ARCHERS
Valuation & Advisory

# Residential Valuation Report



| | |
|---|---|
| **Client** | Stake Properties Limited |
| **Property Address:** | Apartment No. 306, Rawda Apartments 2, Rawda Apartments, Town Square, Dubai, United Arab Emirates |
| **Report Date:** | 23 June 2025 |

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Office No. 04-16, Empire Heights, Business Bay, Dubai, UAE

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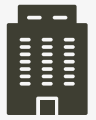
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# Market Value Summary

| | |
|---|---|
| **AED Market Value** | 1,250,000 (One Million Two Hundred Fifty Thousand Dirhams) |
| **AED Rate Per sq ft** | 1,335 per sq ft |
| **Estimated Market Rent (AED)** | 85,000 - 95,000 (As a guide only) |

# Property Summary



Property type

Residential Flat



Total floor area

936 sq ft



Balcony

96 sq ft



Bedrooms

2 Bed



Occupancy

Vacant (At the time of the inspection)



DEWA Number

922-03185-1



Views

Community & Vacant land



Parking Spaces

1



Year built

2020



Developer

Nshama Development



Status

100% Complete



Tenure

Freehold

| | |
|---|---|
| **Property Address** | Apartment No. 306, Rawda Apartments 2, Rawda Apartments, Town Square, Dubai, United Arab Emirates |
| **Municipality Address** | Property No. 306, Building 2, Plot No. 231, Municipality No. 922-8950, Town Square - Rawda Apartments 2, Al Yelayiss 2, Dubai, United Arab Emirates |
| **Replacement Cost** | We have assumed that the property will be insured against fire and usual perils. |
| **Economic Life of Building** | Estimated 35-40 years (As a guide only) |

# Development Description




The subject property is a two-bedroom apartment located in Rawda Apartments 2, which is a four-building apartment complex located in Town Square, Dubailand. The Rawda Apartments 2 is an 11-storey residential tower offering a mixture of one-bedroom to three-bedroom apartments. Amenities within the development include gymnasium, swimming pool, kids play area, and green park. The building is constructed as a concrete structure with glass cladding. The units within the building are finished to average standard incorporating modern fixtures and finishes.

## Accommodation Description

| Floor | Component | No. |
|---|---|---|
| 3rd | Entry foyer | 1 |
| 3rd | Combined living/dining room | 1 |
| 3rd | Kitchen | 1 |
| 3rd | Laundry cupboard | 1 |
| 3rd | Bedroom with en suite bathroom/dressing | 1 |
| 3rd | Bedroom | 1 |
| 3rd | Family shower room | 1 |
| 3rd | Balcony | 1 |

# Assumptions & Comments

| | |
|---|---|
| **Condition** | The property appears to have been completed to the developer's standard designs and specifications. The property appeared to be in good condition, commensurate with its age and use. |
| **Roads** | The property is accessible via paved road and the roads are owned by the government. |
| **Upgrades** | Kitchen upgraded - see Additional Comments. |
| **Additional Comments** | We have relied upon sources of information provided by the Client and for the purpose of our valuation we have assumed that the information is accurate and correct. Should any of the information provided transpire to be incorrect, then we reserve the right to reconsider our valuation.<br><br>During the inspection, we observed that the kitchen has been upgraded:<br>Cabinet and sink replacement, wooden countertop, marble-style backsplash, built -in-appliances, and new double-door refrigerator.<br><br>For the purpose of our valuation, we have assumed that the owner has obtained all necessary NOC approval from the developers and the municipality. The observed improvements during our inspection have been duly considered and incorporated into our valuation. |
| **Significant Environmental, Social & Governance (ESG) factors** | We have been provided with limited (if any) ESG or sustainability-related characteristics for the subject property, and the availability of such data is often limited within the local market. Any of our comments in respect of the impact on our valuation and this valuation report should not be regarded as an ESG risk assessment or for any other use beyond the scope of the valuation. We have not reported or documented ESG factors which are not available or in the professional judgment of the valuer are not deemed significant. |
| **Risks and Uncertainty** | Not examined and/or not directly evident. |
| **Climate change** | Not examined and/or not directly evident. |
| **Special Assumption** | Not applicable |

## Comparable Evidence

| # | Address | Type | Floor | Size | Views | AED Price | Rate PSF | Date |
|---|---|---|---|---|---|---|---|---|
| 1 | Rawda 2 | 2 Bed | 5th | 990 | Community | 1,275,000 | 1,288 | Sold Jun 2025 |
| 2 | Rawda 1 | 2 Bed | 11th | 913 | Community | 1,275,000 | 1,396 | Sold Jun 2025 |
| 3 | Rawda 2 | 2 Bed | 8th | 897 | Community | 1,240,000 | 1,382 | Sold Jun 2025 |
| 4 | Rawda 2 | 2 Bed | Mid | 1,024 | Vacant land & Community | 1,350,000 | 1,318 | Asking Jun 2025 |
| | **Rawda 2** | **2 Bed** | **3rd** | **936** | **Vacant land & Community** | **1,250,000** | **1,335** | **Subject unit** |

