

ESNAD
Real Estate Valuation



إسناد
للتقييم العقاري

Warehouses Valuation Report

Al-Wadi District – Jeddah City

02 August 2026



الجزيرة كابيتال
aljazira capital



Deposit code to the platform qima

Submitted to: AlJazira REIT

نحنُ لك سندٌ
We support you

Table of Content

	Title	Page
1	Part 1: Executive Summary	03
	Salient fact, assumptions, IVS 2025 and regulatory compliance	04
	Valuers	07
2	Part 2: Supply & Demand Overview	08
3	Part 3: Reporting Methodology	12
4	Part 4: Asset to be valued	14
4.1	Property Location Analysis	15
4.2	Property description and ownership	17
4.3	Property boundaries	19
4.4	Source of information	20
4.5	Property photos	23
4.6	Analysis summary	22
5	Part 5: Valuation	24
5.1	Valuation approaches	26
5.2	Valuation Analysis	27
5.3	Preliminary results	43
5.4	Opinion of Value	43
5.5	Validity of review and clarification	43
6	Part 6: Appendices	44
6.1	Documents	45
6.2	Assumptions and Limiting Conditions	51
6.3	Valuation Standards	52
6.4	Study and Analysis of Risks in the Valuation Report	55

Part 1

Executive Summary

1 | Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Identity of the client	Addressee (to whom the report is addressed)	AlJazira REIT	Other users	A general report published for the unit holders of the Aljazira REIT Fund, utilized by the fund manager (Aljazira Capital) for the periodic valuation of the fund.
	Contact person	-	Contact information	-
Assets being valued	Assets name	Warehouses	Interest to be valued	freehold interest
	Location	Northern Warehouses	https://maps.app.goo.gl/9GRr7m6NomLm1Es6A	
		Southern Warehouses	https://maps.app.goo.gl/YshpfM1YXFPZgD819	
Valuation standards	International Valuation Standards 2025	Unless otherwise noted, the Valuation assignment is undertaken in accordance with the TAQEEM Regulations (Saudi Authority for Accredited Valuers) and in conformity with the International Valuation Standards (2025 Edition).		
Valuation	Purpose of valuation	A semi-annual periodic valuation of the Aljazira REIT Fund has been conducted in accordance with the requirements of the Capital Market Authority (CMA).	valuation date	30/06/2026
	Inspection date	25/06/2026	Approved valuation approach and method	Income approach / Discounted cash flow
	Basis of value	Market Value	Premise of value	Current Use/Existing Use
		Market value : a Standard of Value considered to represent the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction ,after proper marketing , and where the parties had each acted knowledgeably , prudently , and without compulsion		International Valuation Standards 2025 defines Current Use/Existing Use premise of value as "Current use/existing use is the current way an asset, liability, or group of assets and/or liabilities is used. The current use may be, but is not necessarily, also the highest and best use."

1

Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance				
Report	Reference Number	25116012401	Report type	Detailed report
	Report date	02 / 08 / 2026	Report version	Final
	Use, publication and distribution restrictions	The valuations and reports are confidential to the intended entity and to those referred to it for a specific purpose, without any liability of any kind to any third party. This report may not be published in whole or in part in any document, statement, periodical publication or any means of communication with any third party without prior written consent in the form and context in which it appears, with the exception of in accordance with the purpose of the valuation, this report is allowed to be traded on the CMA (Tadawul) website and the fund manager's website or in such ways as the fund manager deems appropriate.		
	Status of Valuers	The resident acknowledges that there is no conflict of interest, whether current or potential, with the involved parties and properties		

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 property was inspected from the outside only, and it was assumed that the interior condition of the property matches its exterior condition.	
Nature and sources of information upon which the valuer relies	• We have accepted the following documents to be used as input in our valuation assuming they are correct and up to date: • These documents -may be referred to in the appendices- are: ◦ <u>Title deed</u> ◦ <u>Regulatory kroki</u> ◦ <u>Building permit</u> ◦ <u>Lease contracts</u> • Market research and analysis have been undertaken by the valuer. • Disclosures of AlJazira REIT Fund Manager on the Saudi 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	• In light of the Limits on inspection stated, the valuation opinion has been established on the assumption that the property is free from any structural defects, and that the interior condition of the property is consistent with its exterior condition.
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 indicated in the terms and conditions)

1 | Executive Summary

Salient fact and assumptions and IVS 2025 and regulatory compliance						
Opinion of Value	100,794,000					
	Written	Only one hundred million seven hundred ninety-four thousand SAR				
	Currency	ﷲ				
Valuation team	Role	Name	Signature	TAQEEM membership		
Site inspection and field research	Property inspection, its condition, offers, and field survey work	Ameen Al-Mehmadi		1210002736	Associate	Real Estate Sector
Valuation, reporting, desk research, and analysis	Desk research, calculations , auditing work, and income analysis	Ahmed Abdulmohsen Al Sheikh		1210003718	Associate	
Value review and initial approval	Reviewing valuation results and income data	Omar Mohammed Babahr		1220001954	Fellow	
Signed for and on behalf of Esnad Real Estate Valuation Company		Eng. Almuhammad Alhussami		1210000934	Fellow	
				MRICS Registered Valuer Membership No. : 6601494		
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						

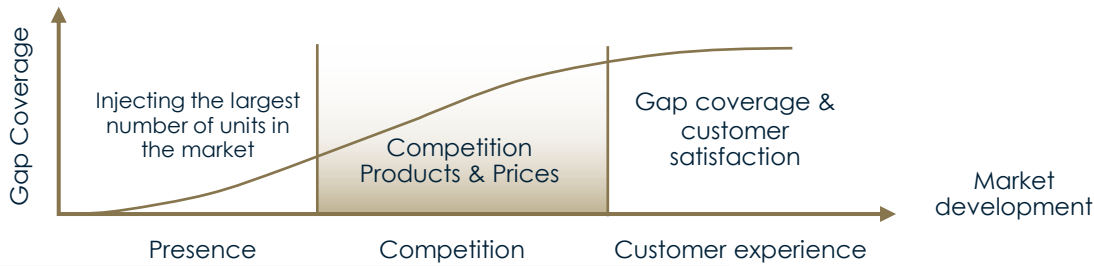
Part 2

Supply & Demand Overview

1 Real Estate Overview

Real Estate Overview

The real estate development sector in the Kingdom has witnessed significant growth, as the real estate sector is one of the key contributors to the GDP. Additionally, 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.



Most Important Real Estate Sector Drivers

-  Residential

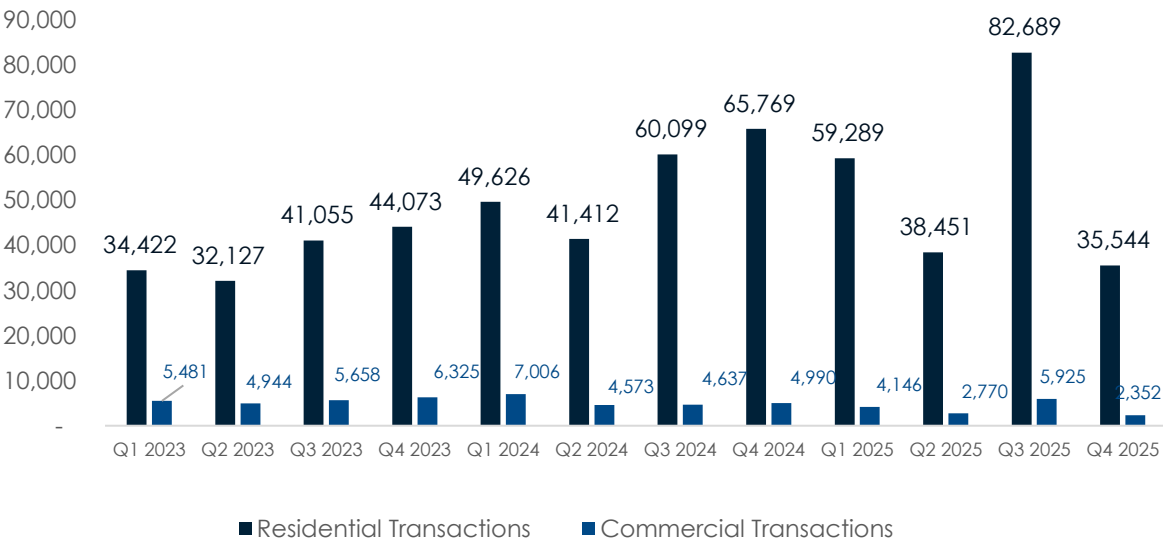
- Population Growth
 - Governmental initiatives and its impact on demand
 - Interest rate and its impact on real estate financing
-  Office

- Government Initiatives for Regional Headquarters in the Kingdom
-  Commercial

- The recovery in the F&B and entertainment sectors
 - Growth in retail sales and consumer spending
-  Industrial

- Demand for warehouses and market supply volume
 - Increased activity in manufacturing and logistics sectors

Real Estate Transactions

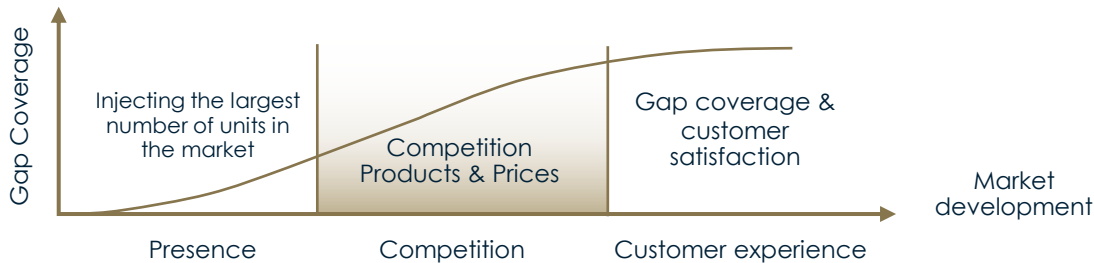


2.1

Real Estate Overview

Real Estate Overview

The real estate development sector in the Kingdom has witnessed significant growth, as the real estate sector is one of the key contributors to the GDP. Additionally, 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.



