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# Real Estate Valuation Report

(Multiple Properties)

**Prepared for:**

**Derayah Financial Company “Derayah REIT”**

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## Introduction

M/S Derayah Financial  
Dear Sir,

In accordance with your instructions, this report represents the valuation of 14 properties out of 26 owned by Derayah REIT fund. These properties are located in Riyadh, Dammam, Jubail, Jeddah, Khobar and Al-Ahsa. The purpose of the valuation is for updating the financial statements of Derayah REIT fund.

We have undertaken the property inspection, studied the necessary documents, and after conducting a study of the surrounding and adjacent area of the property, we attach the following report, which provides the necessary data and shows the reasons for reaching the market value of the property.

We assume that the information received from the client (building permits, title deeds , income and expense schedules, contracts etc. ) is correct and that the properties are not subject to any burden or onerous conditions that might affect the valuation.

We estimate the market value of the listed real estate, under the given assumptions and methodologies used, on the date 30/06/2021 of valuation, to be in the order of **SR 942,096,000 - Nine Hundred Forty Two million & Ninety Six Thousand Saudi Riyals only.**



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شركة القرن الواحد والعشرين وشريكة  
سجل تجاري 1010608364

General Manager

Al Waleed bin Hamd Al Zouman

121000038

البريد الإلكتروني

## Scope of work

The Scope of work clauses meet the general requirements of the International Valuation Standards as stated in the version of the 2017 International Assessment Standards issued by the Saudi Authority for Accredited valuers.

Scope of work - Components	Explanation			
ID of Valuator	1. Al-Waleed Bin Zouman Membership 1210000038	2. Abdul Malik bin Saad Al Turki Membership 1210001497	3. Turki bin Rashid Al Khatlan Membership 1210000332	4. Abdul Aziz bin Fahad Al Warida Membership 1210002202
Client	Derayah Financial			
Valuation Topic	14 properties distributed as follows: 5 in Riyadh, 4 in Dammam, 2 in Jubail, 2 in Khobar, 1 in Al Ahsa and 1 in Jeddah.			
Currency of Valuation	The valuation and all accounts are in Saudi Riyals.			
Purpose of Valuation	Updating the financial statements of Derayah Financial (REIT)			
Value Based	<i>Market Value is 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.</i> (Source: International valuation Standards 2020)			
Inspection Date	25/05/2021			
Valuation Date	25/05/2021			
Valuation Report	30/06/2021			



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## Assumptions

Scope of work - Components	Explanation
Research Scope	Field survey of the real estate location under valuation and similar properties. In-depth research to collect data and analyze it to produce results that serve the desired purpose for this report.
Nature & Source of Information	In preparing this report, we relied on the information provided to us by the client. We assume that the information is correct. Reliance was placed on this information in order to arrive at the value. We also relied on the information and data from Century 21 and from the previous valuation work, ongoing field survey and the company's research department.
Report type	The report contains an integrated explanation of all valuation works including steps and data, information, and accounts, and otherwise.
Restrictions on the use of Report	This report is prepared for the exclusive use of the client only and it may not be used except for the mentioned purpose and should not be distributed or published or part thereof only after getting an approval from Century21.
Standards Followed	The International Valuation Standards is followed
Important assumptions	Our company does not bear any responsibility for any information received from the client that is supposed to be safe and reliable, and our company does not acknowledge the accuracy or completeness of the available data and does not express its opinion and does not offer any kind of guarantees for the accuracy or completeness of the data except for clearly it referred to in this report.
Conflict of interest	We acknowledge that we (Al Qarn21 Company & Partner for real estate valuation) do not have any interest in the real estate, and there is no conflict of interest with the parties and the participating real estate, whether at the present time or possible in the future. We confirm that we have previously undertaken this valuation for the fund.
Limitation of Liability and independence	We acknowledge that there is no conflict of interest with the parties to the valuation process and the property subject to valuation. The valuation process was carried out completely independently and without any prejudice

## Work Plan

### 1 Scope of work



Meeting the client and determine the scope of work which involves the purpose of valuation and the basis of value, the parties concerned, valuation date, any special or important assumptions, includes clarity of mandate and its expected outputs.

### 3 Data collection and Analysis



Collecting field and office market data and analyze to get to know the previous trends and current market indicators that will be relied upon when applying valuation methods.

### 5 Estimated Value



The valuation methods used to reach at the final market value of the property are reconciled at our final estimate.

### 2 Site Inspection & Analysis



Property inspection and identify its characteristics & specifications, matching documents, and analysis of the property and the surrounding real estate site uses specifying the geographical scope of the research projects and activities appropriate thereof.

### 4 Application of Valuation Methods



Based on the scope of work and the analysis of the market, the appropriate valuation methodology is used. Together with all the assumptions and the appropriate methodology, the market value is determined.

### 6 Report Preparation



Prepare the valuation report in accordance with the scope of work to include data & results and outputs that have been reached through the previous stages of work.



## Valuation Methods

### Comparable Approach

This technique provides indicators of value by comparing the original property being valued with assets matching similar or available information on prices. According to this method, the first step is to study the transaction prices of similar assets that have recently occurred in the market. If the transactions that have been made are few, it is also best to consider the prices of the corresponding or similar assets listed or offered for sale, provided that such information is clear and objectively analyzed. Information about the prices of such transactions must be adjusted to reflect differences in the terms and conditions of the effective transaction, the basis of the value, and the assumptions adopted in the valuation process being performed. There can also be differences in the legal, economic and physical characteristics of the assets of other transactions compared to the assets being valued.

Source: International valuation Standards 2013 - Third Edition (certified copy) p. 29, paragraphs 56 and 57



### Income Method

Provides an indication of value by converting future cash flows into current and single capital values.

This method deals with the income achieved by the original during the productive life (the original life of the asset) and the value is estimated through the capitalization process. Capitalization is intended to convert the income into a capital amount using an appropriate discount rate. Income flows are accounted for under non-contractual contracts or arrangements such as the expected profit from the use or retention of the asset and include methods that fall within the income method.

Income capitalization by applying risk factor or total capitalization income over a period of one usual 2) the present value of cash flows where the discount rate on a series of cash flows for future periods applied to reach the present value of 3) with a variety of options pricing models

Source: International valuation Standards 2013 - Third Edition (certified copy) p. 29 Paragraphs 58 to 61



### Cost Method

This indicator of value uses the economic principle that the buyer does not pay for the purchase of an asset more than the cost of obtaining an asset with the same benefit either through purchase or construction and based on this method to the principle that the price paid by the buyer in the market against the original subject of valuation will not be more than the cost of purchasing or establishing an equivalent asset unless there are factors such as inappropriate timing, inconvenience, risk or other factors. The original subject of valuation is often less attractive than the alternative that can be bought or constructed because of the age of the asset or its aging. In this case, there will be a need to make adjustments and adjustments in the cost of the replacement asset based on the value required

Source: International valuation Standards 2013 - Third Edition (certified copy) pp. 28-29, para. 55



## Valuation Methods Used

Valuation Methods	Market	Income	Cost
Method Used	It is used primarily to value land	The income method is used and is considered the most appropriate method for estimating the final value of real estate	Support method
Valuation Methods used	Field survey (comparisons, rental prices for offices and showrooms)	Discounted Cash Flow + Income capitalization	Comparisons + construction cost
Reasons for use	To ensure the validity and continuity of contracts	Real estate generating income	A basic way to find out the construction costs of property

## Executive Summary of Properties

S.No	Property Name	Property Type	City	District	Valuation Method	Market Value - SR
1	Smart Tower	Commercial Tower	Riyadh	Al Olaya	Income	270,000,000
2	City life Plaza	Commercial Complex	Riyadh	Munsiyah	Income	100,622,414
3	Matoon Towers	Commercial & Hospitality	Riyadh	Al Olaya	Income	88,672,542
4	Sitteen Commercial center	Commercial & Office	Riyadh	Al Dhabat	Income	50,513,124
5	Al Wadi warehouse	Warehouses	Jeddah	Al Wadi	Income	45,371,623
6	Grand Complex Residential (A)	Residential Complex	Dammam	Al Anwar	Income	51,107,075
7	Grand Complex Commercial (B)	Commercial Building	Dammam	Al Anwar	Income	24,124,811
8	Port warehouse complex	Warehouses	Dammam	Al Maina	Income	92,707,043
9	Labor accommodation buildings	Residential Building	Dammam	Al Maina	Income	4,648,406
10	Labor accommodation buildings	Residential Building	Jubail	Fanateer	Income	19,834,153
11	Labor accommodation buildings	Residential Building	Khobar	Industrial	Income	2,090,065
12	Al Fanar Commercial Complex	Commercial & Warehouse	Khobar	Raka	Income	51,738,069
13	The Valley Mall	Commercial Complex	Al Ahsa	Sulaimaniya	Income	39,400,000
14	Jubail Views residential complex	Residential Complex	Jubail	Khalidiyah	Income	101,266,759

# REAL ESTATE RIYADH

## RIYADH CITY







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## 1. Smart Tower



### Location of the property:

The property is located in Riyadh Olaya district at King Fahad Road intersection of Ameer Muhammad bin Abdul-Aziz road.

### Location Coordinates

N 24.6942582

E 46.6805257



### Legal Description:

The subject property comprises a commercial land incorporating a 9 story commercial office building and 2 basement parking levels. The building comprises ground floor showrooms (4 in total) and 8 floors of offices above. The land area extends to approximately 3,909.94 sqm and a total building area of 28,413.60 sqm. The table below refers to the salient details of the property.

Block No.	Plot No.	Area - sqm	Use
1-2-3-4-5-6-7-8	1343	3,909.94	Commercial Office

### Borders & Lengths

Direction	Length	Limits
North	25.05 sqm	60 m street
South	50 sqm	Neighbor
East	67.4 sqm	80 m
West	80 sqm	15 m

Building Description	Area & Use
Basement	Consists of two floors. Each floor has an area of 3909.94 sqm . Can accommodate approximately 186 cars.
Ground Floor	Consists of 4 showrooms on King Fahd Road. From the western side of the tower there is an office for management and three elevators. The floor area is 2,797 sqm.
Mezzanine	The mezzanine area is 1,723 square meters.
1 <sup>st</sup> Floor	Consists of four offices. Each each office with an open area. The floor area is 2,528 sqm.
2 <sup>nd</sup> Floor	Consists of four offices, each office with an open area. The floor area is 1,910 sqm.
3 <sup>rd</sup> Floor	Consists of four offices, each office with an open area. The floor area is 1,910 sqm..
4 <sup>th</sup> Floor	Consists of four offices, each office with an open area. The floor area is 1,910 sqm..
5 <sup>th</sup> Floor	Consists of four offices, each office with an open area. The floor area is 1,910 sqm.
6 <sup>th</sup> Floor	Consists of four offices, each office with an open area. The floor area is 1,910 sqm.
7 <sup>th</sup> Floor	Consists of four offices, each office with an open area. The floor area is 1,910 sqm.
8 <sup>th</sup> Floor	Consists of four offices, each office with an open area. The floor area is 1,910 sqm.
Annex	Consists of workers' rooms and a cleaning machine. The floor area is 177.60 sqm.

### Inspection:

The site inspection confirms the current use of the property as a commercial office complex.





## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The property to be evaluated is located in the city center of Riyadh in the Al-Olaya neighborhood, which has a high residential density of middle to high incomes.

All this growth in the surrounding area will contribute in the future to increasing the demand for rental space in similar towers in the region, which will positively affect the price level.

### Factors affecting demand:

- Sale prices of lands in the Olaya and the neighboring districts.
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Construction is completed in the surrounding area.
- Urban pattern in the surrounding area.
- The building system in the area of the property to be valued

### Risks related to the Property:

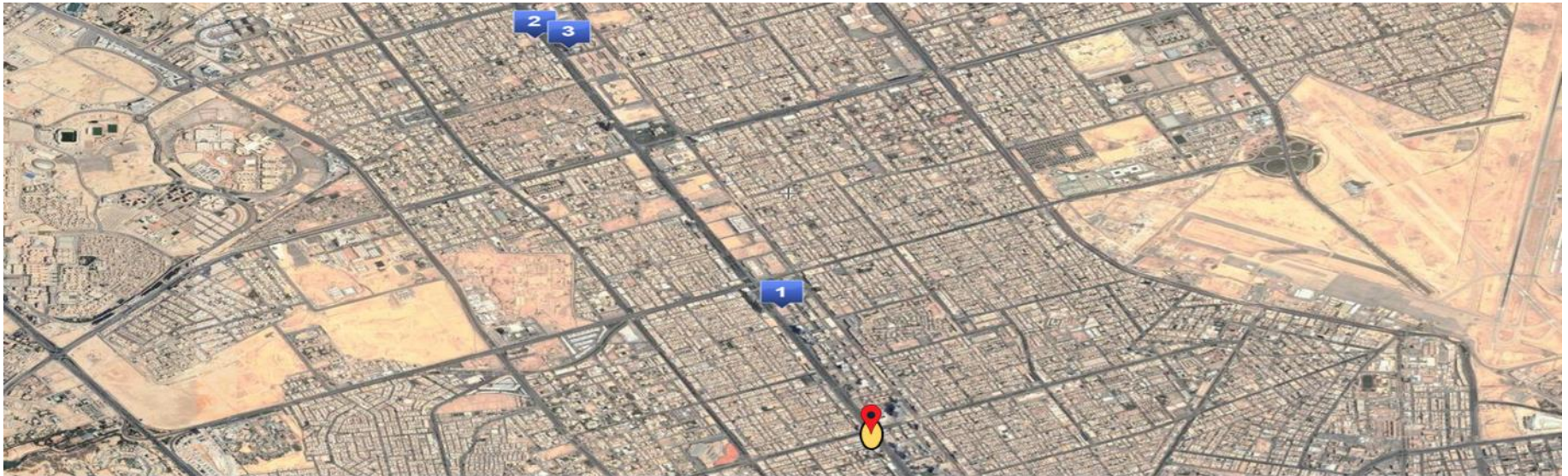
- A general decrease in rental rates for offices and showrooms.
- Lack of parking spaces, which negatively affects the property.

### Determine selected sample comparisons: (Land)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	Number of streets	Street Name	Price – SR/sqm
1	Commercial	8,791	4	King Fahad Road	14,000
2	Commercial	4,875	3	King Fahad Road	11,282
3	Commercial	10,000	2	King Fahad Road	14,000



### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		14,000	Asking Price	11,282	Asking Price	14,000	Asking Price
Type of value	-	-700	-5%	0	0%	-700	-5%
(offer - sale - Asking Price)							
Price – SR/sqm		13,300		11,282		13,300	
Land Area - sqm	3,910	8,791	10%	4,875	0%	10,000	10%
Location	King Fahad + Prince Muhammad bin Abdul Aziz Road	King Fahad Road	20%	King Fahad Road	20%	King Fahad Road	20%
street	3	4	-5%	3	0%	3	0%
Use	Commercial	Commercial	0%	Commercial	0%	Commercial	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		25%		25%		30%	
Net market price after adjustments - SR/sqm		16,625		14,103		17,290	
Average land Price –SR/sqm		16,006					
Price per square meter after adjustment - SR/sqm		16,000					

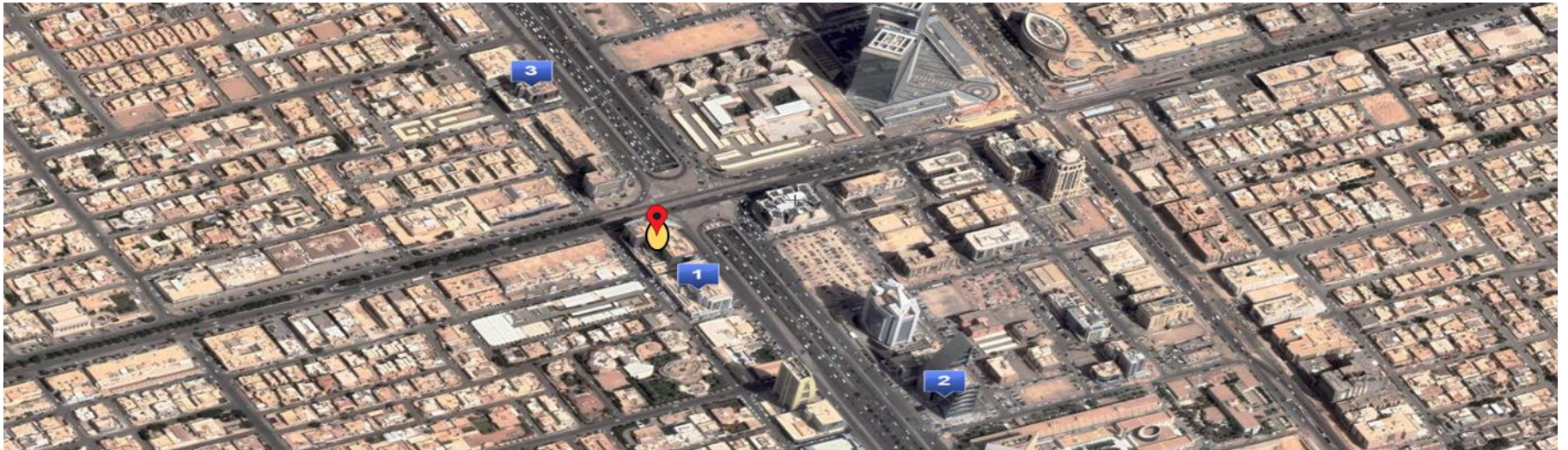


### Determine selected sample comparisons: Commercial showrooms

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	Type of compound	Property Location	No. of Streets	Price – SR/sqm
1	showroom	400	Legend	King Fahad Road	4	1,700
2	showroom	1,300	Hamad Tower	King Fahad Road	3	1,800
3	showroom	1,440	Almas Tower	King Fahad Road	3	1,400



