

Office Building Valuation Report (Elegance Tower)

Al Muruj Dist. Riyadh

30 June 2024



Deposit code to the platform qima

Submitted to: Al-khabeer Capital

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Part 1

Executive Summary

1 Executive Summary

Salient fact and assumptions and IVS 2022 and regulatory compliance

Identity of the client	Addressee (to whom the report is addressed)	AL-khabeer Capital	Other users	-
	Contact person	-	Contact information	-
Assets being valued	Assets name	Office building (Elegance Tower)	Interest to be valued	Assumed to be a freehold interest
	Location	https://maps.app.goo.gl/SGpUpzqTKJ7UJdQTA		
Valuation standards	International Valuation Standards 2022	Unless otherwise noted, the Valuation assignment is undertaken in accordance with the TAQEEM Regulations (Saudi Authority for Accredited Valuers) and in conformity with the International Valuation Standards (2022 Edition).		
Valuation	Purpose of valuation	Periodic valuation of publicly-listed real estate investment traded fund	valuation date	30 May 2024
	Inspection date	05 May 2024	Approved valuation approach and method	Income Approach - Cashflow method
	Basis of value	Market Value	Premise of value	Current Use/Existing Use
		Market value : a Standard of Value considered to represent 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 had each acted knowledgeably , prudently , and without compulsion		International Valuation Standards 2022 defines Current Use/Existing Use premise of value as "Current use/existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use."

1 | Executive Summary

Salient fact and assumptions and IVS 2022 and regulatory compliance

Report	Reference Number	24046029706	Report type	Detailed report
	Report date	30 June 2024	Report version	Final
	Use, publication and distribution restrictions	The valuations and reports are confidential to the intended entity and to those referred to it for a specific purpose, without any liability of any kind to any third party. This report may not be published in whole or in part in any document, statement, periodical publication or any means of communication with any third party without prior written consent in the form and context in which it appears, with the exception of in accordance with the purpose of the valuation, this report is allowed to be traded on the CMA (Tadawul) website and the fund manager's website or in such ways as the fund manager deems appropriate.		
	Status of Valuers	We shall be acting with "Subjectivity" as an External Valuer for the purposes of this instruction. "Subjectivity" is defined in the International Valuation Standards (IVS) as: "The process of valuation requires the valuer to make impartial judgements as to the reliability of inputs and assumptions. For a valuation to be credible, it is important that those judgements are made in a way that promotes transparency and minimizes the influence of any subjective factors on the process. Judgement used in a valuation must be applied objectively to avoid biased analyses, opinions and conclusions".		

1 | Executive Summary

Salient fact and assumptions and IVS 2022 and regulatory compliance			
Investigations and Compliance	Limits on investigations	–	
	Limits on analysis	–	
	Limits on inspection	–	
Nature and sources of information upon which the valuer relies	• We have accepted the following documents to be used as input in our valuation assuming they are correct and up to date: • These documents -may be referred to in the appendices- are: ◦ <u>Title deed</u> ◦ <u>Building permit</u> ◦ <u>Lease contract</u> • Market research and analysis have been undertaken by the valuer. • Disclosures of Alkhabeer REIT Fund Manager on the Saudi Tadawul website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• International Valuation Standards define it as "the presumed facts that are consistent with, or could be consistent with, those at the valuation date." • Assumptions related to facts that are consistent with, or could be consistent with, those existing at the date of valuation may be the result of a limitation on the extent of the investigations or enquiries undertaken by the valuer. • All assumptions and special assumptions must be reasonable under the circumstances, be supported by evidence, and be relevant having regard to the purpose for which the valuation is required.
		Applications in this report	None (except as indicated in the terms and conditions)
Assumptions and special assumptions	Special assumptions	IVS's instructions	• International Valuation Standards define it as "assumed facts that differ from those existing at the date of valuation." • Where assumed facts differ from those existing at the date of valuation, it is referred to as a "special assumption". Special assumptions are often used to illustrate the effect of possible changes on the value of an asset. • They are designated as "special" so as to highlight to a valuation user that the valuation conclusion is contingent upon a change in the current circumstances or that it reflects a view that would not be taken by participants generally on the valuation date • All assumptions and special assumptions must be reasonable under the circumstances, be supported by evidence, and be relevant having regard to the purpose for which the valuation is required.
		Applications in this report	• It was assumed that the property is free of any obstacles or regulatory or ownership restrictions that limit the possibility of disposing of the property or using it, such as: mortgage, monopoly, lease, and expropriation, and the value opinion was built on this basis.

1 | Executive Summary

Salient fact and assumptions and IVS 2022 and regulatory compliance		
Opinion of Value	486,573,000	
	Written	Only four hundred eighty-six million five hundred seventy-three thousand SAR
	Currency	Saudi Riyal

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Abdullah Salem al-Madry		1210002389	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Mohey Mamdouh Abdulaziz		1220003379	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Mohammed Babhr		1220001954	Fellow	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhammad Alhussami		1210000934	Fellow	

Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Professional Company Registration Number	323/18/784
Professional Company Registration Date	02/ 03/ 1439H
Company Stamp	