Most Important Real Estate Sector Drivers

-  Residential

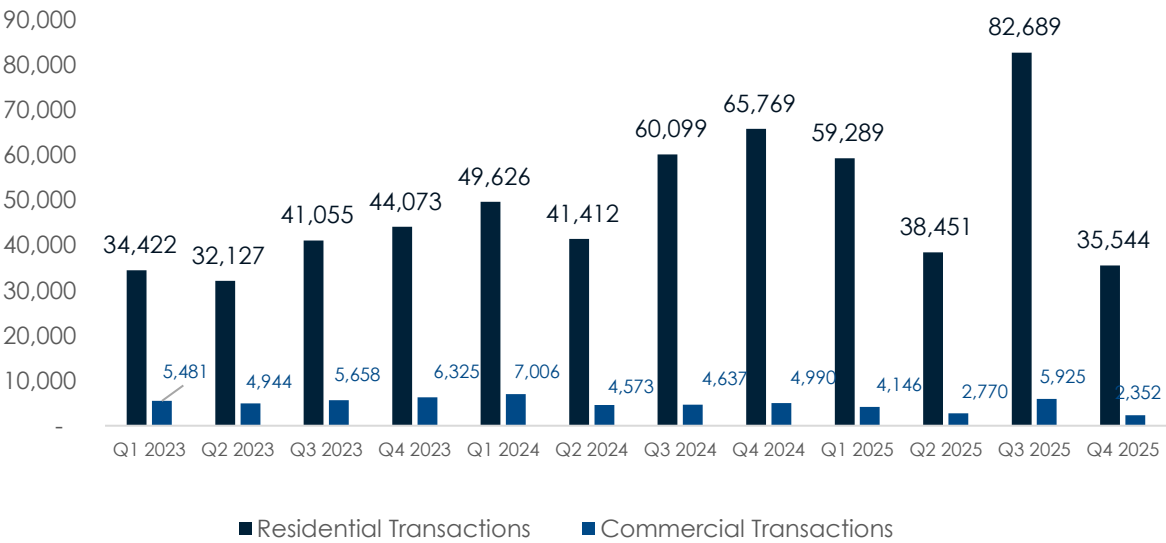
- Population Growth
 - Governmental initiatives and its impact on demand
 - Interest rate and its impact on real estate financing
-  Office

- Government Initiatives for Regional Headquarters in the Kingdom
-  Commercial

- The recovery in the F&B and entertainment sectors
 - Growth in retail sales and consumer spending
-  Industrial

- Demand for warehouses and market supply volume
 - Increased activity in manufacturing and logistics sectors

Real Estate Transactions

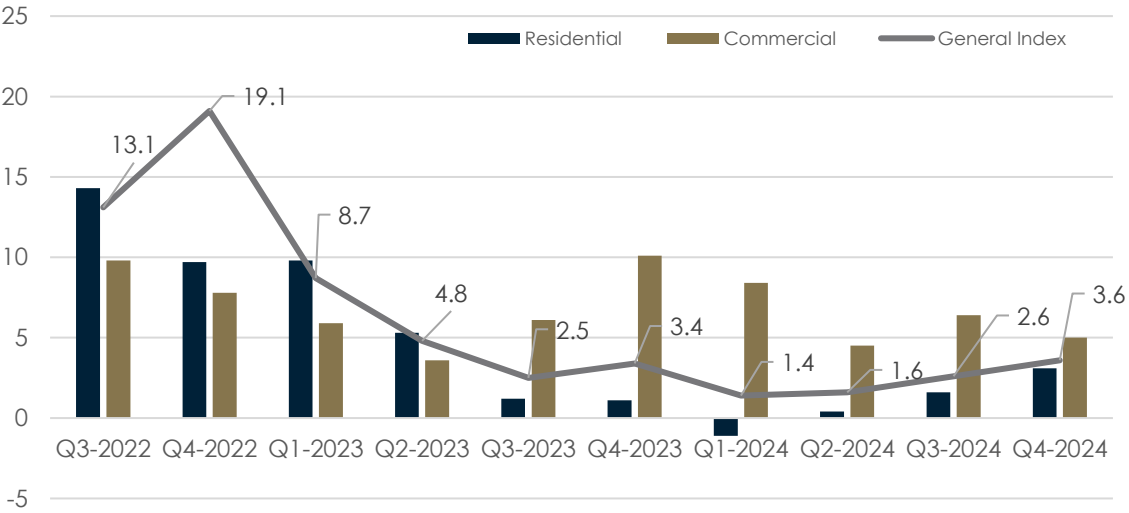


2.1

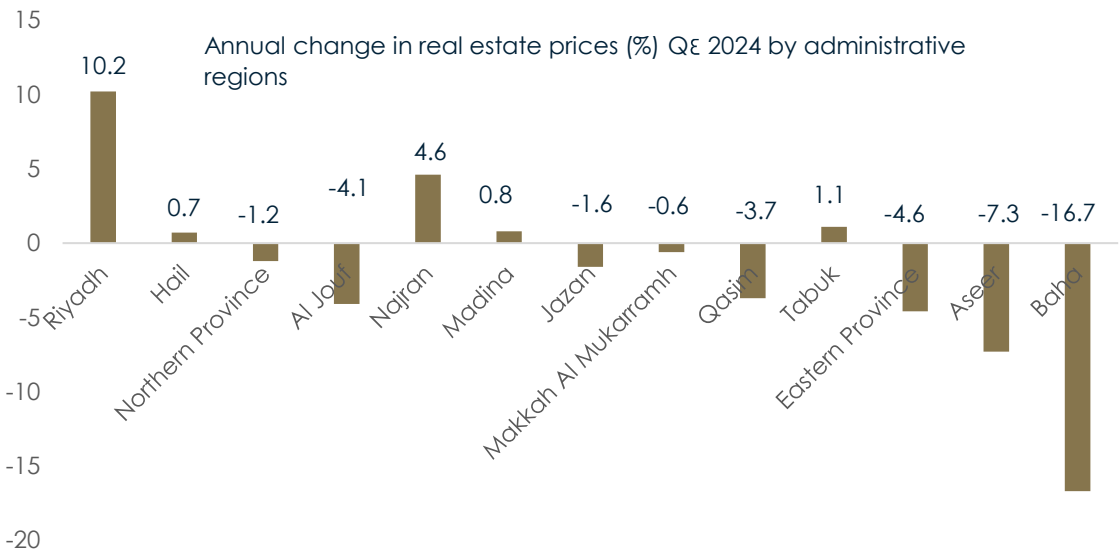
Real Estate Overview

Real Estate Growth

- Real estate sector data indicate a registered increase in property prices during the fourth quarter of 2024 compared to the same quarter in 2023. The residential sector rose by 3.1%, constituting 72.6% of the price index, driven by a 2.5% increase in residential land prices that represent 45.7% of the sector's weight.Regarding the commercial sector, property prices increased by 5.0% in Q4 2024, influenced by a 5.2% rise in commercial land prices. Building prices also saw a 5.1% increase."



- The annual change in property prices across Saudi Arabia reached 3.6%, mainly driven by a 10.2% increase in Riyadh, which holds the highest index weight at 47.8%. In contrast, Makkah and the Eastern Region saw declines of 0.6% and 4.6%, with weights of 16.1% and 24.1% respectively .Among other regions, Najran and Tabuk recorded the highest annual increases after Riyadh at 4.6% and 1.1%, while Al Baha and Asir saw the sharpest declines at 16.7% and 7.3%, respectively.

