

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.



REAL ESTATE APPRAISAL REPORT

Report Date: 08.02.2013
Appraisal Date: 31.12.2012

R. No: 2012REV914



ISO9001:2008
FS 509685

AKFEN GAYRİMENKUL
YATIRIM ORTAKLIĞI
A.Ş.

ESENYURT IBIS HOTEL

ESENYURT / ISTANBUL

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 **08.02.2013** with the report number **2012REV914**;

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

EXECUTIVE SUMMARY**OPEN ADDRESS OF PROPERTY**

Yakuplu Quarter, section 404, parcel no: 39, Esenyurt/İSTANBUL.

USE OF PROPERTY

Plot of 1,755.37 sqm surface area, on which 3-star hotel construction is about to be completed

TITLE DEED INFORMATION

The immovable property under the ownership of "Akfen Gayrimenkul Yatırım Ortaklığı A.Ş." with a surface area of 1.755,37 square meters qualified as "ground plot" with plate F21d24d3a, block 404, parcel 39, in the location of Londra Asfaltı, in the neighborhood of Yakuplu, Esenyurt Administrative District in the province of Istanbul.

ZONING STATUS

Subject immovable property has been declared "Touristic Facility Area" with Equivalent: 2,75 with the council decision dated 08 April 2010 and numbered 2010/82 of Esenyurt Municipality and the council decision dated 17 September 2010 and numbered 2010/2033 of the Metropolitan Municipality of Istanbul. Conditions are as follows;

- E:2,75
- The setback distances are 20 m. from the front, 5 m. from the sides

TOTAL VALUE OF THE REAL PROPERTY AS OF 31.12.2012 (EXCLUDING VAT)

46.140.000.-TRY

(Fortysixmilliononehundredfortythousand.-Turkish Liras)

19.530.000.-EURO

(Nineteenmillionfivehundredthirtythousand.-Euro)

TOTAL VALUE OF THE REAL PROPERTY AS OF 31.12.2012 (INCLUDING VAT)

54.445.200.-TRY

(Fiftyfourmillionfourhundredfortyfivethousandtwohundred.-Turkish Liras)

23.045.400.-EURO

(Twentythreemillionfortyfivethousandfourhundred.-Euro)

RENTAL VALUE DATED 31.12.2012 OF THE REAL PROPERTY (EXCLUDING VAT)

1.660.000.-TRY

(Onemillionsixtysixthousand.-Turkish Liras)

700.000.-EURO

(Sevenhundredthousand.-Euro)

RENTAL VALUE DATED 31.12.2012 OF THE REAL PROPERTY (INCLUDING VAT)

1.958.800 TRY

(Onemillionninehundredfiftyeighththousandeighthundred.-Turkish Liras)

826.000.-EURO

(Eighthundredtwenty-sixthousand.-Euro)

1- These identified values are the fair market values respectively for cash sales payments.

2- VAT rate has been taken as 18%.

3- Exchange rate has been taken as, USD 1= TL 1,7912 TL, EURO 1 = TRY 2,3630. The value in EURO is given only for information.

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

5- This page is an unseperatable part of the appraisal report. The report is a whole with all the detailed information in it an cannot be used independently.

Özge AKLAR
Appraiser (401775)

Hüsniye BOZTUNÇ
Appraiser in Charge (400811)

INDEX

SECTION 1.....	7
REPORT, COMPANY AND CUSTOMER INFORMATION	7
1.1 Rapor Tarih ve Numarası.....	7
1.1 Report Date and Number.....	7
1.2 Report Type.....	7
1.3 People Issuing the Report	7
1.5 Base Contract.....	7
1.6 Factors Affecting the Appraisal Process Negatively	7
1.7 Scope of Client Demands and Limitations.....	7
1.8 The Information on the Last Three Appraisal Studies Performed by Our Company on the Subject Property of the Study on Previous Dates	7
1.9 Company's Information	8
1.10 Client Information.....	8
SECTION 2.....	10
DEFINITION AND SCOPE OF THE APPRAISAL	10
2.1 The Methods Used in the Appraisal	10
2.1.1 Sales Comparison Approach	10
2.1.2 Income Capitalization Approach	10
2.1.3 Cost Analysis Approach	10
2.1.4 Development Approach Method	10
2.2 Analysis of the Methods Used for Appraisal	11
2.2.1 Definitions and Model of the Calculation Methodology	11
2.2.2 Project Development Approach.....	13
2.3 The Value Definitions	13
2.3.1 Fair Market Value (Market Value)	13
2.3.2 Forced Sales Value	14
SECTION 3.....	16
GENERAL AND SPECIAL DATA.....	16
3.1 General Data- Social and Economic Data	16
3.1.1 Demographic Data	16
3.1.2 Economic Data	18
3.2 Special Data - Analysis of the Area Where the Property is Located	19
3.2.1 İstanbul Province	19
3.2.2 Esenyurt District.....	21
SECTION 4.....	23
TITLE DEED AND ZONING INFORMATION OF THE REAL ESTATE	23
4.1 Title Deed Information of the Real Estate	23
4.2 Title Deed Examination of the Real Estate.....	23
4.2.1 The Buying and Selling Transactions for the Property in the Last Three-Year Period, If Any	24
4.3 The Zoning Information for the Real Estate.....	24
4.3.1 Information Regarding the Changes in the Legal Status of the Property in the Last Three Years (Changes in the Zoning Plan, Expropriation Procedures, etc.)	27
4.4 Opinions About the Property, the Property Project or the Rights and Benefits Associated with the Property in line with the Capital Market Regulations.....	27
4.5 Civil Liability	27
4.6 Environmental and Ground Contamination.....	27
SECTION 5.....	29
PHYSICAL INFORMATION OF THE REAL ESTATE	29
5.1 Situation, Position and Environmental Features of the Real Estate	29
5.3 Determinations Made in The Real Estate Location.....	31
SECTION 6.....	34
THE HIGHEST AND THE BEST USE ANALYSIS	34
SECTION 7.....	36
FACTORS THAT AFFECT THE VALUE OF THE REAL PROPERTY	36
7.1 Factors That Affect The Value Of The Real Property.....	36
7.2 The Analysis of methods Used in the Appraisal	36
7.2.1 Equivalent Comparison Approach Analysis.....	36
7.2.2 Cost Formation Analysis.....	38
7.2.3 Revenue Reduction Method	39

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

7.2.4. The Value of the Property According to the Rental Income	42
7.2.5 Evaluation of The Results of The Analysis	45
SECTION 8.....	47
CONCLUSION	47
SECTION 9.....	49
ANNEX.....	49

SECTION 1

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

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

SECTION 1

REPORT, COMPANY AND CUSTOMER INFORMATION

1.1 Report Date and Number

This report was issued by our company on 08.02.2013 and number 2012REV914 with reference to the request dated 31.10.2012 and made by the firm, titled as Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

1.2 Report Type

This is the appraisal report prepared in order to determine the market value in Turkish Liras on 31.12.2012 for the project to be developed in Istanbul province, Esenyurt district, Yakuplu quarter, in the location of Londra Asfaltı, plot F21d24d3a, section 404, parcel no. 39. The report has been prepared according to the provisions of the declaration of the Board of Capital Markets.

1.3 People Issuing the Report

This appraisal report has been prepared at the end of necessary examinations carried out at the location of the real property and upon the information procured from the relevant individuals – institutions – establishments Özge AKLAR, real estate appraiser, and Hüsnüye BOZTUNÇ, appraiser in charge of our Company, issued this report.

1.4 Appraisal Date

This appraisal report is prepared with reference to the studies started on 14 November 2012 and finished on 08 February 2013. 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 02 November 2012 and has determined the rights and obligations of the contractual parties.

1.6 Factors Affecting the Appraisal Process Negatively

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

1.7 Scope of Client Demands and Limitations

This real estate appraisal report has been prepared further to Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. request dated 31 December 2012, and in accordance with the provisions of the capital markets legislation in effect on the subject property. No restrictions were imposed by the customer during the valuation study.

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

	Report-1	Report-2	Report-3
Report Date	31.12.2010	28.02.2011	30.09.2011
Report No	2010REV387-8	2011REV78-8	2011REV368
People Issuing the Report	Hüsnüye Boztunç- Adem Yol	Hüsnüye Boztunç- Adem Yol	Mehmet Aslan- Fatih Tosun
Total Value of The Property (TRY) (Excl. VAT)	20.297.000 TRY	25.468.000 TRY	34.460.000 TRY

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

1.9 Company's Information

Our Company was established with a capital amount of TRL 300.000.000.000 in order to engage in providing works and services described as Expertise and Appraisal according to the Articles of Association of the Company published in the Trade Registration Journal dated September 13, 2002 and issue no. 5676.

