



NET KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.

Real Estate Appraisal Report



**TROY** ÇEVİRİ, TERCÜME VE BAKIM  
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Private 2021 - 1801

December, 2021

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<b>Claimant</b>	Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.
<b>Issued By</b>	Net Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş.
<b>Date of Report</b>	31.12.2021
<b>Report No</b>	Private 2021-1801
<b>Subject of Report</b>	Determination of Fair Market Value of Real Estate
<b>Subject and Scope of Appraisal</b>	Determination of the fair market value of the immovables qualified as "Hotel" in the independent section with number 1 and as "Shop" in the independent sections with number 2, 3, 4, 5 and 6 included in the master immovable property that is qualified as 9 FLOORS HOTEL AND OFFICES in İstanbul Province, Beyoğlu District, Kemankeş Neighborhood, Block 77, Parcel 64 in Turkish Lira as of 31.12.2021.

➤ This report consists of Seventy Three (73) pages and is a whole with its annexes.

➤ This report has been prepared within the scope of the provisions of the Capital Markets Board's "Communiqué No. III-62.3 on Real Estate Appraisal Institutions that will Operate in the Capital Markets" and the "Minimum Issues Required to be Included in Appraisal Reports" in the annex of this communiqué.



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**EXECUTIVE SUMMARY**

<u>Claimant</u>	Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.
<u>Report No and Date</u>	Private 2021-1801 / 31.12.2021
<u>Subject and Scope of Appraisal</u>	This report has been prepared, upon the request of the customer, within the framework of the principles specified in the relevant communiqué, to be used within the scope of the CMB legislation, for the determination of the current fair market value in line with the market conditions and economic indicators on the appraisal date of the real estate in the specified record.
<u>Open Address of Real Estate</u>	Kemankeş Karamustafapaşa Mahallesi, Kemankeş Caddesi– Novotel No:57-59/A ve Mumhane Caddesi No: 32A, B, C, D Beyoğlu - İSTANBUL
<u>Land Registry Details</u>	Real estates qualified as "Hotel" in the independent section with number 1 and as "Shop" in the independent sections with number 2, 3, 4, 5 and 6 included in the master immovable property that is qualified as 9 FLOORS HOTEL AND OFFICES
<u>Actual Use (Current Status,)</u>	Independent sections with no 1 and 2 out of the Real estates subject to this report are being used as hotel and the other independent sections are being used as a restaurant within the scope of the hotel.
<u>Zoning Status</u>	Referring to the verbal information taken from Beyoğlu Municipality, while the parcel in which the immovable properties exist is located in the area of Tourism + Service + Trade within the scope of the 1/1000 scaled Urban Site Protection Implementation Development Plan with 1/1000 scale dated 21.12.2010 It has been learned that the zoning plans were canceled by the Administrative Court's decision dated 12.04.2017, w/o docket number. In case of performing new construction or repair works on the parcel, it is necessary to obtain the opinion of the Cultural Assets Protection Board.
<u>Restriction Status (Negative decision such as demolition, etc., reports, minutes, lawsuits or situations that prevent disposition)</u>	There are no records that may create restrictions in the land registry of Real estates.
<u>Fair Market Value</u>	<b>958,900,000.00-TL</b> <b>(Nine Hundred Fifty-Eight Million Nine Hundred Thousand Turkish Liras)</b>
<u>18% VAT Included Fair Market Value</u>	<b>1,131,502,000.00-TL</b> <b>(One Billion One Hundred Thirty-One Million Five Hundred Two Thousand Turkish Liras)</b>
<u>Explanation</u>	There was no situation that would adversely affect the appraisal process.
<u>Prepared By</u>	Buğra Uğur YAP – CMB License No: 408393 Raci Gökcehan SONER – CMB License No: 404622
<u>Responsible Appraiser</u>	Erdeniz BALIKÇIOĞLU – CMB License No: 401418

## 1. REPORT DETAILS

### 1.1 Appraisal Date, Date of Report and Report No

The appraisal of the aforementioned transaction started as of the contract date and completed on 30.12.2021 as a final report with the report no. Private 2021-1801.

### 1.2 Purpose of Appraisal

This report is the Real Estate Appraisal Report that has been prepared upon the request of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. to determine the fair market value of the immovables qualified as "Hotel" in the independent section with number 1 and as "Shop" in the independent sections with number 2, 3, 4, 5 and 6 included in the master immovable property that is qualified as 9 FLOORS HOTEL AND OFFICES in İstanbul Province, Beyoğlu District, Kemankeş Neighborhood, Block 77, Parcel 64 in Turkish Liras. The purpose of the appraisal, as stated in the contract signed between the parties, is the preparation of the appraisal report containing the fair market value dated 31.12.2021 for the purpose of appraisal of the real estate, details of which are given.

### 1.3 Scope of the Report (Whether it is within the Scope of CMB Legislation)

This report has been prepared within the framework of the provisions of the Capital Markets Board's "Communiqué No. III-62.3 on Real Estate Appraisal Companies That will Operate in the Capital Markets" and the "Minimum Issues Required to be Available in Appraisal Reports" in the annex of this communiqué, and within the scope of the second paragraph of Article 1 of the Communiqué "Real estate appraisal activities in the capital market refer to to the independent and impartial appraisal of the probable value of the real estates of joint partnerships, issuers and capital market institutions which are subject to the transactions within the scope of capital market legislation, their real estate projects or rights and benefits related to real estates within the framework of the Board regulations and the appraisal standards accepted by the Board." .

### 1.4 Date and Number of Reference Contract

It was signed on 29.09.2021 between Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. and Net Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş.

### 1.5 Those who Prepared the Report and the Responsible Appraiser

This report has been prepared by Real Estate Appraiser Buğra Uğur YAP, checked by Real Estate Appraiser Raci Gökcehan SONER and approved by Responsible Appraiser Erdeniz BALIKÇIOĞLU.

### 1.6 Information on the Last Three Appraisals Performed by Our Company in the Past for the Real Estate Subject to the Appraisal

No report has been prepared by our company previously for the real estate subject to the appraisal.



## **2. IDENTIFICATION DETAILS OF THE APPRAISAL COMPANY (ORGANIZATION) AND THE CLAIMANT (CUSTOMER)**

### **2.1 Details and Address of the Appraisal Company**

Our company NET Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş., which was established on 08.08.2008 in Ankara to provide real estate appraisal and consultancy services and has its headquarters at Emniyet Mahallesi Sınır Sokak No: 17/1 Yenimahalle/Ankara, was included in the "Board List" in November 2009 in accordance with the Communiqué Serial: VIII, No: 35 of the Capital Markets Board. Our company has also been authorized by the Banking Regulation and Supervision Agency, with the decision dated 11.08.2011 and numbered 20855, to provide "appraisal services for real estates, real estate projects and rights and benefits related to real estates" to the banks.

**Capital** : 1,200,000.-TL  
**Trade Registry** : 256696  
**Telephone** : 0 312 467 00 61 Pbx  
**E-Mail / Web** : info@netgd.com.tr\_\_www.netgd.com.tr  
**Address** : Emniyet Mahallesi Sınır Sokak No:17/1 Yenimahalle/Ankara

### **2.2 Details and Address of the Claimant (Customer)**

**Company Title** : Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.  
**Company Address** : Büyükdere Cad. No:201 C Blok Kat:8 Levent-Istanbul  
**Company Purpose** : To engage in the purposes and subjects written in the regulations of the Capital Markets Board regarding Real Estate Investment Trusts.

**Capital** : 1,300,000,000.-TL  
**Phone** : 0 212 371 87 00  
**E-Mail** : [www.akfengyo.com.tr](http://www.akfengyo.com.tr)

### **2.3 Scope of Customer Requests and Limitations, If Any**

This report has been prepared upon the request of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. to determine the fair market value of the Real estates qualified as "Hotel" in the independent section with number 1 and as "Shop" in the independent sections with number 2, 3, 4, 5 and 6 included in the master immovable property that is qualified as 9 FLOORS HOTEL AND OFFICES in İstanbul Province, Beyoğlu District, Kemankeş Neighbourhood, Block 77, Parcel 64 in Turkish Liras. No limitations have been imposed by the customer.

### **2.4 Scope of Work**

The scope of the work is the preparation of the appraisal report and delivery of it to the customer with a wet signature, based on the title deed information requested by the customer, within the scope of the CMB legislation and within the framework of minimum issues.

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### 3. DETAILS ON THE LEGAL STATUS OF THE REAL ESTATE

#### 3.1 Details about the Place, Location, Definition and Environmental Organization of the Real Estate

The real estate subject to this report is located in İstanbul Province, Beyoğlu District, Kemankeş Karamustafapaşa neighborhood. The real estate is located facing Kemankeş Street which is the main artery of the zone. To access the real estate while moving towards Dolmabahçe on Kemeraltı Street, we turn to Maliye Street on the right and after going 200m we take the Kemankeş Street. The real estate is located on the left about 250m onward on this street. The immediate vicinity of the real estate has completed its development in the form of housing, business places and offices, and became the center of attraction of İstanbul province from a historical and touristic point of view. The real estate adjacent to the Galataport project, which will be operational in the near future; is located close to district centers like Beyoğlu, Besiktas and squares in Eminonu, Karaköy, and Taksim.



**Coordinates: Latitude: 41.0250 - Longitude: 28.9795**



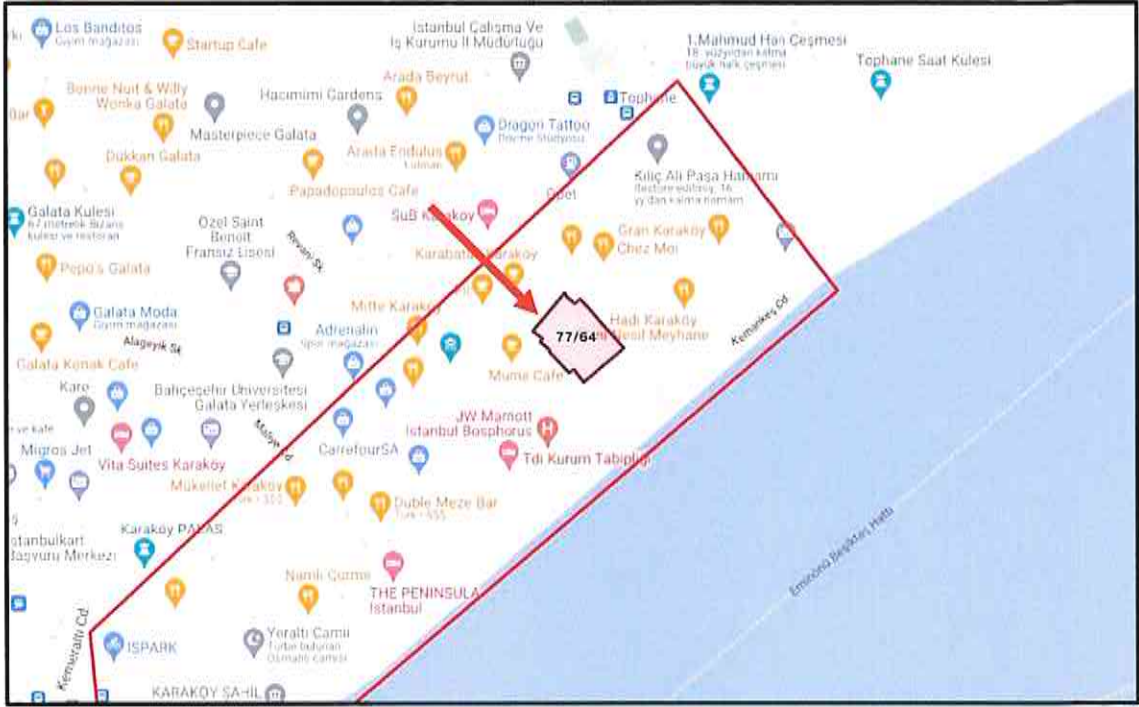
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Net Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş.

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### 3.2 Land Registries of the Real Estate

PROVINCE – DISTRICT	: İSTANBUL - BEYOĞLU
NEIGHBORHOOD – VILLAGE - LOCATION	: KEMANKEŞ NEIGHBORHOOD
VOLUME - PAGE NO	: 18/1711
BLOCK - PARCEL	: 77/64
AREA	: 3,074.58 M <sup>2</sup>
QUALIFICATION OF MAIN REAL ESTATE	: 9 FLOORS HOTEL AND OFFICES
REAL ESTATE ID	: 95626353
QUALIFICATION OF INDEPENDENT SECTION	: HOTEL
PLOT NUMERATOR / DECIMATOR	: 919/1000
BLOCK / FLOOR / I.S. NO:	: - /3rd BASEMENT+2nd BASEMENT+1st BASEMENT + GROUND FLOOR +1.+2.+3.+4.+5+WINTER GARDEN./ 1 1
OWNER - SHARE	: Note 1
REASON OF ACQUISITION DATE-JOURNAL	: Creating Condominium – 23.03.2017 - 2766

PROVINCE – DISTRICT	: İSTANBUL - BEYOĞLU
NEIGHBORHOOD – VILLAGE - LOCATION	: KEMANKEŞ NEIGHBORHOOD
VOLUME - PAGE NO	: 18/1712
BLOCK - PARCEL	: 77/64
AREA	: 3,074.58 M <sup>2</sup>
QUALIFICATION OF MAIN REAL ESTATE	: 9 FLOORS HOTEL AND OFFICES
REAL ESTATE ID	: 95626354
QUALIFICATION OF INDEPENDENT SECTION	: SHOP WITH STORE
PLOT NUMERATOR / DECIMATOR	: 38/1000
BLOCK / FLOOR / I.S. NO:	: - /GROUND FLOOR/ 2
OWNER - SHARE	: Note 1
REASON OF ACQUISITION DATE-JOURNAL	: Creating Condominium – 23.03.2017 - 2766



PROVINCE – DISTRICT	: İSTANBUL - BEYOĞLU
NEIGHBORHOOD – VILLAGE - LOCATION	: KEMANKEŞ NEIGHBORHOOD
VOLUME - PAGE NO	: 18/1713
BLOCK - PARCEL	: 77/64
AREA	: 3,074.58 M <sup>2</sup>
QUALIFICATION OF MAIN REAL ESTATE	: 9 FLOORS HOTEL AND OFFICES
REAL ESTATE ID	: 95626355
QUALIFICATION OF INDEPENDENT SECTION	: SHOP
PLOT NUMERATOR / DECIMATOR	: 2/1000
BLOCK / FLOOR / I.S. NO:	: - /GROUND FLOOR/ 3
OWNER - SHARE	: Note 1
REASON OF ACQUISITION DATE-JOURNAL	: Creating Condominium – 23.03.2017 - 2766

PROVINCE – DISTRICT	: İSTANBUL - BEYOĞLU
NEIGHBORHOOD – VILLAGE - LOCATION	: KEMANKEŞ NEIGHBORHOOD
VOLUME - PAGE NO	: 18/1714
BLOCK - PARCEL	: 77/64
AREA	: 3,074.58 M <sup>2</sup>
QUALIFICATION OF MAIN REAL ESTATE	: 9 FLOORS HOTEL AND OFFICES
REAL ESTATE ID	: 95626356
QUALIFICATION OF INDEPENDENT SECTION	: SHOP WITH STORE
PLOT NUMERATOR / DECIMATOR	: 28/1000
BLOCK / FLOOR / I.S. NO:	: - /GROUND FLOOR/ 4
OWNER - SHARE	: Note 1
REASON OF ACQUISITION DATE-JOURNAL	: Creating Condominium – 23.03.2017 - 2766

PROVINCE – DISTRICT	: İSTANBUL - BEYOĞLU
NEIGHBORHOOD – VILLAGE - LOCATION	: KEMANKEŞ NEIGHBORHOOD
VOLUME - PAGE NO	: 18/1715
BLOCK - PARCEL	: 77/64
AREA	: 3,074.58 M <sup>2</sup>
QUALIFICATION OF MAIN REAL ESTATE	: 9 FLOORS HOTEL AND OFFICES
REAL ESTATE ID	: 95626412
QUALIFICATION OF INDEPENDENT SECTION	: SHOP WITH STORE
PLOT NUMERATOR / DECIMATOR	: 5/1000
BLOCK / FLOOR / I.S. NO:	: - /GROUND FLOOR/ 5
OWNER - SHARE	: Note 1
REASON OF ACQUISITION DATE-JOURNAL	: Creating Condominium – 23.03.2017 - 2766

PROVINCE – DISTRICT	: İSTANBUL - BEYOĞLU
NEIGHBORHOOD – VILLAGE - LOCATION	: KEMANKEŞ NEIGHBORHOOD
VOLUME - PAGE NO	: 18/1716
BLOCK - PARCEL	: 77/64
AREA	: 3,074.58 M <sup>2</sup>
QUALIFICATION OF MAIN REAL ESTATE	: 9 FLOORS HOTEL AND OFFICES
REAL ESTATE ID	: 95626413
QUALIFICATION OF INDEPENDENT SECTION	: SHOP WITH STORE
PLOT NUMERATOR / DECIMATOR	: 8/1000
BLOCK / FLOOR / I.S. NO:	: - /GROUND FLOOR/ 6
OWNER - SHARE	: Note 1
REASON OF ACQUISITION DATE-JOURNAL	: Creating Condominium – 23.03.2017 - 2766



**NOTE 1** Real estates have multi-property owners and all of them are qualified as foundations. The right of "Leasing with the provision of Performing Construction Works" valid from 01.09.2009 to 01.09.2058 on all shares of the foundation in favor of Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. in which Akfen GYO A.Ş. owns 19,90% shares.

