ESNAD
Real Estate Valuation

إسناد
للتقييم العقاري

12 Properties Valuation Report for Musharaka REIT Fund

26 March 2026

صندوق مشاركة ريت

Deposit code to the platform qima

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Submitted to: Musharaka Capital (Musharaka REIT Fund)

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REIT Summary

#	Property	Land area (m²)	Link	Opinion of value
Riyadh Properties				
1	Al Oroubah plaza	19,212.22	Link	34,250,000
2	Al Barakh Warehouses	29,955.42	Link	91,561,000
3	Al-Bazai Showroom	10,000	Link	82,500,000
4	Gardino Hotel	3,495.35	Link	102,947,000
5	Verdun Tower	3,212	Link	296,681,000
Al-Kharj Properties				
6	Al Kharj Plaza	16,095.97	Link	61,318,000
Dammam Properties				
7	Al Faisaliyah Plaza	10,769.5	Link	15,263,000
Al-Khobar Properties				
8	Jazala Residential Compound	29,486.73	Link	142,990,000
9	Dhahran Hotel Apartments(formerly Radisson Blu)	3,798.08	Link	76,111,000
10	Sea Shore Residential Compound	38,103	Link	117,403,000
11	Pearl Residential Compound	22,500	Link	237,762,000
Jubail Properties				
12	Al Jubail commercial center	39,750	Link	51,853,000

REIT total Properties value	
Opinion of Value	1,310,639,000
Written	Only one billion, three hundred and ten million, six hundred and thirty-nine thousand SAR
Currency	﷼

Part 1

Al Oroubah plaza

1.1 Executive Summary
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1.3 Property Location Analysis
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1.14 Cash Flow Analysis
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1.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Al Oroubah plaza	Interest to be valued	Leasehold
	Location	https://maps.app.goo.gl/8AjHbMyDiMbGt7EW7		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	18/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

1.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075301	Report type	Detailed report
	Report date	26/03/2026	Report version	Final
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

1.1 Executive Summary

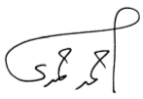
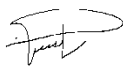
Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations	-The client was requested to provide the lease agreements. However, as they were not available as of the valuation date, we were provided with a document outlining the actual income and the maintenance and operating expenses of the subject property, and its accuracy was assumed.	
	Limits on analysis	-	
	Limits on inspection	- Only the large showrooms were inspected internally, while the remainder of the property was not inspected from the inside. It was assumed that the interior finishing standard is consistent with the external condition of the property and that it is free from any structural defects.	
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. The land lease contract details have been included in the report without attaching a copy of the contract, and Esnad retains a copy of these documents for reference. • These documents: o Title deed o Building permit o A document outlining the actual income and the maintenance and operating expenses of the subject property. o Land lease contract. • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• The opinion of value has been formed based on the assumption that the limitations on inquiries and inspection, as stated, are accurate. The value opinion is valid only if this assumption holds true.

1.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Assumptions and special assumptions	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• None (except as stated in the terms and conditions).

1.1 Executive Summary

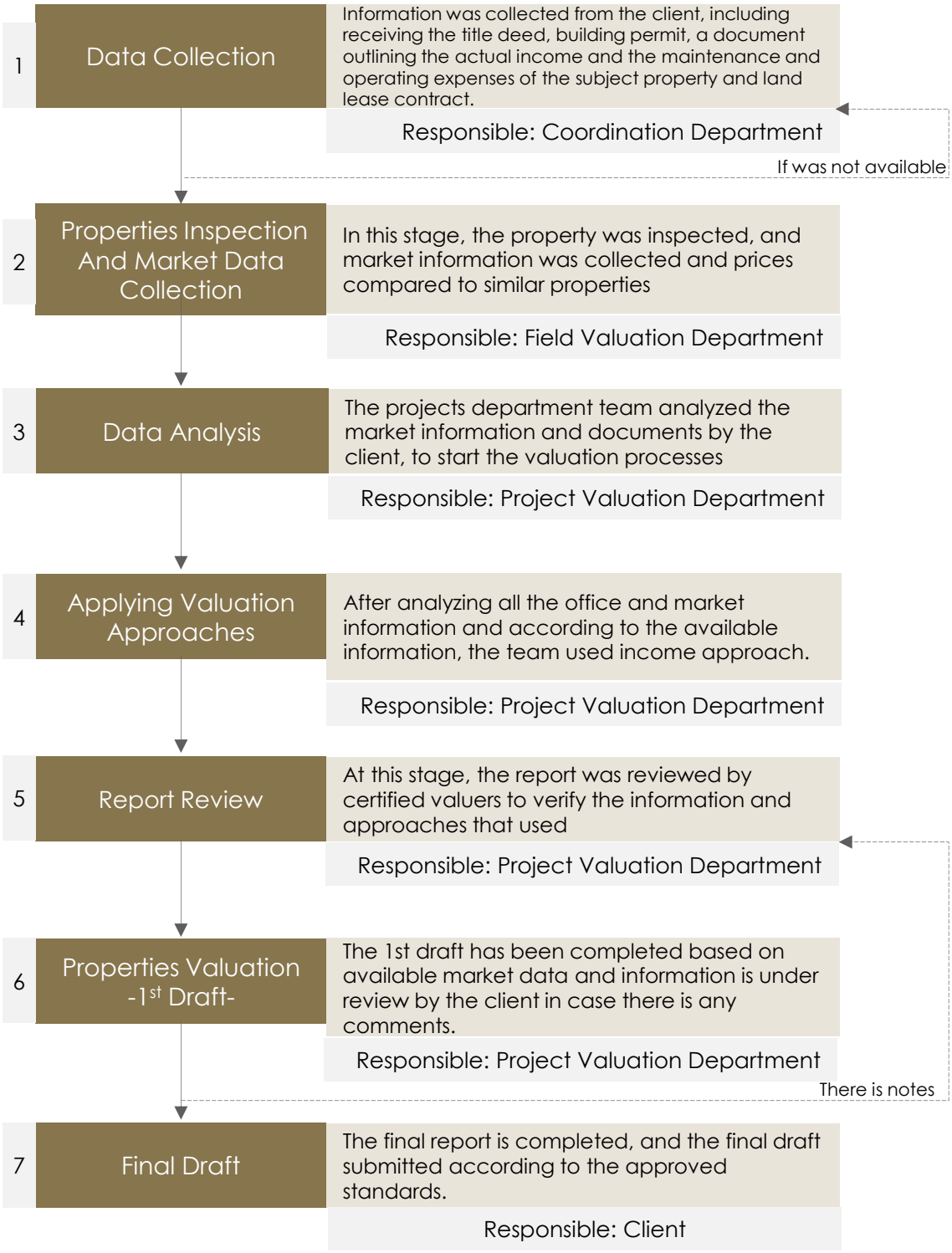
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	34,250,000
	Written	Only thirty-four million two hundred fifty thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Hussam Saleh Al Shabaan		1210002672	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Ahmed Hamdi Al Sehemi		1220003393	Associate	
Value review and initial approval	Reviewing valuation results and income data	Eng Rakan Al Shaikhi		1210004021	Associate	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	شركة إسناد للتقييم العقاري شركة مهنية مساهمة سعودية مقفلة ٤٠٣٠٢٩٧٧٧٢

1.2 Reporting Methodology

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



1.3 Property Location Analysis

Description of the property at the city level	
About Riyadh	Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital by population. Riyadh is in the middle of the Arabian Peninsula in the Najd Plateau, at an altitude of 600 meters above sea level. It is the headquarters of the Emirate of Riyadh region, according to the administrative division of the Saudi regions.

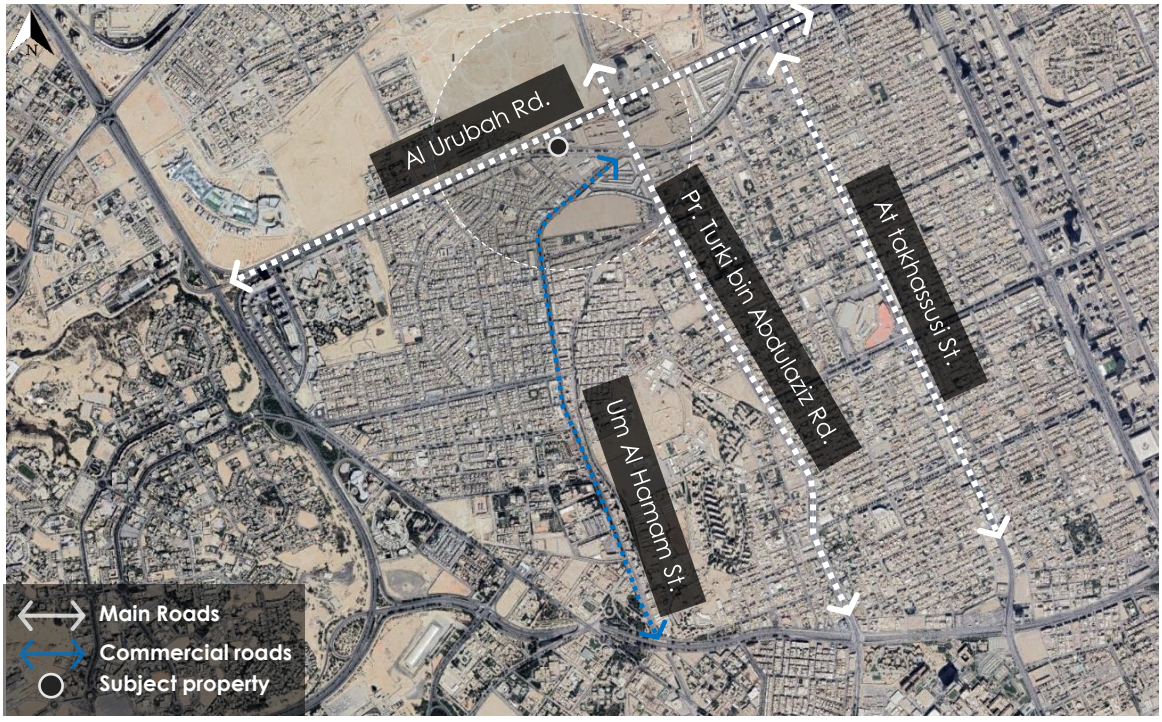


Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
King Khalid Airport	35 km	KAFD	10 km

1.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property area benefits from a strategic location within the city of Riyadh, as it is situated along several major roads such as Al-Orouba Road. The area is bounded to the north by Al-Orouba Road, followed by Al-Raed District; to the south by Al-Hada District; to the east by Um Al-Hammam Al-Sharqi District; and to the west by King Khalid Road, followed by the Diplomatic Quarter.
Description of the district	Um Al-Hammam Al-Gharbi District is located in central Riyadh and is distinguished by its strategic location overlooking several major roads and commercial streets, such as Prince Turki bin Abdulaziz Road and Al-Orouba Road.
Accessibility	The property can be easily accessed through several roads and streets, most notably Al-Orouba Road, on which the subject property directly fronts.



Satellite photo shows property location

1.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	King Khalid Foundation
Title deed number	410113062475	Title deed date	27/08/1436 H
Building permit number	1436/13164	Building permit date	20/08/1436 H

Property Information			
Province	Riyadh	City	Riyadh
District	Um Al hammam Al Gharbi	Street	Al Urubah Rd.
Parcel no.	-	Plan no.	
Property Type	Commercial Center	Notes	-
Coordinates	46.6516746° North	24.702553° East	
Google map	https://maps.app.goo.gl/9CLvMjy9tmrEfVDf9		

Property description			
Land area based on title deed	19,212.22 m²	Land level	Flat
Land area based on satellite imagery	-	Land shape	Irregular
Notes	–		



Satellite photo shows property location

1.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	-	-	-	-
South	-	-	-	-
East	-	-	-	-
West	-	-	-	-

Property specifications		
Structure	BUA	11,057 m² (based on the building permit)
	Floors	Ground floor + mezzanine
	Age	Approximately 8 years
	Conditioning type	Central
	Finishing	Very good
	Facilities	Parking
	Elevators	-
Zoning	Use	Commercial
	Maximum footprint	-
	FAR	-
	Maximum floors	-
Notes		-

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

1.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 18/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

1.7 Property photos













1.7 Property photos













1.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property is overlooking Al Urubah Rd.
Weakness	• No weaknesses are observed at the property area
Opportunities	There are several development projects in Riyadh City, including: • Riyadh Green Project: One of the most ambitious afforestation projects in the world, it is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by elevating the ranking of Riyadh among its global city counterparts. • King Salman Park Project: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, under the initiative of His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz. The project aims to provide diverse sporting, cultural, artistic, and recreational options for the residents and visitors of Riyadh, and to contribute to improving the city's quality of life in line with the goals of Saudi Vision 2030 for a vibrant and healthy society, while raising Riyadh's international ranking. • The Sports Boulevard: The Sports Boulevard project is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him. It aims to achieve one of the goals of Saudi Vision 2030 by elevating Riyadh's ranking among global cities; the project encourages residents to adopt healthy mobility habits and motivates them to engage in various sports activities. • Riyadh Art: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by raising Riyadh's ranking among global cities. The Riyadh Art project includes the creation of more than 1,000 artworks and artistic landmarks by local and international artists, displayed throughout Riyadh. The project spans 10 programs covering residential neighborhoods, parks and natural reserves, squares and public plazas, public transport stations, road and pedestrian bridges, city entrances, and all tourist destinations in the city.
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

1.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

1.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

1.10 Valuation Analysis

1.10.1 Income Approach- Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

1.10.1.1 Property income data:

The client provided us with the property income details as follows:

- Total leasable area: 11,081.69 m²
- Leased area: 10,755.36 m²
- Property actual income: 12,846,747.96 SAR/ Year
- Maintenance and operation cost: 1,177,139.18 SAR/Year

1.10 Valuation Analysis

1.10.1 Income Approach- Discounted Cash Flow Method

1.10.1.1 Lease contract agreement:

We were provided with an addendum to the land lease agreement, the details of which are as follows:

- Landowner: Bayoot Al-Hada Real Estate Development Company
- Tenant: Musharaka Capital
- The rental payment details are as follows:

#	Due date	Annual lease rate (SAR)
1	15/11/2016	5,700,000
2	15/11/2017	5,700,000
3	15/11/2018	5,700,000
4	15/11/2019	5,700,000
5	15/11/2020	6,270,000
6	15/11/2021	6,270,000
7	15/11/2022	6,270,000
8	15/11/2023	6,270,000
9	15/11/2024	6,897,000
10	15/11/2025	6,897,000
11	15/11/2026	6,897,000
12	15/11/2027	6,897,000
13	15/11/2028	7,586,700
14	15/11/2029	7,586,700
15	15/11/2030	7,586,700
16	15/11/2031	7,586,700
17	15/11/2032	8,345,370
18	15/11/2033	8,345,370
19	15/11/2034	8,345,370
20	15/11/2035	8,345,370

1.10 Valuation Analysis

1.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **Large Showroom with an area of 8,592.26 m²**
- **Small showrooms with an area of 2,329.43 m²**
- **A drive-thru building with a leasable are of 160 m².**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

1.10 Valuation Analysis

1.10.1 Income Approach- Discounted Cash Flow Method

1.10.1.2 Market Rent

1.10.1.2.1 Market approach – comparable transactions (Large showrooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Large showrooms				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2021	7,535	SAR 726
Property 2	Transaction	2025	6,699	SAR 821
Property 3	Transaction	2025	8,366.19	SAR 900



Satellite photo showing subject property and comparables

1.10 Valuation Analysis

1.10.1 Income Approach- Discounted Cash Flow Method

1.10.1.2 Market rent

1.10.1.2.2 Relative adjustment table – large Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	1/12/2021		24/12/2025		28/02/2025	
Value/m²	-	726 SAR/m²		821 SAR/m²		900 SAR/m²	
Transaction Type	-	Transaction	% 0.0	Transaction	% 0.0	Transaction	% 0.0
Market Conditions	-	Low	% 10.0	Similar	% 0.0	Similar	% 0.0
type of property	Showroom	Showroom	% 0.0	Showroom	% 0.0	Showroom	% 0.0
Adjustment Value / m²		72.56		0.00		0.00	
adjusted value / m²		798 SAR/m²		821 SAR/m²		900 SAR/m²	
Accessibility	Very easy	Easy	% 5.0	Easy	% 5.0	Very easy	% 0.0
Location	Very good	Relativly good	% 10.0	Good	% 5.0	Very good	% 0.0
Parking	Available	Available	% 0.0	Available	% 0.0	Available	% 0.0
Area Vitality	Vital	Vital	% 0.0	Vital	% 0.0	Vital	% 0.0
Finishing	Very good	Very good	% 0.0	Very good	% 0.0	Very good	% 0.0
Proximity to attractions	Close	Close	% 0.0	Close	% 0.0	Close	% 0.0
Area m2	8,592.26	7,535.00	% 0.7-	6,699.00	% 1.4-	8,366.19	% 0.1-
Adjustment Value / m²	-	114 SAR/m²	% 14.3	SAR/m² 71	% 8.6	SAR/m² 01-	% 0.1-
adjusted value / m²	-	SAR/m² 912		SAR/m² 892		SAR/m² 899	
Weighting	-	% 25		% 35		% 40	
Subject property adjusted value (SAR/m2)	-	SAR 900					

The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.

Total leasable area (m²)	8,592.26
SQM rental value (SAR/m²)	900
Total lease value (SAR)	7,733,034

The leasable area was determined based on the data provided by the client.

1.10 Valuation Analysis

1.10.1 Income Approach- Discounted Cash Flow Method

1.10.1.2 Market rent

1.10.1.2.3 Market approach – comparable transactions (Small showrooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Small showrooms				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	100	SAR 2,297
Property 2	Transaction	2025	204	SAR 2,254
Property 3	Transaction	2025	270	SAR 2,143



Satellite photo showing subject property and comparables

1.10 Valuation Analysis

1.10.1 Income Approach- Discounted Cash Flow Method

1.10.1.2. Market rent

1.10.1.2.4 Relative adjustment table – Small Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	29/12/2025		31/12/2025		15/12/2025	
Value/m²	-	2,297 SAR/m²		2,254 SAR/m²		2,143 SAR/m²	
Transaction Type	-	Transaction	% 0.0	Transaction	% 0.0	Transaction	% 0.0
Market Conditions	-	Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
type of property	Showroom	Showroom	% 0.0	Showroom	% 0.0	Showroom	% 0.0
Adjustment Value / m²		0.00		0.00		0.00	
adjusted value / m²		2,297 SAR/m²		2,254 SAR/m²		2,143 SAR/m²	
Accessibility	Very easy	Very easy	% 0.0	Very easy	% 0.0	Very easy	% 0.0
Location	Very good	Very good	% 0.0	Excellent	% 5.0-	Excellent	% 5.0-
Parking	Available	Available	% 0.0	Available	% 0.0	Available	% 0.0
Area Vitality	Vital	Vital	% 0.0	Vital	% 0.0	Vital	% 0.0
Finishing	Very good	Very good	% 0.0	Very good	% 0.0	Very good	% 0.0
Proximity to attractions	Close	Close	% 0.0	Close	% 0.0	Close	% 0.0
Area m2	109	100	% 0.3-	204	% 1.4	270	% 1.8
Adjustment Value / m²	-	-06 SAR/m²	% 0.3-	-81 SAR/m²	% 3.6-	-69 SAR/m²	% 3.2-
adjusted value / m²	-	SAR/m² 2,291		SAR/m² 2,173		SAR/m² 2,074	
Weighting	-	% 25		% 35		% 40	
Subject property adjusted value (SAR/m2)	-	SAR 2,160					

The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.

Total leasable area (m²)	2,329.43
SQM rental value (SAR/m²)	2,160
Total lease value (SAR)	5,031,568.80

The leasable area was determined based on the data provided by the client.

1.10 Valuation Analysis

1.10.1.2 Income Approach- Discounted Cash Flow Method

1.10.1.2 Market Rent

1.10.1.2.5 Market approach – comparable transactions (Drive thru)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Drive thru				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	53.25	SAR 3,022
Property 2	Transaction	2025	50	SAR 3,968
Property 3	Transaction	2025	45	SAR 3,041



Satellite photo showing subject property and comparables

1.10 Valuation Analysis

1.10.1 Income Approach – Discounted Cash Flow Method

1.10.1.2 Market rent

1.10.1.2.6 Relative adjustment table – Drive-thru

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	27/11/2025		27/11/2025		27/11/2025	
Value/m²	-	3,022 SAR/m²		3,968 SAR/m²		3,041 SAR/m²	
Transaction Type	-	Transaction	% 0.0	Transaction	% 0.0	Transaction	% 0.0
Market Conditions	-	Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
type of property	Retail	Retail	% 0.0	Retail	% 0.0	Retail	% 0.0
Adjustment Value / m²		0.00		0.00		0.00	
adjusted value / m²		3,022 SAR/m²		3,968 SAR/m²		3,041 SAR/m²	
Accessibility	Very easy	Very easy	% 0.0	Very easy	% 0.0	Very easy	% 0.0
Location	Very good	Good	% 5.0	Very good	% 0.0	Very good	% 0.0
Finishing	Excellent	Very good	% 5.0	Very good	% 5.0	Very good	% 5.0
Proximity to attractions	Close	Close	% 0.0	Close	% 0.0	Close	% 0.0
Adjustment Value / m²	-	302 SAR/m²	% 10.0	198 SAR/m²	% 5.0	152 SAR/m²	% 5.0
adjusted value / m²	-	3,324 SAR/m²		4,166 SAR/m²		3,193 SAR/m²	
Weighting	-	% 40		% 25		% 35	
Subject property adjusted value (SAR/m2)	-	SAR 3,490					

The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.

Total leasable area (m²)	160
SQM rental value (SAR/m²)	3,490
Total lease value (SAR)	558,400

The leasable area was determined based on the data provided by the client.

1.10 Valuation Analysis

1.10.1 Income Approach – Discounted Cash Flow Method

1.10.1.2 Market rent

Large showroom lease value	7,733,034
Small showroom lease value	5,031,568.80
Drive thru lease value	558,400
Total annual lease value (SAR)	13,323,002.80
Vacancy rate (5%)	(666,150.14)
Actual property annual income (SAR)	12,656,852.66
Maintenance and operation rate (10%)	(1,265,685.27)
Net annual income (SAR)	**11,391,167.39**

1.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference	
			SAR	%
Actual property income	12,846,747.96	12,656,852.66	SAR 189,895.30	1.48%
Maintenance and opex cost	1,177,139.18	1,265,685.27	(88,546.90)	-7.52%
Net income	11,669,608.78	11,391,167.39	278,441.39	2.39%
Result	-We found that the income data provided by the client reflects market conditions regarding the net income and operating expenses of the property. Accordingly, the actual income was used as a primary input in the valuation process during the cash flow period for the remaining term of each unit within the property. ❑ For the showroom leased to Panda, the actual income of SAR 8,607,620 will be used throughout the cash flow period, assuming an annual increase of 5% every five years. ❑ For the smaller showrooms and the drive-through showroom, the actual income will be used for the first five years of the cash flow period, after which market rent will be applied, assuming an annual increase of 5% every three years.			

1.10 Valuation Analysis

1.10.1 Income Approach – Discounted Cash Flow Method

1.10.1.1.5 Project income

- The actual income data of the subject property was compared with the market rental data, and the following was observed:

Project assumptions	
Project period	11 years
Discount rate	10%

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 10% to reflect the risks associated with the property.
Appendix No. (1.15) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	1.7%	**Valuer's estimate of the market**
Discount rate	10%	

Valuation result:

Discounted cash flow value	34,249,923 SAR

1.11 Valuation Result

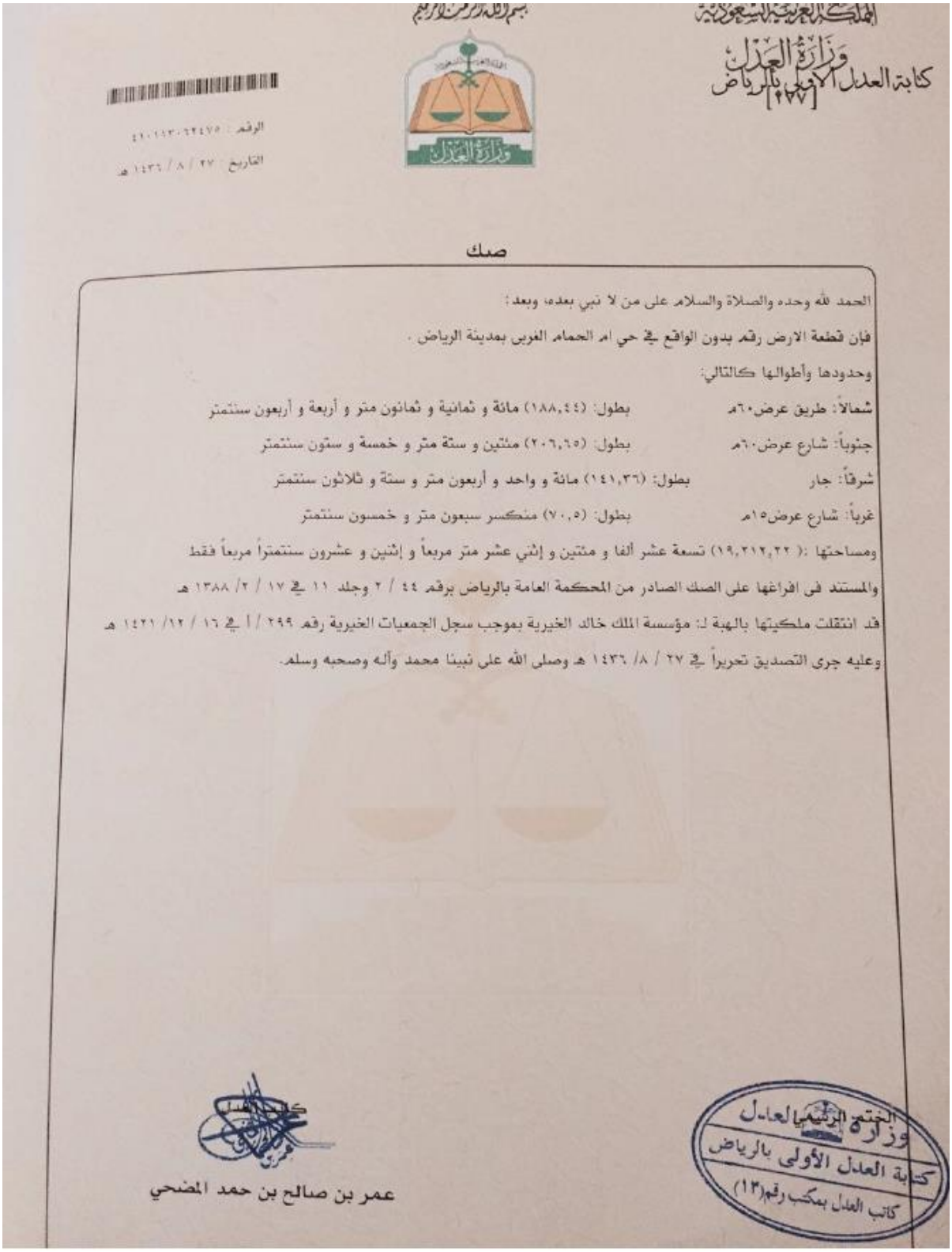
Opinion of value	
Value	34,250,000
Currency	﷼
Opinion of value (written)	Only thirty-four million two hundred fifty thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

1.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

1.13 Documents



المملكة العربية السعودية
وزارة العدل
كتابة العدل الأولى بالرياض [١٢٧]

بسم الله الرحمن الرحيم

وزارة العدل

الرقم : ٤١٠١١٣٠٦٢٤٧٥
التاريخ : ٢٧ / ٨ / ١٤٣٦ هـ

صك

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

فإن قطعة الارض رقم بدون الواقع في حي ام الحمام الغربي بمدينة الرياض .

وحدودها وأطوالها كالتالي:

شمالاً: طريق عرض٦٠م بطول: (١٨٨,٤٤) مائة و ثمانية و ثمانون متر و أربعة و أربعون سنتمتر

جنوباً: شارع عرض٦٠م بطول: (٢٠٦,٦٥) مئتين و ستة متر و خمسة و ستون سنتمتر

شرقاً: جار بطول: (١٤١,٣٦) مائة و واحد و أربعون متر و ستة و ثلاثون سنتمتر

غرباً: شارع عرض١٥م بطول: (٧٠,٥) منكسر سبعون متر و خمسون سنتمتر

ومساحتها :(١٩,٢١٢,٢٢) تسعة عشر ألفا و مئتين و إثني عشر متر مربعاً و إثنين و عشرون سنتمتراً مربعاً فقط

والمستند في افراغها على الصك الصادر من المحكمة العامة بالرياض برقم ٤٤ / ٢ وجلد ١١ في ١٧ / ٢/ ١٣٨٨ هـ

قد انتقلت ملكيتها بالهبة لـ: مؤسسة الملك خالد الخيرية بموجب سجل الجمعيات الخيرية رقم ٢٩٩ / أ في ١٦ / ١٢/ ١٤٢١ هـ

وعليه جرى التصديق تحريراً في ٢٧ / ٨/ ١٤٣٦ هـ وصلى الله على نبينا محمد وآله وصحبه وسلم.

عمر بن صالح بن حمد المضحي

الختم الرسمي العادل
وزارة العدل
كتابة العدل الأولى بالرياض
كاتب العدل بمكتب رقم(١٢)

1.13 Documents

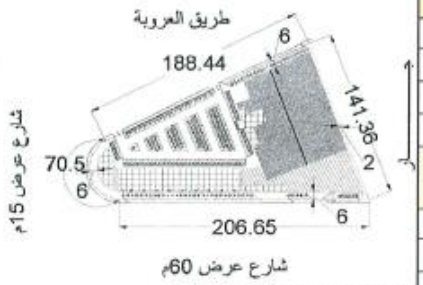
أمانة منطقة الرياض
إدارة رخص البناء
نوع المعاملة: صادر
التاريخ: ١٤٣٨/١١/١٤ هـ
المرفقات: بدون
الرقم الموحد: ٣٧٠٠٢٣٢٦٤٧
www.alriyadh.gov.sa

رقم الرخصة: ١٤٣٦/١٣١٦٤
تاريخ الرخصة: ١٤٣٦-٠٨-٢٠
تاريخ الإنتهاء: ١٤٣٩-٠٨-٢٠
نوع الرخصة: تعديل مخططات البناء

رخصة بناء معارض تجارية

اسم المالك: سمو الامير / فيصل بن خالد بن عبد العزيز
رقم الاثبات: ١١١٨٠٢٧١٤١ تاريخه: مصدره:
رقم الصك: ٢/٤٤ تاريخه: ١٣٨٨-٠٢-١٧
رقم القطعة: ((بدون)) رقم المخطط التنظيمي: بدون
الشارع: رقم العقار:
الحي: حي ام الحمام الغربيه نوع البناء: مسلح
مساحة الأرض: ١٩٢١٢,٢٢ م٢ محيط الأسوار: م / ط النطاق العمراني: مرحلة ٢

الجهة	الحدود	الأبعاد	الإرتداد
شمال	طريق العروبة عرض ٦٠م	١٨٨,٤٤	٦
شرق	جار	١٤١,٣٦	٢
جنوب	شارع عرض ٦٠م	٢٠٦,٦٥	٦
غرب	شارع عرض ١٥م	٧٠,٥	٦



مكونات البناء	عدد الوحدات	المساحة	الإستخدام
ميزانين	٠	٢١٠,٠٠	معارض
ارضي تجاري	١٩	١٠٨٤٧,٠٠	معارض
غرفة كهرباء	٠	٢٣٥,٠٠	غرفة كهرباء
أسوار	١	١٤٨,٠٠	خدمات
[redacted]			

الرخصة عبارة عن اضافة ميزانين وتعديل مكونات البناء
بموجب خطاب بلدية المعذر رقم ٣٧٠٠٢٣٢٦٤٧ تاريخ ١٤٣٨-٧-٦هـ والتقرير الفني المرفق بالمعاملة تاريخ ١٤٣٨-٧-٦هـ
نسبة الميزانين لا تزيد عن ٥٠% من مساحة الدور الارضي التجاري
ان يكون الميزانين مرتبط بالدور الارضي التجاري مباشرة ولا يكون له مدخل مستقل
ارتفاع الدور الارضي+الميزانين لا يزيد عن ٧,٥٠م ويشمل ذلك سماكة بلاطة الميزانين بموجب محضر اللجنة المفوضة رقم ٥٥٣ تاريخ ١٤٣٥-٣-٢٧هـ
بموجب التقرير الفني المعد من قبل الادارة المركزية لرقابة المباني والمنشآت رقم ٦٨٧٥ تاريخ ١٤٣٨-٦-١٠هـ
تم تعديل مكونات البناء بموجب المخططات المعتمدة المقدمة من مكتب المنابر للاستشارات الهندسية

الرخصة لإقامة معارض تجارية ويمنع ترخيص نشاط مطاعم إلا بعد تطبيق شروط المطاعم وتطبيق معايير المواقف على كامل مساحات المشروع وأي ترخيص مهني آخر

يلزم توفير غرفة كهرباء بأبعاد ٥٠٠م اذا تجاوزت مسطحات البناء عن ١٠٠٠م٢
يجب مراجعة الدفاع المدني ويمثله مكتب دار الرياض بأمانة منطقة الرياض قبل البدء بالتنفيذ

تم اخذ تعهد خطي من المالك بانه لن توصل له الخدمة الكهربائية في حال عدم تنفيذ العزل الحراري طبقا لكود البناء السعودي

المكتب المصمم: المنابر للاستشارات الهندسية

رقم الترخيص: ٠/٣٤٢٧ رقم المشروع: ١١ رمز النظام: مناسيب الشوارع المحيطة: مستوي
سدد الرسوم مبلغ وقدره: ٨٧٣٨ ريال بموجب الإيصال رقم: ٣٦٠٢٣٩٨٩٦٢ وتاريخ: ١٤٣٦-٠٨-١٩ هـ

ملاحظات:
المكتب الهندسي: بدون ١-الرخصة عبارة عن تعديل مكونات البناء. ٢- نوع البناء:مسلح. ٣- بموجب نظام رخصة البناء الفورية للعمائر. ٤- بموجب التقرير المساحي رقم ١٤٣٦/٣٣٦٨٠ بتاريخ ١٤٣٦/٠٨/١٦هـ الصادر من بلدية المعذر الفرعية. ٥- تم اعداد التقرير المساحي استنادا على التقرير المساحي الصادر من قبل الامانة رقم ١٤٥/٩٢٦ بتاريخ ١٤٣٦/٠٦/٠٤هـ. ٦- منطقة التقسيم:الارتداد ٢٠م جهة الشارع الرئيسي يستخدم كمواقف. ٧- بموجب خطاب مدير عام الدراسات والتصاميم رقم ٦٩٤٩ بتاريخ ١٤٣٦/٠٦/١٣ بخصوص دراسة الحركة المرورية لموقع المشروع والمرفق بالمعاملة رقم ٢٠١٢٩٣. ٨- بموجب عقد الايجار المبرم بين كل من المالك مؤسسة الملك خالد الخيرية وبين المستأجر شركة بيوت الهدا للتطوير العقاري سجل تجاري رقم ١٠١٠٣٠٩٨٧١. ٩- يجب مراجعة الدفاع المدني ويمثله مكتب دار الرياض بأمانه منطقة الرياض قبل البدء بالتنفيذ وقبل صرف شهادة البناء. ١٠- تم عمل عقد إشراف مع مكتب علم المعمار للهندسة وعليه يكون مسؤولا عن التنفيذ حسب الرخصة والمخططات وعليه ابلاغ الامانة خطيا حال حدوث أي مخالفات تحدث أثناء التنفيذ لإخلاء مسؤوليته. ١١- بموجب شهادة التنسيق من شركة الكهرباء رقم ١٥١٠٨٨٣٤٤ بتاريخ ٢٠١٥/٠٦/١٠م. ١٢- يمنع وضع ماكينات التكييف في الارتداد وتوضع فوق سطح المبنى. ١٣- يلزم توفير مكتب لهيئة الامر بالمعروف والنهي عن المنكر حسب توجيه صاحب السمو الملكي أمير منطقة الرياض. ١٤- احداثيات الموقع: الشمال: ٢٤٥٥٣٦٦ الشرق: ٢٢٣٣٥٤٥٢ ١٥- يجب الالتزام بدور الميزانين حسب محضر اللجنة المفوضة رقم ٥٥٣ بتاريخ ١٤٣٥/٣/٢٤هـ. ١٦- يجب الالتزام بالارتفاع لكل قطعة حسب نظام البناء للمنطقة. ١٧- يجب ان يكون الجزء الواقع على الشارع التجاري أو الذي بارتداد نظامي وحدة واحدة فقط. ١٨- يجب ان يكون الدخول والخروج من جهة المواقف بالارتداد ٢٠م ولا يسمح بالفتح جهة الشارع التجاري وانما جهة مواقف السيارات.

رئيس قسم الرخص	مدير ادارة الرخص	مدير عام رخص البناء	الختم الرسمي
م/ مسفر سعيد آل خرصان	م/ مشهور محمد الطبيشي	م/ علي بن احمد الذروي	

أمانة منطقة الرياض - بلدية المعذر الفرعية

اي كشط أو شطب يلغي هذه الرخصة. يجب الإلتزام بالشروط الموضحة خلف الرخصة

1.14 Cash Flow Analysis

Cash Flow Analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Hyper market actual income	88,228,105.00	8,607,620	8,607,620	8,607,620	8,607,620	8,607,620	9,038,001	9,038,001	9,038,001	9,038,001	9,038,001	9,489,901
Occupacny rate	-	83.04%	85.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%	90.00%
income of the remaning showrooms	49,302,835.06	4,239,128	4,339,275	4,594,526	4,594,526	4,594,526	5,282,521	5,282,521	5,282,521	5,546,647	5,546,647	5,546,647
Actual property income	137,530,940	12,846,748	12,946,895	13,202,146	13,202,146	13,202,146	14,320,522	14,320,522	14,320,522	14,584,648	14,584,648	15,036,548
Maintenance & opex - 10.0%	(13,645,558)	(1,177,139)	(1,294,689)	(1,320,215)	(1,320,215)	(1,320,215)	(1,432,052)	(1,432,052)	(1,432,052)	(1,458,465)	(1,458,465)	(1,503,655)
Net property income	123,885,382	11,669,609	11,652,205	11,881,931	11,881,931	11,881,931	12,888,469	12,888,469	12,888,469	13,126,183	13,126,183	13,532,893
Land lease	(84,419,280)	(6,897,000)	(6,897,000)	(6,897,000)	(7,586,700)	(7,586,700)	(7,586,700)	(7,586,700)	(8,345,370)	(8,345,370)	(8,345,370)	(8,345,370)
Net cash flow	47,811,472	4,772,609	4,755,205	4,984,931	4,295,231	4,295,231	5,301,769	5,301,769	4,543,099	4,780,813	4,780,813	5,187,523
Dsicount rate	-	1.00	0.91	0.83	0.75	0.68	0.62	0.56	0.51	0.47	0.42	0.39
Net current flows	34,249,923	4,772,609	4,322,914	4,119,778	3,227,071	2,933,701	3,291,982	2,992,711	2,331,328	2,230,284	2,027,531	2,000,015

KPI's	Total
Present value	34,249,923
Total property value	SAR 34,250,000

1.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%10) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%10), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 2

Al Barakh Warehouses

2.1 Executive Summary
2.2 Reporting Methodology
2.3 Property Location Analysis
2.4 Property description and ownership
2.5 Property boundaries
2.6 Source of Information
2.7 Property photos
2.8 SWOT Analysis
2.9 Valuation approaches
2.10 Valuation Analysis
2.11 Opinion of Value
2.12 Validity of review and clarification
2.13 Documents
2.14 Cash Flow Analysis
2.15 Risks Study and Analysis

2.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Al Barakh Warehouses	Interest to be valued	Assumed to be a freehold
	Location	https://maps.app.goo.gl/tYEQ7q8ZQJR1bJFg8		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	01/01/2026	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

2.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075302	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

2.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations	-	
	Limits on analysis	-	
	Limits on inspection	-	
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. The lease contract details have been included in the report without attaching a copy of the contract, and Esnad retains a copy of these documents for reference: • These documents: o Title deed o Renovation permit o Lease contract. • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• None (except as stated in the terms and conditions).
	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• It was assumed that the property is free from any regulatory restrictions or ownership limitations that could affect its transfer or use, and the opinion of value was formed based on this assumption.

2.1 Executive Summary

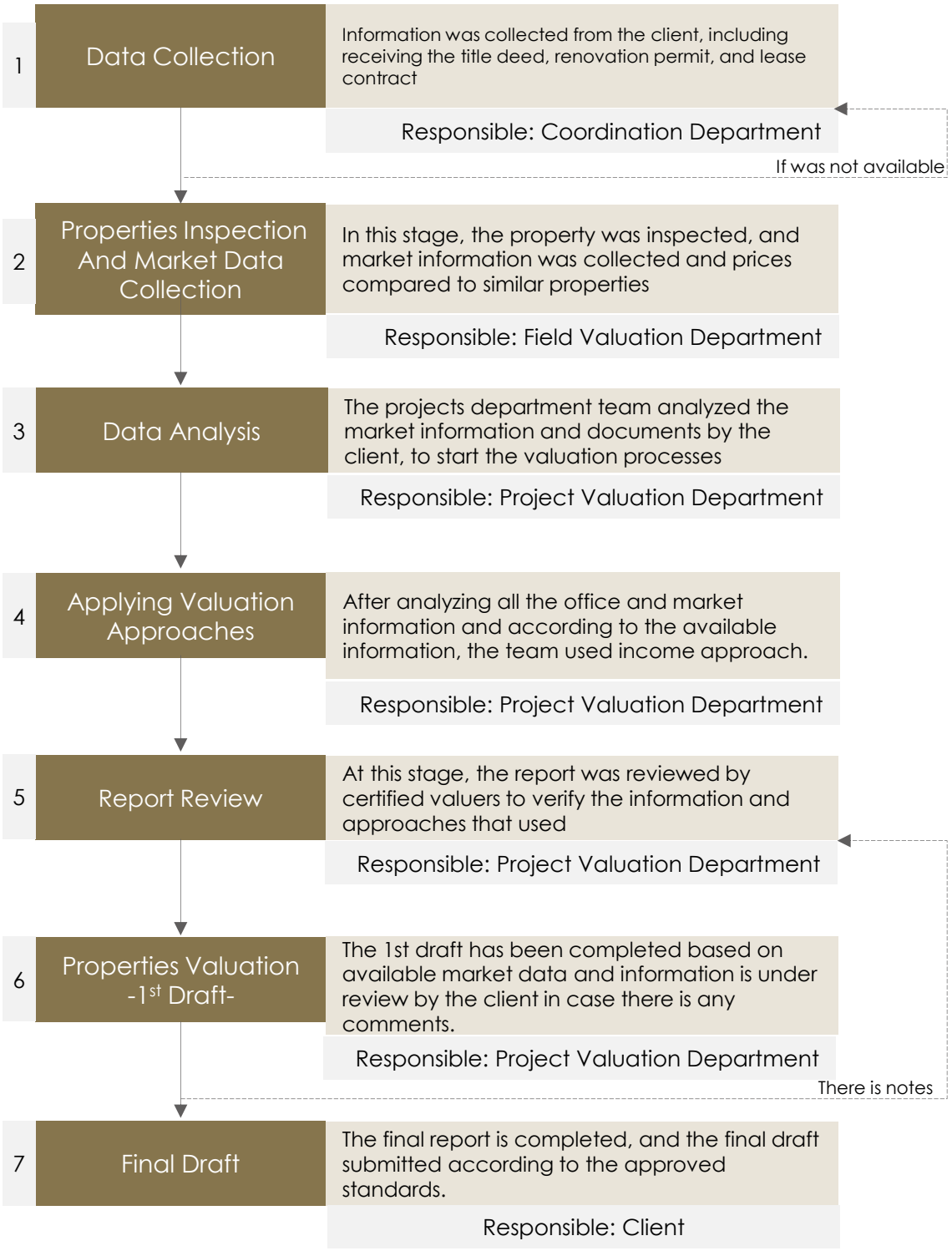
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	91,561,000
	Written	Only ninety-one million five hundred sixty-one thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Hussam Saleh Al Shabaan		1210002672	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Mustafa Magdy Sorour		1220003381	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Babahr		1220001954	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

2.2 Reporting Methodology

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



2.3 Property Location Analysis

Description of the property at the city level	
About Riyadh	Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital by population. Riyadh is in the middle of the Arabian Peninsula in the Najd Plateau, at an altitude of 600 meters above sea level. It is the headquarters of the Emirate of Riyadh region, according to the administrative division of the Saudi regions.

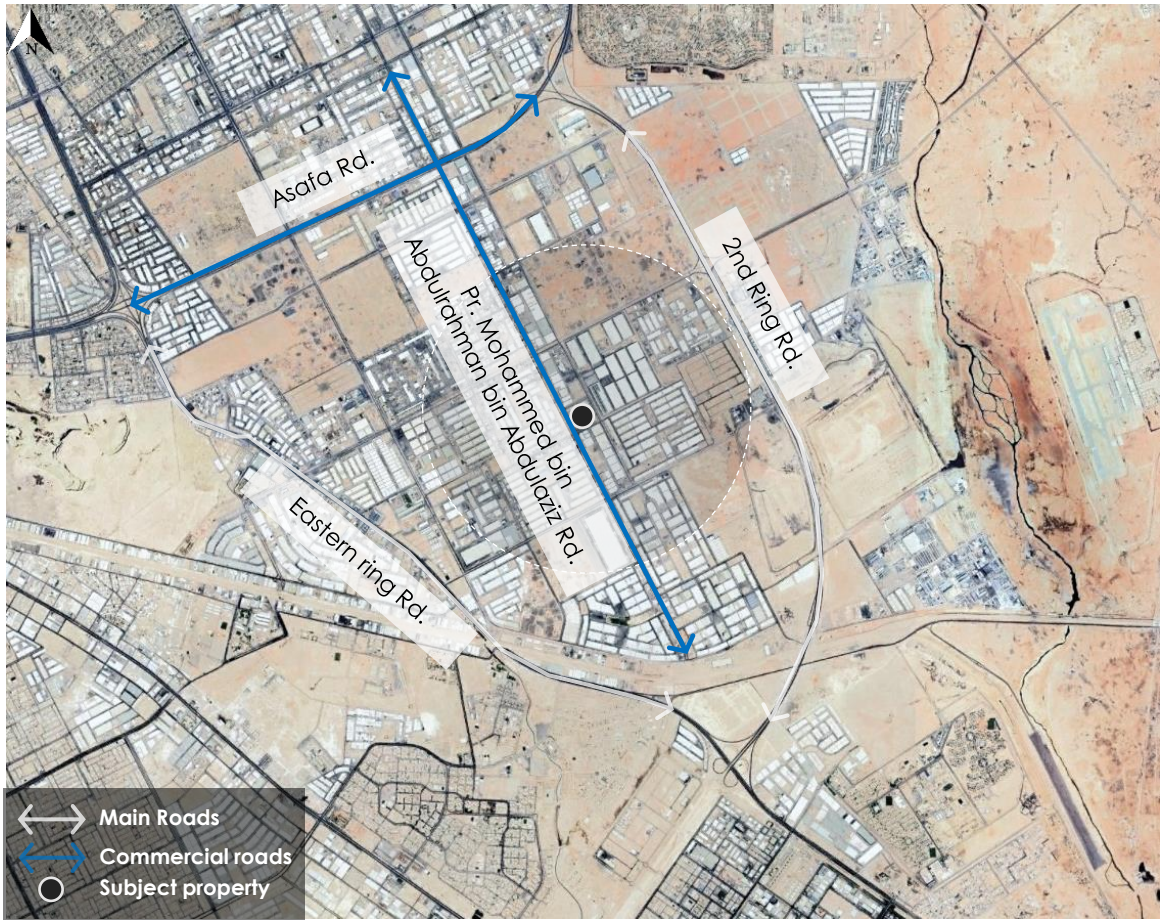


Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
King Khalid Airport	16.7 km	National museum	19.6 km
King Abdullah Park	17.3 km	Al Murabba Palace	19.7 km

2.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property area is strategically located within the city of Riyadh, situated along several major roads such as the Second Ring Road and the Eastern Ring Road. The area is bounded to the north by Al-Safa Road, followed by Al-Sulay District; to the south by parts of Al-Mashael District; to the east by the Second Ring Road; and to the west by Prince Mohammed bin Abdulrahman bin Abdulaziz Road, followed by Al-Difaa District.
Description of the district	Al-Mashael District is located in the southern part of Riyadh and is distinguished by its strategic location along several major roads, such as the Second Ring Road and the Eastern Ring Road.
Accessibility	The property can be easily accessed via several roads and streets, most notably Prince Mohammed bin Abdulrahman bin Abdulaziz Road, which is located near the subject property.



Satellite photo shows property location

2.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	814006003052	Title deed date	27/08/1440 H
Renovation permit number	334	Renovation permit date	16/02/1444 H

Property Information					
Province	Riyadh			City	Riyadh
District	Al-Mashael			Street	Al Kawther St.
Parcel no.	1/2/45	2/2/45	3/4/45	Plan no.	3/1391
	1/4/45	2/4/45	3/2/45		
Property Type	Warehouses			Notes	The property is mortgaged to Al Rajhi Banking Investment Corporation
Coordinates	46.857972° North			24.618250° East	
Google map	https://maps.app.goo.gl/tYEQ7q8ZQJR1bJFg8				

Property description			
Land area based on title deed	29,955.42 m²	Land level	Flat
Land area based on satellite imagery	-	Land shape	Regular
Notes	–		



Satellite photo shows property location

2.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	99.87	Mohammed bin Abdullah Al-Barqi St.	Commercial	30m
South	99.85	Al Kawthar St.	Commercial	36m
East	299.95	Neighbor	-	-
West	299.98	Neighbor	-	-

Property specifications		
Structure	BUA	29,955.42 m² (based on the building permit)
	Basement area	-
	Floors	1
	Age	10 years
	No. of building	6 warehouses (based on lease contract)
	Conditioning type	-
	Finishing	Good
	Facilities	-
	Elevators	-
Zoning According to Riyadh Region Municipality	Use	Warehouses
	Maximum footprint	-
	FAR	-
	Maximum floors	-
Notes		-

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

2.6 Source of Information

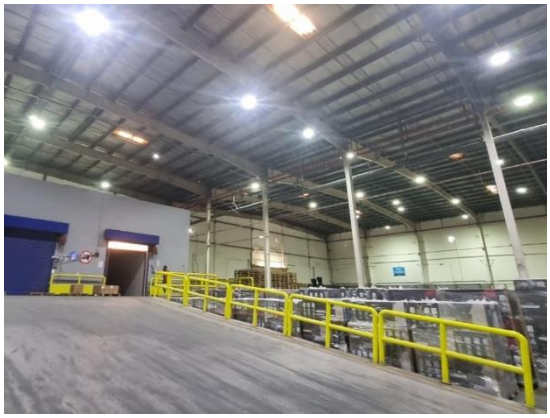
- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 01/01/2026
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

2.7 Property photos





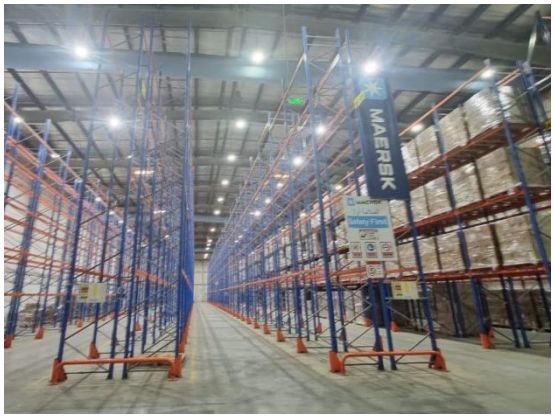






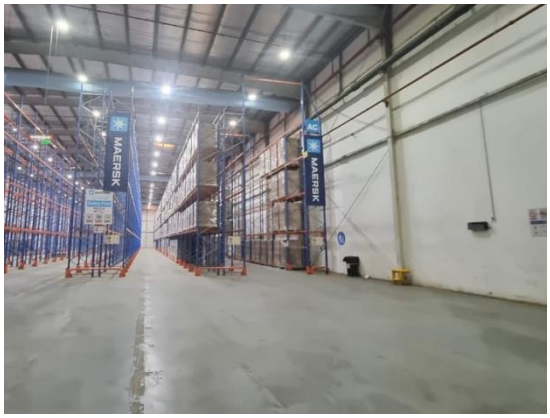


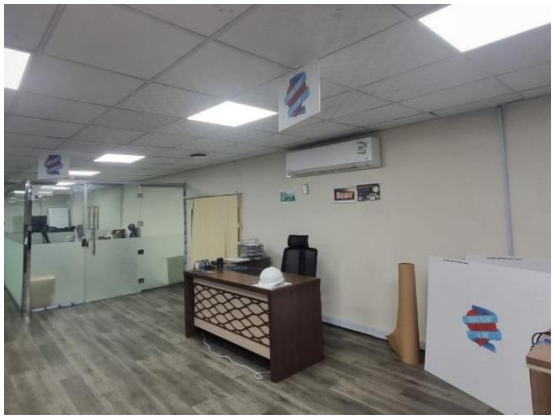
2.7 Property photos













2.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property is distinguished by its location near Prince Mohammed bin Abdulrahman bin Abdulaziz Road.
Weakness	• No weaknesses are observed at the property area
Opportunities	There are several development projects in Riyadh City, including: • Riyadh Green Project: One of the most ambitious afforestation projects in the world, it is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by elevating the ranking of Riyadh among its global city counterparts. • King Salman Park Project: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, under the initiative of His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz. The project aims to provide diverse sporting, cultural, artistic, and recreational options for the residents and visitors of Riyadh, and to contribute to improving the city's quality of life in line with the goals of Saudi Vision 2030 for a vibrant and healthy society, while raising Riyadh's international ranking. • The Sports Boulevard: The Sports Boulevard project is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him. It aims to achieve one of the goals of Saudi Vision 2030 by elevating Riyadh's ranking among global cities; the project encourages residents to adopt healthy mobility habits and motivates them to engage in various sports activities. • Riyadh Art: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by raising Riyadh's ranking among global cities. The Riyadh Art project includes the creation of more than 1,000 artworks and artistic landmarks by local and international artists, displayed throughout Riyadh. The project spans 10 programs covering residential neighborhoods, parks and natural reserves, squares and public plazas, public transport stations, road and pedestrian bridges, city entrances, and all tourist destinations in the city.
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

2.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

2.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

2.10 Valuation Analysis

2.10.1 Income Approach - Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

2.10.1.1 Contract data as per client's statement

The client provided us with the property income details as follows:

- Lessor name: Hifz Al Musharaka Real Estate Company
- Tenant name: Maersk Arabia Logistics
- Contract start date: 01/08/2022
- Contract end date: 31/07/2027
- Subject property annual income: 6,900,000 SAR

2.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **Warehouses**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

2.10 Valuation Analysis

2.10.1 Income Approach - Discounted Cash Flow Method

2.10.1.2 Market Rent

2.10.1.2.1 Market approach – comparable transactions (Warehouses)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	37,888	SAR 367
Property 2	Transaction	2025	38,408	SAR 306
Property 3	Transaction	2025	14,488	SAR 213



Satellite photo showing subject property and comparables

2.10 Valuation Analysis

2.10.1 Income Approach - Discounted Cash Flow Method

2.10.1.2 Market Rent

2.10.1.2.2 Relative adjustment table – Warehouses

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	12/31/2025		12/31/2025		12/31/2025	
Value/m²	-	367 SAR/m²		306 SAR/m²		213 SAR/m²	
Transaction Type	-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market Conditions	-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Property type	Warehouse	Warehouse	0.0 %	Warehouse	0.0 %	Warehouse	0.0 %
Adjusted Value / m²		0.00		0.00		0.00	
Value per square meter		367 SAR/m²		306 SAR/m²		213 SAR/m²	
Accessibility	Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location	Good	Good	0.0 %	Good	0.0 %	Good	0.0 %
Finishing	Excellent	Excellent	0.0 %	Excellent	0.0 %	Excellent	0.0 %
Storage area availability	Abundance	Abundance	0.0 %	Abundance	0.0 %	Abundance	0.0 %
Property age	10 years	2 years	-4.0 %	15 years	2.5 %	2 years	-4.0 %
area (m2)	29,955.42	37,888.00	0.7 %	38,408.00	0.7 %	14,488.00	-2.7 %
Value / m²	-	-12 SAR/m²	-3.3 %	10 SAR/m²	3.2 %	-14 SAR/m²	-6.7 %
Adjusted Value / m²	-	355 SAR/m²		316 SAR/m²		199 SAR/m²	
Weighting	-	35 %		25 %		40 %	
Subject Property Adjusted Value (SAR/m²)	-	280 SAR/m²					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation percentage was deducted from the comparisons shown above as they were executed deals.

Total leasable area (m²)	29,955.42
SQM rental value (SAR/m²)	280
Total lease value (SAR)	8,387,517.60

The leasable area was determined based on the data provided by the client.

2.10 Valuation Analysis

2.10.1 Income Approach – Discounted Cash Flow Method

2.10.1.2 Market Rent

Total annual lease value (SAR)	**8,387,517.60**
Vacancy rate (2.5%)	**(209,687.94)**
Actual property annual income (SAR)	**8,177,829.66**
Maintenance and operation rate (5%)	**(408,891.48)**
Net annual income (SAR)	**7,768,938.18**

2.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference	
			SAR	%
Net income	6,900,000	7,768,938.18	(868,938.18) SAR	(12.6) %
Result	We found that the income data provided by the client is below prevailing market levels; however, it was relied upon as a primary input in the valuation process. It was assumed that the property will continue to be leased to the same tenant with the rental value remaining unchanged during the first five years of the cash flow period. Thereafter, starting from the sixth year until the end of the cash flow period, the market rent for the property will be applied, with discount and capitalization rates based on market data.			

2.10.1.4 Project assumptions

- A growth rate of 5% was assumed every five years, starting from the sixth year until the end of the cash flow period.
- Maintenance and operating expenses were assumed at 5% of the property's actual income, from the sixth year until the end of the cash flow period.
- A vacancy rate of 2.5% was assumed from the sixth year until the end of the cash flow period.

Project assumptions	
Project period	10 years
Cap rate	8%
Discount rate	10.30%

2.10 Valuation Analysis

2.10.1 Income Approach – Discounted Cash Flow Method

2.10.1.5 Capitalization rate analysis

Capitalization rate analysis						
Fund Name	**Property**	**City**	**Sector**	**Property value**	**Net income**	**Cap rate**
Al Rajhi REIT	Lulu Central Warehouses	Riyadh	Industrial	SAR 57,254,000	SAR 4,250,000	7.42%
Al-Ma'athar REIT Fund	Al-Ha'ir Warehouses	Riyadh	Industrial	SAR 18,018,000	SAR 1,531,564	8.50%
Diraya REIT Fund	Al-Aziziyah District Warehouses	Riyadh	Industrial	SAR 23,561,000	SAR 2,023,090	8.58%

- The capitalization rate was derived from the above-mentioned comparables, with the necessary adjustments made to reflect the condition of the property. Accordingly, the cap rate was estimated at 8%.

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 10.30% to reflect the risks associated with the property.
Appendix No. (2.15) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	2.0%	**Valuer's estimate of the market**
Discount rate	10.30%	

Valuation result:

Discounted cash flow value	91,560,545.12 SAR

2.11 Valuation Result

Opinion of value	
Value	91,561,000
Currency	﷼
Opinion of value (written)	Only ninety-one million five hundred sixty-one thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

2.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

2.13 Documents



الرقم : ٨١٤٠٠٦٠٠٣٠٥٢
التاريخ : ٢٧ / ٨ / ١٤٤٠ هـ

وزارة العدل

[٢٧٧]
كتابة العدل بوسط الرياض
شركة حفظ المشاركة

صك رهن وتملك عقار

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

فإن قطعة الارض ٤٥ / ٢/ ١ و قطعة الارض ٤٥ / ٢/ ٢ و قطعة الارض ٤٥ / ٤/ ٣ و قطعة الارض ٤٥ / ٤/ ١ و قطعة الارض ٤٥ / ٤/ ٢ و قطعة الارض ٤٥ / ٢/ ٣ من المخطط رقم ١٣٩١ / ٣ الواقع في حي السلى بمدينة الرياض .

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ٣٠متر — بطول: (٩٩,٨٧) تسعة و تسعون متر و سبعة و ثمانون سنتمتر

جنوباً: شارع عرض ٣٦متر — بطول: (٩٩,٨٥) تسعة و تسعون متر و خمسة و ثمانون سنتمتر

شرقاً: قطعة رقم ٤٥/ ١ ورقم ٤٥/ ٣ — بطول: (٢٩٩,٩٥) مئتين و تسعة و تسعون متر و خمسة و تسعون سنتمتر

غرباً: قطعة رقم ٤٥/ ٤/ ٦و ٤٥/ ٤/ ٥و ٤٥/ ٢/ ٧ و ٤٥/ ٢/ ٦و ٤٥/ ٢/ ٥ و ٤٥/ ٢/ ٤ — بطول: (٢٩٩,٩٨) مئتين و تسعة و تسعون متر و ثمانية و تسعون سنتمتر

ومساحتها : (٢٩,٩٥٥,٤٢) تسعة و عشرون ألفا و تسعمائة و خمسة و خمسون متر مربعاً و اثنين و أربعون سنتمتراً مربعاً فقط بالمحضر رقم ٢٦٨٤ في ٣/ ١٢/ ١٤٣٤هـ والمقيد برقم ٣٥١٣٤٤٩٨٥٥ في ٩/ ٥/ ١٤٣٥هـ

المملوكة لـ/ شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ في ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي في ١٢ / ١٠/ ١٤٤١ هـ بالصك الصادر من كتابة العدل الاولى بالرياض برقم ٩١٠١٢٣٠٣١٣٨٧ في ٢٥ / ١١/ ١٤٣٨ هـ .قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠/ ١٣٧٦ هـ ضمانا لوفائه بـ/ بما عليه من مستحقات مالية لصالح مصرف الراجحي بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠/ ١٣٧٦ هـ بمبلغ وقدره ٥٢٤٩١١١١ ريال خمسمائة و أربعة و عشر ون مليونا و تسعمائة و أحد عشر ألفا و مائة و أحد عشر ريال، على أن يتم سداد المديونية دفعه واحدة نهاية المدة بعد (٧) سنوات وقيمة جزء من الدفعة ٦٥٦١٣٨٨٨ ريال خمسة و ستون مليونا و ستمائة و ثلاثة عشر ألفا و ثمانمائة و ثمانية و ثمانون ريال تدفع في ٣١ / ١٢ / ٢٠٢٥ ميلادي اعتبارا من تاريخ ٣١ / ١٢ / ٢٠١٨ وفي حالة عدم السداد

كاتب العدل

علي بن عبدالعزيز بن عبدالله اليحيى

وزارة العدل
كتابة العدل بوسط الرياض
كاتب العدل بمكتب رقم (٩)

2.13 Documents

المملكة العربية السعودية
وزارة الشئون البلدية والقروية
أمانة منطقة الرياض
بلدية الشمالي

رقم الرخصة : ٣٣٤
تاريخ الرخصة : ١٤٤٤-٠٢-١٦
تاريخ الإنتهاء : ١٤٤٥-٠٢-١٦
نوع الرخصة :

رخصة ترميم (تجاري) (الكتروني)

اسم العميل : شركة حفظ للمشاركة العقارية

رقم الإثبات : ١٠١٠٤٨٤٨٣٤ تاريخه : مصدره :

رقم الصك : ٨١٤٠٠٦٠٠٣٠٥٢ تاريخه : ١٤٤٠-٠٨-٢٧

رقم القطعة : ٣/٢/٤٥-٢/٤/٤٥-٣/٤/٤٥-٢/٤/٤٥-١/٢/٤٥ رقم المخطط التنظيمي : ٣/١٣٩١

الشارع : رقم العقار :

الحي : حي المشاعل نوع البناء :

مساحة الأرض : ٢٤٩٦٣,١ م٢ محيط الأسوار: م/ط النطاق العمراني :

الجهة	الحدود	الأبعاد	الإرتداد
شمال	شارع عرض ٣٠متر	٩٩,٨٧	
شرق	قطعة رقم ٤٥/ ١ ورقم ٤٥/ ٣	٢٩٩,٩٥	
جنوب	شارع عرض ٣٦متر	٩٩,٨٥	
غرب	قطعة رقم ٤٥/ ٤/ ٦ و ٤٥/ ٤/ ٥ و ٤٥/ ٢/ ٧ و ٤٥/ ٢/ ٦ و ٤٥/ ٢/ ٥	٢٩٩,٩٨	

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
ترميم		٢٩٩٥٥	

المكتب المصمم :

رقم الترخيص : رقم المشروع : رمز النظام : مناسيب الشوارع المحيطة :

سدد الرسوم مبلغ وقدره : ٥٩٩٣٠ ريال بموجب الإيصال رقم : ٤٤٠٠٨٨٣٩٣٢ وتاريخ : ١٤٤٤-٠٢-١٦ هـ

ملاحظات :

اي كشط او شطب يلغي هذه الرخصة. يجب الالتزام بالشروط الموضحة خلف الرخصة

2.13 Documents

الشـــروط العامـــة لرخـــصة البنـــاء

١. على المالك والمكتب المصمم قبل البدء فى التصميم الحصول على مناسيب الشوارع المحيطة من إدارة الطرق بالامانة فى حالة عدم سفلتة الشوارع المحيطة، إما إذا كانت الشوارع المحيطة مسفلتة مع وجود إختلاف فى المناسيب فيجب على المكتب المصمم تقديم تقرير يوضح تلك المناسيب مع توضيح كيفية حل المشروع بما يتناسب معها، (تقديم قطاعين إحداهما طولى والاخر عرضى).

٢. يجب التعاقد للتنفيذ مع مقاول ذو سجل تجارى سارى المفعول، كما يجب التعاقد مع مكتب هندسى معتمد للإشراف على تنفيذ جميع المنشآت الاستثمارية والتجارية والخدمية وتزويد الأمانة بتقارير دورية لكل مرحلة من مراحل تنفيذ المشروع.

٣. على المالك والمقاول التأكد من حدود الملكية قبل البدء بالبناء وعدم التعدى على ملكية الغير، وفى حالة حدوث تعدى على ملكية الغير سيكونان مسئولان مسؤولية كاملة عن إزالة التعدى.

٤. لا يسمح بالتعدى خارج محدود الملكية كوضع المدافئ وما شابهها ، كما لا يسمح بوضع عتبات المداخل الخارجية فى الارصفة أو الشوارع ويجب أن تكون ضمن حدود الملكية.

٥. يجب على المقاول والمكتب الهندسى المشرف دراسة الرخصة بما فيها الشروط العامة والشروط الخاصة، وكذلك المخططات المعتمدة قبل البدء فى التنفيذ، وفى حالة وجود أى خطأ أو نقص أو تعارض فى بنودها يجب مخاطبة المكتب المصمم كتابياً على أن يقوم المكتب المصمم بمراجعة إدارة الرخص لإيجاد حلول مناسبة لتلك المشكلة وإعتمادها من إدارة رخص البناء.

٦. لا يحق للمالك ولا المقاول البدء فى التنفيذ أى من بنود الرخصة ما لم تصدر الرخصة وتكون مستوفية لكافة التوقيعات والختم الرسمى، والتأكد من إشتمالها على جميع المبانى والملاحق المراد إنشاءها، وأن بناء أية منشأة غير ما ورد فى الرخصة تعتبر مخالفة.

٧. لا يزيد منسوب أرضية الدور الارضى وسقف القبو عن متر واحد من أخفض منسوب فى الشوارع المحيطة، كما لا يزيد أرتفاع منسوب سقف القبو فى الارتدادات المخططة مواقف سيارات جهة الشوارع عن ١٥سم فقط.

٨. نسبة البناء للملحق العلوى حسب المسموح به نظاماً وبإرتفاع بيت الدرج وبدون فتحات جهة الشوارع والمجاورين على أن لا يزيد أرتفاع سترة الملحق وبيت الدرج عن ٤٠سم أما سترة سطح المبنى الرئيسى فيجب أن تكون بارتفاع ١.٨م.

٩. نسبة البناء للمحلق الارضى حسب المسموح بها نظاماً وضمن الظل فقط، وبإرتفاع السور وبدون سترة أو فتحات خارجية جهة الشوارع أو المجاورين وبإرتدرد لا يقل عن متر ونصف المتر من المبنى الرئيسى.

١٠.يجب أن يبعد خزان الصرف الصحى بمقدار مترين عن المجاورين ويكون داخل حدود الملكية بعيداً عن خزان المياه الارضى، كما يجب أن ينخفض شقف خزان الصرف الصحى بمقدار متر واحد عن منسوب الشوارع المحيطة.

١١.على الجهات الحكومية وشبة الحكومية (كمدارس والمساجد ومراكز الصحية والدوائر الحكومية وغيرها) الالتزام بتنفيذ سفلتة ورصف الشوارع والمواقف المحيطة بالموقع.

١٢.يجب الأخذ فى الاعتبار ذوى الاحتياجات الخاصة عند تصميم المبانى بمختلف انواعها، وذلك بتامين دورات مياه ومواقف خاصة ومنحدرات مناسبة لهم داخل وخارج المبانى الاستثمارية والخدمية والحكومية (بما فى ذلك المساجد والمدارس) مع التقيد بالاشتراطات الفنية الخاصة بذلك.

١٣.تنتهى صلاحية الرخصة بنهاية مدتها ، ويخضع تجديدها لنظام وقت التجديد.

