

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.



REAL ESTATE APPRAISAL REPORT

Date: 30.09.2011

R. No: 2011REVC68



ISO9001:2008
FS 509685

AKFEN
GAYRİMENKUL
YATIRIM ORTAKLIĞI
A.Ş.

İZMİR İBİS HOTEL
PROJECT

KONAK/İZMİR

We herewith declare the issues below about the real estate report prepared by **TSKB Real Estate Appraisal Company** for **AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.** at the date of **30.09.2011** with the report number of **2011REVC68** ;

- The findings provided in the following report are true to the knowledge of the Appraisal Expert;
- The analyses and the results are only limited to the specified assumptions and conditions;
- The appraiser has no interest whatsoever related to the property which is subject to the valuation;
- The appraiser's remuneration does not depend on any section of the report;
- The appraiser was realized in accordance with the ethic rules and the performance standards;
- The appraiser possesses the professional education requirements;
- The appraiser has previous experience in the subject of the location and type of the property which is being valued;
- The Appraiser has personally inspected the property;
- The exclusion of the persons mentioned in the report no other person has contributed professionally to the preparation of this report;
- This appraisal is prepared due to the statements of Capital Market Legislation

EXECUTIVE CHART**OPEN ADDRESS OF THE**

Alsancak Quarter, Atatürk Street, 7656 block, 2 parcel, Konak/İZMİR

USAGE OF THE PROPERTY

hotel construction on a plot of 629 sqm

TITTLE DEED INFORMATION

İzmir Province , Konak District , Alsancak Quarters , plan 909 , 7656 block , 2 parcel no "Land" type of property.

ZONING STATUS

Presented on section 4.3 of this report

TOTAL PRESENT STATUS VALUE OF THE PROJECT ON 30 SEPTEMBER 2011(Excluding VAT)

7.280.000.-TL

(Sevenmilliontwohundredeighty thousand.-
TL)

2.890.000.-EURO

(Twomillioneighthundredninetly thousand
.-EURO)**TOTAL FAIR MARKET VALUE OF THE PROJECT AS OF 30 SEPTEMBER 2011 (Excluding VAT)**

27.450.000.-TL

(Twentysevenmillionfourhundredfifty thousand.-
TL)

10.910.000.-EURO

(Tenmillionninehundredtent thousand
.-EURO)**TOTAL PRESENT STATUS VALUE OF THE PROJECT ON 30 SEPTEMBER 2011 (Including VAT)**

8.590.400.-TL

(Eightmillionfivehundredninetly thousandfour
hundred.-TL)

3.410.200.-EURO

(Threemillionfourhundredthousand
two hundred.-EURO)**TOTAL FAIR MARKET VALUE OF THE PROJECT AS OF 30 SEPTEMBER 2011 (Including VAT)**

32.391.000.-TL

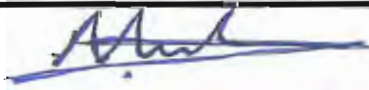
(Thirtytwomillionthreehundrednine
tyonethousand.-TL)

12.873.800.-EURO

(Twelvemillioneighthundredseventythree
thousand.-EURO)

1- This appraisal is prepared due to the statements of Capital Market Legislation

2- This page is an integral part of the valuation report, along with detailed information in the report is a whole, can not be used independently;

Mehmet ASLAN
Appraiser (401124)**Bilge BELLER ÖZÇAM**
Responsible for the Appraiser(400S12)

REPORT NO: 2011REVC68

REPORT DATE: 30.09.2011

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SECTION 1

**REPORT,
COMPANY AND THE CLIENT INFORMATION**

SECTION 1**REPORT, COMPANY AND THE CLIENT INFORMATION****1.1 Report Date and Report Number**

This report was issued by our company on 30.09.2011 and number 2011REVC68 with reference to the request dated 06.09.2011 and made by the firm, titled as Akfen Gayrimenkul Yatırım Turizm Ortaklığı A.Ş.

1.2 Report Type

This appraisal report was prepared in order to determine the fair market value on 30.09.2011 in Turkish Liras, for the planned project on the property recorded as Izmir, the administrative district of Konak, Alsancak District, plan 909, section 7656, parcel no 2, of 629 sqm area, owned by "Vakıflar Genel Müdürlüğü", immovable property qualifying as "Land" in the land registry. This report has been prepared in line with the Provisions of the Capital Markets Legislations.

1.3 Persons Issuing the Report

This appraisal report has been prepared at the end of necessary examinations carried out at the location of the real property and upon the information procured from the relevant individuals – institutions – establishments Mehmet ASLAN real estate appraiser, Bilge BELLER ÖZÇAM responsible for the appraiser issued this report.

1.4 Appraisal Date

This appraisal report is prepared with reference to the studies started on 13.09.2011 and finished on 30.09.2011. Not only examinations conducted at real estate location, municipality and land registry but also office work is done during appraisal study.

1.5 Base Contract

This appraisal report was issued in accordance with the provisions of the base contract that was executed by and between Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. and our Company on 07.09.2011 and has determined the rights and obligations of the contractual parties.

1.6 Factors Affecting the Appraisal Process Negatively

There is not any negative factor that affects and limits the appraisal process in general aspect.

1.7 Customer Requests Extensions and Limitations

This report was issued by our company with reference to the request dated 06.09.2011 and made by the firm, titled as Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. In line with the requests of the customer, there is no restriction in the appraisal.

1.8 The Information on the Last Three Appraisal Studies Performed by Our Company on the Subject Property of the Study on Previous Dates

	Report-1	Report-2	Report-3
Report Date	30.09.2010	31.12.2010	28.02.2011
Report Number	2010C67	2010REV387-10	2011REV78-10

REPORT NO: 2011REVC68

REPORT DATE: 30.09.2011

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Report Prepared by	Bilge BELLER ÖZÇAM Coşkun KANBEROĞLU	Bilge BELLER ÖZÇAM Adem YOL	Hüsnüye BOZTUNÇ Adem YOL
Propert Total Value (TRY)	3.520.000 TL	3.520.000 TL	4.630.000 TL
Propert Total Project Value (TRY)	-	22.292.000 TL	23.328.000 TL

1.9 Company's Information

Our Company was established with a capital amount of TRL 300.000 in order to engage in providing works and services described as Expertise and Appraisal according to the Articles of Association of the Company published in the Trade Registration Journal dated September 13, 2002 and issue no. 5676.

Our Company is taken on the lists of companies, which will offer appraisal services, within the framework of the Capital Market Board (SPK) legislation by the letter of SPK dated February 03, 2003 and no. KYD-66/001347, of Capital Market Board of the Prime Ministry.

1.10 Client Information

This appraisal report has been prepared for Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. located at the address of Büyükdere Caddesi, No:201, C Blok, Kat:8, Levent/İSTANBUL.

SECTION 2

DEFINITION AND SCOPE OF THE APPRAISAL

SECTION 2**DEFINITION AND THE SCOPE OF THE APPRAISAL****2.1 The Methods Used in the Appraisal**

There are four different valuation methods, which can be utilized in our country. There are respectively, "Sales Comparison Approach", "Income Capitalization Approach", "Cost Approach" and the "Development Approach" methods.

2.1.1 Sales Comparison Approach

This sales comparison approach takes into account the sales of similar or substitute properties and the related market datas and realizes the appraisal based on a comparative transaction. In general the property, which is being evaluated, is compared with the sales of similar properties in the open market.

2.1.2 Income Capitalization Approach

This comparative approach takes into account the income and expense datas related to the property being evaluated and makes the appraisal with the reduction method. The reduction is related to the income converting the income amount to value appraisal and to the type of value. This transaction, takes into account product or discount rates or both. In general the principle of substitution with the income flow providing the highest investment income with a defined risk level is proportionate with the most probable value figure.

2.1.3 Cost Analysis Approach

In this method, the reconstruction cost of an existing building in the framework of the current economic conditions is considered as basis for a property valuation. In this respect, the main principle of the cost approach can be explained with the use value. The use value is described as 'Even if no one wants it and no one knows its price an asset has a real value'.

In this method, it is accepted that the real property has an important remaining economical life expectancy. For this reason, it is assumed that the property's value will decrease in time due to physical wear, as it becomes outmoded economically and functionally. In other words, it is accepted that the value of the building of an existing property will never be more than its reconstruction cost.

The building cost values of the property have been appraised by taking into account the Ministry of Public Works Construction unit costs, the technical specifications of the buildings, the materials used in the buildings, the construction costs of the buildings with same specifications constructed in the market, interviews with the contracting companies and costs calculated by us based on previous experiences.

The rate of depreciation in the buildings has been calculated by taking into account the table published in the Official Gazette indicating the depreciation in the buildings according to years and the visible state of the building.

It is accepted that the value of the property is consisting of two separate physical facts being the land and the buildings.

2.1.4 Development Approach Method

The purpose of an investment is to produce goods or services, to put them into the market and make profit consequently. The commercial profitability of the investment depends on sufficient demand for the goods or services to be produced and their sales with the prices that would provide possibility to obtain the expected profitability. The examination of the project for the entrepreneur covers the examination and evaluation of the industry where the subject product of the project is positioned and the anticipations regarding the future. The evaluation of the market where the subject goods or services of the project are positioned can be examined as the current situation and the expectations for the future.

The expenses to be made in the case the project is constructed have been estimated, and another estimations has been held considering the marketing policies of the company and the generally feasibility principles. The income estimation of the project in the case of its development has been made, and assumptions have been held during this estimation. In these assumptions, the condition of the industry and the statistical figures of the similar projects near to the location of the project have been benefited from.

Later, the performance estimation of the project was made and its net value under today's conditions in the case it was constructed have been calculated from this performance estimation. The assumptions made in the study were partially explained while the details were kept reserved by the expert.

2.2 Definitions and Model of the Calculation Methodology

2.2.1 Model Definitions and Calculation Method

Risk Free Rate

The foreign exchange bonds secured by the state treasury and sold on offshore markets, also covering the risk of country are named as "Eurobond". They are issued with various maturities, while they can be purchased or sold on a daily basis on the market. These bonds are used as an indicator of the risk free rate, which is used as the basis for financial calculations in Turkey. The most liquid Eurobond on the markets is the Eurobond with maturity in 2040, and it has the attributes required to be an indicator bond.

Variant on the risk-free rate¹

There have been 3 different approaches for calculating risk-free rate.

Variant 1: A short term government security rate is used as the risk free rate, and the historical premium earned by a broad equity market index over and above this security rate is used to estimate the expected return on the market. The cost of equity, thus obtained, is then used as the discount rate for each year's cash flows.

Variant 2: The current short term government security rate and the market's historical premium are used to calculate the cost of the equity for the first period (year). The forward rates built in to future time periods, which are used to calculate the cost of equity for future years.

¹ Damodaran on Valuation ,Security Analysis for Investment and Corporate Finance, Section 3 : Estimation of Discount Rates p.25

Variant 3 : The current long term government-bond rate (with the duration of the bond matched up to the duration of the asset) is used as the risk-free rate, and the historical premium earned by a broad market index above this long term government security rate is used to estimate the expected return on the market. The cost of equity, calculated using these inputs, is used as the discount rates each year's cash flows. Eurobond does not include the market risk for the performed work, although it includes the country and political risk.

Variant 3 has been selected as the method in the assumptions our company has made by using all these data. However, especially when assessing the value of the real estates with long-term commercial lifetime, an asset appropriate for the commercial lifetime of the real estate does not exist. For that reason, our company suggests appropriate bonds for each projects regarding their duration as a risk free return rate. The chosen bonds vary according to the duration of projects and to the rate of exchange. This rate also covers the country risk. In addition to hat, the rates suggested by Damodaran for use in accordance with its Financial Market Characteristics are as follows:

Financial Market Characteristics ²	Premium Cover Govt.Bond Rate
Emerging markets with political risk (South America, Eastern Europe)	8.5 % over govt. bond Rate
Developed Markets with limited listings (Western Europe, minus Germany and	4.5 - 5.5% over govt. bond rate
Developed Markets with limited listings and stable economies (Germany and	3.5 - 4% over govt. bond rate

Market Risk Premium- Market Index

The market index shall be constituted from data and risks such as the conditions of the market and competition in which the real estate, the place, commercial status of the real estate, and its comparison with similar other ones in the industry. Consequently, the market risk of a real estate with a lower performance will be higher.

The figures used in our studies consist of the data, which has been obtained as a result of criticizing our experiences arising from the shopping centre appraisal studies we have performed so far in various cities of Turkey.

Discount Rate (Risk Free Rate+ Market Risk Premium = Discount Rate)

A rate of return used to convert a monetary sum, payable or receivable in the future, into present value. Theoretically it should reflect the opportunity cost of capital, i.e., the rate of return the capital can earn if put to other uses having similar risk. Also called yield value.³

Discount rates contain all risk premiums. (Country risk, market risk...)

Discount rate is the sum of risk free rate and the market risk premium.

² Damodaran on Valuation ,Security Analysis for Investment and Corporate Finance, Section 3 : Estimation of Discount Rates p.23

³ International Valuation Standarts, Sixth Edition , 2003 , p.323

IAS 36 para. 48, states that “ the discount rate (or rates) should be a pre-tax rate (or rates) that reflect (s) current market assessments of the time value of money and the risks specific to the asset. The discount rate (s) should not reflect risks for which future cash flow estimates have been adjusted.” It is also true that other measures of income or cash flow may be used so long as the discount rate(s) are appropriately matched with the income flow(s).

Income rate for a total real property interest that reflects the relationship between single year’s net operating income and the total property price or value; used to convert net operating income into an indication of overall property value.⁴

Other point of view: The Capital Asset Pricing Model (CAPM) 5

CAPM model measures risk in terms of on diversifiable variance and relates expected returns to this risk measure. It is based upon several assumptions, that investors have homogeneous expectations about asset returns and variances, that they can borrow and lend at a risk-free rate, that all assets are marketable and perfectly divisible, that there are no transactions costs, and there are no restrictions on short sales. With these assumptions the non-diversifiable risk for any asset can be measured by the covariance of its returns with returns on a market index, which is defined to be asset’s beta. If the beta for the equity in the company can be estimated, the cost of the equity will be the required return,

Cost of equity = R f + Equity beta (E(Rm)-Rf)

Where R f = Risk Free rate

E(Rm) Expected Return on the market index

Description of the Method Used for Appraisal:

CAPM Model has not been used within the scope of the appraisal study.

Discount rate: Calculated according to the total of Risk-Free Rate of Return and Risk Premium. The descriptions of the rates used in this total are as follows.

Risk-free rate of return has been identified according to the variable model 3 of the above article 2.2.1, and it has been identified with the average of last 6 months (the average is used for minimizing short-term market fluctuations) of the Eurobond with the longest maturity currently in effect. This rate includes the country risk.

Risk premium has been estimated according to the professional opinion of the appraiser in parallel to his/her experiences by taking into account the risks associated with the specifications of the project such as the region, sector, project, zoning, etc. as explained in article.

⁴ The Appraisal of Real Estate , 12th Edition , Chapter 20, The Income Capitalization Approach, p. 489

⁵ Damodaran on Valuation , Security Analysis for Investment and Corporate Finance, Section 3 : Estimation of Discount Rates p.21

2.3 The Value Definitions

2.3.1 Fair Market Value (Market Value)

In the case of an real property changing hands between the buyer and the seller, at a specific date; it is the most plausible, cash exchange value of the property on the condition that the market conditions required for the sale are provided , the parties being willing and both parties are knowledgeable about the conditions related to the property. In this valuation study the validity of the following points are assumed:

- The buyer and seller are acting in a reasonable and sensible manner.
- The parties are knowledgeable concerning every matter related to the real estate and are acting in a manner to obtain the utmost benefit for themselves.
- A reasonable timeframe has been allowed for the sale of the real estate.
- The payment is being effected in cash or by similar instruments.
- The financing which may be required for the purchasing transaction of the real estate is being realized with the prevailing interest rates in the market.