**3.3 Information on Any Encumbrances or Limitations Regarding the Transfer of Real Estate**

Joint records that have been noted for the real estate Land Registry documents which were started to be obtained on online TKGM portal of General Directorate of Land Registry and Cadastre as of 27.10.2021 at 11:52 are as follows;

\*Other Easement Right: Easement Right for 49 years as transformer location of 46.54 m2 in favor of the General Directorate of Türkiye Elektrik Dağıtım Anonim Şirketi Beneficiary: TÜRKİYE ELEKTRİK DAĞITIM A.Ş. (TEDAŞ) (dated 17.09.2015 with roll number 9714 )

\* There is a lease agreement for a price of 264.141 TL. Beneficiary: AKFEN KARAKÖY GAYRİMENKUL YATIRIMLARI VE İNŞAAT ANONİM ŞİRKETİ (dated 04.12.2012 with roll no 8861)

**3.4 Information regarding the purchase and sale transactions that took place in the last three years, if any, and the changes in the legal status of the real estate (changes in the zoning plan, expropriation transactions, etc.)**

The subject real estate has been acquired as a result of condominium ownership established as of 23.03.2017. It has not been subject to purchase and sale in the last three years. There is no change in its zoning and legal status.

**3.5 Information on the Zoning Status of the Real Estate and the Region in Which it is Located**

Referring to the verbal information taken from Beyoğlu Municipality, while the parcel in which the immovable properties exist is located in the area of Tourism + Service + Trade within the scope of the 1/1000 scaled Urban Site Protection Implementation Development Plan with 1/1000 scale dated 21.12.2010 It has been learned that the zoning plans were canceled by the Administrative Court's decision dated 12.04.2017, w/o docket number. In case of performing new construction or repair works on the parcel, it is necessary to obtain the opinion of the Cultural Assets Protection Board.

**3.6 Explanations Regarding the Suspension Decision, Demolition Decision, Risky Building Detection, etc. Taken for the Real Estate**

Referring to the review of documents performed for the real estates in question at Beyoğlu Municipality's Zoning Unit It has been determined that there is a Building Alteration Report with No. 2192 dated 25.12.2015. The report has been issued due to the changes made in the Floor Plans, addition of a shop in the ground floor and the implementations took place on the roof floor breaching the design. As a result of the examinations performed on site, it has been determined that 5th floor has been turned into a full floor and the legality has been achieved with the Building Registration Certificate dated 20.12.2018 with number HNTF4AC.

**3.7 Information on Contracts Concluded for the Real Estate (Preliminary Contract for Real Estate Sale, Construction Contract in Return for Flat or Revenue Sharing Contracts, etc.)**

There are multiple property holder foundations for the real estate in question, all property holders have the right of "Leasing with the provision of Performing Construction Works" valid from 01.09.2009 to 01.09.2058 in favor of Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. where Akfen GYO A.Ş. has 19,90% shares.



**3.8 Information on Building Licenses, Modification Licenses, and Building Occupation Permits for Real Estates and Real Estate Projects, and Information on Whether All Permissions Required to be Obtained in accordance with the Legislation have been Obtained and Whether the Documents Legally Required are Fully and Correctly Available**

It has been observed that the permits required to be obtained in accordance with the legislation for the real estates subject to the report have been obtained and that the legally required documents are fully and correctly available.

**Architectural Project:** Approved on 12.01.2016

**New Building License:** It has been issued for 20.926,10 m2 construction area on 17.08.2012 with no 03-45.

**Modification License:** It has been issued for 20.926,10 m2 construction area on 18.01.2016 with no 2016/01-11.

**Occupancy Permit:** It has been issued for 20.926,10 m2 construction area on 12.02.2016 with no 2016/14-1587.

**Building Registration Certificate** Building Registration Certificate issued for 1232,03 m2 area on 20.12.2018 with no HNTF4AC

**Tourism Operation Certificate:** 18.05.2015 - 16082 (177 rooms(2 beds)+ 354 beds + 21 suites (2beds), 42 Beds + 1 suite (4beds)- 4 Beds + 2 physically disabled rooms(2 beds) + 4 beds Total: 200 rooms + 400 beds + 2nd class a la carte restaurant with 200 people capacity, 2nd class a la carte restaurant with 160 people capacity, breakfast hall with 160 people capacity, a multi-purpose hall with 100 people capacity, a meeting hall for 104 persons, a meeting hall for 50 persons, a conference hall for 250 people, bar hall for 100 people, indoor pool, sauna, apparatus gym, massage room, (4) skin care units, ladies/gentlemen hairdresser, sales unit (2), 130 parking lot for cars

**3.9 Information About the Building Inspection Institution (Trade Name, Address, etc.) Performing Inspections in accordance with the Law No. 4708 on Building Inspection dated 29/6/2001, in relation to the Projects Appraised, and the Inspections it Carried Out Regarding the Appraised Real Estate**

The building inspection service of the real estate subject to the report was carried out by Pegasus Yapı Denetim Hizmetleri Ltd.. Şti. Address of Pegasus Yapı Denetim Hizmetleri Ltd. Şti. is Güzelyalı Mahallesi 81106. Sokak No:4 Çukurova, İstanbul.

**3.10 If appraisal is performed on the basis of a specific project, detailed information about the project and an explanation that the plans and the value in question are entirely related to the current project and that the value to be found may be different if a different project is implemented**

There is a building, the kind of which has been changed, used as a hotel and workplace on the parcel in question. The appraisal has been made regarding the current project and legal documents prepared and approved for these real estates. A different project appraisal has not been made.

**3.11 Information on the Energy Efficiency Certificate of the Real Estate, If Any**

We have determined that the real estate in question has Energy Efficiency ID Certificate validity of which starts on 29.06.2015 and ends on 29.06.2025, with serial number S342B40986249, Type BepTr, Category B.



#### 4. PHYSICAL PROPERTIES OF THE REAL ESTATE

##### 4.1 Analysis of the Area Where the Real Estate is Located and the Data Used

The findings unearthed during the archaeological excavations in Yenikapı revealed that the history of Istanbul dates back to 8,500 years ago. Since its establishment, Istanbul has developed under the rule of many states in history and has been the center of various cultures. Undoubtedly, the most striking feature of Istanbul's history is that it was the capital of three universal empires such as the Roman, Byzantine and Ottoman Empires. In the 4th century AC, the Roman Empire expanded a lot; and due to its strategic location, Istanbul was chosen by the Emperor Constantine the Great as the new capital instead of Rome. The city was reorganized in more than 6 years, the walls were expanded, temples, official buildings, palaces, baths and hippodrome were built. With the great ceremonies held in 330, it was officially declared that Istanbul was the capital of the Roman Empire. The city, which was known as the Second Rome and New Rome at the beginning of the Modern Age, was later named "Byzantium" and later Constantinople. Among the people, the name of the city has been referred to as "Polis" throughout history. It is understood that the efforts of the emperors after the Great Constantine to beautify the city continued. The first churches in the city were also built after Constantine. Due to the collapse of the Western Roman Empire in the 5th century, Istanbul has been the capital of the Eastern Roman Empire (Byzantine) for many years. The city, which was rebuilt in the Byzantine period, was extended again by walls. Today, the magnificent city walls with a length of 6492 meters were built by Emperor Theodosius II. In the 6th century, the city, whose population exceeded half a million, experienced another golden age under the rule of Emperor Justinian. Hagia Sophia, which has survived to the present day, is a work of this period. The Latin domination, which was a dark period between 726-842 years, started with the invasion of the city by the Crusader Arms of the 4th Crusade in 1204, and the city was plundered for years, up to all churches, monasteries and monuments. The city, the governance of which was again in the hands of the Byzantines in 1261, could not regain its former wealth. After Istanbul was conquered by Mehmed the Conqueror in 1453, it had been the capital of the Ottoman Empire for 470 years until 1923. Istanbul, which became the center of science, culture and art in the Ottoman period, has achieved a magnificent tolerance where mosques, synagogues and churches live side by side. The large cannons of Mehmed the Conqueror, used for the first time in the history of the world war, are an important reason for overcoming the walls of Istanbul. After the conquest, the capital of the Ottoman Empire was moved here, the population of the city was increased with the immigrants brought from various parts of the country, and the construction works of the empty and ruined city were started. Freedom of religion and social rights were granted to the former people of the city and they were allowed to continue their lives. A hundred years after the conquest, Turkish Art left its mark on the city, and domes and minarets dominated the silhouette of the city. Istanbul, which first joined the territory of the Ottoman Empire on May 29, 1453, was divided into four administrative units in 1459, each with a different demographic structure. Istanbul, which entered the 16th century as one of the most important and large cities of the historical scene, suffered a great deal of damage in the 14 September 1509 earthquake, known as the Little Apocalypse. After this great destruction, Istanbul, which was almost re-established by Sultan Beyazıt II with the employment of 80 thousand people, continued to increase its importance in the historical scene. Having acquired many valuable works between 1520 and 1566 under the rule of Suleiman the Magnificent, Istanbul has a city plan that extends to the present day and has continued its development. Istanbul, which has become the center of the entire Islamic world on the occasion of the Ottoman sultans becoming Caliphs since the 16th century, has become the "World Capital" by hosting not only the Islamic world but also all religions and cultures. In the period known as the Tulip Era under the grand viziership of Nevşehirli Damat Ibrahim Pasha between 1718-1730, the winds of change began to blow in Istanbul with the establishment of the fire department, the opening of the first printing house and the establishment of various factories. With the declaration of the First Constitutional Monarchy on 23 December 1876 and the Second Constitutional Monarchy on 24 July 1908, the Ottoman State changed shape. With the effect of this change, the first province was established in Istanbul with a law dated 1909. (tr.wikipedia.org.tr)



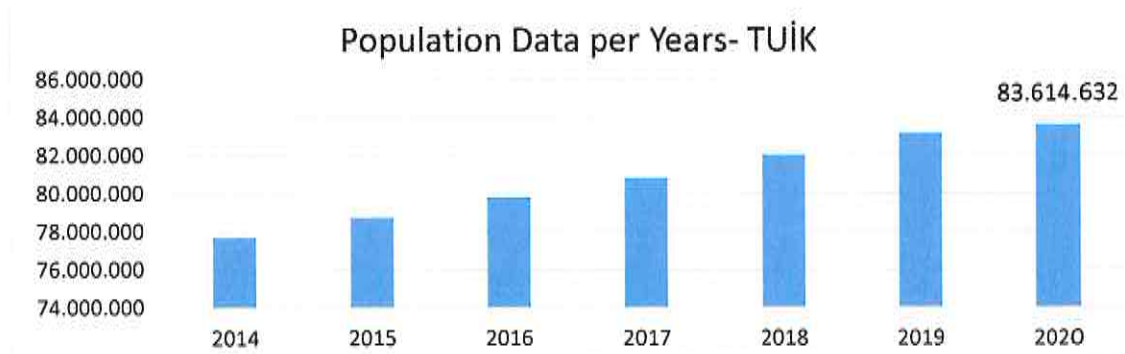
İlçelere Göre İstanbul Nüfusu

Yıl	İlçe	İlçe Nüfusu	Erkek Nüfusu	Kadın Nüfusu	Nüfus Yüzdesi
2020	Esninyurt	957.398	491.843	465.555	% 6,19
2020	Küçükçekirce	789.633	395.884	393.749	% 5,11
2020	Bağcılar	737.206	374.476	362.731	% 4,77
2020	Pendik	726.481	367.167	359.314	% 4,70
2020	Umraniye	719.803	358.075	355.728	% 4,62
2020	Bahçeşehir	692.371	298.341	294.030	% 3,83
2020	Sultangazi	637.488	374.044	263.444	% 3,46
2020	Üsküdar	620.771	253.680	267.091	% 3,37
2020	Maltepe	618.021	256.860	258.162	% 3,33
2020	Gaziosmanpaşa	487.778	244.783	242.995	% 3,16
2020	Kadıköy	481.983	218.424	263.559	% 3,12
2020	Kartal	474.514	234.018	239.898	% 3,07
2020	Bağcışehir	469.524	236.989	233.335	% 3,04
2020	Sarıyer	456.861	231.744	225.117	% 2,98
2020	Esenler	446.276	229.277	216.999	% 2,89
2020	Kağıthane	442.418	223.447	218.968	% 2,86
2020	Avcılar	436.097	219.428	217.469	% 2,83
2020	Ataşehir	422.594	207.097	214.897	% 2,73
2020	Cyuspaatan	409.849	203.218	202.027	% 2,62
2020	Fatih	396.594	199.149	197.445	% 2,56
2020	Beyliközü	369.572	178.019	188.957	% 2,36
2020	Sultanbeyli	343.318	178.121	167.197	% 2,22
2020	Sarıyer	335.298	165.405	169.893	% 2,17
2020	Arnavutköy	296.709	152.088	144.041	% 1,92
2020	Zeytinburnu	283.857	143.186	140.467	% 1,83
2020	Güngören	280.299	141.440	138.853	% 1,81
2020	Çekmeköy	273.896	136.842	136.816	% 1,77
2020	Tuzla	273.808	139.481	134.127	% 1,77
2020	Bayrampasa	269.950	135.684	134.266	% 1,76
2020	Şişli	266.793	129.931	136.862	% 1,73
2020	Üyükçekirce	257.362	127.401	129.961	% 1,66
2020	Beykoz	246.110	122.420	123.689	% 1,59
2020	Beyoğlu	228.390	118.771	109.626	% 1,49
2020	Bakırköy	228.229	105.741	120.488	% 1,46
2020	Bilivri	200.219	113.154	87.061	% 1,29
2020	Beyliköy	178.813	86.715	95.798	% 1,14
2020	Catalca	74.975	38.447	36.628	% 0,48
2020	Sile	37.804	19.709	18.195	% 0,25
2020	Adalar	16.033	8.358	7.675	% 0,10

## 4.2 Analysis of Current Economic Conditions, Real Estate Market, Current Trends and Reference Data and Their Effects on the Value of Real Estate