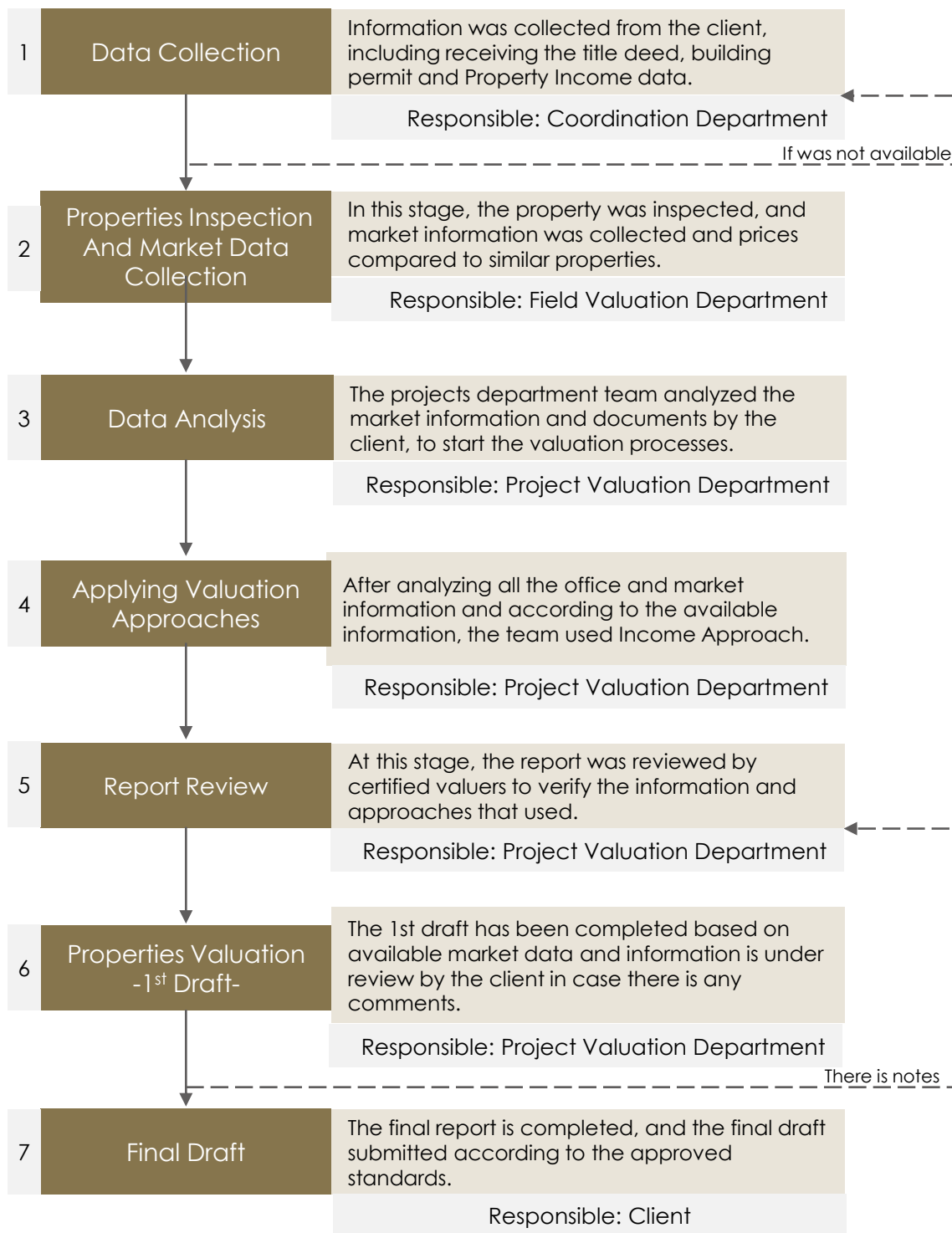


Part 2

Reporting Methodology

2 | Reporting Methodology

3. Based on the International Valuation Standards ("IVS") (Standard 102), the figure below shows the steps of the valuation process and the mechanism of work for Esnad:





Part 3

Asset to be valued

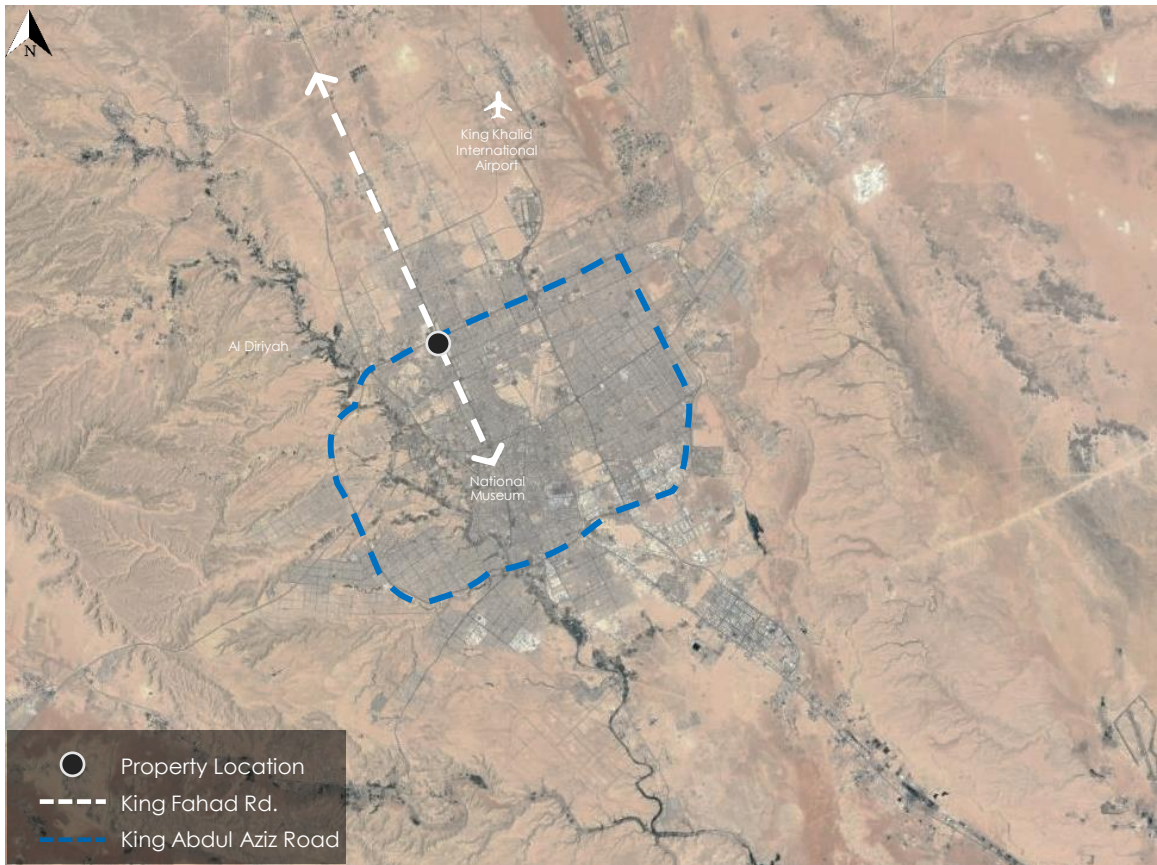
- 3.1 Property Location Analysis
- 3.2 Property description and ownership
- 3.3 Property boundaries
- 3.4 Property photos
- 3.5 Analysis summary

3.1 | Property Location Analysis

Description of the property at the city level

About Riyadh

Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital in terms of population. Riyadh is located in the middle of the Arabian Peninsula on the Najd Plateau, at an altitude of 600 meters above sea level. It is the headquarters of the Emirate of the Riyadh Region, according to the administrative division of the Saudi regions. It is characterized by a group of the most beautiful tourist attractions, which vary between entertainment places, parks, towers, and skyscrapers, in addition to ancient historical monuments.



