

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.



REAL ESTATE APPRAISAL REPORT

Report Date: 03.02.2014
Appraisal Date: 31.12.2013

R. No: 2013REVB143

AKFEN GAYRİMENKUL
YATIRIM ORTAKLIĞI
A.Ş.

ESKİŞEHİR IBIS HOTEL,
RESTAURANT AND
FITNESS CENTER

TEPEBAŞI / ESKİŞEHİR

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

We hereby specify 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 **03.02.2014** with report number **2013REVB143**;

- 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 appraisal 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.
 - Other than the statements in the report, we would like to emphasize that no other individual has had professional contribution in the preparation of this report.
 - This appraisal report has not been prepared further to the related provisions of the Capital Markets Regulation.
-

"The ISO 9001:2008 Quality Management System for the production activities of TSKB Real Estate Appraisal Company has been certified by BSI."

Certificate No: FS 509685

EXECUTIVE SUMMARY**OPEN ADDRESS**

Hoşnudiye Quarter, Siloönü Street, No: 5, Eskişehir İbis Hotel, Tepebaşı / ESKİŞEHİR

INTENDED USE OF REAL

Eskişehir İbis Hotel, restaurant and fitness center are used.

TITLE DEED INFORMATION

6,806.75 sqm "Land and Office Lodging and Brick Made Depot" type of property at Eskişehir Province, Tepebaşı District, Hoşnudiye Quarter, Section 442, Parcel no. 37 owned by "Eskişehir Metropolitan Municipality.

ZONING STATUS

The appraised property is included within "Municipal Service Area" legend and "Road Area" legend of the 1/1000 scale Implementation Zoning Plan approval dated 18 October 2011.

MARKET VALUE ON 31.12.2013 (VAT EXCLUDED)

16.948.000.- TL

5.772.000.- EURO

(Sixteenmillionninehundredandfortyeighthousand.-
Turkish Liras)

(Fivemillionsevenhundredandseventytwothousand.-
EURO)

MARKET VALUE ON 31.12.2013 (VAT INCLUDED)

19.998.640.- TL

6.810.960.- EURO

(Nineteenmillionninehundredandninetyeighthousand
sixhundredandforty.- Turkish Liras)

(Sixmilliononehundredandtenthousand
ninehundredandsixty.- EURO)

RENTAL VALUE (VAT EXCLUDED) DATED 31.12.2013 OF THE HOTEL + RESTAURANT + FITNESS CENTER

1.462.000.- TL

498.000.- EURO

(Onemillionfourhundredandsixtytwothousand.-
Turkish Liras)

(Fourhundredandninetyeighthousand.-
EURO)

RENTAL VALUE (VAT INCLUDED) DATED 31.12.2013 OF THE HOTEL + RESTAURANT + FITNESS CENTER

1.725.160.- TL

587.640.- EURO

(Onemillionsevenhundredandtwentyfivethousandand
onehundredandsixty.- Turkish Liras)

(Fivehundredandeightyseventhousand
sixhundredandforty.- EURO)

1- This value is net present value.

2- VAT is included and assumed as 18%.

3- Exchange rate has been taken as USD 1 = TL 2,1343 and EURO 1 = TL 2,9365. The value in EURO is given only for information purpose.

4- This report has been prepared further to the related provisions of the Capital Markets Regulation.

5- 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.

Bilge KALYONCU
Appraiser (402484)

Bilge BELLER ÖZÇAM
Responsible Appraiser (400512)

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SECTION 1

REPORT, COMPANY – CUSTOMER INFORMATION

SECTION 1

REPORT COMPANY-COSTUMER INFORMATION

1.1 Report Date and Number

This report was issued by our company on November 07, 2013 and number 2012REVB143 with reference to the request dated 03.02.2014 and made by the firm, titled as Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

1.2 Report Type

This is the appraisal report prepared according to the related Capital Market Regulations in order to identify the net present value in Turkish Liras by discounting the potential revenues as of 31 December 2013, which would be obtained as a result of the operation and leasing for the remaining period of the 22 years contract signed for 6,806.75 sqm "Land and Office Lodging and Brick Made Depot" type of property at Eskişehir Province, Tepebaşı District, Hoşnudiye Quarter, Section 442, Parcel no. 37 owned by "Eskişehir Metropolitan Municipality".

1.3 Persons Issuing the Report

This appraisal report has been prepared at the end of necessary examinations carried out at the location of the real property and upon the information procured from the relevant individuals – institutions – establishments Bilge KALYONCU, real estate appraiser and Bilge BELLER ÖZÇAM, 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 December 02, 2013 and finished on 03.02.2014. 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 report was issued to the request dated November 13, 2013 and made by the firm, titled as Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

1.6 Factors Affecting the Appraisal Process Negatively

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

1.7 Customer Requests Extensions and Limitations

This real estate appraisal report has been prepared further to Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. request dated November 07, 2013 and in accordance with the provisions of the capital markets legislation in effect on the subject property.

During the projection studies, the coefficient values collected with market researches and the agreements made by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. with Accor Group have been considered.

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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	28.02.2011	30.09.2011	31.12.2012
Report No	2011REV78-3	2011REVB55	2012REVB112
Report Prepared By	Hüsniye BOZTUNÇ- Adem YOL	Makbule YÖNEL MAYA- Mehmet ASLAN	Hüsniye BOZTUNÇ- Özge AKLAR
Proper Total Value (TL)	18.856.000 TL	20.326.000 TL	16.169.000 TL

* The differences between the defined values are change renting period, increase of room prices and change in rates

1.9 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.

1.10 Client Information

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

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 The Value Definitions

2.2.1 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 them.
- 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.

2.2.2 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 data are data related to the characteristics of the property to be evaluated and to the equivalent properties.

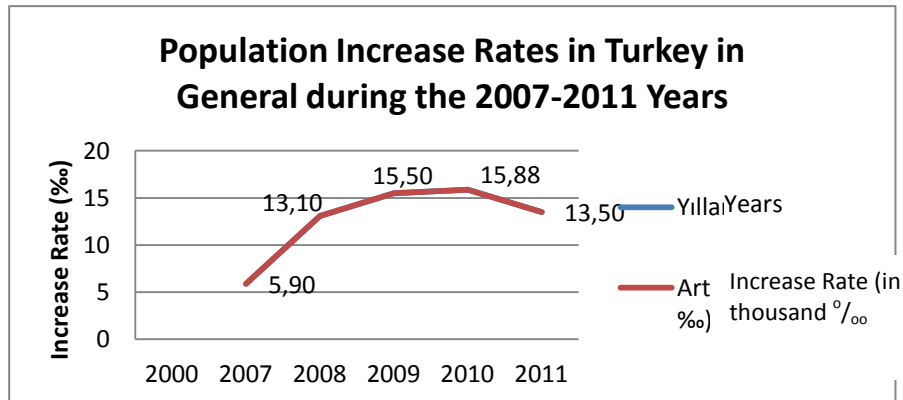
3.1 General Data- Social and Economic Data**3.1.1 Demographic Data**

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 12 persons. In Konya, which ranks first based on surface area size, the population density is 53, and in Yalova, which has the smallest surface area, the population density is 250.

Province	Population (City Center)	Population
İstanbul	13.710.512	13.854.740
Ankara	4.842.136	4.965.542
İzmir	3.661.930	4.005.459
Bursa	2.688.171	2.402.012
Adana	2.125.635	1.886.624

3.1.2 Economic Data¹

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 announce anti-crisis packages one after the other, the economic shrinkages could not be prevented and the growth estimations globally proved to be negative.

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. Especially the investments of urban transformation and the search for lands are heavily on the agenda of investors.

The International Credit Rating Organization Standard & Poor's has increased Turkey's long-term credit rating in March 2013 from BB to BB+, which is one level below investible. Meanwhile, in May 2013, Moody's has increased Turkey's credit rating by one step, to Baa3. Thus, following the increase by Fitch (BBB-) in November 2012, Turkey has received the second investible rating. With

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these positive developments, it is anticipated that there will be accelerated continuity in the entrance of foreign investors into 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 Eskişehir Province



Eskişehir Province is located in the northwest of the Central Anatolia Region. It is surrounded by the Black Sea Region on the north, the Marmara Region on the northwest and the Aegean Region on the west and southwest.

Eskişehir is surrounded by the provinces of Afyon on the south, Konya on the southeast, Ankara on the north and east, Bolu on the northwest, Bilecek and Kütahya on the west. The area of the province is 13,652 sq km.

2012 Urban and Rural Population as per Districts;

DISTRICT	TOTAL	CITY POPULATION	VILLAGE POPULATION
ODUNPAZARI	368.589	361.030	7.559
TEPEBAŞI	305.632	298.894	6.738
ALPU	11.957	7.112	4.845
BEYLİKOVA	6.580	3.257	3.323
ÇİFTELER	15.911	11.287	4.624
GÜNYÜZÜ	6.439	1.975	4.464
HAN	2.108	1.059	1.049
İNÖNÜ	7.172	3.966	3.206
MAHMUDIYE	8.439	4.622	3.817
MİHALGAZİ	3.505	1.515	1.990
MİHALIÇCIK	9.970	3.083	6.887
SARICAKAYA	5.544	2.682	2.862
SEYİTGAZİ	15.192	2.795	12.397
SİVRİHİSAR	22.712	9.820	12.892
TOTAL	789.750	710.830	78.920

3.2.2 Tepebaşı District

With population of 305.632 (according to the census in 2012) with surface area of 976.350, consisting of 43 districts and 40 villages, Tepebaşı has been established on both sides of Porsuk Stream flowing between Bozdağ and Sündiken Mountains, right through Porsuk Plain, under the Hill of Kütahya. It is on the north and northeastern part of the city center of Eskişehir.

