

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.



PROJECT APPRAISAL REPORT

Date: 30.09.2011

R.No: 2011REV369



ISO9001:2008
FS 509685

AKFEN
GAYRİMENKUL
YATIRIM ORTAKLIĞI
A.Ş.

KARAKÖY NOVOTEL
PROJECT

BEYOĞLU/İSTANBUL

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

We hereby state the following matters regarding the appraisal report prepared by **TSKB Gayrimenkul Değerleme A.Ş.** for **Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.**, on the date of **30.09.2011** with the report number **2011REV369**;

- 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.
 - This appraisal report has not been prepared further to the related provisions of the Capital Markets Regulation.
-

EXECUTIVE SUMMARY

OPEN ADDRESS OF PROPERTY

Kemankeş quarter, Kemankeş Street, section 77, parsel no 28 and 60, Beyoğlu / İSTANBUL

USE OF PROPERTY

2 empty plots of land.

TITLE DEED INFORMATION

The immovable properties at İstanbul province, Beyoğlu district, Kemankeş quarter, Galata Mumhanesi locality, plot 121, section 77, parcel no. 28, of 1,720 sqm area, qualifying as “Massive Construction Kozluca Han with Two Stores, Storehouse and Garage”, and parcel no. 60, of 1,707.50 sqm area, qualifying as “Two Storehouses and Garage”.

ZONING STATUS

The parcels subject to appraisal, within the scope of the 1/1000 scale “Beyoğlu Implementation Zoning Plan Aimed to Protect Urban Protection Areas” approved on 21.12.2010, remain partially in the “Tourism + Services + Commercial Area” and partially within “Road Area”.

Settlement conditions for the “Tourism + Services + Commercial Area” are;

- Has a gradual elevation of 18.50 m. and 12.50 m.
- Since the neighboring parcels 26 and 57 are historical buildings, decision is to be received from the related conservation board.
- During implementation, parcels 28 and 60 shall be amalgamated.

FAIR MARKET VALUE OF THE PROJECT AS OF 30.09.2011 (VAT Excluded))

89.640.000.-TL

(Eightyninemillionsixhundredfourtythousand.-TurkishLiras)

35.630.000.-Euro

(Thirtyfivemillionsixhundredthirtythousand.-EURO)

- Exchange rate has been taken as EURO 1 = TL 2,5157. The value in EURO is given only for information.
- This page is an inseparable part of the appraisal report, it is complete with the detailed information in the report and it can not be used separately.

Hande GÜR
Appraiser

Mehmet ASLAN
Manager / Licenced Appraiser (401124)

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SECTION 1

***REPORT,
COMPANY AND CUSTOMER INFORMATION***

SECTION 1

REPORT, COMPANY AND CUSTOMER INFORMATION

1.1 Report Date and Number

This report was issued by our company on 30.09.2011 and number 2011REV369 with reference to the request dated on 06.09.2011 and made by the firm, titled as Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

1.2 Report Type

This appraisal report was prepared to determine the fair market value in Turkish Liras as of the date of 30.09.2011, arising from the rental contract dated 01.09.2009 for the immovable properties located at Kemankeş quarter, Galata Mumhanesi locality, plot 121, section 77, parcel no. 28, of 1,720 sqm area, qualifying as “Massive Construction Kozluca Han with Two Stores, Storehouse and Garage”, and parcel no. 60, of 1,707.50 sqm area, qualifying as “Two Storehouses and Garage”, bearing the feature of a registered foundation as per article 6 of the Law of Foundations, with the management and representation rights belonging to the General Directorate of Foundations, and the assignment of this contract to Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. on 22.06.2011.

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 appraiser Hande GÜR under the control of the manager –licenced real estate appraiser Mehmet ASLAN.

1.4 Appraisal Date

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

1.5 Base Contract

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

1.6 Factors Affecting the Appraisal Process Negatively

There are not any negative factors that affect or limit the appraisal process in general aspect.

1.7 The Scope of the Client Demands and Delimitation

This report is the immovable property appraisal report prepared as per the request of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. dated 06.09.2011, the rental contract for the aforementioned immovable properties has been assigned on 22.06.2011, to Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş., 69.99% of the shares of which are held by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş., in line with the information received from Akfen officials and according to the attached contract of association dated 18.05.2011 and the main contract. No limitation has been brought by the client during the appraisal work.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

1.8 Company's Information

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

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

1.9 Client Information

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

SECTION 2

DEFINITION AND SCOPE OF THE APPRAISAL

SECTION 2

DEFINITION AND SCOPE OF THE APPRAISAL

.1 The Methods Used in the Appraisal

There are three different valuation methods, which can be utilized in our country. There are respectively, “Sales Comparison Approach”, “Income Capitalization Approach” and the “Cost Approach” methods.

2.1.1 Sales Comparison Approach

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

2.1.2 Income Capitalization Approach

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

2.1.3 Cost Analysis Approach

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

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

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

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

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

2.1.4 Development Approach Method

The purpose of an investment is to produce goods or services, to put them into the market and make profit consequently. The commercial profitability of the investment depends on sufficient demand for the goods or services to be produced and their sales with the prices that would

provide possibility to obtain the expected profitability. The examination of the project for the entrepreneur covers the examination and evaluation of the industry where the subject product of the project is positioned and the anticipations regarding the future. The evaluation of the market where the subject goods or services of the project are positioned can be examined as the current situation and the expectations for the future.

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

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

2.2 Definitions and Model of the Calculation Methodology

2.2.1 Definitions and Model of the Calculation Methodology

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 rate¹

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

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

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

Variant 3 : The current long term government-bond rate (with the duration of the bond matched up to the duration of the asset) is used as the risk-free rate, and the historical premium earned by a broad market index above this long term government security rate is used to estimate the expected return on the market. The cost of equity, calculated using these inputs, is used as the discount rates each year's cash flows.

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

Eurobond does not include the market risk for the performed work, although it includes the country and political risk.

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

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

Market Risk Premium- Market Index

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

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

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

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

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).

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

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.

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

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,

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

Where R_f = Risk Free rate

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

Analysis Of The Methods Used In The Appraisal

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

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

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

Risk premium has been estimated according to the professional opinion of the appraiser in parallel to his/her experiences by taking into account the risks associated with the specifications of the project such as the region, sector, project, zoning, etc. as explained in article 2.2.1.

2.2.2 Project Development Approach

Project development approach is similar to income capitalization method; however, it is different in certain essential aspects. Income capitalization method appraises an existing project with available architectural design and license. Development method capitalizes revenues that maybe obtained from the most convenient project which may be developed according to the existing zoning status on a land without any actually available designs or licenses. In the development approach, which is used as the 2nd method in land appraisal, the land value is identified by calculating the revenues in the landlord's share from the project to be developed on the land.

When appraising an empty land with a definite project or with a project being constructed, the cash flow statement is created with income capitalization method according to the details of the already approved architectural design and building license. When appraising the empty lands, the appraiser determines the marketability/leasability of the land according to his own predictions in parallel to the valid zoning plan conditions, and creates the cash flow statement accordingly.

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.

SECTION 3

GENERAL AND SPECIAL DATA

SECTION 3

GENERAL AND SPECIAL DATA

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

3.1 General Data- Social and Economic Data

3.1.1 Demographic Data

According to the 2008 Census through Address-Based Population Registry System, the population of Turkey was 71.517.100 and the population increased to 72.561.312 on 31 December 2009. In 2000-2007 period, the annual population increase was 0.59%; while the annual population increase of Turkey in 2008 appeared as 1.31%. The population of Turkey is 73.722.988 beginning from December 31, 2010. The population increase of Turkey in 2010 is 15,88‰.

In 2010 among the 81 provinces, the population of 53 populations increased and that of 28 populations decreased. The three provinces with lowest population increase rate are Tunceli (-79.69‰), Çankırı (-32.70‰) and Ardahan (-25.42‰). Among the 81 provinces, the first three with the highest population increase are Bilecik (109.22‰), Isparta (63.31‰) and Erzincan (53.23‰).

In Turkey, the urban population increases at a much higher speed than the rural population. The proportion of urban population of Turkey increased sharply in the last 17 years from 59% in 1990 to 64.9% in 2000 and 75,5% in 2009. This rate increased 76,3% in 2010. Urban population (the population in the centers of provinces and districts) is 56.222.356 while the rural population (population at subdistricts and villages) is 17.500.632. The province with highest urban population proportion is Istanbul with 99%, while that with the lowest is Ardahan with 32%.

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

The median age in Turkey is 29.2. The median age for males is 28.7 and that for females is 29.8. The median age of the urban population is 29.1 and that of rural population is 29.8. The population in 15-64 age group accounts for 67,2% of the total population. 25,6% of the country's population is in 0-14 age group and 7,2% is in the 65 and higher group.

The number of people per square kilometer, which is indicated as the density of population is 96 in overall Turkey, while it varies between 10 and 2.551 people among provinces. Istanbul has the highest population density with 2.551 people. It is respectively followed by Kocaeli with 432 people, Izmir with 329 people, Hatay with 254 people and Bursa with 250 people. The province with lowest population density is Tunceli with 10 people. In Konya -the province with the largest area- the population density is 52 people per sq km and the population density in Yalova -the province with the smallest area- is 241 people per sq km.

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

3.1.2 Economic Data³

In Turkey, especially due to the economic growth and progresses in the real estate industry, beginning to obtain political stability, reduction of inflation to single-digit figures, and the developments related with the Mortgage law since 2005 have caused to the upward movement of real estate prices and to an investment boom.

In this period, when the real estate sector reached the peak level, the penetration of foreign investments was allowed and not only hot money but also fixed investments were received from foreign resources. The upwards acceleration has continued by the final quarter of 2006. Because 2007 was an election year, domestic and foreign investors waited for the results of the elections before giving their investment decisions, and after the elections they continued their investments upon foreseeing that political stability would continue.

Although it was thought that stability would continue as a result of increasing confidence in the country, foreign economic developments rather than domestic politics became more influential in early 2008, the experienced developments directly influenced the economy and a slow down was experienced in investments beginning from April 2008, and foreign investment rate of the previous years began to fall. On looking at the investments in 2008, it is observed that although certain regions reached saturation in residence and SHC sector, the investments in office and logistics sector continued.

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. Although countries announced successive crisis-prevention packages, they could not stop the occurrences and global growth forecasts pointed minus values.

In this process, on looking at Turkey, although the low share allocated by the Turkish banking industry to housing loans abated the effects of the crisis, Turkey also began to be influenced from the global developments after the 3rd quarter of 2008. The increase in foreign exchange rates and the decrease in sales have also begun to be noticed in the real estate market. The stability of residence prices and demand has been replaced by a decrease tendency in parallel to the overall perspective. Real estate market has entered a stable period due to the increasing loan interests, postponement of investments and future forecasts.

In the end of 2008 and in the beginning of 2009, the economical crisis also began to be felt in the real sector of Turkey. In 2009, together with the economic shrinkage, decreases in industrial

³ TSKB Gayrimenkul Değerleme A.Ş.
REPORT NO: 2011REV369

production and employment have been experienced. It is known that the real estate industry has spent 2009 with shrinkage and the prices continued to decrease while the demand remained lackluster.

However, during early 2010, with the positive outlook in national economy and foreign markets, it has been observed that a sustainable development restarted and the impacts of the crisis abated with such positivity. With the stability of foreign currency prices throughout most of 2010, the continuity of the trend of rise in Kocaeli Stock Exchange starting from early 2010, and with the perception of referendum in September 2010 as a political stability, the positive atmosphere in the markets has been continuing. Within this process, in the real estate market, especially with the housing investments in Kocaeli's housing market that went one after the other, these investments in the market have received positive reactions and it has been observed that an intensive demand was directed at these projects.

National economic data is positive and there are many other potential investment areas across the country; general elections will be held in 2011 and in case the political and economic stability continues, parallel to the projections for 2011 and the following years, it is considered that with the developing economic demand and price stability in the real estate sector, the interest of domestic and foreign investors in Turkey will continue.

In addition to these, the fact that Turkey will economically be one of the fastest growing OECD countries from 2011 to 2017, with expected annual growth of 6.7% and that Turkey is the only OECD country with increasing growth rate after the economic crisis and the fact that it is one of the few countries with increased credit rating and a candidate for the best rating increase will also enable continuance of the positive outlook of Turkey in international markets.

3.1.3 Sector Analysis

3.1.3.1 Tourism Industry

The tourism sector is one of the fastest developing and growing sectors worldwide. As boundaries disappear, the world got smaller, and people now have a tendency to travel to destinations that are farther away. The main reasons for this can be listed as the increase of the share of disposal personal income reserved for tourism and holidays, the fast development of transportation and communication technologies, and the desire of the people to visit new areas they have not seen until now, and they wonder about.

Due to the diverse structure of tourism, it covers, on one hand, activities such as accommodation, planning, travel organizations, and sales, called typical tourist activities, and also other activities such as transportation and car rentals, which do not only depend on tourist consumption, but used by them as well. Tourism is an important sector that constitutes a significant portion of the present day gross natural product worldwide. This dynamic sector continues to grow despite the economic stagnation worldwide, and has a function of driving the other industries as well.

In addition to its contributions to the national income, through the foreign exchange revenues provided, it plays an important role in closing the payments balance deficit. As a result of offering employment for masses, the tourism sector is one of the sectors with the highest concentration on employment, and also it is an effective marketing and advertising means for the country.

3.1.3.1.1 World Tourism

The center of gravity for the world tourism is Europe, where our country is also located. After Europe, the most important share belongs to the East and the Asian/Pacific region. Other than

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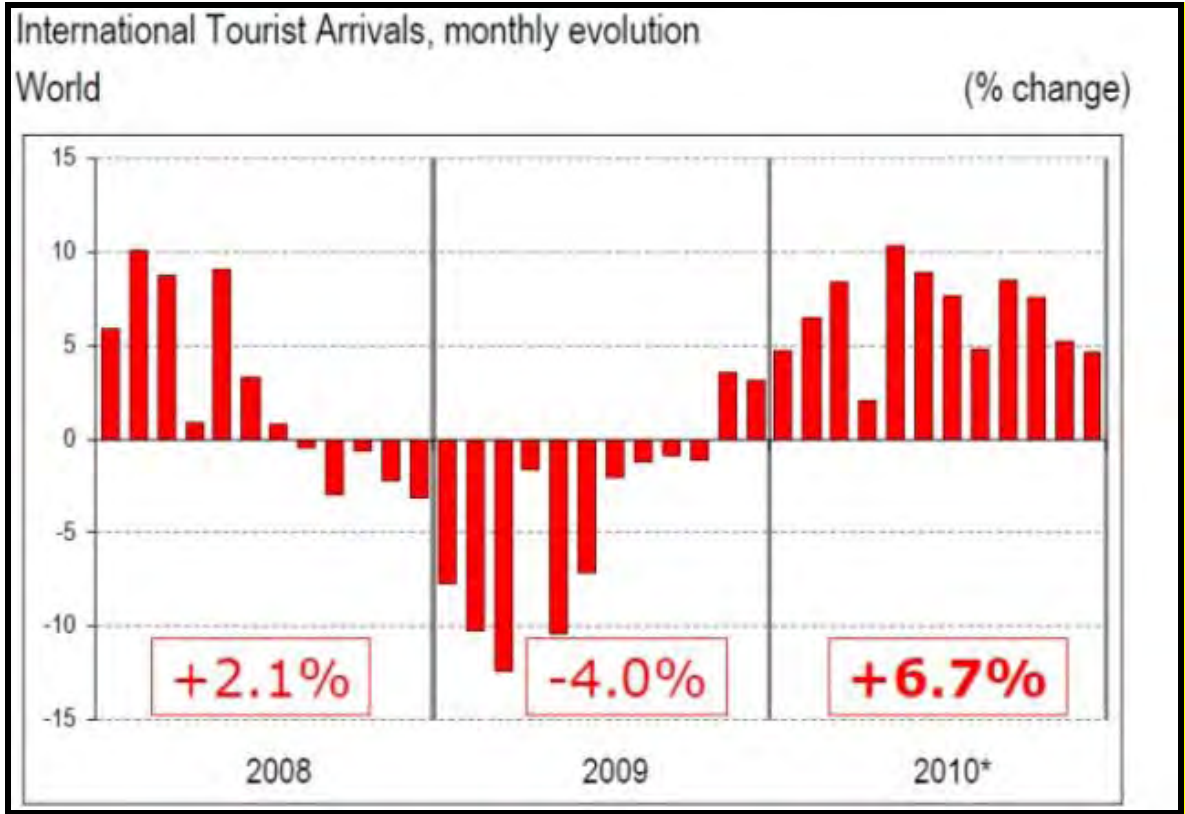
these two regions, the third region with the highest share is South and North America. From this, it can be said that the tourism of world economy is concentrated in the three regions which are developed economically, and with high levels.

Coming Tourist Numbers and Tourism Income (2008)

NO	COUNTRY	MILLION PEOPLE	MILLION USD
1	France	79.1	43
2	Spain	58.5	51
3	USA	51.1	86
4	Cjina	49.6	34
5	Italy	41.1	38
6	UK	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	Ukraine	17.6	3
14	Malaysia	17.5	13
15	Hong Kong	15.8	7
16	Poland	15.7	7
17	Greece	14.3	14
18	Thailand	13.9	7
19	Portugal	11.3	10

**T.C. Ministry of Culture and Tourism, Turkey Statistical Institute*

While the World Tourism Organization (UNWTO) has indicated that the world tourism realized a growth of 7% in 2010, it has stated that 935 million individuals had travelled to different countries. In the report indicating that 913 million persons had travelled internationally in 2008 which was the before crisis period it was also stated that this figure was surpassed by 22 million in 2010.



While the Asia took the lead in the recovery of international tourism activities, Asian tourism displayed a growth of 13 percent in 2010. As a consequence the number of travelers to Asia rose to 204 million in 2010 from 181 million people in 2009. The African continent experienced a growth of 6 percent with the effect of the World Cup which was held in South Africa. The Middle East was amongst the areas displaying a major increase with a 10 percent growth rate.

According to the UNWTO report, although disruptions were experienced in the tourism activities because of the volcanic eruption of the Eyjafjallajökull Volcano in Iceland, Europe has succeeded to finish 2010 with a 3 percent growth (471 million people). The tourism activity in North and South America also achieved an increase of 8 percent. As a consequence, 181 million people in total have travelled in the American continent.