Property location

Surrounding attractions

Attraction	Distance	Attraction	Distance
King Khalid International Airport	29.9 km	Kingdom shopping center	6.6 km
King Abdullah Financial Dist.	8.7 km	King Saud University	7.5 km

3.2 | Property Location Analysis

Description of the property at the neighborhood level

Description of the surrounding area	The property area is distinguished by its geographical location in Riyadh, as it is located on several main roads, the most important of which are the Northern Ring Road and King Fahd Road. The property area is also bordered on one side by the Northern Ring Road, followed by Al-Ghadeer neighborhood. on the southern side, the property area is bordered by Imam Saud bin Abdulaziz bin Muhammad Road. It is followed by King Fahd Neighborhood, and the property area is bordered on the eastern side by King Abdul Aziz Road, followed by Al-Masif District, and on the western side, the property area is bordered by King Fahd Road, followed by Al-Nakheel Neighborhood.
About the Neighborhood	Al-Muruj neighborhood, situated in the northwest of Riyadh, boasts a prime geographical location. It is bordered by several major roads, most notably the Northern Ring Road extension and King Fahd Road.
Accessibility	The area is easily accessible through several roads, the most important of which are the Northern Ring Road and King Fahd Road



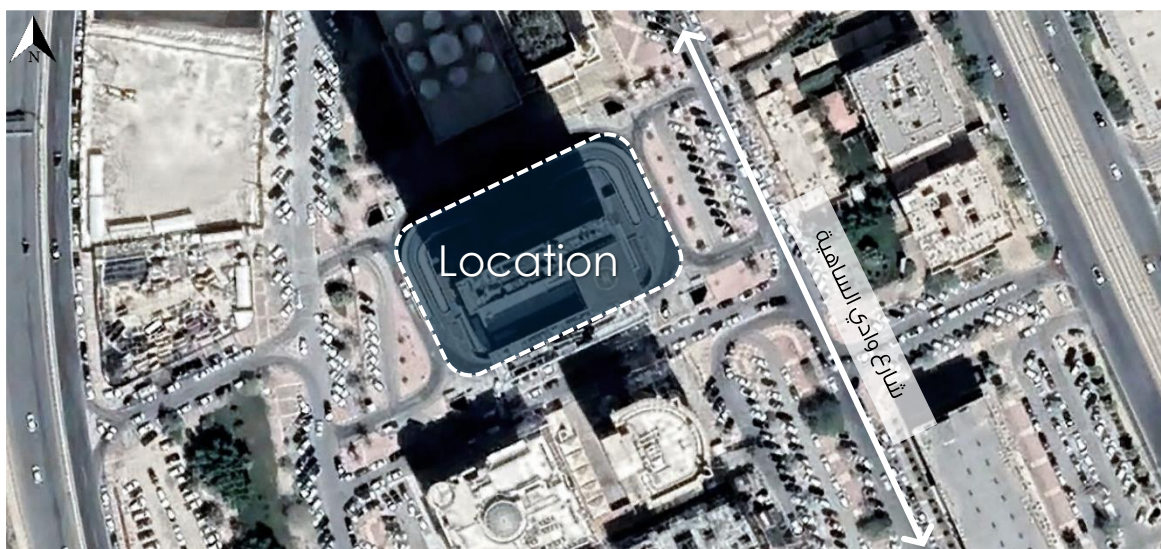
Property Location

3.3 Property description and ownership

Ownership information (based on title deed)			
Client's name	Al-khabeer Capital	Owner's name	Awal Al Malqa Real Estate Company
Title deed number	393318001500	Title deed date	02/03/1442 H
building permit Number	1432/16564	building permit Date	09/03/1438 H

Property Information (Based on title deed)			
Province	Riyadh	City	Riyadh
District	Al-Muruj	Street	Wadi Al-sahia
No. of Plot	25+26+27+28	No. of Plan	2593
Property Type	Office building	Notes	The property is mortgaged to Al Rajhi Development Company Limited
24.757806° N 46.650889° E			
https://maps.app.goo.gl/SGpUpzqTKJ7UJdQTA			

Property specifications			
Land area according to the deed	5,695 sqm	Land topography	Flat
Land area according to Regulations	-	Land Shape	Regular
Notes	-		



Satellite photo shows the subject property location

3.4 Property boundaries & lengths

Property Dimensions (Based on the title deed)					
Views	length /m	Street	Road Category	Road width/m	Views
North	85	Corridor	Corridor	10	3
South	85	Sidewalk	Corridor	-	4
East	67	Parking lot	Internal	20	2
West	67	Parking lot	Internal	20	1

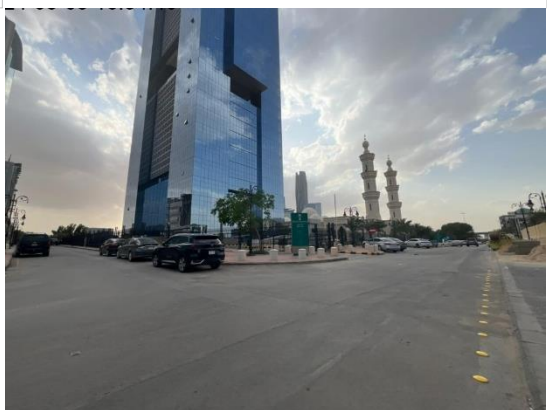
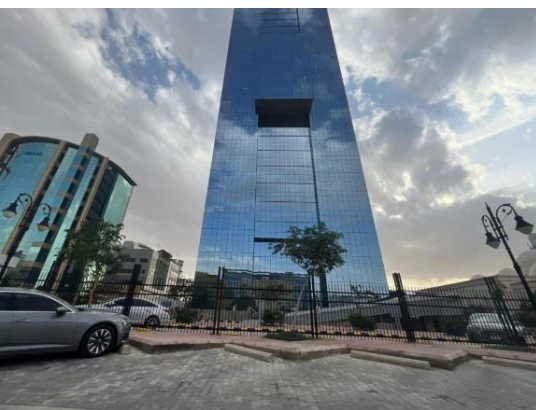
Property specifications		
Structure	Basement	28,475 m ²
	BUA	29,688 m ²
	Height (floors)	5 Basement floors + Ground floor + 22 typical floors
	Age	4 years
	Num. of buildings	1
	Air conditioning	Central
	Finishing	Very good
	Facilities	-
	Elevators	Available
	Use	Residential/Commercial/Office
Zoning	Maximum footprint	35%
	FAR	-
	Maximum height	Unlimited
	Notes	-

Services and Facilities				
Boys School	Mosque	Sewerage	Water	Electricity
✓	✓	✓	✓	✓
Phone	Civil defense	police station	Health center	Girls school
✓	✓	✓	✓	✓
Municipal works	Post Mail	Commercial	Park	Storm water drainage
✓	✓	✓	✓	✓

3.5 Source of information

- The data was compiled based on documents received by the client on 04/17/2024.
- The location of the property was determined based on the title deed and the property was inspected on 05/02/2024.
- The influences were analyzed based on the current market situation.
- Disclosures of Alkhabeer REIT Fund Manager on the Saudi Tadawul website.