### Comparison Method: (Showrooms)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,700	1,700	1,800	1,800	1,400	Asking price
Type of value	-	-170	-10%	-180	-10%	-140	-10%
(offer - sale - Asking Price)							
Price – SR/sqm		1,530		1,620		1,260	
Land Area - sqm	500	400	0%	1,300	15%	1,440	15%
Property Type	Smart Tower	Legend	0%	Hamad Tower	-15%	Almas Tower	5%
Ease of access	King Fahad Road + Prince Muhammad bin Abdul Aziz Road	King Fahad Road	15%	King Fahad Road	15%	King Fahad Road	15%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		15%		15%	35%		
Net market price after adjustments - SR/sqm		1,760		1,863	1,701		
Average land Price –SR/sqm		1,775					
Price per square meter after adjustment - SR/sqm		1,800					

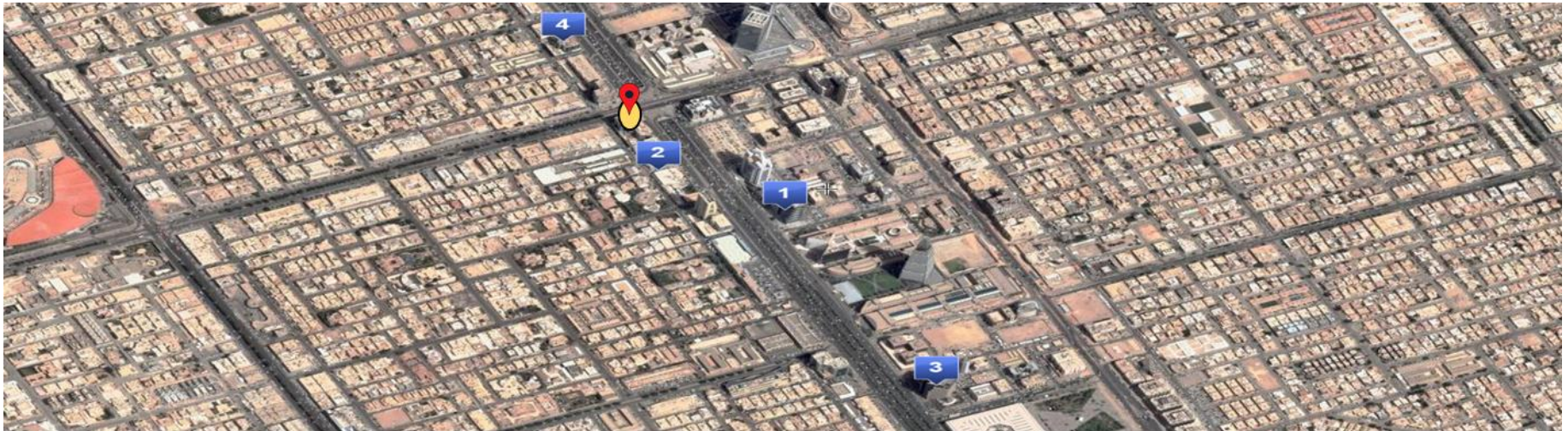


### Determine selected sample comparisons: Offices

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Land Area - sqm	Property Name	District	Price – SR/sqm
1	400	Hamad Tower	King Fahad Road	1,200
2	350	Legend	King Fahad Road	1,100
3	163	Tawuniya Tower	King Fahad Road	1,200
4	200	Almas Tower	King Fahad Road	1,200



### Comparison Method: (Offices)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3		Sample 4	
Valuation Date	2021	2021		2021		2021		2021	
Price - SR /sqm		1,200	Asking Price	1,100	Asking Price	1,200	0	1,200	0
Type of value	-	-120	-10%	-110	-10%	-120	-10%	-120	-10%
(offer - sale - Asking Price)									
Price – SR/sqm		1,080		990		1,080		1,080	
Land Area - sqm	300	400	0%	350	0%	163	-10%	200	-10%
Location	Smart Tower	Hamad Tower	-20%	Legend	-10%	Tawuniya Tower	-5%	Almas Tower	0%
Ease of access	King Fahad Road	King Fahad Road	0%	King Fahad Road	0%	King Fahad Road	0%	King Fahad Road	0%
		Sample 1		Sample 2		Sample 3		Sample 4	
Total Adjustment		-20%		-10%		-15%		-10%	
Net market price after adjustments - SR/sqm		864		891		918		972	
Average land Price –SR/sqm		911							
Price per square meter after adjustment - SR/sqm		900							

## Property Valuation Income Capitalization Method

Floors	Rental Area - sqm	Price/ sqm	Total
Ground Floor	2,045	1,800	3,681,000
Mezzanine	1,227	1,800	2,208,600
1 <sup>st</sup>	2,053	900	1,847,961
2 <sup>nd</sup>	1,551	900	1,395,837
3 <sup>rd</sup>	1,590	900	1,430,946
4 <sup>th</sup>	1,590	1,000	1,589,940
5 <sup>th</sup>	1,590	1,000	1,589,940
6 <sup>th</sup>	1,590	1,000	1,589,940
7 <sup>th</sup>	1,590	1,000	1,589,940
8 <sup>th</sup>	1,590	1,000	1,589,940
Total Income – SR			18,514,044
Vacancy rate (10%)			1,851,404
Actual gross income			16,662,640
Maintenance and operation ratio (10%)			1,666,264
Net operating income			14,996,376
Capitalization rate			8.0%
Property value			187,454,696

### Cash Flow Method by Contract :

Growth rate	0%
Total Income	20,000,000
Operating expenses	0%

Year		2021	2022	2023	2024	2025
Total Income		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Occupancy		100%	100%	100%	100%	100%
Operating Income		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Total operating expenses		0	0	0	0	0
Net Income		20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Annual return		8.00%				
Property Value		250,000,000				
net cash flow of the property		20,000,000	20,000,000	20,000,000	20,000,000	270,000,000
Current Value	Discount rate	8.00%	8.00%	8.00%	8.00%	8.00%
	Discount factor	1.00	0.93	0.86	0.79	0.74
present value of money		20,000,000	18,518,519	17,146,776	15,876,645	198,458,060
Market Value of the Property / SR		270,000,000				

### Market cash flow approach :

Growth rate	2%
Total Income	18,514,044
Operating expenses	10%

Year		2021	2022	2023	2024	2025
Total Income		18,514,044	18,884,325	19,262,011	19,647,252	20,040,197
Occupancy		90%	90%	90%	90%	90%
Operating Income		16,662,640	16,995,892	17,335,810	17,682,526	18,036,177
Total operating expenses		1,666,264	1,699,589	1,733,581	1,768,253	1,803,618
Net Income		14,996,376	15,296,303	15,602,229	15,914,274	16,232,559
Annual return		8.00%				
Property Value		202,906,991				
net cash flow of the property		14,996,376	15,296,303	15,602,229	15,914,274	219,139,550
Current Value	Discount rate	10.00%	10.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.91	0.83	0.75	0.68
present value of money		14,996,376	13,905,730	12,894,404	11,956,629	149,675,261
Market Value of the Property / SR		203,428,401				



## Important Assumptions of Valuation :

Assumptions	Detail
<b>Real estate Revenue</b>	The real estate revenues were estimated according to the contract between the owner and the tenant (binding for a period of seven years for both parties)
<b>Discount Rate</b>	The discount rate was estimated at a value equal to 8%, which represents the rate of return for similar properties or the opportunity return of cash flows.
<b>Capitalization Rate</b>	A capitalization rate of 8% was assumed and it is considered a reasonable percentage after taking into account the components of the property, and it represents the return expected to be achieved by the property upon exit from it at the end of the fifth year of projections.
<b>Capital costs</b>	It is assumed that there is no value for the capital costs of the property.



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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method (based on contract) :

By using the Discounted Cash Flow method, and assuming a discount rate of 8% and a capitalization rate of 8%, the value of the property according to this method is 270,000,000 Saudi riyals, as shown in the previous table.

### Market Value of the Property according to the Market DCF Method :

Using the discounted cash flow method and assuming no occupancy of 10%, maintenance and operation of 10%, and a capitalization rate of 8%, the value of the property according to this method amounts to 203,428,401 Saudi riyals, as shown in the previous table



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## 2. City Life Plaza



### Location of the property:

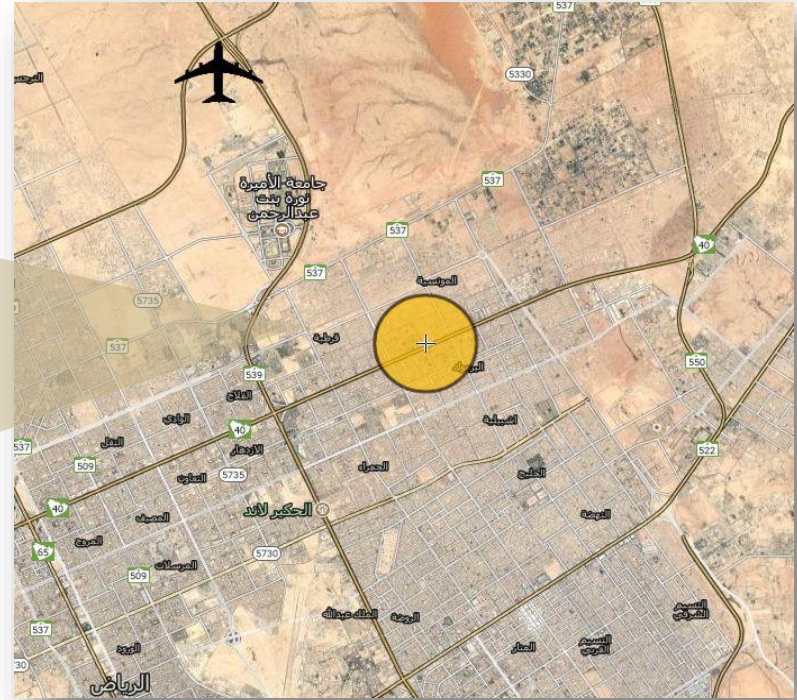
The property is located in Riyadh of Al Munsiyah district.



### Location Coordinates

N 24.8128885

E 46.7685403



## City Life Plaza

Borders & Lengths - 910107050344				Borders & Lengths - 610120045782			
Direction	Length ( m <sup>2</sup> )	Limits	Widths	Direction	Length ( m <sup>2</sup> )	Limits	Widths
North	60	street	20	North	85	street	20
South	60.95	Neighbor	-	South	85	Neighbor	-
East	10.71	street	15	East	25	Neighbor	-
West	0.01	Neighbor	-	West	25	street	36
Notes	321.3 sqm			Notes	2,125 sqm		

Borders & Lengths - 810105055662				Borders & Lengths - 810118040159			
Direction	Length ( m <sup>2</sup> )	Limits	Widths	Direction	Length ( m <sup>2</sup> )	Limits	Widths
North	60.72	Neighbor	-	North	145	Neighbor	-
South	60	Neighbor	-	South	145	street	100
East	8	street	20	East	70	street	20
West	17.3	Neighbor	-	West	70	street	36
Notes	759 sqm			Notes	10,150 sqm		

Block No.	Plot No.	Area - sqm	Use
37 - 38 - 39 - 40 - 477/A - 478/A - 479/A - 477 - 478 - 479	2237	13,355.30	Commercial

### Property Description:

The subject property comprises a commercial building incorporating commercial facilities on the ground floor. The building comprises ground floor, mezzanine and lobbies for restaurants of different sizes, a hypermarket, and a separate restaurant. The property also contains parking spaces for 172 cars. The land area extends to 13,355.30 square meters, according to deed provided by the client. The table below refers to the salient details of the property.

Building Description	Use
Ground Floor	Restaurant
Ground Floor	ATM
Ground Floor	Showroom
First Floor Commercial	Showroom
Electric Room	Electric Room
Fences	Services

**Inspection:**

The site inspection confirms the current use of the property as a commercial building.





## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is located in the northeast of the city of Riyadh with a medium-sized residential density of middle-income earners. The proximity of Al Munsiyah district to the business areas of middle-income earners in the city of Riyadh contribute to the increase in demand for real estate in this region.

The level of construction in the neighboring area has also positively affected the price level, as the area adjacent to the project is witnessing a high urban movement, especially in the construction of small residential villas and apartments. Which increases the population density, which increases the demand to purchase in the real estate area.

All this growth in construction on the surrounding area will contribute in the future to an increase in the demand for land in the region, which will positively affect the level of rents in the real estate area.

### Factors affecting demand:

- Land sale prices.
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Urbanization trends.
- Construction is completed in the surrounding area
- Urban pattern in the surrounding area
- Building system in the project area

### Risks related to the Property:

- Infrastructure projects in the region are incomplete.
- The emergence of price competition for similar properties for the same use of the property

## Determine selected sample comparisons: Land

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	Number of streets	District	Price – SR/sqm
1	Commercial	7,620	3	Dammam Road - Qurtoba	4,500
2	Commercial	5,280	4	Dammam Road - Qurtoba	3,300
3	Commercial	11,495	4	Dammam Road - Munsiyah	4,800



### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		4,500	offer	3,300	offer	4,800	offer
Type of value	-	225	5%	165	5%	240	5%
(offer - sale – asking price)							
Price – SR/sqm		4,725		3,465		5,040	
Land Area - sqm	13,355	7,620	-15%	5,280	-20%	11,495	0%
Use	Commercial	Commercial	0%	Commercial	0%	Commercial	0%
location	Dammam Road- Munsiyah	Dammam Road- Yarmuk	0%	Dammam Road- Qurtoba	0%	Dammam Road- Munsiyah	0%
No. of streets	4	3	5%	4	0%	4	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-10%		-20%		0%	
Net market price after adjustments - SR/sqm		4,253		2,772		5,040	
Average land Price –SR/sqm		4,022					
Price per square meter after adjustment - SR/sqm		4,000					



### Determined selected sample comparisons: showrooms

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Land Area - sqm	Type of compound	District	Price – SR/sqm
1	74	Al Yarmuk Center	Al Yarmuk	1,300
2	48	Sharq Plaza	Al Qurtoba	1,600
3	265	Commercial Tower	Al Yarmuk	1,500



### Comparison Method: (Showrooms)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,300	Asking Price	1,600	Asking Price	1,500	Asking Price
Type of value	-	-130	-10%	-160	-10%	-150	-10%
(offer - sale – asking price)							
Price – SR/sqm		1,170		1,440		1,350	
Land Area - sqm	-	74	0%	48	0%	265	0%
Complex Name	City Life Plaza	Yarmuk Center	0%	Sharq Plaza	0%	Commercial Tower	0%
location	Dammam Road- Munsiyah	Dammam Road- Yarmuk	0%	Dammam Road- Qurtoba	0%	Dammam Road- Munsiyah	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		0%		0%		5%	
Net market price after adjustments - SR/sqm		1,170		1,440		1,418	
Average land Price –SR/sqm		1,343					
Price per square meter after adjustment - SR/sqm		1,340					



## Property Valuation Income Capitalization Method

Floors	Rental Area - sqm	Price / sqm	Total
Super Market	2,200	500	1,100,000
Showrooms	5,315	1,340	7,122,100
Restaurant	421	700	294,539
Total Income – SR			8,516,639
Vacancy rate (10%)			851,664
Actual gross income			7,664,975
Maintenance and operation ratio (5%)			383,249
Net operating income			7,281,726
Capitalization rate			8%
Property value			97,089,685

### Cash Flow Method by Contract :

Growth rate	2%
Total Income	8,500,000
Operating expenses	5%

Year		2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
Total Income		8,500,000	8,593,486	8,860,711	9,037,925	9,218,684
Occupancy		100%	95%	90%	90%	90%
Operating Income		8,500,000	8,163,812	7,974,640	8,134,133	8,296,816
Total operating expenses		0	195,115	398,732	406,707	414,841
Net Income		8,500,000	7,968,696	7,575,908	7,727,426	7,881,975
Annual return		8.00%				
Property Value		98,524,685				
net cash flow of the property		8,500,000	7,968,696	7,575,908	7,727,426	106,406,659
Current Value	Discount rate	8.00%	8.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.93	0.83	0.75	0.68
present value of money		8,500,000	7,378,423	6,261,081	5,805,730	72,677,180
<b>Market Value of the Property / SR</b>		<b>100,622,414</b>				

## Market cash flow approach :

Growth rate	2%
Total Income	8,516,639
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		8,516,639	8,686,972	8,860,711	9,037,925	9,218,684
Occupancy		90%	90%	90%	90%	90%
Operating Income		7,664,975	7,818,275	7,974,640	8,134,133	8,296,816
Total operating expenses		383,249	390,914	398,732	406,707	414,841
Net Income		7,281,726	7,427,361	7,575,908	7,727,426	7,881,975
Annual return		8.00%				
Property Value		98,524,685				
net cash flow of the property		7,281,726	7,427,361	7,575,908	7,727,426	106,406,659
Current Value	Discount rate	10.00%	10.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.91	0.83	0.75	0.68
present value of money		7,281,726	6,752,146	6,261,081	5,805,730	72,677,180
<b>Market Value of the Property / SR</b>		<b>98,777,864</b>				

## Important Assumptions of Valuation :

Assumptions	Detail
<b>Real estate Revenue</b>	<p>The real estate revenues were estimated according to the contract between the owner and the tenant (binding for two years for both parties)</p> <p>The occupancy rate for the third, fourth and fifth years was assumed to be 90% of the market rent.</p>
<b>Discount Rate</b>	<p>The discount rate was estimated at a value equal to 8%, which represents the rate of return for similar properties or the opportunity return of cash flows.</p>
<b>Capitalization Rate</b>	<p>A capitalization rate of 8% was assumed and it is considered a reasonable percentage after taking into account the components of the property, and it represents the return expected to be achieved by the property upon exit from it at the end of the fifth year of projections.</p>
<b>Capital costs</b>	<p>It is assumed that there is no value for the capital costs of the property.</p>



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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method :

Using the Discounted Cash Flow method, and assuming a discount rate between 8% and 10% and a capitalization rate of 8%, the value of the property according to this method amounts to 100,622,414 Saudi riyals, as shown in the previous table

### Market Value of the Property according to the Market DCF Method :

By using the discounted cash flow method and assuming no occupancy of 10%, maintenance and operation of 5%, and a capitalization rate of 8%, the value of the property according to this method amounts to 98,777,864 SAR as shown in the previous table