### Some Economic Data and Statistics

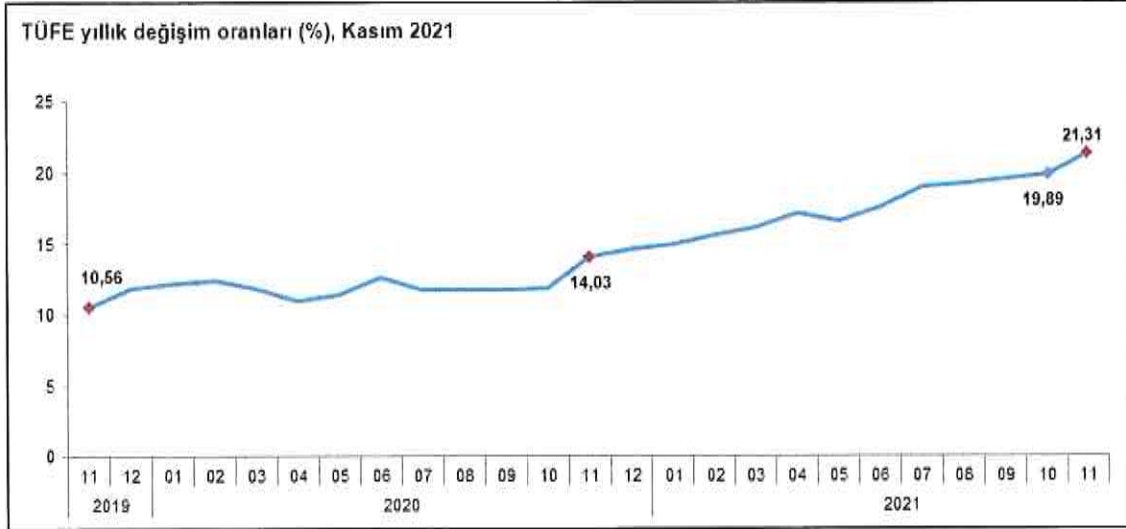
#### Δ Population:



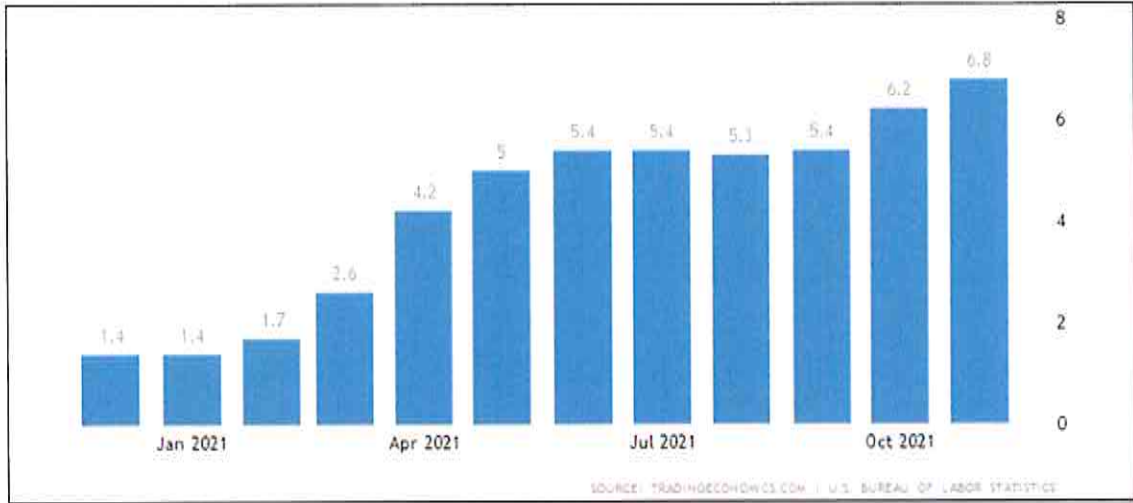
As of 31 December 2020, the population residing in Turkey increased by 459 thousand 365 people compared to the previous year and reached 83 million 614 thousand 362 people. While the male population was 41 million 915 thousand 985 persons, the female population was 41 million 698 thousand 377 persons. In other words, 50,1% of the total population is men and 49,9% is women.



**Δ CPI/Inflation Indexes;**

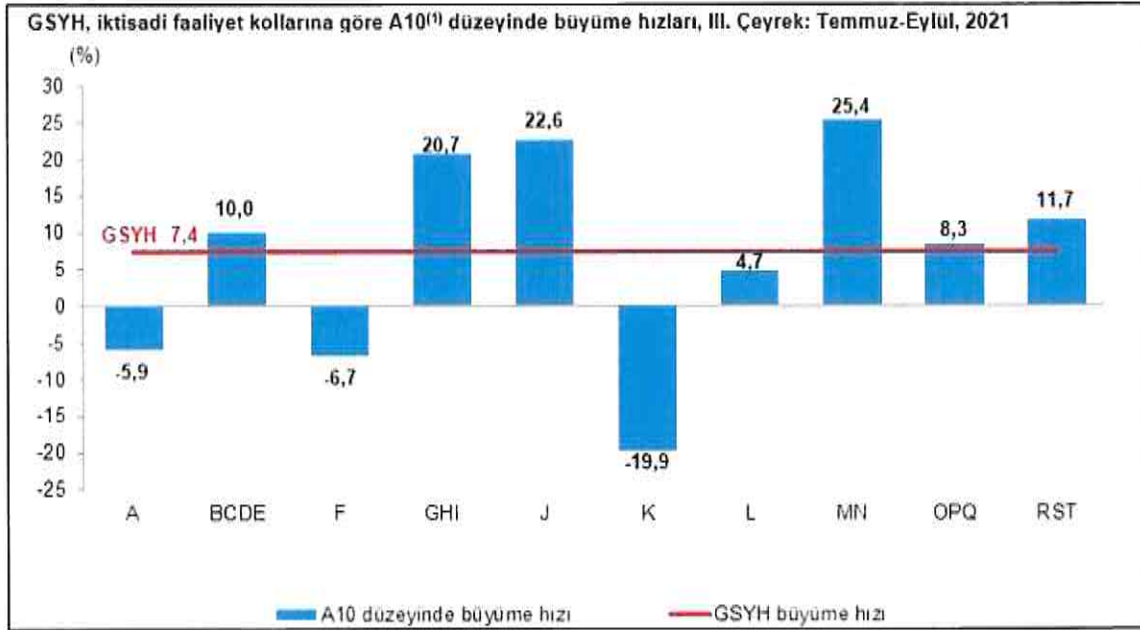


In November 2021, the CPI (2003=100) increased by 3.51% compared to the previous month, by 19.82% compared to December of the previous year, by 21.31% compared to the same month of the previous year and by 17.71% on the averages of twelve months. (TUIK.)



The U.S. consumer price index graph and rates for the last year are as above. As of 2020, the annual inflation rate was 2.3 on an annual basis until April, while it decreased significantly with April, and this rate fell below 0.5%. The inflation rate, which was 1.7% in January 2021, has increased continuously since this month and reached 6.8% as of November.

**Δ GDP/Growth Indices:**



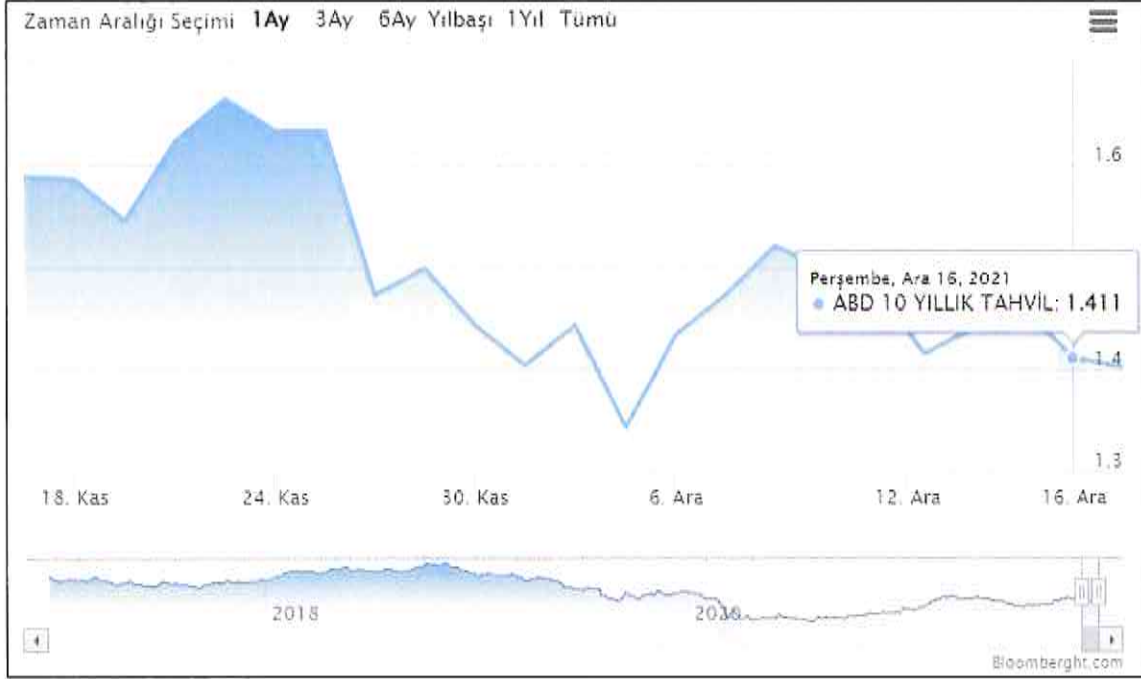
**GDP increased by 7.4% compared to the same quarter of the previous year, as the first forecast for the third quarter of 2021, as a chained volume index.** In the third quarter of 2021, as a chained volume index compared to the previous year, professional, administrative and support service activities increased by 25.4%, information and communication activities by 22.6%, services by 20.7%, other service activities by 11.7%, industry by 10.0%, public administration, education, human health and social services activities by 8.3% and real estate activities by 4.7%. Finance and insurance activities decreased by 19.9%, construction by 6.7%, and agriculture, forestry and fishery by 5.9%. (TUIK)

**Δ TR and USD and EURO 10-Year Government Bonds Exchange:**

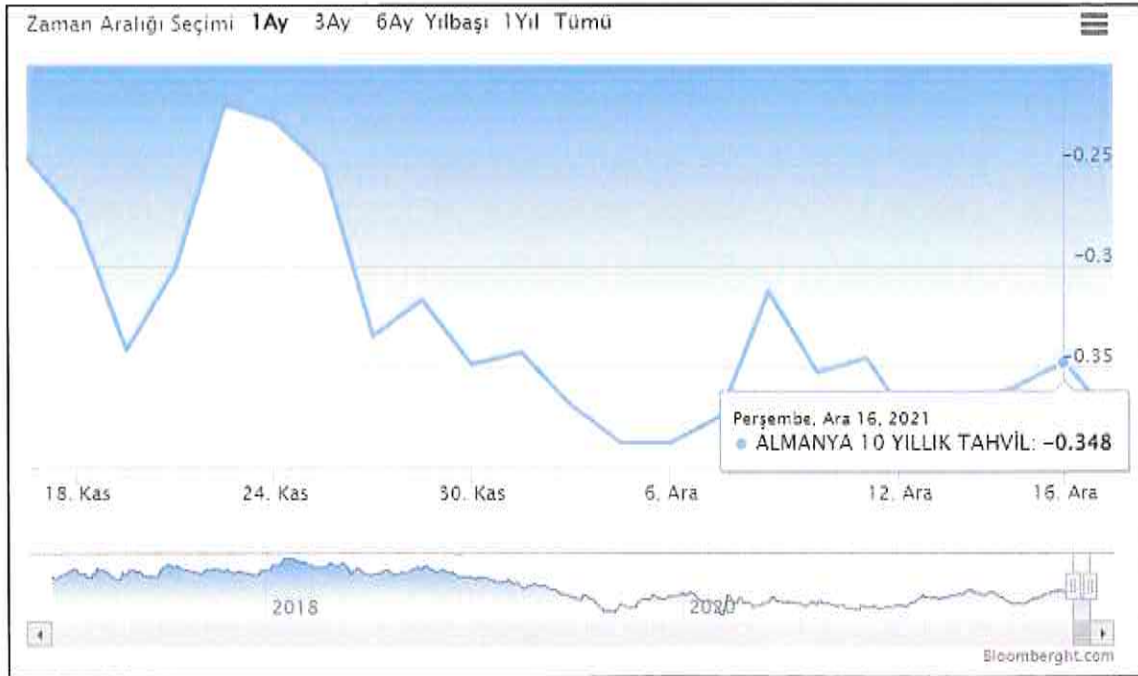


While the bond rates, which are TR 10-year GDDS, were around 10% in the last 10 years, they increased with the second quarter of 2018 and reached 20% and above. As of December 2021, it is around 22% on average. (Graph: Bloomberght.com)



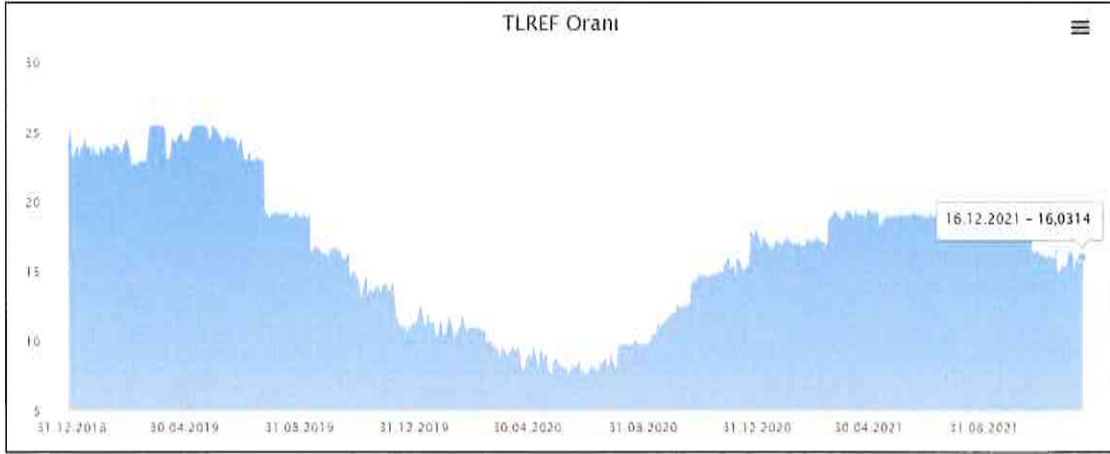


While the bond rates, which are USD 10-year GDDS, were around 2% in the last 10-year period, they dropped seriously with the last quarter of 2019 and decreased to 1.5% and below, and decreased to an average of 0.6% as of March 2020 until today. As of December 2021, it is around 1.4% on average. (Graph: Bloomberght.com)



As of May 2019, the Euro 10-year German Bond fell below 0 and continues its course in a negative direction today. As of December 2021, it is around -0.35 % on average. (Graph: Bloomberght.com)

**LIBOR Interest Rate Change;**



The chart above, prepared with the Turkish Lira Reference Interest Rates application published by the TBB, shows the TR Libor interest rates over the years. TR 12-month Libor interest rate is at the level of 19.02% as of 30.06.2021. As seen in 2021, TR annual Libor interest rate continues to decrease by % negative after mid-October.



The chart above, prepared with the USD Reference Interest Rates application published by the ICE, shows the USD Libor interest rates over the years. USD 12-month Libor interest rate is at the level of 0.5% as of 30.06.2021. As seen in 2021, the USD Libor interest rate continues to be below 0.5% as of December.