The fact that the city center of Eskişehir, the shopping cities and retail trading enterprises are within the borders of the administrative district creates great brisk here. In parallel with the development of the city, the administrative district is heading to become a city center. In line with that, department stores, banks and other representatives of the service sector are opening new branch offices in various locations or move their headquarters here. Anadolu University Civil Airport, Intercity Bus Terminal and the Railroad Station of Eskişehir are the focus of the urban vivacity.

The most prominent education institution in the administrative district is Open Education Faculty with 1.154.508 students, which is the highest number of students across Turkey.

According to the Address Based Population Registration System (ADNKS) in 2012 the population of the administrative district is 305.632 in the urban areas, 6.738 in localities and rural areas, making a total population of 298.894.

	Province/Administrative District Centers			Localities/ Villages			Total		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
Tepebaşı	298.894	150.109	148.785	6.738	3.446	3.292	305.632	153.555	152.077

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	Eskişehir
District	Tepebaşı*
Subdistrict	-
Quarter	Hoşnudiye
Village	-
Locality	..**
Plot No.	-
Section No.	442
Parcel No.	37
Quality of the Main Real Estate	Arsa ve Ofis Lojmanı ve Kargir Ardiye
Land Area of the Main Real Estate	6.806,75 m ²
Owner	Eskişehir Büyükşehir Belediyesi
Share	Tam

* In the copy of the title deed submitted by the Client, the district is stated as “Merkez/2”, while it is registered as “Tepebaşı” on the letter of encumbrances of the property.

** In the copy of the title deed submitted by the Client, the street is stated as Bağlağ Substreet, while it is registered as Bağlağ Street on the letter of encumbrances of the property.

Contract Details;

- ✓ Contract 1; regarding the appraised property, there is a lease contract dated 16 May 2006 between “the Mayor of Eskişehir on behalf of Eskişehir Metropolitan Municipality, and Aksel Turizm Yatırımları ve İşletmecilik A.Ş. who hired the property. The commencement date of the lease contract is 08 February 2007 and its termination date is 08 February 2029.
- ✓ Contract 2; the 3 storey (basement floor + entrance floor + 1st floor) swimming pool-fitness center building with 750 sqm average construction area has a sub-lease contract dated 01 September 2006 between Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. and Sportif Makine Sanayi Ticaret LTD. ŞTİ.(The mentioned building acts as a sports center.) In addition to this contract, a new contract was signed on 30 December 2010 for the application of a rent discount in 2011. The former rent contract amounts shall be valid beginning from 2012. However, for the subject company, there is a new agreement signed for 2013 on the date of 28.12.2012.
- ✓ Contract 3; there is a sublease contract dated 11 May 2007 between Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. and Seven Turizm İnş Ve Reklam San. Tic. Ltd. Şti marked on the annexed map of section 442, west of parcel 37 for the operation of the existing former single-floor building as a bar / cafe.
- ✓ Contract 4; there is a sublease contract dated 18 December 2005 between Accotel Yapım Yatırım ve İşletim A.Ş. and Accorsa for the hotel building. A transfer agreement was later on made on the date of 29.03.2006 and the agreement was assigned to Akfen GYO A.Ş.
- ✓ Contract 5; there is a sublease contract dated 29 June 2010 between Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. and Tamaris Turizm A.Ş

The lease contracts declared by the client are enclosed.

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 Eskişehir province, Tepebaşı district at 02 December 2013 at 11:00 and the letter of encumbrances dated 02 December 2013 taken by the customer the encumbrances on the immovable property have been listed below.

In the Declarations Section:

- Subject to a law suit with the court warrant dated 18 April 2009, principle and decision no. 2008/21, 2009/110 of Eskişehir 2nd Court of First Instance. (dated 24 April 2009 and no. 4713).
- It is a cultural property requiring protection in the 2nd group. (dated 16.04.2012, with journal no 9355)
- It is a cultural property requiring protection in the 2nd group. (Date of Commencement: 15.05.2012, Date of Expiration: 15.05.2012 – Duration: -) (dated 15.05.2012, with journal no 11928)
- According to the report by Eskişehir Cadastral Directorate dated 28.09.2007 and numbered 805/4729, it is an area where foreign real and legal persons cannot acquire immovable properties and limited real rights. (dated 01.10.2007, with journal no 18804) Although this annotation is not present in the restrictions document, it has not been removed from the title deed registry yet.

In the Annotations Section:

- Rent Annotation: There is a lease contract for TL **3,960,000. (rent annotation in favor of AKFEN Gayrimenkul Yatırım Ortaklığı Anonim Şirketi for 22 years period)** (Beginning date: 08 February 2007, Period: 22 years) (dated 17 March 2009 and no. 2954)

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

TAŞINMAZA AİT TAPU KAYDI				
Zemin Tipi	: Ana Taşınmaz	Ada/Parsel	: 442/37	
Zemin No	: 4522677	Yüzölçüm	: 6.806,75 m2	
İl / İlçe	: ESKİŞEHİR/TEPEBAŞI	Ana Taş. Nitelik	: ARSA VE OFİS LOJMANI VE KARGIR ARDIYE	
Kurum Adı	: Tepebaşı TM			
Mahalle / Köy Adı	: HOŞNUDIYE Mah.			
Mevkii	:			
Cilt / Sayfa No	: 21 / 2063			
Kayıt Durum	: Aktif			

TAŞINMAZ ŞERH / BEYAN / İRTİFAK				
S/B/İ	Açıklama	Malik / Lehdar	Tarih - Yevmiye	Terkin Sebebi - Tarih - Yev
Beyan	ESKİŞEHİR 2. ASLİYE HUKUK MAHKEMESİ nin 18/04/2009 tarih 2008/21.2009/110 ESAS VE KARAR sayılı Mahkeme Müzekkeresi numaralı dosyasında davalıdır.		24/04/2009 - 4713	--
Beyan	İL(BK) GRUP KORUNMASI GEREKLİ KÜLTÜR VARLIĞI		16/04/2012 - 9355	--
Beyanderecede korunması gerekli taşınmaz kültür varlığıdır. (Başlama Tarih:15/05/2012,Bitis Tarih:15/05/2012 - Süre:)		15/05/2012 - 11928	--

MÜLKİYET BİLGİLERİ						
Sistem No	Malik	Elbirliği No	Hisse Pay/Payda	Metrekare	Edinme Sebebi - Tarih - Yev.	Terkin Sebebi - Tarih - Yev.
10015499	ESKİŞEHİR BÜYÜKŞEHİR BELEDİYESİ	TAM		6.806,75	Kamulaştırma - 21/11/2002 - 7664-	- -

S/B/İ	Açıklama	Malik / Lehdar	Tarih - Yevmiye	Terkin Sebebi - Tarih - Yev.
Şerh	3.960.000 TL bedel karşılığında kira sözleşmesi vardır. (22 yıl maddetle AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ lehine kiraşerhi) (Başlama Tarih:08/02/2007 Süre:22 Yıl)	AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ	17/03/2009 - 2954	--

Bu tapu kaydı belgesi Ayten Çelebi tarafından

Sedat KALKAN
Tapu Sicil Müdürü

Raporlayan: 10853-Bülent KILIÇ
Kayımsızdır.
11/13/2012
AKFEN
Yerel Müdür Yardımcısı

Rapor Tarihi / Saati : 11/13/2012 10:20

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

There is no buying or selling transaction on the subject immovable property within the last three years.

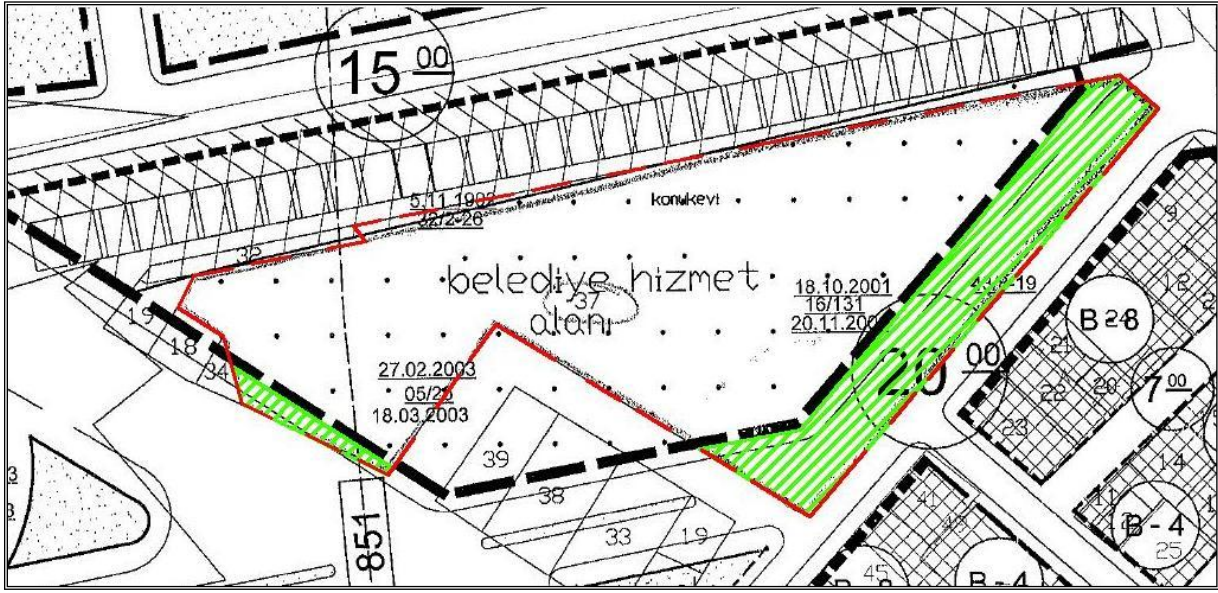
4.3 The Zoning Information for the Real Estate

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.