21

CENTURY 21

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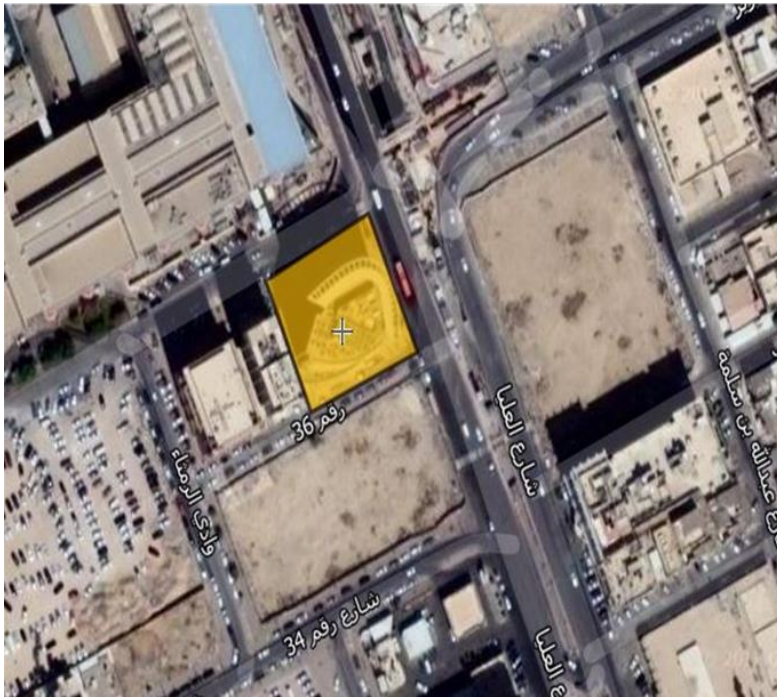
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### 3. Motoon Towers



#### Location of the property:

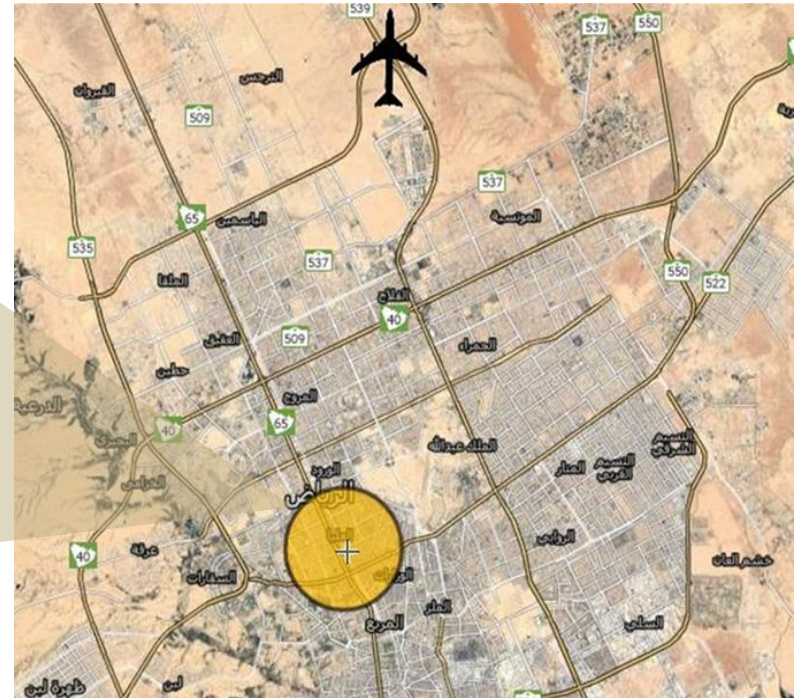
The property is located in Riyadh Olaya district.



#### Location Coordinates

N 24.6891799

E 46.6871946



### Property Description:

The subject property comprises a seven-story commercial building incorporating four commercial showrooms on the ground floor. The hotel has multiple floors in the basement dedicated to car parking of 110 cars. The land area extends to 1,950 square meters and a total building area of 12,554 square meters. The table below refers to the salient details of the property :

Plan No.	Block No.	Plot No.	Area - sqm	Use
580	-	1,184	1,950	Commercial - Hospitality

#### Borders & Lengths

Direction	Length ( m <sup>2</sup> )	Limits
North	50	30 street
South	50	10 street
East	39	40 street
West	39	Neighbor

#### Building Description

2 Basement Floor
Mezzanine
Ground Floor
7 Floor Commercial
Commercial land
Annexes

## Motoon Towers

### Inspection:

The site inspection confirms the current use of the property as commercial building.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is in the middle of the city of Riyadh with a high residential density of middle and high income earners. The proximity of the Olaya neighborhood to the business areas of high-income earners in the central region of the city of Riyadh contributed to an increase in the demand for real estate in that region, especially in light of the limited supply of commercial land in nearby areas.

The level of construction in the neighboring area has also positively affected the price level, as the area adjacent to the project is witnessing a high urban movement, especially in the construction of administrative and commercial towers.

All this growth in construction on the surrounding area will contribute in the future to an increase in demand for land in the region, which will positively affect the price level.

### Factors affecting demand:

- Sale prices in the lands of the nearby areas.
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Urban trends in the surrounding area.
- Urban pattern in the surrounding area.
- Building system in the project area.

### Risks related to the Property:

- Infrastructure projects in the region are incomplete.
- The emergence of price competition for similar properties for the same use of the property

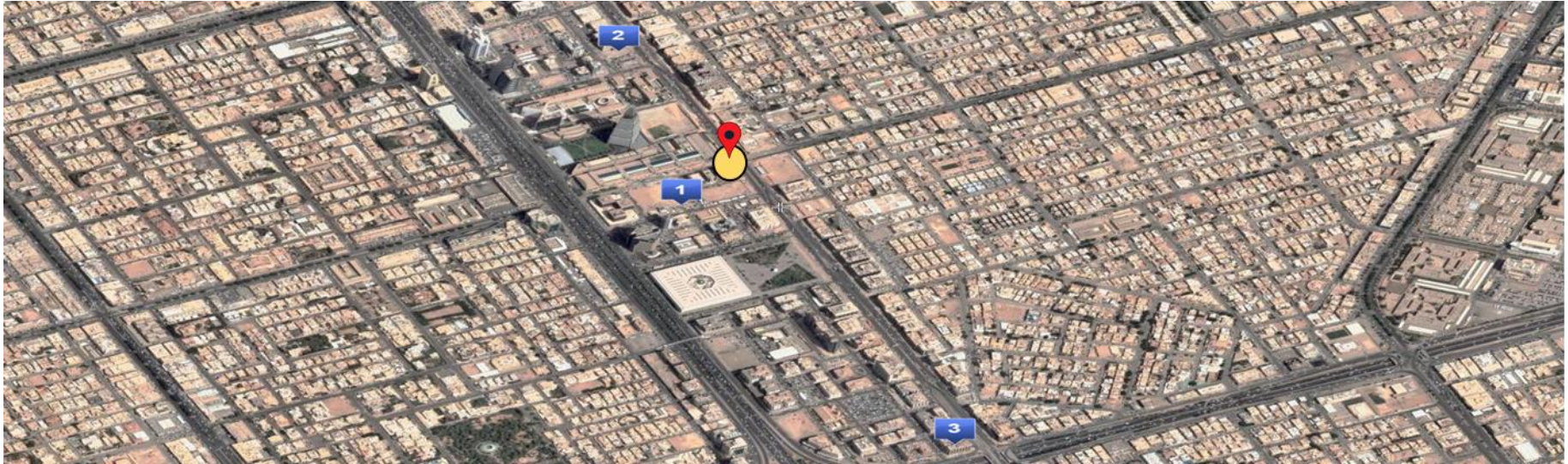


### Determine selected sample comparisons: Land

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	Number of streets	District	Price – SR/sqm
1	Commercial	962	2	Al Olaya	13,000
2	Commercial	1,200	2	Al Olaya	12,000
3	Commercial	4,320	3	Al Olaya	10,500





### Comparison Method: (Land)

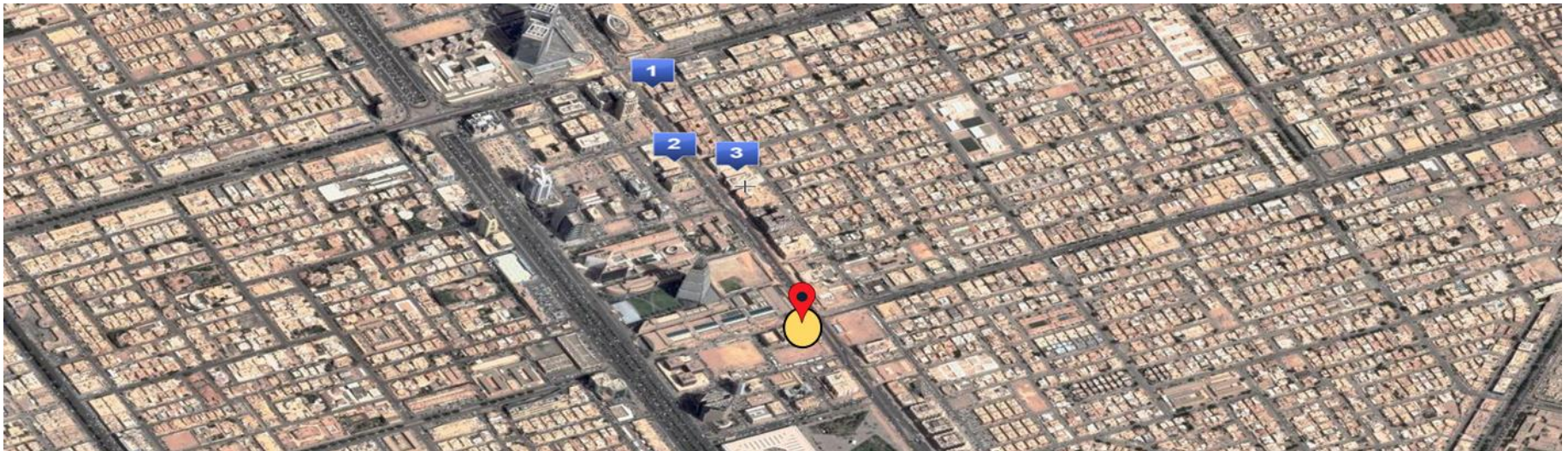
Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		13,000	offer	12,000	Asking Price	10,500	Asking Price
Type of value	-	0	0%	0	0%	1,575	15%
(offer - sale - Asking Price)							
Price – SR/sqm		13,000		12,000		12,075	
Land Area - sqm	1,950	962	-5%	1,200	-5%	4,320	10%
Use	Commercial	Commercial	0%	Commercial	0%	Commercial	0%
street	3	2	5%	2	5%	4	-5%
location	Olaya street	commercial strip	10%	Olaya Road	00%	Makkah Road - Olaya	10%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		10%		0%		5%	
Net market price after adjustments - SR/sqm		14,300		12,000		12,679	
Average land Price –SR/sqm		12,993					
Price per square meter after adjustment - SR/sqm		13,000					

### Determine selected sample comparisons: Showroom

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	Finishing Quality	Price – SR/sqm
1	Al Olaya	105	Very Good	1,500
2	Al Olaya	240	Excellent	2,200
3	Al Olaya	2,200	Excellent	800



### Comparison Method: (Showroom)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,500	Asking Price	2,200	Asking Price	800	Asking Price
Type of value	-	-75	-5%	-220	-10%	-40	-5%
(offer - sale - Asking Price)							
Price – SR/sqm		1,425		1,980		760	
Land Area - sqm	-	105	0%	240	0%	2,200	10%
location	Olaya Road	Olaya	0%	Olaya	0%	Olaya	0%
Finishing Quality	Excellent	very good	10%	Excellent	0%	Excellent	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		10%		0%		10%	
Net market price after adjustments - SR/sqm		1,568		1,980		836	
Average land Price –SR/sqm		1,202					
Price per square meter after adjustment - SR/sqm		1,200					



## Determine selected sample comparisons: Hotel rooms

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Room Area - sqm	Hotel Name	Price – SR/night
1	Hotel rooms	30	Aloft	340
2	Hotel rooms	35	Novotel Suites	300
3	Hotel rooms	30	Baraira	377



### Comparison Method: (Hotel rooms )

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		377	Asking price	340	Asking price	300	Asking price
Type of value	-	-56.55	-15%	-51	-15%	-45	-15%
(offer - sale - Asking price)							
Price – SR/sqm		320		289		255	
Land Area - sqm	-	30	0%	30	0%	35	0%
Hotel name	Motoon	Aloft	5%	Novotel	5%	Baraira	5%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		5%		5%		5%	
Net market price after adjustments - SR/sqm		336		303		268	
Average land Price –SR/sqm		320					
Price per square meter after adjustment - SR/sqm		320					



### Calculate Profits & Expected Operating Expenses of Hotel:

Motoon Hotel Tower					
	0	1	2	3	4
Motoon Hotel Tower	2021	2022	2023	2024	2025
No. of Rooms	103	103	103	103	103
Number of operating days	365	365	365	365	366
Expected occupancy rate	60%	60%	60%	60%	60%
Growth rate - ADR	0%	2.0%	2.0%	2.0%	2.0%
Average Daily Rent - ADR	320	326	333	340	346
Revenue					
Room Revenue	7,218,240	7,362,605	7,509,857	7,660,054	7,834,661
F&B Revenue (as % of room Revenue)	20%	20%	20%	20%	20%
Total value F&B Revenue	1,443,648	1,472,521	1,501,971	1,532,011	1,566,932
Total Revenue	8,661,888	8,835,126	9,011,828	9,192,065	9,401,594
Operating Expenses					
Room expenses (as % room revenue)	30%	30%	30%	30%	30%
Expenses Rooms Division	2,165,472	2,208,781	2,252,957	2,298,016	2,350,398
Expenses of F&B(as a % F&B Revenue)	30%	30%	30%	30%	30%
Expenses F&B	433,094	441,756	450,591	459,603	470,080
Administration & Operating expenses (% of total revenue)	10%	10%	10%	10%	10%
Administration & operating expenses	866,189	883,513	901,183	919,206	940,159
Departmental Total Expenses	3,464,755	3,534,050	3,604,731	3,676,826	3,760,637
Net Operating Income	5,197,133	5,301,075	5,407,097	5,515,239	5,640,956
Net Income Margin	60%	60%	60%	60%	60%

### Calculate Value of Property by using DCF Method:

Showrooms Revenue					
Showrooms Area	1,074	1,074	1,074	1,074	1,074
Growth rate of daily rent	0.0%	2.0%	2.0%	2.0%	2.0%
Showrooms Rent – SR/sqm	1,200	1,224	1,248	1,273	1,299
Total Showrooms Income	1,288,800	1,314,576	1,340,868	1,367,685	1,395,039
Net income of Hotel	6,485,933	6,615,651	6,747,964	6,882,924	7,035,995

### Market cash flow approach:

		2021	2022	2023	2024	2025
Year		0	1	2	3	4
Net Income		6,485,933	6,615,651	6,747,964	6,882,924	7,035,995
Annual return		8.00%				
Property Value		87,949,934				
Net cash flow of the property		6,485,933	6,615,651	6,747,964	6,882,924	94,985,928
Current Value	Discount rate	10%	10%	10%	10%	10%
	Discount Factor	1.00	0.91	0.83	0.75	0.68
Present value of money		6,485,933	6,014,229	5,576,830	5,171,243	64,876,667
Market value of the property		88,124,901				

## Discounted cash flow (DCF) Method

### Calculate Value of Property by using DCF Method:

Year	2021	2022	2023	2024	2025
Total Value of Hotel Contract	5,381,250	5,512,500	5,512,500	5,512,500	5,650,312
Total Income for showrooms by Market	1,288,800	1,314,576	1,340,868	1,367,685	1,395,039
Growth rate for exhibitions	0%	2%	2%	2%	2%

### Market cash flow approach:

		2021	2022	2023	2024	2025
Year		0	1	2	3	4
Net Income		6,670,050	6,827,076	6,853,368	6,880,185	7,045,351
Annual return		8.00%				
Property Value		88,066,882				
Net cash flow of the property		6,670,050	6,827,076	6,853,368	6,880,185	95,112,233
Current Value	Discount rate	10%	10%	10%	10%	10%
	Discount Factor	1.0	0.91	0.83	0.75	0.68
Present value of money		6,670,050	6,206,433	5,663,940	5,169,185	64,962,935
Market value of the property		88,672,542				



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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method :

Using the Discounted Cash Flow method, and assuming a discount rate between 8% and 10% and a capitalization rate of 8%, the value of the property according to this method amounts to 88,672,542 Saudi riyals as shown in the previous table.

### Market Value of the Property according to the Market DCF Method :

Using the Discounted Cash Flow method, and assuming a discount rate of 10% and a capitalization rate of 8%, the value of the property according to this method is 88,124,901 SAR as shown in the previous table.



CENTURY 21.  
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## 4. Sitteen Center



### Location of the property:

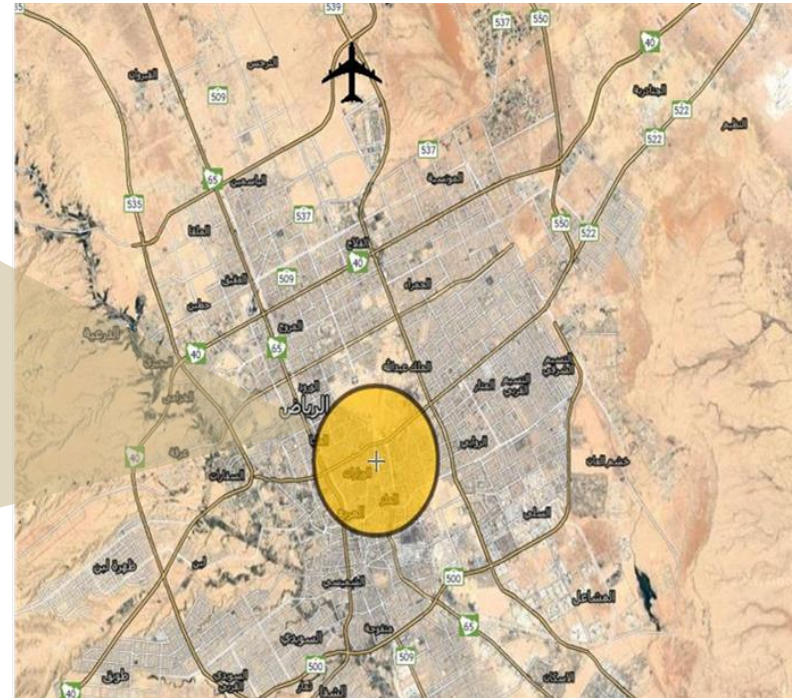
The property is located in Riyadh Al Dhabat district.