## Analysis

The above comparable are transactions and asking prices of two-bedroom units within Rawda Apartments complex, Town Square. No. 1 is a transfer of a larger two bedroom and located on a higher floor level. Larger properties tend to devalue to lower rate per square foot due to element of quantum. Comparable Nos. 2 and 3 are transfers of slightly smaller sized units on higher floors. Comparable No. 4 is an asking price of a larger unit with similarly upgraded kitchen and is yet to be transacted. Asking prices are typically overstated to allow room for negotiation. There is a time lag between agreement to purchase and actual transfer date. The subject kitchen is an upgraded which typically attracts a premium. All of the above factors have been reflected in our valuation.

## Market Value Summary

| | |
|---|---|
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| **AED Rate Per sq ft** | 1,335 per sq ft |
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External Elevation




Unit No.



Living room/dining room



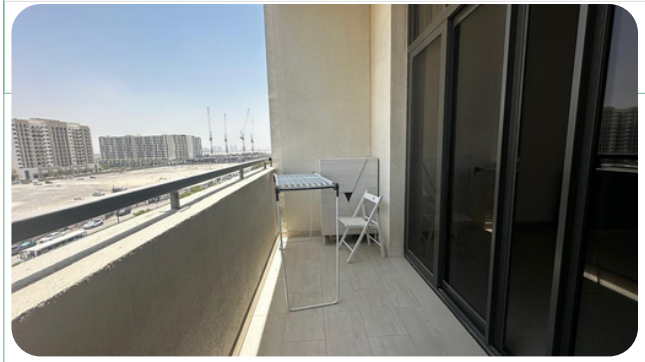
Kitchen



Bedroom



Bathroom



Balcony

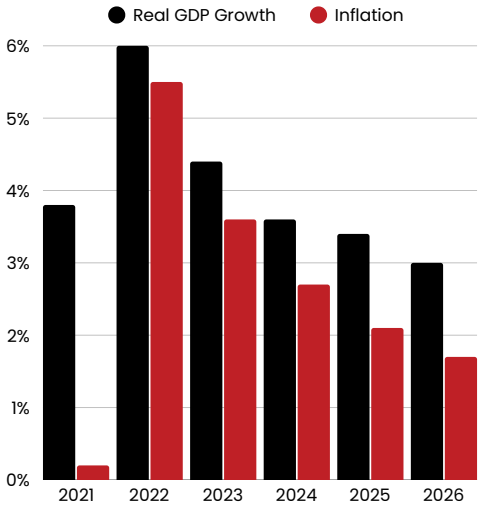


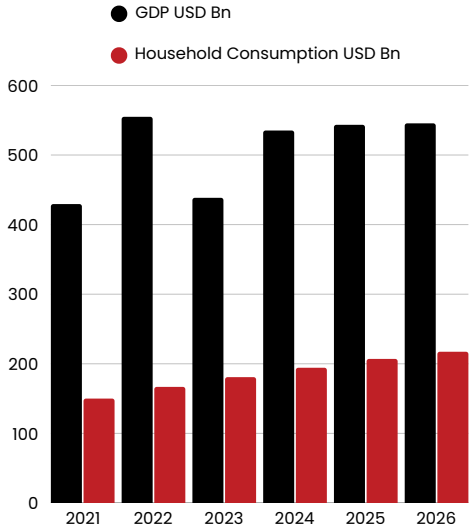
Typical Views



# Macro-Economic Data (UAE)

The real GDP growth has expanded strongly in 2023 in particular of the non-oil sector growth. Continued post-pandemic economic reopening and tourism inflows has accelerated the economic recovery. The UAE economy is projected to show an average of 15.1% growth in 2022-26. The inflation is likely to remain above target rates, owing to high global commodity prices, conflict in Eastern Europe, The Gaza–Israel conflict and supply-chain bottlenecks. Peak interest rates are likely to slow down economic activity globally, the rising hydrocarbons revenue will maintain the fiscal position in surplus throughout 2022-26. The current account will also remain in surplus in 2022-26.




The UAE remains as one of the most affluent countries in the Gulf Co-operation Council and globally as an investors safe haven. High disposable incomes for Emirati nationals and a welcoming business environment will ensure that the UAE remains an attractive market for international companies, despite the rollout of corporate taxation in mid of 2023, which will stand at 9% and remain one of the lowest globally. The government's efforts to promote the UAE as a global hub for innovation and tourism will provide lucrative business opportunities for local and foreign firms alike, while diversification and work on government infrastructure projects will provide opportunities for contracting firms and suppliers.

