

**DHAHIYAT ALFURSAN – NATIONAL  
HOUSING COMPANY**  
INVESTMENT OPPORTUNITY SCORECARD  
**REAL ESTATE**

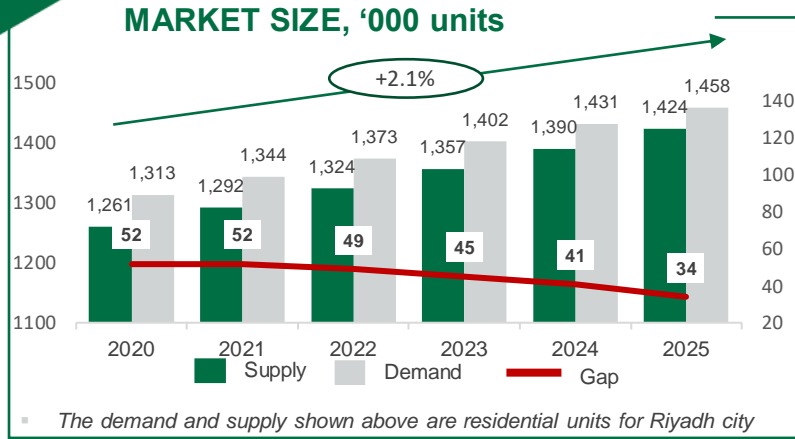
SEPTEMBER 2021



# NHC – DHAHIYAT ALFURSAN

**Opportunity’s description:** Opportunity to develop new landmark city in Riyadh. The development includes various types of residential units, education buildings, commercial buildings, retail, mixed-use, research & development centers

## DEMAND



## INVESTMENT OVERVIEW

### INVESTMENT HIGHLIGHTS

- Expected Investment size: USD 20 Bn
- Investment model: Sub-Development Agreement with NHC, the Master Developer
- Location: North of Riyadh city – South of Murcia project

### VALUE PROPOSITION

- There is unmet demand for housing in KSA illustrated by low home ownership among Saudi families ~ 53% in 2019. Government is supporting to increase it to 70% by 2030 through the Housing Program and Sakany initiative
- The Ministry of Municipality and Rural Affairs and Housing’s (MOMRAH) firm commitment to investors by creating supporting regulatory ecosystem, launching key initiative such as Sharakat (partnership to codevelop properties) & Etmam (developer services center that provides certificates and licenses to fast-track development), and easy issuance of necessary permits showcases progress of this sector.
- With the growing population of Riyadh city, Dhaiyat Alfursan aspires to become a new, sustainable, modern urban center that aims to accommodate a population of over 600,000 people.

### KEY DEMAND DRIVERS

- Increasing demand for housing units in KSA due to growing population (2% CAGR over next five years) and reducing household size
- Saudi Arabia is a young country with ~45% of the population comprising of citizens in the age group of first time home owners and soon to enter the working class
- Low home ownership in KSA is spurring demand for housing among Saudi families
- Government support for developing the nascent mortgage financing market will lead to higher demand for residential units
- The need for “Quality of Life” Projects that offer a modern and environment friendly communities

## MARKET OVERVIEW

- Availability of various housing units in the neighborhood on lands owned by the private sector and the Ministry of Housing, including duplexes, villas and apartments
- The location of the project is close to the airport, and it can be accessed through the arterial roads of the city. It is located in close proximity to other developed and developing neighborhoods of Riyadh

### AVERAGE PRICES

Average unit size (sqm)	Average price (USD)/ sqm	Average price per unit (USD)
300	800	240,000

## PROJECT OVERVIEW

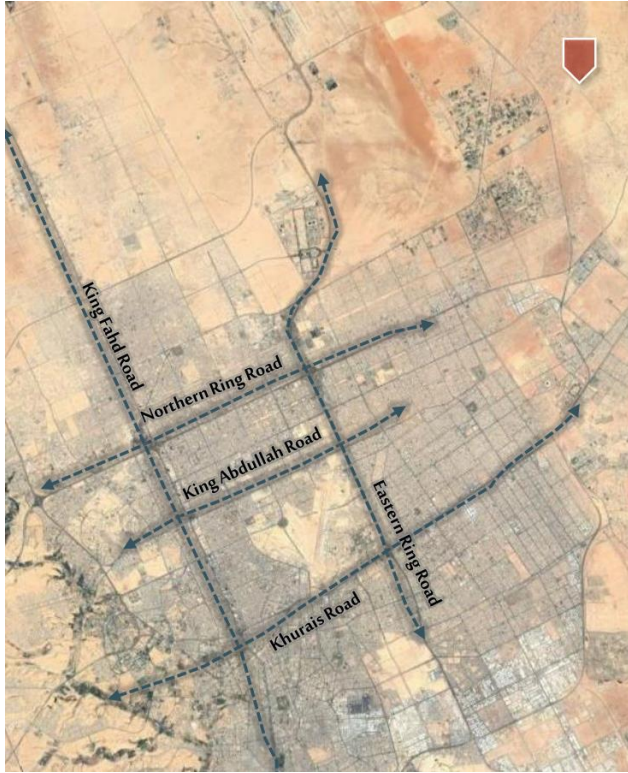
Land Area	35,605,464 m2
Suggested Unit Type	Villa/Apartments
Number of Units	60,000