### Location Coordinates

N 24.685044

E 46.724117





### Property Description:

The subject property comprises a commercial land incorporating a commercial office building. The building comprises six office floors, a ground floor designated for commercial use, and a parking floor that can accommodate 36 cars. The land area extends to 1,800 square meters and a total building area of 9,310 square meters according to the attached deed. The table below refers to the salient details of the property:

Block No.	Plot No.	Area - sqm	Use
Eastern part of Plot No. 51	315	1,800	Commercial - Office

Borders & Lengths		
Direction	Length ( m <sup>2</sup> )	Limits
North	40	15 street
South	40	10 street
East	45	60 street
West	45	Neighbor

Building Description
Basement Floor
Ground Floor
6Floor Commercial

**Inspection:**

The site inspection confirms the current use of the property as commercial building.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is located in the middle of the city of Riyadh with a high residential density of middle and high income earners. The proximity of the officers 'neighborhood to the business areas of high-income earners in the central region of the city of Riyadh contributed to an increase in the demand for real estate in that region.

### Factors affecting demand:

- Sale prices in the lands of the nearby areas.
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Urban trends in the surrounding area.
- Urban pattern in the surrounding area.
- Building system in the project area.

### Risks related to the Property:

- The emergence of price competition for similar properties for the same use of the property

## Determine selected sample comparisons: Land

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	No. of Floors Permitted	Land Area - sqm	Location	Number of streets	Price – SR/sqm
1	Commercial	4.5	5,000	Al Ahsa Street	3	5,000
2	Commercial	3.5	606	Omar bin Khatab Street	2	5,200



### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2	
Valuation Date	2021	2021		2021	
Price - SR /sqm		5,000	Asking price	5,200	Asking price
Type of value	-	-250	-5%	-260	-5%
(offer - sale - Asking price)					
Price – SR/sqm		4,750		4,940	
Land Area - sqm	1,800	5,000	10%	606	0%
No. of Floors Allowed	8.5	4.5	10%	3.5	15%
Use	Commercial	Commercial	0%	Commercial	0%
Location	Salah u din Ayubi Road	Ahsa street	15%	Omar bin Khatab Road	15%
street	3	3	0%	2	5%
		Sample 1		Sample 1	
Total Adjustment		35%		35%	
Net market price after adjustments - SR/sqm		6,413		6,669	
Average land Price –SR/sqm		6,541			
Price per square meter after adjustment - SR/sqm		6,500			



### Determine selected sample comparisons: showroom

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Location	showroom Area - sqm	Finishing Quality	Price – SR/sqm
1	Salah u din Ayubi Road	110	Average	820
2	Salah u din Ayubi Road	680	Average	515



### Comparison Method: (showroom)

Comparative Components	Property to be valued	Sample 1		Sample 2	
Valuation Date	2021	2021		2021	
Price - SR /sqm		820	Asking Price	515	Asking Price
Type of value	-	0	0%	0	0%
(offer - sale - Asking Price)					
Price – SR/sqm		820		515	
Land Area - sqm	-	110	0%	680	0%
Location	Salah u din Road	Salah u din Road	0%	Salah u din Road	0%
		Sample 1		Sample 2	
Total Adjustment		0%		0%	
Net market price after adjustments - SR/sqm		820		515	
Average land Price –SR/sqm		668			
Price per square meter after adjustment - SR/sqm		670			

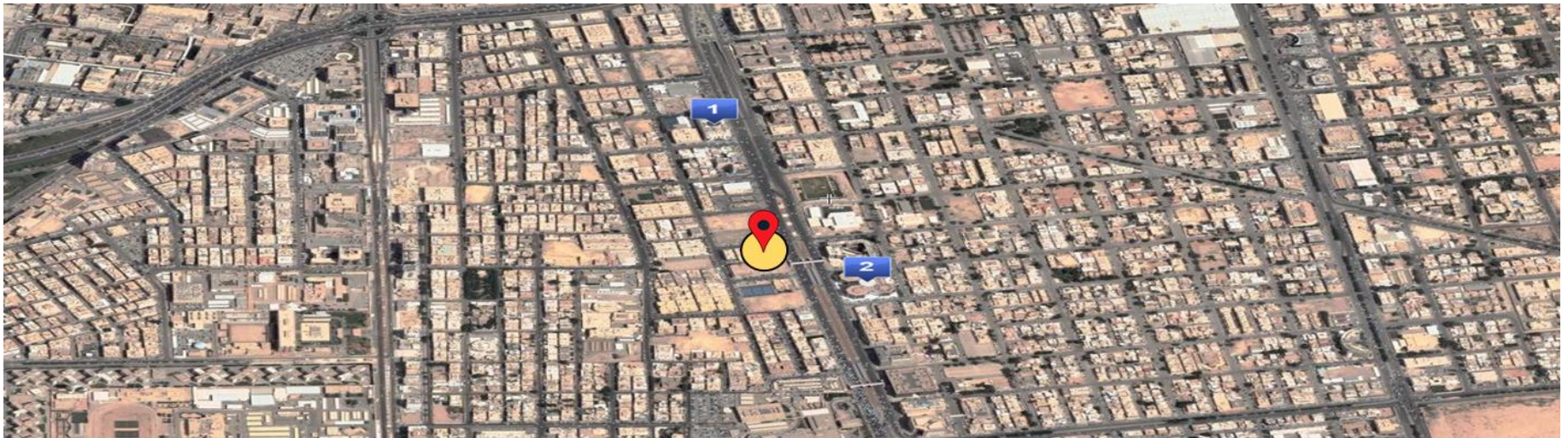


## Determine selected sample comparisons: Office

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Location	Land Area - sqm	Finishing Quality	Price – SR/sqm
1	Salah u din Ayubi Road	120	Average	650
2	Salah u din Ayubi Road	150	Low	440



### Comparison Method: (Office)

Comparative Components	Property to be valued	Sample 1		Sample 2	
Valuation Date	2021	2021		2021	
Price - SR /sqm		650	Asking Price	440	Asking Price
Type of value	-	-65	-10%	-44	-10%
(offer - sale - Asking Price)					
Price – SR/sqm		585		396	
Land Area - sqm	-	120	0%	150	0%
Location	Salah u din Ayubi Road	Salah u din Ayubi Road	0%	Salah u din Ayubi Road	0%
Ease of access	Easy	Easy	0%	Average	10%
		Sample 1		Sample 2	
Total Adjustment		0%		5%	
Net market price after adjustments - SR/sqm		585		416	
Average land Price –SR/sqm		500			
Price per square meter after adjustment - SR/sqm		500			

Floors	Rental Area - sqm	Price / sqm	Total
Showrooms	1,188	670	795,960
Offices	6,447.6	500	3,223,800
Tele communication Tower	45	1,556	70,000
Total Income – SR			4,089,760
Vacancy rate (5%)			204,488
Actual gross income			3,885,272
Maintenance and operation ratio (10%)			388,527
Net operating income			3,496,745
Capitalization rate			8.00%
Property value			43,709,307



### Cash Flow Method by Contract :

Growth rate	2%
Total Income	4,134,975
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		4,134,975	4,171,555	4,254,986	4,340,086	4,426,887
Occupancy		100%	95%	95%	95%	95%
Operating Income		4,134,975	3,962,977	4,042,237	4,123,081	4,205,543
Total operating expenses		0	198,149	202,112	206,154	210,277
Net Income		4,134,975	3,764,828	3,840,125	3,916,927	3,995,266
Annual return		8.00%				
Property Value		49,940,824				
net cash flow of the property		4,134,975	3,764,828	3,840,125	3,916,927	53,936,090
Current Value	Discount rate	8.00%	10.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.91	0.83	0.75	0.68
present value of money		4,134,975	3,422,571	3,173,657	2,942,846	36,839,075
<b>Market Value of the Property / SR</b>		<b>50,513,124</b>				

## Market cash flow approach :

Growth rate	2%
Total Income	4,089,760
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		4,089,760	4,171,555	4,254,986	4,340,086	4,426,887
Occupancy		95%	95%	95%	95%	95%
Operating Income		3,885,272	3,962,977	4,042,237	4,123,081	4,205,543
Total operating expenses		194,264	198,149	202,112	206,154	210,277
Net Income		3,691,008	3,764,828	3,840,125	3,916,927	3,995,266
Annual return		8.00%				
Property Value		49,940,824				
net cash flow of the property		3,691,008	3,764,828	3,840,125	3,916,927	53,936,090
Current Value	Discount rate	10.00%	10.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.91	0.83	0.75	0.68
present value of money		3,691,008	3,422,571	3,173,657	2,942,846	36,839,075
<b>Market Value of the Property / SR</b>		<b>50,069,157</b>				



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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method :

Using the Discounted Cash Flow method, and assuming a discount rate of 8% and a capitalization rate of 8%, the value of the property according to this method is 50,513,124 Saudi riyals, as shown in the previous table.

### Market Value of the Property according to the Market DCF Method :

Using the Discounted Cash Flow method, assuming a vacancy rate of 5% and assuming a discount rate of 8% and a capitalization rate of 10%, the value of the property according to this method amounts to 50,069,157 Saudi riyals, as shown in the previous table.

# WESTERN REGION REAL ESTATE

## JEDDAH



## 5. Al Wadi Warehouses



### Location of the property:

The property is located in Jeddah Al Wadi district.



### Location Coordinates

N 21.304719

E 39.170249







CENTURY 21.

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## Al Wadi Warehouses

### Legal Description:

The subject property comprises a commercial land incorporating a warehouse. The total land area extends to 32,461.79 square meters. The table below refers to the salient details of the property : -

Besides the region has infrastructure services, including electricity, telephone.

Block No.	Plot No.	Area - sqm	Use
393 to 402	227/B	32,461.79	Warehouse

### Borders & Lengths

Direction	Length	Limits
North	As per deed	As per deed
South	As per deed	As per deed
East	As per deed	As per deed
West	As per deed	As per deed
<b>Note:</b>	<b>32,461.79 sqm (As per deed)</b>	

### Brief Description of the Property:

The subject property comprises a commercial land incorporating a warehouse having a built up area of 25,344.84 square meters. The table below refers to the salient details of the property : -

Besides the region has infrastructure services, including electricity, telephone.

First section: "Warehouses"	Section Two "Residential Commercial Building"
Warehouses (24) fully equipped warehouse	Building consists of two floors
Number of barracks (5)	Ground floor consists of (25) Showrooms
Number of rooms (100)	First and second floors are residential rooms

## Al Wadi Warehouses

### Inspection:

The site inspection confirms the current use of the property as warehouse.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The property subject to valuation is located in the city of Jeddah in the Al-Wadi district, where the area is characterized as a warehouse area, as it is located near the Al-Khomrah area and near the property to King Faisal Street and Southern Corniche Street

### Factors affecting demand:

- Land sale prices in the area as warehouses.
- Urbanization trends.
- Construction is completed in the surrounding area
- Urban pattern in the surrounding area
- Building system in the project area

### Risks related to the Property:

- The weak construction activity in the surrounding area, which causes a decrease in the selling prices of the project.
- Infrastructure projects in the region are incomplete.
- The emergence of price competition for the same use.

### Determine selected sample comparisons: (Land)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	No. of streets	Location	Price – SR/sqm
1	Showroom	9,953	3	Wadi	900
2	Showroom	10,990	3	Wadi	900
3	Showroom	9,855	3	Wadi	850





### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		900	Asking Price	900	Asking Price	850	offer
Type of value	-	-45	-5%	-45	-5%	-42.5	-5%
(offer - sale - Asking Price)							
Price – SR/sqm		855		855		808	
Land Area - sqm	32,000	9,953	-10%	10,990	-10%	9,855	-10%
Ease of access	Easy	Easy	0%	Easy	0%	Average	10%
street	3	3	0%	3	0%	3	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-10%		-10%		-10%	
Net market price after adjustments - SR/sqm		770		770		727	
Average land Price –SR/sqm		755					
Price per square meter after adjustment - SR/sqm		800					

### Determine selected sample comparisons: (Warehouse)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Land Area - sqm	Location	Price – SR/sqm
1	4,500	Wadi	95
2	3,250	Wadi	85
3	14,637	Wadi	85



### Comparison Method: (Warehouse)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		95	Asking Price	85	Asking Price	85	Asking Price
(offer - sale - Asking Price)	-	-9.5	-10%	0	0%	-4.25	-5%
Price – SR/sqm		86		85		81	
Land Area - sqm	1,000	4,500	10%	3,250	10%	14,637	10%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		10%		10%			
Net market price after adjustments - SR/sqm		10%		10%		10%	
Average land Price –SR/sqm		94		94		89	
Price per square meter Showrooms - SR/sqm		92					
Price per square meter after adjustment - SR/sqm		90					

### Determine selected sample comparisons: (Warehouse)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	District	Land Area - sqm	Price – SR/sqm
1	Al Anwar	66	380
2	Al Anwar	45	444



### Comparison Method: (Warehouse)

Comparative Components	Property to be valued	Sample 1		Sample 2	
Valuation Date	2021	2021		2021	
Price - SR /sqm	-	380	Asking Price	444	Asking Price
(offer - sale - Asking Price)		-38	-10%	-44.4	-10%
Price – SR/sqm		342		400	
Land Area - sqm	60	66	0%	45	-15%
Ease of access	Easy	Easy	0%	Easy	-15%
		Sample 1		Sample 2	
Total Adjustment		0%		-30%	
Net market price after adjustments - SR/sqm		342		280	
Price per square meter Showrooms - SR/sqm		311			
Price per square meter after adjustment - SR/sqm		310			

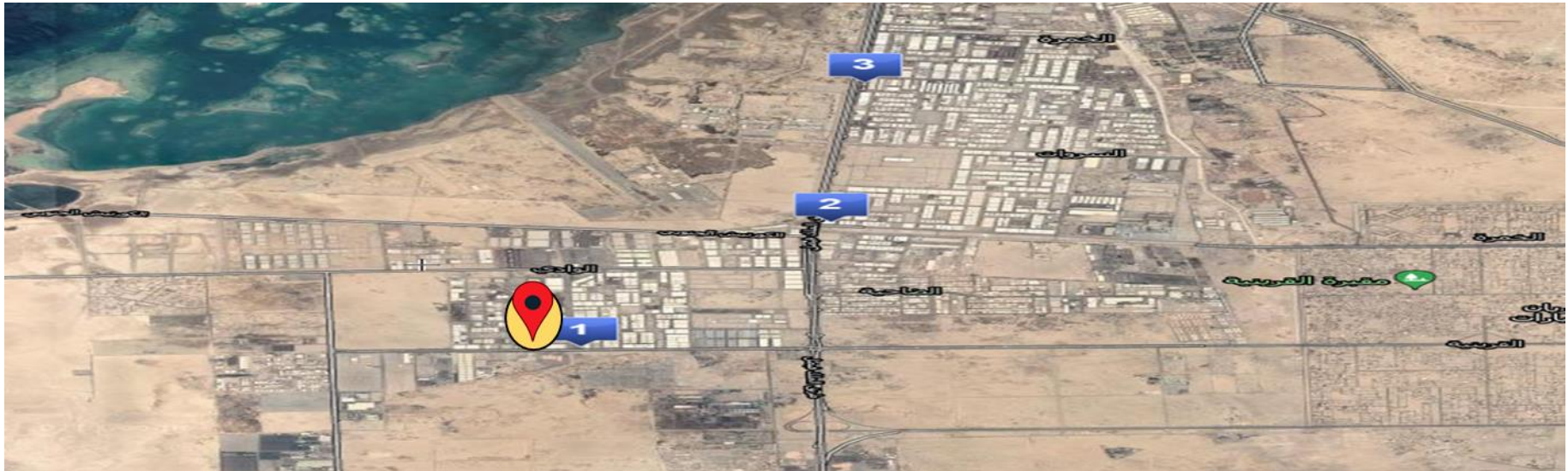


### Determine selected sample comparisons: (Apartment)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	No. of Rooms	Price – SR/sqm
1	Apartment	2	12,000
2	Apartment	2	14,000
3	Apartment	1	9,500



### Comparison Method: (Warehouse)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		12,000	Asking Price	14,000	Asking Price	9,500	Asking Price
(offer - sale - Asking Price)	-	-1200	-10%	-1400	-10%	-475	-5%
Price – SR/sqm		10,800		12,600		9,025	
No. of Rooms	1	2	-10%	2	-10%	1	0%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
		Sample 1		Sample 2			
Total Adjustment		-10%		-10%		0%	
Net market price after adjustments - SR/sqm		9,720		11,340		9,025	
Price per square meter Showrooms - SR/sqm		10,028					
Price per square meter after adjustment - SR/sqm		10,000					

## Property Valuation Income Capitalization Method

Floors	Rental Area - sqm	Price / sqm	Total
Warehouse	23,310	90	2,097,900
No. of Showrooms	25	18,600	465,000
No. of Rooms	100	10,000	1,000,000
Total Income – SR			3,562,900
Vacancy rate (10%)			356,290
Actual gross income			3,206,610
Maintenance and operation ratio (5%)			160,331
Net operating income			3,046,280
Capitalization rate			8%
Property value			40,617,060

## Cash Flow Method by Contract :

Growth rate	2%
Total Income	4,640,000
Operating expenses	0%

Year		2021	2022	2023	2024	2025
Total Income		4,640,000	4,137,079	3,706,841	3,780,978	3,856,598
Occupancy		100%	96%	90%	90%	95%
Operating Income		4,640,000	3,959,185	3,336,157	3,402,880	3,663,768
Total operating expenses		0	81,757	166,808	170,144	183,188
Net Income		4,640,000	3,877,427	3,169,349	3,232,736	3,480,579
Annual return		8.00%				
Property Value		43,507,241				
net cash flow of the property		4,640,000	3,877,427	3,169,349	3,232,736	46,987,820
Current Value	Discount rate	8.00%	8.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.93	0.83	0.75	0.68
present value of money		4,640,000	3,590,211	2,619,297	2,428,803	32,093,314
<b>Market Value of the Property / SR</b>		<b>45,371,623</b>				

### Market cash flow approach :

Growth rate	2%
Total Income	3,562,900
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		3,562,900	3,634,158	3,706,841	3,780,978	3,856,598
Occupancy		90%	90%	90%	90%	90%
Operating Income		3,206,610	3,270,742	3,336,157	3,402,880	3,470,938
Total operating expenses		160,331	163,537	166,808	170,144	173,547
Net Income		3,046,280	3,107,205	3,169,349	3,232,736	3,297,391
Annual return		8.00%				
Property Value		41,217,386				
net cash flow of the property		3,046,280	3,107,205	3,169,349	3,232,736	44,514,777
Current Value	Discount rate	10.00%	10.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.91	0.83	0.75	0.68
present value of money		3,046,280	2,824,732	2,619,297	2,428,803	30,404,192
<b>Market Value of the Property / SR</b>		<b>41,323,303</b>				



## Important Assumptions of Valuation :

Assumptions	Detail
<b>Real estate Revenue</b>	Real estate revenues were estimated according to the contract between the owner and the tenant The occupancy ratio for the third and fourth year 90% and was assumed to be 95% for the fifth year of the market rent.
<b>Discount Rate</b>	The discount rate was estimated at a value equal to 8%, which represents the rate of return for similar properties or the opportunity return of cash flows.
<b>Capitalization Rate</b>	The capitalization rate of the property after the fifth year was assumed at 8% and it is considered a reasonable percentage after taking the components of the property, and it represents the return expected to be achieved by the property upon exit from it at the end of the fifth year of expectations.
<b>Capital costs</b>	It was assumed that the value of additions to the capital costs of the property amounted to 0.0 SAR annually.