3.6 | Property photos



3.7 | Analysis summary

Analysis summary	
Advantages	- The property under valuation is distinguished by its location along the extension of the Eastern Ring Road." - The property under valuated is exempt from the recently implemented suspension decision in the area where the property is located
Disadvantages	No defects were observed in the property area.
Opportunities	The Sports Boulevard Project is one of the four major Riyadh projects launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God support him, on Tuesday, 12 Rajab 1440 AH, corresponding to March 19, 2019. It comes within the framework of achieving one of the goals of 'Saudi Vision 2030' by enhancing Riyadh's ranking among its counterparts worldwide. The project encourages residents to adopt healthy commuting habits and motivates them to engage in various sports activities.
Overall Risks	General risks related to the real estate market. - Risks of financial, economic and natural disasters. - Risks related to foreign exchange .Political and security risks - Risks related to the application of value-added tax. - Risks related to the implementation of the real estate transaction tax. - Risks related to white land fees. - Risks related to the impact of demand on residential and commercial real estate in the Kingdom of Saudi Arabia - Risks related to the prices of electricity, water and other services. - Competition-related risks. - Risks related to real estate development. - Risks related to the nature of the realization or liquidation of real estate assets. - Risks related to the reduction in the value of real estate assets. - Risks related to regulatory requirements and regulatory oversight. - Risks related to changes in applicable laws and regulations
Property Risks	The availability of alternatives in the area of the property being valuated may affect supply and demand



Part 4

Valuation

4.1 Valuation Approaches

4.2 Valuation Analysis

4.3 Opinion of Value

4.4 Validity of review and clarification

4.1 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	<i>"The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available.</i> <i>The market approach should be applied and afforded significant weight under the following circumstances:</i> <i>(a) the subject asset has recently been sold in a transaction appropriate for consideration under the basis of value,</i> <i>(b) the subject asset or substantially similar assets are actively publicly traded, and/or</i> <i>(c) there are frequent and/or recent observable transactions in substantially similar assets."</i>
Income Approach	<i>"The income approach provides an indication of value by converting future cash flow to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset.</i> <i>The income approach should be applied and afforded significant weight under the following circumstances:</i> <i>(a) the income-producing ability of the asset is the critical element affecting value from a participant perspective, and/or</i> <i>(b) reasonable projections of the amount and timing of future income are available for the subject asset, but there are few, if any, relevant market comparables."</i>
Cost Approach	Replacement Cost Method is categorized under Cost Approach in the International Valuation Standards 2022 and is defined as "replacement cost is the cost that is relevant to determining the price that a participant would pay as it is based on replicating the utility of the asset, not the exact physical properties of the asset".
Residual Method	<i>"The residual method is so called because it indicates the residual amount</i> <i>after deducting all known or anticipated costs required to complete the</i> <i>development from the anticipated value of the project when completed after</i> <i>consideration of the risks associated with completion of the project.</i> <i>This is known as the residual value."</i>

4.1 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information
Approaches and methods used in the report	
Market Approach	☐ Comparison Method
Income Approach	☐ Direct Capitalization method ☒ Cashflow method ☐ Profits method
Cost Approach	☐ Depreciated Replacement Cost (DRC)
Residual Method	☐ Residual Method

4.2 | Valuation Analysis

4.2.1 Income Approach- Discounted Cash Flow Method

Discounted Cash Flow Method is categorized under Income Approach in the International Valuation Standards 2022 and is defined as *“Under the DCF method the forecasted cash flow is discounted back to the valuation date, resulting in a present value of the asset”*.

4.2.1.1 Contract Information

- Lessor's Name: Awal Al-Malqa Real Estate Company
- Tenant's name Al-Saeedan Real Estate Company
- Contract duration: 5 years
- Annual Contract Value: 30,000,000 Saudi Riyals
- Contract Start Date: Year 2020 AD
- Remaining Contract Duration: 2 years
- Contract Signing date: 28/01/1441 H corresponding with 16/09/2020

4.2 | Valuation Analysis

4.2.1 Income Approach- Discounted Cash Flow Method

4.2.1.2 Market lease (office)

- Research and investigation operations have been conducted to estimate the expected income that the property is anticipated to generate, based on comparisons in the property's evaluation area. The comparisons referred to in this section represent the best comparisons from our perspective, providing indicators of values and returns for the property under evaluation. Relative and quantitative adjustments have been made between the evaluated property and the comparable properties listed below to reflect differences in characteristics and their impact on value:

Comparables List - offices				
Property ID	Transaction Type	Year	Rental value	Area
Property 1	Offer	2024	1,900 SAR	150m2
Property 2	Offer	2024	2,000 SAR	100 m2
Property 3	Offer	2024	1,690 SAR	120 m2



Satellite photo showing subject property and comparables

4.2 Valuation Analysis

4.2.1 Income Approach- Discounted Cash Flow Method

4.2.1.3 Relative adjustment - to compare office lease rates

Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction data		29/5/2024		29/5/2024		29/5/2024	
Value/m2	-	1,900.00 SAR /m2		2,000.00 SAR /m2		1,869.00 SAR /m2	
Type of transaction		Offer	% 5.0-	Offer	% 5.0-	Offer	% 5.0-
Market conditions		Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
v alue/m2 after adjusting conditions		95-		100-		93-	
value/m2 after the adjustments		1,805.00 SAR /m2		1,900.00 SAR /m2		1,775.55 SAR /m2	
accesability	Very easy	Very easy	% 0.0	Very easy	% 0.0	Very easy	% 0.0
location	Very good	Very good	% 0.0	Very good	% 0.0	Very good	% 0.0
finishing	Very good	Very good	% 0.0	Excellent	% 5.0-	Very good	% 0.0
Property age	4.00	8	% 2.0	13	% 4.5	8	% 2.0
Area vitality	Vital	Vital	% 0.0	Vital	% 0.0	Vital	% 0.0
Property age	12.00	20	% 0.0	13	% 0.0	10	% 0.0
Settlement Value / Adjustment Percentage	-	36.10 SAR /m2	% 2.0	-9.50 SAR /m2	% 0.5-	35.51 SAR /m2	% 2.0
Value of m2 after adjustments	-	1,841.10 SAR /m2		1,890.50 SAR /m2		1,811.06 SAR /m2	
Weighting	-	% 35		% 25		% 40	
Weighted mean v alue	-	1,840.00 SAR					

The weighted average was taken to estimate the value of the rental meter, with the largest weight being assigned to the value of comparison plot No. 3, which is considered the best case for comparison because it has more similar specifications to the property being valued.

