



## DEĞERLEME RAPORU

**AKFEN GAYRİMENKUL  
YATIRIM ORTAKLIĞI A.Ş**

**İZMİR İBİS OTEL PROJECT  
KONAK / İZMİR**

**TSKB Gayrimenkul Değerleme A.Ş.**

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**REAL PROPERTY APPRAISAL REPORT**



**AKFEN GAYRİMENKUL  
YATIRIM ORTAKLIĞI A.Ş**

**İZMİR İBİS OTEL PROJECT  
KONAK / İZMİR**



ISO9001:2008  
FS 509685

Date: 28.02.2011  
Rev. Date: 20.04.2011

R. No: 2011REV78-10

SUMMARY CHART			
REPORT NO:	2011REV78-10	REPORT DATE:	28.02.2011
		REV. DATE:	20.04.2011

OPEN ADDRESS:	Alsancak Quarter, Atatürk Street, 7656 block, 2 parcel, Konak/İZMİR		
PREPARED BY:	TSKB Gayrimenkul Değerleme A.Ş.		
APRAISERS:	Hüsnüye BOZTUNÇ / Appraiser (400811)	Adem YOL / Appraiser in Charge (400101)	
REQUESTED BY:	Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.		
INTENDED USE OF REAL ESTATE	Vacant land with 629.00 sqm surface area.		
TITLE 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 28 FEBRUARY 2011 (Excluding VAT)	4.630.000.-TL (Fourmillionsixhundredthirtythousand - Turkish Liras)		
	2.092.000.-TL (Twomillionninetwothousand - EURO)		
TOTAL PRESENT STATUS VALUE OF THE PROJECT ON 28 FEBRUARY 2011 (Including VAT)	5.463.000 - TL (Fivemillionfourhundredsixtythreethousand- Turkish Liras)		
	2.469.000.-TL (Twomillionfourhundredsixtyninethousand - EURO)		
TOTAL FAIR MARKET VALUE OF THE PROJECT AS OF 28 FEBRUARY 2011 (Excluding VAT)	23.328.000 - TL (Twentythreemillionthreehundredtwentyeighthousand- Turkish Liras)		
	10.540.000 - EURO (Tenmillionfivehundredfourtythousand- EURO)		
TOTAL FAIR MARKET VALUE OF THE PROJECT AS OF 28 FEBRUARY 2011 (Including VAT)	27.527.000 - TL (Twentysevenmillionfivehundredtwentyseventhousand- Turkish Liras)		
	12.437.000 - EURO (Twelvemillionfourhundredthirtyseventhousand-EURO) 1 EURO=2,2132- TL.		

We herewith declare that; The findings presented in the report are correct to the best of the knowledge of the appraiser;

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; with the exclusion of the persons mentioned in the report no other person has contributed professionally to the preparation of this report.

We herewith declare that; The findings presented in the report are correct to the best of the knowledge of the appraiser;

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

*\*The revision appraisal report prepared has been arranged in line with the demand for amendment and correction specified during the talk with the Capital Market Board on 12.04.2011.*

Hüsnüye BOZTUNÇ / Appraiser (400811)	Adem YOL / Appraiser in Charge (400101)
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## SECTION 1

### REPORT INFORMATION

#### 1.1 Report Date and Number

This report has been prepared further to the request of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş., GYO planned to be real estate portfolio dated 16.02.2011, by our company on 28.02.2011 with report number 2011REV78-10.

#### 1.2 Report Type

This report is the appraisal report prepared for the purpose of assessing the fair market value in Turkish Lira, dated 28.02.2011 of the right arising from the rental agreement dated 15.02.2011, of the real estate located in the province of Izmir, the administrative district of Konak, Alsancak District, plan 909, section 7656, parcel no 2, zoned as "Lot".

#### 1.3 People Issuing the Report

This appraisal report has been prepared through using the information obtained from the people – organizations – institutions as a result of the inspection at the place of the property. This report has been prepared by Hüsnüye BOZTUNÇ and by appraiser in charge Adem YOL.

#### 1.4 Appraisal Date

This appraisal report is prepared with reference to the studies started on 24 February 2011 and finished on 28 February 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 21 February 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 Scope of Client Demands and Limitations

This real estate appraisal report has been prepared further to Akfen Gayrimenkul Yatırım Ortaklığı A.Ş request dated 16 February 2011, and in accordance with the provisions of the capital markets legislation in effect on the subject property.

#### 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 Date	30.09.2010	31.12.2010
Report Number	2010C67	2010REV387-10
Report Prepared by	Bilge BELLER ÖZÇAM Çoşkun KANBEROĞLU	Bilge BELLER ÖZÇAM Adem YOL
Propert Total Value (TRY)	3.520.000 TL	3.520.000 TL
Propert Total Project Value (TRY)		22.292.000 TL

## SECTION 2

### COMPANY – CUSTOMER INFORMATION, DEFINITION AND SCOPE OF THE APPRAISAL

#### 2.1 Company's Information

Our Company was established with a capital amount of TRL 300.000.000.000 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.

#### 2.2 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.

#### 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.

##### 2.3.3 Forced Liquidation Value

In an auction open to the public, it is the most probable cash value when the economic trends and the obligatory sales conditions are taken into consideration. In the obligatory liquidation, assets are sold as fast as possible. The acceptable time interval is in general less than 3 months.

#### 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

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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 Appraisal

This project evaluation study aims at shedding insight into the following issues in general:

- The overview of the industry to which the goods and services, which are considered to be produced in consequence of the considered investment, are pertaining,
- Domestic and/or offshore marketing possibilities for the subject goods or services of the project,
- Whether the technology to be used within the planned investment possesses the required quality and technical norms,
- The investment cost of the foreseen project,

The acceptable costs of the goods or services, which are considered for investment within the project, under the market conditions.

### 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%.

In 2009 among the 81 provinces, the population of 67 populations increased and that of 14 populations decreased. The three provinces with lowest population increase rate are Tunceli (-4%), Ardahan (-3.70%) and Kars (-1.81). Among the 81 provinces, the first three with the highest population increase are Çankırı (4.94%), Bilecik (4.50%) and Isparta (3.22%).

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% in 2008. Urban population (the population in the centers of provinces and districts) is 53,611,723 while the rural population (population at subdistricts and villages) is 17,905,377. The province with highest urban population proportion is Istanbul with 99%, while that with the lowest is Ardahan with 31.1%.

17.8% of the country's population lives in Istanbul. 6.4% of the total population lives in Ankara, 5.3% 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 74.710.

Half of the population is younger than 28.8 years old. The median age in Turkey is 28.8. The median age for males is 28,2 and that for females is 29,3. The median age of the urban population is 28.7 and that of rural



population is 29.1. The population in 15-64 age group accounts for 67% of the total population. 26% of the country's population is in 0-14 age group and 7% is in the 65 and higher group.

The number of people per square kilometer, which is indicated as the density of population is 94 in overall Turkey, while it varies between 11 and 2.486 people among provinces. Istanbul has the highest population density with 2,486 people. It is respectively followed by Kocaeli with 421 people, Izmir with 322 people, Hatay with 249 people and Bursa with 245 people. The province with lowest population density is Tunceli with 11 people. In Konya -the province with the largest area- the population density is 51 people per sq km and the population density in Yalova –the province with the smallest area- is 239 people per sq km.

CITY	POPULATION	POPULATION (CITY CENTER)
İstanbul	12.915.158	12.782.960
Ankara	4.650.802	4.513.921
İzmir	3.868.308	3.525.202
Bursa	2.550.645	2.249.974
Adana	2.062.226	1.805.145

### 3.1.2 Economic Data<sup>1</sup>

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 3<sup>rd</sup> quarter of 2008. The increase in foreign exchange rates and the decrease in sales have also begun to be noticed in the

<sup>1</sup> TSKB Real Estate Appraisal Company

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.

### 3.2 Tourism Sector

Tourism sector is one of the fastest growing sectors worldwide. As the boundaries are abolished, the world started to get smaller and the people have tended to travel longer distances. The main reasons for this are the fact that the share of tourism and vacations in personal income has increased, the rapid improvement in transportation and communication technology and the willingness of people to visit the new places that they have not seen before.

As a result of its complicated structure, tourism includes activates such as accommodation, planning, travel organization and sale that are regarded as typical tourism activities, as well as including such activities as transportation and car rental that are not based on the consumption of only the tourists. Tourism is a sector that forms a significant part of the world's gross income. This dynamic sector that continues with its growth despite the economic stagnation worldwide, also serves as the engine power for other sectors.

Added to its contribution for national income, tourism also plays a significant role in covering up for the deficit of payment balance with its foreign currency gain. Tourism sector has the advantage of being one of the sectors with the most intensive employment and it also continues being an effective means of marketing and advertising for the country.

#### 3.2.1 World Tourism

The weighted point of world tourism is the European Region where our country is also located. The most significant share after Europe belongs to the Eastern and Asian Pacific regions. The greatest share after these two belongs to Southern and Northern America. It can be inferred from this fact that the world tourism is focused on three regions that are economically developed and with high income levels. Likewise, the tourism movements take place among these three regions reciprocally..

France is the country that attracts the highest number of tourists whereas America is the country that raises the highest tourism income. Turkey is 11th in the world in number of tourists and tenth in tourism income.

#### Turist Number and Turism Income (2008)

No	COUNTRY	MILLION PERSON	BILLION DOLAR
1	France	79.1	43
2	Spain	58.5	51
3	USA	51.1	86
4	China	49.6	34
5	Italy	41.1	38
6	England	30.1	34
7	Germany	23.6	33
8	Mexico	21.4	10
9	Austria	20.3	17
10	Russia	20.2	47
11	Turkey	18.9	17
12	Canada	18.2	14

13	Ukrain	17,6	3
14	Malezya	17,5	13
15	Hong Kong	15,8	7
16	Poland	15,7	7
17	Greece	14,3	14
18	Taiwan	13,9	7
19	Portugal	11,3	10

T.C Ministry of Culture and Tourism, Turkish Statistical Institute

General Secretary of World Tourism Organization, Francesco Frangialli, who made a statement about international tourism in Madrid in 2007, reports that international tourism grew by 6 percent that year, in comparison to the year before that.

Thus, the statement notes that the total foreign tourist input in world's countries increased by 52 million up to 898 million and it is also expressed that a significant part of the increase in international tourism last year was achieved in Europe.

The number of tourists in Europe increased by 19 million up to 480 million and the input in Europe makes half of the entire international tourism inputs.

Meanwhile, the statement also included some of the increases in some European countries and highlighted that there has been a rise of 18 percent in the number of foreign tourists. It was revealed that Turkey got ahead of Greece, Portugal, Italy and Switzerland in terms of increase rate.

Considering the total tourism income in 2006, USA has the top rank and Spain has the second and France is the third. Turkey has the ninth rank in this list. The report notes that the international tourism income figures in Turkey, Austria and Australia and it is also stressed in the report that minor changes could also affect the ranking. It is also underlined that the position of Germany in this list results from the comfort it offers for the visitors that visit for commercial purposes.

#### COMPARING TURKEY AND RIVALS

COUNTRY	2009		2019	
	GROWTH RATE	EMPLOYMENT	GROWTH RATE	EMPLOYMENT
<b>TURKEY</b>	<b>+1,3</b>	<b>+1,5</b>	<b>+ 4,1</b>	<b>+ 2,7</b>
<b>SPAIN</b>	<b>- 4,9</b>	<b>- 4,2</b>	<b>+ 1,3</b>	<b>+ 1,0</b>
<b>GREECE</b>	<b>-1,8</b>	<b>- 2,0</b>	<b>+ 3,5</b>	<b>+ 2,6</b>
<b>ITALY</b>	<b>-5,5</b>	<b>- 5,2</b>	<b>+ 2,0</b>	<b>+ 0,8</b>
<b>EGYPT</b>	<b>-2,8</b>	<b>- 4,3</b>	<b>+ 4,5</b>	<b>+ 2,0</b>

T.C Ministry of Culture and Tourism, Turkish Statistical Institute

The experts estimate that China will outdistance the US and rank the third greatest tourism country in the world in the forthcoming years, while it will become the greatest tourism target country by 2020. Being currently the fourth greatest tourism target country after France, Spain, and US; China was visited by 49 million 600 thousand tourists last year. In addition to attract foreign tourists, China is also expected to send 1 million tourists abroad by 2020, due to its rapidly developing economy.

### 3.2.2 Tourism in Turkey

The highest competitive edge of Turkey is in the tourism industry. Tourism is a key industry not just for solving the current account deficit issue, but also for increasing the employment, making Turkey a more livable place, and even promoting the country. Tourism has become the second highest foreign exchange providing sector to Turkey after exports; and it directly influences nearly 40 sectors in the industry.

#### Evaluation of 2008:

Turkey grew 35% in tourism sector in 2008 and has had a resource of more than US\$ 22 billion. In the year 2008, 30 million 929 thousand tourists entered Turkey and 6 million of these tourists have visited Anatolia for cultural tourism. Turkish Airlines and private airline companies have had an air passenger transport revenue of US\$ 7,5 billion. It is anticipated that these figures will grow 20% in 2009.

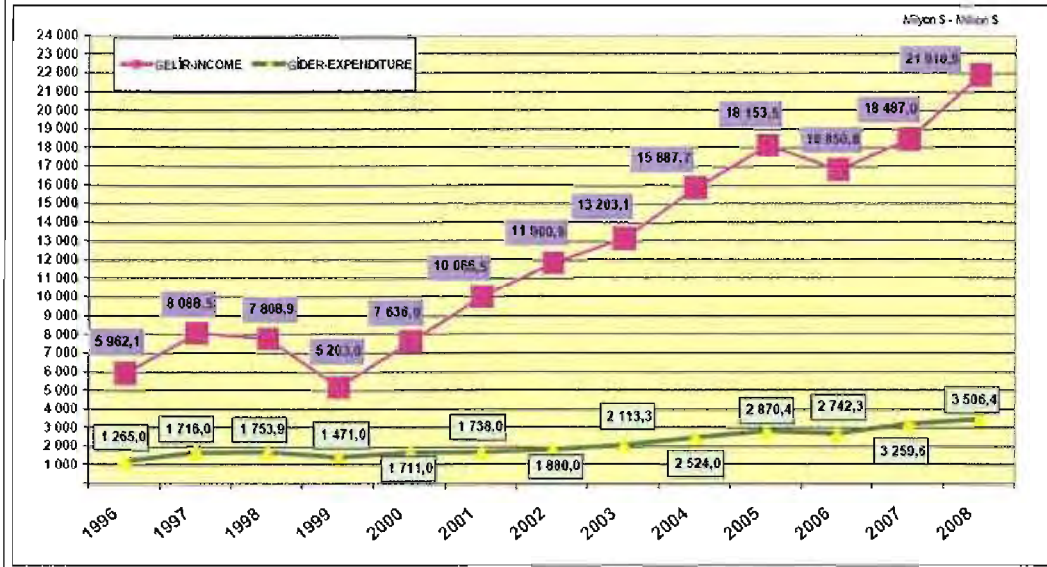
With the impact of the crisis, there has been a decline in the incentive tourism industry investments with a rate of 3% when compared to 2007.

However, because the resources spared for the tourism advertisements for 2009 is TL 100.000.000 and as a result of the 8% VAT application on the tourism enterprises that became effective on January 1, 2008, no decline is anticipated for the growth figures of 2009.

#### 2008 in Numbers

- Tourism income has been 22 billion dollars approximately.
- 30 million 929 thousand tourists visited Turkey.
- The highest number of tourists visited in August as 4 million people.
- The tourists spent 708 dollars per person on average.

**TURİZM GELİR VE GİDERİNİN YILLARA GÖRE DAĞILIMI**  
Distribution of Tourism Receipts and Tourism Expenditure by Years



T.C Ministry of Culture and Tourism, Turkish Statistical Institute

**2008- The Analysis of Jan.-December:**

	Toplam			Değişim Oranı %	Yabancılar			Değişim Oranı %	Vatandaşlar			Değişim Oranı %
	2 006	2 007	2008*		2 006	2 007	2008*		2 006	2 007	2008*	
Airline	19 683 478	22 967 702	25 368 296	10,45	14 084 727	16 807 681	18 838 735	12,08	5 598 751	6 160 021	6 529 561	6,00
Land Route	6 359 353	7 040 693	8 168 164	16,01	4 206 198	4 721 569	5 388 308	14,12	2 153 155	2 319 114	2 779 856	19,87
Sea Route	90 354	81 831	85 463	4,44	71 707	68 755	72 320	5,19	18 647	13 076	13 143	0,51
Railway	1 854 018	2 105 483	2 408 567	14,39	1 457 201	1 742 906	2 037 314	16,89	396 817	362 577	371 253	2,39
<b>Total</b>	<b>27 987 203</b>	<b>32 195 699</b>	<b>36 030 490</b>	<b>11,91</b>	<b>19 819 833</b>	<b>23 340 911</b>	<b>26 336 677</b>	<b>12,83</b>	<b>8 167 370</b>	<b>8 854 788</b>	<b>9 693 813</b>	<b>9,48</b>
Daily	903 398	1 092 583	1 345 669		903 397	1 092 583	1 342 670		1		2 999	

T.C Ministry of Culture and Tourism, Turkish Statistical Institute

According to temporary data, in the January-December period of 2008, the number of citizen visitors that entered our country increased by **9,48% (9.693.813)** and the number of exiting citizen visitors increase by **10,46% (9.872.520)**.

	Toplam			Değişim Oranı %	Yabancılar			Değişim Oranı %	Vatandaşlar			Değişim Oranı %
	2 006	2 007	2008*		2 006	2 007	2008*		2 006	2 007	2008*	
Airline	19 516 678	22 931 678	25 634 963	11,79	13 790 412	16 681 417	18 921 565	13,43	5 726 266	6 250 261	6 713 398	7,41
Land Route	6 099 635	6 817 529	8 197 715	20,24	3 970 198	4 524 309	5 425 201	19,91	2 129 437	2 293 220	2 772 514	20,90
Sea Route	87 331	77 112	80 610	4,54	67 193	63 439	67 171	5,88	20 138	13 673	13 439	-1,71
Railway	1 847 104	2 128 422	2 390 356	12,31	1 448 152	1 747 916	2 017 187	15,41	398 952	380 506	373 169	-1,93
<b>Total</b>	<b>27 550 748</b>	<b>31 954 741</b>	<b>36 303 644</b>	<b>13,61</b>	<b>19 275 955</b>	<b>23 017 081</b>	<b>26 431 124</b>	<b>14,83</b>	<b>8 274 793</b>	<b>8 937 660</b>	<b>9 872 520</b>	<b>10,46</b>
Daily	903 398	1 092 583	1 345 669		903 397	1 092 583	1 342 670		1		2 999	

(\*): Veriler geçicidir.