١٤.يجب الاحتفاظ بهذه الرخصة وكذلك المخططات المعتمدة وتقديمها بعد اتمام البناء إلى البلدية للتطبيق على الموقع ليتم بموجبها صرف شهادات اتمام البناء، كما أن أية إضافات جديدة للمنشأة، أو طلب الحصول على رخصة مهنية أو تجديدها ستكون بناءاً على ما ورد بالرخصة والمخططات المعتمدة، ويجب تسليمها عند البيع إلى المالك الجديد.

١٥.يجب على المقاول التقيد بوقت العمل فى الموقع وذلك من الساعة السابعة صباحاً وحتى أذان المغرب.

١٦.يجب الالتزام بتنفيذ العزل الحرارى المنصوص عليه وفق كود البناء السعودى بموجب التعميم الوزارى رقم ٨٥٨٥ وتاريخ ١٤٣٤/٠٢/١٧ هـ.

١٧.فى حالة شراء المنشأة فى اى مرحلة من مراحل الانشاء فأن المالك الجديد سيتحمل ما سيترتب على الموقع من تبعات لذا فأن عليه التأكد من عدم وجود أى مخالفات ضمن الموقع وذلك بالرجوع الى أى مكتب هندسى لعمل تقرير فنى عن الموقع قبل انهاء عملية الشراء.

١٨.إن إعتماد الامانة للمخططات النهائية ورخصة البناء الفورية يتم تحت مسئولية المكتب المصمم، كما إن إعتماد الامانة لها لا يعنى الاقرار بصحة ما ورد فيهما، وأنه فى حال اكتشاف أى خطأ أو خلل فيهما أو مخالفة لشروط وانظمة البناء يجعل إعتماد المخططات والرخصة لاغياً، ولا تتحمل الامانة أى مسئولية عن ذلك تجاه صاحب الرخصة، وستطبق العقوبات النظامية بحق المكتب المصمم.

١٩.عمل تعديلات منفصلة لصناديق الطرد (السيفونات) لتلافيتها من مصدر آخر خلاف مياة الشرب.

٢٠.عدم الاضرار بالمجاورين عن تنفيذ الأعمال وإستعمال سواتر الموقتة على الشدات والسقايل للمحافظة على النظافة وسلامة المارة وتحقيق الخصوصية للمنازل المجاورة

٢١.المستند الذي يجب الالتزام به لمساحات المنشأة عند التنفيذ هي المساحات المدونة برخصة البناء وإن اختلفت المخططات المعتمدة.

٢٢.يجب على مالك العقار دهان وترميم واجهات المنشأة كل خمس سنوات.

٢٣.وضع الأسوار والحواجز أثناء التنفيذ بحيث لاتتجاوز حدود الملكية.

٢٤.يجب على المكتب الاستشارى الهندسي الالتزام بتطبيق الاشتراطات والمتطلبات والمعايير التي ينص عليها كود البناء السعودي على المخططات الهندسية للمبنى وحتى إصدار رخصة البناء.

٢٥.يتحمل المكتب المصمم مسؤولية أية أخطاء قد ترد فى التصاميم والدراسات الانشائية والرسومات التنفيذية، كما يعتبر مسؤلاً مسئولية كاملة عن تقديم أية مخططات تنفيذية أخرى دون موافقة الأمانة على ذلك التعديل مسبقاً.

٢٦.يجب على المالك والمقاول والمكتب الهندسى المشرف الالتزام بما ورد فى هذه الرخصة والمخططات المعتمدة من أبعاد وارتدادات ونوعية الاستعمال ونسبة تغطية البناء والارتفاع وعدد الوحدات والمساقط الافقية والواجهات بما فيها الالوان والمواد المحددة عليها وأية شروط أخرى.

٢٧.هذه الرخصة صادرة بموجب الاتفاقية القانونية وعلى صاحب العلاقة والمكتب المصمم الالتزام بكافة بنودها.

٢٨.يجب الرجوع الى هذه الشروط وبقية هذه الشروط الأخرى ضمن المخطط الابتدائي والنهائي الصادر من قبل المكتب المصمم والتقيد بها.

الشـــروط الخـــاصـــة

2.14 Cash Flow Analysis

تحليل التدفقات النقدية	الإجمالي	١ سنه	٢ سنه	٣ سنه	٤ سنه	٥ سنه	٦ سنه	٧ سنه	٨ سنه	٩ سنه	١٠ سنه
إجمالي دخل العقار	٧٨,٥٣٤,٤٦٧.٤٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٨,٨٠٦,٨٩٣.٤٨	٨,٨٠٦,٨٩٣.٤٨	٨,٨٠٦,٨٩٣.٤٨	٨,٨٠٦,٨٩٣.٤٨	٨,٨٠٦,٨٩٣.٤٨
نسبة الشواغر – ٢.٥%	(١,٠٠٠,٨٦١.٦٩)	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	(٢٢٠,١٧٢.٣٤)	(٢٢٠,١٧٢.٣٤)	(٢٢٠,١٧٢.٣٤)	(٢٢٠,١٧٢.٣٤)	(٢٢٠,١٧٢.٣٤)
الدخل الفعلي للعقار	٧٧,٤٣٣,٦٠٥.٧٢	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٨,٥٨٦,٧٢١.٤٤	٨,٥٨٦,٧٢١.٤٤	٨,٥٨٦,٧٢١.٤٤	٨,٥٨٦,٧٢١.٤٤	٨,٥٨٦,٧٢١.٤٤
الصيانة والتشغيل – ٥٠%	(٢,٤٦٦,٦٨٠.٢٩)	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	(٤٢٩,٣٣٦.٠٦)	(٤٢٩,٣٣٦.٠٦)	(٤٢٩,٣٣٦.٠٦)	(٤٢٩,٣٣٦.٠٦)	(٤٢٩,٣٣٦.٠٦)
صافي دخل العقار	٧٥,٢٨٦,٩٢٥.٤٣	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٨,١٥٧,٣٨٥.٠٩	٨,١٥٧,٣٨٥.٠٩	٨,١٥٧,٣٨٥.٠٩	٨,١٥٧,٣٨٥.٠٩	٨,١٥٧,٣٨٥.٠٩
القيمة الاستردادية	–	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	٠.٠٠	١٠١,٩٦٧,٣١٣.٥٧
صافي التدفقات النقدية	١٧٧,٢٥٤,٢٣٩.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٦,٩٠٠,٠٠٠.٠٠	٨,١٥٧,٣٨٥.٠٩	٨,١٥٧,٣٨٥.٠٩	٨,١٥٧,٣٨٥.٠٩	٨,١٥٧,٣٨٥.٠٩	١١٠,٢٤٦,٦٩٨.٦٦
معدل الخصم	–	١.٠٠	٠.٩١	٠.٨٢	٠.٧٥	٠.٦٨	٠.٦١	٠.٥٦	٠.٥٠	٠.٤٦	٠.٤١
صافي التدفقات الحالية	٩١,٥٦٠,٥٤٥.١٢	٦,٩٠٠,٠٠٠.٠٠	٦,٢٥٥,٦٦٦.٣٦	٥,٦٧١,٥٠١.٦٩	٥,١٤١,٨٨٧.٣٠	٤,٦٦١,٧٢٩.١٩	٤,٩٩٦,٥٨٦.٤١	٤,٥٢٩,٩٩٦.٧٤	٤,١٠٦,٩٧٨.٠١	٣,٧٢٣,٤٦١.٤٨	٤٥,٥٧٢,٧٣٧.٩٤

KPIs	الإجمالي
القيمة الحالية	٩١,٥٦٠,٥٤٥.١٢
إجمالي قيمة العقار	٩١,٥٦١,٠٠٠.٠٠

2.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%100) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%5), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 3

Al-Bazai Showroom

3.1 Executive Summary
3.2 Reporting Methodology
3.3 Property Location Analysis
3.4 Property description and ownership
3.5 Property boundaries
3.6 Source of Information
3.7 Property photos
3.8 SWOT Analysis
3.9 Valuation approaches
3.10 Valuation Analysis
3.11 Opinion of Value
3.12 Validity of review and clarification
3.13 Documents
3.14 Risks Study and Analysis

3.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Al-Bazai Showroom	Interest to be valued	Assumed to be a freehold
	Location	https://maps.app.goo.gl/pnnYCbgrrp7TM6Hz5		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	17/12/2025	Approved valuation approach and method	Income approach / Direct Capitalization method
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

3.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075303	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

3.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations		-
	Limits on analysis		-
	Limits on inspection		- The subject property was inspected externally only, at the client's request. It was assumed that the interior finishing is consistent with the exterior condition, and that the property is structurally sound and free from any defects.
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. The lease contract details have been included in the report without attaching a copy of the contract. Esnad retains copies of these documents for reference: • These documents: o Title deed o Building Permit o Lease contract • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• As noted under the inspection limitations, the subject property was inspected externally only, at the client's request. It was assumed that the level of interior finishing is consistent with the exterior condition, and that the property is structurally sound and free from any defects. The opinion of value has been based on these assumptions.

3.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• It was assumed that the property is free from any regulatory restrictions or ownership limitations that could affect its transfer or use, and the opinion of value was formed based on this assumption.

3.1 Executive Summary

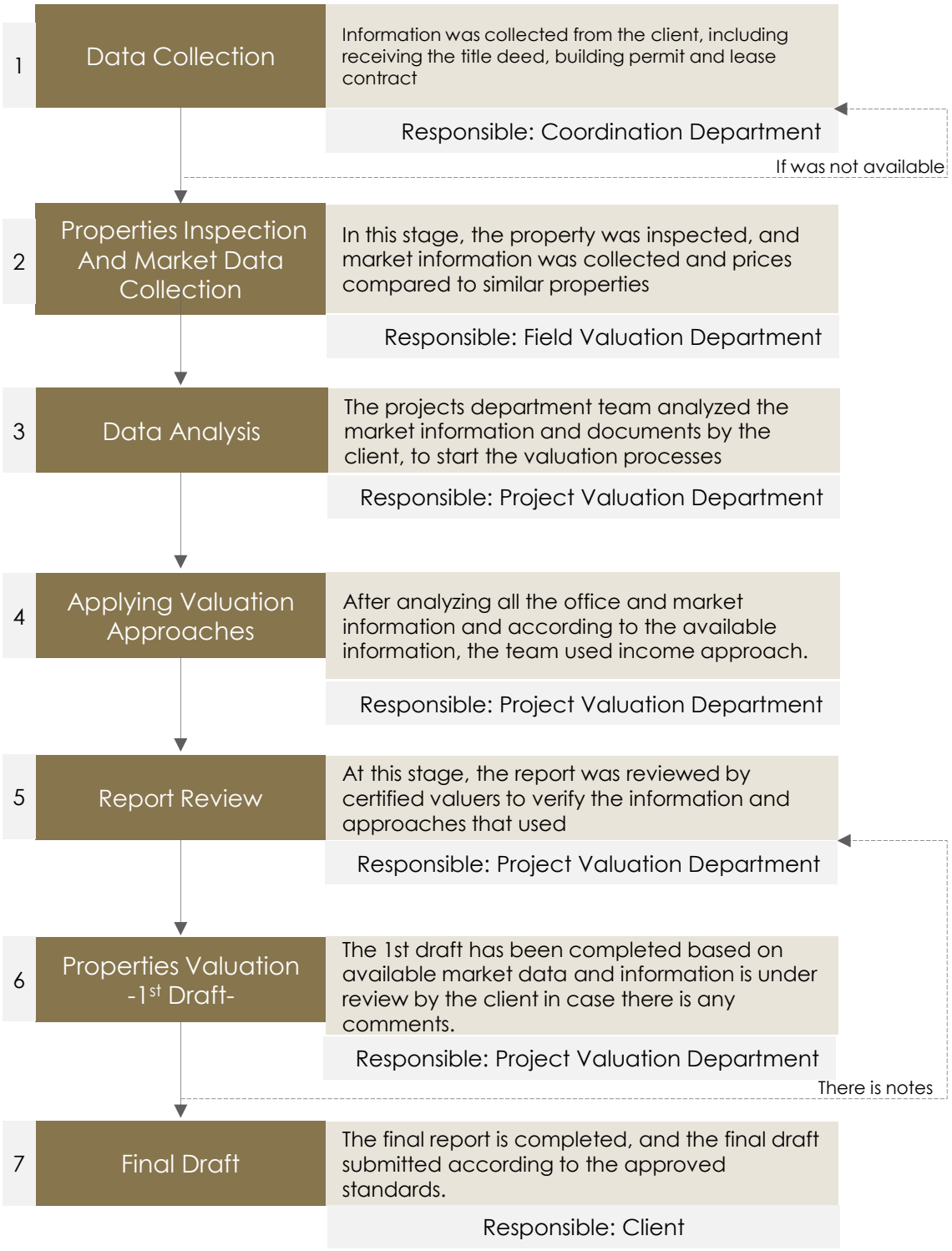
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	82,500,000
	Written	Eighty-two million five hundred thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Hussam Saleh Al Shabaan		1210002672	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Mustafa Magdy Sorour		1220003381	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Babahr		1220001954	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

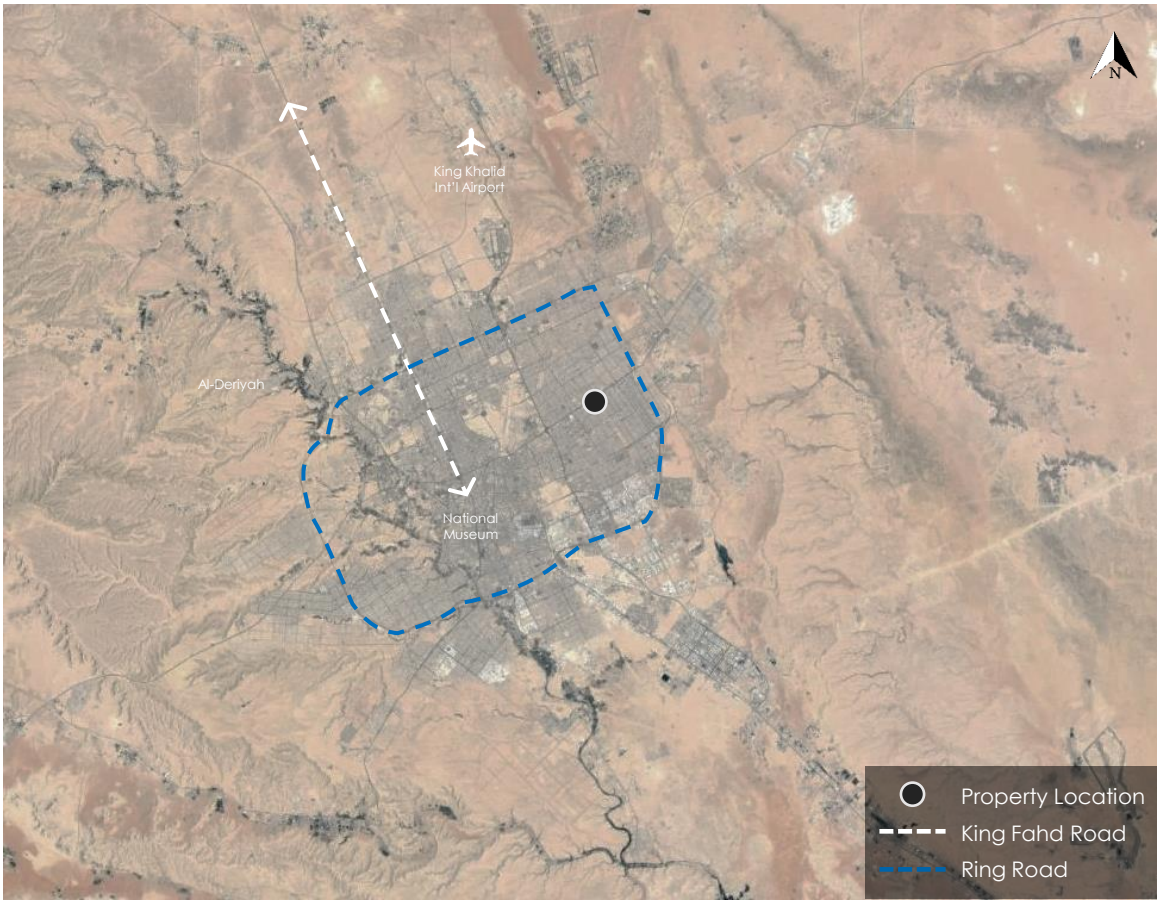
3.2 Reporting Methodology

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



3.3 Property Location Analysis

Description of the property at the city level	
About Riyadh	Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital by population. Riyadh is in the middle of the Arabian Peninsula in the Najd Plateau, at an altitude of 600 meters above sea level. It is the headquarters of the Emirate of Riyadh region, according to the administrative division of the Saudi regions.



Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
Riyadh International Convention and Exhibition Center	10.9 km	Granada Mall	11.9 km
King Abdullah Park	12.5 KM	Riyadh Dry Port	15.5 km

3.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property's area is distinguished by its strategic location within the city of Riyadh, as it is situated along several main roads, such as Khurais Road. The property area is bounded to the north by Khurais Road, followed by Al-Nahda District. To the south, it is bordered by parts of Al-Naseem Al-Gharbi District. To the east, it is bordered by Al-Naseem Al-Sharqi District, and to the west by Al-Salam District.
Description of the district	Al-Naseem Al-Gharbi District is located in the eastern part of Riyadh city and is distinguished by its strategic location, as it lies along several main roads such as Khurais Road.
Accessibility	The property is easily accessible through several roads and streets, most notably Khurais Road, on which the subject property is located.



Satellite photo shows property location

3.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	381688001799	Title deed date	28/04/1445 H
Building permit number	1435/2361	Building permit date	17/11/1439 H

Property Information					
Province	Riyadh			City	Riyadh
District	Al-Naseem Al-Gharbi			Street	Khurais Road
Parcel no.	101	102	103	Plan no.	911
	104	131	132		
	133		134		
Property Type	Showrooms			Notes	The property is mortgaged to Bank Al-Jazira.
Coordinates	24.737795° North			46.800965° East	
Google map	https://maps.app.goo.gl/pnnYCbgrrp7TM6Hz5				

Property description			
Land area based on title deed	10,000 m²	Land level	Flat
Land area based on satellite imagery	-	Land shape	Regular
Notes	–		



Satellite photo shows property location

3.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	100	Khurais Road	Commercial	-
South	100	Al Shurfa Street	Internal	15m
East	100	Neighbor	-	-
West	100	Abdul Rahman Bin Auf Road	Commercial	-

Property specifications		
Structure	BUA	7,068.41 m² (based on the building permit)
	Basement area	5,000 m² (based on the building permit)
	Floors	Basement + Ground floor + Mezzanine (based on the building permit)
	Age	10 years
	No. of building	2
	Conditioning type	-
	Finishing	Very good
	Facilities	-
	Elevators	-
Zoning According to Riyadh Region Municipality	Use	Residential/Commercial/Office
	Maximum footprint	60%
	FAR	1.2
	Maximum floors	Ground floor + First floor + 50% upper annexes
Notes		The property was inspected externally only, at the client's request, as noted under the inspection limitations and assumptions. The property components were identified based on the building permit provided by the client.

3.5 Property boundaries & lengths

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

3.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 17/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

3.7 Property photos













3.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property subject is distinguished by its location on Khurais Road
Weakness	• No weaknesses are observed at the property area
Opportunities	There are several development projects in Riyadh City, including: • Riyadh Green Project: One of the most ambitious afforestation projects in the world, it is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by elevating the ranking of Riyadh among its global city counterparts. • King Salman Park Project: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, under the initiative of His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz. The project aims to provide diverse sporting, cultural, artistic, and recreational options for the residents and visitors of Riyadh, and to contribute to improving the city's quality of life in line with the goals of Saudi Vision 2030 for a vibrant and healthy society, while raising Riyadh's international ranking. • The Sports Boulevard: The Sports Boulevard project is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him. It aims to achieve one of the goals of Saudi Vision 2030 by elevating Riyadh's ranking among global cities; the project encourages residents to adopt healthy mobility habits and motivates them to engage in various sports activities. • Riyadh Art: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by raising Riyadh's ranking among global cities. The Riyadh Art project includes the creation of more than 1,000 artworks and artistic landmarks by local and international artists, displayed throughout Riyadh. The project spans 10 programs covering residential neighborhoods, parks and natural reserves, squares and public plazas, public transport stations, road and pedestrian bridges, city entrances, and all tourist destinations in the city.
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

3.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

3.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	✓ **Direct Capitalization method** □ Cashflow method □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

3.10 Valuation Analysis

3.10.1 Income Approach - Direct Capitalization Method

According to the International Valuation Standards "2025", when the asset is operating at a stabilized level of growth and profits at the valuation date, it may not be necessary to consider an explicit forecast period and a terminal value may form the only basis of value (sometimes referred to as an income capitalization method).
Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

3.10.1.1 Contract data as per client's statement

The client provided us with the property income details as follows:

- Lessor name: Hifz Al Musharaka Real Estate Company.
- Tenant name: Saleh Abdullah Al-Bazai & Sons Company.
- Contract start date: 01/01/2020
- Contract end date: 31/12/2029
- Subject property annual income: 6,600,000 SAR

3.10.1.2 Market Rent

The subject property consists of rental units categorized as follows:

- **Showrooms**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

3.10 Valuation Analysis

3.10.1 Income Approach - Direct Capitalization Method

3.10.1.2 Market Rent

3.10.1.2.1 Market approach – Comparable transactions method (Showrooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	396	SAR 1,035
Property 2	Offer	2025	948	SAR 949
Property 3	Transaction	2025	3,185	SAR 1,160



Satellite photo showing subject property and comparables

3.10 Valuation Analysis

3.10.1 Income Approach - Direct Capitalization Method

3.10.1.2 Market Rent

3.10.1.2.2 Relative adjustment table – Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	18/08/2025		30/12/2025		15/09/2025	
Value/m²	-	1,035 SAR/m²		949 SAR/m²		1,160 SAR/m²	
Transaction Type	-	Transaction	% 0.0	Offer	% 2.5-	Transaction	% 0.0
Market Conditions	-	Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
Property type	Showroom	Showroom	% 0.0	Showroom	% 0.0	Showroom	% 0.0
Adjusted Value / m²		0.00		23.73-		0.00	
Value per square meter		1,035 SAR/m²		926 SAR/m²		1,160 SAR/m²	
Accessibility	Very easy	Very easy	% 0.0	Easy	% 5.0	Very easy	% 0.0
Location	Good	Good	% 0.0	Good	% 0.0	Good	% 0.0
Finishing	Very good	Very good	% 0.0	Very good	% 0.0	Very good	% 0.0
Property age	10 Years	20 Years	% 5.0	2 Years	% 4.0-	20 Years	% 5.0
area (m2)	7,068.41	396.00	% 18.0-	948.00	% 12.0-	3,185.00	% 8.0-
Value / m²	-	-135 SAR/m²	% 13.0-	-102 SAR/m²	% 11.0-	-35 SAR/m²	% 3.0-
Adjusted Value / m²	-	900 SAR/m²		824 SAR/m²		1,125 SAR/m²	
Weighting	-	% 25		% 35		% 40	
Subject Property Adjusted Value (SAR/m²)	-	960 SAR/m²					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation adjustment was applied to Comparables 1 and 3 as they are executed lease transactions, while a negotiation adjustment was applied to Comparable 2 as it is a lease offering that had not been executed as of the valuation date.

Total leasable area (m²)	7,068.41
SQM rental value (SAR/m²)	960
Total lease value (SAR)	6,785,673.60

3.10 Valuation Analysis

3.10.1 Income Approach - Direct Capitalization Method

3.10.1.2 Market Rent

Total annual lease value (SAR)	**6,785,673.60**
Vacancy rate (5%)	**(339,283.68)**
Actual property annual income (SAR)	**6,446,390**
Maintenance and operation rate (5%)	**(322,319.50)**
Net annual income (SAR)	**6,124,070.42**

3.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference	
			SAR	%
Net income	6,600,000	6,124,070.42	475,929.58 SAR	7.77%
Result	We found that the income data provided by the client reflects market conditions and was relied upon as a key input in the valuation process, with capitalization rates applied based on market data			

3.10.1.4 Capitalization rate analysis

Capitalization rate analysis						
Fund Name	**Property**	**City**	**Sector**	**Property value**	**Net income**	**Cap rate**
Al-Ma'athar REIT Fund	Al Muhammadiyah Tower	Riyadh	Commercial office	SAR 104,500,000	SAR 8,430,225	8.07%
Al-Ahli REIT Fund	Cubic Plaza	Riyadh	Office	SAR 266,180,000	SAR 20,532,350	7.71%
Diraya REIT Fund	Smart Tower	Riyadh	Commercial office	SAR 257,566,000	SAR 20,000,014	7.77%

- The capitalization rate was derived from the above-mentioned comparables, with the necessary adjustments made to reflect the condition of the property. Accordingly, the cap rate was estimated at 8%.

3.10.1.5 Valuation of the Property Using the Income Capitalization Approach

Direct Capitalization Valuation Result	
Net income of the property (SAR/year)	6,600,000
Cap rate	8 %
Direct Capitalization value (SAR)	**82,500,000**

3.11 Valuation Result

Opinion of value	
Value	82,500,000
Currency	﷼
Opinion of value (written)	Eighty-two million five hundred thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

3.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

3.13 Documents

وزارة العدل

أحمد عادل علي مدخلي
الرياض
ترخيص رقم 44/12468

رقم الصك: 381688001799

التاريـــــــخ: 1445/04/28 هـ

صك رهـــن

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

فإن قطعة الارض رقم 101 من المخطط رقم 911 الواقع في حي النسيم فنة ا بمدينة الرياض . و قطعة الارض رقم 102 من المخطط رقم 911 الواقع في حي النسيم فنة ا بمدينة الرياض . و قطعة الارض رقم 103 من المخطط رقم 911 الواقع في حي النسيم فنة ا بمدينة الرياض . و قطعة الارض رقم 104 من المخطط رقم 911 الواقع في حي النسيم فنة ا بمدينة الرياض . و قطعة الارض رقم 131 من المخطط رقم 911 الواقع في حي النسيم فنة ا بمدينة الرياض . و قطعة الارض رقم 132 من المخطط رقم 911 الواقع في حي النسيم فنة ا بمدينة الرياض . و قطعة الارض رقم 133 من المخطط رقم 911 الواقع في حي النسيم فنة ا بمدينة الرياض . و قطعة الارض رقم 134 من المخطط رقم 911 الواقع في حي النسيم فنة ا بمدينة الرياض . وحدودها واطوالها :

شمالا: طريق خريص المزفلت بطول 100 مائة متر

جنوبا: شارع عرض 15م بطول 100 مائة متر

شرقا: قطعة رقم 105 ورقم 130 بطول 100 مائة متر

غربا: شارع عرض 60م بطول 100 مائة متر

ومساحتها 10000 عشرة الآف متر مربعاً المملوكة لـ شركة حفظ المشاركة العقارية بموجب الرقم الوطني الموحد للمنشأة رقم 7006928647 بموجب الصك الصادر من الموثقين بالرياض1 برقم 293010010109 في 24 / 10 / 1444 قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الجزيره بموجب الرقم الوطني الموحد للمنشأة رقم 7000120712 ضمانا للوفاء بـ 75788739 فقط خمسة و سبعون مليوناً و سبعمائة و ثمانية و ثمانون ألفاً و سبعمائة و تسعة و ثلاثون ريالاً سعودياً لا غير. سبب الرهن : ضمان للوفاء بما عليه من مستحقات مالية على أن يتم سداد المديونية على قسط واحد وقيمة القسط 75788739 ريال تدفع اعتبارا من تاريخ 16/ 2/ 2030 وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات .واستيفاء مافي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً. وعليه جرى التصديق تحريراً في 1445 / 04 / 28 لاعتماده ،وصلى الله على نبينا محمد وآله وصحبه وسلم.

الختم الرسمي

الموثق

أحمد عادل علي مدخلي

الرقم التسلسلي: 846

3.13 Documents



أمانة منطقة الرياض
إدارة رخص البناء
نوع المعاملة : صادر
التاريخ : ١٤٣٩/١٢/٢٥ هـ
المرفقات : بدون
الرقم الموحد ٣٨٠٠١٩٣٤٧٩
www.alriyadh.gov.sa

رقم الرخصة : ١٤٣٥/٢٣٦١
تاريخ الرخصة : ١٤٣٩-١١-١٧
تاريخ الإنتهاء : ١٤٤٠-١١-١٧
نوع الرخصة : تعديل مخططات البناء

رخصة
بناء صالة عرض سيارات

اسم المالك : شركة صالح عبدالله البازعي وأولاده
رقم الإثبات : ١٠١٠١٧٢٢٥٩ تاريخه :
مصدره :
رقم الصك : ٥١٠١٠١٠٠٩٠٨٤ تاريخه : ١٤٣٠-١٠-٠٨
رقم القطعة : ١٠١و١٠٢و١٣٣و١٣٤ رقم المخطط التنظيمي : أ/١٢٧٠
الشارع : رقم العقار :
الحي : حي النسيم الغربي نوع البناء :
مساحة الأرض : ٩٩٨٦,٥ م٢ محيط الأسوار: م / ط النطاق العمراني : مرحلة ١

الجهة	الحدود	الأبعاد	الإرتداد
شمال	طريق خريص ٨٤م	٩٤	٢٠
شرق	ق ١٠٥ و ١٣٠	١٠٠	٣
جنوب	ش ١٥م	٩٤	٥
غرب	ش ٦٠م	٩٤	٦

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
قبو	٠	٥٠٠٠,٠٠	مواقف
ميزانين	٠	١٢٨١,٠٠	معرض سيارات
دور أرضي	١	٥٧٨٧,٤١	معرض سيارات
أسوار	١	١٢٤,٠٠	خدمات

طريق خريص ٨٤م
20
100
6
3
5
94
غرفه كهرباء
ش١٥

* يلزم توفير غرفة كهرباء بأبعاد4*5م اذا تجاوزت مسطحات البناء عن 1000م2
* يجب مراجعة الدفاع المدني ويمثله مكتب دار الرياض بأمانه منطقة الرياض قبل البدء بالتنفيذ

تم أخذ تعهد خطي من المالك بأنه لن توصل له الخدمه الكهربائيه في حال عدم تنفيذ العزل الحراري طبقا لكود البناء السعودي

المكتب المصمم : عبدالرحمن العرفج للاستشارات الهندسية

رقم الترخيص : ٢٥٤٠/١ رقم المشروع : ٩٨ رمز النظام : مناسيب الشوارع المحيطة :
سدد الرسوم مبلغ وقدره : ٣٧٤٠ ريال بموجب الإيصال رقم : ٣٥٠٠٤١٩١٢٦ وتاريخ : ١٤٣٥-٠٢-١٣ هـ

ملاحظات :
المكتب الهندسي: بناتية لاستشارات الهندسة المعمارية الرخصه عباره عن تجديد+بدل فاقد+تعديل مكونات بناء** نوع البناء مسلح. ١- نوع الرخصه اصدار رخصه فوريه. ٢- بموجب نظام الرخص الفوريه للعمائر. ٣- بموجب التقرير المساحي رقم ١٤٣٩/٤١٤٢٢ تاريخ ١٤٣٩-١٠-٢١هـ الصادر من بلديه النسيم الغربيه ، تم تعديل مساحه الأرض والحدود. ٤- منطقه التقسيم: م١١١ ، ٥- الصك يشمل القطع رقم ١٠٣و١٠٤و١٣١و١٣٢. ٦- القبو مواقف سيارات بعرض ٤م لكل من المدخل والمخرج. ٧- يلزم مواقفه وزارة النقل. ٨- يوجد غرفه كهرباء بالارتداد الجنوبي جهة الشارع الفرعي عرض ١٥م حسب المخططات المعتمده على ان تكون ملاصقة للمبنى على مستوى الدور الارضي وبارتداد نظامي جهة الجار الشرقي وتعالج معماريا بشكل جيد. ٩- بموجب خطاب بلدية النسيم الفرعية رقم ٣٨٠٠١٩٣٤٧٩ وتاريخ ١٤٣٩-٠٦-١٣هـ والتقرير الفني المرفق بالمعاملة بتاريخ ١٤٣٩-٠٦-١٢هـ ١٠- تم تعديل الرخصة من عمارة تجارية مكتبية الى صاله عرض سيارات بموجب المخططات المعتمدة من مكتب بناتية للاستشارات الهندسية. ١١-بموجب خطاب الدفاع المدني رقم ١٤٩/لدف تاريخ ١٤٣٩-٠٤-٢٢هـ.
١٢- بموجب الرخصة السابقة رقم ٨١٥ وتاريخ ١٤١٥/١١/١١هـ. .
****

الختم الرسمي

رئيس قسم الرخص
م/ مسفر سعد آل خرصان

مدير إدارة الرخص
م/ سعد عبدالله الدوسري

عام رخص البناء
م/ [illegible] محمد الطبيشي

اي كشط او شطب يلغي هذه الرخصة.

يجب الإلتزام بالشروط الموضحة خلف الرخصة

٤١٩/٣٠٥/٥

3.14 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%100) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%5), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 4

Gardino Hotel

4.1 Executive Summary
4.2 Reporting Methodology
4.3 Property Location Analysis
4.4 Property description and ownership
4.5 Property boundaries
4.6 Source of Information
4.7 Property photos
4.8 SWOT Analysis
4.9 Valuation approaches
4.10 Valuation Analysis
4.11 Opinion of Value
4.12 Validity of review and clarification
4.13 Documents
4.14 Cash Flow Analysis
4.15 Risks Study and Analysis

4.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Gardino Hotel	Interest to be valued	freehold
	Location	https://maps.app.goo.gl/nyrFFyiARPRFYQE9A		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	22/02/2026	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

4.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075306	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

4.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations		-
	Limits on analysis		• We were informed by the client that the subject hotel is classified as a four-star property, and this classification has been assumed to be accurate and relied upon in the valuation. • The number of hotel units was derived from the disclosures published by Musharaka REIT Fund on the Saudi Exchange (Tadawul) website.
	Limits on inspection		-
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. The lease contract details have been included in the report without attaching a copy of the contract, and Esnad retains a copy of these documents for reference: • These documents: o Title deed o Building permit o Lease Contracts • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• None (except as stated in the terms and conditions).
	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• None (except as stated in the terms and conditions).

4.1 Executive Summary

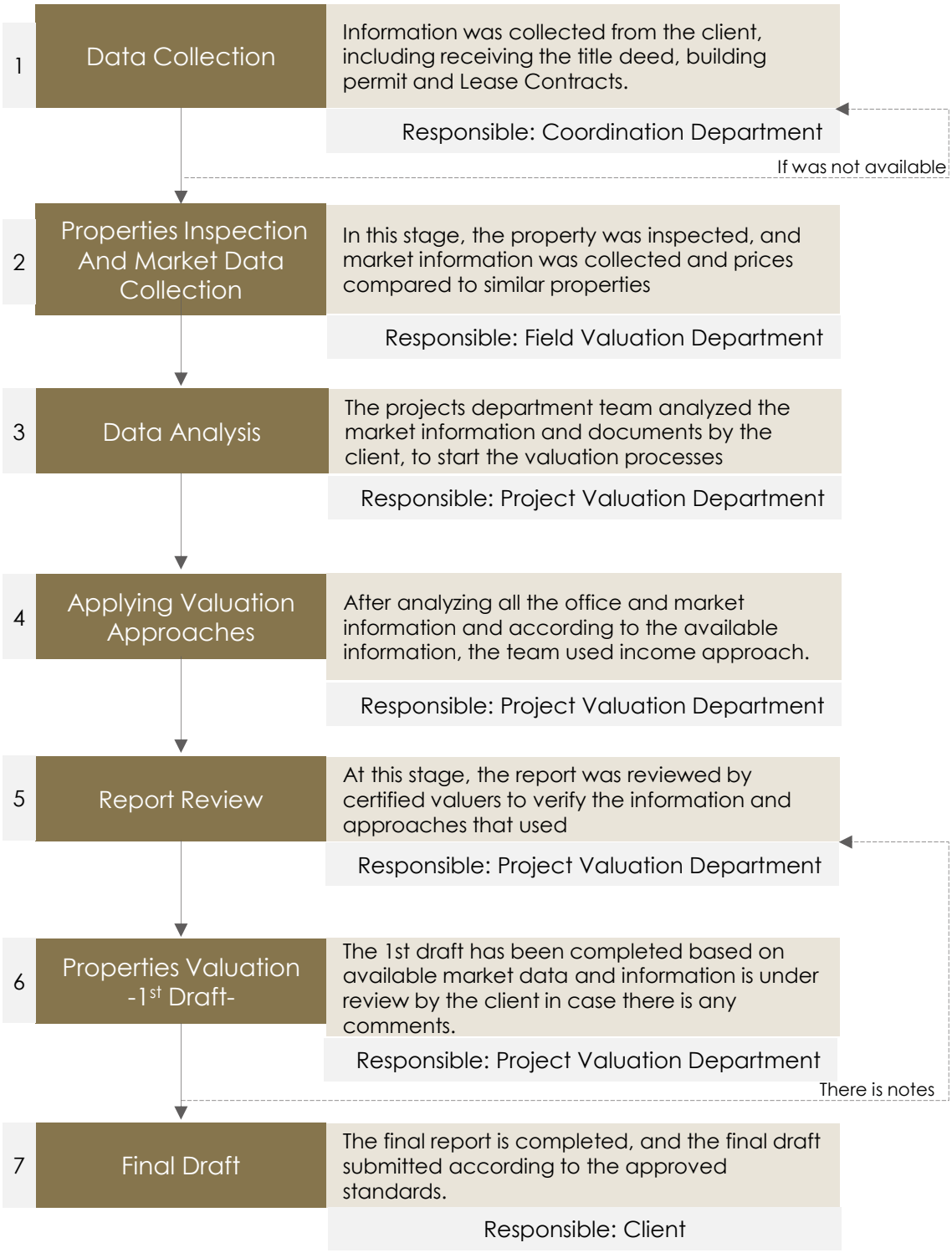
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	102,947,000
	Written	Only one hundred two million nine hundred forty-seven thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Hussam Saleh Al Shabaan		1210002672	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Ahmed Hamdi Al Sehemi		1220003393	Associate	
Value review and initial approval	Reviewing valuation results and income data	Eng Rakan Al Shaikhi		1210004021	Associate	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

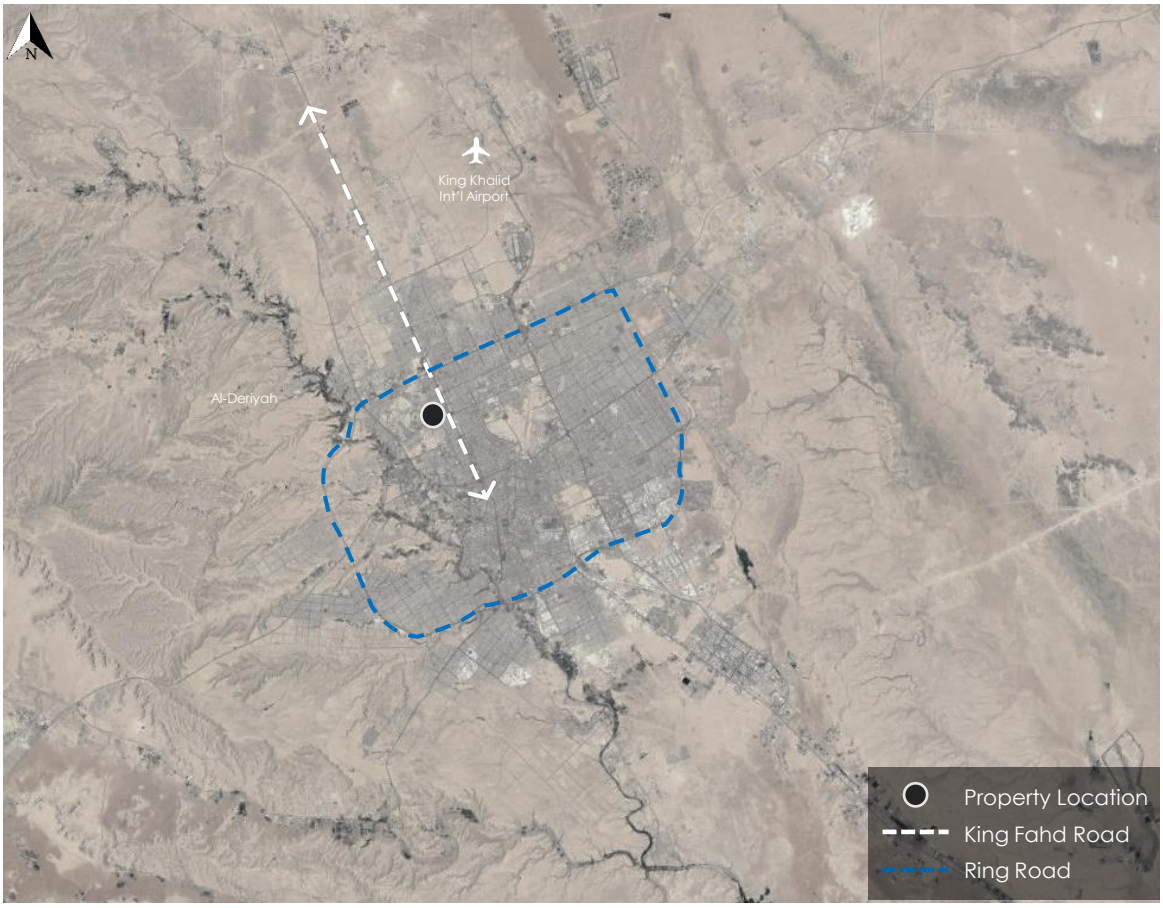
4.2 Reporting Methodology

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



4.3 Property Location Analysis

Description of the property at the city level	
About Riyadh	Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital by population. Riyadh is in the middle of the Arabian Peninsula in the Najd Plateau, at an altitude of 600 meters above sea level. It is the headquarters of the Emirate of Riyadh region, according to the administrative division of the Saudi regions.

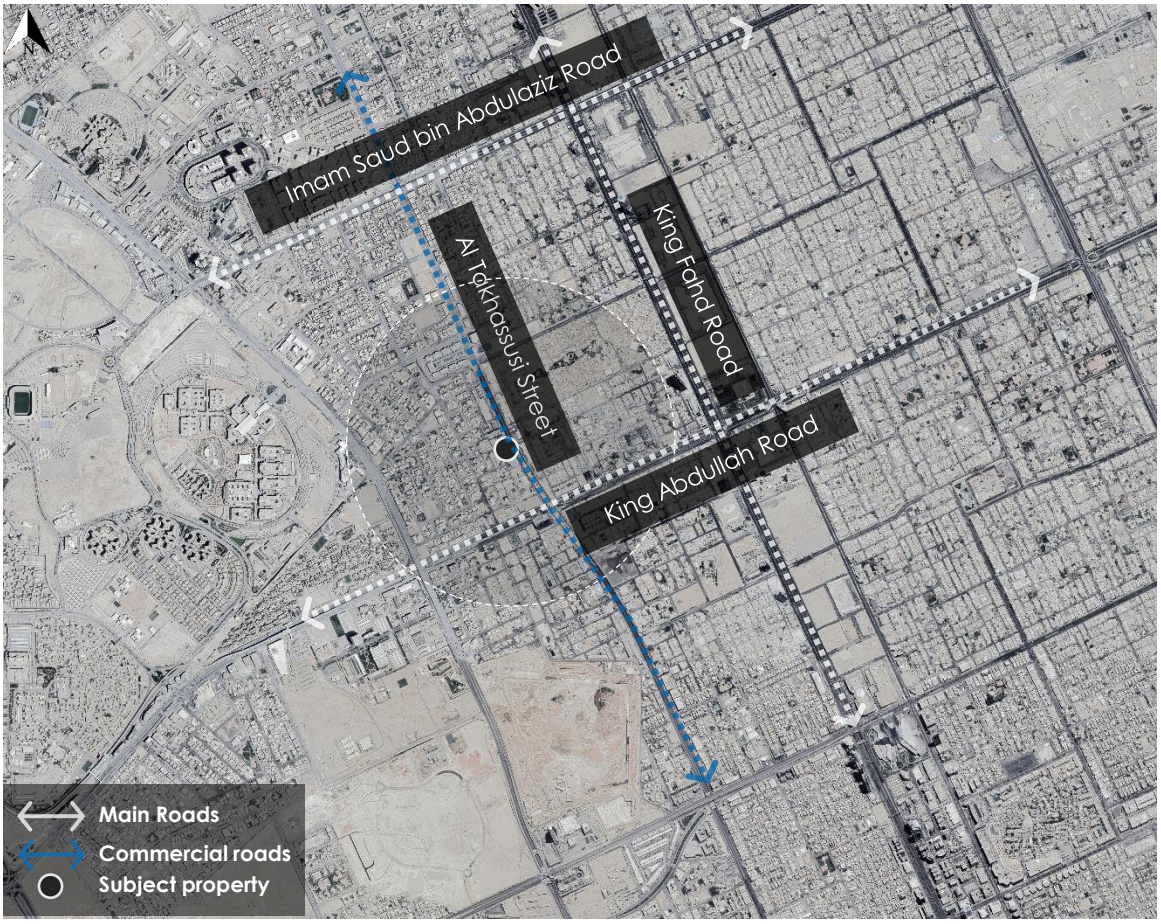


Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
King Khalid International Airport	35 km	KAFD	7.5 km

4.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property area is distinguished by its strategic location within the city of Riyadh, as it is situated along Al Takhassusi Street and near King Saud University.To the north, the area is bordered by Imam Saud bin Abdulaziz bin Mohammed Road, followed by Al Nakheel district. To the south, it is bordered by King Abdullah Road. To the east, it is bordered by King Fahd Road, followed by Al King Fahd district. To the west, it is bordered by King Saud University.
Description of the district	Al Olaya district is located in the center of Riyadh and is distinguished by its strategic location, with several major roads such as King Fahd Road.
Accessibility	The property is easily accessible via Al Takhassusi Street, which the subject property directly overlooks.



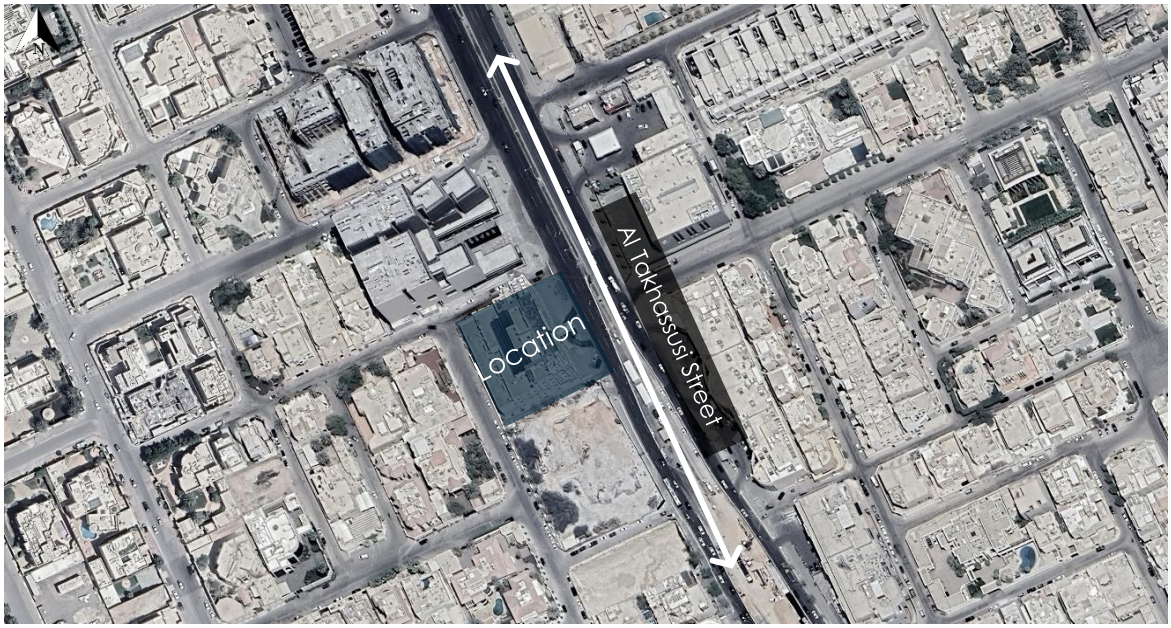
Satellite photo shows property location

4.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	918501000502	Title deed date	15/02/1443 H
Building permit number	16607/1433	Building permit date	18/11/1441 H

Property Information			
Province	Riyadh	City	Riyadh
District	Al Olaya	Street	Al Takhassusi Street
Parcel no.	129-130-131-132	Plan no.	1324/أ
Property Type	Hotel	Notes	-
Coordinates	46.651801664099°	24.72681793622°	
Google map	https://maps.app.goo.gl/DBV3EfRdTTf9ri6DA		

Property description			
Land area based on title deed	3,495.35 m²	Land level	Flat
Land area based on actual conditions	-	Land shape	Regular
Notes	–		



Satellite photo shows property location

4.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	55	Street	Internal	12
South	58	Neighbor	-	-
East	62.70	Street	Commercial	46
West	62	Street	Internal	15

Property specifications		
Structure	BUA	13,818 m² (based on the building permit)
	Floors	Two basements + ground floor + mezzanine + 2 typical floors + upper annex
	Age	Approximately 6 years
	No. of building	1
	Conditioning type	Central
	Finishing	Very good
	Facilities	-
	Elevators	Available
Zoning	Use	Residential, commercial, and office
	Maximum footprint	65% (Second floor)
	FAR	1.9
	Maximum floors	Ground + First + Second
Notes		The subject asset is a four-star hotel (as per the client's representation), comprising approximately 94 rooms.

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

4.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the client's information and the property was inspected on 22/2/2026
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

4.7 Property photos













4.7 Property photos

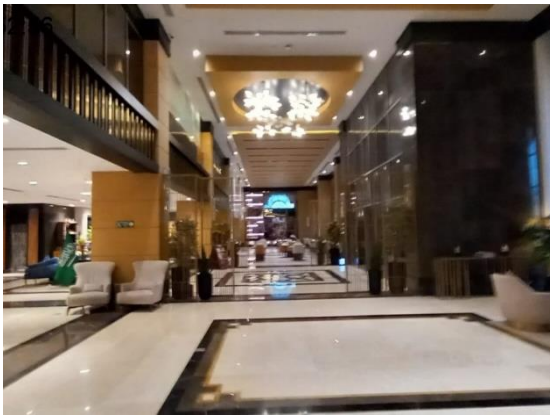










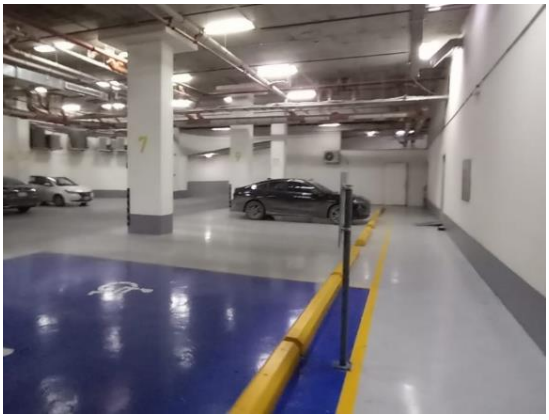


4.7 Property photos













4.8 SWOT Analysis

SWOT Analysis	
Strength	• The property under valuation is distinguished by its location on Al Takhassusi Street.
Weakness	• No weaknesses are observed at the property area
Opportunities	• Riyadh Green Project: One of the most ambitious afforestation projects in the world, it is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by elevating the ranking of Riyadh among its global city counterparts. • King Salman Park Project: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, under the initiative of His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz. The project aims to provide diverse sporting, cultural, artistic, and recreational options for the residents and visitors of Riyadh, and to contribute to improving the city's quality of life in line with the goals of Saudi Vision 2030 for a vibrant and healthy society, while raising Riyadh's international ranking. • The Sports Boulevard: The Sports Boulevard project is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him. It aims to achieve one of the goals of Saudi Vision 2030 by elevating Riyadh's ranking among global cities; the project encourages residents to adopt healthy mobility habits and motivates them to engage in various sports activities. • Riyadh Art: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by raising Riyadh's ranking among global cities. The Riyadh Art project includes the creation of more than 1,000 artworks and artistic landmarks by local and international artists, displayed throughout Riyadh. The project spans 10 programs covering residential neighborhoods, parks and natural reserves, squares and public plazas, public transport stations, road and pedestrian bridges, city entrances, and all tourist destinations in the city.
Property Risks	• An increase in the supply of hotel rooms in the market, especially with the rapid opening of new projects, may lead to an excess in capacity, which affects occupancy rates

4.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

4.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

4.10 Valuation Analysis

4.10.1 Income Approach - Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

4.10.1.1 Contract data as per client's statement

The client provided us with the lease contracts of the property under valuation, with their details as follows:"

1. Hotel Lease Contract:

Tenant: Artal Hotels Company
Lease start date: 01/05/2022
Lease end date: 31/10/2031
Rental value of the property and its details are as follows:"

4.10 Valuation Analysis

4.10.1 Income Approach- Discounted Cash Flow Method

4.10.1.1 Property Income Data:

1. Hotel Lease Contract:

#	Due date	Annual lease rate (SAR)
1	1/5/2022	15
2	1/11/2022	3,500,000
3	1/5/2023	3,500,000
4	1/11/2023	3,750,000
5	1/5/2024	3,750,000
6	1/11/2024	3,750,000
7	1/5/2025	3,750,000
8	1/11/2025	3,750,000
9	1/5/2026	3,750,000
10	1/11/2026	4,125,000
11	1/5/2027	4,125,000
12	1/11/2027	4,125,000
13	1/5/2028	4,125,000
14	1/11/2028	4,125,000
15	1/5/2029	4,125,000
16	1/11/2029	4,125,000
17	1/5/2030	4,125,000
18	1/11/2030	4,125,000
19	1/5/2031	4,125,000

2. Telecom Tower Lease Contract:

- Tenant: Mobile Telecom Company (Zain)
- Lease term: 10 Gregorian years only, commencing from the date the tenant takes possession of the leased spaces, according to the handover report signed between the tenant and the previous owner on 01/12/2019.
- Rental value: 70,000 SAR

4.10 Valuation Analysis

4.10.1.2 Market rent

The property under valuation consists of rental units in the following categories, according to the data provided by the client:

- **Hotel with a total of 94 units.**
- **Telecom Tower.**
- A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:
- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

4.10 Valuation Analysis

4.10.1 Income Approach - Discounted Cash Flow Method

4.10.1.2 Market Rent

4.10.1.2.1 Market approach – comparable transactions

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List-hotel rooms			
Property ID	**hotel name**	**Hotel class**	**Daily rate**
Property 1	voyage hotel	4 stars	SAR 556
Property 2	Grand Plaza Hotel Al Takhasosi - Riyadh	4 stars	SAR 623
Property 3	Sunday Olaya Suites hotel	4 stars	SAR 523



Satellite photo showing subject property and comparables

- Based on the comparisons referenced above, the value of the room per night was estimated at SAR 600 during regular days.

4.10 Valuation Analysis

4.10.1 Income Approach – Discounted Cash Flow Method

4.10.1.2 Market Rent

Units classification	No. of rooms
Hotel rooms	94
Total rooms	94

Revenue Assumptions				
Hotel season	**%**	**No. of days**	**Hotel rooms**	**Occupancy rate**
Riyadh Season	*41.10%*	150 Days	SAR 750	75%
Weekends	*15.34%*	56 Days	SAR 650	70%
Holiydays	*2.74%*	10 Days	SAR 900	85%
Weekdays	*40.82%*	149 Days	SAR 600	60%
Total	***100.00%***	**365 Days**		**68.38%**

Units classification	
Hotel rooms	**Total Revenue**
Riyadh Season	SAR 7,931,250
Weekends	SAR 2,395,120
Holiydays	SAR 719,100
Weekdays	SAR 5,042,160
Total room revenues	**SAR 16,087,630**

Revenues summary			
	%	*"Vacancy cost has been deducted "*	
Total rooms income			SAR 16,087,630
Food & beverages income	10.00%		SAR 1,608,763
Other income	5.00%		SAR 804,382
Total income			SAR 17,696,393
Maintenance & operation - 45.0%			(SAR 7,963,377)
Adminstartion cost - 2.5%			(SAR 442,410)
Marketing cost -2.5%			(SAR 442,410)
Other cost - 5.0%			(SAR 884,820)
Net Opertaing Income (NOI)			**SAR 7,963,376.85**

- Due to the scarcity of comparable rental units similar to the Telecom tower in the market, the client's income was relied upon in the valuation.

4.10 Valuation Analysis

4.10.1 Income Approach – Discounted Cash Flow Method

4.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference	
			SAR	%
Net income	7,500,000	7,963,376.85	(463,376.85) SAR	-6.18%
Result	We found that the actual income data is close to the market rental value for the hotel component of the subject property. Accordingly, the actual income was adopted in the valuation, with the application of discount and capitalization rates based on market data.			

4.10.1.4 Project assumptions

- The actual income of the hotel component was adopted within the cash flow projections for a period of six years, representing the approximate remaining term of the contract. The actual rental value of the Telecom tower was also considered, with the assumption that the lease will be extended for the remaining periods at the same current rental rate.

Project assumptions	
Project period	6 years
Cap rate	8%
Discount rate	10.30%

4.10.1.5 Capitalization rate analysis

Capitalization rate analysis						
Fund Name	**Property**	**City**	**Sector**	**Property value**	**Net income**	**Cap rate**
Jadwa REIT Saudi Fund	Aber Al Yasmin Hotel	Riyadh	Hospitality	SAR 46,702,142.43	SAR 3,269,150.00	7.00%
Al-Riyad REIT Fund	JW Marriott Hotel Riyadh	Riyadh	Hospitality	SAR 864,617,500.00	SAR 60,948,884.00	7.05%
Al-Ahli REIT Fund	Al Andalus Mall Hotel	Jeddah	Hospitality	SAR 151,591,000.00	SAR 11,597,660.50	7.65%

- An analysis of the rate of return was conducted, and a rate of return of 8.00% was reached, based on the average rates of return of real estate funds and comparable properties after excluding outliers.

4.10 Valuation Analysis

4.10.1 Income Approach – Discounted Cash Flow Method

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 10.3% to reflect the risks associated with the property.
Appendix No. (4.14) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.20%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	2.00%	**Valuer's estimate of the market**
Discount rate	10.30%	

Valuation result:

Discounted cash flow value	102,946,506.22 SAR

4.11 Valuation Result

Opinion of value	
Value	102,947,000
Currency	﷼
Opinion of value (written)	Only one hundred two million nine hundred forty-seven thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

4.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

4.13 Documents

بسم الله الرحمن الرحيم

المملكة العربية السعودية
وزارة العدل
[٢٧٧]

تاريخ الصك: ١٤٤٣/٢/١٥ هـ
رقم الصك: ٩١٨٥٠١٠٠٠٥٠٢

صك

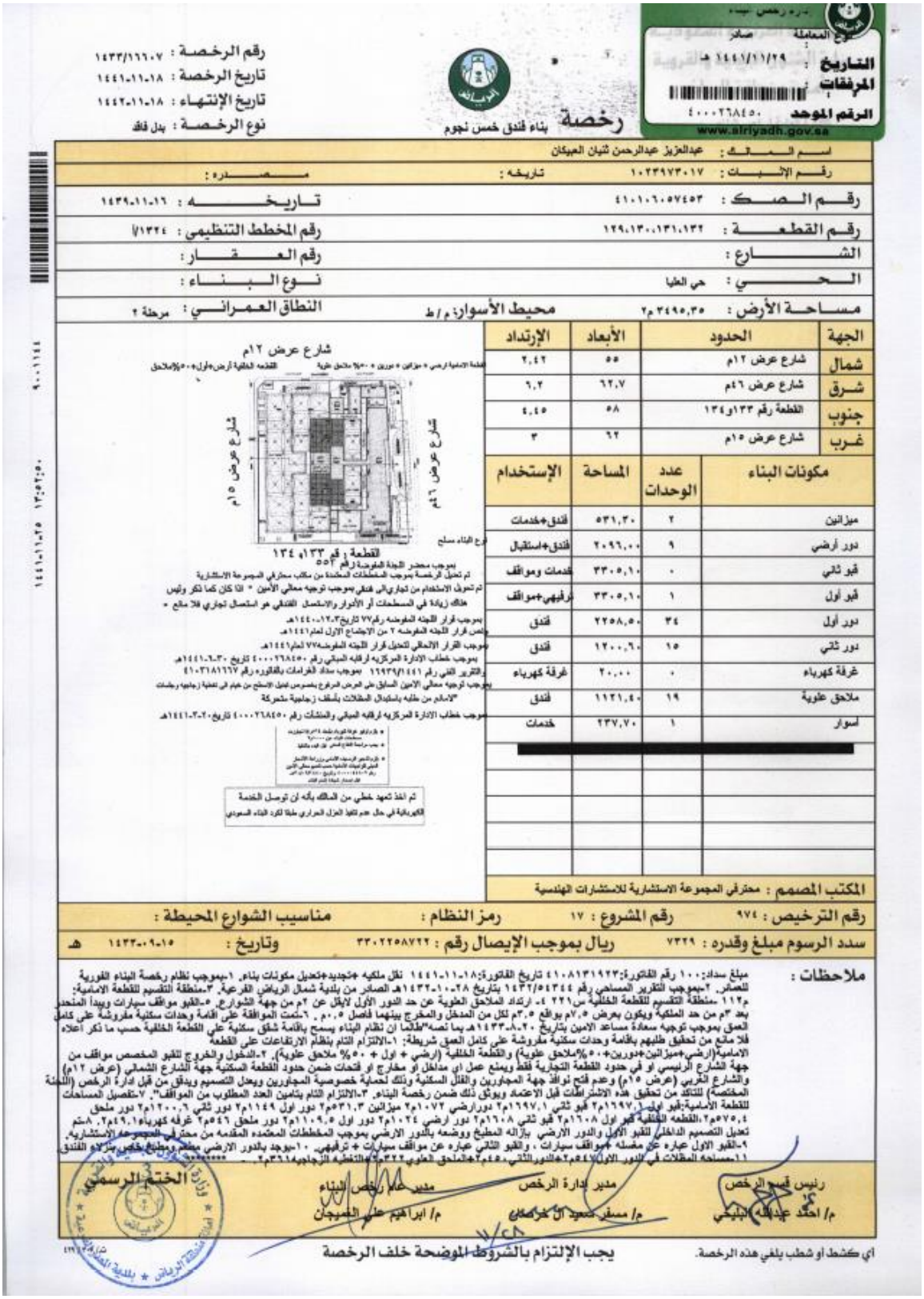
الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الارض 129 و قطعة الارض 130 و قطعة الارض 131 و قطعة الارض 132 من المخطط رقم 1324 / أ الواقع في حي العليا بمدينة الرياض .
وحدودها وأطوالها كالتالي:
شمالاً: شارع عرض 12م بطول: (55) خمسة و خمسون متر
جنوباً: قطعة رقم 133و 134 بطول: (58) ثمانية و خمسون متر
شرقاً: شارع عرض 46م بطول: (62.7) اثنين و ستون متر و سبعون سنتمتر
غرباً: شارع عرض 15م بطول: (62) اثنين و ستون متر
ومساحتها :(3,495.35) ثلاثةالآف و أربعمائة و خمسة و تسعون متر مربعاً و خمسة و ثلاثون سنتمتراً مربعاً فقط
والمستند فى افراغها على الصك الصادر من الموثقين بالرياض 8 برقم 399069000324 في 13 / 2/ 1443 هـ
قد انتقلت ملكيتها لـ: شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم 1010484834 وتنتهي في 14 / 1/ 1445 هـ .، بثمن وقدره 85500000 خمسة و ثمانون مليونا و خمسمائة ألف ريال منها مبلغ 7070000 سبعة مليون و سبعون ألف ريال تنازلت الشركة عن إيجاره العقار للبائع وعليه جرى التصديق تحريراً في 15 / 2/ 1443 هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

صدرت هذه الوثيقة من وزارة العدل , ويجب التحقق من بياناتها وسريانها عبر الخدمات الإلكترونية لوزارة العدل

مصلحة مطابع الحكومة ٢٩٢١٤٩٠ (هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه) نموذج رقم (١٢-٠٣-٠١)

صفحة رقم 1 من 1

4.13 Documents



رخصة بناء فندق خمس نجوم

رقم الرخصة : ١٤٣٣/١٦٦٠٧
تاريخ الرخصة : ١٤٤١-١١-١٨
تاريخ الإنتهاء : ١٤٤٢-١١-١٨
نوع الرخصة : بدل فاقد

التاريخ : ١٤٤١/١١/٢٩ هـ
المرفقات
الرقم الموحد : ٤٠٠٠٢٦٨٤٥٠
www.alriyadh.gov.sa

اسم المالك : عبدالعزيز عبدالرحمن ثنيان العيكان
رقم الإثبات : ١٠٢٣٩٧٣٠١٧ تاريخه :
رقم الصك : ٤١٠١٠٦٠٥٧٤٥٣ تاريخه : ١٤٣٩-١١-١٦
رقم القطعة : ١٢٩،١٣٠،١٣١،١٣٢ رقم المخطط التنظيمي : ١/١٣٢٤
الشارع : رقم العقار :
الحي : حي العليا نوع البناء :
مساحة الأرض : ٣٤٩٥,٣٥ م٢ محيط الأسوار: م / ط النطاق العمراني : مرحلة ٢

الجهة	الحدود	الأبعاد	الإرتداد
شمال	شارع عرض ١٢م	٥٥	٢,٤٢
شرق	شارع عرض ٤٦م	٦٢,٧	٦,٢
جنوب	القطعة رقم ١٣٣و١٣٤	٥٨	٤,٤٥
غرب	شارع عرض ١٥م	٦٢	٣

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
ميزانين	٢	٥٣١,٣٠	فندق+خدمات
دور أرضي	٩	٢٠٩٦,٠٠	فندق+استقبال
قبو ثاني	٠	٣٣٠٥,١٠	خدمات ومواقف
قبو أول	١	٣٣٠٥,١٠	ترفيهي+مواقف
دور أول	٣٤	٢٢٥٨,٥٠	فندق
دور ثاني	١٥	١٢٠٠,٦٠	فندق
غرفة كهرباء	٠	٢٠,٠٠	غرفة كهرباء
ملاحق علوية	١٩	١١٢١,٤٠	فندق
أسوار	١	٢٣٧,٧٠	خدمات

شارع عرض ١٢م
القطعة رقم ١٣٣و ١٣٤
شارع عرض ١٥م
شارع عرض ٤٦م

المكتب المصمم : محترفي المجموعة الاستشارية للاستشارات الهندسية

رقم الترخيص : ٩٧٤ رقم المشروع : ١٧ رمز النظام : مناسيب الشوارع المحيطة :
سدد الرسوم مبلغ وقدره : ٧٣٢٩ ريال بموجب الإيصال رقم : ٣٣٠٢٢٥٨٧٢٢ وتاريخ : ١٤٣٣-٠٩-١٥ هـ

ملاحظات :
مبلغ سداد:١٠٠ رقم الفاتورة:٤١٠٨١٣١٩٢٣ تاريخ الفاتورة:١٤٤١-١١-١٨ نقل ملكيه +جديد+تعديل مكونات بناء. ١-بموجب نظام رخصة البناء الفورية للصادر. ٢-بموجب التقرير المساحي رقم ١٤٣٢/٥٤٣٤٤ بتاريخ ١٤٣٢-١٠-٢٨هـ الصادر من بلدية شمال الرياض الفرعية. ٣-منطقة التقسيم للقطعة الامامية: م١١٢ -منطقة التقسيم للقطعة الخلفية س٢٢١ ٤- ارتداد الملاحق العلوية عن حد الدور الأول لايقل عن ٢م من جهة الشوارع. ٥-القبو مواقف سيارات وبيدأ المنحدر بعد ٣م من حد الملكية ويكون بعرض ٧,٥م بواقع ٣,٥م لكل من المدخل والمخرج بينهما فاصل ٠,٥م . ٦-تمت الموافقة على اقامة وحدات سكنية مفروشة على كامل العمق بموجب توجيه سعادة مساعد الامين بتاريخ ١٤٣٣-٨-٢٠هـ بما نصه"طالما ان نظام البناء يسمح بإقامة شقق سكنية على القطعة الخلفية حسب ما ذكر أعلاه فلا مانع من تحقيق طلبهم بإقامة وحدات سكنية مفروشة على كامل العمق شريطة: ١-الالتزام التام بنظام الارتفاعات على القطعة الامامية(ارضي+ميزانين+دورين+٥٠%ملاحق علوية) والقطعة الخلفية (ارضي + اول + ٥٠ % ملاحق علوية). ٢-الدخول والخروج للقبو المخصص مواقف من جهة الشارع الرئيسي او في حدود القطعة التجارية فقط ويمنع عمل اي مداخل او مخارج او فتحات ضمن حدود القطعة السكنية جهة الشارع الشمالي (عرض ١٢م) والشارع الغربي (عرض ١٥م) وعدم فتح نوافذ جهة المجاورين والفل السكنية وذلك لحماية خصوصية المجاورين ويحال التصميم ويدقق من قبل ادارة الرخص (اللجنة المختصة) للتأكد من تحقيق هذه الاشتراطات قبل الاعتماد ويوثق ذلك ضمن رخصة البناء. ٣-الالتزام التام بتامين الحد المطلوب من المواقف". ٧-تفصيل المساحات للقطعة الأمامية:قبو اول١,٦٩٧,١م٢ قبو ثاني ١,٦٩٧,١م٢ دورارضي ١٠٧٢م٢ ميزانين ٢١٣,٣م٢ دور أول ١١٤٩م٢ دور ثاني ١٢٠٠,٦م٢ دور ملحق ٥٧٥,٤م٢.القطعه الخلفيه قبو اول ١٦٠٨م٢ قبو ثاني ١٦٠٨م٢ دور ارضي ١٠٢٤م٢ دور اول ١١٠٩,٥م٢ دور ملحق ٤٦م٢ غرفه كهرباء١,٤٩م٢. ٨-تم تعديل التصميم الداخلي للقبو الأول والدور الارضي بأراله المطبخ ووضعه بالدور الارضي بموجب المخططات المعتمده المقدمه من محترفي المجموعه الاستشاريه. ٩-القبو الاول عباره عن مغسله +مواقف سيارات ، والقبو الثاني عباره عن مواقف سيارات + ترفيهي. ١٠-يوجد بالدور الارضي مطعم ومطبخ خاص بالاداره الفندق ١١-مساحه الملاحق في الدور الاول٤٤٧م٢ +الدور الثاني ٤٥٠م٢ +الملحق العلوي ٣٢٢م٢ +التغطيه للمدخل٣٦٦م٢.