The World Tourism Organization has declared that there was also a serious increase in tourism expenditures in 2010 with tourism activities. Accordingly, tourism expenditures rose by 17 percent in China, by 26 in the Russian Federation, by 28 percent in Saudi Arabia and by 52 percent in Brazil. In the World Tourism Organization report, the growth foreseen for the year of 2011 was in the range of 4-5 percent.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

TOURISM IN THE WORLD 2009 (COMING TOURIST NUMBERS – TOP 10)		
		MİLYON
1	FRANSA	74,2
2	A.B.D	54,9
3	İSPANYA	52,2
4	ÇİN	50,9
5	İTALYA	43,2
6	İNGİLTERE	28,0
7	TÜRKİYE	25,5
8	ALMANYA	24,9
9	MALEZYA	22,1
10	MEKSİKA	21,5
SOURCE: UNWTO		
• Turkey is the 7 th country in the world, attracting 25,5 million tourists.		

TOURISM INCOME IN THE WORLD TOP 10 (2009)		
		MİLYAR \$
1	A.B.D	94,2
2	İSPANYA	53,2
3	FRANSA	48,7
4	İTALYA	40,2
5	ÇİN	39,7
6	ALMANYA	34,7
7	İNGİLTERE	30,1
8	AVUSTRALYA	25,6
9	TÜRKİYE	21,3
10	AVUSTURYA	-
SOURCE: UNWTO		
• Turkey is the 9 th country in the world, gaining 21,3 billion dollars tourism income.		

Comparison Table of Turkey vs. Competitors:

2009			2019	
COUNTRY	Büyüme oranı	İstihdam	Büyüme oranı	İstihdam
TÜRKİYE	+1,3	+1,5	+4,1	+2,7
İSPANYA	-4,9	-4,2	+1,3	+1,0
YUNANİSTAN	-1,8	-2,0	+3,5	+2,6
İTALYA	-5,5	-5,2	+2,0	+0,8
MISIR	-2,8	-4,3	+4,5	+2,0

*T.C. Ministry of Culture and Tourism, Turkey Statistical Institute

Experts estimate that in the coming years China shall surpass USA and become the third largest tourism country of the world and that it will become the most important tourism destination of the world by 2020. Indicating that China is the fourth largest tourism destination country in the world after France, Spain and the USA, it is stated that last year 49 million 600 thousand tourists have visited China. With its rapidly developing economy it is expected that in addition to attracting foreign visitors China is expected to send 1 million tourists abroad in the year 2020.

3.1.3.1.2 Tourism Industry 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.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

2008-2011 Monthly Tourism Income

(Milyon \$ - Million \$)												
AYLAR Months	KÜLTÜR VE TURİZM BAKANLIĞI + DEVLET İSTATİSTİK ENSTİTÜSÜ + MERKEZ BANKASI Ministry of Culture and Tourism + Turkstat + Central Bank			KÜLTÜR VE TURİZM BAKANLIĞI + DEVLET İSTATİSTİK ENSTİTÜSÜ + MERKEZ BANKASI Ministry of Culture and Tourism + Turkstat + Central Bank			KÜLTÜR VE TURİZM BAKANLIĞI + DEVLET İSTATİSTİK ENSTİTÜSÜ + MERKEZ BANKASI Ministry of Culture and Tourism + Turkstat + Central Bank			KÜLTÜR VE TURİZM BAKANLIĞI + DEVLET İSTATİSTİK ENSTİTÜSÜ + MERKEZ BANKASI Ministry of Culture and Tourism + Turkstat + Central Bank		
	2008			2009			2010			2011		
	(*)	(**)	TOPLAM (Total)	(*)	(**)	TOPLAM (Total)	(*)	(**)	TOPLAM (Total)	(*)	(**)	TOPLAM (Total)
OCAK-January	616,1	269,4	885,5	559,5	239,2	798,7	531,4	204,1	735,5	662,2	271,3	933,5
ŞUBAT-February	573,1	227,9	801,0	526,4	195,9	722,3	505,7	215,6	721,4	631,8	277,5	909,3
MART-March	817,1	272,7	1089,8	704,9	240,7	945,6	699,9	256,8	956,7	945,7	311,8	1257,5
3 AYLIK TOPLAM 3 Months Total	2006,3	770,0	2776,3	1790,8	675,8	2466,6	1737,1	676,5	2413,6	2239,7	860,6	3100,3
NİSAN-April	806,0	247,0	1053,0	765,2	256,2	1021,4	751,9	292,4	1044,3			,0
MAYIS-May	1451,7	240,3	1692,0	1208,6	235,5	1444,1	1308,2	292,4	1600,6			,0
HAZİRAN-June	1695,8	252,4	1948,2	1520,7	257,3	1778,0	1607,4	306,5	1913,9			,0
TEMMUZ-July	2342,9	711,4	3054,3	2201,1	705,7	2906,8	2099,1	641,9	2741,0			,0
AĞUSTOS-August	2965,8	1029,2	3995,0	2784,8	1029,0	3813,8	2373,4	824,3	3197,7			,0
EYLÜL-September	2190,4	748,2	2938,6	2054,8	751,0	2805,8	1980,8	655,4	2636,1			,0
EKİM-October	1842,2	419,4	2261,6	1910,2	556	2466,2	2114,1	570,8	2684,9			,0
KASIM-November	886,7	382,9	1269,6	938,9	502,8	1441,7	961,5	555,3	1516,8			,0
ARALIK-December	631,9	348,3	980,2	677,9	427,0	1104,9	643,9	413,8	1057,7			,0

*T.C. Ministry of Culture and Tourism, Turkey Statistical Institute

2008-2011 Monthly Tourism Expenses

AYLAR - Months	Y I L L A R - Years			
	2008	2009	2010	2011
OCAK-January	274,1	282,1	272,3	365,2
ŞUBAT-February	254,5	287,9	320,8	373,3
MART-March	276,8	326,6	396,7	458,3
3 AYLIK TOPLAM 3 Months Total	671,1	805,4	896,6	1 196,8
NİSAN-April	296,9	268,5	351,0	
MAYIS-May	320,0	306,7	392,5	
HAZİRAN-June	389,6	361,3	425,7	
TEMMUZ-July	333,8	460,7	537,1	
AĞUSTOS-August	264,0	329,2	380,1	
EYLÜL-September	195,4	307,2	388,7	
EKİM-October	310,2	374,7	423,1	
KASIM-November	246,9	393,6	505,2	
ARALIK-December	344,2	447,2	431,9	

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

YABANCI ZİYARETÇİ VE YURT DIŞINDA İKAMET EDEN VATANDAŞ ZİYARETÇİ TURİZM GELİRLERİNİN YILLARA GÖRE DAĞILIMI Distribution of Tourism Receipts of Foreign Visitor and Turkish Citizens Residing in abroad by Years									
YILLAR Years	TOPLAM - Total			YABANCI - Foreigner			VATANDAŞ - Citizen		
	TURİZM GELİRİ Tourism Receipt (1000 \$)	ZİYARETÇİ SAYISI Number of Visitors	ORTALAMA HARCAMA Average Expenditure (\$)	TURİZM GELİRİ Tourism Receipt (1000 \$)	ZİYARETÇİ SAYISI Number of Visitors	ORTALAMA HARCAMA Average Expenditure (\$)	TURİZM GELİRİ Tourism Receipt (1000 \$)	ZİYARETÇİ SAYISI Number of Visitors	ORTALAMA HARCAMA Average Expenditure (\$)
2001	10.067.155	13.450.121	748	7.386.246	11.276.532	655	2.680.908	2.173.589	1.233
2002	11.900.925	15.214.516	782	9.009.677	12.921.981	697	2.891.247	2.292.535	1.261
2003	13.203.144	16.302.050	810	9.676.623	13.701.418	706	3.526.520	2.600.632	1.356
2004	15.887.699	20.262.640	784	12.124.059	17.202.996	705	3.763.639	3.059.644	1.230
2005	18.153.504	24.124.501	752	13.929.300	20.522.621	679	42.234.203	3.601.880	1.173
2006	16.850.947	23.148.669	728	12.556.829	19.275.948	651	4.294.117	3.872.721	1.109
2007	18.487.008	27.214.988	679	13.989.952	23.017.081	608	4.497.055	4.197.907	1.071
2008	21.950.807	30.979.979	709	16.801.618	26.431.124	636	5.149.189	4.548.855	1.132
2009	21.249.334	32.006.149	664	15.853.074	27.347.977	580	5.396.260	4.658.172	1.158
2010	20.806.708	33.027.943	630	15.577.357	28.510.852	546	5.229.352	4.517.091	1.158
2011	3.100.270	4.398.235	705	2.239.710	3.599.196	622	860.560	799.039	1.077

Sorted by country, mainly foreign visitors coming to Turkey (January – December)

	2009	2010	10 / 09 (%) Change
Almanya	4.488.350	4.385.263	-2,3
İngiltere	2.426.749	2.673.605	10,17
Hollanda	1.127.150	1.073.064	-4,8
Fransa	932.809	928.376	-0,48
Belçika	592.078	543.003	-8,29
İtalya	634.886	671.060	5,7
Avusturya	548.117	500.321	-8,72
İspanya	376.215	321.325	-14,59
Yunanistan	616.489	670.297	8,73
İskandinav Ülkeleri (İsveç + Danimarka + Norveç + Finlandiya)	1.096.628	1.204.325	9,82
Bulgaristan	1.406.604	1.433.970	1,95
Romanya	366.698	355.144	-3,15
AB Toplamı	15.481.138	15.625.067	0,93
Rusya Fed.	2.694.733	3.107.043	15,3
Ukrayna	574.700	568.227	-1,13
BDT Toplamı	5.480.640	6.075.484	10,85
ABD	667.159	642.768	-3,66
Japonya	147.641	195.404	32,35
İran	1.383.261	1.885.097	36,28
İsrail	311.582	109.559	-64,84
Other	3.605.693	4.098.825	13,68
TOTAL	27.077.114	28.632.204	5,74

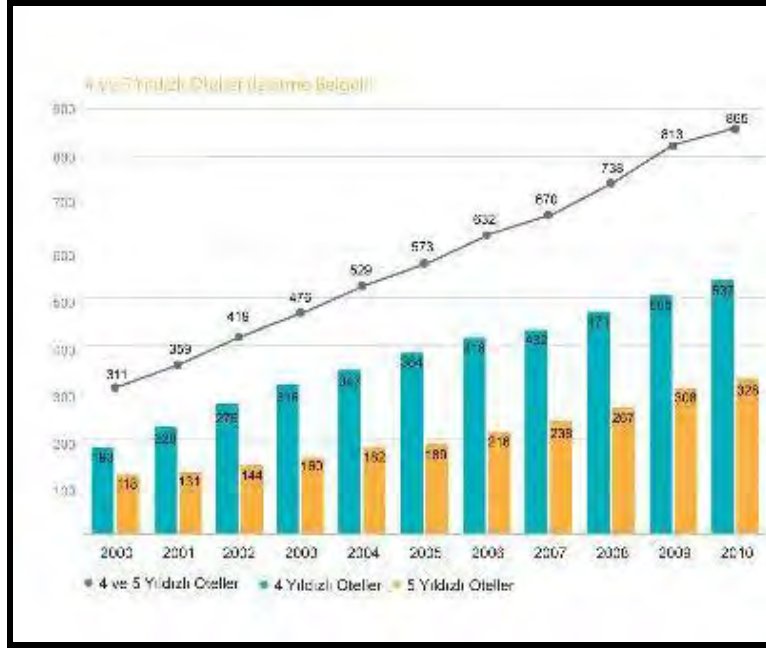
Tourism Investors Association of Turkey

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

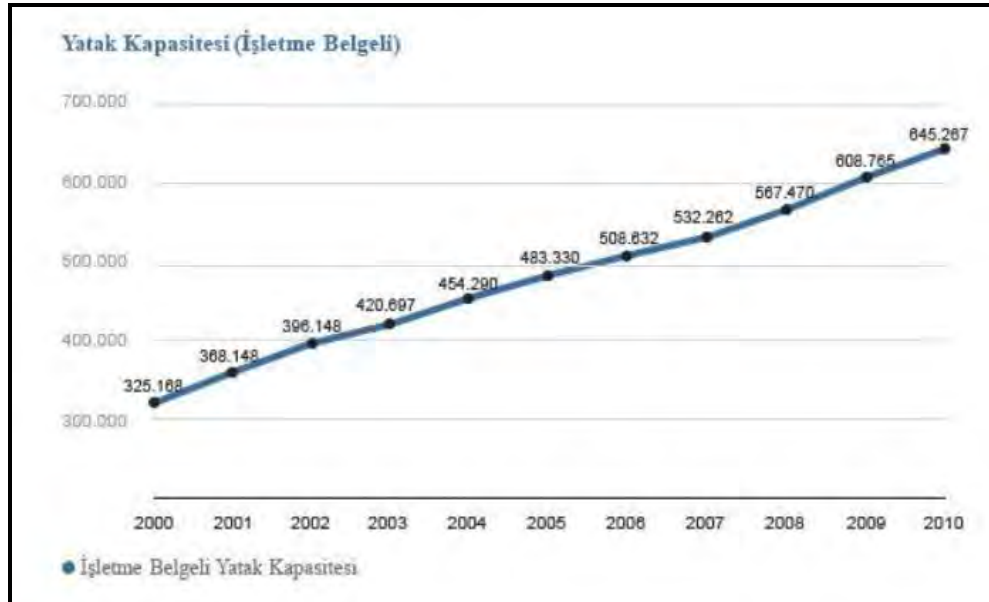
Accommodation and the Evaluation of 2010

In 2002, Turkey had a bed capacity of 396.148 with operation certificate and increased her capacity by 62,9%, reaching a bed capacity of 645.267 in 2010. Together with the rest areas with investment certificates, the total bed capacity increased up to 893.326.

In 2002, there was 419 4-star and 5-star hotels holding operation certificates in Turkey and this figure increased by 106,4%, reaching 865 in 2010.



Number of hotels Certificated Tourism Facility And Bed-2010



Bed Capacity of Facilities with Operation Certificates

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Analysis of 2010 April – May – June:

Tourism revenue increased by 7,4% in comparison to the same period of 2008.

According to the results of the Outbound Visitors Survey, the tourism revenue for the second period of 2009 increased by 7,4% in comparison to the same period of the previous year, reaching US\$4.558.849.846. Among the tourism revenues, US\$ 3.667.409.710 was raised from foreign visitors and US\$ 891.440.137 was raised from the Turkish visitors living abroad.

The visitors make their trips personally or via package tours. Among the tourism revenues, US\$ 3.537.727.494 is from personal trips and US\$ 1.021.122.352 is from package tour expenditures.

In the second period consisting of April, May and June, the highest tourism revenue was US\$ in June. In May, the revenue was US\$ 1.600.640.039 and in April, the revenue was US\$ 1.044.280.697 In the period from April to June, the expenditure per capita was US\$ 546 among foreigners, and US\$ 682 among citizens.

The number of outbound visitors increased by 8,2% in comparison to the same period of the previous year.

The total number of outbound visitors in April, May and June is 8.373.407 people. Among this, 7.637.702 people are foreign visitors, and 735.705 people are citizens living abroad. In the second period, the highest number of visitors was received in June with 3.545.058 people. In May, 2.952.864 people visited our country while in April, 1.875.486 visitors were received.

Monthly Tourism Income and expenditure, II. Period 2010						
Months	Tourism Income (USD)	Visitor Number (*)	Avarage Personel expenditure (USD)	Tourism expences (USD)	Citizen number (**)	Avarage Personel expenditure (USD)
2010						
January	735.469.267	1.133.655	649	272.349.030	354.260	769
February	721.358.120	1.105.749	652	320.836.151	444.881	721
March	956.697.423	1.513.316	632	396.740.807	494.956	802
April	1.044.280.697	1.875.486	557	350.964.158	518.761	677
May	1.600.640.039	2.952.864	542	392.547.210	575.820	682
I - II. Period Total	6.972.374.656	12.126.127	575	2.159.171.569	3.006.169	718

(*) Accompanying persons are included in total visitor numbers.

(**) Visit to our country and abroad arriving in the country the number of citizens residing in the passport of the Republic of Turkey.

* T.C. Ministry of Culture and Tourism, Turkey Statistical Institute

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Analysis of 2010 July – August – September:

The tourism revenue decreased by 10% in comparison to the same period of 2009.

In the 3rd period consisting of July, August and September, tourism revenue decreased by 10% according to the same period of 2009, becoming US\$ 8.574.889.686. Among the tourism revenue, US\$ 6.453.320.361 was from foreign visitors and US\$ 2.121.569.325 was from citizens living abroad.

The visitors make their trips either personally or with package tours. Of the expenditures in this period, US\$ 6.637.222.358 is personal and US\$ 1.937.667.328 is through package tours.

The average overnight stay of foreigners in our country is 8,8 nights and their expenditure per capita is US\$ 550. The average overnight stay of citizens living abroad is 17,9 nights and their average expenditure per capita is US\$ 1.001.

The number of visitors increased by 1,2% in comparison to the same period of 2009.

During the 3rd period of 2010, the number of outbound visitors was 13.861.776. Among them, 11.742.391 people are foreigners while 2.119.385 people are visitors living abroad.

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

Tourism expenditures consisting of the expenditures made by our citizens living abroad who made their visits outside Turkey increased by 19% in comparison to the same period of 2009, becoming US\$ 1.305.900.206. Among this, US\$ 1.239.589.768 is personal and US\$ 66.310.438 is package tour expenditures. The personal average of the 1.837.126 citizens visiting abroad is US\$ 711.