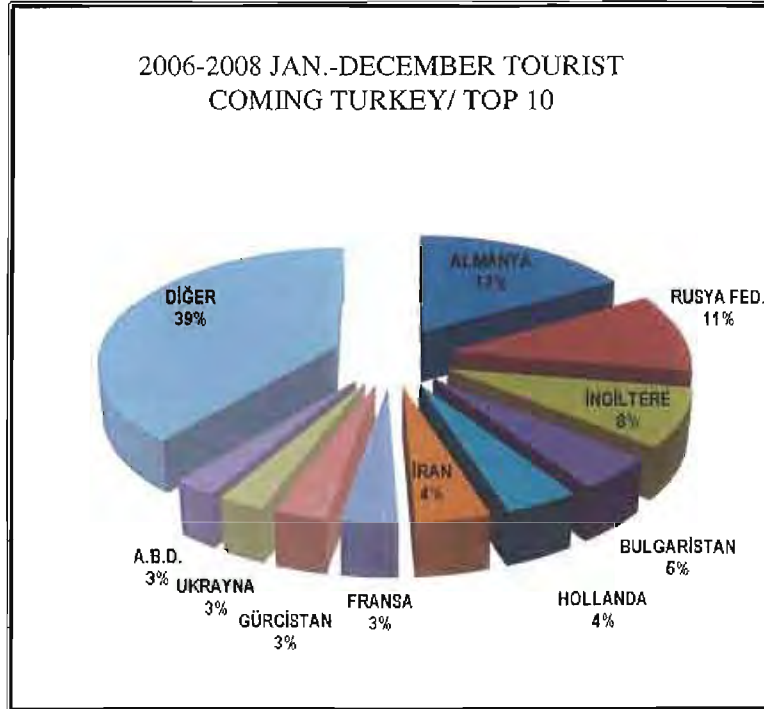
Not: Günübirlikçi ziyaretçiler deniz yolu toplamına dahil edilmiştir.

T.C Ministry of Culture and Tourism, Turkish Statistical Institute

Arrival Tourist Nationality To Turkey (2006-2008)						
COUNTRIES	2008*	MİL.PAY%	2 007	MİL.PAY%	2 006	MİL.PAY%
GERMANY	4 415 525	16,77	4 149 805	17,78	3 762 475	18,98
RUSSIA	2 879 278	10,93	2 465 336	10,56	1 853 442	9,35
ENGLAND	2 169 924	8,24	1 916 130	8,21	1 678 845	8,47
BULGARIA	1 255 343	4,77	1 239 667	5,31	1 177 906	5,94
HOLLAND	1 141 580	4,33	1 053 675	4,51	997 556	5,03
IRAN	1 134 965	4,31	1 058 206	4,53	865 941	4,37
FRANCE	885 006	3,36	768 167	3,29	657 859	3,32
GEORGIA	830 184	3,15	630 979	2,70	549 328	2,77
UKRAINA	730 689	2,77	593 302	2,54	487 917	2,46
U.S.A	679 445	2,58	642 911	2,75	532 419	2,69
OTHERS	10 214 738	38,79	8 822 733	37,82	7 256 145	36,62
<b>GENERAL TOTAL</b>	<b>26 336 677</b>	<b>100,00</b>	<b>23 340 911</b>	<b>100,00</b>	<b>19 819 833</b>	<b>100,00</b>

T.C Ministry of Culture and Tourism, Turkish Statistical Institute

Among the countries that seen the highest number of visitors to our country in the January-December period of 2008, Germany is the first with **16,77% (4.415.525)**, Russian Federation is second with **10,93 % (2.879.278 )** and England is the third with **8,24 % (2.169.924)**. England is followed by Bulgaria, Holland, Iran, France, Georgia, Ukraine and USA.



T.C Ministry of Culture and Tourism, Turkish Statistical Institute

### The Analysis of the 1<sup>st</sup> Quarter of 2009 (January-February-March):

The income raised from tourism decreased by 11,2% in comparison with the same period of the previous year.

According to the results of the Exiting Visitors Survey the tourism income of the first quarter of 2009 decreased by 11,2% in comparison with the same period of the previous year and became US\$ 2.466.573.727. The US\$ 1.790.860.681 of this was raised from foreign visitors while US\$ 675.713.046 was raised from the citizen visitors that live abroad.

The visitors come either personally or with tours. The US\$ 2.258.656.662 of tourism income are personal, and US\$ 207.917.065 of it is raised from package tour expenditures.

The highest tourism income in the 1<sup>st</sup> quarter consisting of January, February and March, the highest tourism income is in March with US\$ 945.578.361. In January the figure was US\$ 798.687.484 and in February, the income is US\$ 722.307.882. The average expenditure per capita in the January-March period is US\$ 608 in foreigners and US\$ 975 in citizens.

The number of exiting visitors decreased by 2.4% in comparison with the same period of the previous year.

The total number of people who exited in January, February and March is 3.636.464 people. 2.943.175 people are foreign visitors while 693.289 people are our citizens living abroad. During the 1<sup>st</sup> quarter, the highest number of visitors was in March with 1.426.537 people. In January 1.151.951, in February 1.057.976 people visited our country.

#### **Monthly Tourism Income and Expense, 1<sup>st</sup> Quarter 2009**

Months	Average			Average		
	Tourism income (USD)	Number of Visitors (*)	expenditure Per capita (USD)	Tourism expense (USD)	Number of Citizens(**)	expenditure Per capita (USD)
January	798.687.484	1.151.951	693	282 105 147	378 771	745
February	722.307.882	1.057.976	683	287 901 482	384 447	749
March	945.578.361	1.426.537	663	326 603 863	439 320	743
<b>Total</b>	<b>2.466.573.727</b>	<b>3.636.464</b>	<b>678</b>	<b>896.610.492</b>	<b>1.202.539</b>	<b>746</b>

\* The Republic of Turkey, Ministry of Culture and Tourism, Turkish Statistical Institution

Note: The number of visitors accompanying them has been included in the total.

(\*) These are the number of Foreigner and Citizen visitors that live abroad.

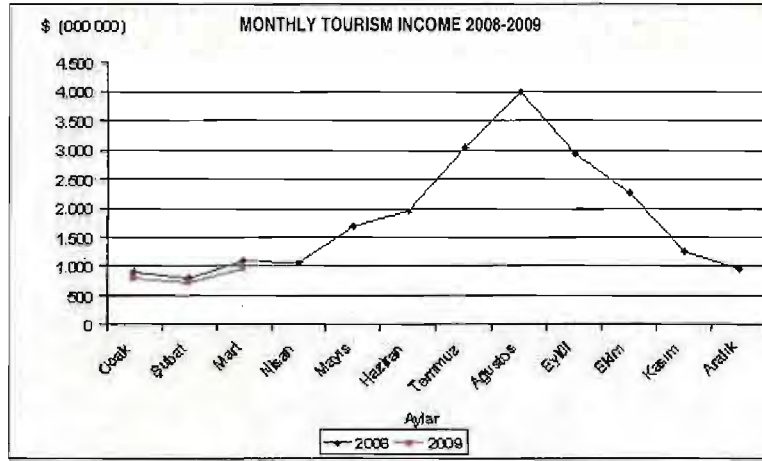
(\*\*) These are the number of citizens with Turkish passport that live in the country, visited abroad and entered the country.

The cost of tourism increased by 11,3% in comparison to the same period the previous year.

According to the results of the Entering Visitors Survey, the tourism expense of the first quarter of 2009 increased by 11,3% in comparison with the same period of the previous year and became US\$ 896.610.492. Among this US\$ 851.050.373 was for personal and US\$ 45.560.119 was for package tour costs.

<sup>2</sup> The data has been collected from the News Bulletin of Turkish Statistical Institution.

The highest tourism cost in the 1<sup>st</sup> quarter is in March with US\$ 326.603.864 and the amount was US\$ 287.901.482 in February and US\$ 282.105.147 in January. The average expenditure per capita in the January-March period is US\$ 746.



\* The Republic of Turkey, Ministry of Culture and Tourism, Turkish Statistical Institution

Considering the tourism income raised from the visitors on a monthly basis, it is seen that there is a decline in 2009 in comparison to the previous year. The highest tourism income of the period was achieved in March 2009.

Arrival Tourist Nationality To Turkey On January-March (2007-2009)						
COUNTRY	2009*	MİL.PAY%	2008	MİL.PAY%	2007	MİL.PAY%
GERMANY	475.930	16,65	562.827	18,86	496.903	19,1
BULGARIA	266.325	9,32	226.219	7,58	249.025	9,57
GEORGIA	239.598	8,38	141.480	4,74	119.551	4,6
IRAN	203.953	7,14	183.539	6,15	172.884	6,65
ENGLAND	112.370	3,93	115.560	3,87	90.417	3,48
RUSSIA	101.094	3,54	154.750	5,19	136.431	5,24
GREECE	99.432	3,48	94.048	3,15	65.005	2,5
FRANCE	91.276	3,19	92.264	3,09	84.594	3,25
AZERBAIJAN	86.965	3,04	102.109	3,42	83.398	3,21
SYRIA	81.413	2,85	80.562	2,7	59.144	2,27
OTHERS	1.100.117	38,49	1.231.207	41,25	1.044.081	40,13
<b>GENERAL TOTAL</b>	<b>2.858.473</b>	<b>100,00</b>	<b>2.984.565</b>	<b>100,00</b>	<b>2.601.433</b>	<b>100,00</b>

\* The Republic of Turkey, Ministry of Culture and Tourism, Turkish Statistical Institution

In the January-March period of 2009 the countries who sent the highest number of visitors to our country are respectively Germany with **16,65%** (**475.930**), Bulgaria with **9,32%** (**266.325**) and Georgia with **8,38%** (**239.598**). Georgia is followed by Iran, England, Russian Federation, Greece, France, Azerbaijan and Syria.



## Arrival Tourist Nationality To Turkey On March (2007-2009)

COUNTRY	2009*	MİL.PAY%	2008	MİL.PAY%	2007	MİL.PAY%
GERMANY	214.617	17,77	268.000	20,53	226.071	20,55
IRAN	147.262	12,19	112.760	8,64	101.008	9,18
BULGARIA	101.203	8,38	83.691	6,41	87.305	7,94
GEORGIA	82.870	6,86	52.084	3,99	45.332	4,12
ENGLAND	49.547	4,1	55.362	4,24	39.105	3,56
GREECE	41.955	3,47	45.593	3,49	26.946	2,45
FRANCE	36.530	3,02	38.424	2,94	36.264	3,3
RUSSIA	36.134	2,99	57.515	4,41	47.118	4,28
HOLLAND	31.367	2,6	34.509	2,64	30.689	2,79
SYRIA	29.676	2,46	28.822	2,21	18.431	1,68
OTHER	436.568	36,15	528.537	40,49	441.691	40,16
<b>TOTAL</b>	<b>1.207.729</b>	<b>100,00</b>	<b>1.305.297</b>	<b>100,00</b>	<b>1.099.960</b>	<b>100,00</b>

\* The Republic of Turkey, Ministry of Culture and Tourism, Turkish Statistical Institution

In March 2009, the countries who sent the highest number of visitors to our country are respectively Germany, with **17,77%** (**214.617**), Iran with **12,19%** (**147.262**), Bulgaria with **8,38%** (**101.203**). Bulgaria is followed by Georgia, England, Greece, France, Russian Federation, Holland and Syria.

Arrival Tourists To Turkey January-March (2007-2009)												
	Toplam			Değişim Oranı %	Yabancılar			Değişim Oranı %	Vatandaşlar			Değişim Oranı %
	2007	2008	2009*		2007	2008	2009*		2007	2008	2009*	
Airline	3.003.068	3.389.620	3.054.645	-9,88	1.740.974	2.066.870	1.798.284	-12,99	1.262.094	1.322.750	1.256.361	-5,02
Land Route	1.165.383	1.320.166	1.538.960	16,57	766.857	823.595	961.669	16,76	398.526	496.571	577.291	16,26
Sea Route	13.124	13.668	13.452	-1,58	11.823	12.143	12.339	1,61	1.301	1.525	1.113	-27,02
Railway	146.585	143.371	144.301	0,65	81.779	81.957	86.181	5,15	64.806	61.414	58.120	-5,36
Total	4.328.160	4.866.825	4.751.358	-2,37	2.601.433	2.984.565	2.858.473	-4,22	1.726.727	1.882.260	1.892.885	0,56
Daily	20.195	27.517	33.774		20.195	27.512	33.772		0	5	2	

Departure Tourists To Turkey January-March (2007-2009)												
	Toplam			Değişim Oranı %	Yabancılar			Değişim Oranı %	Vatandaşlar			Değişim Oranı %
	2007	2008	2009*		2007	2008	2009*		2007	2008	2009*	
Airline	3.007.107	3.497.532	3.189.423	-8,81	1.741.460	2.073.942	1.849.942	-10,80	1.265.647	1.423.590	1.339.481	-5,91
Land Route	1.111.195	1.343.612	1.591.123	18,42	717.599	831.462	997.691	19,99	393.596	512.150	593.432	15,87
Sea Route	12.232	12.747	11.858	-6,97	10.980	11.278	10.555	-6,41	1.252	1.469	1.303	-11,30
Railway	160.035	150.950	144.636	-4,18	82.334	83.176	84.987	2,18	77.701	67.774	59.649	-11,99
Total	4.290.569	5.004.841	4.937.040	-1,35	2.552.373	2.999.858	2.943.175	-1,89	1.738.196	2.004.983	1.993.865	-0,55
Daily	20.195	27.517	33.774		20.195	27.512	33.772		0	5	2	

\* The Republic of Turkey, Ministry of Culture and Tourism, Turkish Statistical Institution

According to the temporary data, the number of the citizen visitors that entered our country in the January-March period of 2009 increase **0,56%** (**1.892.885**). The number of the citizen visitors that exit decreased by **0,55%** (**1.993.865**).

### **First Half of the year 2009 (January - June) Analysis<sup>3</sup> :**

Tourism income reduced by 9.6% compared to the same period of the previous year.

Second half of the year 2009 based on Survey Results of Exiting Visitors. The period's tourism income reduced by 9.6% compared to the same period of the previous year and was 4,243,545,107 USD. 3,494,473,020 USD of the tourism income was earned from foreign visitors and 749,072,087 USD from our citizen visitors residing abroad.

Visitors make their travels individually or via tour packages. 3,257,485,319 USD of the tourism income was individual and 986,059,788 USD was comprised of package tour expenditures.

In the second period comprising of the months April, May and June the highest tourism income was in June with 1,777,999,175 USD. In May, the income was 1,444,131,880 USD and 1,021,414,051 USD in April. Average expenditure per person in April - June period was 501 USD for foreign visitors and 984 USD for citizens.

The number of existing visitors increased by 1.6% compared to the same period of the previous year.

Total number of existing visitors in months April, May and June was 7,742,308. 6,980,875 of this total were foreign visitors and 761,433 were our citizens residing abroad. During the second Period the highest number of visitors was recorded in the month June with 3,261,081 people. In May, the number of visitors visiting our country was 2,656,507 and 1,824,721 in April.

### **Monthly Tourism Income and Expense, 2<sup>nd</sup> Quarter 2009**

Months	Tourism income (USD)	Number of Visitors (*)	Average	Tourism expense (USD)	Number of Citizens(**)	Average
			expenditure Per capita (USD)			expenditure Per capita (USD)
January	798.687.484	1.151.951	693	282.105.147	378.771	745
February	722.307.882	1.057.976	683	287.901.482	384.447	749
March	945.578.361	1.426.537	663	326.603.864	439.320	743
April	1.021.414.051	1.824.721	560	268.517.511	364.114	737
May	1.444.131.880	2.656.507	544	306.746.195	413.407	742
June	1.777.999.175	3.261.081	545	361.266.354	488.989	739
<b>Total</b>	<b>6.710.118.834</b>	<b>11.378.772</b>	<b>590</b>	<b>1.833.140.553</b>	<b>2.469.048</b>	<b>742</b>

Note: Number of accompanying visitors was included in the total sum.

(\*) Number of foreign and citizen visitors residing abroad.

(\*\*) Number of citizens that visited abroad and entered our country, holding the passport of the Republic of Turkey and residing locally.

\*The Republic of Turkey, Ministry of Culture and Tourism, Turkish Statistical Institution

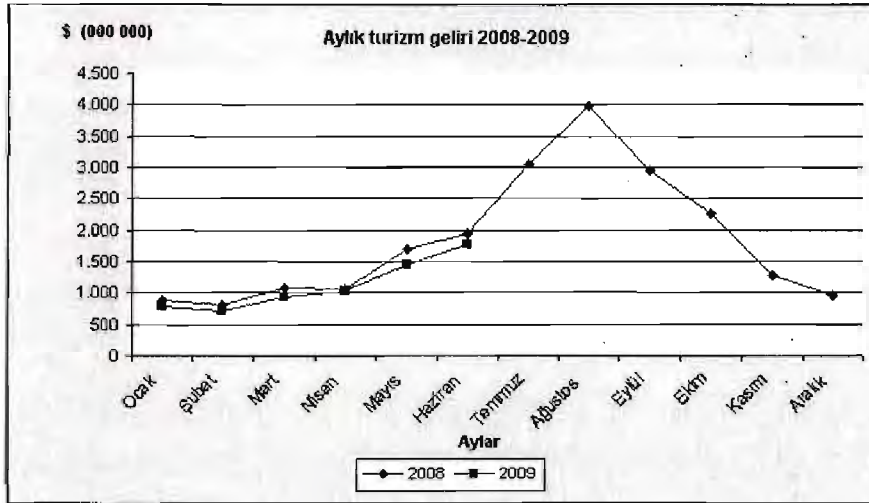
Tourism expenditure reduced by 7% compared to the same period of the previous year.

Second half of the year 2009 based on Survey Results of Entering Citizen Visitors. The Period's Tourism Expenditure reduced by 7% compared to the same period of the previous year and was 936,530,060 USD. 832,579,726 USD of this was individual and 103,950,334 USD was package tour expenditures.

During the second Period the highest tourism expenditure was in June with 361,266,354 USD and expenditure was 306,746,195 USD in the month May and 268,517,511 USD in April. Average expenditure per person in April - June period was 739 USD.

When we look at the tourism income for the years 2008-2009 based on months, we see that there was a fall in tourism income in 2009 compared to the previous year.

<sup>3</sup> The data is obtained from Turkish Statistical Institute News Bulletin.

