (SR)	270,670,000								

Valuation

Opinion of Value

Abaad is of the opinion that the Value of the Subject Property as of the date of valuation, based upon assumptions and detail within this report, may be fairly stated as follows:

The fair value of the property using the income approach as of 30 June 2023 is:

- **270,670,000 SAR** (Two Hundred Seventy Million Six Hundred Seventy Thousand Saudi Riyal).



أبعاد
للتقييم العقاري

Signatures

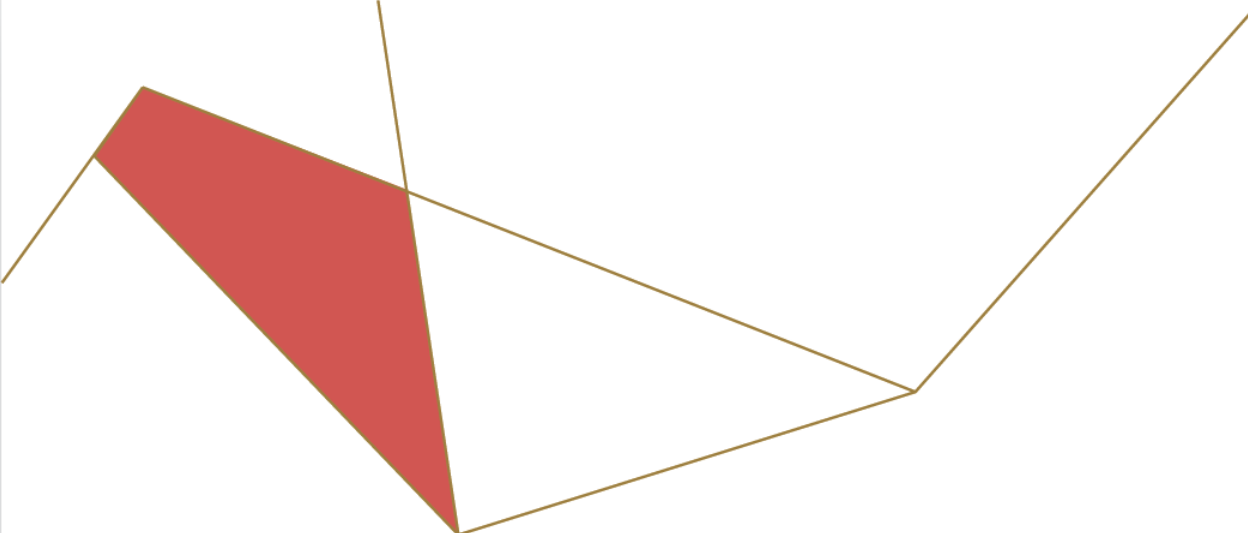
Eng. Ammar Abdulaziz Sindi
Taqeem ID: **1210000219**
Fellow Member
Membership Date: **22/12/2015**
Real Estate Sector

Eng. Ammar Mohamed Qutub
Taqeem ID: **1210000392**
Fellow Member
Membership Date: **24/01/2016**
Real Estate Sector

Eng. Yousuf Abdullah Khan
Taqeem ID: **1220001989**
Provisional Member
Membership Date: **17/09/2020**
Real Estate Sector

Company Stamp
Company Name: Abaad &
Partner for Real Estate Valuation
Company No. **11000111**
CR No: **4030297686**
CL No: **323/18/781**





Appendix

- Valuation Glossary
- Subject Property Documents

General Terms Used in the Preparation of the Valuation Report

Authority

Means the Saudi Authority for Accredited Valuers (TAQEEM), the authority concerned with developing requisite guidelines and standards for the valuation of properties, business establishments, equipment, movable property, etc. in accordance with the Accredited Valuers Regulations promulgated by Royal Decree No. (M/43) dated (9/7/1433). Its objective is to develop the valuation profession and improve the qualifications of valuers, as well as to develop and maintain the general rules for Authority membership of various levels with ongoing development of the qualifications of its members to keep abreast of the highest state of the art levels. The (Authority) is a legal entity, not for profit, with an independent budget. It operates under the supervision of the Ministry of Commerce and Investment.

Asset(s)

To facilitate reading of the standards and in order to avoid repetition, the term Asset(s) generally refers to the items which are the subject of the valuation exercise. Unless otherwise provided in the standards, these terms may be taken to mean and include each of the following words: (an asset, group of assets, obligation, group of obligations, or a group of assets and obligations).

Client

The word (Client) refers to the person(s) or entity for which the valuation is carried out, including the external clients (that is when the valuer is contracted with a third party), as well as the internal clients (that is the valuations prepared for the owner).