MONTHS	TOURISM INCOME	DEPARTING VISTOR NUMBER	AVERAGE PERSONAL EXPENSE	TOURISM EXPENSE	NUMBER OF CITIZENS RESIDING IN DOMESTIC	AVERAGE PERSONAL EXPENSE
	(\$)		(\$)	(\$)		(\$)
2009						
JULY	2.906.792.509	4.218.369	689	460.697.012	651.212	707
AUGUST	3.813.819.077	5.491.275	695	329.229.786	460.934	714
SEPTEMBER	2.805.708.246	3.989.011	703	307.165.477	411.943	746
OCTOBER	2.466.201.396	3.515.977	701	374.671.441	490.962	763
NOVEMBER	1.441.776.357	1.945.675	741	393.619.402	517.640	760
DECEMBER	1.104.920.838	1.467.070	753	447.217.180	559.614	799
2010						
JANUARY	735.469.267	1.133.655	649	272.349.030	354.260	769
FEBRUARY	721.358.120	1.105.749	652	320.836.151	444.881	721
MARCH	956.697.423	1.513.316	632	396.740.807	494.956	802
APRIL	1.044.280.697	1.875.486	557	350.964.158	518.761	677
MAY	1.600.640.039	2.952.864	542	392.547.210	575.820	682
JUNE	1.913.929.110	3.545.058	540	425.734.213	617.491	689
JULY	2.741.034.945	4.450.459	616	537.105.301	770.870	697
AUGUST	3.197.707.333	5.145.381	621	380.132.689	547.433	694
SEPTEMBER	2.636.147.408	4.265.936	618	388.662.216	518.823	749
I-III PERIOD TOTAL	15.547.264.342	25.987.902	601	3.465.071.775	4.843.296	720

Monthly Tourism Income and expenditure, 2009-2010

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Analysis of 2010 October – November – December:

Tourism revenue increased by 4,9% in comparison with the same period of 2009.

In the 3rd period consisting of July, August and September, tourism revenue increased by 4,9% in comparison to the same period of 2009, becoming US\$ 5.259.444.102. Among the tourism revenues, US\$ 3.719.565.958 is from foreign visitors, US\$ 1.539.878.143 is from citizens living abroad.

The visitors make their trips either personally or with package tours. Among the expenditures in this period, US\$ 4.491.557.397 is personal and US\$ 767 886 704 is through package tours.

The average overnight stay of foreigners in our country is 9,8 nights, and their expenditures per capita is US\$ 618. The average overnight stay of the citizens living abroad is 37 nights and the average expenditure per capita is US\$ 1.514.

The number of visitors increased by 1,6% in comparison with the same period of 2009.

The number of outbound visitors in the 4th period of 2010 is 7.040.041 people. Among them, 6.023.265 were foreigners and 1.016.776 were citizens living abroad.

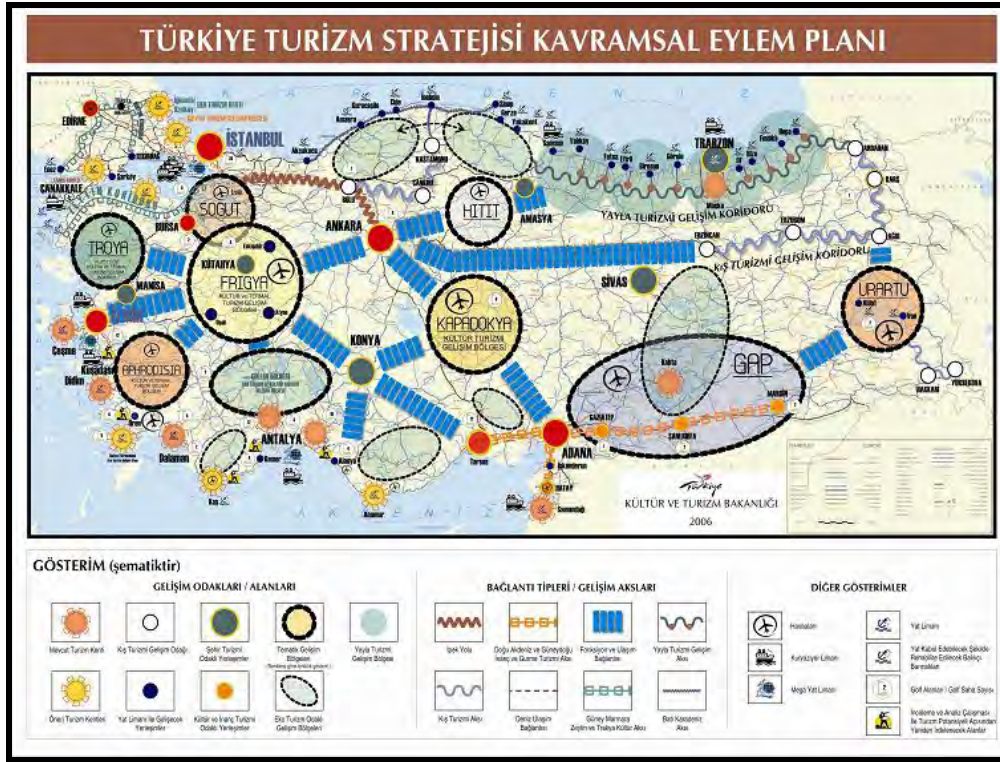
The expenditures of tourism increased by 11,9% in comparison to the same period of 2009.

Tourism expenditure consisting of the expenditures of Turkish citizens living in Turkey visiting other countries increased by 11,9% in comparison to the same period of 2009, becoming US\$ 1.360.142.326. Among this, US\$ 1.310.430.546 is personal and US\$ 49.711.780 is package tour expenditures. The average expenditure of 1.713.937 citizens visiting abroad is US\$ 794 per capita.

Monthly Tourism Income and Expenses, 2009-2010						
Months	Tourism Income (USD)	Visitor Number (*)	Avarage Personel expenditure (USD)	Tourism expences (USD)	Citizen number (**)	Avarage Personel expenditure (USD)
2009						
October	2.466.201.396	3.515.977	701	374.671.441	490.962	763
November	1.441.776.357	1.945.675	741	393.619.402	517.640	760
December	1.104.920.838	1.467.070	753	447.217.180	559.614	799
2010						
January	735.469.267	1.133.655	649	272.349.030	354.260	769
February	721.358.120	1.105.749	652	320.836.151	444.881	721
March	956.697.423	1.513.316	632	396.740.807	494.956	802
April	1.044.280.697	1.875.486	557	350.964.158	518.761	677
May	1.600.640.039	2.952.864	542	392.547.210	575.820	682
June	1.913.929.110	3.545.058	540	425.734.213	617.491	689
July	2.741.034.945	4.450.459	616	537.105.301	770.870	697
August	3.197.707.333	5.145.381	621	380.132.689	547.433	694
September	2.636.147.408	4.265.936	618	388.662.216	518.823	749
October	2.684.863.709	3.639.656	738	423.054.022	551.749	767
November	1.516.808.183	2.002.607	757	505.229.994	599.486	843
December	1.057.772.209	1.397.778	757	431.858.310	562.702	767
Total	20.806.708.444	33.027.943	630	4.825.214.101	6.557.233	736

T.C. Culture and Tourism Ministry had prepared the action plan by 2023, thought to be the development of tourism investments are seen as a graphical map below.

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Market Players

In Turkey, there are certain local hotels which perform their own management such as Dedeman, Divan, The Marmara, Princess Hotels, and Swiss Hotel. The hotels are generally managed by their own hotel groups and any outside hotel management company is not assigned for the management of the hotel. The management of the hotels is generally based on 10-20 years contracts between the landlords and the management companies, and these agreements may be extended upon the parties' requests. The agreements are generally based on the gross income or net operating profit. However, some landlords may request a fixed annual fee regardless of the turnover. Apart from them, the foreign hotel management groups in Turkey are as follows.

Marriott (USA): Serves for hotel management in Turkey. Following Renaissance and Ritz Carlton hotels serving in Turkey, Marriott International Inc, opened its Marriott Asia Hotel. With more than 2,800 establishments, a prestigious and leading company in the accommodation sector of the USA and 67 countries, Marriott International Inc. has 151,000 global employees, and manages 15 hotel brands with 550,000 rooms capacity.

The number of hotels of the firm in Istanbul reached to 4 with Marriott Asyo Hotel. 3 of these hotels are located in the European Side and 1 in Anatolian Side.

Hochtief (Germany): Serves for hotel management in Turkey. They established a Facility Management Services (FMS) in 50% partnership with Silkar Holding.

Hyatt (America): Provides services in Hotel Management in Turkey. It carries out management of Hyatt Regency in Istanbul. Some of the hotels of this firm in Istanbul are Park Hyatt Istanbul Maçka Palas, Hotel Hyatt Regency.

Hilton (America): Provides services in Hotel Management in Turkey. They carry out management of hotels that belong to Hilton family group. This firm has 8 hotels throughout Turkey and 2 of the hotels are located in the European Side.

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Kempinski (Germany): They provide services in Hotel Management in Turkey. They carry out management of hotels that belong to Kempinski group. Çırağan Palace Kempinsky Istanbul managed by the firm in Istanbul European Side is the only investment in Istanbul.

Mövenpick (Switzerland): They provide services in Hotel Management in Turkey. They carry out management of hotels that belong to Mövenpick group. One of the three investments of the firm in Turkey is located in Istanbul European Side.

Four Seasons (America): Provides services in Hotel Management in Turkey. They carry out management of hotels that belong to Four Seasons Hotels group. The firm has two hotel investments in Turkey that are Four Seasons Bosphorus and Four Seasons Sultanahmet.

Barcelo (Spain): Serves for hotel management in Turkey. Manages the hotels of Barcelo group. They have Ora Hiladay, Barcelo Rexene (Bodrum) and Barcelo Eresin Topkapı hotels in Turkey.

Carlson (USA): Serves for hotel management in Turkey. Manages the hotels of Carlson group. Radisson, Country Inss, Park Plaza, Park Inn and Regent hotels are included under the body of Carlson group.

Inter Continental Hotel Groups (USA): Serves for hotel management in Turkey. The company manages hotels of Inter Continental Hotel Groups in Turkey. Inter Continental, Crowne Plaza, Hotel Indigo, Holiday Inn, Holiday Inn Express, Staybridge Suites and Candlewood Suites hotels are included under the body of Inter Continental Hotel Groups.

Accor (France): They provide services in Hotel Management in Turkey. They carry out management of hotels that belong to Accor group. They cooperate with Akfen GYO in Turkey and produce hotel projects. The firm is leading in Europe and 3rd largest hotel management firm in the world.

The leading hotel investment groups in the sector are stated here below.

Divan: Divan Hotels Chain owned by Koç Group is among the domestic hotel investors serving in Turkey. The chain has totally 7 hotels in Turkey: Istanbul, Istanbul City, Istanbul Asia, Ankara, Antalya, Bodrum and Çorlu.

Dedeman: Dedeman Hotels, forthcoming with hotel investments in Turkey and abroad, have 17 domestic hotels, two of which are currently in the construction stage. Their hotels in Turkey can be listed as Dedeman Istanbul, Dedeman Bostancı, Dedeman Şile, Dedeman Zonguldak, Dedeman Bodrum, Dedeman Antalya, Dedeman Kapadokya, Dedeman Ankara, Dedeman Konya, Dedeman Şanlı Urfa, Dedeman Gaziantep, Dedeman Diyarbakır, Dedeman Erzurum, and Dedeman Rize.

Titanic: Titanic Hotels Chain owned by AYG Group can be considered among the leading hotel chains in Turkey. With totally 5 hotels in Turkey, the members of Titanic Hotels chain can be listed as; De Luxe Antalya, Istanbul Bussines, City İstanbul Taksim, Port İstanbul Bakırköy, and Comfort İstanbul Şişli.

3.1.3.1.3 Hotel Sector-İstanbul

Many of the hotels in Istanbul are urban hotels and it is one of the biggest hotel markets in Turkey with more than 30 thousand room capacity and it is also one of the most important and successful cities in the world in terms of hotel tourism.

Because Istanbul is the center of business world and because of its historical and cultural values, it is one of the significant big cities attracting the attention of the foreign and domestic tourists and has affirmed its place in the lists with its performance of the past 6 years. During the last quarter of 2008, it has reached occupancy rate of 78% and 160 EURO of price, with the impact of the global crisis that affected the entire world, the city closed 2009 with occupancy rate of 70% and with price of 150 EURO.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Istanbul is at the 9th rank in the list of the cities most visited by the world in 2009, with 7.51 million visitors, before Hong Kong. Istanbul also became 6th after Rome in terms of hotel values per room in 2009 and has therefore risen by 7 ranks in the past 4 years and proves its strength as a hotel market.

Although Istanbul is the city with the highest hotel stock, with its rising star in the international arena, it still poses big chances for hotel investors and recently, all big hotel chains worldwide are making efforts for adding another link to their chain in Turkish market and the chains that have not yet entered Turkish market are making aggressive efforts to do so.

The best way to enter Turkey market passes through Istanbul, which is largely popular in the world. Recently, the first W-Hotel of Europe was opened in Turkey, and the Four Seasons began operating its second hotel in Istanbul. A center of attraction for many upper level foreign tourists, Istanbul is also very attractive for boutique hotel investments.

It is projected that the potential customers of the hotel in the subject project will be a mass of upper level income, involved in golf and that is willing to be involved in more than one activity at the same time. According to such projections, the following hotel coefficients were analyzed.

The hotels in the city centre, mostly serve for the segment who visit Istanbul for congress purposes. The hotels around Lutfü Kırdar Convention and Exhibition Center, can be given as sample to such type of hotels. Hilton, one of the oldest among them has celebrated its 50th year. Some of the hotels in the city center are listed with their details as follows.

Hotel	Location	Room Capacity	Category
The Marmara	Taksim	377	5 star
Hyatt Regency	Taksim	360	5 star
The Ritz Carlton	Taksim	244	5 star
Swissotel the Bosphorous	Beşiktaş	579	5 star
Conrad	Beşiktaş	590	5 star
Çırağan Palace Hotel Kempinski	Beşiktaş	315	5 star
Hilton	Elmadag	499	5 star
Les Ottomans	Kuruçeşme	10	Boutique

The hotels in Central Business Area and around it, Using the advantage that the directorates of international companies are in these regions, they host mostly the people who visit Istanbul for business purposes. Some of these hotels are;

Hotel	Location	Room Capacity	Category
Movenpick Hotel	4. Levent	249	5 star
Sheraton İstanbul Maslak	Maslak	305	5 star
The Plaza Hotel	Balmumcu	234	5 star
Dedeman Hotel	Gayrettepe	355	5 star
The Point Hotel	Gayrettepe	210	5 star

Historical Peninsula hotels host the tourists who visit Istanbul individually with its historical and cultural wealth. Some of these hotels are;

Hotel	Location	Room Capacity	Category
Four Seasons	Sultanahmet	65	5 star
Barcelo Eresin Topkapı	Topkapı	249	5 star

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Hotels in the airport region are; partially the section on short term business trip, and partially the section in Istanbul for conference purposes. Some of these hotels are;

Hotel	Location	Room Capacity	Category
Radisson Sas	Sefaköy	326	5 star
Holiday Inn Crowne Plaza	Ataköy	330	5 star
Green Park Hotel	Merter	140	5 star
Çınar Otel	Yeşilyurt	224	5 star
Polat Renaissance	Yeşilyurt	414	5 star
WOW İstanbul Otel	Yeşilköy	275	5 star
WOW Airport Hotel	Yeşilköy	360	4 star
Nov Otel	Zeytinburnu	208	4 star
İbis Otel	Zeytinburnu	228	3 star

İstanbul-Hotel Market Statistics

Due to the fact that Istanbul was the European Capital of Culture in 2010, Istanbul has had an advantageous position in terms of tourism. Having grown by 10% in room revenues, Istanbul increased its rate of occupancy by 14% and reached 73%. Istanbul is a decent price alternative for those that prefer visiting the Euro region.

According to the data received from Atatürk and Sabiha Gökçen Airports and Haydarpaşa, Pendik and Karaköy ports; it is observed that the number of foreign visitors coming to Istanbul in january-march period of 2011 increased by 18% in comparison with the previous year.

Number Of Incoming Foreign Istanbul

	TURKEY		İSTANBUL		Rate of Change in 2010 (Monthly)	Change on Previous Year (Cumulative)
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>		
JANUARY	751.817	809.974	339.897	294.352	- 13,4	- 13,4
FEBRUARY	898.927	953.848	408.083	372.713	- 8,7	- 10,8
MARCH	1.207.729	1.414.616	485.607	489.884	0,9	- 6,2
APRIL	1.750.281	1.744.628	632.209	588.601	- 6,9	- 6,4
MAY	2.718.788	3.147.492	700.123	688.821	- 1,6	- 5,1
JUNE	3.263.089	3.500.024	698.648	659.117	- 5,7	- 5,2
JULY	4.343.025	4.358.275	915.620	819.420	- 10,5	- 6,4
AUGUST	3.760.372	3.719.180	747.674	630.636	- 15,7	- 7,8
SEPTEMBER	3.136.010	3.486.319	679.686	712.583	4,8	- 6,3
OCTOBER	2.617.193	2.840.095	761.692	715.567	- 6,1	- 6,2
NOVEMBER	1.403.740	1.491.005	555.917	517.318	- 6,9	- 6,3
DECEMBER	1.226.143		584.585	471.968	- 8,8	- 7,3
			7.509.741	6.960.980		

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

	TURKEY		İSTANBUL		Rate of Change in 2010 (Monthly)	Change on Previous Year (Cumulative)
	2010	2011	2010	2011		
JANUARY	809.974	975.723	294.352	378.380	28.5	28.5
FEBRUARY	953.848	1.079.505	372.713	431.481	15.8	21.4
MARCH	1.414.616	1.617.782	489.884	556.113	13.1	17.9
APRİL	1.744.628	2.290.722	588.601	694.959	18.1	18.1
MAY			688.821	729.860	6,0	14,6
			2.434.371	2.790.793		

Istanbul Provincial Directorate of Tourism

Accommodation Facilities

LOCATION	Europe	Asia	Europe	Anadolu	Asia	Europe	TOTAL
TYPE	Number of		Room Capacity		Number of Beds		Bed Num.
Special Facility	69	8	2264	216	4514	438	4952
Boutique Hotel	7	3	378	79	772	162	934
Five Star Hotel	35	5	9804	1339	20142	2680	22822
Four Star Hotel	77	2	8873	140	17611	275	17886
Three Star Hotel	76	14	4666	859	9049	1676	10725
Two Star Hotel	58	8	2092	281	3960	543	4503
One Star Hotel	10	1	321	23	605	43	648
Apart Hotel	1	1	10	40	34	80	114
Golf Facility	2	0	755	0	2322	0	2322
Pansiyon	2	1	14	10	28	19	47
Motel	1	0	32	0	64	0	64
	338	43	29.109	2.987	59.101	5.916	65.017

T.C. Ministry of Culture and Tourism -May 2011

The recent data of 2011 reveals that in Istanbul, there are 38 5-star hotels with **Operation Certificate**, and 79 4-star hotels and in total, there are 381 rest areas. Moreover, there are also rest areas with "Municipality Certificates" and the number of facilities is 770, the number of rooms is 23.588 and the number of beds is 44.945. Thus, **the bed capacity of Istanbul reaches 109.962.**

Investment Certificated by Ministry of Culture and Tourism

OCATION	Europe	Asia	Europe	Anadolu	Asia	Europe	TOTAL
TYPE	Number of		Room Capacity		Number of Beds		Bed Num.
Special Facility	6	2	141	193	340	526	866
Boutique Hotel	5	1	191	15	382	30	412
Five Star Hotel	24	14	6748	3051	14260	6312	20572
Four Star Hotel	24	5	2728	677	5459	1348	6807
Three Star Hotel	8	3	821	133	1628	276	1904

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.