**ROY** ÇEVİRİ TERJÜME VE BAĞIMLI  
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Turan Güneş Bulvarı No: 44/7 Çankaya/ANKA  
Tel: 0312 440 91 99 Fax: 0312 410 52 32  
Sıgmenler V.D. 859 047 0140

I hereby confirm that I have translated this  
letter based on the original document.  
Certified Translator  
Çağrı Meydan

*[Handwritten Signature]*

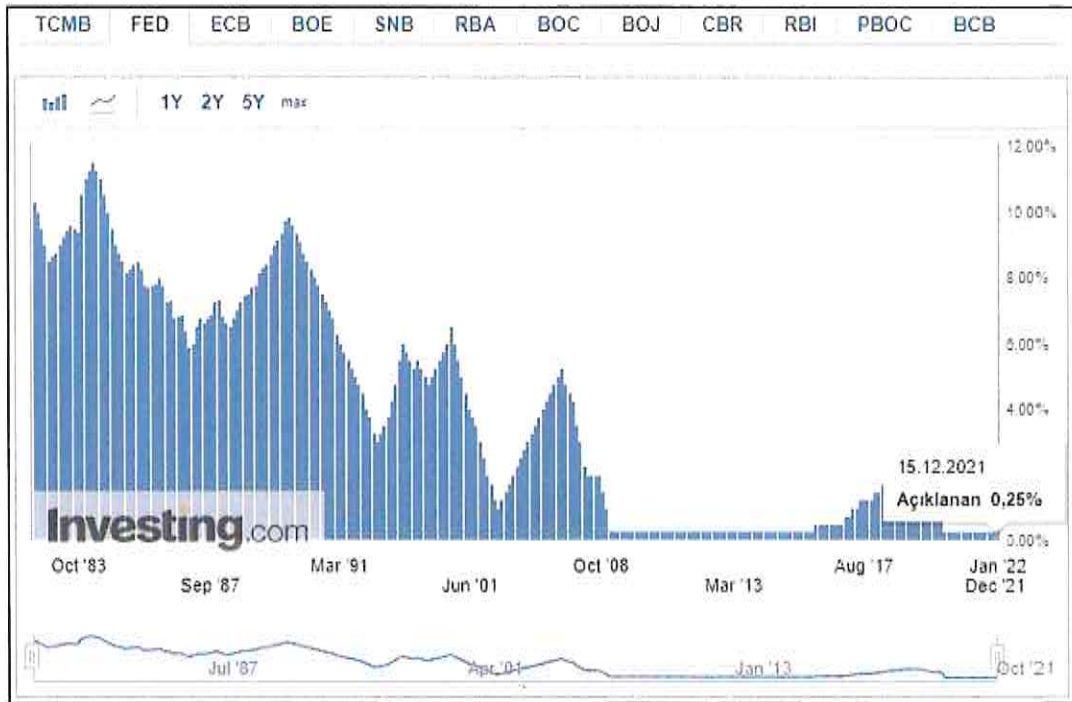
**NET KURUMSAL**  
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Mersis No: 0631054938900019



**Δ CBRT and FED Interest Rate Change;**



According to the latest data announced by the Central Bank of the Republic of Turkey, the interest rate is 19.00%. This ratio, which changed between 2010 and 2018 on average between 5.0% - 7.5%, has risen above the level of 20.00% as of May 2018, dropped below 10.00% as of 2020, started to decline as of the 15th of November, and was 14% in the middle of December.



According to the latest data announced by the US Federal Reserve, the interest rate is 0.25%. While it increased to the level of 2.50% as of 2017 – 2019, the interest rate gradually decreased as of 2021 and continues to remain below 0.50%.

**Δ Turkey CDS Risk Premium;**



It has been observed that Turkey's CDS premium average has been approximately 3.5% for the last 3 years, and this rate has been 3.20% for the last 5 years average. (Chart: [www.worldgovernmentbonds.com](http://www.worldgovernmentbonds.com))

**Δ Turkey Eurobonds Rate of Return;**

SGMK Günlük Bülten

Türk Eurotahvilleri

30.07.2021

İŞ YATIRIM

Rapor Tezminleri Açıklama Dokümanı

Tarım	Emisyon	Kupon	Vade	İhrac Büyüklüğü (mln)	Son	Alış Fiyatı	Satış Fiyatı	Birikmiş Fata	Alış Getiri (%)	Satış Getiri (%)	Minimum İşlem	Fiyat Performansı (TA/ÖNS)	ÖNS	ÖNS	Dur.	Payment Bank
<b>EUR Cinsinden</b>																
<b>Devlet Eurotahvilleri</b>																
X50993155398	TURKEY 4.35 21	4.35	12/11/21	1,250	101.23	101.01	101.44	3.13	0.69	-0.75	100,000	-0.18	-0.26	0.279	sr Unsecured	
X51057340009	TURKEY 4.125 23	4.11	11/04/23	1,000	103.77	103.36	104.18	1.28	2.08	1.60	100,000	-0.19	3.51	1.622	sr Unsecured	
X51843443356	TURKEY 4.625 25	4.63	31/03/25	1,250	103.94	103.63	104.25	1.57	3.55	3.37	100,000	-0.56	5.39	3.295	sr Unsecured	
X51629918415	TURKEY 3.25 25	3.25	14/06/25	1,000	99.11	98.99	99.63	0.44	1.53	1.15	100,000	-0.31	6.69	3.558	sr Unsecured	
X51909184753	TURKEY 5.2 26	5.20	16/02/26	1,500	105.24	104.87	105.60	2.38	4.00	3.83	100,000	-0.22	6.16	3.933	sr Unsecured	
X52361850527	TURKEY 4.375 27	4.38	08/07/27	1,500	100.56	100.28	100.84	0.30	4.12	4.21	100,000			5.120		

\*Vadelere göre sıralanmıştır.

Considering the next 6-year period of government Eurobonds, the sales rate of return in Euro denominated at the end of 6 years is approximately 4.20%. . In determining these rates, the return rates of the most liquid bonds were determined as the risk-free rate of return.

**Δ Real Estate and Construction Sector in Turkey;**

In the face of the exchange rate fluctuation we experienced in 2018 and the related developments, it seemed that the balancing was achieved to a great extent in 2019 with the arrangements made after the YEP decisions taken in economic terms. Annual GDP, as a chained volume index, increased by 0.9 percent in 2019 compared to the previous year. However, on a sectoral basis, while the total value added of finance and insurance activities increased by 7.4 percent, public administration, education, human health and social service activities increased by 4.6 percent, other service activities by 3.7 percent and agriculture sector by 3.3 percent, the construction sector decreased by 8.6 percent, professional, administrative and support service activities by 1.8 percent. This sharp decline in the construction sector seems to have resulted from the lack of demand, cost increase and cash flow problems experienced by contractors since 2018. While the construction sector had a 5.4 percent share in GDP in 2019 at current prices, the real estate sector had a 6.7 percent share. The two sectors reached a size of 12.1 percent of GDP.



Yıl	Proje Sayısı	Ülke Sayısı	Proje Bedeli (\$)	Kümülatif Proje Bedeli (\$)	Ort. Proje Bedeli (\$)
1971-2002	2.426	48	49.750.177.407	49.750.177.407	20.507.081
2003	339	35	6.397.601.656	56.147.779.063	18.871.981
2004	477	36	8.630.017.566	64.777.806.629	18.092.301
2005	451	33	12.914.620.409	77.692.427.039	28.035.522
2006	577	35	22.410.201.125	100.102.628.163	38.839.170
2007	617	45	25.815.417.471	125.918.045.634	41.840.223
2008	667	19	24.685.207.075	150.603.252.710	37.029.309
2009	508	45	20.210.153.992	170.813.406.702	39.783.768
2010	633	50	22.764.572.092	194.577.978.795	39.542.768
2011	560	51	24.383.594.869	218.961.573.664	43.542.134
2012	549	49	31.649.624.190	250.611.197.854	57.649.953
2013	438	50	31.254.518.527	281.865.916.381	71.357.348
2014	357	54	26.635.127.974	308.501.044.354	74.608.202
2015	287	57	23.885.307.046	332.386.351.801	83.224.068
2016	220	56	14.927.858.491	347.314.210.292	67.853.902
2017	329	52	17.228.640.172	364.542.850.464	52.366.687
2018	378	52	22.779.501.909	387.322.352.309	60.363.233
2019	524	45	19.817.359.175	406.639.711.544	36.865.189
2020	354	36	15.217.838.063	421.857.549.608	42.888.243
2021	141	30	8.046.835.850	429.904.385.460	57.069.758

Ağustos ay itibarıyla  
T.C. Ticaret Bakanlığı

- Dünyanın en büyük 250 müteahhitlik şirketi listesinde 2019 yılında 44 Türk firması vardır.
- Türkiye, bu bakımdan Çin'den sonra 2. sırada yer almaktadır.

Sektörün ekonomiye katkıları: Döviz girdisi, ihracata katkı, istihdama katkı, teknoloji transferi, makina parkına etki, dışa açılma sürecine etki.

Müteahhitlik Hizmetlerinin Ülke Gruplarına Göre Dağılımı (2021 Ağustos ayı itibarıyla)



Although the GDP results for the first quarter of 2020 have not been announced yet, a more positive result is predicted when the sales figures are analyzed in terms of understanding the general trend in the sector. The construction and real estate sector seems to have maintained the momentum it gained at the end of 2019 in the first quarter of 2020 as well. When the first quarter of 2019 and the same period of 2020 are analyzed, there was an increase of 3.4 percent in total house sales. The increase of 119 percent in second-hand sales in the said period indicates that the residences in the market are in demand. On the other hand, supply seems to have continued to adjust itself according to conditions. Between the first quarter of 2019 and the first quarter of 2020, the number of construction permits decreased by 23.4 percent. On the other hand, the development in mortgaged sales is an important point that needs to be carefully monitored in terms of both the sector and the economy. As of the same period, mortgaged house sales increased by 90 percent. The decline in interest rates during this period and its effect on loan costs seem to have had a very positive impact on mortgaged sales.

As in many other economies, the construction sector in Turkey is not only a leading indicator in terms of the general economy, but also a driving force of growth. The acceleration and deceleration in the construction sector takes place earlier than the general economy. However, apart from the recent deceleration, it is seen that the sector is one of the sectors that makes the most significant contribution to the general economic growth, both directly and indirectly, with its high growth rate.

When we look at the long-term trends of the Turkish construction sector, it can be said that it is one of the sectors most sensitive to fluctuations in the general economy. The growth trend in the construction sector is, in a way, the leading indicator of GDP.







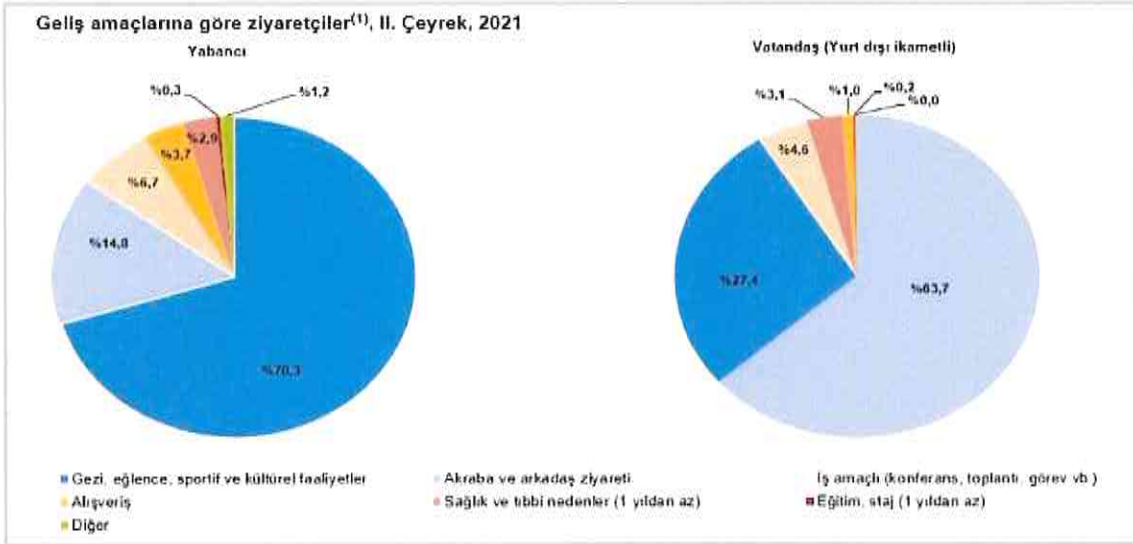
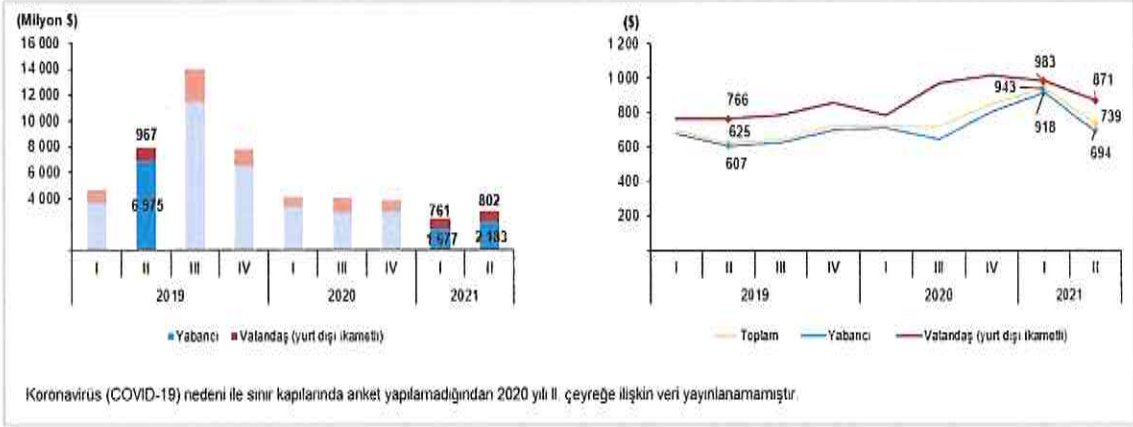
a positive trend in the tourism sector. The direct contribution of tourism to the gross national product in Turkey in 2019 amounted to 37.5 billion dollars and reached the highest figures in the last 9 years with 51.9 million visiting tourists and 34.5 billion dollars in revenue from tourism. According to the World Tourism Organization, in 2019, it was among the top 10 tourism destinations in the world in terms of the number of tourists visiting it. Turkey's total tourism income reached 34.5 billion dollars in 2019, a record 17% increase compared to the previous year, according to TUIK. The average spend per person was 666 dollars, and the average spend per night was 68 dollars. The number of tourists visiting Turkey increased by 14% in 2019 compared to the previous year and amounted to 51.9 million. With 7 million visitors in 2019, Russia became the country that sent the most tourists to Turkey. While Germany ranked second in the list with 5 million tourists, it was followed by Bulgaria with 2.7 million tourists, England with 2.6 million tourists and Iran with 2.1 million tourists.

Restrictions started with the detection of the first Covid-19 case in Turkey on March 11, 2020. In 2020, the beginning year of the pandemic, Turkey's total tourism income decreased by 65% to 12.1 billion dollars, and the number of tourists visiting Turkey decreased by 69% to 15.8 million as a result of the flight and travel bans due to the pandemic. While 80% of the visitors were foreign visitors residing abroad, 20% were Turkish citizens residing abroad. In 2020, the most tourists to Turkey came from Russia with 2.1 million people, although there was a 69.7% decrease compared to the previous year. Russia was followed by Bulgaria with 1.2 million visitors, Germany with 1.1 million visitors, England with 821 thousand visitors and Iran with 386 thousand visitors. According to the data of the Ministry of Culture and Tourism, the provinces with the most domestic and foreign visitors in 2020 were Antalya, Istanbul and Muğla, respectively.