Total BUA	24,322
Value of SAR / SQM	1,840
Total lease value	44,752,480

4.2 Valuation Analysis

4.2.1.4 Approved income data in the valuation

- The actual income data of the subject property was compared with the market Income and the following was found:

Element	Actual income data	Market data	The difference	
			SAR	%
Total income of the subject property (SAR/SQM)	-	44,752,480	-	-
Vacancy rate	-	10%	-	-
Opex & maintenance	-	15%	-	-
Net income	30,000,000	33,564,360	3,564,360	10.6%
The result	We have found income data provided by the client that reflects market reality. These data have been used as inputs in the valuation process, applying discount and capitalization rates based on market data. The valuation inputs were based on the contractual rent of the property under evaluation at the beginning of the cash flow period until the end of the lease contract. Subsequently, market rent was adopted for the remaining period of cash flows.			

4.2.1.3 Income data approved in the valuation

Project Assumptions	
Project period	10 years
Revenue rate	7.5%
Discount rate	9%

4.2.1.3.1 Income rate analysis

Capitalization rate analysis							
RIET/Fund's Name	Property	City	Sector	Property Value (SAR)	Net income (SAR)	Rate of return	Year
AL Maather REIT	Al-Mohammadiyah tower	Riyadh	Commercial office	104,500,000	8,430,225	8.07%	2023
AlAhli REIT	Cubic Plaza	Riyadh	Office	266,180,000	20,532,350	7.71%	2023

- The rate of return was set at 7.5% based on the general average returns of similar funds and properties after excluding outliers.
- Total income was calculated based on market rent after the end of each lease contract, with a 10% vacancy rate assumed for the property to account for potential tenant turnover during the cash flow period.
- A 15% maintenance and operation rate was assumed for the property during the cash flow period.
- A 5% increase rate every 3 years was assumed for income returns for the property during the cash flow period."

4.2 Valuation Analysis

4.2.1 Income Approach- Discounted Cash Flow Method

Cash Flow Analysis

- An analysis of the expected cash flows has been conducted taking into account the inflation factor, occupancy levels (and the rate of absorption of units in the market).
- All costs related to construction, maintenance and operation - if any - have been deducted to arrive at the net cash flows. Net cash flows have been discounted at a discount rate of -9.5% to reflect the risks associated with the property.
- Appendix No. (5.4) shows details of cash flows

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	4.75%	Saudi Exchange
Inflation rate	2.26%	General Authority for Statistics
Market Risk	1.22%	knoema Patform Data
Property Risk	0.77%	Valuer's estimate of the market
Discount rate	9.00%	

Valuation Result

Income Approach Valuation Result	486,572,629.37 SAR
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4.3 | Opinion of Value

Opinion of value	
Value	486,573,000
Written	Only four hundred eighty-six million five hundred seventy-three thousand SAR
Currency	Saudi Riyal

4.4 | Validity of review and clarification

- Review is valid (30 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.



Part 5

Appendices

5.1 Documents

5.2 Cash flow analysis

5.3 Assumptions and Limiting Conditions

5.4 Valuation Standards

5.1 Documents

رقم الصك: 393318001500

التاريخ: 1442/03/02 هـ

وزارة العدل

ممثل سعود هادي الدوسري
الرياض

ترخيص رقم 39/968

صكك رهون

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الأرض رقم 25 و قطعة الأرض رقم 26 و قطعة الأرض رقم 27 و قطعة الأرض رقم 28 من المخطط رقم 2593 بهي المروج بمدينة الرياض وحدودها وإطوالها:
شمالاً: معر مشاة عرض 10م بطول 85 خمسة و ثمانون متر
جنوباً: رصيف معر مشاة بطول 85 خمسة و ثمانون متر
شرقاً: مواقف بابها شارع 20م بطول 67 سبعة و ستون متر
غرباً: مواقف بابها شارع عرض 20م بطول 67 سبعة و ستون متر
ومساحتها 5695 خمسة آلاف و ثمانمائة و خمسة و تسعون متر مربعاً المملوكة لشركة أول الملقا العقارية بموجب سجل تجاري رقم 1010893802 بموجب الصك الصان من الموثقين بالرياض 2 برقم 393194000103 في 27 / 01 / 1442 قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركة الراجحي للتطوير المحدودة بموجب سجل تجاري رقم 1010158249 ضامناً للوفاء بـ 420000000 فقط أربعمائة و عشرون مليون ريال سعودي لا غير. تسدد على أقساط شهرية عددها 6 قيمة كل قسط 18020000 فقط ثمانية عشر مليوناً و عشرون ألف ريال سعودي لا غير. تاريخ حلول القسط 1442/03/03 سبب الرهن : أداة ضمان وفي حالة عدم السداد فتلزمتهن بيع العقار بالقيمة التي تنتهي عندها الرهنات. واستيفاء باقي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً. وعليه جرى التصديق تحريراً في 02 / 03 / 1442 لا عثماده ،وصلى الله على نبينا محمد وآله وصحبه وسلم.

(الموثق)

الختم الرسمي

ممثل سعود هادي الدوسري

5.1 Documents

Shari'a Certificate Ref#: AKC-694-88-03-06-17-09

بسم الله الرحمن الرحيم

عقد إيجار

أنه في يوم الإثنين بتاريخ ٢٨ / ١ / ١٤٤١ هـ الموافق ٢٠٢٠/٨/١٦ م تم بحمد الله وتوفيقه تحرير هذا العقد في مدينة الرياض بين كل من:

أولاً: السادة / شركة أول الملقا العقارية، وهي شركة ذات مسؤولية محدودة، مقيدة بالسجل التجاري رقم: 1010893802 وتاريخ 1438/10/19 مصادره مدينة الرياض، وعنوانها: الرياض، طريق العروبة، ص.ب. 34153، الرمز البريدي 113330، البريد الإلكتروني: (a.ghouth@alkhabeer.com)، بصفتها الحافضة لأصول صندوق "الخبير ريت" (صندوق استثمار عقاري متداول)، ويُمثلها في التوقيع على هذا العقد السيد / أحمد بن سعود غوث، بصفته مدير الشركة. ونشار إليها فيما بعد (بالطرف الأول و/أو الموجر).