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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method :

Using the Discounted Cash Flow method, and assuming a discount rate of 8% and a capitalization rate of 8%, the value of the property according to this method amounts to 45,371,623 Saudi riyals, as shown in the previous table

### Market Value of the Property according to the Market DCF Method :

By using the discounted cash flow method and assuming no occupancy of 10%, maintenance and operation of 5%, and a capitalization rate of 8%, and assuming a discount rate of 10%, the value of the property according to this method amounts to 41,323,303 Saudi riyals, as shown in the previous table.

# EASTERN REGION REAL ESTATE





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## 6. The Grand (A)



### Location of the property:

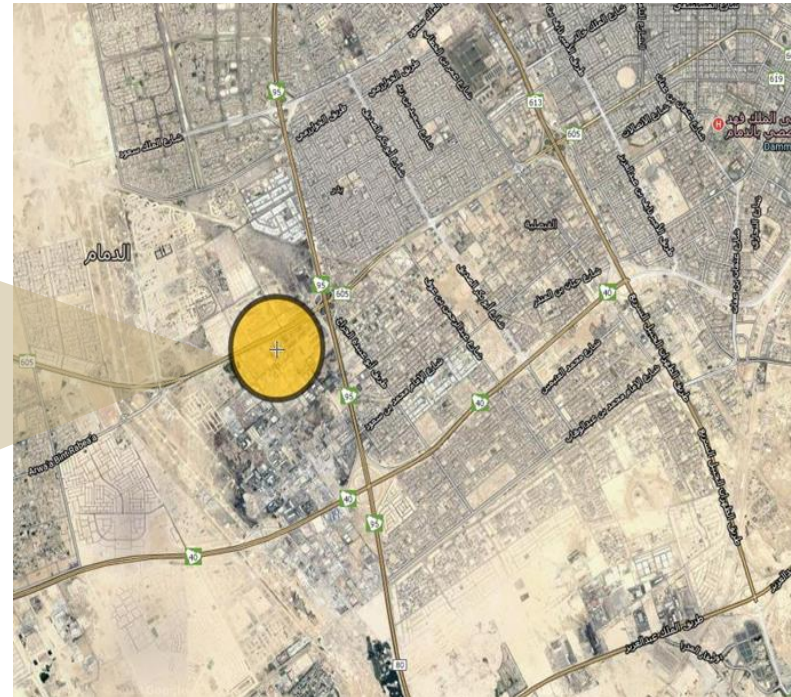
The property is located in Dammam Al Anwar district.



### Location Coordinates

N 26.377117

E 50.011271



## The Grand (A)

### Legal Description:

Property is a land on which a residential complex consisting of 11 floors and a rooftop building, detailed as follows:

Block No.	Plot No.	Area - sqm	Use
118/1	13	2,785.16	Residential

Borders & Lengths		
Direction	Length	Limits
North	46.25	25 m Street
South	45.04	120 No. Plot
East	56.92	119/1 No. Plot
West	67.42	20 m Street
<b>Note:</b>	<b>21,338 sqm (As per deed)</b>	

Building Description	Area-sqm	Use
Ground	326.00	Service
1 <sup>st</sup> Floor	2,666.00	Residential
2 <sup>nd</sup> Floor	2,666.00	Residential
3 <sup>rd</sup> Floor	2,666.00	Residential
4 <sup>th</sup> Floor	2,666.00	Residential
5 <sup>th</sup> Floor	2,666.00	Residential
6 <sup>th</sup> Floor	2,666.00	Residential

Building Description	Area-sqm	Use
7 <sup>th</sup> Floor	2,666.00	Residential
8 <sup>th</sup> Floor	2,666.00	Residential
9 <sup>th</sup> Floor	2,666.00	Residential
10 <sup>th</sup> Floor	2,666.00	Residential
11 <sup>th</sup> Floor	2,666.00	Residential
12 <sup>th</sup> Floor	1,335.00	Residential
Fence	316.00	Fence
Wall	230.00	Wall



## The Grand (A)

### Inspection:

The site inspection confirms the current use of the property as Residential Complex.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is located in the city of Dammam, the Al-Anwar district, which has a sub-average residential density of people with a median income, and the proximity of the Al-Anwar district to the business areas of middle-income earners in the city of Dammam contributed to an increase in the demand for real estate in that region

### Factors affecting demand:

- Land sale prices in the scheme for residential and commercial lands.
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Urbanization trends.
- Urban pattern in the surrounding area
- Building system in the project area.

### Risks related to the Property:

- The weak construction movement in the surrounding area, which causes a decrease in the selling prices of the project.
- Infrastructure projects in the region are incomplete.
- The emergence of price competition for the same use.

### Determine selected sample comparisons: (Land)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Land Area - sqm	No. of streets	Districts	Price – SR/sqm
1	940	1	Al Anwar	1,500
2	2,700	2	Al Anwar	1,400
3	2,000	2	Al Anwar	1,350



### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,500	Asking Price	1,400	Asking Price	1,350	Asking Price
Type of value	-	-150	-10%	-140	-10%	-135	-10%
Price – SR/sqm		1,350		1,260		990	
Land Area - sqm	3,065.13	940	-5%	2,700	0%	2,000	0%
Ease of access	Average	Average	0%	Average	0%	Average	0%
street	2	1	5%	2	0%	2	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		0%		0%		0%	
Net market price after adjustments - SR/sqm		1,350		1,260		1,215	
Average land Price –SR/sqm		1,275					
Price per square meter after adjustment - SR/sqm		1,300					



### Determine selected sample comparisons: (Apartment)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Name	Location	Price – SR/sqm
1	Apartment	Ali bin Sultan	Doha Janubia	65,000
2	Apartment	Shailan	Hazam Zahbi	80,000
3	Apartment	Retal Square	Al Qasoor	70,000





### Comparison Method: (Apartment)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		65,000	Asking Price	80,000	Asking Price	70,000	Asking Price
Type of value	–	-3,250	-5%	0	0%	-3,500	-5%
Price – SR/sqm		61,750		80,000		66,500	
No. of Rooms	2	2	0%	2	0%	2	0%
Ease of access	Average	Easy	-10%	Easy	-10%	Easy	-10%
Location	Grand A	Ali bin Sultan	5%	Shailan	10%	Retal Square	10%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-5%		0%		0%	
Net rent after adjustments - SR/unit		58,663		80,000		66,500	
Average rental Price –SR/sqm		68,388					
Rental Price per square meter after adjustment - SR/unit		68,500					

Floors	No. of Apartments	Price / sqm	Total
Apartment Rent	64	68,500	4,384,000
Total Income – SR			4,384,000
Vacancy rate (10%)			438,400
Actual gross income			3,945,600
Maintenance and operation ratio (10%)			394,560
Net operating income			3,551,040
Capitalization rate			8%
Property value			44,388,000

## Cash Flow Method by Contract :

Growth rate	2%
Total Income	5,000,000
Operating expenses	10%

Year		2021	2022	2023	2024	2025
Total Income		5,000,000	4,746,800	4,605,940	4,721,089	4,839,116
Occupancy		100%	95%	90%	90%	90%
Operating Income		5,000,000	4,528,447	4,145,346	4,248,980	4,355,204
Total operating expenses		0	199,252	414,535	424,898	435,520
Net Income		5,000,000	4,329,196	3,730,811	3,824,082	3,919,684
Annual return		8.00%				
Property Value		48,996,047				
net cash flow of the property		5,000,000	4,329,196	3,730,811	3,824,082	52,915,730
Current Value	Discount rate	8.00%	8.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.93	0.83	0.75	0.68
present value of money		5,000,000	4,008,514	3,083,315	2,873,089	36,142,156
<b>Market Value of the Property / SR</b>		<b>51,107,075</b>				

## Market cash flow approach :

Growth rate	2.5%
Total Income	4,384,000
Operating expenses	10%

Year		2021	2022	2023	2024	2025
Total Income		4,384,000	4,493,600	4,605,940	4,721,089	4,839,116
Occupancy		90%	90%	90%	90%	90%
Operating Income		3,945,600	4,044,240	4,145,346	4,248,980	4,355,204
Total operating expenses		394,560	404,424	414,535	424,898	435,520
Net Income		3,551,040	3,639,816	3,730,811	3,824,082	3,919,684
Annual return		8.00%				
Property Value		48,996,047				
net cash flow of the property		3,551,040	3,639,816	3,730,811	3,824,082	52,915,730
Current Value	Discount rate	10.50%	10.50%	10.50%	10.50%	10.50%
	Discount factor	1.00	0.90	0.82	0.74	0.67
present value of money		3,551,040	3,293,951	3,055,475	2,834,264	35,492,426
<b>Market Value of the Property / SR</b>		<b>48,227,156</b>				

## Important Assumptions of Valuation :

Assumptions	Detail
<b>Real estate Revenue</b>	<p>The real estate revenues were estimated according to the contract between the owner and the tenant (binding for year and a half for both parties)</p> <p>The occupancy rate for the third, fourth and fifth years was assumed to be 90%.</p>
<b>Discount Rate</b>	<p>The discount rate was estimated at a value equal to 8%, which represents the rate of return for similar properties or the opportunity return of cash flows.</p>
<b>Capitalization Rate</b>	<p>The capitalization rate of the property after the fifth year was assumed at 8% and it is considered a reasonable percentage after taking the components of the property, and it represents the return expected to be achieved by the property upon exit from it at the end of the fifth year of expectations</p>
<b>Capital costs</b>	<p>It was assumed that the value of additions to the capital costs of the property amounted to 0.0 SAR</p>





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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method :

By using the Discounted Cash Flow method, and assuming a discount rate of 8% and a capitalization rate of 8%, the value of the property according to this method amounts to 51,107,075 SAR, as shown in the previous table

### Market Value of the Property according to the Market DCF Method :

By using the discounted cash flow method and assuming no occupancy of 10%, maintenance and operation of 10%, and a capitalization rate of 8%, and assuming a discount rate of 10.5%, the value of the property according to this method amounts to 48,227,156 SAR, as shown in the previous table

## 7. The Grand (B)



### Location of the property:

The property is located in Dammam Al Anwar district.



### Location Coordinates

N 26.377117

E 50.011271



## The Grand (B)

### Legal Description:

Property is a land on which a residential complex consisting of a ground and 6 floors and a roof top building, detailed as follows:

Plot No.	Block No.	Area - sqm	Use
119/1	13	2,775.13	Commercial

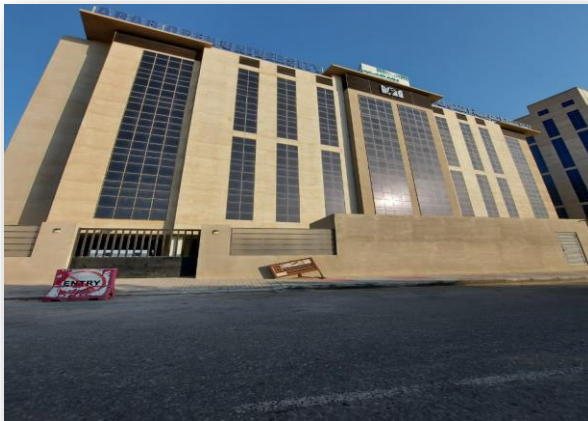
Borders & Lengths		
Direction	Length	Limits
North	56.32	25 m Street
South	50	120 No. Plot
East	44.62	119/1 No. Plot
West	56.92	20 m Street

Building Description	Area-sqm	Use
Ground - Services	5,560.29	Service
1 <sup>st</sup> Floor	1,366.9	Offices
2 <sup>nd</sup> Floor	1,366.9	Offices
3 <sup>rd</sup> Floor	1,366.9	Offices
4 <sup>th</sup> Floor	1,366.9	Offices
Consecutive Floors	2,733.8	Offices
<b>Total Area</b>	<b>13,761.69</b>	

## The Grand (B)

### Inspection:

The site inspection confirms the current use of the property as commercial building.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is located in the city of Dammam, the Al-Anwar district, which has a sub-average residential density of people with a median income, and the proximity of the Al-Anwar district to the business areas of middle-income earners in the city of Dammam contributed to an increase in the demand for real estate in that region

### Factors affecting demand:

- Land sale prices in the scheme for residential and commercial lands.
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Urbanization trends.
- Urban pattern in the surrounding area
- Building system in the project area.

### Risks related to the Property:

- The weak construction movement in the surrounding area, which causes a decrease in the selling prices of the project.
- Infrastructure projects in the region are incomplete.
- The emergence of price competition for the same use.



### Determine selected sample comparisons: (Land)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Land Area - sqm	Districts	No. of street	Price – SR/sqm
1	940	Al Anwar	1	1,500
2	2,700	Al Anwar	2	1,400
3	2,000	Al Anwar	2	1,350



### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,500	Asking Price	1,400	Asking Price	1,350	Asking Price
Type of value	-	-150	-10%	-140	-10%	0	0%
Price – SR/sqm		1,350		1,260		1,350	
Land Area - sqm	2,495.16	940	-5%	2,700	0%	2,000	0%
Ease of access	Average	Average	0%	Average	0%	Average	0%
street	2	1	5%	2	0%	2	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		0%		0%		0%	
Net market price after adjustments - SR/sqm		1,350		1,260		1,350	
Average land Price –SR/sqm		1,320					
Price per square meter after adjustment - SR/sqm		1,300					



### Determine selected sample comparisons: (Office)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Area - sqm	Location	Price – SR/sqm
1	100	Al faisaliyah	350
2	140	Al faisaliyah	300



### Comparison Method: (Office)

Comparative Components	Property to be valued	Sample 1		Sample 2	
Valuation Date	2021	2021		2021	
Price - SR /sqm		300	Asking Price	350	Asking Price
Type of value	-	0	0%	-38	-10%
Price – SR/sqm		300		342	
Office Space - sqm	100	110	0%	140	0%
Ease of access	Average	Easy	-5%	Easy	-5%
Location	High	Average	-10%	Average	-10%
		Sample 1		Sample 2	
Total Adjustment		-15%		-15%	
Net market price after adjustments - SR/sqm		255		283	
Average land Price –SR/sqm		269			
Price per square meter after adjustment - SR/sqm		270			

Floors	Rental Area - sqm	Price / sqm	Total
Office Rent	7,000	270	1,890,000
Total Income – SR			1,890,000
Vacancy rate (10%)			189,000
Actual gross income			1,701,000
Maintenance and operation ratio (5%)			85,050
Net operating income			1,615,950
Capitalization rate			8%
Property value			20,199,375



### Cash Flow Method by Contract :

Growth rate	2%
Total Income	2,500,000
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		2,500,000	2,213,900	1,966,356	2,005,683	2,045,797
Occupancy		100%	96%	90%	90%	95%
Operating Income		2,500,000	2,118,702	1,769,720	1,805,115	1,943,507
Total operating expenses		0	42,374	88,486	90,256	97,175
Net Income		2,500,000	2,076,328	1,681,234	1,714,859	1,851,446
Annual return		8.00%				
Property Value		23,143,076				
net cash flow of the property		2,500,000	2,076,328	1,681,234	1,714,859	24,994,522
Current Value	Discount rate	8.00%	8.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.93	0.83	0.75	0.68
present value of money		2,500,000	1,922,526	1,389,450	1,288,399	17,071,595
<b>Market Value of the Property / SR</b>		<b>24,124,811</b>				

### Market cash flow approach :

Growth rate	2%
Total Income	1,890,000
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		1,890,000	1,927,800	1,966,356	2,005,683	2,045,797
Occupancy		90%	90%	90%	90%	90%
Operating Income		1,701,000	1,735,020	1,769,720	1,805,115	1,841,217
Total operating expenses		85,050	86,751	88,486	90,256	92,061
Net Income		1,615,950	1,648,269	1,681,234	1,714,859	1,749,156
Annual return		8.00%				
Property Value		21,864,453				
net cash flow of the property		1,615,950	1,648,269	1,681,234	1,714,859	23,613,609
Current Value	Discount rate	10.00%	10.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.91	0.83	0.75	0.68
present value of money		1,615,950	1,498,426	1,389,450	1,288,399	16,128,413
<b>Market Value of the Property / SR</b>		<b>21,920,638</b>				

## Important Assumptions of Valuation :

Assumptions	Detail
<b>Real estate Revenue</b>	<p>The real estate revenues were estimated according to the contract between the owner and the tenant (binding for year and a half for both parties)</p> <p>The occupancy rate for the third, fourth 90% and fifth years was assumed to be 95%.</p>
<b>Discount Rate</b>	<p>The discount rate was estimated at a value equal to 8%, which represents the rate of return for similar properties or the opportunity return of cash flows.</p>
<b>Capitalization Rate</b>	<p>The capitalization rate of the property after the fifth year was assumed at 8% and it is considered a reasonable percentage after taking the components of the property, and it represents the return expected to be achieved by the property upon exit from it at the end of the fifth year of expectations</p>
<b>Capital costs</b>	<p>It was assumed that the value of additions to the capital costs of the property amounted to 0.0 SAR</p>



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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method :

By using the Discounted Cash Flow method, and assuming a discount rate of 8% and a capitalization rate of 8%, the value of the property according to this method amounts to 24,124,811 SAR, as shown in the previous table

### Market Value of the Property according to the Market DCF Method :

By using the discounted cash flow method and assuming no occupancy of 10%, maintenance and operation of 5%, and a capitalization rate of 8%, and assuming a discount rate of 10%, the value of the property according to this method amounts to 21,920,638 SAR, as shown in the previous table



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## 8. Warehouse Complex Al Maina



### Location of the property:

The property is located in Dammam Mena district.