2.3.2 Orderly Liquidation Value

It is the most likely sales value in cash for an interval of approximately 3 -6 months which is determined regarding the assets as a result of interviews and negotiations between the parties. In the orderly liquidation, the best value is tried to be obtained for each of the assets. If, within the determined timeframe, following the negotiations between the parties an agreement can not be reached regarding the price, it is advised to sell the assets by public auction.

2.2.4 Project Appraisal

The purpose of an investment is to produce goods or services, to put them into the market and make profit consequently. The commercial profitability of the investment depends on sufficient demand for the goods or services to be produced and their sales with the prices that would provide possibility to obtain the expected profitability. The examination of the project for the entrepreneur covers the examination and evaluation of the industry where the subject product of the project is positioned and the anticipations regarding the future. The evaluation of the market where the subject goods or services of the project are positioned can be examined as the current situation and the expectations for the future.

2.4.1 Definition, Purpose and Scope of Project Evaluation

This project evaluation study aims to highlight the following issues in general:

- The overview of the sector to which the goods and services, which are to be produced as a result of the investment considered to be made, pertain to,
- Means of marketing domestically and/or internationally of the subject goods and services of the project,
- Whether the technology to be used in the designed investment possesses the required quality and technical norms,
- What the investment cost of the foreseen project would be,

- The acceptable costs, according to the market conditions, of the goods and services considered for the project, and whether the sales prices would provide a feasible outcome for this investment.

SECTION 3

GENERAL AND SPECIAL DATA

Data investigation starts with study of the prevailing trends in the international, national, regional or neighbourhood at the market level concerning the asset, which is subject to the evaluation. This research assists the appraiser to perceive the principles, powers and factors influencing the real estate values in that specific market environment. The research, at the same time provides the information related to the figures, the market trends and the clues. Whereas the general datas are datas related to the characteristics of the property to be evaluated and to the equivalent properties.

3.1 General Data- Social and Economic Data

3.1.1 Demographic Data

According to the 2008 Census through Address-Based Population Registry System, the population of Turkey was 71,517,100 and the population increased to 72,561,312 on 31 December 2009. In 2000-2007 period, the annual population increase was 0.59%; while the annual population increase of Turkey in 2008 appeared as 1.31%. The population of Turkey was 73 722 988 on 31 December 2010.

In 2010 among the 81 provinces, the population of 53 populations increased and that of 28 populations decreased. The three provinces with lowest population increase rate are Tunceli (-79.69%), Çankırı (-32.70%) and Ardahan (-25.42). Among the 81 provinces, the first three with the highest population increase are Bilecik (109.29%), Isparta (63.31%) and Erzincan (53.23%).

In Turkey, the urban population increases at a much higher speed than the rural population. The proportion of urban population of Turkey increased sharply in the last 17 years from 59% in 1990 to 64.9% in 2000 and 75,5% in 2009. Urban population (the population in the centers of provinces and districts) is 56,222,356 while the rural population (population at subdistricts and villages) is 17,500,632. The province with highest urban population proportion is Istanbul with 99%, while that with the lowest is Bartın with 32%.

18%(13.255.685) of the country's population lives in Istanbul. 6.5% of the total population lives in Ankara, 5.4% in Izmir, 3.5% in Bursa and 2.8% in Adana. The five provinces with the lowest population are Bayburt, Tunceli, Ardahan, Kilis and Gümüşhane, respectively. The population of Bayburt, which has the lowest population, is 74.412.

The median age in Turkey is 29.2. The median age for males is 28,7 and that for females is 29,8. The median age of the urban population is 29.1 and that of rural population is 29.8. The population in 15-64 age group accounts for 67.2% of the total population. 25.6% of the country's population is in 0-14 age group and 7.2% is in the 65 and higher group

The number of people per square kilometer, which is indicated as the density of population is 96 in overall Turkey, while it varies between 10 and 2.551 people among provinces. Istanbul has the highest population density with 2,551 people. It is respectively followed by Kocaeli with 432 people, Izmir with 329 people, Hatay with 254 people and Bursa with 250 people. The province with lowest population density is Tunceli with 10 people. In Konya -the province with the largest area- the population density is 53 people per sq km and the population density in Yalova -the province with the smallest area- is 241 people per sq km.

City	Population	Population (City Center)
İstanbul	13.255.685	13.120.596
Ankara	4.771.716	4.641.256
İzmir	3.948.848	3.606.326
Bursa	2.605.495	2.308.574
Adana	2.085.225	1.836.432

3.1.2 Economic Data

In our country, especially in the period which began with the economic crisis in 2001, a significant shrinkage was experienced in the real estate market in parallel to the crisis in all other sectors.

The potential earthquake expectation, which was added to the current situation, has strongly restricted the capability to act in the years 2001 and 2002. In this period, real estate prices decreased seriously compared to the previous period; and the buy & sell transactions decreased to almost none.

With the positive developments beginning from the second half of 2003; 2004 was a year when the real estate sector revived and the prices increased by a certain extent compared to the previous period. Positive developments were experienced in the real estate and construction sector with the beginning of economic and political stability, the decline of the inflation to single digit figures, the developments related with the Mortgage law, and the course of accession to the European Union in accordance with the expectations.

The private sector investments and large scale projects, which were started in 2004, also increasingly continued in 2005, and the real estate prices significantly increased especially in the second half of 2005. The increasing trend lasted until the final quarter of 2006. As the 2007 was the year of elections, the domestic and foreign investors preferred to wait for the elections before their elections, and after the elections, the political stability was assured and the investments continued.

In the first quarter of 2008, foreign economic developments were more influential than domestic politics and the foreign developments began to directly influence the economy in April 2008, the investments slowed down and the foreign investment rate began to decrease compared to the previous years. On looking at the investments in 2008, certain regions reached saturation on residence and shopping sector, and the investments continued in office and logistics sector.

The economic crisis, as the most important event of 2008, began as the subprime mortgage crisis in the US, and then it was thought as arising from liquidity shortage but understood in time that the actual problem arises from lack of confidence. The crisis showed itself with the bankruptcy of leading investment banks and insurance companies of the US in March and jumped to Europe in a short time. Three largest banks of Island went bankrupt. The immovable property market of England also went into a great decline, similar to that of Europe. Major automobile companies also began to fail against the crisis.

Although the share allocated by the Turkish banking industry to housing loans has abated the effects of the crisis, Turkey has also begun to be influenced from all these global developments since the 3rd quarter of 2008. The increase in foreign exchange rates and the decrease in sales have also begun to be noticed in the real estate market. The stability of residence prices and

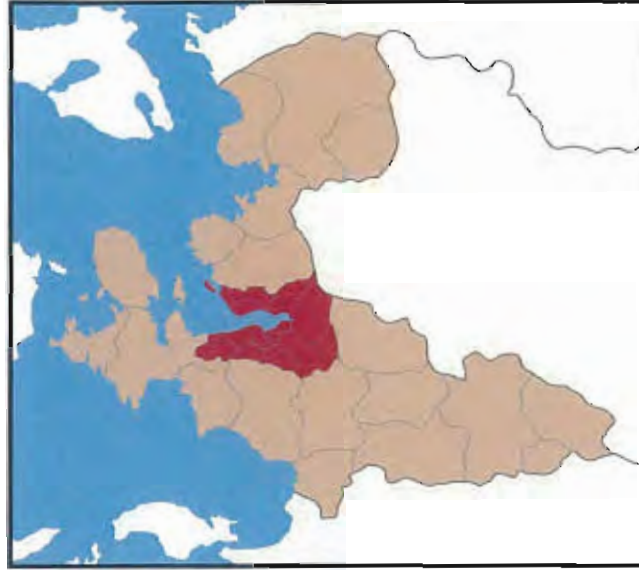
demand has been replaced by a decrease tendency in parallel to the overall perspective. Real estate market has entered a stable period due to the increasing loan interests, postponement of investments and future forecasts.

In the end of 2008 and in the beginning of 2009, the economical crisis also began to be felt in the real sector of Turkey. Unemployment began to increase rapidly especially in the industrial cities as factories suspend production. In economic predictions, common belief is that 2009 will pass with economic shrinkage for Turkey. The real estate sector will spend 2009 by shrinking and see a discount in prices. Nevertheless, we think the interest of foreigners to Turkey will continue as the years 2009 and 2010 will present discounted opportunities at high quality housing projects.

However, in early 2010, together with the positive Outlook of the economy of the country and foreign markets, sustainable development has resumed and the impacts of the crisis lessened somewhat together with the positive mood. The positive mood in the markets continued as the foreign exchange rates remained within a certain band throughout 2010, Istanbul Stock Exchange continued its upwards trend from the beginning of 2010, and the referendum in September 2010 was perceived as political stability; thus, housing projects started one after the other especially in Istanbul during the same period and led to positive reactions in the market, and an intense demand has emerged for such projects.

According to the forecasts for 2011 and beyond, positive economic data and availability of many more investment areas in the overall country hint that domestic and foreign investors' interest in Turkey will continue if the political and economic stability continues in 2011, when general elections are to be held, in parallel to the economic demand and stability in the real estate industry as the machine of the country. Re-direction of foreign investments to Turkey started being noticed, and it is understood that the foreign investors support the real estate industry same as they did before the crisis, because they consider it as the locomotive industry.

In addition, the positive perception of Turkey is expected to further continue due to the forecast that Turkey will be among the fastest growing OECD countries with 6.7% projected annual growth between 2011 and 2017, and as it has been the only OECD country with an increase in growth speed after the experienced economic crisis, as it is one of the few countries whose credit note has been increased and one of the potential countries to see further increase in its credit note in international markets.

3.2 Special Data – Analysis of the Area of the Area Where the Property is Located**3.2.1 İzmir Province**

İzmir which is a typical example of the Aegean shores is surrounded by Madra Mountains in the north, Kuşadası in the south, Teke cape of the Çeşme peninsula in the west and Aydın-Manisa border in the east on approximately 11.973 ksqm area. İzmir is the biggest city of the Aegean region and the 3rd big city of Turkey.

İzmir province is one of the richest cities of Turkey with its natural location and has a quality and plenty of raw materials, modern sea, air and land transportation, educated labor and important capital developed by agricultural activities and increased by industrial production. These properties are the main driving power of the industrialism in the city. Most important organized industry zones in the city are Atatürk Organized Industry Zone, Aegean Organized Industry Zone and Kemalpaşa Organized Industry Zone.

While İzmir's share in the total population of Turkey was approximately 4.97% in 2000 this ratio has reached to 5.31% (According to the 2008 Census Record on Address, Turkey's population is 71,517,100 and İzmir's population is 3,795,978).

Between 2000 and 2008, population rise has been 425,112. The population of the villages of İzmir has decreased by %84,7 in 2000-2008 years.

According to the data provided by TÜİK for the year 2009 population of İzmir, together with its metropolitan districts associated to İzmir Metropolitan Municipality is 2,727,968. If the population of the other district centers is added, İzmir's population increases to 3,525,202. The total population of the city of İzmir is 3,868,308. Population of the city dramatically increased between 1970 and 1985; and until 1945 it had been the second largest city of Turkey.

	Total	Men	Women
Turkey – total population	72.561.312	36.462.470	36.098.842
İzmir - Province population	3.868.308	1.933.681	1.934.627
İzmir - Province/district centers population	3.525.202	1.761.353	1.763.849

İzmir - town and villages population	343.106	172.328	170.778
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İzmir province is one of the richest cities of Turkey with its natural location and has a quality and plenty of raw materials, modern sea, air and land transportation, educated labor and important capital developed by agricultural activities and increased by industrial production. These properties are the main driving power of the industrialism in the city. In İzmir with all the traditional industry like food, textile, tobacco, dried vegetable-fruit industries all branches of manufacturing industry is also developed and reached important levels. İzmir has lived the advantages of being a city of trade and seaport during the history. Alsancak port is an important exportation and importation center with a capacity of 20.000.000 tons. Exportation of İzmir is close to 40% of our general exportation. Alsancak port is really important for Turkish exportation.

After the foundation of republic, İzmir became a modern city and it's developing since then. İzmir alongside being a tourism center is also an important cultural crossroad with its universities, museums, concert halls, culture and art associations, national and international fests and rich media.

There are 30 districts of İzmir. Of these, Konak, Bornova, Karşıyaka, Çiğli, Balçova, Buca, Narlıdere, Güzelbahçe, Gaziemir, Foça, Aliğa, Menemen, Kemalpaşa, Bayındır, Torbalı, Selçuk, Seferihisar, Menderes, Karaburun, Bayraklı, Karabağlar and Urla are within the borders of metropolis. Others are: Bergama, Kınık, Dikili, Ödemiş, Beydağ, Kiraz, Tire, Çeşme.

Shopping centers are located in Centrum and both sides of bay. Especially in recent years there is an important increase in the shopping centre projects. Forum Bornova, Agora ve Ege Park bunlardan başlıcaları ve en önemlileridir. Forum Bornova, Agora and Ege Park are just important ones.

For office sector, especially Çankaya, partially Alsancak and partially Konak regions are the city's office central business areas. Building accepted as A class office building in İzmir are accepted as B class office buildings in İstanbul and Ankara. According to other provinces of the country, İzmir has an advanced transportation network. City has both domestic and foreign land, sea, air and railway connections.

3.2.2 Konak District

Konak district is the biggest district in the borders of İzmir Metropolitan city. It is surrounded by İzmir Bay and Karşıyaka on the north, Bornova on the east, Buca and Gaziemir on the south and Balçova district on the west.

It is the second biggest district of the Turkey. According to 2008 Census Record on Address has a total population of 411.112. Has a surface area of 69 km². District has 168 quarters, 6611 avenues-squares-boulevards-streets and 2 villages. Has no town.

Konak district is the administrative, artistic, cultural and commercial center of İzmir.

With the flag on it flagpole in 9th September 1922 Government Office is a symbol of liberation of not only İzmir but also the whole country. Government Office was built in 1868-1872.

Clock tower which is a meeting point since it was built is in Konak Square. Tower is 25 m high and it was ordered by Grand Vizier Mehmet Said Paşa in 1901 to the architecture of the German Consulate building for the 25th anniversary of the throne of Abdülhamit II. Clock of the tower is a gift from German Emperor Wilhelm II.

It has many artifacts from antic ages, from Ottoman age but mostly it is characterized by Republic age artifacts. Since Konak is the culture, art and entertainment center of İzmir it is a meeting point for both native and foreign tourists. Especially Kemeraltı Bazaar has important contributions to economy of district and advertisement of İzmir. Agora ruins left from Romans are close to Konak and it is open for tourists. Besides Konak is also famous of Konak port which connects to Karşıyaka by sea and Konak square. Konak seashore and walking courses are filled by people especially weekends.

Counties according to the Provincial / District Centre and town / village population-2010						
İzmir	Toplam	Erkek	Kadın	Toplam	Erkek	Kadın
Konak	405.580	199.485	206.095	405.580	199.485	206.095
Toplam	405.580	199.485	206.095	405.580	199.485	206.095

SECTION 4

***TITLE DEED AND ZONING INFORMATION
OF THE REAL ESTATE***

TITTLE DEED AND ZONING INFORMATION OF THE REAL ESTATE**4.1 Tittle Deed Information of the Real Estate**

Province	:	İzmir
District	:	Konak
Township	:	-
Quarter	:	Alsancak
Village	:	-
Location	:	-
Plot No.	:	909 Plan
Section No.	:	7656
Parcel No.	:	2
Area	:	629 sqm
Quality of the Property	:	Land
Owner	:	Vakıflar Genel Müdürlüğü
Share	:	Full

4.2 Title Deed Examination of the Real Estate

The investigation of the appraisal commission on the title deed records of the property under appraisal, is conducted for purposes of the determination of the rights that constitute the ownership of the property under appraisal, and the limitations imposed on such rights.