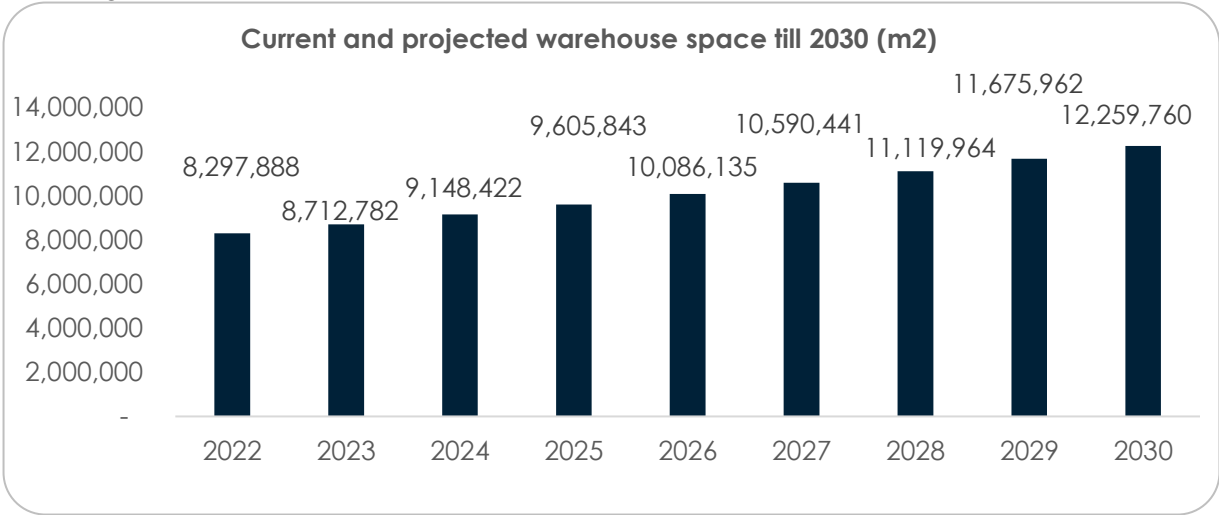


2.2

Industrial Sector

Expected Demand on Warehouse

- The government's strategies and plans for the industrial and logistics sector show the size and strength of the sector, enhancing its growth and growing importance. The government aims to raise the occupancy rates of the Saudi Ports Authority to 70% of its total capacity. Jeddah Islamic Port has a capacity of 130 million tons. The annual growth rate of cargo volume at Jeddah Islamic Port is 11.29%, according to the 2030 target.



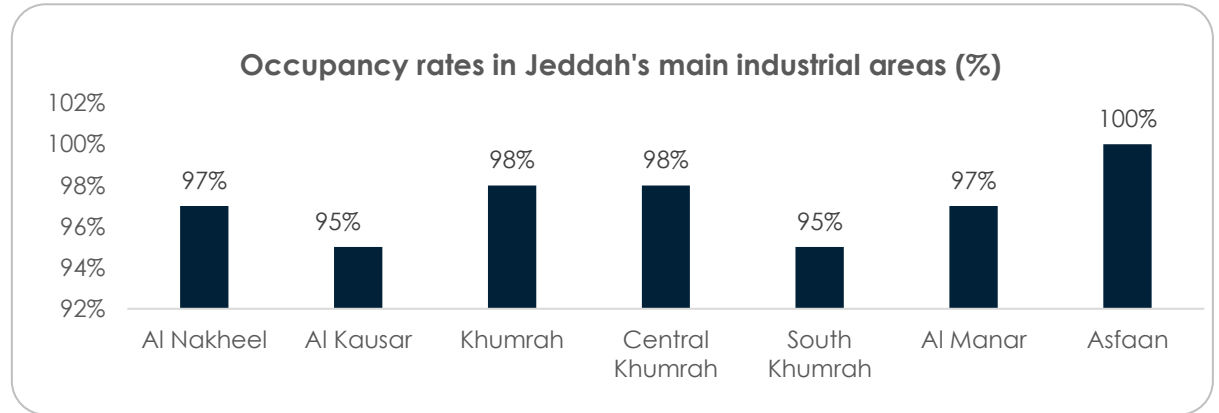
Jeddah's Industrial Sector

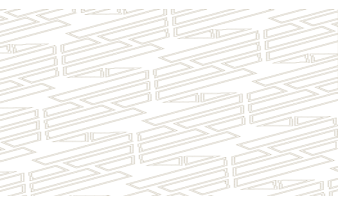
Growth of supply:

- Jeddah's industrial and logistics inventory area reached 19.6 million square meters, driven by large projects such as Maersk Logistics Park and the Aramex warehouse.
- New developments in Jeddah offer high-quality facilities of international standards, attracting global tenants and boosting demand for the industrial sector while old inventory remains of low quality.

Rents and occupancy rate

- Jeddah's warehouse market remains strong, with average rent for light industrial warehouses at SAR 208 per square meter, with an occupancy rate of 97%.



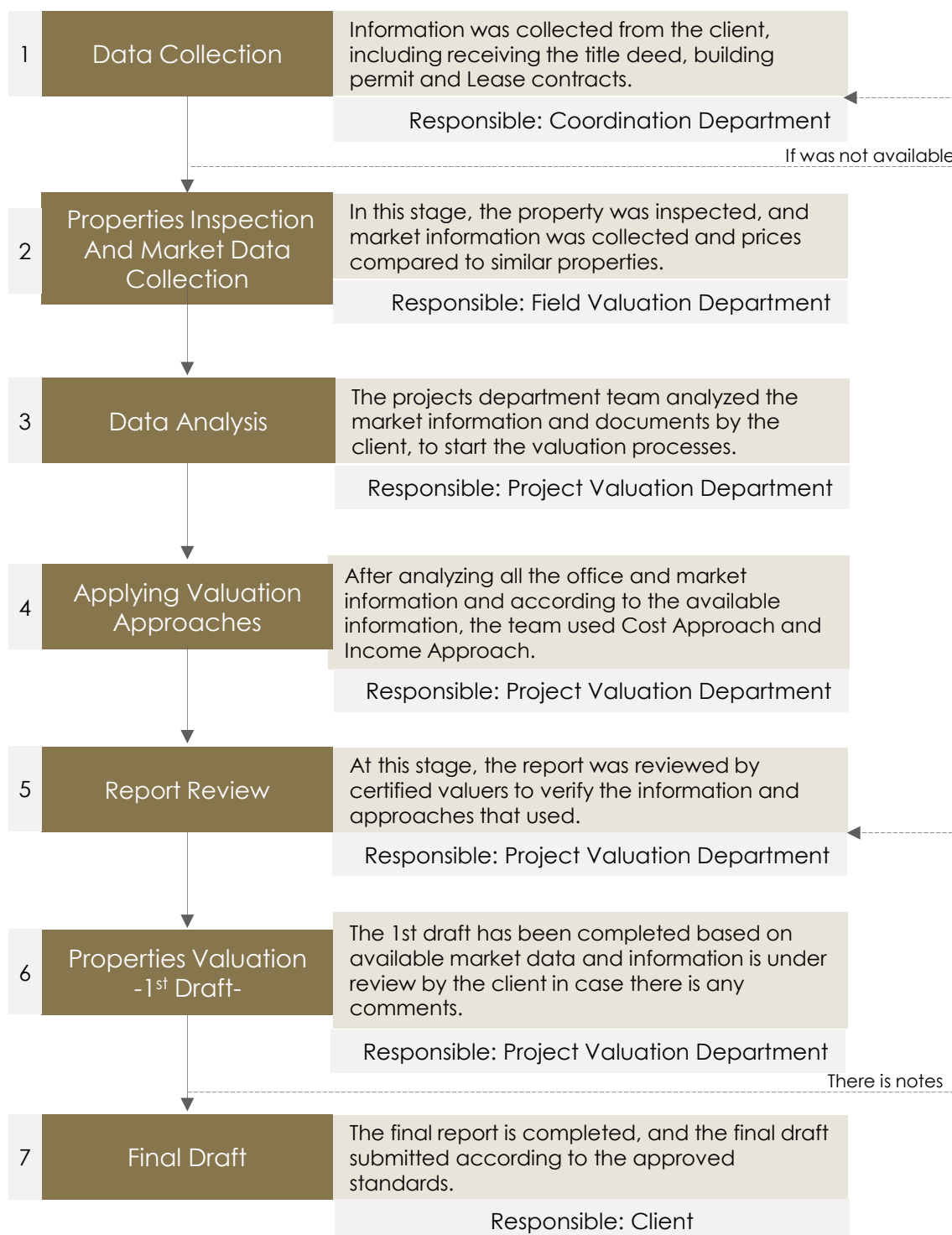


Part 3

Reporting Methodology

3 | Reporting Methodology

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



Part 4

Asset to be valued

- 4.1 Property Location Analysis
- 4.2 Property description and ownership
- 4.3 Property boundaries
- 4.4 Source of Information
- 4.5 Property photos
- 4.6 Analysis summary

4.1 | Property Location Analysis

Description of the property at the city level	
About Jeddah	The city of Jeddah is located in the western part of the Kingdom of Saudi Arabia, specifically in the middle of the eastern coast of the Red Sea. Its eastern borders overlook the Hijaz mountain range, and the geographical area occupied by the city extends over a length of 70 km between its northern and southern borders, and about 50 km between its seafront. The city of Jeddah is distinguished by being the main gateway to the Two Holy Mosques due to the presence of King Abdulaziz International Airport and the City of Pilgrims, which receives millions of pilgrims annually.