Two Star Hotel	2	1	52	55	90	110	200
One Star Hotel	0	1	0	16	0	32	32
Apart Hotel	4	0	575	0	1915	0	1915
Golf Facility	0	0	0	0	0	0	0
Pansiyon	1	0	5	0	10	0	10
Motel	0	0	0	0	0	0	0
	74	27	11.261	4.140	24.084	8.634	32.718


T.C. Ministry of Culture and Tourism -May 2011

In addition, the ongoing construction of Istanbul has a total accommodation capacity of 32,718 beds.


Hotel Research in the Region


5 Star Hotels

Name: CEYLAN INTERCONTINENTAL OTEL (* * * * *)	
Location: Taksim	
Total Number of Rooms: 380	
Bed Capacity: 501	
Opening Date: N/A	
Room Sizes: 32 – 36 m ²	
Suite Sizes: 200 m ²	
Number and Capacities of Meeting Rooms: 13 meeting rooms	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: Open pool (with a child section), Turkish bath, steam room, sauna, massage, solarium, fitness center are available.	
General Features of the Rooms: There are 4 types of rooms as, Junior Suite, Business Suite, Executive Suite and Bosphorus Suite. Facilities such as wireless internet, LCD TV, DVD player, telephone, and fax are available in the rooms.	
Room Prices: Standard Room 215 Euro (Prices are exclusive of breakfast and VAT.)	


Name: THE MARMARA OTEL (* * * * *)	
Location: Taksim	
Total Number of Rooms: 377	
Bed Capacity: 560	
Opening Date: N/A	
Room Sizes: 27 – 30 m ²	
Suite Sizes: 67 – 220 m ²	
Number and Capacities of Meeting Rooms: 11 meeting rooms	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: Open pool (with a child section), Turkish bath, sauna, massage, jacuzzi, solarium, fitness center, aerobics are available.	
General Features of the Rooms: There are 6 types of rooms as deluxe, club floor, flying carpet, executive suit, grand suite and presidential suite. The rooms have a panoramic Bosphorus and Istanbul view.	
Room Prices: Single Standard Room 165 Euro, Double Standard Room 180 Euro, (Prices are inclusive of breakfast and VAT.)	


AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Name: GRAND HYATT İSTANBUL OTEL (* * * * *)	
Location: Taksim	
Total Number of Rooms: 360	
Bed Capacity: 720	
Opening Date: 01.12.2009	
Room Sizes: 38 – 42 m ²	
Suite Sizes: 80 – 240 m ²	
Number and Capacities of Meeting Rooms: 1,507 sqm meeting room	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: Open pool, Turkish bath, sauna, solarium, Reflexology and Shiatsu massage, fitness center, night club, tennis, cafeteria, lobby bar, snack bar, pool bar are available.	
General Features of the Rooms: There are 10 types of rooms as king, twin, deluxe king, deluxe twin, club king, club twin, grand king suite, grand twin suite, grand executive suite and presidential suite. A seating group, internet connection, air conditioning, work area and safe are available in the rooms.	
Room Price: Single Standard Room 160 Euro, Double Standard Room 190 Euro, (Prices are exclusive of breakfast and VAT.)	


Name: HİLTON OTEL (* * * * *)	
Location: Harbiye	
Total Number of Rooms: 499	
Bed Capacity: 1.025	
Opening Date: 1955	
Room Sizes: 40 - 59 m ²	
Suite Sizes: 80 – 120 m ²	
Number and Capacities of Meeting Rooms: There are 27 fully equipped meeting rooms, including a congress and exhibition center (Max: 1480/1600 sqm capacity, Min: 28/10 sqm capacity).	
Parking Lot Capacity: A closed parking lot is available. (500 vehicles)	
General Features of the Hotel: At the hotel, the general services provided are: health room, doctor, child care, services for the disables, secretarial services for businessmen, business center, internet, pet acceptance, dry cleaning, laundry and ironing service, safety deposit at the reception, generator, non-smoking rooms, doctor and dentist, fire safety system, food catering service outside the hotel, exchange office, luggage storage room, airport pick up service, valet parking, pc workstations, special stores, florist, news stand, airlines office, car rental, art gallery, travel agency. Open, closed swimming pool, Turkish bath, sauna, massage, jacuzzi, fitness center, health center, beauty parlor, a 1 km running track in a 15 acres garden, plus tennis courts, squash and jogging facilities are available.	
General Features of the Rooms: The rooms are equipped with bathroom, hairdryer, electronic lock system, minibar, electronic safe, balcony, 24 hours room service and split air conditioners.	
Room Price: Single Standard Room 150 Euro, Double Standard Room 170 Euro, (Prices are exclusive of breakfast and VAT.)	


AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Name: DEDEMAN OTEL (* * * * *)	
Location: Gayrettepe	
Total Number of Rooms: 325	
Bed Capacity: 472	
Opening Date: 1982	
Room Sizes: 22 -26 m ²	
Suite Sizes: 45 - 75 m ²	
Number and Capacities of Meeting Rooms: There are 17 meeting rooms in varying sizes, between 40 – 547 sqm.	
Parking Lot Capacity: A closed parking lot is available. (100 vehicles capacity open parking lot)	
General Features of the Hotel: At the hotel, the general services provided are: wireless internet., early check-in ability, room service, dry cleaning service, laundry service, hair dresser, barber, message service, wake-up service, luggage room, doctor, closed parking lot, currency exchange, business center, security camera system, car rental service, executive floor, executive lounge facilities.	
General Features of the Rooms: The rooms are equipped with direct telephone, minibar, electronic safe, electronic door locking system, room service, satellite broadcast, pay TV, interactive TV, ventilation and central heating-cooling system, hairdryer, shaving/make-up mirror, smoke-fire detector, and wireless internet access.	
Room Price: Single Standard Room 75 Euro, Double Standard Room 85 Euro, (Prices are exclusive of breakfast and VAT.)	


Name: CONRAD OTEL (* * * * *)	
Location: Beşiktaş	
Total Number of Rooms: 590	
Bed Capacity: 968	
Opening Date: 1992	
Room Sizes: 30 -35 m ²	
Suite Sizes: 80 - 120 m ²	
Number and Capacities of Meeting Rooms: There are 27 meeting rooms and a ball room of 1,500 persons capacity.	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: At the hotel, the general services provided are: 4 restaurants serving under the names of Monet Restaurant, Meze Restaurant, Summit Terrace, Monet Lobby Lounge & Patisserie, 3 tennis courts, open-closed swimming pool.	
General Features of the Rooms: The rooms are equipped with telephone, voicemail, minibar, internet access, 24 hours room service, wake-up service, hairdryer, electronic lock.	
Room Prices: Single Standard Room 140 Euro and Double Standard Room 160 Euro. (Prices are exclusive of breakfast and VAT.)	

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.


Name: SWISSOTEL THE BOSPHORUS (* * * * *)	
Location: Beşiktaş	
Total Number of Rooms: 600	
Bed Capacity: 1000	
Opening Date: 1991	
Room Sizes: 38 m ²	
Suite Sizes: 67 - 101 m ²	
Number and Capacities of Meeting Rooms: There are total 28 meeting rooms of maximum 1600 persons capacity. 3 Ball rooms are available.	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: At the hotel, the general services provided are: central heating, wireless internet, 24 hours room service, generator, doctor and nurse, baby sitter, free parking lot, shopping center. 4000 sqm Amrita Spa and Wellness facilities are available. As these facilities, it is possible to benefit from high technology training tools, personal training, group classes and tennis. Swimming pools, jacuzzi, Turkish bath, sauna, steam bath, experience shower, kneip walks, beauty treatments, massages and spa services are also available. There are 12 different restaurants, bars and lounges in the hotel.	
General Features of the Rooms: The rooms are equipped with voice mail, direct telephone, music broadcast, minibar, safe, wireless internet, modem input, ISDN, scanner, tea/coffee maker, printer, copier, satellite TV, iron, ironing board, pants presser, fire extinguishing system, fire alarm system.	
Room Prices: Single 160 – 200 Euro, Double Standard Room 290 Euro. (Prices are average season prices.) (Prices are exclusive of breakfast and VAT.)	

Name: THE PLAZA HOTEL (* * * * *)	
Location: Beşiktaş	
Total Number of Rooms: 234	
Bed Capacity: 330	
Opening Date: 1995	
Room Sizes: 30 m ²	
Suite Sizes: 45 m ²	
Number and Capacities of Meeting Rooms: There are 11 meeting rooms for meetings.	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: At the hotel, the general services provided are: wake-up service, business center, internet, dry cleaning, laundry and ironing service, safety deposit at the reception, generator, 16 vehicles closed parking lot, closed swimming pool, sauna, massage, jacuzzi, fitness center, solarium, hair dresser and beauty parlor. In addition, a closed restaurant of 300 persons capacity, PH pub restaurant of 150 persons capacity and a roof restaurant of 80 persons capacity are available.	
General Features of the Rooms: The rooms are equipped with voice mail, direct telephone, music broadcast, minibar, safe, wireless internet, modem input, ISDN, scanner, tea/coffee maker, printer, copier, satellite TV, iron, ironing board, pants pressure, fire extinguishing system, fire alarm system.	
Room Prices: Single and Double Standard Room 120 Euro. (Prices are inclusive of breakfast, exclusive of VAT.)	


AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.


Name: POINT HOTEL BARBAROS(* * * *)	
Location: Şişli	
Total Number of Rooms: 210	
Bed Capacity: 400	
Opening Date: 2009	
Room Sizes: 22 - 28 m ²	
Suite Sizes: 50 - 85 m ²	
Number and Capacities of Meeting Rooms: There are 14 meeting rooms for meetings.	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: At the hotel, the general services provided are: plasma TV, rooms with free wi-fi, room service, sauna, closed swimming pool, Turkish bath, helicopter landing, bar, patisserie.	
General Features of the Rooms: The rooms are equipped with direct telephone, music broadcast, minibar, safe, wireless internet, modem input, tea/coffee maker, satellite TV, central air-conditioning, fire extinguishing system, fire alarm system.	
Room Prices: Single Standard Room 102 Euro and Double Standard Room 122 Euro. (The prices are inclusive of breakfast and VAT.)	

4 Star Hotels


Name: THE MARMARA PERA (* * * *)	
Location: Taksim	
Total Number of Rooms: 203	
Bed Capacity: 311	
Opening Date: N/A	
Room Sizes: 20-25 m ²	
Suite Sizes: -	
Number and Capacities of Meeting Rooms: There are 5 different meeting rooms within the hotel with sizes ranging between 38 sqm and 176 sqm. The capacities of the meeting rooms vary from 15 to 130 persons.	
Parking Lot Capacity: The hotel a parking lot open to the public and the daily parking fee is 8 Euro.	
General Features of the Hotel: In general, there are 200 standard and 3 suite rooms in the hotel. At the hotel, the general services provided are open swimming pool, fitness center, restaurant, bar, ironing service, dry cleaning, safety deposit, room service, free wireless internet access.	
General Features of the Rooms: The rooms in the hotel are equipped with television, minibar, hairdryer, internet connection, and kettle.	
Room Prices: Single Standard Room 120 Euro, Double Standard Room 130 Euro. (Excluding VAT, breakfast is included.)	


AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Name: RICHMOND ISTANBUL HOTEL (* * * *)	
Location: Beyoğlu/İSTANBUL	
Opening Date: 1895	
Total Number of Rooms: 103	
Bed Capacity: 206	
Room Sizes: 22 - 25 m ²	
Suite Sizes: 35	
Number and Capacities of Meeting Rooms: There are total 5 meeting rooms.	
Parking Lot Capacity: Valet service is available.	
General Features of the Hotel: At the hotel, the general services provided are room service, restaurant, chapel, central heating, TV corner, internet connection, bar, currency exchange, dry cleaning, car rental, free WI-FI access, air-conditioning that can be regulated from the room, mini-bar, room safes, direct telephone lines.	
General Features of the Rooms: The rooms are equipped with air conditioning, LCD TV, direct telephone, shower, restroom-bathroom, hairdryer, mini bar, safe, wireless internet, and desk.	
Room Prices: Single standard room is 109 Euro, and double standard room is 119 Euro, VAT and breakfast are included.	

Name: POINT OTEL (* * * *)	
Location: Taksim	
Total Number of Rooms: 194	
Bed Capacity: 406	
Opening Date: 2004	
Room Sizes: 21 – 28 m ²	
Suite Sizes: 35 – 45 – 50 m ²	
Number and Capacities of Meeting Rooms: There are 5 meeting room ranging between 30 and 260 sqm.	
Parking Lot Capacity: Valet services are available.	
General Features of the Hotel: There are 2 bars, restaurant, cafe, fitness center, SPA and a closed swimming pool.	
General Features of the Rooms: There are 4 types of rooms as deluxe, junior suite, senior suite and executive senior suite. The rooms are equipped with LCD TV, DVD player, internet connection and safe.	
Room Prices: Single Standard Room 160 Euro, Double Standard Room 175 Euro. (Prices are inclusive of breakfast and VAT.)	


AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Name: NIPPON OTEL (* * * *)	
Location: Taksim	
Total Number of Rooms: 171	
Bed Capacity: 300	
Opening Date: 1988	
Room Sizes: N/A	
Suite Sizes: N/A	
Number and Capacities of Meeting Rooms: There are 6 meeting rooms, of total 400 sqm.	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: Restaurant, bar, fitness center are available.	
General Features of the Rooms: Standard rooms and suite rooms are available. The rooms are equipped with telephone, air-conditioner, LCD TV, safe, wireless internet and special pillow menu.	
Room Prices: Single Standard Room 110 Euro, Double Standard Room 120 Euro. (Prices are inclusive of breakfast and VAT.)	


Name: HILTON PARKSA OTEL (* * * *)	
Location: Maçka	
Total Number of Rooms: 117	
Bed Capacity: 200	
Opening Date: 1990	
Room Sizes: 22 m ²	
Suite Sizes: 37 m ²	
Number and Capacities of Meeting Rooms: There are 10 meeting rooms of various sizes, allowing to host up to total 140 persons capacity.	
Parking Lot Capacity: A closed parking lot is available.	
General Features of the Hotel: There are 7 restaurants, bar, fitness center, hair dresser, jewelry shop and a business center.	
General Features of the Rooms: The rooms are equipped with telephone, air-conditioner, LCD TV, safe, wireless internet.	
Room Prices: Single Standard Room 110 Euro, Double Standard Room 127 Euro. (Prices are exclusive of breakfast and VAT.)	

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Name: THE GREEN PARK HOTEL TAKSİM (* * * *)	
Location: Taksim	
Total Number of Rooms: 179	
Bed Capacity: 356	
Opening Date: 1995	
Room Sizes: N/A	
Suite Sizes: N/A	
Number and Capacities of Meeting Rooms: There are 6 meeting rooms with sizes ranging between 50 sqm and 160 sqm.	
Parking Lot Capacity: An open parking lot is available.	
General Features of the Hotel: At the hotel, there are 5 restaurants, health club, meeting rooms available. The restaurants are; Aphrodite Bar, Pera Restaurant (World cuisine), Nostalgia Cafe Bar (World cuisine), Vitamin Bar, Gaya Restaurant (Korean cuisine). Within the health club, a closed swimming pool, sauna, steam room, gym club, jacuzzi, Turkish bath, massage, beauty parlor and fitness center are available.	
General Features of the Rooms: The rooms are equipped with satellite TV, minibar, direct telephone line, wi-fi internet connection, safe, electronic lock system, central heating system, fire alarm system, telephone in the bathroom, hairdryer.	
Room Prices: Single Standard Room 80 Euro, Double Standard Room 100 Euro. (The prices are including breakfast, exclusive of VAT.)	

Name: THE MARMARA ŞİŞLİ (* * * *)	
Location: Şişli	
Total Number of Rooms: 99	
Bed Capacity: 102	
Opening Date: 2008	
Room Sizes: 25 m ²	
Suite Sizes: N/A	
Number and Capacities of Meeting Rooms: There are 5 meeting rooms that may be partitioned.	
Parking Lot Capacity: An open parking lot is available.	
General Features of the Hotel: At the hotel, there are restaurant, bar, 24 hours reception, business center, internet, special parking lot available.	
General Features of the Rooms: The rooms are equipped with LCD TV, satellite TV, honorbar, cabled and wireless internet access, hairdryer, air-conditioner, turndown service safety deposit.	
Room Prices: Single Standard Room 110 Euro, Double Standard Room 125 Euro. (Prices are inclusive of breakfast and VAT.)	

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Name: TITANIC CITY HOTEL (* * * *)	
Location: Taksim	
Total Number of Rooms: 183	
Bed Capacity: 400	
Opening Date: 2008	
Room Sizes: 28 - 38 m ²	
Suite Sizes: 65 m ²	
Number and Capacities of Meeting Rooms: There are 8 meeting rooms.	
Parking Lot Capacity: Parking lot services are not available.	
General Features of the Hotel: At the hotel, the general services provided are shuttle bus service, wellness & spa, closed swimming pool, 'a la carte' restaurant & bar, free safe, cinema/satellite connection/pay TV channels, meeting rooms, baby sitter (upon demand), internet (wi-fi), 24 hours room service, dry cleaning & laundry service, business center, valet parking.	
General Features of the Rooms: The rooms are equipped with LCD TV and cinema/satellite connection/pay TV channels, minibar, adjustable air-conditioner (central system), electronic safe, bathroom/restroom (special design shower and bathtub, lighting, opening window system, double-line telephone with voice mail, hairdryer, magnifying mirror, cabin, kettle, wi-fi internet access, data port, electronic special door system.	
Room Prices: Single Standard Room 81 Euro, Double Standard Room 98 Euro. (Prices are inclusive of breakfast and VAT.)	