According to the information received as a result of the Zoning and Urban Planning Directorate of Tepebaşı Municipality on the date of 02.12.2013 and according to the attached official zoning status document dated 06.12.2013 and numbered M.26.3.TEP.0.13 12467/24056, the zoning and construction conditions of the immovable property are as follows.




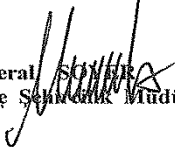
The immovable property remains in the legend "Municipal Service Area and Road" in the Application Zoning Plan in the scale of 1/1000 approved dated 18 October 2001.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.



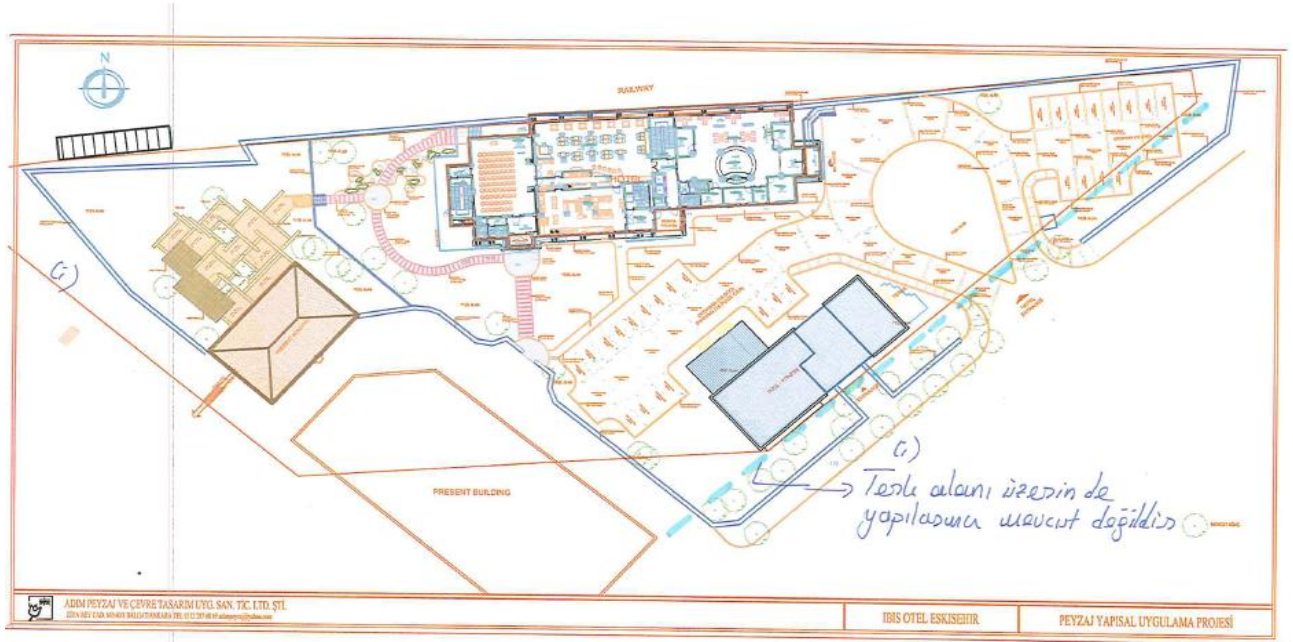
The eminent domain for road of the land of the appraised property has been roughly marked in green on the above map.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

T.C. ESKİŞEHİR TEPEBAŞI BELEDİYESİ İmar ve Şehircilik Müdürlüğü	
 Eskişehir TEPEBAŞI BELEDİYESİ	 Eskişehir 2013 TÜRK KENTLERİNİN KADINLARI
Sayı : M.26.3.TEP.0.13 12467/24056 Konu : İmar durumu	
 Eskişehir 2013 UNESCO KÜLTÜREL VARLIĞI KORUMA KURULU	
06 Aralık 2013	
TSKB GAYRİMENKUL DEĞERLEME A.Ş. Aziye Mahallesi, Piyade Sokak No:3 B Blok:7 Çankaya / ANKARA	
İLGİ: 02.12.2013 tarih ve 20252 sayılı dilekçeniz.	
İlgi dilekçede Hoşnudiye Mahallesi, 442 ada, 37 nolu parselin mevcut imar durumu ve son 3 yılki imar durumunda değişiklik olup olmadığı sorulmaktadır.	
Söz konusu 442 ada, 37 nolu parsel 1/1000 ölçekli imar planında yol ve Belediye hizmet alanına isabet etmekte olup, şuyuludur. Son 3 yılki imar durumu mevcut imar durumunun aynısıdır. Eskişehir Kültür ve Tabiat Varlıklarını Koruma Bölge Kurulundan görüş alınması gerekmektedir.	
Bilgi edinmenizi rica ederim.	
 Meral SOYUT İmar ve Şehircilik Müdürü	
<hr/>	
Adres: Hoşnudiye Mah. Şahin Cad. No: 84 ESKİŞEHİR Tel : 0-222-2114000 Fax: 0-222-3208888	Ayrıntı Bilgi için irtibat: H. KESER Elektronik Ağ: www.tepebasi.bel.tr/

NOTE: Eskişehir Regional Board for the Protection of Cultural and Natural Property was inquired about the existing zoning status of the subject immovable property and whether there is any change in its approved architectural project and it was noted that the zoning status and the approved architectural project of the immovable property is valid; however, request needs to be made for approval to the board in case of any further process.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.



Nearly 1,322 sqm of the land is within the borders of eminent domain, and there are not any buildings on the eminent domain areas as also noted here above.

✓ Licenses and Permits:

- The archive file of the appraised property could not be accessed during the inspection at Tepebaşı Municipality Zoning Directorate.
- The zoning file of the appraised property could not be reached during the inspection at Eskişehir Metropolitan Municipality Zoning Application department; however, the municipal authorities have confirmed that there are not any eviction, demolition, etc. orders and that nothing has changed from its 1 year earlier status.
- There is an additional "Building License" dated 15 December 2005 and no. 2 issued for totally 5,000 sqm "Hotel" area.
- There is an addition-modification "Building Use Permit" for 5,000 sqm "Hotel Area" dated 2007 and no. 6.
- There is an additional "Building License" dated 27 July 2006 and no. 3 issued for totally 868 sqm "Swimming Pool and Fitness Center (silo hotel additional block)" area.
- There is a "Building Use Permit" for 868 sqm "Multifunctional Tourism Building" dated 13.04.2011.
- On the hotel area, there is an architectural project with uncertain date of approval; for total 54.477,59 sqm covered area with basement floor of 605,58 sqm; ground floor of 763,03 sqm; with each of the 1st, 2nd, 3rd, 4th, 5th and 6th normal floors of 585,72 sqm; with 1st roof of 397,12 sqm and 2nd roof of 197,54 sqm area.
- Among the subject immovable properties, the architectural project of fitness-center and restaurant could not be reached at the archive records.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Building License - Building Use Permit Summary Table

Building License - Building Use Permit Date/No	Reason For Issue	Area (sqm)	Explanation
15.12.2005, 2 (Building License)	Hotel	5.000,00	-
27.07.2006, 3 (Building License)	Swimming Pool and Fitness Center (silo hotel additional block)	868,00	-
2007, 6 (Building Use Permit)	Hotel	5.000,00	-
13.04.2011, - (Building Use Permit)	Multifunctional Tourism Building	868,00	-

✓ **Building Supervision:**

- Building supervision of the property is performed by Eskişehir Municipality Department Of Science Jobs.

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.)

According to research made in Tepebaşı Municipality Contruction Manager and the document provided by the customer – given as attachment – there is not a change in the zoning status of the property in last three years. Also the zoning status letter obtained from Tepebaşı Municipality Zoning Directorate is appended to the report .

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

The owner of the property is Eskişehir Metropolitan Municipality, and the property has been hired with a 22 years contract by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

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

4.5 Legal Liabilities

Since tjhe restrictions are registered on the owner of the property, there is not a restricting case in terms of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

Subjected property has dwelling licence so there is an acquis and in current situaiton, it is not forced to abonden area to municipal service area and road. Also, there is not a building in the area which will be abondened. Only if there is a new building to be constructed, the areas which will be abondened will be applied by the municipality. 1.322 sqm area which will be abondened does not have a negative affect to the current status of the property.

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 AND ENVIRONMENTAL INFORMATION
OF THE REAL ESTATE***

SECTION 5

PHYSICAL AND ENVIRONMENTAL INFORMATION OF THE REAL ESTATE

5.1 The Existing Buildings Structural Characteristics of the Construction

Full address of the property: Tepebaşı District, Hoşnudiye Quarter, Siloönü Street, No: 5, Eskişehir İbis Hotel, Tepebaşı / ESKİŞEHİR.

6,806.75 sqm “Land and Office Lodging and Brick Made Depot” type of property at Eskişehir Province, Tepebaşı District, Hoşnudiye Quarter, Section 442, Parcel no. 37 owned by “Eskişehir Metropolitan Municipality.

In order to get access to the immovable property mentioned in the report, one should proceed on İsmet İnönü Avenue, one of the significant axis of the area, from south to the east, for 340 meters from Es-park and take the Siloönü Street turn on the right. The subject immovable property is on the left hand side on this route. The area where the subject immovable property is located is at the center of Eskişehir, at the crossing point of İsmet İnönü Avenue, Hatboyu Avenue and Cengiz Topel Avenue.