In the first quarter of 2020, 5.6 million people visited Turkey. Considering the first quarter of 2021, 2.6 million visitors were reached with a decrease of 54%. With the visit of 4 million people in the second quarter of 2021, approximately 6.6 million people visited Turkey in the first half of 2021. According to the Airport Statistics, in which the inbound and outbound domestic and international passenger traffic is announced by the Turkish Hoteliers Association (TUROB), when the pre-pandemic and pandemic periods are compared, it was observed that the decrease in the number of international passengers was higher than that of the domestic passengers, due to the effect of international travel bans. When the first half of 2021 is compared with the first half of the previous year, there was a 15% increase in the domestic line and a 3% increase in the total at the airports in Istanbul, while a 5% decrease was observed in the international line. At Antalya Airport and the airports in Muğla, there was a significant increase in the number of international visitors in the first half of 2021 compared to the first half of 2020. Although there was an increase in air traffic in 2021 compared to the previous year, the levels in 2019 could not be achieved.

According to TUIK data, the average expenditure per person, which was 943 dollars in the first quarter of 2021, was 739 dollars in the second quarter, while the average spending per night, which was 56 dollars in the first quarter of 2021, was 57 dollars in the second quarter. In recent years, Turkey has experienced difficulties in the tourism sector at different times due to various political problems. On the other hand, with the increasing effect of the pandemic, it became difficult to manage the repayment of financial debts. It seems difficult to meet the debt burden of the tourism sector, which has reached 16 billion dollars, from its own resources, and it is thought that financial support may be required.





According to the Accommodation Statistics data, which includes domestic and foreign tourist accommodation, published by the Ministry of Culture and Tourism, occupancy rates improved in the first six months of 2021 compared to the same period of the previous year, but fell behind the levels in the same period of 2019. Due to the pandemic, there was a decrease in the rate of foreign tourists, especially those staying. In June 2021, occupancy rates of 36.33% in Istanbul, 41.74% in Antalya and 36.34% in Muğla were recorded in accommodation facilities with Tourism Operation Certificate. (Ministry of Culture and Tourism)

Türkiye konaklama doluluk oranı									
İller	2019 - Haziran			2020 - Haziran			2021 - Haziran		
	Turizm İşletme Belgeli Konaklama Tesisleri			Turizm İşletme Belgeli Konaklama Tesisleri			Turizm İşletme Belgeli Konaklama Tesisleri		
	Doluluk Oranı (%)			Doluluk Oranı (%)			Doluluk Oranı (%)		
	Yabancı	Yerli	Toplam	Yabancı	Yerli	Toplam	Yabancı	Yerli	Toplam
Istanbul	%45,4	%16,29	%61,69	%2,86	%5,47	%8,32	%24,58	%11,75	%36,33
Antalya	%81,64	%7,7	%89,34	%0,2	%2,35	%2,55	%32,6	%9,14	%41,74
Muğla	%62,2	%18,98	%81,18	%0,23	%7,52	%7,75	%16,68	%19,66	%36,34

#### 4.3 Factors Affecting or Restricting The Assessment Procedure Adversely

There was no factor that negatively affected or limited the appraisal process from the date of appraisal until the completion of the process.



#### 4.4 Physical, Structural, Technical and Constructional Properties of the Real Estate

##### Δ Main Real Estate / Real Estate Properties:

Real estate subject to the report is located on 3.074,58 m<sup>2</sup> on block 77, parcel 64 and they were designed and built as one 5-star hotel and 5 offices. The parcel on which the real estates are located is geometrically in the form of a trapezoid. The parcel has a facade about 45 m on the Kemankeş Street, that is the main artery of the region. The building has an indoor car park.

- The Hotel with Independent Section No: 1 that is subject to Appraisal is located on the 1st, 2nd, 3rd floors and ground floor, suspended ground floor and in 5 normal floors and has 20.462 m<sup>2</sup> area. 196 rooms have been designed throughout the hotel and it has been learned that there are 200 rooms available. As a result of the examinations performed on site, it has been determined that 4th normal floor has been converted into a full flat and has 225m<sup>2</sup> area 5th normal floor has been converted into a full flat and has 1.007 m<sup>2</sup> area and 1.232 m<sup>2</sup> enlargement was achieved in total and the gross area of the building is 21.694 m<sup>2</sup>. The building has an indoor car park. Entrance door is an automatic sliding glass door. The floors in areas such as lobby, restaurant and WC are covered by ceramic tiles, and carpeted in rooms and floor halls. The walls are painted in all locations, the walls of WC have marble cladding. Ceilings are suspended ceilings with lighting and heating. There are 3 elevators in the building. There is an independent restaurant on the rooftop not operated by the hotel.

- The Shop with Store with Independent Section No: 2 that is subject to Appraisal; is located on the ground floor of the building and has 210m<sup>2</sup> gross area of use. It is being used in its location with the shop with independent section with no 1.

- The Shop with Store with Independent Section No: 3 that is subject to Appraisal; is located on the ground floor of the building and has 15 m<sup>2</sup> gross area of use. The real estate has facade to Mumhane Street and the inside could not have been seen due to its tenancy, it is used together with the shop with number 4 independent section and is operated as a restaurant.

- The Shop with Store with Independent Section No: 4 that is subject to Appraisal; is located on the ground floor of the building and has 160 m<sup>2</sup> gross area of use. The real estate has facade to Mumhane Street and the inside could not have been seen due to its tenancy, it is used together with the shop with number 3 independent section and is operated as a restaurant.

- The Shop with Store with Independent Section No: 5 that is subject to Appraisal; is located on the ground floor of the building and has 30 m<sup>2</sup> gross area of use. The real estate has facade to Mumhane Street and the inside could not have been seen due to its tenancy, it is used together with the shop with number 6 independent section and is operated as a restaurant.

- The Shop with Store with Independent Section No: 6 that is subject to Appraisal; is located on the ground floor of the building and has 49 m<sup>2</sup> gross area of use. The real estate has facade to Mumhane Street and the inside could not have been seen due to its tenancy, it is used together with the shop with number 5 independent section and is operated as a restaurant.

#### 4.5 If Any, Information on the Situations Contrary to the License Regarding the Existing Building or the Project Under Construction

As a result of the examination performed on site on 4th and 5th normal floors of the real estate were enlarged by 1.232 m<sup>2</sup> and the legality has been achieved with the Building Registration Certificate.

#### 4.6 Information on Whether Changes Made in Licensed Buildings Require Re-Licensing within the Scope of Article 21 of the Zoning Law No. 3194

There is no production in the existing building that would require a new license



**4.7 Information on the Purpose for which the Real Estate is Used as of the Appraisal Date, If the Real Estate Is a Land, Whether There is Any Building on it and If There is, for What Purpose These Buildings are Used**

1 and 2 independent sections of the real estate in question are being used as hotel and actively in operation. Shops with number 3 and 4 are used separately and shops with number 5 and 6 are used together separate from others.

**5. APPRAISAL METHODS USED**

**UDS Defined Value Basis – Market Value:**

Market value is the estimated amount required to be used in the exchange of an asset or liability as of the appraisal date, as a result of appropriate marketing activities, in a non-collusive transaction between a willing seller and a willing buyer, in which the parties have acted with knowledge, prudence and without coercion. The definition of market value should be applied in accordance with the following conceptual framework:

(a) The term “estimated amount” means the price expressed in money for the asset in a non-collusive market transaction. Market value is the most probable price that can be reasonably obtained in accordance with the definition of market value in the market as of the appraisal date. This price is the best price that can be reasonably obtained by the seller and the most advantageous price that can be obtained by the buyer in reasonable terms. This estimate does not include in particular any special considerations or concessions granted by any party associated with the sale, an estimated price that has been increased or decreased based on special terms or conditions, such as a non-standard financing, sell-and-lease agreement, or any element of value simply for a particular owner or buyer.

(b) The expression “to be exchanged” refers to a situation where the value of an asset or liability is an estimated value rather than a predetermined amount or actual selling price. This price is the price in a transaction that satisfies all elements of the market value definition as of the appraisal date;

(c) The expression “as of the appraisal date” requires that the value be determined as of a specific date and be specific to that time. The estimated value may not be accurate or appropriate at another time, as markets and market conditions may change. The appraisal amount reflects the market situation and conditions only as of the appraisal date, not at any other date;

(d) The expression “between a willing buyer” refers to a buyer who has acted with intent to buy, but not compelled. This buyer is not eager or determined to buy at any price. This buyer buys in accordance with current market realities and current market expectations, rather than in a virtual or hypothetical market that cannot be proven or predicted. A buyer who is deemed to exist will not pay a price higher than the market requires. The current owner of the asset is among those who make up the market.

(e) A “willing seller” means a seller who is not willing or compelled to sell at a particular price, or who does not insist on a price that is not considered reasonable by the current market. Regardless of the price, the willing seller is willing to sell the asset in open markets at the best price possible under market conditions as a result of appropriate marketing activities. The circumstances of the actual owner of the asset are not included in the foregoing because the willing seller is a hypothetical owner.

(f) The term “non-collusive transaction” refers to a transaction between parties for which there is no specific and special relationship, not parties such as the parent company and its subsidiary, or the landlord and the lessee, where the price may not reflect or raise the market price level. Market value transactions are assumed to be made between unrelated parties, each acting independently.



(g) The expression "as a result of appropriate marketing activities" means that the asset is put on the market and sold at the best price that can be obtained in accordance with the definition of market value if it is marketed in the most appropriate way. The method of sale is considered to be the most convenient method to obtain the best price in the market to which the seller has access. The time to market the asset is not a fixed period and may vary depending on the type of asset and market conditions. The only criterion here is that sufficient time must be allowed for the asset to attract the attention of a sufficient number of market participants. The time to market must occur before the appraisal date,

(h) The phrase "the parties acting with knowledge and prudence" assumes that the willing seller and willing buyer are reasonably informed about the market situation, the structure, characteristics, actual and potential uses of the asset as of the appraisal date. It is assumed that each party uses this information prudently to obtain the most advantageous price for their respective positions in the transaction. Prudence is evaluated not by the advantage of an experience, the benefit of which is understood later, but by taking into account the market conditions as of the appraisal date. For example, a seller who sells its assets at a price below the previous market levels in an environment of falling prices is not considered imprudent. In such cases, prudent buyers or sellers will act on the best market information available at the time, as would be the case with other transactions in which assets are exchanged under changing price conditions in markets.

(i) The expression "without coercion" means that each of the parties has taken action with the intention of doing this transaction without being forced or under pressure.

➤ The concept of market value is accepted as the price negotiated in an open and competitive market where *participants* are free. An asset's market can be an international or a local market. A market may consist of a large number of buyers and sellers, or a characteristically limited number of *market participants*. The market in which the asset is assumed to be offered for sale is a market in which, in theory, the *asset* exchanged is normally exchanged.

➤ The market value of an *asset* reflects its most efficient and best use. The most efficient and best use is the highest legally permissible and financially profitable use of an asset's potential. The most efficient and best use may be a continuation of the current use of an asset or some alternative use. This is determined by the intended use for the asset when calculating the price a *market participant* will offer for the asset.

➤ The nature and source of appraisal inputs *should* reflect the basis of value, which should ultimately be relevant to the *appraisal purpose*. For example, different approaches and methods can be used to determine market value, provided that market-derived data are used. The market approach, by definition, uses market-derived inputs. In order to determine market value using the income approach, it is *necessary* to use the inputs and assumptions adopted by the *participants*. In order to determine market value using the cost approach, it is *necessary* to determine the cost and appropriate wear rate of an asset with equivalent use through market-based cost and wear analyzes.

➤ For the *asset* being appraised, the most valid and most appropriate appraisal method or methods *should* be determined according to the available data and market-related conditions. Each approach or method used *should* provide an indication of market value if it is based on properly analyzed and market-derived data.

➤ Market value does not reflect attributes of an *asset* that are not available to other buyers in the market and that have value to a particular owner or buyer. Such advantages may be *related* to the physical, geographical, economic or legal characteristics of an *asset*. Since market value assumes that there is a willing buyer, not a specific willing buyer, at a given date, it necessitates ignoring all such elements of value.



## Appraisal Methods

Care must be taken to ensure that appraisal approaches are appropriate and relevant to the content of the assets being appraised. The three approaches described and explained below are the basic approaches used in appraisal. All of these are based on the principles of price equilibrium, utility expectation, or substitution economics. The main appraisal approaches are given below:

(A) Market Approach (B) Income Approach (C) Cost Approach

Each of these basic appraisal approaches includes different and detailed application methods.

The purpose of choosing appraisal approaches and methods for an asset is to find the most appropriate method for certain situations. It is not possible for one method to be suitable for every situation. The following are taken into account as a minimum in the selection process:

(a) the terms and purpose of the appraisal task and the appropriate value basis(s) and assumed use(s) identified; (b) the strengths and weaknesses of possible appraisal approaches and methods; (c) the relevance of each method in terms of the nature of the asset and the approaches and methods used by the participants in the relevant market; (d) the availability of reliable information necessary for the application of the method(s).

### 5.1 Market Approach

#### Δ Explanatory Information on the Market Approach, Reasons for Using This Approach for the Appraisal of the Subject Real Estate

The market approach refers to the approach in which the indicative value is determined by comparing the *asset* with the same or comparable (similar) *assets* for which price information is available. It is deemed necessary to apply the market approach and to give important and/or significant weight to it in the following situations: (a) the subject asset has been recently sold at a fair value basis, (b) the subject asset or substantially similar assets are actively traded, and/or (c) there are frequent and/or recent observable transactions involving substantially similar assets.

If comparable market information is not identical or significantly related to the asset, the *appraiser should* conduct a comparative analysis of the qualitative and quantitative similarities and differences between the comparable *assets* and the subject *asset*. Adjustment based on this comparative analysis will often be necessary. These adjustments *should* be reasonable and *appraisers* should include in their reports the rationale for the adjustments and how they were quantified.

The market approach usually uses market multipliers derived from comparable assets, each with different multipliers. Selecting the appropriate multiplier from the specified range requires an evaluation that takes into account both qualitative and quantitative factors.

#### Δ Precedent Information for which Price Information is Determined and Source of This Information

**Precedent 1 [Shop for Sale]:** It is located close to the real estate in question, located on Kemeraltı Street, comprising 120 m<sup>2</sup> store and 200 m<sup>2</sup> shop that is 320 m<sup>2</sup> area in total and it is for sale with a price of 12.500.000-TL. Basement floor reduced by 1/4 (30 m<sup>2</sup>) for Ground Floor. (Reduced area: 230 m<sup>2</sup>)

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**Precedent 2 [Shop for Sale]:** It is located close to the real estate in question, located at the back street of Kemeraltı Street, comprising 70 m<sup>2</sup> area and it is for sale with a price of 3.250.000-TL. Betterment tax imposed due to its location.

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**Precedent 3 [Shop for Sale]:** It is located close to the real estate in question, located at the back street of Kemeraltı Street, comprising 55 m<sup>2</sup> area as a shop and it is for sale with a price of 2.500.000-TL. Betterment tax imposed due to its location.

Turyap Beyoğlu Gayrimenkul: 0532 322 21 59

**Precedent 4 [Shop for Sale]:** It is located close to the real estate in question, located at the back street of Kemeraltı Street, comprising 330 m<sup>2</sup> area as a shop and it is for sale with a price of 15.500.000-TL. Betterment tax imposed due to its location.

Vaa Gayrimenkul: 0532 683 38 40

**Precedent 5 [Shop for Sale]:** It is located close to the real estate in question, located on the street of Kemeraltı Street, comprising 400 m<sup>2</sup> area as a shop and it is for sale with a price of 24.500.000-TL. It is in well-maintained condition and more advantageous when compared with the real estate.