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

1.10 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

2.1 The Methods Used in the Appraisal

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

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 Analysis of the Methods Used for Appraisal

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. 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 this reason, our company estimates that the project-based evaluation and usage of the long-term Eurobond types within the scope of the risk-free yield rate allowances would be coherent with the allowances in the world. This rate also covers the country risk. In addition to hat, the rates

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

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

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.³

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

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

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).

Overall Capitalization Rate

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

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

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

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

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

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

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

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 8.2.2.1.1, 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 8.2.2.

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 Forced Sales Value

It is the value used in the cases when the seller is under pressure about selling his/her property and consequently, when there is no appropriate marketing period. The price accepted in compulsory sale is one that reflects the special conditions of the seller, contrary to the reasonable and fair conditions of the market value.

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.

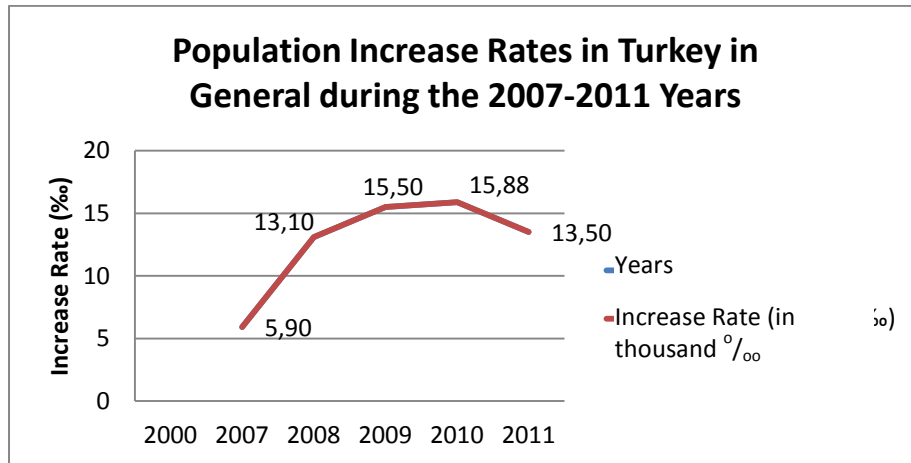
3.1 General Data- Social and Economic Data**3.1.1 Demographic Data**

According to the Address Based Population Registration System data, the population of Turkey as of December 31, 2011 is 74,724,269 persons. In 2011, the annual population in Turkey has materialized as 13.5 in thousand. In 2011, the population residing in Turkey has increased by 1,001,281 persons. From this population, 50.2% (37,532,954 persons) are males, and 49.8% (37,191,315 persons) are females.

Representation of the General Population Increase in Turkey over the Years			
Total			
	Total	Male	Female
2008	71,517,100	35,901,154	35,615,946
2009	72,561,312	36,462,470	36,098,842
2010	73,722,988	37,043,182	36,679,806
2011	74,724,269	37,532,954	37,191,315

While the population of Turkey was 71,517,000 according to the 2008 Population Count results, Turkey's population has increased to 72,561,312 persons as of December 31, 2009. While the annual population increase during the 2000-2007 period has materialized as 5.9 in thousand on the average, the population increase rate in Turkey in 2008 has been 13.1 in thousand and the country's population has reached 71,517,100.

The population of Turkey has increased by 14.5 in thousand as of the end of 2009, as compared to 2008, and as of the end on 2010 this figure, by an increase of 1,161,676 persons (15.88 in thousand), has reached 73,722,988 persons. In the following graph, it is possible to observe the population increase rates in Turkey in general during the 2007-2011 years.



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In 2011, while the populations of 56 provinces, from the total 81 provinces, have increased as compared to the previous year, the populations of 25 provinces have decreased. The first three provinces with the lowest population increase rates are; Bilecik (-100.41 in thousand), Isparta (-86.27 in thousand) and Kütahya (-45.44 in thousand). In the meantime, the first three provinces with the highest population increase rates are; Tunceli (103.49 in thousand), Hakkari (79.75 in thousand) and Şırnak (62.82 in thousand).

In Turkey, the population in the cities increases at a much higher rate than the population in the villages. The urban population in the country has demonstrated a significant increase over the past 17 years, and while this was 59 percent in 1990, it has reached 64.9 percent in 2000, and 75.5 percent in 2009. In 2010, this ratio has been measured as 76.3%. The urban population (population residing at provincial and district centers) is 56,222,356, while the rural population (population residing on townships and villages) is 17,500,632 persons. As of 2011, while 76.8% (57,385,706 persons) of the total population is residing at provincial and district centers, 23.2% (17,338,563 persons) are residing at townships and villages. The province with the highest population ratio residing in provincial and district centers has been İstanbul by 99 percent, while the lowest has been Ardahan with 35 percent.

From our country's total population, 18.2% (13,624,240 persons) are residing in İstanbul. This is respectively followed by; Ankara with 6.6% (4,890,893 persons), İzmir with 5.3% (3,965,232 persons), Bursa with 3.6% (2,652,126 persons), and Adana with 2.8% (2,108,805 persons). In the Bayburt province, which has the lowest population in our country, the number of residents is 76,724.

The average age in our country is 29.7. While the median age in males is 29.1, it is 30.3 in females. The median age of those residing in provincial and district centers is 29.5; and the median age of those residing in townships and villages is 30.5. Half of the population is younger than the age of 29.7.

The population in working age in the 15-64 group (50,346,979 person), constitutes 67.4% of the total population. 25.3% of our country population (18,886,575 persons) is in the 0-14 age group, while 7.3% (5,490,715 persons) are in the 65 and above age group.

The population density expressed as "number of persons per square kilometer" is 97 persons in Turkey, in general. This figure ranges from 11 to 2,622 persons in the provinces. In the İstanbul province, there are 2,622 persons per square kilometer. This is followed respectively by; Kocaeli with 443 persons, İzmir with 330 persons, Gaziantep with 257 persons and Bursa with 254 persons.

In the meantime, the province where the population density is lowest is Tunceli with 11 persons. In Konya, which ranks first based on surface area size, the population density is 52, and in Yalova, which has the smallest surface area, the population density is 244.

Province	Population	Population (City Center)
İstanbul	13,624,240	13,483,052
Ankara	4,890,893	4,762,116
İzmir	3,965,232	3,623,540
Bursa	2,652,126	2,359,804
Adana	2,108,805	1,864,591

3.1.2 Economic Data

External economic developments have been more predominant than internal politics at the beginning of 2008, the developments have influenced the economy directly and a regression has been observed in the investments as of the beginning of April, 2008 and the levels of foreign investments of the previous years have begun to drop. Viewing the investments in 2008, it has been observed that while saturation level has been reached in certain areas in the housing and SHC sectors, investments have continued in the office and logistics sectors.

The economic crisis in the world, which was the most significant event in 2008, initially emerging as a subprime mortgage crisis in the US, and thought to be arising from a liquidity problem, but in time understood to be mainly a lack of confidence, has emerged by bankruptcy of major US investments banks and insurance companies in March and has spread to Europe in a very short time. Despite countries' declaring crisis prevention packages one after another, the developments could not be prevented and the world growth figures have displayed negative values.

As of the end of 2008 and the beginning of 2009, the economic crisis has begun to be felt by the real sector also in Turkey. With the economic shrinkage in 2009, drops have been observed in industrial production and employment. It is known that the real estate sector has continued to shrink in 2009, the decreasing trend in the prices has continued and the demand has been low.

However, with the positive outlook experienced in the country's economy and the foreign markets as of the beginning of 2010, it is observed that a sustainable development has started again and the influences of the crisis have been somewhat decreased by the positive atmosphere. By the currency rates' remaining within a certain band within 2010 in general, the continued increasing trend of the Istanbul Stock Market, and the perception of the September 2010 referendum as political stability, the positive atmosphere in the markets has continued.

Within 2011, when economic data has begun to be positive, the interest of foreign investments in Turkey has continued. However, the fact that major investment decisions may not be made as comfortably and easily as in the previous years, has prolonged the investment processes. With the price consistency and the increase in economic growth, 2011 has been the stage for Turkey's progress and increased power in foreign politics.

