



**NET KURUMSAL GAYRİMENKUL DEĞERLEME VE DANIŞMANLIK A.Ş.**

Real Estate Appraisal Report



Private 2023 - 1257

December, 2023



<b>Claimant</b>	Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.
<b>Issued By</b>	Net Kurumsal Gayrimenkul Değerleme ve Danışmanlık A.Ş.
<b>Report Date</b>	Report Date: 08.01.2024 (Date of Appraisal: 31.12.2023)
<b>Report No</b>	Private 2023-1257
<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 “Right Arising from the Lease Contract” in Kütahya Province, Merkez District, Civli Neighborhood, Block 102, Parcel 2, as of 31.12.2023 in Turkish Lira.

➤ This report consists of Forty four (44) 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.

This Document was signed via e-signature within the scope of the “Electronic Signature Law” no 5070.

## CONTENTS

EXECUTIVE SUMMARY .....	5
1. REPORT DETAILS.....	6
1.1 Appraisal Date, Date of Report and Report No.....	6
1.2 Purpose of Appraisal .....	6
1.3 Scope of the Report (Whether it is within the Scope of CMB Legislation) .....	6
1.4 Date and Number of Reference Contract .....	6
1.5 Those who Prepared the Report and the Responsible Appraiser.....	6
1.6 Information on the Last Three Appraisals Performed by Our Company in the Past for the Real Estate Subject to the Appraisal .....	6
2. IDENTIFICATION DETAILS OF THE APPRAISAL COMPANY (ORGANIZATION) AND THE CLAIMANT (CUSTOMER) .....	7
2.1 Details and Address of the Appraisal Company.....	7
2.2 Details and Address of the Claimant (Customer).....	7
2.3 Scope of Customer Requests and Limitations, If Any .....	7
2.4 Scope of Work.....	7
3. DETAILS ON THE LEGAL STATUS OF THE REAL ESTATE.....	8
3.1 Details about the Place, Location, Definition and Environmental Organization of the Real Estate ....	8
3.2 Land Registries of the Real Estate .....	10
3.3 Information on Any Encumbrances or Limitations Regarding the Transfer of Real Estate .....	10
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.) .....	10
3.5 Information on the Zoning Status of the Real Estate and the Region in Which it is Located .....	10
3.6 Explanations Regarding the Suspension Decision, Demolition Decision, Risky Building Detection, etc. Taken for the Real Estate.....	10
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.) .....	11
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.....	12
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 .....	12
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.....	12
3.11 Information on the Energy Efficiency Certificate of the Real Estate, If Any .....	12
4. PHYSICAL PROPERTIES OF THE REAL ESTATE .....	12

This Document was signed via e-signature within the scope of the "Electronic Signature Law" no 5070.

4.1	Analysis of the Area Where the Real Estate is Located and the Data Used.....	12
4.2	Analysis of Current Economic Conditions, Real Estate Market, Current Trends and Reference Data and Their Effects on the Value of Real Estate .....	14
4.3	Factors Affecting or Restricting The Assessment Procedure Adversely .....	24
4.4	Physical, Structural, Technical and Constructional Properties of the Real Estate .....	24
4.5	If Any, Information on the Situations Contrary to the License Regarding the Existing Building or the Project Under Construction.....	26
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 .....	26
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.....	26
5.	APPRAISAL METHODS USED.....	26
5.1	Market Approach .....	28
5.2	Cost Approach.....	31
5.3	Income Approach.....	33
5.4	Other Determinations and Analyzes.....	39
6.	EVALUATION OF THE RESULTS OF THE ANALYZES .....	40
6.1	Harmonization of Different Appraisal Methods and Analysis Results and Explanation of the Methods Followed for This Purpose and Its Reasons.....	40
6.2	Factors Affecting the Value of Real Estate – SWOT Analysis .....	40
6.3	Reasons for not Including Some of the Minimum Issues and Information in the Report .....	40
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.....	40
6.5	Opinion on Encumbrances and Mortgages on the Real Estate, if Any .....	40
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 .....	40
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.....	40
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 .....	41
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 .....	41
7.	CONCLUSION .....	42
7.1	Conclusion Sentence of The Responsible Appraiser.....	42
7.2	Final Assessment.....	43
8.	DECLARATION OF CONFORMITY .....	44
9.	ANNEXES OF THE REPORT .....	44

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### EXECUTIVE SUMMARY

<u>Claimant</u>	Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.
<u>Report No and Date</u>	Private 2023-1257 / 08.01.2024 (Date of Appraisal: 31.12.2023)
<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>	Kirazpınar Mahallesi, Dumlupınar University Evliya Çelebi (Central) Campus No:35/A, B, C, D, E, F, G, H, I / Merkez - Kütahya
<u>Land Registry Details</u>	Kütahya Province, Merkez District, Civli Neighborhood, Block 102, Parcel 2
<u>Actual Use (Current Status)</u>	The real estate subject to the report is used as a student dormitory.
<u>Zoning Status</u>	According to the 1/1.000 scale elementary zoning plan, the parcel in question is in the "University Social Life Center" Area, and has the conditions of construction as E:1,50, Hmax: Free.
<u>Restriction Status (Negative decision such as demolition, etc., reports, minutes, lawsuits or situations that prevent disposition)</u>	There are no records that may constitute a restriction in the land registration of the real estate.
<u>Fair Market Value</u>	<b>317.840.000,00 TL</b> <b>(Three hundred seventeen million eight hundred forty thousand Turkish Lira)</b>
<u>20% VAT Included Fair Market Value</u>	<b>381.408.000,00 TL</b>
<u>Explanation</u>	There was no situation that would adversely affect the appraisal process.
<u>Prepared By</u>	Burak BARIŞ – CMB License No: 406713 Raci Gökcehan SONER – CMB License No: 404622
<u>Responsible Appraiser</u>	Erdeniz BALIKÇIOĞLU – CMB License No: 401418

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## **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 31.12.2023 and it has been completed as a final report with the report no. Private 2023-1257 on 08.01.2024.

### **1.2 Purpose of Appraisal**

This report is a Real Estate Appraisal Report, prepared upon the request of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş., for the determination of the fair market value of the "right arising from the lease contract" of the student dormitory located in Kütahya Province, Merkez District, Civli Neighborhood, Block 102, Parcel 2, in Turkish Lira. 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 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 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 25.01.2023 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 Burak BARIŞ, 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**

For the real estate subject to valuation, our company;

\* Prepared a report with the report number Private 2022-620 with a valuation of **228.070.000,00 TL** on 30.06.2022.

\* Prepared a report with the report number Private 2022-1211 with a valuation of **264.800.000,00 TL** on 30.12.2022.

\* Prepared a report with the report number Private 2023-562 with a valuation of **278.660.000,00 TL** on 27.06.2023.

## **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 : 14.000.000 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 : 3.900.000.000, TL\*  
Telephone : 0 212 371 87 00  
E-Mail : [www.akfengyo.com.tr](http://www.akfengyo.com.tr)

(\* )The Company's application to increase its issued capital from 1.300.000.000 TL to 3.900.000.000 TL within the registered capital ceiling of 6.500.000.000 TL, with an increase of 2.600.000.000 TL, all in cash and 200%, was approved by the Capital Markets Board at its meeting dated 07.12.2023 and numbered 76/1684. As of 04.01.2024, the issuance of the shares with a nominal value of 2.600.000.000.000 TL, which were increased in cash, was completed within the framework of the conditions specified in the prospectus, and the new issued capital increased to 3.900.000.000.000 TL as their prices were fully paid in cash.

### **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 "right arising from the lease contract" regarding the student dormitory located in Kütahya Province, Merkez District, Civli Neighborhood, Block 102, Parcel 2, in Turkish Lira. No limitations have been imposed by the customer.

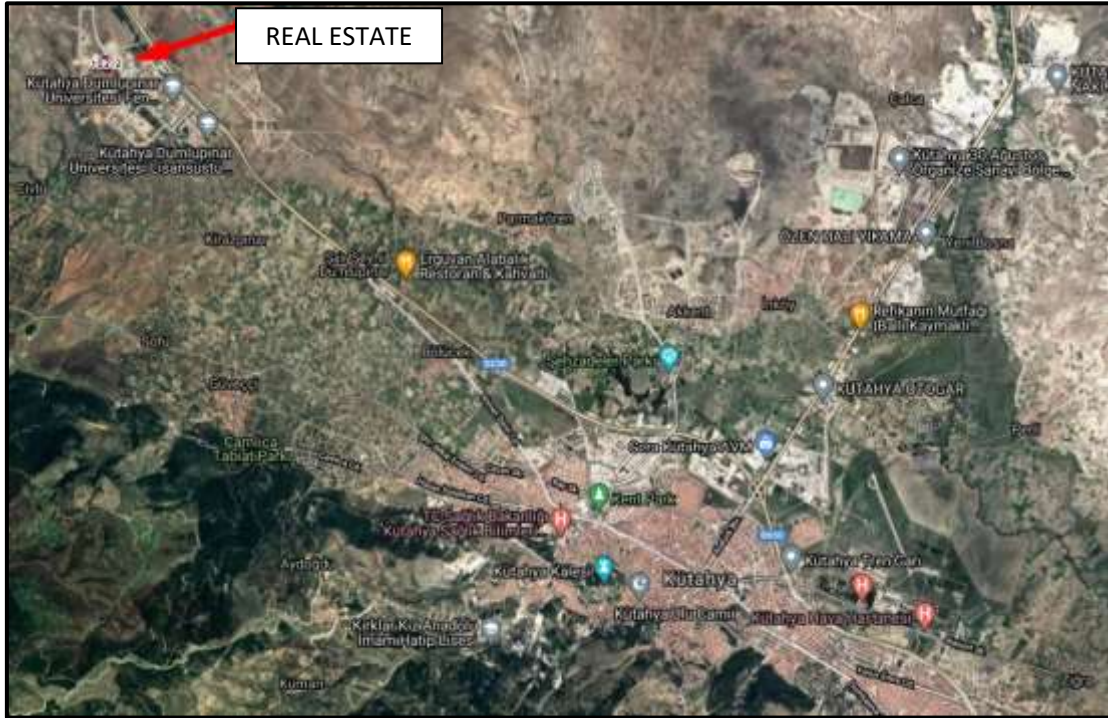
### **2.4 Scope of Work**

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.

### 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 the report is located in the Kirazpınar (Civli in the title) Neighborhood of Merkez District of Kütahya Province. The real estate is located in Dumlupınar University Campus. It is located on the left arm while going towards northwest on the Balıkesir road, which is the main arterial road of the region, to reach Dumlupınar University. Access to the real estate is easily provided by public transportation vehicles and private vehicles passing through Kütahya-Tavşanlı Road, which is the main arterial road of the region. Outside the campus where the real estate is located, there are generally agricultural lands in its immediate vicinity.