رئيس قسم الرخص
م/ احمد عبدالله البليكي

مدير إدارة الرخص
م/ مسفر سعيد آل مرعدي

مدير عام رخص البناء
م/ ابراهيم علي العسيجان

الختم الرسمي

أي كشط أو شطب يلغي هذه الرخصة.

يجب الإلتزام بالشروط الموضحة خلف الرخصة

4.14 Cash Flow Analysis

Cash flow analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Hotel income	49,125,000	7,875,000	8,250,000	8,250,000	8,250,000	8,250,000	8,250,000
Telecom Tower income	420,000	70,000	70,000	70,000	70,000	70,000	70,000
Actual Property Income	49,545,000	7,945,000	8,320,000	8,320,000	8,320,000	8,320,000	8,320,000
vacancies - 0.0%	0	0	0	0	0	0	0
Maintenance & opex - 0.0%	0	0	0	0	0	0	0
Net operating income	49,545,000	7,945,000	8,320,000	8,320,000	8,320,000	8,320,000	8,320,000
Terminal value	-	0	0	0	0	0	104,000,000
Net cash flows	**153,545,000**	**7,945,000**	**8,320,000**	**8,320,000**	**8,320,000**	**8,320,000**	**112,320,000**
Discount rate	-	1.00	0.91	0.82	0.75	0.68	0.61
Net Present Flows	**102,946,506**	**7,945,000**	**7,543,064**	**6,838,680**	**6,200,073**	**5,621,100**	**68,798,589**

KPI's	
Present value	102,946,506.22
Total value	**SAR 102,947,000**

4.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a main tenant (%10) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%10), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 5

Verdun Tower

5.1 Executive Summary
5.2 Reporting Methodology
5.3 Property Location Analysis
5.4 Property description and ownership
5.5 Property boundaries
5.6 Source of Information
5.7 Property photos
5.8 SWOT Analysis
5.9 Valuation approaches
5.10 Valuation Analysis
5.11 Opinion of Value
5.12 Validity of review and clarification
5.13 Documents
5.14 Cash Flow Analysis
5.15 Risks Study and Analysis

5.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Verdun Tower	Interest to be valued	Assumed to be a freehold
	Location	https://maps.app.goo.gl/zehHnfWTnqsqUMpM7		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	22/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

5.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075312	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

5.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations	-The client was requested to provide the lease agreements. However, as they were not available as of the valuation date, we were provided with a document outlining the actual income and the maintenance and operating expenses of the subject property, and its accuracy was assumed.	
	Limits on analysis	-	
	Limits on inspection	-	
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. Esnad retains a copy of these documents for reference: • These documents: o Title deed o Building permit o A document outlining the actual income and the maintenance and operating expenses of the subject property. • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• The opinion of value has been formed based on the assumption that the limitations on inquiries, as stated, are accurate. The value opinion is valid only if this assumption holds true.
	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• It was assumed that the property is free from any regulatory restrictions or ownership limitations that could affect its transfer or use, and the opinion of value was formed based on this assumption.

5.1 Executive Summary

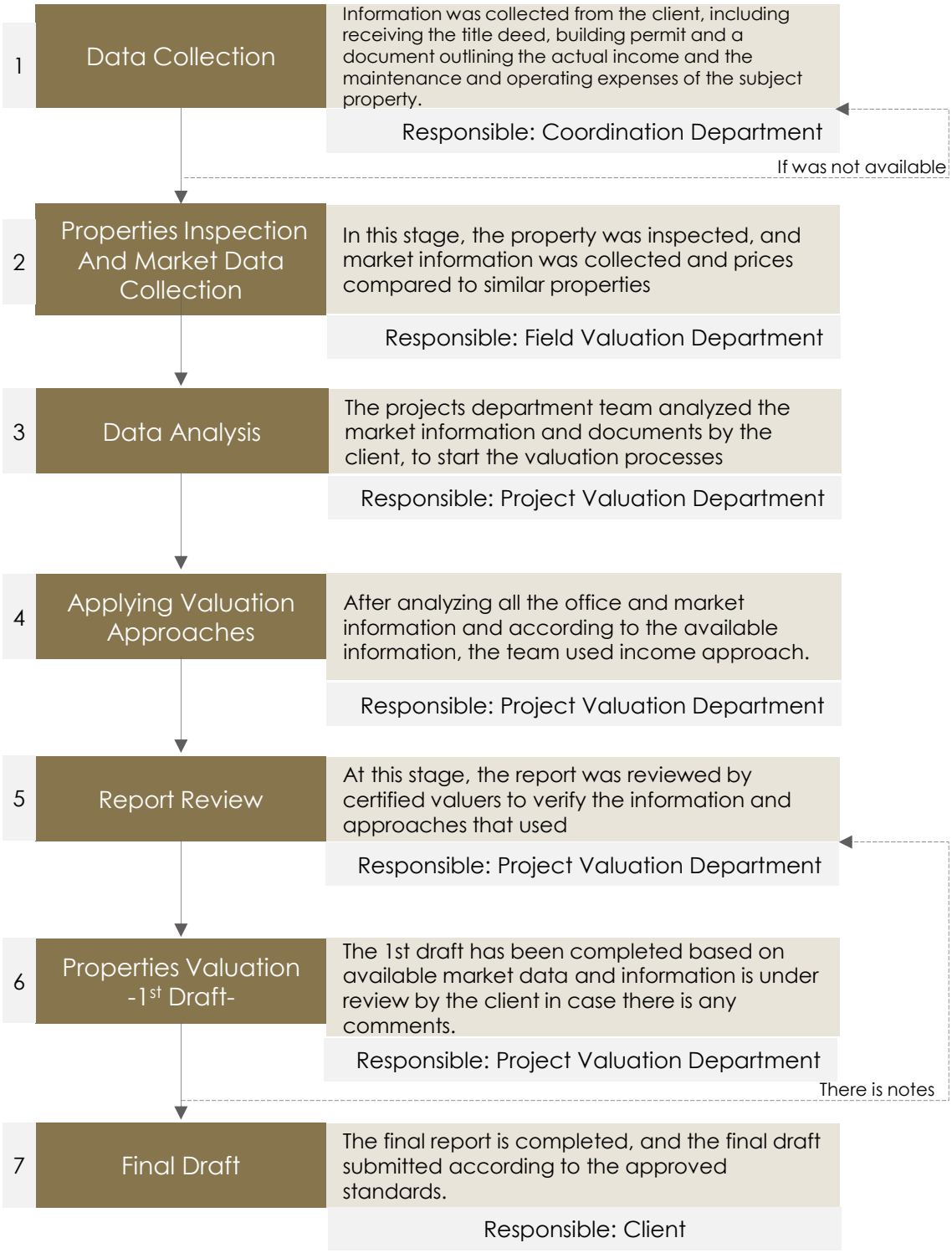
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	296,681,000
	Written	Only two hundred ninety-six million six hundred eighty-one thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Hussam Saleh Al Shabaan		1210002672	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Yasmeen Mohamed Mostafa		1220003392	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Babahr		1220001954	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

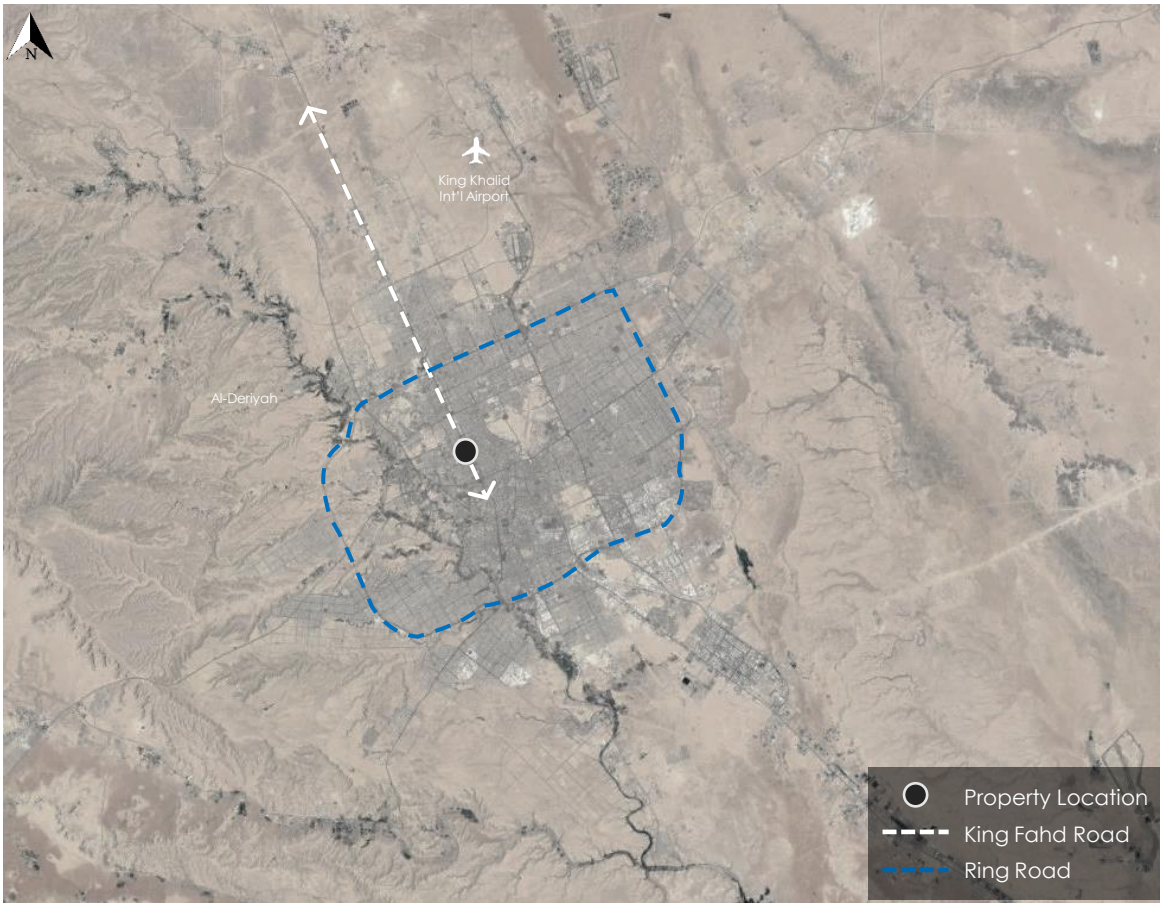
5.2 Reporting Methodology

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



5.3 Property Location Analysis

Description of the property at the city level	
About Riyadh	Riyadh is the capital of the Kingdom of Saudi Arabia, its largest city and the third largest Arab capital by population. Riyadh is in the middle of the Arabian Peninsula in the Najd Plateau, at an altitude of 600 meters above sea level. It is the headquarters of the Emirate of Riyadh region, according to the administrative division of the Saudi regions.

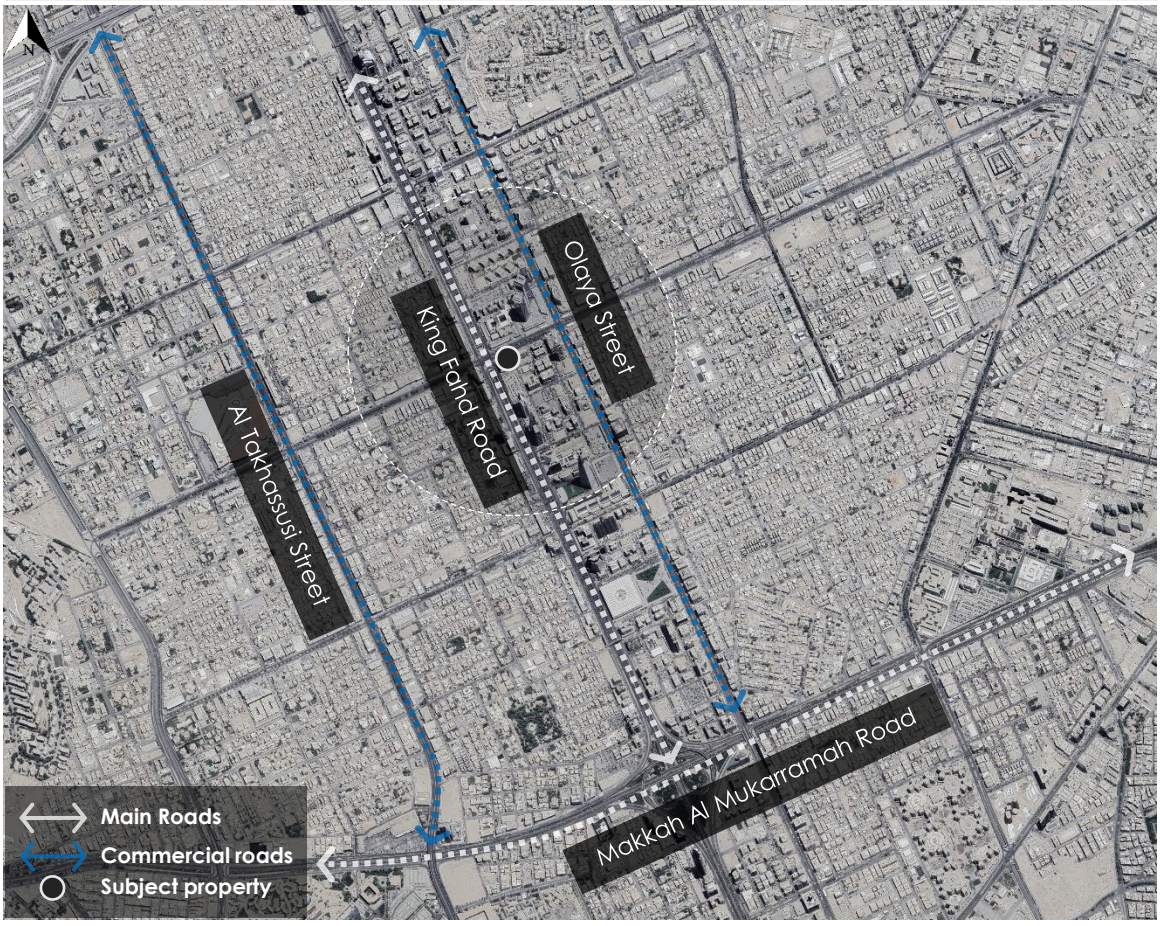


Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
King Khalid International Airport	35.5 km	KAFD	11.7 km

5.3 Property Location Analysis

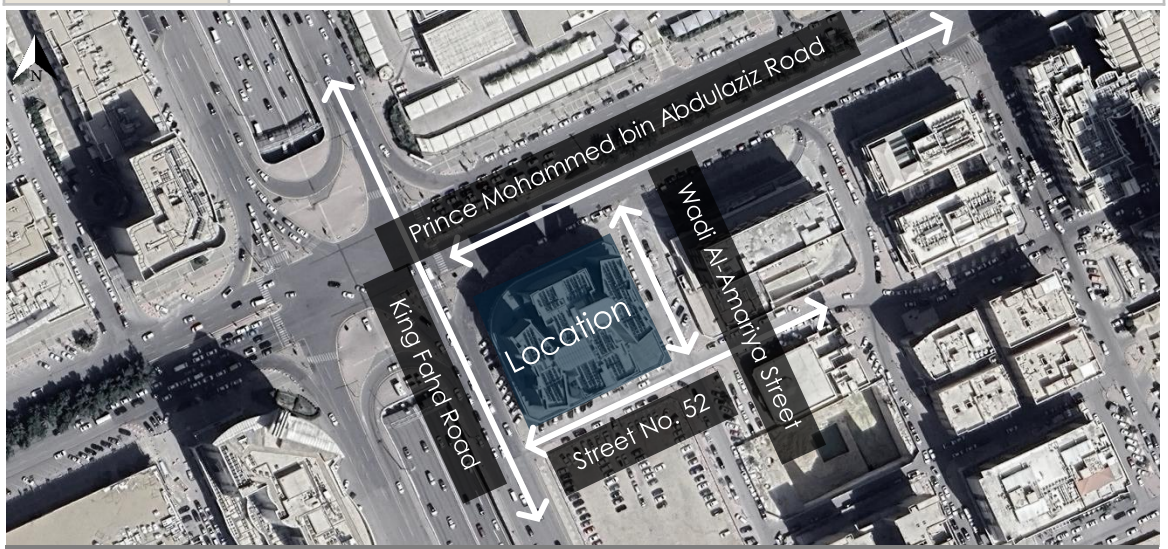
Description of the property at the neighborhood level	
Description of the surrounding area	The property area is distinguished by its strategic location within the city of Riyadh, as it lies along several major roads such as King Fahd Road and Olaya Street.To the north, the area is bordered by the Kingdom Tower, followed by Al Urubah Road. To the south, it is bordered by Makkah Al Mukarramah Road. To the east, the area is bordered by Olaya Street, followed by parts of Al Olaya district. To the west, it is bordered by King Fahd Road and parts of Al Olaya district, followed by Al Maather Al Shamali.
Description of the district	Al Olaya district is located in the center of Riyadh and is distinguished by its strategic location, with several major roads such as King Fahd Road.
Accessibility	The property is easily accessible via King Fahd Road, which the evaluated property directly overlooks.



Satellite photo shows property location

5.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	981688001801	Title deed date	28/04/1445 H
Building permit number	1697/1437	Building permit date	10/07/1441 H
Property Information			
Province	Riyadh	City	Riyadh
District	Al Olaya	Street	King Fahd Road
Parcel no.	Block No. 14	Plan no.	1184
Property Type	Commercial office building	Notes	- The property is mortgaged to Bank Al-Jazira. - The block number according to the title deed is 14, and according to the Riyadh REGION MUNICIPALITY is 15; the block number from the title deed has been adopted.
Coordinates	46.681302° East	24.695057° North	
Google map	https://maps.app.goo.gl/zehHnfWTnqsqUMpM7		
Property description			
Land area based on title deed	3,212 m²	Land level	Flat
Land area based on actual conditions	-	Land shape	Regular
Notes	–		



Satellite photo shows property location

5.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	65.51	Prince Mohammed bin Abdulaziz Road	Commercial	60
South	70	Street No. 52	Internal	15
East	55	Wadi Al-Amariya Street	Internal	20
West	40.08	King Fahd Road	Commercial	80

Property specifications		
Structure	BUA	19,063 m² (based on the building permit)+ 300 m² Upper annex (based on the on-site inspection)
	Basement area	6,398.64 m² (based on the building permit)
	Floors	Two basements + ground floor + mezzanine + 8 typical floors + upper annex
	Age	More than 25 years
	No. of building	1
	Conditioning type	Central
	Finishing	Very good
	Facilities	-
	Elevators	Available
Zoning	Use	Residential, commercial, and office
	Maximum footprint	Ground floor + mezzanine + first floor 100% and typical floors 50%
	FAR	6.5
	Maximum floors	Ground floor + mezzanine + first floor + 7 typical floors
Notes		The property is a commercial office building consisting of 3 commercial showrooms and 58 administrative offices.

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

5.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the client's information and the property was inspected on 22/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

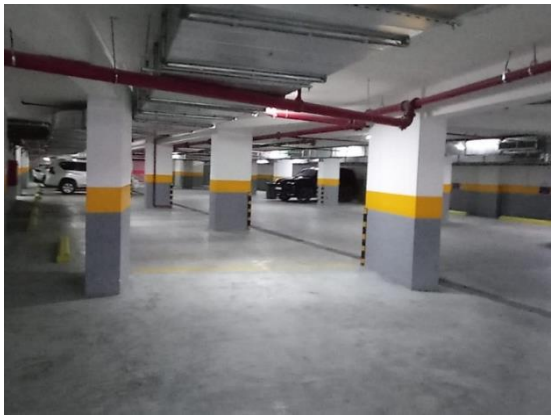
5.7 Property photos

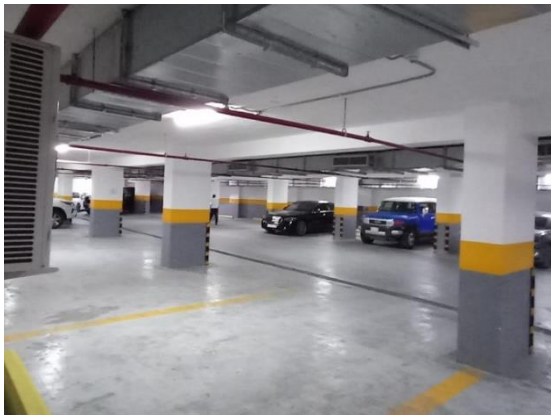




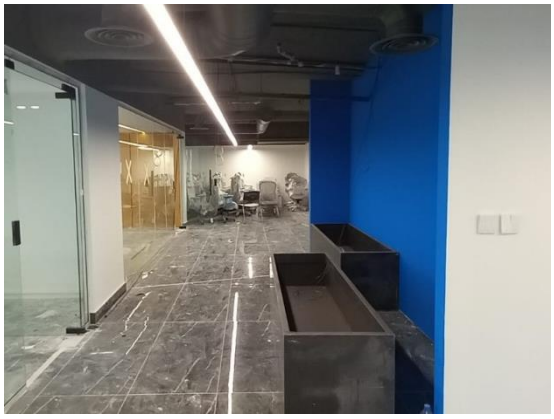








5.7 Property photos







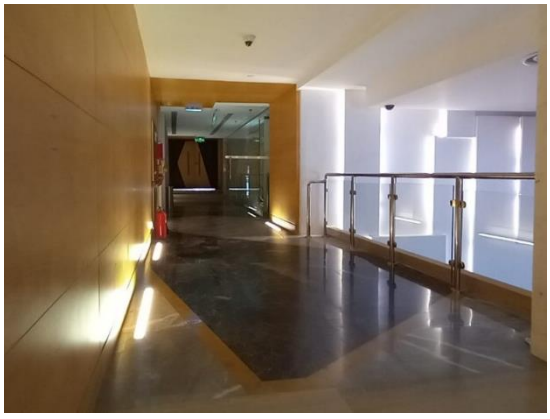






5.7 Property photos





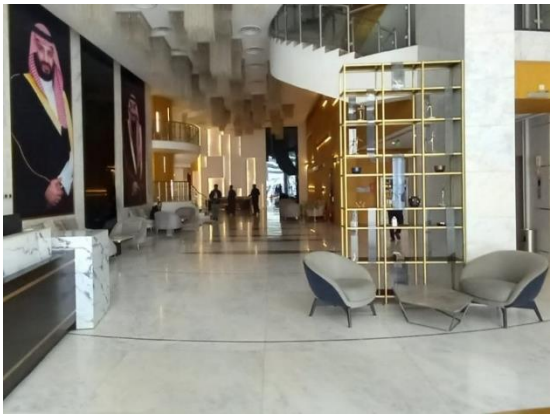








5.7 Property photos

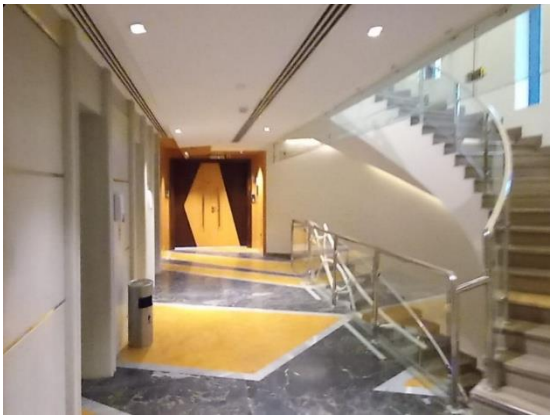












5.8 SWOT Analysis

SWOT Analysis	
Strength	• The property is distinguished by its view overlooking King Fahd Road and Prince Mohammed bin Abdulaziz Road. • The property is also characterized by its proximity to Olaya Street
Weakness	• No weaknesses are observed at the property area
Opportunities	• Riyadh Green Project: One of the most ambitious afforestation projects in the world, it is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by elevating the ranking of Riyadh among its global city counterparts. • King Salman Park Project: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, under the initiative of His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz. The project aims to provide diverse sporting, cultural, artistic, and recreational options for the residents and visitors of Riyadh, and to contribute to improving the city's quality of life in line with the goals of Saudi Vision 2030 for a vibrant and healthy society, while raising Riyadh's international ranking. • The Sports Boulevard: The Sports Boulevard project is one of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him. It aims to achieve one of the goals of Saudi Vision 2030 by elevating Riyadh's ranking among global cities; the project encourages residents to adopt healthy mobility habits and motivates them to engage in various sports activities. • Riyadh Art: One of the four major Riyadh initiatives launched by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, may God protect him, to contribute to achieving one of the goals of Saudi Vision 2030 by raising Riyadh's ranking among global cities. The Riyadh Art project includes the creation of more than 1,000 artworks and artistic landmarks by local and international artists, displayed throughout Riyadh. The project spans 10 programs covering residential neighborhoods, parks and natural reserves, squares and public plazas, public transport stations, road and pedestrian bridges, city entrances, and all tourist destinations in the city.
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

5.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

5.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

5.10 Valuation Analysis

5.10.1 Income Approach - Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

5.10.1.1 Contract data as per client's statement

The client provided us with the property income details as follows:

- Property actual income: 20,128,267.52 SAR/ Year
- Maintenance and operation cost: 1,923,346.55 SAR/Year
- Occupancy rate: 82%

5.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **Showrooms**
- **Offices**
- A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:
- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

5.10 Valuation Analysis

5.10.1 Income Approach - Discounted Cash Flow Method

5.10.1.2 Market Rent

5.10.1.2.1 Market approach – comparable transactions (Offices)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	310	SAR 1,873
Property 2	Transaction	2025	155	SAR 1,898
Property 3	Transaction	2025	580	SAR 2,420



Satellite photo showing subject property and comparables

5.10 Valuation Analysis

5.10.1 Income Approach - Discounted Cash Flow Method

5.10.1.2 Market Rent

5.10.1.2.2 Relative adjustment table – Offices

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	8/18/2025		8/11/2025		10/16/2025	
Value/m²	-	1,873 SAR/m²		1,898 SAR/m²		2,420 SAR/m²	
Transaction Type	-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market Conditions	-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Property type	Office	Office	0.0 %	Office	0.0 %	Office	0.0 %
Adjusted Value / m²		0.00		0.00		0.00	
Value per square meter		1,873 SAR/m²		1,898 SAR/m²		2,420 SAR/m²	
Accessibility	Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location	Excellent	Excellent	0.0 %	Excellent	0.0 %	Excellent	0.0 %
Finishing	Very good	Very good	0.0 %	Very good	0.0 %	Very good	0.0 %
Property age	25 years	10 years	-5.0 %	20 years	-2.5 %	12 years	-6.5 %
Area vitality	Vital	Vital	0.0 %	Vital	0.0 %	Vital	0.0 %
proximity to attractions	Close	Close	0.0 %	Close	0.0 %	Close	0.0 %
Value / m²	-	-12 SAR/m²	-5.0 %	10 SAR/m²	-2.5 %	-14 SAR/m²	-6.5 %
Adjusted Value / m²	-	1,779 SAR/m²		1,851 SAR/m²		2,263 SAR/m²	
Weighting	-	15 %		25 %		60 %	
Subject Property Adjusted Value (SAR/m²)	-	2,100 SAR/m²					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation allowance has been deducted from the comparisons shown above, as they are executed transactions.

Total leasable area (m²)	13,081
SQM rental value (SAR/m²)	2,100
Total lease value (SAR)	27,470,100

The leasable area was determined based on the data provided by the client.

5.10 Valuation Analysis

5.10.1 Income Approach - Discounted Cash Flow Method

5.10.1.2 Market Rent

5.10.1.2.3 Market approach – comparable transactions (showrooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Contract	2025	300	SAR 2,530
Property 2	Offer	2025	470	SAR 2,234
Property 3	Offer	2025	340	SAR 2,567



Satellite photo showing subject property and comparables

5.10 Valuation Analysis

5.10.1 Income Approach - Discounted Cash Flow Method

5.10.1.2 Market Rent

5.10.1.2.4 Relative adjustment table – showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	7/14/2025		12/30/2025		12/30/2025	
Value/m²	-	2,530 SAR/m²		2,234 SAR/m²		2,567 SAR/m²	
Transaction Type	-	Contract	0.0 %	Offer	-5.0 %	Offer	-5.0 %
Market Conditions	-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Property type	showroom	showroom	0.0 %	showroom	0.0 %	showroom	0.0 %
Adjusted Value / m²		0.00		0.00		0.00	
Value per square meter		2,530 SAR/m²		2,122 SAR/m²		2,439 SAR/m²	
Accessibility	Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location	Excellent	Excellent	0.0 %	Excellent	0.0 %	Excellent	0.0 %
Proximatiy to attractions	Close	Close	0.0 %	Close	0.0 %	Close	0.0 %
Finishing	Very good	Very good	0.0 %	Very good	0.0 %	Very good	0.0 %
Property age	25 years	12 years	-6.5 %	New	-12.5 %	25 years	0.0 %
Parking Availability	Abundance	Abundance	0.0 %	Available	5.0 %	Abundance	0.0 %
Value / m²	-	-12 SAR/m²	-6.5 %	10 SAR/m²	3.2 %	-14 SAR/m²	0.0 %
Adjusted Value / m²	-	2,366 SAR/m²		1,963 SAR/m²		2,439 SAR/m²	
Weighting	-	25 %		35 %		40 %	
Subject Property Adjusted Value (SAR/m²)	-	2,250 SAR/m²					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation adjustment was applied to Comparable No. 1, as it is an actually leased property. However, a negotiation adjustment was applied to Comparables No. 2 and 3, as they are listings that had not been executed as of the valuation date.

Total leasable area (m²)	3,046.73
SQM rental value (SAR/m²)	2,250
Total lease value (SAR)	6,855,142.5

The leasable area was determined based on the data provided by the client.

5.10 Valuation Analysis

5.10.1 Income Approach – Discounted Cash Flow Method

5.10.1.2 Market Rent

Office rental value (SAR/year)	27,470,100
Showroom rental value (SAR/year)	6,855,142.50
Total annual lease value (SAR)	34,325,242.50
Vacancy rate (10%)	(3,432,524.25)
Actual property annual income (SAR)	30,892,718.25
Maintenance and operation cost (10%)	(3,089,271.83)
Net annual income (SAR)	**27,803,446.43**

5.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference SAR
Net income	18,204,920.97	27,803,446.43	(9,598,525.46) SAR
Result	We found that the income data provided by the client does not reflect actual market conditions, particularly with regard to the property's net income, as the reported income represents an occupancy rate of 82%. Accordingly, the client's income was used as a primary input in the valuation during the first year of the cash flow projections, with the occupancy rate gradually increased from the second year until it stabilizes at 90%. Market rental rates were then applied from the sixth year until the end of the projection period, with discount and capitalization rates applied based on market data.		

5.10.1.4 Project assumptions

- A growth rate of 5% every five years has been assumed from the sixth year until the end of the cash flow period.
- A maintenance and operating expense rate of 10% of the actual income of the property has been assumed until the end of the cash flow period, based on the actual maintenance and operating expenses in the first year of the cash flows.

Project assumptions	
Project period	10 years
Discount rate	10.8%
Cap rate	8%

5.10 Valuation Analysis

5.10.1 Income Approach – Discounted Cash Flow Method

5.10.1.5 Capitalization rate analysis

Capitalization rate analysis						
Fund Name	**Property**	**City**	**Sector**	**Property value**	**Net income**	**Cap rate**
Al-Ma'athar REIT Fund	Al Muhammadiyah Tower	Riyadh	Commercial office	SAR 104,500,000	SAR 8,430,225	8.07%
Al-Ahli REIT Fund	Cubic Plaza	Riyadh	Office	SAR 266,180,000	SAR 20,532,350	7.71%
Diraya REIT Fund	Smart Tower	Riyadh	Commercial office	SAR 257,566,000	SAR 20,000,014	7.77%

- The capitalization rate was derived from the above-mentioned comparables, with the necessary adjustments made to reflect the condition of the property. Accordingly, the cap rate was estimated at 8%.

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 10.8% to reflect the risks associated with the property.
Appendix No. (5.14) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	2.5%	**Valuer's estimate of the market**
Discount rate	10.80%	

Valuation result:

Discounted cash flow value	296,681,139.10 SAR

5.11 Valuation Result

Opinion of value	
Value	296,681,000
Currency	﷼
Opinion of value (written)	Only two hundred ninety-six million six hundred eighty-one thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

5.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

5.13 Documents

وزارة العدل

أحمد عادل علي مدخلي
الرياض
ترخيص رقم 44/12468

رقم الصك: 981688001801

التاريـــــــخ: 1445/04/28 هـ

صك رهـــن

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

فإن البلك رقم 14 من المخطط رقم 1184 الواقع في حي العليا بمدينة الرياض . وحدودها واطوالها :

شمالا: شارع عرض60م بطول 43.81 ثلاثة و أربعون متر و واحد و ثمانون سنتمتر+21.70م

جنوبا: شارع عرض 15م بطول 70 سبعون متر

شرقا: شارع عرض20م بطول 55 خمسة و خمسون متر

غربا: شارع عرض80م بطول 40.08 أربعون متر و ثمانية سنتمتر

ومساحتها 3212 ثلاثةالآف و مئتين و إثني عشر متر مربعاً المملوكة لـ شركة حفظ المشاركة العقارية بموجب الرقم الوطني الموحد للمنشأة رقم 7006928647 بموجب الصك الصادر من الموثقين بالرياض1 برقم 493010010108 في 24 / 10 / 1444 قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الجزيره بموجب الرقم الوطني الموحد للمنشأة رقم 7000120712 ضمانا للوفاء بـ 254993263 فقط مئتان و أربعة و خمسون مليوناً و تسعمائة و ثلاثة و تسعون ألفاً و مئتان و ثلاثة و ستون ريالاً سعودياً لا غير. سبب الرهن : ضمان للوفاء بما عليه من مستحقات مالية على أن يتم سداد المديونية على قسط واحد وقيمة القسط 254993263 ريال تدفع اعتبارا من تاريخ 16/ 2/ 2030 وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات ،واستيفاء مافي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً. وعليه جرى التصديق تحريراً في 1445 / 04 / 28 لاعتماده ،وصلى الله على نبينا محمد وآله وصحبه وسلم.

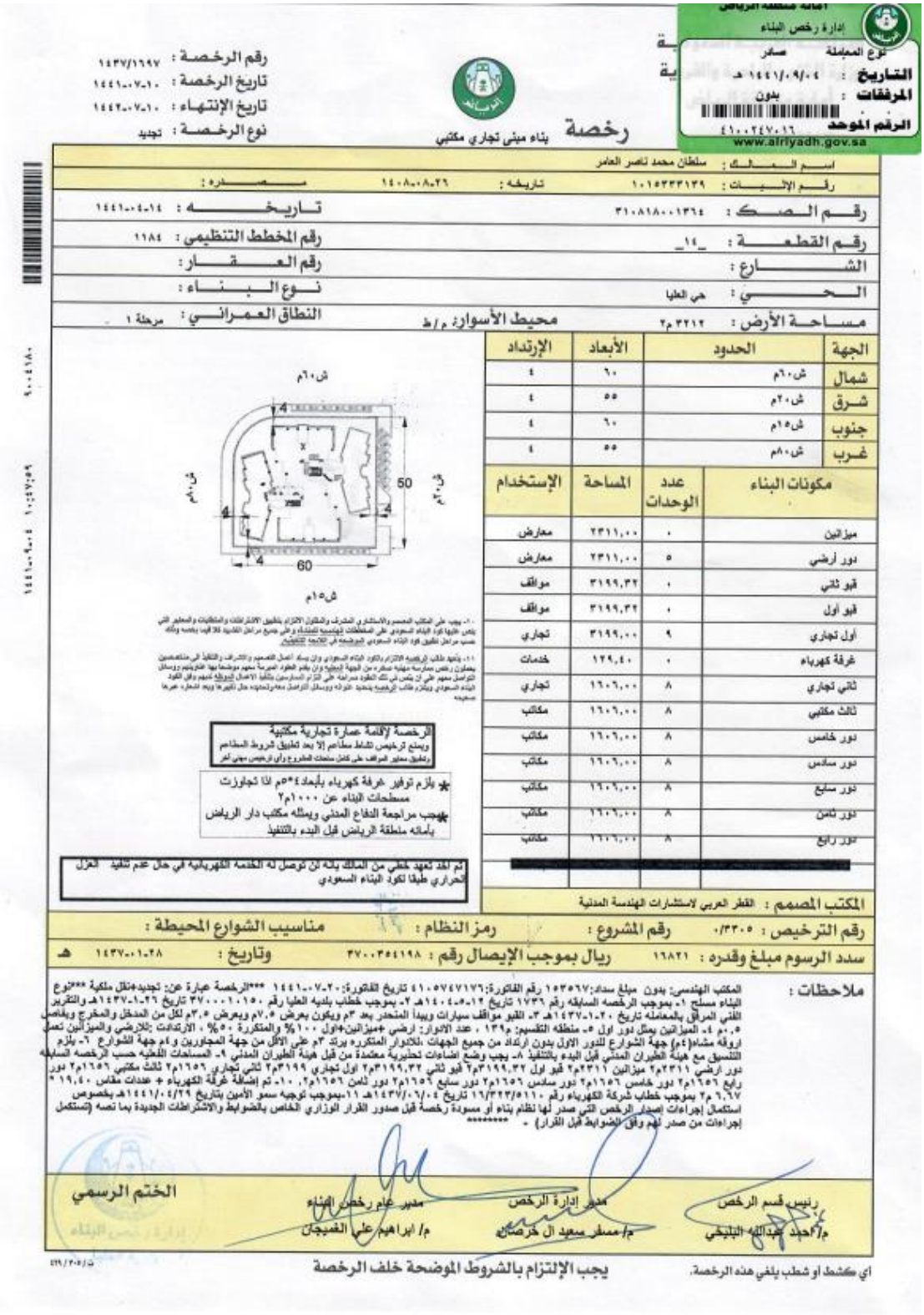
الختم الرسمي

الموثق

أحمد عادل علي مدخلي

الرقم التسلسلي: 848

5.13 Documents



رخصة بناء مبنى تجاري مكتبي

رقم الرخصة : ١٤٣٧/١٩٩٧
تاريخ الرخصة : ١٤٤١-٠٧-١٠
تاريخ الإنتهاء : ١٤٤٢-٠٧-١٠
نوع الرخصة : تجديد

إدارة رخص البناء
نوع المعاملة : صادر
التاريخ : ١٤٤١/٠٩/٠٤ هـ
المرفقات : بدون
الرقم الموحد : ٤١٠٠٢٤٧٠١٦
www.alriyadh.gov.sa

اسم المالك : سلطان محمد ناصر العامر
رقم الإثبات : ١٠١٥٣٣٣١٣٩ تاريخه : ١٤٠٨-٠٨-٢٩ مصدره :
رقم الصك : ٣١٠٨١٨٠٠١٣٦٤ تاريخه : ١٤٤١-٠٤-١٤
رقم القطعة : ١٤
الشارع :
الحي : حي العليا
مساحة الأرض : ٢٢١٢ م٢ محيط الأسوار: م/ط
رقم المخطط التنظيمي : ١١٨٤
رقم العقار :
نوع البناء :
النطاق العمراني : مرحلة ١

الجهة	الحدود	الأبعاد	الإرتداد
شمال	ش٦٠م	٦٠	٤
شرق	ش٢٠م	٥٥	٤
جنوب	ش١٥م	٦٠	٤
غرب	ش٨٠م	٥٥	٤

مكونات البناء	عدد الوحدات	المساحة	الإستخدام
ميزانين	٠	٢٣١١,٠٠	معارض
دور أرضي	٥	٢٣١١,٠٠	معارض
فيو ثاني	٠	٣١٩٩,٣٢	مواقف
فيو أول	٠	٣١٩٩,٣٢	مواقف
أول تجاري	٩	٣١٩٩,٠٠	تجاري
غرفة كهرباء	٠	١٢٩,٤٠	خدمات
ثاني تجاري	٨	١٦٠٦,٠٠	تجاري
ثالث مكتبي	٨	١٦٠٦,٠٠	مكاتب
دور خامس	٨	١٦٠٦,٠٠	مكاتب
دور سادس	٨	١٦٠٦,٠٠	مكاتب
دور سابع	٨	١٦٠٦,٠٠	مكاتب
دور ثامن	٨	١٦٠٦,٠٠	مكاتب
دور رابع	٨	١٦٠٦,٠٠	مكاتب

المكتب المصمم : القطر العربي لاستشارات الهندسة المدنية
رقم الترخيص : ٠/٣٣٠٥ رقم المشروع : رمز النظام : مناسيب الشوارع المحيطة :
سدد الرسوم مبلغ وقدره : ١٦٨٢١ ريال بموجب الإيصال رقم : ٣٧٠٠٣٥٤١٩٨ وتاريخ : ١٤٣٧-٠١-٠٢٨ هـ

ملاحظات :

رئيس قسم الرخص
م/ أحمد عبدالله البليهي

مدير إدارة الرخص
م/ مسفر سعيد آل خرصان

مدير عام رخص البناء
م/ ابراهيم علي الغسيجان

الختم الرسمي

أي كشط أو شطب يلغي هذه الرخصة.

يجب الإلتزام بالشروط الموضحة خلف الرخصة

5.14 Cash Flow Analysis

Cash flow analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Occupancy - 0.0%	-	82.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Actual Property Income	269,693,156.91	20,128,267.52	21,844,529.65	21,844,529.65	21,844,529.65	21,844,529.65	32,437,354.16	32,437,354.16	32,437,354.16	32,437,354.16	32,437,354.16
Maintenance & opex - 10.0%	(26,521,914.68)	(1,923,346.55)	(2,094,972.76)	(2,094,972.76)	(2,094,972.76)	(2,094,972.76)	(3,243,735.42)	(3,243,735.42)	(3,243,735.42)	(3,243,735.42)	(3,243,735.42)
Net operating income	243,171,242.23	18,204,920.97	19,749,556.88	19,749,556.88	19,749,556.88	19,749,556.88	29,193,618.75	29,193,618.75	29,193,618.75	29,193,618.75	29,193,618.75
Terminal value	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	101,967,313.57
Net cash flows	608,091,476.56	18,204,920.97	19,749,556.88	19,749,556.88	19,749,556.88	19,749,556.88	29,193,618.75	29,193,618.75	29,193,618.75	29,193,618.75	394,113,853.07
Discount rate	-	1.00	0.91	0.82	0.75	0.68	0.61	0.56	0.50	0.46	0.41
Net Present Flows	296,681,139.10	18,204,920.97	17,824,509.82	16,087,102.73	14,519,045.78	13,103,831.93	17,481,920.06	15,777,906.20	14,239,987.54	12,851,974.31	156,589,939.75

KPI's	total
Present value	296,681,139.10
Total value	296,681,000.00

5.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a main tenant (%10) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%10), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 6

Al Kharj Plaza

6.1 Executive Summary
6.2 Reporting Methodology
6.3 Property Location Analysis
6.4 Property description and ownership
6.5 Property boundaries
6.6 Source of Information
6.7 Property photos
6.8 SWOT Analysis
6.9 Valuation approaches
6.10 Valuation Analysis
6.11 Opinion of Value
6.12 Validity of review and clarification
6.13 Documents
6.14 Cash Flow Analysis
6.15 Risks Study and Analysis

6.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Al Kharj Plaza	Interest to be valued	Assumed to be a freehold
	Location	https://maps.app.goo.gl/GvabtLyVCjEnFU7n9		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	15/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

6.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075305	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

6.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations		-The client was requested to provide the lease agreements. However, as they were not available as of the valuation date, we were provided with a document outlining the actual income and the maintenance and operating expenses of the subject property, and its accuracy was assumed.
	Limits on analysis		-
	Limits on inspection		-
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. Esnad retains a copy of these documents for reference: • These documents: o Title deed o Building permit o A document outlining the actual income and the maintenance and operating expenses of the subject property. • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• The opinion of value has been developed based on the assumption of merging the lands listed within the title deeds, whereby the total area of 16,095.97 square meters has been valued as a single parcel, on the basis that the issued building permit covers the total area of both plots. • The valuation has been conducted on the assumption that the matters stated under the limitations on inquiries and inspection are correct, and the opinion of value is valid only if this assumption is verified.

6.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Assumptions and special assumptions	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• It was assumed that the property is free from any regulatory restrictions or ownership limitations that could affect its transfer or use, and the opinion of value was formed based on this assumption.

6.1 Executive Summary

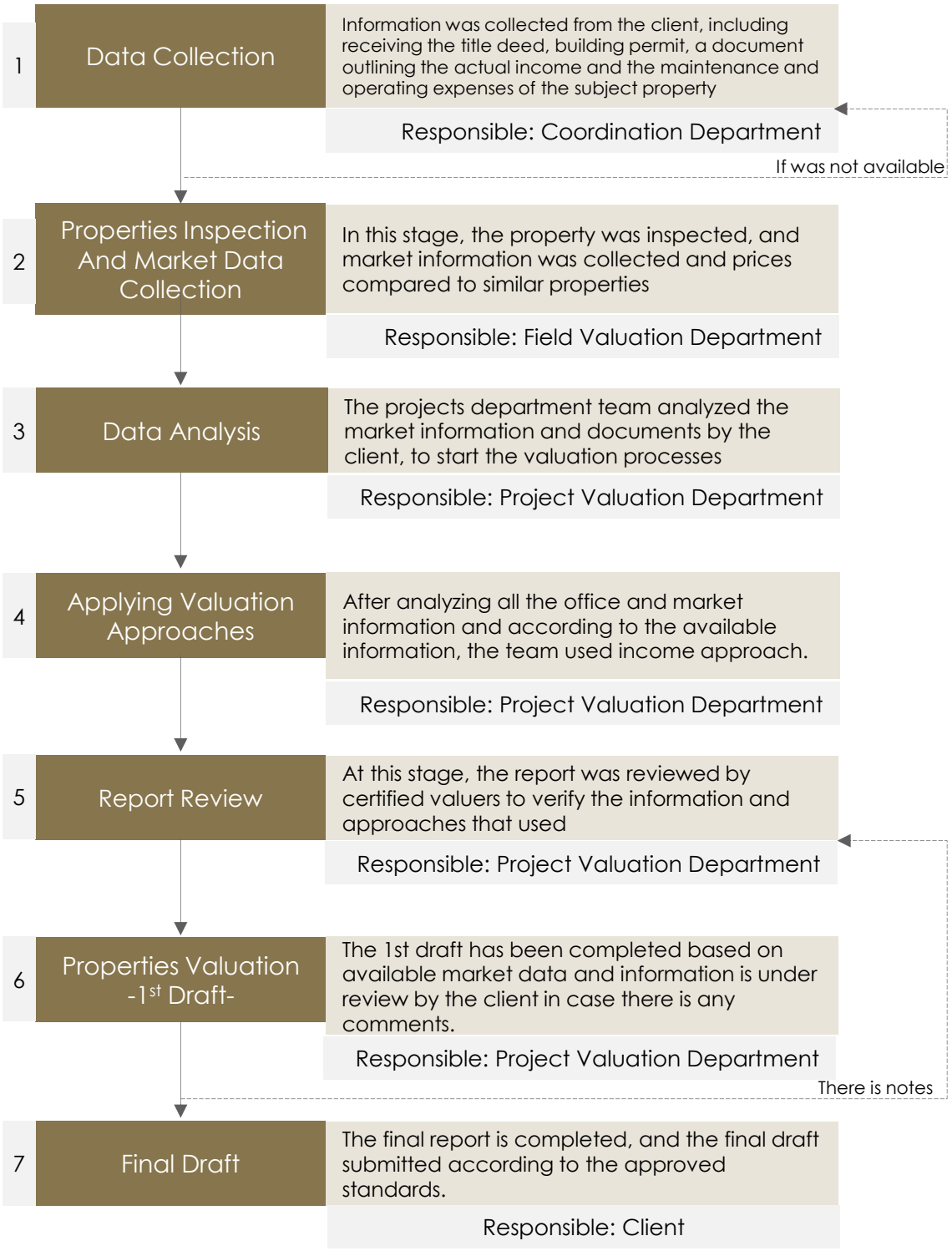
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	61,318,000
	Written	Only sixty-one million three hundred eighteen thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Mohammed Al-Nuwaibet		1210003503	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Mohie Mamdouh Abdelaziz		1220003379	Associate	
Value review and initial approval	Reviewing valuation results and income data	Eng Rakan Al Shaikhi		1210004021	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

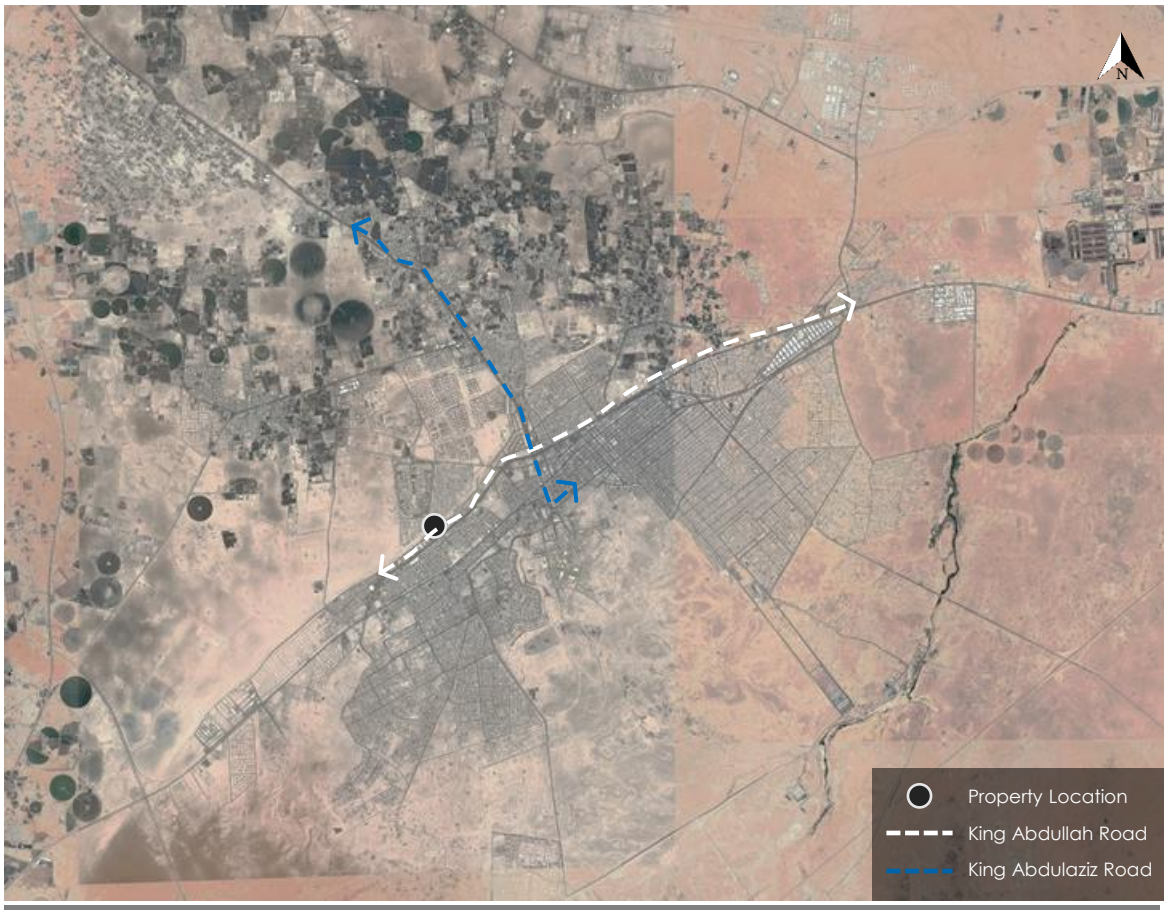
6.2 Reporting Methodology

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



6.3 Property Location Analysis

Description of the property at the city level	
About Al Kharj	Al-Kharj Governorate is one of the important governorates in the Kingdom of Saudi Arabia. It is located southeast of the capital, Riyadh, and covers an area of 19,790 km². Its population is 332,243 according to the General Authority for Statistics. The city of Al-Saih is considered the modern capital of Al-Kharj and its administrative and economic center.



Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
Al-Kharj Sports City	12.6 km	Al-Hadithi Mall	3.5 km
King Abdullah Road	0 km	King Abdulaziz Road	3.2 km

6.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property area is distinguished by its strategic location within Al-Kharj city, as it overlooks several main and commercial roads, such as King Abdullah Road.The property is bounded to the north by a street followed by Al-Khuzama Walkway, to the south by King Abdullah Road followed by Al-Khalidiya District, to the east by parts of Granada District, and to the west by Al-Barakah District.
Description of the district	Granada District is located west Al-Kharj city, on the vital King Abdullah Road that connects the city to Riyadh Road. The district is situated near Prince Sattam bin Abdulaziz University and Al-Kharj City Hospital, making it a relatively strategic neighborhood.
Accessibility	The area is easily accessible through several roads, most notably King Abdullah Road, which the subject property directly overlooks.



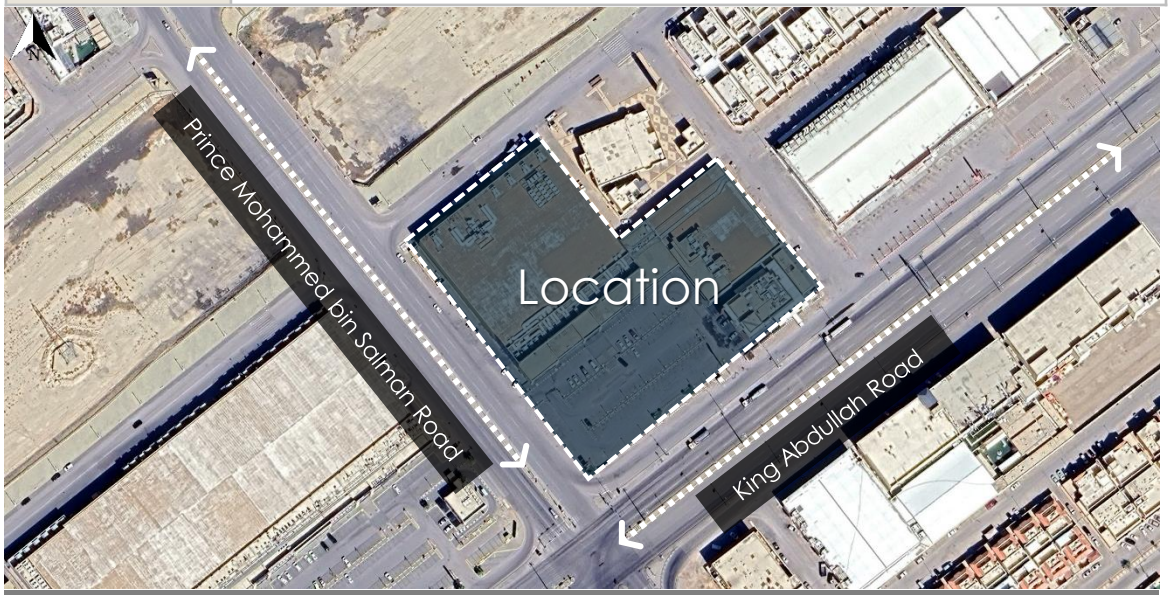
Satellite photo shows property location

6.4 Property description and ownership

Ownership information (based on title deeds)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	781688001800	Title deed date	28/04/1445 H
	511507006268		24/03/1441 H
Building permit number	7994	Building permit date	27/12/1433 H

Property Information				
Province	Riyadh		City	Al Kharj
District	Granada		Street	King Abdullah Road
Parcel no.	119	120	Plan no.	1456
Property Type	Commercial Center		Notes	According to Title Deed No. 781688001800, the property is mortgaged in favor of Bank AlJazira.
Coordinates	47.278596° East		24.138933 ° North	
Google map	https://maps.app.goo.gl/rmgb45VFHgL6nzCL7			

Property description			
Land area based on title deeds	4,835.73 m² + 11,260.24 m²	Land level	Flat
Land area based on satellite imagery	-	Land shape	Irregular
Notes	- The opinion of value has been developed based on the assumption of merging the lands included in the title deeds, and the valuation has been conducted for the total land area of 16,095.97 m².		



Satellite photo shows property location

6.5 Property boundaries & lengths

Property Dimensions (Based on the building permit)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	200.19	Qadri Tuqan Street, Pedestrian Walkway, and Utility	Internal Street	20
South	140.26	King Abdullah Road	Main Road	60
East	82.88	Fayrouz bin Husayn Street and Electrical Room	Internal Street	15
West	140.31	Prince Mohammed bin Salman Road	Commercial Street	40

Property specifications		
Structure	BUA	11,221.1 m² (based on the building permit)
	Floors	Ground Floor + Mezzanine + Typical Floor
	Age	13 years
	Conditioning type	Central
	Finishing	Very good
	Facilities	-
	Elevators	-
Zoning (Based on the building permit)	Use	Commercial
	Maximum footprint	60%
	FAR	1.2
	Maximum floors	2 floors
Notes		-

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

1.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 15/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

6.7 Property photos













6.7 Property photos













6.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property is overlooking King Abdullah Road
Weakness	• No weaknesses are observed at the property area
Opportunities	• Al-Kharj Front: Al-Kharj Front is considered one of the leading projects in developing the city's infrastructure, which is witnessing notable transformations in urban planning and development. It is worth noting that Al-Kharj city is located southeast of Riyadh and is one of the major cities in Saudi Arabia, playing an important role in the economic and population growth of the Riyadh region.
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

6.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

6.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

6.10 Valuation Analysis

6.10.1 Income Approach- Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

6.10.1.1 Property income data:

The client provided us with the property income details as follows:

- The actual income of the property, inclusive of services, is SAR 5,465,025.45 per year.
- Occupancy Rate: 96%.
- Maintenance and operation cost: 707,725.40 SAR/Year

6.10 Valuation Analysis

6.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **Hypermarket with an area of 4,827.41 m²**
- **A standalone restaurant with a leasable area of 937.6 m².**
- **Showrooms with an area of 3,779.07 m²**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

6.10 Valuation Analysis

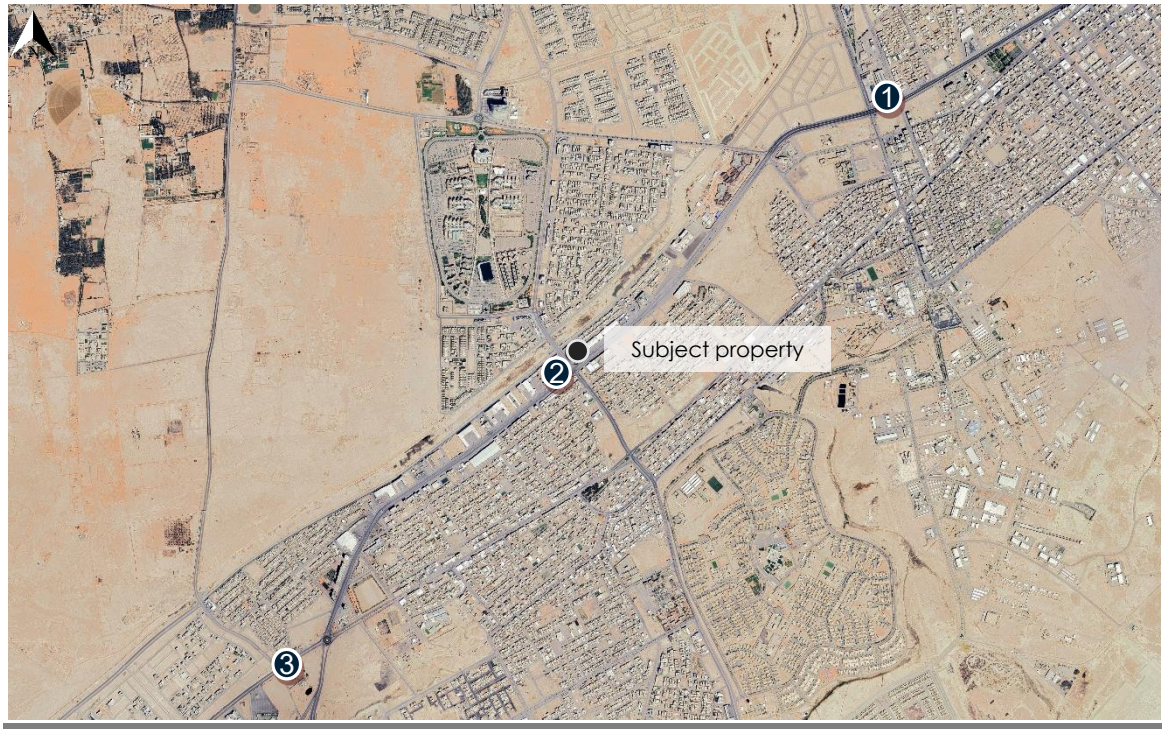
6.10.1 Income Approach- Discounted Cash Flow Method

6.10.1.2 Market Rent

6.10.1.2.1 Market approach – comparable transactions (Small showrooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Small showrooms				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	88	SAR 1,288
Property 2	Transaction	2025	83	SAR 1,364
Property 3	Transaction	2025	115	SAR 1,463



Satellite photo showing subject property and comparables

6.10 Valuation Analysis

6.10.1 Income Approach- Discounted Cash Flow Method

6.10.1.2 Market rent

6.10.1.2.2 Relative adjustment table – Small Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	12/1/2025		12/1/2025		12/1/2025	
Value/m²	-	1,288 SAR/m²		1,364 SAR/m²		1,463 SAR/m²	
Transaction Type	-	Transaction	% 0.0	Transaction	% 0.0	Transaction	% 0.0
Market Conditions	-	Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
Adjusted Value / m²		0.00		0.00		0.00	
Value per square meter		1,288 SAR/m²		1,364 SAR/m²		1,463 SAR/m²	
Accessibility	Very easy	Very easy	% 0.0	Easy	% 5.0	Very easy	% 0.0
Location	Very good	Excellent	% 2.5-	Very good	% 0.0	Very good	% 0.0
Finishing	Very good	Very good	% 0.0	Very good	% 0.0	Very good	% 0.0
Area vitality	Vital	Very vital	0.0 %	Very vital	0.0 %	Very vital	0.0 %
Property age	years 12	years 18	% 3.0	years 8	% 2.0	New	% 6.0-
Proximity to attractions	Very cloes	Very cloes	0.0 %	Very cloes	0.0 %	Close	5.0 %
Value / m²	-	-26 SAR/m²	% 13.0-	-95 SAR/m²	% 11.0-	-88 SAR/m²	% 6.0-
Adjusted Value / m²	-	1,262 SAR/m²		1,269 SAR/m²		1,375 SAR/m²	
Weighting	-	% 50		% 20		% 30	
Subject Property Adjusted Value (SAR/m²)	-	1,300 SAR/m²					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (1), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation adjustment has been applied to the above comparables, as they represent actual transactions.

Total leasable area (m²)	1,719.07
SQM rental value (SAR/m²)	1,300
Total lease value (SAR)	2,234,791

The leasable area was determined based on the data provided by the client.

6.10 Valuation Analysis

6.10.1 Income Approach- Discounted Cash Flow Method

6.10.1.2 Market rent

6.10.1.2.3 Market approach – comparable transactions (Large showrooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Large showrooms				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	200	SAR 750
Property 2	Transaction	2025	206	SAR 533
Property 3	Transaction	2025	300	SAR 534



Satellite photo showing subject property and comparables

6.10 Valuation Analysis

6.10.1 Income Approach- Discounted Cash Flow Method

6.10.1.2. Market rent

6.10.1.2.4 Relative adjustment table – Large Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	12/1/2025		12/1/2025		12/1/2025	
Value/m²	-	750 SAR/m²		533 SAR/m²		534 SAR/m²	
Transaction Type	-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market Conditions	-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Property type	Showroom	Showroom	0.0 %	Showroom	0.0 %	Showroom	0.0 %
Adjusted Value / m²		0.00		0.00		0.00	
Value per square meter		750 SAR/m²		533 SAR/m²		534 SAR/m²	
Accessibility	Very easy	Very easy	0.0 %	Very easy	0.0 %	Very easy	0.0 %
Location	Excellent	Very good	2.5 %	Very good	2.5 %	Very good	2.5 %
Finishing	Very good	Excellent	-5.0 %	Very good	0.0 %	Very good	0.0 %
Area vitality	Vital	Vital	0.0 %	Vital	0.0 %	Vital	0.0 %
Property age	12 years	10 years	-1.0 %	4 years	-4.0 %	New	-12.0 %
Proximity to attractions	Very cloes	Very cloes	0.0 %	Very cloes	0.0 %	Close	5.0 %
Value / m²	-	-26 SAR/m²	-3.5 %	-08 SAR/m²	-1.5 %	-24 SAR/m²	-4.5 %
Adjusted Value / m²	-	724 SAR/m²		525 SAR/m²		510 SAR/m²	
Weighting	-	30 %		50 %		20 %	
Subject Property Adjusted Value (SAR/m²)	-	580 SAR/m²					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (2), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation adjustment has been applied to the above comparables, as they represent actual transactions

Total leasable area (hyper market)(m²)	4,827.41
SQM rental value (SAR/m²)	580
Total lease value(hyper market)(SAR)	2,799,897.8
Total leasable area (restaurant)(m²)	937.6
SQM rental value (SAR/m²)	580
Total lease value(restaurant)(SAR)	543,808
Total leasable area (Large showrooms)(m²)	2,060
SQM rental value (SAR/m²)	580
Total lease value(Large showrooms)(SAR)	1,194,800

The leasable area was determined based on the data provided by the client.

6.10 Valuation Analysis

6.10.1 Income Approach – Discounted Cash Flow Method

6.10.1.2 Market rent

Rental Value of Small Retail Units (SAR/year)	2,234,791
Rental Value of Hypermarket (SAR/year)	2,799,897.8
Rental Value of Restaurant (SAR/year)	543,808
Rental Value of Large Retail Units (SAR/year)	1,194,800

1.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference	
			SAR	%
Total Income for Small + Large Retail Units (SAR)	-	3,429,591	-	-
Occupancy Rate %	96%	90%	-	-
Actual Income(SAR)	2,626,469.45	3,086,631.9	-	-
Maintenance and Operation	(707,725.40)	20% (617,326.38)	-	-
Net Income for Small + Large Retail Units(SAR)	1,918,744.05	2,469,305.52	550,561.47	28.7%
Total Income for the Hypermarket and the Restaurant(SAR)	2,838,556.00	3,343,705.8	-	-
Occupancy Rate %	0%	90%	-	-
Actual Income(SAR)	2,838,556.00	3,009,335.22	-	-
Maintenance and Operation	0%	0%	-	-
Total Income for the Hypermarket and the Restaurant(SAR)	2,838,556.00	3,009,335.22	170,779.22	6.01%
Result	• With regard to small and large retail units: we found that the contractual income data provided by the client does not reflect the market reality. Accordingly, contractual income was adopted for the first two years of the cash flow period, after which market income was applied for the remaining forecast period, with discount and capitalization rates applied based on market data. • With regard to the hypermarket and the restaurant: we found that the contractual income data provided by the client reflects the market reality and was therefore adopted as an input in the valuation process.			

6.10 Valuation Analysis

6.10.1 Income Approach – Discounted Cash Flow Method

6.10.1.1.5 Project income

- The actual income data of the subject property was compared with the market rental data, and the following was observed:

Project assumptions	
Project period	5 years
Cap rate	8.5%
Discount rate	11.30%

- We were provided by the client with the current occupancy rate of the property, which is 96%. Accordingly, an occupancy rate of 96% was adopted for the first two years of the cash flow period, after which a stabilized occupancy rate of 90% was assumed during the period in which market income was applied, based on prevailing market occupancy rates.
- We were also provided by the client with maintenance and operating expenses amounting to SAR 707,725.40. Accordingly, this amount was adopted for the first two years of the cash flow period, after which a rate of 20% was applied for maintenance and operating expenses, based on prevailing market benchmarks. This percentage was applied during the explicit forecast period.

Cap Rate Analysis

Cap Rate Analysis					
Property Number	**City**	**Use**	**Property Value**	**Net Income**	**Cap rate**
Property 1	Al-Kharj	Commercial	61,621,000 SAR	5,660,573 SAR	9.1%
Property 2	Al-Kharj	Residential Commercial	27,236,659.42 SAR	2,180,780 SAR	8%

- The rate of return has been determined at 8.5% based on the general averages of returns for the properties referenced above, with appropriate adjustments made to reflect the location and characteristics of the subject property.

Analysis of Maintenance and Operating Expenses Rate

Analysis of Maintenance and Operating Expenses Rate					
Property Number	**City**	**Property Type**	**Net Income**	**Maintenance and Operating**	**Maintenance and Operating Rate**
Property 1	Riyadh	Commercial Office	29,070,935 SAR	4,726,026 SAR	16.26%
Property 2	Jeddah	Commercial Office	32,845,704 SAR	4,563,072 SAR	13.89%

- The maintenance and operating expense rate has been determined at 20% for the commercial building, based on the general averages of the properties referenced above, with appropriate adjustments made to align with the location and characteristics of the subject property.