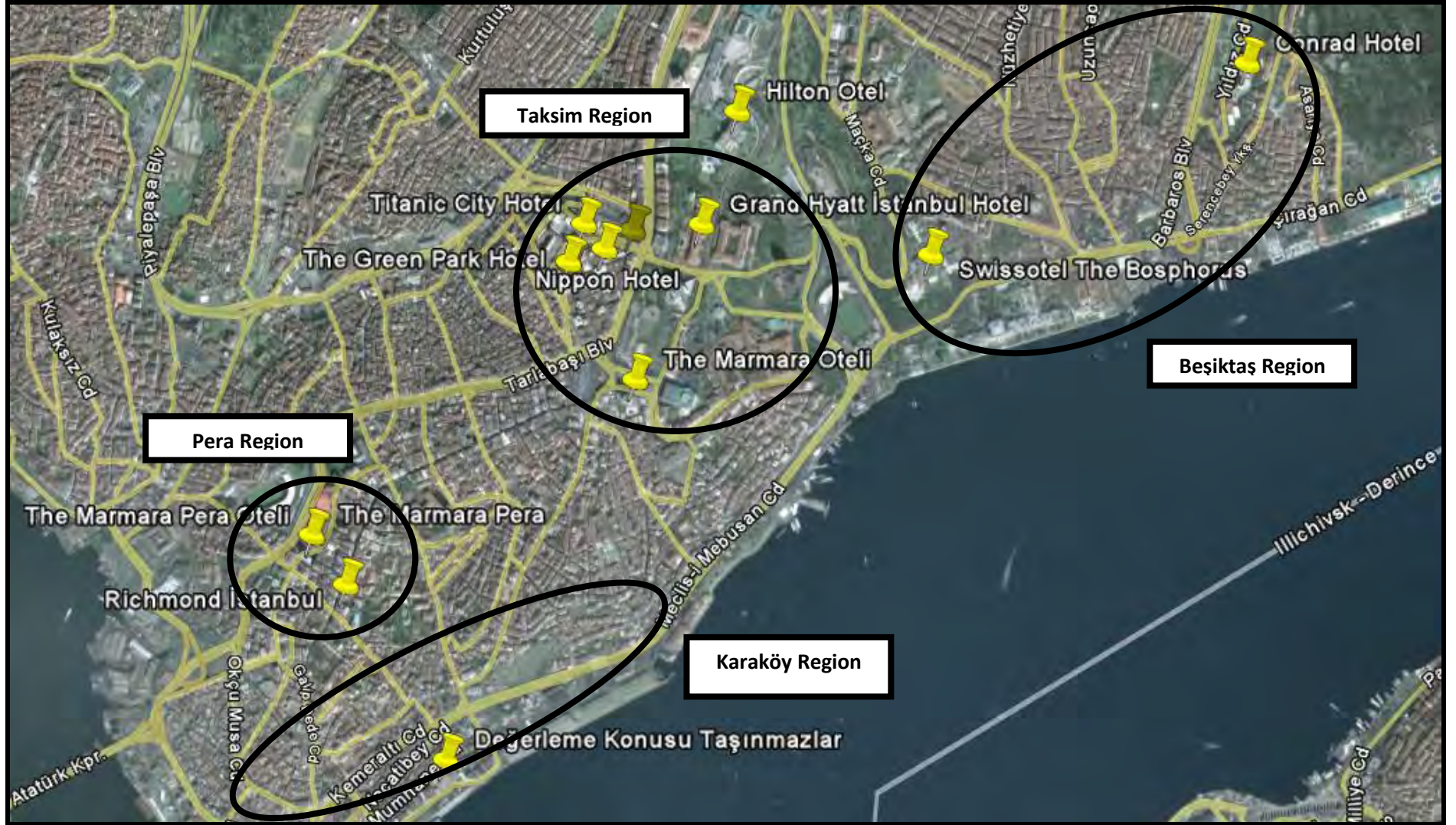
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Summary Chart:

NAME	QUALITY	NUMBER OF ROOMS	ROOM TYPE	ROOM PRICES (Euro)*	ROOM PRICES (TL)*
Ceylan Intercontinental Otel	5 Star	380	Single	215	540
			Double	215	540
The Marmara Otel	5 Star	377	Single	152	382
			Double	166	417
Grand Hyatt İstanbul Otel	5 Star	360	Single	160	402
			Double	190	477
Hilton Otel	5 Star	499	Single	150	377
			Double	170	427
Dedeman Otel	5 Star	325	Single	75	188
			Double	85	213
Conrad Otel	5 Star	590	Single	140	352
			Double	160	402
Swissotel The Bosphorus	5 Star	600	Single	160 – 200	402 – 503
			Double	290	729
The Plaza Hotel	5 Star	234	Single	120	301
			Double	120	301
Point Hotel Barbaros	5 Star	210	Single	94	236
			Double	112	281
The Marmara Pera	4 Star	203	Single	120	301
			Double	130	327
Richmond İstanbul Hotel	4 Star	103	Single	100	251
			Double	110	276
Point Otel	4 Star	194	Single	148	372
			Double	162	407
Nippon Otel	4 Star	171	Single	101	254
			Double	111	279
Hilton Parksa Otel	4 Star	117	Single	110	276
			Double	127	319
The Green Park Hotel Taksim	4 Star	179	Single	80	201
			Double	100	251
The Marmara Şişli	4 Star	99	Single	101	254
			Double	115	289
Titanic City Hotel	4 Star	183	Single	75	188
			Double	90	226

* The values provided in the table are company prices, exclusive of VAT.

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3.2 Special Data - Analysis of the Area Where the Property is Located

3.2.1 İstanbul Province



Istanbul is located on the 28° 01' and 29° 55' eastern longitudes, and 41° 33' and 40° 28' northern latitudes. Istanbul Strait merges the Black Sea with the Marmara Sea; while it also separates Asia from Europe and divides Istanbul into two.

Istanbul acts as a bridge between the continents of Europe and Asia, and it is built on the two tips that the continents most approach each other, on 5.512 square kilometre area. These tips are surrounded by Catalca on the European side, Kocaeli on the Anatolian side; Marmara and Bursa on the south, Tekirdağ on the southwest and Kırklareli on the northwest. The Princes' Islands in the Marmara Sea are also included in Istanbul province.

The districts of Istanbul province are; Adalar, Arnavutköy, Ataşehir, Avcılar, Bağcılar, Silivri, Bakırköy, Başakşehir, Bayrampaşa, Beşiktaş, Beykoz, Beylikdüzü, Beyoğlu, Büyükçekmece, Çatalca, Çekmeköy, Esenler, Esenyurt, Eminönü, Eyüp, Fatih, Gaziosmanpaşa, Güngören, Kadıköy, Kağıthane, Kartal, Kocasinan, Küçükçekmece, Maltepe, Pendik, Sancaktepe, Sarıyer, Silivri, Sultangazi, Sultanbeyli, Şile, Silivri, Tuzla, Ümraniye, Üsküdar and Zeytinburnu. Istanbul International Ataturk Airport is 20 km away from the city centre. Besides, it is also possible to rent an airplane or helicopter in Istanbul.

Istanbul accounts for 9.7% of the total area of Turkey, and it is the most important province of the country in terms of its population. According to Year 2010 General Census, total population of Istanbul is 13.255.685.

Istanbul is located on Kocaeli and Çatalca Peninsulas. Both of these peninsulas are two worn tablelands. The landscape of Istanbul resembles to the landscape under the Mediterranean climate. Lemur is the most observed plant type in the region. These plants acclimatized to a long and dry summer season. However, due to the characteristics of the climate, the hills are not bare. The most important one of the forest areas in patches is the Belgrade Forest 20 km on the north of the city centre.

The biggest stream in Istanbul is Riva Stream, which is also the biggest stream of Kocaeli Peninsula. The most important streams that flow into Istanbul Strait are Küçüksu and Göksu streams. Apart from them, there are also Kağıthane and Alibey Streams flowing into the Golden Gate, Sazlıdere flowing into Küçükçekmece Lake, Karasu Stream flowing into Büyükçekmece Lake, Trança Stream flowing into Terkos Lake as the major streams of Istanbul province. In the province, there are three small but important lakes. All three of them are on the European side. The water of Terkos Lake, which is away from the sea, is fresh. The city water is provided from

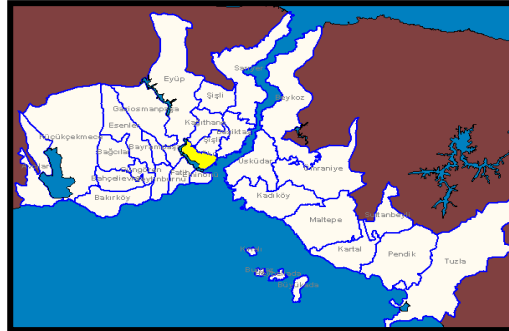
that lake. The water of Küçükçekmece (11 ksqm) and Büyükçekmece (16 ksqm) lakes are salty because they contact with the sea.

Summer months are generally hot and the winters are not very cold in Istanbul due the weather systems influential in the province. Although Istanbul seems like showing the properties of the Mediterranean climate, it has a different climate due to the effect of the Marmara Sea and the Istanbul Strait. In winter months, it is under the influence of the cold-dry air mass from the Black Sea and the cold and rainy air mass from the Balkans, and especially the warm and rainy air mass from the Mediterranean. In the entire province, the cold and rainy (with northeast wind) weather of the Black Sea and the warm (with southwest wind) Mediterranean weather follow each other. In the province, major heat differences are not observed between summer and winter or day and night.

From the economic terms, Istanbul is one of the most developed cities in Turkey. It is one of the most important sources if tourism, industry and commerce economy. Although most of the industrial organizations have been moved outside of the province, the province still maintains its importance in terms of the manufacturing industry. The actual development with regard to the manufacturing industry of Istanbul began after the foundation of the Republic in 1923. The accelerating capital accumulation and the support provided to the private industry after 1950s enabled Istanbul to become a leading city in terms of industry and commerce.

Istanbul has become one of the most appealing tourism centres of Turkey with its natural beauty, rich cultural assets, and its developments with regard to transportation and accommodation. Most of the foreign tourists first land in Istanbul for their visits to Turkey.

3.2.2 Beyoğlu District



Beyoğlu District is located on the European side of Istanbul Province, between the southern section of Istanbul Strait and Haliç (the Golden Horn). It is surrounded by Beşiktaş and Istanbul Strait on the east, Haliç on the west, Şişli on the north, Kağıthane on the northwest, and Istanbul Port, which is an indent of the Marmara Sea on the south. The surface area of the district is 8.76 sq km. Marmara Region's Climate is dominant in the district. Beyoğlu district's proximity to the sea increases the humidity ratio. Its climate is generally considered as warm. The average annual precipitation is 639 mm. 40% of the annual rainfall is in winter, 21% in spring, 11% in summer, and 28% in autumn. The dominant winds in the district are 33% northeast wind and northwest wind.

The district does not have planted, cultivated, forest and natural resources. In terms of the land structure, the district has a rough structure, the settlement area in the central zone consists of dense buildings, while the quarters outside of the central zone consist of residences and work places which are considered as shanty houses and buildings; and the district is not rich in terms of green spaces. Access to Beyoğlu is very easy, as it is the Central district. It has direct access to the airport. A tram way was constructed in 1991 between Taksim and Tünel, which was later

extended to Galata Bridge and Eminönü, Atatürk Bridge and Fatih District. There is a subway connection from Taksim to Şişli, Mecidiyeköy and 4. Levent. Ferries run in the Golden Horn (Haliç). All roads in the district are asphalted.

According to the results of Year 2010 Census, the total population of the district is 244,516.

85% of the district's population speaks Turkish. The share of minorities speaking foreign languages as their mother tongue is 15%, but they speak Turkish in their daily lives.

Beyoğlu District included Centrum (Merkez), Beşiktaş, Şişli and Taksim subdistricts during the first years of the Republic. However, only the Centrum and Taksim subdistricts remained after Beşiktaş and Şişli districts were found respectively in 1930 and 1954. Beyoğlu district has a structure consisting of quarters since 1970. As the central district of Istanbul, Beyoğlu District does not have any counties and villages, and there are 45 quarters.

Beyoğlu district developed after Sultan Mehmet the Conqueror conquered Istanbul. The district does not have any agricultural lands. There are 116 bank branches, 13 unions and 14,878 registered business places in Beyoğlu District. Workshops and small factories dealing with various activities are concentrated in Kasımpaşa, Hasköy region, while the companies and commercial centers are in Taksim, Gümüşsuyu and Bankalar Street. There are hotels and bars around Taksim and Büyükparmakkapı.

Beyoğlu district has a dense population as it is a center of culture, art, entertainment and business. The district is a place where the lifestyles contradicting as much as the two sides of medal, the gaps between the cultures, and the conflicts co-exist, and where the utmost examples of sociological and psychological social problems can be observed. İstiklal Street, Taksim, Galata, Cihangir and Gümüşsuyu is the center of culture, art and entertainment where the economic and commercial life is liveliest. Cihangir and Gümüşsuyu subdistricts are among prestigious districts where the intellectual identity comes forth, and which are preferred by authors-artists, journalists and men of letters.

Meanwhile, Kasımpaşa, Hasköy, Kulaksız and Sötlüce districts represent a socio-economic structure which is different than the other two regions. The people who live in these districts just represent a mosaic of Anatolia. Most of the people in these districts are our citizens that immigrated from various parts and provinces of Anatolia. Here, highest immigration is from the Black Sea (Trabzon, Rize, Giresun), Kastamonu and Sivas regions.

The headquarters of many companies and holdings are in Beyoğlu. There are banks in Galata, company headquarters in Karaköy, workshops in Hasköy and Sötlüce, and shipyards on the banks of Haliç.

SECTION 4

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

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

Province	İstanbul	İstanbul
District	Beyoğlu	Beyoğlu
Subdistrict	-	-
Village	-	-
Quarter	Kemankeş	Kemankeş
Locality	Galata Mumhanesi	-
Plot No	121	121
Section No	77	77
Parcel No	28	60
Quality	İki Mağazası Olan Kargir Han, Depo ve Garaj	İki Depo ve Garaj
Area	1.720,00 m ²	1.707,50 m ²
Owner - Share*	-	-

* The detailed proprietor list and shares are provided in detail on the attached encumbrance list, approved on 13.09.2011.

** Since the aforementioned immovable properties bear the feature of a registered foundation, management and representation rights are owned by the General Directorate of Foundations, as per article 6 of the Law of Foundations, numbered 5737.

***In article 3 of the Law of Foundations, numbered 5737, the definition “*Registered foundation: means the foundations that are to be managed and represented by the General Directorate pursuant to this law and the foundations established prior to the effective date of the obsolete Turkish Civil Code numbered 743 and managed by the General Directorate of Foundations pursuant to Law of Foundations numbered 2762.*” is provided.

****Pursuant to article 77 of the Law of Foundations numbered 5737, the following exemptions and exceptions are applied in relation to registered foundations.

- *The immovable properties belonging to the General Directorate and registered foundations benefit from the State property privilege, they may not be sequestered, pledged. All business and transactions are exempt of any taxes, duties, fees and shares.*
- *Assurances are not sought in cases filed by the General Directorate.*
- *The uncollectable revenues of the General Directorate and the registered foundations are collected by the General Directorate according to the provisions of the Law on Collection Procedure of Assets dated 21/7/1953 and numbered 6183.*
- *The procedures for repairs and restorations of foundation cultural assets and environmental planning and expropriation, are not subject to the provisions of the Statutory Decree on the Organization and Duties of the Ministry of Public Works and Settlement numbered 180.*
- *The rental procedures of foundation cultural assets, in return for restoration or repair, are not subject to the provisions of the State Tender Law numbered 2886.*
- *The methods and principles related to these spending and rentals are organized by regulations.*

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- *Real and legal entities aiming to research, improve and support the foundation culture , either domestically or abroad, may act as sponsors in all scientific organizations, strategic researches, conferences, symposiums and similar cultural activities included in the activity of investment programs of the General Directorate related to its assigned position. The sponsor individuals or companies involved with these activities may take advertisements within the framework of the principles defined by the General Directorate. All expenses, donations and aids to be made personally by the real or legal entities, under the control of the General Directorate, including the maintenance, repair and restoration, conservation, environmental planning and expropriation of movable and immovable foundation cultural assets on behalf of foundations, and all sponsorship expenses are deducted from the Income and Corporate Tax assessments.*
- *All movable and immovable properties donated to the foundation at the time of or following its establishment are exempt from Inheritance and Transfer Tax.*

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 investigation made at 11:00 hours on 13.09.2011, at the Beyoğlu District Directorate of Title Deed Registration, there are the following encumbrances on the immovable properties subject to appraisal, as per the approved encumbrances document supplied by the customer and is herewith attached.

On Parcel No. 60;

In the Comments Section;

- H.S: 2256 (date 05.02.1952, no. 299)

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.

Based on the information received upon the investigations made at the Beyoğlu Municipality Zoning Directorate on 13.09.2011 and the zoning status dated 13.09.2011, the parcels subject to appraisal are, within the scope of the 1/1000 scale, "Beyoğlu Implementation Zoning Plan Aimed to Protect Urban Protection Areas" approved on 21.12.2010;

✓ Zoning Status:

Partially within the "Tourism + Services + Commercial Area", and partially in the "Road Area" legend.