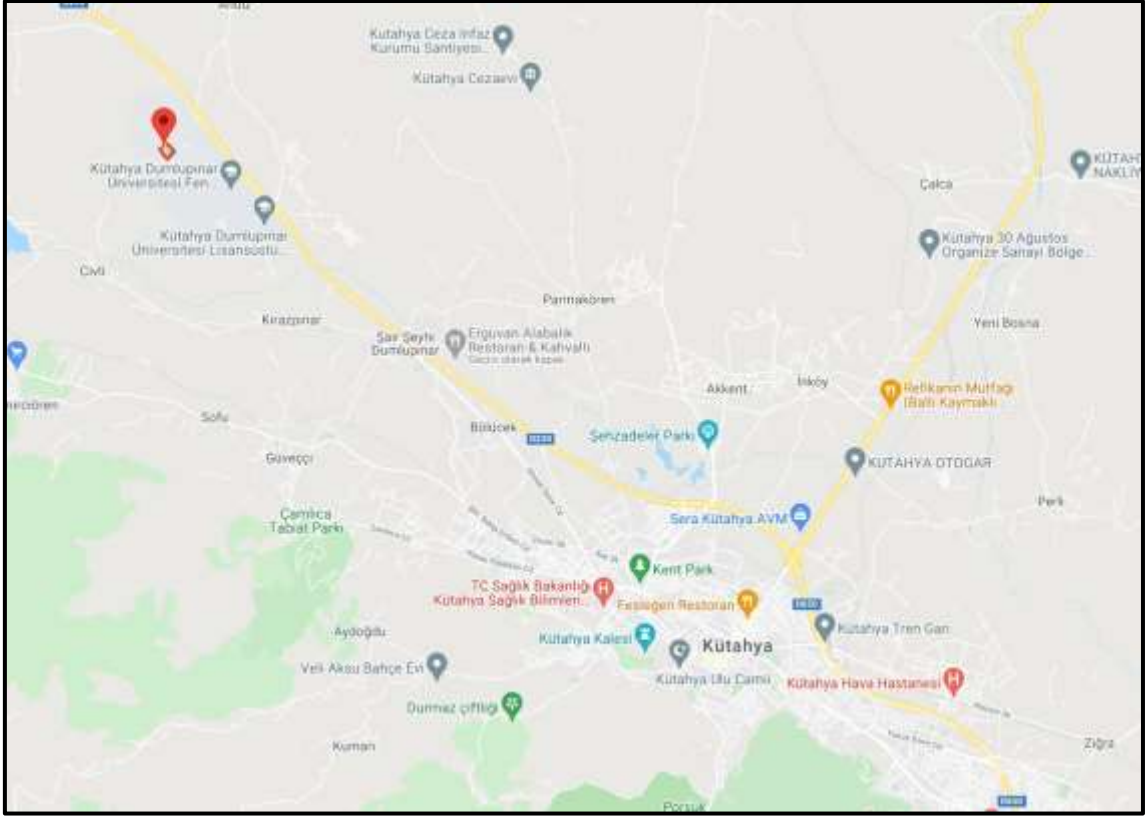


Coordinates: Latitude: 39.484323 - Longitude: 29.889323



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### 3.2 Land Registries of the Real Estate

PROVINCE – DISTRICT	: KÜTAHYA - MERKEZ
NEIGHBORHOOD – VILLAGE - LOCATION	: CIVLI NEIGHBORHOOD
VOLUME - PAGE NO	: 16/1551
BLOCK - PARCEL	: 102 BLOCK 2 PARCEL
AREA	: 24.878,00 m <sup>2</sup>
QUALIFICATION OF MAIN REAL ESTATE	: LAND
REAL ESTATE ID	: 93015861
OWNER - SHARE	: Dumlupınar University (1/1)
REASON OF ACQUISITION DATE-JOURNAL	: Subdivision (10.05.2016 - 9582)

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

According to the Land Registry certificate obtained from the General Directorate of Land Registry and Cadastre on the Portal, the encumbrances on the real estate are as follows;

Easement: Easement on the name of Isparta Yurt Yatırımlar A.Ş. Building (Template: Other Easement Rights) (16.12.2016 - 24475) (Such easement right will start on 16.12.2016 and end on 09.12.2045. )

Due to the merger of Isparta Yurt Yatırımlar A.Ş. with Akfen GYO A.Ş. in 2021 in the simplified procedure, it was reminded that the company in whose favor the easement right was established should be updated as Akfen GYO A.Ş., and Akfen GYO A.Ş. stated that the necessary application for the said update will be made immediately.

### 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.)

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

According to the verbal information obtained from the Kütahya Municipality, the subject real estate remains in the “University Social Life Center” Area, according to the 1/1.000 scale Implementary Zoning Plan of the said real estate, and has construction conditions of E:1,50 Hmaks: Free. Article 14 of the plan notes of the relevant zoning plan is valid. The description of article is as follows; Outside of the activities required by the purpose of the establishment of the university and its faculties, and the activities related to the basic needs of the students' life, outward-looking commercial facilities cannot be established. Shopping centers cannot be built.

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

As a result of the document examinations and verbal inquiries made at the Kütahya Municipality zoning service for the real estate in question, it was observed that there were no negative decisions, etc.

### **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.)**

A 29-year right of use has been established in favor of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. on the subject real estate. In the relevant official contract, the duration of the easement right will start from the registration to the land registry (16.12.2016), and it is seen that it is for 29 years, the real estate can be used by third parties with the permission of the Administration, the rental fee is 459.000 TL + VAT per month for the first year, the easement right amount of the previous year will be increased at the rate of PPI in the following years, and if there is no change in PPI, no increase or decrease will be made.

Below are the provisions regarding the right of construction in the relevant articles of the Civil Code.

#### ***right of right***

**Article 726-** *The ownership of buildings that are built to remain permanently under or on top of a land belonging to someone else, based on a right of construction, shall belong to the owner of the right of easement. Establishment of condominium or construction servitude on the independent sections of a building that are suitable for use on their own is subject to the Property Ownership Law. A separate right of construction cannot be established on independent sections.*

**Article 826-** *A real estate owner may establish an easement right in favor of a third party that gives the authority to construct a building above or below his land or to preserve an existing building. Unless otherwise agreed, this right is transferable and passes to heirs. If the right of construction is independent and permanent, it can be registered as an immovable in the land registry upon the request of the owner of the right of construction. The right of construction established for at least thirty years is of a permanent nature.*

**Article 827-** *The contractual records regarding the location, shape, quality, dimensions of the building, the purpose of designation and the use of the area without a building, which are included in the official deed regarding the content and scope of the right of construction, are binding for everyone.*

**Article 828-** *When the right of construction expires, the buildings remain with the land owner and become an integral part of the land. If the independent and permanent right of construction is registered as immovable in the land registry, this page is closed when the right of construction expires. The pledge rights, all other rights, restrictions and obligations on the right of construction registered as immovable also expire with the closing of the page. The provisions regarding the price are reserved.*

**Article 829-** *Unless otherwise agreed, the owner of the immovable does not pay any price to the owner of the right of construction for the remaining buildings. If an appropriate amount is decided to be paid, its amount and method of calculation are determined. The price agreed to be paid constitutes the assurance of the unpaid receivables of the creditors whose right of construction has been pledged for them, and is not paid to the owner of the construction without their consent. If the agreed price is not paid or secured, the owner of the right of construction or the creditor to whom this right has been pledged may request the registration of a mortgage of the same degree and order, instead of the abandoned right of construction, with the assurance that he will receive the price. This mortgage is registered within three months, starting from the expiration of the superficies.*

**Item 830-** *The amount of the price agreed to be paid to the owner of the right of construction for the buildings left to the immovable owner, the way it was calculated, and the agreements regarding the removal of this price debt and the restoration of the land to its original state are subject to the official form required for the establishment of the right of construction and an annotation can be given to the land registry.*

**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 estate subject to the report have been obtained and that the legally required documents are fully and correctly available.

**Architectural Project:** Approved on 20.07.2018

**Building License:** It was given on 15.05.2017 with numbers 242/1,2,3,4,5,6,7,8,9.

**Modification License:** It was given on 20.07.2015 with numbers 350/1,2,3,4,5,6,7,8,9.

**Modification License:** It was given for Block I on 16.08.2018 and with number 405.

**Occupancy Permit:** It was given on 24.01.2019 with numbers 2019/29,30,31,32,33,34,35,36,37.

BLOCK	FIRST LICENSE		MODIFICATION LICENSE		CONSTRUCTION AREA BASIS FOR	BUILDING CLASS	NUMBER OF FLOORS	OCCUPANCY	
	DATE	NO	DATE	NO				DATE	NO
A - DORMITORY BUILDING	15.05.2017	342-1	20.07.2018	350-1	6460,42	5C	B+Z+7	24.01.2019	2019-29
B - DORMITORY BUILDING	15.05.2017	342-2	20.07.2018	350-2	8856,74	5C	B+Z+7	24.01.2019	2019-30
C - DORMITORY BUILDING	15.05.2017	342-3	20.07.2018	350-3	6455,2	5C	B+Z+6	24.01.2019	2019-31
D - DORMITORY BUILDING	15.05.2017	342-4	20.07.2018	350-4	6455,2	5C	B+Z+6	24.01.2019	2019-32
E - DORMITORY BUILDING	15.05.2017	342-5	20.07.2018	350-5	8856,74	5C	B+Z+7	24.01.2019	2019-33
F - DORMITORY BUILDING	15.05.2017	342-6	20.07.2018	350-6	6460,42	5C	B+Z+7	24.01.2019	2019-34
G - SOCIAL FACILITY	15.05.2017	342-7	20.07.2018	350-7	11585,33	5C	2B+Z+2	24.01.2019	2019-35
H - MAIN ENTRANCE	15.05.2017	342-8	20.07.2018	350-8	180,1	5C	Z	24.01.2019	2019-36
I - COMMERCIAL	15.05.2017	342-9	20.07.2018	350-9	1994,15	5C	B+Z	24.01.2019	2019-37
TOTAL					57304,3				

**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**

In accordance with the Law No. 4708 on Building Inspection 1. 4708 on Building Inspection, "Public buildings and facilities specified in Article 26 of the Zoning Law No. 3194 dated 3/5/1985" are excluded from the scope of the building inspection law, pursuant to the paragraph a of Article 1.

**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 used as a student dormitory on the parcel in question. The appraisal has been made regarding the current project and legal documents prepared and approved for this real estate. A different project appraisal has not been made.

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

The buildings on the parcel in question have B class energy identification certificates.

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

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

Kütahya is a central city located in the Aegean Region with a population of 580.701 in 2022. The Kütahya region has a wide slope area with agricultural lands culminating on high mountain ridges in the north and west. The Greek name of the city is Kotyaion, and the Roman name is Cotyaeum. According to ancient sources, coins and inscriptions, the ancient name of Kütahya was "Kotiaieion" (Cotiaieion)[4]. The famous ancient geographer Strabo states that this name means "City of Kotys". Kotys is from the Odriss who lived in Thrace, and is the name of a commander sent by the Romans to Anatolia in 38 AC. This name is referred to as "Koti" on a coin found in the Kütahya Archeology

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Museum. The name Kütahya was given by the Turks by analogy with the old one. Although the exact date of its establishment cannot be determined, its history dates back to 3000 BC. According to ancient sources, the name of Kütahya in ancient times is Kotiaeon, Cotiaemum and Koti.