Although it is observed that economic stability has continued in 2012, it has also been observed that sales difficulties have been experienced for certain real property types and projects. In addition, 2012 has been a year when 3 significant laws have been brought to the sector. With the reciprocity law, the road for foreign investors wanting to invest in Turkey has been cleared, and this law is expected to provide a serious acceleration in the real property market in the coming period. Although it is aimed to attract foreign capital and close the current deficit with the reciprocity law, it is believed that Urban Transformation and the sales of 2B lands actually will be the factors attracting attention both locally and internationally and allowing the increase of resources. By these laws, new real property development areas have been created, and it is believed that its impact will be felt more clearly in 2013.

During the last quarter of 2012, the Fitch Rating Organization has raised Turkey's foreign currency credit rating from BB to BBB-. With this positive development, it is expected that foreign investors will turn their eyes to Turkey. With this favorable economic development and the 3 important laws passed in 2012, it is foreseen that 2013 will be a better year as compared to 2012 from the real property sector perspective.

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, Avcılar, Bahçelievler, Bakırköy, Bağcılar, Bayrampaşa, Beşiktaş, Beykoz, Beyoğlu, Eminönü, Eyüp, Fatih, Gaziosmanpaşa, Güngören, Kadıköy, Kağıthane, Kartal, Kocasinan, Küçükçekmece, Maltepe, Pendik, Sarıyer, Sultanbeyli, Şişli, Tuzla, Ümraniye, Üsküdar, Zeytinburnu, Büyükçekmece, Çatalca, Silivri and Şile. 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 2011 General Census, total population of Istanbul is 13,624,240. The annual population increase rate is 0.331%.

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, Traşca 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,

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

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 Esenyurt District



The whole of Esenyurt settlement area remains within the boundaries of Istanbul Metropolitan area in the sub-region of Trakya within Marmara region. The lake of Küçükçekmece is at the east of this region, Büyükçekmece is at its West, Hoşdere village and TEM motorway are in its North, Firuzköy and E5 Motorway are at its South.

The surface area of Esenyurt is 2770 hectares and has acquired municipal quality in the year 1989. With the establishment of the municipality organization, a rush for provision of services was started in the area. Esenyurt has acquired the status of administrative district with the law enacted in the year of 2008. It consists of ten neighborhoods which are Namık Kemal Neighborhood, Incirtepe Neighborhood, Saadetdere Neighborhood, İnönü Neighborhood, Fatih Neighborhood, Örnek Neighborhood, Talatpaşa Neighborhood, Mehterçeşme Neighborhood, Yenikent Neighborhood and Merkez Neighborhood.

According to the Address Based Population Registration System of 2011 the total population of Esenyurt has been indicated as 500.027.

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
District	Esenyurt
Subdistrict	-
Village	-
Quarter	Yakuplu
Locality	Londra Asfaltı
Plot No	F21d24d3a
Section No	404
Parcel No	39
Area	Arsa
Quality	1.755,37 m ²
Owner	Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

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 examinations conducted in the Title Deeds Registry office of administrative district of Esenyurt, province of Istanbul at 14 November 2012 and the letter of encumbrances dated 14 November 2012 taken by the customer the encumbrances on the immovable property have been listed below;

Pledges

- A:İ There is a hypothecation of 1st degree with maturity until notification of cancellation in favor of T.İş Bankası A.Ş., T.Sinai Kalkınma Bankası A.Ş. in the amount of 7.000.000.-Euros, with 3% Euribor, (journal entry dated 22 September 2008, numbered 21875)
- Additional hypothecation has been allocated in Euro denomination.

In the Statements Section:

- Assertion as per 7th article of the Expropriation Law numbered 2942. (dated 04.11.2011, numbered 34784)

In the Comments Section:

- There is a lease contract on behalf of Boğaziçi Elektrik Dağıtım A.Ş (BEDAŞ – Boğaziçi Electricity Distribution Co.), for 99 years in return for 1 TL in value. (Beginning date: 14.04.2011, term 99 years) (dated 15.04.2011, numbered 12259)

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

TAŞINMAZA AİT TAPU KAYDI					
Zemin Tipi	: Ana Taşınmaz	Ada/Parsel	: 404/39		
Zemin No	: 25742432	Yüzölçümü	: 1.755,37 m2		
İl / İlçe	: İSTANBUL/ESENYURT	Ana Tap. Nitelik	: ARSA		
Kurum Adı	: Esenyurt TM				
Mahalle / Köy Adı	: YAKUPLU Mah.				
Mevki	:				
Cilt / Sayfa No	: 2 / 182				
Kayıt Durum	: Aktif				
TAŞINMAZ ŞERH / BEYAN / İRTİFAK					
S/İT	Açıklama	Malik / Lehdar	Tarih - Yevmiye	Terkin Sebehi - Tarih - Yev.	
Beyan	2942 Sayılı Kamulaştırma Kanununun 7. maddesine göre belirtme.	İSTANBUL İLİ YATIRIM ORTAKLIĞI A.Ş.	04.11.2011 - 34784	---	
MÜLKİYET BİLGİLERİ					
Sistem No	Malik	Ehirdiği No	Hisse Pay/Payda	Metrekare	Edinme Sebehi - Tarih - Yev.
117724566	AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.	1A1	1.755,37	Satış - 30.09.2010 - 26324	---
S/İT	Açıklama	Malik / Lehdar	Tarih - Yevmiye	Terkin Sebehi - Tarih - Yev.	
Serh	111. bedel karşılığında kamu kuruluşu tarafından 1999 YILI İÇİNTELLİK KİRA SÖZLEŞMESİ VE KAZANCI İKTİSADİ DİĞERİ (Bazımla Tarih: 14.04.2011 Sıra: 99 Yıl)	AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.	15.04.2011 - 12289	---	
İpotek					
Ahıraklı	Müsterakim?	Borç	Faiz	Derece/Sıra	Süre
SN: 40 TÜRKİYE İŞ BANKASI A.Ş. Vergi No: 4810058590	Evet	7.000.000.000 TL	Libor + 75	1.00	1.00
SN: 431112/378694 (SN: 1502196)					
TÜRKİYE İŞ BANKASI A.Ş. Vergi No: 8060057689					
İpotekin Konulluğu Hissesi					
Taşınmaz	Hisse Pay/Payda	Borçlu Malik	Malik Borç	Tescil Tarih - Yev.	Terkin Sebehi - Tarih - Yev.
Esenyurt TM - YAKUPLU Mah. 404/39 Parsel	1/1	AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.	7.000.000.000 TL	22.09.2008 - 21875	---
İpotek S/İT Bilgisi					
S/İT	Açıklama	Malik	Tarih/Yevmiye	Terkin Sebehi - Tarih - Yev.	

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

According to the encumbrance document received from the Title Deeds Registry of Esenyurt of the administrative district of the province of Istanbul and presented in the annex; In the parcel number 39, **sale has been performed with journal dated 30 September 2010, numbered 26.324 to the name of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş., its share has become full.** Written encumbrance document belonging to the real estate property is presented in the annex of the report.

4.3 The Zoning Information for 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.

In the light of the examinations conducted at 14 November 2012, in the municipality of Esenyurt, in the province of Istanbul and the zoning information dated 15 November 2012 the current zoning situation of the parcel has been given below;

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

✓ Zoning Situation:

- The immovable property subject to valuation remains in the legend “Touristic facility+ Trade Zone” in the Revision Application Zoning Plan in the scale of 1/1000 approved with the decision dated 16 February 2004 and numbered 11 by the first level municipal council of Yakuplu.
- It has been taken into the “**Touristic Facility Area**” with Equivalent: 2,75 with the council decision dated 08 April 2010 and numbered 2010/82 of Esenyurt Municipality and the council decision dated 17 September 2010 and numbered 2010/2033 of the Metropolitan Municipality of Istanbul.
- The zoning situation document dated 15 November 2012 taken for the immovable property subject to valuation is presented below and in annex;



T.C.
İSTANBUL
ESENYURT BELEDİYE BAŞKANLIĞI
İmar ve Şehircilik Müdürlüğü

SAYI : M.34.3.ESB.013/310.05.01 - 15.11.2012
KONU : İmar durumu Hk.

Sn: Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.
TSKB Gayrimenkul Değerleme A.Ş.
Meclisi Mebusan Cad. Molla bayırı Sok. No :1
Fındıklı/Beyoğlu/İstanbul

İlgi: 14.11.2012 tarih ve 25971 sayılı yazınız.
İlgi yazınızda belirtmiş olduğunuz, Esenyurt İlçesi Güzelyurt Mahallesi 404 ada 39 parsel
İstanbul Büyükşehir Belediye Meclisinin 17.09.2010 Tarih ve 2033 sayılı kararı ile Yakuplu 1/1000
Ölçekli Genel Revizyon Uygulama İmar Planı'nda **Turistik Tesis Alanında** kalmaktadır.