Legal Jurisdiction

The word (Jurisdiction) refers to the legal and regulatory environment wherein the valuation process is carried out. It includes the laws and regulations issued by

government authorities, such as the district, state and municipality, and the laws issued by certain regulatory entities commensurate with the purpose of the valuation, such as central banks and capital market authorities.

May

The word (May) describes the action which the valuer is required to take into consideration. Matters described as such require the valuer's attention and understanding. The ability to apply these matters in the valuation process depends on the valuer's judgement and professional experience under conditions which are in line with the objectives of the standards.

Shall

The word (Shall) refers to an unconditional responsibility, that is, the valuer must fulfil any responsibilities of this type in all cases and under all circumstances where the condition is applicable.

Participant

The word (Participant) refers to the participants concerned on the basis(es) of the value used in the valuation exercise (see Standard 104 – Basis of Value). The different bases of value require the valuer to take different points of view into consideration, such as the points of view of the market participants, including for example the fair value, the fair value of the International Financial Reporting Standards (IFRS), a certain owner or a prospective buyer, such as the investment value.

Purpose

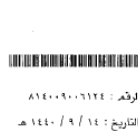
The word (Purpose) refers to the cause(s) of carrying out the valuation. It includes the general purposes (for example, without limitation) the purposes of the financial reports, tax reports, litigation support, transactions support and support of secured lending decisions.

Appendix

Subject Property Documents



أبعاد
للتقييم العقاري



وزارة العدل
[٢٧٧]
كتابة العدل بوسط الرياض

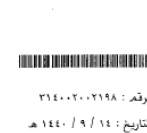
صك رهن وتملك عقار

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم ٢٣٣٤ / ٢٣٣٤ من المخطط رقم ٣١١٤ الواقع في حي الملكة بمدينة الرياض . وحدودها وأطوالها كالتالي:
شمالاً: شارع عرض ٣٦ بطول: (٨٣,٥) ثلاثة وثمانون متر وخمسون سنتيمتر
جنوباً: شارع عرض ٢٠ بطول: (٨٣,٥) ثلاثة وثمانون متر وخمسون سنتيمتر
شرقاً: شارع عرض ٢٥ بطول: (٦٥,٦٢) خمسة وستون متر وثلاثة وستون سنتيمتر
غرباً: قطعة رقم ٢٣٣٥ / ١ بطول: (٦٥,٦٥) خمسة وستون متر وخمسة وستون سنتيمتر
ومساحتها : (٥,٤٨١,٤٥) خمسة آلاف وأربعمائة وواحد وثمانون متر مربعاً وخمسة وأربعون سنتيمتر مربعاً فقط والمقام عليها مجمع سكني
المعلوكة لـ شركة أول الملكة العقارية بموجب سجل تجاري رقم ١٠١٠٨٩٣٨٠٢ وتنتهي في ١٩ / ١٠ / ١٤٤٤ هـ بالصك الصادر من كتابة العدل الأول بالرياض برقم ٣١٠١٢١٠٤٥١٦٨ في ٢٢ / ٩ / ١٤٤٠ هـ. قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة لاراجي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٠٩٦ في ٢٥ / ١٠ / ١٣٧٦ هـ ضماناً لوفائه بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٠٩٦ وبمبلغ وقدره (٣٨١٨١٨١٨,١٩) ريال ثمانية وثلاثون مليون ومائة وواحد وثمانون ألف وثمانمائة وثمانية عشر ريال وتسعة عشرة هلة المجاز من الهيئة الشرعية برقم ١٨٠٧٢ في ٣ / ٧ / ١٤٣٩ هـ، على أن يتم سداد الميوتية على أقساط كل ستة أشهر من تاريخ صرف التمويل بقيمة كل قسط (١٠٠٠٠٠٠) ريال مليون ريال ، تدفع اعتباراً من تاريخ ٣١ / ٣ / ٢٠١٩ م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما يـ ذمة الزاھن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في ١٤ / ٩ / ١٤٤٠ هـ، وصلى الله على نبيينا محمد وآله وصحبه وسلم.