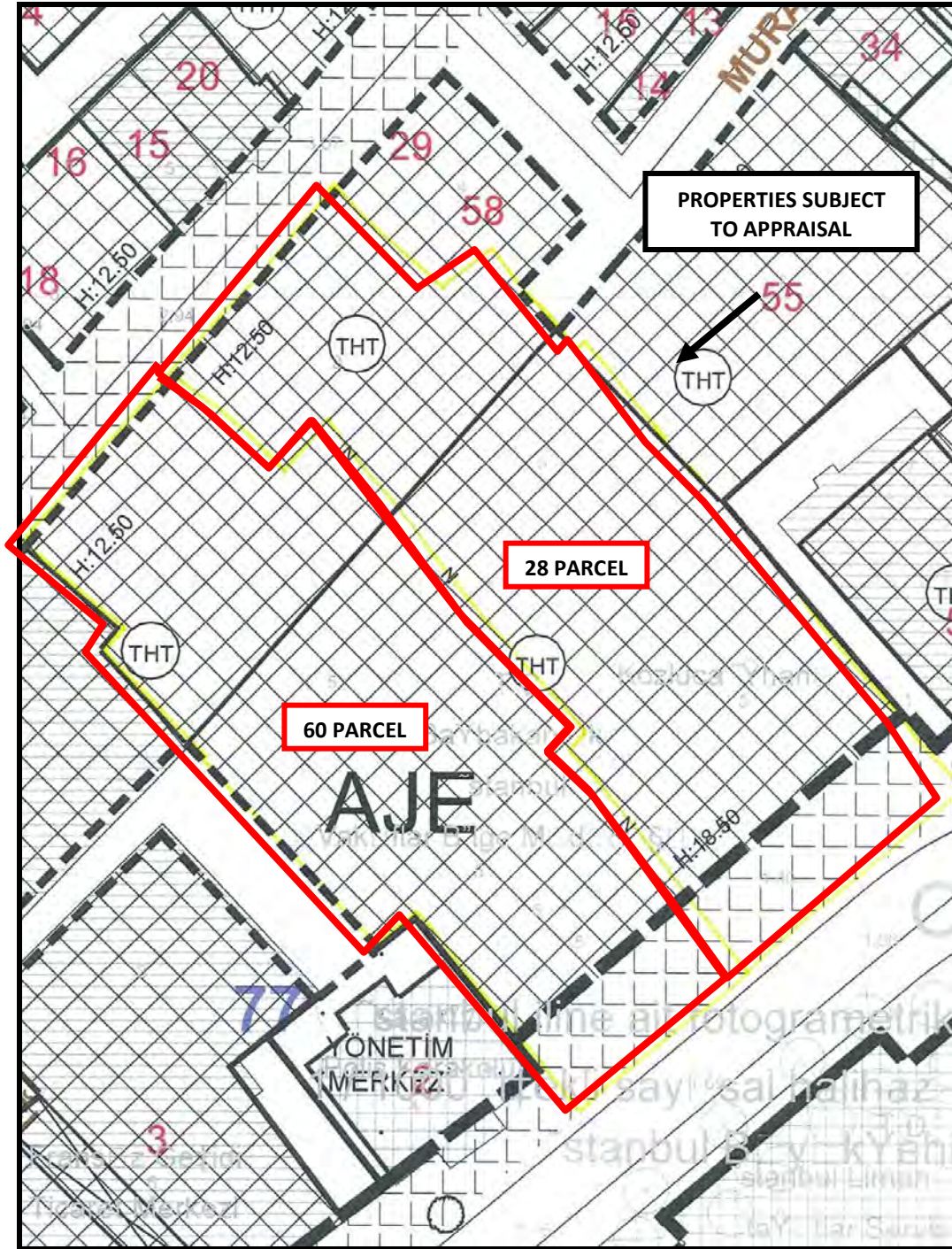
The "Tourism + Services + Commercial Area" settlement conditions;

- Has a gradual elevation of 18.50 m. and 12.50 m.
- Since the neighboring parcels 26 and 57 are historical buildings, decision is to be received from the related conservation board.
- During implementation, parcels 28 and 60 shall be amalgamated.

- Both parcels have a cession of approximately 348 sqm in total to road of the Kemankeş Street side.

According to the Related Plan Notes:

- Tourism-Service-Commercial Areas; are tourism-trade-marketing, service areas at connected to the historical and cultural texture in local, metropolitan, national and international scales.
- In these areas, retail trade units, fabrics-textiles and ready wear products-ready wear sales units, multi-storey stores, lodging facilities, retail trade units aimed for tourism and lodging facilities serving these units, motels, boutique hotels, hotels, congress centers, theaters, cinemas, office buildings, cafes aimed for food and beverages, restaurants reflecting the traditional and regional cuisine culture, cafeterias, official institutions, banks and finance institutions, cultural units providing trainings-hearings on music types, societies, foundations and non-governmental organizations involved in the protection, conservation, training and research on the cultural elements characteristic to the region, private teaching institutions, courses, production and retail marketing-repair-display and training units on non-polluting, traditional handcrafts such as, glass painting, porcelain and ceramic arts, hand-crafted toys, embroidery, fabric dyeing, mother-of-pearl inlaying, traditional musical instruments, gold and silver jewelry-filigree and household goods, cold copper handcrafts, all natural stone works such as jet-meerschaum, etc., calligraphy, marbling, illumination, miniatures, book binding and repair, frames, paintings, sculpture, wood hand-crafts, souvenirs, rugs, carpets, hand-weavings, wicker baskets and boxes, coppersmithery, small scale printing works, narghile-pipe, etc. production; antique dealers and auction halls and qualified residences may be located. In streets and areas displaying local characteristics, the District Municipality is authorized to limit the above mentioned functions based on the Inventory and Lost Artifacts Inventory and unique functions. In the parcels facing the Fish Market (Sahne Street-Dudu Odaları Street), which conserves its historical function, the function of historical trade and marketing functions, not including public relaxation, recreation areas, cafe, cafeteria, restaurant, tea-house, shall be preserved.
- The areas that remain within the tourism-service-trade areas defined in the plans, with the condition of receiving a decision from the related Conservation Board and without changing the settlement conditions, and receiving the opinions and recommendations of the related Transportation Planning Directorate, may be made specially equipped areas (education-healthcare-culture-elevator parking lot, etc.).



✓ **Licences and Permits**

- For parcel no. 60 from the aforementioned parcels, there is an approved architectural project dated 28.10.1961 available.
- For parcel no. 60 from the aforementioned parcels, there is a “Building License” dated 16.05.1969, no. 3504 available.
- For parcel no. 60 from the aforementioned parcels, there is an “Occupancy Permit” for 6,460 sqm building, dated 21.11.1970.

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- For parcel no. 60 from the aforementioned parcels, there is a “Burnt and Demolished Buildings Form” issued for the 7,433.22 sqm bank building, dated 14.01.2010.
- For parcel no. 28 from the aforementioned parcels, there is a “Burnt and Demolished Buildings Form” issued for the 538 sqm bank building, dated 14.01.2010.
- For parcel no. 28 from the aforementioned parcels, there is a “Burnt and Demolished Buildings Form” issued for the 6,440 sqm business area in the bank, dated 14.01.2010.
- In the related archive file, all available ***permits, licenses and projects belong to buildings that currently are in demolished state. Under the present conditions, the aforementioned immovable properties are in vacant state.***

Building License and Permits Summary Table

License – Occupancy Permit Date/No	Reason of Issue	Area (m ²)	Explanation
16.05.1969 (Building License)	Building	-	Building license issued for parcel no. 60.
21.11.1970 (Occupancy Permit)	Building	6.460	Occupancy permit issued for parcel no. 60.
14.01.2010 (Burnt and Demolished Buildings Form)	Bank Building	7.433,22	Burnt and Demolished Buildings Form issued for parcel no. 60.
14.01.2010 (Burnt and Demolished Buildings Form)	Business Area in Bank	538	Burnt and Demolished Buildings Form issued for parcel no. 28.
14.01.2010 (Burnt and Demolished Buildings Form)	Business Area in Bank	6.440	Burnt and Demolished Buildings Form issued for parcel no. 28.

✓ Building Supervision:

- The immovable properties under appraisal are not subject to the Building Inspection Law dated 29.06.2001 and numbered 4708.

✓ Contracts Related to the Immovable Properties

- In relation to the immovable properties subject to appraisal, there is a “Rental Contract with Construction Condition” dated 01.09.2009, signed between General Directorate of Foundations and Hakan Madencilik ve Elektrik Üretim Sanayi ve Ticaret A.Ş. for a period of 49 years, to end on 01.09.2058. The above mentioned contract has been assigned to Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. on 22.06.2011. the contracts are submitted as annexes to the report.
- As per articles 2 and 6 of the above mentioned contract, the application projects have to be completed, approved by the related Institutions and Organizations, construction license has to be obtained and the construction has to be completed and the building has to be opened to service within the first 5 years following the date of the contract.
- As per article 6 of the above mentioned contract, the 5 years total of the monthly rent value 115,000 TL, i.e. 6,900,000 TL has been deposited in advance and in cash, and starting with the 6th year, the monthly rental value shall be calculated by increasing by annual Producer Price Index starting from the 1st year, to the end of the 5th year, and the calculated amount shall be increased annually by the annual Producer Price Index starting with the 6th year up to the end of the 49th year.
- As per article 6 of the above-mentioned contract, any increases in capacity, based on the zoning status to be obtained, over the minimum 4 stars, 200 bed capacity hotel construction, the monthly rental value shall be increased based on 200 beds.

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- As per article 22 of the above mentioned contract, the contractor may not assign these construction works to any 3rd parties. The contractor, with the condition of remaining within the legal liabilities, may either undertake the operation of the building himself or, with the condition of obtaining the permit of the Administration, may assign, lease, or become business and profit partners with several national or international operation companies.

4.4 Legal Liability

The appraisal was made on the assumption that there weren't any encumbrances and/or legal problems about the real estates subject to appraisal; and these problems would be solved in case there were problems. Therefore, valuation of the real estate was done by neglecting such kind of problems at the stage of appraisal account analysis.

4.5 Environmental and Ground Contamination

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

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

SECTION 5

***PHYSICAL INFORMATION
OF THE REAL ESTATE***

SECTION 5

PHYSICAL INFORMATION OF THE REAL ESTATE

5.1 Situation, Position and Environmental Features of the Real Estate

Open address of the property: Kemankeş quarter, Kemankeş Street, section 77, parsel no 28 and 60, Beyoğlu / İSTANBUL

The immovable properties subject to appraisal are the immovable properties located at İstanbul province, Beyoğlu district, Kemankeş quarter, Galata Mumhanesi locality, plot 121, section 77, parcel no. 28, of 1,720 sqm area, qualifying as “Massive Construction Kozluca Han with Two Stores, Storehouse and Garage”, and parcel no. 60, of 1,707.50 sqm area, qualifying as “Two Storehouses and Garage”.

In order to access the immovable properties subject to appraisal, in the İstanbul Province, Beyoğlu District, when proceeding in the Kemankeş Quarter, on the Kemeraltı Street between Karaköy – Beşiktaş, towards Beşiktaş, one has to turn to Kılıç Ali Paşa Street on the right. The immovable properties subject to appraisal are located on the right side at 150 m. ahead on Kemankeş Street located at the end of Kılıç Ali Paşa Street. The aforementioned immovable properties are also facing Mumhane Street. From the parcels no. 28 and 60 located adjacently, parcel no. 28 has a 19.50 m. side to Kemankeş Street and Mumhane Street, and parcel no. 60 has a 25 m. side to Kemankeş Street and a 22 m. side to Mumhane Street. The aforementioned immovable properties have a high advertising ability and visibility.

The geometrical shape of the immovable properties subject to appraisal is quite squared and the topographical structure is near to level. The perimeter of the aforementioned immovable properties is surrounded by aluminum corrugated sheet, the boundaries are defined. There are no buildings available on the parcels, under the present conditions.

Access to the aforementioned immovable properties is by public or private transport vehicles, it has high accessibility due to its location.

The Karaköy region where the aforementioned immovable properties are located is one of the oldest commercial regions of İstanbul. In the region, which still maintains this quality today, while there are more qualified office buildings and commercial buildings on Kemeraltı street located closed to the immovable properties, older commercial buildings are available in general on Necatibey street. Moreover, the Salı Pazarı Cruiser Port located in Karaköy provides a significant contribution to the commercial potential of the region. Many historical buildings are also located in this area. All these elements increase the attraction power of Karaköy, where the aforementioned immovable properties are located and the demand for the area.

There are hotel investments planned in the Karaköy region during the recent period. Alkoçlar Turizm has announced that they will transform the historical Veli Alemdar Han, together with the Global Holding building, to a hotel project with 20,000 sqm area. It has been announced that the Generali Sigorta building on Bankalar Street is planned to be bought and transformed into a hotel by Koçak Gold. Another investor has bought the Bereket Han on Bankalar Street, and started the operations to transform it to the old Genoese hotel. In addition to these, many different groups such as Torunlar GYO, Noa Grup and The House groups are taking steps for various hotel and boutique hotel investments in the Karaköy region, which has especially acquired currency by the Galataport Project.

The fact that the plot stock in Karaköy and the vicinity in nearly-none increases the demand for the few plots with regards to new projects. In addition to a number of structures such as offices and shops, considering the touristic potential of the region, it is believed that the hotel supply in the region – from

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the viewpoint of commercial immovable properties in the region – is low, and that a hotel project in international standards, with standard service quality and operated by a highly-recognized brand, with the influence of the Salı Pazarı Cruiser Port, could meet the potential. Besides, the close location of the region where the aforementioned immovable properties are located, to Kabataş, which is one of the most significant transfer centers of Istanbul due to the variety of transportation facilities , has been foreseen to be a significant feature for tourists and hotel users coming to the city center for business purposes.

The region has been declared to be an “Urban Protected Area”. There are old, battered and abandoned buildings in the vicinity. In the region where general directorates of companies operating in the services sector, banks and finance institutions, workplaces selling marine, fishing and office supplies are located near the aforementioned immovable properties, there also are buildings such as the İstanbul Modern, Kılıç Ali Paşa Mosque, Aya Nikola Church, Tophane Nusretiye Mosque, İstanbul Gold Exchange, Mimar Sinan Fine Arts University Culture and Art Center, Karaköy Police Central Directorship, Karaköy Port, Salı Pazarı Cruiser Port, Maritime Lines, Getronagan Armenian Lycee and Church, İstanbul Modern Museum and St. Benoit French Lycee.

The distances of the immovable properties to certain centers are provided below.

Distances of the Subject Real Estate to Identified Important Points;

Location	Distance (km)
Tophane Street Railway Stop	0,2 km.
Karaköy Boat Landing	0,45 km.
Taksim Square	1,4 km.
Boğaziçi Bridge	5 km.





A significant project for Karaköy, Galataport has been designed as a wide-scale ports facility inclusive of a cruiser port, hotels, shopping areas and parking lots. Upon the aforementioned project's gaining currency, the region has become active and demanded by many investors. Although the developments have been somewhat slackened following the cancellation of the tender in 2006 of the Galataport project, the commercial potential expected by the actualization of the project is allowing Karaköy to maintain its appeal. It is planned to repeat and finalize the Galataport tender in 2011 and to actualize this investment within the shortest possible time.

5.2 Definition of the Subject Property of Appraisal

The immovable properties are the immovable properties located at İstanbul province, Beyoğlu district, Kemankeş quarter, Galata Mumhanesi locality, plot 121, section 77, parcel no. 28, of 1,720 sqm area, qualifying as "Massive Construction Kozluca Han with Two Stores, Storehouse and Garage", and parcel no. 60, of 1,707.50 sqm area, qualifying as "Two Storehouses and Garage".

From the parcels no. 28 and 60, which are adjacent to each other, parcel no. 28 has a 19.50 m. side to Kemankeş Street and Mumhane Street, and parcel no. 60 has a 25 m. side to Kemankeş Street and a 22 m. side to Mumhane Street. The aforementioned immovable properties have a high advertising ability and visibility.

The geometrical shape of the immovable properties subject to appraisal is quite squared and the topographical structure is near to level. The perimeter of the aforementioned immovable properties is surrounded by aluminum corrugated sheet, the boundaries are defined. There are no buildings available on the parcels, under the present conditions.

Access to the aforementioned immovable properties is by public or private transport vehicles, it has high accessibility due to its location.

5.3 Determinations Made in The Real Estate Location

- The visibilities and advertising abilities of the aforementioned parcels are high.
- The parcels subject to appraisal are vacant as of the date of the appraisal.
- From the parcels no. 28 and 60, which are adjacent to each other, parcel no. 28 has a 19.50 m. side to Kemankeş Street and Mumhane Street, and parcel no. 60 has a 25 m. side to Kemankeş Street and a 22 m. side to Mumhane Street. .
- The geometrical shape of the immovable properties subject to appraisal is quite squared and the topographical structure is near to level.
- The perimeter of the aforementioned immovable properties is surrounded by aluminum corrugated sheet, the boundaries are defined.
- Access to the aforementioned immovable properties is by public or private transport vehicles, it has high accessibility due to its location.
- The Karaköy region where the aforementioned immovable properties is located is one of the oldest commercial regions of İstanbul.
- The parcels subject to appraisal have a total area of 3,427.50 sqm, and are located in the tourism, trade and services area.
- Both parcels have a cession of approximately 348 sqm in total to road of the Kemankeş Street side.

SECTION 6

THE HIGHEST AND THE BEST USE ANALYSIS

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 zoning plans in our country cannot keep up with the speed of urbanization and remain somewhat static. This situation is causing the legal prohibition of the use of a property in the best possible implementable levels and generation of the highest proceeds by an immovable property that has been appraised. As a consequence, any use that is not allowed by the laws and not possible physically may not be accepted as the optimal use.

The property location, the development plan for the development of the issues and the environment are examined, and in accordance with the current zoning status of the highest and best use of the property is **"Tourism"**.

SECTION 7
FACTORS THAT AFFECT THE VALUE
OF THE REAL PROPERTY

SECTION 7**FACTORS THAT AFFECT THE VALUE OF THE REAL PROPERTY****7.1 Factors That Affect The Value Of The Real Property**

STRENGTH	WEAKNESS
<ul style="list-style-type: none">✓ The visibility and advertisement capability of the immovable property is high.✓ The immovable properties have high accessibility.✓ The immovable properties formally are suitable for settlement.✓ The immovable properties are located to historical and touristic sites of İstanbul.✓ The immovable properties are located close to Kabataş, which is a significant transfer center of İstanbul.	<ul style="list-style-type: none">✗ The aforementioned parcels altogether have a cession of approximately 348 sqm in total to road of the Kemankeş Street side.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">✓ The Karaköy region, where the aforementioned immovable properties are located, is one of the oldest commercial centers of İstanbul and has a high commercial potential.✓ The immovable properties are located within the tourism, trade and services area.✓ In case the Galataport project is actualized, it is believed that it will have a favorable influence on the prices of immovable properties in the region.	<ul style="list-style-type: none">✗ The economic developments in the world and in our country are influencing the real estate sector adversely, as is also the case in the other sectors.

7.2. The Analysis of methods Used in the Appraisal

In this section of the study, development approach and sales comparison method are used for the value of the real estate.