The first people who settled on the territory of the province are the Phrygians. The Phrygians, who came to Anatolia around 1200 BC, entered the territory of the Hittite Empire and were organized as a state. In 676 BC, the Cimmerians defeated the Phrygian King Midas III and dominated Kütahya and its environs. The Byzantine Emperor Romanus Diogenes, who was defeated by Alp Arslan in the Battle of Manzikert in 1071, was brought back from captivity to Kütahya and was blinded. Kutalmışoğlu Süleyman Shah, who founded the Anatolian Seljuk State in 1078, also captured Kütahya. It was attacked by the Crusaders in 1097. II. took back Kütahya with the lost lands. II. the city was captured by Byzantium again due to the throne fights, and finally, during the reign of Alâeddin Keykubad I (1233), it was included in the Seljuk lands.[6][7] In 1277, Gıyaseddin Keyhüsrev II gave Kütahya region and Germiyanoglu Süleyman Shah gave his daughter Devlet Hatun to Yıldırım Bayezid, son of Ottoman Sultan Murat I. (1381) The lands of the Germiyanogulları Principality were given to the Ottomans as the dowry of Devlet Hatun. (including Kütahya and its environs) In the 1402 Ankara War, Timur, who defeated Bayezid heavily, took Kütahya and . gave it back to Yakup Bey. Kütahya later passed to the Ottomans and became the Sanjak Center.

Dumlupınar University, located in Kütahya, is one of the leading universities in Türkiye in terms of its physical structure and size. Dumlupınar University has two campuses, Evliya Çelebi and Germiyan Campus, in the city center of Kütahya, and separate buildings and campus areas in 10 districts.

Kütahya was established on the northern skirt of Yellice Mountain (formerly Acemdağı), on the southern edge of the Kütahya Plain. Katar Water from the Bah runs through the middle of the plain and may be 3 km northwest of the city. It joins the Porsuk Stream, a major branch of the Sakarya River. The city was established in a place starting from the plain and rising to the south. At Alayunt, Balıkesir Railway Station, the height of 935 m rises to 970 m in the bazaar section. The elevation exceeds 1000 m on Hisar Hill, where the city's citadel remains are located. The city is located along a stream valley between this hill and Hıdırlık Hill. The old core of the city is in front of Hisar Hill and important historical monuments are located in this part. As the houses lean on the slopes of the hills, especially the new districts spread towards the plain. The streets and avenues in the new districts are flat and wide, while in the old districts they are narrow, cobbled and often sloped. Kütahya is connected to Bursa (Marmara Region) and Balıkesir in the west via Tavşanlı, (Aegean coasts) to the Aegean Region via Çavdarhisar and Gediz in the southwest, to Konya and the Mediterranean coasts via Afyon in the southeast, and to Eskişehir and Bilecik regions in the northeast.

**About Merkez District:** The population of the district is 282,243 according to the Results of the Address Based Population Registration System (ADNKS) for 2022. Approximately 47% of the population of Kütahya is in the city center. Kütahya and its city centre is one of the important junctions on the Inner West Anatolia threshold of the highways and railways connecting Central Anatolia to the Aegean, the Marmara Region to the Aegean coasts in the west and the Mediterranean coast via the Lakes Region. Kütahya has highway connections with all provinces in Türkiye. Passenger transportation is carried out by bus companies in the province and buses passing through Kütahya belonging to the surrounding provinces. All districts have buses that carry passengers to the city center by road. Intercity road transportation is provided from Kütahya Çinigar. Kütahya is 311 km away from Ankara, 360 km from Istanbul, 334 km from Izmir and 364 km from Antalya. It is located 43 km from Zafer Airport, which was put into service in 2012.

#### **About Kütahya University**

Kütahya Dumlupınar University was established in 1992 as the university of the city where the struggle for “Establishment and Liberation” was fought. It has three campuses in Kütahya city center; Evliya Çelebi, Simav Dr. İbrahim Naci Eren and Tavşanlı Campus, and separate buildings in 8 districts.

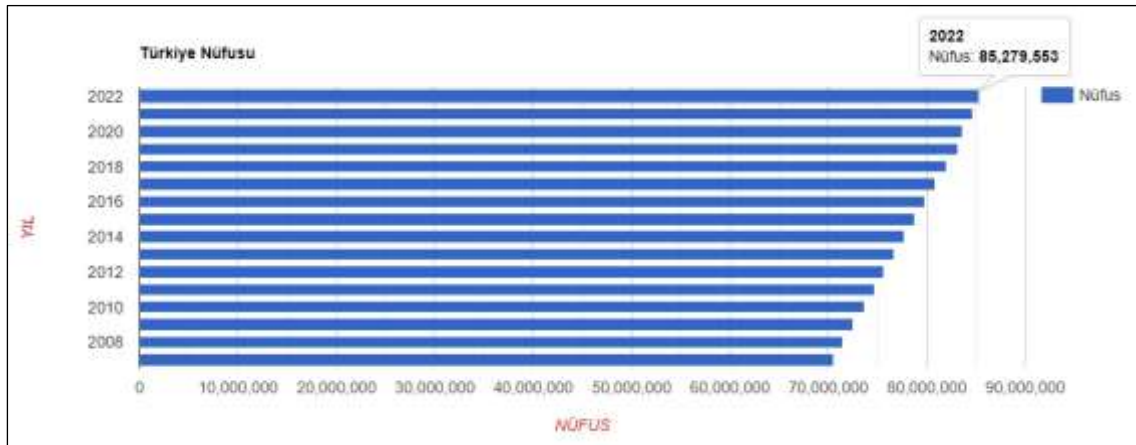
Evliya Çelebi Campus, located in Kütahya city center, has an area of over 7.500 decares. The campus was built on the Ottoman-Seljuk architectural philosophy. The entrance to the campus is provided by two large towers in the center of the campus, towers shrinking towards the sides and the crown gate with arched entrances between these towers. In the campus area, a wide ring road surrounding the campus has been created and the vehicle and pedestrian circulation areas are largely separated from each other by preventing vehicles from entering the faculty blocks.

Opposite the entrance gate, on the same axis as the gate, is the Rectorate building. On the right and left sides of the square are the Faculty of Arts and Sciences and the Faculty of Engineering and the dean's offices and teaching buildings of these faculties. Five pools were built in the square between the entrance gate and the Rectorate building. Between the pools and the Rectorate building is the Atatürk and Dumlupınar Monument, the symbol of our University.

Kütahya Dumlupınar University is among the reputable educational institutions of our country with its young and dynamic education staff, which is preferred by students from metropolitan cities such as Istanbul, Ankara, Izmir, Antalya, Konya, Bursa and Eskişehir due to its geographical proximity, architectural and visual beauties, as well as its information infrastructure, information technologies, educational equipment, advanced technology laboratories, and projects that inspire social studies. Kütahya Dumlupınar University has 1 institute, 11 faculties, 1 college and 14 vocational schools. The university, which aims to raise virtuous individuals who are researcher, productive, continuously improving themselves in personal and professional fields, sensitive to the environment and society, innovative, and committed to ethical values, has adopted the task of providing services and solutions that improve the quality of life in the city, region and country.

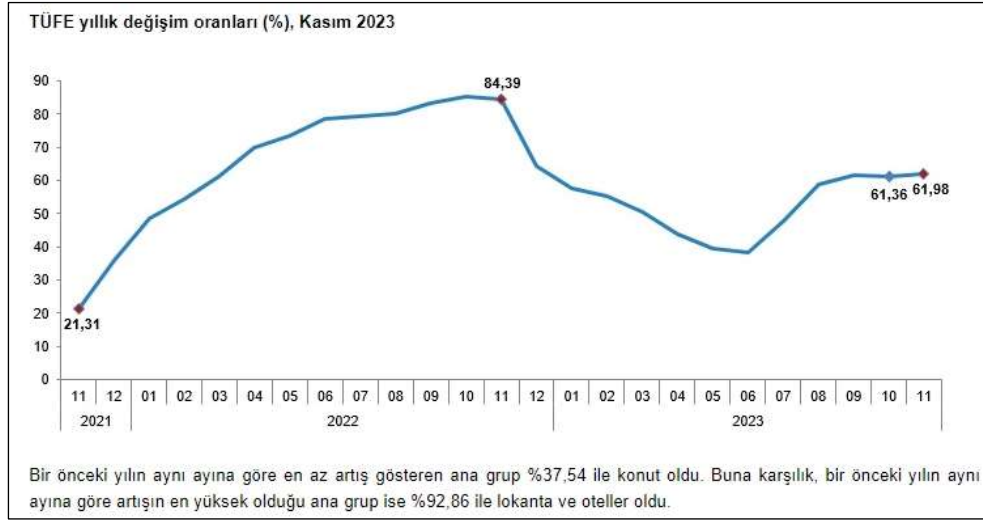
#### **4.2 Analysis of Current Economic Conditions, Real Estate Market, Current Trends and Reference Data and Their Effects on the Value of Real Estate** **Some Economic Data and Statistics**

##### **Δ Population;**

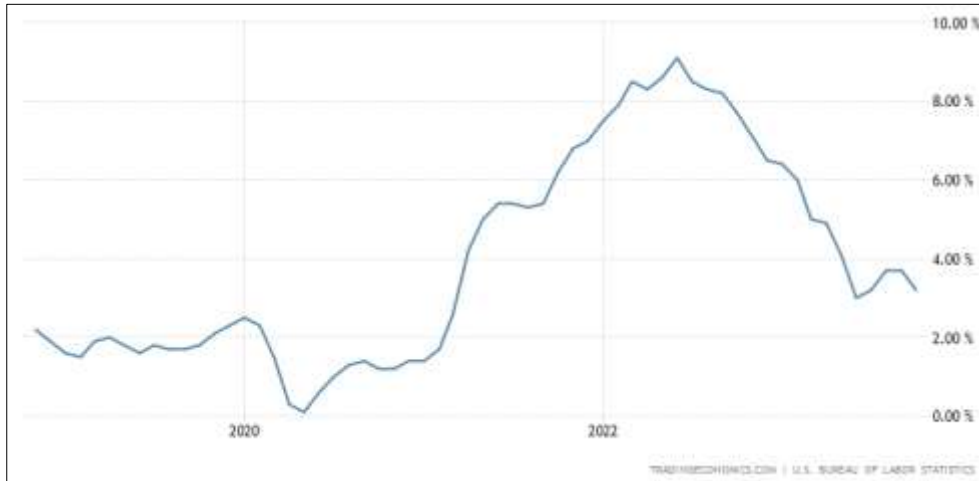


As of 31 December 2022, the population residing in Türkiye increased by 599 thousand 280 people compared to the previous year and reached 85 million 279 thousand 553 people. While the male population was 42 million 704 thousand 112 persons, the female population was 42 million 575 thousand 441 persons. In other words, 50,1% of the total population is men and 49,9% is women.