Volatility in oil prices is the major source of macroeconomic risk, but the UAE is also vulnerable to global trends as a regional trade, logistics and travel hub. Accelerated global energy prices in 2022-23 will support robust economic growth in 20215, with higher regional liquidity and investment and residency liberalisation such as Golden Visa programme accelerating major non-oil sectors such as real estate, tourism, retail, financial services and construction.

*Source: Economist Intelligence, International Monetary Fund, Central Bank*



# Dubai overview

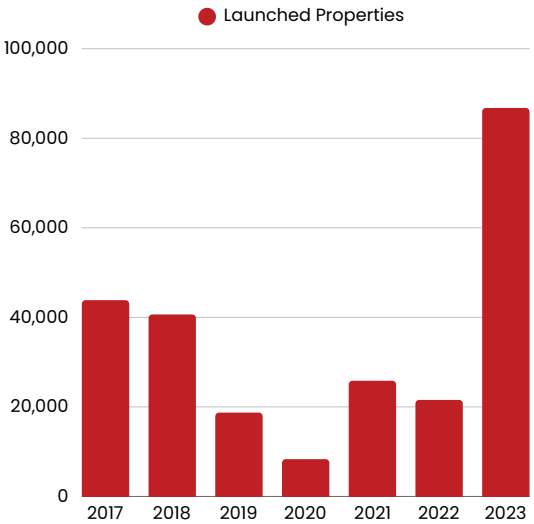
The real estate sector in Dubai represents one of the major economic sectors in the economic growth, and effectively contributes to the economic growth in Dubai. The contribution of the real estate activities sector to the GDP of Dubai is a double digit figure, and the sector achieved value added of approximately AED 256.2B in transactions in 2023, representing a 515% increase from 2022.

The real estate activities sector contributed effectively during the past years in the economic growth of Dubai. The sector's contribution ranged between 6.3% in 20115 and reached the highest annual value of 7.2% in 2019, which reflects the importance of the real estate sector in economic activity in the emirate of Dubai. We would forecast the economic contribution reaching continuing on the same trajectory of importance in 20215.

According to the recent Henley Global Citizens Report (2022), 15,000 high-net-worth individuals (HNWIs) are in process of relocating to the UAE with majority of concentration in Dubai. Several reasons have attributed to this, stability, legal and regulatory framework, safety of investments and society, easing in residency and world class infrastructure.

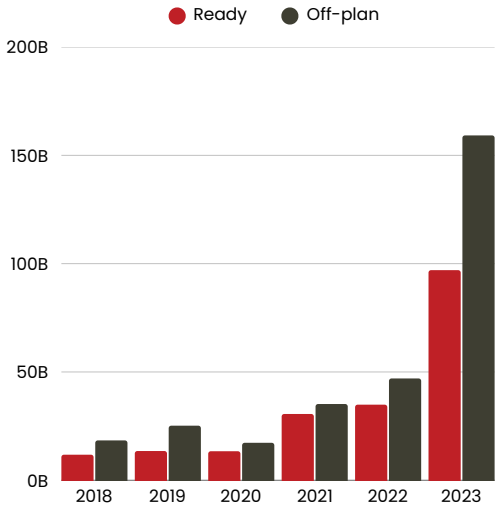
The migration from Eastern Europe and countries that have until recently battling the aftermath of the pandemic is putting Dubai on a map of places to relocate to.

## Launched Properties




Market deceleration in 2019 and 2020 has resulted in limited launches to curb the potential oversupply. With the marketing hitting the bottom in October 2020, we saw signs of early recovery. The developers have immediately used this opportunity to launch new master planned developments in primary and secondary locations. To date the launched properties are marginally lower than in 2021, albeit there could be additional units announced in Q15 2022 that will exceed 2021.

## Transactional Sales Value




Historically, the developers in the off-plan market were able to achieve premium pricing due to aggressive sales and marketing as well as incentives that were occasionally bundled with the sale. The boom throughout 2022 and 2023 saw developers selling in record time with aggressive marketing, but limiting the incentives and in some cases are resorting to transactions to cash buyers and not mortgage clients. These are the signs of sellers market. In terms of volume traded, some of the largest deals are in off-plan market.

*Source: Dubai Land Department, HT Research and DXB Interact*

From the introduction of freehold ownership in 2002 in the emirate of Dubai, the market has seen volatility across all asset classes peaking in 2008, prior to Lehman Brothers collapse and the aftermath of the Global Financial Crisis. The repercussions, continued until bottoming out of the cycle in 2012, followed by increased mortgage lending and market activity, improving the overall sentiment in the sector. The Expo award in 2013 has set a long-term projection for growth, albeit the cycle of growth resulted in market overheating. To further curb this, The Central Bank introduced the mortgage cap to reduce banks' exposure. The market sentiment was further subdued by global geopolitical issues and the collapse of oil prices trading at USD 150 per barrel. The market posts its peak in 2015 has declined at an average rate of 15% annually until 2019.