Property location

Surrounding attractions			
Attraction	Distance	Attraction	Distance
King Abdullah International Airport	39.80 km	Sea Waterfront	47.60 km
Historical Jeddah	21.80 km	Jeddah Islamic Port	20.40 km

4.1 | Property Location Analysis



4.2 | Property description and ownership

Ownership information (based on title deed)			
Client's name	AlJazira REIT	Owner's name	Aljazira Mawtin Real Estate Fund
Title deed number	393836017952	Title deed date	29/07/1429 H
building permit Number	3400085081	building permit Date	27/06/1434 H

Property Information (Based on title deed)			
Province	Makkah		
District	Al-Wadi District		
No. of Plot	39	40	41
	43	44	45
	47	48	49
	51	52	53
No. of Plan			٥٠٣/ج/ص
Property Type	3 Warehouses		
Notes			-
21.328438° N 39.188666° E			
https://maps.app.goo.gl/aB5QixjRfRgWBbyW6			

Property specifications			
Land area according to the deed	33,591.63 sqm	Land topography	Flat
Land area according to Regulations	-	Land Shape	Irregular
Notes	-		



Satellite photo shows the subject property location

4.2 | Property description and ownership

Ownership information (based on title deed)					
Client's name	AlJazira REIT			Owner's name	Aljazira Mawtin Real Estate Fund
Title deed number	493836017954			Title deed date	29/07/1429 H
building permit Number	3400089361			building permit Date	24/07/1434 H
Property Information (Based on title deed)					
Province	Makkah			City	Jeddah
District	Al-Wadi District			Street	Al-Kurnaysh S Street
No. of Plot	129	130	131	No. of Plan	٥٠٣/ج/ص
	133	134	135		
	137	138	139		
	141		142		
Property Type	3 Warehouses			Notes	-
21.323912° N 39.188807° E					
https://maps.app.goo.gl/g3H5CkYZy9dyoGtx7					
Property specifications					
Land area according to the deed	31,796.08 sqm		Land topography	Flat	
Land area according to Regulations	-		Land Shape	Irregular	
Notes	-				
					
Satellite photo shows the subject property location					

4.3 | Property boundaries & lengths

Property Dimensions (Based on the title deed 420205026531)					
Views	length /m	Street	Road Category	Road width/m	Views
North	107.42	Al-Kurnaysh S Street	Commercial	42	1
South	107.07	Street	Commercial	32	2
East	296.78	Street	Commercial	32	3
West	309.43	Street	Commercial	25	4

Property specifications	
BUA	15,104.69 m² (as per the building permit) 26,950 m² (as per satellite imagery and google earth)
Height (floors)	Ground floor
Age	11 years
Structure	Num. of buildings 3
	Air conditioning -
	Finishing Good
	Facilities -
	Elevators -
	Use Commercial warehouse (warehouse and light workshops)
Zoning	Maximum footprint 60%
	FAR 6
	Maximum height 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
✓	✓	✓	✓	-

4.3 | Property boundaries & lengths

Property Dimensions (Based on the title deed 920205026530)					
Views	length /m	Street	Road Category	Road width/m	Views
North	107.07	Street	Commercial	32	2
South	107.02	Street	Commercial	60	1
East	288.25	Street	Commercial	32	3
West	285.02	Street	Commercial	25	4

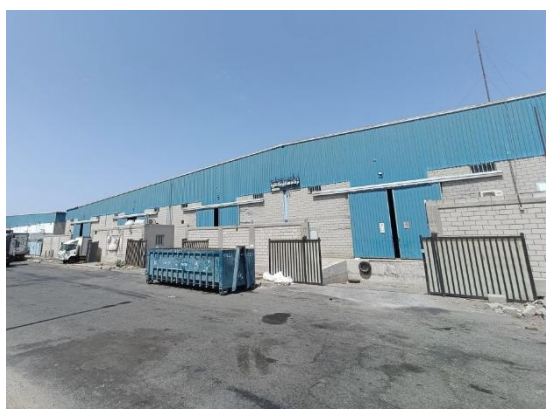
Property specifications	
BUA	14,837.79 m² (as per the building permit) 25,200 m² (as per satellite imagery and google earth)
Height (floors)	Ground floor
Age	11 years
Structure	Num. of buildings
	1
	Air conditioning
	-
	Finishing
	Good
	Facilities
	-
	Elevators
	Available
	Use
	Commercial warehouse (warehouse and light workshops)
Zoning	Maximum footprint
	60%
	FAR
	1.8
	Maximum height
	3 floors
	Notes
	-

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

4.4 | Source of information

- The data was compiled based on documents received by the client on 23/06/2026.
- The location of the property was determined based on the title deed and the property was inspected on 25/06/2026.
- The influences were analyzed based on the current market situation.
- Disclosures of AlJazira REIT Fund Manager on the Saudi Tadawul website.

4.5 | Property photos for deed number 393836017952



4.5 | Property photos for deed number 493836017954



4.6 | SWOT Analysis

SWOT Analysis	
Strength	- The subject property is distinguished by its proximity to King Faisal Road. - The subject property is also distinguished by its proximity to Jeddah Port.
Weaknesses	No defects were observed in the property area.
Opportunities	- Jeddah Economic City : One of the largest development projects in Jeddah, spanning a total area of 5 million square meters. The project is overseen by Kingdom Holding Company, owned by Prince Alwaleed bin Talal. It is a mixed-use development featuring commercial and residential zones, luxury homes, hotels, and office spaces. Additionally, it includes an indoor shopping mall with dedicated transportation services. The centerpiece of the project is the iconic Kingdom Tower, serving as the focal point of the development. - Alma Jeddah : A visionary project designed to transform the North Obhur area into a modern "Venetian" destination. Alma Jeddah is among the largest and most significant new developments in the city, located in one of Jeddah's most desirable residential areas. Positioned on the Red Sea coast in the North Obhur district—an acclaimed tourist and leisure destination—the project centers on the creation of water canals connected to the Red Sea, flowing through the development. These canals will form two water islands, providing the foundation for residential and commercial projects, creating a unique and captivating urban experience.
Overall Risks	General risks related to the real estate market. - Risks of financial, economic and natural disasters. - Risks related to foreign exchange .Political and security risks - Risks related to the application of value-added tax. - Risks related to the implementation of the real estate transaction tax. - Risks related to white land fees. - Risks related to the impact of demand on residential and commercial real estate in the Kingdom of Saudi Arabia - Risks related to the prices of electricity, water and other services. - Competition-related risks. - Risks related to real estate development. - Risks related to the nature of the realization or liquidation of real estate assets. - Risks related to the reduction in the value of real estate assets. - Risks related to regulatory requirements and regulatory oversight. - Risks related to changes in applicable laws and regulations
Property Risks	The availability of alternatives in the subject property's area may impact supply and demand.

Part 5

Valuation

5.1 Valuation Approaches

5.2 Valuation Analysis

5.3 Preliminary results

5.4 Opinion of Value

5.5 Validity of review and clarification

5.1 | 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.

5.1 | Valuation Approaches

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

5.2 | Valuation Analysis

5.2.1 Cost Approach- Depreciated Replacement Cost. (North warehouse)

Replacement Cost Method is categorized under Cost Approach in the International Valuation Standards 2025 and is defined as “replacement cost is the cost that is relevant to determining the price that a participant would pay as it is based on replicating the utility of the asset, not the exact physical properties of the asset”.

5.2.1.1 Land cost (market approach)

- The market approach is based on the comparison of the subject property to similar properties, which have been sold/offered in the same market.

Comparables List					
Property ID	Transaction Type	Transaction Year	Value	Area	Value/m²
Property 1	Executed Transaction	2026	SAR 5,503,500	3,669 m²	SAR 1,500
Property 2	Executed Transaction	2026	SAR 8,500,000	6,138 m²	SAR 1,385
Property 3	Executed Transaction	2026	SAR 9,402,700	7,314 m²	SAR 1,286



Satellite photo showing subject property and comparables

5.2 Valuation Analysis

5.2.1 Cost Approach- Depreciated Replacement Cost.

We have conducted a comparison to arrive at the land value as follows:

Comparison Criteria	Subject Property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date		21/04/2026		18/02/2026		28/01/2026	
Value/m²	-	1,500 SAR/m²		1,385 SAR/m²		1,286 SAR/m²	
Transaction Type		Executed Transaction	0.0%	Executed Transaction	0.0%	Executed Transaction	0.0%
Market conditions	Similar	Similar	0.0%	Similar	0.0%	Similar	0.0%
Land Use	Warehouses	Warehouses	0.0%	Warehouses	0.0%	Warehouses	0.0%
Adjusted Value / m²		0		0		0	
Value per square meter		1,500 SAR/m²		1,385 SAR/m²		1,286 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%
street frontages	4	2	3.0%	2	3.0%	1	4.5%
street width	42 m	30m	1.0%	30m	1.0%	30m	1.0%
Area (m²)	33,591.63	3,669.00	-40.78%	6,138.00	-22.36%	7,314.00	-17.96%
Value / m²	-	-552 SAR/m²	-36.8%	-254 SAR/m²	-18.4%	-160 SAR/m²	-12.5%
Adjusted Value / m²	-	948 SAR/m²		1,131 SAR/m²		1,126 SAR/m²	
Weighting	-	35%		40%		25%	
Subject Property Adjusted Value (SAR/m²)	-	1,070 SAR					

- The weighted average approach is utilized to estimate the value per square meter, with the highest weight assigned to Comparison 2, deemed the most relevant due to its closer alignment with the characteristics of the subject property.
- No negotiation margin has been deducted from the above comparisons, as they are executed transactions.

Total land area (m2)	33,591.63
Value of sqm (SAR/m2)	1,070
Land value	35,943,044.1

5.2 | Valuation Analysis

5.2.1 Cost Approach- Depreciated Replacement Cost.

- The built-up area was determined based on the building permit provided by the client, where it was compared with the measurements taken on-site during the field inspection and aerial imagery via "Google Earth." A slight discrepancy was observed between them, and accordingly, the building areas were adopted according to the building permit.