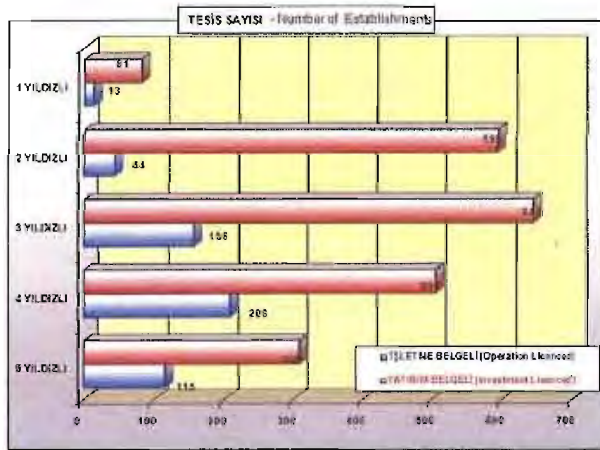


**2007-2009(\*) TOURIST COMING TURKEY, COMPARING COUNTRIES (MAY)**

NATIONALITY	YEARS			RATE (%)			% CHANGE RATE	
	2007	2008	2009(*)	2007	2008	2009(*)	2008/2007	2009(*)/2008
ALMANYA	408 513	459 283	429 250	17,86	16,71	15,79	12,43	-6,54
AVUSTURYA	28 138	37 121	38 162	1,23	1,35	1,40	31,92	2,80
BELÇİKA	51 777	56 892	60 509	2,26	2,07	2,23	9,88	6,36
DANİMARKA	25 734	28 750	28 632	1,12	1,05	1,05	11,72	-0,41
FİNLANDIYA	9 405	13 463	16 766	0,41	0,49	0,62	43,15	24,53
FRANSA	61 156	86 213	95 906	2,67	3,14	3,53	40,97	11,24
HOLLANDA	139 691	145 638	126 676	6,11	5,30	4,66	4,26	-13,02
İNGİLTERE	223 162	260 937	288 936	9,76	9,49	10,63	16,93	10,73
İRLANDA	12 708	14 198	16 181	0,56	0,52	0,60	11,72	13,97
İSPANYA	18 337	34 031	27 723	0,80	1,24	1,02	85,59	-18,54
İSVEÇ	41 663	54 697	53 002	1,82	1,99	1,95	31,28	-3,10
İTALYA	30 542	59 952	65 833	1,34	2,18	2,42	96,29	9,81
LÜKSEMBURG	640	2 878	1 109	0,03	0,10	0,04	349,69	-61,47
PORTEKİZ	2 217	3 808	4 013	0,10	0,14	0,15	71,76	5,38
YUNANİSTAN	35 766	47 661	51 041	1,56	1,73	1,88	33,26	7,09
ÇEK CUMHURİYETİ	7 997	12 713	11 520	0,35	0,46	0,42	58,97	-9,38
İSVİÇRE	19 134	21 579	25 861	0,84	0,79	0,95	12,78	19,84
İZLANDA	553	1 016	658	0,02	0,04	0,02	83,73	-35,24
POLONYA	24 078	38 597	39 526	1,05	1,40	1,45	60,30	2,41
MACARİSTAN	5 238	5 311	6 043	0,23	0,19	0,22	1,39	13,78
NORVEÇ	19 884	29 646	27 184	0,87	1,08	1,00	49,09	-8,30
SLOVAKYA	1 881	3 038	3 661	0,08	0,11	0,13	61,51	20,51
<b>AVRUPA OECD</b>	<b>1 168 214</b>	<b>1 417 422</b>	<b>1 418 192</b>	<b>51,07</b>	<b>51,57</b>	<b>52,16</b>	<b>21,33</b>	<b>0,05</b>
A.B.D	77 453	85 016	65 505	3,39	3,09	2,41	9,76	-22,95
AVUSTRALYA	14 918	16 498	16 753	0,65	0,60	0,62	10,59	1,55
JAPONYA	16 366	14 419	13 394	0,72	0,52	0,49	-11,90	-7,11
KANADA	17 554	19 050	16 037	0,77	0,69	0,59	8,52	-15,82
G.KORE	14 820	12 685	7 080	0,65	0,46	0,26	-14,41	-44,19

MEKSIKA	2 249	2 432	2 095	0,10	0,09	0,08	8,14	-13,86
YENİ ZELLANDA	2 568	2 654	3 530	0,11	0,10	0,13	3,35	33,01
<b>TOPLAM OECD</b>	<b>1 314</b>	<b>1 570</b>	<b>1 542</b>	<b>57,45</b>	<b>57,13</b>	<b>56,74</b>	<b>19,48</b>	<b>-1,76</b>
ESTONYA	2 854	5 187	4 827	0,12	0,19	0,18	81,74	-6,94
KARADAĞ	-	-	2 614	-	-	0,10	-	-
KOSOVA	-	-	1 674	-	-	0,06	-	-
MALTA	228	256	199	0,01	0,01	0,01	12,28	-22,27
LİTVANYA	9 737	16 029	10 865	0,43	0,58	0,40	64,62	-32,22
G.KIBRIS RUM YÖN.	327	832	653	0,01	0,03	0,02	154,43	-21,51
LETONYA	7 901	7 510	4 826	0,35	0,27	0,18	-4,95	-35,74
BOSNA HERSEK	3 557	4 468	4 436	0,16	0,16	0,16	25,61	-0,72
HIRVATİSTAN	2 694	2 852	2 581	0,12	0,10	0,09	5,86	-9,50
SLOVENYA	2 256	2 360	2 268	0,10	0,09	0,08	4,61	-3,90
SİRBİSTAN&KARADAĞ	4 644	10 536	5 770	0,20	0,38	0,21	126,87	-45,24
MAKEDONYA	7 474	7 785	8 936	0,33	0,28	0,33	4,16	14,78
ARNAVUTLUK	3 776	3 900	4 018	0,17	0,14	0,15	3,28	3,03
BULGARİSTAN	108 469	115 882	139 377	4,74	4,22	5,13	6,83	20,27
ROMANYA	28 370	30 000	27 621	1,24	1,09	1,02	5,75	-7,93
DIĞER AVRUPA ÜLKELERİ	6 934	1 891	1 660	0,30	0,07	0,06	-72,73	-12,22
<b>TOPLAM AVRUPA</b>	<b>1 357</b>	<b>1 626</b>	<b>1 640</b>	<b>59,34</b>	<b>59,19</b>	<b>60,34</b>	<b>19,85</b>	<b>0,84</b>
AZERBAJCAN	37 458	40 049	34 169	1,64	1,46	1,26	6,92	-14,68
B.RUSYA (BELARUS)	14 590	21 683	20 710	0,64	0,79	0,76	48,62	-4,49
ERMENİSTAN	3 926	4 425	4 360	0,17	0,16	0,16	12,71	-1,47
GÜRCİSTAN	67 209	71 033	126 840	2,94	2,58	4,67	5,69	78,56
KAZAKİSTAN	13 369	16 405	17 882	0,58	0,60	0,66	22,71	9,00
KIRGIZİSTAN	4 003	4 061	3 563	0,17	0,15	0,13	1,45	-12,26
MOLDOVA CUM.	13 734	16 703	14 406	0,60	0,61	0,53	21,62	-13,75
ÖZBEKİSTAN	2 794	4 826	5 291	0,12	0,18	0,19	72,73	9,64
RUSYA FEDERASYONU	283 026	385 999	340 373	12,37	14,04	12,52	36,38	-11,82
TACİKİSTAN	2 930	3 957	2 098	0,13	0,14	0,08	35,05	-46,98
TÜRKMENİSTAN	6 396	6 349	7 757	0,28	0,23	0,29	-0,73	22,18
UKRAYNA	70 331	93 325	83 609	3,07	3,40	3,08	32,69	-10,41
<b>B.D.T</b>	<b>519 766</b>	<b>668 815</b>	<b>661 058</b>	<b>22,72</b>	<b>24,33</b>	<b>24,31</b>	<b>28,68</b>	<b>-1,16</b>

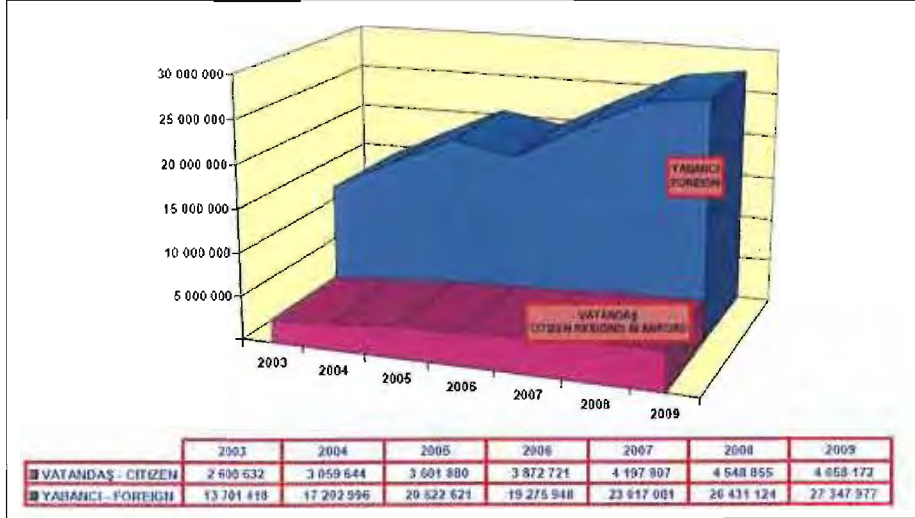
\* The Republic of Turkey, Ministry of Culture and Tourism, Turkish Statistical Institution



\* The Republic of Turkey, Ministry of Culture and Tourism, Turkish Statistical Institution

**ÜLKEMİZDEN ÇIKAN YABANCI ZİYARETÇİLER VE YURTDIŞI İKAMETLİ VATANDAŞ SAYILARININ YILLARA GÖRE DAĞILIMI**

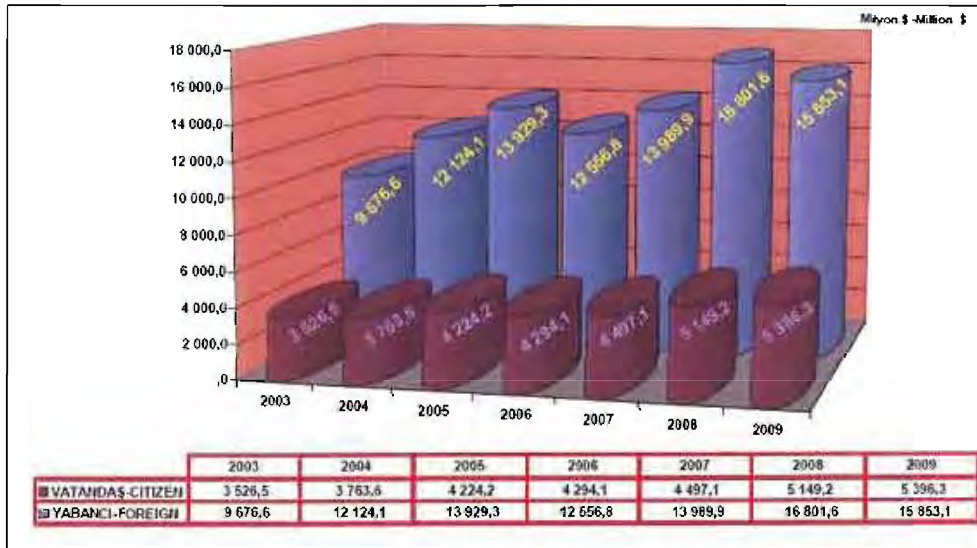
Distribution of The Number of Departing Foreign Visitors and Citizen residing in abroad by Years



T.C Ministry of Culture and Tourism, Turkish Statistical Institute

**ÜLKEMİZDEN ÇIKAN YABANCI ZİYARETÇİLERDEN VE YURTDIŞI İKAMETLİ VATANDAŞLARDAN ELDE EDİLEN TURİZM GELİRLERİN YILLARA GÖRE DAĞILIMI**

Distribution of Tourism Receipts of Departing Foreign Visitors and Citizen residing in abroad by Years



T.C Ministry of Culture and Tourism, Turkish Statistical Institute

### Accommodation and an Evaluation of 2009

The total number of entrances into the facilities with enterprise certificates in 2009 was 26,5 million. 54,2% of this consists of foreigners while 45,8% of this are nationals. Total number of overnight accommodations is 82,9 million and 72,3% of this are foreigners while 27,7% of this are nationals.

In 2009, the average duration for overnight accommodation in the facilities was 4 nights among foreigners per year and 2 nights per year among nationals. The average rate of occupancy over beds is around 48,9% per year. The month when the rate of occupancy is highest is September with the rate of 49,8 % foreigners and 16,9 % nationals and with 62,6% in total.

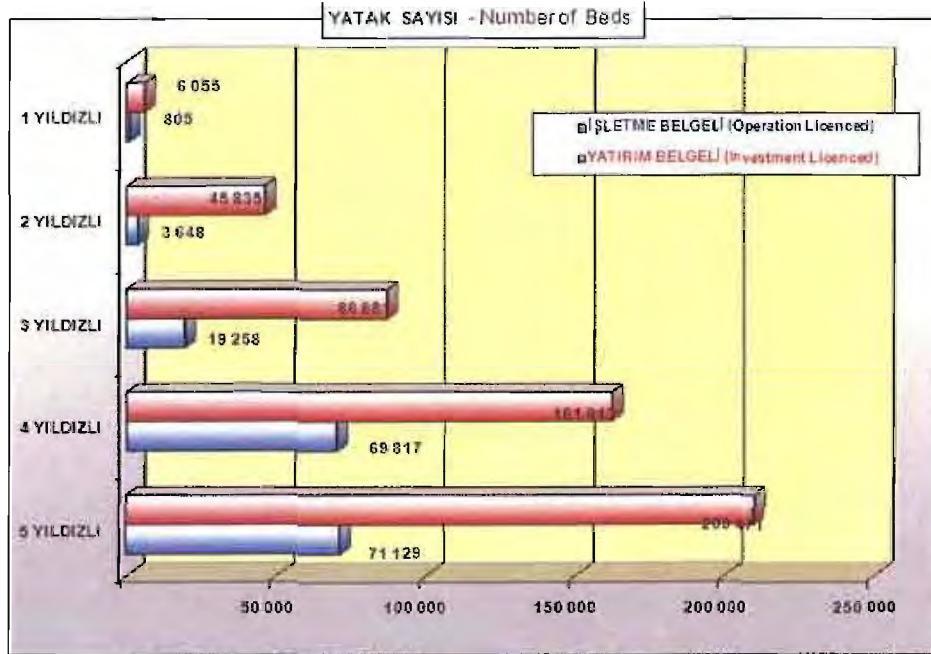
The type of facilities with the longest duration of accommodation for foreigners are the holiday resorts with 6 nights. This is followed by tourism complexes with 5,9, and hostels with 5,3 nights. The type of facility with the longest duration of accommodation for nationals is holiday resorts and tourism complexes with 3,5 nights. This is followed by golf facilities with 3,1 nights and apart hotels with 2,5 nights.

The type of facility where foreign occupancy rate is the highest is holiday resorts with 53,4%. This is followed by tourism complexes with 45,9%, and apart hotels with 44,3%. The type of facility with the highest national occupancy rate is mountain resorts with 35,5%. This is followed by mountain houses with 26,9% and boutique hotels and thermal hotels with 25,4%.

Among the 14.4 million foreigners that entered the accommodation facilities with tourism certificate, 3,1 million are German nationals while they have the top rank among total number of foreign tourists with 21,9%. Russian Federation nationals follow them with 2,0 million (14,2%) and England with 1,2 million (8,2%).

Among the total overnight accommodation of foreigners of 59,9 million tourists, 16,5 million (27,5%) are Germans, 10,6 million (17,7%) are Russian Federation nationals, 5,6 million (9,4%) are English nationals.

Montenegro nationals are the foreign tourists with longest durations of accommodation in accommodation facilities with certificate with 8,1 nights and they are followed by Kosovo nationals with 7,7 nights and Belarus nationals with 6.1



Number of Beds of Tourism Licenses Formations -2009

### Analysis of July-August-September 2010

The tourism income has decreased by 10% in comparison to 2009.

In the III. Period consisting of July, August and September, tourism income has decreased by 10% in comparison to the same period in 2009 with a total of 8.574.889.686 \$. 6 453 320 361 \$ of the tourism income has been generated by foreign visitors and 2.121.569.325 \$ has been generated by visiting expatriate citizens.

The visitors make their trips with personal or group tours. 6 637.222.358 \$ of the expenditure in this period has been generated by personal and 1.937.667.328 \$ by group tours.

The average stay period for the foreigners in our country is 8,8 nights and the average individual expense is 550\$. The average stay period for visiting expatriate citizens is 17,9 nights and the average individual expense is 1.001\$.

The visitor count has increased by 1,2% in comparison to the same period in 2009.

Number of visitors leaving our country in the III. Period of 2010 is 13.861.776. 11.742.391 of this number are foreigners and 2.119.385 are visiting expatriate citizens.

The tourism expenditure has increased by 19% in comparison to the same period in 2009.

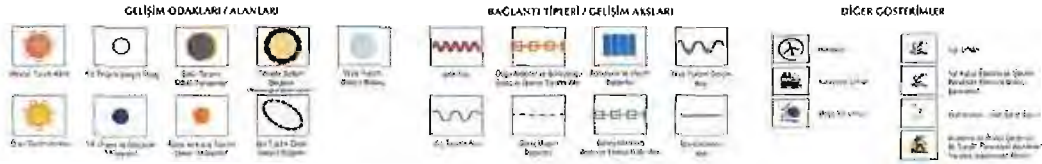
The tourism expenditure consists of the expenses of our citizens living in Turkey and visiting other countries. It has increased by 19% in comparison to the same period in 2009 with a total of 1.305.900.206 \$. 1.239.589.768 \$ of this is from personal tours and 66.310.438 is from group tours. The average expenditure of the 1.837.126 citizens visiting abroad is 711\$.