According to the investigations carried out on 14.09.2011 at 10.30 in Title Deed Registration Directorate of İzmir Konak District, and according to the encumbrance certificate, provided by the client and presented as attachment to this report, and to the attached restriction report;

In the Annotations Section:

There is a rental agreement worth TL 19.448.000. (rental annotation in favor of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş for a term of 49 years starting from 16.09.2010) (Date of Commencement: 16.09.2010 Term:49 years) (dated 15.02.2011 and with journal no 3272)

4.2.1 The Buying and Selling Transactions for the Property in the Last Three-Year Period, If Any

- Within the last three years, no sales or transfer processes took place in relation to the property in question.
- There is a rental agreement dated 15.02.2011 and with journal no 3272, worth TL 19.448.000. (rental annotation in favor of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş for a term of 49 years starting from 16.09.2010)

4.3 Zoning Information of the Real Estate

The zoning regulations regulate the utilization of the land and the density of its development. The appraisal expert should also consider all possible changes expected in the up-to-date regulation and specifications during his inspection on the zoning and construction regulations. Zoning plans define the general purposes of use such as housing, commerce and industry, and

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identify the density of construction that is to be performed further to the relevant purposes of use.

According to the investigations carried out on 14.09.2011 in city of Izmir Konak District, Konak Municipality Zoning Directorate and according to the approved zoning status certificate provided to our party, the information obtained on the parcel in question is listed below;

✓ **Zoning Status:**

- The immovable property is included in the "Residential Area with Commercial Option (hatched as TM)" according to the Alsancak Zoning Plan with scale of 1/1000 and approval date of 24.01.1985.
- The property is attached in layout and it has 8 floors excluding the roof. Hmax : 24.80 m.
- No residence can be built in Ground Floor.
- Construction can be carried out on the entire parcel.

According to the plan notes;

- Housing, market, office, retail stores, commercial and entertainment places, touristic facilities, hotels and motels, regional public institutions, multi-story car parking buildings etc. can be located on the parcel. No housing units can be built in the ground floor.

✓ **Licenses and Permissions**

- For use of store and apartment block there is a license dated 30.04.2009 that covers an area of 5,716 sqm. However, the said license will be canceled and a new license will be issued for hotel use
- For use of common field (revetment) there is a building license dated 28.04.2011 that covers an area of 760 sqm.

✓ **Building Audit**

- ✓ The immovable under appraisal is subject to the Law Concerning Construction Supervision dated 29.06.2001 and numbered 4708. "Kordon Yapı Denetim Ltd. Şti.", resident at the address Güneşli Mah., Eskiizmir Cad., No:12/B, 35270, Yağhaneler / İZMİR is supervising the construction.

4.3.1 Information on Amendments About the Legal Status of the Property in Question within the Last Three Years, if any (Amendments on Zoning Plan, nationalization, etc.)

No amendments have been made on the legal status (zoning plan, nationalization, allotment - amalgamation, etc.) of the property in question within the last three years

4.4. Remarks about Property, Project of the Property and Rights and Benefits Related to the Property, within the Scope of Capital Market Legislation

The owner of the subject property is the General Directorate for Foundations and the immovable property has been leased by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. via an agreement with 49 years of term.

According to the paragraph "J" of the 25th article of the rules on real estate investment trusts enacted by the Capital Market Board (article 25/J: On the condition that special agreement provisions are available, they may lease real estates from third persons for collecting rental

revenues and let these real estates out again on their behalf) in case all phases of approval are completed for the subject immovable property and in case it yields a positive outcome, then it could be included among the subjects of activity of the Real Estate Investment Trust.

4.5 Environmental and Ground Contamination

Ground research and ground contamination work at the real estate are in the professional limits of the field of "Environmental Geophysics".

A detailed research in this field was not done as our company does not have expertise in this field. However, the real estate was observed to have no negative impacts on the environment during the on-site observations. Thus, the appraisal was done assuming that there was no negative impact on the environment.

SECTION 5

PHYSICAL INFORMATION OF THE REAL ESTATE

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İstanbul (Merkez)
0212 334 50 54

Ankara (Şube)
0312 441 75 22

İzmir (Şube)
0232 463 12 00

Adana (Şube)
0322 459 59 80

Antalya (Şube)
0242 322 20 90

Bursa (Şube)
0224 225 40 30

PHYSICAL INFORMATION OF THE REAL ESTATE**5.1 Situation, Location and Environment Characteristics of the Immovable Property**

Gayrimenkulün açık adresi: Alsancak mahallesi, Atatürk Caddesi, island no. 7656, parcel no. 21, Konak/ İZMİR.

The property in question is located at the left hand side on Atatürk Street, when going from Konak to Police Station, across the Customs Directorate.

In the vicinity of the property the following buildings are situated: Tariş, Customs Directorate, İzmir Büyük Dershane (Teaching Center), Final Dershanesi, Migros, Alsancak Month and Dental Health Center, former Tekel depots, Alsancak multi-story car parking area, Soil Products Office, Punta Residence, Aksoy Residence, Kordon Kule Residence, Alsancak Train Station, Alsancak Harbor, Historic Gas Factory, Ministry of Transportation, İzmir Regional Directorate, taxi stand and business centers. The place where the property is located is a focal point of the city. Due to the increase in demand for luxury housing in the recent days, residence constructions have accelerated in the vicinity and this process contributes to the prestige of the region. However, on the south façade of the property and on the western façade till the Kıbrıs Şehitleri Street axis, the social fabric is not uniform and urban transformation has not started yet. Since the property is close to Alsancak Train Station and Alsancak Ferry Port, there are alternative transportation options. Alsancak-Menderes section of the projected Aliğa-Menderes metro line has been opened, so that transportation options to the property have even increased. The region where the property in question is located is one of the prestigious locations of the city.

The property in question is situated at a 0.20 km distance to Alsancak Harbour, 6.60 km distance to center of Bornova, 4.90 km distance to center of Konak and 10.8 km distance to center of Karşıyaka.



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İstanbul (Merkez)
0212 334 50 54Ankara (Şube)
0312 441 75 22İzmir (Şube)
0232 463 12 00Adana (Şube)
0322 459 59 80Antalya (Şube)
0242 322 20 90Bursa (Şube)
0224 225 40 30

www.tskgd.com.tr



Distances to Indicated Areas From the Property

Location	Distance (km)
Alsancak Port	~0,20
Bornova Center	~6,60
Konak Center	~4,90
Karşıya Center	~10,80
Adnan Menderes Airport	~18,70

5.2 Definiton of the Subject Property of Appraisal

Değerleme konusu taşınmaz, Konak ilçesi, Alsancak mahallesi, 7656 ada 2 no'lu parseldir.

The parcel in question which has a 629.00 sqm surface area, has a rectangular shape. On the property in question, there is no building or vegetation and the topography of the land is flat. The hotel is under construction on the immovable. The hotel was completed construction of shoring and shoring heads, is based course piles of 22 has been completed.

In the current situation, the property faces to Atatürk Street and Road no. 1472. The property has a 25 m front to Atatürk Street and 15 m front to Road no. 1472. The parcel is highly visible. The borders of the parcel are surrounded by a 2 m - high wire fence.

Real estate, public transport, as well as private vehicles are available to provide transportation. The immovable is situated near the metro station of Aliaga-Cumaovası.



5.3 Detections on the Site of the Immovable Property

- The hotel is under construction on the immovable
- The hotel was completed construction of shoring and shoring heads, is based course piles of 22 has been completed.
- The property has a 25 m front to Atatürk Street and 15 m front to Road no. 1472.
- The parcel is highly visible.
- The borders of the parcel are surrounded by a 2 m - high wire fence.
- the topography of the land is flat.
- In the vicinity of the property the following buildings are situated: Tariş, Customs Directorate, İzmir Büyük Dershane (Teaching Center), Final Dershanesi, Migros, Alsancak Month and Dental Health Center, former Tekel depots, Alsancak multi-story car parking area, Soil Products Office, Punta Residence, Aksoy Residence, Kordon Kule Residence, Alsancak Train Station, Alsancak Harbor, Historic Gas Factory, Ministry of Transportation, İzmir Regional Directorate, taxi stand and business centers.
- The immovable center of the city, 1 Kordon because of its proximity to the appeal are higher, but the region south and the west side of the axis of Kibris Şehitleri Caddesi in terms of social mobility in the area less desirable.
- The immovable, the transportation is very easy because it is centrally located and near the main arteries

SECTION 6

GENERAL INFORMATION OF THE PROJECT UNDER

APPRAISAL

SECTION 6

GENERAL INFORMATION OF THE PROJECT UNDER APPRAISAL

6.1. The Evaluation of the Real Estate Sector and the Aim of the Project

In our country, especially in the period which began with the economic crisis in 2001, a significant shrinkage was experienced in the real estate market in parallel to the crisis in all other sectors.

The potential earthquake expectation, which was added to the current situation, has strongly restricted the capability to act in the years 2001 and 2002. In this period, real estate prices decreased seriously compared to the previous period; and the buy & sell transactions decreased to almost none.

With the positive developments beginning from the second half of 2003; 2004 was a year when the real estate sector revived and the prices increased by a certain extent compared to the previous period. Positive developments were experienced in the real estate and construction sector with the beginning of economic and political stability, the decline of the inflation to single digit figures, the developments related with the Mortgage law, and the course of accession to the European Union in accordance with the expectations.

The private sector investments and large scale projects, which were started in 2004, also increasingly continued in 2005, and the real estate prices significantly increased especially in the second half of 2005. The increasing trend lasted until the final quarter of 2006. Because 2007 was an election year, domestic and foreign investors waited for the results of the elections before giving their investment decisions, and after the elections they continued their investments upon foreseeing that political stability would continue. Because 2007 was an election year, domestic and foreign investors waited for the results of the elections before giving their investment decisions, and after the elections they continued their investments upon foreseeing that political stability would continue.

In the first quarter of 2008, foreign economic developments were more influential than domestic politics and the foreign developments began to directly influence the economy in April 2008, the investments slowed down and the foreign investment rate began to decrease compared to the previous years. On looking at the investments in 2008, certain regions reached saturation on residence and shopping sector, and the investments continued in office and logistics sector.

However, the global financial crisis which broke out in the third quarter of 2008, has influenced the market economies of mainly the United States, European countries and many developing countries. Many investment and deposit banks came to the threshold of bankruptcy, they have been either sold or acquired by the state and tried to be rescued with public aid. Real estate market has entered a stable period due to the increasing loan interests, postponement of investments and future forecasts.

Mobility in the housing sector in 2006 and as of 2009, internal, external political and economic stagnation has left the location because of the influence. From A + housing and residence projects, however qualified, has continued the interest in these projects. In addition, financing the construction of new projects, especially in recent months, with declines in interest rates in the housing sector mobility activities began to

The gulf investor, who could not make profit in the stock exchange due to the decreases, and with central banks' decisions to decrease interest rates, are directed towards real estate acquisition due to the advantageous prices and oversupply of real properties. In the present crisis environment, foreign investment sources indicate that Turkey is one of the companies which has been least affected from the global crisis and which is one of the main countries to invest in.

In recent years, gained intensity throughout the year for tourism in the Ministry of Tourism, tourism diversification policy was implemented.

City of Izmir, Izmir International Fair, blue flag beaches and harbors a structure that provides a significant contribution to the national economy. Izmir, cruise tourism, conference tourism, yacht tourism, and continues to evolve every day on topics such as, investments in the urban identity of the character brings to the fore will be.

Konak district where the project area, with an emphasis on trade areas, shopping centers, convention halls, residanslar, including 5 star hotels and boutique hotels in the form of tourist facilities has a very broad concept. Hotels, Izmir International Fair due to the presence of residancelerin the city's skyline, the image and the concept of luxury housing due to more pronounced yaşatabilmesi, shopping centers, due to the city's focal point, the exhibition and convention centers have a location on intensive commercial reasons, are abundant in the host in the city.

The project area, is the host district, commercial center of the city as the location of the tourism sector is a central point. Investment in hotel sector is a region with high potential. Qualified to take place in nearby hotels and business centers, such as the reasons to be close to the port of Alsancak district continues its preferability.

The region is located downtown, and close to all the sectoral activities take place around the focal point of the property could set a precedent in nature alamması another reason for the land to a qualified project area is located.

The immovable property owned land size, location, road facade, the hotel sector, given the developmental status of properties, such as is proved to have a great potential.

For this reason, be held in the region, "Hotel" is thought to be a successful project.

6.2 Hotel Sector in Izmir

While accommodation sector is growing all over the world according to Ekin Group Research Unit's research on data of hotel investments in all over the world and Turkey, USA is the leader in the investment speed while China, Germany, India and Turkey is following respectively.

Aegean Region has the second biggest tourism income after Marmara Region. Shore sides under Mediterranean climate are rich by means of tourism. Izmir is an important tourism center, has 5 universities, has the first international industry fair and has convenient climate conditions. These facts make city an opportunity of being full year congress tourism and this improves hotel market in Izmir.

Izmir is creating its future vision to become a "fair and congress city" and Izmir's intercity and city transportation convenience, climatic advantages, 5 universities, international industry air (İzmir International Fair) rich historic inheritance, geographical beauties and congress and exhibition center's opportunities making this city a preferable option for congress, symposium, fair, show, theatre, concert and all kinds of meetings and all these increases the accommodation capacity of the city.

Hotels in İzmir are generally located in or near Konak district. As the Centrum, public and government bodies, directorates of private corporations, banks and similar bodies are located in this region and have variety of transportation options.

Hotels in İzmir can be classified into two groups according to their locations; hotels located in downtown or close hotels and hotels in districts depending on the tourism diversity. There are no quality hotels near airport but there are a 2 star hotel and a hotel with private license. Some of the hotels in İzmir downtown are listed below with details.

6.2.1 Market Research**6.2.1.1 Project Area Vicinity in Perspective of Boutique Hotel Sector****6.2.1.1.1 Information about Some Boutique Hotels in Konak****Name: ONTUR HOTEL (Special License)****Location:** Çankaya, İZMİR**Project Owner:-****Cooperation:-****Architectural Design:** Umut İNAN- Efe İNAN**Investment Value:-****Construction Start:-****Complete Date:-****Opening Date:****Plot Size:-****Total Construction Area:-****Total number of Rooms:** 80**Bed Capacity:** 160**Size of Rooms:** 30 sqm**Size of Suits:** 45 sqm**Number and Capacity of Meeting Halls:** meeting hall (max capacity 100-150 people -195 sqm).**Capacity of Parking Areas:** No**General Features of Hotel:** Covered swimming pool with 300 sqm, 180 people capacity restaurant, social activities like aerobics center, massage rooms, shock shower.**General Features of Rooms:** 5 suits, 1 handicapped room, 74 double rooms with a total of 80 rooms. All rooms are VIP and there is 100% goose feather pillow & quilt and bathrobe service. All rooms have cable TV system, internet connection, electronic safe and plasma TV.**Room Price:** Special company price=One person: 65 EURO, double:80 EURO, Including VAT

Name: BEYOND HOTEL (Special License)



Location: Alsancak, İZMİR**Project Owner:** Norm - Kar İnşaat San. Ve Tic. Ltd. Şti.**Cooperation:** Norm - Kar İnşaat San. Ve Tic. Ltd. Şti.**Architectural Design:** IPD Mimarlık**Investment Value:-****Construction Start:** 2005**Complete Date:** 2007**Opening Date:** 2007**Plot Size:** 497 sqm**Total Construction Area:** 2.775 sqm**Total number of Rooms:** 60**Bed Capacity:** 126**Size of Rooms:** 20-23 sqm**Size of Suits:** 42 sqm

Number and Capacity of Meeting Halls: Seminar and meeting hall for 70 people, executive hall for 10 people and interview hall for 4 people. All halls have wireless internet connection, projection, blackboard, DVD/VCD player, music broadcasting, photocopy, wired/wireless microphone, lapel microphone and lectern.

Capacity of Parking Areas: No

General Features of Hotel: Split air conditioner, heating with air conditioner, internet connection, business center, laundry, ironing, dry cleaning, safe in the reception, 24 hour room service, on call doctor, generator, paid baby sitter, free parking lot services are also available breakfast saloon, lobby bar, snack bar and 1 A la carte restaurant are available.

General Features of Rooms: There are 6 suits, 6 connected rooms, 1 handicapped room, 5 non-smoking rooms, 6 executive rooms, 41 standard rooms with 126 bed space and in each room direct telephone line, smoke detector, mini bar, air conditioner, wired/wireless internet connection, safe box, tea-coffee kit, desk, pants pres ironing, LCT TV, lightproof curtains, and In bathrooms; water jet bathtuh, make up mirror with light, bathrobe, 110-220 volt adapter, hair drier with shaving socket.