The property is located at a very central point and highly known structures such as Espark Shopping Center, Anadolu University Campus, Youth Center, Kanatlı Shopping Center and the Railway Station are located in the close vicinity of the property. One side of the parcel facing the railway station is surrounded by İsmet İnönü Street overpass and the other side with Siloönü Street. The property is located near to İsmet İnönü and Cengiz Topel Streets with dense commercial functions, and it has high accessibility. The property, owned by Eskişehir Metropolitan Municipality, has been let to Akfen Gayrimenkul Yatırım Ortaklığı A.Ş for 22 years. The right obtained through renting is sublet to third parties.

The section 442, parcel 37 has 190,00 meters of facade to the railroad, 100,00 meters to Silönü Street and 70,00 meters to İsmet İnönü Avenue. Due to the fact that the surrounding area of the immovable property is on or close to most prominent shopping centers, university areas and the most significant axis in the area its advertising capacity and accessibility is high. However, the railroad on the north of the immovable property has a bad impact due to noise and view.

The subject immovable property is at 850,00 meters to Eskişehir city center, 17,80 km to Odunpazarı district center, 320,00 meters to Es-park Shopping Center, 2,00 km to Anadolu University, 5,00 km to Osman Gazi University Campus and 4,00 km to Neo Shopping Center. Access to the subject immovable property is easy via private and mass transportation.

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The Distances of the property to various centers are indicated below;

Location	Distance (km)
City Center	~0,84 km
Odunpazarı Municipality	~17,80 km
Anadolu University Campus	~2,00 km
Osmangazi University Campus	~5,00 km
Neo SHC	~4,00 km

5.2 Definition of the Property in Question

6,806.75 sqm “Land and Office Lodging and Brick Made Depot” type of property at Eskişehir Province, Tepebaşı District, Hoşnudiye Quarter, Section 442, Parcel no. 37 owned by “Eskişehir Metropolitan Municipality.

The parcel has a plain topography. There is a railway line on the north of the parcel, Siloönü Street on the south, İsmet İnönü Avenue on the west, and Üniversite Avenue on the east. On the parcel are Ibis Hotel consisting of basement, ground, 6 normal and 2 roof floors making up a total number of 10, with total area of 5.477,59 sqm and 3 stars; a fitness center with 5 floors as 2 basements, ground and 1 normal and roof floors, with total 868,00 sqm area; a restaurant with basement and ground floors with 250 sqm area and on the southwest of this restaurant, a bistro-bar with 20 sqm area. The remaining areas of the parcel are green and there is also a parking area. There are no indoor parking areas of the immovable property while there is an outdoor parking area of 12 vehicles.

ESKİŞEHİR İBİS HOTEL The First Structure was constructed in steel and reinforced concrete carcass, with a basement floor, ground floor, 6 normal floors and 2 roof floors, and it is currently used as a hotel. The buildings which were constructed as granary and auxiliary facilities in 1930's were converted into a 3-star hotel building with 108 rooms by constructing an additional building and restoring the existing buildings. According to the approved architectural project, the gross areas are as follows: 605,58 sqm in basement, 763,03 sqm in ground, 585.72 sqm in each one of the 1st, 2nd, 3rd, 4th, 5th and 6th normal floors; 397,12 sqm in the first roof floor, 197,54 sqm in the second roof floor, making up 5.477,59 sqm gross area in total.

Building license of the property in question is issued for an area of 5.000,00 sqm and the closed area is 5.477,59 according to the architectural plan for which the said license is issued. Since the property was constructed in conformity with its approved architectural plan, in the appraisal the existing closed area is taken into consideration.

Construction and Usage Properties: the exterior façade of the building is paint over plaster. The main entrance door of the immovable property is aluminum and glass covered and is automatic.

2nd Roof Floor (level 35.30); According to architectural plan and currently the floor currently includes an installations section and a training room, its floor is ceramic tiled and its walls and ceilings are painted. The closed area is 197,54 sqm according to the architectural plan for which the said license is issued.

1st Roof Floor (level 32.30); According to architectural plan and currently the floor currently includes an installations section and a training room, its floor is ceramic tiled and its walls and ceilings are painted. The closed area is 397,12 sqm according to the architectural plan for which the said license is issued.

6th Normal Floor; In the approved architectural project and according to the existing conditions, of the floor with 18 hotel rooms, 6 rooms are for warehouse, 12 serve as standard rooms. The floor currently has 18 hotel rooms, the common areas of the floor are carpet and marble coated, the walls and ceilings are paint over plaster. The rooms consist of bathroom and bedroom sections. In the bathroom, the floor is PVC

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

coated, the wall is paper coated and ceramic tiled, and the ceiling is suspended ceiling covered. In the bedroom section, the floor is hardwood coated, the walls are paint covered over plaster, and the ceiling is a suspended ceiling with spot illumination in the ceiling. Window frames on the floor are aluminum, and the door frames are wooden. The closed area is 585,72 sqm according to the architectural plan for which the said license is issued.

5th Normal Floor; In the approved architectural project and according to the existing conditions, of the floor with 18 hotel rooms, 6 rooms are for warehouse, 12 serve as standard rooms. The floor currently has 18 hotel rooms, the common areas of the floor are carpet and marble coated, the walls and ceilings are paint over plaster. The rooms consist of bathroom and bedroom sections. In the bathroom, the floor is PVC coated, the wall is paper coated and ceramic tiled, and the ceiling is suspended ceiling covered. In the bedroom section, the floor is hardwood coated, the walls are paint covered over plaster, and the ceiling is a suspended ceiling with spot illumination in the ceiling. Window frames on the floor are aluminum, and the door frames are wooden. The closed area is 585,72 sqm according to the architectural plan for which the said license is issued.

4th Normal Floor; In the approved architectural project and according to the existing conditions, of the floor with 18 hotel rooms, 6 rooms are for warehouse, 12 serve as standard rooms. The floor currently has 18 hotel rooms, the common areas of the floor are carpet and marble coated, the walls and ceilings are paint over plaster. The rooms consist of bathroom and bedroom sections. In the bathroom, the floor is PVC coated, the wall is paper coated and ceramic tiled, and the ceiling is suspended ceiling covered. In the bedroom section, the floor is hardwood coated, the walls are paint covered over plaster, and the ceiling is a suspended ceiling with spot illumination in the ceiling. Window frames on the floor are aluminum, and the door frames are wooden. The closed area is 585,72 sqm according to the architectural plan for which the said license is issued.

3rd Normal Floor; In the approved architectural project and according to the existing conditions, of the floor with 18 hotel rooms, 6 rooms are for warehouse, 12 serve as standard rooms. The floor currently has 18 hotel rooms, the common areas of the floor are carpet and marble coated, the walls and ceilings are paint over plaster. The rooms consist of bathroom and bedroom sections. In the bathroom, the floor is PVC coated, the wall is paper coated and ceramic tiled, and the ceiling is suspended ceiling covered. In the bedroom section, the floor is hardwood coated, the walls are paint covered over plaster, and the ceiling is a suspended ceiling with spot illumination in the ceiling. Window frames on the floor are aluminum, and the door frames are wooden. The closed area is 585,72 sqm according to the architectural plan for which the said license is issued.

2nd Normal Floor; In the approved architectural project and according to the existing conditions, of the floor with 18 hotel rooms, 6 rooms are for warehouse, 10 serve as standard rooms and 2 rooms are for impaired. The floor currently has 16 standard, 2 disabled rooms totaling 18 hotel rooms; the common areas of the floor are carpet and marble coated, the walls and ceilings are paint over plaster. The rooms consist of bathroom and bedroom sections. In the bathroom, the floor is PVC coated, the wall is paper coated and ceramic tiled, and the ceiling is suspended ceiling covered. In the bedroom section, the floor is hardwood coated, the walls are paint covered over plaster, and the ceiling is a suspended ceiling with spot illumination in the ceiling. Window frames on the floor are aluminum, and the door frames are wooden. The closed area is 585,72 sqm according to the architectural plan for which the said license is issued.

1st Normal Floor; In the approved architectural project and according to the existing conditions, of the floor with 18 hotel rooms, 6 rooms are for warehouse, 12 serve as standard rooms. The floor currently has 18 hotel rooms, the common areas of the floor are carpet and marble coated, the walls and ceilings are paint over plaster. The rooms consist of bathroom and bedroom sections. In the bathroom, the floor is PVC

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coated, the wall is paper coated and ceramic tiled, and the ceiling is suspended ceiling covered. In the bedroom section, the floor is hardwood coated, the walls are paint covered over plaster, and the ceiling is a suspended ceiling with spot illumination in the ceiling. Window frames on the floor are aluminum, and the door frames are wooden. The closed area is 585,72 sqm according to the architectural plan for which the said license is issued.

Ground Floor: According to architectural plan and currently has a lobby, restaurant, bar, meeting room, WC, administrative office, iron room, food director's room, computer room and kitchen volumes. The floors consist of carpet, ceramic, marble and wooden tiles, the walls have ceramic, wooden and decorative items and they are painted over plaster. The ceilings consist of rock wool and drywall suspended ceilings. Window frames on the floor are aluminum, and the door frames are wooden. There are stainless steel kitchen equipment in the kitchen. The main access to the property is provided from the ground floor, and the entrance gate has 2 automatic glass doors. There are five additional exits over the ground floor. These are from the restaurant area, elevator and service area, emergency exit area and the fire escape area next to the restaurant. The closed area is 763,03 sqm according to the architectural plan for which the said license is issued.

Basement Floor; According to architectural plan and currently has a boiler room, a laundry room, a personnel WC, a dining hall, a pump room, an electric room and a water tank. The floors are concrete and ceramic tiled, the walls are paint over plaster and ceramic, and the ceiling is paint over plaster. The entire floor is below the natural street level. The closed area is 605,58 sqm according to the architectural plan for which the said license is issued.