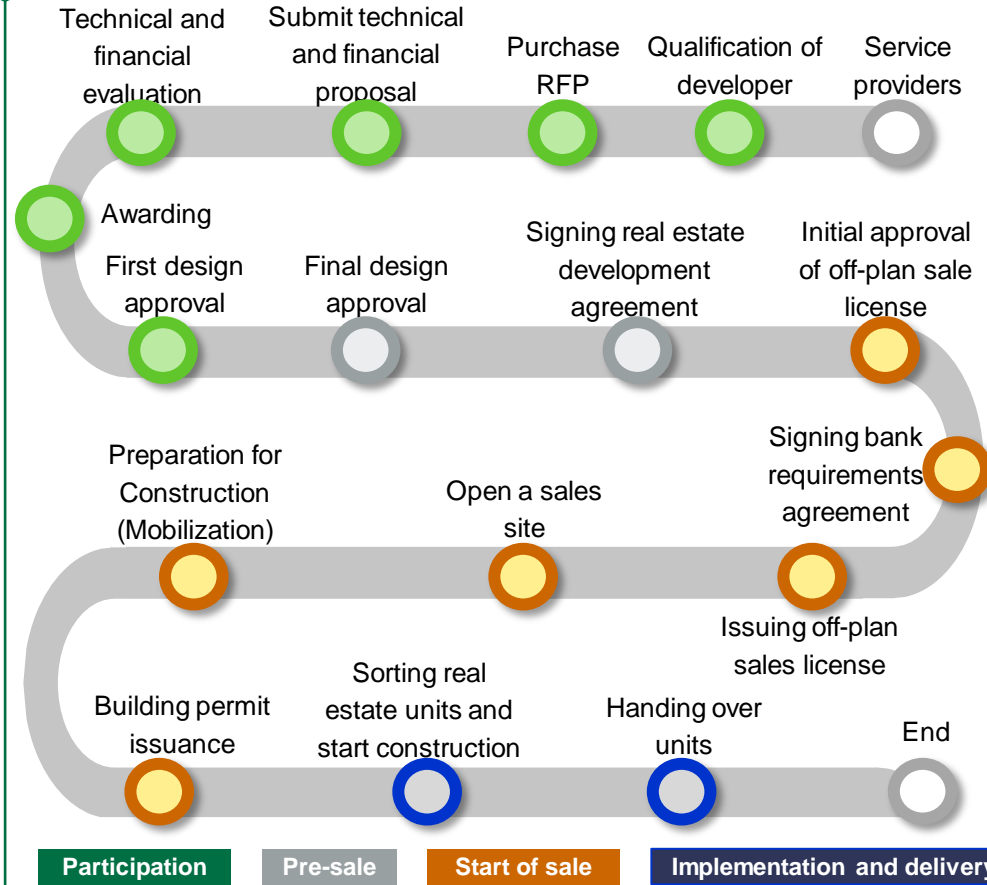
# NHC – DHAHIYAT ALFURSAN

## PROJECT LOCATION

## INVESTOR JOURNEY ON MINISTRY LANDS



COORDINATES: 24°57'23.8"N 46°49'46.3"E



## ENABLING FACTORS

### ENABLERS

- Developed lands or raw lands based on the tendered project
- Assist to obtain higher floor area ratios (FAR)
- Expedite attainment of permits and approvals
- Engage with NHC in Investment agreement which enhance project power

## COST OF DOING BUSINESS IN KSA

Factor	Ranking Amongst Regional Peers
Macroeconomic risk (100=high)	30
Productivity adjusted wages	\$3.3 /hour
Ease of getting credit (0 – 100)	50
Contract enforcement (0-100)	55
Construction Costs (Indexed to US, % 0 is cheapest)	74

## KEY STAKEHOLDERS



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# DEFINITIONS

#	SCORECARD SECTION	DEFINITION
1	<b>Market size</b>	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	<b>Demand drivers</b>	A select number of factors that will influence future demand for the related product/service
3	<b>Investment highlights</b>	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	<b>Value proposition</b>	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	<b>Key stakeholders</b>	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
6	<b>Enablers</b>	Factors that enable investment in the underlying opportunity
7	<b>Cost of doing business in KSA</b>	Key factors that position KSA as a competitive destination for investment in the region

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