6.10 Valuation Analysis

6.10.1 Income Approach – Discounted Cash Flow Method

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 11.30% to reflect the risks associated with the property.
Appendix No. (6.14) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	3.00%	**Valuer's estimate of the market**
Discount rate	11.30%	

Valuation result:

Discounted cash flow value	61,318,089.52 SAR

6.11 Valuation Result

Opinion of value	
Value	61,318,000
Currency	﷼
Opinion of value (written)	Only sixty-one million three hundred eighteen thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

6.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

6.13 Documents

وزارة العدل

أحمد عادل علي مدخلي
الرياض
ترخيص رقم 44/12468

رقم الصك: 781688001800

التاريـــــخ: 1445/04/28 هـ

صك رهـــن

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

فإن قطعة الارض التجارية رقم 119 من المخطط رقم 1456 الواقع في حي غرناطه محافظة الخرج . وحدودها واطوالها :

شمالا: ممر مشاه عرض6م بطول 57.5 سبعة و خمسون متر و خمسون سنتمتر

جنوبا: شارع عرض60م بطول 60.35 ستون متر و خمسة و ثلاثون سنتمتر

شرقا: شارع عرض15م وغرفة كهرباء بطول يبداء من الشمال بطول 4م ثم ينكسر شرقا 2.5م ثم ينكسر جنوبا بطول 76.40م

غربا: قطعة رقم120 بطول 80.25 ثمانون متر و خمسة و عشرون سنتمتر

ومساحتها 4835.73 أربعةالآف و ثمانمائة و خمسة و ثلاثون متر مربعاً و ثلاثة و سبعون سنتمتراً مربعاً المملوكة لـ شركة حفظ المشاركة العقارية بموجب الرقم الوطني الموحد للمنشأة رقم 7006928647 بموجب الصك الصادر من الموثقين بالرياض1 برقم 293010010110 في 24 / 10 / 1444 قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / بنك الجزيره بموجب الرقم الوطني الموحد للمنشأة رقم 7000120712 ضمانا للوفاء بـ 18257685 فقط ثمانية عشر مليوناً و مئتان و سبعة و خمسون ألفاً و ستمائة و خمسة و ثمانون ريالاً سعودياً لا غير. سبب الرهن : ضمان للوفاء بما عليه من مستحقات مالية على أن يتم سداد المديونية على قسط واحد وقيمة القسط 18257685 ريال تدفع اعتبارا من تاريخ 16/ 2/ 2030 وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات ،واستيفاء مافي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً. وعليه جرى التصديق تحريراً في 1445 / 04 / 28 لاعتماده ،وصلى الله على نبينا محمد وآله وصحبه وسلم.

الختم الرسمي

الموثق

أحمد عادل علي مدخلي

الرقم التسلسلي: 847

6.13 Documents



بسم الله الرحمن الرحيم

المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة عدل محافظة الخرج

الرقم : ٥١١٥٠٧٠٠٦٢٦٨
التاريخ : ٢٤ / ٣ / ١٤٤١ هـ

صك

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

فإن قطعة الارض (التجارية) رقم ١٢٠ من المخطط رقم ١٤٥٦ الواقع فى حى غرناطه محافظة الخرج .

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ٢٠ م بطول: (٨٢,١٥) اثنين و ثمانون متر و خمسة عشر سنتمتر

جنوباً: شارع عرض ٦٠م بطول: (٨٠) ثمانون متر

شرقاً: ممر مشاة عرض ٦م قطعة الارض رقم ١١٩ بطول: (١٤١,١) مائة و واحد و أربعون متر و عشرة سنتمتر

غرباً: شارع عرض ٤٠ م بطول: (١٤٠,٥) مائة و أربعون متر و خمسون سنتمتر

ومساحتها :(١١,٢٦٠,٢٤) أحد عشر ألفا و مئتين و ستون متر مربعاً و أربعة و عشرون سنتمتراً مربعاً فقط

والمستند فى افراغها على الصك الصادر من هذه الإدارة برقم ٤١١٥٠١٠٠٣٤٠٠ في ٤ / ٣/ ١٤٣٧ هـ

قد انتقلت ملكيتها لـ: شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ في ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي في ١٢ / ١٠/ ١٤٤١ هـ ،، بثمن وقدره ١٧٨١٦٤٥٥ سبعة عشر مليونا و ثمانمائة و ستة عشر ألفا و أربعمائة و خمسة و خمسون ريال ضمن شيك وعليه جرى التصديق تحريراً في ٢٤ / ٣/ ١٤٤١ هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

كاتب العدل

علي بن عبدالعزيز بن علي قعيضب

وزارة العدل
كتابة عدل محافظة الخرج
كاتب العدل بمكتب رقم (٧)

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

صفحة ١ من ١

مصلحة مطابع الحكومة - ٤٠٣٢٤٢ (هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه) نموذج رقم (١٣٠٣-٠١)

6.13 Documents

المملكة العربية السعودية
وزاره الشئون البلديه والقرويه
بلدية محافظة الخرج

رخصة بناء

رقم الإستماره:	٢٢٩٣٥٥١
رقم الرخصة:	٧٩٩٤
تاريخ صدورها:	١٤٣٣/١٢/٢٧
تاريخ انتهائها:	١٤٣٦/١٢/٢٦

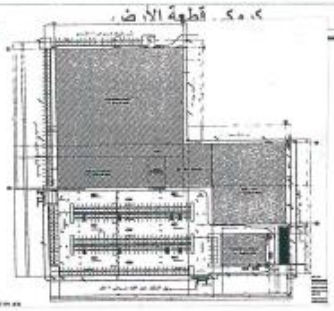
اسم صاحب الرخصة:	صالح بن عبدالله العسكر و سلمان بن عبدالله ال عثمان			سجل مدني:	-
رقم الصك:	*	تاريخه:	١٤٣٣/٠٣/١٢	مصدره:	عدل الخرج
رقم قطعة الأرض:	١١٩-١٢٠	رقم المخطط:	١٤٥٦	تاريخه:	
رقم الكروكي التنظيمي:		تاريخه:		الحي:	غرناطه

كروكي

* رقم الصك : ٤/٣٥٩/١٢٢٤ والصك رقم ٤/٣٥٤/١٢٢٥

* صدرت الرخصة بموجب العقد المبرم بين المالك ومكتب القطري للاستشارات الهندسية والالتزام بالعقد.

كروكي قطعة الأرض



مرحلة النطاق العمراني: داخل النطاق
المكتب الهندسي : الرخص الفنية

المقاييس والإشتراطات

- مساحة الارض	١٦٢٣٦.٣	م٢
- مساحة البناء بلقيو	٠	م٢
- مساحة البناء بالدور الارضي	٩٠٩٠.٦٥	م٢
- الميزانين	١٧٠٠	م٢
- مساحة البناء بالدور المتكرر	٤٣٠.٤٥	م٢
- عدد الادوار المتكررة	١	دور
- مساحة الملحق الأرضي	٠	م٢
- مساحة الملحق العلوي	٠	م٢
- عدد الوحدات	١٩	
- ارتفاع الدور	٣	متر
- أقصى ارتفاع للبناء	٦	متر
- إجمالي طول السور	٠	متر
- أقل ارتفاع للسور	٣	متر
- أقصى ارتفاع للسور	٤	متر
- البروزات	٠	

مساحة البناء	٩٥٢١.١	
نسبة مساحه البناء للدور الارضي	٥٦	%
النوع	تجاري	مسلح
تشطيب الواجهة	اللون الابيض أو مشتقاته	
منسوب الشارع		
ملاحظات		

تنفذ أغطية المياه والصرف الصحي حسب تعليمات وزارة المياه
خزان الصرف الصحي داخل السور

الحدود والأبعاد والإرتدادات والبروز (للمتكرر)

الجهه	الجهه	الابعاد	الإرتداد
الشمال	شارع عرض ٢٠م وممر مشاه و	٢٠٠.١٩	٤
الشرق	شارع عرض ١٥ وغرفه كهرباء	٨٢.٨٨	٣
الجنوب	طريق الملك عبدالله عرض ٦٠م	١٤٠.٢٦	٦
الغرب	شارع عرض ٤٠م	١٤٠.٣١	٦

الرسوم المستحقة على الرخصة:	٨٩٨٦.٨٨
تم سدادها بموجب الإيصال رقم:	٦٥٣٢٩٢١٠٤
تاريخ سداد رسوم الرخصة :	١٤٣٣/١٢/٢٧

مدير المساحة والسجل العقاري :
الإسم: ناصر بن محمد الجميع
التوقيع:

رئيس قسم الرخص :
الإسم: عبدالرحمن أحمد الفرحان
التوقيع:

مدير إدارة التخطيط العمراني :
الإسم: م. ابراهيم بن علي الصحيح
التوقيع: ١٤٣٣/١٢/٢٩

وكيل رئيس البلدية للشئون الفنية :
الإسم: م. متعب بن سعيد آل قعيد
التوقيع:

رئيس بلدية محافظة الخرج :
الإسم: م. محمد بن ابراهيم الشريف
التوقيع:

للتواصل الهاتف المجاني للبلديه ((٩٤٠)) الموقع الإلكتروني ((www.kharj.gov.sa))

6.13 Documents

Property	Lease Type	Unit(s)	Lease Area	Lease	Ejar Cont	Customer Name	Brand Name	Amendment T	Original Lease S	Amendment S	Amendment E	تاريخ العقد على منصة إيجار	Rent/SQM	Rent/Year	S.C/Year	Grand Total
Kharj Plaza	Line Shop	01,02	205.90	t0000124	2007668512	Kudu Co.[شركة كودو للتغذية والاعاشة]	Kudu [كودو]	Renewal	2-Nov-2013	7-Aug-2023	6-Aug-2025	1-Nov-2023	1,200.00	247,080.00	0.00	247,080.00
Kharj Plaza	Line Shop	03	99.84	t0000127	2077232760	Kudu Co.[شركة كودو للتغذية والاعاشة]	Alkhaleef [الخليف]	Renewal	2-Nov-2013	4-Aug-2023	3-Aug-2025	24-Nov-2023	1,000.00	99,840.00	0.00	99,840.00
Kharj Plaza	Line Shop	04	95.25	t0000129	2062804485	Jumeirah Trading Ltd. Co. [شركة جميرة التجارية المحدودة]	Baskin Robbins [باسكن روبنز]	Renewal	20-Jun-2016	1-Nov-2025	31-Oct-2028	1-Sep-2025	1,584.02	150,878.00	7,544.00	158,422.00
Kharj Plaza	Line Shop	05, 06	189.80	t0001686	2004978583	Samaa Al Enaya Trading Company	Samaa Al Enaya	Original Lease	15-Nov-2024		14-Nov-2027		1,000.00	189,800.00	18,980.00	208,780.00
Kharj Plaza	Line Shop	07	93.53	VACANT									0.00	0.00	0.00	0.00
Kharj Plaza	Line Shop	08	94.90	t0001424	2097114356	Dream Fitness Trading Company [شركة حلم الرشاقة للتجارة]	Dream Fitness [حلم الرشاقة]	Original Lease	15-Apr-2023		14-Apr-2026	23-Dec-2022	800.84	76,000.00	3,800.00	79,800.00
Kharj Plaza	Line Shop	09	94.90	t0001451	2060033704	Sultan Food Company for fast food [شركة غذاء السلطان للوجبات السريعة]	Sultan Delight Restaurant [مطعم سلطان ديلايت]	Original Lease	13-Apr-2023		12-Apr-2026	26-Mar-2023	1,000.00	94,900.00	4,745.00	99,645.00
Kharj Plaza	Line Shop	10	94.90	t0001755	2024608161	Nabaa Al Ebtikar Trading Company	Dr.s' Lounge	Original Lease	20-Jun-2025		19-Jun-2028	18-May-2025	1,000.00	94,900.00	9,490.44	104,390.44
Kharj Plaza	Line Shop	11	94.90	t0000320	2024788725	Daily Foods Trading Co. [شركة الغذاء اليومي التجارية]	Maestro Pizza [ماسترو بيتزا]	Renewal	23-Dec-2014	12-Apr-2025	11-Apr-2026	4-Jun-2025	1,344.05	127,550.00	6,377.40	133,927.40
Kharj Plaza	Line Shop	12	94.90	t0001543	2059575878	Abdulsamad Al Qurashi Stores Company for Oud, Amber and Perfumes	Abdulsamad Al Qurashi	Original Lease	1-Jan-2024		31-Dec-2026	3-Jan-2024	900.02	85,412.00	4,271.30	89,683.30
Kharj Plaza	Line Shop	13	140.00	t0000138	2079445245	Saudi Allied Company Chocolate & Gifts Ltd.[شركة المتحدون السعودية للشوكلاته والهدايا المحدودة]	Patchi [باتشي]	Renewal	18-Sep-2013	22-Jun-2025	21-Jun-2028	22-Apr-2025	1,350.00	189,000.00	9,450.44	198,450.44
Kharj Plaza	Line Shop	14	140.00	t0001367	2099824498	Al Salman Trading Company [شركة السلمان للتجارة]	Al Salman Oud [السلمان للعود]	Renewal	10-Nov-2022	10-Nov-2025	9-Nov-2028	10-Sep-2025	850.00	119,000.00	5,950.00	124,950.00
Kharj Plaza	Line Shop	15	280.25	VACANT									0.00	0.00	0.00	0.00
Kharj Plaza	Anchor	ANCHOR1	4,827.41	t0000143	2029616189	Danube Company Ltd. [شركة الدانوب للمواد الغذائية و الكماليات]	Danube [الدانوب]	Original Lease	15-Jan-2014		14-Jan-2034	21-Jul-2024	474.00	2,288,556.00	0.00	2,288,556.00
Kharj Plaza	Anchor	ANCHOR2	2,060.00	t0000146	2051539602	Jazirat Samar a for Fashion Co. Ltd.[شركة جزيرة سمار للأزياء المحدودة]	RedTag [ريد تاج]	Renewal	30-Dec-2013	30-Dec-2023	29-Dec-2025	25-Feb-2024	500.00	1,030,000.00	51,500.87	1,081,500.87
Kharj Plaza	Free Stand	FS1	937.60	t0000142	2040918043	Fligadh International Catering Corp. Ltd. [شركة الرياض العالمية للأطعمة]	McDonald's [ماكدونالدز]	Renewal	8-May-2013	8-May-2022	7-May-2033	14-Feb-2023	586.60	550,000.00	0.00	550,000.00

6.14 Cash Flow Analysis

Cash flow analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5
Commercial center						
Commercial center total income	10,288,773.00	-	-	3,429,591.00	3,429,591.00	3,429,591.00
Occupancy rate	-	96%	96%	90%	90%	90%
Actual Commercial Income	14,512,834.60	2,626,469.45	2,626,469.45	3,086,631.90	3,086,631.90	3,086,631.90
Maintenance & opex - 20.0%	(3,267,429.94)	(707,725.40)	(707,725.40)	(617,326.38)	(617,326.38)	(617,326.38)
Net operating income	11,245,404.66	1,918,744.05	1,918,744.05	2,469,305.52	2,469,305.52	2,469,305.52
Restaurant & hypermarket						
Restaurant & hypermarket total income	14,192,780.00	2,838,556.00	2,838,556.00	2,838,556.00	2,838,556.00	2,838,556.00
Occupancy - 0.0%	0.00	0.00	0.00	0.00	0.00	0.00
Actual restaurant & hypermarket Income	14,192,780.00	2,838,556.00	2,838,556.00	2,838,556.00	2,838,556.00	2,838,556.00
Maintenance & opex - 0.0%	0.00	0.00	0.00	0.00	0.00	0.00
Restaurant & hypermarket NOI	14,192,780.00	2,838,556.00	2,838,556.00	2,838,556.00	2,838,556.00	2,838,556.00
Propery's net operating income	25,438,184.66	4,757,300.05	4,757,300.05	5,307,861.52	5,307,861.52	5,307,861.52
Terminal value	-	0.00	0.00	0.00	0.00	62,445,429.65
Net cash flows	87,883,614.31	4,757,300.05	4,757,300.05	5,307,861.52	5,307,861.52	67,753,291.17
Discount rate	6.00	1.00	0.91	0.82	0.75	0.68
Net Present Flows	61,318,089.52	4,757,300.05	4,274,303.73	4,284,787.17	3,849,763.86	44,151,934.72

KPI's	total
Present value	61,318,089.52
Total value	61,318,000.00

6.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%10) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%10), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 7

Al Faisaliyah Plaza

7.1 Executive Summary
7.2 Reporting Methodology
7.3 Property Location Analysis
7.4 Property description and ownership
7.5 Property boundaries
7.6 Source of Information
7.7 Property photos
7.8 SWOT Analysis
7.9 Valuation approaches
7.10 Valuation Analysis
7.11 Opinion of Value
7.12 Validity of review and clarification
7.13 Documents
7.14 Cash Flow Analysis
7.15 Risks Study and Analysis

7.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Al Faisaliyah Plaza	Interest to be valued	Leasehold
	Location	https://maps.app.goo.gl/YjecDHyRwGW1EDWX7		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	15/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

7.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075304	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

7.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations	-The client was requested to provide the lease agreements. However, as they were not available as of the valuation date, we were provided with a document outlining the actual income and the maintenance and operating expenses of the subject property, and its accuracy was assumed.	
	Limits on analysis	-	
	Limits on inspection	- Only the large showrooms were inspected internally, while the remainder of the property was not inspected from the inside. It was assumed that the interior finishing standard is consistent with the external condition of the property and that it is free from any structural defects.	
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. The land lease contract details have been included in the report without attaching a copy of the contract, and Esnad retains a copy of these documents for reference: • These documents: o Title deeds o Building permit o A document outlining the actual income and the maintenance and operating expenses of the subject property. o Land lease contract. • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• The opinion of value has been formed based on the assumption that the limitations on inquiries and inspection, as stated, are accurate. The value opinion is valid only if this assumption holds true.

7.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Assumptions and special assumptions	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• The valuation was conducted on the assumption that the lands are consolidated under a single title deed, and the opinion of value has been formed based on this special assumption.

7.1 Executive Summary

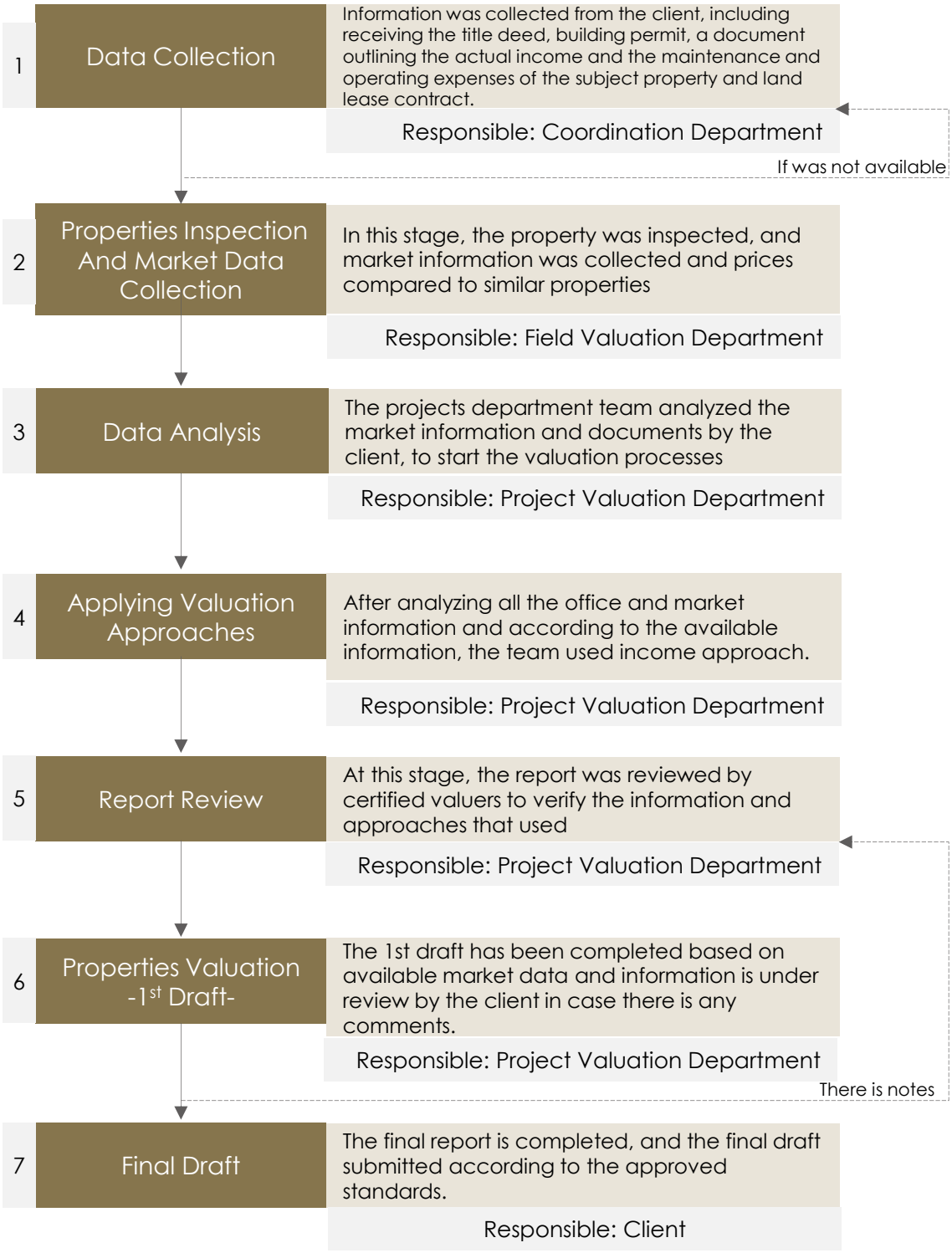
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	15,263,000
	Written	Only Fifteen million two hundred sixty-three thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Sweilem Abdullah Al-Shammari		1210002636	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Yasmeen Mohamed Mostafa		1220003392	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Babahr		1220001954	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

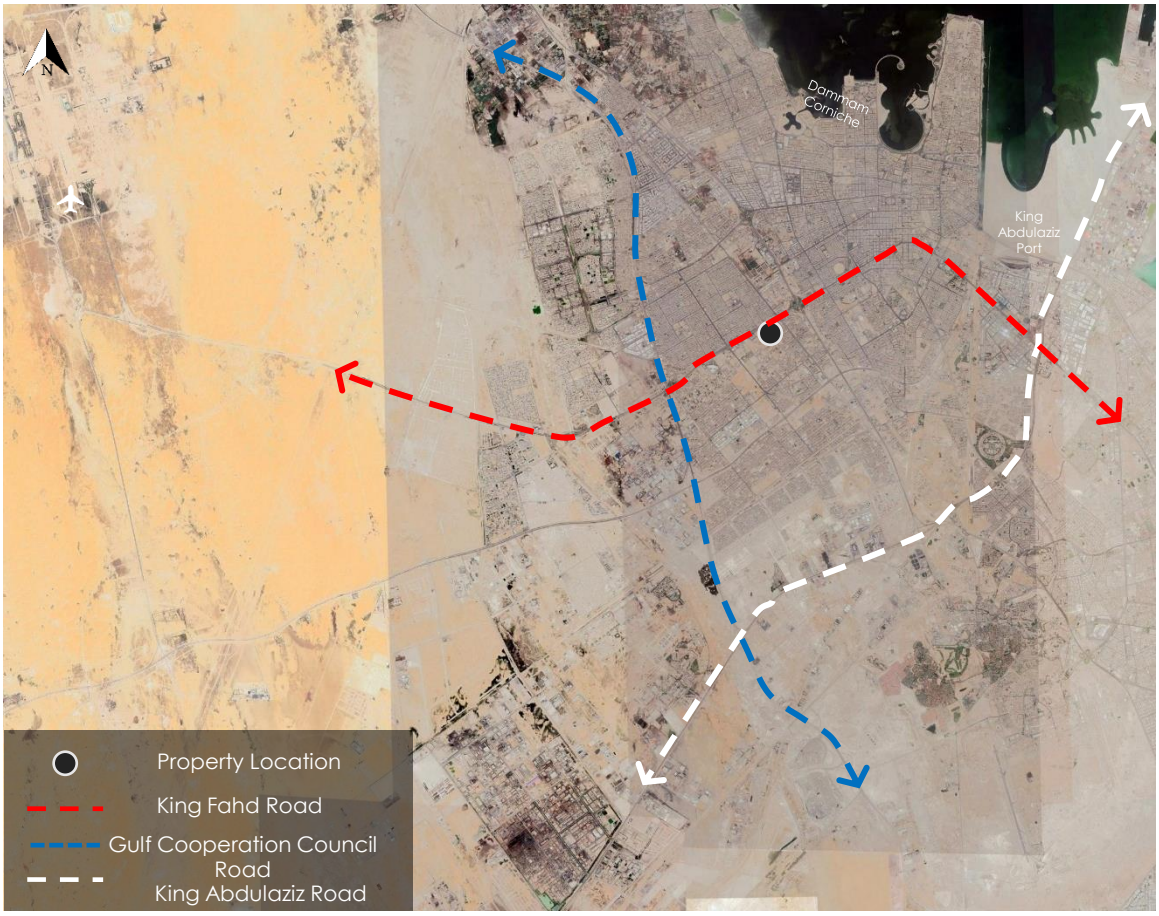
7.2 Reporting Methodology

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



7.3 Property Location Analysis

Description of the property at the city level	
About Dammam	Dammam is located in the eastern part of the Kingdom of Saudi Arabia, specifically along the Arabian Gulf coast. It serves as the main seaport of the Eastern Province. The city is considered a major residential and commercial hub, housing the region's administrative authorities. It is also known for its relatively moderate climate throughout the year, making it a tourist destination, especially due to its beautiful coastal beaches along the Arabian Gulf.



Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
King Fahd International Airport	30.1 km	Dammam Corniche	13 km
King Abdulaziz Port	19.5 km	Imam Abdulrahman University	22.6 km

7.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property area benefits from a strategic location within the city of Dammam, as it is situated along several major roads such as Dhahran–Jubail Expressway, King Fahd Road, and King Abdullah Road. The area is bounded to the north by King Fahd Road, followed by the Uhud district; to the south by King Abdullah Road, followed by Al-Nada district; to the east by the Dhahran–Jubail Road, followed by Al-Rawdah district; and to the west by Abu Bakr Al-Siddiq Street, followed by Al-Manar district.
Description of the district	Al Faisaliyah District is located in the western part of Dammam and is distinguished by its strategic geographical location, overlooking several main roads and commercial streets such as the Dhahran–Jubail Expressway, King Fahd Road, and King Abdullah Road.
Accessibility	The property can be easily accessed through several roads and streets, most notably King Fahd Road, on which the property under valuation is directly located.



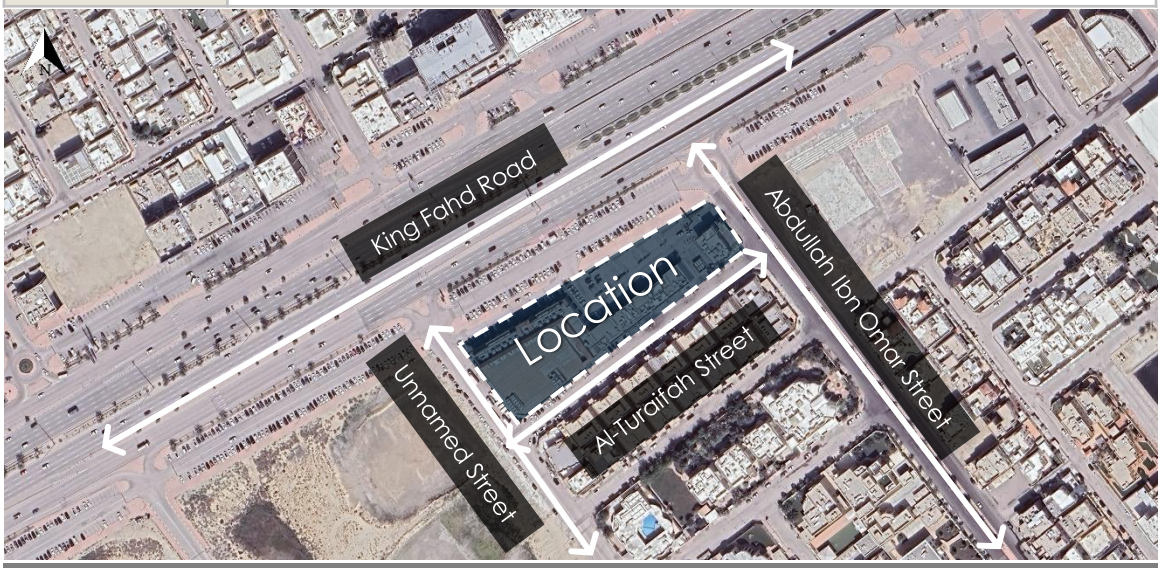
Satellite photo shows property location

7.4 Property description and ownership

Ownership information (based on title deeds)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Badr bin Nasser bin Abdulaziz Al-Otaig
Title deed number	330102003013	Title deed date	05/11/1427 H
	430101003930		06/11/1427 H
	330105002281		05/11/1427 H
	530101003931		06/11/1427 H
	330101003932		06/11/1427 H
Building permit number	0/1433/002255	Building permit date	25/12/1433 H

Property Information							
Province	Eastern Provenance					City	Dammam
District	Al Faisaliyah					Street	King Fahd Road
Parcel no.	1	2	3	4	5	Plan no.	414 معدل /1
Property Type	Commercial Center					Notes	-
Coordinates	50.056957° 26.403414 °						
Google map	https://maps.app.goo.gl/YjecDHyRwGW1EDWX7						

Property description			
Land area based on title deeds	10,769.5 m²	Land level	Flat
Land area based on actual conditions	-	Land shape	Irregular
Notes	–		



Satellite photo shows property location

7.5 Property boundaries & lengths

Property Dimensions (Based on the title deeds)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	-	-	-	-
South	-	-	-	-
East	-	-	-	-
West	-	-	-	-

Property specifications		
Structure	BUA	7,495 m² (based on the building permit)
	Floors	Ground floor + mezzanine + First floor
	Age	12 years
	Conditioning type	Central
	Finishing	Very good
	Facilities	Parking
	Elevators	-
Zoning The Geographic Explorer of the Eastern Province	Use	Commercial
	Maximum footprint	50%
	FAR	5
	Maximum floors	10 floors
Notes		-

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

7.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deeds and the property was inspected on 15/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

7.7 Property photos













7.7 Property photos













7.7 Property photos

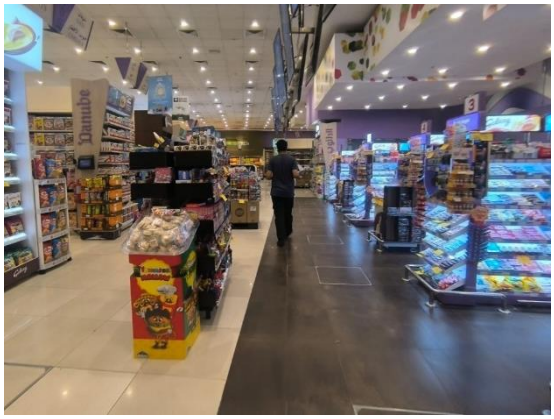












7.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property is overlooking King Fahd Road. • The subject property is distinguished by its location near King Abdullah Road and Dhahran–Jubail Expressway.
Weakness	• No weaknesses are observed at the property area
Opportunities	• King Abdulaziz Port in Dammam is witnessing several major investment projects aimed at developing it and enhancing its position as a global logistics hub. These projects include the development of container terminals, the establishment of integrated logistics zones, and the deepening of ship berths, which contribute to increasing the port's capacity and its ability to accommodate large vessels.
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

7.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

7.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

7.10 Valuation Analysis

7.10.1 Income Approach- Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

7.10.1.1 Property income data:

The client provided us with the property income details as follows:

- Property actual income: 5,923,978.22 SAR/ Year
- Maintenance and operation cost: 724,174.93 SAR/Year
- Occupancy rate: 88.62%

7.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **Large Showroom with an area of 2,506 m²**
- **Small showrooms with an area of 3,086.86 m²**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

7.10 Valuation Analysis

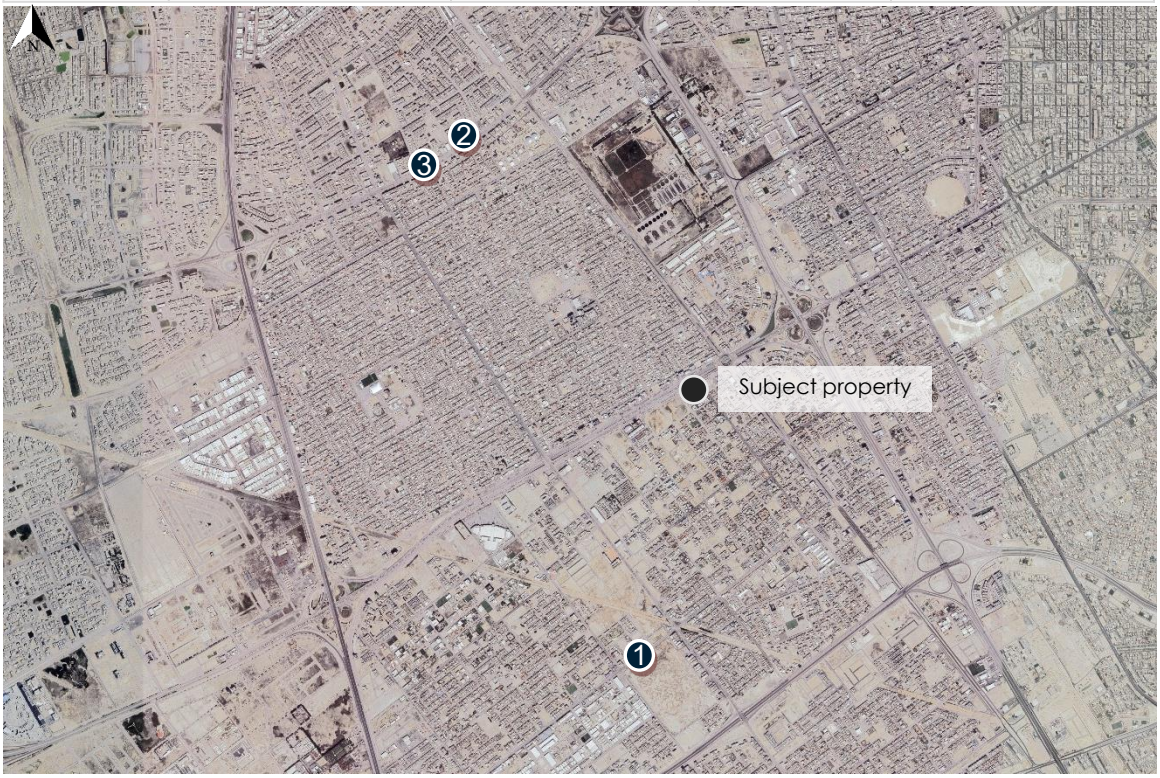
7.10.1 Income Approach- Discounted Cash Flow Method

7.10.1.2 Market Rent

7.10.1.2.1 Market approach – comparable transactions (Large showrooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Large showrooms				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	1,390	SAR 544
Property 2	Transaction	2025	5,348	SAR 724
Property 3	Transaction	2025	1,200	SAR 667



Satellite photo showing subject property and comparables

7.10 Valuation Analysis

7.10.1 Income Approach- Discounted Cash Flow Method

7.10.1.2 Market rent

7.10.1.2.2 Relative adjustment table – large Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	10/10/2025		12/8/2025		12/30/2025	
Value/m²	-	544 SAR/m²		724 SAR/m²		667 SAR/m²	
Transaction Type	-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market Conditions	-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Property type	Showroom	Showroom	0.0 %	Showroom	0.0 %	Showroom	0.0 %
Adjusted Value / m²		0.00		0.00		0.00	
Value per square meter		544 SAR/m²		724 SAR/m²		667 SAR/m²	
Accessibility	Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location	Very good	Good	5.0 %	Very good	0.0 %	Very good	0.0 %
Parking availability	Available	Available	0.0 %	Available	0.0 %	Available	0.0 %
Area vitality	Vital	Vital	0.0 %	Vital	0.0 %	Vital	0.0 %
Finishing	Very good	Very good	0.0 %	Very good	0.0 %	Very good	0.0 %
Proximity to attractions	Cloes	Cloes	0.0 %	Cloes	0.0 %	Cloes	0.0 %
Property age	12 years	10 years	-1.0 %	10 years	-1.0 %	8 years	-2.0 %
Value / m²	-	22 SAR/m²	4.0 %	-07 SAR/m²	-1.0 %	-13 SAR/m²	-2.0 %
Adjusted Value / m²	-	565 SAR/m²		716 SAR/m²		653 SAR/m²	
Weighting	-	25 %		40 %		35 %	
Subject Property Adjusted Value (SAR/m²)	-	660 SAR/m²					

The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (2), which is considered the best comparison.
No negotiation discount was deducted from the comparisons shown above, as they are completed transactions.

Total leasable area (m²)	2,506
SQM rental value (SAR/m²)	660
Total lease value (SAR)	1,653,960

The leasable area was determined based on the data provided by the client.

7.10 Valuation Analysis

7.10.1 Income Approach- Discounted Cash Flow Method

7.10.1.2 Market rent

7.10.1.2.3 Market approach – comparable transactions (Small showrooms)

Comparables List - Small showrooms				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	122	SAR 1,501
Property 2	Transaction	2025	102.3	SAR 1,800
Property 3	Transaction	2025	732	SAR 1,653



Satellite photo showing subject property and comparables

7.10 Valuation Analysis

7.10.1 Income Approach- Discounted Cash Flow Method

7.10.1.2. Market rent

7.10.1.2.4 Relative adjustment table – Small Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	11/6/2025		10/9/2025		9/15/2025	
Value/m²	-	1,501 SAR/m²		1,800 SAR/m²		1,653 SAR/m²	
Transaction Type	-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market Conditions	-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Property type	Showroom	Showroom	0.0 %	Showroom	0.0 %	Showroom	0.0 %
Adjusted Value / m²		0.00		0.00		0.00	
Value per square meter		1,288 SAR/m²		1,364 SAR/m²		1,463 SAR/m²	
Accessibility	Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location	Very good	Very good	0.0 %	Very good	0.0 %	Very good	0.0 %
Parking availability	Available	Available	0.0 %	Available	0.0 %	Available	0.0 %
Area vitality	Vital	Vital	0.0 %	Vital	0.0 %	Vital	0.0 %
Finishing	Excellent	Very good	5.0 %	Excellent	0.0 %	Excellent	0.0 %
Proximity to attractions	Close	Close	0.0 %	Close	0.0 %	Close	0.0 %
Property age	12 years	7 years	-2.5 %	8 years	2.0 %	9 years	-1.5 %
Value / m²	-	38 SAR/m²	2.5 %	-95 SAR/m²	-11.0 %	-88 SAR/m²	-1.5 %
Adjusted Value / m²	-	1,539 SAR/m²		1,764 SAR/m²		1,628 SAR/m²	
Weighting	-	25 %		40 %		35 %	
Subject Property Adjusted Value (SAR/m²)	-	1,660 SAR/m²					

The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (2), which is considered the best comparison case as it most closely resembles the subject property.
No negotiation discount was deducted from the comparisons shown above, as they are completed transactions.

Total leasable area (m²)	3,086.86
SQM rental value (SAR/m²)	1,660
Total lease value (SAR)	5,124,187.6

The leasable area was determined based on the data provided by the client.

7.10 Valuation Analysis

7.10.1 Income Approach – Discounted Cash Flow Method

7.10.1.2 Market rent

Large showroom lease value	1,653,960
Small showroom lease value	5,124,187.6
Total annual lease value (SAR)	6,778,147.6
Vacancy rate (10%)	(677,814.8)
Actual property annual income (SAR)	6,100,332.84
Maintenance and operation cost (10%)	(610,033.28)
Net annual income (SAR)	**5,490,299.56**

7.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference SAR
Net income	5,199,803.29	5,490,299.56	290,496.27
Result	We found that the income data provided by the client reflects market conditions regarding the net income of the property. Accordingly, the client's income was used as a primary input in the valuation process during the cash flow period, with discount and capitalization rates applied based on market data.		

7.10.1.4 Project assumptions

- A growth rate of 5% every two years was assumed from the third year until the end of the cash flow period.
- A maintenance and operating expense rate of 10% of the actual income of the property was assumed from the second year until the end of the cash flow period.
- A vacancy rate of 10% was assumed from the second year until the end of the cash flow period.

Project assumptions	
Project period	8 years
Discount rate	10%

7.10 Valuation Analysis

7.10.1 Income Approach- Discounted Cash Flow Method

7.10.1.5 Land lease contract.:

- Contract start date: 11/07/2018
- Contract end date: 30/11/2033
- Contract term: fifteen years and five months
- Remaining term of the contract: 8 years
- First five months (first lease year): SAR 1,069,863
- Lease year 2 to 6: 2,900,000 SAR/ year
- Lease year 7 to 11: 3,050,000 SAR/ year
- Lease year 12 to 16: 3,200,000 SAR/ year

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 10% to reflect the risks associated with the property.
Appendix No. (7.14) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	1.7%	**Valuer's estimate of the market**
Discount rate	10%	

Valuation result:

Discounted cash flow value	15,262,561 SAR

7.11 Valuation Result

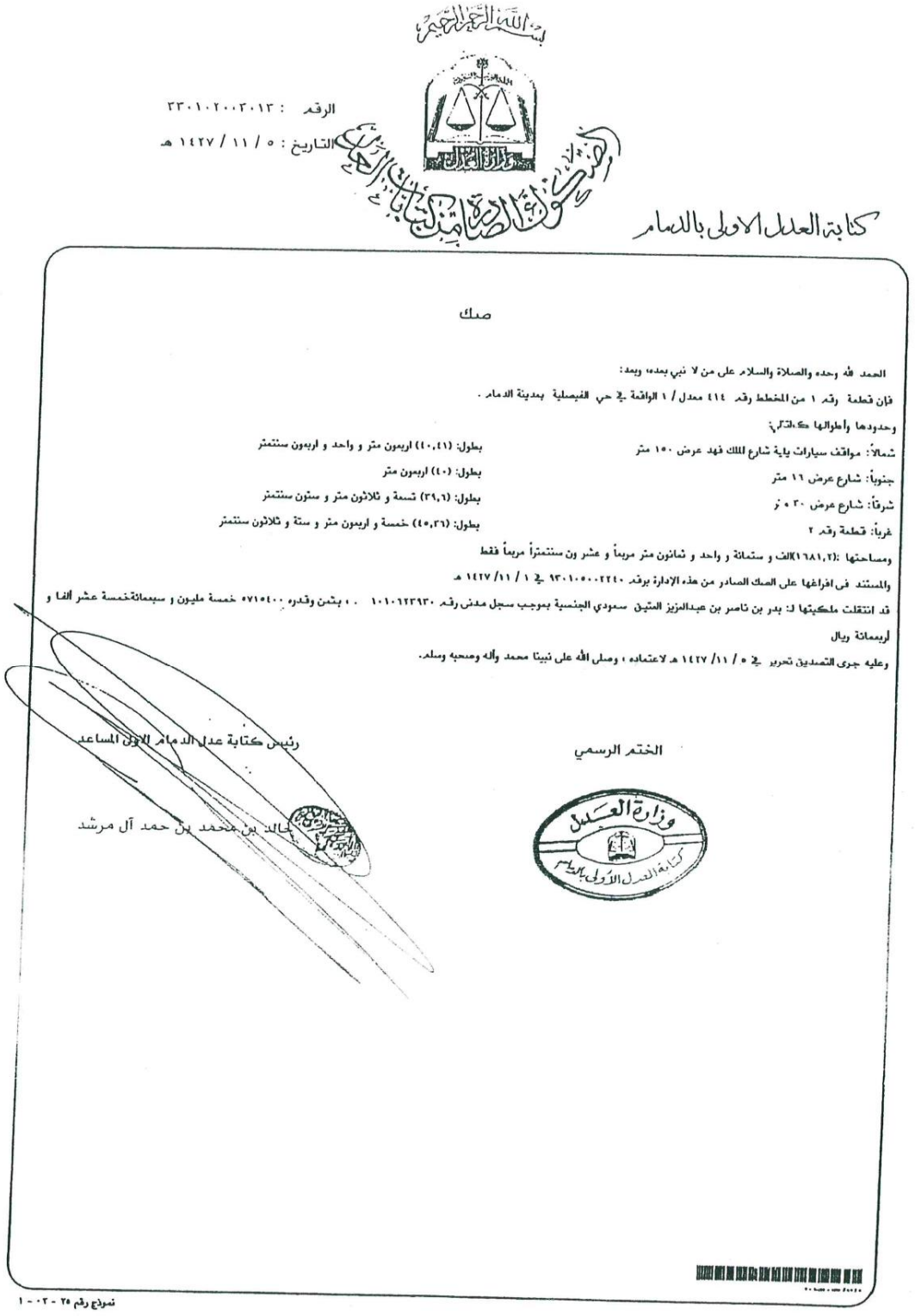
Opinion of value	
Value	15,263,000
Currency	﷼
Opinion of value (written)	Only Fifteen million two hundred sixty-three thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

7.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

7.13 Documents



بسم الله الرحمن الرحيم

الرقم : ٣٣٠١٠٢٠٠٣٠١٣
التاريخ : ٥ / ١١ / ١٤٢٧ هـ

كتابة العدل الاولى بالدمام

صك

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

فإن قطعة رقم ١ من المخطط رقم ٤١٤ معدل / ١ الواقعة في حي الفيصلية بمدينة الدمام .

وحدودها وأطوالها كالتالي:

شمالاً: مواقف سيارات باية شارع الملك فهد عرض ١٥٠ متر — بطول: (١٠،٤١) اربعون متر و واحد و اربعون سنتمتر

جنوباً: شارع عرض ١٦ متر — بطول: (٤٠) اربعون متر

شرقاً: شارع عرض ٣٠ م — بطول: (٣٩،٦) تسعة و ثلاثون متر و ستون سنتمتر

غرباً: قطعة رقم ٢ — بطول: (٤٥،٣٦) خمسة و اربعون متر و ستة و ثلاثون سنتمتر

ومساحتها :(١٦٨١،٢)الف و ستمائة و واحد و ثمانون متر مربعاً و عشر ون سنتمتراً مربعاً فقط

والمستند في افراغها على الصك الصادر من هذه الادارة برقم ٩٣٠١٠٥٠٠٢٢٤٠ في ١ / ١١/ ١٤٢٧ هـ

قد انتقلت ملكيتها لـ: بدر بن ناصر بن عبدالعزيز العتيق سعودي الجنسية بموجب سجل مدني رقم ١٠١٠٦٢٣٩٣٠ . . بثمن وقدره ٧١٥٤٠٠٠ خمسة مليون و سبعمائةخمسة عشر ألفا و اربعمائة ريال

وعليه جرى التصديق تحريرٍ في ٥ / ١١/ ١٤٢٧ هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

رئيس كتابة عدل الدمام الاولى المساعد

خالد بن محمد بن حمد آل مرشد

الختم الرسمي

وزارة العدل
كتابة العدل الأولى بالدمام

نموذج رقم ٢٥ - ٠٢ - ١

7.13 Documents

بسم الله الرحمن الرحيم

الرقم : ٤٣٠١٠١٠٠٣٩٣٠

التاريخ : ٦ / ١١ / ١٤٢٧ هـ

كتابة العدل الاولى بالدمام

الصكوك الصادرة من كتابات العدل

صك

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

فإن قطعة رقم ٢ من المخطط رقم ٤١٤ معدل / ١ الواقعة في حي الفيصلية بمدينة الدمام .

وحدودها وأطوالها كالتالي:

شمالاً: مواقف سيارات يلية شارع الملك فهد عرض ١٥٠ متر — بطول: (٤٠,٤١) اربعون متر و واحد و اربعون سنتمتر

جنوباً: شارع عرض ١٦ متر — بطول: (٤٠) اربعون متر

شرقاً: قطعة رقم ١ — بطول: (٤٥,٣٦) خمسة و اربعون متر و ستة و ثلاثون سنتمتر

غرباً: قطعة رقم ٣ — بطول: (٥١,١٢) واحد و خمسون متر و اثنى عشر سنتمتر

ومساحتها :(١٩٢٩,٦)الف و تسعمائة و تسعة و عشر ون متر مربعاً و ستون سنتمتراً مربعاً فقط

والمستند في افراغها على الصك الصادر من هذه الإدارة برقم ٩٣٠١٠١٠٠٣٩١٩ في ٥ / ١١/ ١٤٢٧ هـ

قد انتقلت ملكيتها لـ بدر بن ناصر بن عبدالعزيز العتيق سعودي الجنسية بموجب سجل مدني رقم ٦٢٣٩٣٠ [illegible] بثمن وقدره [illegible] ستة مليون و خمسمائة وثمانية و خمسون ألف و ستمائة ريال

وعليه جرى التصديق تحريراً في ٦ / [illegible] هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

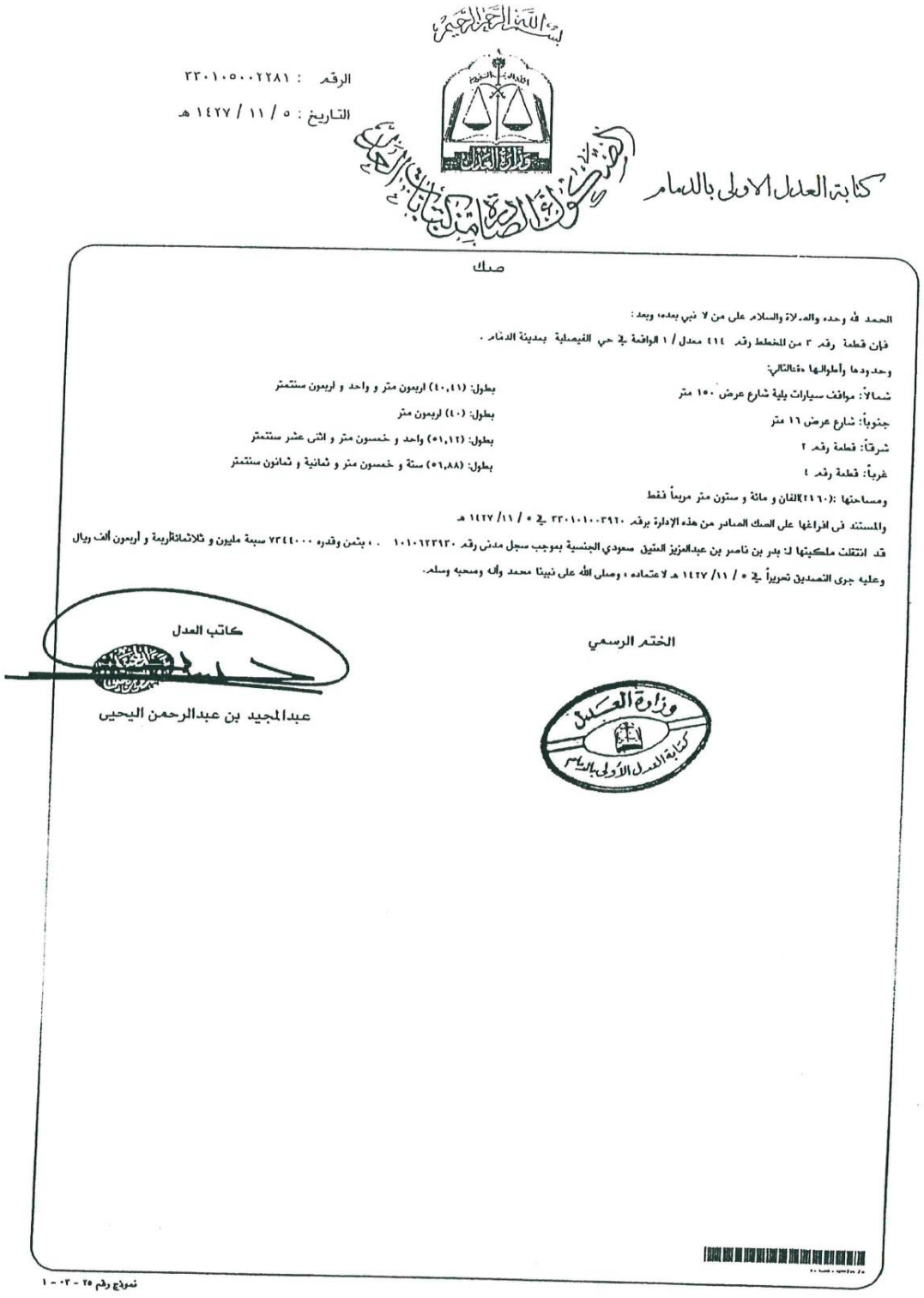
الختم الرسمي

وزارة العدل
كتابة العدل الأولى بالدمام

رئيس كتابة العدل الاولى بالدمام

سعد بن عبدالرحمن الصقر

7.13 Documents



بسم الله الرحمن الرحيم

الرقم : ٣٣٠١٠٥٠٠٢٢٨١

التاريخ : ٥ / ١١ / ١٤٢٧ هـ

وزارة العدل

كتابة العدل الاولى بالدمام

صك

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

فإن قطعة رقم ٣ من المخطط رقم ٤١٤ معدل / ١ الواقعة في حي الفيصلية بمدينة الدمام ،

وحدودها وأطوالها كالتالي:

شمالاً: مواقف سيارات بلية شارع عرض ١٥٠ متر — بطول: (٤٠,٤١) اربعون متر و واحد و اربعون سنتمتر

جنوباً: شارع عرض ١٦ متر — بطول: (٤٠) اربعون متر

شرقاً: قطعة رقم ٢ — بطول: (٥١,١٢) واحد و خمسون متر و اثنى عشر سنتمتر

غرباً: قطعة رقم ٤ — بطول: (٥٦,٨٨) ستة و خمسون متر و ثمانية و ثمانون سنتمتر

ومساحتها :(٢١٦٠)الفان و مائة و ستون متر مربعاً فقط

والمستند فى افراغها على الصك الصادر من هذه الادارة برقم ٣٣٠١٠١٠٠٣٩٢٠ في ٥ / ١١/ ١٤٢٧ هـ

قد انتقلت ملكيتها لـ: بدر بن ناصر بن عبدالعزيز الثنيان سعودي الجنسية بموجب سجل مدنى رقم ١٠١٠٦٢٣٩٣٠ ، بثمن وقدره ٧٣٤٤٠٠٠ سبعة مليون و ثلاثمائةاربعة و اربعون ألف ريال

وعليه جرى التصديق تحريراً في ٥ / ١١/ ١٤٢٧ هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

كاتب العدل

عبدالمجيد بن عبدالرحمن اليحيى

الختم الرسمي

وزارة العدل
كتابة العدل الأولى بالرياض

نموذج رقم ٢٥ - ٠٣ - ١

7.13 Documents



بسم الله الرحمن الرحيم

الرقم : ٥٣٠١٠١٠٠٣٩٣١

التاريخ : ٦ / ١١ / ١٤٢٧ هـ

كتابة العدل الاولى بالدمام

صك

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

فإن قطعة رقم ٤ من المخطط رقم ٤١٤ معدل / ١ الواقعة في حي الفيصلية بمدينة الدمام .

وحدودها وأطوالها كالتالي:

شمالاً: مواقف سيارات بلية عرض ١٥٠ متر — بطول: (٤٠,٤١) اربعون متر و واحد و اربعون سنتمتر

جنوباً: شارع عرض ١٦ متر — بطول: (٤٠) اربعون متر

شرقاً: قطعة رقم ٣ — بطول: (٥٦,٨٨) ستة و خمسون متر و ثمانية و ثمانون سنتمتر

غرباً: قطعة رقم ٥ — بطول: (٦٢,٦٤) اثنين و ستون متر و اربعة و ستون سنتمتر

ومساحتها :(٤٢٣٩٠,٤)القان و ثلاثمائة و تسعون متر مربعاً و اربعون سنتمتراً مربعاً فقط

والمستند في افراغها على الصك الصادر من هذه الإدارة برقم ٣٣٠١٠١٠٠٣٩٢٢ في ٥ / ١١/ ١٤٢٧ هـ

قد انتقلت ملكيتها لـ [illegible] بن ناصر بن عبدالعزيز العتيق سعودي الجنسية بموجب سجل مدني رقم [illegible] بثمن وقدره [illegible] ثمانية مليون و مائة وعشر بن ألف ريال.

وعليه جرى التصديق تحريرا في ٦ / ١١/ ١٤٢٧ هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

رئيس كتابة العدل الاولى بالدمام

سعد بن عبدالرحمن الصقر

الختم الرسمي

وزارة العدل
كتابة العدل الأولى بالدمام

7.13 Documents



بسم الله الرحمن الرحيم

الرقم : ٣٣٠١٠١٠٠٣٩٣٢

التاريخ : ٦ / ١١ / ١٤٢٧ هـ

وزارة العدل

كتابة العدل الاولى بالدمام

صك

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

فإن قطعة رقم ٥ من المخطط رقم ٤١٤ معدل / ١ الواقعة في حي الفيصلية بمدينة الدمام .

وحدودها وأطوالها كالتالي:

شمالاً: مواقف سيارات بلية شارع عرض ١٥٠ متر — بطول: (٤٠,٤١) اربعون متر و واحد و اربعون سنتمتر

جنوباً: شارع عرض ١٦ متر — بطول: (٤٠) اربعون متر

شرقاً: قطعة رقم ٤ — بطول: (٦٢,٦٤) اثنين و ستون متر و اربعة و ستون سنتمتر

غرباً: شارع عرض ٢٥ متر — بطول: (٦٨,٤) ثمانية و ستون متر و اربعون سنتمتر

ومساحتها :(٢٦٠٨,٣)الفان و ستمائة و ثمانية متر مربعاً و ثلاثون سنتمتراً مربعاً فقط

والمستند في افراغها على الصك الصادر من هذه الإدارة برقم ٣٣٠١٠١٠٠٣٩٢٣ في ٥ / ١١/ ١٤٢٧ هـ

قد انتقلت ملكيتها لـ: بدر بن ناصر بن عبدالعزيز العتيق سعودي الجنسية بموجب سجل مدني رقم ١٠١٠٦٢٣٩٣٠ ، بثمن وقدره ٨٨٦٧٢٠٠ ثمانية مليون و ثمانمائة وسبعة و ستون الفا و مئتين ريال

وعليه جرى التصديق تحريراً في ٦ / ١١/ ١٤٢٧ هـ لاعتماده ، وصلى الله على نبينا محمد وآله وصحبه وسلم.

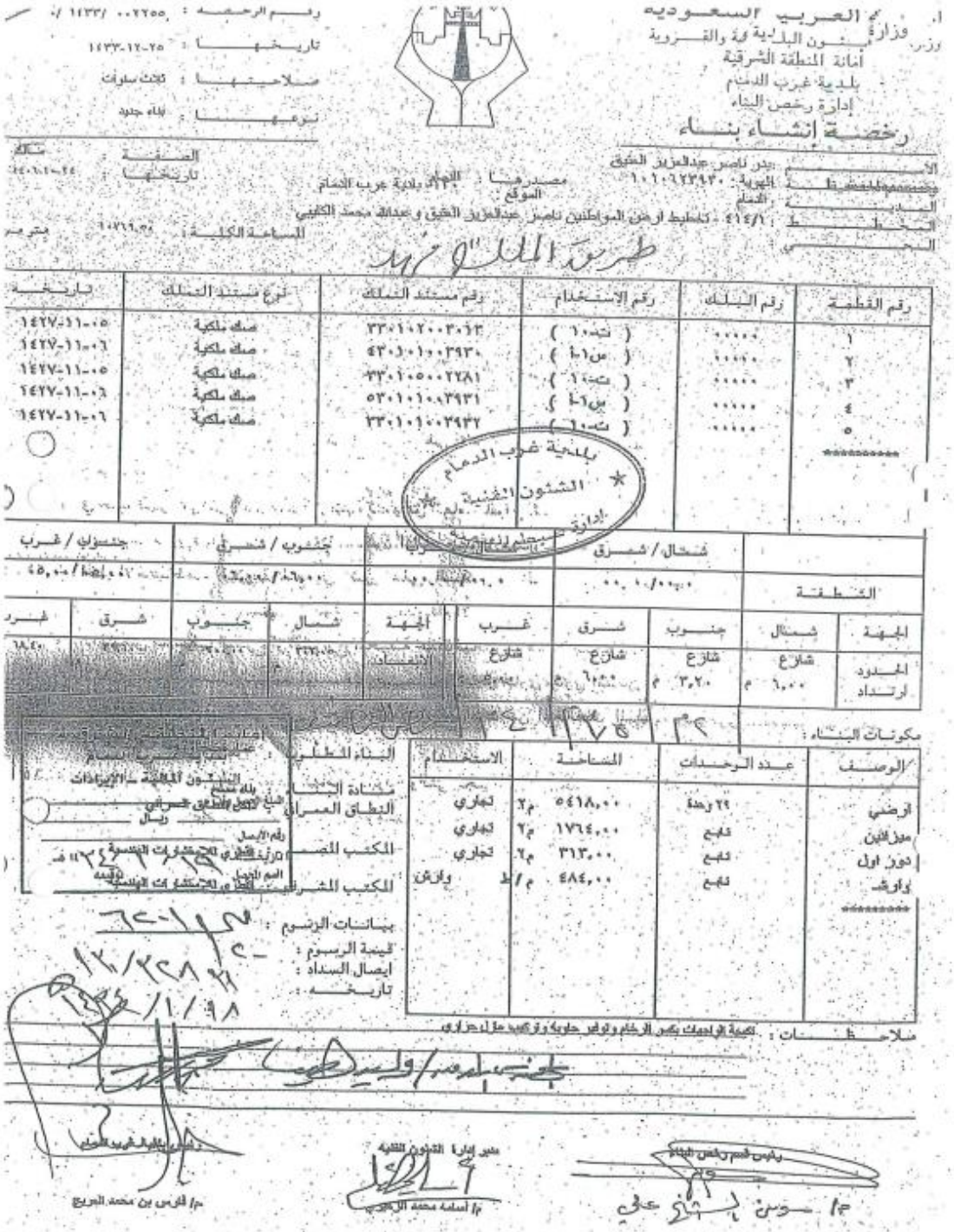
رئيس كتابة العدل الاولى بالدمام

سعد بن عبدالرحمن الصقر

الختم الرسمي

وزارة العدل
كتابة العدل الأولى بالدمام

7.13 Documents



7.13 Documents

Property	Lease Type	Unit(s)	Lease Area	Lease	Ejar Code	Customer Name	Brand Name
Faisaliya Square	Line Shop	01, 02	181.34	t0000175	20813013686	Kudu Co.[[شركة كودو للتغذية والأعلاف	Kudu [[كودو
Faisaliya Square	Line Shop	03	90.23	VACANT			
Faisaliya Square	Line Shop	04, 05	180.46	t0000177	20666519912	Al Thawaqh Food Co. Ltd [[شركة الثواقة للاغذية المحدودة	La Casa Pasta - Okashi [[كازا باستا - أوكاشي
Faisaliya Square	Line Shop	06, 07	180.03	t0000962	20795725283	Shawarmer Foods Co. Ltd. [[شركة شاورمر للاغذية المحدودة	Shawarmer [[شاورمر
Faisaliya Square	Line Shop	08	90.29	t0000548	20037850666	Makbous Restaurants and Kitchens Co, for meals food [شركة مطاعم ومطابخ مكبوس للوجبات الغذائية	Makbous Express [مكبوس اكسبريس]
Faisaliya Square	Line Shop	09	90.17	t0000295		Hospitality Board For Food Services Holding Co.[شركة دار الضيافة للخدمات الغذائية القابضة	Canton [[كانتون
Faisaliya Square	Line Shop	10	90.27	t0000180	20263770244	AL Amar Food Co. [[شركة الإمار الغذائية	Domino's Pizza [دومينوز بيتزا]
Faisaliya Square	Line Shop	11	92.34	t0001250	20795734105	Innovative Union Co. Ltd. [[شركة الإتحاد المبتكر المحدودة	Cinnabon [[سينبون
Faisaliya Square	Line Shop	12	92.22	t0001450	20412636749	Magrabi Optical Co. [[شركة مغربي للبصريات المحدودة	Dr. M [[د. م
Faisaliya Square	Line Shop	13	163.40	VACANT			
Faisaliya Square	Line Shop	14	128.75	VACANT			
Faisaliya Square	Line Shop	15	91.28	t0000847	20135703502	International taste for trading services Co. [شركة المذاق العالمي للخدمات التجارية]	Curry N Hurry [كاري ان هاري]
Faisaliya Square	Line Shop	16	91.28	t0000183	20057201044	Gulf Trading Holding Co. LTD.[[شركة الخليج للتجارة القابضة المحدودة	Al Rifai [[الرفاعي
Faisaliya Square	Line Shop	17, 18, 19	214.53	t0000876	20596507291	Branch of Arabian Company For Oud & Oriental Perfumes Trading [[فرع شركة العربية لتجارة العود و العطورات الشرقية	Arabian Oud [[العربية للعود
Faisaliya Square	Line Shop	20	72.68	VACANT			
Faisaliya Square	Line Shop	21	72.00	t0000186	20549721667	Oud Elite trading Co. [[شركة نخبة العود للتجارة	Oud Elite [[نخبة العود
Faisaliya Square	Line Shop	22	72.00	t0000340	20498990292	Axa Cooperative Insurance Co.[[شركة أكسا للتأمين التعاوني	Axa [[أكسا
Faisaliya Square	Line Shop	23	72.68	t0001523	20092291739	Obhur Almas Company is a one person company [شركة أبحر الألماس شركة شخص واحد]	Obhur Jewelry [مجوهرات أبحر]
Faisaliya Square	Line Shop	24	72.68	t0001542	20326928537	Abdulsamad Al Qurashi Stores Company for Oud, Amber and Perfumes [[شركة محلات عبدالصمد القرشي للعود والعنبر والعطور	Abdulsamad Al Qurashi [[عبدالصمد القرشي
Faisaliya Square	Line Shop	25	72.68	t0000319	20802874646	Jumeirah Trading Ltd. Co. [[شركة جميرة التجارية المحدودة	Baskin Robbins [باسكن روبنز]
Faisaliya Square	Line Shop	26, 27	153.52	t0000189	20328219056	Magrabi Optical Co. [[شركة مغربي للبصريات المحدودة	Magrabi Optical [مغربي للبصريات]
Faisaliya Square	Anchor	ANCHOR1	2,506.00	t0000228		Danube Company Ltd. [[شركة الدانوب للمواد الغذائية و الكماليات	Danube [[الدانوب
Faisaliya Square	Free Stand	FS1	722.03	t0000190	20716232858	Riyadh International Catering Corp. Ltd. [[شركة الرياض العالمية للاغذية	McDonald's [[ماكدونالدز
			5,592.86				

Amendment Type	Original Lease Start	Amendment Start	Amendment End	تاريخ توثيق العقد لدى منصة إيجار	Rent/SQM	Rent/Year	S.C/Year	Grand Total
Renewal	27-Nov-2013	1-Sep-2025	31-Aug-2028	17-Aug-2025	1,900.00	344,546.00	0.00	344,546.00
					0.00	0.00	0.00	0.00
Renewal	29-Jun-2016	1-Jan-2023	31-Dec-2027	9-Dec-2023	1,700.01	306,784.00	16,243.48	323,027.48
Renewal	21-Nov-2019	21-Nov-2024	20-Nov-2025	22-May-2025	1,955.01	351,960.00	17,598.27	369,558.27
Renewal	11-May-2017	8-Jul-2025	7-Jul-2027	8-May-2025	2,050.02	185,096.00	9,255.66	194,351.66
Original Lease	27-Aug-2014		3-Jul-2019		0.00	0.00	0.00	0.00
Renewal	5-Aug-2016	23-Jun-2024	22-Jun-2025	16-Oct-2024	1,700.01	153,460.00	7,673.05	161,133.05
Renewal	29-Oct-2021	29-Oct-2024	28-Oct-2027	2-Jun-2025	2,000.00	184,680.00	9,234.79	193,914.79
Original Lease	15-Oct-2023		14-Oct-2026	20-Jul-2023	2,200.17	202,900.00	10,145.00	213,045.00
					0.00	0.00	0.00	0.00
					0.00	0.00	0.00	0.00
Renewal	12-Jun-2018	14-Nov-2023	13-Nov-2024	27-Aug-2024	0.00	0.00	0.00	0.00
Renewal	20-Jun-2016	27-Apr-2024	26-Apr-2027	2-Sep-2024	2,055.02	187,582.00	9,379.14	196,961.14
Renewal	19-Jan-2019	27-Dec-2023	26-Dec-2026	29-May-2024	2,000.00	429,060.00	21,453.91	450,513.91
					0.00	0.00	0.00	0.00
Renewal	20-Jun-2016	8-Jul-2025	7-Jul-2026	8-May-2025	2,300.00	165,600.00	0.00	165,600.00
Renewal	20-Apr-2015	13-Feb-2025	12-Feb-2026	14-Dec-2024	2,200.00	158,400.00	7,920.00	166,320.00
Original Lease	1-Nov-2023		31-Oct-2029	12-Oct-2023	1,994.99	144,996.00	0.00	144,996.00
Original Lease	1-Jan-2024		31-Dec-2026	13-Nov-2023	1,900.00	138,092.00	6,904.35	144,996.35
Renewal	28-Nov-2014	23-Sep-2025	22-Sep-2028	24-Jul-2025	1,985.53	144,308.00	7,216.00	151,524.00
Renewal	20-Jun-2016	17-Apr-2025	16-Apr-2028	7-Jul-2025	2,145.01	329,302.00	16,469.57	345,771.57
Original Lease	1-Mar-2014		28-Feb-2034		661.50	1,657,719.00	0.00	1,657,719.00
Renewal	10-May-2013	10-May-2022	9-May-2033	5-Feb-2023	969.49	700,000.00	0.00	700,000.00
						5,784,485.00	139,493.22	5,923,978.22

7.14 Cash Flow Analysis

Cash flow analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Occupancy - 0.0%	-	88.6%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Actual property income	51,769,525.69	5,923,978.22	6,016,278.66	6,317,092.59	6,317,092.59	6,632,947.22	6,632,947.22	6,964,594.59	6,964,594.59
Maintenance & opex - 10.0%	(5,308,729.68)	(724,174.93)	(601,627.87)	(631,709.26)	(631,709.26)	(663,294.72)	(663,294.72)	(696,459.46)	(696,459.46)
Propery's net operating income	46,460,796.01	5,199,803.29	5,414,650.80	5,685,383.34	5,685,383.34	5,969,652.50	5,969,652.50	6,268,135.13	6,268,135.13
Terminal value	(25,150,000.00)	(3,050,000.00)	(3,050,000.00)	(3,050,000.00)	(3,200,000.00)	(3,200,000.00)	(3,200,000.00)	(3,200,000.00)	(3,200,000.00)
Net cash flows	21,310,796.01	2,149,803.29	2,364,650.80	2,635,383.34	2,485,383.34	2,769,652.50	2,769,652.50	3,068,135.13	3,068,135.13
Discount rate	-	1.00	0.91	0.83	0.75	0.68	0.62	0.56	0.51
Net Present Flows	15,262,560.84	2,149,803.29	2,149,682.54	2,178,002.76	1,867,305.29	1,891,709.93	1,719,736.30	1,731,882.29	1,574,438.45

KPI's	total
Present value	15,262,561
Total value	15,263,000.00

7.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a main tenant (%10) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%10), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 8

Jazala Residential Compound

8.1 Executive Summary
8.2 Reporting Methodology
8.3 Property Location Analysis
8.4 Property description and ownership
8.5 Property boundaries
8.6 Source of Information
8.7 Property photos
8.8 SWOT Analysis
8.9 Valuation approaches
8.10 Valuation Analysis
8.11 Opinion of Value
8.12 Validity of review and clarification
8.13 Documents
8.14 Terminal Value Calculation
8.15 Cash Flow Analysis
8.16 Risks Study and Analysis

8.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Jazala Residential Compound	Interest to be valued	Assumed to be a freehold
	Location	https://maps.app.goo.gl/A2YmvAcu1e2gCFrJ9		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	17/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

8.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075307	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

8.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations		- The client was requested to provide the lease contracts; however, as they were not available as of the valuation date, a document detailing the actual income and the maintenance and operating expenses of the subject property was provided instead, and its accuracy was assumed.
	Limits on analysis		-
	Limits on inspection		- The residential units were not inspected internally. It was assumed that the level of interior finishing is consistent with the exterior condition and that they are free from any structural defects.
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. Esnad retains copies of these documents for reference. • These documents: o Title deeds o Building permit o A document detailing the actual income and the maintenance and operating expenses of the subject property. • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• The opinion of value has been formed based on the assumption that the limitations on inquiries and inspection, as stated, are accurate. The value opinion is valid only if this assumption holds true.