Room Price: Special Company Price=One Person: 85 EURO, double: 98 EURO, Including VAT.**Occupancy Rate:** During the marble fair occupancy ratio has reached 70-80% and has an annual average of 60%.

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Name: MY HOTEL (Special License)

**Location:** Alsancak, İZMİR**Project Owner:****Cooperation:** .**Architectural Design:** -**Investment Value:****Construction Start:****Complete Date:****Opening Date:** 2005**Plot Size:****Total Construction Area:****Total number of Rooms:** 30**Bed Capacity:** 84**Size of Rooms:** 30 sqm**Size of Suits:** 45 sqm**Number and Capacity of Meeting Halls:** meeting hall (max capacity 12 people).**Capacity of Parking Areas:** No**General Features of Hotel:** Open buffet breakfast hall, 24 hour room service, and independent air conditioning system in all rooms, cafe, and bar.**General Features of Rooms:** 30 luxury rooms in 7 floors, 12 with kitchens. In this hotel, there are twin beds in 30 square meter rooms and there are 2 twin beds in 45 square meter rooms, and also wired and wireless internet and special desk for notebooks in all rooms.**Room Price:** Special Company Price=One Person: 130 TL, double: 160 TL, Including VAT.**Occupancy Rate:** In special days and during Fair occupancy reaches 100% and occupancy rate is high since there are not many rooms. It has learnt that annual occupancy rate is 90%.

Name: SC INN HOTEL (Special License)**Location:** Basmane, İZMİR**Project Owner:****Cooperation:****Architectural Design: -****Investment Value:-****Construction Start:****Complete Date:****Opening Date:** 2007**Plot Size:****Total Construction Area:****Total number of Rooms:** 50**Bed Capacity:** 102**Size of Rooms:** 30 sqm**Size of Suits:** 50 sqm**Number and Capacity of Meeting Halls:** 1 meeting hall (max capacity 100 people).**Capacity of Parking Areas:** Parking lot for 20 vehicles.**General Features of Hotel:** 24 hour room service, generator, free parking lot.**General Features of Rooms:** Direct telephone, mini bar, safe, internet connection, plasma TV, satellite TV, central air conditioning and heating, hair drier, music in bathroom, telephone in bathroom.**Room Price:** Special Company Price=One Person: 60 EURO, double: 80 EURO, including sauna, fitness center services and VAT.**Occupancy Rate:** According to information during fair occupancy rate reaches 100% and minimum annual occupancy rate is 65%. It has learnt that annual occupancy rate is 75%.

Name: BLUE HOTEL (Special License)**Location:** Basmane, İZMİR**Project Owner:****Cooperation:****Architectural Design:****Investment Value:-****Construction Start:****Complete Date:****Opening Date:** 2006**Plot Size:****Total Construction Area:****Total number of Rooms:** 24**Bed Capacity:** 42**Size of Rooms:** 33 sqm**Size of Suits:** -**Number and Capacity of Meeting Halls:** White board, television, fax machine, air conditioner, computer, wireless internet connection, copier, telephone. 1 meeting hall (max capacity 60 people).**Capacity of Parking Areas:** Parking lot for 20 vehicles.**General Features of Hotel:** 24 executive rooms. Have city panorama. Central air conditioner and heating, TV corner, wireless connection, business center, laundry, ironing, dry cleaning, safe in the reception, 24 hour room service, on call doctor, generator, paid baby sitter, free parking lot services are also available.**General Features of Rooms:** Direct telephone, mini bar, safe, computer, wireless internet, tea/coffee machine, digitürk, split air conditioner, shower, wc, hair drier, Jacuzzi, telephone in bathroom.**Room Price:** Standard room for two:149 TL, Double room with sauna: 179 TL, except breakfast including VAT.**Occupancy Rate:** In special days and during Fair occupancy reaches 100% and occupancy is variable during the rest of the year. It has learnt that annual occupancy rate is 90%.

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Name: COMFORT HOTEL (Special License)**Location:** Kahramanlar, İZMİR**Project Owner:****Cooperation:****Architectural Design:****Investment Value:-****Construction Start:****Complete Date:****Opening Date:** 2007**Plot Size:****Total Construction Area: -****Total number of Rooms:** 30**Bed Capacity:** 90**Size of Rooms:** All rooms-standart 30 sqm**Size of Suits: -****Number and Capacity of Meeting Halls: -****Capacity of Parking Areas:** Parking lot for 20 vehicles.**General Features of Hotel:** There are 30 rooms with 30 square meters in 8 floors. 7th and 8th floors of the hotel are reserved for non-smoking customer and there is central heating and cooling system in the hotel.**General Features of Rooms:** In the rooms there are kettle, tea and coffee service, TV, direct telephone, digital money safe, wireless internet, goose feather and orthopedic pillow options, special deluxe bath materials for men and women, bathtub, hair drier and Jacuzzi.**Room Price:** One person: 110 TL, double: 150 TL, Including VAT.**Occupancy Rate:** In special days and during Fair occupancy differs 90-100% and occupancy is variable during the rest of the year. It has learnt that annual occupancy rate is 70-75%.

Name: RESİDENCE HOTEL (Special License)**Location:** Kahramanlar, İZMİR**Project Owner:** Oxygen A.Ş.**Cooperation:** -**Architectural Design:** Ergün Demirebek**Investment Value:-****Construction Start:** 2006**Complete Date:** -**Opening Date:** 6.05.2009**Plot Size:** -**Total Construction Area:** -**Total number of Rooms:** 33**Bed Capacity:** 70**Size of Rooms:** All rooms- standart 28 sqm**Size of Suits:** -

Number and Capacity of Meeting Halls Meeting hall for 40 people, workshop for 10 people. In the meeting hall there are sound system, lectern, internet, laptop and barcoveision, cooling, heating and air conditioning systems. In the workshop, there are internet, fax, photocopy, computer, printer, 106 screen Lcd TV, DVD player and laptop.

Capacity of Parking Areas: There are two open parking lots with a total capacity of 70 vehicles, One is near the hotel and other is close to hotel.

General Features of Hotel: Hotel has 33 rooms in 8 floors. Central air conditioner and heating, internet connection, ironing, 24 hour room service, on call doctor, generator, paid baby sitter, free parking lot services is also available. In the hotel there are Wellness area, Turkish bath, and sauna, Jacuzzi, Olive A'la Carte Restaurant for 70 people, Lobby bar and 2 meeting halls.

General Features of Rooms: There are 33 rooms with 70 bed capacity consisting of 1 suit and 32 standard rooms and in the rooms there are central cooling and heating with VRV system, big scale LCD TV, pay TV, controlling room check from display, sending message (interactive system), wake up service, mini bar, tea&coffee machine, safe, balcony, slipper and bathrobe in bathroom and telephone in bathroom.

Room Price: Special Company Price=One Person: 55 EURO, double: 60 EURO, Including VAT.

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Occupancy Rate: Hotel has an occupancy rate of approximately 35-40 since it was opened and during fair it has been planned that this rate will reach 100% because of the location of the hotel, minimum expectation is 80%.

6.2.1.2 Project area from the perspective of the Hotel Sector

6.2.1.2.1 General information about some hotels in İzmir

Name: SWISSOTEL GRAND EFES (***)**



Location: Pasaport, İZMİR

Project Owner: Swissotel

Cooperation: Swissotel

Architectural Design: -

Investment Value: 55.000.000-USD

Construction Start:-

Complete Date:-

Opening Date: May-2008

Plot Size: 36.804,50

Total Construction Area: -

Total number of Rooms: 531

Bed Capacity: 670

Size of Rooms: Classic 27 sqm, premier 30 sqm, advantage 26 sqm

Size of Suites: Business 58 sqm, Executive 125 sqm

Number and Capacity of Meeting Halls: Convention Center consisting of 2 sections for 1000 people, 13 meeting halls each for 250 people, 1 ballroom for 1270 people.

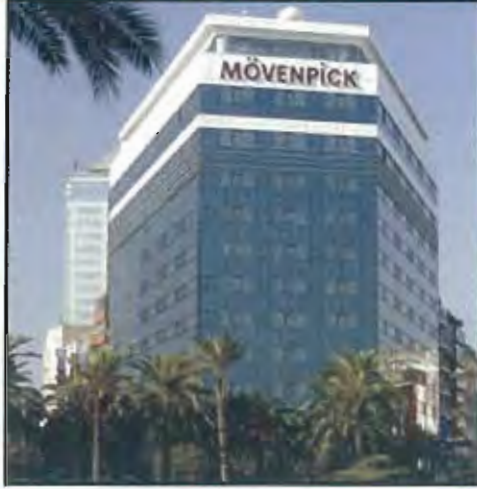
Capacity of Parking Areas: Closed parking area with 300 lots.

General Features of Hotel: Open and indoor swimming pool, sauna, SPA, Rooftop Equinox, Café Swiss, Swiss Gourmet, Aquarium Restaurant.

General Features of Rooms: Rain shower, kettle, tea/coffee offer, 32" LCD TV, Pay TV, wireless internet connection, internet TV connection.

Room Price: One person: 150 EURO, double:165 EURO without VAT

Name: MÖVENPICK HOTEL (*****)



Location: Pasaport, İZMİR
Project Owner:
Cooperation:
Architectural Design:
Investment Value:
Construction Start:
Complete Date:
Opening Date: 12.02.2008
Plot Size: -
Total Construction Area:
Total number of Rooms: 185
Bed Capacity: 254
Size of Rooms: 23-43 sqm
Size of Suits: 39-43 sqm
Number and Capacity of Meeting Halls: There are 9 meeting halls with different capacities between 15 and 300.
Capacity of Parking Areas: -
General Features of Hotel: Indoor swimming pool, 185 rooms, fitness center, sauna, massage saloon, hairdresser and business center.
General Features of Rooms: Direct telephone, desk, hair drier, TV/radio, air conditioner
Room Price: One person: 380 TL, double:430 TL Including VAT

Name: İZMİR HİLTON (*****)

**Location:** Alsancak, İZMİR**Project Owner:** -**Cooperation:** Hilton Grubu**Architectural Design:** -**Investment Value:-****Construction Start:-****Complete Date:****Opening Date:** 1992**Plot Size:****Total Construction Area:****Total number of Rooms:** 380**Bed Capacity:** 754**Size of Rooms:** 34 sqm**Size of Suits:** 70 sqm

Number and Capacity of Meeting Halls: There are 14 meeting halls (max capacity 1500 people), and in this halls there are overhead projector, curtain, white board, projector, flipchart, sound system, microphone, video player, DVD player, TV, fax and air conditioner. Besides ballroom, biggest hall has a capacity of 1000 people, Fair/exhibition area (capacity 617 sqm) biggest area 617 sqm

Capacity of Parking Areas: Indoor parking lot for 1000 vehicles.

General Features of Hotel: Business center, central heating and central air conditioner wireless internet, hairdresser, laundry, dry cleaning, safe in the reception, jeweler, souvenir shop, 24 hour room service, doctor baby sitter, pet club, free parking lot, indoor, open swimming pool, Turkish bath, Jacuzzi, sauna, fitness center, massage, 1 open buffet restaurant, breakfast salon, 1 open restaurant for 30 people, lobby bar, dance bar, pool bar, 1 dinner restaurant.

General Features of Rooms: Total 754 beds, 2 royal suits, 2 honeymoon suits, 64 deluxe rooms, 3 suit rooms, 4 children suits, 1 handicapped room, 64 executive rooms, 239 standard rooms and 84 of these are non smoking rooms. In the rooms there are direct telephone, music broadcasting, mini bar, internet connection, cable TV, central air conditioner, bathtub-bathroom, wc, hair drier, in presidential suits there are Jacuzzi, music and telephone in bathrooms.

Room Price: One person: 380, double 430 TL without VAT

Name: CROWNE PLAZA İZMİR (*****)

**Location:** Balçova, İzmir**Project Owner:** Özdilek A.Ş.**Cooperation:** Inter Continental Hotels Group**Architectural Design:****Investment Value:****Construction Start:****Complete Date:****Opening Date:****Plot Size:****Total Construction Area:****Total number of Rooms:** 219**Bed Capacity:** 333**Size of Rooms:** 30-35 sqm**Size of Suits:** 60 – 90 sqm

Number and Capacity of Meeting Halls: 6 meeting halls for 900 people organized for meetings and congress, sound system, microphone, video player, DVD player, TV, fax, air conditioner, light system, simultaneous translation system, lectern, moving dance floor, overhead projector, curtain, white board, slide projector, flipchart, projection, barcovision, moving stage, 6 ballrooms for 900 people fair and exhibition area (542 sqm).

Capacity of Parking Areas: Indoor parking lot (160 vehicles) and open parking lot (60 vehicles).

General Features of Hotel: Business center, hair dresser, laundry, ironing, dry cleaning, safe in the reception, central heating and central air conditioner, garden, internet, paid baby sitter, market, souvenir, 24 hour room service, generator, thermal pool, Turkish bath, sauna, massage Jacuzzi, solarium, beauty and health center, open pool, indoor pool, children pool, heated pool, SPA, fitness center, aerobics, and night club.

Room Price: One person:70 Euro, double: 90 Euro including VAT (view sea: +15 Euro +VAT)

Name: AKSAN HOTEL (* * * *)

**Location:** Basmane, İZMİR**Project Owner:****Cooperation:****Architectural Design:****Investment Value:****Construction Start:****Complete Date:****Opening Date:****Plot Size:****Total Construction Area:****Total number of Rooms:** 87**Bed Capacity:** 186**Size of Rooms:** 30 sqm**Size of Suits:** 50 sqm**Number and Capacity of Meeting Halls:** Full equipped meeting hall with a capacity of 200 people for special meetings and seminar groups.**Number and Capacity of Meeting Halls:** Open parking lot for 20 vehicles.**General Features of Hotel:** 1 A'la carte restaurant, 2 outdoor restaurants, 1 ballroom and also Turkish bath, sauna, massage and Jacuzzi activities.**General Features of Rooms:** There are 12 suits and 7 of them are connected rooms while 1 is handicapped room. In total, the hotel has 87 rooms and 186 bed spaces of capacity with 75 standard rooms; and rooms have direct phone, music broadcasting, mini bar, safe, satellite TV, Digitürk, central air conditioning, bathtub-bath, WC, hair drier.**Room Price:** One person: 85, double: 120, three person, 140 TL, including VAT

Name: KAYA PRESTIGE HOTEL İZMİR (* * * *)

**Location:** Çankaya, İZMİR**Project Owner:** Fe-Ka Tur. İşl. Ltd. Şti.**Cooperation:** -**Architectural Design:** -**Investment Value:** -**Construction Start:** -**Complete Date:** -**Opening Date:** 1992**Plot Size:****Total Construction Area:****Total number of Rooms:** 142**Bed Capacity:** 284**Size of Rooms:** 20 sqm (max)**Size of Suits:** 55 sqm (max)**Number and Capacity of Meeting Halls:** In total 4 congress halls with a capacity of 300 people. There are sound and light systems, air conditioning system, telephone, computer, internet connection, music broadcasting, fire alarm system, TV-video, overhead projection, flipchart and other meeting equipments are available.**Capacity of Parking Areas:** Open parking lot for 10 vehicles.**General Features of Hotel:** Cocktail, Cocktail / Prolonge, Set Menu Open Buffet, lunches and dinners, lunch - box service, coffee- break services, Fair area stand organizations and picnic organizations**General Features of Rooms:** Serves best comfort with 133 standard and 9 suit rooms for every guest. 7 standard room with terrace and 1 suit with Jacuzzi, and there are mini bar, cable TV, central system air conditioning, radio, direct telephone and hair drier. For suit rooms there is cattle service.**Room Price:** One person:130 TL, double: 160 TL without VAT

Name: BEST WESTERN KONAK HOTEL (****)