ثانياً: السادة / شركة آل سعيدان للعقارات، وهي شركة مساهمة سعودية مغلقة، مقيدة بالسجل التجاري رقم 1010021678 وتاريخ 1399/5/17 هـ مصادره مدينة الرياض، وعنوانها الرياض-حي النخيل طريق الملك فهد - رقم المبنى 1200، ص.ب. 4050، الرمز البريدي 11491، هاتف رقم: 0114944444 البريد الإلكتروني: investment@alsaedan.com ويُمثلها في التوقيع على هذا العقد السيد / إبراهيم بن محمد بن عبد الله بن سعيدان - بصفته: رئيس مجلس الإدارة، ونشار إليها فيما بعد (بالطرف الثاني و/أو المستأجر).

أقر الطرفان بكامل أهليتهما المعتمدة شرعاً ونظاماً على التعاقد والتصديق فيما بينهما، حيث اتفقا على ما يلي:

التمهيد:

لما كان الطرف الأول (الموجر) هو الحافظ لأصول العقار المسمى "إيجانس تاور" لصالح صندوق "الخبير ريت"، والكائن بمدينة الرياض، حي المروج، كونه أحد العقارات المملوكة لصندوق "الخبير ريت" والذي سيشار إليه فيما بعد (بالعقار)، ويرغب في تأجيره بالكامل، وبما أن الطرف الثاني شركة تعمل في مجال تطوير وشراء العقارات، إضافة إلى الاستثمار، وإدارة وصيانة وتأجير العقارات، وأهدت رغبتهما في استئجار العقار المذكور كاملاً؛ فقد التقت إرادة الطرفين المتعاقدين بإيجاب وقبول صريح وصحيح فيما بينهما على تحرير هذا العقد وفقاً للشروط الآتية:

المادة الأولى: صفة التمهيد:

يُعد التمهيد أعلاه جزءاً لا يتجزأ من هذا العقد ومتمم ومكمل له.

المادة الثانية: موضوع العقد:

أجر الطرف الأول بصفته الموجر "للطرف الثاني (المستأجر) القابل لذلك العقار المسمى "إيجانس تاور" والكائن بمدينة الرياض، حي المروج، والموصوف بالمادة الثالثة من هذا العقد، وذلك من أجل استغلاله والانتفاع به وإعادة

5.1 Documents

Shari'a Certificate Ref#: AKC-694-88-03-06-17-09

تأجيله للغير؛ وبما لا يتعارض مع مواد هذا العقد وشروطه، وبما يتوافق مع الأنظمة السارية في المملكة العربية السعودية.

المادة الثالثة: العين المؤجرة:

- يقع العقار في مدينة الرياض، حي المروج، بالقرب من تقاطع طريق الملك فهد وطريق الدائري الشمالي، ومقام على قطع الأراضي أرقام 25 و 26 و 27 و 28 من المخطط 2593 الواقع في مدينة الرياض، والمثبت ملكيته بموجب الصك رقم ١٠٣ / ٢٩٨١٩٤٠٠٠ والتاريخ ١٦/٥/١٤٢٤هـ الصادر عن كتابة عدل (أخيراً).....
والبالغ مساحة أرضه بإجمالي (5,695) م² خمسة آلاف وستمائة وخمسة وتسعون متراً مربعاً فقط، وذلك وفقاً للحدود والأطوال التالية:
- شمالاً؛ يمر مشاة، عرض 10م، بطول 85م.
 - جنوباً؛ رصيف يمر مشاة بطول 85م.
 - شرقاً؛ مواقف عليها شارع 20م، بطول 67م
 - غرباً؛ مواقف عليها شارع عرض 20م بطول 67م.

ويحتوي البرج على مكاتب إدارية، ويشار له لاحقاً بـ "العين المؤجرة أو العقار أو العين"

- 3-3 يقر الطرف الثاني بأنه قد عاين العين المؤجرة له المعاينة التامة النافذة للجهة شرعاً ونظاماً والتي انضمت عنه جباله أوصافها وحدودها ومراقبها الداخلية والخارجية، وأنه دخل في التزامات هذا العقد على يقين وعلم تام بالعين المؤجرة، وأن العين جاهزة وسالحة للغرض محل التعاقد.

المادة الرابعة: الغرض من استئجار العين:

- | | |
|-----|---|
| 4-1 | اتفق الطرفان المتعاقدان على أن الغرض من استئجار العين هو استثمار الطرف الثاني لمنفعة العقار، وإعادة تأجيره للغير بما لا يتعارض مع مواد هذا العقد وشروطه، وبما يتوافق مع الأنظمة السارية في المملكة العربية السعودية. |
| 4-2 | يتعهد الطرف الثاني بأن يستعمل العين في الغرض المحدد في المادة (4-1)، ولا يجوز له أن يغيره إلا بإذن خطي مسبق من الطرف الأول؛ وإلا جاز للطرف الأول فسخ هذا العقد مع أحقيته في مطالبة الطرف الثاني بالتعويض عما يترتب على هذا التصرف من أضرار. |
| 4-3 | يحق للطرف الثاني إعادة تأجير العين المؤجرة بالكامل أو مجزئة للغير دون إذن من الطرف الأول؛ على أن يبقى الطرف الثاني مسؤولاً ومتزقماً أمام الطرف الأول بكامل مواد هذا العقد؛ ومنها المادتين (4-1 و 4-2) وكذلك متزقماً بالقيمة الإيجارية المحددة في هذا العقد. |

5.1 Documents

Shari'a Certificate Ref#: AKC-694-88-03-06-17-09

4-4 باستثناء تجديد عقد الإيجار من الباطن القائم حالياً، لا يحق للطرف الثاني توقيع عقد إيجار مع مستأجر جديد لمدة تزيد على مدة هذا العقد (عقد الإيجار المباشر مع المستأجر الرئيسي) والمذكورة في المادة الخامسة من هذا العقد إلا بعد الحصول على موافقة الطرف الأول المسبقة والخطية.



المادة الخامسة: مدة العقد:

5-1 مدة هذا العقد: خمس سنوات ميلادية، تبدأ من تاريخ ١٢/٩/٢٠٢٠ م وتنتهي في تاريخ ١٢/٩/٢٠٢٥ م، ملزمة للطرفين بحيث لا يحق للطرفين فسخ هذا العقد قبل انقضاءها وبعد هذا العقد منتجاً بانتضاء هذه المدة دون الحاجة إلى إشعار أو إخطار بذلك.