Bilgilerinize rica ederim.

Mustafa A. BOĞA
Başkan a.
Başkan Yardımcısı

Esenyurt Belediye Başkanlığı İmar ve Şehircilik Müdürlüğü - Doğan Araslı Bulvarı 34510 ESENYURT / İSTANBUL
TEL : (0212) 622 03 33 Fax : (0212) 622 03 99 www.esenyurt.bel.tr

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Plan Notes:

- Plan ratification boundary is İstanbul province, Esenyurt district, Yakuplu Quarter, section 404, parcel 39, and it is a “Touristic Facility Area”.
- Implementation shall be made based on the geological and geotechnical ground studies and reports.
- The Equivalent in the Touristic Facility Area is: 2.75. Within the scope of the plan, with the condition of not exceeding the equivalent value and remaining within the withdrawal boundaries, the Tax, H_{max} and block dimensions shall be free, and will be determined in the preliminary design to be approved.
- Implementation is not possible prior to the zoning allocation of public areas.
- On the D-100 Highway front of the parcel, a withdrawal distance of 20.00 meters will be provided.
- On unaccounted issues, the provisions of the current 1/1000 scale, “Yakuplu General Implementation Zoning Plan” dated 16.02.2004 are applicable.
- On the road sides, with the condition of remaining behind the withdrawal distances and below the natural ground (excavated ground) level, a basement floor may be built on the complete parcel for parking lot purposes.
- The 1st Basement Floor allocated in order to meet the parking lot demand within the building, is not included in the equivalent.
- Independent commercial units and housing units may not be provided on the parcel.
- It may not be occupied other than hotel use.
- License may not be issued without the receipt of the UTK decision.

✓ Licenses and Permits:

- The approved architectural project for the hotel subject to appraisal has been seen in the archive file.
- A license document dated 30 December 2010 and numbered 2010/24969 for the utilization of “hotel and similar guest house “with a covered area of 7.331,00 square meters related to the architectural plan approved by the Municipality has been given.
- For the real property subject to appraisal, there is a “**Building Occupancy Permit Certificate**” dated 28.12.2012, numbered 2012/29412, issued for “Hotel and Similar Guest House” of 7,331.00 sqm closed area.

Building License and Permits Summary Table

License – Occupancy Permit Date/No	Reason of Issue	Area (sqm)	Explanation
Architectural survey project annexed with decision dated 07.07.1999 and numbered 10933.	Amendment	7.331	It is the survey project of the building on the parcel.
“Construction License” dated 30.12.2010, numbered 2010/24969	New Building	7.331,00	Construction license received for “Hotel and similar guest house”
28.12.2012, numbered 2012/29412	New Building	7.331,00	Building occupancy permit received for “Hotel and similar guest house”

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

✓ Building Supervision:

- The immovable property subject to valuation is subject to the Building Inspection Law dated 29 June 2001 and numbered 4708 and the building inspection in the construction process shall be conducted by Etik Yapı Denetim Limited Şirketi operating in the address of Mehter Çeşme Mahallesi, 1997 sokak, Yalı Köşkü Sitesi, A Blok, Kat:5, No:17, Beylikdüzü/İstanbul.

4.3.1 Information Regarding the Changes in the Legal Status of the Property in the Last Three Years (Changes in the Zoning Plan, Expropriation Procedures, etc.)

- While the immovable property subject to valuation remained in revision Application Zoning Plan with the scale of 1/1000 approved with the decision dated 16 February 2004 and numbered 11 by the first level municipal council of Yakuplu, in the legend **“Touristic Facility+Trade”** where hotels and similar guest houses could be constructed; it has been taken into the **“Touristic Facility Area”** legend with Equivalent: 2,75 with the council decision dated 08 April 2010 and numbered 2010/82 of Esenyurt Municipality and the council decision dated 17 September 2010 and numbered 2010/2033 of the Metropolitan Municipality of Istanbul.
- In the statements section of the land register associated with the real property subject to appraisal, an “assertion as per 7th article of the Expropriation Law numbered 2942” (dated 04.11.2011, numbered 34784) and in the comments section, a “lease contract on behalf of Boğaziçi Elektrik Dağıtım A.Ş (BEDAŞ – Boğaziçi Electricity Distribution Co.), for 99 years in return for 1 TL in value.” (Beginning date: 14.04.2011, term 99 years) (dated 15.04.2011, numbered 12259) have been recorded.
- In relation to the real property subject to appraisal, a **“Building Occupancy Permit Certificate”** dated 28.12.2012, numbered 2012/29412 has been issued.

4.4 Opinions About the Property, the Property Project or the Rights and Benefits Associated with the Property in line with the Capital Market Regulations

It is considered that there are no obstacles preventing the subject hotel project from being included in the portfolio of the Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. as “Real Property” pursuant to the provisions of the Capital Markets Legislation.

It was learned that the hypothecation on the immovable property existed for “Project Financing” and it is considered that subject hypothecation does not constitute an obstacle in taking the immovable property to the portfolio.

4.5 Civil Liability

*On the appraised property, **“Mortgage: There is a 1st rank mortgage for € 7,000,000.00 with 3% interest for Türkiye İş Bank and Türkiye Sınai Kalkınma Bank (dated 22 September 2008 and journal no. 21875). It is understood that the encumbrance was established for the purposes of financing the project. The official letter related with the mortgage is appended.***

4.6 Environmental and Ground Contamination

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

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

SECTION 5

PHYSICAL INFORMATION OF THE REAL ESTATE

SECTION 5**PHYSICAL INFORMATION OF THE REAL ESTATE****5.1 Situation, Position and Environmental Features of the Real Estate**

Open address of the property: Yakuplu Mahallesi, 404 Ada, 39 Parsel, Esenyurt / İSTANBUL.

The immovable property subject to valuation is reached by advancing on the Istanbul-Edirne E-5 Motorway until Haramidere Intersection. Subject immovable property is the empty ground plot remaining at the right hand side after advancing for approximately 1,2 km. from the Haramidere Intersection. The construction of 3-star Ibis Hotel has been completed on the immovable property subject to appraisal. Subject ground plot has its façade to Fatih Avenue and E-5 Motorway.

In the vicinity of the immovable property positioned at approximately a distance of 4 km. to Tüyap Exposition Center, buildings with high recognition levels such as Medilife Surgical Center, Beylikdüzü Migros, Media Markt, Carrefour, Bauhaus, Beylikdüzü Municipality, Ekinoks Beylikdüzü Residence, Tüyap, former Tatilya are positioned. In addition to buildings with their ground floors used for commercial purposes and facing the road, production facilities of many factories are positioned on this road. It is believed that the Torium SHC and the Marmara Park SHC, located close to the real property, have increased the dynamism in the area. In addition, there are shopping centers of high commercial potential such as Migros, Carrefour, Bauhaus, Media Markt, Outletpark Beylikdüzü Shopping Center and Ginza Shopping Center along the road, and Skyport Residence is located across it. There also are shopping centers such as Sunflower Life Center, Parkway SHC, Eskule SHC and Akbatı SHC operating in the district.