### Location Coordinates

N 26.394958

E 50.164622







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## Warehouse Complex Al Maina

### Legal Description:

The subject property comprises a commercial land incorporating a warehouses. The total area extends to 48,868 square meters for Block No. 21, Block 17 and Block 33 provided by the client and a total area of buildings 44,547 square meters according to the building permit. The table below refers to the salient details of the property :

Block No.	Plot No.	Area - sqm	Use
(321) (322) (323) (324) (325) (326) (327) (329) (330) (331) (332) (333) (334) (548) (550) (328) (249) (250) (251) (252) (253) (255)	21-33-17	48,868	Warehouse

### Borders & Lengths

Direction	Length	Limits
North	As per deed	Neighbor
South	As per deed	Neighbor
East	As per deed	street
West	As per deed	street

### Building Description

Warehouses and annex from the mezzanine (administrative and services offices) built on 3 lands close to each other. Each site contains parking spaces and electric rooms.

## Warehouse Complex Al Maina

### Inspection:

The site inspection confirms the current use of the property as warehouses.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The property subject to evaluation is located near the Dammam sea port in the city of Dammam, and the proximity of the Mina district to the Dammam sea port contributed to the increase in the demand for warehouses in that region, especially in light of the limited supply of warehouses in the neighboring regions.

All this growth in construction on the surrounding area will contribute in the future to increasing the demand for land in the region, which will positively affect the price level.

### Factors affecting demand:

- Land sale prices in the area as warehouses.
- Urbanization trends.
- Construction is completed in the surrounding area
- Urban pattern in the surrounding area
- Building system in the project area

### Risks related to the Property:

- Infrastructure projects in the region are incomplete.
- The emergence of price competition for the same use

**Determine selected sample comparisons: (Land)**

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	District	No. of street	Price – SR/sqm
1	Warehouse	6,200	Al Maina	2	1,500
2	Warehouse	2,000	Al Maina	1	1,700
3	Warehouse	2,012	Al Maina	1	1,700



### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,500	Asking Price	1,700	Asking Price	1,700	Asking Price
Type of value	-	-150	-10%	-170	-10%	-170	-10%
Price – SR/sqm		1,350		1,530		1,530	
Land Area - sqm	46,682	6,200	-15%	2,000	-20%	2,012	-20%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
street	4	2	5%	1	10%	1	10%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-10%		-10%		-10%	
Net market price after adjustments - SR/sqm		1,215		1,377		1,377	
Average land Price –SR/sqm		1,323					
Price per square meter after adjustment - SR/sqm		1,300					



**Determine selected sample comparisons: (warehouse)**

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Area - sqm	No. of street	Location	Price – SR/sqm
1	warehouse	1,100	1	Al Mena	110
2	warehouse	1,200	1	Al Mena	115
3	warehouse	750	1	Al Mena	125



### Comparison Method: (Warehouse)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		110	Asking Price	115	Asking Price	125	Asking Price
Type of value	-	0	0%	0	0%	0	0%
Price – SR/sqm		110		115		125	
Land Area - sqm	1,000	1,100	0%	1,200	0%	750	0%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
Property Quality	Excellent	Average	40%	Average	40%	Average	40%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		40%		40%		40%	
Net market price after adjustments - SR/sqm		154		161		175	
Average land Price –SR/sqm		163					
Price per square meter after adjustment - SR/sqm		165					

## Property Valuation Income Capitalization Method

Floors	Rental Area - sqm	Price / sqm	Total
Warehouse	44,547	165	7,350,255
Total Income – SR			7,350,255
Vacancy rate (10%)			735,026
Actual gross income			6,615,230
Maintenance and operation ratio (5%)			330,761
Net operating income			6,284,468
Capitalization rate			8%
Property value			78,555,850

### Cash Flow Method by Contract :

Growth rate	2.5%
Total Income	10,400,000
Operating expenses	0%

Year		2021	2022	2023	2024	2025
Total Income		10,400,000	8,967,006	7,722,362	7,915,421	8,113,306
Occupancy		100%	96%	90%	90%	90%
Operating Income		10,400,000	8,590,391	6,950,125	7,123,879	7,301,976
Total operating expenses		0	163,217	347,506	356,194	365,099
Net Income		10,400,000	8,427,174	6,602,619	6,767,685	6,936,877
Annual return		8.00%				
Property Value		86,710,960				
net cash flow of the property		10,400,000	8,427,174	6,602,619	6,767,685	93,647,837
Current Value	Discount rate	8.00%	8.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.93	0.83	0.75	0.68
present value of money		10,400,000	7,802,939	5,456,710	5,084,662	63,962,733
<b>Market Value of the Property / SR</b>		<b>92,707,043</b>				

## Market cash flow approach :

Growth rate	2.5%
Total Income	7,350,255
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		7,350,255	7,534,011	7,722,362	7,915,421	8,113,306
Occupancy		90%	90%	90%	90%	90%
Operating Income		6,615,230	6,780,610	6,950,125	7,123,879	7,301,976
Total operating expenses		330,761	339,031	347,506	356,194	365,099
Net Income		6,284,468	6,441,580	6,602,619	6,767,685	6,936,877
Annual return		8.00%				
Property Value		86,710,960				
net cash flow of the property		6,284,468	6,441,580	6,602,619	6,767,685	93,647,837
Current Value	Discount rate	10.50%	10.50%	10.50%	10.50%	10.50%
	Discount factor	1.00	0.90	0.82	0.74	0.67
present value of money		6,284,468	5,829,484	5,407,440	5,015,951	62,812,870
<b>Market Value of the Property / SR</b>		<b>85,350,213</b>				



## Important Assumptions of Valuation :

Assumptions	Detail
<b>Real estate Revenue</b>	<p>The real estate revenues were estimated according to the contract between the owner and the tenant (binding for year and half for both parties)</p> <p>The occupancy rate for the third, fourth and fifth years was assumed to be 90%.</p>
<b>Discount Rate</b>	<p>The discount rate was estimated at a value equal to 8%, which represents the rate of return for similar properties or the opportunity return of cash flows.</p>
<b>Capitalization Rate</b>	<p>The capitalization rate of the property after the fifth year was assumed at 8% and it is considered a reasonable percentage after taking the components of the property, and it represents the return expected to be achieved by the property upon exit from it at the end of the fifth year of expectations</p>
<b>Capital costs</b>	<p>It was assumed that the value of additions to the capital costs of the property amounted to 0.0 SAR</p>



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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method :

By using the Discounted Cash Flow method, and assuming a discount rate of 8% and a capitalization rate of 8%, the value of the property according to this method amounts to 92,707,043 SAR, as shown in the previous table

### Market Value of the Property according to the Market DCF Method :

By using the discounted cash flow method and assuming no occupancy of 10%, maintenance and operation of 5%, and a capitalization rate of 8%, and assuming a discount rate of 10.5%, the value of the property according to this method amounts to 85,350,213 SAR, as shown in the previous table



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## 9. Staff Residential Building



### Location of the property:

The property is located in Dammam Mena district.



### Location Coordinates

N 26.417357

E 50.173010



### Legal Description:

The subject property comprises a commercial land incorporating a residential building. The total land area extends to 1,200 square meters, and a total building area of 2,912 square meters. The table below refers to the salient details of the property :

Plot No.	Block No.	Plot No.	Area - sqm	Use
7/A – 5/A	1	1/239	1,200	Residential
Borders & Lengths – 7/A				
Direction	Length		Limits	
North	20		Street - 40 m	
South	20		Neighbor	
East	30		Neighbor	
West	30		Neighbor	
Borders & Lengths – 5/A				
Direction	Length		Limits	
North	20		Street - 40 m	
South	20		Neighbor	
East	30		Neighbor	
West	30		Neighbor	
It consists of two residential buildings for workers, each one of them consists of a ground floor and three floors				

## Staff Residential Building

### Inspection:

The site inspection confirms the current use of the property as commercial buildings.





### Determine selected sample comparisons: (land)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Area - sqm	No. of streets	Price – SR/sqm
1	Commercial	6,200	2	1,450
2	Commercial	915	1	1,800



### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2	
Valuation Date	2021	2021		2021	
Price - SR /sqm		1,450	Asking Price	1,800	Asking Price
Type of value	-	-145	-10%	-180	-10%
Price – SR/sqm		1,305		1,620	
Land Area - sqm	1,200	6,200	20%	915	-5%
Use	Commercial	Commercial	0%	Commercial	0%
Location	Salman Farsi Street	Ahmad bin Taloon Street	-10%	King Abdul Aziz Road	-10%
street	1	2	-5%	1	0%
		Sample 1		Sample 2	
Total Adjustment		5%		-15%	
Net Market Price after adjustments - SR/sqm		1,370		1,377	
Average land Price –SR/sqm		1,374			
Price per square meter after adjustment - SR/sqm		1,370			
Total Land Value		1,644,000			

### Determine selected sample comparisons: (Apartment)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Area - sqm	No. of Streets	Price – SR/sqm
1	Residential	120	2	23,000
2	Residential	80	2	18,000
3	Residential	100	1	21,000





### Comparison Method: (Residential)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		23,000	Asking Price	18,000	Asking Price	21,000	Asking Price
Type of value	-	-1150	-5%	0	0%	-1050	-5%
Price – SR/sqm		21,850		18,000		19,950	
Land Area - sqm	-	120	0%	80	0%	100	0%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		0%		0%		0%	
Net rent after adjustments - SR/sqm		21,850		18,000		19,950	
Average rental Price –SR/sqm		19,933					
Rental Price per square meter after adjustment - SR/sqm		19,900					

## Property Valuation Income Capitalization Method

Floors	No. of Units	Rental Price / unit	Total
Apartment Rent	22	19,900	437,800
Total Income – SR			437,800
Vacancy rate (5%)			21,890
Actual gross income			415,910
Maintenance and operation ratio (5%)			20,796
Net operating income			395,115
Capitalization rate			8.5%
Property value			4,648,406





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## Property Valuation

### Market Value of Property according to Income Capitalization Method:

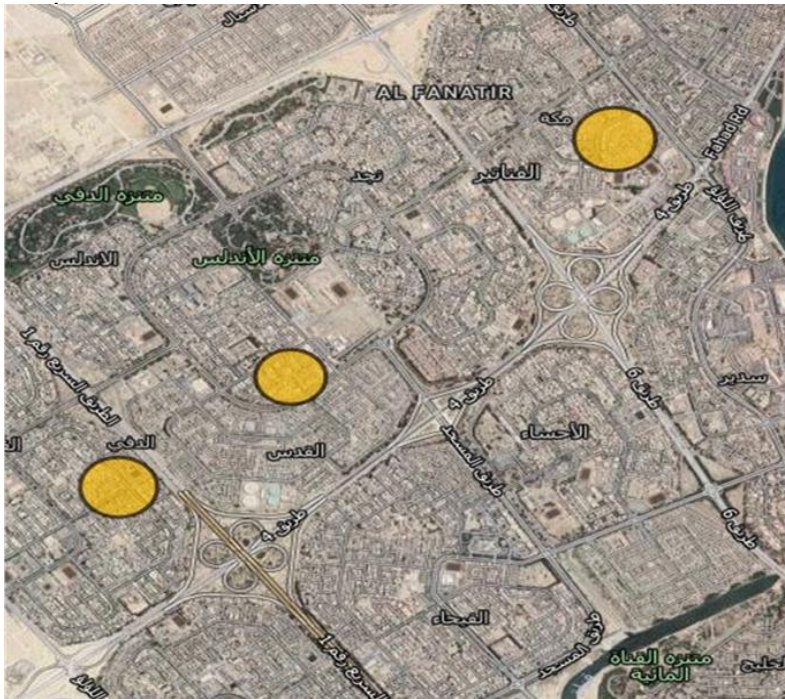
By using the income capitalization method and assuming no occupancy of 5%, maintenance and operation of 5%, and a capitalization rate of 8.5%, the value of the property according to this method amounts to 4,648,406 Saudi riyals, as shown in the previous table.

## 10. Staff Residential Building



**Location of the property:**

The property is located in Dammam Fanateer & Al Dhafaa district



## Staff Residential Building

### Borders & Lengths ( 29-16)

Direction	Length	Limits
North	33.6	18.6 m
South	33.6	18.6 m
East	60	22.6 m
West	67.9	19.6 m

### Borders & Lengths (21-10)

Direction	Length	Limits
North	30	18.6 m
South	53	18.6 m
East	93	18.6 m
West	131.8	33.2 m

### Borders & Lengths (2-12)

Direction	Length	Limits
North	54.45	22.6 m
South	54.5	18.6 m
East	64.95	18.6 m
West	56.95	18.6 m

Block No.	Plot No.	Area - sqm	Use
2-21-29	12 10 16	9,592	Residential

### Legal Description:

The subject property comprises a commercial land incorporating a residential complex. The total land area extends to 9,592 square meters and a total buildings area of 9,091 square meters. The table below refers to the salient details of the property.

### Building Description

It consists of 4 residential complexes consisting of 54 apartments

Four residential buildings located in three adjacent neighborhoods in the north of Jubail, each building consists of 3 floors and contains 12 apartments and one of them contains 17 apartments. Apartments are in buildings of varying sizes, some consist of 2 bedrooms or 3 bedrooms

## Staff Residential Building

### Inspection:

The site inspection confirms the current use of the property as residential complex.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is located in the Dhafa district in the city of Jubail, which has a high residential density of people with high incomes.

All this growth in construction on the surrounding area will contribute in the future to an increase in demand for land in the region, which will positively affect the price level.

### Factors affecting demand:

- Sale prices of land in the residential area.
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Urbanization trends.
- Construction is completed in the surrounding area
- Urban pattern in the surrounding area
- Building system in the project area

### Risks related to the Property:

- Infrastructure projects in the region are incomplete.
- The emergence of price competition for the same use.

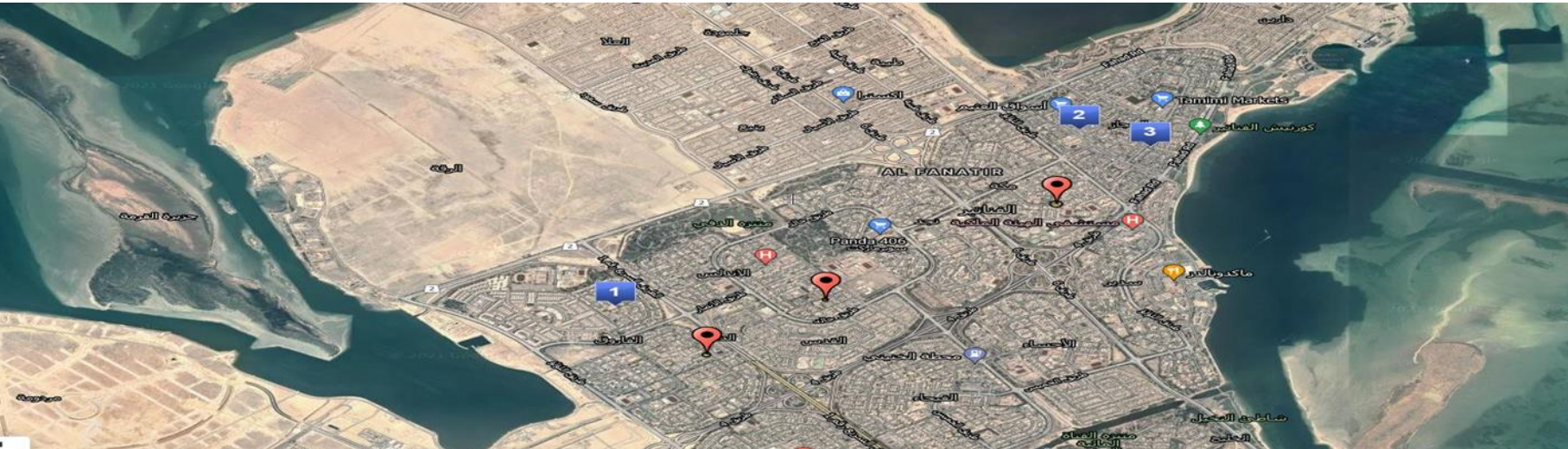


**Determine selected sample comparisons: (Land)**

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	No. of streets	No. of street	Price – SR/sqm
1	Residential	966	Al Farooq	1	1,553
2	Residential	821	Al Hijaz	1	1,644
3	Residential	524	Al Hijaz	1	1,621