عبد الرحمن بن محمد بن رشيد الحريبي
كاتب العدل



هذا المستند وحدة متكاملة - وصياحي أو تكاف صفحة منه يؤدي إلى عدم صلاحية المستند
مصلحة مطابع الحكومة ٢٢٢١٢١ (هذا النموذج مخصص للاستخدام بالمسابقات الألي ويمنع نقله)
نموذج رقم (١٢٠٠٠١٢١) - صفحة ١ من ١



وزارة العدل
[٢٧٧]
كتابة العدل بوسط الرياض

صك رهن وتملك عقار

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم ٢٣٣٤ / ١ من المخطط رقم ٣١١٤ الواقع في حي الملكة بمدينة الرياض . وحدودها وأطوالها كالتالي:
شمالاً: شارع عرض ٣٦ بطول: (٥٣) ثلاثة وخمسون متر
جنوباً: شارع عرض ٢٠ بطول: (٥٣) ثلاثة وخمسون متر
شرقاً: قطعة رقم ٢٣٣٤ / ٢٣٣٤ بطول: (٦٥,٦٥) خمسة وستون متر وخمسة وستون سنتيمتر
غرباً: قطعة رقم ٢٣٣٥ / ١ بطول: (٦٥,٦٧) خمسة وستون متر وسبعة وستون سنتيمتر
ومساحتها : (٣,٤٨٠,٢٣) ثلاثة آلاف وأربعمائة وثمانون متر مربعاً وثلاثة وعشرون سنتيمتر مربعاً فقط والمقام عليها مجمع سكني
المعلوكة لـ شركة أول الملكة العقارية بموجب سجل تجاري رقم ١٠١٠٨٩٣٨٠٢ وتنتهي في ١٩ / ١٠ / ١٤٤٤ هـ بالصك الصادر من كتابة العدل الأول بالرياض برقم ٣١٠١٢١٠٤٥١٦٧ في ٢٢ / ٩ / ١٤٤٠ هـ. قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة لاراجي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٠٩٦ في ٢٥ / ١٠ / ١٣٧٦ هـ ضماناً لوفائه بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٠٩٦ وبمبلغ وقدره (٣٨١٨١٨١٨,١٩) ريال ثمانية وثلاثون مليون ومائة وواحد وثمانون ألفاً وثمانمائة وثمانية عشر ريال وتسعة عشر هلة المجاز من الهيئة الشرعية برقم ١٨٠٧٢ في ٣ / ٧ / ١٤٣٩ هـ، على أن يتم سداد الميوتية على أقساط كل ستة أشهر من تاريخ صرف التمويل بقيمة كل قسط (١٠٠٠٠٠٠) ريال مليون ريال ، تدفع اعتباراً من تاريخ ٣١ / ٣ / ٢٠١٩ م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما يـ ذمة الزاھن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً وعليه جرى التصديق تحريراً في ١٤ / ٩ / ١٤٤٠ هـ، وصلى الله على نبيينا محمد وآله وصحبه وسلم.

صالح بن ضيف الله بن احمد العمري
رئيس كتابة العدل المساعد



هذا المستند وحدة متكاملة - وصياحي أو تكاف صفحة منه يؤدي إلى عدم صلاحية المستند
مصلحة مطابع الحكومة ٢٢٢١٢١ (هذا النموذج مخصص للاستخدام بالمسابقات الألي ويمنع نقله)
نموذج رقم (١٢٠٠٠١٢١) - صفحة ٢ من ٢

Appendix

Subject Property Documents



أبعاد
للتقييم العقاري



صك رهن وتملك عقار

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

فإن قطعة الأرض رقم ٢٣٣٧ / ١ من المخطط رقم ٣١١٤ الواقع في حي الملكة بمدينة الرياض . وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ٣٦ م	بطول: (٥٣) ثلاثة وخمسون متر
جنوباً: شارع عرض ٢٠ م	بطول: (٥٣) ثلاثة وخمسون متر
شرقاً: قطعة رقم ٢٣٣٦ / ١	بطول: (٦٥,٦٩) خمسة وستون متر وتسعة وستون سنتيمتر
غرباً: شارع عرض ١٥ م	بطول: (٦٥,٧) خمسة وستون متر وسبعون سنتيمتر

ومساحتها: (٣,٤٨١,٩) ثلاثة آلاف وأربعمائة وواحد وثمانون متر مربعاً وتسعون سنتيمتراً مربعاً فقط والمقام عليها مجمع سكني

المملوكة لـ / شركة أول الملكة العقارية بموجب سجل تجاري رقم ١٠١٠٨٩٣٨٠٢ وتنتهي في ١٩ / ١٠ / ١٤٤٤ هـ بالصك الصادر من كتابة العدل الأول بالرياض برقم ٣١٠٨١٢٠٠٤٠٧ في ٢١ / ٦ / ١٤٤٠ هـ. قد تم رهنها وما أقيم أو سيقام عليها من بناء لمصالح / شركة كراجي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠ / ١٣٧٩ هـ ضماناً لوفائه بـ/ بما عليه من مستحقات مالية لمصالح مصرف الراجحي بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ بمبلغ وقدره (٣٨١٨١٨١٨,١٩) ريال ثمانية وثلاثون مليوناً ومائة وواحد وثمانون ألفاً وثمانمائة وثمانية عشر ريال وتسعة عشر هلة المجاز من الهيئة الشرعية برقم ١٨٠٧٢ في ٣ / ٧ / ١٤٣٩ هـ، على أن يتم سداد المبنوية على أقساط كل ستة أشهر من تاريخ صرف التمويل بقيمة كل قسط (١٠٠٠٠٠) ريال مليون ريال ، تدفع اعتباراً من تاريخ ٣١ / ٣ / ٢٠١٩ م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكتمال مايلزم شرعاً وعليه جرى التصديق تحريراً في ١٤ / ٩ / ١٤٤٠ هـ ووصلن الله على نبيينا محمد وآله وصحبه وسلم.