**Location:** Konak, İZMİR**Project Owner:** Savranoğlu Turistik Tesisler A.Ş.**Cooperation:** Savranoğlu Turistik Tesisler A.Ş.**Architectural Design:** -**Investment Value:-****Construction Start:** 1987**Complete Date:** 1989**Opening Date:** 1989**Plot Size:** -**Total Construction Area:** -**Total number of Rooms:** 82**Bed Capacity:** 165**Size of Rooms:** 25 sqm**Size of Suits:** 40 sqm**Capacity of Parking Areas:** There are 6 meeting halls with a total capacity of max:(sqm/kap): 250/350, min (sqm/kap): 47/45, internet connection, sound system, lapel microphone, wireless microphone, table microphone, voice recording system, light system, DVD player, VCD player, video, stage, lectern, slide player, computer projector, video recording, projection curtain, barcovision, overhead projector, flipchart, TV, white board, fax, air conditioner, laser pointer.**Number and Capacity of Meeting Halls:** Open parking lot for 25 vehicles.**General Features of Hotel:** Children care, services for handicapped, wake up service, internet, pet club, dry cleaning, laundry and ironing services, safe in the reception and generator, secretary service for businessmen.**General Features of Rooms:** There are 80 standard rooms and 2 suits and in the rooms there are telephone, shower and toilet, bathroom, hair drier, min bar, wake up service, safe, 24 hour room service, cable TV, satellite TV, wireless internet, central air conditioning, mountain and sea panorama.**Room Price:** One person: 135, double:165 TL, suit:300 TL including VAT

Name: PALM CITY İZMİR (* * * *)

**Location:** Kahramanlar, İZMİR**Project Owner:** -**Cooperation:** -**Architectural Design:** -**Investment Value:-****Construction Start:-****Complete Date:-****Opening Date:-****Plot Size:** -**Total Construction Area:** -**Total number of Rooms:** 55**Bed Capacity:** 110**Size of Rooms:** 19 sqm**Size of Suits:** 40 sqm**Number and Capacity of Meeting Halls:** 1 meeting hall with total capacity of 40 people and there are wireless network, DVD player, VCD player, video, projection curtain, barcovision, overhead projection, flipchart, TV, white board, fax, air conditioner**Capacity of Parking Areas:** Open parking lot for 20 vehicles and indoor parking lot for 20 vehicles.**General Features of Hotel:** Health room, wake up service, internet, dry cleaning, laundry and ironing services, safe in the reception, generator**General Features of Rooms:** Telephone, shower, toilet, bathroom, telephone in the bathroom, hair drier, Jacuzzi, electronic lock system, fire alarm, mini bar, wake up service, safe, 24 hour room service, cable TV, satellite TV, internet connection, wireless internet, central air conditioner, city panorama.**Room Price:** one person 110 TL, double: 150 TL including VAT.

Name: EGE PALAS İZMİR (****)

**Location:** Alsancak, İZMİR**Project Owner:****Cooperation:****Architectural Design:****Investment Value:****Construction Start:****Complete Date:****Opening Date:****Plot Size:****Total Construction Area:** -**Total number of Rooms:** 116**Bed Capacity:** 235**Size of Rooms:** 26 sqm**Size of Suits:** 26 sqm

Number and Capacity of Meeting Halls: 8 meeting hall (max capacity 1000 people). There are overhead projection, projection curtain, slide projector, flipchart, sound system, microphone, video player, TV, fax, air conditioner, light system Biggest hall has a capacity of 400 people.

Capacity of Parking Areas: A Block: 34 vehicles - B Block : 42 vehicles

General Features of Hotel: Central air conditioner, central heating, TV saloon, game room, business center, hairdresser, laundry, ironing, dry cleaning, safe in the reception, souvenir, 24 hour room service, call on doctor, free parking lot.

General Features of Rooms: 1 royal suit, 2 children suits, 5 connected rooms, 2 handicapped rooms, 8 non-smoking rooms and 113 standard rooms. Has sea and city panorama. In the rooms there are direct telephone, mini bar, internet connection, safe, cable TV, central air conditioner, bathtub-bathroom, wc, bidet, hair drier, and telephone in bathrooms.

Room Price: one person 140, double: 170 TL suit :135 EURO, including VAT.

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Name: ANEMON HOTEL (****)

**Location:** Basmane, İZMİR**Project Owner:****Cooperation:****Architectural Design:****Investment Value:****Construction Start:****Complete Date:****Opening Date:****Plot Size:****Total Construction Area:****Total number of Rooms:** 98**Bed Capacity:** 120**Size of Rooms:** 12 sqm**Size of Suits:** 15 sqm**Number and Capacity of Meeting Halls:** 1 meeting hall (min capacity 150), overhead projector, slide projector, flipchart, sound system, microphone, video player, DVD player, TV, laser pointer**Capacity of Parking Areas:-****General Features of Hotel:** Internet connection in general areas, central heating, TV saloon, digitürk, laundry, dry cleaning, 24 hour room service, special parking lot services**General Features of Rooms:** Bathroom, WC, shower, hair drier, wireless internet connection, telephone, mini bar, safe, TV (satellite) air conditioner**Room Price:** One person: 70, double: 85 EURO, including VAT

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Name: ANEMON FUAR OTEL (****)

**Location:** Alsancak, İZMİR**Project Owner:****Cooperation:****Architectural Design:** -**Investment Value:-****Construction Start:-****Complete Date:-****Opening Date:****Plot Size:** -**Total Construction Area:** -**Total number of Rooms:** 118**Bed Capacity:** 130**Size of Rooms:** 26 sqm**Size of Suits:** 50 sqm**Number and Capacity of Meeting Halls:** 4 meeting halls (min 30 max 400 capacity) In these halls: overhead projector, wide curtain, white board, flipchart, barcoveision, sound system, microphone, video player, DVD player, TV, fax, laser pointer.**Capacity of Parking Areas:** Indoor parking lot for 100 vehicles, open parking lot (near hotel) open parking lot**General Features of Hotel:** Central air conditioning and heating, TV corner, wireless internet, business center, laundry, dry cleaning, 24 hour room service, elevator, generator, call on doctor or nurse, indoor parking lot**General Features of Rooms** Direct telephone, mini bar, electronic safe, wireless internet, free tea/coffee tray, kettle, plasma TV, paid TV, central air conditioner, bathtub-bathroom, WC, hair drier, telephone in the bathroom**Room Price:** Single: 80 EURO, Double: 100 EURO, Suit:200 EURO Including VAT.

Name: KORDON HOTEL (****)

**Location:** Pasaport, İZMİR**Project Owner:****Cooperation:****Architectural Design:****Investment Value:-****Construction Start:****Complete Date:-****Opening Date:****Plot Size: -****Total Construction Area: -****Total number of Rooms: 60****Bed Capacity: 120****Size of Rooms: 28-30 sqm****Size of Suits: 45 sqm****Number and Capacity of Meeting Halls:** 3 meeting hall (max capacity 250 people). Overhead projector, white board, slide projector, projection, barcovision, sound system, microphone, video player, DVD player, TV, fax, air conditioner, light system, computer, internet, photocopy, telephone. Biggest saloon capacity max.175, Ballroom max 250.**Capacity of Parking Areas: No****General Features of Hotel:** Direct telephone, music broadcasting, balcony in some rooms, mini bar, safe, computer, internet connection, tea/coffee machine, satellite TV, central air conditioner, shower, bathtub, hair drier; Jacuzzi, music and telephone in bathroom for some of the rooms.**General Features of Rooms:** Direct telephone, mini bar, safe, computer, internet connection, cable TV, satellite TV, central air conditioning, bathtub-bathroom, hair drier, for suits music, telephone and Jacuzzi in bathroom.**Room Price:** Special Company Price=One Person: 85 EURO, double: 105 EURO, Suit:165 EURO Including VAT.

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Name: HOTEL THE RESIDENCE COMFORT (****)

**Location:** Basmane, İZMİR**Project Owner:** -**Cooperation:** -**Architectural Design:** -**Investment Value:**-**Construction Start:** -**Complete Date:**2007**Opening Date:** 2008**Plot Size:** -**Total Construction Area:** -**Total number of Rooms:** 25**Bed Capacity:** 60**Size of Rooms:** 90 sqm**Size of Suits:** 45-70 sqm**Number and Capacity of Meeting Halls:** There are no meeting halls in the hotel.**Capacity of Parking Areas:** Parking lot for approximately 60 vehicles.

General Features of Hotel: Laundry, dry cleaning, ironing service, generator, wake up service, safe, wireless internet, airport shuttle, baby bed, bike rent, room service, Jacuzzi, baby sitter, free parking lot services are available. Moreover rooms can be rent weekly or monthly.

General Features of Rooms: 5 apart rooms, 20 suit rooms, with a total of 25 rooms and 60 bed capacity. In junior suit room there are 45sqm bedroom, saloon, American kitchen, microwave, refrigerator, wireless telephone, Lcd Tv+digitürk+dvd; in senior suit rooms there are 70sqm bedroom, saloon, American kitchen, microwave, refrigerator, washing machine, wireless telephone, Lcd Tv+digitürk+dvd in connected room; 90 sqm double bedroom, double bathroom, double saloon, double American kitchen, microwave and double Lcd Tv+digitürk+dvd. Besides there are tea/coffee machines, carpet covered ground, bathtub, and central heating and cooling system, lounge group, ceramic coated ground, satellite TV, ironing/press ironing, hair drier.

Room Price: One person: 55-60 EURO Including VAT.

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Name: BLANCA HOTEL (* * * *)

**Location:** Kahramanlar, İZMİR**Project Owner:** -**Cooperation:** -**Architectural Design:** -**Investment Value:-****Construction Start:** -**Complete Date:-****Opening Date:** 2008**Plot Size:** -**Total Construction Area:** -**Total number of Rooms:** 75**Bed Capacity:** 156**Size of Rooms:** 20 sqm**Size of Suits:** Suit room:40 sqm, King Suit:60 sqm**Number and Capacity of Meeting Halls:** 130sqm meeting hall for 80-100 people, and in this hall there are wireless internet, sound system, lapel microphone, video, DVD, computer projection, curtain, barcovision, overhead projection, flipchart, TV, fax, laser pointer and photocopy.**Capacity of Parking Areas:** Parking lot for approximately 30 vehicles.**General Features of Hotel:** Wake up service, wireless internet, business center, dry cleaning, laundry, ironing service, 24 hour room service, open parking lot, mail service, paid doctor and ambulance services are available. 2 restaurants with a capacity of 180 people, American bar for 100 people, café bistro, and roof bar for 50 people.**General Features of Rooms:** 4 Suit rooms, 1 royal suit, 70 standard rooms in total 75 rooms and 156 bed capacity. Standard rooms. Lcd TV, wireless internet, central air conditioner and heating, mini bar, direct room and bathroom telephone, hair drier, slipper, bathrobe, orthopedic bed, windows with sound and heat insulation, electronic door locks. Suit rooms Bedroom and living room, Lcd TV, wireless internet, central air conditioner and heating, mini bar, direct room and bathroom telephone, hair drier, slipper, bathrobe, orthopedic bed, windows with sound and heat insulation, electronic door locks. Royal suit: 2 bedrooms (1 French bed 1 Twin bed) and 1 living room, bathtub with Jacuzzi, special terrace with city view, LCD TV, wireless internet, central heating and air conditioner, mini bar, direct telephone and bath telephone, hair drier, slipper, bathrobe, orthopedic bed, windows with sound and heat insulation, electronic door locks are available.**Room Price:** Single room:100 TL, double: 130 TL including KDV.

Name: YUMUKOĞLU HOTEL (***)

**Location:** Çankaya, İZMİR**Project Owner:** -**Cooperation:** -**Architectural Design:** -**Investment Value:-****Construction Start:** -**Complete Date:** -**Opening Date:** 1987**Plot Size:** -**Total Construction Area:** -**Total number of Rooms:** 79**Bed Capacity:** 180**Size of Rooms:** 25 sqm**Size of Suits:** 50 sqm**Number and Capacity of Meeting Halls:** There is a meeting and congress hall for 70 people. In this hall there are overhead projector, white board, flipchart, video player, and TV.**Capacity of Parking Areas.:** Parking lot for approximately 90 vehicles.**General Features of Hotel:** 24 hour room service, hairdresser laundry, dry cleaning, safe in the reception, generator, and free parking lot services are also available. A'la Carte Restaurant for 100 people, open buffet restaurant for 100 people and bar are available.**General Features of Rooms:** Total 79 rooms with 180 bed capacity including 7 suits, and in this rooms there are, TV, mini bar, music broadcasting, satellite TV, central air conditioner, bathtub-bathroom and hair drier.**Room Price:** Single room: 110 TL, double:160 TL, triple room:200 TL, including VAT.

Name: OTEL EGE SAĞLIK (* * *)

**Location:** Bornova, İZMİR**Project Owner:** -**Cooperation:** -**Architectural Design:** -**Investment Value:-****Construction Start:** -**Complete Date:** -**Opening Date:** December 1993**Plot Size:** -**Total Construction Area:** -**Total number of Rooms:** 100**Bed Capacity:** 200**Size of Rooms:** ~30 sqm**Size of Suits:** ~55 sqm**Number and Capacity of Meeting Halls:** Ballroom for 400 people and two meeting halls for 100 and 200 people are also available. In these halls: overhead projector, white board, slide projector, flipchart, barcoveision, sound system, microphone, video player, DVD player, TV, fax,**Capacity of Parking Areas::** Parking lot for approximately 170 vehicles.**General Features of Hotel:** 24 hour room service, laundry, dry cleaning, safe in the reception, doctor or nurse, generator, and free parking lot services are also available. Open pool, children's pool, fitness center, tennis, jogging, pool bar, pool restaurant for 750 people, indoor restaurant for 600 people 1 A'la Carte restaurant are also available.**General Features of Rooms:** Total 100 rooms with 200 bed capacity including 4 suits, and 96 twin rooms and in these rooms there are, TV, mini bar, music broadcasting, digitürk, internet connection, coffee machine, central air conditioner, bathtub-bathroom and hair drier.**Room Price:** One person: 70 EURO, double:85 EURO, Three person: 135 EURO including VAT.

Name: ÇEŞME ALTINYUNUS HOTEL (***)****Location:** Çeşme, İZMİR**Project Owner:****Cooperation:** Yaşar Holding**Architectural Design:** Aytaç Manço (Çeşme Altın Yunus Resort to be re-structured as Hotel and conference center)**Investment Value:****Construction Start:** 1972 (Restored in 1995 and renewed in 2006)**Complete Date:** 1974**Opening Date:** 1974**Plot Size:** 140.000 sqm**Total Construction Area:****Total number of Rooms:** 417 rooms and 42 shore houses**Bed Capacity:** 1000**Size of Rooms:** 28 sqm**Size of Suits:** 40 sqm**Number and Capacity of Meeting Halls:** 8-meeting-congress halls total capacity 2480 people. Slide projector, overhead projector, barcoveision, microphone, sound system, DVD player, video player, TV, light system, audio conference system units, anfi mixers air conditioner. 2 Senior halls, ballroom capacity 1600 people, 6 theaters and exhibition halls with a capacity of 880 people.**Capacity of Parking Areas:** -**General Features of Hotel:** Shopping mall, central air conditioner, wireless internet, hair dresser, jeweler, souvenir, 24 hour room service, doctor, baby sitter, free parking lot, café games, archery Indoor-open pool, cold shock pool, Bio-Venüs healthy life unit, Turkish bath, Jacuzzi, sauna, fitness center, massage, tennis courts, car rental, free airport transfer, 1 open buffet restaurant, breakfast hall, 1 fish restaurant, lobby bar, dance bar, pool bar, 1 dinner restaurant.**General Features of Rooms:** 417 rooms with 1000 beds. 319 standard rooms, 17 dolphine suits, 2 golden suits, 6 ocean suits, non smoking rooms and handicapped rooms, 39 apart marina studio and 34 marina family rooms, 42 shore houses with pool view. In the rooms; telephone, direct telephone, bathroom-bathtub, hair drier, central air conditioner, safe, fire alarm, mini bar, cable TV, balcony and in apart rooms kitchen with basic equipments.**Room Price:** (Half Board) Summer Season 220 TL Winter Season: 95 TL

Name: ÇEŞME SHERATON HOTEL İZMİR (*****)

**Location:**Çeşme, İzmir**Project Owner:** İskender Dilek**Cooperation:** Dilek Holding**Architectural Design:** -**Investment Value:** 12.000.000 \$ (Old Turban Hotel renewed as Çeşme Sheraton.)**Construction Start:** Turban Hotel purchased in 1997 and re-started as Sheraton in 2000=.**Complete Date:** 2000**Opening Date:** 2000**Plot Size:** 34.000 sqm**Total Construction Area:** -**Total number of Rooms:** 398 (family room, standart room, junior suite and executive suite)**Bed Capacity:** 1000**Size of Rooms:** 30 sqm**Size of Suits:** 38 sqm -78 sqm**Number and Capacity of Meeting Halls:** 2 main halls with 1535 and 875 sqm which can be divided into three sections, 1250 sqm stand hall, 150 sqm,160 sqm,185 sqm and 215 sqm 4 meeting rooms, 4 VIPs meeting halls for executive meetings, 12, 40-50 sqm functional workrooms, 4 floored new Congress Hall, 1750 sqm usage area by pool for wedding, gala and special parties.**Capacity of Parking Areas:** Parking lot for 274 vehicles.**General Features of Hotel:** 24 hour reception, baby sitting service, hairdresser, coiffeur, photographer, shopping center, market, business center, fitness center, thermal spa center, 2 open pools, heated indoor pool, thermal pool, wake up service, concierge, tour services, car rental services, dry cleaning and laundry, tennis, billiards, bowling, cinema, open and outdoor parking lot, terrace, deposited safe.**General Features of Rooms:** Rooms; City/Sea panorama Rooms, Handicapped Rooms, Suits, Non-smoking rooms In these rooms; central air conditioner, clock radio, interactive TV, LCD TV, satellite channels,24 hour room service, safe, additional bed, mini bar, high speed internet, 2 telephones and kettle.