Property Components	Unit	Value
Land Area	m ²	33,591.63
Built Up Area (Warehouses)	m ²	26,950

Item	Value/ unit	Unit	Total value (SAR)
Warehouse cost	700	SAR/m ²	18,865,000
Soft Cost	3.00%	%	565,950.00
Developer's Fees	10.00%	%	1,943,095.00
Total Cost			21,374,045.00

Structure age	11 years
Structure life span	30 years
remaining life	19 years
effective age	11 years
Actual depreciation	36.7 %
Economical obsolescence	0 %
functional obsolescence	0 %
Structure depreciated value (SAR)	13,536,895.17

Cost Approach Valuation Result	
Land Value	35,943,044.1
Structure Value	13,536,895.17
Cost approach value (SAR)	49,479,939.27

- The value of the construction meter was determined based on the price guide issued by the Saudi Authority for Accredited Valuers, with the necessary adjustments made to align with the property's condition.

5.2 | Valuation Analysis

5.2.2 Income Approach-Discounted Cash Flow Method-Northern Warehouse

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 value 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 market.

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.

5.2.2.2 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.

5.2 | Valuation Analysis

5.2.2 Income Approach-Discounted Cash Flow Method-Northern Warehouse

5.2.2.1 Lease Contracts

Data	Al-Ra'es Site Contract	Swala Company Contract	Hamad Al-Raqeeb Contract
Lessor Name	Alinma Financial Company	(AlJazira REIT) Mawten Al-Jazeera Real Estate Fund	Alinma Investment Company
Lessee Name	Al-Mawqee President Property Management	Swala Company	Hamad Al-Raqeeb & Sons Trading Co. Closed Joint Stock
Contract Duration (Years)	5	3	3
Annual Contract Value	1,280,486	1,145,540	1,500,840.00
Contract Start Date	2025-03-20	2023-11-20	2024-09-01
ease term expiration	2030-03-19	2026-11-19	2027-08-31

- The total annual rental value based on the contracts provided by the client, as detailed above, is estimated to be 3,926,866 Saudi Riyals per year.

5.2 | Valuation Analysis

5.2.2 Income Approach-Discounted Cash Flow Method-Northern Warehouse

5.2.2.2 Market Rent – Warehouse

According to the International Valuation Standards 2025, 'An asset's value can be determined solely using a terminal value without an explicit forecast period, which is sometimes referred to as the "income capitalization method." Given the expected stability of the subject property's income and its attainment of full maturity in terms of current revenue levels, the income capitalization method has been adopted for the valuation, utilizing the income approach.

Comparables List –warehouses				
Property ID	Transaction Type	Year	Rental value/m²	Area
Property 1	Asking price offer	2026	140 SAR	2,500 m²
Property 2	Asking price offer	2026	151 SAR	2,650 m²
Property 3	Asking price offer	2026	150 SAR	3,224 m²

Satellite photo showing subject property and comparables

5.2 | Valuation Analysis

5.2.2 Income Approach-Discounted Cash Flow Method-Northern Warehouse

5.2.2.3 Relative adjustment - to compare buildings intended for warehouses

Comparison Criteria	Subject Property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date		30/6/2026		30/6/2026		30/6/2026	
Value/m²	-	SAR/m² 140		SAR/m² 151		SAR/m² 150	
Transaction Type		Asking price offer	% 5.0-	Asking price offer	% 5.0-	Asking price offer	% 5.0-
Market Conditions		Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
Adjusted Value / m²		7-		7.55-		7.5-	
Value per square meter		SAR/m² 133		SAR/m² 143		SAR/m² 143	
Accessibility	Easy	Very easy	% 0.0	Very easy	% 0.0	Easy	% 0.0
Location	Good	Very good	% 5.0-	Very good	% 5.0-	Good	% 0.0
Property age	10 Years	12 Years	% 0.5	14 Years	% 1.0	8 Years	% 0.5-
Finishing level	Very good	Very good	% 0.0	Very good	% 0.0	Very good	% 0.0
Proximity to Jeddah Islamic Port	Relatively close	Close	% 5.0-	Close	% 5.0-	Relatively close	% 0.0
Value / m²	-	SAR/m² 13-	% 9.5-	SAR/m² 13-	% 9.0-	SAR/m² 01-	% 0.5-
Adjusted Value / m²	-	SAR/m² 120		SAR/m² 131		SAR/m² 142	
Weighting	-	% 25		% 35		% 40	
Subject Property Adjusted Value (SAR/m²)	-	SAR 130					

- The weighted average was taken to estimate the rental price per square meter, with the highest weight assigned to the value of comparison number (3), which is considered the best comparison due to its proximity and more similar specifications to the subject property.
- Given that the above comparisons are offers that have not been executed as of the valuation date, an adjustment of a 5% discount was applied.

Total Leasable area (m2)	33,591.63
Value of SAR / SQM	130
Total lease value	4,366,911.9

5.2 | Valuation Analysis

5.2.2.4 Approved income data in the valuation

The actual income data of the subject property was compared with the Market Rent and the following was found:

Element	Actual income data	Market data	The difference	
			SAR	%
Total income of the subject property (SAR/SQM)	3,926,866	4,366,911.9	440,045.9	11.2 %
Occupancy rate	-	5%	-	-
Opex & maintenance	-	5%	-	-
Net income	3,926,866	3,941,137.98	(14,271.9)	-0.36 %
The result	- The valuation inputs were based on the subject property's contractual income until the expiry of each warehouse lease during the cash flow period. Thereafter, market rent was adopted from the expiry date of each lease through the end of the explicit forecast period. - As the tenant is responsible for the maintenance and operating expenses during the lease term, no maintenance or operating expense allowance was applied throughout this period. Such expenses were accounted for only from the respective lease expiry dates onward.			

5.2.2.4 Assumptions

Project assumptions	
Project period	5 years
Cap rate	8 %
Discount rate	10.20 %

5.2.2.5 Cap rate analysis

Capitalization rate analysis							
RIET/Fund's Name	Property	City	Sector	Property Value (SAR)	Net income (SAR)	Rate of return	Year
Al-Khabeer REIT	Akun Warehouses	Jeddah	Industrial	215,820,000	16,000,000	7.41%	2023
Derayah REIT	Alkhumra warehouse	Jeddah	Industrial	51,386,209	4,432,453.25	8.63%	2023

- The cap rate was determined at 8 %, based on the general averages of returns for comparable funds and properties, after excluding outlier values.

5.2 Valuation Analysis

5.2.2 Income Approach- Discounted Cash Flow Method

Cash flow analysis

- An analysis of the projected cash flows was conducted, taking into consideration inflation, occupancy levels, and the market absorption rate. All costs related to construction, maintenance, and operations—where applicable—were deducted to arrive at the net cash flows.
- These net cash flows were then discounted at a rate of 10.20% to reflect the property-related risk factors.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.10%	General Authority for Statistics
Market Risk	0.78%	Aswath Damodaran Patform Data
Property Risk	2.00%	Valuer's estimate of the market
Discount rate	10.20%	

Valuation Result

Income Approach Valuation Result	50,525,890.07 SAR
----------------------------------	-------------------

4.3 Valuation Results & Weighting

Since different property values are derived using multiple valuation methods, a weighting of the methods used will be applied to determine the final property value. The final valuation will be arrived at based on the following weighting:

Weighted Value			
Approach	Value	Weight	Weighted value
Cost approach	SAR 49,479,939.27	0 %	SAR 0
income approach	SAR 50,525,890.07	100 %	SAR 50,525,890.07
Total		100.00 %	SAR 50,525,890.07

The income approach (discounted cash flow method) was favored over the cost approach due to the property being used as an investment asset to generate income for the fund. Therefore, it was valued based on the income it generates.

5.2 | Valuation Analysis

5.2.2 Discounted Cash Flow Analysis - Northern Warehouse

Cash flow analysis	total	Year 1	Year 2	Year 3	Year 4	Year 5
Northern Warehouse						
Contract No. 1-0 / 20682425061	6,863,933	1,280,486.00	1,387,192.00	1,387,192.00	1,387,191.30	1,421,872.11
Vacancy- 5.0%	-71,094	0.00	0.00	0.00	0.00	-71,093.61
Maintenance & opex - 5.0%	-67,539	0.00	0.00	0.00	0.00	-67,538.93
Net operating income	6,725,301	1,280,486.00	1,387,192.00	1,387,192.00	1,387,191.30	1,283,239.58
Contract No. 1-0 / 20442598237	5,998,464	1,145,540.00	1,145,540.00	1,145,540.00	1,174,178.50	1,387,665.50
Vacancy- 5.0%	-242,646	0.00	-57,277.00	-57,277.00	-58,708.93	-69,383.28
Maintenance & opex - 5.0%	-230,514	0.00	-54,413.15	-54,413.15	-55,773.48	-65,914.11
Net operating income	5,525,304	1,145,540.00	1,033,849.85	1,033,849.85	1,059,696.10	1,252,368.11
Contract No. 1-0 / 20790626456	7,835,636	1,500,840.00	1,500,840.00	1,500,840.00	1,666,557.75	1,666,557.75
Vacancy- 5.0%	-241,698	0.00	0.00	-75,042.00	-83,327.89	-83,327.89
Maintenance & opex - 5.0%	-229,613	0.00	0.00	-71,289.90	-79,161.49	-79,161.49
Net operating income	7,364,325	1,500,840.00	1,500,840.00	1,354,508.10	1,504,068.37	1,504,068.37
Net operating income for the proper	19,614,930	3,926,866	3,921,882	3,775,550	3,950,956	4,039,676
Terminal value	-	-	-	-	-	50,495,951
Net cash flow	19,614,929.63	3,926,866.00	3,921,881.85	3,775,549.95	3,950,955.77	54,535,626.81
Discount rate	-	1.00	0.91	0.82	0.75	0.68
Net current flow	50,525,890	3,926,866	3,558,876	3,108,974	2,952,279	36,978,895
KPI's	Total					
Current value	50,525,890.07					
total value	50,526,000.00					