### Δ CPI/Inflation Indexes;

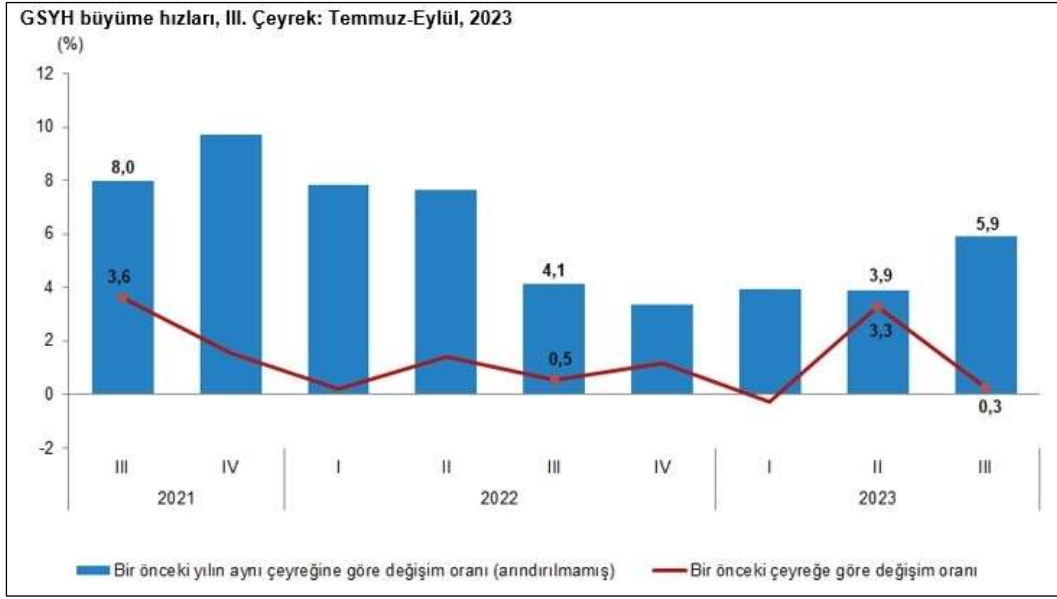


In November 2023, the CPI (2003=100) increased by 3,28% compared to the previous month, by 60,09% compared to December of the previous year, by 61,98% compared to the same month of the previous year and by 53,40% on the averages of twelve months. The main group with the lowest year-on-year increase was housing with 37,54%. On the other hand, the main group with the highest increase compared to the same month of the previous year was restaurants and hotels with 92,86%. By main expenditure groups, the main group with the lowest increase in November 2023 compared to the previous month was clothing and footwear with -0,31%. On the other hand, the main group with the highest month-on-month increase in November 2023 was housing with 11,17%. The change in CPI excluding unprocessed food, energy, alcoholic beverages and tobacco and gold was realized as 2,53% in November 2023 compared to the previous month, 64,09% compared to December of the previous year, 67,27% compared to the same month of the previous year and 57,56% compared to the twelve-month averages. (TUİK)



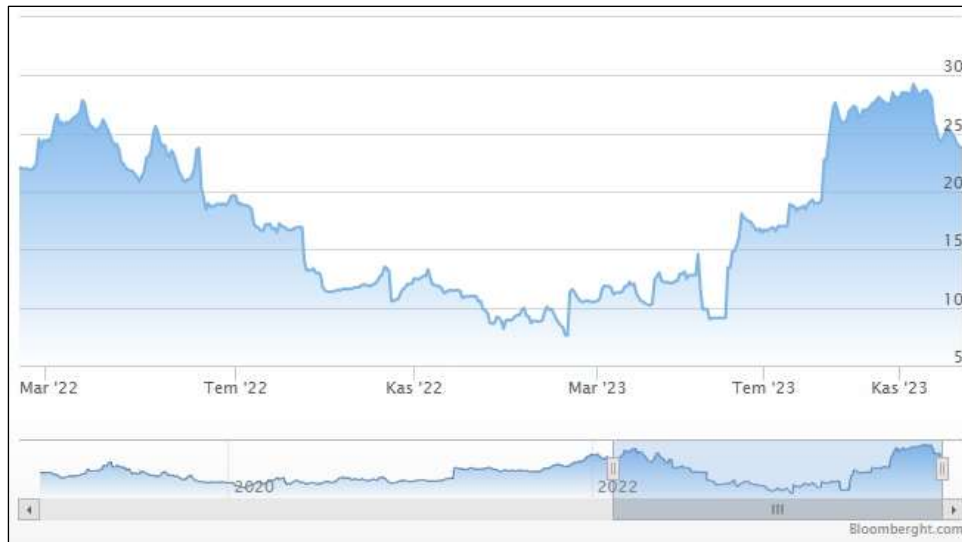
The U.S. consumer price index graph and rates for the last 5 years are as above. As of 2020, the annual inflation rate was 2,3% on an annual basis until April, while it decreased significantly with April, and this rate fell below 0,5%. The inflation rate, which was 1,7% in January 2021, has increased continuously since this month and reached 9,1%. As of July 2022, it entered a downward trend again and has reached 3,6% as of today.

### Δ GDP/Growth Indices;



GDP increased by 5,9% compared to the same quarter of the previous year, as the first forecast for the third quarter of 2023, as a chained volume index. Gross Domestic Product estimate by production method increased by 79,8% in the third quarter of 2023 compared to the same quarter of the previous year at current prices and reached 7 trillion 681 billion 432 million TL. The third quarter value of GDP was realized as 295 billion 815 million in USD terms at current prices. In the third quarter of 2023, final consumption expenditures of resident households increased by 11,2% in chained volume index terms compared to the same quarter of the previous year. Government final consumption expenditures and gross fixed capital formation increased by 5,3% and 14,7%, respectively. In the third quarter of 2023, imports of goods and services increased by 14,5% and exports of goods and services increased by 1,1% as a chained volume index compared to the same quarter of the previous year. Labor payments increased by 117,2% in the third quarter of 2023 compared to the same quarter of the previous year. Net operating surplus/mixed income increased by 50,7%. While the share of labor payments in Gross Value Added at current prices was 26,1% in the third quarter of last year, this ratio became 32,2% in 2023. The share of net operating surplus/mixed income decreased from 55,0% to 47,0%. (TUIK)

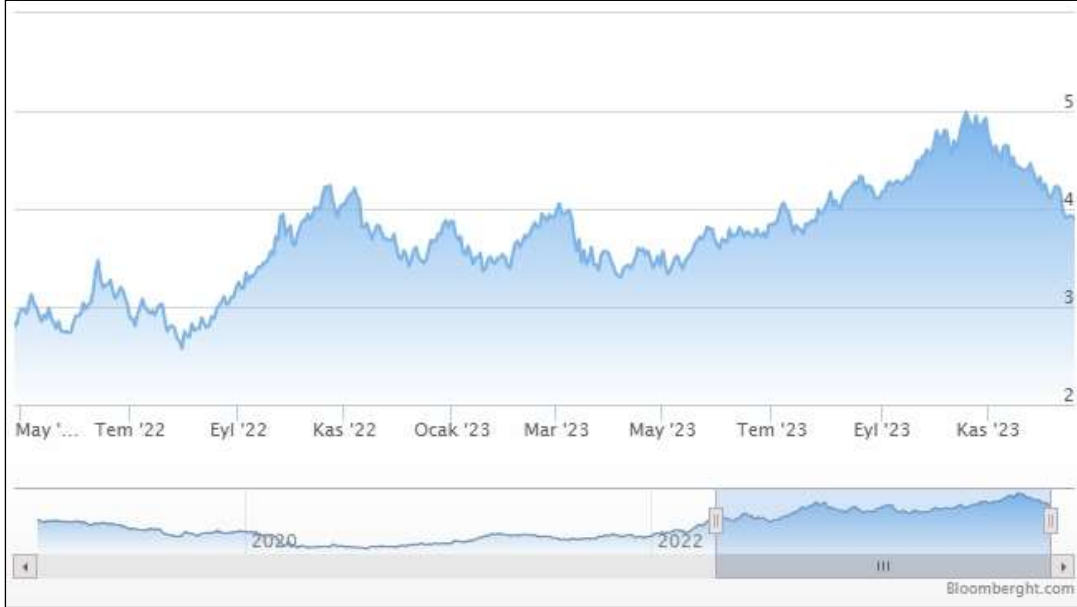
### Δ TR and USD and EURO 10-Year Government Bonds Exchange;



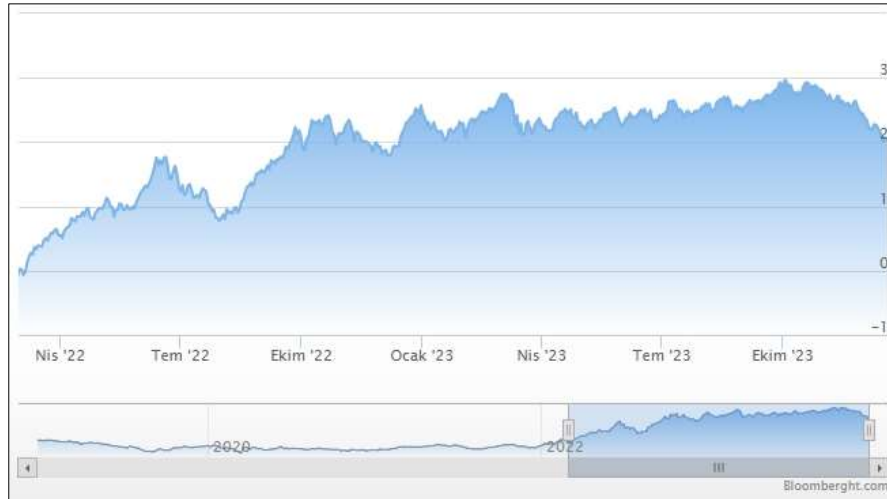
This Document was signed via e-signature within the scope of the "Electronic Signature Law" no 5070.



While the bond rates, which were TR 10-year GDDS, were around 10% on average in the last 10 years, they started to increase in the 3rd quarter of 2021 and reached 27% as of the 1st quarter of 2022. After this period, they entered a downward trend, started an upward trend again as of January 2023 and reached 23,70% as of the date of the report. (Graph: Bloomberght.com)

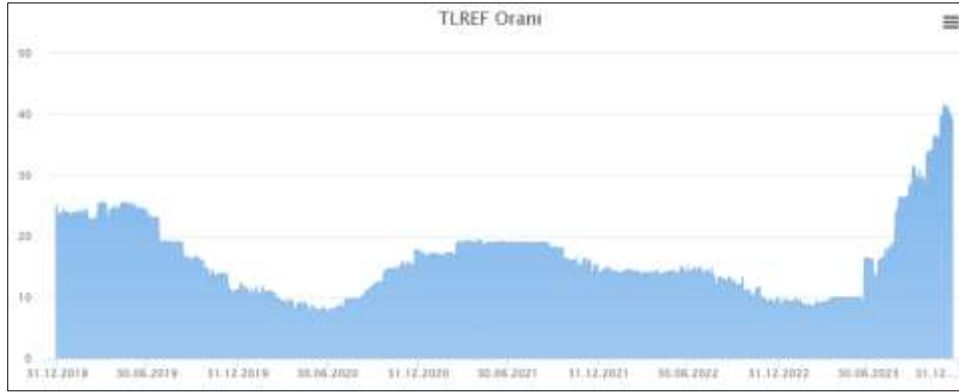


While the bond rates, which are USD 10-year GDDS, were around 2% in the last 10 years, they dropped seriously with the last quarter of 2019 and decreased to 1,5% and below, and decreased to 0,6% as of August 2020. After this period, they have progressed with an increase and are 3,90% as of the report date. (Graph: Bloomberght.com)



In May 2019, the Euro 10-year German Bund fell below 0 and continued in a positive direction in 2021 and 2022. The increase has been fluctuating in recent periods and has averaged 1,98% as of the report date. (Graph: Bloomberght.com)