عبد العزيز بن محمد بن عبد العزيز آل طالب

وزارة العدل
كتابة العدل بوسط الرياض
كاتب العدل بك رقم ٤

هذا المستند وحدة متكاملة ، وشيخ أو نائب مدعته منه يؤدي إلى عدم صلاحية المستند
نموذج رقم (١٢ - ٢٠١١)

صك رهن وتملك عقار

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

فإن قطعة الأرض رقم ٢٣٣٦ / ١ من المخطط رقم ٣١١٤ الواقع في حي الملكة بمدينة الرياض . وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ٣٦ م	بطول: (٥٣) ثلاثة وخمسون متر
جنوباً: شارع عرض ٢٠ م	بطول: (٥٣) ثلاثة وخمسون متر
شرقاً: قطعة رقم ٢٣٣٥ / ١	بطول: (٦٥,٧٢) خمسة وستون متر وسبعة وستون سنتيمتر
غرباً: قطعة رقم ٢٣٣٧ / ١	بطول: (٦٥,٦٩) خمسة وستون متر وتسعة وستون سنتيمتر

ومساحتها: (٣,٤٨١,١) ثلاثة آلاف وأربعمائة وواحد وثمانون متر مربعاً وعشرة سنتيمتراً مربعاً فقط والمقام عليها مجمع سكني

المملوكة لـ / شركة أول الملكة العقارية بموجب سجل تجاري رقم ١٠١٠٨٩٣٨٠٢ وتنتهي في ١٩ / ١٠ / ١٤٤٤ هـ بالصك الصادر من كتابة العدل الأول بالرياض برقم ٣١٠٨١٢٠٠٤٠٦ في ٢٢ / ٦ / ١٤٤٠ هـ. قد تم رهنها وما أقيم أو سيقام عليها من بناء لمصالح / شركة كراجي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠ / ١٣٧٩ هـ ضماناً لوفائه بـ/ بما عليه من مستحقات مالية لمصالح مصرف الراجحي بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ بمبلغ وقدره (٣٨١٨١٨١٨,١٩) ريال ثمانية وثلاثون مليوناً ومائة وواحد وثمانون ألفاً وثمانمائة وثمانية عشر ريال وتسعة عشر هلة المجاز من الهيئة الشرعية برقم ١٨٠٧٢ في ٣ / ٧ / ١٤٣٩ هـ، على أن يتم سداد المبنوية على أقساط كل ستة أشهر من تاريخ صرف التمويل بقيمة كل قسط (١٠٠٠٠٠) ريال مليون ريال ، تدفع اعتباراً من تاريخ ٣١ / ٣ / ٢٠١٩ م وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكتمال مايلزم شرعاً وعليه جرى التصديق تحريراً في ١٤ / ٩ / ١٤٤٠ هـ ووصلن الله على نبيينا محمد وآله وصحبه وسلم.

عبد الرحمن بن محمد بن رشيد الحربي

وزارة العدل
كتابة العدل بوسط الرياض
كاتب العدل بك رقم ١٩

هذا المستند وحدة متكاملة ، وشيخ أو نائب مدعته منه يؤدي إلى عدم صلاحية المستند
نموذج رقم (١٢ - ٢٠١١)



Abaad & Partner For Real Estate Valuation Co.

Jeddah Branch (Head Office):

Mohamed Ibrahim Masoud Street,
Al-Salama District
Zahid Offices Building, 5th Floor, suite 21
Jeddah, Kingdom of Saudi Arabia

Riyadh Branch:

King Abdulaziz Road,
6935 Ar-Rabi District,
1st Floor, Office 1,
Riyadh, Kingdom of Saudi Arabia

For more information, please contact us at:
Universal Access Number: **920004134**

Eng. Ammar Sindi

CEO

Mobile: +966 (50) 730 0500

Email: asindi@sa-abaad.com

Eng. Ammar Qutub

Executive Director

Mobile: +966 (55) 556 2500

Email: ammarq@sa-abaad.com