Aylar	Turizm geliri (\$)	Çıkış Yapan Ziyaretçi Sayısı	Kişi başı ortalama harcama (\$)	Turizm gideri (\$)	Yurtiçi İkametli Vatandaş Sayısı	Kişi başı ortalama harcama (\$)
<b>2009</b>						
Temmuz	2.906.792.509	4.218.369	689	460.697.012	651.212	707
Ağustos	3.813.819.077	5.491.275	695	329.229.786	460.934	714
Eylül	2.805.708.246	3.989.011	703	307.165.477	411.943	746
Ekim	2.466.201.396	3.515.977	701	374.671.441	490.962	763
Kasım	1.441.776.357	1.945.675	741	393.619.402	517.640	760
Aralık	1.104.920.838	1.467.070	753	447.217.180	559.614	799
<b>2010</b>						
Ocak	735.469.267	1.133.655	649	272.349.030	354.260	769
Şubat	721.358.120	1.105.749	652	320.836.151	444.881	721
Mart	956.697.423	1.513.316	632	396.740.807	494.956	802
Nisan	1.044.280.697	1.875.486	557	350.964.158	518.761	677
Mayıs	1.600.640.039	2.952.864	542	392.547.210	575.820	682
Haziran	1.913.929.110	3.545.058	540	425.734.213	617.491	689
Temmuz	2.741.034.945	4.450.459	616	537.105.301	770.870	697
Ağustos	3.197.707.333	5.145.381	621	380.132.689	547.433	694
Eylül	2.636.147.408	4.265.936	618	388.662.216	518.823	749
<b>I - III. Dönem Toplam</b>	<b>15.547.264.342</b>	<b>25.987.902</b>	<b>601</b>	<b>3.465.071.775</b>	<b>4.843.296</b>	<b>720</b>

Monthly tourism income, 2009-2010



**GÖSTERİM (şematikler)**



In the action plan prepared by the Turkish Ministry of Culture and Tourism for the year 2023 the intended tourism investments can be seen on the map below graphically

### 3.1.4 Hotel Sector in İzmir

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. İzmir 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 İzmir.

Izmir is creating its future vision to become a "fair and congress city" and İzmir's intercity and city transportation convenience, climatic advantages, 5 universities, international industry air (Izmir 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.

**Konak District:** In the Centrum, especially hotels in Konak, Çankaya and Basmane regions are preferred mostly for one day stays during fair period. Hotels concentrated in Alsancak and Pasaport regions are serving mostly business and city touring tourist since public and government bodies, directorates of private corporations, banks and such corporations are located in this region. İzmir International Fair and development of city caused the opening of hotels in different concepts.

Hotel	Location	Number of rooms
Swissotel Grand Efes (*****)	Pasaport-Alsancak	531
Mövenpick Hotel (*****)	Pasaport-Alsancak	185
İzmir Hilton Oteli (*****)	Alsancak	380
Aksan Otel (****)	Basmane	87
Kaya Prestij Otel (****)	Çankaya-Basmane	142
Best Western Konak Otel (****)	Konak	82
Palm City Otel (****)	Basmane	55
Ege Palas Otel (****)	Alsancak	116
Anemon Otel (****)	Basmane	98
Anemon Fuar Otel (****)	Çankaya-Basmane	118
Kordon Otel (****)	Pasaport-Alsancak	60
Hotel The Residence Comfort (****)	Basmane	25
Blanca Hotel (****)	Kahramanlar	75
Marla Otel (****)	Çankaya	68
Yumukoğlu Otel (***)	Çankaya	80
Kilim Otel (***)	Pasaport-Alsancak	70
Otel Karaca (***)	Çankaya	73
Anba Otel (***)	Pasaport-Alsancak	53
Kocaman Otel (***)	Çankaya	77
Park Hotel İzmir (***)	Basmane	49
İzmir Palas Otel (***)	Alsancak	148
Hotel İsmira (***)	Çankaya	78
Alican Otel (***)	Çankaya	71
Devak Otel (***)	Konak	88
Dekim Hotel (***)	Basmane	166
Grand Zeybek Otel (***)	Basmane	410
Kalyon Susuzlu Otel (***)	Basmane	70
Kaya Otel (***)	Çankaya	52
Kismet Otel (***)	Alsancak	62
Atlantis Otel (***)	Basmane	39
Baylan Otel (**)	Basmane	30
Susuzlu Otel (**)	Çankaya	40
Ontur Hotel (Special License)	Basmane	80
Beyond Otel (Special License)	Alsancak	60
My Hotel (Special License)	Pasaport-Alsancak	30
SC Inn Otel (Special License)	Basmane	50
Blue Otel (Special License)	Basmane	24
Comfort Otel (Special License)	Kahramanlar	30

Residence Otel (Special License)	Kahramanlar	33
Antikhan Otel (Special License)	Çankaya	30

**Balçova District:** Since this region is famous of geothermal water source and nature tourism, there is a 5 star hotel in this district.

Hotel	Location	Number of room
Crowne Plaza (****)	İnciraltı-Balçova	219

**Bornova District:** Since Ege University Hospital is serving very effectively Ege Sağlık Hotel was established in the Campus of Ege University. Since there are campuses of Ege University and Yaşar University in district and mostly students are living her there is not an intense need for hotel.

Hotel	Location	Number of room
Otel Ege Sağlık (**)	Bornova	100

**Hotels in Airport region;** since there is not so much facility in this region, 2-star Ünaten hotel serving for nearly 11 years located on Akçay Avenue which is on the Karabağlar-Gaziemir line for the transportation of Airport and Trio Hotel serving for 1 years for short term business trips.

Hotel	Location	Number of room
Ünaten Otel (**)	Gaziemir	48
Trio Otel (Special License)	Gaziemir	22

**Çeşme District:** Çeşme district has always preserved its importance as a tourism center with its natural beauty and closeness to İzmir Centrum. Tourism facilities in Çeşme are mostly 5 star hotels and boutique hotels. Since Çeşme has highway connection to İzmir one day trips are also attractive for people.

Hotel	Location	Number of room
Grand Ontur Hotel (****)	Çeşme	200
Sisus Hotel (****)	Çeşme	51
Piril Hotel Çeşme (****)	Çeşme	140
Çeşme Ilıca Hotel (****)	Ilıca	256
Çeşme Süzer Sun Dreams Hotel&Spa (****)	Çeşme	400
Çeşme Sheraton Hotel (****)	Çeşme	398
Çeşme Altinyunus Hotel (****)	Çeşme	459
Babylon Hotel Çeşme (****)	Çeşme	120
Alaçatı Baech Resort (Special License)	Alaçatı	41
Port Hotel Alaçatı (Special License)	Alaçatı	17

### 3.1.4.1 İzmir-Hotel Market Statistics

Aegean Region has the second biggest tourism income after Marmara Region. Shore sides under Mediterranean climate are rich by means of tourism.

In İzmir, hotels are concentrated in Konak distinct and neighborhood. Especially while 4-5 star hotels are located in Çankaya-Basmane line, in Basmane town 2-3 star hotels and great number of motels boutique hotels and pensions are located. In İzmir's shore side especially 5 star hotels are located. According to recent data of native and foreign tourists' average staying rates; most preferable hotels are located in Selçuk, Çeşme and Bergama districts. Seferihisar, Foça and Dikili districts follow this course. While

occupancy in hotels located in İzmir Centrum is 32.7%, in hotels located in shore side this rate decreases to 28%. However because of the historical inheritance of the region, occupancy in hotels located in Selçuk-Seferihisar region is nearly up to 50%. According to İzmir Directorate of Tourism and Culture 2009 January data, occupancy rate of some hotels in İzmir are as follows: Devak Hotel 70.64%, Ege Palas Hotel 56.10%, Best Western 70.93%, Efes Sürmeli 42%

Since occupancy rates in boutique hotels reaches the maximum levels during fair and congress periods annually this ratio differs 50-60%.

According to Ministry of Tourism and Culture 2007 statistics (latest data), dispersion of number of check in, staying, average staying period and occupancy rates according to type and class are given below.

### Distribution of Number of Arrivals, Nights Spent, Average Length of Stay and Occupancy Rates of in Touristic Provinces by Type and Class of Establishment(2007)

#### İZMİR

TESİS TÜR VE SINIFI	TESİSE GELİŞ SAYISI Number of Arrivals			GECELEME Nights Spent			ORTALAMA KALIŞ SÜRESİ Average Length of Stay			DOLULUK ORANI % Occupancy Rate %			TÜR VE SINIF DİĞER BİLGİLERİ
	YABANCI Foreigner	YERLİ Citizen	TOPLAM Total	YABANCI Foreigner	YERLİ Citizen	TOPLAM Total	YABANCI Foreigner	YERLİ Citizen	TOPLAM Total	YABANCI Foreigner	YERLİ Citizen	TOPLAM Total	
<b>OTEL</b>													
5 YILDIZ	169 288	212 238	411 524	619 707	412 493	1 032 200	3,1	1,9	2,6	30,44	20,26	50,71	4 STAR
4 YILDIZ	126 336	162 139	278 475	478 102	247 314	725 416	3,8	1,8	2,6	38,18	20,26	58,44	4 STAR
3 YILDIZ	20 108	263 917	323 925	163 730	404 297	568 027	2,7	1,5	1,8	10,75	26,65	37,31	3 STAR
2 YILDIZ	20 665	113 734	134 399	46 080	125 690	244 860	2,4	1,7	1,8	7,23	28,82	36,05	3 STAR
1 YILDIZ	601	9 518	10 119	1 311	11 078	12 389	1,6	1,2	1,2	2,73	23,07	25,80	1 STAR
ÖZEL BELGELİ	10 427	34 160	44 657	58 229	55 609	111 738	5,4	1,6	2,6	28,57	26,22	52,79	CONDOMINIUM
BUTİK	2 725	5 258	7 981	2 666	5 771	8 738	1,1	1,1	1,1	0,78	16,01	28,78	BOUTIQUE
APART	1 877	8 554	10 231	4 217	13 847	18 064	2,5	1,6	1,8	11,10	30,44	47,54	APART
<b>TOPLAM</b>	<b>422 198</b>	<b>789 416</b>	<b>1 221 614</b>	<b>1 375 354</b>	<b>1 345 899</b>	<b>2 721 253</b>	<b>3,3</b>	<b>1,7</b>	<b>2,2</b>	<b>23,77</b>	<b>23,26</b>	<b>47,04</b>	<b>TOTAL</b>
<b>MOTEL</b>	<b>2 867</b>	<b>1 930</b>	<b>4 817</b>	<b>7 643</b>	<b>6 202</b>	<b>13 845</b>	<b>2,6</b>	<b>3,2</b>	<b>2,9</b>	<b>23,52</b>	<b>19,09</b>	<b>42,61</b>	<b>MOTEL</b>
<b>PANSİYON</b>	<b>2</b>	<b>2 416</b>	<b>2 418</b>	<b>14</b>	<b>6 074</b>	<b>6 088</b>	<b>7,0</b>	<b>2,5</b>	<b>2,5</b>	<b>0,93</b>	<b>11,33</b>	<b>11,35</b>	<b>BOARDING HOUSE</b>
<b>TATİL KÖYÜ</b>	<b>16 796</b>	<b>84 607</b>	<b>95 403</b>	<b>70 957</b>	<b>259 953</b>	<b>322 610</b>	<b>6,6</b>	<b>3,0</b>	<b>3,4</b>	<b>8,25</b>	<b>29,27</b>	<b>37,52</b>	<b>HOLIDAY VILLAGE</b>
<b>KAMPING</b>	<b>458</b>	<b>2 069</b>	<b>3 277</b>	<b>3 567</b>	<b>12 923</b>	<b>16 490</b>	<b>7,9</b>	<b>4,6</b>	<b>5,0</b>	<b>8,04</b>	<b>29,13</b>	<b>37,16</b>	<b>CAMPING</b>
<b>EĞİTİM UYGULAMA</b>	<b>3 826</b>	<b>574</b>	<b>4 400</b>	<b>38 013</b>	<b>1 314</b>	<b>31 327</b>	<b>7,8</b>	<b>2,3</b>	<b>7,1</b>	<b>73,22</b>	<b>3,21</b>	<b>76,42</b>	<b>TRAINING EST.</b>
<b>GENEL TOPLAM</b>	<b>440 177</b>	<b>891 732</b>	<b>1 331 929</b>	<b>1 487 548</b>	<b>1 624 063</b>	<b>3 111 613</b>	<b>3,4</b>	<b>1,8</b>	<b>2,3</b>	<b>21,92</b>	<b>23,83</b>	<b>45,65</b>	<b>ORANIN TOTAL</b>

In general sum occupancy rate in accommodation facilities is 38.66%.

Convenient climate conditions, shores with best opportunities of the sea tourism, famous thermal sources, antic cities, religious centers like House of Virgin Mary and natural beauties İzmir province is the leader of the Turkey in tourism activities.

According to information obtained from Directorate of Tourism and Culture, İzmir has exceeded 1 million foreign tourists for the first time in 2008. 697 thousand by air and 367 thousand by sea, a total of 1 million 74 thousand foreign tourists have come to city in 2008. Increasing cruise tourism especially in recent years, direct flights from foreign cities, and increasing arrivals with hotel investments reached this number to 1 million 74 thousand.

Every year many tourists come to İzmir province via both air, sea and land transportation. In 2009 by the 21 July 2009 155.577 passengers came to İzmir by 60 voyages, and the number of cruise tourists reached a total of 1.086.384 in the sixth year of cruise tourism.

In 2009 airway arrivals decreased by 4.29% while sea arrivals decreased by 0.16%. Total arrivals have decreased by 3.21%. 73% of the arrivals were by airway while 27% were by sea.

In May, 2010 (according to the latest data), there has been an increase in arrivals via airway by 15.19% and in arrivals via seaway by 24.64%. The total increase in the arrivals occurred as 18.26%. 66% of the total arrivals were via airway and 34% were via seaway.

2007-2008-2009-2010 YILLARI İZMİR NİSAN AYI TURİZM HAREKETLERİ							
	2007	2008	%	2009	%	2010	%
HAVAYOLU	63463	76453	3,26	74463	21,83	85772	15,19
DENİZYOLU	22880	42589	85,49	35841	21,33	44683	24,67
<b>TOPLAM</b>	<b>86343</b>	<b>119042</b>	<b>24,32</b>	<b>110304</b>	<b>21,63</b>	<b>130455</b>	<b>18,27</b>

Every year, a great number of tourists arrive in Izmir via highway, seaway and airway every. In 2003 only 5 cruise ships arrived in Izmir and brought 3,271 passengers, while in 2009 this number increased to 127 ships and 309,603 passengers arrived in Izmir. Until May, 2010, 10 thousand 892 tourists arrived in Izmir by 4 cruise ships. From 2003 till March 2010, 1 million 251 thousand 302 passengers arrived.

	TESİS	ODA	YATAK
TURİZM İŞLETME BELG. KON. TES.	127	11826	25233
TURİZM YAT. BELG. KON. TES.	52	6028	14525

In parallel with the improvements in tourism sector, number of facilities and beds in Izmir is increasing day by day. According to the data provided by Izmir Provincial Directorate of Culture and Tourism for May, 2010, there are 127 accommodation facilities with tourism operation license and the total capacity is 25,233 beds. Total capacity of the 52 accommodation facility with tourism investment license is 14,525 beds. In the city there are 337 tourism agencies; 305 of these agencies are of class A; 4 of them are of class B; 34 are of class C.

	A-AG	B	C	TOPLAM
TURİZM SEYAHAT AÇENTALARI	305	4	34	337

According to the data provided by Turkish Republic Ministry of Culture and Tourism for the year 2006 (latest data), there are 442 accommodation facilities with municipality license and the number of rooms is 9,248 and the number of beds is 19,936. Numbers of accommodation facilities, rooms and beds are provided in the attached table.

### 3.1.4.2 Developments in the Sector

As being a candidate city for 'fairs and congresses' Izmir is one of the main tourism cities of our country with historical wealth and natural beauty of coast side. With new opened hotels in Izmir in the last fall, accommodation problem during the fair periods thought to be solved.

Before the International Marble fair in the March of 2007 Ontur İzmir, Kordon Hotel which is run by Timur Gönülşen owner of the Bonjour and his daughters, Beyond Boutique hotel opened by Karcıoğlu family in Alsancak and Comfort Hotel were opened and then with the opening of SC INN Boutique by Selçuk Cengiz İnşaat Limited Şirketi and Ocakoğlu in fall of 2007, Mövenpick and Swissotel, Grand Efes Hotel in 2008, accommodation problem taught to be solved. Hotel Residence Comfort which opened in the fall of 2008 and became popular with its new concept, Blanca hotel with qualified services and Residence Hotel opened in May of 2009, alternative qualified service offers also increased.

While the hotel by Özgörküy family in Gümrük with sea view is still in progress, children of businessman Salih Karcıoğlu Pınar Zencirci and Selçuk Karcıoğlu build Beyond Boutique Hotel near first Kordon.

While İzmir is becoming tourism city day by day investors started to prefer special designed boutique hotels after 4-5 star hotels.

Besides, businessmen Oğuz Yurdakul, Mümtaz Kural and Metin Akkök opened MOM Hotel in 2009 with 56 rooms with 3 million dollars investment to hotel unit of interciry bus terminal which was opened 10 years ago.

KTZ Real Estate, which belongs to Kasım Pırlant who established a Thermal Bath, Princess and Crown Plaza Hotels, purchased the vacant building in Balçova which was abandoned for 10 years and created Balçova Egepark and also operates Ege Park Mavişehir, plans to build a shopping center together with a hotel. Kasım Pırlant, who is the owner of nine Shopping Centers and three companies in Chicago, established Ege Park Balçova for 100 million TL. Kasım Pırlant, who is the owner of nine Shopping Centers and three companies in Chicago, decided to make investment in İzmir and established Ege Park Balçova for 100 million TL. They started to invest their money in a 23-story building they bought from İzmir Economy University two years ago, which was under construction at the time, and they opened Best Buy store. Official opening of the Ege Park Shopping Center part took place in June. The investment includes a Shopping Center, bowling hall and a hotel.

İzmir Special Provincial Administration started the construction of Princess Hotel in 1980 and completed in 1994 and sued managers in 2005-2006 because of the rent disagreement. By the decision of Supreme Court in November 2008 evacuation was executed in 6 July 2009. Owner of the Princess Hotel, Balçova Termal Turizm A.Ş, which is a sub company of İzmir Governorship, got he keys of Hotel. After evacuation they stated Hotel activity will continue by rent. Rent will be for 10 years and if Board of Balçova Termal ve Turizm A.Ş is pleased this period they will extend it for another 10 years. Facility with 300 rooms and 600 beds needs 10 million dollars of investment and this investment amount will not be extract from rent amount. Princess hotel was for bids in 3 September 2009 for annual 2 million 100 thousand TL rent value. In the same date Princess Hotel was rent by İşıltı Yapı Group for 10 years with 350.000 TL monthly rent.

Kaya İzmir Thermal Bath and SPA Hotel General Manager Mesut Güven has declared that they are going to open renovated Princess Hotel to service in August, which they undertook in tender. Kaya Group has invested approximately 15 million dollars for the renovation of the facility and they will put the facility into service in August so that they will establish one of the leading thermal bath and health hotels of Europe in Balçova.

Mesut Güven indicated that when the facility becomes operational 300 people will be employed and they will build a convention center with a 2 thousand 500-person capacity, behind the facility. In addition, it is stated that the old hotel has been renovated thoroughly and 8 rooms for the disabled people are added in the ground floor of the hotel which will serve as a thermal bath and for treatment purposes. The 6 thousand sqm basement floor is completely designed as a thermal rehabilitation and treatment center.