### Comparison Method: (Land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,553	Asking Price	1,644	Asking Price	1,621	Asking Price
Type of value	-	0	0%	0	0%	0	0%
Price – SR/sqm		1,553		1,644		1,621	
Land Area - sqm	9,592	966	-5%	821	-5%	524	-5%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
No. of Streets	3	1	10%	1	10%	1	10%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		5%		5%		5%	
Net market price after adjustments - SR/sqm		1,631		1,726		1,702	
Average land Price –SR/sqm		1,686					
Price per square meter after adjustment - SR/sqm		1,700					
Total Land Area		16,306,400					

**Determine selected sample comparisons: (Apartment)**

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Unit Area - sqm	No. of Rooms	Price – SR/sqm
1	Apartment	130	2	30,000
2	Apartment	125	2	28,000
3	Apartment	190	4	45,000



### Comparison Method: (Al Dhafa Building)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		30,000	Asking Price	28,000	Asking Price	45,000	Asking Price
Type of value	-	0	0%	0	0%	0	0%
Price – SR/sqm		30,000		28,000		42,750	
No. of Rooms	4	2	10%	2	10%	4	0%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
Quality of property	Excellent	Average	15%	Average	15%	Excellent	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		25%		25%		0%	
Net rent after adjustments - SR/sqm		37,500		35,000		42,750	
Average rental Price –SR/sqm		38,417					
Rental Price per square meter after adjustment - SR/sqm		38,400					



### Comparison Method: (Al Fanateer Building)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		30,000	Asking Price	28,000	Asking Price	45,000	Asking Price
Type of value	–	0	0%	0	0%	-2250	-5%
Price – SR/sqm		30,000		28,000		42,750	
No. of Rooms	3	2	5%	2	5%	4	-5%
Ease of access	High	High	0%	High	0%	High	0%
Quality of property	Average	Average	0%	Average	0%	Excellent	-15%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		5%		5%		-20%	
Net rent after adjustments - SR/sqm		31,500		29,400		34,200	
Average rental Price –SR/sqm		31,700					
Rental Price per square meter after adjustment - SR/sqm		32,000					



### Comparison Method: (Al Farooq Building)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		30,000	Asking Price	28,000	Asking Price	45,000	Asking Price
Type of value	-	0	0%	0	0%	-2,250	-5%
Price – SR/sqm		30,000		28,000		42,750	
No. of Rooms	4	2	10%	2	10%	4	0%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
Quality of property	Average	Average	0%	Average	0%	Average	-15%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		10%		10%		-15%	
Net rent after adjustments - SR/sqm		33,000		30,800		36,338	
Average rental Price –SR/sqm		33,379					
Rental Price per square meter after adjustment - SR/sqm		33,400					



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## Property Valuation Income Capitalization Method

### Al Farooq Building

Asset Type	No. of Units	Price / Unit	Total
Residential Building	12	33,400	400,800
Total Income – SR			400,800
Vacancy rate (10%)			40,080
Actual gross income			360,720
Maintenance and operation ratio (5%)			18,036
Net operating income			342,684
Capitalization rate			8%
Property value			4,283,550

### Al Fanateer Building

Asset Type	No. of Units	Price / Unit	Total
Residential Building	24	32,000	768,000
Total Income – SR			768,000
Vacancy rate (10%)			76,800
Actual gross income			691,200
Maintenance and operation ratio (5%)			34,560
Net operating income			656,640
Capitalization rate			8%
Property value			8,208,000

### Al Dhafa Building

Asset Type	No. of Units	Price / Unit	Total
Residential Building	12	38,400	460,800
Total Income – SR			460,800
Vacancy rate (10%)			46,080
Actual gross income			414,720
Maintenance and operation ratio (5%)			20,736
Net operating income			393,984
Capitalization rate			8%
Property value			4,924,800

### Cash Flow Method by Contract :

Growth rate	2%
Total Income	2,327,000
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		2,327,000	1,662,192	1,695,436	1,729,345	1,763,931
Occupancy		100%	90%	90%	90%	90%
Operating Income		2,327,000	1,495,973	1,525,892	1,556,410	1,587,538
Total operating expenses		0	74,799	76,295	77,821	79,377
Net Income		2,327,000	1,421,174	1,449,598	1,478,590	1,508,161
Annual return		8.00%				
Property Value		18,852,017				
net cash flow of the property		2,327,000	1,421,174	1,449,598	1,478,590	20,360,179
Current Value	Discount rate	8.00%	10.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.91	0.83	0.75	0.68
present value of money		2,327,000	1,291,977	1,198,015	1,110,886	13,906,276
<b>Market Value of the Property / SR</b>		<b>19,834,153</b>				

## Market cash flow approach :

Growth rate	2%
Total Income	1,629,600
Operating expenses	5%

Year		2021	2022	2023	2024	2025
Total Income		1,629,600	1,662,192	1,695,436	1,729,345	1,763,931
Occupancy		90%	90%	90%	90%	90%
Operating Income		1,466,640	1,495,973	1,525,892	1,556,410	1,587,538
Total operating expenses		73,332	74,799	76,295	77,821	79,377
Net Income		1,393,308	1,421,174	1,449,598	1,478,590	1,508,161
Annual return		8.00%				
Property Value		18,852,017				
net cash flow of the property		1,393,308	1,421,174	1,449,598	1,478,590	20,360,179
Current Value	Discount rate	10.00%	10.00%	10.00%	10.00%	10.00%
	Discount factor	1.00	0.91	0.83	0.75	0.68
present value of money		1,393,308	1,291,977	1,198,015	1,110,886	13,906,276
<b>Market Value of the Property / SR</b>		<b>18,900,461</b>				



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## Property Valuation

### Market Value of Property according to Discounted Cash Flow Method :

By using the discounted cash flow method and assuming a vacancy rate of 10% for the second, third, fourth and fifth years, a maintenance and operating rate of 5%, and a capitalization rate of 8%, the value of the property according to this method amounts to 19,834,153 Saudi riyals, as shown in the previous table.

### Market Value of the Property according to the Market DCF Method :

By using the discounted cash flow method and assuming a vacancy rate of 10%, a maintenance and operating rate of 5%, and a capitalization rate of 8%, the value of the property according to this method amounts to 18,900,461 Saudi riyals, as shown in the previous table



## 11. Residential buildings for Employees



### Location of the property:

The property is located in Khobar Industrial district.



### Location Coordinates

N 26.254132

E 50.198062



## Residential buildings for Employees

### Legal Description:

The subject property comprises a commercial land incorporating a residential building. The land area extends to 660.92 square meters and a total buildings area of 1,648 square meters. The table below refers to the salient details of the property.

Block No.	Plot No.	Plan No.	Area - sqm	Use
24	5	ش خ 683	660.92	Residential

Borders & Lengths		
Direction	Length	Limits
North	27.36	Neighbor
South	27.36	Neighbor
East	24	Neighbor
West	24	20 m & parking

Building Description
It is a residential building consisting of a ground floor, a first floor, a second floor, and an upper extension

## Residential buildings for Employees

### Inspection:

The site inspection confirms the current use of the property as residential complex.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is located in an industrial neighborhood in the city of Khobar, and the proximity of an industrial neighborhood resulting from the warehouse and industrial area has contributed to an increase in the demand for real estate in that area, especially in light of the limited supply of residential complexes in the neighboring areas.

All this growth in construction on the surrounding area will contribute in the future to an increase in demand for land in the region, which will positively affect the price level.

### Factors affecting demand:

- Land sale prices by commercial and residential scheme.
- Urban pattern in the surrounding area
- Building system in the project area.

### Risks related to the Property:

- The weak construction movement in the surrounding area, which causes a decrease in the selling prices of the project.
- Infrastructure projects in the region are incomplete.
- The emergence of price competition for the same use



### Determine selected sample comparisons: (Land)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	No. of street	Price – SR/sqm
1	Industrial	1,208	2	1,500
2	Industrial	2,700	1	2,000
3	Industrial	2,160	2	1,900





### Comparison Method: (land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,500	Asking Price	2,000	Asking Price	1,900	Asking Price
Type of value	-	-75	-5%	-200	-10%	-95	-5%
Price – SR/sqm		1,425		1,800		1,805	
Land Area - sqm	660.92	1,208	5%	2,700	10%	2,160	10%
District name	Al Thuqba Industrial	Ibn Sina	10%	Ibn Sina	10%	Ibn Sina	10%
No of streets	1	2	-5%	2	-5%	1	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		10%		15%		20%	
Net market price after adjustments - SR/sqm		1,568		2,070		2,166	
Average land Price –SR/sqm		1,935					
Price per square meter after adjustment - SR/sqm		1,930					
Total Land Value		1,275,576					



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## Data Collection & Analysis

### Determine selected sample comparisons: (Apartment)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Area - sqm	District	Price – SR/sqm
1	Apartment	100	Al Thuqba Industrial	20,000
2	Apartment	90	Al Thuqba Industrial	18,000



### Comparison Method: (Apartment)

Comparative Components	Property to be valued	Sample 1		Sample 2	
Valuation Date	2021	2021		2021	
Price - SR /sqm		20,000	Asking Price	18,000	Asking Price
Type of value	-	-1,000	-5%	0	0%
Price – SR/sqm		19,000		18,000	
Area - sqm	-	100	0%	90	0%
Ease of access	Easy	Easy	0%	Easy	0%
		Sample 1		Sample 2	
Total Adjustment		0%		0%	
Net rent after adjustments - SR/unit		19,000		18,000	
Average rental Price –SR/unit		18,500			
Rental Price per square meter after adjustment - SR/unit		18,500			

Asset Type	No. of Units	Price / Unit	Total
Apartments	11	18,500	203,500
Total Income – SR			203,500
Vacancy rate (10%)			20,350
Actual gross income			183,150
Maintenance and operation ratio (3%)			5,495
Net operating income			177,656
Capitalization rate			8.5%
Property value			2,090,065



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## Property Valuation

### Market Value of Property according to Income Capitalization Method :

By using the income capitalization method and assuming no occupancy of 10%, maintenance and operation of 3%, and a capitalization rate of 8.5%, the value of the property according to this method amounts to 2,090,065 Saudi riyals, as shown in the previous table





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## 12. Al Fanar Commercial Complex



### Location of the property:

The property is located in Khobar Raka district.



### Location Coordinates

N 26.341678

E 50.197819



## Al Fanar Commercial Complex

### Legal Description:

The subject property comprises a commercial land incorporating a commercial complex and warehouses. The land area extends to 14,025 meters. The table below refers to the salient details of the property :

Plot No.	Block No.	Plan No.	Area - sqm	Use
Without a southwestern corner of the letter T.	-	2/38	14,025	Commercial - warehouse

Borders & Lengths		
Direction	Length	Limits
North	110	Neighbor
South	110	25 m street
East	127.5	30 m street
West	127.5	60 m street

Building Description
It consists of 12 commercial showrooms, parking lots and large warehouses behind the showrooms

## Al Fanar Commercial Complex

### Inspection:

The site inspection confirms the current use of the property as commercial complex and warehouse.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is located in the Al-Rakah neighborhood in Al - Khobar city on a vital commercial road and the neighborhood with a high residential density of high-income earners.

### Factors affecting demand:

- Sale prices of lands in the real estate area.
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Urbanization trends.
- Construction is completed in the surrounding area
- Urban pattern in the surrounding area
- Building system in the project area.

### Risks related to the Property:

- The emergence of price competition for the same property.

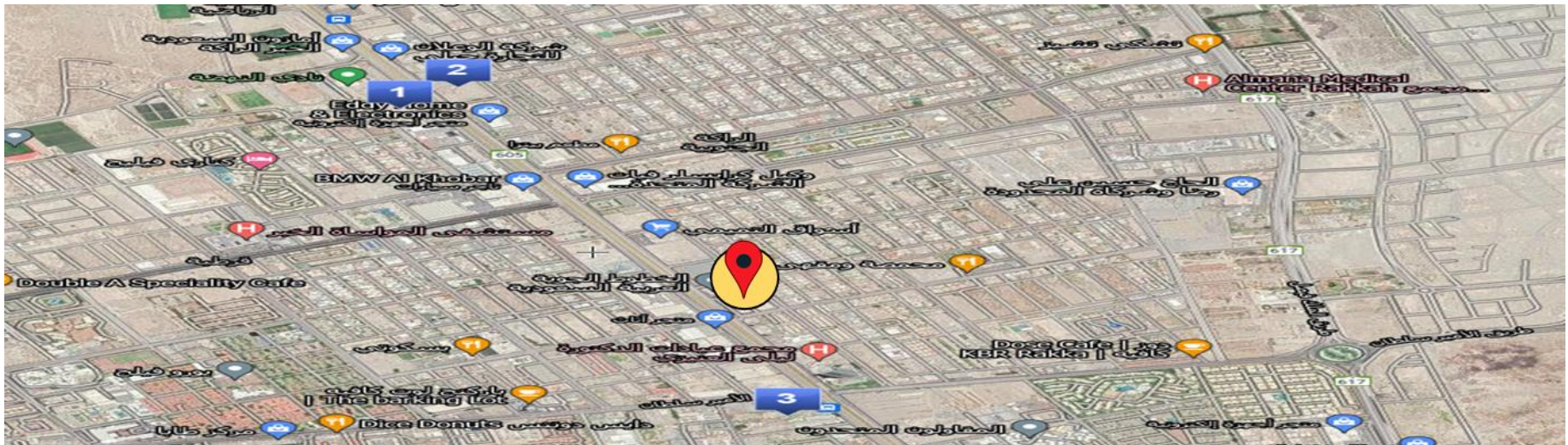


### Determine selected sample comparisons: (Land)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	District	Street width	No. of street	Price – SR/sqm
1	Commercial	7,150	Al Raka	60m – 15m – 20m	3	4,000
2	Commercial	5,471	Al Raka	60m – 30m	2	3,500
3	Commercial	15,541	Al Raka	60m – 20m	2	4,000





### Comparison Method: (land)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		4,000	Asking Price	3,500	Offer	4,000	Asking Price
Type of value	-	-400	-10%	0	0%	-400	-10%
Price – SR/sqm		3,600		3,500		3,600	
Land Area - sqm	14,025	7,150	-10%	5,471	-10%	15,541	0%
District name	Easy	Easy	0%	Easy	0%	Average	10%
No of streets	60m-30m-25m	60m-15m-20m	5%	60m-30m	10%	60m-20m	10%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-5%		0%		20%	
Net market price after adjustments - SR/sqm		3,420		3,500		4,320	
Average land Price –SR/sqm		3,747					
Price per square meter after adjustment - SR/sqm		3,750					

### Determine selected sample comparisons: (Showroom)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Area - sqm	Price – SR/sqm
1	Showroom	220	750
2	Showroom	200	650
3	Showroom	320	600



### Comparison Method: (Showroom)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		750	Asking Price	650	Asking Price	600	Asking Price
Type of value	-	-37.5	-5%	-32.5	-5%	-30	-5%
Price – SR/sqm		713		618		570	
Area - sqm	500	220	-5%	220	-5%	320	0%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-5%		-5%		0%	
Net rent after adjustments - SR/unit		677		587		570	
Average rental Price –SR/unit		611					
Rental Price per square meter after adjustment - SR/unit		610					

## Property Valuation Income Capitalization Method

Floors	Leasable Area / No. of Units	Price / Unit	Total
Showroom	6,000	610	3,660,000
Warehouse	4,631	200	926,200
Total Income – SR			4,586,200
Vacancy rate (5%)			229,310
Actual gross income			4,356,890
Maintenance and operation ratio (5%)			217,845
Net operating income			4,139,046
Capitalization rate			8.0%
Property value			51,738,069



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## Property Valuation

### Market Value of Property according to Income Capitalization Method :

By using the income capitalization method and assuming no occupancy of 5%, maintenance and operation of 5%, and a capitalization rate of 8%, the value of the property according to this method amounts to 51,738,069 Saudi riyals, as shown in the previous table





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## 13. The Valley Commercial Complex



### Location of the property:

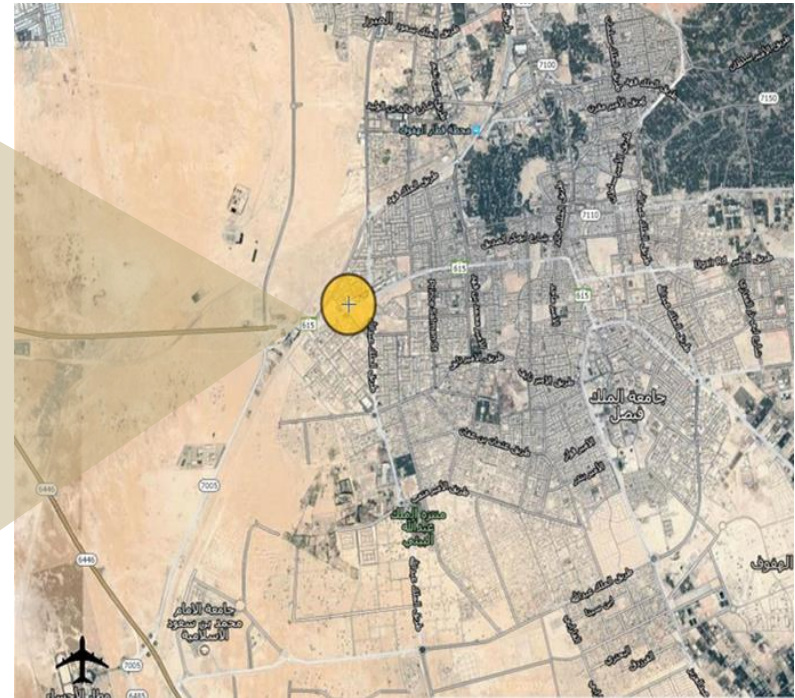
The property is located in Al Ahsa Sulamaniya district.



### Location Coordinates

N 25.356975

E 49.542218



## The Valley Commercial Complex

### Legal Description:

The subject property (usufruct right) comprises a commercial land incorporating a commercial complex. The land area extends to 9,858.39 square meters and a total building area of 9,708 square meters according to the building permit. The table below refers to the salient details of the property :

Block No.	Plot No.	Plan No.	Area - sqm	Use
429	32	180/4	9,858.39	Commercial

#### Borders & Lengths

Direction	Length	Limits
North	100	30 m
South	100.10	80 m
East	100.60	5 m
West	96.55	5 m

#### Building Description

Car parks and 23 commercial showrooms on the ground floor, and the mezzanine is a restaurant, and the first floor contains 13 commercial showrooms

## The Valley Commercial Complex

### Inspection:

The site inspection confirms the current use of the property as commercial complex.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The real estate under study is located in the Eastern Sulaimaniya neighborhood in Raqqa in the city of Al-Ahsa on a vital commercial road and the neighborhood with a medium density of middle and high income earners and commercial complexes in the proximity.