The outbreak of COVID-19, declared by WHO as a "Global Pandemic" on the 11th March 2020 and the subsequent variants, triggered uncertainties and risks for real estate assets globally. The governments went into lockdown including Dubai (UAE). The government was quick in assessing the situation including the support schemes such as TESS economic support for the banking sector. The proactive government actions have resulted in increased market activity and travel resumption corridors with numerous countries.

The initial effect of working from home increased demand for villas and townhouses. The decrease of down payment requirements and Loan to Value changes, combined with declines in interest rates and improved sentiment resulted in increased interest from new entrants in the market that have missed in the previous cycle. We regard this as the signs of a market recovery that was evident in October 2020.

Fast forward, EXPO 2020, postponed to October 2021 has resulted in Dubai attracting large visitor and tourist numbers, including the transit passengers. This has pushed Dubai to achieved some of the highest hotel ADR's in comparison to global hotspot markets. Although, the continuous supply of units in the Emirate was regarded as a glut, the supply was evidently absorbed by local and international investors seeking stability in rental yields, government actions and resumption post pandemic. The global instability has allowed for the country to become safe haven for international investors.

The subsequent effect in the residential apartment segment has been appreciation in capital values and market rents across established locations and prime assets within Palm Jumeirah, Dubai Marina, Dubai Marina, Jumeirah Lakes Towers, Business Bay and Downtown, to name a few. The sales data and evident shortage of established unit stock indicates that certain pockets, localities and asset types have seen 150% appreciation in values over past few years. The success of EXPO 2020 event and the conflict in Ukraine has trigger further interest in the investment landscape with a flight of capital to off-plan units and some of the ready units.

The Ukrainian conflict has created a further spillover effect, by internally displaced persons and citizens wishing to relocate to the emirate. This resulted in exponential demand for short-term and long-term rentals in Dubai. Another significant event was the FIFA World Cup in Qatar running between November to December 2022 and the COP28 in Dubai in December 2023.This contributed to strong performance of the hospitality sector and short-term rentals in 2022 and 2023. We anticipate this to continue, albeit the supply in 2025 should be watched closely and the tourism indicators to understand the likely trajectory and market trend.

**Valuation Uncertainty**

In accordance with VPS 3 and VPGA 10 of the RICS Valuation – Global Standards, we draw attention to the current elevated geopolitical tensions in the Middle East, particularly the direct military conflict between Iran and Israel as of June 2025. The potential for wider regional escalation, airspace restrictions, capital flow disruption, and fluctuating oil prices introduces a heightened level of market uncertainty. While the UAE real estate market remains fundamentally resilient, the conflict may impact investor sentiment, liquidity, and transaction volumes in the short to medium term. As such, the valuation provided herein is reported with greater than usual valuation uncertainty. This does not invalidate the opinion of value but signals that market conditions are fluid and less predictable than in more stable periods.

# Compliance

| | | | |
|---|---|---|---|
| **Client** | Stake Properties Limited | **Valuation #** | 2025/06/SPLH/06 |
| **Date of Valuation** | 21 June 2025 | **Inspection Date** | 20 June 2025 |
| **Report Date** | 23 June 2025 | **Extent of investigation** | Full visual inspection |
| **Signatory** | Rus Kolinko AssocRICS | **Inspector** | Yi Sun |
| **Purpose of valuation** | Internal Decision making | **Owner** | Davide Pironti |
| **Sources of information** | Title Deed | **Conflict of interest** | Not known/ identified |
| **Independence** | The total fees received and the subject fee for this instruction represent less than 5% of the Archers Valuation Services LLC annual turnover. | | |
| **Valuation Reporting** | The valuation has been conducted in accordance with the Royal Institution of Chartered Surveyors (RICS) - Global Standards ('Red Book Global') incorporating IVSC International Valuation Standards). It should be further noted that this valuation is undertaken in compliance with generally accepted valuation concepts, principles and definitions as promulgated in the IVSC International Valuation Standards (IVS) as set out in the IVS General Standards and IVS Asset Standards. | | |

# Basis of Value

| | |
|---|---|
| **Method of Valuation** | Comparison |
| **Valuation Methodology** | The valuation has been carried out relying on comparable method of valuation which is regarded as most uniform method of valuation and widely used proving accuracy and application. Comparable Method is also recognised as one of the five-methods of valuation within RICS - Global Standards ('Red Book Global') incorporating IVSC International Valuation Standards. When valuing the subject property, price adjustments are made according to the features of the comparable property. If the subject property lacks a given feature found in the comparable property, the price is adjusted downwards according to the value attributed to a given feature. Consequently, if the property comes with a valuable feature not found in the comparable properties, the value is adjusted upwards accordingly. It is done until a final figure is arrived at after the comparison of at least three recently sold and similar properties. The sales comparison approach to valuation forms a critical part of the comparative market analysis for valuation professionals. The comparative market approach is the basis of determining the prevailing market value for property going through an acquisition. In collaboration with other valuation methods, the sales comparison approach is an approximate estimate for sellers, investors, valuers, and the general public. Due to the dynamic nature and constantly changing nature of real estate markets, valuers should frequently review the prices of recently listed properties for sale. The markets change rapidly, and all players should be aware of current trends. Based on the prevailing conditions, the sellers and investors can be obliged to either raise or lower their demands to be at par with the market trends. |