Room Price: (Half Board) Rooms with sea panorama: 320 TL

Rooms with nature panorama: 300 TL July-August occupancy rate is 100%. During winter season occupancy rate increases only in special days, holidays and during special meeting and organizations.

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Name: ÇEŞME ILICA HOTEL(*****)

**Location:** Çeşme Ilica, İZMİR**Project Owner:****Cooperation:** Özilhan & Özkardeş Kuruluşu**Architectural Design:** Vedat Tokyay (Oran Mimarlık İnşaat San. Tic. Ltd. Şti.)**Investment Value:** 8.000.000 \$**Construction Start:** 2004 (Project Date)**Complete Date:****Opening Date:** 2005**Plot Size:** 30.000 sqm**Total Construction Area:****Total number of Rooms:** 256**Bed Capacity:** 600**Size of Rooms:** 22-24 sqm**Size of Suits:** 55-60 sqm

Number and Capacity of Meeting Halls: Six Meeting halls with total capacity of 700 people. In all halls remote control LCD data-video, multi vision projection, video electronic 3D overhead projector, mobile projection curtains, video monitors, video recorder/ remote control unit, voice mixer, fixed and portable speakers, cassette player, CD player, recorder, DAT player, DAT recorder, remote control slide projections, TV lectern, videonics title marker, wire d microphone, wireless microphone, lapel microphone, computer controlled light system, pointer stick, white board, flipchart, writing materials, pc/fax/telephone, photocopy, stage lighting projectors, portable stage watcher spots, voice and image recording system, effects spots, internet outlet computer and fax opportunities are available.

Capacity of Parking Areas: Open parking lot for 50 vehicles

General Features of Hotel: Heated indoor pool, open pool (with children section) mini disco, mini club, children animation, water slide, dart, tennis, mini golf, step, aerobics, water polo, yoga, massage rooms, and 6 meeting halls. Central heating and air conditioner, terrace, garden, wireless internet, internet connection, open buffet breakfast, water sports garden bar, beach bar, calamari restaurant, wedding and organization services are available.

General Features of Rooms: In the rooms; satellite TV broadcasting, cable TV, 20" LCD TV, direct telephone, internet outlet (2mbit) computer and fax connections, music broadcasting, mini bar, hair drier, bathrobe, bath kit, bathtub, baby bed, make up mirror, pillow menu, electronic lock system, central system air conditioner, electronic safe service, 24 hour room service, daily newspaper service, wake up service, message service, extra room cleaning, dry cleaning, same day washing service, smoke detector and automatic fire alarm system are available.

Oda Fiyatı: Summer Season

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REPORT DATE: 30.09.2011

*CONFIDENTIAL

Double (Half Board): Main Building 598 TL , Garden Building 498 TL
One person (Half Board): Main Building 449 TL, Garden Building 369 TL

Winter Season

Double (Half Board): Main Building 338 TL , Garden Building 249 TL
One person (Half Board): Main Building 298 TL, Garden Building 219 TL

****In summer season occupancy rate is 100% during weekends in July-August period, and during winter season this rate is 20%.**

6.2.1.2.2 Nightly Accommodation Prices in Some Izmir Hotels

HHotel	Room Kind	Price	Quality
SwissHotel Grand Efes	One Person	150 EURO	R+B+ NOT VAT
	Double	165 EURO	
Mövenpick Hotel	One Person	380 TL	R+B+VAT
	Double	430 TL	
İzmir Hilton Hotel	One Person	380 TL	R+B+VAT
	Double	430 TL	
Crowne Plaza	One Person	70 EURO	R+B+VAT
	Double	90 EURO	
Aksan Hotel	One Person	85 TL	R+B+VAT
	Double	120 TL	
	Three person	140 TL	
Kaya Prestij Hotel	One Person	130 TL	R+B+NOT VAT
	Double	160 TL	
Best Western Konak Hotel	One Person	135 TL	R+B+VAT
	Double	165 TL	
Palm City Hotel	One Person	110 TL	R+B+VAT
	Double	150 TL	
Ege Palas Hotel	One Person	140 TL	R+B+VAT
	Double	170 TL	
Anemon Hotel	One Person	70 EURO	R+B+VAT
	Double	85 EURO	
Anemon Fuar Hotel	One Person	80 EURO	R+B+VAT
	Double	100 EURO	
Kordon Hotel	One Person	85 EURO	R+B+VAT (Special company price)
	Double	105 EURO	
HHotel The Residence Comfort	One Person	55 EURO	R+B+VAT
	Double	60 EURO	
Blue City Butik Hotel	One Person	60 EURO	R+B+VAT
	Double	90 EURO	
Blanca Hotel	Double	100 TL	R+B+VAT
		130 TL	
Marla Hotel	Double	140 TL	R+B+VAT
Yumukoğlu Hotel	One Person	110 TL	R+B+VAT
	Double	160 TL	
	Three person	200 TL	

Hotel Ege Sağlık	One Person Double	70 EURO 85 EURO	R+B+VAT
Kilim Hotel	One Person Double	120 TL 160 TL	R+B+VAT
Hotel Karaca	One Person (with balcony) Double(with balcony) One Person (without balcony) Double (without balcony)	160 TL 220 TL 120 TL 150 TL	R+B+VAT
Anba Hotel	One Person (rear view) One person (front view) Double	80 TL 110 TL 140 TL	R+B+VAT (Special company price)
Kocaman Hotel	One Person Double	60 TL 100 TL	R+B+VAT (Special company price)
Park HHotel İzmir	One Person Double	110 TL 140 TL	R+B+VAT
İzmir Palas Hotel	One person (front view) Double (front view) One Person (rear view) Double (rear view)	140 TL 190 TL 125 TL 170 TL	R+B+VAT (Special company price)
Hotel İsmira	One Person Double	65 EURO 85 EURO	R+B+VAT

6.2.1.3 Bed & Breakfast Management Model;

In Turkey, excessive supply is seen one of the biggest problems of the tourism sector and accommodation managements are trying to take the price one step forward as it is the best marketing tool. With this, they are trying to achieve superiority in competence by integrating 'everything included' system. However different and discordant policies of managements cause decrease in the quality of the tourists and the profits of this facilities. This situation started seeking for active, constant customer providing, more profitable, and more income bringing accommodation options. In overall Turkey it has started to take its place in motels, pensions and other managements for different income groups. Pensions systems of overall Turkey are as follows:

Pension Systems Used In Tourism Managements	
O.B. (Only Bed)	Pension type which includes only accommodation and all food-drink and other activities are subject to extra payment.
B.B (Bed and Breakfast)	Pension type including only bed and breakfast, all food-drink are subject to different pricing

H.B (Half Board)	Pension system including accommodation, breakfast and either lunch or dinner.
F.B (Full Board)	Pension type including accommodation, breakfast, lunch, dinner. Drinks and beverages in the meals are not included.
Everything Included(H.D)	Pension type including accommodation, breakfast, lunch, dinner, all local drinks and beverages in meals, all local hot or cold local drinks and beverages during all day.

In alternative accommodation managements, another approach which is anticipated to increase the positive income is bed&breakfast approach.

Bed&breakfast: pension type including only bed and breakfast, all food-drink is subject to different pricing

Since there is no exact similar management type in Turkey, this approach tries to meet the deficit of motel and pension type managements. This kind of accommodation places are like pensions in Turkey's vacation regions. B&B's are more economical and modest according to hotels and bed and breakfast prices are mostly included into prices.

Managements in B&B concept have advantages such as costs and active customer circulation. On the other hand managements of 'everything included' have some disadvantages such as attrition of buildings since customers are always in, constant production, storage and serving necessity of items in 'everything included' package, increase in the operation costs and making it difficult, and fixing the prices while prices of some products and materials increases. This kind of management approach is still preferred by touristical regions but it also decreases the sale potential of stores nearby. So B&B concept investments addressing for customers of any income group are becoming more attractive for alternative accommodation but current application in the market is pension and guest house management level.

B&B system is used more commonly abroad and it has different quality and features. With the differences in service and genera quality based on country, they are mostly preferred by language education tourists or short term tourist. High quality B&B's with luxury features are not very common abroad.

Since this management approach has started in England and nowadays it is commonly used in USA. B&B (Bed and Breakfast) management is not used for individual houses.

It has been taught that with the combination of our current pension infrastructure B&B concept managements will improve the service quality and management of pensions in our country.

SECTION 7

THE HIGHEST AND BEST USE ANALYSIS

THE HIGHEST AND THE BEST USE ANALYSIS

It is the use, which is physically the most appropriate to the building, permitted by the laws, financially executable and providing the highest revenue is the most efficient use. The factors defining the highest and best use contain the answer to the following questions.

- Is the use reasonable and probable?
- Is the use legal and is there a possibility to obtain a legal right for the use?
- Is the property physically fit for use or can it be made fit?
- Is the proposed use financially executable?
- The efficient, highest and best use chosen from the use forms passing the initial four questions is indeed the most productive use of the land.

The zoning plans, which are the most defining factors of the real estate sector legally and technically have not, in our country, shown a development parallel to the economic development and due to this lack of revision have a static appearance. As a natural result of the negative structure unwanted cases such as failure to bring into execution phase the optimum alternative which could provide financially and technically the highest efficiency and in addition to that which had obtained financing can occur quit often in our sector. In other words, in the conditions prevailing in our country the best project is not only the option providing the highest return and the most perfect technical results, but also the project which can meet the requirements of the laws and regulations.

Valuation of the most effective and efficient use of the property, its location, around the building, and building requirements, zoning status, given the "Trade Option Residential Zone" uses of purpose. Due to the area where the parcel, consistent with the developmental status of "hotel" style structures may constitute the most effective and efficient use.

SECTION 8
FACTORS THAT AFFECT THE VALUE OF THE REAL
PROPERTY

SECTION 8

FACTORS THAT AFFECT THE VALUE OF THE REAL PROPERTY

8.1 Factors that Affect the Value of the Real Property

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ✓ The property in question is situated at the city center of Izmir. ✓ The region where the property is located is also the geographical center of the city. ✓ It is highly accessible. ✓ Infrastructure located in an area that was completed, ✓ It is close to Alsancak Harbör and the fair. ✓ It has strong transportation links thanks to its proximity to Izmir Harbor and main axis. ✓ It is situated in a developing region. ✓ It is close to social outfits. ✓ It has a high perceptibility because it is located at the corner. ✓ It has a front to Atatürk Street. 	<ul style="list-style-type: none"> - Parking problems in the area of the property to be taking place
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ✓ In the region where the property is located, there is no similar land that can constitute an equivalent to the property. ✓ Since the property is located at the corner and it has open frontage, it has a high visibility for advertisement. ✓ Due to the fact that the property is close to Alsancak Harbor, the project to be developed on it will add value to the property. ✓ High-quality constructions are in increase in the vicinity of the property, thus it is expected to be an attraction center. 	<ul style="list-style-type: none"> × There are economic ambiguities and fluctuations

8.2. The Analysis of methods Used in the Appraisal

In this section of the study, sales comparison method is used for the value of the real estate.

8.2.1. Similar Sales Comparison Analysis

The property similar values obtained further to the studies in the neighbourhood of the property are as follows.

Plot Equivalents

- A 3,000 sqm land located in a similar location with the property in question, on which a 500 sqm masonry building exists and has a construction right for 800 sqm base area, zoned as commercial area is for sale for a price of 18,000,000 TL.

- The same position with the immovable, which are contained in the street, commercial + residential zoning, which is the sum of the two 117 sqm plot of land, £ 210,000 has been informed that the sale cost. (£ 1795 / sqm)
- A 40 sqm land located in a similar location with the property in question and on the road no.1472, on which a masonry house exists, zoned as 4-story residential area with commercial option, was sold for a price of 60,000 TL.
- In the region where the property in question is located, a 100 sqm retail store at a 50 m distance to the property was sold for a price of 750,000 TL.
- It is informed that since in the region where the property is located there is no land that can be considered as equivalent to the property in question, since the property does not have a sea view, and due to the fact that it is in a central location, the unit price of the property per sqm may vary between 6,500 TL/sqm and 8,000 TL/sqm.
- It is informed that in the region where the property in question is located unit prices of new office per sqm vary between 2,000-3,000 TL/sqm, and the unit prices of the stores in the ground floor vary between 4,000-6,000 TL/sqm.
- In the region where the property is located, there is no similar land that can constitute an equivalent to the property and no land has been leased in the region. In the region land leasing is only for car parking purposes, for this reason unit prices for land leasing are low and does not reflect the real value of the property.
- In the region unit prices for land leasing which is only for car parking purposes, vary between 5-8 TL/sqm/month.
- In the region where the immovable property in question is located, the ratio for flat for land method is 50%.

Plot Equivalents Summary Table

Equivalent No	Area (sqm)	Feature	Price (TL/sqm)	Description
1	3.000	Ticaret Alanı	6.000	Üzerinde 500 m ² kapalı alanı bulunmaktadır.
2	117	Ticaret + Konut Alanı	350	2 parselden oluşmaktadır.
3	40	Ticaret + Konut Alanı	1.500	Üzerinde kargir yapı bulunmaktadır.
2	100	Dükkan	7.500	

✓ Professional Opining of the Appraisal Expert:

Considering the location of the appraised property, its proximity to the city center and harbour, and means of transportation; the zoning status, the area, geometrical shape, being located in seismic zone, as factor in the value of all properties can be taken into account and according to the similar property values obtained in the vicinity; taking into account the economic situation of the country's real estate assessment of the property value has been appreciated as follows:

SUPERFICIES VALUE OF THE LAND				
1 sqm Land Value (*) 49/49 years(**)	5.486	.-TL/sqm		
Land Size	629	sqm		
Total Land Value	3.450.514	.-TL	3.450.000	TL
(*) As the unit value for the land; 70% of the 8.000 TL/sqm commercially-zoned value has been taken into consideration as the value of the 49 years-long superficieses.				
The Detail of the Land Value Calculation = (zoned parcel value x 49 years superficieses coefficient x time period)				
= 8.000(TL/sqm) x 0.70 x 48/49				
= 5.486 (TL/sqm)				

The property subject to valuation, the current use as open space rented 629 sqm. The average monthly rental value of land £ 32 / sqm / month in was appreciated.