All this growth in construction on the surrounding area will contribute in the future to an increase in demand for land in the region, which will positively affect the price level.

### Factors affecting demand:

- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.
- Urbanization trends.
- Urban pattern in the surrounding area.
- Urban pattern in the surrounding area.
- Building system in the project area

### Risks related to the Property:

- Infrastructure projects in the region are incomplete.
- The emergence of price competition for the same use.



### Determine selected sample comparisons: (Showroom)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	Property Type	Price – SR/sqm
1	Showroom	100	Nakheel Plaza	1,100
2	Showroom	104	Sulaimaniyah Plaza	800
3	Showroom	92	Sulaimaniyah Plaza	870





### Comparison Method: (Showroom)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		1,100	Asking Price	800	Asking Price	870	Asking Price
Type of value	-	0	0%	0	0%	0	0%
Price – SR/sqm		1,100		800		870	
Land Area - sqm	150	100	%0	104	%0	92	%0
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
Location	The Valley	Nakheel Plaza	0%	Sulaimaniyah Plaza	0%	Sulaimaniyah Plaza	0%
Quality of Property	Easy	Average	30%	Average	30%	Average	30%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		30%		40%		40%	
Net market price after adjustments - SR/sqm		1,430		1,120		1,218	
Average land Price –SR/sqm		1,256					
Price per square meter after adjustment - SR/sqm		1,300					

## Cash Flow Method by Contract :

Growth rate	2%
Total Income	5,291,066
Occupancy Rate	0%
Operating expenses	5%

Year		2021	2026	2031	2036	2037
Total Income		5,291,066	5,841,764	6,449,780	7,121,078	3,026,458
Occupancy Rate		0%	0%	0%	0%	0%
Operating Income		5,291,066	5,841,764	6,449,780	7,121,078	3,026,458
Total operating expenses		264,553	292,088	322,489	356,054	151,323
Land Lease Cost		1,100,000	1,500,000	1,500,000	1,500,000	1,500,000
Net current rent		3,926,513	4,049,676	4,627,291	5,265,024	1,375,135
Current Value	Discount rate	9.0%	9.0%	9.0%	9.0%	9.0%
	Discount factor	1.00	0.65	0.42	0.27	0.25
present value of money		3,926,513	2,632,012	1,954,618	1,445,449	346,355
Net Present Value				39,374,943		
Value after Adjustment				39,400,000		

## Important Assumptions of Valuation :

Assumptions	Detail
<b>Real estate Revenue</b>	Real estate revenues were estimated according to the contract concluded between the owner and the tenant (according to the remaining periods of each exhibition) The remaining periods are assumed for the remaining years depending on the market situation
<b>Discount Rate</b>	The discount rate was estimated at a value equal to 9%, which represents the rate of return for similar properties or the opportunity return of cash flows.
<b>Capitalization Rate</b>	A property capitalization rate of 0% was assumed
<b>Capital costs</b>	It has been assumed that there is no value added in the capital costs of the property



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## Property Valuation

**Market Value of Property according to Discounted Cash Flow Method :**

Using the discounted cash flow method and assuming a discount rate of 9%, the value of the property according to this method is 39,400,000 Saudi riyals, as shown in the previous table



CENTURY 21

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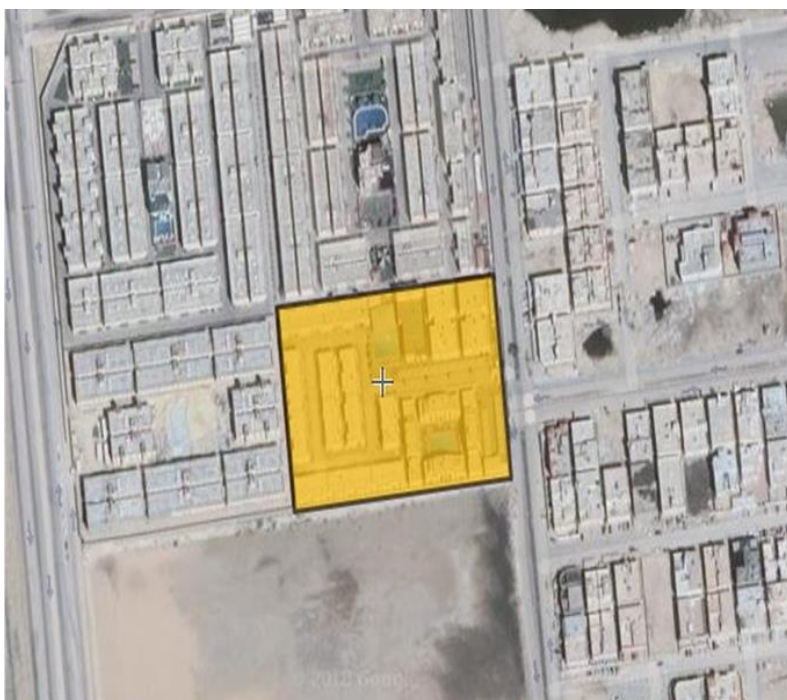
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## 14. Jubail Views Residential Complex



### Location of the property:

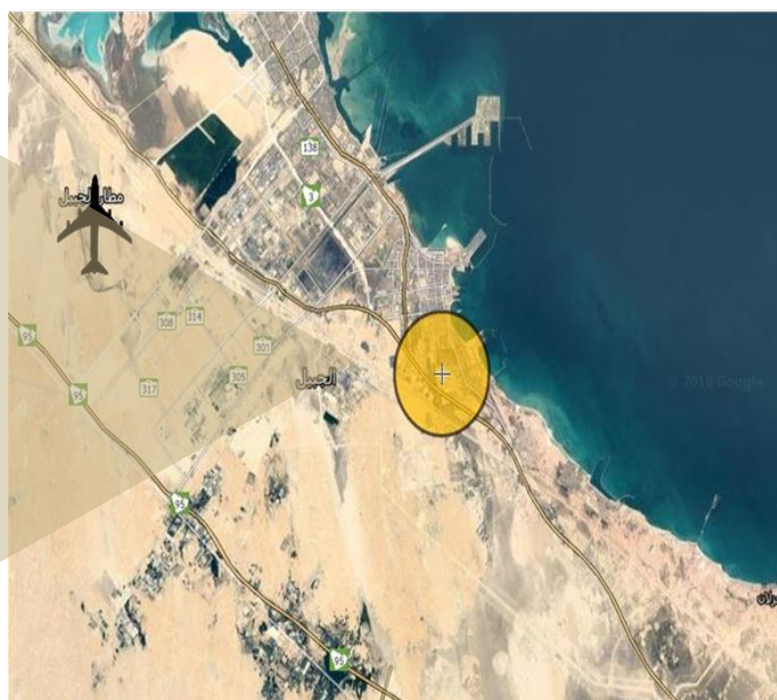
The property is located in Al Jubail Rowdhat Khalidiyah district.



### Location Coordinates

N 26.961562

E 49.660438





### Legal Description:

The subject property comprises a commercial land incorporating a residential complex. The land area extends to 21,600 square meters according to the deed and a total building area of 26,643 square meters. The table below refers to the salient details of the property :

Plot No.	Block No.	Plan No.	Area - sqm	Use
899	85	ش ج/243	21,600	Residential

Borders & Lengths		
Direction	Length	Limits
North	180	Neighbor
South	180	Neighbor
East	120	30 m
West	120	Neighbor

## Jubail Views Residential Complex

### Brief Description of the Property :

Description of construction :

Building Description	Area	Use
Duplex Villa	40 villa 3 rooms	240 m total villa
Unit 3 rooms in two floors	16 units	235 m total villa
Unit with two rooms, one floor	16 units	84 m total villa
Unit with two rooms, one floor	16 units	75 m total villa
Unit with two rooms, one floor	8 units	80 m total villa
Unit with two rooms, one floor	8 units	77 m total villa

#### The complex comprises:

2 Swimming Pool	Restaurant
Parks	Super market
Entertainment building	Medical clinic
Gym	Salt water treatment plant
Library	Central telephone and television system
Playgrounds	Backup power generator
Administrative building	

**Inspection:**

The site inspection confirms the current use of the property as residential complex.



## Factors Affecting Real Estate

### Analysis of variables in the real estate market:

The location of the study project is located in the city of Jubail, which has a medium residential density of middle and high income earners, and the proximity of the real estate location has contributed to an increase in the demand for real estate in that area, in addition to the real estate being located in Rawdat al - Khalidiyah area.

The level of construction in the vicinity has also positively affected the price level, as the area adjacent to the project is witnessing a high urban movement, especially in the construction of residential projects.

### Factors affecting demand:

- The availability of infrastructure services (electricity - water - sewage).
- Urban trends in the area in which the property is located
- The extent of availability of infrastructure services and superstructure services such as schools, hospitals, parks, etc.

### Risks related to the Property:

- Stable growth in the region.
- The emergence of price competition from residential plans in the surrounding area.
- Infrastructure projects in the region are incomplete.
- The emergence of price competition for similar properties.

## Determine selected sample comparisons: (land)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	No. of Street	Streets	District	Price – SR/sqm
1	Residential	661	1	15 m	Rowda Khalidiyah	1,700
2	Residential	685.0	1	15 m	Rowda Khalidiyah	1,700





### Comparison Method: (land)

Comparative Components	Property to be valued	Sample 1		Sample 2	
Valuation Date	2021	2021		2021	
Price - SR /sqm		1,700	Asking Price	1,700	Asking Price
Type of value	-	-170	-10%	-170	-10%
Price – SR/sqm		1,530		1,530	
Land Area - sqm	21,600	661	-20%	685	-20%
Ease of access	Easy	Easy	0%	Easy	0%
Property location	30m	15m	10%	15m	10%
		Sample 1		Sample 2	
Total Adjustment		-10%		-10%	
Net market price after adjustments - SR/sqm		1,377		1,377	
Average land Price –SR/sqm		1,377			
Price per square meter after adjustment - SR/sqm		1,380			
Total land Value		29,808,000			



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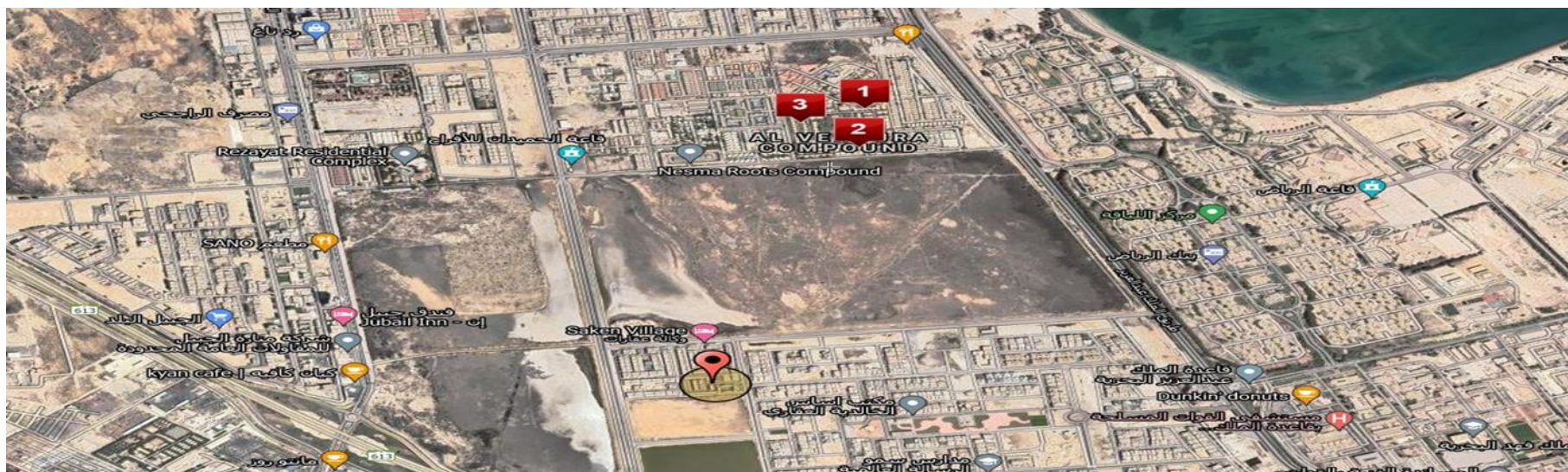
## Data Collection & Analysis

### Determine selected sample comparisons: (villa)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	Price – SR/sqm
1	villa	210	200,000
2	villa	130	180,000
3	villa	100	150,000



### Comparison Method: (villa)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		200,000	Asking Price	180,000	Asking Price	150,000	Asking Price
Type of value	–	-10,000	-5%	-9,000	-5%	-7,500	-5%
Price – SR/sqm		190,000		171,000		142,500	
Villa Land Area - sqm	198	210	0%	130	5%	100	10%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
Finishing quality	Average	High	-15%	Average	-15%	High	-15%
Quality of services	Normal	Excellent	-5%	Normal	-5%	Excellent	-5%
Design	Excellent	Excellent	-5%	Excellent	-5%	Excellent	-5%
No. of Rooms	3	4	-10%	3	0%	2	10%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-35%		-20%		-5%	
Net market price after adjustments - SR/unit		123,500		136,800		135,375	
Average Rental Price –SR/villa		131,892					
Rental Price of villa after adjustment - SR/unit		132,000					



### Determine selected sample comparisons: (Apartment)

Sales or rental evidence for similar properties within the surrounding area are not readily available or transparent due to the nature of the property market within the Kingdom of Saudi Arabia. Much if not all of the evidence is anecdotal and this limitation may place on the non-reliability of such information and impact on values reported.

Based on our research and taking cognizance of the subject property we have identified the comparable as follows:

S.No	Use	Land Area - sqm	Price – SR/sqm
1	Apartment	65	55,000
2	Apartment	100	65,000
3	Apartment	110	85,000



### Comparison Method: (Apartment)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		55,000	Asking Price	65,000	Asking Price	85,000	Asking Price
Type of value	-	0	0%	0	0%	0	0%
Price – SR/sqm		55,000		65,000		85,000	
Apartment Land Area - sqm	77	65	5%	100	-10%	110	-10%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
Finishing quality	Average	High	-5%	Average	-5%	High	-5%
Quality of services	Normal	Excellent	-5%	Normal	-5%	Excellent	-5%
Design	Excellent	Excellent	-5%	Excellent	-5%	Excellent	-5%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-5%		-20%		-20%	
Net market price after adjustments - SR/unit		52,250		52,000		68,000	
Average Rental Price –SR/ apartment		57,417					
Rental Price of apartment after adjustment - SR/unit		57,000					



### Comparison Method: (Apartment)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		55,000	Asking Price	65,000	Asking Price	85,000	Asking Price
Type of value	-	0	0%	0	0%	0	0%
Price – SR/sqm		55,000		65,000		85,000	
Apartment Land Area - sqm	98	65	5%	100	0%	110	0%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
Quality of services	Normal	Excellent	-5%	Normal	-5%	Excellent	-5%
Design	Excellent	Excellent	-5%	Excellent	-5%	Excellent	-5%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		-5%		-10%		-10%	
Net market price after adjustments - SR/unit		52,250		58,500		76,500	
Average Rental Price –SR/ apartment		62,417					
Rental Price of apartment after adjustment - SR/unit		62,000					

### Comparison Method: (Apartment)

Comparative Components	Property to be valued	Sample 1		Sample 2		Sample 3	
Valuation Date	2021	2021		2021		2021	
Price - SR /sqm		55,000	Asking Price	65,000	Asking Price	85,000	Asking Price
Type of value	-	0	0%	0	0%	0	0%
Price – SR/sqm		55,000		65,000		85,000	
Apartment Land Area - sqm	137	65	15%	100	10%	110	10%
Ease of access	Easy	Easy	0%	Easy	0%	Easy	0%
Quality of services	Normal	Excellent	-5%	Normal	-5%	Excellent	-5%
Design	Excellent	Excellent	-5%	Excellent	-5%	Excellent	-5%
		Sample 1		Sample 2		Sample 3	
Total Adjustment		5%		0%		0%	
Net market price after adjustments - SR/unit		57,750		65,000		85,000	
Average Rental Price –SR/ apartment		69,250					
Rental Price of apartment after adjustment - SR/unit		69,000					

Floors	No. of Units	Rental Price / unit	Total
Two floor Villa	40	132,000	5,280,000
Two room apartment 77 m	48	57,000	2,736,000
Three room apartment 98 m	8	62,000	496,000
Three room apartment 137 m	8	69,000	552,000
Total Income – SR			9,064,000
Vacancy rate (10%)			906,400
Actual gross income			8,157,600
Maintenance and operation ratio (10%)			815,760
Net operating income			7,341,840
Capitalization rate			7.25%
Property value			101,266,759



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## Property Valuation

### Market Value of Property according to Income Capitalization Method :

By using the income capitalization method and assuming no occupancy of 10%, maintenance and operation of 10%, and a capitalization rate of 7%, the value of the property according to this method amounts to 101,266,759 Saudi riyals, as shown in the previous table.



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## Final Value of Property




Based on the application of the income method to reach at the value, the final value of the 14 properties that have been valued can be determined as follows:

Final value in number	Final value in words
SR 942,096,000	Nine Hundred Forty Two million & Ninety Six Thousand Saudi Riyals only



**General Manager**  
Al Waleed bin Hamd Al Zouman  
**121000038**



Name	Academic Level	License Number	Signature
Al-Waleed Bin Hamad Al - Zouman (General Manage )	116	121000038	
Turki Al Khatlan (Assistant GM )	112	1210000332	
Abdul Malik bin Saad Al Turki (Project Manager)	110	1210001497	
Abdul Aziz bin Fahad Al Warida (Project Supervisor)	103	1210002202	

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