# Declaration

| | |
|---|---|
| **Disclaimers** | In undertaking and executing this assignment, extreme care, precaution and due diligence has been exercised based on the information supplied by the Client, however, values may fluctuate or differ due to varying scenarios in the property market (demand and supply), maintenance, wear and tear, quality of tenants, micro and macro-economic factors, etc. It is beyond the scope of our services to ensure the consistency in value due to changing scenarios / property influencing factors. |
| **Limitation of Liability** | In line with the agreed Terms of Engagement, our responsibility is exclusively towards our client and does not extend to any third party. Additionally, it's important to emphasize that our total liability is capped at the fees received by Archers Valuation and Advisory for this specific instruction. No responsibility is accepted to any third party for the entire report or any part of its contents laid herein. |
| **Market Conditions** | During our valuation preparation, we thoroughly considered the current market and relevant evidence. However, acknowledging certain limitations is crucial:<br>• Low transparency levels challenge verifying and analyzing reported transactions.<br>• Swift implementation of real estate laws by the Municipality.<br>• Historical volatility in the regional real estate market.<br>These limitations suggest our valuations may rely on less transparent information, raising uncertainty. Financial decisions based on these valuations should consider this uncertainty. Regular reviews and updates are recommended to address potential volatility in future property prices, given the proven volatility of the investment market and external factors impacting property values. |
| **Value Added Tax (VAT)** | The valuation is formulated and presented without including VAT payments. We understand VAT is applicable to the rent and sale proceeds of commercial buildings, while vacant land and residential property typically fall under the exemption from VAT. |
| **Conclusion** | This report is compiled based on the information received and to the best of our skill, knowledge, and understanding. Should there be any matters contained within this report you which to discuss, please do not hesitate to contact the undersigned. |

For and on behalf of Archers Valuation and Advisory

**Rus Kolinko AssocRICS, (RERA No. 38005)**
Managing Partner

Signature:

**Yi Sun, MSc Real Estate**
Residential Valuer

Signature:

DUBAI - U.A.E.
ARCHERS MENA VALUATION SERVICES L.L.C

# Appendix 1: Title Deed



حكومة دبي
GOVERNMENT OF DUBAI

دائرة الأراضي والأملاك
Land Department

## شهادة ملكية عقار

## Title Deed

| | | |
|---|---|---|
| **Issue Date** | 18/01/2024 | **تاريخ الإصدار** |
| **Mortgage Status:** | Mortgaged in favor of (MASHREQ BANK PSC ) مرهون لصالح ( بنك المشرق (شركة مساهمة عامة)) | **حالة الرهن:** |
| **Property Type:** | Flat شقه سكنيه | **نوع العقار:** |
| **Community:** | Al Yelayiss 2 اليلايس 2 | **المنطقة:** |
| **Plot No:** | 231 | **رقم الأرض:** |
| **Municipality No:** | 922 - 8950 | **رقم البلدية:** |
| **Building No:** | 2 | **رقم المبنى:** |
| **Building Name:** | TOWN SQUARE - RAWDA 2 APARTMENTS 2 تاون سكوير - شقق روضة 2 | **إسم المبنى:** |
| **Property No:** | 306 | **رقم العقار:** |
| **Floor No:** | 3 | **رقم الطابق:** |
| **Parkings:** | B-294 | **المواقف:** |
| **Suite Area :** | 78 | **المساحة الداخلية:** |
| **Balcony Area :** | 8.94 | **مساحة البلكونة:** |
| **Area Sq Meter :** | 86.94 | **المساحة الكلية متر مربع :** |
| **Area Sq Feet :** | 935.81 | **المساحة الكلية بالقدم المربع :** |
| **Common Area:** | 100.26 | **المساحة المشتركة:** |

| **Owners numbers and their shares:** | **Area (Sq Meter) \ المساحة بالمتر المربع** | **أرقام و أسماء الملاك وحصصهم:** |
|---|---|---|
| (5549642) DAVIDE PIRONTI | 86.94 | (5549642) دافيد بيرونتي |

Approved Signature توقيع معتمد

19067/2024

DUBAI LAND DEPARTMENT دائرة الأراضي والأملاك

- Digital data of this certificate is securely stored on blockchain
- Certificate is electronically issued and no signature or stamp is required
- Any changes in the certificate make it void
- It is prohibited to hold this certificate by any other party

1 / 2

- يتم تخزين بيانات الشهادة الرقمية على البلوكشين
- هذه الملكية صادرة إلكترونياً ولا تحتاج إلى توقيع او ختم
- في حال وجود أي تغيير في الملكية تعتبر لاغية
- يمنع الإحتفاظ بهذه الشهادة من قبل أي طرف آخر من غير المذكورين

# Valuation Assumptions

**1.0 Sources of Information:**

We assume any documentation and information provided to us by the Client or third parties as requested to be correct and reflective of the current status of the property with regard to title, tenure, planning consents and other relevant matters. Should this information prove to be incorrect, we reserve the right to amend our valuation accordingly. We do not cross-reference with any official documentation or authorities. We assume any such agreements to have been arranged at arm's length in normal market conditions unless stated otherwise.