7.2.1. Equivalent Comparison Approach Analysis

Upon the investigations made in the close vicinity of the immovable property, the following equivalent information that may present equivalence to the aforementioned immovable property has been received.

Comperables for Sale;

- A plot of 135 sqm with an inoperative building has been on sale for a long time at a price of 1,900,000 TL. (5.594 EURO/sqm, 14.074 TL/sqm)
- As a result of the investigations, it has been determined that the plot stocks in the Karaköy region are quite limited, and that there are no equivalent plots of similar features with the aforementioned parcels, and upon the discussions it has been determined that the unit sales price of the aforementioned parcels could be in the range of 18,000 – 20,000 TL/sqm.
- It has been determined that a building of 1,400 sqm total area, composed of ground + 7 floors, with 200 sqm per floor, located on the corner parcel, turning from Maliye Street to Necatibey

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Street, across the multi-storey car park, has been sold 1 month ago for 6,800,000 TL. (1.930 EURO/sqm, 4.857 TL/sqm)

- It has been determined that a 5-storey building seated on total 148 sqm located on Karaköy Maliye Street has been sold a short while ago for 2,500,000 TL. (1.342 EURO/sqm, 3.378 TL/sqm)
- It has been determined that the Liman Han, in the Karaköy region where the immovable property subject to appraisal is located, seated on a base of 270 sqm, and a total of approximately 2,000 sqm closed area, is on sale for a price of 6,000,000 Euro. (3.000 EURO/sqm, 7.547 TL/sqm)
- It has been found out that the old Pamukbank building of approximately 800 sqm closed area in the Karaköy region where the immovable property subject to appraisal is located has been sold for 2,550,000 TL. (1,266 EURO/sqm, 3,187 TL/sqm)
- It has been determined that the Çullas Han located in the close vicinity of the immovable property subject to appraisal, seated on a base of 600 sqm, and having a total closed area of 4,750 sqm, has rental proceeds of 120,000 TL and is for sale at a rate of 20,670,000 TL. (1,729 EURO/sqm, 4,351 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, at the seafront on Rihtım Street, a building seated on a base of 60 sqm; with a total closed area of approximately 200 sqm has been sold 1 year ago, for a price 1,150,000 TL. (2,285 EURO/sqm, 5,750 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, at the seafront across the Karaköy Ferry Port, a building seated on a base of 80 sqm; with a total closed area of approximately 480 sqm is for sale at a rate of 4,000,000 TL. (3,312 EURO/sqm, 8,333 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, located more closely to the Galataport project as compared to the immovable property, two adjacent buildings with a view, with a total closed area of approximately 1,505 sqm, is for sale at a rate of 5,500,000 TL. (1,452 EURO/sqm, 3,654 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, on the corner of Baş Cerrah Street, a 2nd degree historical building seated on a base of 70 sqm; with a total closed area of approximately 400 sqm, is for sale at a rate of 2,200,000 TL. Moreover, a rental value of 10,000 USD/month is being demanded. (2,186 EURO/sqm, 5,500 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, located on a side street, a 6-storey building with an elevator, that does not qualify as a historical building, seated on a base of 72 sqm; with a total closed area of approximately 432 sqm, is for sale at a rate of 1,750,000 TL. (1,609 EURO/sqm, 4,050 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, on Necatibey Street, next to the Gedik Yatırım building, a 4-storey building seated on a base of 75 sqm; with a total closed area of approximately 300 sqm, is for sale at a rate of 850,000 EURO. (2,833 EURO/sqm, 7.126 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, on Şaraphane Street, located on the 4th parcel to the main street, a 9-storey historical building with an elevator, seated on a base of 172 sqm; with a total closed area of approximately 1.548 sqm, has been sold 1.5 months ago, for a price of 6,750,000 TL. (1,733 EURO/sqm, 4,360 TL/sqm)

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- It has been determined that at Karaköy where the immovable property subject to appraisal is located, Veli Alemdar Han with a total closed area of approximately 14,000 sqm, has been sold for a price of 36,570,000 TL. (2,361 EURO/sqm, 5,941 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, on Kemeraltı Street, a 6-storey 2nd degree historical building, seated on a base of 100 sqm; with a total closed area of approximately 600 sqm, is for sale at a rate of 1,250,000 EURO. (2,083 EURO/sqm, 5,240 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, a 6-storey building seated on a base of 211 sqm; with a total closed area of approximately 1,450 sqm, is for sale at a rate of 3,000,000 EURO. (2,068 EURO/sqm, 5,202 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, the historical Bereket Han located on Bankalar Street, with a total closed area of 1,100 sqm, has been sold for a price of 1,100,000 EURO. (1,000 EURO/sqm, 2,515 TL/sqm)
- It has been determined that at Karaköy where the immovable property subject to appraisal is located, the Sümerbank building located on Bankalar Street, with a total closed area of 3,200 sqm, has been sold for a price of 6,600,000 EURO. (2,062 EURO/sqm, 5,188 TL/sqm)

No	Area (sqm)	Quality	Unit Price (EURO/sqm)	Explanation
1	135	Land	5.594	Plot for sale for a long period of time with an inoperative building.
2	1.400	Building	1.930	Building located on the corner parcel from Maliye Street to Necatibey Street has been sold.
3	740	Building	1.342	5-storey building located on Karaköy Maliye Street has been sold.
4	2.000	Building	3.000	Liman Han with a closed area of 2,000 sqm is for sale.
5	800	Building	1.266	The old Pamukbank building with a closed area of 800 sqm has been sold.
6	4.750	Building	1.729	The Çullas Han with a closed area of 4,750 sqm is for sale.
7	200	Building	2.285	Building with a closed area of 200 sqm has been sold.
8	480	Building	3.312	Building with a closed area of 480 sqm is for sale.
9	1.505	Building	1.452	Two adjacent buildings with a closed area of 1,505 sqm are for sale.
10	400	Building	2.186	2 nd degree historical building with a closed area of 400 sqm is for sale.
11	432	Building	1.609	6-storey building with a closed area of 432 sqm is for sale.
12	300	Building	2.833	4-storey building with a closed area of 300 sqm is for sale.
13	1.548	Building	1.733	9-storey building with a closed area of 1,548 sqm has been sold.
14	14.000	Building	2.361	The Veli Alemdar Han with a closed area of 14,000 sqm has been sold.
15	600	Building	2.083	2 nd degree historical building with a closed area of 600 sqm is for sale.
16	1.450	Building	2.068	Building with a closed area of 1,450 sqm is for sale.
17	1.100	Building	1.000	Bereket Han with a closed area of 1.100 sqm has been sold.
18	3.200	Building	2.062	Sümerbank building with a closed area of 3,200 sqm has been sold.

✓ Professional Opinion of the Appraisal Expert:

Taking into consideration the locality of the immovable properties subject to appraisal, the parcel area, the fact that they are Tourism – Services – Trade zoned, the disposition of their surroundings, availability for construction on the parcels, current and legal status; assuming that the immovable property does not have any legal problems and keeping in mind the current market conditions with the immovable property equivalence values obtained from the surroundings, the plot unit sales value has been assessed

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as shown in the following table. For the aforementioned parcels, the net area unit value has been assessed as **20,000 TL/sqm (7,950 EURO/sqm)** and over this value, the gross area unit value has been calculated as **7,095 EURO/sqm** for parcel no. 28, and the gross area unit value has been calculated as **7,186 EURO/sqm** for parcel no. 60.

PLOT VALUE (PARCEL 28)				
1 sqm Plot Value (*) 46.92/49 years(**)	4,756	.-EURO/sqm		
Plot Size	1,720.00	Sqm		
Total Plot Value	8,179,835	.-EURO	8,179,835	EURO
(*) As the plot unit value, based on the tourism + trade + services zoned plot value of 7,095 EURO 70% has been taken as 49 years rental value.				
Plot Value Calculation Detail = (zoned plot value x 49 years rental coefficient x time period rate)				
= 7,095 (EURO/sqm) x 0.70 x 46.92/49				
= 4,756 (EURO/sqm)				
PLOT VALUE (PARCEL 60)				
1 sqm Plot Value (*) 46.92/49 years(**)	4,817	.-EURO/sqm		
Plot Size	1,707.50	Sqm		
Total Plot Value	8,225,131	.-EURO	8,225,131	EURO
(*) As the plot unit value, based on the tourism + trade + services zoned plot value of 7,186 EURO 70% has been taken as 49 years rental value.				
Plot Value Calculation Detail = (zoned plot value x 49 years rental coefficient x time period rate)				
= 7,186 (EURO/sqm) x 0.70 x 46.92/49				
= 4,817 (EURO/sqm)				
Total Value			16.404.966	EURO
Total Value			41.269.973	TL
Total Approximate Value			41.270.000	TL

7.2.2 Development Approach

In line with the market investigations made in the sectorial sense and general acceptances, assumptions have been made.

Hotel Project Assumptions;

- A 4-star hotel will be constructed on the related parcels 28 and 60.
- It has been assumed that the above mentioned project shall be, in compliance with the current zoning status, with a total area of 22,703 sqm.
- In has been assumed that the total construction area in the prescribed project shall be divided as, 13,326 sqm for the hotel area and 9,377 sqm for the basement floor area.

Legal Construction Right According to the Zoning Plan	
H:18.50 m. elevation base area (sqm)	Total Area (sqm)
2,030.00	12,180.00
H:12.50 m. elevation base area (sqm)	Total Area (sqm)
1,020.00	4,080.00
Total Construction Area	16,260.00

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Recommended Construction Area	
Hotel Area (sqm)	13.326
Basement Floor Area (sqm)	9.377
Total Construction Area	22.703

- It has been assumed that the hotel will be 200-rooms.
- In the recommended project, it has been assumed that the hotel will remain open 365-days round during the year.
- It has been assumed that the hotel, for which an appraisal study is made, will be operated by a hotel management company with an international brand.
- The items influencing the potential of the hotel, such as the foreseen occupancy rate, bed/room price, have been provided assuming that the hotel will be operated as a 4-star urban hotel.
- In the recommended project, it has been assumed that 5% of the construction will be completed in year 2011, 50% in year 2012 and 45% in year 2013.
- In the recommended project, it has been assumed that the hotel business will enter into operation at the beginning of January, 2014.
- In the recommended project, it has been assumed that the legal procedure prior to the beginning of construction will be completed within year 2011.
- The hotel prices have been foreseen as bed+breakfast system. Taking the investigations in the tourism sector and in the region into consideration, prices per person has been assumed to be 110 EURO for year 2011. The room prices is increased by 4% annually for the initial 10 years. By the increasing advertisement capability, familiarity and premium of the hotel during the initial 10 years, it has been assumed that the room prices will reach saturation by increasing at the rate of 4%, and in the following years, these will increase at the rate of inflation, which is 2.5%, annually.
- It has been assumed that the occupancy rates in 2014, will increase, starting off with 50%, based on the number of rooms sold, and shall reach a stable level around 82% starting with year 2017.
- It has been assumed that there will be a renovation cost at 1.5% of the construction cost, and will be reserved by increasing at the rate of inflation for the following years.
- In the recommended project, the extra food-beverage revenues have been evaluated separately from the sold rooms, and included in the total revenues of the hotel under the heading of other revenues, the rate of the other revenues has been assumed as 50%.
- It has been assumed that the profit margin of the recommended hotel project will be 40% in year 2014 and will increase to 52% in the following years and remain stable at that rate.
- In compliance with the rental and operation contract entered into between T.R. Prime Ministry General Directorate of Foundations and Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş., as per article 6 of the contract, 6,900,000 TL which is the 5-years total on the monthly rental value of 115,000 TL has been paid in advance and in cash, starting with the 6th year, the value shall be calculated by increasing the monthly contract value of 115,000 TL in the contract by the annual Producer Price Index, starting from the 1st year to the end of the 5th year, and that this value shall continue to be increased at the rate of the Producer Price Index starting from the 6th year until the end of the contract.

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- The Producer Price Index in the rental and operation contract has been accepted as 2.5%, and it has been assumed that this rate will remain stable in the following years.
- It has been assumed that the building will be constructed at 4-star hotel standards.
- It has been assumed that all payments have been made in advance.
- It has been assumed that all judicial and legal procedures related to the immovable property have been completed; all required permits have been obtained.
- Euro has been used in the studies. 1 Euro: 2,5157 TL was accepted.
- In the scope of IVSC (International Valuation Standards Council) tax was not included in the studies.
- In the appraisal study, 5,20% which is the year 2020 last 6 months Euro based Eurobond rate has been accepted as the "Risk-free Proceeds Rate". (In this appraisal study, the longest-term year 2020 Euro based Eurobond rate, has been chosen as the risk-free proceeds rate.)
- Discount rate has been foreseen as 9.13%.
- In the studies, the Euro-zone inflation rate of 2.5% has been used as the inflation rate.
- In the total cost calculations; it has been assumed that costs including common areas decoration and trim works costs, floor improvement, electrical and mechanical, and automation costs will substantiate.
- In the infrastructure cost calculations; the excavation of the land, electrical infrastructure, waste-potable water infrastructure, telecommunications infrastructure, etc. are included.
- In the environment layout and landscaping costs; the environment layout costs, landscaping costs, open area illumination costs, drainage costs, etc. are included.
- In the project general expense costs; design and drawing of all projects and details such as electricity, sanitary system, statics, the building inspection company costs, project management company costs, etc. are included.
- The costs in the project represent turnkey costs.
- The real estate tax and building insurance have been added to the calculations and have been assumed to increase at the 2.5% inflation rate each year.

4 STAR NOVOTEL CONSTRUCTION AREA	
Total Construction Area	22.703
Hotel Area	13.326
Basement Floor Area	9.377
Total Construction Area	22.703

CONSTRUCTION COSTS			
	Gorss Area (sqm)	Unit Cost Value (Euro/sqm)	Cost (Euro)
Basement Floor	9.377	360,00	3.375.720,00
Hotel Ground Floor	3.126	1.200,00	3.751.200,00
Hotel Area	10.200	1.400,00	14.280.000,00
Total Construction Cost	22.703		21.406.920,00

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Infrastructure Cost		
Closed Area Total Construction Cost (EURO)	Rate	Cost (EURO)
21.406.920	6%	1.284.415

Environmental Design And Landscape Costs		
Closed Area Total Construction Cost (EURO)	Rate	Cost (EURO)
21.406.920	1,00%	214.069

Total Cost (USD)	
Construction Cost	21.406.920
Infrastructure Cost	1.284.415
Environmental Design and Landscape Cost	214.069
Total (EURO)	22.905.404

Project General Expenses		
Total Cost (EURO)	Rate	Cost (EURO)
22.905.404	6%	1.374.324

Total Cost (EURO)	
Construction Cost (EURO)	21.406.920
Infrastructure Cost (EURO)	1.284.415
Environmental Design And Landscape Cost (EURO)	214.069
General Expenses (EURO)	1.374.324
Total (EURO)	24.279.729

Cost Dispersion				
Years	2011 (3 M)	2012 (12 M)	2013 (12 M)	TOTAL
Rate	5%	50%	45%	100%
Cost (EURO)	1.213.986	12.139.864	10.925.878	24.279.729

NOVOTEL PROJECT – CASH FLOW

NOVOTEL (4 STAR)	
NUMBER OF ROOMS	200
NUMBER OF BEDS	400
OPERATION DAYS	365
ANNUAL ROOM CAPACITY	73.000
ROOM RATE (EURO)(2011)	110,00
ROOM RATE INCREASE IN THE FIRST 10 YEARS (%)	4,0%
ROOM RATE INCREASE FOR THE REMAINING YEARS (%) EURO ZONE INFLATION RATE	2,5%
OTHER REVENUE RATE (%)	50%
RENEWAL COST RATE	1,5%

LONG – TERM ROOM RATE INCREASE (EURO)				
Years	2011	2012	2013	2014
Room Rate	110,00	114,40	118,98	123,74

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NOVOTEL CASH FLOW																	
YEARS	30/09/2011	31/12/2011	31/12/2012	31/12/2013	31/12/2014	31/12/2015	31/12/2016	31/12/2017	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026
OCCUPANCY (%)	0%	0%	0%	0%	50%	65%	78%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%
ROOMS SOLD	0	0	0	0	36.500	47.450	56.940	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860
ROOM RATE (EURO)	0	110,00	114,40	118,98	123,74	128,68	133,83	139,19	144,75	150,54	156,56	162,83	169,34	176,11	180,52	185,03	189,66
ROOM REVENUE (EURO)	0	0	0	0	4.516.329	6.106.077	7.620.384	8.331.620	8.664.884	9.011.480	9.371.939	9.746.817	10.136.689	10.542.157	10.805.711	11.075.853	11.352.750
OTHER REVENUE (EURO) (%50)	0	0	0	0	2.258.164	3.053.038	3.810.192	4.165.810	4.332.442	4.505.740	4.685.969	4.873.408	5.068.345	5.271.078	5.402.855	5.537.927	5.676.375
TOTAL REVENUE (EURO)	0	0	0	0	6.774.493	9.159.115	11.430.576	12.497.429	12.997.327	13.517.220	14.057.908	14.620.225	15.205.034	15.813.235	16.208.566	16.613.780	17.029.125
GOP (%)	0%	0%	0%	0%	40%	45%	48%	50%	52%	52%	52%	52%	52%	52%	52%	52%	52%
GOP (EURO)	0	0	0	0	2.709.797	4.121.602	5.486.676	6.248.715	6.758.610	7.028.954	7.310.112	7.602.517	7.906.618	8.222.882	8.428.454	8.639.166	8.855.145
RENEWAL COST (EURO) (%1,5)	0	0	0	0	329.131	337.360	345.794	354.439	363.299	372.382	381.692	391.234	401.015	411.040	421.316	431.849	442.645
PROPERTY TAX	0	0	0	0	0	0	0	0	0	110.975	113.749	116.593	119.508	122.495	125.558	128.697	131.914
INSURANCE	0	0	0	0	28.735	29.453	30.190	30.945	31.718	32.511	33.324	34.157	35.011	35.886	36.783	37.703	38.646
ANNUAL LAND RENT	0	0	0	0	0	620.640	636.156	652.060	668.361	685.070	702.197	719.752	737.746	756.189	775.094	794.471	814.333
CONSTRUCTION COST	0	606.993	9.711.891	13.960.844													
EXPENCES (EURO)	0	-606.993	-9.711.891	-13.960.844	-4.422.563	-6.024.966	-6.956.039	-7.286.157	-7.302.096	-7.689.203	-7.978.757	-8.279.443	-8.591.695	-8.915.964	-9.138.863	-9.367.334	-9.601.518
NET OPERATING PROFIT	0	-606.993	-9.711.891	-13.960.844	2.351.931	3.134.149	4.474.537	5.211.272	5.695.231	5.828.016	6.079.151	6.340.782	6.613.339	6.897.272	7.069.703	7.246.446	7.427.607
NET CASH FLOWS	-1	-606.993	-9.711.891	-13.960.844	2.351.931	3.134.149	4.474.537	5.211.272	5.695.231	5.828.016	6.079.151	6.340.782	6.613.339	6.897.272	7.069.703	7.246.446	7.427.607