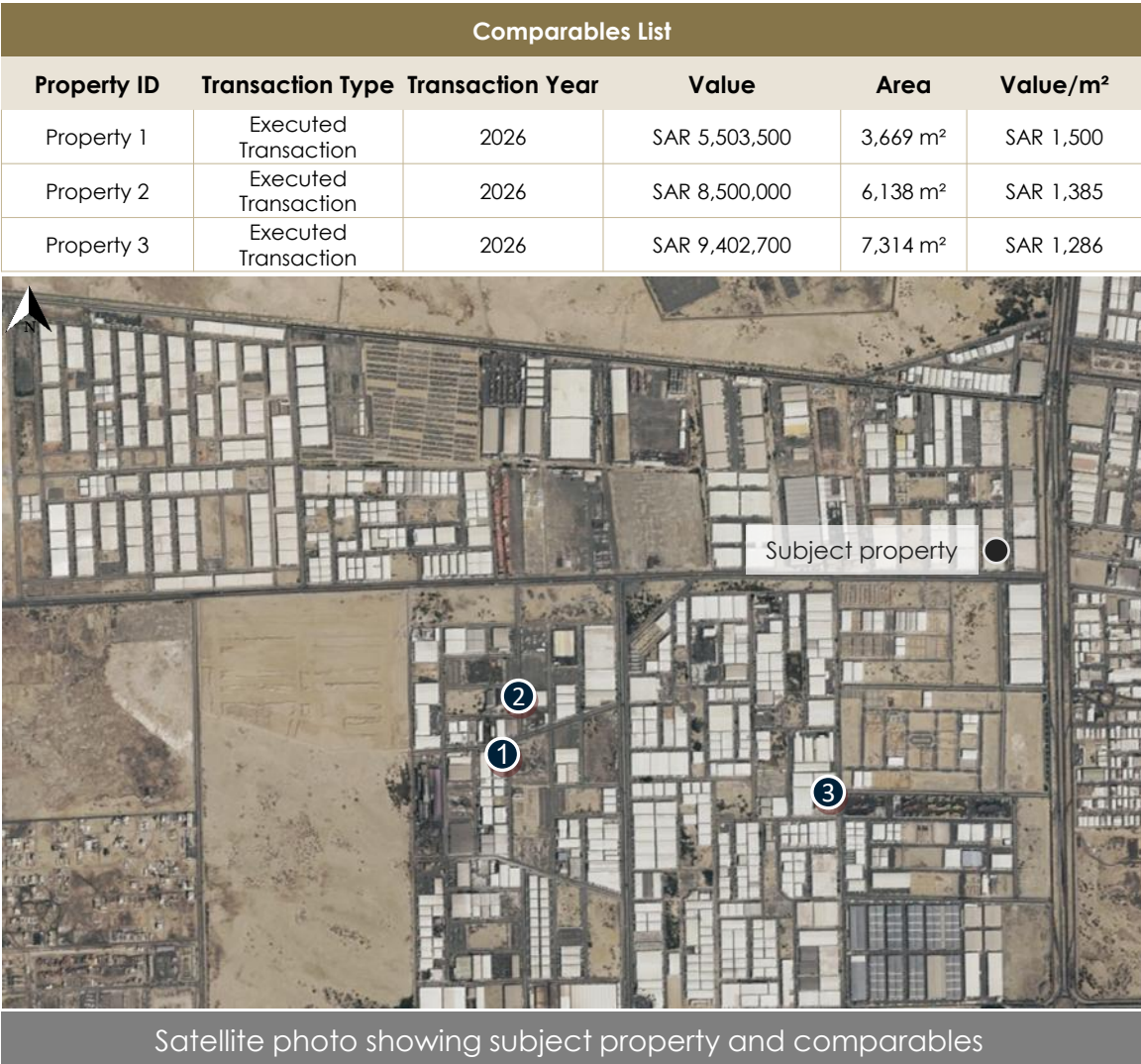
5.2 | Valuation Analysis

5.2.4 Cost Approach- Depreciated Replacement Cost. (south warehouse)

Replacement Cost Method is categorized under Cost Approach in the International Valuation Standards 2025 and is defined as “replacement cost is the cost that is relevant to determining the price that a participant would pay as it is based on replicating the utility of the asset, not the exact physical properties of the asset”.

5.2.4.1 Land cost (market approach)

- The market approach is based on the comparison of the subject property to similar properties, which have been sold/offered in the same market.



5.2 | Valuation Analysis

5.2.4 Cost Approach- Depreciated Replacement Cost.

We have conducted a comparison to arrive at the land value as follows:

Comparison Criteria	Subject Property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date		21/04/2026		18/02/2026		28/01/2026	
Value/m²	-	1,500 SAR/m²		1,385 SAR/m²		1,286 SAR/m²	
Transaction Type		Executed Transaction	0.0%	Executed Transaction	0.0%	Executed Transaction	0.0%
Market conditions	Similar	Similar	0.0%	Similar	0.0%	Similar	0.0%
Land Use	Warehouses	Warehouses	0.0%	Warehouses	0.0%	Warehouses	0.0%
Adjusted Value / m²		0		0		0	
Value per square meter		1,500 SAR/m²		1,385 SAR/m²		1,286 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%
street frontages	4	2	3.0%	2	3.0%	1	4.5%
street width	60 m	30m	3.0%	30m	3.0%	30m	3.0%
Area (m²)	31,796.08	2,678.00	-39.86%	4,908.19	-21.74%	2,791.00	-17.41%
Value / m²	-	-508 SAR/m²	-33.9%	-218 SAR/m²	-15.7%	-127 SAR/m²	-9.9%
Adjusted Value / m²	-	992 SAR/m²		1,167 SAR/m²		1,159 SAR/m²	
Weighting	-	35%		40%		25%	
Subject Property Adjusted Value (SAR/m²)	-	1,100 SAR					

- The weighted average approach is utilized to estimate the value per square meter, with the highest weight assigned to Comparison 2, deemed the most relevant due to its closer alignment with the characteristics of the subject property.
- No negotiation margin has been deducted from the above comparisons, as they are executed transactions.

Total land area (m2)	31,796.08
Value of sqm (SAR/m2)	1,100
Land value	34,975,688

5.2 | Valuation Analysis

5.2.4 Cost Approach- Depreciated Replacement Cost.

- The built-up area was determined based on the building permit provided by the client, where it was compared with the measurements taken on-site during the field inspection and aerial imagery via "Google Earth." A slight discrepancy was observed between them, and accordingly, the building areas were adopted according to the building permit.

Property Components	Unit	Value
Land Area	m ²	31,796.08
Built Up Area (Warehouses)	m ²	25,200

Item	Value/ unit	Unit	Total value (SAR)
Warehouse cost	700	SAR/m ²	17,640,000.00
Soft Cost	3.00%	%	529,200.00
Developer's Fees	10.00%	%	1,816,920.00
Total Cost			19,986,120.00

Structure age	11 years
Structure life span	30 years
remaining life	19 years
effective age	11 years
Actual depreciation	36.7 %
Economical obsolescence	0 %
functional obsolescence	0 %
Structure depreciated value (SAR)	12,657,876

Cost Approach Valuation Result	
Land Value	34,975,688
Structure Value	12,657,876
Cost approach value (SAR)	47,633,564

- The value of the construction meter was determined based on the price guide issued by the Saudi Authority for Accredited Valuers, with the necessary adjustments made to align with the property's condition.

5.2 | Valuation Analysis

5.2.2 Income Approach-Discounted Cash Flow Method-Southern Warehouse

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 value 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 market.

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.

5.2.2.2 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.

5.2 | Valuation Analysis

5.2.5 Income Approach-Discounted Cash Flow Method-Southern Warehouse

According to the International Valuation Standards 2025, when an 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 for value.

5.2.5.1 Lease Contracts

Data	Hassan Ali Al-Touri Trading Company	Petromin Company Contract	Hamad Al-Raqeeb Contract
Lessor Name	(AlJazira REIT) Mawten Al-Jazeera Real Estate Fund	(AlJazira REIT) Mawten Al-Jazeera Real Estate Fund	(AlJazira REIT) Mawten Al-Jazeera Real Estate Fund
Lessee Name	Hassan Ali Al-Touri Trading Company	Petromin Company	Hamad Al-Raqeeb & Sons Trading Co.
Contract Duration (Years)	1	3	5
Annual Contract Value	1,481,820	1,350,000.00	1,459,770
Contract Start Date	2025-09-01	2026-05-01	2026-07-01
Lease term expiration	2026-08-31	2029-04-30	2031-06-30

- The total annual rental value based on the contracts provided by the client, as detailed above, is estimated to be 4,291,590 Saudi Riyals per year.