**2.0 Measurements:**

We may rely on the areas provided to us in documentation from the Client or third parties, therefore we may not undertake any on-site measurement exercise of the subject property. We assume that such data is correct. Should there be any discrepancies revealed regarding the above, we recommend that you inform us as the valuation may need to be revised accordingly. In the event that such information proves incorrect, we reserve the right to reassess and to amend our report and valuation. Where the information above has not been provided, we may make and state the assumption that properties are of a similar size to similar property types. Measurements will be taken to be in accordance with the latest RICS Code of Measuring Practice and the International Property Measurement Standards (IPMS).

**3.0 Environmental & Contamination**

Unless otherwise stated we do not undertake environmental investigations or enquiries. We assume that the subject property is free from any contamination, deleterious material, geotechnical, structural or environmental defects, and that the ground and site conditions are sufficient for any proposed developments and/or extensions. We also assume that there are not historical artefacts, archaeological remains or special costs associated with the land. If the above transpires to be incorrect or if we become aware of any such issues, we reserve the right to amend our report accordingly.

We do not undertake a detailed investigation of the site or any testing in this regard, nor do we undertake or obtain any environmental study or audit. We do not investigate to determine if any deleterious materials have been used during construction and cannot therefore report that the property is free from risk. If you are concerned in this regard, we recommend that specialists be instructed for independent verification.

Likewise, we do not investigate whether any contamination affects the subject site or neighboring sites which would affect our valuation. Should it be established that contamination seepage or pollution exists at the site or on neighboring land, or that any premises thereon have been, or are being put to a contaminative use, this may reduce the valuation contained and we reserve the right to reassess.

**15.0 Services**

We assume that all of the services, plant, equipment and computer hardware/software to be in adequate working order and fit for their intended purpose unless stated otherwise. We also assume that the subject property is adequately served by water, electricity, gas and drainage unless stated otherwise. If this later proves to be incorrect, we reserve the right to amend our valuation and report accordingly.

**5.0 Exclusions & Plant, Machinery**

Unless stated otherwise, our valuation will exclude any value of movable items, plant, machinery, equipment and furniture, temporary structures, or trade and professional goodwill. Detailed investigations into the condition of plant, machinery and equipment are not carried out and we assume that all related services and associated controls are in good working order and free from defect.

**6.0 Title & Ownership**

We do not make official enquiries of the relevant authorities to establish title. We assume for our part that the title is good, marketable and free of mortgage, charges or any other encumbrances, restrictions, restrictive covenants, onerous or unusual obligations, and also assume that the owner has full rights of access, and that no other party has rights over the subject property. We assume there are no rights of way or easements that would prejudice ownership. We shall not conduct enquiries to authenticate the validity of the same, and cannot give any undertaking as to title/tenure documentation. Where you do provide such documentation, we recommend that you do verify via your legal Advisers any or all of our interpretations of such documentation. We also assume any translation/interpretation of Arabic documentation into English to be correct as provided. Where lease or title information is provided, no reliance should be placed on our interpretation of the terms therein, without reference to your Legal Adviser. We assume there are no notices, disputes, onerous terms restrictions, rights or restrictions that would have a material impact on value unless stated otherwise within our report.

# Valuation Assumptions

**7.0 Inspection:**

We will visibly inspect (internally and externally) those areas which are accessible, safe and convenient. There will be no intrusive testing, removal of coverings or fixed apparatus. Our report in no way constitutes a condition or building survey unless stated otherwise. We may not be able to internally inspect all components of the subject property and therefore we may have to make some assumptions on the quality and extent of finish. Unless we report disrepair or daMAGe, we assume the subject property to be in a reasonable condition of repair and maintenance. We will further assume that since the date of our inspection to the date of the valuation and report there will have been no material change to the physical attributes of the subject property and/or the location in which it is situated, unless stated otherwise.

**8.0 Condition & Defects**

The report will not be a structural survey and our inspection of the property will be limited to accessible areas. Hence, we may be unable to inspect all the components of the building. We will assume reasonable condition for inaccessible areas in line with the ag, specification and type, and a similar state of repair. However, the general condition, any hazards/defects noted and/or any other factors which we note that have a material impact on value will be noted within our report. We also assume that there are no major structural or conditional defects and that an appropriate maintenance programme will be enforced. As our mandate is not to conduct a structural survey, serious defects may arise which may not be revealed in our report. If you are concerned in this regard, we recommend that specialists, be instructed for independent valuation. We assume for our part that the property is structurally sound and make no allowance for remedial works that may be required unless otherwise stated. Should it subsequently be established that remedial or structural works are required then this may have a material impact on value and we reserve the right to amend our valuation and report accordingly.