The building has a fire staircase which serves for all floors of the property. The floor of the fire staircase is marble, the walls and ceilings are paint over plaster of paris.

There are two lifts at the building. One of them serves between the basement floor and the 1st roof floor, and the other one serves between the ground floor and the 6th normal floor.

The building, heated by central natural gas-fueled system, also has an air conditioner system, fire extinguishing system (sprinkler system), smoke detectors and CCTV system.

RESTAURANT is a building with a basement + ground floor, which is currently used as cafe & restaurant. The structure on İnönü Street railway bridge crossing side of the parcel has been restored and started to function as a restaurant. There is a kitchen and two WC volumes on the basement floor of the property; and the ground floor has the cafe & restaurant area. The flooring of the property is ceramic in the kitchen area, marble in the WC volumes, and wooden in the other areas of use. The ceiling is suspended ceiling covered on the basement floor, and it is steel construction over brick tile on the ground floor. The walls are marble coated at the wet volumes on the basement floor, ceramic tiled in kitchen section, and brick tiled in other areas. The exterior façade frames of the property are wooden with shop window. The property also has a PVC covered area in the front, which is provided as the smoking section. According to the measurements and identifications on site, the building has ~250 sqm useful area. A half-open and half-covered resting area was built in front of the restaurant, with 72,00 sqm area, covered with iron and glass. Moreover, on the parcel, there is a bar area covered with tiles on top and open on the sides with total area of 22,00 sqm. These buildings do not have any building license, occupancy permit or approved architectural project.

FITNESS CENTER is a building which consists of a basement floor, ground floor, 1st normal floor and the technical floor and this building is used by Sportif Company. The building on Siloönü street side had been destructed and a new building was constructed instead, and the building is currently used as a fitness center. The property has nearly 868 sqm indoor area.

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Construction and Usage Properties: The roof of the building covered with exterior paint over plaster and aluminum coating items is a terrace roof.

Roof floor; serves as a water tank, and a technical floor where air conditioner installations are placed. Access to this building is provided with an iron joinery simple staircase installed to the wall from the outside of the building.

1st Normal Floor; serves as a fitness and cardio section Its floor is laminated parquet, the walls are satin painted over plaster, the ceilings have spot lighting in drywall suspended ceiling, and the door and window frames of the floor are aluminum.

Ground Floor consists of activity room, secretary services and administrative office volumes. Its floor is laminated parquet and ceramic, the walls are satin painted over plaster, the ceilings have spot lighting in drywall suspended ceiling, and the door and window frames of the floor are aluminum.

Basement Floor has dressing rooms for men and women, swimming pool, 11,60 sqm sauna and recreation sections. Its floor is ceramic and wooden, the walls are satin painted over plaster and ceramic tiled, the ceilings have spot lighting in drywall suspended ceiling, and the door and window frames of the floor are aluminum and PVC.

2. Basement Floor; has dressing rooms for men and women, shower areas. Its floor is ceramic and wooden, the walls are satin painted over plaster and ceramic tiled, the ceilings have spot lighting in drywall suspended ceiling, and the door and window frames of the floor are aluminum and PVC.

In the building, there is a nearly 166 sqm size 1.45 m. deep swimming pool. The ceiling height of the swimming pool is nearly 5.50 m high. Because the ceiling height of the swimming pool section is different than the ceiling height of other divisions, there are level differences between the floors of different sections. The section under the swimming pool is used as a transfer depot.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

Chart on the Area Distribution in the Immovable Properties

Akfen GYO Eskişehir İbis Hotel Floor Areas			
Hotel-According to Architectural Project			
Basement Floor	605,58	sqm	Boiler room, a laundry room, a personnel WC, a dining hall, a pump room, an electric room and a water tank
Ground Floor	763,03	sqm	Lobby, restaurant, bar, meeting room, WC, administrative office, iron room, food director's room, computer room and kitchen volumes
1 st Normal Floor	585,72	sqm	18 hotel rooms
2 nd Normal Floor	585,72	sqm	18 hotel rooms
3 rd Normal Floor	585,72	sqm	18 hotel rooms
4 th Normal Floor	585,72	sqm	18 hotel rooms
5 th Normal Floor	585,72	sqm	18 hotel rooms
6th Normal Floor	585,72	sqm	18 hotel rooms
1 st Roof Floor	397,12	sqm	Installations section and a training room
2nd Roof Floor	197,54	sqm	Installations section and a training room
TOTAL	5.477,59	sqm	
Restaurant			
Basement + Ground Floor	250,00	Sqm	Cafe & restaurant volumes, kitchen and WC volumes
TOTAL	250,00	sqm	
Fitness Center-According to Building License - Building Use Permit			
2 Basement + Ground + 1st Normal + Roof Floor	868,00	Sqm	Technical floor, fitness and cardio section, activity room, secretary services and administrative office volumes, dressing rooms for men and women, swimming pool,sauna and recreation sections
TOTAL	868,00	sqm	

5.3 Structural Construction Features of the Property in Question**ESKİŞEHİR İBİS HOTEL (***)**

THE HOTEL BUILDING	
Total Area Subject to Appraisal	5.477,59 sqm (According to approved architectural project) 5.000,00 m ² (According to Building License)
Age	~7 years
Construction Type	Reinforced Concrete Frame
Roofing System	Shingle
Construction Layout	Discrete Layout
Number of Floors in the Building	Basement Floor +Ground Floor + 6 Normal Floors + 2 Roof Floor
Wall Lining	Paint of wall lining
Electricity	Network
Heating System	Available (center)
Water	Network
Sewer System	Network
Elevator	Available (2)
Ventilation System	Available
Fire-escape Stairs	Available
Fire Alarm	Available

RESTAURANT

RESTAURANT	
Total Area Subject to Appraisal	250,00 sqm (According to currently)
Age	~4 years
Construction Type	Reinforced Concrete Frame
Roofing System	Tile
Construction Layout	Discrete layout
Number of Floors in the Building	Basement Floor + Ground Floor
Wall Lining	Paint of wall lining
Electricity	Şebeke
Heating System	Network
Water	Available (center)
Sewer System	Network
Elevator	Not available
Ventilation System	Available
Fire-escape Stairs	Not available
Fire Alarm	Available

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

FITNESS CENTER

FITNESS CENTER	
Total Area Subject to Appraisal	868,00 sqm (According to Building License and currently)
Age	~6 years
Construction Type	Reinforced Concrete Frame
Roofing System	Tile
Construction Layout	Discrete layout
Number of Floors in the Building	2 Basement Floor + Ground Floor +1 Normal Floors + Roof Floor
Wall Lining	Paint of wall lining
Electricity	Şebeke
Heating System	Network
Water	Available (center)
Sewer System	Network
Elevator	Not available
Ventilation System	Available
Fire-escape Stairs	Available
Fire Alarm	Available

5.4 Indoor Properties Of The Asset

HOTEL BUILDING		
The First Structure was constructed in steel and reinforced concrete carcass, with a basement floor, ground floor, 6 normal floors and 2 roof floors, and it is currently used as a <u>hotel</u> . The buildings which were constructed as granary and auxiliary facilities in 1930's were converted into a 3-star hotel building with 108 rooms by constructing an additional building and restoring the existing buildings. According to the approved architectural project, the gross areas are as follows: 605,58 sqm in basement, 763,03 sqm in ground, 585.72 sqm in each one of the 1st, 2nd, 3rd, 4th, 5th and 6th normal floors; 397,12 sqm in the first roof floor, 197,54 sqm in the second roof floor, making up 5.477,59 sqm gross area in total.		
Closed Area	:	5.477,59 sqm (According to approved architectural project) 5.000,00 sqm (According to Building License)
Construction Type	:	Reinforced Concrete Frame
The Purpose of Use	:	Lobby, restaurant, bar, meeting room, WC, administrative office, iron room, food director's room, computer room, kitchen volumes, an installations section, training room, boiler room, laundry room, personnel WC, dining hall, pump room, an electric room and a water tank
Number of Floors in the Building	:	Basement Floor + Ground Floor + 6 Normal Floor + 2 Roof Floor
Flooring	:	Ceramic tiles (an installations section, training room, kitchen volumes, laundry room, storage areas and WC), carpet (common area ve rooms), laminate (Restaurant and administrative office), bath (PVC)
Wall Lining	:	Wooden and decorative items, wall is paper coated, paint over plaster (Restaurant, lobby, meeting room), faience (kitchen volumes, refectory, WC), plastic paint (rooms volumes, iron rooms, common areas, bath)
Joinery	:	External joinery aluminum, interior joinery wooden and aluminum
Ceiling	:	Suspended Ceiling and plastic paint
Heading System	:	Network
Lighting	:	Spot lighting
Roofing System	:	Shingle
Wall Lining	:	Paint of wall lining

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

RESTAURANT

Restaurant is a building with a basement + ground floor, which is currently used as cafe & restaurant. The structure on İnönü Street railway bridge crossing side of the parcel has been restored and started to function as a restaurant. There is a kitchen and two WC volumes on the basement floor of the property; and the ground floor has the cafe & restaurant area. The flooring of the property is ceramic in the kitchen area, marble in the WC volumes, and wooden in the other areas of use. The ceiling is suspended ceiling covered on the basement floor, and it is steel construction over brick tile on the ground floor. The walls are marble coated at the wet volumes on the basement floor, ceramic tiled in kitchen section, and brick tiled in other areas. The exterior façade frames of the property are wooden with shop window. The property also has a PVC covered area in the front, which is provided as the smoking section. According to the measurements and identifications on site, the building has ~250 sqm useful area.