8.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Assumptions and special assumptions	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• It was assumed that the property is free from any regulatory restrictions or ownership limitations that could affect its transfer or use, and the opinion of value was formed based on this assumption. • The valuation has been conducted on the assumption that the lands are consolidated under a single title deed, and the opinion of value has been based on this special assumption.

8.1 Executive Summary

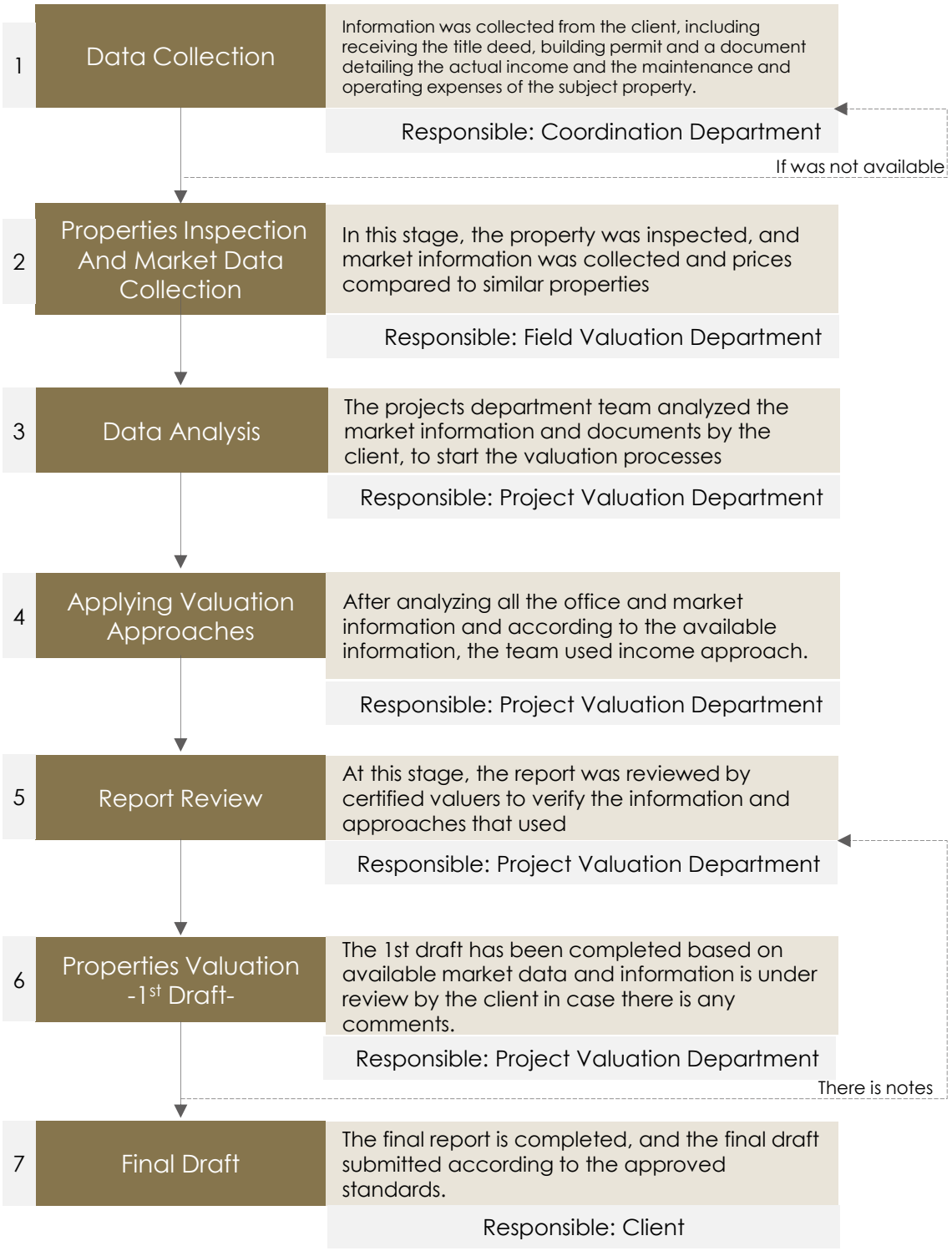
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	142,990,000
	Written	Only One hundred forty-two million nine hundred ninety thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Muwaffaq Al-Ghamdi		1210002424	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Mustafa Magdy Sorour		1220003381	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Babahr		1220001954	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

8.2 Reporting Methodology

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



8.3 Property Location Analysis

Description of the property at the city level	
About Al-Khobar city	Al Khobar is located in the eastern part of the Kingdom of Saudi Arabia, specifically along the eastern coast of the Red Sea; its eastern boundaries overlook the Arabian Gulf, and the city covers a geographical area of approximately 750 km². Al Khobar is distinguished as the main gateway to the causeway linking Saudi Arabia and Bahrain, and it is considered one of the largest coastal cities in the Kingdom



Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
Al Khobar Corniche	9.3 km	Al Khobar Mall	5 km
Avenues Al Khobar Project	650 m	Dhahran Hills Park	10.5 km

8.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property's area is distinguished by its strategic location within the city of Al Khobar, as it is situated along several main roads such as King Fahd bin Abdulaziz Road and King Saud Road. The property area is bounded to the north by parts of Qurtoba District. To the south, it is bordered by Prince Sultan Road, followed by Al Andalus District and Al Jawhara District. To the east, it is bordered by King Fahd bin Abdulaziz Road, followed by Al Rakah Al Janubiyah District. To the west, it is bordered by King Saud Road, followed by Al Doha Al Shamaliyah District.
Description of the district	Qurtoba District is located in the northern part of Al Khobar and is distinguished by its strategic location, as it lies along several main roads such as King Fahd bin Abdulaziz Road and Prince Sultan Road.
Accessibility	The property is easily accessible through several roads and streets, most notably King Saud Road, on which the subject property is located.



Satellite photo shows property location

8.4 Property description and ownership

Ownership information (based on title deeds)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	930209003805	Title deed date	05/02/1440 H
	430205017170		
Building permit number	According to the building permit	Building permit date	According to the building permit

Property Information				
Province	Eastern Provenance		City	Al-Khobar
District	Qurtoba		Street	King Saud Road
Parcel no.	22	23	Plan no.	2/41
Property Type	Residential Compound		Notes	The property is mortgaged to Al Rajhi Banking Investment Corporation
Coordinates	26.336713° North		50.179676° East	
Google map	https://maps.app.goo.gl/A2YmvAcu1e2gCFrJ9			

Property description			
Land area based on title deeds	29,486.73 m²	Land level	Flat
Land area based on satellite imagery	-	Land shape	Irregular
Notes	–		



Satellite photo shows property location

8.5 Property boundaries & lengths

Property Dimensions (Based on the title deed plot no. 22)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	81.96	Unnamed street	Commercial	30
South	139.73	Neighbor	-	-
East	130	Neighbor	-	-
West	142.46	King Saud Road	Commercial	60

Property Dimensions (Based on the title deed plot no. 23)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	89.73	Neighbor	-	-
South	140.3	Unnamed street	Commercial	30
East	130	Neighbor	-	-
West	139.57	King Saud Road	Commercial	60

Property specifications		
Structure	BUA	17,170.10 m² (based on the building permit)
	Parking area	1,295.55 m² (based on the building permit)
	Floors	Ground floor + First floor + Upper annex
	Age	10 years
	No. of villas	101
	Conditioning type	Central
	Finishing	Good
	Facilities	Green spaces, children's play area, swimming pool
	Elevators	-
Zoning The Geographic Explorer of the Eastern Province	Use	Commercial
	Maximum footprint	50%
	FAR	5
	Maximum floors	10 floors
Notes		-

8.5 Property boundaries & lengths

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

8.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 17/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

8.7 Property photos













8.7 Property photos













8.7 Property photos

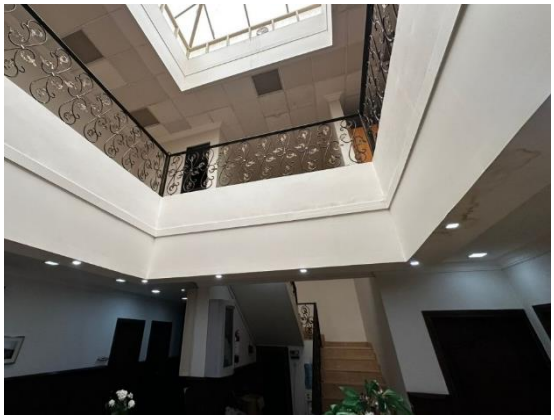












8.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property is distinguished by its location on Prince Sultan Road. • The subject property is located near The Avenues Al Khobar project, one of the city's important projects, which includes commercial areas, entertainment spaces, and towers that include hotels, offices, event halls, and exhibitions.
Weakness	• No weaknesses are observed at the property area
Opportunities	• Aramco Stadium is a major sports project currently under construction in the city of Al Khobar, Saudi Arabia, and is expected to open in 2026. It is part of Saudi Arabia's Vision 2030 to enhance sports infrastructure and host global events • Roshn Al Danah Project is an integrated residential community developed by Roshn Group, a subsidiary of Saudi Arabia's Public Investment Fund (PIF). It is the group's sixth project across the Kingdom and its first in the city of Dhahran in the Eastern Province
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

8.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

8.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

8.10 Valuation Analysis

8.10.1 Income Approach - Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

8.10.1.1 Property Income Data:

The client provided us with the property income details as follows:

- Actual Property Income: 6,469,032.17 SAR/ year.
- Maintenance and Operating Expenses: 1,440,828.42 SAR/ year
- Occupancy Rate: 92%

8.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **101 Residential Villas.**
- **A commercial showroom with a leasable area of 100 m².**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

8.10 Valuation Analysis

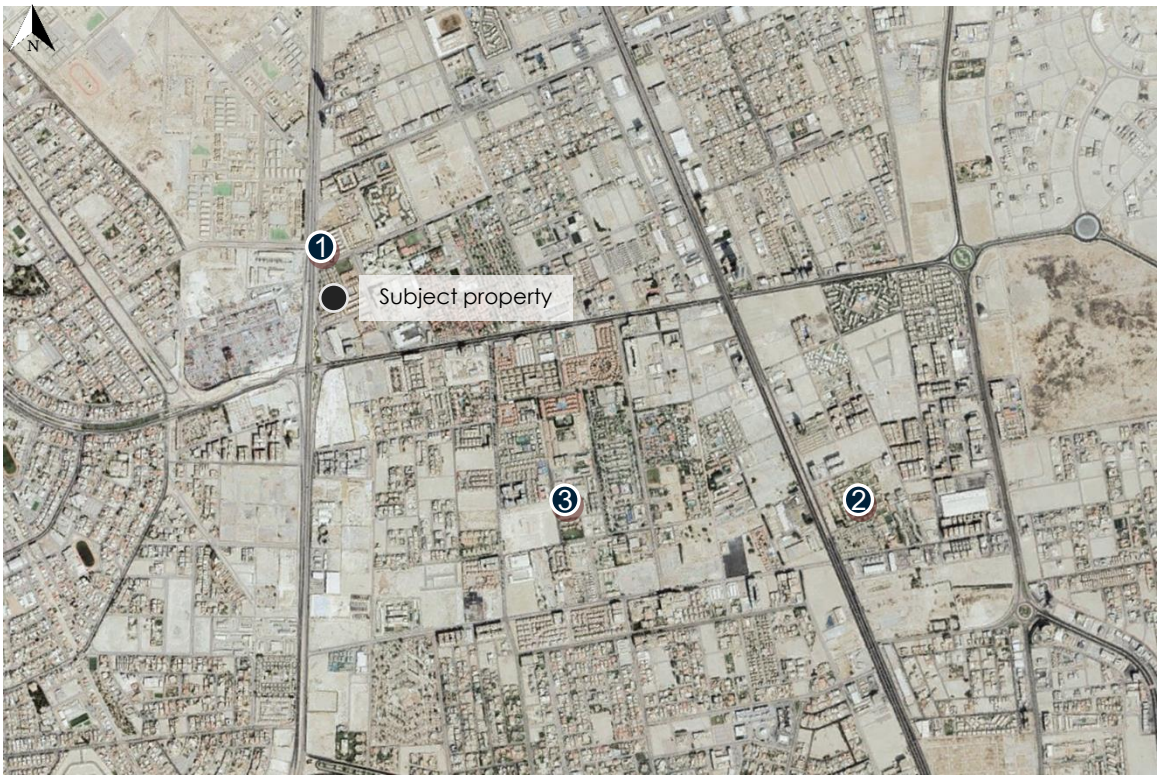
8.10.1 Income Approach - Discounted Cash Flow Method

8.10.1.2 Market Rent

8.10.1.2.1 Market approach – comparable transactions (Residential villas)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**lease value/ year**
Property 1	Transaction	2025	222	SAR 120,000
Property 2	Transaction	2025	210	SAR 115,302
Property 3	Transaction	2025	218	SAR 112,713



Satellite photo showing subject property and comparables

8.10 Valuation Analysis

8.10.1 Income Approach - Discounted Cash Flow Method

8.10.1.2 Market Rent

8.10.1.2.2 Relative adjustment table – Residential villas

Comparison Criteria		Subject property	Comparable 1		Comparable 2		Comparable 3	
			Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction date		-	1/12/2025		1/12/2025		1/12/2025	
Rental value		-	SAR 120,000		SAR 115,302		SAR 112,713	
Type of transaction		-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market condition		-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Adjustment value			0.00		0.00		0.00	
Adjusted value			SAR 120,000		SAR 115,302		SAR 112,713	
Accessibility		Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location		Good	Good	0.0 %	Good	0.0 %	Good	0.0 %
Finishing		Good	Good	0.0 %	Good	0.0 %	Good	2.5 %
Building age		20 years	20 years	0.0 %	20 years	0.0 %	12 years	-4.0 %
Available services	Fire extinguishing system	✓	✓	-5.0 %	✓	-5.0 %	✓	5.0 %
	Playlot	✓	✓		✓		✓	
	Green spaces	✓	✓		✓		X	
	Swimming pool	✓	✓		✓		✓	
	security services	✓	✓		✓		✓	
	Mini Market	X	✓		✓		X	
	Gym	✓	✓		✓		✓	
Adjustment value		-	-SAR 6,000	-5.0 %	-SAR 5,765	-5.0 %	SAR 3,945	3.5 %
Adjusted value		-	SAR 114,000		SAR 109,537		SAR 116,658	
Weighting		-	45 %		20 %		35 %	
Subject Property Adjusted Value		-	SAR 114,000					

- A weighted average was adopted to estimate the annual rental value, assigning the greatest weight to Comparable No. (1), as it represents the most appropriate comparison due to its higher similarity to the subject property
- No negotiation percentage was deducted from the comparisons shown above as they were executed deals.

Total number of villas	101
Annual rental value per villa (SAR/year)	114,000
Total rental value of villas (SAR/year)	11,514,000

The number of villas was determined based on the data submitted by the client.

8.10 Valuation Analysis

8.10.1 Income Approach - Discounted Cash Flow Method

8.10.1.2 Market Rent

8.10.1.2.3 Market approach – comparable transactions (showrooms)

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**lease value/ m²**
Property 1	Transaction	2025	164	SAR 801
Property 2	Transaction	2025	129	SAR 794
Property 3	Transaction	2025	62	SAR 460



Satellite photo showing subject property and comparables

8.10 Valuation Analysis

8.10.1 Income Approach - Discounted Cash Flow Method

8.10.1.2 Market Rent

8.10.1.2.4 Relative adjustment table – showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	21/12/2025		31/08/2025		26/11/2026	
Value/m²	-	801 SAR/m²		794 SAR/m²		460 SAR/m²	
Transaction type	-	Transaction	% 0.0	Transaction	% 0.0	Transaction	% 0.0
Market condition	-	Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
Property type	Retail	Retail	% 0.0	Retail	% 0.0	Retail	% 0.0
target clientele	Compound residance	Neighboring residance	% 20.0-	Neighboring residance	% 20.0-	Compound residance	% 0.0
Adjustment value		160.20-		158.80-		0.00	
Adjusted value		641 SAR/m²		635 SAR/m²		460 SAR/m²	
Accessibility	Easy	Easy	% 0.0	Easy	% 0.0	Easy	% 0.0
Location	Good	Good	% 0.0	Good	% 0.0	Good	% 0.0
Finishing	Good	Very good	% 5.0-	Very good	% 5.0-	Good	% 0.0
property age	years 20	years 11	% 4.5-	years 20	% 0.0	years 20	% 0.0
area	100.00	164.00	% 3.2	129.00	% 1.5	62.00	% 3.1-
Adjustment value	-	-40 SAR/m²	% 6.3-	-23 SAR/m²	% 3.6-	-14 SAR/m²	% 3.1-
Adjusted value	-	600 SAR/m²		613 SAR/m²		446 SAR/m²	
Weighting	-	% 25		% 35		% 40	
Subject Property Adjusted Value (SAR/m²)	-	540 SAR/m²					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation percentage was deducted from the comparisons shown above as they were executed deals.

Total leasable area (m²)	100
Rental cost per square meter (SAR/m²)	540
Total rental value (SAR)	54,000

The rental space was determined based on the data sent by the client.

8.10 Valuation Analysis

8.10.1 Income Approach – Discounted Cash Flow Method

8.10.1.2 Market Rent

Rental value of villas (SAR/year)	11,514,000
Rental value of showroom (SAR/year)	54,000
Total rental value of the property (SAR/year)	11,568,000
Vacancy rate (10%)	(1,156,800)
Actual property annual income (SAR)	10,411,200
Maintenance and operation rate (15%)	(1,561,680)
Net annual income (SAR)	8,849,520

8.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference SAR
Net income	5,028,203.75	8,849,520	(3,821,316.25) SAR
Result	We found that the income data provided by the client does not reflect market conditions, particularly with regard to the property's net income. Accordingly, the client's income was used as a primary input in the valuation process for the first year of the cash flows, after which market-based income was adopted from the second year through to the end of the cash flow period, with discount and capitalization rates applied based on market data.		

8.10.1.4 Project assumptions

- A growth rate of 2.5% per annum in the property's income was assumed from the second year until the end of the cash flow period
- Maintenance and operating expenses were assumed at 15% of the property's actual income, from the second year until the end of the cash flow period
- A vacancy rate of 10% was assumed from the second year until the end of the cash flow period.

Project assumptions	
Project period	10 years
Cap rate	7%
Discount rate	9.3%

8.10 Valuation Analysis

8.10.1 Income Approach – Discounted Cash Flow Method

8.10.1.5 Calculation of the property's terminal value at the end of the cash flow period.

The residual value of the subject property at the end of the cash flow period was calculated based on the land value only, as outlined on pages 241 and 242, with an assumed annual growth rate of 2.50% reflecting market trends in the area. This is due to the property not being developed to its highest and best use, making the land value the primary factor in determining the residual value.

Year	Growth rate %	Land value (SAR)
1	0%	141,536,304
2	2.5%	145,074,711.60
3	2.5%	148,701,579.39
4	2.5%	152,419,118.87
5	2.5%	156,229,596.85
6	2.5%	160,135,336.77
7	2.5%	164,138,720.19
8	2.5%	168,242,188.19
9	2.5%	172,448,242.90
10	2.5%	176,759,448.97

8.10.1.6 Capitalization rate analysis

Capitalization rate analysis					
Property No.	**City**	**Sector**	**Property value**	**Net income**	**Cap rate**
Property 1	Al-Khobar	Residential complex	SAR 152,767,500	SAR 12,099,142	7.92%
Property 2	Al-Khobar	Residential complex	SAR 18,018,000	SAR 11,704,110	8.42%
Property 3	Al-Khobar	Residential building	SAR 23,561,000	SAR 4,038,085	7.98%

- The capitalization rate was derived from the above-mentioned comparables, with the necessary adjustments made to reflect the condition of the property. Accordingly, the cap rate was estimated at 7%.

8.10 Valuation Analysis

8.10.1 Income Approach – Discounted Cash Flow Method

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 9.3% to reflect the risks associated with the property.
Appendix No. (8.16) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	1.0%	**Valuer's estimate of the market**
Discount rate	9.3%	

Valuation result:

Discounted cash flow value	142,989,506.19 SAR

8.11 Valuation Result

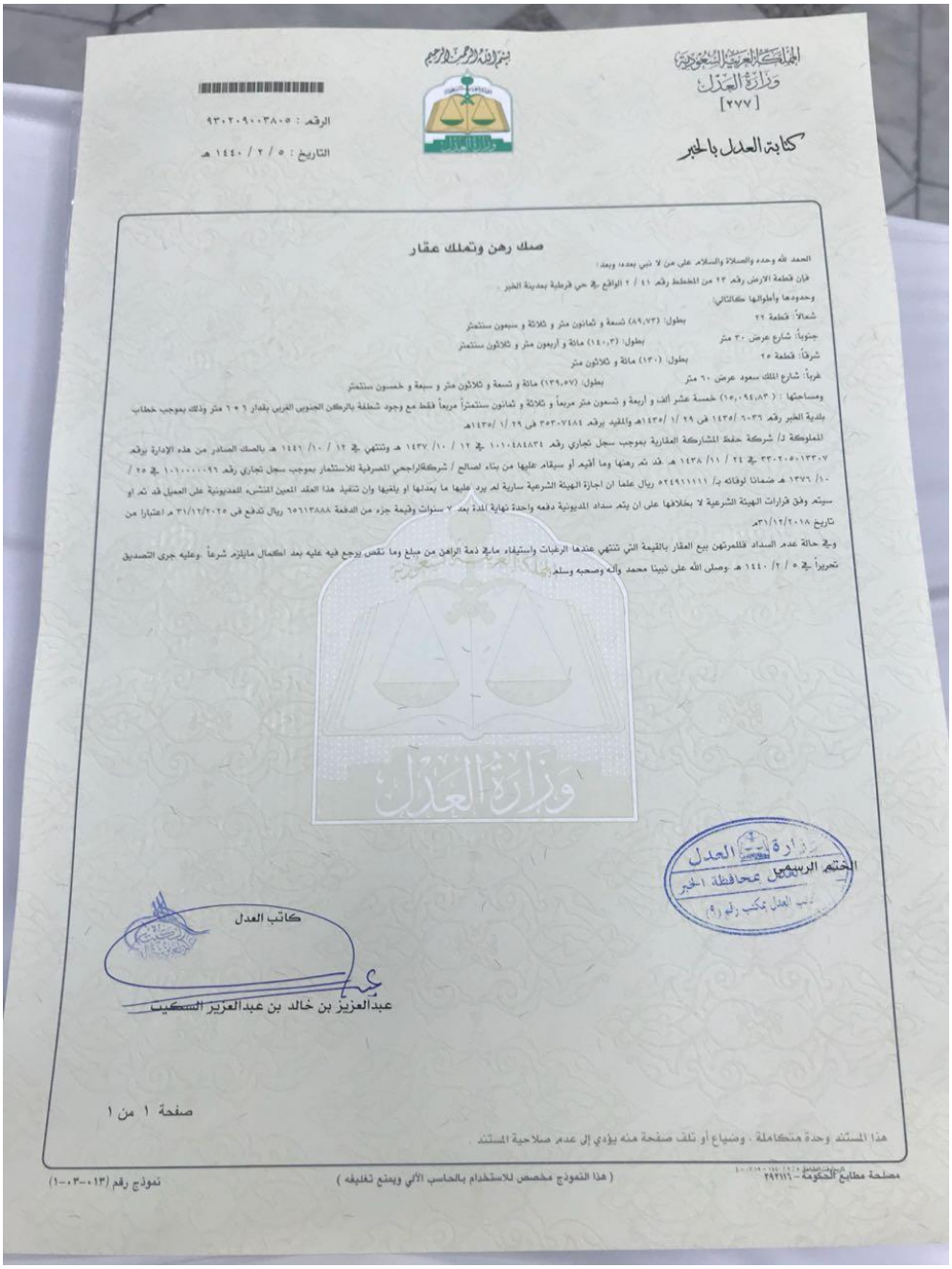
Opinion of value	
Value	142,990,000
Currency	﷼
Opinion of value (written)	Only One hundred forty-two million nine hundred ninety thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

8.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

8.13 Documents



المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة العدل بالخبر

بسم الله الرحمن الرحيم

الرقم : ٩٣٠٢٠٩٠٠٣٨٠٥
التاريخ : ٥ / ٢ / ١٤٤٠ هـ

صك رهن وتملك عقار

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد:
فإن قطعة الارض رقم ٢٢ من المخطط رقم ٤١ / ٢ الواقع بـ حي قرطبة بمدينة الخبر
وحدودها وأطوالها كالتالي:
شمالاً: قطعة ٢٢ بطول: (٨٩,٧٣) تسعة و ثمانون متر و ثلاثة و سبعون سنتمتر
جنوباً: شارع عرض ٣٠ متر بطول: (١٤٠,٣) مائة و أربعون متر و ثلاثون سنتمتر
شرقاً: قطعة ٢٥ بطول: (١٣٠) مائة و ثلاثون متر
غرباً: شارع الملك سعود عرض ٦٠ متر بطول: (١٣٩,٥٧) مائة و تسعة و ثلاثون متر و سبعة و خمسون سنتمتر
ومساحتها : (١٥,٠٩٤,٨٣) خمسة عشر الف و أربعة و تسعون متر مربعاً و ثلاثة و ثمانون سنتمتراً مربعاً فقط مع وجود شطفة بالركن الجنوبي الغربي بقدار ٢٠٩١ متر وذلك بموجب خطاب بلدية الخبر رقم ٦٠٣٦ /١٤٣٥ في ٢٩ /١ /١٤٣٥هـ والمقيد برقم ٣٥٣٠٧٨٤ في ٢٩ /١ /١٤٣٥هـ
المملوكة لـ/ شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ بـ ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي بـ ١٢ / ١٠/ ١٤٤١ هـ بالصك الصادر من هذه الإدارة برقم ٣٣٠٢٠٥٠١٣٣٠٧ بـ ٢٤ / ١١/ ١٤٣٨ هـ. فقد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ بـ ٢٥ / ١٠/ ١٤٣٦ هـ ضمانا لوفائه بـ/ ٥٢٤٩١١١١١ ريال علما ان اجازة الهيئة الشرعية سارية لم يرد عليها ما يعدلها او يلغيها وان تنفيذ هذا العقد المعين المنشره للمديونية على العميل قد تم او سيتم وفق قرارات الهيئة الشرعية لا بخلافها على ان يتم سداد المديونية دفعه واحدة نهاية المدة ٧ سنوات وقيمة جزء من الدفعة ٦٥٦١٣٨٨٨ ريال تدفع في ٣١/١٢/٢٠٢٥ هـ اعتبارا من تاريخ ٣١/١٢/٢٠١٨م
وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء مافي ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكتمال مايلزم شرعاً .وعليه جرى التصديق تحريراً بـ ٥ / ٢/ ١٤٤٠ هـ .وصلى الله على نبينا محمد وآله وصحبه وسلم.

كاتب العدل
عبدالعزيز بن خالد بن عبدالعزيز السكيت

الختم الرسمي لكتابة العدل محافظة الخبر
كتابة العدل بمكتب رقم (٩)

صفحة ١ من ١

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

مصلحة مطابع الحكومة - ٢٩٢١١٦ (هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه) نموذج رقم (١٣-٠٣-١)

8.13 Documents



المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة العدل بالخبر

بسم الله الرحمن الرحيم

الرقم : ٤٣٠٢٠٥٠١٧١٧٠
التاريخ : ٥ / ٢ / ١٤٤٠ هـ

صك رهن وتملك عقار

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

فإن قطعة الارض رقم ٢٢ من المخطط رقم ٤١ / ٢ الواقع في حي قرطبة بمدينة الخبر .

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ٣٠ متر بطول: (٨١,٩٦) واحد و ثمانون متر و ستة و تسعون سنتمتر

جنوباً: قطعة رقم ٢٣ /٢٥ بطول: (١٣٩,٧٣) مائة و تسعة و ثلاثون متر و ثلاثة و سبعون سنتمتر

شرقاً: قطعة ٢٤ بطول: (١٣٠) مائة و ثلاثون متر

غرباً: شارع الملك سعود عرض ٦٠ متر بطول: (١٤٢,٤٦) مائة و اثنين و أربعون متر و ستة و أربعون سنتمتر

ومساحتها : (١٤,٣٩١,٩) أربعة عشر ألفا و ثلاثمائة و واحد و تسعون متر مربعاً و تسعون سنتمتراً مربعاً فقط رينس بلديه محافظة الخبر برقم ٦٠٣٣ في ٢٩ / ١ / ١٤٣٥ والمقيد لدينا برقم ٣٥٣٠٧٣٦٢ في ٢٩ / ١ / ١٤٣٥ المملوكة لـ/ شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ في ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي في ١٢ / ١٠/ ١٤٤١ هـ بالصك الصادر من هذه الإدارة برقم ٣٣٠٢٠٥٠١٣٣٠٨ في ٢٤ / ١١/ ١٤٣٨ هـ .قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠/ ١٣٧٦ هـ ضمانا لوفائه بـ/ ٥٢٤٩١١١١١ ريال بموجب عقد بيع اجل رقم ١٨٨١١٣٣٦ في ٢٩ / ٧ / ١٤٣٩ هـ والمجاز من الهئية الشرعية رقم ١٠٧٥ في ٧ / ٩ / ١٤٣٦ هـ علماً ان اجازة الهئية الشرعية سارية لم يرد عليها مايعدلها او يلغيها على ان يتم سداد المديونية دفعه واحدة نهاية المدة بعد ٧ سنوات وقيمة جزء من الدفعة ٦٥٦١٣٨٨٨ ريال تدفع في ٣١/ ١٢ /٢٠٢٥ ميلادى اعتباراً من تاريخ ٣١ / ١٢ / ٢٠١٨ م

وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً .وعليه جرى التصديق تحريراً في ٥ / ٢/ ١٤٤٠ هـ .وصلى الله على نبينا محمد وآله وصحبه وسلم.

كاتب العدل
عبدالله بن محمد بن عبدالله الشهري

الختم الرسمي
وزارة العدل
كتابة العدل بمحافظة الخبر
كاتب العدل بمكتب رقم (٥)

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

صفحة ١ من ٢
نموذج رقم (٠١٢-٠٣-١)
(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه)
مصلحة مطابع الحكومة - ٢٨٣٠٢٢

8.13 Documents

المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
أمانة المنطقة الشرقية
رخصة إنشاء

تابع

رقم الرخصة : ٤/ ١٤٣١/ ٠١٠٤٩٠
تاريخها : ١٤٤٣-١١-٠٦
صلاحيتها : سنة
نوعها : نقل ملكية

الاسم : شركة / حفظ المشاركة العقارية
رقم الحفيظة : السجل : ١٠١٠٤٨٤٨٣٤
المدينة : الخبر
المخطط : ٢/٤١ - إعادة تخطيط جزء من ارض سمو الأمير عبدالله الفيصل بالخبر
الحي : غير معروف

الصفة : الرياض
تاريخها : ٤٣٧-١٠-١٢
مصدر الصك : ٢٦٠ - بلدية مدينة الخبر
المساحة الكلية : ١٩٤٨٦,٧٣ متر مربع

رقم القطعة	رقم البلك	رمز الاستخدام	رقم مستند التملك	نوع مستند التملك	تاريخه

الشطفة	شمال / شرق	شمال / غرب	جنوب / شرق	جنوب / غرب
	٠٠,٠ / ٠٠,٠	٠٦,٠٠ / ٠٦,٠٠	٠٠,٠ / ٠٠,٠	٠٦,٠٠ / ٠٦,٠٠

الجهه	شمال شارع	جنوب شارع	شرق جار	غرب شارع	الجهة	شمال ٨١,٩٦	جنوب ١٤٠,٣٠	شرق ٢٦٠,٠٠	غرب ٢٨١,٨٣
الحدود ارتداد	٦,٠٠ م	٦,٠٠ م	٢,٠٠ م	٦,٠٠ م	الأبعاد البروز	م	م	م	م

مكونات البناء :

الوصف	عدد الوحدات	المساحة	الاستخدام
سور	تابع	٧٦٤,٠٩ م / ط	سور
وارش	تابع	١١١,٠٩ م / ط	وارش
*********			

البناء المطلوب : سكني
مادة البناء : بناء مسلح
النطاق العمراني : داخل النطاق العمراني
المكتب المصمم : الويران
المكتب المشرف :
بيانات الرسوم :
قيمة الرسوم :
ايصال السداد :
تاريخه :

ملاحظات :
* الترخيص نقل ملكية فقط . * حسب محضر اللجنة رقم ٨/٨ في ١٤٢٦/٨/٩هـ .

المهندس المختص
م / موسى الشيخ

رئيس قسم ضبط التنمية
م / مشعل بن الحميدي العربي

رئيس بلدية الخبر
م / سلطان حامد الزايدي

8.13 Documents



المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
أمانة المنطقة الشرقية
رخصة إنشاء

رقم الرخصة : ٠٦٠٤٩٠ / ١٤٣١ / ٤
تاريخها : ١٤٤٣-١١-٠٦
صلاحيتها : سنة
نوعها : نقل ملكية

الاسم : شركة / حفظ المشاركة العقاريه
رقم الحفيظة : السجل : ١٠١٠٤٨٤٨٢٤
المدينة : الخبر
المخطط : ٢/٤١ - اعادة تخطيط جزء من ارض سمو الأمير عبدالله الفيصل بالخبر
الحي : غير معروف

مصدرها : الرياض - بلدية مدينة الخبر
الموقع :

الصفة : مالك
تاريخها : ١٤٣٧-١٠-١٢

المساحة الكلية : ٢٦٤٨٦,٧٣ متر مربع

رقم القطعة	رقم البلك	رمز الاستخدام	رقم مستند التملك	نوع مستند التملك	تاريخه
٢٢	٠٠٠٠٠	(س١-أ)		صك ملكية	١٤٣٨-١١-٢٤
٢٣	٠٠٠٠٠	(س١-أ)		صك ملكية	١٤٣٨-١١-٢٤
**********					

	شمال / شرق	شمال / غرب	جنوب / شرق	جنوب / غرب
الشطفة	٠٠,٠ / ٠٠,٠	٠٦,٠٠ / ٠٦,٠٠	٠٠,٠ / ٠٠,٠	٠٦,٠٠ / ٠٦,٠٠

الجهه	شمال	جنوب	شرق	غرب
الحدود ارتداد	شارع ٦,٠٠ م	شارع ٦,٠٠ م	جار ٢,٠٠ م	شارع ٦,٠٠ م

الجهة	شمال	جنوب	شرق	غرب
الأبعاد البروز	٨١,٩٦ م	١٤٠,٣٠ م	٢٦٠,٠٠ م	٢٨١,٨٣ م

مكونات البناء :

الوصف	عدد الوحدات	المساحة	الاستخدام
ارضي	تابع	٧٧٠,٤١ م٢	خدمات
ارضي	خمسة وستون وحدة	٥٩٩٨,٥٥ م٢	سكني
ارضي	تابع	٣٥٨,٥٠ م٢	مكاتب
ارضي	تابع	١٢٩٥,٥٥ م٢	م٠سيارات
دور اول	تابع	٨٤٩,٤٧ م٢	خدمات
دور اول	تابع	٧٢٨٥,٢٠ م٢	سكني
دور اول	تابع	٣٨٣,٦٨ م٢	مكاتب
دور ثاني	تابع	١٥٢٤,٢٩ م٢	ملحق سكن

البناء المطلوب : سكني
مادة البناء : بناء مسلح
النطاق العمراني : داخل النطاق العمراني
المكتب المصمم : الوبران
المكتب المشرف :
بيانات الرسوم :
قيمة الرسوم :
ايصال السداد :
تاريخه :

ملاحظات :

* الترخيص نقل ملكية فقط ٨٠٠ حسب محضر اللجنة رقم ٨/٨ في ١٤٢٩/٨/٩هـ

المهندس المختص
م / موسى الشيخ
٦/١١/١٤٤٢هـ

رئيس قسم ضبط التنمية
م/ مشعل بن العميدي العربي

رئيس بلدية الخبر
م / سلطان حامد الزايدي

8.13 Documents

Revenue - Property Wise

	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	Complete Year 2025 Income
Ajzala	1,630,931.51	1,670,822.36	**3,301,753.86**	1,630,363.24	1,536,915.07	**3,167,278.30**	**6,469,032.17**

Property Operating Expenses

	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	Complete Year 2025 Operating Profit
Ajzala	222,972.02	405,054.30	**628,026.32**	349,705.71	463,096.39	**812,802.10**	**1,440,828.42**

Operating Profit / (loss)

	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	Complete Year 2025 Operating Profit
Ajzala	1,407,959.49	1,265,768.06	**2,673,727.54**	1,280,657.53	1,073,818.68	**2,354,476.20**	**5,028,203.75**

8.14 Terminal Value Calculation

8.14.1 Market approach – comparable transactions (Land comparison)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**value/ m²**
Property 1	Transaction	2025	8,664	SAR 6,000
Property 2	Transaction	2024	15,000	SAR 4,000
Property 3	Transaction	2025	2,546	SAR 7,000



Satellite photo showing subject property and comparables

8.14 Terminal Value Calculation

8.14.2 Relative adjustment table (Land comparison)

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	2/12/2025		9/10/2024		11/27/2024	
Value/m²	-	6,000 SAR/m²		4,000 SAR/m²		7,000 SAR/m²	
Transaction Type	-	Transaction	% 0.0	Transaction	% 0.0	Transaction	% 0.0
Market Conditions	-	Low	% 1.8	Low	% 2.7	Low	% 2.4
Land use	Commercial	Commercial	% 0.0	Commercial	% 0.0	Commercial	% 0.0
Maximum allowed floors	floors 10	floors 10	% 0.0	floors 10	% 0.0	floors 10	% 15.0-
adjustment value		108.00		108.00		882.00-	
Adjusted value		6,108 SAR/m²		4,108 SAR/m²		6,118 SAR/m²	
Accessibility	Easy	Easy	% 0.0	Easy	% 0.0	Easy	% 0.0
Location	Very good	Very good	% 0.0	Very good	% 0.0	Very good	% 0.0
No. of facades	3	3	% 0.0	1	% 3.0	3	% 0.0
Land Shape	Irregular	Regular	% 10.0-	Regular	% 10.0-	Regular	% 10.0-
Street Witdh (m)	60	60	% 0.0	60	% 0.0	60	% 0.0
Commercial length (m)	282.03	62.5	% 7.3	100.4	% 6.1	39.7	% 8.1
Land depth	140.3	109.5	% 1.0-	150.6	% 0.3-	70	% 2.3-
Area	29,486.73	8,664.00	% 6.0-	15,000.00	% 2.4-	2,546.00	% 26.5-
adjustment value	-	-593 SAR/m²	-9.7 %	-148 SAR/m²	-3.6 %	-1,875 SAR/m²	-30.7 %
Adjusted value	-	5,515 SAR/m²		3,960 SAR/m²		4,243 SAR/m²	
Weighting	-	% 50		% 30		% 20	
Subject property weighted value	-	4,800 SAR/m²					

- A weighted average was adopted to estimate the value per square meter, assigning the greatest weight to Comparable No. (1), as it represents the most appropriate comparison due to its higher similarity to the subject property
- No negotiation adjustment was applied to the above comparables as they represent executed transactions.

Land area (m²)	29,486.73
Price per square meter (SAR/m²)	4,800
Total land value (SAR)	141,536,304

8.15 Cash Flow Analysis

Cash flow analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Total property income	124,501,752.46	6,469,032.17	11,857,200.00	12,153,630.00	12,457,470.75	12,768,907.52	13,088,130.21	13,415,333.46	13,750,716.80	14,094,484.72	14,446,846.84
Occupancy - 10.0%	(11,803,272.03)	0.00	(1,185,720.00)	(1,215,363.00)	(1,245,747.08)	(1,276,890.75)	(1,308,813.02)	(1,341,533.35)	(1,375,071.68)	(1,409,448.47)	(1,444,684.68)
Actual property income	112,698,480.43	6,469,032.17	10,671,480.00	10,938,267.00	11,211,723.68	11,492,016.77	11,779,317.19	12,073,800.12	12,375,645.12	12,685,036.25	13,002,162.15
Maintenance & opex - 15.0%	(17,375,245.66)	(1,440,828.42)	(1,600,722.00)	(1,640,740.05)	(1,681,758.55)	(1,723,802.52)	(1,766,897.58)	(1,811,070.02)	(1,856,346.77)	(1,902,755.44)	(1,950,324.32)
Propery's net operating income	95,323,234.77	5,028,203.75	9,070,758.00	9,297,526.95	9,529,965.12	9,768,214.25	10,012,419.61	10,262,730.10	10,519,298.35	10,782,280.81	11,051,837.83
Terminal value	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	176,759,448.97
Net cash flows	272,082,683.74	5,028,203.75	9,070,758.00	9,297,526.95	9,529,965.12	9,768,214.25	10,012,419.61	10,262,730.10	10,519,298.35	10,782,280.81	187,811,286.80
Discount rate	-	1.00	0.91	0.84	0.77	0.70	0.64	0.59	0.54	0.49	0.45
Net Present Flows	142,989,506.19	5,028,203.75	8,298,955.17	7,782,643.23	7,298,453.16	6,844,386.55	6,418,569.27	6,019,243.82	5,644,762.05	5,293,578.32	84,360,710.88

KPI's	total
Present value	142,989,506.19
Total value	142,990,000.00

8.16 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%5) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%15), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 9

Dhahran Hotel Apartments (formerly Radisson Blu)

9.1 Executive Summary
9.2 Reporting Methodology
9.3 Property Location Analysis
9.4 Property description and ownership
9.5 Property boundaries
9.6 Source of Information
9.7 Property photos
9.8 SWOT Analysis
9.9 Valuation approaches
9.10 Valuation Analysis
9.11 Opinion of Value
9.12 Validity of review and clarification
9.13 Documents
9.14 Cash Flow Analysis
9.15 Risks Study and Analysis

9.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Dhahran Hotel Apartments (formerly Radisson Blu)	Interest to be valued	Assumed to be a freehold
	Location	https://maps.app.goo.gl/e8aA3P9KpF5ZpxFq6		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	21/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

9.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075309	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

9.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations		-
	Limits on analysis		The client provided the number of units comprising the subject property, totaling 92 units. These figures were assumed to be accurate and were relied upon in the valuation.
	Limits on inspection		-
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. Esnad retains a copy of these documents for reference: • These documents: o Title deed o Building permit o Actual property income and operating expenses • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• None (except as stated in the terms and conditions).
	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• It has been assumed that the property is free from any regulatory, legal, or ownership constraints that may limit its use or disposition, and the valuation has been based on this assumption.

9.1 Executive Summary

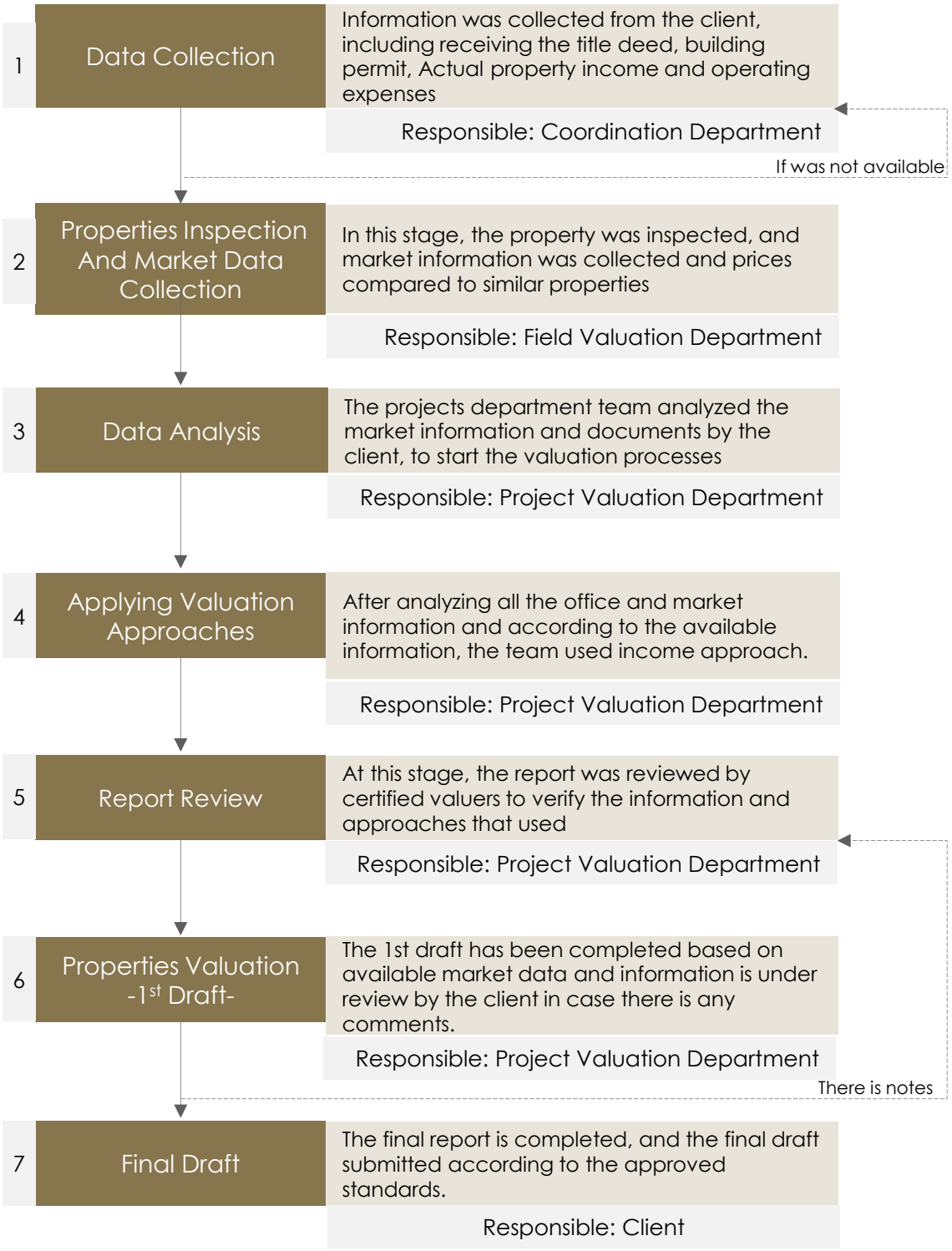
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	76,111,000
	Written	Only seventy-six million one hundred eleven thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Mowafaq Al-Ghamdi		1210002424	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Ahmed Hamdy Al-Suhaimi		1220003393	Associate	
Value review and initial approval	Reviewing valuation results and income data	Eng Rakan Al Shaikhi		1210004021	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

9.2 Reporting Methodology

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



9.3 Property Location Analysis

Description of the property at the city level	
About Al Khobar	Al Khobar is located in the eastern region of the Kingdom of Saudi Arabia, specifically along the eastern coast of the Arabian Gulf. Its eastern boundaries overlook the Arabian Gulf, and the city spans an area of approximately 750 km². Al Khobar is distinguished as the main gateway to the bridge connecting Saudi Arabia and Bahrain, and it is considered one of the largest coastal cities in the Kingdom.



Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
Al Khobar Corniche	10.6 km	King Fahd Causeway	26.7 km
King Fahd International Airport	55.6 km	Imam Abdulrahman bin Faisal University	15.1 km

9.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property area is distinguished by its strategic location within the city of Riyadh, as it is situated along King Saud Road and King Abdullah bin Abdulaziz Road The property area is bounded to the north by Prince Faisal Road, followed by Al-Hada District; to the south by King Abdullah bin Abdulaziz Road, followed by Al-Thuqbah District; to the west by King Saud Road, followed by South Doha District; and to the east by Al-Aqrabiyah District.
Description of the district	Al Olaya District is located in the center of Al Khobar city and is distinguished by its location along King Saud Road and King Abdullah bin Abdulaziz Road.
Accessibility	The area is easily accessible through several roads, most notably King Saud Road, on which the subject property is located.



Satellite photo shows property location

9.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	930209003804	Title deed date	05/02/1440 H
	330209003803		05/02/1440 H
	330205017171		05/02/1440 H
Building permit number	434/11390	Building permit date	17/12/1433 H

Property Information			
Province	Eastern Province	City	Al Khobar
District	Al Olaya	Street	King Saud Road
Parcel no.	Plots 112, 114, and 116 from Block No. 10	Plan no.	345 / 2
Property Type	Serviced apartments	Notes	The property is mortgaged in favor of Al Rajhi Banking Investment Corporation.
Coordinates	50.17414522304852° East	26.30324329602997 ° North	
Google map	https://maps.app.goo.gl/e8aA3P9KpF5ZpxFq6		

Property description			
Land area based on title deed	3,798.08 m²	Land level	Flat
Land area based on satellite imagery	-	Land shape	Irregular
Notes			



Satellite photo shows property location

9.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	-	-	-	-
South	-	-	-	-
East	-	-	-	-
West	-	-	-	-

Property specifications		
Structure	BUA	8,964 m² (based on the building permit)
	Floors	Ground floor (services and parking) + 3 typical floors + upper annex
	Age	Approximately 10 years
	Conditioning type	Central
	Finishing	Very good
	Facilities	-
	Elevators	Available
Zoning	Use	Residential
	Maximum footprint	60%
	FAR	-
	Maximum floors	3 floors
Notes		-

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

1.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 21/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

9.7 Property photos













9.7 Property photos













9.7 Property photos













9.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property is distinguished by its location on Takhassusi Street.
Weakness	• No weaknesses are observed at the property area
Opportunities	• Aramco Stadium is a major sports project currently under construction in Al Khobar, Saudi Arabia, and is expected to open in 2026. It is part of Saudi Vision 2030 to enhance sports infrastructure and host global events. • Roshn Al Danah Project is an integrated residential community developed by Roshn Group, a subsidiary of the Public Investment Fund (PIF). It is the group's sixth project across the Kingdom and the first in Dhahran, located in the Eastern Province.
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

9.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

9.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

9.10 Valuation Analysis

9.10.1 Income Approach- Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

9.10.1.1 Property income data:

The client provided us with the property income details as follows:

- Property income: SAR 8,808,809.87
- Operating expenses: SAR 5,714,791.31
- Net property income: SAR 3,094,018.56

9.10 Valuation Analysis

9.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **Hotel with a total of 92 units.**

Unit Classification	Number of rooms
One-bedroom unit	36
Two-bedroom apartment with living room and kitchen	48
Three-bedroom apartment with living room and kitchen	8
Total number of units	92

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

9.10 Valuation Analysis

9.10.1 Income Approach- Discounted Cash Flow Method

9.10.1.2 Market Rent

9.10.1.2.1 Market approach – comparable transactions (Hotel rooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Hotel rooms			
Property ID	**Hotel Name**	**Date**	**Nightly rate (SAR)**
Property 1	Al Eana Hotel	2025	246
Property 2	DoubleTree by Hilton Dhahran	2025	281
Property 3	Ramada Encore Al Khobar Olaya	2025	191
Property 4	Safwat Al Khobar Hotel	2025	270



Satellite photo showing subject property and comparables

Based on the above-mentioned comparables, the nightly room rate has been estimated at SAR 260 during normal days.

9.10 Valuation Analysis

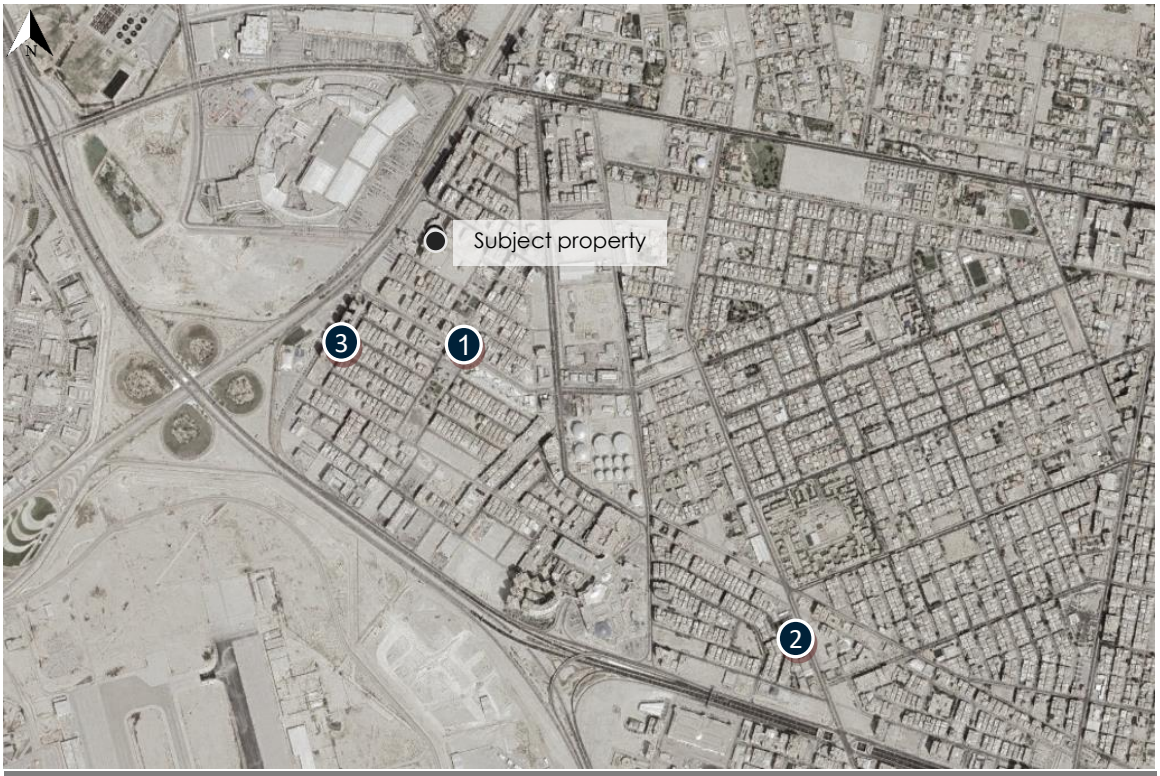
9.10.1 Income Approach- Discounted Cash Flow Method

9.10.1.2 Market Rent

9.10.1.2.1 Market approach – comparable transactions (Serviced apartments consisting of two bedrooms and a living room)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Serviced apartments consisting of two bedrooms and a living room			
Property ID	**Hotel Name**	**Date**	**Nightly rate (SAR)**
Property 1	BN Residence	2025	609
Property 2	Al Jouri Serviced Apartments	2025	630
Property 3	Saraya Luxe Family Suite	2025	575



Satellite photo showing subject property and comparables

Based on the above-mentioned comparables, the nightly room rate has been estimated at SAR 620 during normal days.

9.10 Valuation Analysis

9.10.1 Income Approach- Discounted Cash Flow Method

9.10.1.2 Market Rent

9.10.1.2.1 Market approach – comparable transactions (Serviced apartments consisting of three bedrooms and a living room)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Serviced apartments consisting of three bedrooms and a living room			
Property ID	**Hotel Name**	**Date**	**Nightly rate (SAR)**
Property 1	Tulip Hatta	2025	1,200
Property 2	Tamaya Hotel Apartments	2025	1,103



Satellite photo showing subject property and comparables

Based on the above-mentioned comparables, the nightly room rate has been estimated at SAR 1,240 during normal days.

9.10 Valuation Analysis

9.10.1 Income Approach- Discounted Cash Flow Method

9.10.1.2 Average Daily Rate (ADR) Calculation

Units classifications	No. of rooms
1 bedroom	36
Two bedrooms with lounge and kitchen	48
Three bedrooms with lounge and kitchen	8
Total number of units	92

Revenue assumptions					
Hotel seasons	**%**	**No. of days**	**1 bedroom**	**Two bedrooms**	**3 Bedrooms**
Weekends	*28.49%*	104	300	650	1,300
Holidays	*2.74%*	10	350	700	1,400
Remainder of the year	*68.77%*	251	260	620	1,240
Total	***100.00%***	**365**	**-**	**-**	**-**

Units classifications	
1 bedroom	**Total revenue**
Weekends	SAR 1,123,200.00
Holidays	SAR 126,000.00
Remainder of the year	SAR 2,349,360.00
1 bedroom total revenue	**SAR 3,598,560.00**

Two bedrooms	**Total revenue**
Weekends	SAR 3,244,800.00
Holidays	SAR 336,000.00
Remainder of the year	SAR 7,469,760.00
Suites total revenue	**SAR 11,050,560.00**

3 Bedrooms	**Total revenue**
Weekends	SAR 1,081,600.00
Holidays	SAR 112,000.00
Remainder of the year	SAR 2,489,920.00
Suites total revenue	**SAR 3,683,520.00**

Total units income	18,332,640
No. of units	92
Average daily rate (ADR)	**546**

9.10 Valuation Analysis

9.10.1 Income Approach- Discounted Cash Flow Method

Projected Profit and Loss Statement		
Revenue		
Rooms		11,000,808.00
Food & Beverage		2,014,800.00
Other Operating Departments		503,700.00
Miscellaneous		38,502.83
Total Revenue		**13,557,810.83**
Departmental Expenses		
Food cost		(805,920.00)
Payroll & Related Expenses		(1,805,260.80)
Other Expenses		(1,326,745.80)
Total Departmental Expenses	-29.05%	**(3,937,926.60)**
Gross Operating Income	70.95%	**9,619,884.23**
Undistributed Expenses		
Admin & General		(1,355,781.08)
IT and Internet		(745,679.60)
Marketing & Sales		(1,084,624.87)
Utilities & Energy		(677,890.54)
Repairs & Maintenance		(1,355,781.08)
Total Undistributed Expenses	-38.50%	**(5,219,757.17)**
Gross Operating Profit	32.45%	**4,400,127.06**
Replacement Reserve - 3.0%		(406,734.32)
EBITDA	*29.45%*	**3,993,392.73**

9.10 Valuation Analysis

9.10.1 Income Approach – Discounted Cash Flow Method

9.10.1.3 Project income

- An annual growth rate of 2.5% has been assumed

Project assumptions	
Project period	10 years
Cap rate	8.0%
Discount rate	10.30%

9.10.1.4 Cap Rate Analysis

Cap Rate Analysis					
Property Number	**City**	**Sector**	**Property Value**	**Net Income**	**Cap rate**
Property 1	Al Khobar	Hospitality	25,000,000 SAR	2,200,000 SAR	8.80%
Property 2	Dammam	Residential	50,552,000 SAR	4,038,085 SAR	7.99%

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 10.30% to reflect the risks associated with the property.
Appendix No. (9.14) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	2.00%	**Valuer's estimate of the market**
Discount rate	10.30%	

Valuation result:

Discounted cash flow value	76,111,423 SAR

9.11 Valuation Result

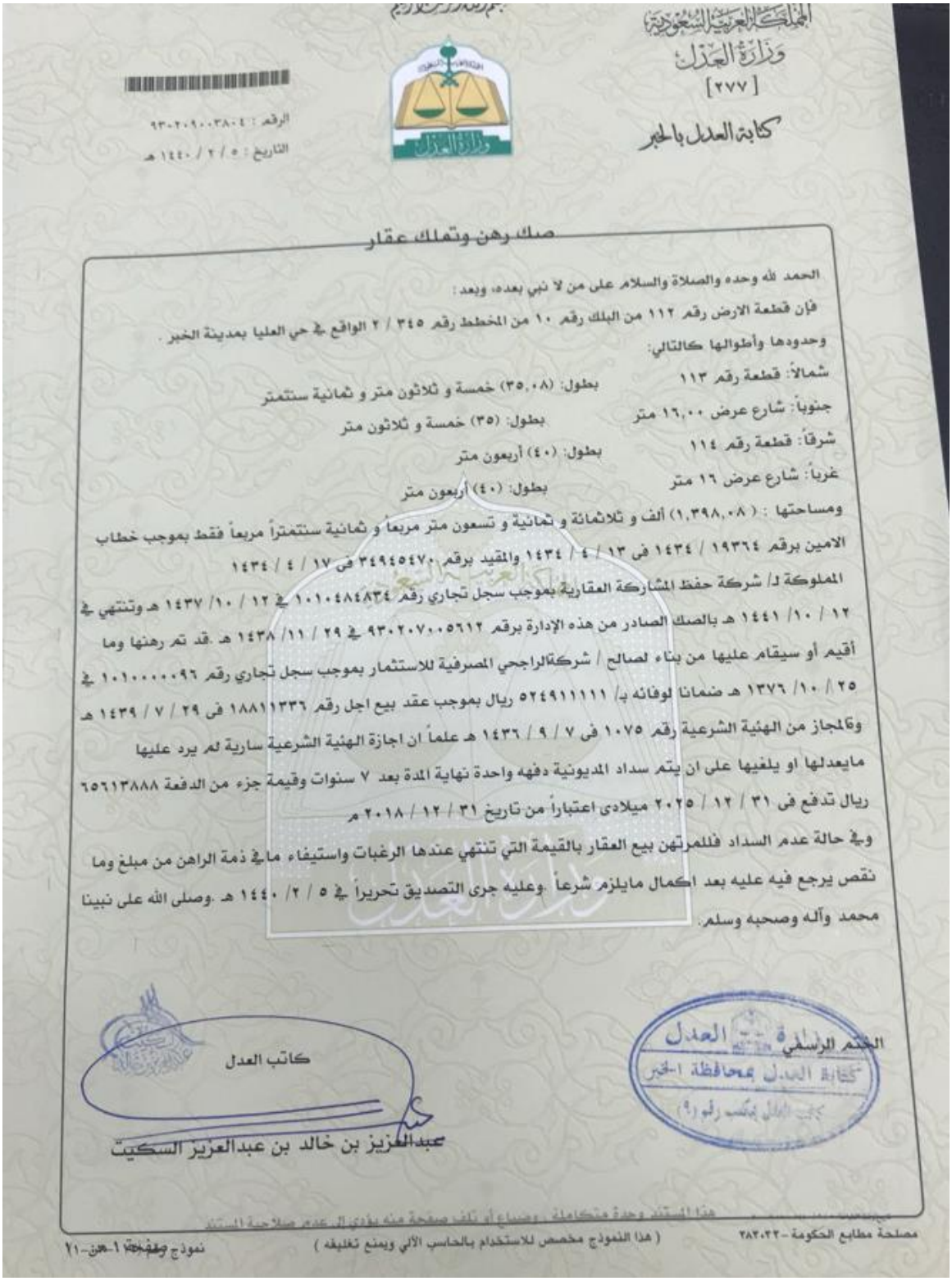
Opinion of value	
Value	76,111,000
Currency	﷼
Opinion of value (written)	Only seventy-six million one hundred eleven thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

9.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

9.13 Documents



المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة العدل بالخبر

الرقم : ٤٠٣٨٠٠٢٠٩٣٠
التاريخ : ٥ / ٢ / ١٤٤٠ هـ

صك رهن وتملك عقار

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

فإن قطعة الارض رقم ١١٢ من البلك رقم ١٠ من المخطط رقم ٣٤٥ / ٢ الواقع في حي العليا بمدينة الخبر .

وحدودها وأطوالها كالتالي:

شمالاً: قطعة رقم ١١٣ بطول: (٣٥,٠٨) خمسة و ثلاثون متر و ثمانية سنتمتر

جنوباً: شارع عرض ١٦,٠٠ متر بطول: (٣٥) خمسة و ثلاثون متر

شرقاً: قطعة رقم ١١٤ بطول: (٤٠) أربعون متر

غرباً: شارع عرض ١٦ متر بطول: (٤٠) أربعون متر

ومساحتها : (١,٣٩٨,٠٨) ألف و ثلاثمائة و ثمانية و تسعون متر مربعاً و ثمانية سنتمتراً مربعاً فقط بموجب خطاب الامين برقم ١٩٣٦٤ / ١٤٣٤ في ١٣ / ٤ / ١٤٣٤ والمقيد برقم ٣٤٩٤٥٤٧٠ في ١٧ / ٤ / ١٤٣٤ المملوكة لـ/ شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ في ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي في ١٢ / ١٠/ ١٤٤١ هـ بالصك الصادر من هذه الإدارة برقم ٩٣٠٢٠٧٠٠٥٦١٢ في ٢٩ / ١١/ ١٤٣٨ هـ .قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠/ ١٣٧٦ هـ ضمانا لوفائه بـ/ ٥٢٤٩١١١١١ ريال بموجب عقد بيع اجل رقم ١٨٨١١٣٣٦ في ٢٩ / ٧ / ١٤٣٩ هـ وكامجاز من الهئية الشرعية رقم ١٠٧٥ في ٧ / ٩ / ١٤٣٦ هـ علماً ان اجازة الهئية الشرعية سارية لم يرد عليها مايعدلها او يلغيها على ان يتم سداد المديونية دفعه واحدة نهاية المدة بعد ٧ سنوات وقيمة جزء من الدفعة ٦٥٦١٣٨٨٨ ريال تدفع في ٣١ / ١٢ / ٢٠٢٥ ميلادي اعتباراً من تاريخ ٣١ / ١٢ / ٢٠١٨ م

وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً .وعليه جرى التصديق تحريراً في ٥ / ٢/ ١٤٤٠ هـ .وصلى الله على نبينا محمد وآله وصحبه وسلم.

الختم الرسمي
وزارة العدل
كتابة العدل بمحافظة الخبر

كاتب العدل
عبدالعزيز بن خالد بن عبدالعزيز السكيت

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

مصلحة مطابع الحكومة - ٢٨٣٠٢٢ (هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه) نموذج رقم ١ - صفحة ١ من ٢١

9.13 Documents



المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة العدل بالخبر

بسم الله الرحمن الرحيم

[redacted]
الرقم : ٣٣٠٢٠٩٠٠٣٨٠٣
التاريخ : ٥ / ٢ / ١٤٤٠ هـ

صك رهن وتملك عقار

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

فإن قطعة الارض رقم ١١٤ من البلك رقم ١٠ من المخطط رقم ٣٤٥ / ٢ الواقع في حي العليا بمدينة الخبر ، وحدودها وأطوالها كالتالي:

شمالاً: قطعة رقم ١١٥ بطول: (٣٠) ثلاثون متر
جنوباً: شارع عرض ١٦ متر بطول: (٣٠) ثلاثون متر
شرقاً: قطعة رقم ١١٦ بطول: (٤٠) أربعون متر
غرباً: قطعة رقم ١١٢ بطول: (٤٠) أربعون متر

ومساحتها : (١٢٠٠) ألف و مئتين متر مربعاً فقط بموجب خطاب الامين برقم ١٩٣٦٤ / ١٤٣٤ في ١٣ / ٤ / ١٤٣٤ والمقيد برقم ٣٤٩٤٥٤٧٠ في ١٧ / ٤ / ١٤٣٤

المملوكة لـ/ شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ في ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي في ١٢ / ١٠/ ١٤٤١ هـ بالصك الصادر من هذه الإدارة برقم ٣٣٠٢٠٧٠٠٥٦١١ في ٢٩ / ١١/ ١٤٣٨ هـ .قد تم رهنها وما اقيم أو سيقام عليها من بناء لصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠/ ١٣٧٦ هـ ضمانا لوفائه بـ/ ٥٢٤٩١١١١١ ريال بموجب عقد بيع اجل رقم ١٨٨١١٣٣٦ في ٢٩ / ٧ / ١٤٣٩ هـ والمجاز من الهنية الشرعية رقم ١٠٧٥ في ٧ / ٩ / ١٤٣٦ هـ علماً ان اجازة الهنية الشرعية سارية لم يرد عليها مايعدلها او يلغيها على ان يتم سداد المديونية دفعه واحدة نهاية المدة بعد ٧ سنوات وقيمة جزء من الدفعة ٦٥٦١٣٨٨٨ ريال تدفع في ٣١/ ١٢ /٢٠٢٥ ميلادي اعتباراً من تاريخ ٣١ / ١٢ / ٢٠١٨ م

وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ماله ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً .وعليه جرى التصديق تحريراً في ٥ / ٢/ ١٤٤٠ هـ .وصلى الله على نبينا محمد وآله وصحبه وسلم.