Famous singer İzzet Yıldızhan will open a 5-star hotel in İzmir Çankaya Şair Eşref Boulevard and the construction was started in 2010. This hotel is planned to have 19 stories and it is stated that they plan to put the hotel into service in 1 year.

Marble exporter Sebahattin Vatansver is also building a 4-star hotel in Kahramanlar District. In this hotel, there will be meeting rooms and conference halls, indoor swimming pool and fitness center and activity center.

Portuguese Grupo Onyria that is the owner of 5 golf hotels, in luxury places of the world, one in Algvre, which is the famous golf center of Portugal and another one in Bordeaux of France, has purchased 57% of the shares of Carpe Diem Claros hotel located in İzmir Özdere and opened last season. It is learned that the group that bought the majority of the shares of the hotel which was built by 40 million dollar investment by Bengovil Tourism affiliate of Yapı Merkezi Group (YMG), paid 25 million euros for purchasing the shares. Ağaşcıoğlu also stated that the Portuguese group did not only become a partner of the hotel but also a partner of Bengovil Tourism and in the sales process there was a option for taking the shares back after 4 years.

### 3.1.4.3 New Investments

A hotel with 260 beds is being constructed by Par-San Company with 15 million dollars across the Swissotel Grand Efes which opened in 2008 in place of former İzmir Yüksek Teknoloji Institute's building. Construction started at the end of 2007 and it is planned to be completed in 2009. Hotel was planned as 4 star 8 floored with total 126 rooms.

One of the twin towers of Çiğli Culture and Shopping Mall started construction in 2007 by Katal İnşaat, M.Ç.K. Tekstil, Özdemirkol İnşaat, Rodi-Yars-Graniser, Kerem Özcan İnşaat and Erişen İnşaat on plot belongs to Çiğli Municipality and Special Provincial Administration; is planned to be a business hotel. With 130 million dollars investment, this center contains a business hotel with 150 bed capacity, parking lot for 250 vehicles, 45 stores, 4 pocket cinemas, Marriage Office for 500 people, congress hall for 500 people. Çiğli Culture and Shopping Center has opened in 2009, as called Sillion Outlet and Anemon Hotel.

Varyap Varlıbaşlar known with Uphill Court projects are willing to privatizing of the İzmir Büyük Efes Hotel however Tahincioğlu Nida MV Consortium won the bid, but they are still planning a Project with 400 million dollars investment in İzmir including 5 star hotel, offices and shopping mall. They are planning to build the biggest shopping mall of İzmir on 50 thousand square meters at the back region of İzmir harbor. It is planned to build the 90,000 sqm of this project as shopping mall, approximately 200-250 stores on total of 45,000 sqm of rentable area.

CEO of the Akfen Holding, Hamdi Akın is still searching for place with TAV the manager company of İzmir Adnan Menderes Airport to build two 4 star hotels with 600 bed capacity. It is expected that bed capacity of İzmir will reach to 10,000 with new projects.

Özgörkey Group which decided to invest in tourism sector with 3 projects a while ago advanced in only two projects because of license problems. They are aiming to open boutique hotel with 36 rooms in Kordon which was the renewal of former Central Bank building with 10 million dollars investment.

Board member of Ganiçoğlu Corporation Group Niyazi Ganiçoğlu decided to build a business hotel with 87 rooms in İzmir Bayraklı and a hot spring facility by sea in Çeşme-Paşalimanı.

Maxima Hotel Groups named by princess Maxima of Netherlands will build Maxima Park in İzmir-Özdere which is planned to be holiday and life center to be sold to mainly Dutch and Belgians with 250 million euros.

It is planned to include 5 star hotel, shopping mall, spa, golf course any many other facilities. Maxima Park is planned to be the biggest tourism facility of İzmir with Spa center, tennis academy with 24 courts, 4 football fields, and a golf course with 27 holes, 1 shopping mall, 80 enterprises and 6 A'la Carte restaurants on 39 thousand square meters.

It has been speculated that one of the richest men in the world, the top of the Russian billionaires list with a total fortune of 14.1 billion dollar, founder of Hotel Madran; Mihail Prohorov will build a 7 star hotel in İzmir Çeşme.

Russian businessman Mikhail Prohorov wished to build a 7-star hotel with 650 beds situated ion a 200 decares of land in İzmir Çeşme District Çiftlikköy Region that he bought for 18 million dollars 3 years ago; however this was not allowed by the zoning plan. The land has been vacant for 3 years and they are waiting for the preparation of 1/1000 zoning plan by the Ministry of Culture and Tourism for Çiftlikköy Region. Sevil family was planning to build 87 m high Park Tower as a 5-star hotel in Basmane Mürselpaşa Street. After court's decision for cancellation of the zoning plan amendment prepared by the Municipality, the construction was ceased by Sevkon Real Estate Development Company. The company executive, Nuri Sevil indicated that they had made an agreement with the greatest hotel chain of the world for the operation of the hotel. 29 million euro investment was made for the project and it was indicated that they would appeal against the decision.

The greatest portion that was a problem between Karabağlar, Konak and Balçova Municipalities belongs to Doğuş Group. Authorization was granted for signing a protocol between the parties for the market place in Üçkuyular and the car parking area behind, that is 47 thousand 984 sqm. In the said area, Karadağlar Municipality owns a land of 12 thousand 635 sqm; and 6 thousand sqm part of the remaining land belongs to Konak Municipality. The authorities stated that Doğuş group will build a complex on this land which will include a business center, hotel, shopping center and residence. Related municipalities declared that flat for land method implementation is suitable for them.

It is indicated that the new favorite place for investments for the businessmen is the islands in the Aegean Sea and it is believed that tourism in the region will be accelerated by the facilities to be established on the majority of these islands. Chairman of Fiyapı Executive Board, Fikret İnan, stated that they bought Garip Island, which has a 358 decare surface area, for a price of 35 million dollars and they will invest 350 million dollars to the island they named as Fi-Island and the facility will be operated by Fi-Turizm A.Ş. The island is located across the Bademli Bay of Dikili and it is 4 km away from Dikili, 10 km away from Çandarlı, 19 km away from Bergama. In the island, which has a 200 thousand sqm construction area, a thermal bath facility will be established. It is indicated that in the island a 5-star hotel with 5 thousand rooms will be constructed and the facility will be open for 9 months of the year. In addition there will be football fields in the facility so that the clubs will be able to organize camps here.

Since the region between Turan and Alsancak Harbor in İzmir is planned as Manhattan Region, the investment tendencies have shifted to this region. However, due to the fact that project implementations have not started on the parcels to be allocated for the construction of the New City Center, some of the investment plans are suspended. In the region, the investment plans for the future are in progress and it is believed that there will be hotel projects with alternative concepts.

### 3.1.4.4 Market Research

#### 3.1.4.4.1 Project Area Vicinity in Perspective of Boutique Hotel Sector

##### 3.1.4.4.1.1 Information about Some Boutique Hotels in Konak



<b>Name:</b> ONTUR HOTEL (Special License)
<b>Location:</b> Çankaya, İZMİR
<b>Project Owner:-</b>
<b>Cooperation:-</b>
<b>Architectural Design:</b> Umut İNAN- Efe İNAN
<b>Investment Value:-</b>
<b>Construction Start:-</b>
<b>Complete Date:-</b>
<b>Opening Date:-</b>
<b>Plot Size:-</b>
<b>Total Construction Area:-</b>
<b>Total number of Rooms:</b> 80
<b>Bed Capacity:</b> 160
<b>Size of Rooms:</b> 30 sqm
<b>Size of Suits:</b> 45 sqm
<b>Number and Capacity of Meeting Halls:</b> meeting hall (max capacity 100-150 people -195 sqm).
<b>Capacity of Parking Areas:</b> No
<b>General Features of Hotel:</b> Covered swimming pool with 300 sqm, 180 people capacity restaurant, social activities like aerobics center, massage rooms, shock shower.
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> Special company price=One person: 70 EURO, double:85 EURO, Including VAT





<b>Name:</b> BEYOND HOTEL (Special License)
<b>Location:</b> Alsancak, İZMİR
<b>Project Owner:</b> Norm - Kar İnşaat San. Ve Tic. Ltd. Şti.
<b>Cooperation:</b> Norm - Kar İnşaat San. Ve Tic. Ltd. Şti.
<b>Architectural Design:</b> IPD Mimarlık
<b>Investment Value:-</b>
<b>Construction Start:</b> 2005
<b>Complete Date:</b> 2007
<b>Opening Date:</b> 2007
<b>Plot Size:</b> 497 sqm
<b>Total Construction Area:</b> 2.775 sqm
<b>Total number of Rooms:</b> 60
<b>Bed Capacity:</b> 126
<b>Size of Rooms:</b> 20-23 sqm
<b>Size of Suits:</b> 42 sqm
<b>Number and Capacity of Meeting Halls:</b> 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.
<b>Capacity of Parking Areas:</b> No
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> 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 press ironing, LCT TV, lightproof curtains, and in bathrooms; water jet bathtub, make up mirror with light, bathrobe, 110-220 volt adapter, hair drier with shaving socket.
<b>Room Price:</b> Special Company Price=One Person: 85 EURO, double: 98 EURO, Including VAT.
<b>Occupancy Rate:</b> During the marble fair occupancy ratio has reached 70-80% and has an annual average of 60%.



<b>Name:</b> MY HOTEL ( Special License )
<b>Location:</b> Alsancak, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b> .
<b>Architectural Design:</b> -
<b>Investment Value:</b>
<b>Construction Start:</b>
<b>Complete Date:</b>
<b>Opening Date:</b> 2005
<b>Plot Size:</b>
<b>Total Construction Area:</b>
<b>Total number of Rooms:</b> 30
<b>Bed Capacity:</b> 84
<b>Size of Rooms:</b> 30 sqm
<b>Size of Suits:</b> 45 sqm
<b>Number and Capacity of Meeting Halls:</b> meeting hall (max capacity 12 people).
<b>Capacity of Parking Areas:</b> No
<b>General Features of Hotel:</b> Open buffet breakfast hall, 24 hour room service, and independent air conditioning system in all rooms, cafe, and bar.
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> Special Company Price=One Person: 150 TL, double: 180 TL, including VAT.
<b>Occupancy Rate:</b> 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%.

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**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: 65 EURO, double: 90 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%.



<b>Name:</b> BLUE HOTEL (Special License)
<b>Location:</b> Basmane, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:-</b>
<b>Construction Start:</b>
<b>Complete Date:</b>
<b>Opening Date:</b> 2006
<b>Plot Size:</b>
<b>Total Construction Area:</b>
<b>Total number of Rooms:</b> 24
<b>Bed Capacity:</b> 42
<b>Size of Rooms:</b> 33 sqm
<b>Size of Suits:</b> -
<b>Number and Capacity of Meeting Halls:</b> White board, television, fax machine, air conditioner, computer, wireless internet connection, copier, telephone. 1 meeting hall (max capacity 60 people).
<b>Capacity of Parking Areas:</b> Parking lot for 20 vehicles.
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> Direct telephone, mini bar, safe, computer, wireless internet, tea/coffee machine, digitürk, split air conditioner, shower, wc, hair drier, Jacuzzi, telephone in bathroom.
<b>Room Price:</b> Standard room up to three people: 140 TL, Up to three people room with sauna: 170 TL, Up to three people room with jakuzi and computer: 190 TL except breakfast including VAT. (Breakfasat + 15 TL)
<b>Occupancy Rate:</b> 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%.



<b>Name:</b> COMFORT HOTEL (Special License)
<b>Location:</b> Kahramanlar, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:-</b>
<b>Construction Start:</b>
<b>Complete Date:</b>
<b>Opening Date:</b> 2007
<b>Plot Size:</b>
<b>Total Construction Area: -</b>
<b>Total number of Rooms:</b> 30
<b>Bed Capacity:</b> 90
<b>Size of Rooms:</b> All rooms-standart 30 sqm
<b>Size of Suits: -</b>
<b>Number and Capacity of Meeting Halls: -</b>
<b>Capacity of Parking Areas:</b> Parking lot for 20 vehicles.
<b>General Features of Hotel:</b> There are 30 rooms with 30 square meters in 8 floors. 7 <sup>th</sup> and 8 <sup>th</sup> floors of the hotel are reserved for non-smoking customer and there is central heating and cooling system in the hotel.
<b>General Features of Rooms:</b> 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, bathrobe, hair drier and Jacuzzi.
<b>Room Price:</b> One person: 110 TL, double: 150 TL, Including VAT.
<b>Occupancy Rate:</b> 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%.



<b>Name:</b> RESİDENCE HOTEL (Special License)
<b>Location:</b> Kahramanlar, İZMİR
<b>Project Owner:</b> Oxygen A.Ş.
<b>Cooperation:</b> -
<b>Architectural Design:</b> Ergün Demirbek
<b>Investment Value:-</b>
<b>Construction Start:</b> 2006
<b>Complete Date:</b> -
<b>Opening Date:</b> 6.05.2009
<b>Plot Size:</b> -
<b>Total Construction Area:</b> -
<b>Total number of Rooms:</b> 33
<b>Bed Capacity:</b> 70
<b>Size of Rooms:</b> All rooms- standart 28 sqm
<b>Size of Suits:</b> -
<b>Number and Capacity of Meeting Halls</b> 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.
<b>Capacity of Parking Areas:</b> There are two open parking lots with a total capacity of 70 vehicles, One is near the hotel and other is close to hotel.
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> Special Company Price=One Person: 50 EURO, double: 65 EURO, Including VAT.
<b>Occupancy Rate:</b> During Fair occupancy differs 90-100% and occupancy is variable during the rest of the year

### 3.1.4.4.2 Project area from the perspective of the Hotel Sector

#### 3.1.4.4.2.1 General information about some hotels in Izmir



<b>Name:</b> SWISSOTEL GRAND EFES (****)
<b>Location:</b> Pasaport, İZMİR
<b>Project Owner:</b> Swissotel
<b>Cooperation:</b> Swissotel
<b>Architectural Design:</b> -
<b>Investment Value:</b> 55.000.000-USD
<b>Construction Start:-</b>
<b>Complete Date:-</b>
<b>Opening Date:</b> May-2008
<b>Plot Size:</b> 36.804,50
<b>Total Construction Area:</b> -
<b>Total number of Rooms:</b> 531
<b>Bed Capacity:</b> 670
<b>Size of Rooms:</b> Classic 27 sqm, premier 30 sqm, advantage 26 sqm
<b>Size of Suits:</b> Business 58 sqm, Executive 125 sqm
<b>Number and Capacity of Meeting Halls:</b> There are 19 meeting rooms ranging from 10 to 1000 people, 1 ballroom for 1270 people.
<b>Capacity of Parking Areas:</b> Closed parking area with 300 lots.
<b>General Features of Hotel:</b> Open and indoor swimming pool, sauna, SPA, Rooftop Equinox, Café Swiss, Swiss Gourmet, Aquarium Restaurant
<b>General Features of Rooms:</b> Rain shower, kettle, tea/coffee offer, 32" LCD TV, Pay TV, wireless internet connection, internet TV connection.
<b>Room Price:</b> One person: 120 EURO, double:130 EURO without VAT



<b>Name:</b> MÖVENPICK HOTEL (*****)
<b>Location:</b> Pasaport, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:</b>
<b>Construction Start:</b>
<b>Complete Date:</b>
<b>Opening Date:</b> 12.02.2008
<b>Plot Size:</b> -
<b>Total Construction Area:</b>
<b>Total number of Rooms:</b> 185
<b>Bed Capacity:</b> 254
<b>Size of Rooms:</b> 23-43 sqm
<b>Size of Suits:</b> 39-43 sqm
<b>Number and Capacity of Meeting Halls:</b> There are 9 meeting halls with different capacities between 15 and 300.
<b>Capacity of Parking Areas:</b> -
<b>General Features of Hotel:</b> Indoor swimming pool, 185 rooms, fitness center, sauna, massage saloon, hairdresser and business center.
<b>General Features of Rooms:</b> Direct telephone, desk, hair drier, TV/radio, air conditioner
<b>Room Price:</b> Rooms price range from 100 EURO to 180 EURO. All the rooms, the second person as the price of the price difference is applied +15 EURO Including VAT (Room + Breakfast)





<b>Name:</b> İZMİR HILTON (****)
<b>Location:</b> Alsancak, İZMİR
<b>Project Owner:</b> -
<b>Cooperation:</b> Hilton Grubu
<b>Architectural Design:</b> -
<b>Investment Value:-</b>
<b>Construction Start:-</b>
<b>Complete Date:</b>
<b>Opening Date:</b> 1992
<b>Plot Size:</b>
<b>Total Construction Area:</b>
<b>Total number of Rooms:</b> 380
<b>Bed Capacity:</b> 754
<b>Size of Rooms:</b> 34 sqm
<b>Size of Suits:</b> 70 sqm
<b>Number and Capacity of Meeting Halls:</b> There are 16 meeting halls (max capacity 1000 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
<b>Capacity of Parking Areas:</b> Indoor parking lot for 1000 vehicles.
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> Single rooms price: 125 – 175 EURO, double rooms price: 145 – 195 EURO Single suit rooms price: 295 – 610 EURO, double suit rooms price: 315 – 630 EURO without VAT



<b>Name:</b> CROWNE PLAZA İZMİR (*****)
<b>Location:</b> Balçova, İzmir
<b>Project Owner:</b> Özdelek A.Ş.
<b>Cooperation:</b> Inter Continental Hotels Group
<b>Architectural Design:</b>
<b>Investment Value:</b>
<b>Construction Start:</b>
<b>Complete Date:</b>
<b>Opening Date:</b>
<b>Plot Size:</b>
<b>Total Construction Area:</b>
<b>Total number of Rooms:</b> 219
<b>Bed Capacity:</b> 333
<b>Size of Rooms:</b> 30-35 sqm
<b>Size of Suits:</b> 60 ~ 90 sqm
<b>Number and Capacity of Meeting Halls:</b> 11 meeting halls for 400 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, barcoveision, moving stage, 6 ballrooms for 900 people fair and exhibition area (542 sqm).
<b>Capacity of Parking Areas:</b> Indoor parking lot (160 vehicles) and open parking lot (60 vehicles).
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> 2 Handicapped rooms, 167 standard rooms including 56 non smoking rooms, 1 royal suit, 42 club rooms, 6 junior suits, 3 senior suits, and a total of 219 rooms consisting of 30 connected rooms. In the rooms there are internet connection, tea&coffee machine, paid TV, satellite TV, digitürk, interactive TV, central air conditioning, iron, shower, bathtub, bath, wc, hair drier, direct telephone, music broadcasting, mini bar, electronic safe, in suits and club rooms; music in bathroom, telephone in bathroom, Jacuzzi and thermal water in some rooms. Rooms have mountain and sea panorama.
<b>Room Price:</b> Single rooms price: 110 – 145 EURO, double rooms price: 130 – 165 EURO Single suit rooms price: 250 – 350 EURO, double suit rooms price: 275 – 375 EURO without VAT