### Reference Interest Rate Change:

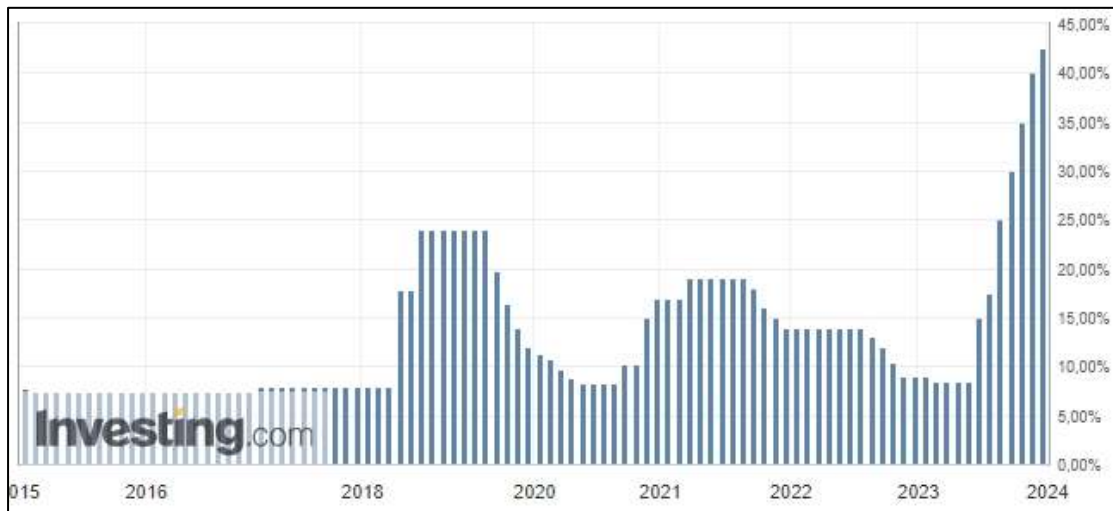


The chart above, prepared with the Turkish Lira Reference Interest Rates application published by Istanbul Stock Exchange, shows the TR reference interest rates over the years. As seen in 2023, while the TR annual reference interest rate was 10% in the first half of 2023, it is around 39% as of the report date.



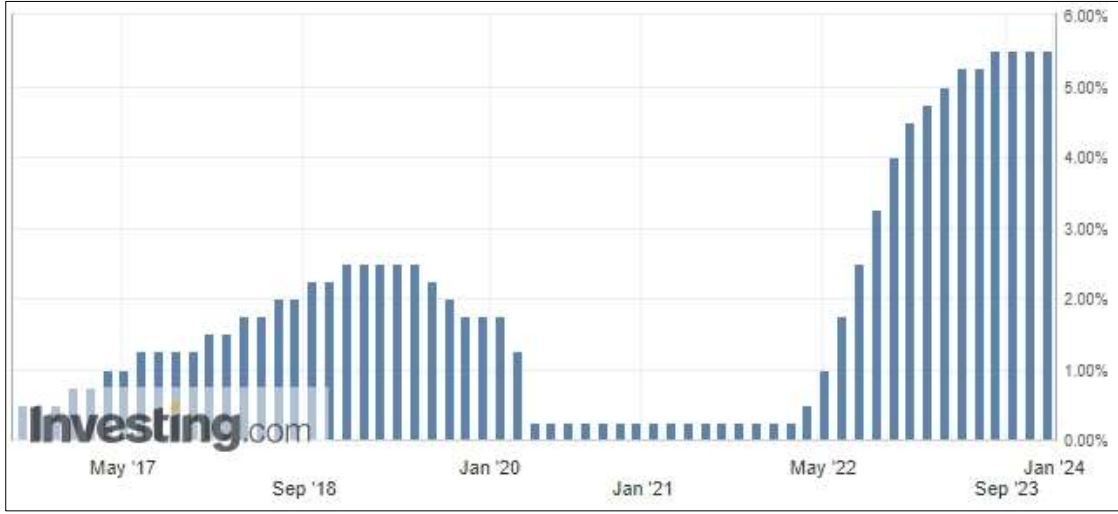
The chart above, prepared with the USD Reference Interest Rates application published by the ICE, shows the USD reference interest rates over the years. USD 12-month reference interest rate is at the level of 0,5% as of 30.06.2021. As seen, the USD reference interest rate started to increase as of April and reached 5,31% on the report date in 2022.

### Δ CBRT and FED Interest Rate Change:



While the interest rate announced by the Central Bank of the Republic of Türkiye varied between 5,0% and 7,5% on average between 2010 and 2018, it rose above 20,00% as of May 2018 and remained at

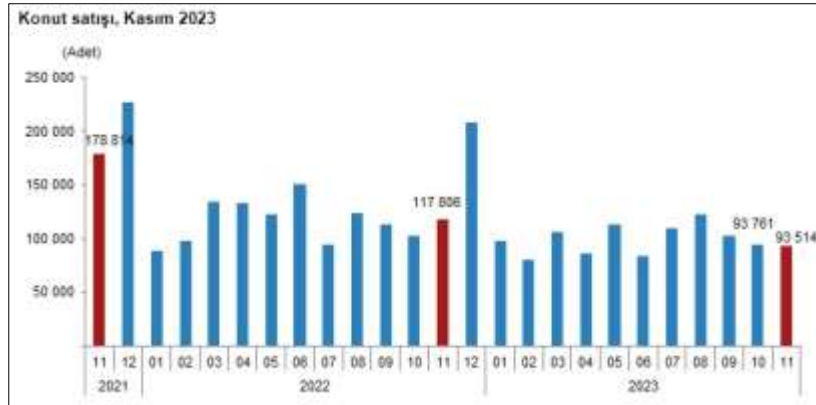
this level until June 2019. As of July 2019, it declined to 8,50% with a downward trend. Since then, it reached 19,00% until August 2021 with an upward trend. As of September 2021, it started to decline and reached 8,50% until June. With the changes in economic policies since June, it reached 42,50%.



According to the latest data announced by the US Federal Reserve, the interest rate is 5,00%. While it reached up to 2,50% as of 2017-2019, the interest rate gradually decreased and came below 0,50% as of 2022. It started to increase again as of March and is at 5,50% today.

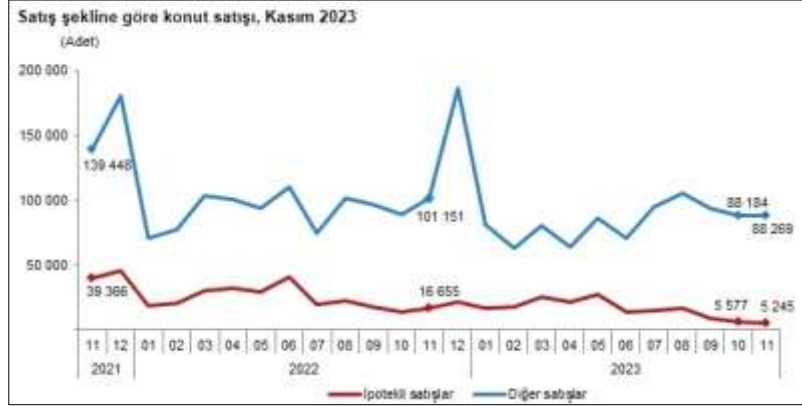
#### **Δ Real Estate and Construction Sector in Türkiye;**

In Türkiye, house sales decreased by 20,6% in November compared to the same month of the previous year and became 93 thousand 514. Istanbul had the highest share in house sales with 15 thousand 187 house sales and 16,2%. Istanbul was followed by Ankara with 8 thousand 250 house sales and 8,8% share, and Izmir with 5 thousand 105 house sales and 5,5% share. The provinces with the lowest number of house sales were Hakkari with 52 houses, Ardahan with 57 houses and Gümüşhane with 73 houses. (TÜİK)

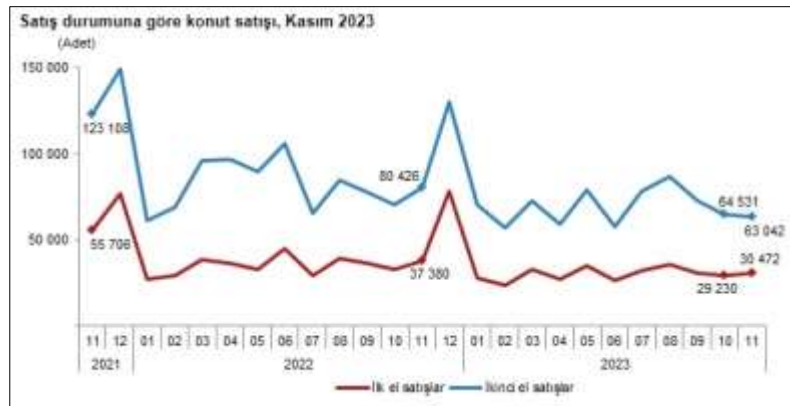


	Kasım			Ocak - Kasım		
	2023	2022	Değişim (%)	2023	2022	Değişim (%)
Satış şekline göre toplam satış	93 514	117 806	-20,6	1 087 349	1 277 659	-14,9
İpotekli satış	5 245	16 655	-68,5	171 706	258 524	-33,6
Diğer satış	88 269	101 151	-12,7	915 643	1 019 135	-10,2
Satış durumuna göre toplam satış	93 514	117 806	-20,6	1 087 349	1 277 659	-14,9
İlk el satış	30 472	37 380	-18,5	328 299	382 190	-14,1
İkinci el satış	63 042	80 426	-21,6	759 050	895 469	-15,2

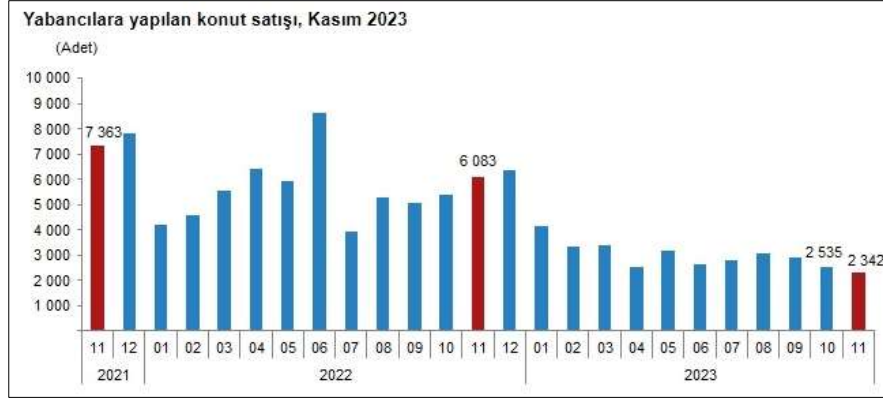
Mortgaged house sales in Türkiye decreased by 68,5% in November compared to the same month of the previous year and became 5 thousand 245. The share of mortgaged sales in total house sales was realized as 5,6%. In January-November period, mortgaged house sales decreased by 33,6% compared to the same period of the previous year and became 171 thousand 706. One thousand 390 of the mortgaged sales in November and 51 thousand 624 of the mortgaged sales in January-November period were realized as first-hand sales. In Türkiye, other house sales decreased by 12,7% in November compared to the same month of the previous year and became 88 thousand 269. The share of other sales in total house sales was realized as 94,4%. In January-November period, other house sales decreased by 10,2% compared to the same period of the previous year and became 915 thousand 643. (TUİK)