In the absence of information, we may make assumptions based on market information. The values may differ or vary periodically due to unforeseen factors beyond our control. It is therefore beyond the scope of our services to ensure consistency in values due to changing scenarios. No warranty can be given as to the accuracy of these assumptions.

**9.0 Planning & Statutory**

We do not conduct any investigation into planning or statutory requirements for the subject property. We assume for our part that the relevant building permits/compliances/completion certificates/permissions have been granted by the relevant Municipality and that the subject property construction is in accordance with regulation as necessary. Unless stated otherwise. We assume that the use of the property is in accordance with its intended and lawful use, and that its construction and occupation is in accordance with prevailing building regulations, planning consents and other statutory requirements including health and safety and fire regulations. We also assume there are not any highway or planning proposals that will impact the property. With regard to compliance with the above we recommend independent verification by your Legal Advisers. Should there be any discrepancies revealed regarding the above, for instance via investigation by your Legal Advisers, we recommend that you inform us as the valuation may need to be revised accordingly.

Similarly, we do not conduct any investigation into the need for, or validity of, any operational permits, licenses, certification or agreements. We will therefore assume that the ongoing operations of the property are in accordance with relevant legislation and regulations, and that any such permits, licenses etc. are in place, valid and will be renewed upon their expiry without significant cost.

**15. Financial Status**

We do not conduct enquiries into the financial status of any of the relevant parties. However, in undertaking our valuations we may reflect our understanding of the market perception of the financial status of the tenant, or likely occupiers, where possible. We assume that relevant and adequate enquiries were made when any documentation was initially signed. We will also assume that each party is capable of meeting their obligations and there are no covenant breaches. We assume that finance and insurance are available on reasonable and acceptable commercial terms within the market. We also assume that there is adequate cover for daMAGe including but not limited to acts of terrorism, flooding, rising water table.

**11. Inspection and Re-inspections**

Reassessments without revisits are conducted under the presumption that the client has verified the absence of substantial alterations to both the physical characteristics of the property and its surrounding locality. Unless stipulated otherwise, we abstain from conducting reassessments without revisits for properties inspected over 12 months ago. The condition of such properties can undergo substantial changes during this timeframe, particularly when leased.

# Valuation Assumptions, Basis of Value & Definitions

**11. Taxation**
We do not make any allowance for any taxation liability, mortgage or other similar charges which may be due on, or arise from, from the acquisition or disposal of the property unless otherwise stated. Our valuation is exclusive of any VAT that may be or become payable. Valuations as provided on the basis of wholly owned property with no account of outstanding money or third-party claims.

**12. Comparable Evidence**
Our valuation may be based upon comparable evidence from various sources including verbal and telephone enquiries, as well as internet data. We do not inspect the comparable properties and in most instances cannot fully validate authenticity, however this evidence will be relied upon where we have no reason to doubt its accuracy and credibility. Should any such information subsequently prove to be incorrect, this may have an impact on the valuation figure stated and we therefore reserve the right to review our valuation accordingly. It is important to note that due to a relative lack of transparency within the UAE market that there may be a greater level of uncertainty in cases with a lack of direct transactional comparable evidence.

**13. Estimated Age**
Where the estimated age of a building is provided, or a reinstatement cost is provided, this is for guidance purposes only. For clarity, an estimate on reinstatement cost does not constitute a formal Reinstatement Cost Assessment and should not be relied on as such. The figure provided as a reinstatement cost will include demolition costs, fees etc. however will not account for cost of financing, loss of income.

**115. Under development properties**
In the case of properties undergoing development, our assessment incorporates the construction progress and the remaining costs as of the valuation date. We consider the contractual obligations of the parties engaged in the development, along with cost estimates provided by the project's professional advisors. Regarding recently completed developments, we do not consider retentions, and we do not factor in any outstanding development expenses, fees, or other costs for which there may be an existing liability.

**Special Assumption:**
In instances necessitating a "special assumption" to effectively facilitate the required valuation(s), such assumptions will be collaboratively established and formally affirmed in writing prior to the issuance of the Valuation Report. The incorporation of Special Assumptions is contingent upon their deemed realism, relevance, and validity within the specific circumstances of the valuation.

**Our Terms of Engagement shall specify the basis of valuation, which will be as per the definitions contained in the RICS Valuation – Global Standards ("The Red Book") listed below:**

***Market Value (MV):*** "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."

The definition of Market Value shall be applied in accordance with the following conceptual framework:

***"The estimated amount..."*** Refers to a price expressed in terms of money payable for the asset in an arm's-length market transaction. Market Value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the Market Value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of Special Value.