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<b>Name:</b> AKSAN HOTEL (****)
<b>Location:</b> Basmane, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:</b>
<b>Construction Start:</b>
<b>Complete Date:</b>
<b>Opening Date:</b>
<b>Plot Size:</b>
<b>Total Construction Area:</b>
<b>Total number of Rooms:</b> 87
<b>Bed Capacity:</b> 186
<b>Size of Rooms:</b> 30 sqm
<b>Size of Suits:</b> 50 sqm
<b>Number and Capacity of Meeting Halls:</b> Full equipped meeting hall with a capacity of 200 people for special meetings and seminar groups.
<b>Number and Capacity of Meeting Halls:</b> Open parking lot for 20 vehicles.
<b>General Features of Hotel:</b> 1 A'la carte restaurant, 2 outdoor restaurants, 1 ballroom and also Turkish bath, sauna, massage and Jacuzzi activities.
<b>General Features of Rooms:</b> 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, Digiturk, central air conditioning, bathtub-bath, WC, hair drier.
<b>Room Price:</b> One person: 85 TL, double: 120 TL, three person, 150 TL, including VAT

CA



<b>Name:</b> KAYA PRESTIGE HOTEL İZMİR ( **** )
<b>Location:</b> Çankaya, İZMİR
<b>Project Owner:</b> Fe-Ka Tur. İşl. Ltd. Şti.
<b>Cooperation:</b> -
<b>Architectural Design:</b> -
<b>Investment Value:</b> -
<b>Construction Start:</b> -
<b>Complete Date:</b> -
<b>Opening Date:</b> 1992
<b>Plot Size:</b>
<b>Total Construction Area:</b>
<b>Total number of Rooms:</b> 142
<b>Bed Capacity:</b> 284
<b>Size of Rooms:</b> 20 sqm (max)
<b>Size of Suits:</b> 55 sqm (max)
<b>Number and Capacity of Meeting Halls:</b> In total 7 congress halls with a capacity of 350 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.
<b>Capacity of Parking Areas:</b> Open parking lot for 10 vehicles.
<b>General Features of Hotel:</b> Cocktail, Cocktail / Prolonge, Set Menu Open Buffet, lunches and dinners, lunch - box service, coffee- break services, Fair area stand organizations and picnic organizations
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> One person:119 TL, double: 151 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: 125, double: 155 TL including VAT

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<b>Name:</b> PALM CITY İZMİR (****)
<b>Location:</b> Kahramanlar, İZMİR
<b>Project Owner:</b> -
<b>Cooperation:</b> -
<b>Architectural Design:</b> -
<b>Investment Value:-</b>
<b>Construction Start:-</b>
<b>Complete Date:-</b>
<b>Opening Date:-</b>
<b>Plot Size: -</b>
<b>Total Construction Area: -</b>
<b>Total number of Rooms: 55</b>
<b>Bed Capacity: 140</b>
<b>Size of Rooms: 19 sqm</b>
<b>Size of Suites: 40 sqm</b>
<b>Number and Capacity of Meeting Halls:</b> 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
<b>Capacity of Parking Areas:</b> Open parking lot for 20 vehicles and indoor parking lot for 20 vehicles.
<b>General Features of Hotel:</b> Health room, wake up service, internet, dry cleaning, laundry and ironing services, safe in the reception, generator
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> one person 100 TL, double:130 TL, three person: 170 TL including VAT.



<b>Name:</b> EGE PALAS İZMİR (****)
<b>Location:</b> Alsancak, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:</b>
<b>Construction Start:</b>
<b>Complete Date:</b>
<b>Opening Date:</b>
<b>Plot Size:</b>
<b>Total Construction Area:</b> -
<b>Total number of Rooms:</b> 116
<b>Bed Capacity:</b> 236
<b>Size of Rooms:</b> 24 sqm
<b>Size of Suits:</b> 53 sqm
<b>Number and Capacity of Meeting Halls:</b> 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.
<b>Capacity of Parking Areas:</b> A Block: 34 vehicles - B Block : 42 vehicles
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> 2 suit, 2 corner club rooms, 2 handicapped rooms, 112 Standart 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.
<b>Room Price:</b> one person 140 TL, double: 190 TL, including VAT.



<b>Name:</b> ANEMON OTEL (****)
<b>Location:</b> Basmane, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:-</b>
<b>Construction Start:</b>
<b>Complete Date:-</b>
<b>Opening Date:</b>
<b>Plot Size: -</b>
<b>Total Construction Area: -</b>
<b>Total number of Rooms: 98</b>
<b>Bed Capacity: 120</b>
<b>Size of Rooms: 22 sqm</b>
<b>Size of Suits: 35 sqm</b>
<b>Number and Capacity of Meeting Halls:</b> A meeting hall (200 min. capacity). Overhead, slayt projector, flipchart, sound system, microphone, video player, DVD player, television, laser pointer
<b>Capacity of Parking Areas:</b>
<b>General Features of Hotel:</b> Internet connection in common usage areas, central heating, TV room, digitürk, laundry, dry-cleaning, room service, private autopark facility
<b>General Features of Rooms:</b> Bathroom, WC, shower, bathtube, hair drier, wireless internet, telephone, safe, TV (satellite broadcasting) air condition,
<b>Room price:</b> One person: 65 EURO, Double: 75 EURO, VAT included (Room + Breakfast)

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<b>Name:</b> ANEMON FUAR OTEL (****)
<b>Location:</b> Alsancak, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:-</b>
<b>Construction Start:</b>
<b>Complete Date:-</b>
<b>Opening Date:</b>
<b>Plot Size: -</b>
<b>Total Construction Area: -</b>
<b>Total number of Rooms</b> 118
<b>Bed Capacity:</b> 130
<b>Size of Rooms:</b> 26 sqm
<b>Size of Suits:</b> 50 sqm
<b>Number and Capacity of Meeting Halls:</b> 4 meeting hall, ( 30 min – max. 400 person) In each hall, overhead, projection screen, white-board, barcovision, sound system, microphone, video player, DVD player, television, fax, laser pointer
<b>Capacity of Parking Areas:</b> Indoor parking lot for 100, Open parking ( hotel enviroment) lot for 20
<b>General Features of Hotel:</b> Central air conditioning and heating, TV corner, wireless internet, business center, laundry, dry-cleaning, room service 24 hours, elevation, generatör, when you are prompted doctor or nurse, indoor autopark.
<b>General Features of Rooms:</b> Direct phone, min bar, electronics safe, wireless internet, free tea/coffee tray,, kettle, plazma TV, pay TV, central air conditioning, tub-shower, WC, hair drier, telephone in bathroom.
<b>Room Price:</b> One person price range from 78 EURO to 88 EURO. All the rooms, the second person as the price of the price difference is applied +10 EURO Including VAT (Room + Breakfast)



<b>Name:</b> KORDON HOTEL (****)
<b>Location:</b> Pasaport, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:-</b>
<b>Construction Start:</b>
<b>Complete Date:-</b>
<b>Opening Date:</b>
<b>Plot Size: -</b>
<b>Total Construction Area: -</b>
<b>Total number of Rooms: 60</b>
<b>Bed Capacity: 120</b>
<b>Size of Rooms: 28-30 sqm</b>
<b>Size of Suits: 45 sqm</b>
<b>Number and Capacity of Meeting Halls:</b> Banquet meeting hall (max capacity 275 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.
<b>Capacity of Parking Areas:</b> No
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> Special Company Price=One Person: 75 EURO, double: 90 EURO, three : 115 EURO, Suit rooms: 150 EURO, Including VAT.

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**Name: KORDON OTEL (ALSANCAK) (\*\*\* )****Location: Alsancak, İZMİR****Project Owner: -****Cooperation: -****Architectural Design: -****Investment Value:-****Construction Start: -****Complete Date:-****Opening Date: March 2010****Plot Size: -****Total Construction Area: -****Total number of Rooms: 88(80 standart ve 8 suit rooms)****Bed Capacity: 176****Size of Rooms: -****Size of Suits: -****Number and Capacity of Meeting Halls:** meeting hall (max capacity 40 people), Projection machine, , barcoveision, white board, sound system, microphone, DVD player, LCD, internet,**Capacity of Parking Areas:**Open otopark area**General Features of Hotel:** Direct telephone, music broadcasting, minibar, safe, computer, enternet connection, satellite TV, central air conditioner, shower, bathtub-bathroom, hair drier, wc, Jacuzzi in bathroom for some of the rooms**General Features of Rooms:** Direct telephone, minibar, safe, computer, enternet connection, satellite TV, cable enternet, central air conditioner, shower, bathtub-bathroom, WC, hair drier,**Room Price:** Special Company Price=One Person: 45 EURO, double: EURO, three : 75 EURO, Suit rooms: 90 EURO, Including VAT.



<b>Name:</b> MARLA OTEL (****)
<b>Location:</b> Pasaport, İZMİR
<b>Project Owner:</b> -
<b>Cooperation:</b> -
<b>Architectural Design:</b> -
<b>Investment Value:-</b>
<b>Construction Start:</b>
<b>Complete Date:-</b>
<b>Opening Date:-</b>
<b>Plot Size:</b> -
<b>Total Construction Area:</b> -
<b>Total number of Rooms :</b> 68
<b>Bed Capacity:</b> 138
<b>Size of Rooms:-</b>
<b>Size of Suits:</b> -
<b>Number and Capacity of Meeting Halls:</b> meeting hall (max capacity 100 people), There are also 2 restaraunt. Restrauntlar capacity of 200 people.
<b>Capacity of Parking Areas:-</b>
<b>General Features of Hotel:</b> Direct telephone, music broadcasting, minibar, satellite TV, central air conditioning, shower, bathtub-bathroom, wc, hair drier, for suits <i>music and telephone in bathroom.</i>
<b>General Features of Rooms:</b> Direct telephone, minibar, satellite TV, central air conditioning, bathtub-bathroom, WC, hair drier, suitlerde jakuzi, for suits music and telephone in bathroom.
<b>Room Price:</b> Special Company Price=One Person: 120 TL, Double: 150 TL, Including VAT. (Room + Breakfast)



<b>Name:</b> MOM OTEL (****)
<b>Location:</b> Işıkkent, İZMİR
<b>Project Owner:</b>
<b>Cooperation:</b>
<b>Architectural Design:</b>
<b>Investment Value:-</b>
<b>Construction Start:</b>
<b>Complete Date:-</b>
<b>Opening Date:</b> 2009
<b>Plot Size: -</b>
<b>Total Construction Area: -</b>
<b>Total number of Rooms:</b> 56
<b>Bed Capacity:</b> 124
<b>Size of Rooms: -</b>
<b>Size of Suits: -</b>
<b>Number and Capacity of Meeting Halls:</b> Meeting rooms are under construction. Max. capacity 100 people restraunt.
<b>Capacity of Parking Areas:</b> There are 50 cars free parking.
<b>General Features of Hotel:</b> Direct telephone, music broadcasting, minibar, satellite TV, central air conditioner, shower, bathtub-bathroom, wc, hair drier, enternet
<b>General Features of Rooms:</b> Direct telephone, minibar, satellite TV, central air conditioner, bathtub-bathroom, WC, hair drier
<b>Room Price:</b> Special Company Price=One Person: 60 TL, double: 100 TL, three : 140 TL, Including VAT. ( Room + Breakfast)



**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:59 €, double:69 €, room depending on the size of price increases. Including VAT.



<b>Name:</b> BLANCA HOTEL (****)
<b>Location:</b> Kahramanlar, İZMİR
<b>Project Owner:</b> -
<b>Cooperation:</b> -
<b>Architectural Design:</b> -
<b>Investment Value:-</b>
<b>Construction Start:</b> -
<b>Complete Date:-</b>
<b>Opening Date:</b> 2008
<b>Plot Size:</b> -
<b>Total Construction Area:</b> -
<b>Total number of Rooms:</b> 75
<b>Bed Capacity:</b> 156
<b>Size of Rooms:</b> 20 sqm
<b>Size of Suits:</b> Suit room:40 sqm, King Suit:60 sqm
<b>Number and Capacity of Meeting Halls:</b> 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.
<b>Capacity of Parking Areas:</b> Parking lot for approximately 30 vehicles.
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> Single room:60 EURO, double: 80 EURO including KDV.



<b>Name:</b> YUMUKOĞLU HOTEL (***)
<b>Location:</b> Çankaya, İZMİR
<b>Project Owner:</b> -
<b>Cooperation:</b> -
<b>Architectural Design:</b> -
<b>Investment Value:-</b>
<b>Construction Start:</b> -
<b>Complete Date:</b> -
<b>Opening Date:</b> 1987
<b>Plot Size:</b> -
<b>Total Construction Area:</b> -
<b>Total number of Rooms:</b> 79
<b>Bed Capacity:</b> 180
<b>Size of Rooms:</b> 25 sqm
<b>Size of Suits:</b> 50 sqm
<b>Number and Capacity of Meeting Halls:</b> There is a meeting and congress hall for 70 people. In this hall there are overhead projector, white board, flipchart, video player, and TV.
<b>Capacity of Parking Areas:</b> Parking lot for approximately 90 vehicles.
<b>General Features of Hotel:</b> 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.
<b>General Features of Rooms:</b> 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.
<b>Room Price:</b> Single room: 90 TL, double:120 TL,including VAT.

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### 3.1.4.4.2.2 Nightly Accommodation Prices in Some Izmir Hotels

Hotel	Room Kind	Price	Quality
Swissotel Grand Efes	One Person	120 EURO	R+B+VAT
	Double	130 EURO	
Mövenpick Hotel	One Person	100-180 EURO	R+B+VAT
İzmir Hilton Oteli	One Person	125-175 EURO	R+B+VAT(without)
	Double	145-195 EURO	
Crowne Plaza	One Person	110-145 EURO	R+B+VAT(without).
	Double	130-165 EURO	
Aksan Otel	One Person	85 EURO	R+B+VAT
	Double	120 EURO	
	Three person	150 EURO	
Kaya Prestige Otel	One Person	60 EURO	R+B+VAT
	Double	75 EURO	
Best Western Konak Otel	One Person	63 EURO	R+B+VAT
	Double	78 EURO	
Palm City Otel	One Person	45 EURO	R+B+VAT
	Double	65 EURO	
	Three person		
Ege Palas Otel	One Person	70 EURO	R+B+VAT
	Double	95 EURO	
Anemon Otel	One Person	65 EURO	R+B+VAT
	Double	75 EURO	
Anemon Fuar Otel	One Person	78-88 EURO	R+B+VAT
Kordon Otel(Pasaport)	One Person	75 EURO	R+B+VAT(without)
	Double	95 EURO	
	Three person	115 EURO	
Ontur Otel	One Person	70 EURO	R+B+VAT
	Double	85 EURO	
Blanca Hotel	One Person	60 EURO	R+B+VAT
	Double	80 EURO	
Marla Otel	One Person	60 EURO	R+B+VAT
	Double	75 EURO	
Beyond Otel	One Person	85 EURO	R+B+VAT
	Double	98 EURO	
Otel Ege Sağlık	One Person	63-84 EURO	R+B+VAT
	Double	73-94 EURO	
My Otel	One Person	75 EURO	R+B+VAT
	Double	90 EURO	
SC Inn Otel	One Person	65 EURO	R+B+VAT
	Double	90 EURO	
Blue Otel	Standart Room	70 EURO	R+B+VAT

### 3.1.4.4.3 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	
<b>O.B. (Only Bed)</b>	Pension type which includes only accommodation and all food-drink and other activities are subject to extra payment.
<b>B.B (Bed and Breakfast)</b>	Pension type including only bed and breakfast, all food-drink are subject to different pricing
<b>H.B (Half Board)</b>	Pension system including accommodation, breakfast and either lunch or dinner.
<b>F.B (Full Board)</b>	Pension type including accommodation, breakfast, lunch, dinner. Drinks and beverages in the meals are not included.
<b>Everything Included(H.D)</b>	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.



### 3.2 Special Data - Analysis 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 3<sup>rd</sup> 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 5.19% (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.

İZMİR			
	Total	City	Village
2000	3.370.866	2.732.669	638.197
2008	3.795.978	3.450.537	345.441
Annual population growth ratio (%)	1,6	3,28	-5,73

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, Alağa, 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, and 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 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 km<sup>2</sup>. 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 9<sup>th</sup> 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

**SECTION 4****TITLE DEED AND ZONING INFORMATION OF THE REAL ESTATE****4.1 Title Deed Information of the Real Estate**

Province	: İzmir
Administrative District	: Konak
Subdistrict	: -
Quarter	: Alsancak
Village	:
Street	:
Locality	:
Area	: 629 m <sup>2</sup>
Plot No.	: 909 plan
Section No.	: 7656
Parcel No.	: 2
Quality	: 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 25.02.2011 at 14.30 in Title Deed Registration Directorate of İzmir Konak District, and according to the encumbrance certificate dated 15.02.2011, 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 identify the density of construction that is to be performed further to the relevant purposes of use.

According to the investigations carried out on 25.02.2011 in city of Izmir Konak District, Konak Municipality Zoning Directorate and according to the approved zoning status certificate dated 07.03.2011 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.

✓ **Building Supervision :**

- In this respect, the subject property of appraisal is not subject to the Building Supervision Code no. 4708 dated 29.06.2001.

**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 information received from Akfen officials, the subject immovable property is at the phase of receiving license and the room approvals of the projects were received and an application was submitted to the municipality officials with the petition dated 30.03.2011 and numbered 29 for building license and the process is proceeding positively.

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 Civil Liability

It is considered that there are no restraints in the framework of the provisions of the Capital Markets Legislation in including the subject immovable property as "project" to the Real Estate Investment Trust portfolio

#### 4.6 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

##### 5.1 Situation, Position and Environmental Features of the Real Estate

Open address of the property is: 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: Tarış, 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.