Realty World Seçkin Gayrimenkul: 0532 524 95 74

PRECEDENT ADJUSTMENT TABLE (SHOP)										
Content	Precedent 1		Precedent 2		Precedent 3		Precedent 4		Precedent 5	
Gross area (m <sup>2</sup> )	230,00m <sup>2</sup>		70,00m <sup>2</sup>		55,00m <sup>2</sup>		330,00m <sup>2</sup>		400,00m <sup>2</sup>	
Rental price	12.500.000 TL		3.250.000 TL		2.500.000 TL		15.500.000 TL		24.500.000 TL	
m <sup>2</sup> unit price	54.348 TL		46.429 TL		45.455 TL		46.970 TL		61.250 TL	
Room for negotiation	5%	-	5%	-	5%	-	5%	-	5%	-
Location goodwill	0%	+	15%	+	20%	+	15%	+	0%	+
Usage area goodwill	0%	-	0%	-	0%	-	0%	-	0%	-
Building quality	0%	+	0%	-	0%	-	0%	+	10%	-
Discounted unit price	51.630 TL		51.071 TL		52.273 TL		51.667 TL		52.063 TL	
<b>Average Unit Price</b>	<b>51.741TL/m<sup>2</sup></b>									

**Precedent 6 [Shop for Sale]:** The shop that is located in the building at the back street of real estate in question comprising total 240 m<sup>2</sup> area that is divided in the ground and basement floors in 120m<sup>2</sup> and 120m<sup>2</sup> respectively and it is for rent with a price of 40.000-TL/month. Basement floor reduced by 1/4 (30 m<sup>2</sup>) for Ground Floor. Betterment tax imposed due to its location. (Reduced area: 150 m<sup>2</sup>)

Remax Forever Gayrimenkul: 0533 453 22 04

**Precedent 7 [Shop for Sale]:** The shop that is located in the building on the same street with the real estate in question comprising total 35 m<sup>2</sup> area and it is for rent with a price of 12.000-TL/month.

Ada Partners Gayrimenkul: 0532 361 80 16

**Precedent 8 [Shop for Sale]:** The shop that is located in the building at the back street of real estate in question comprising total 270m<sup>2</sup> area that is divided in the ground and suspended floors in 150m<sup>2</sup> and 120m<sup>2</sup> respectively and it is for rent with a price of 35.000-TL/month. Basement floor reduced by 1/2 (60 m<sup>2</sup>) for Ground Floor. Betterment tax imposed due to its location and indoor maintenance state.

Remax Time Gayrimenkul: 0533 747 14 94

**Precedent 9 [Shop for Sale]:** The shop that is located on the same street with the real estate in question and in the building parallel to the coastline comprising total 270m<sup>2</sup> area and it is for rent with a price of 100.000-TL/month. Its location is disadvantageous comparing to the real estate in question.

Vip Guide Gayrimenkul: 0533 301 65 64



PRECEDENT ADJUSTMENT TABLE (SHOP)									
Content	Precedent 6		Precedent 7		Precedent 8		Precedent 9		
Gross area (m <sup>2</sup> )	150,00m <sup>2</sup>		35,00m <sup>2</sup>		210,00m <sup>2</sup>		270,00m <sup>2</sup>		
Rental price	40.000 TL		12.000 TL		35.000 TL		100.000 TL		
m <sup>2</sup> unit price	267 TL		343 TL		167 TL		370 TL		
Room for negotiation	5%	-	5%	-	5%	-	5%	-	
Location goodwill	10%	+	0%	+	30%	+	20%	-	
Usage area goodwill	0%	-	0%	-	0%	-	0%	-	
Building quality	0%	+	15%	-	30%	+	0%	+	
Discounted unit price	280 TL		274 TL		258 TL		278 TL		
<b>Average Unit Price</b>	<b>273TL/m<sup>2</sup></b>								

**Precedent 10 [Land for Sale]:** It is located in a close zone to the real estate in question, located at the back street, a land of 89m<sup>2</sup> area and it is for sale with a price of 3.750.000-TL. Zoning plan is not open for allocation in this region. The real estate is available for construction of housings if in case settlement permission is given. Although it is disadvantageous due to its location, betterment tax has been imposed due to its small area considering the unit price difference.

Remax Reform: 0532 281 94 12

**Precedent 11 [Land for Sale]:** It is located in a close zone to the real estate in question, located at the back street, a land of 255m<sup>2</sup> area and it is for sale with a price of 13.500.000-TL. Zoning plan is not open for allocation in this region. The real estate is available for construction of housings if in case settlement permission is given. Although it is disadvantageous due to its location, its price has been found to be too high in comparison to the market price of the region and room left for negotiation. This precedent real estate has been for sale since a long time.

Remax Pier: 0532 061 70 40

**Precedent 12 [Land for Sale]:** It is located in a close zone to the real estate in question, located at the back street, a land of 50m<sup>2</sup> area and it is for sale with a price of 2.000.000-TL. Zoning plan is not open for allocation in this region. The real estate is available for construction of housings if in case settlement permission is given. Although it is disadvantageous due to its location, betterment tax has been imposed due to its small area considering the unit price difference.

iCG Gayrimenkul: 0532 706 60 89

**Precedent 13 [Land for Sale]:** It is located in a close zone to the real estate in question, located at the back street, a land of 51m<sup>2</sup> area and it is for sale with a price of 2.800.000-TL. Zoning plan is not open for allocation in this region. The real estate is available for construction of housings if in case settlement permission is given. Although it is disadvantageous due to its location, its price has been found to be too high in comparison to the market price of the region and room left for negotiation.

Optimum Gayrimenkul: 0532 471 61 98



PRECEDENT ADJUSTMENT TABLE (LAND)								
Content	Precedent 10		Precedent 11		Precedent 12		Precedent 13	
Gross area (m <sup>2</sup> )	89,00m <sup>2</sup>		255,00m <sup>2</sup>		50,00m <sup>2</sup>		51,00m <sup>2</sup>	
Sales price	3.750.000 TL		13.500.000 TL		2.000.000 TL		2.800.000 TL	
m <sup>2</sup> unit price	42.135 TL		52.941 TL		40.000 TL		54.902 TL	
Room for negotiation	5%	-	5%	-	5%	-	5%	-
Location goodwill	25%	+	10%	+	30%	+	5%	+
Zoning status goodwill	0%	+	0%	-	0%	-	0%	+
Discounted unit price	50.562 TL		55.588 TL		50.000 TL		54.902 TL	
<b>Average Unit Price</b>	<b>52.763TL/m<sup>2</sup></b>							

HOTELS THAT CAN BE ALTERNATIVES FOR THE REAL ESTATE			
NAME OF HOTEL	NUMBER OF STARS	OVERNIGHT PRICE PER HEAD	DISTANCE TO REAL ESTATE SUBJECT TO APPRAISAL (M)
SUB KARAKÖY	4	1.100,00 ₺	200
THE WINGS	4	1.200,00 ₺	500
TONIGHTOTEL	4	1.100,00 ₺	650
NORDSTERN	4	1.000,00 ₺	550

**Δ Sketches Extracted from the Virtual Environment Maps of the Used Precedents, Showing the Proximity to the Real Estate Subject to the Appraisal**



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**Δ Detailed Explanation on How the Precedents are Taken into Consideration, Adjustments to the Precedent Information, Detailed Explanations on the Reason for Making the Adjustments and Other Assumptions**

The conducted examination in the region where the real estate is located, we have reached the precedents of shops for sale in a similar/different location . Based on these precedents, the value has been appreciated taking into account the location, area and purpose of use of the real estate. It has been determined that the average cost of shops for sale are marketed in the region based on 52,000-TL/m<sup>2</sup>.

Construction servitude has been established for the real estate and there are no precedents qualified as a hotel on sale in the region. The value of real estate has been appreciated based on the daily room rates of 5-star hotels operating in the region. The rental values in the building were also reached through the precedent rented shops in the building and these were taken into account as income items in the income reduction analysis table.

**Δ Result of Market Approach**

In accordance with the information written above, all kinds of positive/ negative factors such as the location of the real estate in question, the state of zoning, the structure of the land, the facade of the road, ease of access, etc. were taken into account and and the unit value of the land of the real estate in question has been evaluated as 52.500 TL/ m<sup>2</sup>.

Land Value of Block 77, Parcel 64: 3.047,58 m<sup>2</sup> x 52.500 TL/ m<sup>2</sup> = ~160.000.000,00 TL

As a result of the market approach method, the total value of the land plot has been appraised as **160.000.000,00-TL (excluding VAT)** by taking into account the land area of the real estate.

Due to the fact that real estate is an income-generating property and it is fully subject to the report, no separate valuation has been made with the Market approach.

**5.2 Cost Approach**

**Δ Explanatory Information on the Cost Approach, Reason for Using This Approach for the Appraisal of the Subject Real Estate**

The cost approach is the approach in which the indicative value is determined by applying the economic principle that a buyer will not pay more for a given asset than the cost of acquiring another asset of equal utility, whether acquired by purchase or construction, unless there are factors such as time, inconvenience and risk that cause unnecessary burden. In this approach, the indicative value is determined by calculating the current replacement cost or reproduction cost of an *asset* and deducting any depreciation that occurs in physical deterioration and other forms. It is deemed necessary to apply the cost approach and to give important and/or significant weight to it in the following situations: (a) participants can reconstitute an asset with substantially the same utility as the subject asset, without legal restrictions, and the asset can be reconstituted in such a short time that participants are not willing to pay a significant premium for prompt use of the subject asset;

(b) The asset does not directly generate income and the unique nature of the asset makes the income or market approach impossible and/or (c) the value basis used is primarily based on replacement cost, such as for example replacement value.

There are three main cost approach methods: (a) replacement cost method: the method by which indicative value is determined by calculating the cost of a similar asset providing equivalent benefits. (b) Reproduction cost method: the method by which the indicative value is determined by calculating the cost required to reproduce the asset. (c) collection method: the method in which the value of the asset is calculated by adding the value of each of its components.



### Δ Precedent Information Used in Determining the Value of the Land and the Source of This Information, Adjustments, Other Assumptions and Result

Taking into account all the distinctive factors such as the location of the parcel in the region where it is located, the distance to the main arteries, the facade condition, the geometric shape and topographic features, as well as the precedents set in the Market approach and the corrections made with its explanations, the current market conditions were taken into account.

Based on all these conditions and the corrections in the precedents found by the researches, the opinions of the real estate agents who dominate the region and the historical data, the unit value above has been appraised for the parcel in question.

### Δ Information Used in Determining Building Costs and Other Costs, Source of This Information and Assumptions

While determining the building value of the real estate in question, "The Chart Showing the Rates of Depreciation" was not used. The current construction costs were compared with the determinations made at the location of the real estate and a separate unit value was determined for the hotel and shop areas therein and a separate unit value was determined for the parking area. Considering the current age and usage state of the structure, it has been decided that it will not be appropriate to apply depreciation.

BUILDING NO	CONSTRUCTION AREA (m2)	UNIT COST (TL/m2)	DEPRECIATION (%)	VALUE (TL)
HOTEL and SHOP AREAS	14772	₺6.500,00	0	96.020.000,00 ₺
PARKING AREAS	7386	₺3.200,00	0	23.640.000,00 ₺
Environmental Layout, Infrastructure Costs, External Miscellaneous Works				340.000,00 ₺
Environmental Layout, Infrastructure Costs, External Miscellaneous Works				<b>120.000.000,00 ₺</b>

### Δ Result of Cost Approach

Land Value : 160,000,000.00 TL

Building Value : 120000000,00 TL

TOTAL : 280000000,00 TL

\* As a result, a total value of **280,000,000.00-TL** was appraised as the land and building value of the real estate according to the cost method.

\* The parcel where the real estate is located is owned by multiple foundations and has been leased for 49 years by Akfen Karaköy Gayrimenkul Yatırımları ve Anonim Şirketi. Due to the fact that real estate is an income-generating property, only the land and building value have been determined by cost analysis and no determination for the right of construction has been made. The value determined by cost analysis is not considered to be the basis.

### Δ Building Values Basis for Insurance

The building value basis for insurance is stated assuming that it will be rebuilt over the building class specified in the building permit and occupancy certificate. The real estate has a construction class of 5C in the occupancy and license certificate. For this reason, the building value basis for insurance has been determined by considering the unit cost of the 5C building.

Indoor Area (m2)	Unit Price (TL/m2)	VALUE (TL)
20926,1	₺4.000,00	83.704.400,00 ₺



### 5.3 Income Approach

#### Δ Explanatory Information on the Income Approach, Reason for Using This Approach for the Appraisal of the Subject Real Estate

The income approach allows the indicative value to be determined by converting future cash flows into a single current value. In the income approach, the value of the asset is determined based on the present value of the income, cash flows or cost savings generated by the asset. It is deemed necessary to apply the income approach and to give important and/or significant weight to it in the following situations:

(a) The ability of the asset to generate income is a very important factor affecting the value from the perspective of the participant, (b) Reasonable estimates of the amount and timing of future income associated with the subject asset exist, but with few relevant market precedents, if any.

#### → Discounted Cash Flows (DCF) Method:

In the DCF method, estimated cash flows are discounted to the appraisal date, resulting in the present value of the *asset*. It is also described as yield capitalization (reduction) of income. In some cases involving long-lived or indefinite-lived *assets*, the DCF *may include* the continuing value that represents the *asset's* value at the end of its exact forecast period. In other cases, the value of the *asset* may be calculated using a stand-alone sustained value that does not have an exact forecast period.

Residual value, which is a current approach to the application of discounted cash flow analysis, is the value calculated for the real estate investor based on the assumption that the real estate is sold after the anticipated operating period. In the residual value calculation made with the help of the capitalization rate, TIP 1 (International Valuation Standards Council (IVSC)'s Technical Information Paper 1 (TIP 1) Discounted Cash Flow) in July 2013 is the use of the income of the year following the last period, as in the current valuation studies carried out internationally. It is thought that the investor who will purchase the real estate at the end of the projection period will decide on the purchase price according to the income of the next year. Taking the income of the year following the last period as a basis in the residual value calculation is a factor that affects the resulting value. In other words, residual value is the cash flows from the last year of the project's anticipated modeling period to infinity, discounted to the last year predicted.

The basic steps of the DCF method are as follows:

- selecting the type of cash flow that best suits the nature of the subject asset and the appraisal task (for example, pre-tax or post-tax cash flows, total cash flows or equity cash flows, real or nominal cash flows, etc.),
- determining, if any, the most appropriate exact period for estimating cash flows,
- preparing cash flow forecasts for the period in question,
- determining whether the continuing value at the end of the exact forecast period (if any) is appropriate for the subject asset, and then determining the continuing value appropriate to the nature of the asset;
- determining the appropriate discount rate,
- applying the discount rate to the estimated cash flows, including the continuing value, if any.



→ **Direct Capitalization Method:**

It is the method in which the all-risk or overall capitalization rate is applied to a representative single period income. The value of the real estate is calculated by dividing the net income to be generated by the real estate for that period (year) by a capitalization rate formed according to the current real estate market conditions. This capitalization rate can be determined by the relationship between sales and income levels in comparable real estates. The concept of Net Income should be noted here. After the effective gross income, which includes the income to be obtained from all sources, the potential gross income of the property and the expected gaps / losses from it, net operating income should be obtained by eliminating the effective gross income from operating expenses and other expenses. Potential Gross Rental Income: It is the amount of income obtained in cases where all the rentable units of the real estate are rented and the rental prices are collected as unregistered.

- Total annual potential income / Capitalization rate = Value

**Δ Precedent Information Used in Estimating Cash Inflows and Outflows, Source of This Information and Other Assumptions**

The hotel, which is the subject of appraisal, has high occupancy rates due to the fact that tourism revenues were very high throughout the country in 2019. It is seen that occupancy rates have decreased after March in 2020 due to the pandemic. It was observed that the effects of the pandemic continued in 2021, and it was determined that there was an increase in occupancy rates after the pandemic restrictions. Taking into account the data of the first three quarters of 2021 on real estate, the occupancy rate of the hotel has increased to an average of 56.8%. It is thought that this ratio will rise higher with the 4th Quarter data. In particular, the average occupancy rates for the last 4 months are around 83%.