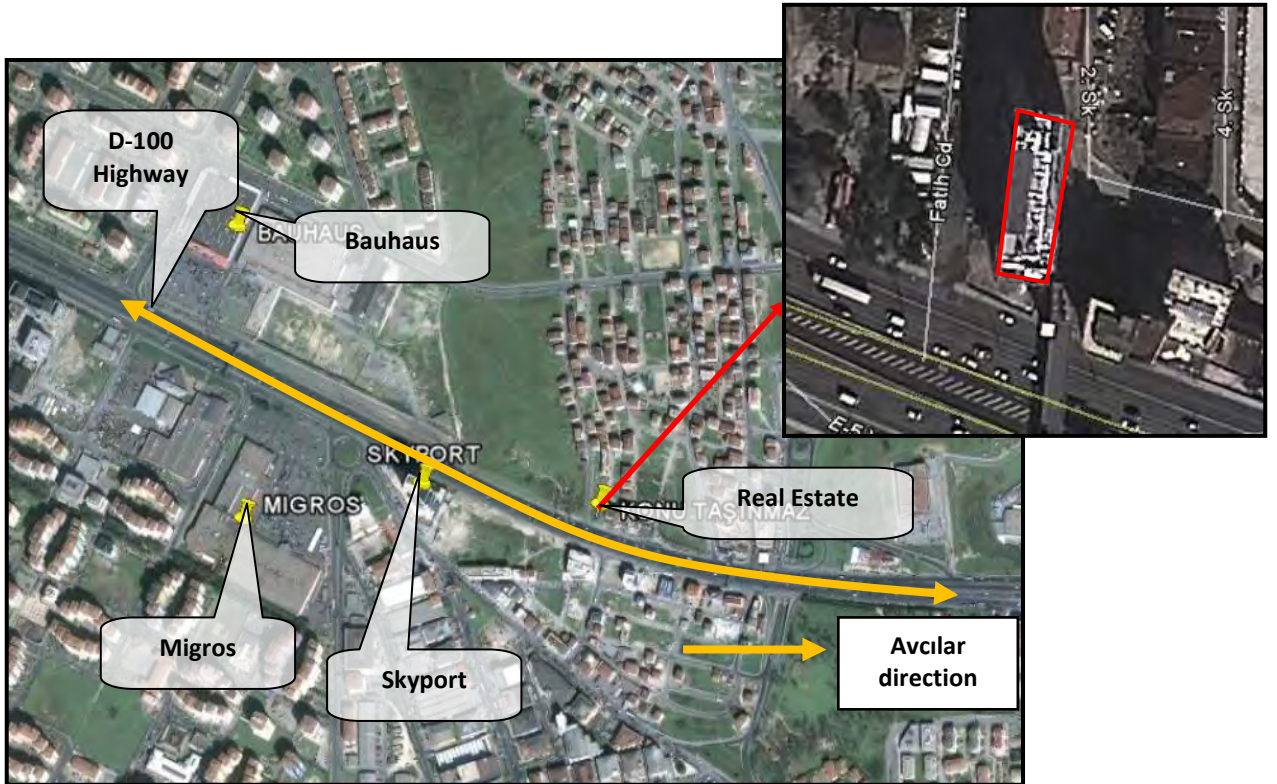
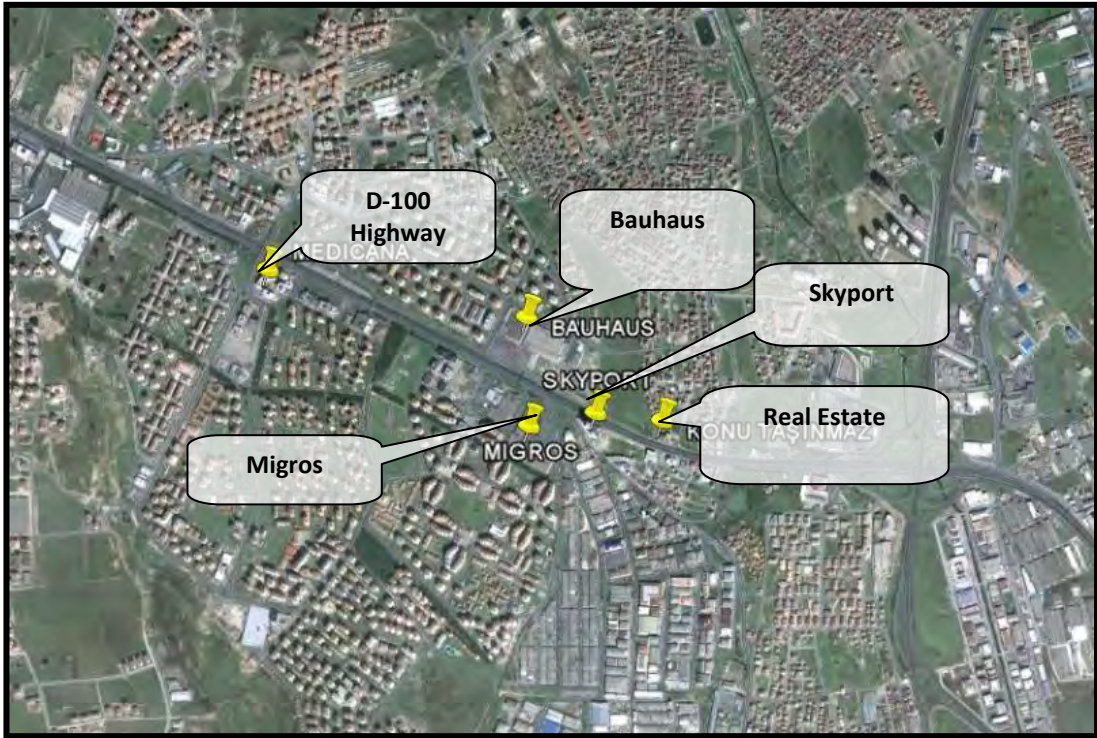
The extension of the Zincirlikuyu – Avcılar metrobus line up to Beylikdüzü and the quite close location of the real property subject to appraisal to the Beylikdüzü metrobus station have created an alternative in the accessibility to the real property. With the extension of the aforesaid metrobus route poses as an advantage in the ease of access to the area and the development of the area.

The immovable property is easily accessed by various public transportation vehicles and private vehicles.

The distance of the appraised property to certain points is as follows;

Location	Distance (km)
Tüyap Exhibitions Center	~4,0 km.
Beylikdüzü Municipality	~1,2 km.
Migros Beylikdüzü	~0,5 km.
Carrefour	~0,8 km.
Haramidere Intersection	~1,2 km.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.



AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

5.2 Definition of the Subject Property of Appraisal

The immovable property subject to valuation is the real estate under the ownership of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş." qualified as "ground plot" in the location of Londra Asfaltı, plate F21d24d3a, block 404, parcel 39, in the neighborhood of Yakuplu, Esenyurt Administrative District in the province of Istanbul.

The real property subject to appraisal, at a central location, has a sloped topography. As of the date of the appraisal, the construction of the 3 star Ibis Hotel has been completed. According to the information provided by the customer, the total construction cost, as of 31.12.2012, is 9,400,000 Euro. The property has the quality of a corner parcel and has its façade to Fatih Avenue and E-5 Motorway. The longer side of the immovable property with a rectangular geometric shape is towards Fatih Avenue and its shorter side has ~20 m. façade to E-5 Motorway.

The building, construction of which has been started at the beginning of 2011, is planned to be taken into operation as of January 2013. The storey areas and the storey uses of the hotel, which has been designed as 3-star Ibis hotel, are provided below.

Akfen REIT Esenyurt Ibis Hotel Architectural Project Floor Areas and Functions			
Hotel Block - According to Architectural Project			
3 rd Basement Floor	942,80	sqm	Car park, haven, water tank
2 nd Basement Floor	973,27	sqm	Car park, haven, electric room
1 st Basement Floor	643,63	sqm	Car park, meeting rooms, staff room, laundry odası, servicing room
Ground Floor	638,50	sqm	Reception, offices, storage, kitchen
1 st Floor	680,23	sqm	26 rooms
2 nd Floor	680,23	sqm	26 rooms
3 rd Floor	680,23	sqm	26 rooms
4 th Floor	680,23	sqm	26 rooms
5 th Floor	680,23	sqm	26 rooms
6 th Floor	670,81	sqm	26 rooms
Terrace Floor	61,33	sqm	Technical room
Hotel Block Total Area	7.331,49	sqm	

5.3 Determinations Made in The Real Estate Location

- The immovable property subject to appraisal is the immovable property of 1,755.37 sqm area, in Esenyurt district, Yakuplu Quarter, section 404, parcel no. 39.
- On parcel no. 39 subject to appraisal, the construction of the 3 star Ibis Hotel has been completed as of the date of the appraisal.
- The parcel no. 39 subject to appraisal is facing the D-100 Highway and Fatih Street.
- The aforementioned immovable property has a high advertisement ability and visibility.
- Access to the aforementioned immovable property is by public transport or private vehicles, and due to its location, it is at an easily accessible and highly visible place.
- According to the licenses and the approved architectural restoration project of the immovable property subject to appraisal; it is composed of total 11 stories as 3 basement + ground floor + 6 normal floors + roof floor, and has to total area of 7,331.49 sqm.
- The hotel, construction of which has been completed as of the date of the appraisal, has 156 rooms according to the architectural project.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

- In the close surroundings of the real property subject to appraisal, Torium SHC and Marmara Park SHC are available, and it is believed that the demand for the area has increased upon the implementation of the shopping centers.
- The real property subject to appraisal is located quite close to the Beylikdüzü metrobus line. It is believed that the extension of the Zincirlikuyu-Avcılar metrobus line up to Beylikdüzü has diversified the means of transportation to the real property and has positively influenced the demand for the area.
- It is believed the real property subject to appraisal will benefit from the attraction force of the Tüyap exhibition area.
- It has been foreseen that the real property subject to appraisal will be taken into operation as of January 2013.