وزارة العدل
الكتبة الوسطى بمحافظة الخبر

كاتب العدل

عبدالعزيز بن خالد بن عبدالعزيز السكيت

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

نموذج رقم (١) من (١)

(هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه)

مصلحة مطابع الحكومة - ٢٨٢٠٢٢

9.13 Documents



بسم الله الرحمن الرحيم

المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة العدل بالخبر

الرقم : ٣٣٠٢٠٥٠١٧١٧١
التاريخ : ٥ / ٢ / ١٤٤٠ هـ

صك رهن وتملك عقار

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

فإن قطعة الارض رقم ١١٦ من البلك رقم ١٠ من المخطط رقم ٣٤٥ / ٢ الواقع في حي العليا بمدينة الخبر .

وحدودها وأطوالها كالتالي:

شمالاً: قطعة رقم ١١٧ بطول: (٣٠) ثلاثون متر

جنوباً: شارع عرض ١٦ متر بطول: (٣٠) ثلاثون متر

شرقاً: قطعة رقم ١١٨ بطول: (٤٠) أربعون متر

غرباً: قطعة رقم ١١٤ بطول: (٤٠) أربعون متر

ومساحتها : (١٢٠٠) ألف و مئتين متر مربعاً فقط بموجب خطاب الامين برقم ١٩٣٦٤ / ١٤٣٤ فى ١٣ / ٤ / ١٤٣٤ والمقيد برقم ٣٤٩٤٥٤٧٠ فى ١٧ / ٤ / ١٤٣٤

المملوكة لـ/ شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ في ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي في ١٢ / ١٠/ ١٤٤١ هـ بالصك الصادر من هذه الإدارة برقم ٣٣٠٢٠٧٠٠٥٦١٣ في ٢٩ / ١١/ ١٤٣٨ هـ .قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠/ ١٣٧٦ هـ ضمانا لوفائه بـ/ ٥٢٤٩١١١١١ ريال علما ان اجازة الهيئة الشرعية سارية لم يرد عليها ما يعدلها او يلغيها وان تنفيذ هذا العقد المعين المنشىء للمديونية على العميل قد تم او سيتم وفق قرارات الهيئة الشرعية لا بخلافها على ان يتم سداد المديونية دفعه واحدة نهاية المدة بعد ٧ سنوات وقيمة جزء من الدفعة ٦٥٦١٣٨٨٨ ريال تدفع فى ٣١/١٢/٢٠٢٥ م اعتبارا من تاريخ ٣١/١٢/٢٠١٨م

وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً .وعليه جرى التصديق تحريراً في ٥ / ٢/ ١٤٤٠ هـ .وصلى الله على نبينا محمد وآله وصحبه وسلم.

الختم الرسمي

كاتب العدل

عبدالله بن محمد بن عبدالله الشهري

وزارة العدل
كتابة العدل بمحافظة الخبر
كاتب العدل بمكتب رقم (٥)

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

صفحة ١ من ١

مصلحة مطابع الحكومة - ٢٨٢٠٣٢ (هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه) نموذج رقم (٠١٢-٠٣-١)

9.13 Documents



المملكة العربية السعودية
وزارة الشؤون البلديه والقروية
أمانة المنطقة الشرقية بلدية الخبر
رخصة إنشاء

رقم الرخصة : ٤٣٤/١١٣٩٠
تاريخها : ٤٣٤/١٢/١٧
صلاحيتها : ثلاث سنوات
نوعها : بناء جديد

الاسم : شركة تنامي العربية المحدودة
رقم الحفيظة : ٢٠٥٠٠٠٥٠٤٥٠ مصدرها :
المدينة : الخبر
المخطط : ٣٤٥/٢
الحي : العقربية
تحديد الارض :

الصفة : مالك
تاريخها : ٠/٠٠/٠٠

المساحة الكلية : ٣٧٩٦,٤٣ متر مربع
تحديد البلك :

رقم القطعة	رقم البلك	رمز الاستخدام	رقم مستند التملك	نوع مستند التملك	تاريخه
٠٠١١٢	٠٠٠١٠	(س ا ب)	٦٣٠٢٠٥٠٠١٤٧٠	صك	٤٣٤/٠٤/٣٠
٠٠١١٤	٠٠٠١٠	(س ا ب)	٧٣٠٢٠٥٠٠١٤٦٧	صك	٤٣٤/٠٤/٣٠
٠٠١١٦	٠٠٠١٠	(س ا ب)	٣٣٠٢٠٥٠٠١٤٦٨	صك	٤٣٤/٠٤/٣٠
*********					

يلتزم صاحب الطلب ... توجة من ... تحديد لاتقل مساحتها عن (٢٥٠سم × ١٠٠) ... توضح بها اسم صاحب المشروع ... واسم ال... والمالكين الآخرين

تكون الواجهات باللون الابيض فقط

	شمال / شرق		شمال / غرب	جنوب / شرق	جنوب / غرب
الشطفة					٣,٢٠ * ٣,٢٠

الجهه	شمال	جنوب	شرق	غرب
الحدود ارتداد	جار ٢,٠٠	شارع ٦,٠٠	جار ٢,٠٠	شارع ٦,٠٠

الجهة	شمال	جنوب	شرق	غرب
الأبعاد البروز	٩٥,٠٨ م ***	٩٥,٠٠ م ***	٤٠,٠٠ م ***	٤٠,٠٠ م ***

مكونات البناء :

الوصف	عدد الوحدات	المساحة	الاستخدام
ارضى منخ	اربعة وسبعون	١٩٨٢,١٠ م٢	م٠سيارات
ارضى	تابع	٢٧,٥٠ م٢	ع٠سكيكو
ارضى	ستة عشر وحدة	٢٠٠٩,٦٠ م٢	سكنى
دور اول	ستة عشر وحدة	٢٠٠٩,٦٠ م٢	سكنى
دور ثانى	ستة عشر وحدة	٢٠٠٩,٦٠ م٢	سكنى
دور ثالث		٩٢٥,٦٠ م٢	ملحق سكن
وارش		٥٢٥,٦٠ م/ط	
سور		٢٥٦,٢٠ م/ط	
*******			

البناء المطلوب : عمارة سكنية
مادة البناء : مبنى خرساني
النطاق العمراني :
المكتب المصمم : مرحلة اولى وتسري عليها هذة المرحلة
المكتب المشرف : ياسر حمد الربيعه للهندسة المعمارية
بيانات الرسوم : ياسر حمد الربيعه للهندسة المعمارية
قيمة الرسوم : ٤٥٩٣,٧٤ ريال
ايصال السداد : ٢١٠٠٠٠٢١٣٤٧٤
تاريخه : ١٤٣٤/٤/٢٣

أمانة المنطقة الشرقية - بلدية الخبر - المالي - (الإيرادات)

وزارة الشؤون البلدية والقروية - أمانة المنطقة الشرقية - ترخيص البناء - إدارة الشؤون الفنية

ملاحظات :
* تعهد المقر بتسديد الرسوم المقررة حسب التعهد رقم ١٤٣٤/٣/٠٠٠٠

9.14 Cash Flow Analysis

Hotel - Income Approach Valuation

Profit and Loss Statement Projections

		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Keys	92.00											
Growth Rate		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Rooms Available		33,580.00	33,580.00	33,672.00	33,580.00	33,580.00	33,580.00	33,672.00	33,580.00	33,580.00	33,580.00	0.00
Occupancy		60.00%	65.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
ADR		546.00	559.65	573.64	587.98	602.68	617.75	633.19	649.02	665.25	681.88	698.93
Rooms Sold		20,148.00	21,827.00	23,570.40	23,506.00	23,506.00	23,506.00	23,570.40	23,506.00	23,506.00	23,506.00	0.00
RevPAR		327.60	363.77	401.55	411.59	421.88	432.42	443.23	454.32	465.67	477.32	489.25
Rooms Payroll & Related Expenses		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Rooms Other Expenses		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Rooms Department												
Revenue	141,091,893	11,000,808	12,215,481	13,520,954	13,821,112	14,166,639	14,520,805	14,924,603	15,255,921	15,637,319	16,028,252	0
Payroll & Related Expenses	-14,109,189	-1,100,081	-1,221,548	-1,352,095	-1,382,111	-1,416,664	-1,452,081	-1,492,460	-1,525,592	-1,563,732	-1,602,825	0
Other Expenses	-14,109,189	-1,100,081	-1,221,548	-1,352,095	-1,382,111	-1,416,664	-1,452,081	-1,492,460	-1,525,592	-1,563,732	-1,602,825	0
Room Department Profit	**112,873,515**	**8,800,646**	**9,772,384**	**10,816,763**	**11,056,889**	**11,333,311**	**11,616,644**	**11,939,682**	**12,204,737**	**12,509,855**	**12,822,602**	**0**
Food and Beverage / POR		100.00	102.50	105.06	107.69	110.38	113.14	115.97	118.87	121.84	124.89	128.01
Food cost		40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%
Food and Beverage Payroll & Related Expenses		30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%
Food and Beverage Other Expenses		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Food and Beverage Department												
Revenue	25,841,006	2,014,800	2,237,268	2,476,365	2,531,339	2,594,623	2,659,488	2,733,444	2,794,125	2,863,978	2,935,577	0
Food cost	-10,336,402	-805,920	-894,907	-990,546	-1,012,536	-1,037,849	-1,063,795	-1,093,378	-1,117,650	-1,145,591	-1,174,231	0
Payroll & Related Expenses	-7,752,302	-604,440	-671,180	-742,910	-759,402	-778,387	-797,846	-820,033	-838,237	-859,193	-880,673	0
Other Expenses	-1,292,050	-100,740	-111,863	-123,818	-126,567	-129,731	-132,974	-136,672	-139,706	-143,199	-146,779	0
Food and Beverage Department Profit	**6,460,252**	**503,700**	**559,317**	**619,091**	**632,835**	**648,656**	**664,872**	**683,361**	**698,531**	**715,994**	**733,894**	**0**
Other Operated Depts / POR		25.00	25.63	26.27	26.92	27.60	28.29	28.99	29.72	30.46	31.22	32.00
Other Operated Departments Payroll & Related Expenses		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Other Operated Departments Other Expenses		25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
Miscellaneous		0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%
Other Operated Departments												
Revenue	6,460,252	503,700	559,317	619,091	632,835	648,656	664,872	683,361	698,531	715,994	733,894	0
Miscellaneous	493,822	38,503	42,754	47,323	48,374	49,583	50,823	52,236	53,396	54,731	56,099	0
Payroll & Related Expenses	-1,292,050	-100,740	-111,863	-123,818	-126,567	-129,731	-132,974	-136,672	-139,706	-143,199	-146,779	0
Other Expenses	-1,615,063	-125,925	-139,829	-154,773	-158,209	-162,164	-166,218	-170,840	-174,633	-178,999	-183,474	0
Other Operated Department Profit	**4,046,960**	**315,538**	**350,378**	**387,824**	**396,433**	**406,344**	**416,502**	**428,085**	**437,588**	**448,528**	**459,741**	**0**
Gross Operating Income	**123,380,726**	**9,619,884**	**10,682,080**	**11,823,678**	**12,086,157**	**12,388,311**	**12,698,019**	**13,051,128**	**13,340,856**	**13,674,377**	**14,016,237**	**0**
Admin & General		5.00%	4.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
IT and Internet		3.00%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Marketing & Sales		3.00%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Repairs & Maintenance		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Overhead Payroll												
Admin & General	-7,166,331	-677,891	-677,467	-666,549	-681,346	-698,380	-715,840	-735,746	-752,079	-770,881	-790,153	0
IT and Internet	-3,688,592	-406,734	-376,370	-333,275	-340,673	-349,190	-357,920	-367,873	-376,039	-385,440	-395,076	0
Marketing & Sales	-3,688,592	-406,734	-376,370	-333,275	-340,673	-349,190	-357,920	-367,873	-376,039	-385,440	-395,076	0
Repairs & Maintenance	-8,694,349	-677,891	-752,741	-833,187	-851,683	-872,975	-894,799	-919,682	-940,099	-963,601	-987,691	0
Total Overhead Payroll	**-23,237,863**	**-2,169,250**	**-2,182,949**	**-2,166,285**	**-2,214,376**	**-2,269,735**	**-2,326,478**	**-2,391,174**	**-2,444,256**	**-2,505,363**	**-2,567,997**	**0**
Admin & General		5.00%	4.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
IT and Internet		2.50%	2.00%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Marketing & Sales		5.00%	4.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Utilities & Energy		5.00%	4.50%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Repairs & Maintenance		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Overhead Expenses												
Admin & General	-7,166,331	-677,891	-677,467	-666,549	-681,346	-698,380	-715,840	-735,746	-752,079	-770,881	-790,153	0
IT and Internet	-2,819,157	-338,945	-301,096	-249,956	-255,505	-261,893	-268,440	-275,905	-282,030	-289,080	-296,307	0
Marketing & Sales	-7,166,331	-677,891	-677,467	-666,549	-681,346	-698,380	-715,840	-735,746	-752,079	-770,881	-790,153	0
Utilities & Energy	-7,166,331	-677,891	-677,467	-666,549	-681,346	-698,380	-715,840	-735,746	-752,079	-770,881	-790,153	0
Repairs & Maintenance	-8,694,349	-677,891	-752,741	-833,187	-851,683	-872,975	-894,799	-919,682	-940,099	-963,601	-987,691	0
Total Overhead Expenses	**-33,012,499**	**-3,050,507**	**-3,086,238**	**-3,082,791**	**-3,151,227**	**-3,230,008**	**-3,310,758**	**-3,402,824**	**-3,478,365**	**-3,565,324**	**-3,654,457**	**0**
Gross Operating Profit	**67,130,364**	**4,400,127**	**5,412,893**	**6,574,602**	**6,720,554**	**6,888,568**	**7,060,782**	**7,257,130**	**7,418,234**	**7,603,690**	**7,793,783**	**0**
Replacement Reserve - 3.0%	-5,216,609	-406,734	-451,645	-499,912	-511,010	-523,785	-536,880	-551,809	-564,059	-578,161	-592,615	0
AGOP	**61,913,755**	**3,993,393**	**4,961,249**	**6,074,690**	**6,209,545**	**6,364,783**	**6,523,903**	**6,705,321**	**6,854,175**	**7,025,530**	**7,201,168**	**0**
AGOP %		29.45%	32.95%	36.45%	36.45%	36.45%	36.45%	36.45%	36.45%	36.45%	36.45%	35.40%
Incentive Fee (dynamic %of AGOP)												
EBITDA	**61,913,755**	**3,993,393**	**4,961,249**	**6,074,690**	**6,209,545**	**6,364,783**	**6,523,903**	**6,705,321**	**6,854,175**	**7,025,530**	**7,201,168**	**0**

9.14 Cash Flow Analysis

Explicit Forecast Period	2035											
Cash Flow Analysis	**Total**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**
Revenue												
Rooms	141,091,893	11,000,808	12,215,481	13,520,954	13,821,112	14,166,639	14,520,805	14,924,603	15,255,921	15,637,319	16,028,252	0
Food & Beverage	25,841,006	2,014,800	2,237,268	2,476,365	2,531,339	2,594,623	2,659,488	2,733,444	2,794,125	2,863,978	2,935,577	0
Other Operating Departments	6,460,252	503,700	559,317	619,091	632,835	648,656	664,872	683,361	698,531	715,994	733,894	0
Miscellaneous	493,822	38,503	42,754	47,323	48,374	49,583	50,823	52,236	53,396	54,731	56,099	0
Total Revenue	**173,886,973**	**13,557,811**	**15,054,819**	**16,663,733**	**17,033,659**	**17,459,501**	**17,895,988**	**18,393,644**	**18,801,973**	**19,272,022**	**19,753,823**	**0**
Departmental Expenses												
Food cost	-10,336,402	-805,920	-894,907	-990,546	-1,012,536	-1,037,849	-1,063,795	-1,093,378	-1,117,650	-1,145,591	-1,174,231	0
Payroll & Related Expenses	-23,153,541	-1,805,261	-2,004,592	-2,218,823	-2,268,080	-2,324,782	-2,382,901	-2,449,166	-2,503,536	-2,566,124	-2,630,277	0
Other Expenses	-17,016,303	-1,326,746	-1,473,241	-1,630,686	-1,666,887	-1,708,559	-1,751,273	-1,799,973	-1,839,931	-1,885,929	-1,933,078	0
Total Departmental Expenses	**-50,506,246**	**-3,937,927**	**-4,372,739**	**-4,840,056**	**-4,947,502**	**-5,071,190**	**-5,197,970**	**-5,342,516**	**-5,461,117**	**-5,597,645**	**-5,737,586**	**0**
Gross Operating Income	**123,380,726**	**9,619,884**	**10,682,080**	**11,823,678**	**12,086,157**	**12,388,311**	**12,698,019**	**13,051,128**	**13,340,856**	**13,674,377**	**14,016,237**	**0**
Undistributed Expenses												
Admin & General	-14,332,662	-1,355,781	-1,354,934	-1,333,099	-1,362,693	-1,396,760	-1,431,679	-1,471,492	-1,504,158	-1,541,762	-1,580,306	0
IT and Internet	-6,507,748	-745,680	-677,467	-583,231	-596,178	-611,083	-626,360	-643,778	-658,069	-674,521	-691,384	0
Marketing & Sales	-10,854,923	-1,084,625	-1,053,837	-999,824	-1,022,020	-1,047,570	-1,073,759	-1,103,619	-1,128,118	-1,156,321	-1,185,229	0
Utilities & Energy	-7,166,331	-677,891	-677,467	-666,549	-681,346	-698,380	-715,840	-735,746	-752,079	-770,881	-790,153	0
Repairs & Maintenance	-17,388,697	-1,355,781	-1,505,482	-1,666,373	-1,703,366	-1,745,950	-1,789,599	-1,839,364	-1,880,197	-1,927,202	-1,975,382	0
Total Undistributed Expenses	**-56,250,362**	**-5,219,757**	**-5,269,187**	**-5,249,076**	**-5,365,603**	**-5,499,743**	**-5,637,236**	**-5,793,998**	**-5,922,621**	**-6,070,687**	**-6,222,454**	**0**
Gross Operating Profit	**67,130,364**	**4,400,127**	**5,412,893**	**6,574,602**	**6,720,554**	**6,888,568**	**7,060,782**	**7,257,130**	**7,418,234**	**7,603,690**	**7,793,783**	**0**
Replacement Reserve - 3.0%	-5,216,609	-406,734	-451,645	-499,912	-511,010	-523,785	-536,880	-551,809	-564,059	-578,161	-592,615	0
EBITDA	**61,913,755**	**3,993,393**	**4,961,249**	**6,074,690**	**6,209,545**	**6,364,783**	**6,523,903**	**6,705,321**	**6,854,175**	**7,025,530**	**7,201,168**	**0**
Cap rate	**8.00%**											
Terminal Value	**87,819,121**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**87,819,121**	**0**
years		1.00	2.00	3.00	4.00	5.00	6.00	7.00	8.00	9.00	10.00	11.00
FCFF	**149,732,876**	**3,993,393**	**4,961,249**	**6,074,690**	**6,209,545**	**6,364,783**	**6,523,903**	**6,705,321**	**6,854,175**	**7,025,530**	**95,020,289**	**0**
Discount Rate		1.00	0.90	0.82	0.74	0.67	0.60	0.55	0.49	0.45	0.40	0.37
Present Value	**74,877,602**	**3,993,393**	**4,486,569**	**4,967,878**	**4,592,297**	**4,256,741**	**3,945,704**	**3,667,415**	**3,390,152**	**3,142,436**	**38,435,017**	**0**
NPV at Discount Rate - 10.30%				**76,111,423**								
Income Approach Value				**76,111,000**								

9.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%10) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%10), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 10

Sea Shore Residential Compound

10.1 Executive Summary
10.2 Reporting Methodology
10.3 Property Location Analysis
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10.5 Property boundaries
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10.10 Valuation Analysis
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10.12 Validity of review and clarification
10.13 Documents
10.14 Cash Flow Analysis
10.15 Risks Study and Analysis

10.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Sea Shore Residential Compound	Interest to be valued	Assumed to be a freehold
	Location	https://maps.app.goo.gl/AMhHjEMqBMvd6adu8		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	15/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

10.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075310	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

10.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations		- The client was requested to provide the lease contracts; however, as they were not available as of the valuation date, a document detailing the actual income and the maintenance and operating expenses of the subject property was provided instead, and its accuracy was assumed.
	Limits on analysis		-
	Limits on inspection		-

Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. Esnad retains copies of these documents for reference.
	• These documents:
	  ○ Title deed
	  ○ Building permit
	  ○ A document detailing the actual income and the maintenance and operating expenses of the subject property.
	• Market research and analysis have been undertaken by the valuer.
	• Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		

Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• None (except as stated in the terms and conditions).
	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• It was assumed that the property is free from any regulatory restrictions or ownership limitations that could affect its transfer or use, and the opinion of value was formed based on this assumption.

10.1 Executive Summary

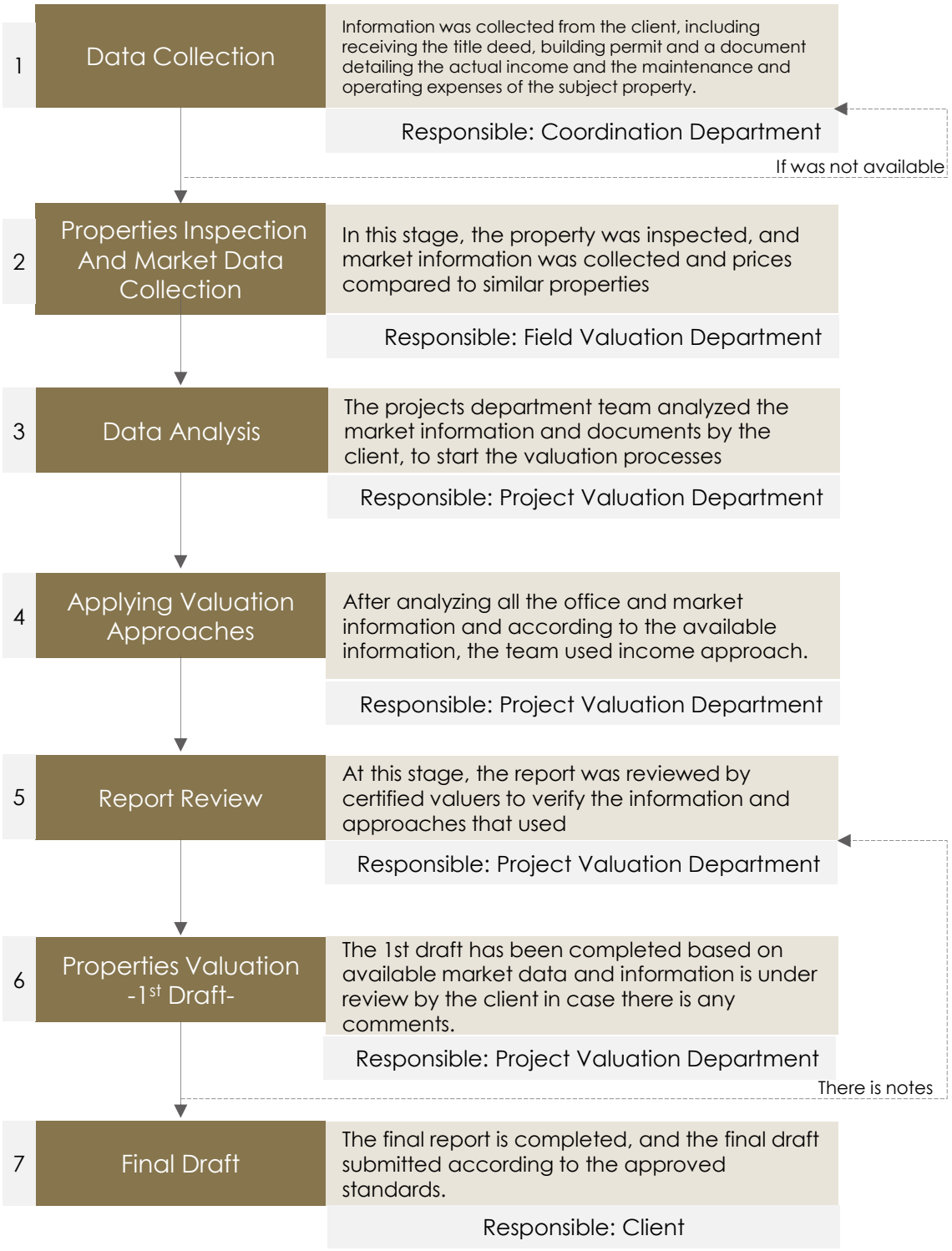
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	117,403,000
	Written	Only One hundred seventeen million four hundred three thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Muwaffaq Al-Ghamdi		1210002424	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Mustafa Magdy Sorour		1220003381	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Babahr		1220001954	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

10.2 Reporting Methodology

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



10.3 Property Location Analysis

Description of the property at the city level	
About Al-Khobar city	Al Khobar is located in the eastern part of the Kingdom of Saudi Arabia, specifically along the eastern coast of the Red Sea; its eastern boundaries overlook the Arabian Gulf, and the city covers a geographical area of approximately 750 km². Al Khobar is distinguished as the main gateway to the causeway linking Saudi Arabia and Bahrain, and it is considered one of the largest coastal cities in the Kingdom



Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
Al Khobar Corniche	13 km	Al Khobar Mall	16 km
Live Park (King Fahd Park in Dammam)	25 km	King Fahd Causeway	6 km

10.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property's area is distinguished by its strategic location within the city of Al Khobar, as it is situated along several main roads such as King Fahd Road and King Khalid Road. The property area is bounded to the north by King Fahd Road, followed by parts of Al Khuzama District. To the south, it is bordered by the Arabian Gulf. To the east, it is also bordered by the Arabian Gulf, and to the west by Sunset Beach.
Description of the district	Al Tahliyah District is located in the southern part of Al Khobar and is distinguished by its strategic location, as it lies along several main roads such as King Fahd Road and King Khalid Road
Accessibility	The property is easily accessible through several roads and streets, most notably King Fahd Road, which is located near the subject property



Satellite photo shows property location

10.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	930211000247	Title deed date	05/02/1440 H
Building permit number	5/1421/010302	Building permit date	29/10/1442 H

Property Information			
Province	Eastern Provenance	City	Al-Khobar
District	Al Tahliyah	Street	Abu Jandal Bin Sahl Street
Parcel no.	-	Plan no.	2/338
Property Type	Residential Compound	Notes	The property is mortgaged to Al Rajhi Banking Investment Corporation
Coordinates	26.166500° North	50.195934° East	
Google map	https://maps.app.goo.gl/AMhHjEMqBMvd6adu8		

Property description			
Land area based on title deed	38,103 m²	Land level	Flat
Land area based on satellite imagery	-	Land shape	Regular
Notes	–		



Satellite photo shows property location

10.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	192.43	Street	Internal	20m
South	192.43	Neighbor	Internal	-
East	200	Street	-	15m
West	200	Street	Internal	15m

Property specifications			
Structure	BUA	22,232.05 m² (based on the building permit)	
	Basement area	892.60 m² (based on the building permit)	
	Floors	Ground floor + First floor	
	Age	8 years	
	Number of units	76 villas	36 one-bedroom apartments
	Conditioning type	Central	
	Finishing	Good	
	Facilities	Green spaces, swimming pool, hall	
	Elevators	-	
Zoning The Geographic Explorer of the Eastern Province	Use	Residential	
	Maximum footprint	60%	
	FAR	1.2	
	Maximum floors	Ground floor + First floor + Upper annex	
Notes		-	

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

10.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 15/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

10.7 Property photos













10.7 Property photos













10.7 Property photos













10.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property is distinguished by its location near King Fahd Road.
Weakness	• No weaknesses are observed at the property area
Opportunities	• Aramco Stadium is a major sports project currently under construction in the city of Al Khobar, Saudi Arabia, and is expected to open in 2026. It is part of Saudi Arabia's Vision 2030 to enhance sports infrastructure and host global events • Roshn Al Danah Project is an integrated residential community developed by Roshn Group, a subsidiary of Saudi Arabia's Public Investment Fund (PIF). It is the group's sixth project across the Kingdom and its first in the city of Dhahran in the Eastern Province
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

10.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

10.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

10.10 Valuation Analysis

10.10.1 Income Approach - Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

10.10.1.1 Property Income Data:

The client provided us with the property income details as follows:

- Actual Property Income: 3,831,050.78 SAR/ year.
- Maintenance and Operating Expenses: 1,382,209.97 SAR/ year
- Occupancy Rate: 41%

10.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **76 Residential Villas.**
- **36 one-bedroom apartments.**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

10.10 Valuation Analysis

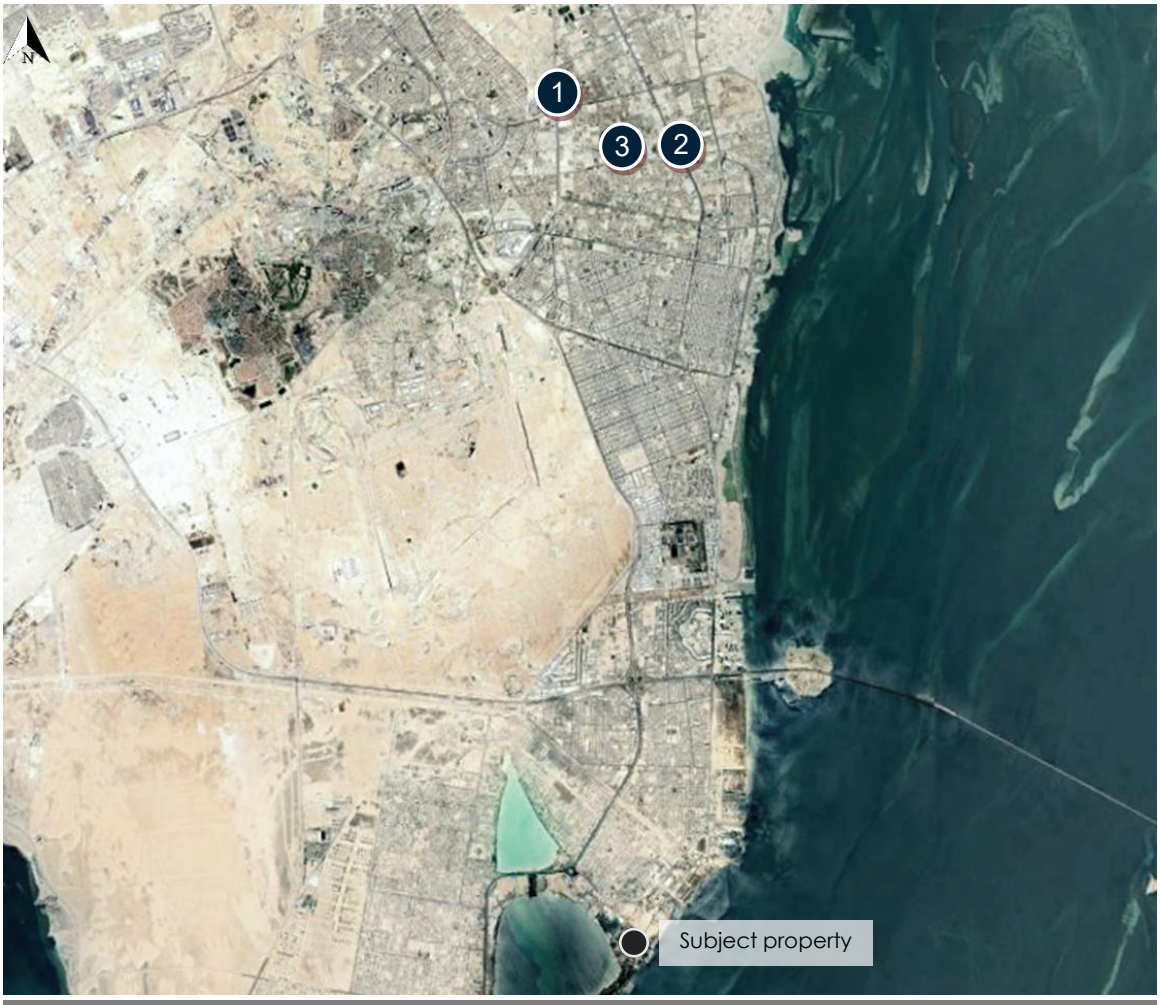
10.10.1 Income Approach - Discounted Cash Flow Method

10.10.1.2 Market Rent

10.10.1.2.1 Market approach – comparable transactions (Residential villas)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**lease value/ year**
Property 1	Transaction	2025	222	SAR 120,000
Property 2	Transaction	2025	210	SAR 115,302
Property 3	Transaction	2025	218	SAR 112,713



Satellite photo showing subject property and comparables

10.10 Valuation Analysis

10.10.1 Income Approach - Discounted Cash Flow Method

10.10.1.2 Market Rent

10.10.1.2.2 Relative adjustment table – Residential villas

Comparison Criteria		Subject property	Comparable 1		Comparable 2		Comparable 3	
			Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction date		-	1/12/2025		1/12/2025		1/12/2025	
Rental value		-	SAR 120,000		SAR 115,302		SAR 112,713	
Type of transaction		-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market condition		-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Adjustment value			0.00		0.00		0.00	
Adjusted value			SAR 120,000		SAR 115,302		SAR 112,713	
Accessibility		Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location		Very good	Excellent	-5.0 %	Excellent	-5.0 %	Excellent	-5.0 %
Finishing		Very good	Very good	0.0 %	Very good	0.0 %	good	5.0 %
Unit type		Villa	Villa	0.0 %	Villa	0.0 %	Villa	0.0 %
Proximity to city center		Far	Very close	-5.0 %	Very close	-5.0 %	Very close	-5.0 %
Proximity to the shore		Very close	Close	5.0 %	Close	0.5 %	Close	5.0 %
Building age		8 years	20 years	6.0 %	20 years	6.0 %	12 years	2.0 %
Available services	Fire extinguishing system	✓	✓	0.0 %	✓	0.0 %	✓	0.0 %
	Playlot	✓	✓		✓		✓	
	Green spaces	✓	✓		✓		✓	
	Swimming pool	✓	✓		✓		✓	
	security services	✓	✓		✓		✓	
	Mini Market	X	✓		✓		X	
	Daycare	X	X		X		X	
	Conference hall	✓	X		X		X	
	Gym	✓	✓		✓		✓	
Adjustment value		-	SAR 1,200	1.0 %	SAR 1,153	1.0 %	SAR 2,254	2.0 %
Adjusted value		-	SAR 121,200		SAR 116,455		SAR 114,967	
Weighting		-	45 %		40 %		15 %	
Subject Property Adjusted Value		-	SAR 118,400					

- A weighted average was adopted to estimate the annual rental value, assigning the greatest weight to Comparable No. (1), as it represents the most appropriate comparison due to its higher similarity to the subject property
- No negotiation percentage was deducted from the comparisons shown above as they were executed deals.

Total number of villas	76
Annual rental value per villa (SAR/year)	118,400
Total rental value of villas (SAR/year)	8,998,400

The number of villas was determined based on the field inspection

10.10 Valuation Analysis

10.10.1 Income Approach - Discounted Cash Flow Method

10.10.1.2 Market Rent

10.10.1.2.3 Market approach – comparable transactions (One-room apartments)

Comparables List					
Property ID	**Transaction Type**	**Transaction Date**	**No. of rooms**	**Area (m²)**	**lease value/ year**
Property 1	Offer	2025	1	75	SAR 65,000
Property 2	Offer	2025	1	96	SAR 52,000
Property 3	Offer	2025	1	155	SAR 70,000



Satellite photo showing subject property and comparables

10.10 Valuation Analysis

10.10.1 Income Approach - Discounted Cash Flow Method

10.10.1.2 Market Rent

10.10.1.2.4 Relative adjustment table – One-room apartments

Comparison Criteria		Subject property	Comparable 1		Comparable 2		Comparable 3	
			Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction date		-	29/12/2025		29/12/2025		29/12/2025	
Rental value		-	SAR 65,000		SAR 52,500		SAR 70,000	
Type of transaction		-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market condition		-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Adjustment value			0.00		0.00		0.00	
Adjusted value			SAR 65,000		SAR 52,500		SAR 70,000	
Accessibility		Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location		Very good	Excellent	-5.0 %	Excellent	-5.0 %	Excellent	-5.0 %
Finishing		Very good	Very good	0.0 %	Good	10.0 %	Very good	0.0 %
No. of rooms		1	1	0.0 %	1	0.0 %	2	-10.0 %
Proximity to city center		Far	Very close	-5.0 %	Very close	-5.0 %	Very close	-5.0 %
Proximity to the shore		Very close	Close	5.0 %	Close	0.5 %	Close	5.0 %
Building age		8 years	9 years	0.5 %	9 years	0.5 %	20 years	6.0 %
Available services	Fire extinguishing system	✓	✓	-2.5 %	✓	-2.5 %	✓	0.0 %
	Playlot	✓	✓		✓		✓	
	Green spaces	✓	✓		✓		✓	
	Swimming pool	✓	✓		✓		✓	
	security services	✓	✓		✓		✓	
	Mini Market	X	✓		✓		✓	
	Daycare	X	X		✓		X	
	Conference hall	✓	✓		X		X	
	Gym	✓	✓		✓		✓	
Adjustment value		-	-SAR 4,550	-7.0 %	SAR 1,575	3.0 %	-SAR 6,300	-9.0 %
Adjusted value		-	SAR 60,450		SAR 54,075		SAR 63,700	
Weighting		-	25 %		40 %		35 %	
Subject Property Adjusted Value		-	SAR 59,000					

- A weighted average was adopted to estimate the annual rental value, assigning the greatest weight to Comparable No. (2), as it represents the most appropriate comparison due to its higher similarity to the subject property
- No negotiation percentage was deducted from the comparisons shown above as the price is final by the owner.

Total number of apartments (one room)	36
Annual rent per apartment (SAR/year)	59,000
Total rental value of apartments (one room)(SAR/year)	2,124,000

The number of villas was determined based on the field inspection

10.10 Valuation Analysis

10.10.1 Income Approach – Discounted Cash Flow Method

10.10.1.2 Market Rent

Rental value of villas (SAR/year)	8,998,400
Total rental value of apartments (one room) (SAR/year)	2,124,000
Total rental value of the property (SAR/year)	11,122,400
Vacancy rate (10%)	(1,112,240)
Actual property annual income (SAR)	10,010,160
Maintenance and operation rate (15%)	(1,501,524)
Net annual income (SAR)	8,508,636

10.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference SAR
Net income	2,448,840.81	8,508,636	(6,059,795.19) SAR
Result	We found that the income data provided by the client does not reflect market conditions, particularly with respect to the property's net income, as the reported income reflects an occupancy rate of 41%. Accordingly, the client's income was used as a primary input in the valuation process for the first year of the cash flows. From the second year until the end of the cash flow period, market-based income was adopted, with the occupancy rate gradually increasing until it stabilizes at 90%, and with discount and capitalization rates applied based on market data		

10.10.1.4 Project assumptions

- A growth rate of 2.5% per annum in the property's income was assumed from the second year until the end of the cash flow period
- Maintenance and operating expenses were assumed at 15% of the property's actual income, from the second year until the end of the cash flow period
- A vacancy rate of 10% was assumed from the second year until the end of the cash flow period.

Project assumptions	
Project period	10 years
Cap rate	7%
Discount rate	9.3%

10.10 Valuation Analysis

10.10.1 Income Approach – Discounted Cash Flow Method

10.10.1.5 Capitalization rate analysis

Capitalization rate analysis					
Property No.	**City**	**Sector**	**Property value**	**Net income**	**Cap rate**
Property 1	Al-Khobar	Residential complex	SAR 152,767,500	SAR 12,099,142	7.92%
Property 2	Al-Khobar	Residential complex	SAR 18,018,000	SAR 11,704,110	8.42%
Property 3	Al-Khobar	Residential building	SAR 23,561,000	SAR 4,038,085	7.98%

- The capitalization rate was derived from the above-mentioned comparables, with the necessary adjustments made to reflect the condition of the property. Accordingly, the cap rate was estimated at 7%.

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 9.3% to reflect the risks associated with the property.
Appendix No. (8.16) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	1.0%	**Valuer's estimate of the market**
Discount rate	9.3%	

Valuation result:

Discounted cash flow value	117,402,875.93 SAR

10.11 Valuation Result

Opinion of value	
Value	117,403,000
Currency	﷼
Opinion of value (written)	Only One hundred seventeen million four hundred three thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

10.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

10.13 Documents



المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة العدل بالخبر

بسم الله الرحمن الرحيم

الرقم : ٩٣٠٢١١٠٠٠٢٤٧
التاريخ : ٥ / ٢ / ١٤٤٠ هـ

وزارة العدل

صك رهن وتملك عقار

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

فإن قطعة الارض رقم بدون من المخطط رقم ٣٣٨ / ٢ بمدينة الخبر .

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ٢٠ م بطول: (١٩٢.٤٣) مائة و اثنين و تسعون متر و ثلاثة و أربعون سنتمتر

جنوباً: ارض مملوكه غير مخططه بطول: (١٩٢.٤٣) مائة و اثنين و تسعون متر و ثلاثة و أربعون سنتمتر

شرقاً: شارع عرض ١٥ م بطول: (٢٠٠) مئتين متر

غرباً: شارع عرض ١٥ م بطول: (٢٠٠) مئتين متر

ومساحتها : (٣٨١٠٣) ثمانية و ثلاثون ألفا و مائة و ثلاثة متر مربعاً فقط توجد شطفه بالركن الشمالي الشرقي والشمالي الغربي بمقدار ٤ * ٤ م لكليهما وكذلك وجود غرفة كهرباء بالركن الجنوبي الشرقي بمساحة ٢ * ٥.٥٠ م المملوكة لـ/ شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ في ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي في ١٢ / ١٠/ ١٤٤١ هـ بالصك الصادر من هذه الإدارة برقم ٩٣٠٢٠٥٠١٣٣٠٩ في ٢٤ / ١١/ ١٤٣٨ هـ .قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠/ ١٣٧٦ هـ ضمانا لوفائه بـ/ ٥٢٤٩١١١١١ ريال علما ان اجازة الهيئة الشرعية سارية لم يرد عليها ما يعدلها او يلغيها وان تنفيذ هذا العقد المعين المنشىء للمديونية على العميل قد تم او سيتم وفق قرارات الهيئة الشرعية لا بخلافها على ان يتم سداد المديونية دفعه واحدة نهاية المدة بعد ٧ سنوات وقيمة جزء من الدفعة ٦٥٦١٣٨٩٥ ريال تدفع فى ٣١/١٢/٢٠٢٥م اعتبارا من تاريخ ٣١/١٢/٢٠١٨م

وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً .وعليه جرى التصديق تحريراً في ٥ / ٢ / ١٤٤٠ هـ .وصلى الله على نبينا محمد وآله وصحبه وسلم.

الختم الرسمي

وزارة العدل
كتابة العدل بمحافظة الخبر
كاتب العدل بمكتب رقم (١١)

كاتب العدل

عبدالله بن صالح بن احمد القصير

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

مصلحة مطابع الحكومة - ٣٨٢٠٢٢ (هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه) نموذج رقم (١-ص-١)٢

10.13 Documents

المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
أمانة المنطقة الشرقية
رخصة إنشاء

رقم الرخصة : ٠١٠٣٠٢ / ١٤٢١ / ٥
تاريخها : ١٤٤٢-١٠-٢٩
صلاحيتها : سنة
نوعها : نقل ملكية

الاسم : شركة / حفظ المشاركة العقاريه
رقم الحفيظة : السجل : ١٠١٠٤٨٤٨٣٤
المدينة : الخبر
المخطط : ٢/٣٣٨ - وضع خطوط تنظيم لأرض الأمير فيصل بن بندر بن عبدالعزيز
الحي : غير معروف

مصدرها : الرياض
الموقع : ٢٦٠ - بلدية مدينة الخبر

الصفة : مالك
تاريخها : ٤٣٧-١٠-١٢

المساحة الكلية : ٣٨٠٦٧,٠٠ متر مربع

رقم القطعة	رقم البلك	رمز الاستخدام	رقم مستند التملك	نوع مستند التملك	تاريخه
١ **********	*****	(س١-أ)		صك ملكية	١٤٣٨-١١-٢٤

	شمال / شرق	شمال / غرب	جنوب / شرق	جنوب / غرب
الشطفة	٠٤,٠٠ / ٠٤,٠٠	٠٤,٠٠ / ٠٤,٠٠	٠٠,٠ / ٠٠,٠	٠٠,٠ / ٠٠,٠

الجهه	شمال	جنوب	شرق	غرب
الحدود ارتداد	شارع ٤,٠٠ م	جار ٢,٠٠ م	شارع ٣,٠٠ م	شارع ٣,٠٠ م

الجهة	شمال	جنوب	شرق	غرب
الأبعاد البروز	١٩٢,٤٣ م	١٩٢,٤٣ م	٢٠٠,٠٠ م	٢٠٠,٠٠ م

مكونات البناء :

الوصف	عدد الوحدات	المساحة	الاستخدام
ارضي	ستة وسبعون وحدة	٨٢٧٨,١٦ م٢	سكني
دور اول	تابع	١٠١٣٩,٠٨ م٢	سكني
ارضي	ثمان عشر وحدة	١١٦٠,٢٧ م٢	سكني
دور اول	ثمان عشر وحدة	١١٦٠,٢٧ م٢	سكني
ارضي	تابع	١٠٣,٣٠ م٢	غ٠سكيكو
ارضي	تابع	٥٣١,٠٠ م٢	ب سباحة
ارضي	تابع	١٤٨,٥٠ م٢	مصلى
ارضي	تابع	٤٧,٨٥ م٢	غ حارس

البناء المطلوب : سكني
مادة البناء : بناء مسلح
النطاق العمراني : داخل النطاق العمراني
المكتب المصمم : فكرة التصميم لاستشارات الهندسة المعمارية
المكتب المشرف : فكرة التصميم لاستشارات الهندسة المعمارية
بيانات الرسوم :
قيمة الرسوم :
إيصال السداد :
تاريخه :

ملاحظات :

* نقل ملكية فقط * خطاب إدارة الدفاع المدني السابق رقم ٢٣/٢٢/٣٥٥٨

المهندس المصمم
م/ موسى الشيخ
٢٩/١٠/١٤٤٢هـ

رئيس قسم ضبط التنمية
م/ مشعل بن العميدي الحربي
٢٩/١٠/١٤٤٢هـ

رئيس بلدية الخبر
م/ سلطان محمد الزايدي
٢٩/١٠/١٤٤٢هـ

10.13 Documents



المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
أمانة المنطقة الشرقية
رخصة إنشاء

رقم الرخصة : ٠١٠٣٠٢ / ١٤٢٦ هـ
تاريخها : ١٤٤٣-١٠-٢٩
صلاحيتها : سنة
نوعها : نقل ملكية

الصفة : ٤٣٧-١٠-١٢
تاريخها :

الاسم : شركة / حفظ الشركة العقاريه
رقم الحفيظة : السجل : ١٠١٠٤٨٤٨٣٤
المدينة : الخبر
المخطط : ٢/٣٣٨ - وضع خطوط تنظيم لأرض الأمير فيصل بن بندر بن عبدالعزيز
الحي : غير معروف

مصدر قسيمة : ٢٣٠ - بلدية مدينة الخبر

المساحة الكلية : ٣٨٠٦٧,٠٠ متر مربع

رقم القطعة	رقم البلك	رمز الاستخدام	رقم مستند التملك	نوع مستند التملك	تاريخه

	شمال / شرق		شمال / غرب		جنوب / شرق		جنوب / غرب	
الشطفة								

الجهه	شمال	جنوب	شرق	غرب	الجهة	شمال	جنوب	شرق	غرب
الحدود ارتداد	٤,٠٠ م شارع	٢,٠٠ م جار	٣,٠٠ م شارع	٣,٠٠ م شارع	الأبعاد البروز	١٩٢,٤٣ م	١٩٢,٤٣ م	م	م

مكونات البناء :

الوصف	عدد الوحدات	المساحة	الاستخدام
أرضي	وحده واحده	٣٧٨,٢٠ م٢	مكتب
أرضي	تابع	١٢٥,٠٠ م٢	خدمات
دور اول	تابع	١٢٥,٠٠ م٢	خدمات
قبو	تابع	٨٩٢,٦٠ م٢	نادي
أرضي	وحده واحده	٩٢٦,٩٠ م٢	نادي
قبو	تابع	٢١٦,٥٠ م٢	خزان مياه
وارش	بدون	٥٥٦,٦٤ م٢ / ط	غ ماكينات
أرضي	تابع	٣٠,٠٠ م٢	دكان

البناء المطلوب : سكني
مادة البناء : بلك مسلح
النطاق العمراني : داخل النطاق العمراني
المكتب المصمم : فكرة التصميم لاستشارات الهندسة المعمارية
المكتب المشرف : فكرة التصميم لاستشارات الهندسة المعمارية
بيانات الرسوم :
قيمة الرسوم :
ايصال السداد :
تاريخه :

ملاحظات :
- نقل ملكية خط ٣٠ - محطه - ادارة الدفاع المدني الشمالي وخ - ٤٣/٢/٢٠٥٨٠

رئيس بلدية الخبر
م / سلطان حامد الزايدي

رئيس قسم ضبط التنمية
م / مشاري بن العسيف الحربي

المهندس المختص
م / موسى الشيخ

10.13 Documents



المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
أمانة المنطقة الشرقية
رخصة إنشاء

تابع
رقم الرخصة : ٠١٠٣٠٢ / ١٤٢١ / ٥
تاريخها : ٢٩-١٠-١٤٤٢ سنة
صلاحيتها : نقل ملكية
نوعها : مالك

شركة / خطط المشاركة العقاريه
السجل : ١٠١٠٤٨٤٨٢٤
الخبر
الموقع : ٢٣٠ - بلدية مدينة الخبر
مصدرها : ٢/٣٣٨ - وضع خطوط تنظيم لأرض الأمير فيصل بن بندر بن عبدالعزيز
غير معروف

الاسم : **********
رقم الحفيظة :
المدينة :
المخطط :
الحي :

الصفة : ١٢-١٠-٤٣٧
تاريخها : ٣٨٠٦٧,٠٠
المساحة الكلية : متر مربع

رقم القطعة	رقم البلك	رمز الاستخدام	رقم مستند التملك	نوع مستند التملك	تاريخه

	شمال / شرق	شمال / غرب	جنوب / شرق	جنوب / غرب
الشطفة				

الجهه	شمال	جنوب	شرق	غرب	الجهة	شمال	جنوب	شرق	غرب
الحدود ارتداد	٤,٠٠ م	٢,٠٠ م	٣,٠٠ م	٣,٠٠ م	الأبعاد البروز	م	م	م	م

مكونات البناء :

الوصف	عدد الوحدات	المساحة	الاستخدام
أرضي	تابع	٢٤٠,١٠ م٢	ملحق خدمة
أرضي	تابع	١٤٤,٠٠ م٢	مستودع
أرضي	تابع	٢٠٦,٠٠ م٢	خزان مياه
أرضي	وحده واحده	٥٥٩,٠٠ م٢	صالة لعب
دور ثاني	تابع	٤٨,٣٤ م٢	درج
سور	بدون	٧٤٣,٠٦ م/ط	سور
*********			

البناء المطلوب : سكني
مادة البناء : بناء صالح
النطاق العمراني : داخل النطاق العمراني
المكتب المصمم : فكرة التصميم لاستشارات الهندسة المعمارية
المكتب المشرف : فكرة التصميم لاستشارات الهندسة المعمارية
بيانات الرسوم :
قيمة الرسوم :
ايصال السداد :
تاريخه :

ملاحظات : ..... نقل ملكية فقط ..... مطلب ادارة الدفاع المدني السابق رقم ٣٢/٣٢/٣٠٥٨٠

المهندس المختص
م / موسى الشيخ

رئيس قسم ضبط التنمية
م/ مشعل بن الحميدي الحربي

رئيس بلدية الخبر
م / سلطان حامد الزايدي

10.13 Documents

	Revenue - Property Wise						Complete Year 2025 Income
	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	
Saeshore	973,973.78	1,106,699.14	**2,080,672.92**	878,741.60	871,636.26	**1,750,377.86**	**3,831,050.78**

	Property Operating Expenses						Complete Year 2025 Operating Profit
	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	
Saeshore	349,997.13	342,836.00	**692,833.13**	239,212.26	450,164.58	**689,376.84**	**1,382,209.97**

	Operating Profit / (loss)						Complete Year 2025 Operating Profit
	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	
Saeshore	623,976.65	763,863.14	**1,387,839.79**	639,529.34	421,471.68	**1,061,001.02**	**2,448,840.81**

10.14 Cash Flow Analysis

Cash flow analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Occupancy rate	-	41.0%	70.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Actual property income	97,563,304.82	3,831,050.78	7,980,322.00	9,815,796.06	10,061,190.96	10,312,720.74	10,570,538.75	10,834,802.22	11,105,672.28	11,383,314.09	11,667,896.94
Maintenance & opex -15.0%	(15,442,048.08)	(1,382,209.97)	(1,197,048.30)	(1,472,369.41)	(1,509,178.64)	(1,546,908.11)	(1,585,580.81)	(1,625,220.33)	(1,665,850.84)	(1,707,497.11)	(1,750,184.54)
Propery's net operating income	82,121,256.74	2,448,840.81	6,783,273.70	8,343,426.65	8,552,012.32	8,765,812.63	8,984,957.94	9,209,581.89	9,439,821.44	9,675,816.97	9,917,712.40
Terminal value	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	141,681,605.67
Net cash flows	223,802,862.41	2,448,840.81	6,783,273.70	8,343,426.65	8,552,012.32	8,765,812.63	8,984,957.94	9,209,581.89	9,439,821.44	9,675,816.97	151,599,318.07
Discount rate	-	1.00	0.91	0.84	0.77	0.70	0.64	0.59	0.54	0.49	0.45
Net Present Flows	117,402,875.93	2,448,840.81	6,206,105.86	6,983,998.36	6,549,495.26	6,142,024.37	5,759,903.92	5,401,556.74	5,065,503.80	4,750,358.09	68,095,088.74

KPI's	total
Present value	117,402,875.93
Total value	117,403,000.00

10.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%5) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%15), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 11

Pearl Residential Compound

11.1 Executive Summary
11.2 Reporting Methodology
11.3 Property Location Analysis
11.4 Property description and ownership
11.5 Property boundaries
11.6 Source of Information
11.7 Property photos
11.8 SWOT Analysis
11.9 Valuation approaches
11.10 Valuation Analysis
11.11 Opinion of Value
11.12 Validity of review and clarification
11.13 Documents
11.14 Cash Flow Analysis
11.15 Risks Study and Analysis

11.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Pearl Residential Compound	Interest to be valued	Assumed to be a freehold
	Location	https://maps.app.goo.gl/boXUyEKdHoYjSRjNA		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	17/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

11.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075311	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

11.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations		- The client was requested to provide the lease contracts; however, as they were not available as of the valuation date, a document detailing the actual income and the maintenance and operating expenses of the subject property was provided instead, and its accuracy was assumed.
	Limits on analysis		-
	Limits on inspection		-

Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. Esnad retains copies of these documents for reference.
	• These documents:
	  ○ Title deed
	  ○ Building permit
	  ○ A document detailing the actual income and the maintenance and operating expenses of the subject property.
	• Market research and analysis have been undertaken by the valuer.
	• Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		

Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• None (except as stated in the terms and conditions).
	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• It was assumed that the property is free from any regulatory restrictions or ownership limitations that could affect its transfer or use, and the opinion of value was formed based on this assumption.

11.1 Executive Summary

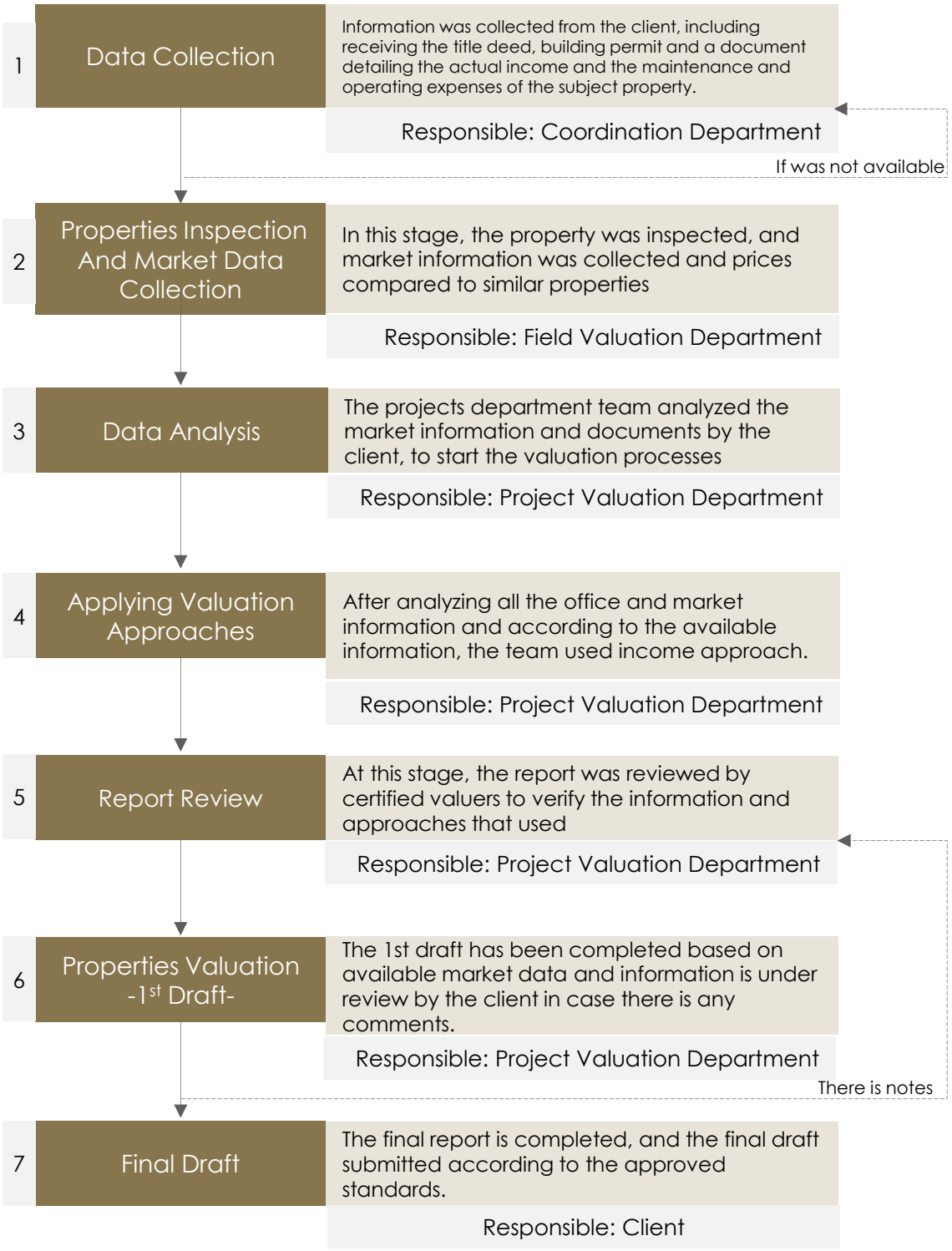
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	237,762,000
	Written	Only two hundred thirty-seven million seven hundred sixty-two thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Muwaffaq Al-Ghamdi		1210002424	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Mustafa Magdy Sorour		1220003381	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Babahr		1220001954	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

11.2 Reporting Methodology

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



11.3 Property Location Analysis

Description of the property at the city level	
About Al-Khobar city	Al Khobar is located in the eastern part of the Kingdom of Saudi Arabia, specifically along the eastern coast of the Red Sea; its eastern boundaries overlook the Arabian Gulf, and the city covers a geographical area of approximately 750 km². Al Khobar is distinguished as the main gateway to the causeway linking Saudi Arabia and Bahrain, and it is considered one of the largest coastal cities in the Kingdom

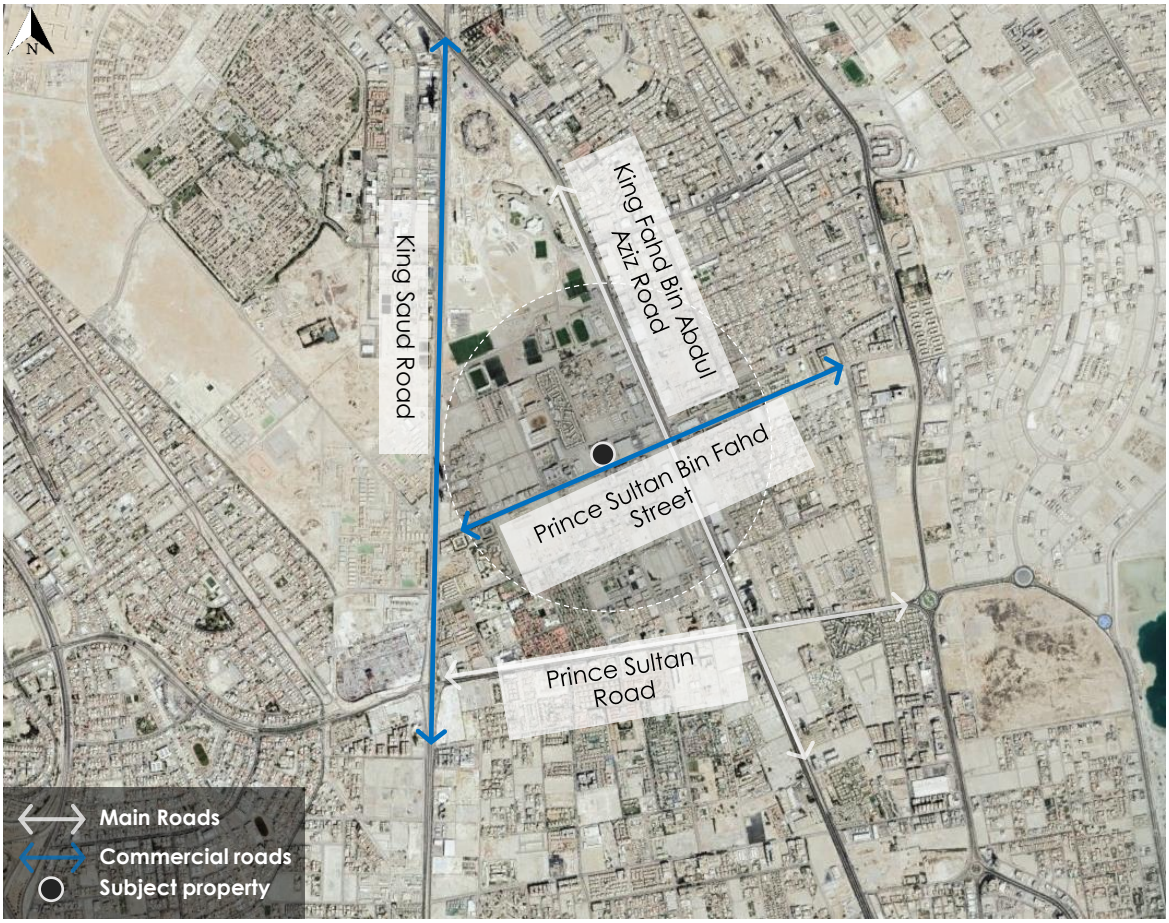


Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
Al Khobar Corniche	7.2 km	Al Khobar Mall	4.4 km
Avenues Al Khobar Project	2.3 km	Dhahran Hills Park	12.1 km

11.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property's area is distinguished by its strategic location within the city of Al Khobar, as it is situated along several main roads such as King Fahd bin Abdulaziz Road and King Saud Road. The property area is bounded to the north by parts of Qurtoba District. To the south, it is bordered by Prince Sultan bin Fahd Street, followed by parts of Qurtoba District. To the east, it is bordered by King Fahd bin Abdulaziz Road, followed by parts of Al Rakah Al Janubiyah District. To the west, it is bordered by King Saud Road, followed by Al Doha Al Shamaliyah District.
Description of the district	Al Rakah District is located in the northern part of Al Khobar and is distinguished by its strategic location, as it lies along several main roads such as King Fahd bin Abdulaziz Road and Prince Sultan Road
Accessibility	The property is easily accessible through several roads and streets, most notably Prince Sultan bin Fahd Street, on which the subject property is located.