**Δ Detailed Explanation and Reasons for How the Discount Rate is Calculated**

While determining the discount rate, the collection method within the scope of UDES was taken as a basis and the items listed below were taken into account.

- a. Risks related to projections of used cash flows,
- b. Type of asset appraised,
- c. Ratios implicitly involved in transactions in the market,
- d. The geographic location of the asset and/or the location of the market in which it will be traded,
- e. The life of the asset and the consistency of the inputs,
- f. Type of cash flow used,

Discount Rate = Risk-Free Rate of Return\* + Risk Premium\*\*

\* The risk-free rate of return has been determined as 4.20%, taking into account the Euro-based rate of return of fixed income securities in the next 6 years. In determining these rates, the return rates of the most liquid bonds were determined as the risk-free rate of return.

\*\* The risk premium, on the other hand, has been determined by considering factors such as industry risk of around 1.5-2% over the determined risk-free rate of return, and the fact that the country's risks arising from the irregularity of the country's exchange rates are around 3.5-4%. In the income analysis, the discount rate was taken as 10.5%. Since the net income in the rental income will not change, the country risk was taken as around 2.5-3% and the discount rate was taken as 8.50%.



### Δ Assumptions Used in Income Analysis

- The hotel subject to the appraisal has 200 rooms. It is assumed that the hotel will be open 365 days a year.
- The average occupancy rate of the hotel was determined by taking into account the last 3 years' data from the hotel operator, the negativities experienced in the tourism sector during the pandemic process, and the increased hotel occupancy rates after the effect of the pandemic began to decrease in the last 5 months. The hotel has high occupancy rates due to the fact that tourism revenues were very high throughout the country in 2019. It is seen that occupancy rates have decreased after March in 2020 due to the pandemic. It was observed that the effects of the pandemic continued in 2021, and it was determined that there was an increase in occupancy rates after the pandemic restrictions. Taking into account the data of the first three quarters of 2021 on real estate, the occupancy rate of the hotel has increased to an average of 56.8%. It is thought that this ratio will rise higher with the 4th Quarter data. In particular, the average occupancy rates for the last 4 months are around 83%. The annual average room price is 75 €. It was observed that the effects of the pandemic continued in the first 6 months of 2021, and it has been determined that there has been an increase in the occupancy rates of the hotel since this date. As a result of the evaluations, the occupancy rate of the hotel in 2022 was accepted as 72%, and it was predicted that the average annual occupancy rate will gradually increase in the following 4-year period and will increase by 5% to 87.52% in 2026. It has been assumed that the occupancy rate will remain constant at this rate after this date.
- Hotel room prices are determined by assuming that it will operate on a bed-and-breakfast system. In the researches, the concept of the hotel and the room/night prices of the hotels in the region were taken into consideration. Additionally, after the close of the opening date of the GALATAPORT project located in the region where the real estate is located, there will be an increase in the occupancy rates and room prices of hotels located in the region. Taking this into account, the room rate for 2022 has been set at 100 Euros. Within the first 5-year period, a room price increase by 5% was determined taking into account the radical changes in exchange rates in our country in recent years, and in the years after this 5-year period, an increase of about 3% in European zone inflation rates was taken as basic for determination. 10. It is assumed that the room price increase rate will be 1.5% from the year onwards.
- Considering the performance of the facility, the other income ratio was determined. Referring to the information and data obtained from the hotel operator and our research, it has been estimated that the other revenue rate will be approximately 25% of the hotel's total room revenue.
- Gross operating profit is calculated by deducting department expenses and operating expenses from total income. The hotel GOP (Gross Operating Profit Ratio) rates increased by 56% in the first year and by 1% every year until the end of first 7 years and will reach the ideal GOP ratio at the end of the 7th year.
- The rental price determined by the market approach of 4 units qualified as shops in the main real estate has been added to the projection at the Euro rate on an annual basis. According to the researches carried out in the region, rental unit values are found to be around 250-300 TL/m<sup>2</sup>. The survey we conducted in the region revealed the determination that the rental unit values for commercial units and parking spaces is around TL 125,000/month. That means it will be 1.500.000 TL annually. This amount is added in the projection based on update exchange rates.
- Mürver Restaurant which is located on the 5th floor of the hotel, is one of the important restaurants in the region and it is a very luxurious and high-return restaurant. The restaurant and the hotel have been closed for a long time during the pandemic process. However, it has been observed that the restaurant has been actively generating revenue since June 2021, when the pandemic effect has decreased. Especially in the last 2 months, the daily return on Euro basis is



around 6000 Euros After the revenues calculated on this price, it is expected that there will be an average monthly restaurant income of 45,000-50,000 Euros. With these prices, the total return of the commercial independent sections at the Euro exchange rate has been added to the projection as 600,000 Euros per year. It is predicted that these revenues will increase by 1% every year.

- Insurance costs are added to the projection by Akfen GYO AŞ at the same amount each year, assuming that there will be no annual increase. There is no property tax due to the fact that the parcel is owned by foundations. The rental price of land determined for 2022 is TL 504,063 and this price has been added to the projection on Euro basis and it is assumed that it will remain constant every year due to increases in the Euro currency.
- The renovation cost has been added to the projection as 1% of the gross room income.
- The discount rate is taken as 10.5% in the income projection as stated in the relevant article of the report.

#### Δ Assumptions Used in Rent Analysis

- The hotel subject to the appraisal has 200 rooms. It is assumed that the hotel will be open 365 days a year.
- The details of the lease contract submitted by Akfen GYO AŞ. were examined. The real estate is owned by Akfen GYO AŞ. and is operated by the Accor Group, an international hotel management company. According to the contract concluded, the rental price to be paid by the group has been determined as 22% of the total gross income or higher than 95% of the adjusted gross operating income (AGOP). According to the terms of the contract, the AGOP rate for the last year has been determined as 95%.
- Adjusted gross operating income (AGOP) is determined by deducting the operator share and replacement reserve ratio to be paid to ACCOR at the rate of 8% of the gross income from the gross operating profit (GOP).
- The average occupancy rate of the hotel was determined by taking into account the last 3 years' data from the hotel operator, the negativities experienced in the tourism sector during the pandemic process, and the increased hotel occupancy rates after the effect of the pandemic began to decrease in the last 5 months. The hotel has high occupancy rates due to the fact that tourism revenues were very high throughout the country in 2019. It is seen that occupancy rates have decreased after March in 2020 due to the pandemic. It was observed that the effects of the pandemic continued in 2021, and it was determined that there was an increase in occupancy rates after the pandemic restrictions. Taking into account the data of the first three quarters of 2021 on real estate, the occupancy rate of the hotel has increased to an average of 56.8%. It is thought that this ratio will rise higher with the 4th Quarter data. In particular, the average occupancy rates for the last 4 months are around 83%. The annual average room price is 75 €. It was observed that the effects of the pandemic continued in the first 6 months of 2021, and it has been determined that there has been an increase in the occupancy rates of the hotel since this date. As a result of the evaluations, the occupancy rate of the hotel in 2022 was accepted as 72%, and it was predicted that the average annual occupancy rate will gradually increase in the following 4-year period and will increase by 5% to 87.52% in 2026. It has been assumed that the occupancy rate will remain constant at this rate after this date.
- Hotel room prices are determined by assuming that it will operate on a bed-and-breakfast system. In the researches, the concept of the hotel and the room/night prices of the hotels in the region were taken into consideration. Additionally, after the close of the opening date of the GALATAPORT project located in the region where the real estate is located, there will be an increase in the occupancy rates and room prices of hotels located in the region. Taking this into account, the room rate for 2022 has been set at 100 Euros. Within the first 5-year period, a room price increase by 5% was determined taking into account the radical changes in exchange rates



in our country in recent years, and in the years after this 5-year period, an increase of about 3% in European zone inflation rates was taken as basic for determination. 10. It is assumed that the room price increase rate will be 1.5% from the year onwards.

- Considering the performance of the facility, the other income ratio was determined. Referring to the information and data obtained from the hotel operator and our research, it has been estimated that the other revenue rate will be approximately 25% of the hotel's total room revenue.
- Gross operating profit is calculated by deducting department expenses and operating expenses from total income. The hotel GOP ( Gross Operating Profit Ratio) rates increased by 56% in the first year and by 1% every year until the end of first 7 years and will reach the ideal GOP ratio at the end of the 7th year.
- The rental price determined by the market approach of 4 units qualified as shops in the main real estate has been added to the projection at the Euro rate on an annual basis. According to the researches carried out in the region, rental unit values are around 250-300 TL/m2. The survey we conducted in the region revealed the determination that the rental unit values for commercial units and parking spaces is around TL 125,000/month. That means it will be 1.500.000 TL annually. This amount is added in the projection based on update exchange rates.
- Mürver Restaurant which is located on the 5th floor of the hotel, is one of the important restaurants in the region and it is a very luxurious and high-return restaurant. The restaurant and the hotel have been closed for a long time during the pandemic process. However, it has been observed that the restaurant has been actively generating revenue since June 2021, when the pandemic effect has decreased. Especially in the last 2 months, the daily return on Euro basis is around 6000 Euros After the revenues calculated on this price, it is expected that there will be an average monthly restaurant income of 45,000-50,000 Euros. With these prices, the total return of the commercial independent sections at the Euro exchange rate has been added to the projection as 600,000 Euros per year. It is predicted that these revenues will increase by 1% every year.
- Insurance costs are added to the projection by Akfen GYO AŞ at the same amount each year, assuming that there will be no annual increase. There is no property tax due to the fact that the parcel is owned by foundations. The rental price of land determined for 2022 is TL 504,063 and this price has been added to the projection on Euro basis and it is assumed that it will remain constant every year due to increases in the Euro currency.
- Pursuant to the contract concluded in the rental projection, it has been made with the belief that 5% of the 1% renovation cost will be reflected to Akfen GYO AŞ.
- Taxes and VAT are not included in the studies within the Scope of International Valuation Standards.
- A more realistic net present value was obtained by taking the mid-year factor (0.5) into account in net present value calculations.
- The discount rate is taken as 8.5% in the rental income projection as stated in the relevant article of the report.
- It is assumed that all payments are made in advance.











Exchange Rate 30.12.2021 CBRT (\$1)	₺12,9775
Exchange Rate 30.12.2021 CBRT (1€)	₺14,6823

Valuation Table			
Risk-free Rate of Return	4,20%	4,20%	4,20%
Risk Premium	5,80%	6,30%	6,80%
Discount Rate	10,00%	10,50%	11,00%
Total Present Value (€)	67.027.466,57 €	63.753.390,80 €	60.744.598,75 €
Approximate Present Value (€)	67.030.000,00 €	63.750.000,00 €	60.740.000,00 €
Present Value (TL)	₺984.117.372,49	₺936.046.409,68	₺891.870.422,16
Approximate Present Value (TL)	₺984.120.000,00	₺936.050.000,00	₺891.870.000,00





	30.5	20.5	21.5	22.5	23.5	24.5	25.5	26.5	27.5	28.5	29.5	30.5	31.5	32.5	33.5	34.5	35.5	36.5	37.5
1.01.2041	1.01.2042	1.01.2043	1.01.2044	1.01.2045	1.01.2046	1.01.2047	1.01.2048	1.01.2051	1.01.2052	1.01.2053	1.01.2054	1.01.2055	1.01.2056	1.01.2057	1.01.2058	1.01.2059			
200	365	365	366	365	365	365	366	365	365	365	365	365	366	365	365	365	200	200	200
87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%	87.52%
165.59 €	368.48 €	171.00 €	176.17 €	178.87 €	176.17 €	178.87 €	181.50 €	184.22 €	186.94 €	189.79 €	192.51 €	195.23 €	198.46 €	201.43 €	204.43 €	207.52 €	208.43 €	210.63 €	213.79 €
10.604.017.94 €	10.604.718.25 €	10.655.130.70 €	11.255.482.64 €	11.474.514.88 €	11.769.614.80 €	11.946.159.02 €	12.125.351.41 €	12.340.250.12 €	12.491.840.16 €	12.679.217.76 €	12.889.408.02 €	13.094.254.64 €	13.289.218.82 €	13.458.318.07 €	13.607.359.58 €	13.745.359.58 €	13.872.359.58 €	13.989.359.58 €	14.106.359.58 €
2.612.004.50 €	2.651.184.56 €	2.690.951.33 €	2.738.749.68 €	2.772.286.37 €	2.813.870.68 €	2.856.038.72 €	2.906.862.15 €	2.942.401.70 €	2.986.539.76 €	3.031.137.65 €	3.085.287.53 €	3.122.860.04 €	3.169.804.44 €	3.217.351.51 €	3.274.528.64 €	3.314.595.94 €	3.344.314.89 €	3.414.779.67 €	3.414.779.67 €
13.960.022.48 €	11.555.932.87 €	13.454.764.66 €	13.893.990.38 €	15.861.481.83 €	14.083.153.31 €	14.200.393.61 €	14.534.310.74 €	14.711.018.50 €	14.932.698.76 €	15.156.669.26 €	15.476.187.65 €	15.614.400.18 €	15.849.022.00 €	16.086.757.53 €	16.374.793.30 €	16.621.574.47 €	16.821.574.47 €	17.073.886.09 €	17.073.886.09 €
59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%	59.45%

22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%
--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

2.873.204.95 €	2.916.303.02 €	2.960.047.54 €	3.012.679.64 €	3.046.515.00 €	3.095.157.73 €	3.141.698.59 €	3.197.448.36 €	3.236.644.07 €	3.285.193.73 €	3.334.471.44 €	3.393.761.28 €	3.435.256.04 €	3.486.704.86 €	3.539.086.66 €	3.602.014.55 €	3.646.095.15 €	3.700.246.18 €	3.756.257.56 €	3.756.257.56 €
6.983.412.49 €	6.479.163.87 €	6.576.151.13 €	6.693.284.08 €	6.775.121.34 €	6.874.748.18 €	6.979.899.18 €	7.104.007.73 €	7.108.210.79 €	7.258.719.85 €	7.410.210.79 €	7.536.934.87 €	7.632.123.94 €	7.746.605.32 €	7.862.104.91 €	8.001.612.05 €	8.100.458.18 €	8.221.945.06 €	8.345.294.54 €	8.345.294.54 €
6.383.412.49 €	6.479.163.87 €	6.576.151.13 €	6.693.284.08 €	6.775.121.34 €	6.874.748.18 €	6.979.899.18 €	7.104.007.73 €	7.108.210.79 €	7.258.719.85 €	7.410.210.79 €	7.536.934.87 €	7.632.123.94 €	7.746.605.32 €	7.862.104.91 €	8.001.612.05 €	8.100.458.18 €	8.221.945.06 €	8.345.294.54 €	8.345.294.54 €

5.224.01 €	5.302.37 €	5.381.30 €	5.477.60 €	5.544.57 €	5.627.74 €	5.712.18 €	5.811.72 €	5.884.81 €	5.971.08 €	6.170.48 €	6.245.92 €	6.285.92 €	6.319.61 €	6.431.70 €	6.549.12 €	6.619.19 €	6.718.03 €	6.810.96 €	6.810.96 €
0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €	0.00 €
35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €	35.091.00 €
34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €	34.331.34 €