The number of first-hand house sales in Türkiye decreased by 18,5% in November compared to the same month of the previous year and became 30 thousand 472. The share of first-hand house sales in total house sales was 32,6%. In the January-November period, first-hand house sales decreased by 14,1% compared to the same period of the previous year and realized as 328 thousand 299. Second-hand house sales in Türkiye decreased by 21,6% in November compared to the same month of the previous year and became 63 thousand 42. The share of second-hand house sales in total house sales was 67,4%. In the January-November period, second-hand house sales decreased by 15,2% compared to the same period of the previous year and realized as 759 thousand 50. (TUİK)



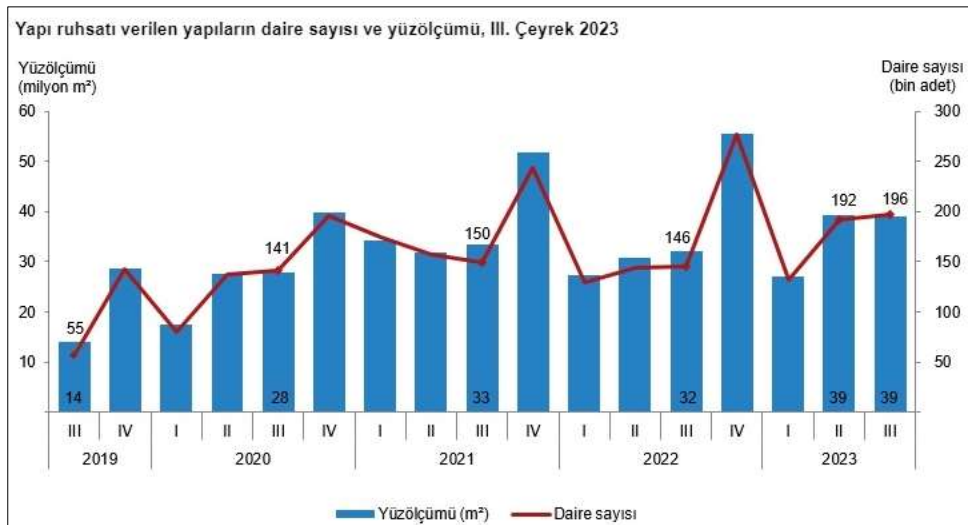
In November, house sales to foreigners decreased by 61,5% compared to the same month of the previous year and became 2 thousand 342. In November, the share of house sales to foreigners in total house sales was 2,5%. Antalya ranked first in house sales to foreigners with 790 house sales. Antalya was followed by Istanbul with 710 house sales and Mersin with 316 house sales. (TUİK)



Compared to the same quarter of the previous year, in the third quarter of 2023, the number of buildings, the number of flats and the area of buildings for which building permits were issued by municipalities increased by 24,9%, 35,0% and 21,7%, respectively. The total area of the buildings for which building permits were issued by municipalities in the third quarter of 2023 was 39,1 million m<sup>2</sup>, of which 21,0 million m<sup>2</sup> was residential, 10,0 million m<sup>2</sup> was non-residential and 8,1 million m<sup>2</sup> was common use area. (TUİK)

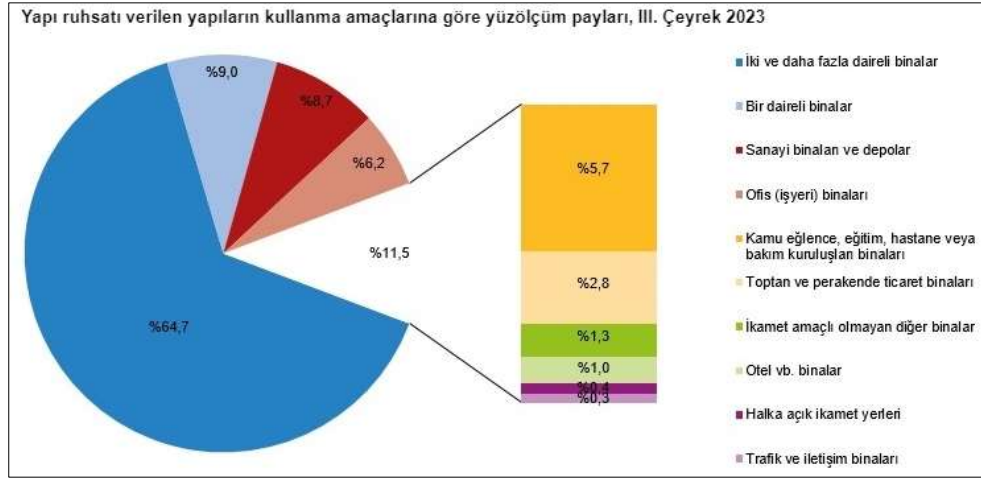


Compared to the same quarter of the previous year, in the second quarter of 2023, the number of buildings, the number of flats and the area of buildings for which building permits were issued by municipalities increased by 5,7%, 31,3% and 25,6%, respectively. (TUİK)



Yapı ruhsatı istatistikleri, 2021-2023							
Yıl	Çeyrek	Bina sayısı	Yıllık değişim (%)	Daire sayısı	Yıllık değişim (%)	Yüzölçüm (m <sup>2</sup> )	Yıllık değişim (%)
2021		138 522	44,0	725 294	30,7	151 362 144	34,4
	I	33 571	137,0	174 664	116,9	34 357 552	95,7
	II	30 534	55,7	157 696	14,4	31 780 568	15,6
	III	30 416	20,2	149 614	6,1	33 312 277	19,5
2022	IV	44 001	18,7	243 320	24,3	51 911 747	30,8
		127 831	-7,7	695 804	-4,1	145 745 708	-3,7
	I	26 134	-22,2	129 572	-25,8	27 414 985	-20,2
	II	29 077	-4,8	144 076	-8,6	30 750 734	-3,2
2023	III	28 293	-7,0	145 507	-2,7	32 120 043	-3,6
	IV	44 327	0,7	276 649	13,7	55 460 026	6,8
	I	23 887	-8,6	131 562	1,5	26 946 184	-1,7
	II	31 047	6,8	192 158	33,4	39 188 657	27,4
III	35 351	24,9	196 489	35,0	39 080 808	21,7	

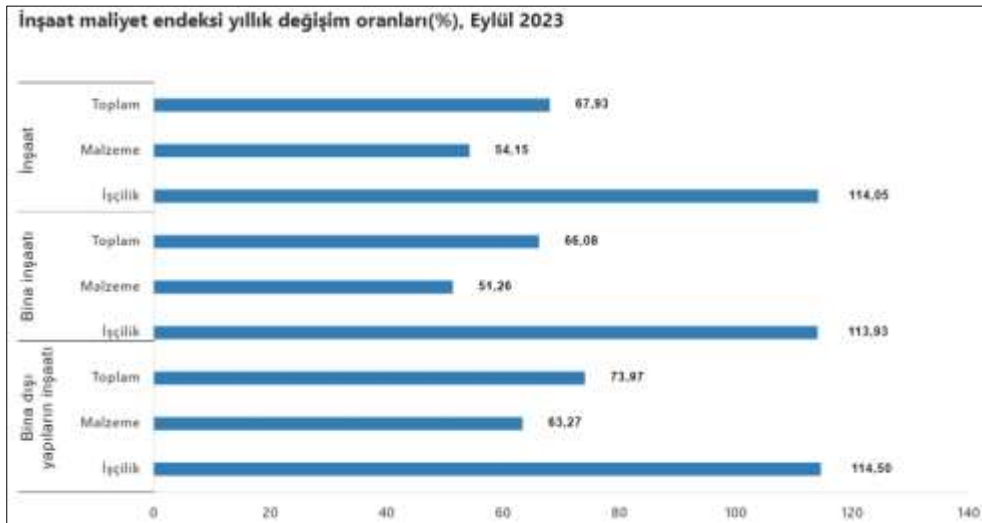
According to the purpose of use of the buildings for which building permits were issued by municipalities in the third quarter of 2023, buildings for residential purposes with two or more flats had the highest surface area share with 25,3 million m<sup>2</sup>. This was followed by buildings with one flat with 3,5 million m<sup>2</sup>. (TUİK)



Construction cost index increased by 2,46% in September 2023 compared to the previous month and by 67,93% compared to the same month of the previous year. Compared to the previous month, material index increased by 3,39% and labor index increased by 0,30%. In addition, compared to the same month of the previous year, material index increased by 54,15% and labor index increased by 114,05%. (TUİK)



Building construction cost index increased by 2,47% compared to the previous month and 66,08% compared to the same month of the previous year. Compared to the previous month, material index increased by 3,49% and labor index increased by 0,21%. In addition, compared to the same month of the previous year, material index increased by 51,26% and labor index increased by 113,93%. (TÜİK)



### **Δ Developments in Undergraduate and Postgraduate Education**

According to the data for the academic year 2022-2023, there are 6.950.142 students and 184.566 academic staff in 208 higher education institutions.

New statistics in higher education have been determined. According to the Higher Education Statistics for the academic year 2022-2023, there are 6.950.142 students and 184.566 academic staff in 208 higher education institutions in Türkiye (April 30, 2023).

#### **Total number of students**

In the academic year 2022-2023, out of a total of 6.950.142 students, 6.204.078 are studying at state universities, 735.433 at foundation universities and 10.631 at foundation vocational schools.

#### **Number of newly enrolled students**

In the academic year 2022-2023, a total of 1.846.654 persons enrolled in universities. Of these, 1.620.688 enrolled in state universities, 221.494 in foundation universities and 4.472 in foundation vocational schools.

#### **Number of graduates**

The total number of graduates from higher education institutions in the 2021-2022 academic year was 903.673. Of those who received diplomas, 773.325 graduated from state universities, 127.957 from foundation universities and 2.391 from foundation vocational schools.

#### **Number of academic staff**

In the academic year 2022-2023, out of a total of 184.566 academic staff, 154.981 are in state universities, 29.338 in foundation universities and 247 in foundation vocational schools.

Of the academic staff, 34.280 are professors, 22.462 are associate professors, 44.216 are assistant professors, 37.039 are lecturers and 46.569 are research assistants.

\*\*\*

Currently, student dormitories serve in 81 provinces, 260 districts and TRNC with a total capacity of 950 thousand beds in 822 dormitories.

### **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;**

The real estate subject to the report is located on block 102 parcel 2 with an area of 24.878 m<sup>2</sup>. The parcel is located within the Dumlupınar University Campus. It is located in the northern part of the campus. The parcel is geometrically trapezoidal. The parcel is surrounded by a reinforced concrete wall, the roads outside the building on the parcel are paved with locked stones, and there are partially landscaped areas.

The real estate is a real estate used as a student dormitory consisting of blocks A, B, C, D, E, F, G, H, I. Among the blocks mentioned, G Block is used as Social Facility, H Block as the Main Entrance Building, and I Block as Commercial.