Satellite photo shows property location

11.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Hifz Al Musharaka Real Estate Company
Title deed number	330211000248	Title deed date	05/02/1440 H
Building permit number	433/10625	Building permit date	25/06/1433 H

Property Information			
Province	Eastern Provenance	City	Al-Khobar
District	Al Rakah	Street	Prince Sultan Bin Fahd Street
Parcel no.	The western part of the letter (و)	Plan no.	2/38
Property Type	Residential Compound	Notes	The property is mortgaged to Al Rajhi Banking Investment Corporation
Coordinates	26.346640° North	50.189875° East	
Google map	https://maps.app.goo.gl/boXUyEKdHoYjSRjNA		

Property description			
Land area based on title deed	22,500 m²	Land level	Flat
Land area based on satellite imagery	-	Land shape	Irregular
Notes	–		



Satellite photo shows property location

11.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	150	Unnamed street	Commercial	40
South	150	Prince Sultan Bin Fahd Street	Commercial	40
East	150	Neighbor	-	-
West	150	Asid ibn Tha'labah Street	Internal	8

Property specifications			
Structure	BUA	36,587 m² (based on the building permit)	
	Parking area	3,322 m² (based on the building permit)	
	Floors	3 floors + upper annex	
	Age	9 years	
	Number of apartments (As per the client's statement)	30 one-bedroom apartments, each with an area of 81 m²	106 two-bedroom apartments, each with an area of 136 m²
		69 three-bedroom apartments, each with an area of 177 m²	30 three-bedroom duplex apartments, each with an area of 200 m²
	Conditioning type	Central	
	Finishing	Very good	
	Facilities	Green spaces, children's play area, swimming pool, playgrounds	
	Elevators	-	
Zoning The Geographic Explorer of the Eastern Province	Use	Commercial	
	Maximum footprint	50%	
	FAR	7.5	
	Maximum floors	15 floor	
Notes		-	

11.5 Property boundaries & lengths

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

11.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 17/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

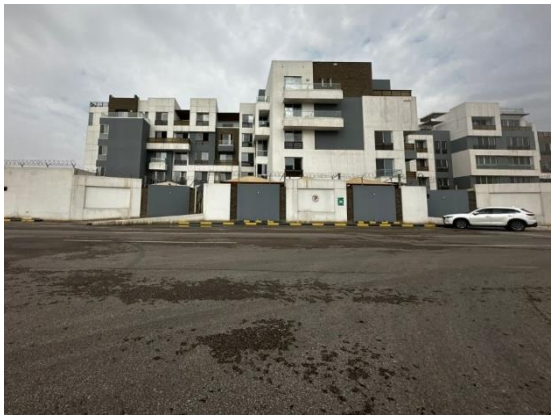
11.7 Property photos





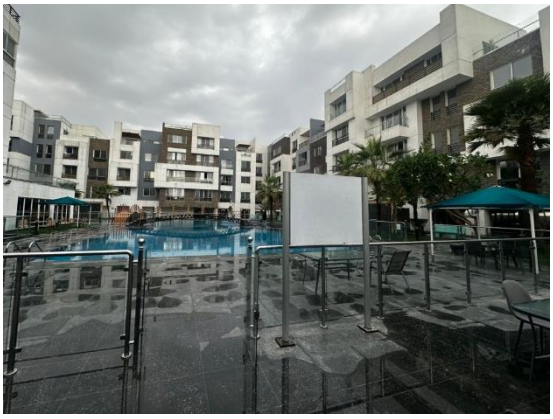




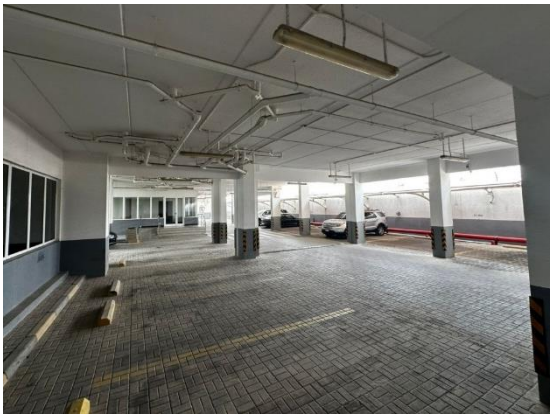


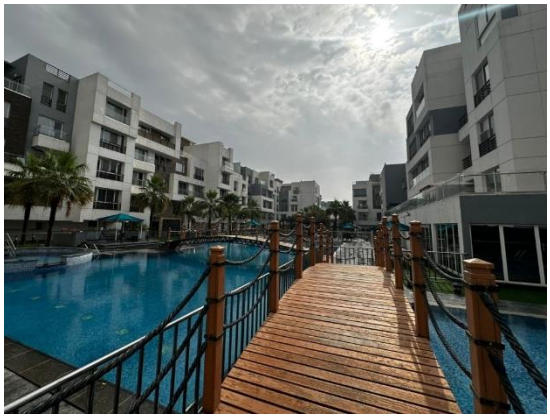


11.7 Property photos













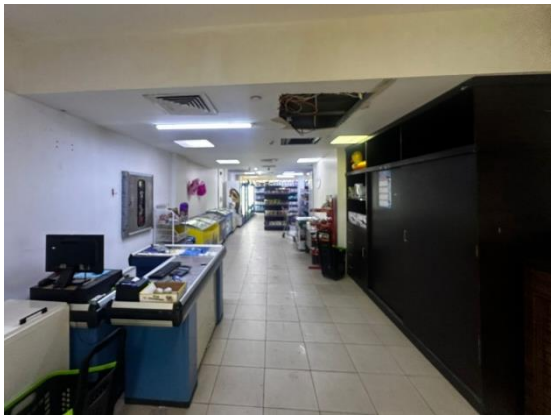
11.7 Property photos













11.8 SWOT Analysis

SWOT Analysis	
Strength	• The subject property is distinguished by its location on Prince Sultan Bin Fahd Street. • The subject property is located near The Avenues Al Khobar project, one of the city's important projects, which includes commercial areas, entertainment spaces, and towers that include hotels, offices, event halls, and exhibitions.
Weakness	• No weaknesses are observed at the property area
Opportunities	• Aramco Stadium is a major sports project currently under construction in the city of Al Khobar, Saudi Arabia, and is expected to open in 2026. It is part of Saudi Arabia's Vision 2030 to enhance sports infrastructure and host global events • Roshn Al Danah Project is an integrated residential community developed by Roshn Group, a subsidiary of Saudi Arabia's Public Investment Fund (PIF). It is the group's sixth project across the Kingdom and its first in the city of Dhahran in the Eastern Province
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

11.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

11.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

11.10.1.1 Property Income Data:

The client provided us with the property income details as follows:

- Actual Property Income: 12,014,816.66 SAR/ year.
- Maintenance and Operating Expenses: 3,192,901.35 SAR/ year
- Occupancy Rate: 64%

11.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **30 one-bedroom apartments, each with an area of 81 m².**
- **106 two-bedroom apartments, each with an area of 136 m².**
- **69 three-bedroom apartments, each with an area of 177 m².**
- **30 three-bedroom duplex apartments, each with an area of 200 m².**
- **Commercial showrooms with a leasable area of 1,136 m².**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.1 Market approach – comparable transactions (One-room apartments)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List					
Property ID	**Transaction Type**	**Transaction Date**	**No. of rooms**	**Area (m²)**	**lease value/ year**
Property 1	Offer	2025	1	75	SAR 65,000
Property 2	Offer	2025	1	96	SAR 52,000
Property 3	Offer	2025	1	155	SAR 70,000



Satellite photo showing subject property and comparables

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.2 Relative adjustment table – One-room apartments

Comparison Criteria		Subject property	Comparable 1		Comparable 2		Comparable 3	
			Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction date		-	29/12/2025		29/12/2025		29/12/2025	
Rental value		-	SAR 65,000		SAR 52,500		SAR 70,000	
Type of transaction		-	Offer	0.0 %	Offer	0.0 %	Offer	0.0 %
Market condition		-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Adjustment value			0.00		0.00		0.00	
Adjusted value			SAR 65,000		SAR 52,500		SAR 70,000	
Accessibility		Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location		Very good	Very good	0.0 %	Very good	0.0 %	Very good	0.0 %
Finishing		Very good	Very good	0.0 %	Good	10.0 %	Very good	0.0 %
No. of rooms		1	1	0.0 %	1	0.0 %	2	-10.0 %
Building age		9 years	9 years	0.0 %	9 years	0.0 %	20 years	11.0 %
Available services	Fire extinguishing system	✓	✓	0.0 %	✓	0.0 %	✓	2.5 %
	Playlot	✓	✓		✓		✓	
	Green spaces	✓	✓		✓		✓	
	Swimming pool	✓	✓		✓		✓	
	security services	✓	✓		✓		✓	
	Mini Market	✓	✓		✓		✓	
	Daycare	✓	X		✓		X	
	Conference hall	X	✓		X		X	
	Gym	✓	✓		✓		✓	
Adjustment value		-	SAR 0	0.0 %	SAR 5,250	10.0 %	SAR 2,450	3.5 %
Adjusted value		-	SAR 60,450		SAR 54,075		SAR 63,700	
Weighting		-	35 %		20 %		45 %	
Subject Property Adjusted Value		-	SAR 66,900					

- A weighted average was adopted to estimate the annual rental value, assigning the greatest weight to Comparable No. (3), as it represents the most appropriate comparison due to its higher similarity to the subject property
- No negotiation percentage was deducted from the comparisons shown above as the price is final by the owner.

Total number of apartments (one room)	30
Annual rent per apartment (SAR/year)	66,900
Total rental value of apartments (one room)(SAR/year)	2,007,000

The number of apartments was determined based on the data submitted by the client.

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.3 Market approach – comparable transactions (Two-bedroom apartments)

Comparables List					
Property ID	**Transaction Type**	**Transaction Date**	**No. of rooms**	**Area (m²)**	**lease value/ year**
Property 1	Transaction	2025	2	155	SAR 76,000
Property 2	Offer	2025	2	178	SAR 80,000
Property 3	Offer	2025	2	125	SAR 70,000



Satellite photo showing subject property and comparables

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.4 Relative adjustment table – Two-bedroom apartments

Comparison Criteria		Subject property	Comparable 1		Comparable 2		Comparable 3	
			Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction date		-	29/12/2025		29/12/2025		29/12/2025	
Rental value		-	SAR 76,000		SAR 80,000		SAR 70,000	
Type of transaction		-	Transaction	0.0 %	Offer	0.0 %	Offer	0.0 %
Market condition		-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Adjustment value			0.00		0.00		0.00	
Adjusted value			SAR 76,000		SAR 80,000		SAR 70,000	
Accessibility		Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location		Very good	Very good	0.0 %	Very good	0.0 %	Very good	0.0 %
Finishing		Very good	Very good	0.0 %	Very good	10.0 %	Very good	0.0 %
No. of rooms		2	2	0.0 %	2	0.0 %	2	0.0 %
Building age		8 years	20 years	11.0 %	9 years	0.0 %	20 years	11.0 %
Available services	Fire extinguishing system	✓	✓	0.0 %	✓	0.0 %	✓	2.5 %
	Playlot	✓	✓		✓		✓	
	Green spaces	✓	✓		✓		✓	
	Swimming pool	✓	✓		✓		✓	
	security services	✓	✓		✓		✓	
	Mini Market	X	✓		✓		✓	
	Daycare	X	X		✓		X	
	Conference hall	✓	✓		X		X	
	Gym	✓	✓		✓		✓	
Adjustment value		-	SAR 8,436	11.0 %	SAR 0	0.0 %	SAR 9,450	13.5 %
Adjusted value		-	SAR 84,360		SAR 80,000		SAR 63,700	
Weighting		-	45 %		35 %		20 %	
Subject Property Adjusted Value		-	SAR 81,850					

- A weighted average was adopted to estimate the annual rental value, assigning the greatest weight to Comparable No. (1), as it represents the most appropriate comparison due to its higher similarity to the subject property
- No negotiation percentage was deducted from Comparator No. 1 as it was an executed transaction, and also from Comparator No. 2 and 3 as the price was final by the owner.

Total number of apartments (two-bedroom)	106
Annual rent per apartment (SAR/year)	81,850
Total rental value of apartments (two-bedroom)(SAR/year)	8,676,100

The number of apartments was determined based on the data submitted by the client.

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.5 Relative adjustment table – Three-room apartments

Comparison Criteria		Subject property	Comparable 1		Comparable 2		Comparable 3	
			Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction date		-	1/9/2025		12/29/2025		12/29/2025	
Rental value		-	SAR 76,000		SAR 80,000		SAR 70,000	
Type of transaction		-	Transaction	0.0 %	Offer	0.0 %	Offer	0.0 %
Market condition		-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Adjustment value			0.00		0.00		0.00	
Adjusted value			SAR 76,000		SAR 80,000		SAR 70,000	
Accessibility		Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location		Very good	Very good	0.0 %	Very good	0.0 %	Very good	0.0 %
Finishing		Very good	Very good	0.0 %	Very good	10.0 %	Very good	0.0 %
No. of rooms		3	2	10.0 %	2	10.0 %	2	10.0 %
Building age		9 years	20 years	11.0 %	9 years	0.0 %	20 years	11.0 %
Available services	Fire extinguishing system	✓	✓	0.0 %	✓	0.0 %	✓	2.5 %
	Playlot	✓	✓		✓		✓	
	Green spaces	✓	✓		✓		✓	
	Swimming pool	✓	✓		✓		✓	
	security services	✓	✓		✓		✓	
	Mini Market	X	✓		✓		✓	
	Daycare	X	X		✓		X	
	Conference hall	✓	✓		X		X	
	Gym	✓	✓		✓		✓	
Adjustment value		-	SAR 15,960	21.0 %	SAR 8,000	10.0 %	SAR 16,450	23.5 %
Adjusted value		-	SAR 91,960		SAR 88,000		SAR 86,450	
Weighting		-	45 %		35 %		20 %	
Subject Property Adjusted Value		-	SAR 89,500					

- A weighted average was adopted to estimate the annual rental value, assigning the greatest weight to Comparable No. (1), as it represents the most appropriate comparison due to its higher similarity to the subject property
- No negotiation percentage was deducted from Comparator No. 1 as it was an executed transaction, and also from Comparator No. 2 and 3 as the price was final by the owner.

Total number of apartments (three-bedroom)	69
Annual rent per apartment (SAR/year)	89,500
Total rental value of apartments (three-bedroom)(SAR/year)	6,175,500

The number of apartments was determined based on the data submitted by the client.

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.6 Market approach – comparable transactions (Duplex apartments)

Comparables List					
Property ID	**Transaction Type**	**Transaction Date**	**Unit type**	**Area (m²)**	**lease value/ year**
Property 1	Transaction	2025	Duplex	320	SAR 110,000
Property 2	Transaction	2025	Duplex	305	SAR 100,000
Property 3	Transaction	2025	Duplex	300	SAR 115,000



Satellite photo showing subject property and comparables

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.7 Relative adjustment table – Duplex apartments

Comparison Criteria		Subject property	Comparable 1		Comparable 2		Comparable 3	
			Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction date		-	1/12/2025		1/12/2025		1/12/2025	
Rental value		-	SAR 110,000		SAR 100,000		SAR 112,713	
Type of transaction		-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market condition		-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Adjustment value			0.00		0.00		0.00	
Adjusted value			SAR 110,000		SAR 100,000		SAR 112,713	
Accessibility		Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location		Very good	Very good	0.0 %	Very good	0.0 %	Very good	0.0 %
Finishing		Very good	Very good	0.0 %	good	0.0 %	good	0.0 %
Unit type		Duplex apartment	Duplex apartment	0.0 %	Duplex apartment	0.0 %	Duplex apartment	0.0 %
Proximity to city center		Far	Very close	-5.0 %	Very close	-5.0 %	Very close	-5.0 %
Proximity to the shore		Very close	Close	5.0 %	Close	0.5 %	Close	5.0 %
Building age		9 years	15 years	6.0 %	20 years	6.0 %	12 years	2.0 %
Aavailable services	Fire extinguishing system	✓	✓	0.0 %	✓	0.0 %	✓	2.5 %
	Playlot	✓	✓		✓		✓	
	Green spaces	✓	✓		✓		✓	
	Swimming pool	✓	✓		✓		✓	
	security services	✓	✓		✓		✓	
	Mini Market	✓	✓		✓		✓	
	Daycare	✓	X		✓		✓	
	Conference hall	✓	X		X		X	
	Gym	✓	✓		✓		✓	
Adjustment value		-	SAR 9,350	8.5 %	SAR 16,000	16.0 %	SAR 13,650	11.0 %
Adjusted value		-	SAR 119,350		SAR 116,000		SAR 127,650	
Weighting		-	35 %		40 %		25 %	
Subject Property Adjusted Value		-	SAR 120,100					

- A weighted average was adopted to estimate the annual rental value, assigning the greatest weight to Comparable No. (1), as it represents the most appropriate comparison due to its higher similarity to the subject property
- No negotiation percentage was deducted from Comparator No. 1 as it was an executed transaction, and also from Comparator No. 2 and 3 as the price was final by the owner.

Total number of apartments (Duplex apartments)	30
Annual rent per apartment (SAR/year)	120,100
Total rental value of apartments (Duplex apartments)(SAR/year)	3,603,000

The number of apartments was determined based on the data submitted by the client.

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.8 Market approach – comparable transactions (showrooms)

Comparables List				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**lease value/ m²**
Property 1	Transaction	2025	164	SAR 801
Property 2	Transaction	2025	129	SAR 794
Property 3	Transaction	2025	62	SAR 460



Satellite photo showing subject property and comparables

11.10 Valuation Analysis

11.10.1 Income Approach - Discounted Cash Flow Method

11.10.1.2 Market Rent

11.10.1.2.9 Relative adjustment table – showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction date	-	21/12/2025		31/8/2025		26/11/2025	
Rental value / SQM	-	SAR 801		SAR 794		SAR 460	
Type of transaction	-	Transaction	0.0 %	Transaction	0.0 %	Transaction	0.0 %
Market condition	-	Similar	0.0 %	Similar	0.0 %	Similar	0.0 %
Property type	Commercial	Commercial	0.0 %	Commercial	0.0 %	Commercial	0.0 %
Targeted clientele	Compound residants	Neighborhood	-20.0 %	Neighborhood	-20.0 %	Compound residants	0.0 %
Adjustment value		-20.00		-20.00		0.00	
Adjusted value		-SAR 160		-SAR 159		SAR 0	
Accessibility	Easy	Easy	0.0 %	Easy	0.0 %	Easy	0.0 %
Location	Good	Good	0.0 %	Good	0.0 %	Good	0.0 %
Finishing	Good	Very good	-5.0 %	Very good	-5.0 %	good	0.0 %
Building age	9 years	11 years	0.5 %	20 years	5.5 %	20 years	5.5 %
Area (m2)	1,136.00	164.00	-9.0 %	129.00	-10.5 %	62.00	-15.0 %
Adjustment value	-	-SAR 87	8.5 %	-SAR 64	16.0 %	-SAR 44	-9.5 %
Adjusted value	-	SAR 554		SAR 572		SAR 416	
Weighting	-	25 %		35 %		40 %	
Subject Property Adjusted Value / SQM	-	SAR 510					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (3), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation percentage was deducted from the comparisons shown above as they were executed deals.

Total leasable area (m²)	1,136
Rental cost per square meter (SAR/m²)	510
Total rental value (SAR)	579,360

The rental space was determined based on the data sent by the client.

11.10 Valuation Analysis

11.10.1 Income Approach – Discounted Cash Flow Method

11.10.1.2 Market Rent

Total annual rent for one-bedroom apartments (SAR/year)	2,007,000
Total annual rent for two-bedroom apartments (SAR/year)	8,676,100
Total annual rent for three-bedroom apartments (SAR/year)	6,175,500
Total annual rent for duplex apartments (SAR/year)	3,603,000
Rental value of showroom (SAR/year)	579,360
Total rental value of the property (SAR/year)	21,040,960
Vacancy rate (10%)	(2,104,096)
Actual property annual income (SAR)	18,936,864
Maintenance and operation cost (15%)	(2,840,529.60)
Net annual income (SAR)	16,096,334.40

11.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference SAR
Net income	8,821,915.31	16,096,334.40	(7,274,419.09) SAR
Result	We found that the income data provided by the client did not accurately reflect the market regarding the property's net income, as it represented an occupancy rate of 64%. Therefore, we used the client's income as the primary input for the valuation process during the first year of the cash flow period. From the second year until the end of the cash flow period, we used the property's market income, gradually increasing the occupancy rate until it stabilized at 90%, and applying discount and capitalization rates based on market data.		

11.10 Valuation Analysis

11.10.1 Income Approach – Discounted Cash Flow Method

11.10.1.4 Project assumptions

- A growth rate of 2.5% per annum in the property's income was assumed from the second year until the end of the cash flow period
- Maintenance and operating expenses were assumed at 15% of the property's actual income, from the second year until the end of the cash flow period
- A vacancy rate of 10% was assumed from the second year until the end of the cash flow period.

Project assumptions	
Project period	10 years
Cap rate	7%
Discount rate	9.3%

11.10.1.5 Capitalization rate analysis

Capitalization rate analysis					
Property No.	**City**	**Sector**	**Property value**	**Net income**	**Cap rate**
Property 1	Al-Khobar	Residential complex	SAR 152,767,500	SAR 12,099,142	7.92%
Property 2	Al-Khobar	Residential complex	SAR 18,018,000	SAR 11,704,110	8.42%
Property 3	Al-Khobar	Residential building	SAR 23,561,000	SAR 4,038,085	7.98%

- The capitalization rate was derived from the above-mentioned comparables, with the necessary adjustments made to reflect the condition of the property. Accordingly, the cap rate was estimated at 7%.

11.10 Valuation Analysis

11.10.1 Income Approach – Discounted Cash Flow Method

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 9.3% to reflect the risks associated with the property.
Appendix No. (8.16) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	1.0%	**Valuer's estimate of the market**
Discount rate	9.3%	

Valuation result:

Discounted cash flow value	237,761,526.06 SAR

11.11 Valuation Result

Opinion of value	
Value	237,762,000
Currency	﷼
Opinion of value (written)	Only two hundred thirty-seven million seven hundred sixty-two thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

11.12 Validity of review and clarification

- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

11.13 Documents



بسم الله الرحمن الرحيم

المملكة العربية السعودية
وزارة العدل
[٢٧٧]
كتابة العدل بالخبر

الرقم : ٣٣٠٢١١٠٠٠٢٤٨
التاريخ : ٥ / ٢ / ١٤٤٠ هـ

صك رهن وتملك عقار

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

فإن الجزء الغربى من الحرف (و) من المخطط رقم ٣٨ / ٢ الواقع فى حى الراكه بمدينة الخبر .

وحدودها وأطوالها كالتالي:

شمالاً: شارع عرض ٤٠ م بطول: (١٥٠) مائة و خمسون متر

جنوباً: شارع عرض ٤٠ م بطول: (١٥٠) مائة و خمسون متر

شرقاً: شارع عرض ١٠ م مخرج من أصل الصك بطول: (١٥٠) مائة و خمسون متر

غرباً: شارع عرض ٨ م يليه حديقه عامه بطول: (١٥٠) مائة و خمسون متر

ومساحتها : (٢٢٥٠٠) إثنين و عشرون ألفا و خمسمائة متر مربعاً فقط

المملوكة لـ/ شركة حفظ المشاركة العقارية بموجب سجل تجاري رقم ١٠١٠٤٨٤٨٣٤ في ١٢ / ١٠/ ١٤٣٧ هـ وتنتهي في ١٢ / ١٠/ ١٤٤١ هـ بالصك الصادر من هذه الإدارة برقم ٤٣٠٢٠٥٠١٣٣٠٦ في ٢٤ / ١١/ ١٤٣٨ هـ .قد تم رهنها وما أقيم أو سيقام عليها من بناء لصالح / شركةالراجحي المصرفية للاستثمار بموجب سجل تجاري رقم ١٠١٠٠٠٠٠٩٦ في ٢٥ / ١٠/ ١٣٧٦ هـ ضمانا لوفائه بـ/ ٥٢٤٩١١١١١ ريال بموجب عقد بيع اجل رقم ١٨٨١١٣٣٦ فى ٢٩ / ٧ / ١٤٣٩ هـ وةالمجاز من الهئية الشرعية رقم ١٠٧٥ فى ٧ / ٩ / ١٤٣٦ هـ علماً ان اجازة الهئية الشرعية سارية لم يرد عليها مايعدلها او يلغيها على ان يتم سداد المديونية دفهه واحدة نهاية المدة بعد ٧ سنوات وقيمة جزء من الدفعة ٦٥٦١٣٨٨٨ ريال تدفع فى ٣١ / ١٢ / ٢٠٢٥ ميلادى اعتباراً من تاريخ ٣١ / ١٢ / ٢٠١٨ م

وفي حالة عدم السداد فللمرتهن بيع العقار بالقيمة التي تنتهي عندها الرغبات واستيفاء ما في ذمة الراهن من مبلغ وما نقص يرجع فيه عليه بعد اكمال مايلزم شرعاً .وعليه جرى التصديق تحريراً في ٥ / ٢/ ١٤٤٠ هـ .وصلى الله على نبينا محمد وآله وصحبه وسلم.

الختم الرسمي

كاتب العدل

عبدالله بن صالح بن احمد القصير

وزارة العدل
كتابة العدل بمحافظة الخبر
كاتب العدل بمكتب رقم (١١)

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

مصلحة مطابع الحكومة - ٣٨٣٠٣٢ (هذا النموذج مخصص للاستخدام بالحاسب الآلي ويمنع تغليفه) نموذج رقم (١ - س - ١)

11.13 Documents



المملكة العربية السعودية
وزارة الشؤون البلدية والقروية
أمانة المنطقة الشرقية
رخصة إنشاء

رقم الرخصة : ٤٣٣/١٠٦٢٥
تاريخها : ٤٣٣/٠٦/٢٥
صلاحيتها : ثلاث سنوات
نوعها : بناء جديد

الاسم : ناصر ابراهيم الاوسيرو ابراهيم محمد الاوسير
رقم الحفيظة : ١٠٣٠٤٤٩٠٧٦
المدينة : الراكة
المخطط : ٣٨
الحي : الراكة
مصدرها :
الصفة : مالك
تاريخها : ٠/٠٠/٠٠
المساحة الكلية : ٢٢٥٠٠,٠٠ متر مربع
تحديد الارض :
تحديد البلك :

رقم القطعة	رقم البلك	رمز الاستخدام	رقم مستند التملك	نوع مستند التملك	تاريخه
بدون *********	٠٠٠٠٠	(س ا ب)	٣١	صك	٤٣١/٠٦/٠٥

تكون الواجهات باللون الابيض فقط

يلتزم صاحب الرخصة بوضع لوحة من الحديد لاتقل مساحتها عن (٨٠سم × ١٠٠) موضح بها اسم صاحب المشروع واسم المقاول الرئيسي واسم المقاولين الآخرين

	شمال / شرق	شمال / غرب	جنوب / شرق	جنوب / غرب
الشطفة				

الجهه	شمال	جنوب	شرق	غرب	الجهة	شمال	جنوب	شرق	غرب
الحدود ارتداد	شارع ٦,٠٠	شارع ٦,٠٠	شارع ٦,٠٠	شارع ٦,٠٠	الأبعاد البروز	١٥٠,٠٠م ***	١٥٠,٠٠م ***	١٥٠,٠٠م ***	١٥٠,٠٠ ***

مكونات البناء :

الوصف	عدد الوحدات	المساحة	الاستخدام
ارض منفذ	تابع	٣٣٢٢,٠٠ م٢	م.سيارات
ارض	تابع	٣٤٦,٠٠ م٢	ع.سكيكو
ارض	تابع	٨٠,٠٠ م٢	ع حارس
ارض	تابع	٦٠,٠٠ م٢	ع ماكينا
ارض	تابع	٦٠,٠٠ م٢	ع ماكينا
ارض	٦٣ وحدة	٩٩٧١,٠٠ م٢	سكني
دور اول	٦٧ وحدة	١٠٤٥٠,٠٠م٢	سكني
دور ثاني	٦٧ وحدة	١٠٤٥٠,٠٠م٢	سكني
دور ثالث	اثنا وثلاثون و	٥١٧٠,٠٠ م٢	ملحق سكني
وارض		٢١٨٩,٠٠ م/ط	
		٦٠٠,٠٠ م/ط	

البناء المطلوب :
مادة البناء :
النطاق العمراني :
المكتب المصمم :
المكتب المشرف :
بيانات الرسوم :
قيمة الرسوم : ١٦٣١٦,٢٠ ريال
ايصال السداد : ٢١٠٠٠٠١٧٠٣٧٧
تاريخه : ١٤٣٣/٧/٢هـ

أمانة المنطقة الشرقية
بلدية محافظة الخبر
القسم المالي
(الإيرادات)

ملاحظات :
* الترخيص حسب العرض على الخريطة
* [illegible]
* [illegible]
* [illegible]

[illegible] رئيس قسم ضبط التنمية [illegible] بلدية [illegible]
عبد العزيز ابراهيم الربيع م./ ناصر محمد المبارك م./ [illegible]
١٤٣٣/٧/١هـ

11.13 Documents

	Revenue - Property Wise						
	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	Complete Year 2025 Income
Pearl	2,998,653.15	3,221,800.66	**6,220,453.81**	2,947,717.52	2,846,645.34	**5,794,362.86**	**12,014,816.66**

	Property Operating Expenses						
	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	Complete Year 2025 Operating Profit
Pearl	532,508.13	872,845.88	**1,405,354.01**	730,069.77	1,057,477.57	**1,787,547.34**	**3,192,901.35**

	Operating Profit / (loss)						
	Q1 2025	Q2 2025	H1 2025	Q3 2025	Q4 2025	H2 2025	Complete Year 2025 Operating Profit
Pearl	2,466,145.02	2,348,954.78	**4,815,099.80**	2,217,647.75	1,789,167.77	**4,006,815.52**	**8,821,915.31**

11.14 Cash Flow Analysis

Cash flow analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Occupancy Rate %		64.0%	80.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Actual property income	199,215,731.87	12,014,816.66	17,253,587.20	19,453,419.57	19,939,755.06	20,438,248.93	20,949,205.16	21,472,935.29	22,009,758.67	22,560,002.63	23,124,002.70
Maintenance & opex - 15.0%	(31,273,038.63)	(3,192,901.35)	(2,588,038.08)	(2,918,012.94)	(2,990,963.26)	(3,065,737.34)	(3,142,380.77)	(3,220,940.29)	(3,301,463.80)	(3,384,000.40)	(3,468,600.41)
Propery's net operating income	167,942,693.24	8,821,915.31	14,665,549.12	16,535,406.63	16,948,791.80	17,372,511.59	17,806,824.38	18,251,994.99	18,708,294.87	19,176,002.24	19,655,402.30
Terminal value	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	280,791,461.36
Net cash flows	448,734,154.60	8,821,915.31	14,665,549.12	16,535,406.63	16,948,791.80	17,372,511.59	17,806,824.38	18,251,994.99	18,708,294.87	19,176,002.24	300,446,863.66
Discount rate	-	1.00	0.91	0.84	0.77	0.70	0.64	0.59	0.54	0.49	0.45
Net Present Flows	237,761,526.06	8,821,915.31	13,417,702.76	13,841,225.86	12,980,106.59	12,172,561.08	11,415,256.27	10,705,066.49	10,039,060.53	9,414,489.52	134,954,141.64

KPI's	total
Present value	237,761,526.06
Total value	237,762,000.00

11.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%5) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%15), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

Part 12

Al Jubail commercial center

12.1 Executive Summary
12.2 Reporting Methodology
12.3 Property Location Analysis
12.4 Property description and ownership
12.5 Property boundaries
12.6 Source of Information
12.7 Property photos
12.8 SWOT Analysis
12.9 Valuation approaches
12.10 Valuation Analysis
12.11 Opinion of Value
12.12 Validity of review and clarification
12.13 Documents
12.14 Cash Flow Analysis
12.15 Risks Study and Analysis
12.16 Assumptions and Limiting Conditions
12.17 Valuation Standards

12.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	Musharaka Capital (Musharaka REIT Fund)	Other users	Musharaka REIT Fund Holders
	Contact person	-	Contact information	-
Assets being valued	Assets name	Al Jubail commercial center	Interest to be valued	Leasehold
	Location	https://maps.app.goo.gl/kr6JUHVefeYRztff6		
Valuation standards	International Valuation Standards 2025	Unless otherwise stated, the valuation assignment is conducted in accordance with the regulations, executive guidelines, circulars, and directives issued by the Saudi Authority for Accredited Valuers (TAQEEM), as well as the latest edition of the International Valuation Standards (IVS 2025).		
Valuation	Purpose of valuation	REIT periodic valuation for the Capital Market Authority	valuation date	31/12/2025
	Inspection date	15/12/2025	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current use
		Market value : According to the International Valuation Standards 2025 (IVS 2025), Market Value is defined as the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, and where both parties act knowledgeably, prudently, and without compulsion.		Current use: The current way an asset, liability, or group of assets or liabilities is being used. Current use may, but is not necessarily, the highest and best use.

12.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25126075308	Report type	Detailed report
	Report date	26/03/2026	Report version	Draft 1
	Use, publication and distribution restrictions	Valuation processes and reports are confidential to the intended entity and designated recipients for a specific purpose, with no liability assumed toward any third party. This report, in whole or in part, may not be published, referenced in any document, statement, or periodical publication, or communicated to any third party without prior written consent specifying the format and context in which it appears.		
	Status of Valuers	The valuer certifies that there is no actual or potential conflict of interest with any of the parties or properties involved.		

12.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Investigations and Compliance	Limits on investigations	-The client was requested to provide the lease agreements. However, as they were not available as of the valuation date, we were provided with a document outlining the actual income and the maintenance and operating expenses of the subject property, and its accuracy was assumed.	
	Limits on analysis	-	
	Limits on inspection	-	
Nature and sources of information upon which the valuer relies	• The valuation relied on the documents provided to us by the owner, which were assumed to be accurate and valid for use as of the valuation date. The land lease contract details have been included in the report without attaching a copy of the contract, and Esnad retains a copy of these documents for reference: • These documents: o Title deed o Building permit o A document outlining the actual income and the maintenance and operating expenses of the subject property. o Land lease contract. • Market research and analysis have been undertaken by the valuer. • Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.		
Assumptions and special assumptions	Assumptions	IVS's instructions	• These are the facts that are consistent with, or may be consistent with, those existing at the valuation date due to one of the restrictions imposed on the scope of the research or inquiry work conducted by the valuer. • All significant assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• The opinion of value has been formed based on the assumption that the limitations on inquiries and inspection, as stated, are accurate. The value opinion is valid only if this assumption holds true.

12.1 Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance			
Assumptions and special assumptions	Special assumptions	IVS's instructions	• Assumed facts that differ from the facts existing at the valuation date are referred to as 'special assumptions.' Special assumptions are often used to illustrate the impact of potential changes on the value of an asset. These assumptions are described as 'special' because they indicate to the user of the valuation that the valuation is based on a change in current circumstances, or that they reflect a viewpoint not generally accepted by participants at the valuation date. • All significant special assumptions must be reasonable under these circumstances, supported by evidence, and appropriate for the intended use of the valuation in order to provide a valuation that complies with the standards.
		Applications in this report	• None (except as stated in the terms and conditions).

12.1 Executive Summary

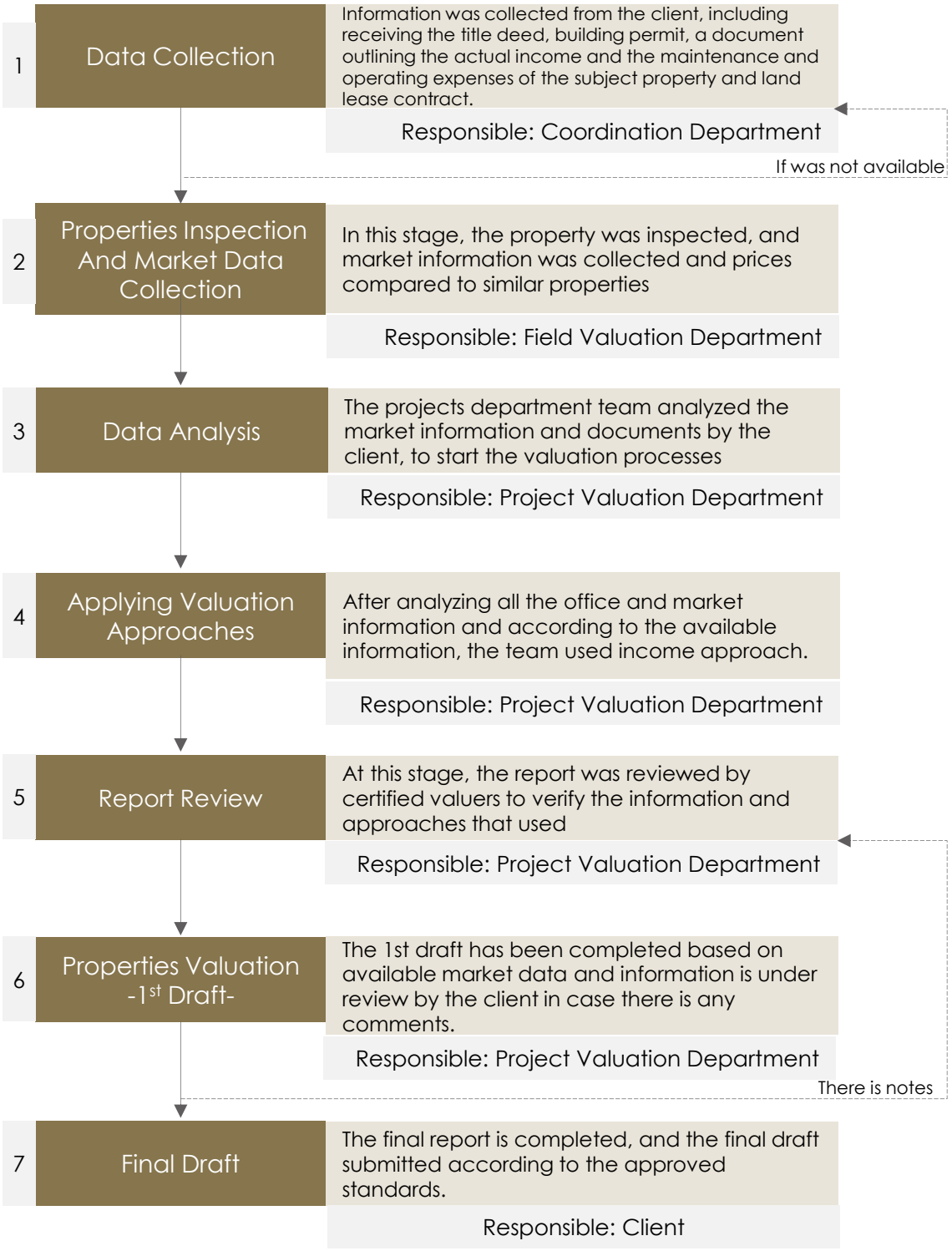
Salient fact and assumptions and IVS 2025 and regulatory compliance		
Opinion of Value	Numerical	51,853,000
	Written	Only fifty-one million eight hundred fifty-three thousand SAR
	Currency	﷼

Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Suweilam Abdullah Al-Shammari		1210002636	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations, auditing work, and income analysis	Eng. Mohie Mamdouh Abdelaziz		1220003379	Associate	
Value review and initial approval	Reviewing valuation results and income data	Eng Rakan Al Shaikhi		1210004021	Primary	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhannad Alhussami		1210000934	Primary	
				MRICS Registered Valuer Membership No. : 6601494		

Company's profile	
Esnad Real Estate Valuation –Saudi Professional Closed Joint Stock Company -	
Membership Number	11000054
Valuation Sector	Real Estate
Commercial Registration Number	4030297772
Commercial Registration Date	02/ 03/ 1439 H
Certified Valuer - TAQEEM membership No.	1210000934
Certified Valuer - TAQEEM membership issue date	10/11/1438 H
Company Stamp	

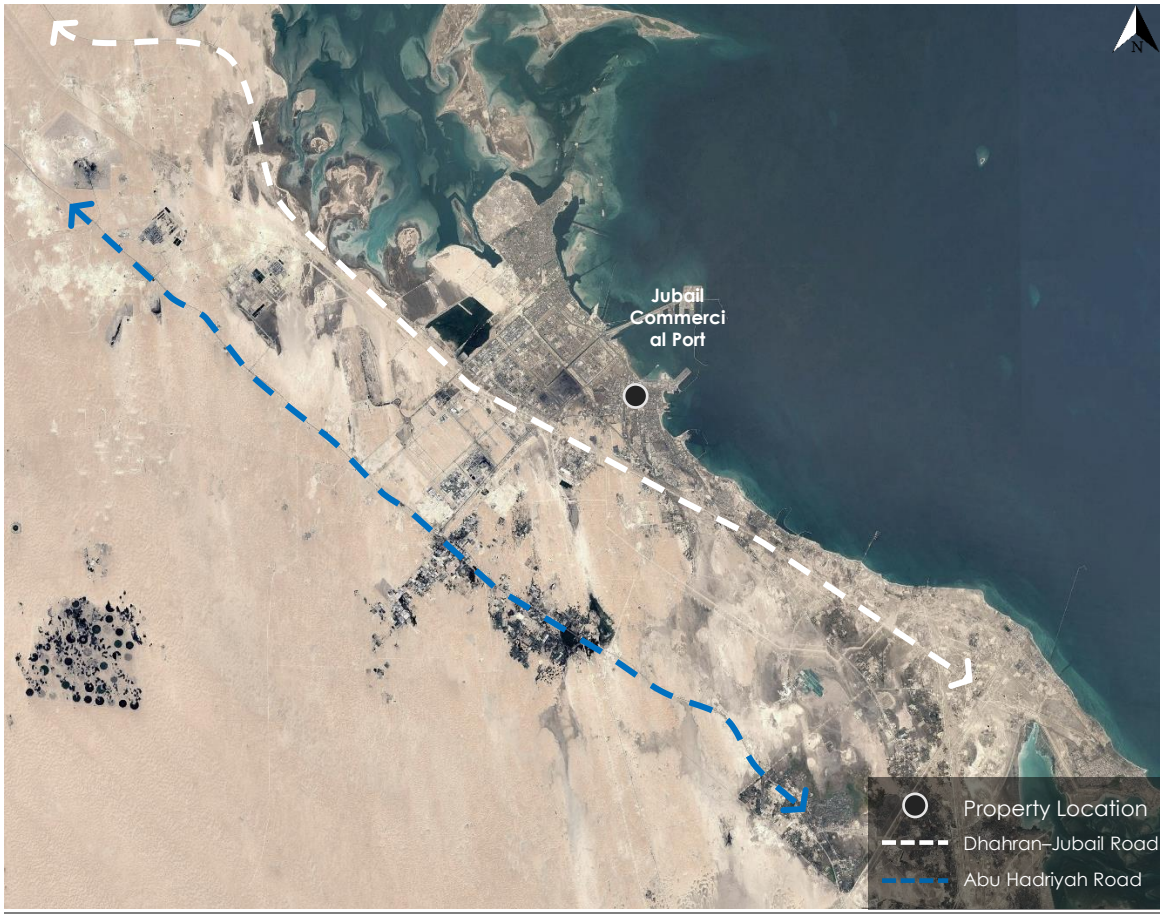
12.2 Reporting Methodology

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



12.3 Property Location Analysis

Description of the property at the city level	
About Al Jubail	of the city of Dammam, north Al Jubail is located approximately 85 kilometers away. It covers an area of about 1,016 km². It lies in the eastern region of the Kingdom of Saudi Arabia and overlooks the Arabian Gulf coast.Al Jubail Industrial City is considered one of the largest industrial cities in the world. It also includes several distinctive archaeological and historical sites and is known for its scenic nature, bordered by the sea from the north and east.



Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
Jubail Commercial Port	3.2 km	Dhahran–Jubail Expressway	6 km
King Fahd Naval Academy	10.7 km	Jubail Corniche	3 km

12.3 Property Location Analysis

Description of the property at the neighborhood level	
Description of the surrounding area	The property is distinguished by its strategic location within Jubail City, as it is situated on King Fahd Road.To the north, the property is bordered by King Fahd Road, followed by residential areas and then Jubail Commercial Port. To the south, it is bordered by Al Madinah Al Munawwarah Road, followed by Al Yarmouk district. To the east, the property is bordered by King Faisal West Road, followed by Jubail City Center. To the west, it is bordered by Highway No. 1.
Accessibility	The area is easily accessible via several main roads, most notably King Fahd Road and King Faisal West Road, both of which the subject property directly overlooks.



Satellite photo shows property location

12.4 Property description and ownership

Ownership information (based on title deed)			
Client's name	Musharaka Capital (Musharaka REIT Fund)	Owner's name	Al-Khunaine International Company Ltd.
Title deed number	765	Title deed date	05/02/1414 H
Building permit number	10802	Building permit date	12/05/1434 H

Property Information			
Province	Eastern Province	City	Al Jubail
District	-	Street	King Fahd Road
Parcel no.	4	Plan no.	-
Property Type	Al Jubail commercial center	Notes	-
Coordinates	27.011773° North	49.641515° East	
Google map	https://maps.app.goo.gl/n2pQZZMVQ3peH8paA		

Property description			
Land area based on title deed	39,750 m²	Land level	Flat
Land area As per contract	24,600 m²	Land shape	Irregular
Notes	As stated in the land lease agreement, a portion of the total land area of 24,600 square meters has been leased to United Real Estate Development Company for the purpose of developing and utilizing it for a commercial project.		



Satellite photo shows property location

12.5 Property boundaries & lengths

Property Dimensions (Based on the title deed)				
Views	length /m	Boundaries type	Road Category	Road width/m
North	158	King Fahd Road	Commercial	30
South	183.12	Neighbor	-	-
East	217	King Faisal West Road	Main	60
West	253.06	Aramco Well (س-59)	-	-

Property specifications		
Structure	BUA	15,636.71 m² (based on the building permit)
	Floors	Ground Floor + First Floor
	Age	Approximately 12 years
	Conditioning type	Central
	Finishing	Very good
	Facilities	-
	Elevators	-
Zoning (Building system as per the building permit)	Use	Commercial
	Maximum footprint	60%
	FAR	-
	Maximum floors	-
Notes		-

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

1.6 Source of Information

- The data was prepared based on the documents received by the client on 03/12/2025
- The property location was determined based on the title deed and the property was inspected on 15/12/2025
- The influencers are analyzed based on the current market situation.
- Musharaka REIT Fund Manager Disclosures on the Saudi Stock Exchange (Tadawul) website.

12.7 Property photos













12.7 Property photos

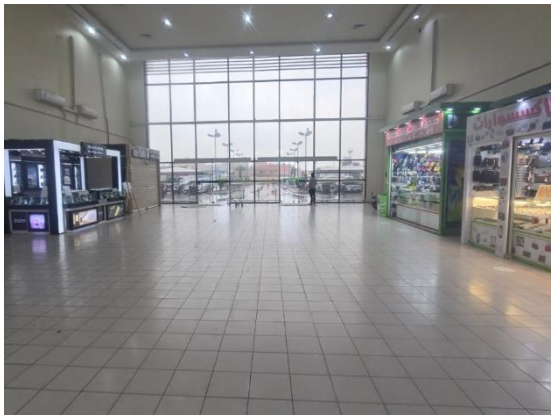












12.8 SWOT Analysis

SWOT Analysis	
Strength	• The property is located in an area close to Jubail Commercial Port and the Arabian Gulf coastline. • The property also benefits from a direct frontage on King Fahd Road.
Weakness	• No weaknesses are observed at the property area
Opportunities	His Royal Highness Prince Saud bin Nayef bin Abdulaziz, Governor of the Eastern Province, inaugurated several strategic projects at Jubail Commercial Port to increase capacity and enhance infrastructure at both Jubail Commercial Port and Jubail Industrial Port.
Property Risks	• The availability of alternatives in the area of the subject property may affect supply and demand.

12.9 Valuation Approaches

Principal valuation approaches and Residual Method	
Market Approach	The market approach provides an indication of value by comparing the asset or liability, or both, with similar or matching assets or liabilities for which price information is available. The market approach should always consider the volume of transactions, their frequency, the range of observed prices, and the proximity to the valuation date. The market approach should be applied and given significant weight in the following cases: A) If the subject asset has recently been sold in a transaction suitable for the basis of value. B) If the subject asset or similar assets are frequently traded publicly. C) If there are notable, recent, or repeated transactions in comparable assets.
Income Approach	The income approach provides an indication of value by converting expected cash flows into a single present value. According to this approach, the value of the asset is based on the income or cash flows generated by the asset or the costs it saves. The income approach should be applied and given priority and significant weight in the following cases: A) When the asset's ability to generate income is the key factor affecting its value from the perspective of a market participant. B) When reasonable forecasts are available for the amount and timing of future revenues from the subject asset, but reliable and relevant market comparisons are not available.
Cost Approach	The cost approach provides an indication of value based on the economic principle that a buyer will not pay more for an asset than the cost of acquiring an asset of similar utility, either through purchase or construction, unless there are unjustifiable factors related to time, inconvenience, risk, or other related factors. This approach provides an indication of value by calculating the current cost to replace or reproduce the asset and applying discounts for all forms of depreciation. The cost approach should be applied and given significant weight in the following cases: A) When market participants are able to recreate the asset with the same characteristics as the subject asset, without regulatory or legal constraints, and the asset can be recreated in a timely manner so that participants do not need to pay a significant additional amount to use the subject asset immediately. B) When the asset does not directly generate income, and the unique nature of the asset prevents the effective use of the income and market approaches. C) When the basis of value used is based on the cost of replacement.
Residual Method	The residual method is named as such because it refers to the amount remaining after subtracting all known or expected costs required to complete the development from the expected value of the project upon completion, taking into account the risks associated with completing the project. The resulting value is referred to as the residual value.

12.9 Valuation Approaches

The main factors that determining the best approach for valuation	
Factors	• The purpose of the valuation • Property type • Basis of value • Source of information

Approaches and methods used in the report	
Market Approach	□ Comparison Method
Income Approach	□ Direct Capitalization method ✓ **Cashflow method** □ Profits method
Cost Approach	□ Depreciated Replacement Cost (DRC)
Residual Method	□ Residual Method

12.10 Valuation Analysis

12.10.1 Income Approach- Discounted Cash Flow Method

According to the International Valuation Standards "2025", in the discounted cash flow method, the expected cash flows are discounted to the date of valuation, which results in a present value of the asset.... In some cases, discounted cash flows can include a final value that represents the value of the asset. The asset at the end of the explicit forecast period."

Given the expected change in the income of the subject property and its failure to reach full maturity at current revenue levels, the cash flow method was chosen to valuate the property using the income method and the explicit forecast period was determined in accordance with these inputs.

The explicit forecast period was determined based on the following principles and criteria:

- **Future financial projections of the property**: Including expected revenues and growth rates, using realistic data grounded in market analysis.
- **Consideration of property maturity phases**: Evaluating the time required to achieve revenue stabilization, based on market dynamics and the property's specific operational conditions.
- **Comprehensive risk analysis**: Covering market risks, operational risks, and assumptions related to occupancy and income levels.
- **Market and economic indicators**: Including demand and supply conditions in the sector, as well as broader economic trends impacting the mark

The analysis was conducted using a forward-looking approach that reflects the property's projected future cash flows. These cash flows were discounted using an appropriate discount rate that accounts for the risks associated with the property and overall market conditions. This approach provides an accurate representation of the property's current market value in accordance with international best practices.

12.10.1.1 Property income data:

The client provided us with the property income details as follows:

- Property actual income: 11,170,649.20 SAR/ Year
- Occupancy rate: 96%.
- Maintenance and operation cost: 1,198,028.83 SAR/Year

12.10.1.1 Land Lease Agreement:

- Contract start date: 01/01/2013
- Contract end date: 31/12/2034
- Contract term: 22 years (including a 2-year preparatory period from land handover)
- Remaining contract term: 10 years
- First 5-year rental period: SAR 2,500,000
- Second 5-year rental period: SAR 2,900,000
- Third 5-year rental period: SAR 3,400,000
- Fourth 5-year rental period: SAR 4,000,000

12.10 Valuation Analysis

12.10.1.2 Market rent

The subject property consists of rental units categorized as follows:

- **Hypermarket with a leasable area of 8,167.50 sqm**
- **(7) kiosks, each with an area of 8 sqm**
- **Drive-through ATM**
- **Retail showrooms with a total leasable area of 7,305.61 sqm**

A market comparison was conducted to estimate the expected market rent for the property's components, based on a systematic analysis of available market listings using the following methodology:

- **Collection and analysis** of market listings: Rental offers for comparable properties were analyzed based on location, area, and use type, considering the timing of the offers and their alignment with current market conditions.
- **Comparison with similar properties**: A detailed comparison was made between the subject property and similar units, with differences clarified through an adjustment table.
- **Adjustment for differences**: Necessary adjustments were applied to the comparable rental values to account for variations between the subject property and the reference properties.
- **Adoption of derived results**: The expected market rent for each component of the property was determined based on the analyzed data, with appropriate adjustments reflecting differences from comparable properties. Based on these detailed findings, the overall market rent for all components of the property was calculated.

12.10 Valuation Analysis

12.10.1 Income Approach- Discounted Cash Flow Method

12.10.1.2 Market Rent

12.10.1.2.1 Market approach – comparable transactions (Small showrooms)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Small showrooms				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	59	SAR 1,656
Property 2	Transaction	2025	100	SAR 1,800
Property 3	Transaction	2025	70	SAR 1,485



Satellite photo showing subject property and comparables

12.10 Valuation Analysis

12.10.1 Income Approach- Discounted Cash Flow Method

12.10.1.2 Market rent

12.10.1.2.2 Relative adjustment table – Small Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date	-	16/12/2025		16/12/2025		28/12/2025	
Value/m²	-	1,656 SAR/m²		1,800 SAR/m²		1,485 SAR/m²	
Transaction Type	-	Transaction	% 0.0	Transaction	% 0.0	Transaction	% 0.0
Market Conditions	-	Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
type of property	Showroom	Showroom	% 0.0	Showroom	% 0.0	Showroom	% 0.0
Adjustment Value / m²		0.00		0.00		0.00	
adjusted value / m²		1,656 SAR/m²		1,800 SAR/m²		1,485 SAR/m²	
Accessibility	Very easy	Very easy	% 0.0	Very easy	% 0.0	Very easy	% 0.0
Location	Very good	Very good	% 0.0	Very good	% 5.0-	Very good	% 0.0
Finishing	Very good	Very good	% 0.0	Very good	% 0.0	good	% 5.0
Area Vitality	Vital	Vital	% 0.0	Vital	% 0.0	Vital	% 0.0
Property age	12 years	20 years	% 4.0	20 years	% 4.0	20 years	% 4.0
Proximity to attractions	Very close	Very close	% 0.0	Very close	% 0.0	Very close	% 0.0
Adjustment Value / m²	-	66 SAR/m²	% 4.0	72 SAR/m²	% 4.0	134 SAR/m²	% 90.0
adjusted value / m²	-	SAR/m² 1,722		SAR/m² 1,872		SAR/m² 1,619	
Weighting	-	% 30		% 50		% 20	
Subject property adjusted value (SAR/m2)	-	SAR 1,780					

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (2), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation adjustment has been applied to the above comparables, as they represent actual transactions

Total leasable area of small retail units (m²)	1,958.91
SQM rental value (SAR/m²)	1,780
Total rental value of small retail units(SAR)	3,486,859.8

The leasable area was determined based on the data provided by the client.

12.10 Valuation Analysis

12.10.1 Income Approach- Discounted Cash Flow Method

12.10.1.2 Market rent

12.10.1.2.3 Market approach – comparable transactions (Large showrooms)

Comparables List - Large showrooms				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	1,777	SAR 517
Property 2	Transaction	2025	1,560	SAR 642



Satellite photo showing subject property and comparables

12.10 Valuation Analysis

12.10.1 Income Approach- Discounted Cash Flow Method

12.10.1.2. Market rent

12.10.1.2.4 Relative adjustment table – Large Showrooms

Comparison Criteria	Subject property	Comparable 1		Comparable 2	
		Description	Adjustment %	Description	Adjustment %
Transaction Date	-	17/6/2025		23/10/2025	
Value/m²	-	517 SAR/m²		642 SAR/m²	
Transaction Type	-	Transaction	% 0.0	Transaction	% 0.0
Market Conditions	-	Similar	% 0.0	Similar	% 0.0
Adjustment Value / m²		0.00		0.00	
adjusted value / m²		798 SAR/m²		821 SAR/m²	
Accessibility	Very easy	Very easy	% 0.0	Very easy	% 0.0
Location	Very good	Good	% 5.0	Good	% 5.0
Finishing	Very good	Good	% 5.0	Good	% 5.0
Area Vitality	Vital	Vital	% 0.0	Vital	% 0.0
Property age	12 years	10 years	% 1.0-	2 years	% 4.0-
Proximity to attractions	Very close	Very close	% 0.0	Very close	% 0.0
Adjustment Value / m²	-	47 SAR/m²	% 9.0	SAR/m² 39	% 6.0
adjusted value / m²	-	SAR/m² 564		SAR/m² 681	
Weighting	-	% 30		% 70	
Subject property adjusted value (SAR/m2)	-	SAR 650			

- The weighted average was used to estimate the rental value per square meter, giving the greatest weight to Comparable Plot No. (2), which is considered the best comparison case as it most closely resembles the subject property.
- No negotiation adjustment has been applied to the above comparables, as they represent actual transactions

Total leasable area of Hyper (m²)	8,167.50
SQM rental value (SAR/m²)	650
Total rental value of Hyper (SAR)	5,308,875

Total leasable area of Large retail units (m²)	5,346.7
SQM rental value (SAR/m²)	650
Total rental value of Large retail units(SAR)	3,475,355

The leasable area was determined based on the data provided by the client.

12.10 Valuation Analysis

12.10.1.2 Income Approach- Discounted Cash Flow Method

12.10.1.2 Market Rent

12.10.1.2.5 Market approach – comparable transactions (Kiosks)

The International Valuation Standards (IVS) 2025 classify the Comparative Transactions Method under the Market Approach and define it as follows: "The Comparative Transactions Method, also known as the Guideline Transactions Method, uses information on transactions involving assets that are identical or similar to the asset being valued to arrive at an indication of value.

Comparables List - Kiosks				
Property ID	**Transaction Type**	**Transaction Date**	**Area (m²)**	**SQM lease value**
Property 1	Transaction	2025	14	SAR 5,989
Property 2	Offer	2025	12	SAR 6,200



Satellite photo showing subject property and comparables

Based on the above-mentioned comparables, the average rental rate for kiosks is estimated at SAR 6,000 per sqm

Number of kiosks	7
Rental rate (SAR/sqm)	6,000
Area per kiosk (sqm)	8
Total rental value (SAR)	336,000

The number of kiosks was determined based on the data provided by the client.

12.10 Valuation Analysis

12.10.1 Income Approach – Discounted Cash Flow Method

12.10.1.2 Market rent

Following research and investigation, the average rental value for an ATM is estimated at SAR 45,000 per year.

Rental value of small retail units (SAR/year)	3,486,859.8
Rental value of the hypermarket (SAR/year)	5,308,875
Rental value of large retail units (SAR/year)	3,475,355
Rental value of kiosks (SAR/year)	336,000
Rental value of the ATM (SAR/year)	45,000

12.10.1.3 Income data approved in the valuation

The actual income data of the subject property was compared with the market rental data, and the following was observed:

Element	Actual income data (SAR)	Market data (SAR)	The difference SAR
Total retail income + kiosks + ATM	-	7,343,214.80	-
Occupancy Rate %	96%	90%	-
Actual Income(SAR)	5,767,845.20	6,608,893.32	-
Maintenance and Operation	(1,198,028.83)	20% (1,321,778.66)	-
Net income from retail units + kiosks + ATM	4,569,816.37	5,287,114.66	717,298.29 SAR
Total Income for the Hypermarket and the Restaurant(SAR)	5,402,804.00	5,308,875	-
Occupancy Rate %	0%	90%	-
Actual Income(SAR)	5,402,804.00	4,777,987.5	-
Maintenance and Operation	0%	0%	-
Total Income for the Hypermarket and the Restaurant(SAR)	5,402,804.00	4,777,987.5	(624,816.5) SAR
Result	• The contractual income data provided by the client was found to reflect market conditions and was used as an input in the valuation process, with discount and capitalization rates applied based on market data.		

12.10 Valuation Analysis

12.10.1 Income Approach – Discounted Cash Flow Method

12.10.1.1.5 Project income

- The actual income data of the subject property was compared with the market rental data, and the following was observed:

Project assumptions	
Project period	10 years
Discount rate	9.30%

- The current occupancy rate of the property, provided by the client, is 96%. Accordingly, an occupancy rate of 96% was adopted for the first two years of the cash flow period, gradually declining to stabilize at 90% from the seventh year until the end of the cash flow period, based on prevailing market occupancy rates.
- The client also provided the maintenance and operating expenses amounting to SAR 1,198,028.83. Accordingly, this amount was adopted for the first two years of the cash flow period, after which a rate of 20% for maintenance and operating expenses was applied based on prevailing market benchmarks. This rate was applied throughout the explicit forecast period.

Cash Flow Analysis

A projected cash flow analysis was conducted, taking into account inflation and occupancy levels (as well as the unit absorption rate in the market). All costs related to construction, maintenance, and operations were deducted to arrive at the net cash flows.
The net cash flows were discounted at a rate of 9.30% to reflect the risks associated with the property.
Appendix No. (1.15) provides the detailed cash flows for the subject property.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.2%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Data
Property Risk	1.00%	**Valuer's estimate of the market**
Discount rate	9.30%	

Valuation result:

Discounted cash flow value	51,852,900.50 SAR

12.11 Valuation Result

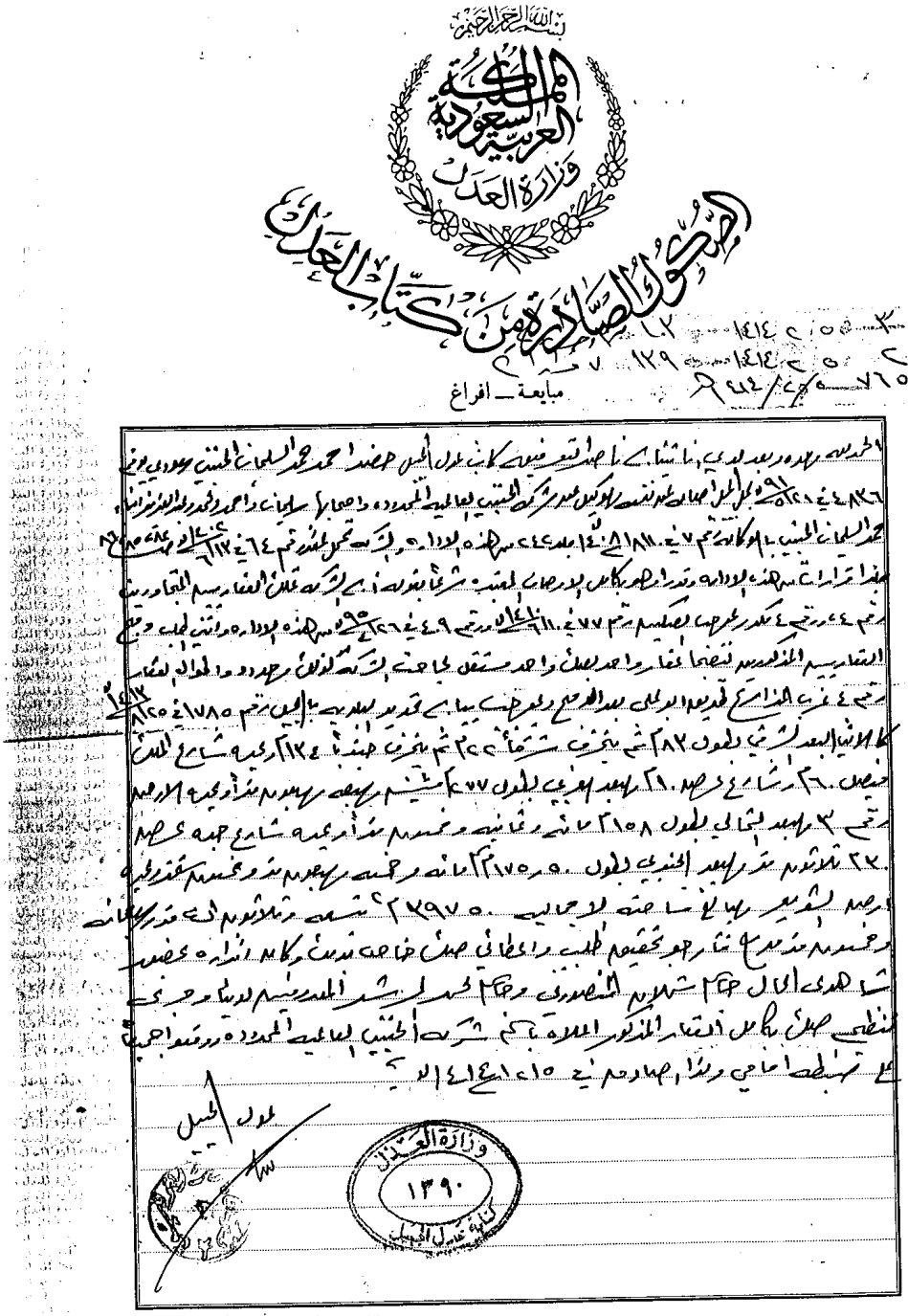
Opinion of value	
Value	51,853,000
Currency	﷼
Opinion of value (written)	Only fifty-one million eight hundred fifty-three thousand SAR

The income approach has been employed in establishing the opinion of value, due to the unavailability of comparable properties with similar characteristics that could provide a reliable basis for an accurate market comparison. This approach is considered the most appropriate method for valuing income-generating properties, as it emphasizes the property's capacity to produce stable financial returns. The objective of this methodology is to derive a value opinion that accurately reflects the market value of the property, while addressing the challenges posed by limited market data and fully complying with the recognized professional standards in real estate valuation.

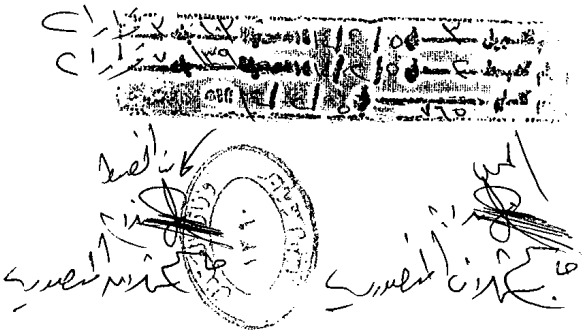
12.12 Validity of review and clarification

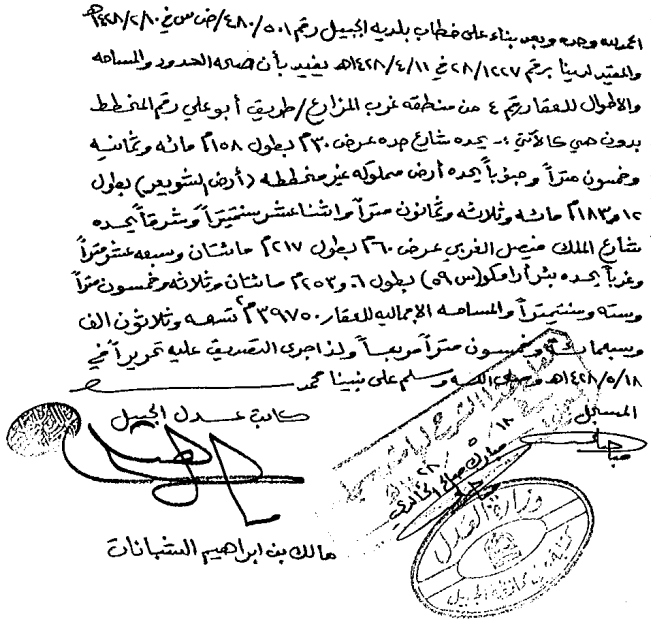
- Review is valid (5 days) from the date the first draft was issued.
- The estimated value of the property was reached through the following international methodologies and methods adopted by Saudi Authority for Accredited Valuers.

12.13 Documents



12.13 Documents





12.13 Documents



المملكة العربية السعودية
وزارة الشئون البلدية والقروية
أمانة المنطقة الشرقية
بلدية محافظة الجبيل

إدارة الشئون الفنية
قسم ضبط التنمية
رخص البناء

رخصة بناء

رقم الترخيص : ١٠٨٠٢
التاريخ : ١٤٣٤-٠٥-١٢
صلاحيتها : ٣ سنوات

المالك/شركة الخنيني العالمية المحدودة
سجل مدني: ٢٠٥٥٠٠٠٢٠٤ مصدرها : الدمام تاريخها : ١٤٠٥-٠٧-٠٢
شركة الموحده للتطوير العقاري

الموقع خارج المخطط/ رقم الأرض: ٤
بلك رقم : - من المخطط المعتمد : مساحة الأرض: ٣٩٧٥٠
عقد/صك ١٤/٣
بتاريخ: ١٤١٤-٠٢-٠٥

ملاحظة هامة: يجب عمل ساتر خشبي لمنع تسرب مواد البناء إلى الشارع والكتابة عليه بخط واضح رقم الرخصة وتاريخها إسم المالك والمقاول والمكتب الهندسي المشرف

قد رخص للمالك القيام بناء
دور أرضي +أول فقط. عدد (١٩) محل تجاري +عدد (١) مبنى اداري +عدد (١) مبنى تجاري بناء على عقد اشراف صادر من مكتب القطري للاستشارات الهندسية بتاريخ ١١-٠٥-١٤٣٤هـ

	الشمال	الجنوب	الشرق	الغرب
الأبعاد :	١٥٨,٠٠م	١٨٣,١٢م	٢١٧,٠٠م	٢٥٣,٠٦م
الحدود :	شارع جدة ٣٠,٠٠م	ارض مملوكة	شارع الملك فيصل الغربي بئر ارتكو ٥٩	
الإرتدادات				
البروز:				

الشطفة: شمال-شرق | شمال-غرب | جنوب-شرق | جنوب-غرب
مجموع مسطحات الوارش: أطوال السور:

المراقب الفني: خالد عبدالرحمن السفاعي

مكونات المبني

الوصف	المساحة	عدد
دور أول تجاري	٢٥٣٣,٢٢	١
دور أرضي تجاري	١٣١٠٣,٤٩	٢١
مجموع المسطحات	١٥٦٣٦,٧	

* احدث الرسومات بمعرفة مكتب(القطري للأستشارات الهندسية
* سدد الرسوم المقررة وقدرها (١٢٥١٩) ريال فقط
* بموجب الايصال رقم (٤٦/١٦٥٢٣٤٦) في١٢-٠٥-١٤٣٤ هـ

* يراعى عدم وضع فتحات التكييف في الواجهة الرئيسية للمبنى
* تمت مراجعة الرسومات والموافقة عليها على أن يلتزم المالك بتنفيذ كامل أنظمة البلدية وأن يرجع اليها عند ضرورة التعديل مهما كان وعليه أعطى الترخيص
* اجريت دراسة التربة بمعرفة(

رئيس قسم رخص البناء: أ/ ناصر عبدالله الطويل
مدير إدارة ضبط التنميه: م/ سلامة بن هارب الرشيدي
مدير إدارة الشئون الفنية: مهندس/ عباس بن محمد الزاير
رئيس بلدية محافظة الجبيل: المهندس/نايف بن فيصل الدويش

الختم الرسمي

الرقم : ..... التاريخ : ..... المرفقات : .....