6.808.766.14 €	6.404.438.97 €	6.501.546.89 €	6.618.384.12 €	6.700.154.43 €	6.801.698.08 €	6.904.764.89 €	7.028.771.67 €	7.115.559.70 €	7.233.334.43 €	7.331.725.78 €	7.464.342.06 €	7.556.455.71 €	7.670.843.88 €	7.786.847.87 €	7.926.640.33 €	8.004.106.84 €	8.145.814.10 €	8.269.042.64 €	8.269.042.64 €
724.885.37 €	792.114.00 €	718.435.16 €	748.829.50 €	754.297.31 €	761.640.79 €	769.459.10 €	777.159.78 €	784.925.53 €	792.774.58 €	800.702.13 €	808.709.15 €	816.796.64 €	824.964.11 €	833.214.05 €	841.516.19 €	849.941.05 €	858.481.17 €	867.045.86 €	867.045.86 €
7.038.651.51 €	7.136.552.99 €	7.240.982.05 €	7.365.213.64 €	7.454.452.24 €	7.569.538.87 €	7.674.224.09 €	7.805.931.46 €	7.900.485.03 €	8.016.108.01 €	8.135.428.11 €	8.279.051.41 €	8.373.251.15 €	8.495.808.28 €	8.620.161.92 €	8.768.186.78 €	8.874.168.21 €	9.004.276.37 €	9.136.088.51 €	9.136.088.51 €

8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%
1.031.176.63 €	1.340.228.54 €	1.255.308.83 €	1.174.941.09 €	1.096.015.95 €	1.024.935.52 €	958.461.77 €	898.337.77 €	838.177.41 €	783.819.52 €	732.387.14 €	687.161.12 €	640.999.10 €	599.429.64 €	560.596.34 €	525.511.44 €	490.209.52 €	458.419.75 €	428.851.74 €	428.851.74 €

I hereby confirm that I have translated this document based on the original document.  
Certified Translator  
Çağrı Mayda

**NET KURUMSAL**  
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Exchange Rate 30.12.2021 CBRT (\$1)	₺12,9775
Exchange Rate 30.12.2021 CBRT (1€)	₺14,6823

Valuation Table			
Risk-free Rate of Return	4,20%	4,20%	4,20%
Risk Premium	3,80%	4,30%	4,80%
Discount Rate	8,00%	8,50%	9,00%
Total Present Value (€)	70.848.602,53 €	66.868.380,14 €	63.242.267,12 €
Approximate Present Value (€)	70.850.000,00 €	66.870.000,00 €	63.240.000,00 €
Present Value (TL)	₺1.040.220.436,88	₺981.781.617,77	₺928.541.938,50
Approximate Present Value (TL)	₺1.040.220.000,00	₺981.780.000,00	₺928.540.000,00

Rental Value Analysis			
Projected 2022 Rental Value			2.995.920 €
Risk-free Rate of Return	4,20%	4,20%	4,20%
Risk Premium	3,80%	4,30%	4,80%
Discount Rate	8,00%	8,50%	9,00%
Present Rental Value (€)	2.774.000,00 €	2.761.216,59 €	2.748.550,46 €
Approximate Present Rental Value (€)	2.770.000,00 €	2.760.000,00 €	2.750.000,00 €
Present Rental Value (TL)	₺40.669.971,00	₺40.523.148,00	₺40.376.325,00
Approximate Present Value (TL)	₺40.670.000,00	₺40.520.000,00	₺40.380.000,00

DETAILS OF FINAL VALUE	
Market Value Determined by Income Discount Analysis	63.750.000,00 €
Market Value Determined by Direct Capitalization Analysis	66.870.000,00 €
Final Value of the Real Estate	65.310.000,00 €
Exchange Rate 30.12.2021 CBRT (1€)	14,6823 ₺
Turkish Lira Equivalent Market Value:	₺958.901.013,00
Approximate Turkish Lira Equivalent Market Value:	₺958.900.000,00
Final Annual Rental Value of the Real Estate (€)	2.760.000,00 €
Final Annual Rental Value of the Real Estate (TL)	₺40.523.148,00
Approximate Turkish Lira Equivalent Annual Rental Value	₺40.520.000,00

### Δ Result of Income Approach

Since the real estate subject to the report is an income generating property that is currently actively used, a discounted cash flow has been applied and a value has been achieved as a result.

Such achieved value is the sum of the present values of the discounted cash flows.

\*\* The exchange rate used in the table was determined taking into account the CBRT data valid as of 15:30 on 30.12.2020.

Considering the DCF data, the appraised value of the real estate is 65,310,000 €, approximately 958,900,000,00 TL, as a result of bringing the total revenues obtained during the right of construction period to the present.

### 5.4 Other Determinations and Analyzes

#### Δ Determined Rental Values

Considering the income data of the real estate subject to the appraisal, the rental value of the real estate has been determined according to the contracts concluded between Akfen GYO AŞ. and Accor Group. According to the contract concluded, the rental price to be paid by the group has been determined as 22% of the total gross income or higher than 95% of the adjusted gross operating income (AGOP). According to the terms of the contract, the AGOP rate for the last year has been determined as 95%.

Adjusted gross operating income (AGOP) is determined by deducting the operator share and replacement reserve ratio to be paid to ACCOR at the rate of 8% of the gross income from the gross operating profit (GOP).

According to the discounted cash flow projection made on the rental income, the rental value of the real estate was determined and the annual rental value of the real estate was found by bringing the rental value to the present according to the discount rate determined as 8.50%. According to this calculation, the annual rental income of the hotel has been determined as 2.760.000 €, approximately 40.520.000 TL.

#### Δ Precedent Share Ratios in Projects to be Constructed Through Revenue Sharing or Flat For Land Method

It is foreseen that the flat for land ratios may vary by 50%-65% throughout the province where the real estate subject to the appraisal is located and especially in the region where it is located, and the revenue sharing ratios may be realized at the rates of 35%-40%. These ratios vary according to factors such as the size of the area of the real estate, the scope and total return of the project, and the nature and location of the project to be built.

#### Δ Wasteland and Project Values of Land on Which Projects are Developed

The real estate subject to the appraisal has been changed in type and is currently used as a hotel. There is no project development work on it.

#### Δ Most Efficient and Best Use Value Analysis

Considering the characteristics of the region and environment where the real estate in question is located, we believe that the current usage situation is the most effective and efficient.

#### Appraisal Analysis of Common or Divided Parts

The entire real estate in question has been appraised. A detailed appraisal table is given.



## 6. EVALUATION OF THE RESULTS OF THE ANALYZES

### 6.1 Harmonization of Different Appraisal Methods and Analysis Results and Explanation of the Methods Followed for This Purpose and Its Reasons

The appraisal study for the real estate subject to this report has been analyzed separately as indicated in the relevant parts of the report. The land value was determined by the market analysis method (precedent comparison) and the building value was determined by the cost approach method. Value formations were supported with the Cost and Income method. For the income method, direct capitalization and discounted cash flow projections were used. Since the property in question is a Hotel and is actually operating and is in a direct income generating property class, the final value has been determined by averaging the results obtained from direct capitalization and discounted cash flow projections on the income method basis.

### 6.2 Factors Affecting the Value of Real Estate – SWOT Analysis

#### Δ Positive Features

- The real estate is located close to the Historical peninsula, Istiklal street and Galata Tower.
- 4. Historical peninsula and Bosphorus view can be seen from 4th and 5th floors.
- Available Car parking

#### Δ Negative Features

- Availability of alternative accommodation establishments
- The streets in the region are narrow

#### Δ Opportunities

- Galataport project will come into service soon.
- It is located in an area preferred by tourists due to its vicinity to historical places.

#### Δ Threats

- The possibility that the negative picture in economic developments will continue with exchange rate fluctuations
- The possibility of the tourism sector to be closed due to unexpected events such as the Covid pandemic.

### 6.3 Reasons for not Including Some of the Minimum Issues and Information in the Report

All minimum issues and information required for the appraisal study are included in the report.

### 6.4 Opinion on Whether the Legal Requirements are Fulfilled and Whether the Permits and Documents Required To Be Obtained Pursuant to Legislation are Full and Complete

As a result of the researches and examinations carried out in the relevant institutions, it has been seen that all legal documents and information required for the real estate are available and that the legal requirements are fulfilled. As of the appraisal date, it has been learned that there are no unfavorable situations such as legal restrictions, decisions, etc.

### 6.5 Opinion on Encumbrances and Mortgages on the Real Estate, if Any

Explanations regarding the encumbrance examination of the subject real estate are given under the heading 3.3.

### 6.6 Information on Whether the Real Estate Subject to the Appraisal is Subject to a Limitation on the Transferability of the Real Estate Except in Cases of Mortgage or Any Encumbrances that will Directly and Significantly Affect the Value of the Real Estate

As stated in this article, there is no limitation or restriction regarding the transfer of the real estate.



**6.7 If the Subject of the Appraisal is Land, Information on Whether Any Savings have been Made for the Development of a Project Although Five Years have Passed from Its Purchase**

The real estate subject to the appraisal is a Hotel, and there is no work to develop a project as a result of the building on it.

**6.8 If the Subject of the Appraisal is the Right of Construction or Timeshare, Information on Whether There are Any Limitations on the Transfer of the Right of Construction and Timeshare, Except for the Provisions of Special Laws, in the Contracts that Raise These Rights**

The parcel where the real estate in question is located that is subject to appraisal belongs to a large number of owners and is under the use of Akfen Karakoy Gayrimenkul Yatırımları ve İnşaat Anonim Şirketi with a lease agreement. The real estate subject to appraisal holds the right of "Leasing with the provision of Performing Construction Works" valid from 01.09.2009 to 01.09.2058 on each share in favor of Akfen Karaköy Gayrimenkul Yatırımları ve İnşaat A.Ş. in which Akfen GYO A.Ş. holds shares.

**6.9 Opinion on Whether the Nature of the Real Estate in the Title Deed, its Actual Use and the Quality of its Inclusion in the Portfolio are Compatible with Each Other, and Opinion on Whether There is Any Objection in its Inclusion in the Portfolio**

The properties of the real estate subject to the appraisal in the title deed and the actual use are compatible with each other. Article 7 of the 'Communiqué on the Principles of Real Estate Investment Trusts" numbered III-48.1 for Real Estate Investment Trusts.section 22.article 1.subclause (a) (Amended RG-9/10/2020-31269) In order to gain commerce profit or rent income they may purchase, sell, rent, lease and promise for purchase or sale of any kinds of parcels, lands, residences, offices, shopping centers, hotels, logistics centers, warehouses, parks, hospitals and the like. So far, partnerships that will operate a portfolio consisting exclusively of infrastructure investments and services can only perform transactions related to real estate that are the subject of infrastructure investment and services." (b) (Amended:RG-2/1/2019-30643) It is mandatory that a building use permit has been obtained and condominium ownership has been established for all types of buildings and similar structures that will be included in their portfolios. However, ownership of a partnership with other people or alone, which belongs to the hotel, shopping center, business Center, Hospital, commercial, warehouse, factory, office building and structures, such as branch, the whole or part of the rental income is used only for the purpose of obtaining, in case the aforementioned structure in relation to the receipt of the occupancy permit in the deed of the immovable and to be suitable for the current state of the specified attribute is considered sufficient. In addition, the receipt of a building registration certificate in accordance with the provisional Article 16 of the Zoning Code dated 3/5/1985 and numbered 3194 is considered sufficient to fulfill the requirement that the building use permit contained in this paragraph has been obtained." and (c) (Amended: RG-2/1/2019-30643) In addition to the land in his possession, revenue sharing, has concluded contracts for the sale of the plot against the floor, or on other people's plots, develop by keeping the construction right may invest in establishing a real estate project or projects. In projects to be carried out jointly with one or more parties within the framework of the provisions of the contract to be concluded, if there is no objective of acquiring property in favor of the partnership, the contractual rights of the partnership must be secured by a guarantee deemed appropriate by the Board. In case the counterparty to the contract is the Housing Development Administration, İller Bankası A.Ş., municipalities and their subsidiaries, affiliates and/or companies that have the privilege to nominate candidates for the board of directors, the guarantee requirement in this paragraph shall not apply.", it has been concluded that there is no obstacle for the real estate to be included in the portfolio of GYO with its properties in the title deed.



## 7. CONCLUSION

### 7.1 Conclusion Sentence of The Responsible Appraiser

This appraisal report has been issued by us upon the request of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. to determine the fair market value of the real estate located in Istanbul Province, Beyoğlu District, Kemankeş Neighborhood, Block 77, Parcel 64 in Turkish lira which contains the minimum elements within the scope of CMB legislation.

The Fair Market Value of the real estate subject to the appraisal on the date of appraisal has been determined considering all factors such as the opinion formed in line with the examination and research carried out in the real estate area and throughout the region, the development trend of the district and the region, the zoning status and construction conditions of the real estate and its usage function, the area of the land, its geometric shape, topography, the honor and importance of the neighborhood, the organization style of its surroundings, its distance to the city center and the central locations in its region, its frontage to the main road, boulevard or street, transportation and environmental characteristics, current economic conditions, and by taking into account all positive and negative factors, such as whether it can find a buyer according to the neighborhood it is in, and if it finds, the degree of ratio.



## 7.2 Final Assessment

While appraising the real estate, all the positive and negative factors specified in the relevant articles in the report were taken into account. As a result of the examinations, the data obtained and the results of the methods used were concluded in a meaningful way.

The result obtained as a result of the market method has been determined as the final value, on the grounds that it shows the market value more accurately, taking into account the title deed and actual nature of the real estate in terms of the region and location where it is located, in line with the purpose and scope of use. Thus;

As of the appraisal date, the current market value of the real estate, which was determined according to the Income Method, is as follows;

In figures; **958,900,000.00-TL** and in writing it is **(Nine Hundred Fifty-Eight Million Nine Hundred Thousand Turkish Liras)**

Monthly Lease Amount of Real Estate has been determined as: **3,375,000 TL/month.**

Final Value	
Report Date	31.12.2021
Value of Real Estate (Excluding VAT)	958.900.000,00 ₺
Value of Real Estate (Including VAT)	1.131.502.000,00 ₺
Value of Real Estate (Excluding VAT)	65.310.000,00 €
Value of Real Estate (Including VAT)	77.065.800,00 €
Annual Rental Value of Real Estate (Excluding VAT)	40.520.000,00 ₺
Annual Rental Value of Real Estate (Including VAT)	47.813.600,00 ₺
Annual Rental Value of Real Estate (Excluding VAT)	2.760.000,00 €
Annual Rental Value of Real Estate (Including VAT)	3.256.800,00 €

1. These values are for the cash sale of the real estate.
2. The final value represents the VAT Excluded value.
3. This report is a whole with its annexes.
4. The final assessment cannot be separated from the content of the report.
5. CBRT Foreign Exchange Buying Rate as of the appraisal date 1\$:12.9775 TL and 1€: 14.6823 TL.

Buğra Uğur YAP Appraiser CMB License No: 408393	Raci Gökcehan SONER Controller CMB License No: 404622	Erdeniz BALIKÇIOĞLU Responsible Appraiser CMB License No: 401418
		

## 8. DECLARATION OF CONFORMITY

We declare the accuracy of the following items for the report prepared;

- The findings presented in the report are correct to the best of our knowledge.
- The analysis, opinion and conclusions reported are limited to the stated assumptions and conditions only.
- The report consists of impartial and unbiased professional analyzes, opinions and conclusions.
- We have no current or potential interest in the real estate that is the subject of the report.
- We have no prejudices regarding the real estate subject to this report or related parties.
- The fee for the service we provide as an appraiser is not dependent on any part of the report.
- The appraisal was carried out according to ethical rules and performance standards.
- Appraiser(s) have vocational training requirements.
- The Appraiser(s) have experience in the location of the real estate and the content of the report.
- The property, which is the subject of the report, was personally inspected and the necessary examinations were made in the relevant public institutions.
- Except for the Appraiser(s) mentioned in the report, no one has any professional assistance in the preparation of this report.
- The study was developed in accordance with the scope of business requirements and reported in accordance with International Appraisal Standards.

→ This report has been prepared specifically upon the request of the customer. It cannot be used, copied or reproduced by third parties other than the relevant person and the purpose for which it was prepared.

## 9. ANNEXES OF THE REPORT

Δ Encumbrance Documents,

Δ Photos of Real Estate,

Δ CMB License Certificates and Professional Experience Certificates