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.

Considering the current location, zoning status, construction conditions, potential and environmental improvement, the highest and best use of the property is **“Tourism Area”** appropriate with current situation.

SECTION 7
FACTORS THAT AFFECT THE VALUE
OF THE REAL PROPERTY

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 subject immovable property is in a central position.+ In the vicinity of the immovable property, buildings with high recognition levels such as Tüyap, Media Market, Carrefour SA are located.+ The real property is facing the D-100 highway and Fatih Street.+ The publicity capacity of the real property is high.+ Means of access to the real property are multiple, and by the extension of the metrobus line, the accessibility ratio of the area has increased.	<ul style="list-style-type: none">- The immovable property has a sloped topography. It is considered that at the project development phase the cost of ground improvement shall be high.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">✓ Considering the development aspect of the area, its need for hotel investment has been observed. It is expected that Ibis Hotel with 3-Star will address especially Tüyap Exposition Center and Hadımköy industrial zone.✓ The extension of the metrobus line up to Beylikdüzü will provide transportation advantage.✓ It is observed that the Torium SHC and the Marmara Park SHC, which have started to operate, have increased the dynamism in the area.	<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

The peer values obtained upon researches conducted in the area where the immovable property is located are indicated below.

- It has been found out that for a plot of 27,000 sqm surface area, located in the same area as the real property subject to appraisal, in Beylikdüzü, advised to be at a distance of approximately 1.5 km to the real property subject to appraisal and to have a front of 200 m to the E-5 highway, with "Tourism + Trade area" zoning and C=1.00 settlement right, a sales value of 40,000,000 TL is being demanded. It is believed that the unit value of the aforesaid real property is low, because its settlement right is lower as compared to the real property subject to appraisal, the plot surface area is quite large and it is located at a more disadvantageous area as compared to the location of the real property subject to appraisal.(626 Euro/sqm, 1,481 TL/sqm)

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

- It has been found out that for a plot of 1,178 sqm surface area, located in the same area as the real property subject to appraisal, at the Esenyurt - Beylikdüzü district border, advised to have a front of approximately 40 m to the E-5 highway, with "Trade + Service Area" legend and C=1.75, H_{max}=18.50 settlement conditions, a sales value of 5,350,000 US\$ is being demanded. It has been noted that this price is higher than its actual sellable value. (3,442 Euro/sqm, 8,133 TL/sqm, 4,541 US\$/sqm)
- It has been found out that a plot of 1,300 sqm surface area, located in the same area as the real property subject to appraisal and advised to be close to the subject real property, with "Trade + Service Area" zoning, may be sold at a unit price of 2,000 US\$/sqm. (1,516 Euro/sqm, 3,582 TL/sqm, 2,000 US\$/sqm)
- It has been found out that a plot of 47,000 sqm net surface area, located in the same area as the real property subject to appraisal, near Beylikdüzü Media Markt, without a direct front to the E-5 but is located quite close to it, with "Trade + Service Area" legend and C=2.75 settlement right, may be sold at a unit price of 2,000 US\$/sqm. (1,516 Euro/sqm, 3,582 TL/sqm, 2,000 US\$/sqm)
- It has been found out that a plot of ~27,000 sqm surface area, located in the same area as the real property subject to appraisal, near Ece Marmara, with "Trade + Service Area" legend and C=2.00 settlement right, may be sold at a unit price of 2,000 US\$/sqm. (1,516 Euro/sqm, 3,582 TL/sqm, 2,000 US\$/sqm)
- It has been found out that a plot of approximately 30,000 sqm surface area, located in the same area as the real property subject to appraisal, near Carrefour Beylikdüzü, with "Trade + Service + Housing Area" legend and C=2.50, H=Free settlement rights, has been sold at a unit price of 1,500 US\$/sqm. (1,137 Euro/sqm, 2,686 TL/sqm, 1,500 US\$/sqm)
- It has been found out that a plot of 56,000 sqm net surface area, located in the same area as the real property subject to appraisal, with a front to E-5, with "Trade + Service Area" legend and H=free settlement right, may be sold at a unit price of 1,250 US\$/sqm. (947 Euro/sqm, 2,239 TL/sqm, 1,250 US\$/sqm)
- It has been found out that for a plot of 34 acres surface area, located in the same area as the real property subject to appraisal, without a front to E-5, with "Tourism Area" zoning based on preliminary project, a sales price of 1,000 US\$/sqm is being demanded and that this plot could have been sold at the levels of 2,000 US\$ approximately in case it had a front to E-5. (758 Euro/sqm, 1,791 TL/sqm, 1,000 US\$/sqm)
- It has been found out that the sales prices of commercially zoned plots on Beylikdüzü E-5 Highway may vary in the range of 1,100-1,300 Euro/sqm depending on zoning status. (1,100-1,300 Euro/sqm, 2,599-3,071 TL/sqm)

No	Area (sqm)	Zonning Status	Unit Price (TRY/sqm)	Unit Price (EURO/sqm)	Explanation
1	27.000	Tourism + Service	1.481	626	In the same area, plot with a front to E-5, C=1.00
2	1.178	Trade + Service	8.133	3.442	With a front of approximately 40m to E-5, C=1.75, H=18.50
3	1.300	Trade + Service	3.582	1.516	With a front to E-5, located quite close to the subject real property
4	47.000	Trade + Service	3.582	1.516	Located quite close to E-5
5	27.000	Trade + Service	3.582	1.516	On E-5, close to Ece Marmara, C=2.00

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

6	30.000	Trade + Service + Housing	2.686	1.137	With a front to E-5, C=2.50, H=free, sold
7	56.000	Trade + Service	2.239	947	In the same area, H=free
8	34.000	Tourism	1.791	758	Without a front to E-5, remains inside.
9	-	Trade	2.599-3.071	1.100-1.300	Opinion

✓ Professional Opinion of the Appraisal Expert:

Considering the facts such as the location of the real property subject to appraisal, zoning status, having a front to the E-5 highway, being located quite close to the Beylikdüzü metrobus station, topographic structure, settlement conditions, properties, close surroundings and the development potential of the area, and license has been received of the hotel project to be developed on the parcel, and examining the equivalents in the close surroundings, the plot value of the subject real property has been assessed as follows.

VALUE OF LAND			
1 sqm Land Value	1.200	.-€	
Total Land Size	1.755,37	sqm	
Total Land Value	2.106.444	.-€	
TOTAL LAND VALUE			2.106.444 .-€
TOTAL LAND VALUE			4.977.527 .-TRY
APPROXIMATE LAND VALUE			4.980.000 .-TRY

7.2.2 Cost Formation Analysis

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

LAND VALUE			
1 sqm Land Value	1.200	.-€	
Total Land Size	1.755,37	sqm	
Total Land Value	2.106.444,00		
Akfen GYO A.Ş.	2.106.444,00	.-€	2.106.444 .-€
TOTAL			2.106.444 .-€

VALUE OF THE BUILDING (IBIS HOTEL)			
Basement Floors Construction Cost per 1 sqm	530	.-€	
Total Area of the Basement Floors	2.559,70	sqm	
Total Instruction Cost	1.356.641	.-€	
Construction Value	1.356.641	.-€	1.356.641 .-€
Construction Cost per 1 sqm	1.200	.-€	
Total Closed Area of the Building	4.771,79	sqm	
Total Instruction Cost	5.726.148	.-€	

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Construction Value	5.726.148	.-€	5.726.148	.-€
Total Land Value			2.106.444	.-€
Total Construction Value			7.082.789	.-€
External and miscellaneous works			300.000	.-€
TOTAL VALUE			9.489.233	.-€
APPROXIMATELY TOTAL VALUE			9.490.000	.-€

7.2.3 Revenue Reduction Method

The revenue discounting approach method has been used to determine the value of the hotel located on the parcel.