5-2 إذا رغب الطرف الثاني في تجديد العقد لمدة إضافية، يقدم إشعاراً خطياً بتيته في التجديد قبل سنة -على الأقل -من انتهاء المدة الأصلية أو المدة الإضافية؛ وعلى الطرف الأول الموافقة أو الرفض خلال ثلاثة أشهر من تاريخ استلام خطاب الطرف الثاني بطلب التجديد؛ وفي حال عدم رد الطرف الأول خلال تلك المدة المحددة يعتبر رفضاً لتجديد العقد.

5-3 للطرف الأول الحق في زيادة الأجرة عند انتهاء مدة العقد، وعليه في حال رغبته في زيادة الأجرة -إشعار الطرف الثاني بمقدار تلك الزيادة -ضمن خطاب الموافقة على التجديد خلال المدة المذكورة -في البند أعلاه- ويجب على الطرف الثاني إبداء الموافقة على الزيادة أو الرفض خلال ثلاثة أشهر من تاريخ الإشعار؛ وفي حال عدم رد الطرف الثاني خلال المدة المحددة يعتبر رفضاً لتجديد العقد.

المادة السادسة: الأجرة:

6-1 اتفق الطرفان على أن تكون القيمة الإيجارية السنوية للعقار محل التعاقد مبلغ وقدره 30,000,000 ريال سعودي (ثلاثون مليون ريال سعودي فقط لا غير) تستحق مقدماً عن كل سنة ميلادية كاملة تبدأ من تاريخ بداية مدة هذا العقد ("تاريخ استحقاق الأجرة")

6-2 يكون المبلغ المشار إليه في (6-1) مبلغاً صافياً سائماً من أي خصم؛ فلا يخصم منه -على سبيل المثال لا الحصر- أي تكاليف، أو ضرائب، أو قوائم، أو رسوم، أو أتعاب، أو مستحقات لأي طرف كان.

6-3 يضاف إلى مبلغ كل قسط ضريبة القيمة المضافة، وعلى الطرف الثاني دفعها مع مبلغ الإيجار. ويلتزم الطرف الأول بتوريدها للجهة الحكومية المختصة وفقاً للأنظمة واللوائح السارية.

6-4 يلتزم الطرف الثاني بأن يقوم بإشعار المستأجر من الباطن بتحويل الدفعة الإيجارية المستحقة مباشرة من خلال التحويل البنكي لحساب الضمان الذي سيتم تأسيسه باتفاق الطرفين.

6-5 في حال لم يسدد المستأجر من الباطن كامل الدفعة الإيجارية خلال مهلة قدرها شهرين من تاريخ استحقاق الأجرة، يلتزم الطرف الثاني بسداد الأجرة المستحقة عن السنة الإيجارية كاملة خلال شهر من تاريخ انتهاء المهلة المتاحة للمستأجر من الباطن ("تاريخ استحقاق الدفعة الإيجارية") وذلك من خلال التحويل البنكي للحساب المصرفي الخاص بالطرف الأول و/أو حسب التعليمات التي يصدرها الطرف الأول، على أن يتم عمل تسوية بين الدفعات



5.2 | Assumptions and Limiting Conditions

This appraisal is subject to the following assumptions and limiting conditions :

This appraisal is to be used only for the purpose stated herein. While distribution of this appraisal in its entirety is at the discretion of the addressee, individual sections shall not be distributed; this report is intended to be used in whole and not in part.

No part of this appraisal, its value estimates, or the identity of the firm or the appraiser may be communicated to the public through advertising, public relations, media sales, or other media.

All files, work papers and documents developed in connection with this assignment are the property of the appraiser, ESNAD. Information, estimates and opinions are verified where possible, but cannot be guaranteed. Plans and sketches provided are intended to assist the addressee in visualizing the property; no other use of these plans is intended. The work file prepared is an electronic work file and incorporates by reference all pertinent electronic data and analysis files retained by the appraiser.

No hidden or unapparent conditions of the property, subsoil or structure, which would make the property more or less valuable, were discovered by the appraiser or made known to the appraiser. No responsibility is assumed for such conditions or engineering necessary to discover them. Unless otherwise stated, this appraisal assumes there is no existence of hazardous materials or conditions, in any form, on or near the subject property. The appraiser is not qualified to detect hazardous or toxic materials. Such determination would require investigation by a qualified environmental engineer or other expert, and is beyond the scope of this assignment.

The value estimate presented is based upon the assumption that the subject is free and clear of contamination or toxic materials of any kind either upon, or impacting, the subject property. No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover such conditions.

Good title, free of liens, encumbrances and special assessments is assumed. No responsibility is assumed for matters of a legal nature. The subject is assumed to be following all zoning and legal encumbrances.

The valuation report is based on the data available at the time the assignment is completed. Reasonable amendments or modifications to the valuation based on new information made available after the review was completed will be made, as soon as reasonably possible, for an additional fee.

All maps, plans, property specifications and data relied upon by the appraiser and presented herein are assumed to be correct. No survey of the subject properties was made by this appraiser. Inspection of visual components of the subject was made, which should not be utilized as, or in lieu of, an engineering inspection, or an environmental inspection. The valuation report assignment was not based on a requested minimum valuation, a specific review, or the approval of a loan.

Any compensation is not contingent upon any action resulting from the analysis, opinions, or conclusions presented, or the use of the valuation report.

To the best of our knowledge and belief, the statements of fact contained in this appraiser report are true and correct. Furthermore, no known important or materially relevant facts have been withheld.

The valuation report analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are Esnad's unbiased professional analysis, opinions, and conclusions.

The valuation report is predicated on the extraordinary assumption that the subject can be exposed for sale commensurate with the definition of market value contained herein. If found to be false, the opined value may or may not be impacted.

For the purpose of this valuation, ownership is assumed freehold. We were not provided with municipality constriction permit due to unavailability of the documents with the client the time the valuation is conducted. Should any document be found contrary to this assumption, opinion of value is impacted accordingly, and will require further analysis.

5.3 Valuation Standards

5.4.1 Valuation Standards

- All work is carried out in accordance with the Saudi Authority for Accredited Valuers (Taqeem) and the International Valuation Standards ("IVS") published by the International Valuation Standards Council ("IVSC"), by valuers who conform to the requirements thereof. Our valuations may be subject to monitoring by these entities. The valuations are undertaken by appropriately qualified Taqeem valuers.

5.4.2 Valuation Basis

- Our reports state the basis of the valuation and, unless otherwise noted, the basis of valuation is as defined in the "the Red Book". The full definition of the basis, which we have adopted, is either set out in our report or appended to these General Principles.

