

Thakher Central Area and Towers

INVESTMENT OPPORTUNITY SCORECARD

REAL ESTATE

28 Aug 2022

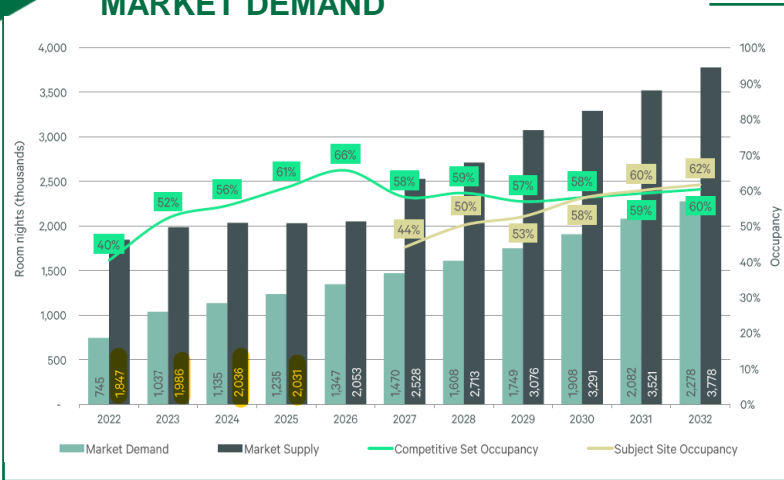


Thakher Central Area and Towers

OPPORTUNITY'S DESCRIPTION: Thakher Developments Company manages the project land which aims to develop a commercial mall surrounded by serviced hotel apartments

DEMAND

MARKET DEMAND



INVESTMENT HIGHLIGHTS

- Expected investment size: SAR 2.3B
- Investment model options: JV, Real estate fund, sale.
- Location: Thakher Development, Makkah City
- Estimated Project IRR: 18.7%

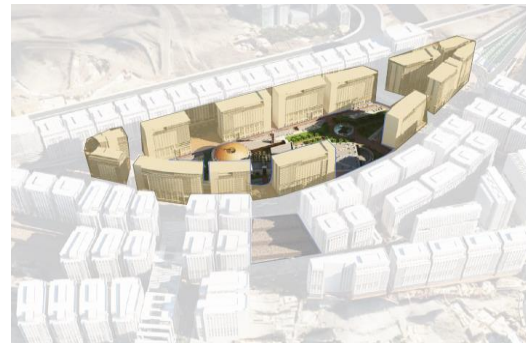
INVESTMENT OVERVIEW

VALUE PROPOSITION

- KSA government targets to host 30 Mn international Umrah pilgrims under Vision 2030 initiative which will create opportunity to serve additional 20 Mn visitors in the upcoming 10 years
- Enriching Hajj and Umrah experience for visitors is one of the main goals set under Vision 2030 and the government has initiated several measures to support the stakeholders and prospective investors
- Thakher Development Company is seeking to collaborate with an investor for developing the land. The land owned by Thakher Development Company is strategically located within close proximity to Al Haram

PROJECT OVERVIEW

- Given the high demand for hospitality in Makkah especially during Hajj and Umrah seasons, the proposed development consists of 9 hospitality upscale hotels and serviced apartments located at Ray Thakher District in Makkah City and is approximately 1.8KM to Al Haram
- The project is a mixed-use development which includes hotels, 2 stories open mall with F&B units and a 3 stories Grand mosque fit for 5000 prayers.
- Total no of units: 2,100 Hotels rooms and Apts.
- 22,500 SQM GLA Retail shops with 1,920 parking slots



Land use	Area (sqm)	Gross Leasable Area (sqm)	# of floors
Serviced Hotel Apt.	52,823	Leasable Area: 22,500 Saleable Area: 200,000	25
Total	52,823	222,500	25

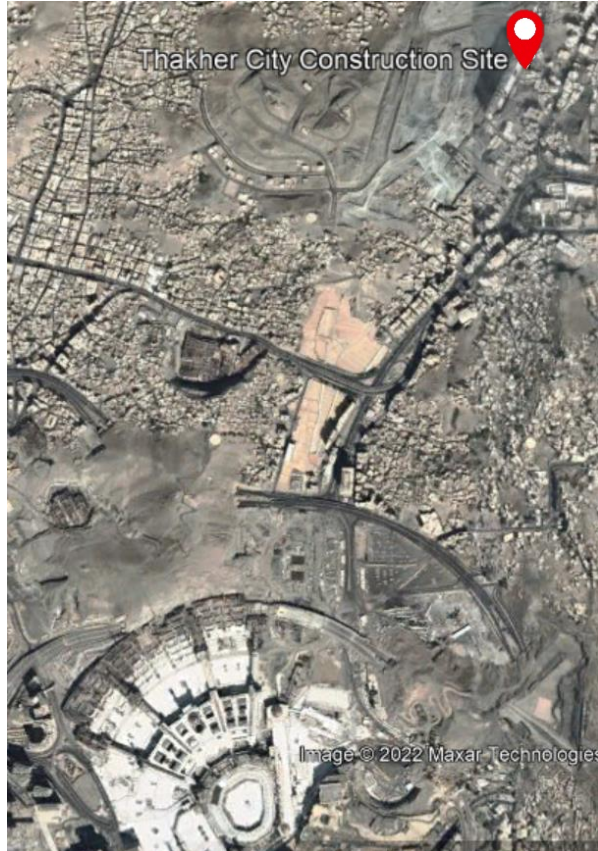


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PROJECT LOCATION

INVESTOR/ DEVELOPER ROLE

ENABLING FACTORS



COORDINATES: 21°26'42.6"N 39°49'55.3"E



Studies, design and permits

- Current stage: Concept design and 30% of schematic.
- Detailed mall and park design has been completed.
- All permits are issued.



Financing

As per investment model.



Operations and maintenance

Upon discussion



Marketing and leasing

As per investment model.



Execution

As per investment model.

ENABLERS

- Readiness of permits
- Developed Land with all infrastructure utilities connection
- Connectivity to 3rd ring road, Hujun and Masjid Haram Road
- Internal and External views of Al Haram in addition to the clock tower

COST OF DOING BUSINESS IN KSA

Factor	Ranking Amongst Regional Peers
Macroeconomic risk (100=high)	30
Manpower costs	\$5.4 /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	Market size	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	Demand drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
7	Enablers	Factors that enable investment in the underlying opportunity
8	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region

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