Closed Area	:	250,00 sqm (Currently)
Construction Type	:	Betonarme
The Purpose of Use	:	Restaurant
Number of Floors in the Building	:	Basement Floor+ Ground Floor
Flooring	:	Seramic tiles, marble (kitchen volumes, WC), laminate (Cafe)
Wall Lining	:	Seramic tiles (WC, kitchen volumes), brick (Cafe)
Joinery	:	External joinery PVC, wooden, interior joinery wooden
Ceiling	:	Brick over steel construction
Heading System	:	Network
Lighting	:	Lamp shades, fluorescent fixtures
Roofing System	:	Tiles
Wall Lining	:	Brick

FİTNESS CENTER

It is a building which consists of a basement floor, ground floor, 1st normal floor and the technical floor and this building is used by Sportif Company. The building on Siloönü street side had been destructed and a new building was constructed instead, and the building is currently used as a fitness center. The property has nearly 868 sqm indoor area

Closed Area	:	868,00 sqm (According to Building License and currently)
Construction Type	:	Reinforced Concrete Frame
The Purpose of Use	:	Administrative office volumes, dressing rooms, pool, sauna, recreation sections, fitness center
Number of Floors in the Building	:	2 Basement Floor + Ground Floor + 1 Normal Floor + Roof Floor
Flooring	:	Laminate (Administrative office volumes, fitness and cardio section), ceramic tiles (dressing rooms, sauna, revreaction sections, WC), deck slab (Edge of the pool)
Wall Lining	:	Satin paint (Administrative office volumes, dressing rooms, swimming pool, sauna, recreation sections, fitness ve cardio section, WC)
Joinery	:	External joinery aluminum, interior joinery wooden and alüminum
Ceiling	:	Plastic paint
Heading System	:	Network
Lighting	:	Spot lighting
Roofing System	:	Shingle
Wall Lining	:	Paint of wall lining and brick

5.5 Determinations Made in the Real Estate Location

- In the neighborhood of the immovable property, there are Espark Shopping Center, Anadolu University, Kanatlı Shopping Center, Youth Center and Railway Station buildings that are highly known.
- A side of the parcel with facade to the railroad is surrounded with İsmet İnönü Avenue overpass and Silönü Street. The immovable property is located in proximity with İsmet İnönü Avenue and Cengiz Topel Avenue where commercial function is intensive and has high accessibility.
- The section 442, parcel 37 has 190 meters of facade to the railroad, 100 meters to Silönü Street and 70 meters to İsmet İnönü Avenue.
- Due to the fact that the surrounding area of the immovable property is on or close to most prominent shopping centers, university areas and the most significant axis in the area its advertising capacity and accessibility is high. However, the railroad on the north of the immovable property has a bad impact due to noise and view.
- The subject immovable property is at 850 meters to Eskişehir city center, 17,80 km to Odunpazarı district center, 320 meters to Es-park Shopping Center, 2 km to Anadolu University, 5 km to Osman Gazi University Campus and 4 km to Neo Shopping Center.
- Access to the subject immovable property is easy via private and mass transportation.
- The immovable property is owned by Eskişehir Metropolitan Municipality and was leased by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. for a period of 22 years.
- The hotel is run by an internationally recognized hotel chain company.
- The rent annotation regarding the hiring of the property by Akfen GYO A.Ş. from Eskişehir Metropolitan Municipality is registered on the land log.
- Because the property is owned by Eskişehir Metropolitan Municipality, Akfen Real Estate Investment Partnership does not hold any property rights on superficies, and it is a tenant at the appraised property. However, there is a lease contract registered on the land log for the mentioned company and which is valid until 2029.
- The buildings on the subject parcel are second degree cultural properties that require protection.
- The property does not have indoor parking lot. There is a parking area for only 12 vehicles.
- As a topographical, parcel has a flat structure.
- On the parcel are Ibis Hotel consisting of basement, ground, 6 normal and 2 roof floors making up a total number of 10, with total area of 5.477,59 sqm and 3 stars; a fitness center with 5 floors as 2 basements, ground and 1 normal and roof floors, with total 868,00 sqm area; a restaurant with basement and ground floors with 250 sqm area and on the southwest of this restaurant, a bistro-bar with 20 sqm area.

5.6 External and Miscellaneous Works

Within the scope of the external and miscellaneous works of the subject immovable properties, no work was included in the calculations.

SECTION 6

THE HIGEST 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 and technological 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 the optimum alternative which could provide financially and technically the highest efficiency and in addition to that which had obtained financing into execution phase 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.

In our country, zoning plans have not strung along with the urbanization pace and they have remain relatively static. This situation causes a financially executable usage on a property which is the highest efficient and could provide the most revenue is not let by laws. As a result, a usage which is not let by laws and physically impossible could not be assumed as the best use having the highest efficiency.

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

SECTION 7

ANALYSIS AND EVALUATION OF THE REAL PROPERTY

SECTION 7**ANALYSIS AND EVALUATION OF THE REAL PROPERTY****7.1 Factors That Affect The Value Of The Real Property**

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">+ The immovable property is located in proximity with İsmet İnönü Avenue and Cengiz Topel Avenue where commercial function is intensive and has high accessibility.+ The section 442, parcel 37 has 190 meters of facade to the railroad, 100 meters to Silönü Street and 70 meters to İsmet İnönü Avenue.+ The subject immovable property is at 850 meters to Eskişehir city center, 17,80 km to Odunpazarı district center, 320 meters to Es-park Shopping Center, 2 km to Anadolu University, 5 km to Osman Gazi University Campus and 4 km to Neo Shopping Center+ The immovable property is owned by Eskişehir Metropolitan Municipality and was leased by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. for a period of 22 years.+ The hotel is run by an internationally recognized hotel chain company.+ The rent annotation regarding the hiring of the property by Akfen GO A.Ş. from Eskişehir Metropolitan Municipality is registered on the land log.	<ul style="list-style-type: none">- However, the railroad on the north of the immovable property has a bad impact due to noise and view.- The property does not have indoor parking lot. There is a parking area for only 12 vehicles.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">✓ In the neighborhood of the immovable property, there are Espark Shopping Center, Anadolu University, Kanatlı Shopping Center, Youth Center and Railway Station buildings that are highly known.✓ The area of the subject immovable property is in proximity with the most significant shopping centers, university areas and the most significant axes of the region and therefore, the subject immovable property has high commercial capacity and accessibility.✓ Access to the subject immovable property is easy via private and mass transportation.	<ul style="list-style-type: none">× In the declarations section of mentioned property's land records; there is an expression stating that the property is "Subject to a law suit with the court warrant dated 18 April 2009, principle and decision no. 2008/21, 2009/110 of Eskişehir 2nd Court of First Instance. (dated 24 April 2009 and no. 4713)". (According to the information obtained from the lawyers of Eskişehir Metropolitan Municipality, the case was closed in favor of the metropolitan municipality. Akfen Gayrimenkul Yatırım Ortaklığı is not a party to the mentioned case either as it is a tenant at the property.)

7.2 Analysis of the Methods Used for Appraisal

Appraisal was carried out in this study by applying revenue capitalization and revenue reduction approach according to the rental revenues. Since the owner of the immovable property is Eskişehir Metropolitan Municipality, the cost method was not preferred.

7.2.1 Income Capitalization Method

In subjected report, value has been estimated according to income capitalization method. Second method is not considered to fit.

Hotel Assumptions:

- The construction right of the subject hotel is owned by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. while it is being operated by the international hotel operation company Accor Group. During this study, it was assumed that the hotel will be operated in the existing concept throughout the term of the construction right.
- It was assumed that the appraisal study will be conducted according to the cash flows obtained from the operation of the real estate in the years of utilization, during the appraisal study.
- The projection takes into account the revenues from the 3-star hotel with 108 rooms, and the rent income from the restaurant and fitness center located on the same parcel.
- The average room occupancy rate of the hotel is assumed to begin at 80% and increase and remain stable at 82%.
- The room rates are foreseen according to bed & breakfast system. In the tourism sector and as a result of the inspections in the region, the room rate for 2014 is assumed as €50. The room rate has been increased by 4% for the first 10 years. (From the date of launch) Due to the increase in the hotel's advertising capacity, recognition and premium, the room rates are foreseen to increase by 3% in the first 10 years and reach maturity, and increase by 2.5% -which is the inflation rate- in the following years.
- Lunch and dinner, beverages, laundry, etc. expenditure which are considered as extra expenditure in the overall 3-star hotel are also added in other expenses. The income from this item is foreseen as 20% of the total income. This rate is assumed to remain unchanged, but increase in proportion to the hotel revenues.
- It is assumed that GOP (Gross Operating Profit) rate in the hotel will be 40% in 2014, in the following years it is assumed to increase and reach to 42% in the year 2016 and remain constant later on.
- The fitness center and restaurant sections on the parcel are currently hired and run by third parties.
- According to the conditions of the annexed lease contract, Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. is liable for paying monthly rent to the landlord Eskişehir Metropolitan Municipality. According to the contract conditions, the company must pay €9,209 per month and a turnover rent equal to 5% of its gross turnover. For rent payment, the higher one of either the turnover or the fixed rent shall be determined as the rent amount of that month.
- The contract was signed on 16 May 2006, and the term of the contract is between 08 February 2007 and 08 February 2029.
- Made during the first five years and since such period will be over in 2012, there is no rental reduction in the projection.
- The renovation cost at the 3-star hotel is assumed to be 3% of the fixed asset investment and increase by 2.5% in years. This rate has been considered as 3% as the building is old and highly worn out.
- In the appraisal study, Euro-based Eurobond rate for the last 6 months of 2020, which is 4,37%, is considered as the "Risk-free Rate of Return". (In this appraisal study, the yield of the Eurobond with the longest maturity, which is Euro based Eurobond with maturity in 2020, has been chosen as the risk free rate of return.)