31/12/2027	31/12/2028	31/12/2029	31/12/2030	31/12/2031	31/12/2032	31/12/2033	31/12/2034	31/12/2035	31/12/2036	31/12/2037	31/12/2038	31/12/2039	31/12/2040	31/12/2041	31/12/2042	31/12/2043	31/12/2044	31/12/2045	31/12/2046
82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%
59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860
194,40	199,26	204,24	209,34	214,58	219,94	225,44	231,08	236,85	242,77	248,84	255,06	261,44	267,98	274,68	281,54	288,58	295,80	303,19	310,77
11.636.569	11.927.483	12.225.670	12.531.312	12.844.594	13.165.709	13.494.852	13.832.223	14.178.029	14.532.480	14.895.791	15.268.186	15.649.891	16.041.138	16.442.167	16.853.221	17.274.551	17.706.415	18.149.076	18.602.802
5.818.284	5.963.741	6.112.835	6.265.656	6.422.297	6.582.855	6.747.426	6.916.112	7.089.014	7.266.240	7.447.896	7.634.093	7.824.945	8.020.569	8.221.083	8.426.610	8.637.276	8.853.208	9.074.538	9.301.401
17.454.853	17.891.224	18.338.505	18.796.967	19.266.891	19.748.564	20.242.278	20.748.335	21.267.043	21.798.719	22.343.687	22.902.279	23.474.836	24.061.707	24.663.250	25.279.831	25.911.827	26.559.623	27.223.613	27.904.204
52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%
9.076.523	9.303.437	9.536.022	9.774.423	10.018.784	10.269.253	10.525.984	10.789.134	11.058.862	11.335.334	11.618.717	11.909.185	12.206.915	12.512.088	12.824.890	13.145.512	13.474.150	13.811.004	14.156.279	14.510.186
453.711	465.054	476.680	488.597	500.812	513.333	526.166	539.320	552.803	566.623	580.789	595.308	610.191	625.446	641.082	657.109	673.537	690.375	707.635	725.326
135.212	138.592	142.057	145.608	149.249	152.980	156.804	160.724	164.743	168.861	173.083	177.410	181.845	186.391	191.051	195.827	200.723	205.741	210.884	216.156
39.612	40.602	41.617	42.657	43.724	44.817	45.937	47.086	48.263	49.470	50.706	51.974	53.273	54.605	55.970	57.369	58.804	60.274	61.781	63.325
834.691	855.559	876.948	898.871	921.343	944.377	967.986	992.186	1.016.990	1.042.415	1.068.476	1.095.187	1.122.567	1.150.631	1.179.397	1.208.882	1.239.104	1.270.082	1.301.834	1.334.380
-9.841.556	-10.087.594	-10.339.784	-10.598.279	-10.863.236	-11.134.817	-11.413.187	-11.698.517	-11.990.980	-12.290.754	-12.598.023	-12.912.974	-13.235.798	-13.566.693	-13.905.860	-14.253.507	-14.609.845	-14.975.091	-15.349.468	-15.733.205
7.613.297	7.803.630	7.998.720	8.198.688	8.403.656	8.613.747	8.829.091	9.049.818	9.276.063	9.507.965	9.745.664	9.989.306	10.239.038	10.495.014	10.757.390	11.026.324	11.301.983	11.584.532	11.874.145	12.170.999
7.613.297	7.803.630	7.998.720	8.198.688	8.403.656	8.613.747	8.829.091	9.049.818	9.276.063	9.507.965	9.745.664	9.989.306	10.239.038	10.495.014	10.757.390	11.026.324	11.301.983	11.584.532	11.874.145	12.170.999

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	01/09/2058
82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%
59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	59.860	19.844
318,54	326,50	334,67	343,03	351,61	360,40	369,41	378,65	388,11	397,81	407,76	417,95
19.067.872	19.544.569	20.033.184	20.534.013	21.047.363	21.573.548	22.112.886	22.665.708	23.232.351	23.813.160	24.408.489	8.293.871
9.533.936	9.772.285	10.016.592	10.267.007	10.523.682	10.786.774	11.056.443	11.332.854	11.616.176	11.906.580	12.204.244	4.146.935
28.601.809	29.316.854	30.049.775	30.801.020	31.571.045	32.360.321	33.169.329	33.998.563	34.848.527	35.719.740	36.612.733	12.440.806
52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%	52%
14.872.941	15.244.764	15.625.883	16.016.530	16.416.943	16.827.367	17.248.051	17.679.253	18.121.234	18.574.265	19.038.621	6.469.219
743.459	762.045	781.096	800.624	820.639	841.155	862.184	883.739	905.832	928.478	951.690	959.577
221.560	227.099	232.777	238.596	244.561	250.675	256.942	263.366	269.950	276.699	283.616	96.371
64.908	66.531	68.194	69.899	71.647	73.438	75.274	77.156	79.084	81.062	83.088	28.233
1.367.739	1.401.933	1.436.981	1.472.905	1.509.728	1.547.471	1.586.158	1.625.812	1.666.457	1.708.119	1.750.822	594.920
-16.126.535	-16.529.698	-16.942.941	-17.366.514	-17.800.677	-18.245.694	-18.701.836	-19.169.382	-19.648.617	-20.139.832	-20.643.328	-7.650.688
12.475.274	12.787.156	13.106.835	13.434.506	13.770.368	14.114.627	14.467.493	14.829.180	15.199.910	15.579.908	15.969.405	4.790.118
12.475.274	12.787.156	13.106.835	13.434.506	13.770.368	14.114.627	14.467.493	14.829.180	15.199.910	15.579.908	15.969.405	4.790.118

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Appraisal Table			
Risk Free Rate	5,20%	5,20%	5,20%
Risk Premium	3,80%	3,93%	4,80%
Discount Rate	9,00%	9,13%	10,00%
NET PRESENT VALUE (EURO)	38.304.839	37.244.428	30.409.651

7.2.3 The Value of the Property According to the Rental Income

According to the information obtained from the client during the appraisal study, it is assumed that the appraised hotel will be rented by Accor group in accordance with the following conditions;

- AS the annual rent for the appraised hotel which was transferred to Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. with the lease contract dated 22 June 2011, the international hotel operating company Accor Group shall pay the higher one of either twenty-five percent (22%) of the gross income (excluding VAT) or eighty-five percent (85%) of the adjusted gross operating, which is calculated by deducting 2% for operating costs and 1% for renovation costs in the first year, 2% for operating costs and 2% for renovation costs in the second year, 2% for operating costs and 3% for renovation costs and the 3rd year, and 4% operating costs and 4% operating costs in the following years, totaling 8%.**
- The items influencing the potential of the hotel, such as the foreseen occupancy rate, bed/room price, have been provided assuming that the hotel will be operated as a 4-star urban hotel.
- It has been assumed that the hotel will be 200-rooms.
- In the recommended project, it has been assumed that the hotel will remain open 365-days round during the year.
- The hotel prices have been foreseen as bed+breakfast system. Taking the investigations in the tourism sector and in the region into consideration, prices per person has been assumed to be 110 EURO for year 2011. The room prices is increased by 4% annually for the initial 10 years. By the increasing advertisement capability, familiarity and premium of the hotel during the initial 10 years, it has been assumed that the room prices will reach saturation by increasing at the rate of 4%, and in the following years, these will increase at the rate of inflation, which is 2.5%, annually.
- It has been assumed that the occupancy rates in 2014, will increase, starting off with 50%, based on the number of rooms sold, and shall reach a stable level around 82% starting with year 2017.
- In the recommended project, the extra food-beverage revenues have been evaluated separately from the sold rooms, and included in the total revenues of the hotel under the heading of other revenues, the rate of the other revenues has been assumed as 50%.
- It has been assumed that the profit margin of the recommended hotel project will be 40% in year 2014 and will increase to 52% in the following years and remain stable at that rate.
- The renovation cost of the hotel has been calculated as 5% of the operating income calculated in the operation alternative. The operating model assumes that the renovation works of the hotel will be realized by the tenant.
- Euro has been used in the studies. 1 Euro: 2,5157 TL was accepted.
- In the scope of IVSC (International Valuation Standards Council) tax was not included in the studies.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

- In the appraisal study, 5,20% which is the year 2020 last 6 months Euro based Eurobond rate has been accepted as the “Risk-free Proceeds Rate”. (In this appraisal study, the longest-term year 2020 Euro based Eurobond rate, has been chosen as the risk-free proceeds rate.)
- Low discount rate and risk premium have been considered with the guaranteed rent income due to Accord’s international recognition and brand strength.
- In this study, it has been assumed that the rent income from the hotel let to Accor group has been guaranteed with the 49 years lease contract. The calculation has been made with the assumption that the risk Premium of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. in obtaining the mentioned rent income is very low. The discount rate is projected as 7.50%, which has been found by adding 2.30% “Risk Premium” to the 5.20% “Risk-Free Income Rate”.
- It is assumed that the agreement that would be signed between Accor Group and Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. will continue with the same conditions during the period when the property is used by Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

NOVOTEL CASH FLOW																	
YEARS	30/09/2011	31/12/2011	31/12/2012	31/12/2013	31/12/2014	31/12/2015	31/12/2016	31/12/2017	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026
NOVOTEL INCOME	0	0	0	0	1.490.389	2.015.005	2.514.727	2.749.434	2.859.412	2.973.788	3.092.740	3.216.449	3.345.107	3.478.912	3.565.885	3.655.032	3.746.407
AGOP NOVOTEL	0	0	0	0	2.130.578	3.191.952	3.983.556	4.461.582	4.861.000	5.055.440	5.257.658	5.467.964	5.686.683	5.914.150	6.062.004	6.213.554	6.368.893
NOVOTEL USED INCOME	0	0	0	0	2.130.578	3.191.952	3.983.556	4.461.582	4.861.000	5.055.440	5.257.658	5.467.964	5.686.683	5.914.150	6.062.004	6.213.554	6.368.893
ANNUAL LAND RENT (EURO)	0	0	0	0	0	-620.640	-636.156	-652.060	-668.361	-685.070	-702.197	-719.752	-737.746	-756.189	-775.094	-794.471	-814.333
INSURANCE (EURO)	0	0	0	0	-28.735	-29.453	-30.190	-30.945	-31.718	-32.511	-33.324	-34.157	-35.011	-35.886	-36.783	-37.703	-38.646
PROPERTY TAX (EURO)	0	0	0	0	0	0	0	0	0	-110.975	-113.749	-116.593	-119.508	-122.495	-125.558	-128.697	-131.914
RENEWAL COST (EURO) (%5)	0	0	0	0	-16.457	-16.868	-17.290	-17.722	-18.165	-18.619	-19.085	-19.562	-20.051	-20.552	-21.066	-21.592	-22.132
CONSTRUCTION COST (EURO)	0	-606.993	-9.711.891	-13.960.844													
NET CASH FLOWS (EURO)	0	-606.993	-9.711.891	-13.960.844	2.085.387	2.524.990	3.299.920	3.760.856	4.142.756	4.208.265	4.389.303	4.577.901	4.774.368	4.979.027	5.103.503	5.231.090	5.361.868

31/12/2027	31/12/2028	31/12/2029	31/12/2030	31/12/2031	31/12/2032	31/12/2033	31/12/2034	31/12/2035	31/12/2036	31/12/2037	31/12/2038	31/12/2039	31/12/2040	31/12/2041	31/12/2042	31/12/2043	31/12/2044	31/12/2045	31/12/2046
3.840.068	3.936.069	4.034.471	4.135.333	4.238.716	4.344.684	4.453.301	4.564.634	4.678.750	4.795.718	4.915.611	5.038.501	5.164.464	5.293.576	5.425.915	5.561.563	5.700.602	5.843.117	5.989.195	6.138.925
6.528.115	6.691.318	6.858.601	7.030.066	7.205.817	7.385.963	7.570.612	7.759.877	7.953.874	8.152.721	8.356.539	8.565.453	8.779.589	8.999.079	9.224.056	9.454.657	9.691.023	9.933.299	10.181.631	10.436.172
6.528.115	6.691.318	6.858.601	7.030.066	7.205.817	7.385.963	7.570.612	7.759.877	7.953.874	8.152.721	8.356.539	8.565.453	8.779.589	8.999.079	9.224.056	9.454.657	9.691.023	9.933.299	10.181.631	10.436.172
-834.691	-855.559	-876.948	-898.871	-921.343	-944.377	-967.986	-992.186	-1.016.990	-1.042.415	-1.068.476	-1.095.187	-1.122.567	-1.150.631	-1.179.397	-1.208.882	-1.239.104	-1.270.082	-1.301.834	-1.334.380
-39.612	-40.602	-41.617	-42.657	-43.724	-44.817	-45.937	-47.086	-48.263	-49.470	-50.706	-51.974	-53.273	-54.605	-55.970	-57.369	-58.804	-60.274	-61.781	-63.325
-135.212	-138.592	-142.057	-145.608	-149.249	-152.980	-156.804	-160.724	-164.743	-168.861	-173.083	-177.410	-181.845	-186.391	-191.051	-195.827	-200.723	-205.741	-210.884	-216.156
-22.686	-23.253	-23.834	-24.430	-25.041	-25.667	-26.308	-26.966	-27.640	-28.331	-29.039	-29.765	-30.510	-31.272	-32.054	-32.855	-33.677	-34.519	-35.382	-36.266
5.495.914	5.633.312	5.774.145	5.918.499	6.066.461	6.218.123	6.373.576	6.532.915	6.696.238	6.863.644	7.035.235	7.211.116	7.391.394	7.576.179	7.765.583	7.959.723	8.158.716	8.362.684	8.571.751	8.786.045

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	01/09/2058
6.292.398	6.449.708	6.610.951	6.776.224	6.945.630	7.119.271	7.297.252	7.479.684	7.666.676	7.858.343	8.054.801	2.736.977
10.697.076	10.964.503	11.238.616	11.519.581	11.807.571	12.102.760	12.405.329	12.715.462	13.033.349	13.359.183	13.693.162	4.652.861
10.697.076	10.964.503	11.238.616	11.519.581	11.807.571	12.102.760	12.405.329	12.715.462	13.033.349	13.359.183	13.693.162	4.652.861
-1.367.739	-1.401.933	-1.436.981	-1.472.905	-1.509.728	-1.547.471	-1.586.158	-1.625.812	-1.666.457	-1.708.119	-1.750.822	-594.920
-64.908	-66.531	-68.194	-69.899	-71.647	-73.438	-75.274	-77.156	-79.084	-81.062	-83.088	-28.233
-221.560	-227.099	-232.777	-238.596	-244.561	-250.675	-256.942	-263.366	-269.950	-276.699	-283.616	-96.371
-37.173	-38.102	-39.055	-40.031	-41.032	-42.058	-43.109	-44.187	-45.292	-46.424	-47.585	-47.979
9.005.696	9.230.838	9.461.609	9.698.149	9.940.603	10.189.118	10.443.846	10.704.942	10.972.566	11.246.880	11.528.052	3.885.359

Appraisal Table			
Risk Free Rate	5,20%	5,20%	5,20%
Risk Premium	1,80%	2,30%	2,80%
Discount Rate	7,00%	7,50%	8,00%
NET PRESENT VALUE (EURO)	38.945.117	34.019.384	29.684.520

7.2.4 Analysis of the Conclusion

In the study; for the plot value the equivalent comparisons approach and project development approach have been used.

- According to the equivalent comparison approach, the value of the plots arising from the rights of the rental contract has been calculated as **16,400,000.-Euro (41,270,000.-TL)**.
- According to the project development approach **€35,630,000 (Thirty-fivemillionsixhundredandthirtythousand.-Euros)** -the average of **€ 37,240,000** as the net present value of the hotel project to be developed on the parcel, and **€ 34,020,000** as the net present value of the rent income- is concluded as the final estimate.

**During the appraisal study, equivalent comparison approach method has been used for identifying the actual status value of the property. The value of the hotel according to income capitalization approach has been calculated with 2 methods: rent income and operating income. It has been assumed that the hotel will let to Accor group to be operated with a lease contract. The rent income will be guaranteed with the contract, and therefore the capitalization of rent income has been realized with a low risk premium. In addition, the value to be calculated according to the total revenues provided by the property has been found according to the operating income. In this method, the total potential of the hotel which provides profit for both the landlord and the operator has been considered, and this value has been considered important for any potential sales. Therefore, the value of the property according to income capitalization method is concluded as the average of the capitalization of two values: the guaranteed rent income with the rental contract, and the revenues that may be obtained with the total operation potential. For income generating properties, the value of the property depends on its performance, and the income capitalization value calculated with 2 methods is considered more rational.

SECTION 8
CONCLUSION

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

SECTION 8

CONCLUSION

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

FAIR MARKET VALUE OF THE PROJECT AS OF 30.09.2011 (VAT Excluded))

89.640.000.-TL

(Eightyninemillionsixhundredfourtythousand.-TurkishLiras)

35.630.000.-Euro

(Thirtyfivemillionsixhundredthirtythousand.-EURO)

- 1- These identified values are the fair market values respectively for cash sales payments.
- 2- Exchange rate has been taken as EURO 1 = TL 2,5157. The value in EURO is given only for information.
- 3- This report has not been prepared further to the related provisions of the Capital Markets Regulation
- 4- This page is an unseperatable part of the appraisal report. The report is a whole with all the detailed information in it an cannot be used independently.

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

Hande GÜR
Appraiser

Mehmet ASLAN
Manager / Licenced Appraiser (401124)

SECTION 9
ANNEX

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

SECTION 9

ANNEX

1	Photocopies of Title Deeds
2	Letter of Encumbrances
3	Zoning Status Document
4	Agreements
5	Photographs
6	CV's
7	SPK Licences