5.4.3 Assumptions and Special Assumptions

- Where we make an 'assumption' or 'special assumption' in arriving at our valuations, we define these terms in accordance with the "IVS" as follows:
- These types of assumptions generally fall into one of two categories:
- (a) assumed facts that are consistent with, or could be consistent with, those existing at the date of valuation ("Assumption"), and
- (b) assumed facts that differ from those existing at the date of valuation ("Special Assumption").
- All assumptions and special assumptions must be reasonable under the circumstances, be supported by evidence, and be relevant having regard to the purpose for which the valuation is required.
- We will not take steps to verify any assumptions.

5.4.4 Disposal Costs Taxation and Other Liabilities

- No allowances are made for any expenses of realization, or for taxation, which might arise in the event of a disposal. All property is considered as if free and clear of all mortgages or other charges, which may be secured thereon. However, we consider purchaser's costs in investment valuations in accordance with market conventions.
- No allowance is made for the possible impact of potential legislation which is under consideration. Valuations are prepared and expressed exclusive of VAT payments, unless otherwise stated.

5.4.5 Sources of Information

- Where we have been provided with information by the addressee, or its agents, we assume that it is correct and complete and is up to date and can be relied upon. We assume that no information that has a material effect on our valuations has been withheld.

5.4.6 Title and Tenancy Information

- We assume, unless informed to the contrary, that each property has a good and marketable title, that all documentation is satisfactorily drawn and that there are no encumbrances, restrictions, easements or other outgoings of an onerous nature, which would have a material effect on the value of the interest under consideration, nor material litigation pending. Where we have been provided with documentation, we recommend that reliance should not be placed on our interpretation without verification by your lawyers.
- We have assumed that all information provided by the addressee, or its agents, is correct, up to date and can be relied upon.

5.3 Valuation Standards

5.4.7 City Planning, Zoning and Regulations

Information on city planning is, wherever possible, obtained either verbally from local planning authority officers or publicly available in electronic or other sources. It is obtained purely to assist us in forming an opinion of market and should not be relied upon for other purposes. If reliance is required, we recommend that verification be obtained from lawyers that:

- I. the position is correctly stated in our report;
- II. the property is not adversely affected by any other decisions made, or conditions prescribed, by public authorities;
- III. that there are no outstanding statutory notices.

Our valuations are prepared on the basis that the premises (and any works thereto) comply with all relevant statutory regulations, including fire regulations, access and use by disabled persons, control and remedial measures for asbestos in the workplace and any applicable by-laws.

5.4.8 Surveys

Our reports state the basis of the Unless expressly instructed, we do not carry out any survey, nor do we test the services and we, therefore, do not give any assurance that any property is free from defect. Unless stated otherwise in our reports.

5.4.9 Site Conditions

We do not normally carry out or commission investigations on site in order to determine the suitability of ground conditions and services for the purposes for which they are, or are intended to be, put; nor do we undertake archaeological, ecological or environmental surveys. Unless we are otherwise informed, our valuations are on the basis that these aspects are satisfactory and that, where development is contemplated, no extraordinary expenses, delays or restrictions will be incurred during the construction period due to these matters.

5.4.10 Environmental Contamination

Unless expressly instructed, we do not carry out or commission site surveys or environmental assessments, or investigate historical records, to establish whether any land or premises are, or have been, contaminated. Therefore, unless advised to the contrary, our valuations are carried out on the basis that properties are not affected by environmental contamination. However, should our site inspection and further reasonable enquiries during the preparation of the valuation lead us to believe that the land is likely to be contaminated we will discuss our concerns with the client.

5.4.11 Insurance

Unless expressly advised to the contrary we assume that appropriate cover is and will continue to be available on commercially acceptable terms. In particular, we will have regard to the following:

Composite Panels. Insurance cover, for buildings incorporating certain types of composite panel may only be available subject to limitation, for additional premium, or unavailable. Information as to the type of panel used is not normally available. Accordingly, our opinions of value make no allowance for the risk that insurance cover for any property may not be available or may only be available on onerous terms.

Terrorism. Our valuations have been made on the basis that the properties are insured against risks of loss or damage.

Flood and Rising Water Table. Our valuations have been made on the assumption that the properties are insured against damage by flood and rising water table. Unless stated to the contrary our opinions of value make no allowance for the risk that insurance cover for any property may not be available or may only be available on onerous terms.

5.4.12 Outstanding Debts

In the case of property where construction works are in hand, or have recently been completed, we do not normally make allowance for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favor of contractors, subcontractors or any members of the professional or design team.

5.4.13 Confidentiality and Third-Party Liability

Our Valuations and Reports are confidential to the party to whom they are addressed and for the specific purpose to which they refer, and no responsibility whatsoever is accepted to any third parties. Neither the whole, nor any part, nor reference thereto, may be published in any document, statement or circular, or in any communication with third parties, without our prior written approval of the form and context in which it will appear.

5.4.14 Plans and Maps

All plans and maps included in our report are strictly for identification purposes only, and, whilst believed to be correct, are not guaranteed and must not form part of any contract. All are published under license. All rights are reserved

5.4 | Cash flow analysis

Cash flow analysis	total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Property income based on lease	60,000,000	30,000,000.0	30,000,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income based on yearly income		0.00	0.00	44,752,480.0	46,990,104.0	46,990,104.0	46,990,104.0	49,339,609.2	49,339,609.2	49,339,609.2	51,806,589.7
Vacancy - 10.0%	(38,554,820.93)	0.00	0.00	(4,475,248.00)	(4,699,010.40)	(4,699,010.40)	(4,699,010.40)	(4,933,960.92)	(4,933,960.92)	(4,933,960.92)	(5,180,658.97)
Opex & maintenance - 15.0%	(52,049,008.25)	0.00	0.00	(6,041,584.80)	(6,343,664.04)	(6,343,664.04)	(6,343,664.04)	(6,660,847.24)	(6,660,847.24)	(6,660,847.24)	(6,993,889.60)
Net income	354,944,380	30,000,000	30,000,000	34,235,647	35,947,430	35,947,430	35,947,430	37,744,801	37,744,801	37,744,801	39,632,041
Terminal rate	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	528,427,215
Net cash flow	354,944,380.08	30,000,000.00	30,000,000.00	34,235,647.20	35,947,429.56	35,947,429.56	35,947,429.56	37,744,801.04	37,744,801.04	37,744,801.04	568,059,255.62
Discount rate	-	1.00	0.92	0.84	0.77	0.71	0.65	0.60	0.55	0.50	0.46
Net current cash flow	486,572,629	30,000,000	27,522,936	28,815,459	27,758,011	25,466,065	23,363,363	22,505,992	20,647,699	18,942,843	261,550,262

KPI's	Total
Current cash flow	486,572,629.37
Total Property value	486,573,000 SAR

Thank you

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