***"An asset or liability should exchange..."*** Refers to the fact that the value of an asset or liability is an estimated amount rather than a predetermined amount or actual sale price. It is the price in a transaction that meets all the elements of the Market Value definition at the valuation date.

***"... on the date of valuation..."*** Requires that the estimated Market Value is time-specific as of a given date. Because markets and market conditions may change, the estimated value may be incorrect or inappropriate at another time. The valuation amount will reflect the market state and circumstances as at the valuation date, not those at any other date.

***"... between a willing buyer..."*** Refers to one who is motivated, but not compelled to buy. This buyer is neither over- eager nor determined to buy at any price. This buyer is also one who purchases in accordance with the realities of the current market and with current market expectations, rather than in relation to an iMAGinary or hypothetical market that cannot be demonstrated or anticipated to exist. The assumed buyer would not pay a higher price than the market requires. The present owner is included among those who constitute 'the market'. A Valuer must not make unrealistic assumptions about market conditions or assume a level of Market Value above that which is reasonably obtainable.

# Basis of Value & Definitions

**"... and a willing seller..."** Is neither an over-eager nor a forced seller prepared to sell at any price, nor one prepared to hold out for a price not considered reasonable in the current market. The willing seller is motivated to sell the asset at market terms for the best price attainable in the open market after proper marketing, whatever that price may be. The factual circumstances of the actual owner are not a part of this consideration because the willing seller is a hypothetical owner.
"In an arm's-length transaction..." Is one between parties who do not have a particular or special relationship e.g., Parent and subsidiary companies or landlord and tenant, that may make the price level uncharacteristic of the market or inflated. The Market Value transaction is presumed to be between unrelated parties each acting independently.

**"After proper marketing..."** Means that the asset would be exposed to the market in the most appropriate manner to effect its disposal at the best price reasonably obtainable in accordance with the Market Value definition. The method of sale is deemed to be that most appropriate to obtain the best price in the market to which the seller has access. The length of exposure time is not a fixed period but will vary according to the type of asset and market conditions. The only criterion is that there must have been sufficient time to allow the asset to be brought to the attention of an adequate number of market participants. The exposure period occurs prior to the valuation date.

***"...wherein the parties had each acted knowledgeably, prudently..."*** Presumes that both the willing buyer and the willing seller are reasonably informed about the nature and characteristics of the asset, its actual and potential uses and the state of the market as of the valuation date. Each is further presumed to use that knowledge prudently to seek the price that is most favorable for their respective positions in the transaction. Prudence is assessed by referring to the state of the market at the valuation date, not with benefit of hindsight at some later date. For example, it is not necessarily imprudent for a seller to sell assets in a market with falling prices at a price that is lower than previous market levels. In such cases, as is true for other exchanges in markets with changing prices, the prudent buyer or seller will act in accordance with the best market information available at the time.

***"... and without compulsion"*** Establishes that each party is motivated to undertake the transaction, but neither is forced or unduly coerced to complete it. Market Value is the estimated exchange price of an asset without regard to the seller's costs of sale or the buyer's cost of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.

***Market Rent:*** The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

The estimated amount excludes a rent inflated or deflated by special terms, considerations or concessions. The 'appropriate lease terms' are terms that would typically be agreed in the market for the type of property on valuation date between market participants. A valuation of Market Rent should only be provided in conjunction with an indication of the principal lease terms that have been assumed. The contract rent is the rent payable under the terms of an actual lease. It may be fixed for the duration of the lease or variable. The frequency and basis of calculating variations in the rent will be set out in the lease and must be identified and understood in order to establish the total benefits accruing to the lessor and the liability of the lessee.

***Investment Value:*** The value of an asset to a particular owner or prospective owner for individual investment or operational objectives. Investment Value is an entity specific basis of value. Although the value of an asset to the owner may be the same as the amount that could be realized from its sale to another party, this basis of value reflects the benefits received by an entity from holding the asset and, therefore, does not involve a presumed exchange. Investment Value reflects the circumstances and financial objectives of the entity for which the valuation is being produced. It is often used for measuring investment performance.

As the definition implies, and in contrast to market value, this basis of value does not envisage a hypothetical transaction but is a measure of the value of the benefits of ownership to the current owner or to a prospective owner, recognizing that these may differ from those of a typical market participant. It is often used to measure performance of an asset against an owner's own investment criteria. Differences between the Investment Value of an asset and its Market Value provide the motivation for buyers or sellers to enter the market place.

***Fair Value*** (the definition adopted by the International Accounting Standards Board (IASB) in IFRS 13) is: "The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

The objective of a Fair Value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. It is thus sometimes referred to as a 'mark to market'. References in IFRS 13 to market participants and a sale make it clear that for most practical purposes the concept of Fair Value is consistent with that of Market Value, and so there would ordinarily be no difference between them in terms of the valuation figure reported.

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