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- According to the agreement signed by the Restaurant and Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. on 11.05.2007, the monthly rental revenue is TL 3000 in 2007 while in 2012, it is TL 4364, in 2013, it is TL 4.710 and in 2014 it is TL 5.550 and it shall increase on the basis of Wholesale Price Index and Consumer Price Index. Because providing an exact estimate of TL based CPI and PPI average is not possible. The annual increase is assumed as equal to the inflation rate at 2.5% per annum. It was assumed that the rise in the rental value will be at the level of annual increase according to the inflation rate of 2.50% over the Euro value of the rental charge on the date the rental agreement was signed.

	2007	2008	2009	2010	2011	2012	2013	2014
Monthly 3.000 TL		12.259	12.566	12.880	13.202	13.532	19.247	22.680

- According to the contract dated 01 September 2006 between the fitness center and Akfen GYO, the rent income of the fitness center is €6,500 per month, and an increase equal to Euribor rate is assumed every year. Year 2010 Euribor closure rate of 1.50% is accepted as the market expectation for 2011, and this ratio has been used for the following years. According to the contract dated 30 December 2010 in addition to the mentioned contract, application of a rent discount for 2011 has been decided. The total rent income for 2011 has been identified as €61,500. The former rent contract amounts shall be valid beginning from 2012. In addition to the subject agreement, according to the agreement dated 28.12.2012, the total rental revenue of the year 2013 is €71.250, since it is not possible to estimate the average of the wholesale price index and the consumer price index accurately, it has been assumed that the annual increase will be in the rate of inflation, which is 2.50%. It has been assumed that the increase in the lease amount will be equal to the annual inflation rate of 2.50% over the EURO value of the lease, as of the date that the lease contract has been signed.
- The projection considers 08 February 2029 as the termination date of the rental contract, and the final year income and expenses have been calculated for 39 days.
- The discount rate in the projection is considered as 9.25%.
- It is assumed that all payments are made in cash.
- The studies are based on Euro.
- Tax has not been included in the studies in the scope of IVSC (International Valuation Standards Council).

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Property Table

ESKİŞEHİR IBIS HOTEL, RESTAURANT VE FITNESS CENTER SUMMARY TABLE	
HOTEL CONSTRUCTION AREA (Sqm)	5.478
RESTAURANT CONSTRUCTION AREA (Sqm)	250
FITNESS CENTER CONSTRUCTION AREA (Sqm)	868
FITNESS CENTER INCREASE RATE (EUROBOR)	0,55%
ROOM NUMBER	108
BED NUMBER	216
OPEN DATE NUMBER	365
YEARLY ROOM CAPACITY	39.420
ROOM PRICE (€) (2014)	50,00
ROOM PRICE INCREASE RATE IN FIRST 10 YEARS (%) (FROM THE DATE OF LAUNCH)	4,0%
ROOM PRICE INCREASE RATE FOR 10 REST YEARS (%)	2,5%
OTHER INCOME RATE (%)	20%
RENOVATION COST RATE (%)	3,0%
BUILDING INSURANCE INCREASE RATE (%)	2,5%

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3 STAR HOTEL CASH FLOW (YEARS)	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	31.12.2027	31.12.2028	08.02.2029
Occupancy (%)	0	80%	81%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%	82%
Sold Room Number	0	39.420	39.420	39.420	39.420	39.420	39.420	39.420	39.420	39.420	39.420	39.420	39.420	39.420	39.420	39.420	4.212
Room Price(€)	0	50,00	52,00	54,08	56,24	57,65	59,09	60,57	62,08	63,63	65,22	66,86	68,53	70,24	72,00	73,80	75,64
Room Income(€)	0	1.576.800	1.660.370	1.748.104	1.818.028	1.863.478	1.910.065	1.957.817	2.006.762	2.056.931	2.108.355	2.161.064	2.215.090	2.270.467	2.327.229	2.385.410	261.251
Other Incomes (€) (%18)	0	315.360	332.074	349.621	363.606	372.696	382.013	391.563	401.352	411.386	421.671	432.213	443.018	454.093	465.446	477.082	52.250
Total Hotel Income(€)	0	1.892.160	1.992.444	2.097.724	2.181.633	2.236.174	2.292.078	2.349.380	2.408.115	2.468.318	2.530.026	2.593.276	2.658.108	2.724.561	2.792.675	2.862.492	313.502
Hotel GOP (%)	0	40%	41%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%
Hotel GOP(€)	0	756.864	816.902	881.044	916.286	939.193	962.673	986.740	1.011.408	1.036.693	1.062.611	1.089.176	1.116.405	1.144.316	1.172.923	1.202.247	131.671
Hotel Management Cost (€)	0	-1.135.296	-1.175.542	-1.216.680	-1.265.347	-1.296.981	-1.329.405	-1.362.641	-1.396.707	-1.431.624	-1.467.415	-1.504.100	-1.541.703	-1.580.245	-1.619.751	-1.660.245	-181.831
HOTEL NET CASH FLOW (€)	0	756.864	816.902	881.044	916.286	939.193	962.673	986.740	1.011.408	1.036.693	1.062.611	1.089.176	1.116.405	1.144.316	1.172.923	1.202.247	131.671
Renewal Cost (%)	0	-88.703	-90.920	-93.193	-95.523	-97.911	-100.359	-102.868	-105.440	-108.076	-110.778	-113.547	-116.386	-119.295	-122.278	-125.335	-13.727
Building Insurance (€)	0	-10.334	-10.592	-10.857	-11.128	-11.407	-11.692	-11.984	-12.284	-12.591	-12.906	-13.228	-13.559	-13.898	-14.245	-14.601	-14.966
Eskişehir Municipality Yearly Rent Payment (€)	0	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-110.508	-11.808
Eskişehir Municipality Yearly Turnover Rent (€) (%5)	0	-94.608	-99.622	-104.886	-109.082	-111.809	-114.604	-117.469	-120.406	-123.416	-126.501	-129.664	-132.905	-136.228	-139.634	-143.125	-15.675
Eskişehir Municipality Realized Yearly Rent Payment (€)	0	-110.508	-110.508	-110.508	-110.508	-111.809	-114.604	-117.469	-120.406	-123.416	-126.501	-129.664	-132.905	-136.228	-139.634	-143.125	-15.675
Contract Rent Decrease Rates (%)	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Decreased Rents (%)	0	-110.508	-110.508	-110.508	-110.508	-111.809	-114.604	-117.469	-120.406	-123.416	-126.501	-129.664	-132.905	-136.228	-139.634	-143.125	-15.675
HOTEL NET CASH FLOW (€)	0	547.319	604.882	666.486	699.126	718.066	736.018	754.419	773.279	792.611	812.426	832.737	853.555	874.894	896.767	919.186	87.302
CUMULATIVE CASH FLOW (€)	0	547.319	1.152.201	1.818.687	2.517.813	3.235.880	3.971.898	4.726.316	5.499.596	6.292.207	7.104.633	7.937.370	8.790.925	9.665.820	10.562.586	11.481.772	11.569.075
OPERATING INCOMES (€)	0	547.319	604.882	666.486	699.126	718.066	736.018	754.419	773.279	792.611	812.426	832.737	853.555	874.894	896.767	919.186	87.302

Appraisal Table

Risk Free Rate of Return (%)	4,37%	4,37%	4,37%
Risk Premiums (%)	4,38%	4,88%	5,38%
DISCOUNT RATE (%)	8,75%	9,25%	9,75%
NET PRESENT VALUE (€)	5.985.784	5.795.266	5.613.720
NET PRESENT VALUE(TL)	17.577.256	17.017.798	16.484.687

RESTAURANT CASH FLOW (YEARS)	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	31.12.2027	31.12.2028	08.02.2029
Restaurant Rent Income (€)	0	22.680	23.247	23.828	24.424	25.035	25.660	26.302	26.959	27.633	28.324	29.032	29.758	30.502	31.265	32.046	3.510

Appraisal Table

Risk Free Rate of Return (%)	4,37%	4,37%	4,37%
Risk Premiums (%)	4,38%	4,88%	5,38%
DISCOUNT RATE (%)	8,75%	9,25%	9,75%
NET PRESENT VALUE (€)	214.448	207.759	201.383
NET PRESENT VALUE(TL)	629.727	610.083	591.360

REPORT NO: 2013REVB143

REPORT DATE: 03.02.2014

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FITNESS CENTER CASH FLOW (YEARS)	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	31.12.2027	31.12.2028	08.02.2029
Fitness Center Rent Income (€)	0	73.031	73.433	73.837	74.243	74.651	75.062	75.475	75.890	76.307	76.727	77.149	77.573	78.000	78.429	78.860	8.473

Appraisal Table			
Risk Free Rate of Return (%)	4,37%	4,37%	4,37%
Risk Premiums (%)	4,38%	4,88%	5,38%
DISCOUNT RATE (%)	8,75%	9,25%	9,75%
NET PRESENT VALUE (€)	618.016	599.682	582.185
NET PRESENT VALUE(TL)	1.814.803	1.760.966	1.709.586