According to its project, A Block was built in reinforced concrete style in the form of basement + ground + 7 normal floors. According to its project, it has a total gross usage area of approximately 6460 m<sup>2</sup>. In the basement, it has shelter and laundry, on the ground floor it has a small prayer room, 11 student rooms (3 for the disabled), and 14 student rooms on each of the normal floors.



According to its project, B Block was built in reinforced concrete style in the form of basement + ground + 7 normal floors. According to its project, it has a total gross usage area of approximately 8856 m<sup>2</sup>. In the basement, it has shelter and laundry, on the ground floor it has a small prayer room, 17 student rooms (4 for the disabled), and 13 student rooms on each of the normal floors.

According to its project, C Block was built in reinforced concrete style in the form of basement + ground + +6 normal floors. According to its project, it has a total gross usage area of approximately 6455 m<sup>2</sup>. In the basement, it has a shelter, laundry, and 5 student rooms (3 for disabled), on the ground floor, it has a small prayer room, 16 student rooms, and 16 student rooms on each of the normal floors.

According to its project, D Block was built in reinforced concrete style in the form of basement + ground + +6 normal floors. According to its project, it has a total gross usage area of approximately 6455 m<sup>2</sup>. In the basement, it has shelter, laundry and 10 student rooms, on the ground floor it has a small prayer room, 13 student rooms (3 for the disabled), and 16 student rooms on each of the normal floors.

According to its project, E Block was built in reinforced concrete style in the form of basement + ground + 7 normal floors. According to its project, it has a total gross usage area of approximately 8856 m<sup>2</sup>. In the basement, it has shelter and laundry, on the ground floor it has a small prayer room, 17 student rooms (4 for the disabled), and 20 student rooms on each of the normal floors.

According to its project, F Block was built in reinforced concrete style in the form of basement + ground + 7 normal floors. According to its project, it has a total gross usage area of approximately 6460 m<sup>2</sup>. In the basement, it has shelter and laundry, on the ground floor it has a small prayer room, 11 student rooms (3 for the disabled), and 14 student rooms on each of the normal floors.

Student rooms in the dormitory buildings are arranged in a typical way. Handicapped student rooms are planned for 2 people, have a gross area of 41 m<sup>2</sup> and are divided into bedrooms, bathrooms and study areas. Other standard student rooms are planned for 4 people, with an approximate gross area of 41 m<sup>2</sup>. Rooms are arranged as bedroom, bathroom and study sections. The real estate was seen from the outside and no on-site inspection could be made. In the observations made from the outside, it has been seen that the exterior is classically plastered and painted, the windows are PVC joinery, and the buildings are in a very well-maintained condition.

G Block is located in the center of the parcel. It is planned as a social facility. According to its project, it was built as 2 basements, ground floor and 2 normal floors. On the 2nd basement floor of the building, there are 2 dining halls, the kitchen, warehouse, dishwashing room, etc. sections of the dining halls; on the 1st basement floor, there are 2 canteen areas, warehouses, technical areas, staff rooms; on the ground floor, there are offices for students, foyer area, workshops, market, hairdresser, cobbler, pharmacy, tailor areas; on the 1st floor, there are multi-purpose halls, meeting room, administrative offices, archive, tea room and WCs; and on the 2nd floor, there is a prayer room, imam room, ablution room and WCs. According to its project, this building has an area of approximately 11,585 m<sup>2</sup>.

H Block is the main entrance building. It is located on the northwest edge of the parcel. According to its project, it has an area of approximately 180 m<sup>2</sup>, consisting of the ground floor. It consists of meeting room, security office and WC areas.

I Block is the commercial block. It is located on the northeast edge of the parcel. According to its project, it consists of a basement and a ground floor. There is a shelter, WC areas and a kitchen belonging to the restaurant on the basement floor, and shop and restaurant sections on the ground floor. The shop is approximately 113 m<sup>2</sup> on the ground floor, the restaurant is 458 m<sup>2</sup> on the ground floor, and 45 m<sup>2</sup> on the basement floor, with a total area of 503 m<sup>2</sup>. The building has a total area of approximately 1,995 m<sup>2</sup>.

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

The real estate was seen from the outside and no on-site inspection could be made. In the observations made from the outside, it was seen that the buildings were in harmony with the architectural project in terms of general lines.

**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 buildings 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**

Such real estate is used as a student dormitory.

**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**

**[P:1 Land for Sale]** In the region where the real estate subject to the appraisal is located, opposite the DPÜ Central Campus, a land with Trade + Housing Area, Precedent:1.05 and 4-storey construction conditions and a surface area of 21.231 m<sup>2</sup> is for sale at a bargain price of 75.000.000 TL.

Respondent: 0 274 333 00 29

**[P:2 Land for Sale]** In the region where the real estate subject to the appraisal is located, opposite the DPÜ Central Campus, a land with Trade + Housing Area, Precedent:1.05 and 4-storey construction conditions and a surface area of 2.520 m<sup>2</sup> is for sale at a bargain price of 12.000.000 TL.

Respondent: 0 545 588 95 53

**[P:3 Land for Sale]** In the region where the real estate subject to the appraisal is located, opposite the DPÜ Central Campus, a land with Trade + Housing Area, Precedent:1.05 and 4-storey construction conditions and a surface area of 4.223 m<sup>2</sup> is for sale at a bargain price of 19.500.000 TL.

Respondent: 0 274 333 13 34

**[P:4 Land for Sale]** In the region where the real estate subject to the appraisal is located, opposite the DPÜ Central Campus, a land with Housing Area, 3-storey construction conditions and a surface area of 682 m<sup>2</sup> is for sale at a bargain price of 3.000.000 TL.

Respondent: 0 532 730 79 28

**[P:5 Land for Sale]** In the region where the real estate subject to the appraisal is located, opposite the DPÜ Central Campus, a land with Housing Area, 3-storey construction conditions and a surface area of 500 m<sup>2</sup> is for sale at a bargain price of 850.000 TL.

Respondent: 0 534 269 30 76

**Note: Necessary goodwill adjustments related to the precedents are made in the table below.**

PRECEDENT ADJUSTMENT TABLE										
Content	Precedent 1		Precedent 2		Precedent 3		Precedent 4		Precedent 5	
Gross area (m <sup>2</sup> )	21.231,00m <sup>2</sup>		2.520,00m <sup>2</sup>		4.223,00m <sup>2</sup>		682,00m <sup>2</sup>		500,00m <sup>2</sup>	
Sales price	₺75.000.000,00		₺12.000.000,00		₺19.500.000,00		₺3.000.000,00		₺850.000,00	
m <sup>2</sup> unit price	₺3.532,57		₺4.761,90		₺4.617,57		₺4.398,83		₺1.700,00	
Room for negotiation	7%	-	7%	-	7%	-	7%	-	7%	-
Location and other goodwill	30%	-	30%	-	25%	-	30%	-	10%	-
Zoning Status goodwill	45%	-	45%	-	45%	-	45%	-	40%	-
Discounted unit price	₺635,86		₺857,14		₺1.062,04		₺791,79		₺731,00	
Average Unit Price	<b>816TL/m<sup>2</sup></b>									

**[P:7 Shop for Rent]** In the residential area opposite Dumlupınar University in the region where the real estate subject to appraisal is located, a shop, which is declared to have an area of 100 m<sup>2</sup>, is for rent for a monthly fee of 7.500 TL.

Respondent: 0 274 502 30 33

**[P:8 Shop for Rent]** In the residential area opposite Dumlupınar University in the region where the real estate subject to appraisal is located, a shop, which is declared to have an area of 70 m<sup>2</sup>, is for rent for a monthly fee of 5.000 TL.

Respondent: 0 507 145 43 05

**[P:9 Shop for Rent]** In the residential area opposite Dumlupınar University in the region where the real estate subject to appraisal is located, a shop, which is declared to have an area of 120 m<sup>2</sup>, is for rent for a monthly fee of 12.000 TL.

Respondent: -

[P:10 Shop for Rent] In the residential area opposite Dumlupınar University in the region where the real estate subject to appraisal is located, a shop, which is declared to have an area of 90 m<sup>2</sup>, is for rent for a monthly fee of 7.500 TL.

Respondent: 0 507 811 25 65

PRECEDENT ADJUSTMENT TABLE									
Content	Precedent 1		Precedent 2		Precedent 3		Precedent 4		
Gross area (m <sup>2</sup> )	100,00m <sup>2</sup>		70,00m <sup>2</sup>		120,00m <sup>2</sup>		90,00m <sup>2</sup>		
Sales price	₺7.500,00		₺5.000,00		₺12.000,00		₺7.500,00		
m <sup>2</sup> unit price	₺75,00		₺71,43		₺100,00		₺83,33		
Room for negotiation	5%	-	5%	-	5%	-	5%	-	
Location and other goodwill	0%	-	0%	-	0%	-	0%	-	
Zoning Status goodwill	0%	-	0%	-	0%	-	0%	-	
Discounted unit price	₺71,25		₺67,86		₺95,00		₺79,17		
Average Unit Price	78TL/m <sup>2</sup>								

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



**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 real estate subject to the appraisal is located within the Dumlupınar University Campus. The land on which the real estate is located is the "University Social Life Center". According to the researches carried out in the region where the real estate is located, there is no precedent land with the same zoning status. There are generally structureless areas in the immediate vicinity of the real estate. The eastern part of the Tavşanlı road, where the Dumlupınar University campus faces, is planned to be densely populated.

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Due to the fact that the said area is close to the University campus, it has been seen that the buildings are used as lodgings, student dormitories, etc. Based on this situation, it has been accepted that the lands in question may be a precedent for the real estate. During the appraisal phase, the residential zoned lands and structureless lands in the region were taken as a precedent, and the value of the land was appraised by making the necessary corrections regarding the location, sales capability, construction conditions, preferability, etc.

In line with this information, it has been concluded that the sale prices per square meter of land can be between 650 TL and 1.000 TL by making goodwill adjustments. The rental unit value of the real estates with shop characteristics in the region is in the range of 70-100 TL/m<sup>2</sup>.

### **Δ Result of Market Approach**

In line with the information written above, all kinds of positive/negative factors such as the location, zoning status, land structure, road frontage, ease of transportation etc. of the real estate in question were taken into account, and the land unit value of the real estate was appraised as 815 TL/m<sup>2</sup> in the light of the corrections in the precedents.

LAND VALUE			
BLOCK/PARCEL	AREA (m2)	UNIT PRICE (TL/m2)	VALUE (TL)
102 BLOCK 2 PARCEL	24878,00	815,98 ₺	20.300.000,00 ₺

As a result of the market approach method, the total value of the land (excluding VAT) was appraised as **20.300.000,00 TL**, taking into account the title deed area of the real estate.

## **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**

The current market conditions have been taken into account as a result of the corrections made with the precedents determined in the market approach and the explanations, taking into account all distinctive factors such as the area of the parcel in question, its location in the region where it is located, its distance to the main arteries, its facade, geometric shape and topographic features.

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 said real estate, it has been assessed by taking into account the classes of the existing buildings determined according to the on-site determinations from the 2023 Approximate Unit Costs of Buildings table published by the Ministry of Environment and Urbanization.

