

### Executive Summary

<b>Address</b>	<b>Segaya Plaza, Manama, Kingdom of Bahrain</b>			
<b>Use</b>	Modern 8-storey commercial and residential building, currently fully leased and considered as an income producing investment.			
<b>Location</b>	The property is situated close to the City Centre, Manama, enjoying a prominent position overlooking a busy road junction.			
<b>Description</b>	A mixed use building completed in 2013 and being high-grade mixed commercial and residential apartments building. The property has 8 floors with ground floor retail, 2 floors of internal parking, 5 typical floors of apartments providing 105 fully furnished units and the top floor with gym, sauna and leading to the roof terrace swimming pool.			
<b>Full Site Details</b>	<b>Title No</b>	<b>Use</b>	<b>Sq Ft</b>	<b>Sq M</b>
	57505	Mixed-use development	59,160	5,469.3
<b>Tenure</b>	Assumed as virtual Freehold without any undue encumbrances apart of the occupational leases.			
<b>Gross Rental Income 1<sup>st</sup> Jan 2017 to 31<sup>st</sup> Dec 2017</b>	Total retail income	BD	400,305 pa including Service Charge	
	Residential apartment income	BD	627,000 pa	
	Antenna licence	BD	9,600 pa	
	<b>Total gross revenue 2017</b>	<b>BD</b>	<b>1,036,905 pa.</b>	
<b>Projected Rental Income for 2018</b>	Total retail income	BD	417,135 pa including Service Charge	
	Residential apartment income	BD	627,000 pa	
	Antenna licence	BD	9,600 pa	
	Signage	BD	5,000 pa	
	<b>Projected revenue 2018</b>	<b>BD</b>	<b>1,058,735 pa.</b>	
<b>Occupancy and Leases</b>	There are 15 retail units on the ground floor. The 105 furnished apartments (floor 3, 4, 5, 6 and 7) are fully leased to the Ministry of Education			
<b>Site and Floor area</b>	Retail lettable area amounts to 3,075 sqm The residential lettable area amounts to 12,818 sqm contained in 105 units.			
<b>Tenant Covenants</b>	Commercial tenants pay rental, service charge, municipality tax and electricity. For the apartments leased to the Ministry of Education the landlord is responsible to pay municipality tax, electricity providing and maintaining the furniture.			
<b>Outgoings</b>	Actual landlord's expenses were for 2017 at BD 179,489 to include management fees.			
<b>Net Rental Income 2017</b>	The actual net rental income amounts to BD 857,416 for the year 2017.			
<b>Projected Net Rental Income 2018</b>	The projected net rental income for 2018 is BD 879,246 assuming 2017 expenditure			

# Report and Valuation

Segaya Plaza, Manama, Kingdom of Bahrain



	Market Value	
Valuation Date	31 <sup>st</sup> December 2017	
Valuation Methodology	The asset is considered as an investment property leased to third party tenants	
Market Value	<b>BD 11,350,000 (ELEVEN MILLION THREE HUNDRED FIFTY THOUSAND BAHRAINI DINARS)</b>	
Yield	<b>A yield of 7.75 % on the 2018 projected net rental income</b>	
Purpose of Valuation	The Valuation has been prepared for a Regulated Purpose as defined in the RICS Valuation – Professional Standards 2017 Edition (the "Red Book"). We understand that our valuation is to determine the portfolio value reported in the financial statements which are to be published by The Securities and Investment Company (SICO) which has been mandated by ESKAN Bank B.S.C.(c) to establish manage a Shari'ah compliant real estate investment trust ("REIT") under the Bahrain Financial Trust Law No. (23) of 2006 (the "Trust Law") and the Central Bank of Bahrain's ("CBB" ) Rulebook volume 7 - Collective Investment Undertaking ("CIU").	
Strengths	<ul style="list-style-type: none"><li>▪ Prominent mixed commercial and residential building</li><li>▪ Located in a popular situation</li><li>▪ Well planned and finished</li></ul>	<ul style="list-style-type: none"><li>▪ Maintained in excellent condition</li><li>▪ High percentage of occupancy</li><li>▪ Professionally managed</li></ul>
Weaknesses	<ul style="list-style-type: none"><li>▪ Bahrain market has consolidated</li><li>▪ Government deficit</li><li>▪ Site fully developed</li></ul>	<ul style="list-style-type: none"><li>▪ Single lease to Ministry of Education</li><li>▪ All 105 apartments</li><li>▪ Formal lease renewal pending, expired 14<sup>th</sup> July 2016</li></ul>
Special Assumption Valuations	<ul style="list-style-type: none"><li>▪ Special assumption that the rental income and expenditure statements are fully accurate, complete and up to date as provided to us by a managing agent.</li><li>▪ All other valuation assumptions are as detailed.</li></ul>	

Offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

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