هاتف : ٠٤٠٤١ ٣٦٢ - فاكس : ٣٥٧٣ ٣٦٢ - ص.ب ٢٢٨٨ - الخبر ٣١٩٥١ - المملكة العربية السعودية

12.13 Documents

Property	Lease Type	Unit(s)	Lease Area	Lease	Amendment Type	Original Lease Start	Amendment Start	Amendment End	تاريخ توثيق العقد على منصة ايجار	Rent/SQM	Rent/Year	S.C/Year	Grand Total
Jubail Plaza	Line Shop	01	105.50	VACANT						0.00	0.00	0.00	0.00
Jubail Plaza	Line Shop	ء	105.50	t0000194	Renewal	27-Dec-2016	3-Nov-2024	2-Nov-2025	2-Jun-2025	1,725.00	181,988.00	9,100.87	191,088.87
Jubail Plaza	Line Shop	03	105.50	t0000943	Renewal	27-Jun-2019	25-May-2022	21-Apr-2025		1,380.00	145,590.00	7,279.50	152,869.50
Jubail Plaza	Line Shop	04	105.50	VACANT						0.00	0.00	0.00	0.00
Jubail Plaza	Line Shop	05	105.50	t0000197	Renewal	27-Dec-2016	25-Nov-2023	24-Nov-2024	12-Jun-2024	1,400.00	147,700.00	7,386.09	155,086.09
Jubail Plaza	Line Shop	06	105.50	t0001718	Original Lease	10-Mar-2025		9-Mar-2028	2-Dec-2024	1,500.47	158,300.00	15,829.57	174,129.57
Jubail Plaza	Line Shop	07	105.50	t0000787	Original Lease	24-Dec-2017		20-Nov-2020	-	0.00			0.00
Jubail Plaza	Line Shop	08	105.50	t0000200	Renewal	27-Dec-2016	13-Nov-2025	12-Nov-2028	13-Sep-2025	1,500.00	158,250.00	7,914.00	166,164.00
Jubail Plaza	Line Shop	09	105.50	VACANT						0.00	0.00	0.00	0.00
Jubail Plaza	Line Shop	10, 11	211.00	t0000203	Renewal	16-Apr-2014	26-Jan-2025	25-Jan-2026	26-May-2025	1,620.00	341,820.00	0.00	341,820.00
Jubail Plaza	Line Shop	12	105.50	t0000204	Renewal	14-Jan-2017	1-Jan-2025	31-Dec-2025	7-Jul-2025	1,450.01	152,976.00	7,652.17	160,628.17
Jubail Plaza	Line Shop	13	105.50	t0000253	Renewal	18-Jan-2017	25-Nov-2024	24-Nov-2027	25-Sep-2024	1,650.01	174,076.00	0.00	174,076.00
Jubail Plaza	Line Shop	14	105.50	t0001745	Original Lease	12-May-2025		11-May-2028	13-Aug-2025	1,500.47	158,300.00	15,830.00	174,130.00
Jubail Plaza	Line Shop	15	181.90	t0001747	Original Lease	19-Jul-2025		18-Jul-2030	29-May-2025	1,320.00	240,108.00	0.00	240,108.00
Jubail Plaza	Line Shop	16	300.01	t0000237	Renewal	19-Dec-2013	10-Aug-2025	9-Aug-2030	2-Jul-2025	2,166.59	650,000.00	0.00	650,000.00
Jubail Plaza	Anchor	ANCHOR1	8,167.50	t0000238	Renewal	26-Dec-2013	26-Dec-2022	25-Dec-2033	8-Jun-2023	661.50	5,402,804.00	0.00	5,402,804.00
Jubail Plaza	ATM Drive Through	ATD-01	12.00	VACANT						0.00	0.00	0.00	0.00
Jubail Plaza	Free Stand	FS1	767.50	t0000236	Renewal	8-Dec-2013	8-Dec-2022	7-Dec-2033	28-Mar-2023	646.42	496,125.00	0.00	496,125.00
Jubail Plaza	Free Stand	FS2	4,579.20	t0000242	Renewal	15-Jul-2014	15-Jul-2024	14-Jul-2029	6-Aug-2024	550.00	2,518,560.00	0.00	2,518,560.00
Jubail Plaza	Kiosk	KIOSK1	8.00	t0001348	Renewal	7-Jun-2022	7-Jun-2024	6-Jun-2025	7-Apr-2024	4,375.00	35,000.00	2,000.00	37,000.00
Jubail Plaza	Kiosk	KIOSK3	8.00	t0000255	Renewal	25-Jan-2016	29-Nov-2025	28-Nov-2026	29-Sep-2025	6,257.50	50,060.00	2,000.00	52,060.00
Jubail Plaza	Kiosk	KIOSK4	8.00	t0001729	Original Lease	1-Feb-2025		31-Jan-2026	27-May-2025	5,000.00	40,000.00	2,000.00	42,000.00
Jubail Plaza	Kiosk	KIOSK5	8.00	VACANT						0.00	0.00	0.00	0.00
Jubail Plaza	Kiosk	KIOSK6	8.00	t0000280	Renewal	24-Mar-2016	20-Dec-2019	17-Jan-2022		0.00	0.00	0.00	0.00
Jubail Plaza	Kiosk	KIOSK7	8.00	t0001151	Original Lease	25-Dec-2020		24-Dec-2021	2-Dec-2020	0.00	0.00	0.00	0.00
Jubail Plaza	Kiosk	KIOSK8	8.00	t0001679	Original Lease	26-Aug-2024		25-Aug-2025	18-Aug-2024	5,000.00	40,000.00	2,000.00	42,000.00

12.14 Cash Flow Analysis

Cash Flow Analysis	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Commercial center											
Commercial center total income	63,262,713.40	-	-	7,343,215	7,710,376	7,710,376	7,710,376	8,095,894	8,095,894	8,095,894	8,500,689
Occupacny rate	-	96%	96%	95%	95%	93%	93%	90%	90%	90%	90%
income of the commercial center	69,687,434.51	5,767,845	5,767,845	6,976,054	7,324,857	7,170,649	7,170,649	7,286,305	7,286,305	7,286,305	7,650,620
Maintenance & opex - 20.0%	-14,026,406.48	-1,198,029	-1,198,029	-1,395,211	-1,464,971	-1,434,130	-1,434,130	-1,457,261	-1,457,261	-1,457,261	-1,530,124
Net operating income	55,661,028	4,569,816	4,569,816	5,580,843	5,859,885	5,736,519	5,736,519	5,829,044	5,829,044	5,829,044	6,120,496
Hyper market											
Hyper market total income	57,351,440	5,402,804	5,402,804	5,402,804	5,672,944	5,672,944	5,672,944	5,956,591	5,956,591	5,956,591	6,254,421
Occupacny rate	0	0	0	0	0	0	0	0	0	0	0
Actual income	57,351,439.81	5,402,804	5,402,804	5,402,804	5,672,944	5,672,944	5,672,944	5,956,591	5,956,591	5,956,591	6,254,421
Maintenance & opex - 0.0%	0	0	0	0	0	0	0	0	0	0	0
Hyper market net income	57,351,439.81	5,402,804	5,402,804	5,402,804	5,672,944	5,672,944	5,672,944	5,956,591	5,956,591	5,956,591	6,254,421
Property net operating income	113,012,467.84	9,972,620	9,972,620	10,983,647	11,532,830	11,409,464	11,409,464	11,785,635	11,785,635	11,785,635	12,374,917
Land lease	-	-3,400,000	-3,400,000	-3,400,000	-3,400,000	-3,400,000	-4,000,000	-4,000,000	-4,000,000	-4,000,000	-4,000,000
Net cash flow	76,012,468	6,572,620	6,572,620	7,583,647	8,132,830	8,009,464	7,409,464	7,785,635	7,785,635	7,785,635	8,374,917
Dsicount rate	6.92	1.00	0.91	0.84	0.77	0.70	0.64	0.59	0.54	0.49	0.45
Net current flows	51,852,901	6,572,620	6,013,376	6,348,013	6,228,467	5,612,066	4,749,916	4,566,391	4,177,851	3,822,370	3,761,829

KPI's	Total
Present value	51,852,901
Total property value	SAR 51,853,000

12.15 Risks Study and Analysis

Type of Risk	Qualitative Analysis	Quantitative Analysis	Effect on Value
Tenant classification risk	Assessing the variety of tenants, their activities, industries, and financial stability.	Concentration of income from a limited number of main tenants (%10) and estimating its impact on income.	Dependence on a limited number of tenants increases risks and reduces value.
Credit and tenant risk	Assessing the quality of tenants in terms of creditworthiness, payment ability, and overall financial performance.	Calculating the expected default rate rent collection rate, and discount rate adjustment to compensate for risks.	Increased risks reduce expected income and raise the discount rate, thereby lowering value.
Management and Operational Risk	Assessing the efficiency of the property management system, leasing policy, maintenance, and financial reporting.	Raising operating expenses as a percentage of income (%10), due to weak management efficiency.	Weak management leads to lower net income and higher risks, thus reducing value.
Highest and Best Use (HBU) Risk	Site Analysis and Surrounding Environment to determine the optimal use of the subject property	Comparing current use with potential uses to determine the highest and best use and increase income.	Failure to use the property optimally leads to a lower valuation compared to available alternatives.
Market and Economic Change Risk	Analyzing market indicators, supply and demand, and economic trends.	Analyzing rent and return indicators and their relationship to interest rate and inflation trends.	Market fluctuations lead to changes in expected returns and valuation.
Planning and Zoning Risk	Review of municipal and regulatory requirements and their compliance with current or intended use.	Estimation of the impact of planning restrictions or reduced buildable area on income.	Regulatory constraints may limit development potential and reduce value.
Physical Deterioration and Maintenance Risk	Inspection of building condition, materials used, and estimated remaining useful life.	Estimation of depreciation or obsolescence percentage and required renewal cost.	Deterioration and lack of maintenance lead to value reduction due to physical and market depreciation.

12.16 Assumptions and Limiting Conditions

This report is subject to the following terms and conditions:

- This report has been prepared exclusively for the purposes explicitly stated herein. It is to be used solely by the intended recipient and must not be shared, relied upon, or disclosed to any third party for any other use.
- The report is an indivisible whole and must not be extracted, segmented, copied, or used in any part independently from the full document.
- No part of this report may be circulated, published, or used for advertising, media, public relations, or legal purposes without the preparer's prior written approval.
- The valuer retains exclusive ownership of this report, along with all documentation, data, and files prepared and used in its development.
- While the information, forecasts, and opinions presented herein have been prepared with utmost care and according to the highest standards, their absolute accuracy or completeness is not guaranteed.
- This report was prepared electronically, encompassing all written content and analytical work. All related files are securely retained and archived in the valuer's database.
- The valuer has not identified, nor has been notified of, any latent or concealed conditions that may influence the value of the property as of the valuation date — including, but not limited to, subsurface soil conditions and structural integrity. The valuer shall not be held liable in the event that such conditions are subsequently discovered.
- It is explicitly assumed in this report that no hazardous substances, environmental risks, or harmful factors exist on or around the subject property that may affect its value. Should such conditions be identified, this valuation shall be rendered null and void, and a separate, specialized assessment by qualified professionals — wholly outside the scope of this valuation — shall be required.
- This valuation is predicated on the assumption that the subject property is entirely free from contamination, toxic materials, or environmental hazards of any kind. The valuer disclaims all responsibility for detecting such conditions, as doing so would require specialized expertise that lies wholly beyond the scope of the valuation assignment.
- This report was prepared using the best available information known to the valuer at the time of the valuation. The valuer affirms that no material or impactful information came to their attention during the preparation of this report that has been omitted or withheld.
- The authenticity of the property title deed has not been verified, and it has been assumed to be valid. It is further assumed that there are no encumbrances or restrictions on ownership, unless otherwise stated. Additionally, the property is assumed to be in full compliance with all municipal requirements and legal boundary conditions, unless noted to the contrary. The valuer assumes no responsibility for the validity of these documents.
- In the event that the client provides the valuer with any maps, plans, or property specifications, the valuer's inspection shall be limited strictly to what is externally visible and apparent. Such a review must not, under any circumstances, be construed as a substitute for professional structural, engineering, or environmental valuations.
- This valuation has not been requested for purposes of establishing a minimum value or for mortgage loan approval, unless such intent is expressly stated within the report or explicitly defined in the terms of engagement between the valuer and the client.
- The valuer bears no liability for any claims, losses, or damages resulting from the use of the valuation report's findings, analyses, or conclusions, except as expressly stipulated in the terms of engagement agreed upon with the client.

12.16 Assumptions and Limiting Conditions

- To the best of the valuer's knowledge at the time of preparing this valuation, all facts and information included in this report are accurate. The valuer affirms that no material information relevant to the valuation, known at the time of preparation, has been excluded or left unconsidered.
- All analyses, opinions, and conclusions expressed in this report are made in accordance with the stated assumptions and limiting conditions, and represent independent professional judgment without bias or influence in favor of any party.
- This valuation report is deemed valid solely when affixed with the official company seal and signed by the authorized and licensed valuers of the firm.
- Esnad Real Estate Valuation Company affirms that there exists no current or foreseeable conflict of interest with respect to any of the parties or properties subject to this valuation assignment.

12.17 Valuation Standards

12.17.1 Valuation Review Criteria

All work is performed in accordance with the Accredited Valuers System, the Executive Regulations pertaining to Real Estate Valuation issued by the Saudi Authority for Accredited Valuers (Taqeem), and the latest version of the International Valuation Standards (IVS 2025) as published by the International Valuation Standards Council (IVSC). Valuers are bound by their requirements, and the valuations may be subject to monitoring by these bodies.

12.17.2 Special Assumptions

This report, in specific instances, incorporates certain 'assumptions' or 'special assumptions' for valuation purposes. All such assumptions are governed by the International Valuation Standards 2025 and are generally classified into two main categories as outlined below:

- These refer to facts that are, or could reasonably be, consistent with the circumstances prevailing at the valuation date, arising from limitations placed on the scope of the valuer's research or due diligence process.
- Assumed facts that diverge from those prevailing as of the valuation date are referred to as 'special assumptions'. Such assumptions are typically employed to demonstrate the effect of hypothetical scenarios or changes on the value of an asset. They are described as 'special' because they inform the user of the valuation that the assessment is based on altered conditions or on perspectives that are not ordinarily held by market participants as of the valuation date."
- All significant special assumptions must be reasonable in light of the prevailing circumstances, substantiated by appropriate evidence, and suitable for the intended purpose of the valuation so as to ensure compliance with applicable valuation standards.

12.17.3 Sale Costs, Taxes, and Other Liabilities

- This valuation excludes any consideration of costs, taxes, or expenses that may be incurred upon the sale or disposal of the property. It is further assumed that there are no encumbrances, such as loans or mortgages, that would restrict the free and unencumbered disposition of the property, unless expressly noted otherwise in this report.

12.17.4 Sources of Information

- The documents provided by the owner, and appended to this report, are assumed to be authentic, accurate, and valid for use as of the valuation date. These documents include, but are not necessarily limited to, the following:
    - Property Title Deed (if available)
    - Building Permit if (available)
    - Lease Agreements (if available)

12.17.5 Environmental Pollution

This valuation does not include any environmental assessment to determine the presence or absence of contamination on the subject property's land. It is therefore expressly assumed that the land is free from environmental pollutants, unless stated otherwise in this report. If any such contamination comes to the valuer's attention, the client will be duly informed.

12.17.6 Outstanding Liabilities

The valuation excludes any obligations that were applicable to the property during its construction phase and are considered to have lapsed upon completion of the construction, regardless of whether their closure has been formally documented. This includes any liabilities relating to contractors, subcontractors, and all parties involved in the design and execution teams.

12.17.7 Confidentiality of Information and Liability Toward Third Parties

- This valuation report is strictly confidential and intended exclusively for the designated recipient and solely for the specified purpose. The valuer shall not bear any responsibility or liability whatsoever toward any third party.
- Under no circumstances may this report (whether in whole or in part) nor any reference to it or any of the information it contains, be published, disclosed, or communicated to any third party without the valuer's prior written consent regarding both the form and content in which it will appear.

12.17.8 Maps and Illustrative Drawings

All maps, diagrams, and illustrative content contained in this report are intended solely for visualization purposes. Although believed to be accurate, no guarantees are made regarding their correctness, and they shall not be relied upon for any contractual, legal, or decision-making purposes

12.17 Valuation Standards

12.17.9 Compliance with the Real Estate Investment Funds Regulations (REIT)

Based on the scope specified in the assignment, this report has been prepared in accordance with the Real Estate Investment Funds Regulations issued by the Capital Market Authority.

This report was prepared by Esnad Real Estate Company, an independent valuation company licensed by the Saudi Authority for Accredited Valuers (Taqeem), according to the following conditions and assumptions:

- The Accredited Valuer must be independent of any related parties.
- The Accredited Valuer must hold a Fellowship of the Saudi Authority for Accredited Valuers (Taqeem).

The Accredited Valuer's report must include, at a minimum, the following:

- The valuation approach, method, and the assumptions upon which it was based.
- An analysis of variables relevant to the real estate market, such as supply, demand, and market trends.
- Details and descriptions of the property.
- The risks related to the property subject to valuation.

12.17.10 The Nature and Scope of the Valuer's Work and Any Imposed Restrictions

"In accordance with International Valuation Standard (IVS) 101 – Scope of Work – from the International Valuation Standards 2025, specifically paragraph (1-20-i) related to the nature and scope of the valuer's work and any restrictions imposed on it, which states that any limitations that impair inspection, inquiry, or analysis related to the valuation must be identified. If relevant information is not available due to restrictions placed on investigation and inquiry within the valuation terms, these limitations must be identified, along with any necessary or special assumptions (see IVS 102 – Bases of Value, paragraphs (1-50) to (4-50)) arising from such restrictions."

It is noted that these aspects, if present, will be addressed in their designated sections within this report.

12.17.11 Material Environmental, Social, and Governance (ESG) Factors

In accordance with International Valuation Standard 104 – Data and Inputs (IVS 2025), which states that the impact of material environmental, social, and governance (ESG) factors should be considered, the potential influence of such factors on the subject property has been reviewed. Any identified or observed tangible impacts resulting from these factors have been analyzed. Accordingly, any such impacts, if applicable, will be detailed in the section titled Property Data and Ownership Information.

12.17.12 Specialist

This report has been prepared with the support of an internal team of specialists possessing the technical skills and subject-matter expertise necessary to perform, support, review, or challenge valuation activities. In the event that any external specialists are engaged, such disclosure will be made in the section titled Valuation Team. This approach is in accordance with International Valuation Standard 100 – Valuation Framework (IVS 2025).

12.17.13 Statement of Compliance with Standards

Esnad hereby affirms that this report has been prepared in full compliance with the International Valuation Standards 2025, effective as of 31 January 2025. All professional requirements and technical guidelines outlined in these updated standards have been duly followed to ensure the delivery of an accurate, objective valuation that reflects the true value of the assets appraised. Any additional valuation standards adopted or applied alongside the International Valuation Standards will be clearly referenced in the report to ensure consistency with the latest professional guidance and applicable frameworks.

17.17 Valuation Standards

17.17.14 Nature and Source of Information Relied Upon by the Valuer

The scope of work included the review and analysis of all relevant information, as well as the necessary verification procedures to assess its accuracy and consistency with actual market conditions. The authenticity of documents referenced in the report was verified using official government platforms, such as the Real Estate Exchange Platform, the Real Estate Registry, and Balady Platform, based on availability and the type of documents submitted by the client, unless otherwise stated.

Information was collected from multiple sources, including client-provided data, market evidence, previous records available to the valuer, and external sources such as licensed brokers and real estate platforms, all as referenced within the report.

Analytical procedures were performed on the data, including price and cost comparisons (if applicable), determination of appropriate discount and capitalization rates (where applicable), and verification of data used in the comparable sales grid and adjustment tables. Other valuation methods—such as the income approach and residual value method—were applied when appropriate, with suitable adjustments made. Contract documents were also examined and compared to prevailing market prices as of the valuation date, if such contracts were provided.

Market-related information was compiled by the valuation team and included the current market conditions, sale or lease prices for each property component, discount and capitalization rates, occupancy, operational costs, and anticipated development returns. All valuation estimates and conclusions in this report were based on market data and comparisons available as of the valuation date.

Some information was also gathered through the valuer's professional network, including brokers, developers, investors, and governmental bodies.

17.17.15 Intended Use

This report has been prepared in accordance with the valuation service agreement and the agreed work plan. It is intended for use exclusively by the client for the purpose stated in the executive summary of the report.

Part 13

Overview of the Real Estate Sector in the Regions of the Kingdom

13.1 Overview of the Real Estate Sector in the Regions of the Kingdom.

13.2 Overview of the Real Estate Sector in the City of Riyadh.

13.3 Overview of the Real Estate Sector in the City of Al-Kharj.

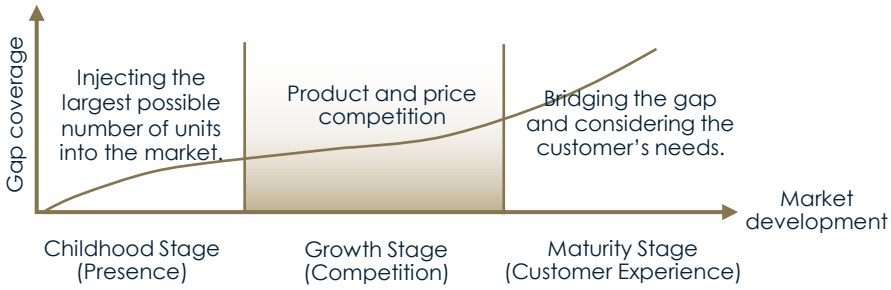
13.4 Overview of the Real Estate Sector in the Eastern Province.

13.1 Overview of the Real Estate Sector

Current State of Real Estate

- The real estate development sector in the Kingdom has witnessed significant growth, as the real estate sector is considered one of the main contributors to the Gross Domestic Product (GDP).
- Several initiatives have been launched to support and empower real estate developers, such as the "Transformation and Empowerment" program, which positively impacts the real estate market.

Stages of real estate market development



The Main Driving Forces Of The Real Estate Sectors.

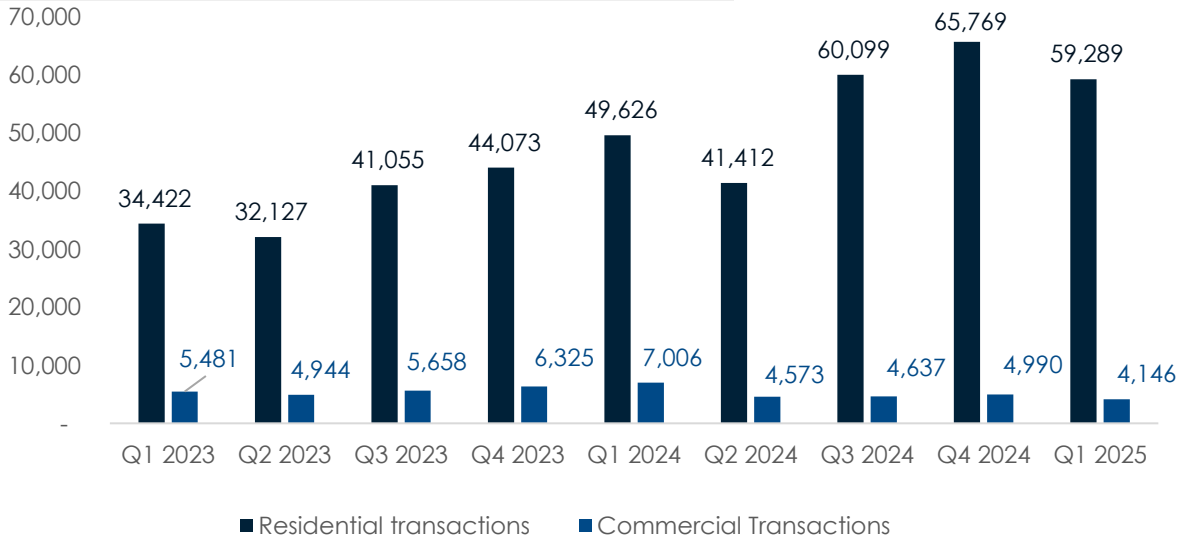
Residential
- Population growth
- Government initiatives and their impact on increasing demand
- Interest rates and their impact on real estate financing

Office
- Government initiatives for regional headquarters in the Kingdom.

Commercial
- Recovery in the food and beverage, and entertainment sectors
- Growth in retail sales and consumer spending

Industrial
- Demand for warehouses and the supply volume in the market
- Increased activity in the manufacturing and logistics sectors

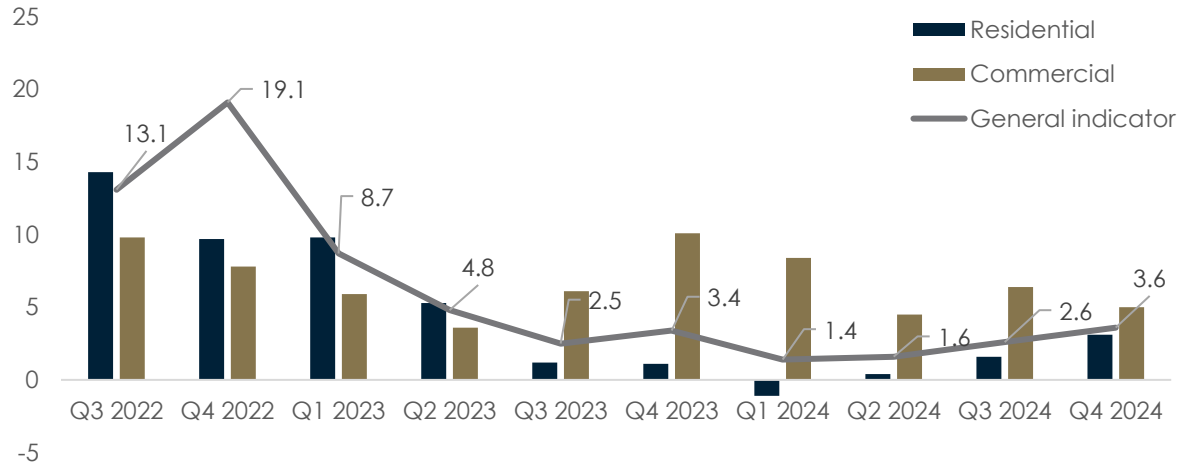
Real estate transactions executed in the Kingdom.



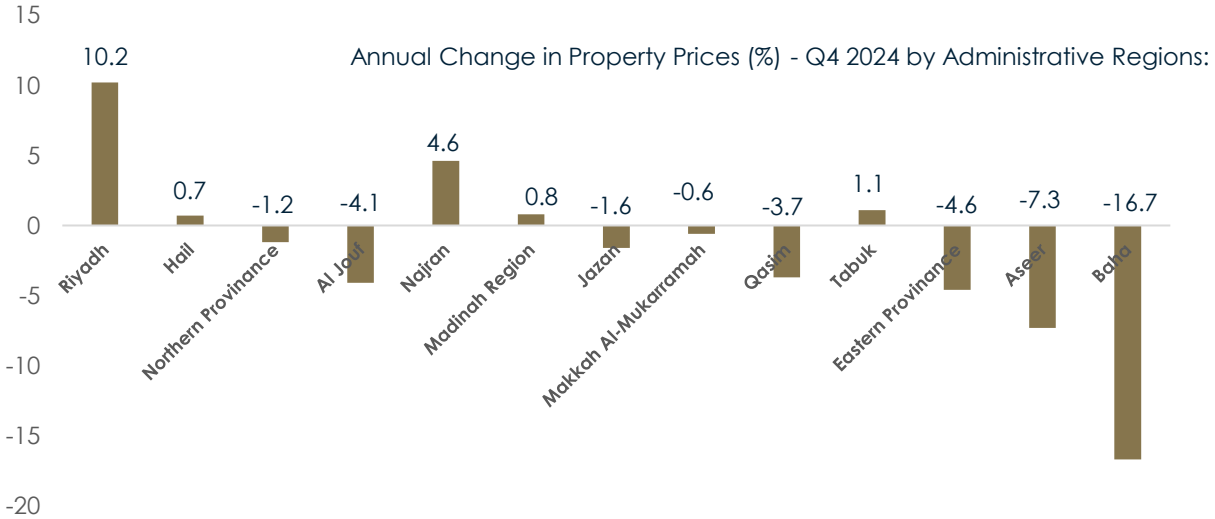
13.1 Overview of the Real Estate Sector

Growth of Real Estate

- Real estate sector data indicates an increase in property prices during the fourth quarter of 2024 compared to the same quarter in 2023. The residential sector saw a rise of 3.1%, which accounts for 72.6% of the price index, driven by a 2.5% increase in residential land prices, which represent 45.7% of the sector's weight. As for the commercial sector, property prices rose by 5.0% in the fourth quarter of 2024, influenced by a 5.2% increase in commercial land prices. Additionally, building prices saw an increase of 5.1%.



- The annual change rate in property prices across the Kingdom of Saudi Arabia was 3.6%, mainly driven by a 10.2% increase in prices in Riyadh, which has the highest relative weight in the price index at 47.8%. In contrast, the Makkah and Eastern regions saw declines in property prices by 0.6% and 4.6%, respectively, with relative weights of 16.1% and 24.1%. Regarding other regions, Najran and Tabuk recorded the highest annual increases after Riyadh, with increases of 4.6% and 1.1%, respectively. Meanwhile, Al-Baha and Asir regions recorded the largest price decreases, with declines of 16.7% and 7.3%, respectively.



13.1 Overview of the Real Estate Sector

Real Estate Price Index And Purchasing Power

Year	The property price-to-income ratio.	Mortgage as a percentage of income	Loan Affordability Index
2022	2.8	20.5	4.9
2023	3.00	22.00	4.5

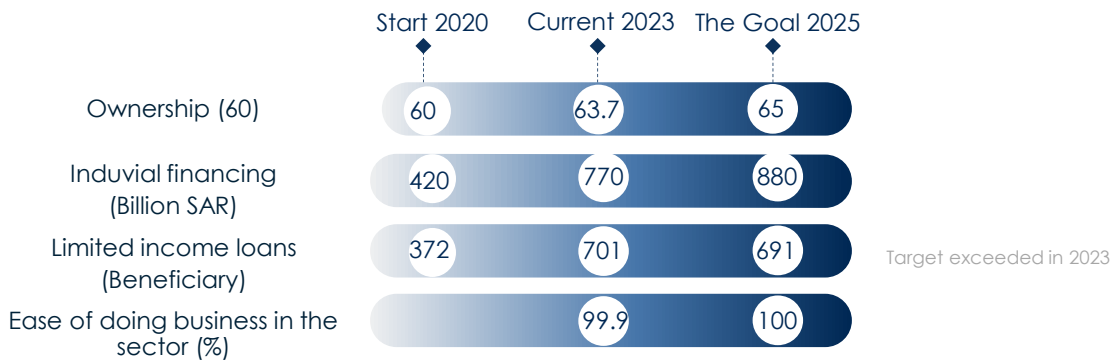
Property Price-to-Income Ratio: A key indicator of housing affordability, where affordability improves as the ratio decreases.

Mortgage-to-Income Ratio: The percentage of actual mortgage costs relative to household income (the lower, the better).

Loan Affordability Index: The inverse of the mortgage-to-income ratio, calculated as 100% ÷ mortgage-to-income ratio. A higher index indicates better loan affordability.

Residential Sector (Ownership Rate)

- The Housing Program strategy within Vision 2030 aims to provide housing solutions that meet the needs and financial capacities of Saudi families, improving both current and future housing conditions. The program focuses on enhancing housing policies and regulations in line with Vision 2030 goals. In 2023, government initiatives contributed to increased homeownership through mortgage guarantee programs, providing funding for over 96,000 families and supporting more than 20,000 families through the Development Housing Program. Additionally, new guarantees for off-plan property sales were introduced to facilitate access to ongoing development projects.



*According to the last official update published in 2023

Source : Ministry of Justice

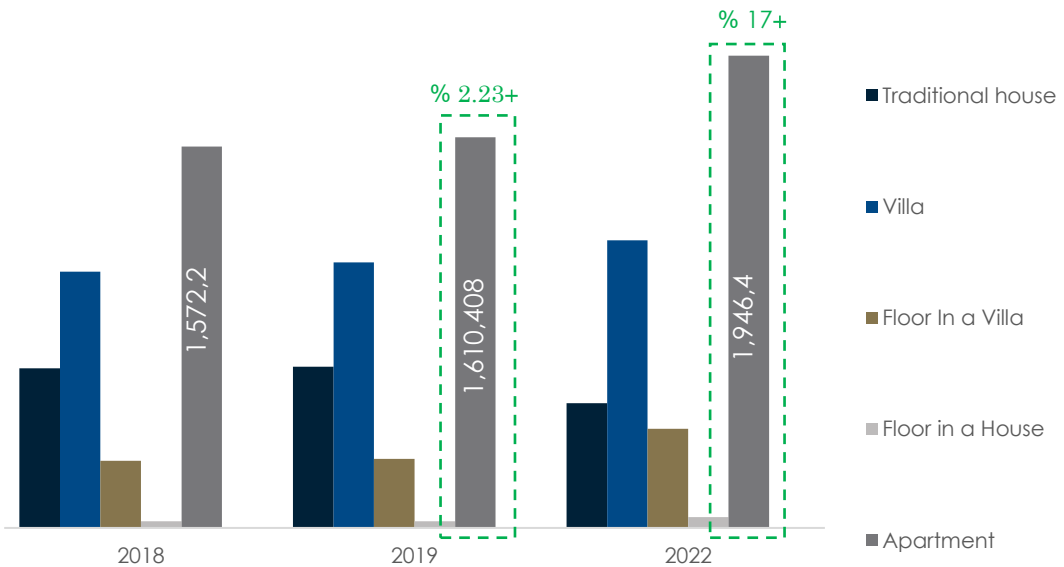
13.1 Overview of the Real Estate Sector

Supply & Demand Gap

- The Kingdom is experiencing population growth in line with its 2030 goals, leading to increased demand for housing services. With the expected rise in the number of expatriates by 2030, rental rates for residential units may increase, as some property owners have started leasing their homes to capitalize on the growing demand. Despite the large housing projects launched by the Ministry of Housing in recent years and plans for additional projects, the supply-demand gap remains, with strong demand drivers still present across the Kingdom.
- Since the launch of the Housing Program in 2018 until the end of 2023, the Ministry has increased the real estate supply by offering over 450,000 residential units and plots. The Kingdom aims to continue this expansion, targeting nearly one million new residential units by 2030 in partnership with real estate development companies.
- The real estate market in Riyadh is experiencing significant growth, benefiting from active commercial activity and an increasing population. Riyadh is facing a supply shortage due to the continuous population growth, which currently stands at around 8.5 million people, with projections estimating a population of 10 million by 2030. The population per residential unit in Riyadh is high compared to some cities both within and outside the Kingdom, highlighting the need to develop more housing units to keep up with rapid demographic changes. The current ratio is approximately 5.6 people per residential unit in Riyadh.

2024 Predictions	Saudi population **34** million Expatriates **14** million	Saudi population **50** million Expatriates **25** million	The number of residential units offered by the Ministry of Housing in partnership with real estate development companies is approximately 1 million units.

- Trends show an increased demand for smaller apartments or units to increase their suitability for small families and others.



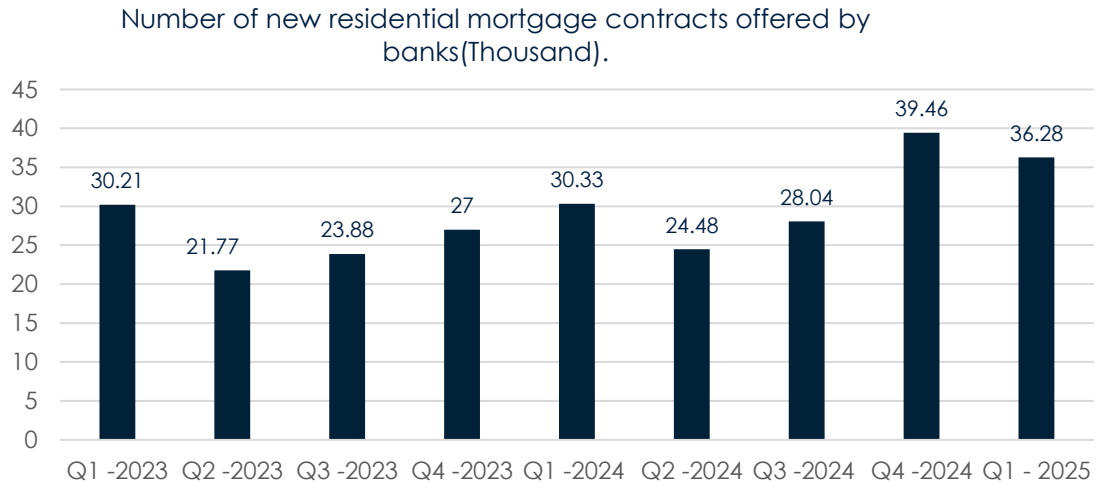
*According to the last official update published in 2022

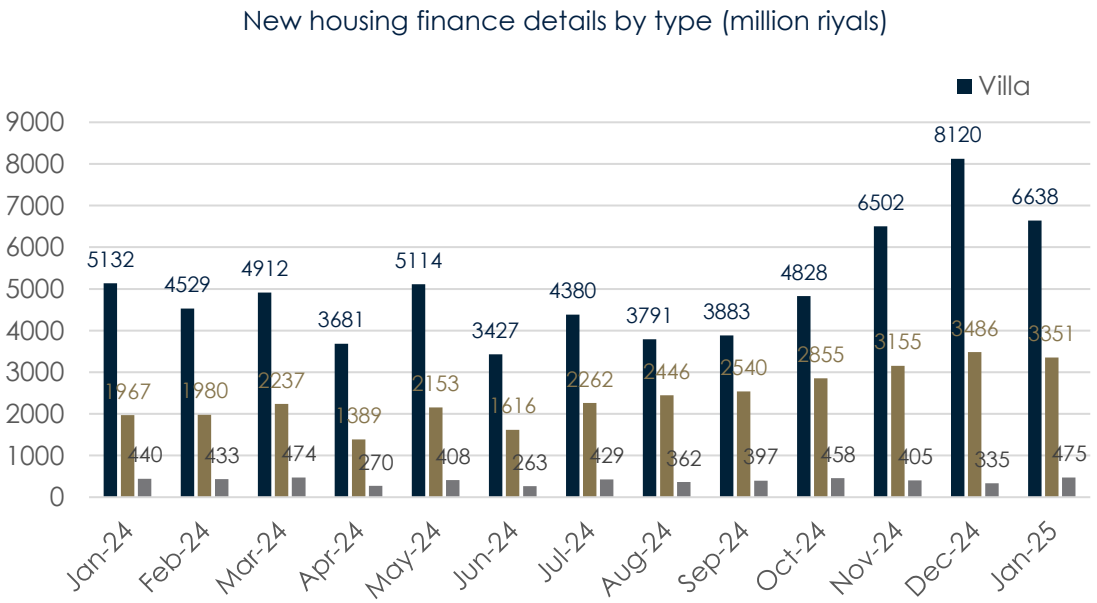
Source : Ministry of Housing & Rural Affairs
Source: Vision 2030 Annual report

13.1 Overview of the Real Estate Sector

Residential Sector (Financing)

- According to data from the Saudi Central Bank (SAMA), the value of new residential mortgage financing provided to individuals by banks reached SAR 10.5 billion in January 2025, marking a 39% increase compared to the same month in 2024. The number of contracts signed between banks and individuals totaled approximately 13.4 thousand. Additionally, the average value of new mortgage loans rose to SAR 780,000—an increase of 9% compared to January 2024



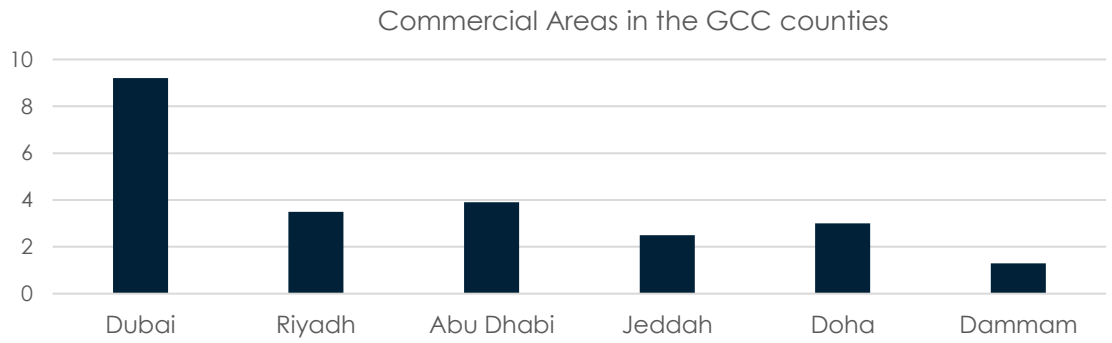


Source : Ministry of Housing & Rural Affairs
Source: Vision 2030 Annual report

13.2 Overview of the Real Estate Sector in the City of Riyadh

Commercial Sector

- Riyadh leads the growth of commercial spaces in the Kingdom, with an occupancy rate of 90%. The current commercial space in the city stands at around 3.6 million square meters, with an addition of 27,050 square meters during the first quarter of 2024. Available space is expected to increase by 28%, reaching 4.6 million square meters by 2026. Although Riyadh is the second-largest city in the region in terms of commercial space, it still has about 50% less space compared to Dubai. With the ongoing efforts to transform Riyadh into a global economic hub, the city is expected to experience accelerated growth in commercial spaces to meet future demand. Despite the currently large supply of commercial space, it does not align with the city's population size, which is nearly double that of Dubai — highlighting a clear gap in available commercial space. Addressing this gap becomes increasingly important given the projected population growth in Riyadh by 2030.



Commercial Sector (Riyadh – Q1 2025)

- The retail sector in Riyadh continues to evolve, with an increasing focus on entertainment projects and lifestyle-oriented retail concepts, which have become key components in development plans and new offerings across the city. Over the past 24 months, more than 73,000 square meters have been added to the retail sector.

Key Commercial Projects in Riyadh

- Current Available Space: 452,800 m²
- Future Supply by 2027: 232,000 m²
- Total Expected Supply by 2027: 684,800 m²
- Number of Ongoing Development Projects: 27
- Average Occupancy Rate (F&B Sector): 84%
- Number of Future Development Projects: 6
- Total Number of Projects by 2027: 33
- Average Occupancy Rate: 96%
- Average Rental Price: SAR 2,360

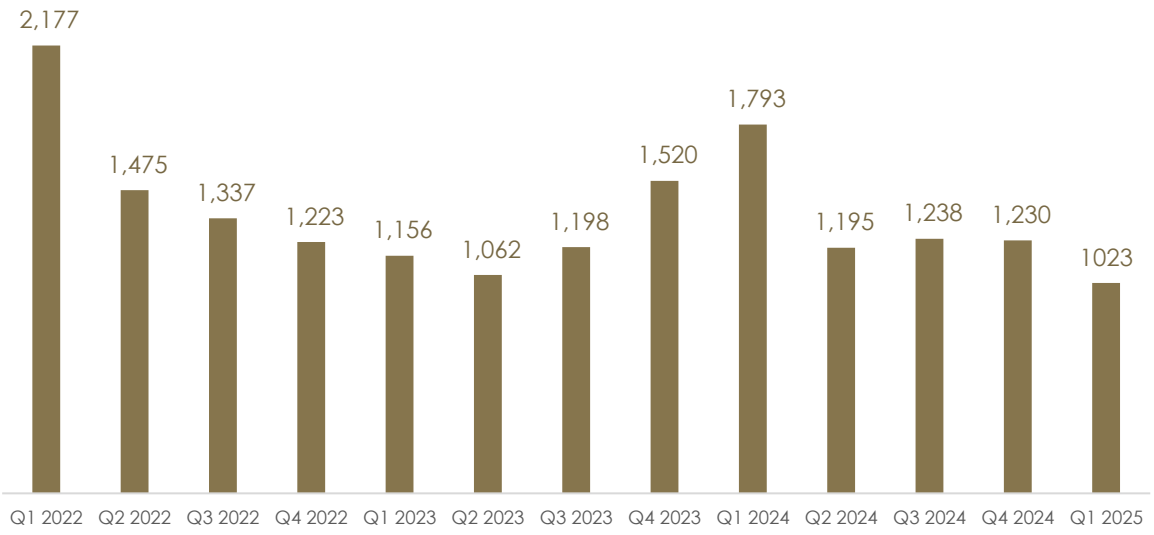
Key Commercial Projects in Riyadh

- Al Bujairi
- The Zone
- Roshn Front
- Veranda
- The Boulevard
- Midtown
- Turki Square
- River Walk
- Via Riyadh
- Joy Avenue
- U Walk

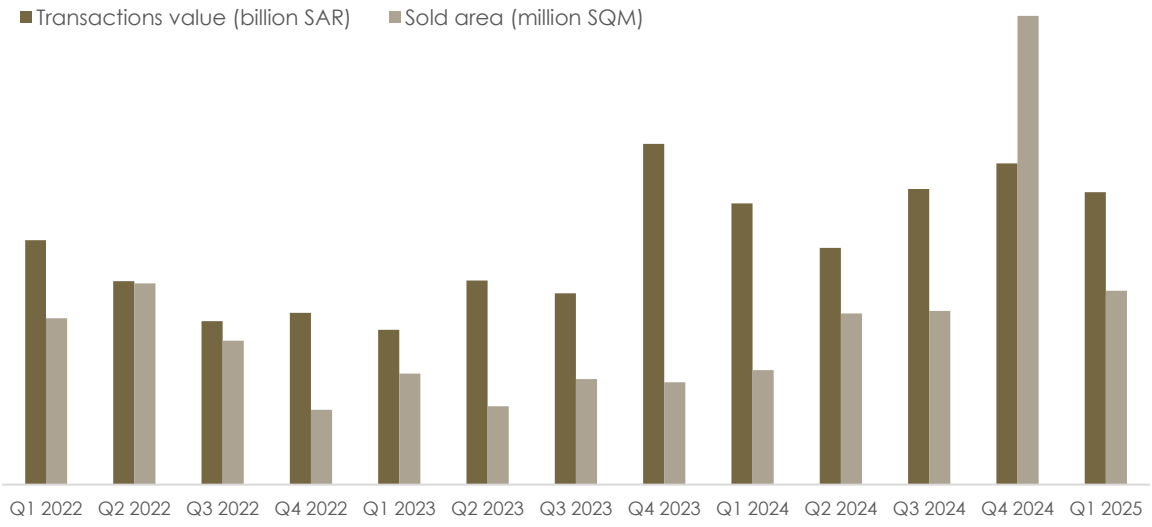
13.2 Overview of the Real Estate Sector in the City of Riyadh

Overview of Commercial Sector in Riyadh

- No. of Commercial Transactions in Riyadh



Comparison Between The Sold Lands And Its Values



13.2 Overview of the Real Estate Sector in the City of Riyadh

Office Building Grading

Grade (A)	Grade (B)	Grade (C)
Include the newest and best in the market, attracts the most prestigious tenants who pay highest rates. • Skyscrapers located in the central business district, in a well-known area, with distinctive designs. • Well maintained & Serviced offices with an ample parking & lifts to accommodate the needs of the tenants	Slightly aged buildings but well-maintained and leased to middle & upper middle tenants, With renovation could be upgraded to Grade A. • Slightly older buildings • Furnishing & finishing of a good quality • Good maintenance & security • Average & above average lease rates	They are classified as the lowest tier within the office building category and require extensive refurbishment. • Old buildings with limited infrastructure. • Poor design and outdated facilities. • Low demand area, resulting in high vacancy rates. • Low rates relative to market average.

Riyadh Office Market Overview

- **Occupancy Rates**
- **Grade A** :offices recorded an occupancy rate of 98%, up by 1% compared to last year.
- **Grade B** :offices saw an 8% increase in occupancy, reaching 91% by the end of 2024.
- **Regional Headquarters Program**
- The program has accelerated rent growth by targeting an increase in regional HQs from 350 currently to 480 by 2030, according to the Saudi Ministry of Investment.
- **Office Supply**
- Total supply is expected to reach 6.9 million m² by 2026.

- Office Rent Growth

Office rents in Riyadh continued to rise, driven by growing demand.



Grade(A): rents increased by 8% YoY, reaching SAR 2,005/m².

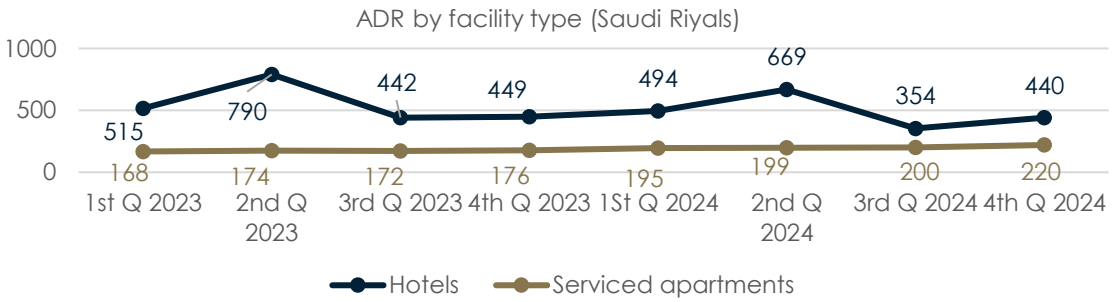
Grade(B): rise of 26% YoY, reaching SAR 1,225/m².

Source: Saudi Authority for Accredited Valuers

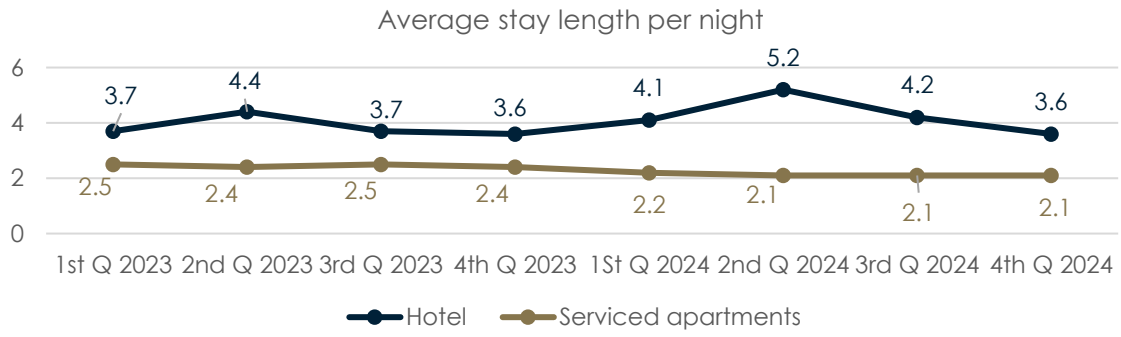
13.2 Overview of the Real Estate Sector in the City of Riyadh

Important Indicators Of The Hotel Sector

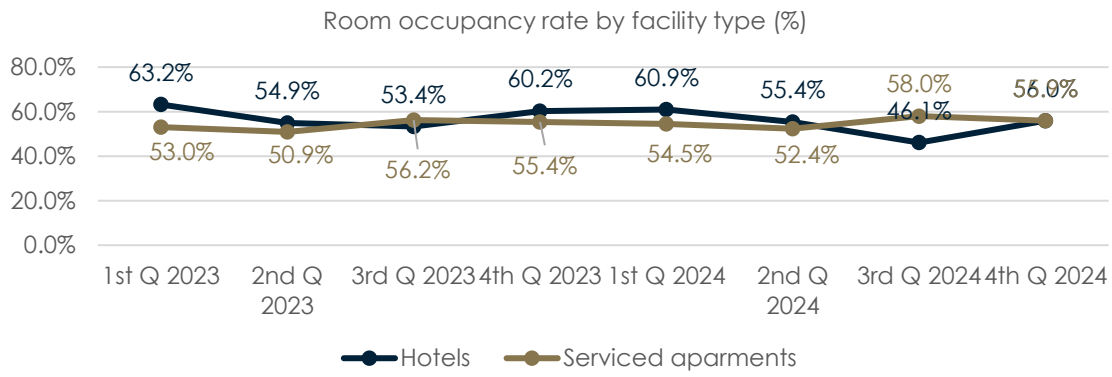
- In Q4 2024, the average daily hotel room rate was SAR 440, down 2.1% from SAR 449 in Q4 2023, due to more licensed hotels.
- The average daily rate for serviced apartments and other hospitality facilities rose 25.1% to SAR 220 from SAR 176 in Q4 2023.



- The average length of stay in hotels during Q4 2024 was approximately 3.6 nights, the same as in Q4 2023.
- In contrast, the average stay in serviced apartments and other hospitality facilities was 2.1 nights, reflecting a 12.1% decrease compared to 2.4 nights in Q4 2023



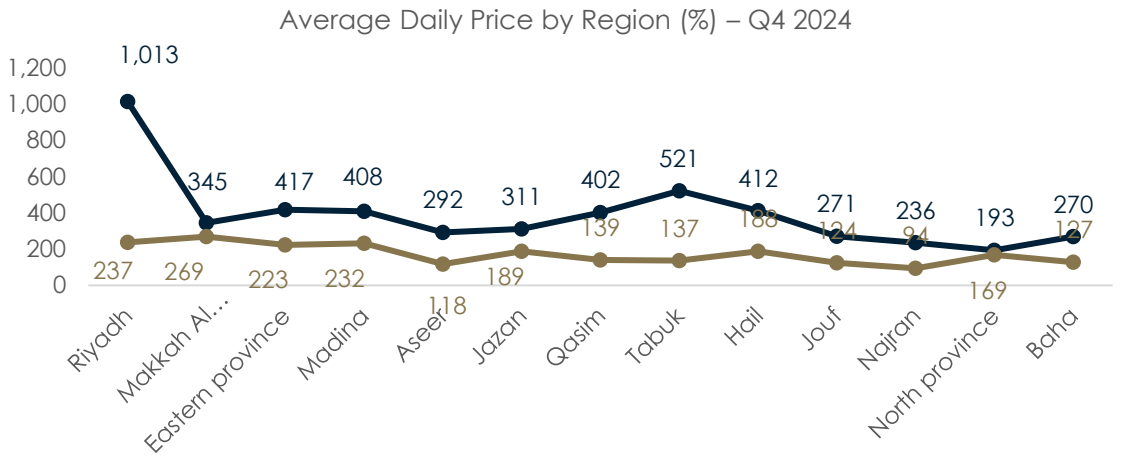
- In Q4 2024, hotel occupancy reached 56%, down by 4.3 percentage points from 60.2% in Q4 2023 due to an increase in licensed hotels.
- Occupancy in serviced apartments and other hospitality facilities rose slightly to 55.9%, up 0.5 points from 55.4% in the same quarter of 2023.
- By the end of Q4 2024, licensed hospitality facilities totaled 4,425, including 2,163 hotels and 2,262 serviced apartments and others.

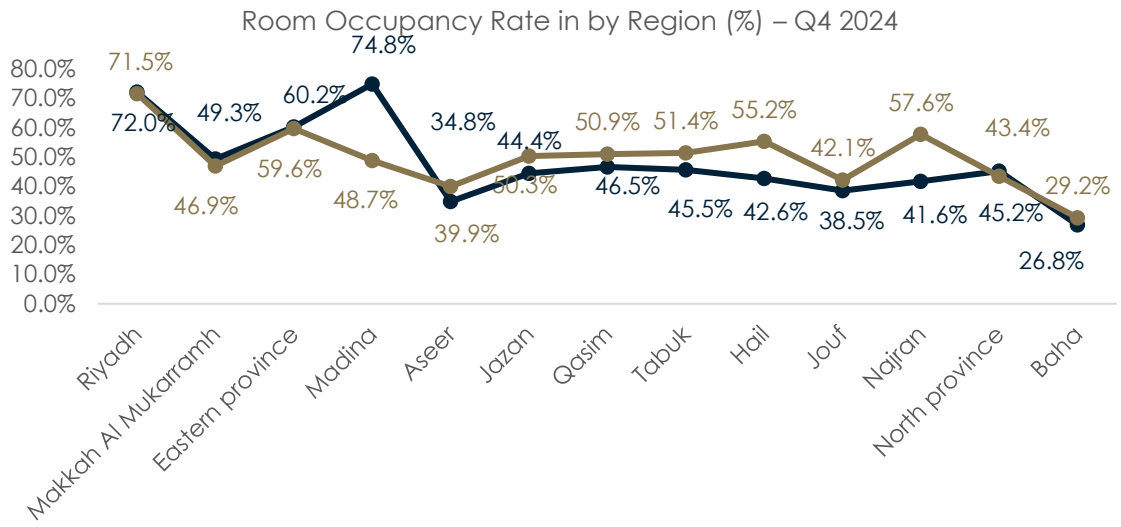


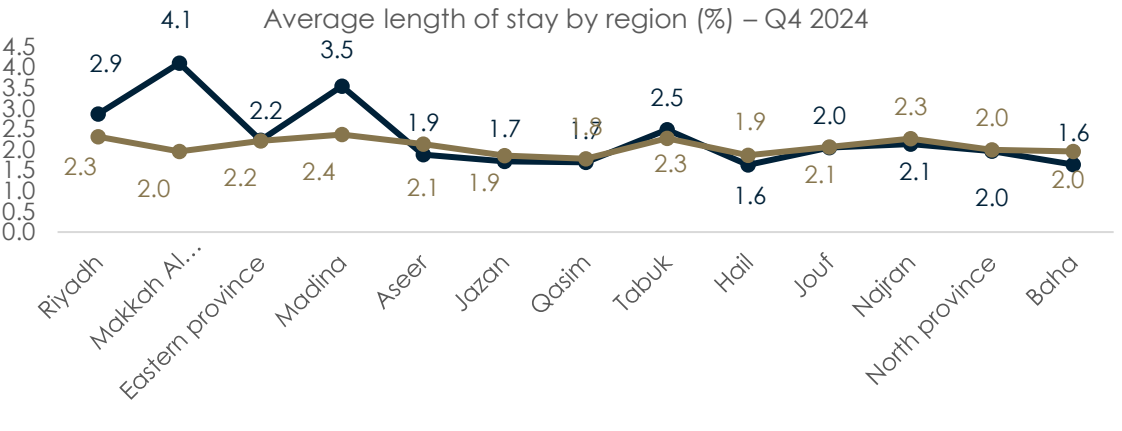
Source: GSTAT

13.2 Overview of the Real Estate Sector in the City of Riyadh

Important Indicators Of The Hotel Sector





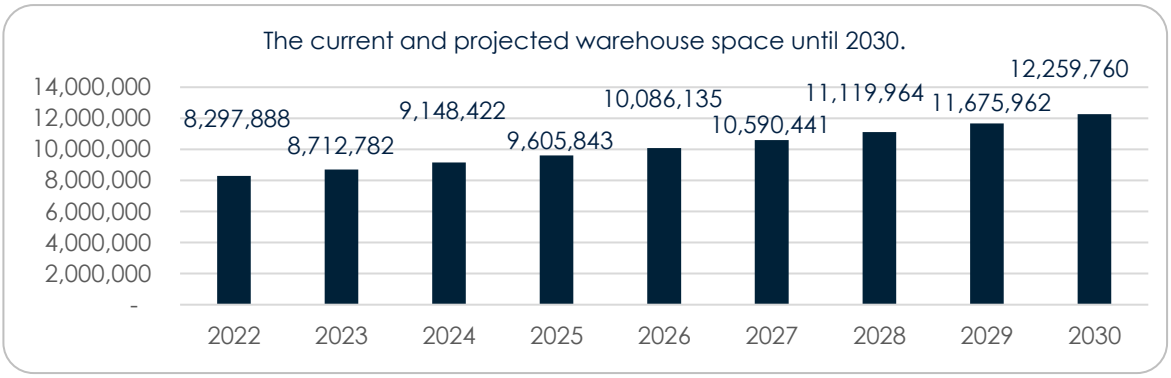


Source: GSTAT

13.2 Overview of the Real Estate Sector in the City of Riyadh

Expected Demand on Warehouse

- The government strategies and plans for the industrial and logistics sector illustrate the sector's size and strength, which enhance its growth and increasing significance.
- The government aims to raise the occupancy rates of the Saudi Ports Authority to 70% of its total capacity. The capacity of the Jeddah Islamic Port is 130 million tons.
- The annual growth rate of the volume of goods at Jeddah Islamic Port is 11.29%, according to the 2030 target.



Industrial Sector of Riyadh

- **Riyadh Leasing Market – 2024 Summary**

Leasing activity remains strong across most submarkets.

New supply expected in the north and east, but insufficient to offset rising rents in the south due to strong demand.

- **Rental Rates & Occupancy**

Rent increased by 16% to SAR 208/m².

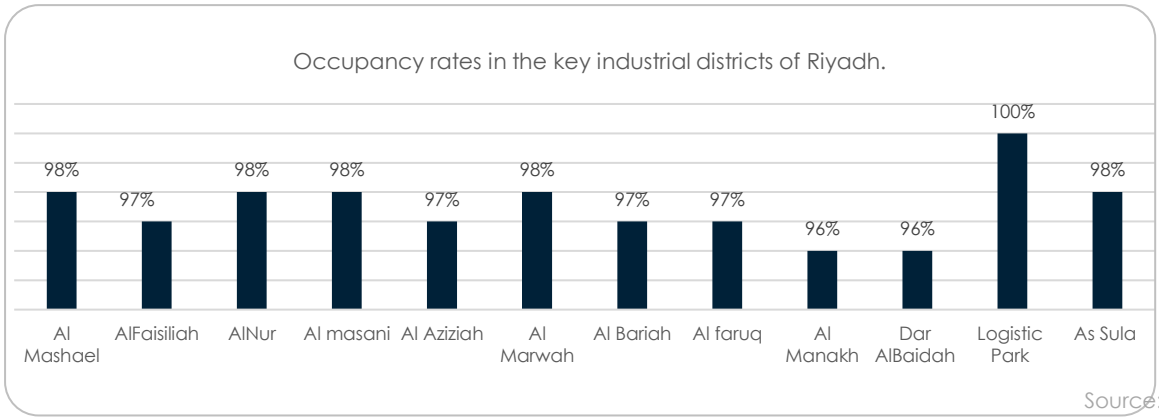
Occupancy rate: 98%.

prime warehouse rents, Q4 2024: 170 to 420 SAR.

Lower-grade areas (Al Faisaliah, Al Noor): Rent growth of 4–5%; focus on filling vacant units.

- **Ready Industrial Market**

Al Sulai: Strong leasing activity; rent growth <20% due to already high occupancy.

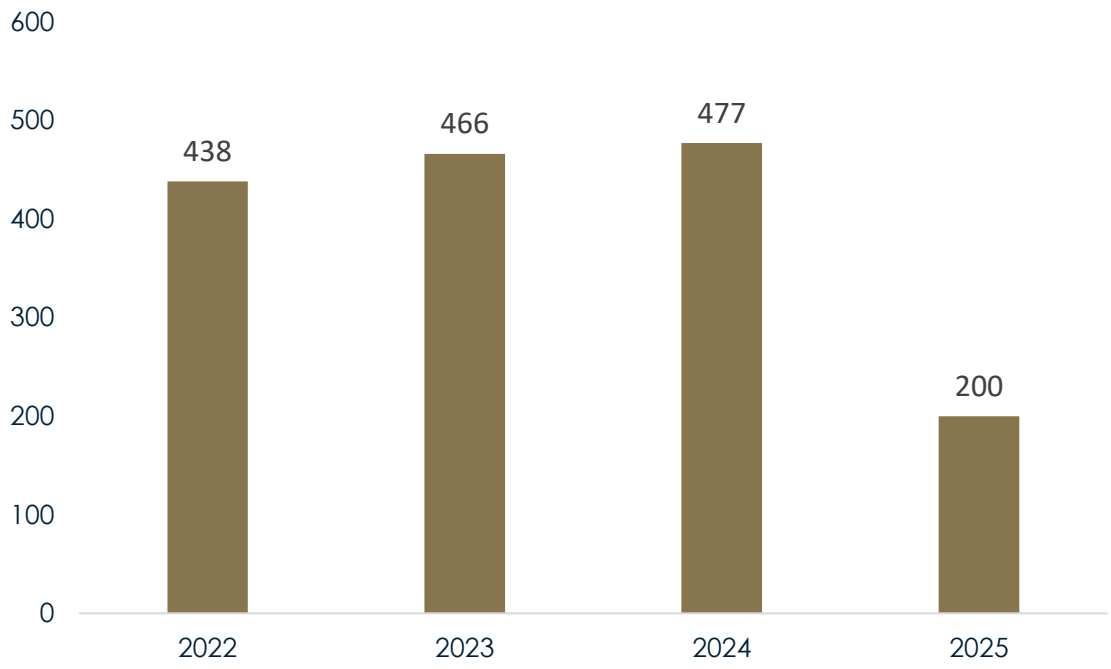


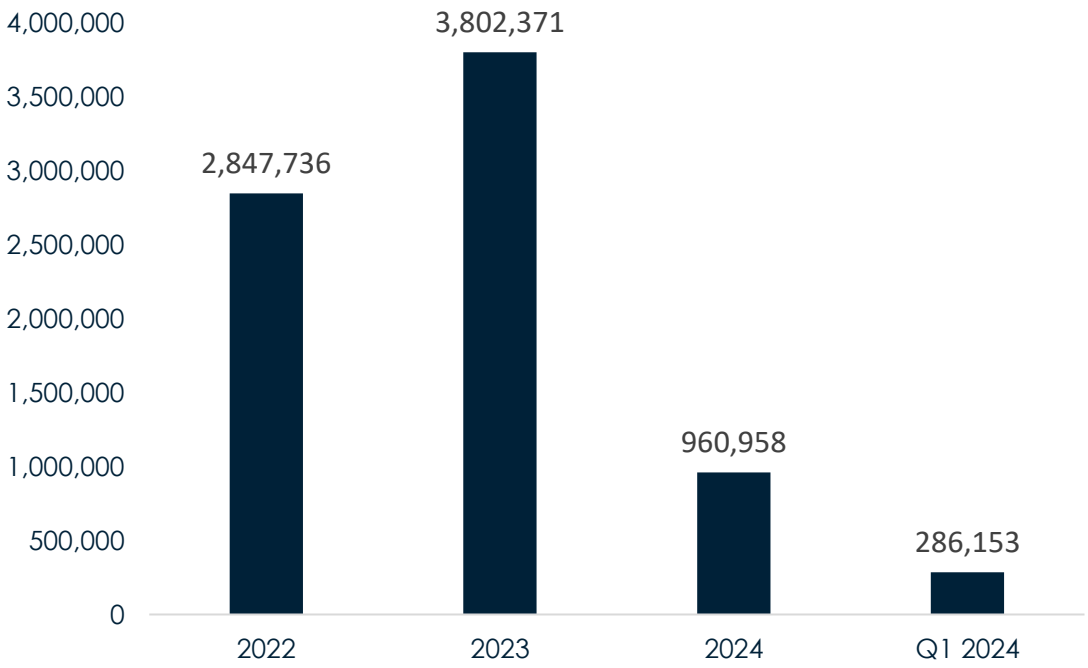
Source: GSTAT

13.3 Overview of the Real Estate Sector in the City of Al-Kharj

Commercial Sector

The number of commercial transactions executed in In the city of Al-Kharj.

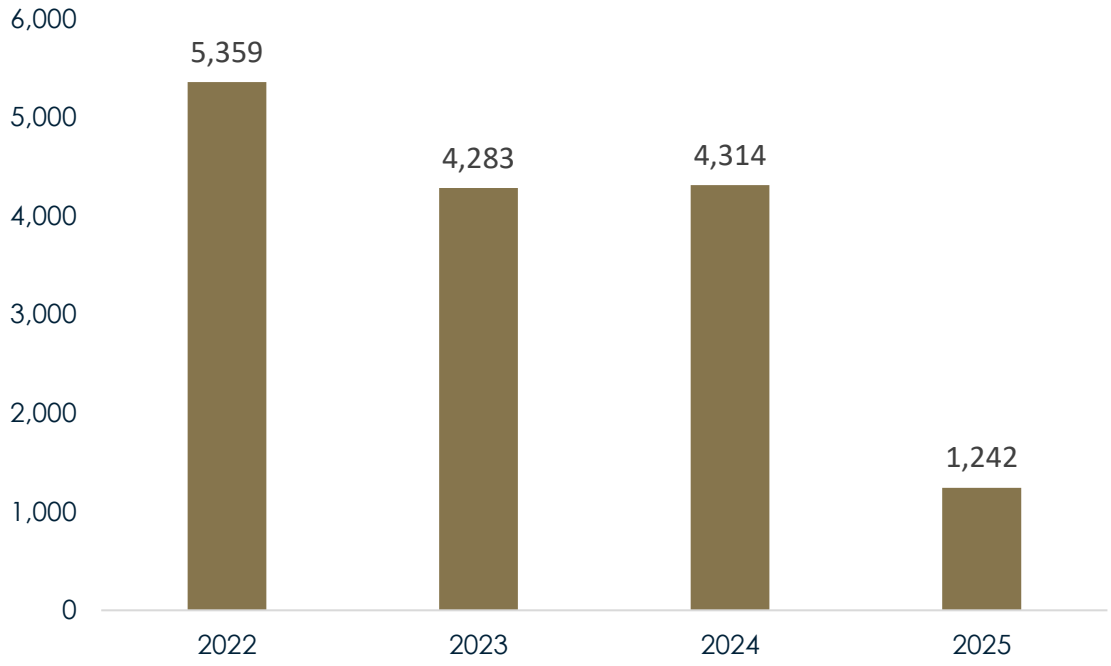




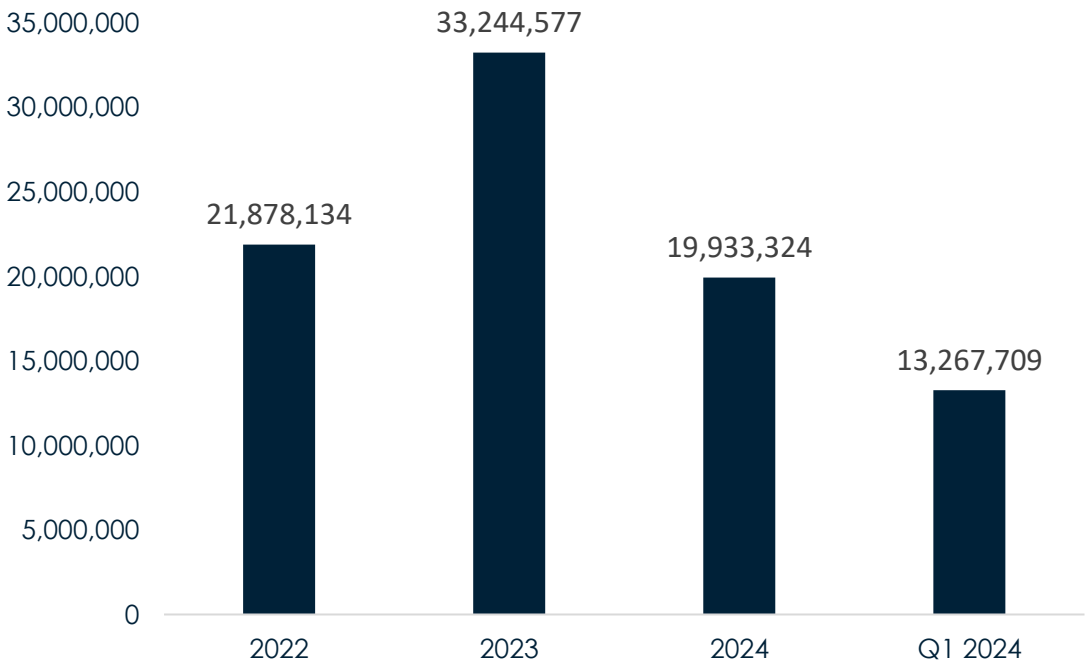
13.4 Overview of the Real Estate Sector in the Eastern Province

Commercial Sector

The number of commercial transactions executed in Eastern Province.



Total commercial areas sold Eastern Province



Data for the year 2025 up to May 23, 2025

ESNAD
Real Estate Valuation

إسناد
للتقييم العقاري

Thank you

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نحنُ لك سَنـدٌ
We support you