Hotel Assumptions

- In the valuation study the areal information existing on the architectural project has been used.
- In the project development approach it was assumed that 3-Star Ibis Hotel shall be built and operated on the subject parcel.
- It was foreseen that the 3-Star hotel shall have a capacity of 156 rooms and 312 bed capacity.
- It was assumed that the hotel construction shall be completed by at the end of year 2012.
- It was assumed that the average occupancy ratio of the room capacity of the hotel shall start with 50% in 2013 and shall increase to 78% over the years until 2016 and that it will remain fixed thereafter.
- The room rates are foreseen according to bed & breakfast system. As a result of the inspections in the tourism sector and in the region, the room rates assumed as €60.00 for 2013 with the beginning of its operations, and it is assumed to increase by 3.5% per year
- It was assumed that all costs will be met by the investor company.
- Expenditures such as lunch and dinners, beverages, laundry, etc. which are in general evaluated as extra expenditures at 3-Star hotels have been added to other revenues. The revenue foreseen for this item has been foreseen as 20% of the total revenue. It was assumed that this rate shall remain fixed, that however the revenue will increase proportionately to the revenues of the hotel.
- It was accepted that at a 3-Star hotel GOP (Gross Operating Profit) shall start with 35% and that it will increase up to 55% with the increase in the occupancy ratio.
- It was foreseen that renovation cost at a 3-Star hotel shall be around 1,5% of the fixed asset investment and that it will start proportionately with the number of days the hotel shall remain open in the year 2013 and that it will increase according to the inflation rate over the years.
- As the materialized cost value, the 100% ratio in the accounting records of Akfen GYO A.Ş. has been used as the materialized cost ratio.
- Bina sigortası ve emlak vergisi Akfen GYO A.Ş'nin muhasebe kayıtlarından temin edilmiştir. Emlak vergisinin, otelin açılış yılı olan 2013 yılında ödeneceği, daha sonraki 5 yıl boyunca, gayrimenkulün emlak vergisinden muaf olacağı ve ilerleyen yıllarda ödenmeye devam edileceği varsayılmıştır.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

- The building insurance and real estate tax have been taken from Akfen GYO A.Ş.'s accounting records. It has been assumed that the real estate tax will be paid in 2013 which is the opening year of the hotel that it will be exempt from real estate tax during the following 5 years, and then will continue to be paid during the years after that.
- According to the approved architectural project in the scope of the project, it was foreseen that the functions used in the spaces and floors shall be as indicated below.

Akfen REIT Esenyurt Ibis Hotel Architectural Project Floor Areas and Functions			
Hotel Block - According to Architectural Project			
3 rd Basement Floor	942,80	sqm	Car park, haven, water tank
2 nd Basement Floor	973,27	sqm	Car park, haven, electric room
1 st Basement Floor	643,63	sqm	Car park, meeting rooms, staff room,
Ground Floor	638,50	sqm	Reception, offices, storage, kitchen
1 st Floor	680,23	sqm	26 rooms
2 nd Floor	680,23	sqm	26 rooms
3 rd Floor	680,23	sqm	26 rooms
4 th Floor	680,23	sqm	26 rooms
5 th Floor	680,23	sqm	26 rooms
6 th Floor	670,81	sqm	26 rooms
Terrace Floor	61,33	sqm	Technical room
Hotel Block Total Area	7.331,49	sqm	

- In the valuation study the rate of 3,60 % which is the rate of the last six months Euro based Eurobonds due 2020 has been taken as "risk-free return" rate. (In this valuation study the return rate of the Euro based Eurobonds with the longest due date of 2020, has been selected as risk-free return rate)
- In the projection reduction rate was foreseen as 9,50%.
- It was assumed that all payments have been made upfront.
- It was assumed that all legal procedures of the immovable property have been completed.
- Euro was used in the studies.
- Tax has not been included in the studies in the scope of IVSC (International Valuation Standards Council).

Ibis Hotel-Esenyurt Cash Flow

IBIS OTEL SUMMARY CHART	
ROOMS	156
BEDS	312
OPERATING DAYS	365
ANNUAL BED CAPACITY	56.940
ADR (€)(2013)	60,00
GROWTH RATE FOR ADR (%)	3,5%
OTHER REVENUES (%)	20%
RENEWAL COSTS	1,5%
GROWTH RATE FOR REAL ESTATE TAX	2,5%
GROWTH RATE FOR REAL ESTATE INSURANCE	2,5%
CAP. RATE- OPERATING MODEL	8,5%
CAP. RATE – RENTAL MODEL	6,0%

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

ESEN YURT IBİS HOTEL CASH FLOW (3 STARS)											
YEARS	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
Occupancy Rate (%)		50%	60%	70%	78%	78%	78%	78%	78%	78%	78%
Room Capacity		56.940	56.940	56.940	56.940	56.940	56.940	56.940	56.940	56.940	56.940
Bed Prices (€)		60,00	62,10	64,27	66,52	68,85	71,26	73,76	76,34	79,01	81,77
Bed Income (€)		1.708.200	2.121.584	2.561.813	2.954.503	3.057.910	3.164.937	3.275.710	3.390.360	3.509.022	3.631.838
Other Incomes (€) (%20)		341.640	424.317	512.363	590.901	611.582	632.987	655.142	678.072	701.804	726.368
Total Hotel Incomes (€)		2.049.840	2.545.901	3.074.176	3.545.403	3.669.492	3.797.924	3.930.852	4.068.432	4.210.827	4.358.206
GOP (%)		35%	45%	50%	55%	55%	55%	55%	55%	55%	55%
GOP (€)		717.444	1.145.656	1.537.088	1.949.972	2.018.221	2.088.858	2.161.968	2.237.637	2.315.955	2.397.013
Cost (€)		-1.332.396	-1.400.246	-1.537.088	-1.595.431	-1.651.271	-1.709.066	-1.768.883	-1.830.794	-1.894.872	-1.961.193
HOTEL AREA NET CASH FLOW		717.444	1.145.656	1.537.088	1.949.972	2.018.221	2.088.858	2.161.968	2.237.637	2.315.955	2.397.013
Renewal Cost (%1,5)		-83.084	-85.161	-87.290	-89.472	-91.709	-94.002	-96.352	-98.761	-101.230	-103.760
Real Estate Tax (%2,5)		-14.909	0	0	0	0	0	-17.290	-17.722	-18.165	-18.619
Real Estate Insurance (%2,5)		-17.322	-17.755	-18.199	-18.654	-19.120	-19.598	-20.088	-20.590	-21.105	-21.633
Construction Cost	0										
HOTEL NET CASH FLOW	0	602.129	1.042.740	1.431.599	1.841.845	1.907.391	1.975.258	2.028.238	2.100.564	2.175.455	2.253.001
TERMINAL VALUE											26.505.889
NET CASH FLOW	0	602.129	1.042.740	1.431.599	1.841.845	1.907.391	1.975.258	2.028.238	2.100.564	2.175.455	28.758.889

Appraisal Table			
Riskfree Rate	3,60%	3,60%	3,60%
Risk Premium	5,40%	5,90%	6,40%
DISCOUNT RATE	9,00%	9,50%	10,00%
NET PRESENT VALUE (€)	21.563.365	20.797.329	20.065.221
NET PRESENT VALUE (TRY)	50.954.231	49.144.089	47.414.118

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7.2.4. The Value of the Property According to the Rental Income

Pursuant to the Ibis Hotel Esenyurt Rental Contract dated 16 August 2010;

- *The international hotel management company Accor Group will pay as the annual rental fee for the Hotel which is under appraisal and the construction right of which belongs to Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. the highest of the twenty five percent (25%) of the gross income (excluding VAT) or seventy percent (70%) of the adjusted gross operation income obtained by deducting a total amount of 8% (4% for operation expenses and 4% for replacement costs) from the gross income.*
- The construction right of the hotel under appraisal belongs to Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. and it will be operated by the Accor Group, which is an international hotel management company. Such items as occupancy rates, bed/room prices that affects the potential of the hotel was assumed that the hotel would be operated in 3 star city hotel concept.
- It was assumed that the number of beds of the hotel would remain fixed by years as specified in the approved architectural project.
- It was assumed that the hotel would be open for 365 days during the year.
- The hotel prices have been foreseen to be in the bed-breakfast system. Taking the investigations made in the tourism sector and the area, it has been assumed that per person price as of January 2013, which is the opening date of the hotel, will be 60 EURO. The room price has been increased at the rate of 3.5%.
- It was assumed that the average room capacity occupancy rate of the hotel would be 50% in 2013 and this rate would increase by years and reach 78% in 2016, and remain fixed during the subsequent years.
- It has been assumed that store leases, wellness center and extra expenses, etc. will be included in the other revenues item. Considering the facility's performance, it has been assumed that the other revenues will be 20% of the accommodation revenues.
- It was assumed that the profit margin of the facility would be 35% in 2013 and this rate would rise to 55% by years and remain fixed at this rate.
- The replacement cost for the rent model of the hotel was taken as 0.05% of the replacement cost calculated in the operation alternative. It was assumed that such replacement works of the hotel would be performed by the tenant in the rent model.
- EURO was used during the studies and 1 Euro was taken as TL 2.3630
- Tax and VAT was not included in the studies pursuant to the IVSC (International Valuation Standards).
- 3,60 %, which is the average for the last 6 months for the Euro-based 2020 termed Eurobond, was taken as the "Risk-Free Rate of Return". (The rate of return of the longest termed Euro-based 2020 termed Eurobond was chosen as the risk-free rate of return in this valuation study.)
- Low capitalization rate and risk premium were given by considering that the rental incomes guaranteed by the international recognition level and brand power of Accor would be determined by years.
- In this study, the rental revenues of the hotel rented to the Accor group with a 25 –year rental contract, have been guaranteed under a contract. It was assumed that the risk premium in Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. obtaining the rental revenues would be quite low. The

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

capitalization rate was projected to be 7.50% by adding a “Risk Premium” of 4.90 % to the 3.60% “Risk-Free Rate of Return.”