7.2.2 Calculation of Cost Capitalization Approach from the Issued Rent Revenues

- Mevcutta faal durumda bulunan otelin mülkiyeti Eskişehir Büyükşehir The currently active hotel is owned by Eskişehir Metropolitan Municipality, and Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. hired the hotel with a contract which is to end in 2029. The hotel is run by the international hotel operating company Accor group.
- According to the agreement between Accor Group and Akfen REIT, the annual rent amount to be paid to Akfen REIT for the appraised property is: “The higher one of either the 25% of Gross Income (excluding VAT) or 70 % of DBİG for IBIS”.
- The discount rate in the projection is considered as 6.75%.
- The insurance cost of the hotel has been calculated according as €10.334 in 2013 according to the realized values, and it is expected to increase by 2.5% -the inflation rate- in years and reach €14.601 in 2028.
- The annual rental charge is €110.508 for 2014 and 2017 and after 2018, it will continue rising in years to follow and in 2028, the charge of €143.125 will be paid to Eskişehir Metropolitan Municipality.
- It is assumed that the hotel’s number of beds, which is currently 108, will remain unchanged in years.
- It is assumed that the plant will remain open for 365 days.
- The renovation cost of the hotel has been calculated as 0.05% 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 is used during the studies and TL 1=€2.9365 is considered.
- Taxes and VAT are not included in the studies within IVSC (International Valuation Standards Coverage).
- In the appraisal study, Euro-based Eurobond rate for the last 6 months of 2020, which is 4,37 %, is considered as the “Risk-free Rate of Return”. (In this appraisal study, the yield of the Eurobond with the longest maturity, which is Euro based Eurobond with maturity in 2020, has been chosen as the risk free rate of return.)
- 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 4,37 %, which has been found by adding 2,38% “Risk Premium” to the 6,75 % “Risk-Free Income Rate”.
- It was assumed that the agreement between Accor Group and Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. will continue under the same conditions throughout the period during which the immovable property is utilized by Gayrimenkul Yatırım Ortaklığı A.Ş.

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

TOTAL CASH FLOW																	
YEARS	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	31.12.2027	31.12.2028	08.02.2029
ESKİŞEHİR IBIS HOTEL INCOME (€)	0	473.040	498.111	524.431	545.408	559.044	573.020	587.345	602.029	617.079	632.506	648.319	664.527	681.140	698.169	715.623	78.375
AGOP ESKİŞEHİR IBIS HOTEL (€)	0	423.844	460.255	499.258	519.229	532.209	545.515	559.153	573.131	587.460	602.146	617.200	632.630	648.446	664.657	681.273	74.613
ESKİŞEHİR IBIS HOTEL RENTAL INCOMES (€)	0	473.040	498.111	524.431	545.408	559.044	573.020	587.345	602.029	617.079	632.506	648.319	664.527	681.140	698.169	715.623	78.375
YEARLY RENT COST (€)	0	-110.508	-110.508	-110.508	-110.508	-111.809	-114.604	-117.469	-120.406	-123.416	-126.501	-129.664	-132.905	-136.228	-139.634	-143.125	-15.675
INSURANCE COST (€)	0	-10.334	-10.592	-10.857	-11.128	-11.407	-11.692	-11.984	-12.284	-12.591	-12.906	-13.228	-13.559	-13.898	-14.245	-14.601	-14.966
RENEWAL COSTS (€) (%)	0	-4.435	-4.546	-4.660	-4.776	-4.896	-5.018	-5.143	-5.272	-5.404	-5.539	-5.677	-5.819	-5.965	-6.114	-6.267	-6.86
TOTAL CASH FLOW(€)	0	347.763	372.465	398.406	418.996	430.933	441.706	452.749	464.067	475.669	487.561	499.750	512.244	525.050	538.176	551.630	47.048

Appraisal Table			
Risk Free Rate of Return (%)	4,37%	4,37%	4,37%
Risk Premiums (%)	1,88%	2,38%	2,88%
DISCOUNT RATE (%)	6,25%	6,75%	7,25%
NET PRESENT VALUE (€)	4.279.722	4.133.039	3.993.629
NET PRESENT VALUE(TL)	12.567.405	12.136.669	11.727.292

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Rental Value of the Property

YEARS	31.12.2013	31.12.2014
Average Cash Flow of Rental Value	0	447.541

Rental Appraisal Chart - Hotel			
Risk Free Rate of Return (%)	4,37%	4,37%	4,37%
Risk Premiums (%)	4,38%	4,88%	5,38%
DISCOUNT RATE (%)	8,75%	9,25%	9,75%
NET PRESENT VALUE (€)	411.532	409.649	407.782

NET PRESENT VALUE (€)	409.649
NET PRESENT VALUE (TL)	1.202.933

Number of Days Between 31.12.2012 and 31.12.2013	365
ANNUAL RENTAL VALUE OF THE HOTEL (€)	409.649
ESTIMATED ANNUAL RENTAL VALUE OF THE HOTEL(€)	410.000

7.2.3 Evaluation of The Analysis Results

The appraisal study is based on income capitalization method and discounted income approach for rent revenues. Because the owner of the property is Eskişehir Metropolitan Municipality, the application of the cost method has not been found convenient.

- The potential revenues to occur according to income capitalization analysis approach within the remaining period of the 22 years rental contract of the parcel, .the discounted net present value of the HOTEL has been calculated as **TL 17.018.000** The value of the rent income to be paid by Accor Company to Akfen REIT has been calculated as **TL 12.137.000** with income capitalization method. The final value of the hotel is the approximate arithmetic mean of the values calculated with both methods, which is **TL 14.578.000**.
- The rental value of the immovable property was calculated on the basis of the average of the net cash flow values of the first year according to the revenue reduction approach and rental revenue. The annual rental value of the immovable property was calculated by the reduction of the average net cash flows of the first year. Accordingly, the annual rental value of the hotel is **€410.000 (1.203.000.- Turkish Liras)**, the annual rental value of the restaurant is **€21.000 (62.000.- Turkish Liras)**, the annual rental value of the fitness center is **€67.000 (197.000.- Turkish Liras)** and the total rental value is **€498.000.- EURO (1.462.000.- Turkish Liras)** according to the appraisal.
- The potential revenues to occur according to income capitalization analysis approach within the remaining period of the 22 years rental contract of the parcel, .the discounted net present value of the RESTAURANT has been calculated as **TL 610.000**.
- The potential revenues to occur according to income capitalization analysis approach within the remaining period of the 22 years rental contract of the parcel, .the discounted net present value of the FITNESS CENTER has been calculated as **TL 1.760.000**.
- Accordingly, the net present value of the otel(otel+restaurant+fitness center) is calculated as **TL 16.948.000**.

Building insurance rate is calculated as **1.832.476.- EURO** according to the 2012 costs of Public Works and Settlement Directorate, and 35% of this cost is also added as equipment / furnishing cost and the final insurance rate is accordingly obtained as **2.473.843.- EURO**. Building insurance rate is given for information purposes only.

In this study, revenue capitalization and revenue reduction based on rental values was applied during appraisal. Due to the fact that the owner of the immovable property is Eskişehir Metropolitan Municipality, the cost approach was not regarded as convenient. The hotel is currently let to Accor group to be operated with a lease contract. The rent income has been 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.

The owner of the property is Eskişehir Metropolitan Municipality, and the property has been hired with a 22 years contract by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

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

Resolution with respect to VAT Application:

“By the Council of Ministers resolution numbered 2002/4480, in the delivery of residential units of net area up to 150 sqm 1%, and in the delivery of residential units of net area above 150 sqm and in the delivery of workplaces and other real properties, 18% VAT shall be applied.”

On 01.01.2013, an amendment has been made in the subject resolution for the buildings for which licenses have been received starting from that date. However, since the license for the real property under appraisal has been received prior to 01.01.2013, the real property is subject to the above mentioned law numbered 2002/4480, and within the scope of this resolution, 18% VAT has been applied for the real property under appraisal.

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 Akyurt, infrastructure and means of access, its facade to the street, land area and its zoning status. 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.

MARKET VALUE ON 31.12.2013 (VAT EXCLUDED)	
16.948.000.- TL (Sixteenmillionninehundredandfortyeightthousand.- Turkish Liras)	5.772.000.- EURO (Fivemillionsevenhundredandseventytwothousand.- EURO)
MARKET VALUE ON 31.12.2013 (VAT INCLUDED)	
19.998.640.- TL (Nineteenmillionninehundredandninetyeightthousand sixhundredandforty.- Turkish Liras)	6.810.960.- EURO (Sixmilliononeighthundredandtenthousand ninehundredandsixty.- EURO)
RENTAL VALUE (VAT EXCLUDED) DATED 31.12.2013 OF THE HOTEL + RESTAURANT + FITNESS CENTER	
1.462.000.- TL (Onemillionfourhundredandsixtytwothousand.- Turkish Liras)	498.000.- EURO (Fourhundredandninetyeightthousand.- EURO)
RENTAL VALUE (VAT INCLUDED) DATED 31.12.2013 OF THE HOTEL + RESTAURANT + FITNESS CENTER	
1.725.160.- TL (Onemillionsevenhundredandtwentyfivethousandand onehundredandsixty.- Turkish Liras)	587.640.- EURO (Fivehundredandeightysevenhousand sixhundredandforty.- EURO)

- 1- This value is net present value.
- 2- VAT is included and assumed as 18%.
- 3- Exchange rate has been taken as USD 1 = TL 2,1343 and EURO 1 = TL 2,9365. The value in EURO is given only for information purpose.
- 4- This report has been prepared further to the related provisions of the Capital Markets Regulation.
- 5- 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.

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

Bilge KALYONCU Appraiser (402484)	Bilge BELLER ÖZÇAM Responsible Appraiser (400512)
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SECTION 9

ANNEX

AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI A.Ş.

SECTION 9

ANNEX

Ek Listesi

1	Sector Report
2	Title Deed Photocopies
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4	Sketch Zoning
5	Zoning Status Document
6	Licence and Use Permit Photocopies
7	Approved Architectural Project
8	Contract Photocopies
9	Photos
10	CVs