Average monthly rent value per sqm for the open-air areas	32,00	TL/sqm/month
The leasable open-air areas	629,00	m ²
Monthly rent value for The leasable open-air areas	20.128,00	TL
Years rent value for The leasable open-air areas	241.536,00	TL
Approximate rental revenue from the leasable open-air areas	20.000,00	TL

8.2.2 Cost Formation Analysis

In this analysis, the building cost values of the property have been calculated with cost formation approach; according to the costs estimated by basing on the technical properties and the materials of the buildings, the construction costs of other buildings with same properties in the market and our past experiences. The depreciation margin of the buildings has been calculated by considering the visible physical condition of the building as based on the appraiser's experiences.

The construction costs considered for the calculation of the current status of the property is the completed construction cost of the project as of the date of appraisal. The value of the construction costs have been taken from the accounting records of Akfen GYO A.Ş. from which the advance payments were deducted, and they are annexed to the report. The detail of the following table is included in the construction cost calculation in the "Development Approach" section.

TOTAL COST (€)	
Construction Cost (Euro)	4.640.164
Infrastructure Cost (Euro)	417.615
Environmental Design and Landscape Cost (Euro)	185.607
Project General Expenses (Euro)	419.471
Shoring Cost (€)	72.000
TOTAL (€)	5.734.856
REALIZED EXPENCES(€)	1.520.862

REMAINING EXPENCES (€)	4.213.994
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TOTAL LAND VALUE(€)	1.371.592
REALIZED CONSTRUCTION COST(€)	1.520.862
TOTAL VALUE(€)	2.892.454
TOTAL VALUE(TL)	7.276.548
APPROXIMATE VALUE (TL)	7.280.000

8.2.3 Revenue Reduction Method

In the suggested project, it is accepted that the provisions of the contract dated 16.09.2010 and numbered 09060 entered into between T.R. prime Ministry General Directorate of Foundations and Akfen Yatırım Gayrimenkul Yatırım Ortaklığı A.Ş. in relation to the rent to be paid every year. The assumptions are made in accordance with the market researches conducted on sectoral basis and in parallel with general assumptions.

Project Assumptions

- It was assumed that, licence restoration processes which still continue will be resulted positive and licenced as hotel.
- It is assumed that in the project suggested a 3-star hotel will be constructed on a 629 sqm parcel.
- Considering the existing zoning status of the project in question and in accordance with the relevant regulations of Izmir Metropolitan Municipality, the total construction area is assumed as 5,555 sqm.
- It is assumed that in the project suggested 4,485 sqm of the total construction area will be the hotel area, 89.70 sqm will be allocated for installations, 22.24 sqm will be the shelter area and 756 sqm will be allocated for car parking.

DISPERSION OF COVERED AREA	Area (sqm)
Hotel	4.485
Installation Solid (Hotel)	89,70
Shelter	224,24
Parking Area (Non-precedent)	756,00
Total	5.555

Legal Construction Right According to the Zoning Plan	Floor Numbers	Area (sqm)
Base Area Construction	1	629,00
Upper Floors Construction	7	629,00
TOTAL		5.032,00

- It is assumed that the hotel will have 140 rooms.
- It is assumed that in the suggested project, the hotel will be open 365 days per year and will be in 3-star hotel concept.

- The superficies of the appraised property is owned by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş., and it shall be operated by the international hotel operating company Accor Group. The foreseen occupancy rates, bed/room rates etc. factors that affect the potential of the hotel have been given with the assumption that the hotel will be run as a 3-star urban hotel.
- In the proposed project, it was assumed that 20% of the construction work will be completed in 2011, and 80% of the construction work will be completed in 2012.
- It is assumed that in the suggested project, the hotel will be put into service from the beginning of January, 2013.
- It is envisaged that in the project suggested, the legal procedures regarding the projected construction size and the procedures to be done before the construction starts will be completed in 2011.
- On the basis of the hotel projects in the proximity, the sales price of the hotel rooms are assumed to start with €60/room in 2013; in the first 10 years will increase by 4.00% and reach to €85,40/room in 2022, for the remaining years the increase rate is assumed as 2.5% and the sales price of the hotel rooms will finally attain the level of €212,93/room in 2059.
- It is envisaged that in the suggested project occupancy rate will be 50% in 2013, 65% in 2014, 75% in 2015 and 82% in 2016 and remain at this level in the following years.
- It is assumed that after the hotel becomes operational, there will be a 1.5% regular renovation cost per year.
- It is estimated that, in the suggested project, the revenues that will be obtained from foods, drinks and other revenues, that are other than revenues obtained from the sales of the rooms in the hotel, will be 20%.
- On the basis of the efficiency of hotel projects in the surrounding, it is assumed that the profitability of the hotel in the suggested project will be 36% in 2013, 57% in 2016 and will remain at that level in the following years.
- In parallel with the rental and operation contract entered into between T.R. Prime Ministry General Directorate of Foundations and Akfen Yatırım Gayrimenkul Yatırım Ortaklığı A.Ş. it is assumed that a the rent will be regularly paid every year.
- The rate of the Producer Price Index indicated in the rental and operation contract is assumed as 2.5% as annual average and this rate is assumed to remain constant in the following years.
- It is assumed that all the building will be constructed in 3-star hotel standards by Akfen GYO.
- It is also assumed that all payments are made in cash.
- It is assumed that all legal procedures of the property have been completed and all required permits have been issued.
- In the appraisal, the rate of Eurobond, Euro based bond, for the last 6 months in 2020 is taken as 5.20% "Risk-free Return Rate". (In the appraisal, the revenue rate of Eurobond, Euro based bond, of 2020 for the longest term is chosen as "Risk-free Return Rate".)
- The rate of the reduction is assumed as 11%.
- In the appraisal, "Risk Premium Rate" is assumed to be 5.8%.
- Under IVSC (International Valuations Standards Committee), taxes and VAT are not included in the studies.
- Within the total cost calculations, shared areas decoration and finishing works, soil improvement works, electrical, mechanical and automation system costs are included.

- Within the infrastructure cost estimation, excavation of the land, electricity infrastructure, sewer-sanitary water infrastructure, telecom infrastructure, etc. are included.
- Arrangement of the surrounding and landscaping costs include the costs of arrangement of the surrounding, landscaping costs, outdoor lighting costs, drainage costs etc.
- General expenditures of the project include all kind of projects such as electricity, sanitary system, structural projects and detailing, costs of supervision company, costs of project management company etc.
- In the appraisal, the currency of the unit price and total values is EURO. 1 EURO: is assumed as 2.5157 TL.
- The costs of project include turn-key costs.
- Apart from the advance payment, certain portions of the project overhead costs such as design drawing and approval costs, and license fees have been realized, and the realized cost value is based on the value in Akfen GYO A.Ş. accounting records, which is 1.520.862.-€. The remaining construction cost has been reflected on the cash flow.

CONSTRUCTION COST (€)

DISPERSION OF COVERED AREA	Area (sqm)	Cost (€/sqm)	Cost (€)	(%)
Hotel	4.485	975	4.372.680	100,00%
Installation Solid (Hotel)	89,70	250	22.424	
Shelter	224,24	250	56.060	
Parking Area (Non-precedent)	756,00	250	189.000	
Total	5.555		4.640.164	100,00%

INFRASTRUCTURE COST		
Indoor Areas Total Building Cost (€)	Ratio	Cost (€)
4.640.164	9%	417.615

- Infrastructure cost accounting consists: natural gas infrastructure, electricity infrastructure, drinking and waste water infrastructure, telecomm nation infrastructure, ground improvement, cost of demolition of existing buildings and etc.

ENVIRONMENT ORGANIZATION AND LANDSCAPE COSTS		
Indoor Areas Total Building Cost (€)	Ratio	Cost (€)
4.640.164	4%	185.607

- Environment organization and landscape costs consist: asphaltting costs, environment organization costs, landscape costs, outdoor areas illumination costs, drainage costs and etc.

SUB TOTAL COST (€)	
Construction Cost (€)	4.640.164
Infrastructure Cost (€)	417.615
Environment Organization and Landscape Costs (€)	185.607
TOTAL (€)	5.243.385

- It has been assumed that total cost accounts will include, building turn key apartment cost, common areas, electricity and mechanic and automation costs.

GENERAL PROJECT COSTS		
Total Cost (€)	Ratio	Cost (€)
5.243.385	8%	419.471

- In the general project expenditure costs; the preliminary project, architecture, electricity, drain, electricity and static and etc designs for the project, building control firm charges, project management firm fees have been included.

SHORING COST TABLE	
Number of Basement Floors	2
Shoring Surface Depth (m/number of floors)	3
Total Depth (m)	6
Base-Shoring System Frame (m)	45
Shoring Surface Area	288
Shoring Cost (€/sqm)	250
Total Cost (€)	72.000

TOTAL COST (EURO)	
Construction Cost (€)	4.640.164
Infrastructure Cost (€)	417.615
Environment Organization and Landscape Costs (€)	185.607
General Project Costs (€)	419.471
Ground Improvement Cost (€)	72.000
TOTAL (€)	5.734.856
COMPLETED COST (€)	1.520.862
REMAINING BUILDING COST	4.213.994

DISPERSION OF COSTS BY YEAR			
YEARS	2011	2012	TOPLAM
RATIO	20%	80%	100%
COST(EURO)	842.799	3.371.195	4.213.994

HOTEL	
NUMBER OF ROOMS:	140
NUMBER OF BEDS:	280
DAYS WHEN THE HOTEL IS OPEN	365
ANNUAL ROOM CAPACITY	51.100
ROOM PRICE (€) (2012)	60
ROOM PRICE INCREASING RATE IN THE FIRST 10 YEARS (%)	4,0%
ROOM PRICE INCREASING RATE FOR THE FOLLOWING YEARS (%) EURO REGION INFLATION RATE	2,5%
OTHER REVENUES (%)	20%
RENEWAL COSTS	1,5%
INFLATION RATE	2,50%

Fair Value (€)	Buiding Insurance Basis Value (€)	Total (€)
1.442.862	3.281.004	4.723.866

	2011 YEAR	2012 YEAR	2013 YEAR
Building Insurance Value (€)	10.499	10.762	11.031
Land Value Tax (€)	18.895	19.368	19.852
Inflation	2,5%		

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

HOTEL CASH FLOWS		1	2	3	4	5	6	7	8	9	10	11	12	13				
YEARS	30.09.2011	31.12.2011	31.12.2012	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023	31.12.2024	31.12.2025		
CAPACITY USE RATE(%)	0	0	50%	50%	65%	75%	82%	87%	82%	82%	82%	82%	87%	82%	82%	82%		
GOODS FOR THE NUMBER OF ROOMS			25.550	33.215	38.325	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902		
ROOM PRICE(€)			60,00	63,00	66,15	69,46	72,93	76,58	80,41	84,43	88,65	93,08	97,98	95,41	97,79	100,24		
ROOM INCOME(€)			1.533.600	2.092.545	2.535.199	2.910.408	3.055.929	3.055.929	3.208.725	3.369.161	3.537.659	3.714.900	3.900.225	3.997.731	4.097.674	4.200.116		
OTHER REVENUES (€)			306.600	418.509	507.040	582.082	611.186	641.745	675.832	707.534	742.900	780.045	799.045	799.546	819.535	840.023		
TOTAL REVENUES (€)			1.839.600	2.511.054	3.042.239	3.492.490	3.667.114	3.697.674	3.880.470	4.042.994	4.457.400	4.494.945	4.680.270	4.797.277	4.917.209	5.040.139		
GOP (%)			36%	45%	54%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%		
GOP (USD)			662.256	1.129.974	1.642.809	1.990.719	2.090.215	2.194.768	2.419.732	2.540.718	2.667.754	2.734.448	2.862.809	2.862.809	2.862.809	2.862.809		
OPERATING EXPENSES			-1.177.344	-1.381.080	-1.399.430	-1.501.771	-1.576.859	-1.655.702	-1.738.487	-1.825.412	-1.916.682	-2.012.516	-2.114.400	-2.114.400	-2.114.400	-2.167.260		
RENOVATION COST(€)			-69.602	-71.343	-73.126	-74.954	-76.828	-78.749	-80.718	-82.735	-84.804	-86.924	-89.097	-91.324	-93.608	-96.008		
BUILDING INSURANCE EXPENSES (€)			-10.499	-10.762	-11.031	-11.307	-11.589	-11.879	-12.176	-12.473	-12.770	-13.067	-13.364	-13.661	-13.958	-14.255		
HOTEL CASH FLOW (€)			582.154	1.047.870	1.558.652	1.904.458	2.001.838	2.104.140	2.211.613	2.324.870	2.443.738	2.568.654	2.633.175	2.699.309	2.767.096	2.836.879		
CONSTRUCTION COST(€)			-842.799	-3.371.195														
PAYMENT FOR RENT			-15.217	-15.217	-15.217	-15.217	-15.217	-15.217	-15.217	-15.217	-15.217	-15.217	-15.217	-15.217	-15.217	-15.217		
HOTEL CASH FLOW (€)			0,00	-558.015,79	-3.386.412,05	-566.937,29	884.286,93	1.390.979,23	1.732.593,69	1.825.676,72	1.923.575,01	2.026.533,59	2.135.113,98	2.249.289,52	2.369.934,10	2.428.882,10	2.489.806,55	2.552.460,65

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REPORT NO: 2011REVC68

REPORT DATE: 30.09.2024

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YATIRIM MENKUL DEĞERLEME

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47
31.12.2044	31.12.2045	31.12.2046	31.12.2047	31.12.2048	31.12.2049	31.12.2050	31.12.2051	31.12.2052	31.12.2053	31.12.2054	31.12.2055	31.12.2056	31.12.2057	31.12.2058	16.09.2059
82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%
41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902
160,24	164,25	168,36	172,56	176,88	181,30	185,83	190,48	195,24	200,12	205,13	210,25	215,51	220,90	226,42	232,08
6.714.516	6.882.379	7.054.439	7.230.800	7.411.570	7.596.859	7.786.780	7.981.450	8.180.986	8.385.511	8.595.149	8.810.027	9.030.278	9.256.085	9.487.436	9.719.855
1.342.903	1.376.476	1.410.888	1.446.160	1.482.314	1.519.372	1.557.356	1.596.290	1.636.197	1.677.102	1.719.080	1.762.005	1.806.056	1.851.207	1.897.487	1.944.897
8.057.420	8.258.855	8.465.326	8.676.960	8.893.884	9.116.231	9.344.136	9.577.740	9.817.183	10.062.613	10.314.178	10.572.093	10.836.334	11.107.242	11.384.923	11.669.740
57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%	57%
4.592.729	4.707.547	4.825.236	4.945.867	5.069.514	5.196.251	5.326.158	5.459.312	5.595.795	5.735.689	5.879.082	6.026.059	6.176.710	6.331.128	6.489.406	6.650.650
-3.464.690	-3.551.308	-3.640.090	-3.731.093	-3.824.370	-3.919.979	-4.017.979	-4.118.478	-4.221.389	-4.326.924	-4.435.097	-4.545.974	-4.659.623	-4.776.114	-4.895.517	-5.020.650
-149.646	-153.387	-157.222	-161.152	-165.181	-169.310	-173.543	-177.882	-182.329	-186.887	-191.559	-196.348	-201.257	-206.288	-211.446	-216.732
-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176
-3.626.512	-3.716.870	-3.809.488	-3.904.421	-4.001.727	-4.101.466	-4.203.698	-4.308.486	-4.415.894	-4.525.986	-4.638.832	-4.754.498	-4.873.056	-4.994.578	-5.119.138	-5.249.758
4.430.908	4.541.985	4.655.839	4.772.539	4.892.157	5.014.765	5.140.439	5.269.254	5.401.290	5.536.626	5.675.347	5.817.535	5.963.277	6.112.664	6.265.785	6.421.549
-474.668	-486.594	-498.698	-511.165	-523.944	-537.043	-550.469	-564.251	-578.337	-592.795	-607.615	-622.805	-638.375	-654.335	-670.693	-687.460
3.956.239,81	4.055.450,20	4.157.140,36	4.261.373,77	4.368.212,51	4.477.722,22	4.589.969,68	4.705.023,32	4.822.953,30	4.943.831,52	5.067.731,71	5.194.729,40	5.324.902,03	5.458.328,98	5.595.091,60	5.736.295,78