- The building insurance and real estate tax expenses have been received from Akfen GYO A.Ş.’s accounting records. It has been assumed that the real estate tax will be paid in 2013 which is the opening year of the hotel, that it will be exempt from real estate tax during the following 5 years, and then will continue to be paid during the years after that.
- It was assumed that the contract between Accor and Akfen would continue with the same terms during the period in which the immovable property would be used by Akfen GYO A.Ş.
- It has been assumed that the AGOP (adjusted gross operating profit of the hotel) ratio of the hotel subject to appraisal will not change according to the lease contract amendment signed between Akfen Holding A.Ş. and Accor SA.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

ESEN YURT IBIS HOTEL CASH FLOW (3 STARS)											
YEARS	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
IBIS HOTEL INCOME	0	512.460	636.475	768.544	886.351	917.373	949.481	982.713	1.017.108	1.052.707	1.089.551
AGOP IBIS HOTEL	0	387.420	659.388	903.808	1.166.438	1.207.263	1.249.517	1.293.250	1.338.514	1.385.362	1.433.850
IBIS HOTEL USED RENTAL INCOMES	0	512.460	659.388	903.808	1.166.438	1.207.263	1.249.517	1.293.250	1.338.514	1.385.362	1.433.850
INSURANCE COST (EURO)	0	-17.322	-17.755	-18.199	-18.654	-19.120	-19.598	-20.088	-20.590	-21.105	-21.633
REAL ESTATE TAX	0	-14.909	0	0	0	0	0	-17.290	-17.722	-18.165	-18.619
RENEWAL COST (EURO) (%0,05)	0	-4.154	-4.258	-4.365	-4.474	-4.585	-4.700	-4.818	-4.938	-5.061	-5.188
TOTAL NET OPERATING PROFIT (EURO)	0	476.075	637.375	881.244	1.143.310	1.183.557	1.225.219	1.251.055	1.295.263	1.341.030	1.388.410
CONSTRUCTION COST	0										
TERMINAL VALUE											23.140.158
NET CASH FLOW (EURO)	0	476.075	637.375	881.244	1.143.310	1.183.557	1.225.219	1.251.055	1.295.263	1.341.030	24.528.568

Appraisal Date			
Riskfree Rate	3,60%	3,60%	3,60%
Risk Premium	3,40%	3,90%	4,40%
DISCOUNT RATE	7,00%	7,50%	8,00%
NET PRESENT VALUE (€)	18.979.172	18.253.180	17.560.848

Rental Value of the Real Property

YEARS	31.12.2012	31.12.2013	31.12.2014
Average Rental Revenue Cash Flow	0	0	840.057

Rental Appraisal Chart			
Riskfree Rate	3,60%	3,60%	3,60%
Risk Premium	5,40%	5,90%	6,40%
DISCOUNT RATE	9,00%	9,50%	10,00%
NET PRESENT VALUE (€)	707.060	700.617	694.262

NET PRESENT APPROXIMATE VALUE (EURO)	700.000
NET PRESENT APPROXIMATE VALUE (TRY)	1.660.000

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7.2.5 Evaluation of The Results of The Analysis

In the study conducted; peer comparison approach has been used for the ground plot value and revenue reduction approach for the hotel revenue.

- According to the peer comparison approach the land value of the parcel has been calculated as 4.980.000.-TRY.
- According to the revenue discounting approach, 46,140,000.-TL(Forty-six-million-one-hundred-forty-thousand.-TL) (19,530,000.- €), which is the average of the 20,800,000.-€ value of the hotel on the parcel, calculated by the revenue discounting approach, and the 18,250,000.- € current net value of the lease revenue, has been assessed as the final value.
- The annual lease revenue of the real property has been calculated considering the average of the net cash flow values based on the revenue discounting method and lease revenue, in the second year after opening (2014). As the hotel subject to appraisal will be taken into operation in January 2013, it has been assumed that the revenues in 2014 would be more reliable, and the annual lease revenue has been calculated by discounting the average cash flows in that year to the date of the valuation. According to this calculation, the annual lease revenue of the hotel has been assessed as 700,000 Euro (1,660,000.-TRY).
- The market value of the hotel, construction of which has been completed as of the date of the appraisal, calculated based on the cost approach analysis, has been determined as 22,430,000.-TL(Twenty-four-million-four-hundred-thirty-thousand.-TL) (9,490,000.- €).

The architectural project for the 3-star hotel subject to appraisal has been approved, construction license and building occupancy permit certificate has been received.

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

The value of the hotel according to the revenue discounting method, has been calculated by 2 methods based on lease revenue and operation revenue.

The hotel is currently rented to the Accor group to be operated under a rental contract. The value was found based on the rental income by capitalizing the rental revenues guaranteed under the contract with a low risk premium.

In addition, the value of the property to be calculated based on the total revenues provided by it was found according to the operating incomes. In this method the total potential of the hotel, which brings profit for both the owner of the property and the operator, was taken into consideration and it was thought that this value would be important in case of any sales. Therefore, the value of the immovable property, which was found based on the income capitalization approach, was calculated by taking the average of the two values through capitalizing the rental income guaranteed with the rental contract and the revenues to be provided with the total operating potential. Since the value of the property depends on the performance of such property in income generating facilities, it was considered that the income capitalization value to be calculated with the 2 methods would be much sounder.

VAT APPLICATION

It is assumed that routine VAT will apply to the property. The VAT rate to be applied on commercial property sales is assumed as 18%.

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

TOTAL VALUE OF THE REAL PROPERTY AS OF 31.12.2012 (EXCLUDING VAT)	
46.140.000.-TRY (Fortysixmilliononehundredfortythousand.-Turkish Liras)	19.530.000.-EURO (Nineteenmillionfivehundredthirtythousand.-Euro)
TOTAL VALUE OF THE REAL PROPERTY AS OF 31.12.2012 (INCLUDING VAT)	
54.445.200.-TRY (Fiftyfourmillionfourhundredfortyfivethousandtwohundred.-Turkish Liras)	23.045.400.-EURO (Twentythreemillionfortyfivethousandfourhundred.-Euro)
RENTAL VALUE DATED 31.12.2012 OF THE REAL PROPERTY (EXCLUDING VAT)	
1.660.000.-TRY (Onemillionsixtysixthousand.-Turkish Liras)	700.000.-EURO (Sevenhundredthousand.-Euro)
RENTAL VALUE DATED 31.12.2012 OF THE REAL PROPERTY (INCLUDING VAT)	
1.958.800 TRY (Onemillionninehundredfiftyeightthousandeighthundred.-Turkish Liras)	826.000.-EURO (Eighthundredtwenty-sixthousand.-Euro)

- 1- These identified values are the fair market values respectively for cash sales payments.
- 2- VAT rate has been taken as 18%.
- 3- Exchange rate has been taken as, USD 1= TL 1,7912 TL, EURO 1 = TL 2,3630. The value in EURO is given only for information.
- 4- This report has not been prepared further to the related provisions of the Capital Markets Regulation
- 5- This page is an unseperatable part of the appraisal report. The report is a whole with all the detailed information in it an cannot be used independently.

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

Özge AKLAR Appraiser (401775)	Hüsniye BOZTUNÇ Appraiser in Charge (400811)
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SECTION 9
ANNEX

SECTION 9

ANNEX

Annex List

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