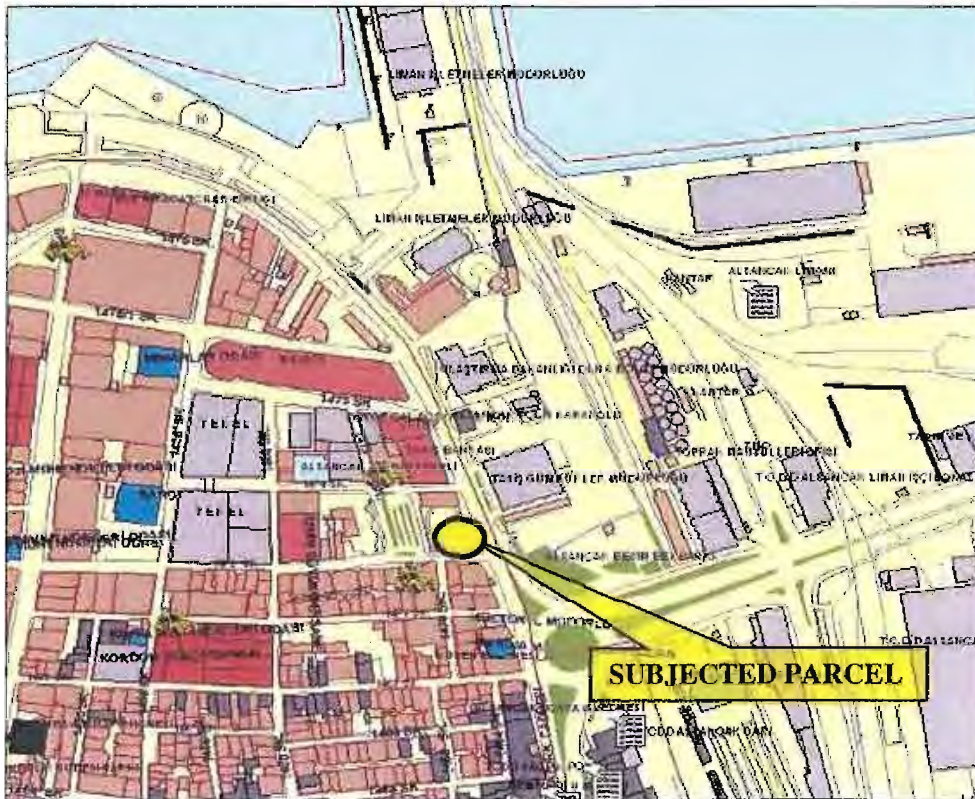
The place where the property is located is a focal point of the city. Due to the increase in demand for luxury housing in the recent days, residence constructions have accelerated in the vicinity and this process contributes to the prestige of the region. However, on the south façade of the property 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.

##### Distances to Indicated Areas From the Property;

Location	Distance (km)
Alsancak Harbour	0,20
Bornova center	6,60
Konak center	4,90
Karşıyaka center	10,80

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CA

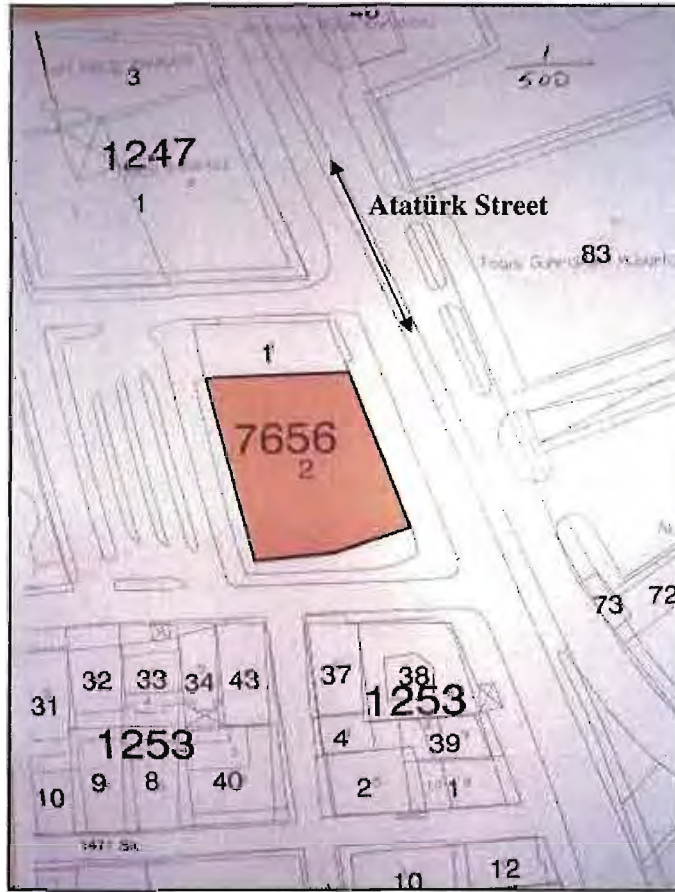


### 5.2 Definition of the Subject Property of Appraisal

The property in question, Konak district, Alsancak quarter, 7656 section, 2 parcel.

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. Transportation to property in question is possible by means of both public transportation and private vehicles. The parcel is highly visible. The borders of the parcel are surrounded by a 2 m - high wire fence.

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.



### 5.3 Identifications on Site of the Property

- There is no building and no vegetation on the property.
- The property faces to Atatürk Street and Road no. 1472.
- The property is flat, in terms of topographic features.
- 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

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Residence, Aksoy Residence, Kordon Kule Residence, Alsancak Train Station, Alsancak Harbor, Historic Gas Factory, taxi stand and business centers.

- The property is highly attractive thanks to its proximity to city center and 1. Kordon. However, the region on its south and its western front till Kıbrıs Şehitleri Street axis are not preferred for social life.
- Transportation to the property is quite easy thanks to its central location and its proximity to main arterial roads.

## SECTION 6

### 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 quite 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.

The most effective and efficient use of the subject properties of appraisal is their use as "Commercial" in accordance with the existing zoning status.

## SECTION 7

### EVALUATION OF THE REAL ESTATE

#### 7.1 Factors Affecting the Value of the Real Estate

##### ❖ Strong Points:

- ✓ The property in question is situated at the city center of İzmir.
- ✓ The region where the property is located is also the geographical center of the city.
- ✓ It is highly accessible.
- ✓ It is close to Alsancak Harbor and the fair.
- ✓ It has strong transportation links thanks to its proximity to İzmir 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.

- ❖ **Weak Points:**
  - × Architectural project approval and building license for the hotel construction are not issued yet.
- ❖ **Opportunities:**
  - ✓ 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.
- ❖ **Threats**
  - × There are economic ambiguities and fluctuations.

## SECTION 8

### THE METHODS USED IN THE APPRAISAL AND THE ANALYSIS

#### 8.1 The Methods Used in the Appraisal

There are four different valuation methods, which can be utilized in our country. These are respectively, 'Sales Comparison Method', 'Income Capitalization Method', 'Cost Analysis Method' and the Development Approach methods. The expected prices and offers made can be considered.

##### 8.1.1 Sales Comparison Method

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.

##### 8.1.2 Income Capitalization Method

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.

##### 8.1.3 Cost Analysis Method

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.

#### 8.1.4 Development Approach

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.

## 8.2. Definitions and Model of the Calculation Methodology

### 8.2.1. 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 2030, and it has the attributes required to be an indicator bond.

#### Variant on the risk-free rate<sup>4</sup>

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.

**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

<sup>4</sup> Damodaran on Valuation ,Security Analysis for Investment and Corporate Finance, Section 3 : Estimation of Discount Rates p.25

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 that, the rates suggested by Damodaran for use in accordance with its Financial Market Characteristics are as follows:

Financial Market Characteristics <sup>5</sup>	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 Switzerland)	4.5 - 5.5% over govt. bond rate
Developed Markets with limited listings and stable economies (Germany and Switzerland)	3.5 - 4% over govt. bond rate

### 8.2.2. 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.

### 8.2.3. 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.<sup>6</sup>

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

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

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).

<sup>5</sup> Damodaran on Valuation ,Security Analysis for Investment and Corporate Finance, Section 3 : Estimation of Discount Rates p.23

<sup>6</sup> International Valuation Standarts, Sixth Edition , 2003 , p.323

### 8.2.4. Overall Capitalization Rate

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.<sup>7</sup>

### 8.2.5. Other point of view: The Capital Asset Pricing Model (CAPM) 8

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 =  $R_f + \text{Equity beta} (E(R_m) - R_f)$

Where  $R_f$  = Risk Free rate

$E(R_m)$  Expected Return on the market index

## 8.3 Analysis Of The Methods Used In The Appraisal

In this section of the study, sales comparison, cost analysis and income capitalization methods have been used.

### 8.3.1 Similar Sales Comparison Approach

As a result of the inspections in the close vicinity of the subject properties, the following information has been obtained as similar sales to the subject properties:

- 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 land located in a similar location with the property in question and at the intersection of roads 1471, 1472 and 1473, zoned as 4-story commercial area, is for sale for a price of 1,500 USD per sqm.
- The land located in a similar location with the property in question and at a side street, zoned as 4-story government agency, is for sale for a price of 1,500 USD per sqm.
- A 98 sqm land located in a similar location with the property in question and on the road no. 1469, on which a masonry building exists, which has an attached layout, zoned as 4-story commercial area, is for sale for a price of 550,000 TL.
- A 174 sqm land located in a similar location with the property in question and in the vicinity of Gazi Elementary School, on which a masonry building exists, which has an attached layout, zoned as 5-story commercial area, is for sale for a price of 690,000 TL.
- A 339 sqm land located in a similar location with the property in question, which has an attached layout, zoned as 5-story commercial area, is for sale for a price of 1,650,000 TL.
- A 90 sqm land located in a similar location with the property in question, which has an attached layout, zoned as 4-story commercial area, is for sale for a price of 250,000 TL.

<sup>7</sup> *The Appraisal of Real Estate, 12th Edition, Chapter 20, The Income Capitalization Approach, p. 489*

<sup>8</sup> *Danodaran on Valuation, Security Analysis for Investment and Corporate Finance, Section 3 : Estimation of Discount Rates p.21*

- A 4-story 20-year old building which is approximately 885 sqm and situated on a 165 sqm land, located at the same location with the property in question and in proximity to Gündoğdu Square, zoned as 5-story commercial area, is for sale for a price of 3,100,000 TL.
- 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.
- A 1,006 sqm land located in Çankaya and in a better location when compared to the property in question, on which an old building exists, which has 7,500 sqm of construction area, zoned as partially 4-story, partially 8-story residential area with commercial option, is for sale for a price of 10,000,000 EURO.
- A 1,187 sqm land located in Alsancak and in a more central location when compared to the property in question, on which an old building exists, which has 5,400 sqm of construction area, zoned as 6-story residential area with commercial option and included in the region named as hospitals region, is for sale for a price of 7,000,000 EURO, according to the verbal information obtained.
- A 275 sqm land located in Alsancak Hürriyet Boulevard, zoned as 8-story commercial area, is for sale for a price of 3,000,000 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%.

✓ **Professional Opinion 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:

### 8.3.1.1 Similar Sales Comparison According to Approach Fair Market Value Appreciation

SUPERFICIES VALUE OF THE LAND				
1 sqm Land Value (*) 49/49 years(**)	5.600	-TL/sqm		
Land Size	629,00	sqm.		
Total Land Value	3.522.400	-TL	<b>3.520.000</b>	<b>EURO</b>
(*) As the unit value for the land; 70% of the <b>8.000 TL/sqm</b> 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 49/49				
= <b>5.600(TL/sqm)</b>				

The property subject to valuation, the current use as open space rented 629 sqm. The average monthly rental value of land £ 32 / m<sup>2</sup> / 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 <sup>2</sup>
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
<b>Approximate rental revenue from the leasable open-air areas</b>	<b>20.000,00</b>	<b>TL</b>

### 8.3.2 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)	<b>4.640.164</b>
Infrastructure Cost (Euro)	<b>417.615</b>
Environmental Design and Landscape Cost (Euro)	<b>185.607</b>
Project General Expenses (Euro)	<b>419.471</b>
<b>Shoring Cost (€)</b>	<b>72.000</b>
<b>TOTAL (€)</b>	<b>5.734.856</b>



REALIZED EXPENCES(€)	501.669
REMAINING EXPENCES (€)	5.233.187

TOTAL LAND VALUE(€)	1.590.457
REALIZED CONSTRUCTION COST(€)	501.669
TOTAL VALUE(€)	2.092.126
TOTAL VALUE(TL)	4.630.293
APPROXIMATE VALUE (TL)	4.630.000

### 8.3.3 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
<b>Toplam</b>	<b>5.555</b>

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

- 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 70% of the construction work will be completed in 2011, and 30% 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 July, 2012.
- 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 €65/room in 2012; in the first 10 years will increase by 4.00% and reach to €95.52/room in 2021, 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 €236.44/room in 2059.
- It is envisaged that in the suggested project occupancy rate will be 50% in 2012, 65% in 2013, 75% in 2014 and 82% in 2015 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 23%.
- 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 2012, 54% in 2015 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 4.70% "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 6.3%.
- 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 2.2132 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 € 501,669. 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	
<b>Total</b>	<b>5.555</b>		<b>4.640.164</b>	<b>100,00%</b>

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
<b>TOTAL (€)</b>	<b>5.243.385</b>

- 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
<b>Total Cost (€)</b>	<b>72.000</b>

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
<b>TOTAL (€)</b>	<b>5.734.856</b>
<b>COMPLETED COST (€)</b>	<b>501.669</b>
<b>REMAINING BUILDING COST</b>	<b>5.233.187</b>

DISPERSION OF COSTS BY YEAR			
YEARS	2011	2012	TOTAL
RATIO	70%	30%	100%
<b>COST(EURO)</b>	<b>3.663.231</b>	<b>1.569.956</b>	<b>5.233.187</b>

HOTEL	
NUMBER OF ROOMS:	140
NUMBER OF BEDS:	280
DAYS WHEN THE HOTEL IS OPEN	365
ANNUAL ROOM CAPACITY	51.100
ROOM PRICE (€) (2012)	65
ROOM PRICE INCREASING RATE IN THE FIRST 10 YEARS (%)	4,00%
ROOM PRICE INCREASING RATE IN THE FIRST 10 YEARS (%)	2,5%
ROOM PRICE INCREASING RATE FOR THE FOLLOWING YEARS (%) EURO REGION INFLATION RATE	2,5%
OTHER REVENUES (%)	23%
RENEWAL COSTS	1,5%

INFLATION RATE	2,50%
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Fair Value (€)	Buiding Insurance Basis Value (€)	Total (€)
1.203.015	2.534.765	3.737.780

	2011 YEAR	2012 YEAR	2013 YEAR
Building Insurance Value (€)	8.111	8.314	8.522
Land Value Tax (€)	14.951	15.325	15.708
Inflation	2,5%		

YEARS	1	2	3	4	5	6	7	8	9	10	11	12	13
OTEL CASH FLOW													
OCCUPANCY RATE (%)	50%	55%	75%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%
ROOM CAPACITY	12.650	33.215	38.825	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902	41.902
ROOM PRICE (EURO)	65,00	67,50	70,30	73,12	76,04	78,03	82,25	85,54	88,55	94,83	97,23	99,53	99,53
ROOM INCOME (EURO)	837.200	2.245.324	2.694.411	3.063.713	3.165.252	3.163.712	3.466.251	3.584.111	3.727.476	3.873.459	4.072.826	4.174.647	4.174.647
OTHER INCOME (EURO)	192.558	516.427	879.712	704.854	732.840	762.154	792.540	824.346	857.319	891.512	913.902	938.750	960.159
TOTAL INCOME (EURO)	1.029.756	2.761.751	3.574.123	3.768.567	3.910.102	4.075.866	4.238.901	4.408.457	4.584.795	4.768.187	4.887.392	5.009.576	5.134.816
GCP (%)	39%	45%	50%	53%	54%	54%	54%	54%	54%	54%	54%	54%	54%
GCP (EURO)	370.712	1.242.792	1.857.058	2.034.918	2.119.315	2.200.983	2.295.005	2.380.557	2.474.789	2.574.921	2.635.191	2.705.171	2.772.891
OPERATING COSTS	-550.044	-1.518.958	-1.657.056	-1.733.449	-1.802.787	-1.874.598	-1.949.884	-2.027.890	-2.109.006	-2.193.365	-2.245.200	-2.304.405	-2.362.015
RENEWAL COSTS (EURO)	-35.097	-71.340	-73.128	-74.954	-76.828	-78.749	-80.718	-82.735	-84.804	-86.924	-89.097	-91.324	-93.603
BUILDING INSURANCE	-4.095	-8.314	-8.522	-8.735	-8.953	-9.177	-9.407	-9.642	-9.881	-10.124	-10.371	-10.621	-10.874
EXPENSES (EURO)	-888.220	-1.598.625	-1.738.704	-1.817.138	-1.889.566	-1.962.824	-2.040.018	-2.120.032	-2.203.216	-2.289.896	-2.346.704	-2.405.136	-2.465.029
OPERATING PROFIT	334.536	1.163.126	1.575.409	1.951.229	2.030.534	2.113.042	2.198.882	2.288.425	2.381.579	2.478.490	2.540.688	2.604.440	2.668.786
CONSTRUCTION COSTS (EURO)	0	-3.563.231	-1.545.546	-139.501	-143.255	-145.978	-154.314	-158.171	-162.128	-166.179	-170.333	-174.592	-178.958
RENTAL PAYMENT (€)	-12.858	-12.858	-12.858	-12.858	-12.858	-12.858	-12.858	-12.858	-12.858	-12.858	-12.858	-12.858	-12.858
NET CASH FLOW	-3.675.918,41	-1.251.107,68	1.026.745,07	1.435.606,01	1.807.933,71	1.893.655,82	1.952.491,95	2.044.568,76	2.130.253,24	2.219.453,24	2.312.311,57	2.370.354,53	2.429.848,55
2.483.016,01	2.545.328,57	2.609.194,90	2.674.659,94	2.741.761,60	2.810.540,80	2.881.039,49	2.953.300,64	3.027.369,32	3.103.287,69	3.181.105,05	3.260.867,84	3.342.624,70	3.426.425,48
3.512.321,28	3.600.354,49	3.690.008,75	3.783.105,11	3.879.799,94	3.979.145,94	4.081.205,94	4.186.041,94	4.293.725,94	4.404.325,94	4.517.915,94	4.634.575,94	4.754.385,94	4.877.425,94