Appraisal Table

Risk free Rate	5,20%	5,20%
Risk Premium	4,8%	6,8%
DISCOUNT RATE	10,00%	12,00%
NET PRESENT VALUE (EURO)	14.653.787	10.436.642

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8.3.4 Calculation of Revenue Reduction Method from the Arranged Rental Incomes

- In this appraisal, it is assumed that the hotel will be operated by Accor Group in 3-star Ibis Hotel Concept according to the framework agreement between Akfen GYO A.Ş. and Accor Group. Rental incomes are based on the rates in the other hotels.
- **The price of the annual rent to be paid by the Accor Group, for the hotel developed by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş., is assumed as twenty two (25%) percent of the gross revenue (VAT excluded), or seventy percent (70%) of the adjusted gross operation revenue, which ever is greater.**
- It is assumed that in the project suggested a 3-star hotel will be constructed on a 629 sqm parcel.
- Considering the existing zoning status of the project in question and in accordance with the relevant regulations of Izmir Metropolitan Municipality, the total construction area is assumed as 5,555 sqm.
- It is assumed that in the project suggested 4,485 sqm of the total construction area will be the hotel area, 89.70 sqm will be allocated for installations, 222.24 sqm will be the shelter area and 756 sqm will be allocated for car parking.
- It is assumed that the hotel will have 140 rooms.
- It is assumed that in the suggested project, the hotel will be open 365 days per year and will be in 3-star hotel concept.
- Appraisal work the upper right of the hotel Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. owned and operated by international hotel management company Accor group. Hotel's projected occupancy rates, bed / room as the potential of affecting the price of items, assuming that will handle the concept of the hotel is a 3-star city hotel.
- In the proposed project, it was assumed that 80% of the construction work will be completed in 2011, and 20% of the construction work will be completed in 2012.
- It is assumed that in the suggested project, the hotel will be put into service from the beginning of January, 2013.
- It is envisaged that in the project suggested, the legal procedures regarding the projected construction size and the procedures to be done before the construction starts will be completed in 2011.
- On the basis of the hotel projects in the proximity, the sales price of the hotel rooms are assumed to start with €60/room in 2013; in the first 10 years will increase by 4.00% and reach to €85,40/room in 2022, for the remaining years the increase rate is assumed as 2.5% and the sales price of the hotel rooms will finally attain the level of €212,93/room in 2059
- It is envisaged that in the suggested project occupancy rate will be 50% in 2013, 65% in 2014, 75% in 2015 and 82% in 2016 and remain at this level in the following years.
- It is estimated that, in the suggested project, the revenues that will be obtained from foods, drinks and other revenues, that are other than revenues obtained from the sales of the rooms in the hotel, will be 20%.
- On the basis of the efficiency of hotel projects in the surrounding, it is assumed that the profitability of the hotel in the suggested project will be 36% in 2013, 57% in 2016 and will remain at that level in the following years.
- In parallel with the rental and operation contract entered into between T.R. Prime Ministry General Directorate of Foundations and Akfen Yatırım Gayrimenkul Yatırım Ortaklığı A.Ş. it is assumed that a the rent will be regularly paid every year.

- The rate of the Producer Price Index indicated in the rental and operation contract is assumed as 2.5% as annual average and this rate is assumed to remain constant in the following years.
- It is assumed that all the building will be constructed in 3-star hotel standards by Akfen GYO.
- It is also assumed that all payments are made in cash.
- It is assumed that all legal procedures of the property have been completed and all required permits have been issued.
- In the appraisal, the rate of Eurobond, Euro based bond, for the last 6 months in 2020 is taken as 5.20% "Risk-free Return Rate". (In the appraisal, the revenue rate of Eurobond, Euro based bond, of 2020 for the longest term is chosen as "Risk-free Return Rate".)
- Under IVSC (International Valuations Standards Committee), taxes and VAT are not included in the studies.
- In this appraisal, it is assumed that the hotel to be constructed on the land that is leased via 49-year rental, construction and operation contract, will be leased to Accor group. It is assumed that risk premium for Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.'s obtaining the rental incomes will be significantly low. The reduction rate is estimated as 5,20% obtained by adding 3.30% "Risk Premium" to 8,50% "Risk Free Return Rate".
- Düşük indirgeme oranı ve risk primi Accor'un uluslararası bilinirliği ve marka gücü ile garantilenmiş kira gelirlerinin yıllar itibari ile saptanacağı düşünülmektedir.
- Low discount rate and risk premium are predicted with the consideration of, rental income is guaranteed by the internationally well known brand power of Accor and is going to be detected by years.
- Within the total cost calculations, shared areas decoration and finishing works, soil improvement works, electrical, mechanical and automation system costs are included.
- Within the infrastructure cost estimation, excavation of the land, electricity infrastructure, sewer-sanitary water infrastructure, telecom infrastructure, etc. are included.
- Arrangement of the surrounding and landscaping costs include the costs of arrangement of the surrounding, landscaping costs, outdoor lighting costs, drainage costs etc.
- General expenditures of the project include all kind of projects such as electricity, sanitary system, structural projects and detailing, costs of supervision company, costs of project management company etc.
- In the appraisal, the currency of the unit price and total values is EURO. 1 EURO: is assumed as 2.5157 TL.
- The costs of project include turn-key costs.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

İBİS HOTEL CASH FLOW

YEARS	30.09.2011	31.12.2011	31.12.2012	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.12.2020	31.12.2021	31.12.2022	31.12.2023	31.12.2024
IBIS HOTEL INCOME	0	459.900	627.764	760.560	873.122	916.779	962.618	1.010.748	1.061.286	1.114.350	1.170.068	1.199.319	1.229.302	1.259.302	1.289.302
AGOP İBİS HOTEL	0	360.562	650.363	979.601	1.197.924	1.257.820	1.320.711	1.386.747	1.456.084	1.528.888	1.605.333	1.645.466	1.686.603	1.727.736	1.768.869
IBIS HOTEL USED INCOMES	0	459.900	650.363	979.601	1.197.924	1.257.820	1.320.711	1.386.747	1.456.084	1.528.888	1.605.333	1.645.466	1.686.603	1.727.736	1.768.869
LAND RENT	0	-15.217	-163.583	-167.673	-171.865	-176.161	-180.565	-185.079	-189.706	-194.449	-199.310	-204.293	-209.400	-214.507	-219.614
BUILDING INSURANCE	0	0	-10.762	-11.031	-11.307	-11.589	-11.879	-12.176	-12.476	-12.776	-13.076	-13.376	-13.676	-13.976	-14.276
RENEWAL COST (EURO) (%0,05)	0	-3.480	-3.567	-3.656	-3.748	-3.841	-3.937	-4.036	-4.137	-4.240	-4.346	-4.455	-4.566	-4.677	-4.788
CONSTRUCTION COSTS	-842.799	-3.371.195													
TOTAL CASH FLOW (EURO)	0	-858.016	472.451	797.241	1.011.005	1.066.228	1.124.330	1.185.456	1.250.065	1.318.023	1.389.500	1.424.542	1.460.460	1.497.276	1.534.092

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31.12.2025	31.12.2026	31.12.2027	31.12.2028	31.12.2029	31.12.2030	31.12.2031	31.12.2032	31.12.2033	31.12.2034	31.12.2035	31.12.2036	31.12.2037	31.12.2038	31.12.2039	31.12.2040	31.12.2041	31.12.2042
1.260.035	1.291.536	1.323.824	1.356.920	1.390.843	1.425.614	1.461.254	1.497.785	1.535.230	1.573.611	1.612.951	1.653.275	1.694.607	1.736.972	1.780.396	1.824.906	1.870.529	1.917.292
1.728.768	1.771.987	1.815.287	1.861.694	1.908.236	1.955.942	2.004.841	2.054.962	2.106.336	2.158.994	2.212.969	2.268.293	2.325.000	2.383.125	2.442.704	2.503.771	2.566.365	2.630.525
1.728.768	1.771.987	1.816.287	1.861.694	1.908.236	1.955.942	2.004.841	2.054.962	2.106.336	2.158.994	2.212.969	2.268.293	2.325.000	2.383.125	2.442.704	2.503.771	2.566.365	2.630.525
-214.635	-304.341	-311.949	-319.748	-327.742	-335.935	-344.334	-352.942	-361.766	-370.810	-380.080	-389.582	-399.321	-409.304	-419.537	-430.026	-440.776	-451.796
-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176
-4.680	-4.797	-4.917	-5.040	-5.166	-5.295	-5.428	-5.563	-5.703	-5.845	-5.991	-6.141	-6.295	-6.452	-6.613	-6.779	-6.948	-7.122
1.497.276	1.450.673	1.487.244	1.524.730	1.563.152	1.602.536	1.642.903	1.684.280	1.726.692	1.770.163	1.814.722	1.860.394	1.907.209	1.955.193	2.004.377	2.054.791	2.106.465	2.159.431

31.12.2043	31.12.2044	31.12.2045	31.12.2046	31.12.2047	31.12.2048	31.12.2049	31.12.2050	31.12.2051	31.12.2052	31.12.2053	31.12.2054	31.12.2055	31.12.2056	31.12.2057	31.12.2058	31.12.2059
1.965.224	2.014.355	2.064.714	2.116.332	2.169.240	2.223.471	2.279.058	2.336.034	2.394.435	2.454.296	2.515.653	2.578.545	2.643.008	2.709.083	2.776.810	2.846.231	2.917.445
2.696.288	2.763.695	2.832.787	2.905.607	2.976.197	3.050.602	3.126.867	3.205.039	3.285.165	3.367.294	3.451.476	3.537.763	3.626.207	3.716.862	3.809.784	3.905.029	2.840.240
2.696.288	2.763.695	2.832.787	2.905.607	2.976.197	3.050.602	3.126.867	3.205.039	3.285.165	3.367.294	3.451.476	3.537.763	3.626.207	3.716.862	3.809.784	3.905.029	2.840.240
-663.050	-674.668	-686.534	-698.698	-711.165	-723.944	-737.043	-750.469	-764.231	-778.337	-792.795	-807.615	-822.805	-838.375	-854.335	-870.693	-687.460
-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176	-12.176
-7.300	-7.382	-7.469	-7.561	-7.659	-7.761	-7.866	-7.974	-8.084	-8.196	-8.311	-8.428	-8.547	-8.668	-8.791	-8.916	-10.837
2.213.722	2.269.369	2.326.408	2.384.872	2.444.798	2.506.223	2.569.183	2.633.717	2.699.864	2.767.665	2.837.161	2.908.395	2.981.409	3.056.248	3.132.959	3.211.586	3.292.173

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Appraisal Table			
Risk free Rate	5,20%	5,20%	5,20%
Risk Premium	2,80%	3,30%	3,80%
DISCOUNT RATE	8,00%	8,50%	9,00%
NET PRESENT VALUE (EURO)	10.591.890	9.500.885	8.531.514

8.3.5 Evaluation of Analysis Results

In this study, peer-comparison approach for land value, used for the hotel project development approaches.

- According to the equivalent comparison approach, value of the contractual right arising from the rental, construction and operation contract made by Akfen Gayrimenkul Yatırım Ortaklığı, is calculated as **3.450.000.-TL**.
- The value of the immovable property is estimated as **27.450.000. TL (Twenty-seven million four hundred and fifty thousand.- Turkish Liras), (10,910,00.-€)** that is the approximate average of the value of the hotel project to be developed on the land leased by Akfen GYO A.Ş. obtained via revenue reduction method, which is **12.329.000 -€** and the current value of the net rental revenue , which is **9.501.000 -€**.
- **According to cost approach analysis the fair market value of the hotel under construction has been appraised as 7.280.000.-TL(Seven million two hundred eighty thousand.-TL) (2.890.000.-€)**

The owner of the subject property is the General Directorate for Foundations and the immovable property has been leased by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. via an agreement with 49 years of term.

According to the paragraph "J" of the 25th article of the rules on real estate investment trusts enacted by the Capital Market Board (**article 25/J: On the condition that special agreement provisions are available, they may lease real estates from third persons for collecting rental revenues and let these real estates out again on their behalf**) in case all phases of approval are completed for the subject immovable property and in case it yields a positive outcome, then it could be included among the subjects of activity of the Real Estate Investment Trust.

The sales comparison approach was used in determining the current value in this valuation study. The value of the hotel based on the income capitalization method was calculated with the use of 2 methods according to the rental income and the operation income. The hotel is currently rented to the Accor group to be operated under a rental contract. The value was found based on the rental income by capitalizing the rental revenues guaranteed under the contract with a low risk premium. In addition, the value of the property to be calculated based on the total revenues provided by it was found according to the operating incomes. In this method the total potential of the hotel, which brings profit for both the owner of the property and the operator, was taken into consideration and it was thought that this value would be important in case of any sales. Therefore, the value of the immovable property, which was found based on the income capitalization approach, was calculated by taking the average of the two values through capitalizing the rental income guaranteed with the rental contract and the revenues to be provided with the total operating potential. Since the value of the property depends on the performance of such property in income generating facilities, it was considered that the income capitalization value to be calculated with the 2 methods would be much sounder.

VAT APPLICATION

It was assumed that a routine VAT regulation shall apply on the real estate. The VAT rate to apply during commercial real estate sales has been assumed to be 18%.

SECTION 9
CONCLUSION

SECTION 9
CONCLUSION

All characteristics which might have an influence on the value of the property such as its location in Istanbul Thrace Free Zone, infrastructure and means of access, its facade to the street, land area, its zoning status, the construction system of the building, its age, the workmanship and the quality of the products, the construction completion rate of interior design have been taken into account and detailed market research has been undertaken on location. Taking into consideration the economic conditions experienced in the recent period the value of the immovable has been estimated as follows by TSKB Gayrimenkul Değerleme A.Ş.

TOTAL PRESENT STATUS VALUE OF THE PROJECT ON 30 SEPTEMBER 2011(Excluding VAT)

7.280.000.-TL (Sevenmilliontwohundredeightyfourthousand.- TL)	2.890.000.-EURO (Twomillioneighthundredninetythousand .-EURO)
--	--

TOTAL FAIR MARKET VALUE OF THE PROJECT AS OF 30 SEPTEMBER 2011 (Excluding VAT)

27.450.000.-TL (Twentysevenmillionfourhundredfiftythousand.- TL)	10.910.000.-EURO (Tenmillionninehundredtentousand .-EURO)
---	--

TOTAL PRESENT STATUS VALUE OF THE PROJECT ON 30 SEPTEMBER 2011 (Including VAT)

8.590.400.-TL (Eightmillionfivehundredninetythousandfour hundred.-TL)	3.410.200.-EURO (Threemillionfourhundredthousand twohundred.-EURO)
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TOTAL FAIR MARKET VALUE OF THE PROJECT AS OF 30 SEPTEMBER 2011 (Including VAT)

32.391.000.-TL (Thirtytwomillionthreehundrednine tyonethousand.-TL)	12.873.800.-EURO (Twelvemillioneighthundredseventythree thousand.-EURO)
--	--

- 1-These identified values are the fair market values respectively for cash sales payments.
- 2- VAT not included.
- 3- Exchange rate has been taken as EURO 1 = TL 2.5157. The exchange rate is given only for information
- 4- This report has not been prepared further to the related provisions of the Capital Markets Regulation
- 5- This page is an unseperatable part of the appraisal report. The report is a whole with all the detailed information in it an cannot be used independently.

We hereby submit our report expressing our point of view and opinion with respects.

Mehmet ASLAN Appraiser (401124)	Bilge BELLER ÖZÇAM Responsible for the Appraiser(400512)
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REPORT NO: 2011REVC68

REPORT DATE: 30.09.2011

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SECTION 10
ANNEX

SECTION 10**ANNEX****Annex List**

1	Copy of the Tittle Deed
2	Photographs
3	CV
4	SPK Licenses