5.2 | Valuation Analysis

5.2.5 Income Approach-Discounted Cash Flow Method-Southern Warehouse

5.2.5.2 Market Rent – Warehouse

Research and investigation have been conducted to estimate the expected income the property will generate based on comparisons in the area of the property being valued. The comparisons mentioned in this section represent the best comparisons from our perspective, providing an indication of the values and returns for the property being valued. Relative and quantitative adjustments have been made between the property being valued and the comparable properties as follows to reflect the differences in characteristics between these properties and their impact on value:

Comparables List –warehouses				
Property ID	Transaction Type	Year	Rental value/m ²	Area
Property 1	Asking price offer	2025	140 SAR	2,500 m ²
Property 2	Asking price offer	2025	151 SAR	2,650 m ²
Property 3	Asking price offer	2025	150 SAR	3,224 m ²



Satellite photo showing subject property and comparables

5.2 | Valuation Analysis

5.2.5 Income Approach-Discounted Cash Flow Method-Southern Warehouse

5.2.5.3 Relative adjustment - to compare buildings intended for warehouses

Comparison Criteria	Subject Property	Comparable 1		Comparable 2		Comparable 3	
		Description	Adjustment %	Description	Adjustment %	Description	Adjustment %
Transaction Date		30/6/2026		30/6/2026		30/6/2026	
Value/m²	-	SAR/m² 140		SAR/m² 151		SAR/m² 150	
Transaction Type		Asking price offer	% 5.0-	Asking price offer	% 5.0-	Asking price offer	% 5.0-
Market Conditions		Similar	% 0.0	Similar	% 0.0	Similar	% 0.0
Adjusted Value / m²		7-		7.55-		7.5-	
Value per square meter		SAR/m² 133		SAR/m² 143		SAR/m² 143	
Accessibility	Easy	Very easy	% 0.0	Very easy	% 0.0	Easy	% 0.0
Location	Good	Very good	% 5.0-	Very good	% 5.0-	Good	% 0.0
Property age	10 Years	12 Years	% 0.5	14 Years	% 1.0	8 Years	% 0.5-
Finishing level	Very good	Very good	% 0.0	Very good	% 0.0	Very good	% 0.0
Proximity to Jeddah Islamic Port	Relatively close	Close	% 5.0-	Close	% 5.0-	Relatively close	% 0.0
Value / m²	-	SAR/m² 13-	% 9.5-	SAR/m² 13-	% 9.0-	SAR/m² 01-	% 0.5-
Adjusted Value / m²	-	SAR/m² 120		SAR/m² 131		SAR/m² 142	
Weighting	-	% 25		% 35		% 40	
Subject Property Adjusted Value (SAR/m²)	-	SAR 130					

- The weighted average was taken to estimate the rental price per square meter, with the highest weight assigned to the value of comparison number (3), which is considered the best comparison due to its proximity and more similar specifications to the subject property.
- Given that the above comparisons are offers that have not been executed as of the valuation date, an adjustment of a 5% discount was applied.

Total Leasable area (m2)	31,796.08
Value of SAR / SQM	130
Total lease value	4,133,490.4

5.2 | Valuation Analysis

5.2.5.4 Approved income data in the valuation

The actual income data of the subject property was compared with the Market Rent and the following was found:

Element	Actual income data	Market data	The difference	
			SAR	%
Total income of the subject property (SAR/SQM)	4,291,590	4,133,490.4	158,099.6	3.82 %
Occupancy rate	-	5%	-	-
Opex & maintenance	-	5%	-	-
Net income	4,291,590	3,730,475.086	-561,114.91	15 %
The result	- The valuation inputs were based on the subject property's contractual income until the expiry of each warehouse lease during the cash flow period. Thereafter, market rent was adopted from the expiry date of each lease through the end of the explicit forecast period. - As the tenant is responsible for the maintenance and operating expenses during the lease term, no maintenance or operating expense allowance was applied throughout this period. Such expenses were accounted for only from the respective lease expiry dates onward.			

5.2.2.4 Assumptions

Project assumptions	
Project period	5 years
Cap rate	8 %
Discount rate	10.20 %

5.2.2.5 Cap rate analysis

Capitalization rate analysis							
RIET/Fund's Name	Property	City	Sector	Property Value (SAR)	Net income (SAR)	Rate of return	Year
Al-Khabeer REIT	Akun Warehouses	Jeddah	Industrial	215,820,000	16,000,000	7.41%	2023
Derayah REIT	Alkhumra warehouse	Jeddah	Industrial	51,386,209	4,432,453.25	8.63%	2023

- The cap rate was determined at 8 %, based on the general averages of returns for comparable funds and properties, after excluding outlier values.

5.2 Valuation Analysis

5.2.2 Income Approach- Discounted Cash Flow Method

Cash flow analysis

- An analysis of the projected cash flows was conducted, taking into consideration inflation, occupancy levels, and the market absorption rate. All costs related to construction, maintenance, and operations—where applicable—were deducted to arrive at the net cash flows.
- These net cash flows were then discounted at a rate of 10.20% to reflect the property-related risk factors.

Discount rate by observed or inferred rates/yields		
Rates	Value	Source
Risk-free rate	5.32%	Saudi Exchange
Inflation rate	2.26%	General Authority for Statistics
Market Risk	1.22%	Aswath Damodaran Patform Data
Property Risk	1.77%	Valuer's estimate of the market
Discount rate	10.57%	

Valuation Result

Income Approach Valuation Result	50,267,627.47 SAR
----------------------------------	-------------------

4.3 Valuation Results & Weighting

Since different property values are derived using multiple valuation methods, a weighting of the methods used will be applied to determine the final property value. The final valuation will be arrived at based on the following weighting:

Weighted Value			
Approach	Value	Weight	Weighted value
Cost approach	SAR 47,633,564	0 %	SAR 0
income approach	SAR 50,267,627.47	100 %	SAR 50,267,627.47
Total		100.00 %	SAR 50,267,627.47

The income approach (discounted cash flow method) was favored over the cost approach due to the property being used as an investment asset to generate income for the fund. Therefore, it was valued based on the income it generates.

5.2 | Valuation Analysis

5.2.2 Discounted Cash Flow Analysis - Southern Warehouse

Cash flow analysis	total	Year 1	Year 2	Year 3	Year 4	Year 5
Southern Warehouse						
ContactNo.,1-0 / 20737550376	7,054,523	1,481,820.20	1,375,975.90	1,375,975.90	1,410,375.30	1,410,375.30
Vacancy- 5.0%	-278,635	0.00	-68,798.80	-68,798.80	-70,518.76	-70,518.76
Maintenance & opex - 5.0%	-264,703	0.00	-65,358.86	-65,358.86	-66,992.83	-66,992.83
Net operating income	6,511,184	1,481,820.20	1,241,818.25	1,241,818.25	1,272,863.71	1,272,863.71
ContactNo.,1-0 / 20593665908	6,715,000	1,350,000.00	1,350,000.00	1,350,000.00	1,332,500	1,332,500
Vacancy- 5.0%	-133,250.00	0.00	0.00	0.00	-66,625.00	-66,625.00
Maintenance & opex - 5.0%	-126,587.50	0.00	0.00	0.00	-63,293.75	-63,293.75
Net operating income	6,455,162.50	1,350,000.00	1,350,000.00	1,350,000.00	1,202,581.25	1,202,581.25
ContactNo.,1-0 / 20940933537	7,298,850	1,459,770.00	1,459,770.00	1,459,770.00	1,459,770.00	1,459,770.00
Vacancy- 5.0%	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance & opex - 5.0%	0.00	0.00	0.00	0.00	0.00	0.00
Net operating income	7,298,850.00	1,459,770.00	1,459,770.00	1,459,770.00	1,459,770.00	1,459,770.00
Net operating income for the proper	20,265,197	4,291,590	4,051,588	4,051,588	3,935,215	3,935,215
Terminal value	-	-	-	-	-	49,190,187
Net cash flow	20,265,196.61	4,291,590.20	4,051,588.25	4,051,588.25	3,935,214.96	53,125,401.91
Discount rate	-	1.00	0.91	0.82	0.75	0.68
Net current flow	50,267,627	4,291,590	3,676,577	3,336,277	2,940,517	36,022,666
KPI's	Total					
Current value	50,267,627.47					
total value	50,268,000.00					

5.3 Preliminary results

Preliminary results for calculating the property value	
North Warehouse Value (SAR)	50,525,890.07
South Warehouse Value (SAR)	50,267,627.47
Total property value (SAR).	100,793,517.54

5.4 Opinion of Value

Opinion of value	
Value	100,794,000
Written	Only one hundred million seven hundred ninety-four thousand SAR
Currency	ﷲ

5.5 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.