	37	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48
	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	16.10.2059
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	82%
	165,27	163,25	167,33	171,52	175,81	180,20	184,71	189,32	194,06	198,91	203,82	208,90	214,20	219,66	225,05	230,67	236,44
	6.673.800	6.840.845	7.011.661	7.186.963	7.366.827	7.550.792	7.739.562	7.933.351	8.131.378	8.334.652	8.543.028	8.756.804	8.975.519	9.199.907	9.429.905	9.665.853	7.030.107
	1.534.974	1.573.348	1.612.882	1.652.989	1.694.324	1.736.882	1.780.699	1.824.602	1.870.217	1.916.972	1.964.987	2.014.019	2.064.399	2.115.979	2.169.878	2.223.100	1.616.526
	8.208.774	8.413.994	8.624.343	8.839.952	9.060.951	9.287.475	9.519.681	9.757.653	10.001.694	10.251.634	10.507.925	10.770.623	11.039.889	11.315.886	11.598.783	11.888.753	8.647.032
54%																	54%
	4.432.739	4.543.557	4.657.145	4.773.574	4.892.973	5.015.236	5.140.617	5.269.133	5.400.861	5.535.892	5.674.260	5.816.137	5.961.540	6.110.576	6.263.343	6.419.926	4.669.367
	-3.776.036	-3.970.437	-4.166.198	-4.364.378	-4.565.037	-4.768.238	-4.973.044	-5.179.444	-5.387.520	-5.597.252	-5.808.682	-6.021.867	-6.236.867	-6.453.748	-6.672.584	-6.893.436	-3.977.656
	-145.646	-153.387	-161.222	-169.152	-177.181	-185.309	-193.543	-201.882	-210.326	-218.877	-227.534	-236.299	-245.172	-254.153	-263.242	-272.440	-157.636
	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-9.407	-4.738
	-3.935.086	-4.033.231	-4.133.826	-4.236.937	-4.342.625	-4.450.955	-4.561.994	-4.675.809	-4.792.469	-4.912.045	-5.034.611	-5.160.241	-5.289.012	-5.421.002	-5.556.292	-5.694.964	-4.140.096
	4.273.686	4.390.763	4.490.517	4.603.015	4.718.326	4.836.519	4.957.667	5.081.844	5.209.126	5.339.569	5.473.314	5.610.382	5.750.876	5.894.884	6.042.491	6.193.788	4.507.026
	-366.764	-405.656	-445.799	-486.194	-526.849	-567.770	-608.966	-650.439	-692.200	-734.256	-776.511	-818.970	-861.638	-904.519	-947.614	-990.924	-416.898
	3.877.922,03	3.975.105,24	4.074.718,04	4.175.821,15	4.281.476,85	4.388.748,93	4.498.702,82	4.611.405,55	4.726.925,85	4.845.334,17	4.966.702,68	5.091.105,41	5.218.518,21	5.349.318,83	5.483.266,97	5.620.604,31	4.030.132,50

Appraisal Table			
Risk free Rate	4,70%	4,70%	4,70%
Risk Premium	5,3%	6,3%	7,3%
DISCOUNT RATE	10,00%	11,00%	12,00%
NET PRESENT VALUE (EURO)	14.361.936	12.051.040	10.154.249

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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 (22%) 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, 22.24 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.
- It is assumed that in the suggested project the hotel will be operated by Accor group, which is operating the other hotels of Akfen GYO.
- In the proposed project, it was assumed that 70% of the construction work will be completed in 2011, and 30% 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 July, 2012.
- 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 €65/room in 2012; in the first 10 years will increase by 4.00% and reach to €95.52/room in 2021, 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 €236.44/room in 2059.
- It is envisaged that in the suggested project occupancy rate will be 50% in 2012, 65% in 2013, 75% in 2014 and 82% in 2015 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 23%.
- 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 2012, 54% in 2015 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 4.70% "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 8.50% obtained by adding 3.80% "Risk Premium" to 4.70% "Risk Free Return Rate".
- 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 2.2132 TL.
- The costs of project include turn-key costs.

**IBIS HOTEL CASH FLOW**

YEARS	31.12.2025	31.12.2024	31.12.2023	31.12.2022	31.12.2021	31.12.2020	31.12.2019	31.12.2018	31.12.2017	31.12.2016	31.12.2015	31.12.2014	31.12.2013	31.12.2012	31.12.2011	31.12.2010	31.12.2009	31.12.2008	31.12.2007	31.12.2006	31.12.2005	31.12.2004	31.12.2003	31.12.2002	31.12.2001	31.12.2000	31.12.1999	31.12.1998	31.12.1997	31.12.1996	31.12.1995	31.12.1994	31.12.1993	31.12.1992	31.12.1991	31.12.1990																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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INCOME	1.316.797	1.343.891	1.382.409	1.416.959	1.462.893	1.488.703	1.525.821	1.554.059	1.603.170	1.643.250	1.684.331	1.725.439	1.769.600	1.813.840	1.859.186	1.905.665	1.953.307	2.002.140	2.051.163	2.100.376	2.150.778	2.202.368	2.255.147	2.309.125	2.364.304	2.420.684	2.478.264	2.537.044	2.597.024	2.658.204	2.720.584	2.784.164	2.848.944	2.914.924	2.982.104	3.050.484	3.120.064	3.190.744	3.262.524	3.335.404	3.409.384	3.484.464	3.560.644	3.637.924	3.716.304	3.795.784	3.876.364	3.958.044	4.040.824	4.124.704	4.210.684	4.298.764	4.388.944	4.481.224	4.575.604	4.672.084	4.770.664	4.871.344	4.974.124	5.079.004	5.186.084	5.295.364	5.406.844	5.520.524	5.637.404	5.757.484	5.880.764	6.007.244	6.137.024	6.269.204	6.403.784	6.540.764	6.681.144	6.825.024	6.972.404	7.123.284	7.276.764	7.433.844	7.594.524	7.758.804	7.926.784	8.100.464	8.279.844	8.465.924	8.658.804	8.858.484	9.064.964	9.279.244	9.501.424	9.731.504	9.969.584	10.215.664	10.469.844	10.732.124	11.002.504	11.280.984	11.567.564	11.862.244	12.165.024	12.475.904	12.794.984	13.122.264	13.457.744	13.801.424	14.153.404	14.513.784	14.882.564	15.259.844	15.645.624	16.040.004	16.444.084	16.857.864	17.281.344	17.714.524	18.157.404	18.610.084	19.072.564	19.544.844	20.027.024	20.519.204	21.021.484	21.533.864	22.057.344	22.591.924	23.137.604	23.694.484	24.262.564	24.841.844	25.432.324	26.034.004	26.646.884	27.270.964	27.906.244	28.552.724	29.210.404	29.879.284	30.559.364	31.250.644	31.953.124	32.666.804	33.391.784	34.129.064	34.878.644	35.639.524	36.411.704	37.195.284	38.000.264	38.816.644	39.644.424	40.483.604	41.334.284	42.196.464	43.070.144	43.955.324	44.852.004	45.760.284	46.680.164	47.611.644	48.554.724	49.509.404	50.475.684	51.453.564	52.443.044	53.444.124	54.455.804	55.479.184	56.514.264	57.560.044	58.616.524	59.683.704	60.761.684	61.850.464	62.950.044	64.060.424	65.181.604	66.313.684	67.456.664	68.610.544	69.775.324	70.951.004	72.137.584	73.335.064	74.543.444	75.762.724	77.002.904	78.264.084	79.537.264	80.821.444	82.116.624	83.422.804	84.740.084	86.068.464	87.407.944	88.758.524	90.120.204	91.492.984	92.876.764	94.271.644	95.677.624	97.094.704	98.522.884	99.962.164	101.412.544	102.874.024	104.346.604	105.829.284	107.322.064	108.825.944	110.340.924	111.867.004	113.404.184	114.951.464	116.508.844	118.077.324	119.656.904	121.247.684	122.849.664	124.462.844	126.087.224	127.722.804	129.369.584	131.027.564	132.696.744	134.377.124	136.068.704	137.771.484	139.485.464	141.210.644	142.947.024	144.694.604	146.453.384	148.223.364	150.004.544	151.796.924	153.600.604	155.415.684	157.242.064	159.079.744	160.928.724	162.788.904	164.660.384	166.543.164	168.437.244	170.342.624	172.259.304	174.187.284	176.126.564	178.077.144	180.039.024	182.012.204	184.096.784	186.192.664	188.300.844	190.420.324	192.551.104	194.693.284	196.846.864	199.011.844	201.188.224	203.376.004	205.575.184	207.785.764	209.997.744	212.221.124	214.456.004	216.702.384	218.959.264	221.227.644	223.506.524	225.796.904	228.098.884	230.412.464	232.737.644	235.074.424	237.422.804	239.782.784	242.154.364	244.537.544	246.932.324	249.338.704	251.756.684	254.186.264	256.627.444	259.079.224	261.541.604	264.014.584	266.498.064	268.992.044	271.496.524	274.011.504	276.537.984	279.074.964	281.623.444	284.182.424	286.751.904	289.331.884	291.923.364	294.526.344	297.140.824	299.765.804	302.401.384	305.047.564	307.704.344	310.371.724	313.049.704	315.738.384	318.437.764	321.147.844	323.868.624	326.599.904	329.341.784	332.094.264	334.857.344	337.631.024	340.415.404	343.210.484	346.016.264	348.832.744	351.659.924	354.497.804	357.346.484	360.205.964	363.076.244	365.957.324	368.849.204	371.751.984	374.665.664	377.590.244	380.525.724	383.472.204	386.429.684	389.398.164	392.377.644	395.368.124	398.369.604	401.382.084	404.405.564	407.439.044	410.483.524	413.538.904	416.605.284	419.682.664	422.770.044	425.868.424	428.976.804	432.096.184	435.226.564	438.357.944	441.499.324	444.651.704	447.814.084	450.986.464	454.168.844	457.361.224	460.564.604	463.778.984	466.993.364	470.218.744	473.455.124	476.702.504	479.960.884	483.230.264	486.510.644	489.802.024	493.104.404	496.417.784	499.742.164	503.077.544	506.423.924	509.781.304	513.149.684	516.529.064	519.919.444	523.320.824	526.733.204	530.156.584	533.590.964	537.036.344	540.492.724	543.959.104	547.436.484	550.923.864	554.422.244	557.931.624	561.451.004	564.981.384	568.522.764	572.074.144	575.636.524	579.209.904	582.794.284	586.389.664	590.006.044	593.633.424	597.271.804	600.921.184	604.581.564	608.252.944	611.935.324	615.628.704	619.333.084	623.048.464	626.774.844	630.512.224	634.260.604	638.019.984	641.790.364	645.571.744	649.364.124	653.167.504	656.981.884	660.807.264	664.643.644	668.491.024	672.349.404	676.218.784	680.099.164	683.990.544	687.892.924	691.806.304	695.730.684	699.665.064	703.610.444	707.566.824	711.534.204	715.512.584	719.501.964	723.502.344	727.513.724	731.536.104	735.569.484	739.613.864	743.678.244	747.753.624	751.839.004	755.935.384	760.042.764	764.161.144	768.290.524	772.430.904	776.582.284	780.744.664	784.918.044	789.102.424	793.297.804	797.504.184	801.721.564	805.949.944	810.189.324	814.439.704	818.699.084	822.969.464	827.249.844	831.530.224	835.821.604	840.123.984	844.437.364	848.761.744	853.097.124	857.443.504	861.799.884	866.167.264	870.545.644	874.935.024	879.335.404	883.746.784	888.168.164	892.590.544	897.023.924	901.468.304	905.923.684	910.389.064	914.865.444	919.352.824	923.851.204	928.360.584	932.880.964	937.412.344	941.954.724	946.508.104	951.072.484	955.647.864	960.234.244	964.832.624	969.442.004	974.062.384	978.693.764	983.336.144	987.989.524	992.653.904	997.329.284	1002.015.664	1006.713.044	1011.421.424	1016.140.804	1020.871.184	1025.613.564	1030.366.944	1035.131.324	1039.907.704	1044.695.084	1049.494.464	1054.304.844	1059.126.224	1063.959.604	1068.804.084	1073.659.464	1078.525.844	1083.403.224	1088.291.604	1093.190.984	1098.101.364	1103.022.744	1107.955.124	1112.898.504	1117.852.884	1122.817.264	1127.792.644	1132.778.024	1137.773.404	1142.788.784	1147.815.164	1152.852.544	1157.900.924	1162.959.304	1168.028.684	1173.109.064	1178.200.444	1183.301.824	1188.414.204	1193.537.584	1198.671.964	1203.817.344	1208.973.724	1214.141.104	1219.319.484	1224.507.864	1229.706.244	1234.915.624	1240.135.004	1245.364.384	1250.603.764	1255.853.144	1261.112.524	1266.381.904	1271.661.284	1276.951.664	1282.252.044	1287.563.424	1292.884.804	1298.216.184	1303.558.564	1308.911.944	1314.275.324	1319.649.704	1325.034.084	1330.429.464	1335.834.844	1341.250.224	1346.676.604	1352.113.084	1357.559.464	1363.015.844	1368.482.224	1373.958.604	1379.445.084	1384.941.464	1390.447.844	1395.964.224	1401.491.604	1407.027.984	1412.575.364	1418.133.744	1423.702.124	1429.281.504	1434.871.884	1440.472.264	1446.083.644	1451.705.024	1457.337.404	1462.980.784	1468.634.164	1474.298.544	1479.972.924	1485.657.304	1491.351.684	1497.057.064	1502.773.444	1508.500.824	1514.239.204	1519.988.584	1525.747.964	1531.517.344	1537.297.724	1543.088.104	1548.888.484	1554.698.864	1560.519.244	1566.349.624	1572.189.904	1578.040.284	1583.891.664	1589.753.044	1595.624.424	1601.505.804	1607.397.184	1613.298.564	1619.209.944	1625.131.324	1631.062.704	1637.004.084	1642.955.464	1648.916.844	1654.888.224	1660.869.604	1666.860.984	1672.862.364	1678.874.744	1684.897.124	1690.930.504	1696.973.884	1703.027.264	1709.090.644	1715.164.024	1721.248.404	1727.342.784	1733.447.164	1739.561.544	1745.685.924	1751.820.304	1757.964.684	1764.119.064	1770.283.444	1776.457.824	1782.642.204	1788.836.584	1795.040.964	1801.255.344	1807.479.724	1813.714.104	1819.958.484	1826.212.864	1832.477.244	1838.751.624	1845.036.004	1851.330.384	1857.634.764	1863.949.144	1870.273.524	1876.607.904	1882.952.284	1889.306.664	1895.671.044	1902.045.424	1908.429.804	1914.824.184	1921.229.564	1927.644.944	1934.070.324	1940.505.704	1946.951.084	1953.407.464	1959.873.844	1966.350.224	1972.837.604	1979.335.984	1985.844.364	1992.362.744	1998.891.124	2005.429.504	2011.977.884	2018.536.264	2025.104.644	2031.683.024	2038.271.404	2044.869.784	2051.478.164	2058.096.544	2064.724.924	2071.363.304	2078.011.684	2084.670.064	2091.338.444	2098.016.824	2104.705.204	2111.404.584	2118.113.964	2124.833.344	2131.562.724	2138.302.104	2145.051.484	2151.810.864	2158.580.

Appraisal Table			
Risk free Rate	4,70%	4,70%	4,70%
Risk Primium	3,30%	3,80%	4,30%
DISCOUNT RATE	8,00%	8,50%	9,00%
<b>NET PRESENT VALUE (EURO)</b>	<b>10.138.760</b>	<b>9.029.388</b>	<b>8.045.822</b>

### 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 **3.520.000.-TL**.
- The value of the immovable property is estimated as **23.328.000. TL (Twentythreemillionthreehundredtwentyeightthousand.- Turkish Liras), (10,540,00.-€)** 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 **12.051.000 -€** and the current value of the net rental revenue , which is **9.029.000 -€**.
- According to cost approach analysis the fair market value of the hotel under construction has been appraised as **4.630.000.-TL (Fourmillionsixhundredthirtythousand.-TL) (2.092.000.- €)**

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 information received from Akfen officials, the subject immovable property is at the phase of receiving license and the room approvals of the projects were received and an application was submitted to the municipality officials with the petition dated 30.03.2011 and numbered 29 for building license and the process is proceeding positively.

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 RESULTS**

All characteristics which might have an influence on the value of the property such as the location, the style of its environment, infrastructure and means of access, its facade to the road and the street, the construction system of the building, its age, the workmanship and the quality of the products, situation of the plumbing 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.

Izmir province, Konak district, Alsancak quarter, 909 plan, 7656 block, 2 parcel no "Land" type of property ,	
<b>TOTAL PRESENT STATUS VALUE OF THE PROJECT ON 28 FEBRUARY 2011 (Excluding VAT)</b>	<b>4.630.000.-TL</b> (Fourmillionsixhundredthirtythousand - Turkish Liras)
	<b>2.092.000.-TL</b> (Twomillionninetwothousand - EURO)

Izmir province, Konak district, Alsancak quarter, 909 plan, 7656 block, 2 parcel no "Land" type of property ,	
<b>TOTAL PRESENT STATUS VALUE OF THE PROJECT ON 28 FEBRUARY 2011 (Including VAT)</b>	<b>5.463.000 – TL</b> (Fivemillionfourhundredsixtythreethousand- Turkish Liras)
	<b>2.469.000.-TL</b> (Twomillionfourhundredsixtyninethousand - EURO)

Izmir province, Konak district, Alsancak quarter, 909 plan, 7656 block, 2 parcel no "Land" type of property ,	
<b>TOTAL FAIR MARKET VALUE OF THE PROJECT AS OF 28 FEBRUARY 2011 (Excluding VAT)</b>	<b>23.328.000 – TL</b> (Twentythreemillionthreehundredtwentyeightthousand- Turkish Liras)
	<b>10.540.000 - EURO</b> (Tenmillionfivehundredfourtythousand- EURO)

Izmir province, Konak district, Alsancak quarter, 909 plan, 7656 block, 2 parcel no "Land" type of property ,	
<b>TOTAL FAIR MARKET VALUE OF THE PROJECT AS OF 28 FEBRUARY 2011 (Including VAT)</b>	<b>27.527.000 – TL</b> (Twentysevenmillionfivehundredtwentyseventhousand- Turkish Liras)
	<b>12.437.000 - EURO</b> (Twelvemillionfourhundredthirtyseventhousand-EURO) 1 EURO=2,2132- TL.

<b>NOT:</b>	1	This value is the fair market value determined as cash sale price
	2	* VAT included and VAT rate is taken %18
	3	It is assumed that 1 EURO = 2,2132.- TL. Value in EUROs is provided for information purposes only.
	4	This report has been prepared as per the relevant provisions of Capital Market Legislation.
	5	This page is an integral part of the appraisal report, it is a whole together with the detailed information in the report, cannot be used independently.

Further to article 25, subsection "J" of the principles regarding real estate investment partnerships of the Board of Capital Markets (Art. 25/J: reserving special contract provisions, they may hire real properties from third parties and sub-let these properties to obtain income), it is considered that the appraised property may be considered within the subject of activity of the Real Estate Investment Trust.

<b>Hüsnüye BOZTUĞ /</b> <b>Appraiser (400811)</b>	<b>Adem YOL /</b> <b>Appraiser in Charge (400101)</b>
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