Part 6

Appendices

6.1 Documents

6.2 Assumptions and Limiting Conditions

6.3 Valuation Standards

6.1 Documents

وزارة العدل
سلطان سعيد خيشان المجلسي
جدة
ترخيص رقم: 39/1080
رقم الصك: 393836017952
التاريخ: 1447/07/29

صك الأفرع

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد: فإن قطعة الأرض رقم 39 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 40 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 41 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 42 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 43 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 44 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 45 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 46 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 47 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 48 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 49 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 50 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 51 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 52 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 53 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 54 من المخطط رقم 503 / ج / ص الواقع في حي الوادي بمدينة جدة . وحدودها وأطوالها : شمالاً: شارع عرض 42م بطول 100.78 بطول مائة متر و ثمانية و سبعون سنتيمتر ثم ينكسر جنوب غرب بطول 6.64م جنوباً: شارع عرض 32م بطول 100 بطول مائة متر ثم ينكسر شمال شرق بطول 7.07م شرقاً: شارع عرض 32م بطول 289.3 بطول مئتين و تسعة و ثمانون متر و ثلاثون سنتيمتر ثم ينكسر شمال غرب بطول 7.48م غرباً: شارع عرض 25م بطول 302.36 بطول ثلاثمائة و اثنين متراً و ستة و ثلاثون سنتيمتر ثم ينكسر جنوب شرق بطول 7.07م ومساحتها 33591.63 ثلاثة و ثلاثون ألفاً و خمسمائة و واحد و تسعون متراً مربعاً و ثلاثة و ستون سنتيمتر مربعاً بموجب الصك الصادر من كتابة العدل الأولى بجدة برقم 420205026531 في 12 / 05 / 1438 قد أصبحت في ملك / شركة صندوق موطن الجزيرة العقارية بموجب الرقم الوطني الموحد للمنشأة رقم 7002591589 وعليه جرى التصديق تحريراً في 1447 / 07 / 29 لاعتماده، وصلى الله على نبينا محمد وآله وصحبه وسلم.

الختم الرسمي
الموتق

سلطان سعيد خيشان المجلسي

6.1 Documents

وزارة العدل

رقم الصك: 493836017954

سلطان سعيد خيشان الجلسي

1447/07/29 التاريخ:

جدة

ترخيص رقم: 39/1080

صك الافراع

الحمد لله وحده والصلاة والسلام على من لا نبي بعده، وبعد: فإن قطعة الأرض رقم 129 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 130 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 131 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 132 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 133 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 134 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 135 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 136 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 137 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 138 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 139 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 140 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 141 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و قطعة الأرض رقم 142 من المخطط رقم 503 / ج/ ص الواقع في حي الوادي بمدينة جدة . و حدودها وإطوالها : شمالاً: شارع عرض 32م بطول 100 بطول مائة متر ثم ينكسر جنوب غرب بطول 7.07م جنوباً: شارع عرض 60م بطول 100.06 بطول مائة متر و ستة سنتيمتر ثم ينكسر شمال شرق بطول 6.96م شرقاً: شارع عرض 32م بطول 281.18 بطول مئتين و واحد و ثمانون متر و ثمانية عشر سنتيمتر ثم ينكسر شمال غرب بطول 7.07م غرباً: شارع عرض 25م بطول 277.84 بطول مئتين و سبعة و سبعون متراً و أربعة و ثمانون سنتيمتراً ثم ينكسر جنوب شرق بطول 7.18م ومساحتها 31796.08 واحد و ثلاثون ألفاً و سبعمائة و ستة و تسعون متراً مربعاً و ثمانية سنتيمتراً مربعاً بموجب الصك الصادر من كتابة العدل الأولى بجدة برقم 920205026530 في 12 / 05 / 1438 قد أصبحت في ملك/ شركة صندوق موطن الجزيرة العقارية بموجب الرقم الوطني الموحد للمنشأة رقم 7002591589 وعليه جرى التصديق تحريراً في 1447 / 07 / 29 لاعتماده ،وصلى الله على نبينا محمد وآله وصحبه وسلم.

الختم الرسمي

الموثق

سلطان سعيد خيشان الجلسي

6.1 Documents

الإدارة المركزية لرخص البناء
رخصة بناء مفعلة

أمانة محافظة جدة

رقم رخصة البناء	3400089361	تاريخها	24- رجب- 1434	البلدية	الجانب
رخصة بناء:	مستوع	صالحة إلى	24- رجب- 1437		
اسم المالك:	شركة موطن العقارية				
نوع هوية:	تجاري	رقمها	1010241193	تاريخها	مصدرها
صك ملكية رقم:	172/2928/11	تاريخ	02- رجب- 1433	مصدر	كتابة عدل جدة
رقم المبنى:	غير مرئي	شارع	غير منسى	حي	الوادي
رقم القطعة:	129 إلى 142	المخطط	503/ح/م	رقم الكروكي	300521910
				تسقيطات	19830.46
				شماليات	8248.18

قد رخصي للمالك بناء عدد 1 دور بموجب الحدود و الأبعاد و الإرتدادات و البروزات

المحتويات	سكني	تجاري		وحدات أخرى	مساحة الدور
		مكاتب	محلات		
المدرور					
طابق المواقف					
الطابق الأرضي				1515	14837.79
طابق الميراثين					
الطابق الأول					
الطابق الثاني					
الطابق الثالث					
الطابق المكبر					
أرضي فيلا السطح					
علوي فيلا السطح					
الملحق العلوي					
وحدات أخرى					

عدد الوحدات السكنية: 28

طول الأسوار: 787.3621

اسم المكتب الهندسي: شركة الهرم للاستشارات الهندسية

رقم رخصة المكتب المسرف: شركة الهرم للاستشارات الهندسية

الرسوم: 15180.38

رقم الإيصال: 3412041445

تاريخ الإيصال: 20- رجب- 1434

* تم إحصاء العقود المطلوبة حسب النظام

خدمة العملاء

المدقق الإداري

المدقق القانوني والعبي

المدير

بسم الأراجعي

ملاحظة هامة

يجب الالتزام بالتعليمات خلف الرخصة

الختم

اسم الإشراف المشرفون: عبد الله الأسفل واستخدموا موافق الترخيص المرفقة على التكاليف المتوقعة على المنطقة وسلامة المرفق وتطبيق تنسيقية الترخيص المتوقعة والإلتزام بتنفيذ الأعمال

جدة أمانة
قلنود الأمانة

6.1 Documents

الإدارة المركزية لرخص البناء
رخصة بناء مفعلة

أمانة محافظة جدة

رقم رخصة البناء	3400085081	تاريخها	27- جمادى الثانية- 1434	البلدية	الجنوب
رخصة بناء:	مستودع	صالحه إلى	27- جمادى الثانية- 1437		
اسم المالك:	شركة موطن العقارية				
نوع هوية:	ذات مسئولية محد	رقمها	1010241193	مصدرها	الرياض
صك ملكية رقم:	172 / 2928 / 11	تاريخ	02- رجب- 1433	مصدر	كتابة عدل
رقم المبنى:	غير مرقم	تصارع	غير مسمى	حجى	الوادي
رقم القطعة:	من 39 إلى 54	المخطط	503 / ج / ص	رقم الكروكي	300521903
قد رخص للمالك بناء عدد	1	دور بموجب الحدود و الأبعاد و الإرتدادات و البرورات			
المحتويات	سكني	تجاري	مكاتب	محللات	مساحة الدور
المدوروم					
طابق المواقف					
الطابق الأرضي					15104.69
طابق الميراثين					15104.69
الطابق الأول					
الطابق الثاني					
الطابق الثالث					
الطابق المكبر					
أرضي قبلا السطح					
علوي قبلا السطح					
الملحق العلوي					
وحدات أخرى					

عدد الوحدات السكنية:	32	طول الأسوار	340.7021
اسم المكتب الهندسي	شركة الهرم للاستشارات الهندسية		
رقم رخصة المكتب المشرف	شركة الهرم للاستشارات الهندسية		
الرسوم	رقم الإيصاف	تاريخ الإيصاف	
13025.23	3412034350	25- جمادى الثانية- 1434	
* تم إحصاء المعود المطلوبة حسب النظام			
المدقق الإداري	خدمة العملاء		
المدقق القانوني والفني	عاصر الحاربي		
المدير	بسام الراحمي		
ملاحظة هامة	يجب الالتزام بالتعليمات خلف الرخصة		
التحرم			

تم الإقرار والتصديق على هذه الأبعاد والارتفاعات موافقاً على القوانين والمواصفات المعمول بها في المملكة العربية السعودية وتحت إشراف وزارة الشؤون البلدية والقروية والإسكان.

ملاحظة: يرجى التأكد من صحة الأبعاد والارتفاعات قبل البناء.

أمانة جدة

مفتوح الأمانة



6.1 Documents

- Lease contract documents

[illegible]

6.1 Documents

[illegible]

6.2 | Assumptions and Limiting Conditions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6.3 | Valuation Standards

6.3 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.

6.3.1 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.

6.3.2 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.

6.3.3 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)

6.3.4 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.

6.3.5 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.

6.3.6 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.

6.3.7 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.

6.3 | Valuation Standards

6.3.8 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.

6.3.9 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.

6.3.10 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.

6.3.11 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).

6.3.12 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.

6.3 | Valuation Standards

6.3.13 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.

6.3.14 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.

6.4 | Study and Analysis of Risks in the Valuation Report (Northern Warehouses)

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 (37%) 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.	Stabilized occupancy 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.

6.4 | Study and Analysis of Risks in the Valuation Report (Southern Warehouses)

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 (37%) 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.	Stabilized occupancy 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.



Thank you

نحنُ لك سندٌ
We support you