BUILDING VALUE				
QUALIFICATION	CONSTRUCTION AREA (m2)	UNIT COST (TL/m2)	DEPRECIATION (%)	VALUE (TL)
A,B,C,D,E,F BLOCKS (Administrative areas)	2951	7500	7	20.590.000,00 ₺
A,B,C,D,E,F BLOCKS (Room floors)	40594	7500	7	283.150.000,00 ₺
G BLOCK	11585	5500	5	60.540.000,00 ₺
H BLOCK	180	5500	5	950.000,00 ₺
I BLOCK	1994	5500	5	10.420.000,00 ₺
Environmental Layout, Infrastructure Costs, External Miscellaneous Works etc.				850.000,00 ₺
<b>TOTAL</b>				<b>376.500.000,00 ₺</b>

#### **Δ Result of Cost Approach**

REAL ESTATE	VALUE (TL)
LAND VALUE	20.300.000,00 ₺
BUILDING VALUE	376.500.000,00 ₺
<b>TOTAL</b>	<b>396.800.000,00 ₺</b>

\* As a result, a total value of **396.800.000,00 TL** was appraised as the land and building value of the real estate according to the cost method.

The calculation table of the basis for the lease right established on the said real estate is as follows.

Easement Period and Rate Table	
Easement Establishment Date	16.12.2016
Easement Period	29 YEARS
Easement Period on a Day Basis	10592
Easement Expiry Date	16.12.2045
Date of Appraisal	29.12.2023
Remaining Right of Easement Period on a Day Basis as of Appraisal Date	8023
Percentage of Remaining Period for Easement	75,75
Appreciated Full Ownership Land Unit Value	815,98 ₺
Land Area	24878,00
Total Land Value	20.300.000,00 ₺
Ratio of Easement Value (2/3)	0,6666
Percentage of Remaining Period for Easement	75,75
Land Unit Value Basis for Right of Easement	412,01 ₺
Land Area	24878,00
<b>Total Land Value Basis for Right of Easement</b>	<b>10.249.912,72 ₺</b>



While calculating the value of the real estate, the market approach value and the unit value of the land that is the basis for full ownership were found, and the land value that constitutes the basis for the easement right was achieved by the method of calculating the right of construction, as shown in the table above. Thus, the fair market value of the real estate subject to the report according to the cost method based on the lease right has been calculated as;

REAL ESTATE	VALUE (TL)
LAND VALUE	10.249.912,72 ₺
BUILDING VALUE	376.500.000,00 ₺
<b>TOTAL</b>	<b>386.749.912,72 ₺</b>

The right of easement value of the real estate was appraised approximately as **386.750.000,00 TL** with this method.

Right of Construction Value: Calculation has been made over the Market Value of the Land x 2/3 (Right of Construction Multiplier) x (Remaining Years/49 Years).

#### **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. Although the real estates have 5C construction class in the license document, it has been concluded in the on-site examinations that they are in 3B construction class.

Indoor Area		Unit Price (TL/m <sup>2</sup> )		Insurance Value
57.304 m <sup>2</sup>	x	6.350 TL/m <sup>2</sup>	=	363.880.400,00 TL

### **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:

- (a) 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.),
- (b) determining, if any, the most appropriate exact period for estimating cash flows,
- (c) preparing cash flow forecasts for the period in question,
- (d) 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;
- (e) determining the appropriate discount rate,
- (f) 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 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,

$$\text{Discount Rate} = \text{Risk-Free Rate of Return}^* + \text{Risk Premium}^{**}$$

\* The risk-free rate of return is determined by considering the returns of 10-year government bonds. According to the examinations, the risk-free rate of return on government bonds for the last 10 years is around 23%.

\*\* The risk premium, on the other hand, has been determined by taking into account the sector risk of around 2,5-3% and the country risk of around 3-4% over the determined risk-free rates of return.

Accordingly, the discount rate was taken as 27%.

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

The real estate subject to the appraisal has been leased out by Isparta Yurt Yatırımları A.Ş. to the Higher Education Credit and Dormitories Institution (Institution) of the Ministry of Youth and Sports, with the relevant lease contract to be used as a student dormitory.

According to the contract in question;

- The lease contract was signed on 20.12.2018 and the lease term is 15 years.
- Student admission to the building is the starting date of lease.
- The monthly rental price of the buildings is 825,000.00 TL including withholding tax.
- A 15% discount will be made on the rental price determined in the first year, and it will be 701,250.000 including withholding tax and excluding VAT.
- The rent increase will be determined by increasing it at the PPI rate compared to the same month of the previous year.
- Lease taxes, duties and fees belong to the lessee.
- Building taxes belong to the lessee.

### **Δ Data Used in Discounted Cash Flow Statement**

- As a result of the increases made from the beginning of the contract until today, the monthly rental price in September 2023 was determined as 2,569,397.07 TL excluding VAT. This amount will increase in September every year, and the increases will be determined according to PPI-CPI ratios in agreement with KYK.
- Considering the current economic conditions, the rental price determined in September 2023 will increase by 50% in September 2023, 35% in 2024, 25% in 2025, 20% in 2026, 17% in 2027, 14% in 2028 and, taking into account the economic risks and the development of the country, 11% in the following years.
- There is a rentable commercial unit with an area of 950.72 m<sup>2</sup> in the dormitory campus. It is projected to reach 65% occupancy in 2024 and 100% in the following years.

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- In the researches, the rental unit values of the commercial units used as markets, stationery, cafes and restaurants in the region are in the range of 70-90 TL/m<sup>2</sup>. Considering that the real estate serves around 3000 dormitories and students and other students on campus, the commercial unit rental unit value has been determined as 78 TL. Annual rent increase rates have been added to the projection assuming that they will increase at the same rate as the rent increase rates determined in the rent to be paid by KYK.
- It is foreseen that there will be 1% general operating expenses over the total gross income.
- According to the easement agreement, the rental price to be paid for 2024 is 3,446,952.00 TL. This amount has been added to the projection, assuming that it will increase at the same rate as the rent increase rates determined in the rent to be paid by KYK in September 2024.
- According to the easement agreement, 1% turnover share expense has been added to the projection.
- The insurance cost for the year 2024 is 231.260,00 TL. This amount has been added to the projection for the first year. Annual amount has been added to the projection assuming that it will increase at the same rate as the rent increase rates determined in the rent to be paid by KYK.
- In addition, it is assumed that there will be 0,5% other expenses for unforeseen expense items.
- Tax and VAT are not included in the studies within the scope of International Appraisal Standards.
- A more realistic net present value was obtained by taking the mid-year factor (0.5) into account in net present value calculations.
- It is assumed that all payments are made in advance.

Değerleme Yılı	1	2	3	4	5	6	7	8	9	10	11
Periyot Period	1	2	3	4	5	6	7	8	9	10	11
Yıllar Years	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
<b>Yıllık Yurt Kira Geliri ( TL)</b>	₺35.971.558,98	₺51.644.881,11	₺67.639.377,87	₺83.248.465,07	₺98.961.612,85	₺114.689.329,11	₺129.496.671,16	₺143.741.304,99	₺160.578.911,87	₺178.242.592,17	₺197.849.277,31
<b>Ticari Ünite Kiralanabilir Alan ( m2)</b>	950,72	950,72	950,72	950,72	950,72	950,72	950,72	950,72	950,72	950,72	950,72
<b>Ticari Ünite Kira Birim Değeri ( TL/m2)</b>	₺78,00	₺97,50	₺118,95	₺140,36	₺161,42	₺179,17	₺198,88	₺220,76	₺245,04	₺271,99	₺301,91
<b>Ticari Ünite Kiralama Oranı( %)</b>	65,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%
<b>Ticari Ünite Toplam Geliri</b>	₺578.418,05	₺1.112.342,40	₺1.357.057,73	₺1.601.328,12	₺1.841.527,34	₺2.044.095,34	₺2.268.945,83	₺2.518.529,87	₺2.795.568,16	₺3.103.080,66	₺3.444.419,53
<b>Toplam Gelir</b>	₺36.549.977,03	₺52.757.223,51	₺68.996.435,60	₺84.849.793,19	₺100.803.140,19	₺116.733.424,46	₺131.765.616,99	₺146.259.834,86	₺163.374.480,03	₺181.345.672,83	₺201.293.696,84
<b>İşletme Gideri</b>	₺365.499,77	₺527.572,24	₺689.964,36	₺848.497,93	₺1.008.031,40	₺1.167.334,24	₺1.317.656,17	₺1.462.598,35	₺1.633.744,80	₺1.813.456,73	₺2.012.936,97
<b>Üst Hakkı Bedeli</b>	₺3.550.000,00	₺4.792.500,00	₺5.990.625,00	₺7.188.750,00	₺8.410.837,50	₺9.588.354,75	₺10.834.840,87	₺12.243.370,18	₺13.835.008,30	₺15.356.859,22	₺17.046.113,73
<b>Ciro Payı</b>	₺365.499,77	₺527.572,24	₺689.964,36	₺848.497,93	₺1.008.031,40	₺1.167.334,24	₺1.317.656,17	₺1.462.598,35	₺1.633.744,80	₺1.813.456,73	₺2.012.936,97
<b>Yıllık Sigorta Gideri</b>	₺243.001,29	₺364.501,94	₺492.077,62	₺615.097,03	₺738.116,43	₺863.596,22	₺984.499,70	₺1.092.794,66	₺1.213.002,07	₺1.346.432,30	₺1.494.539,86
<b>Diğer Giderler</b>	₺182.749,89	₺263.786,12	₺344.982,18	₺424.248,97	₺504.015,70	₺583.667,12	₺658.828,08	₺731.299,17	₺816.872,40	₺906.728,36	₺1.006.468,48
<b>Net Gelir Toplamı ( TL)</b>	₺31.843.226,31	₺46.281.290,98	₺60.788.822,09	₺74.924.701,33	₺89.134.107,75	₺103.363.137,87	₺116.652.136,00	₺129.267.174,15	₺144.242.107,65	₺160.108.739,49	₺177.720.700,83
<b>İndirgeme Oranı Discount Rate</b>	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%
<b>İndirgenmiş Nakit Akışı Discounted Cash Flow</b>	₺25.073.406,54	₺28.694.457,80	₺29.676.492,18	₺28.801.170,40	₺26.978.966,99	₺24.634.477,73	₺21.891.052,82	₺19.101.104,80	₺16.782.574,01	₺14.668.233,98	₺12.820.267,49

12	13	14	15	16	17	18	19	20	21	22
12	13	14	15	16	17	18	19	20	21	22
2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
₺219.612.697,82	₺243.770.094,58	₺270.584.804,98	₺300.349.133,53	₺333.387.538,22	₺370.060.167,42	₺410.766.785,84	₺455.951.132,28	₺506.105.756,83	₺561.777.390,08	₺623.572.902,99
950,72	950,72	950,72	950,72	950,72	950,72	950,72	950,72	950,72	950,72	950,72
₺335,12	₺371,99	₺412,91	₺458,33	₺508,74	₺564,70	₺626,82	₺695,77	₺772,31	₺857,26	₺951,56
100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%	100,00%
₺3.823.305,68	₺4.243.869,30	₺4.710.694,93	₺5.228.871,37	₺5.804.047,22	₺6.442.492,41	₺7.151.166,58	₺7.937.794,90	₺8.810.952,34	₺9.780.157,10	₺10.855.974,38
₺223.436.003,49	₺248.013.963,88	₺275.295.499,91	₺305.578.004,90	₺339.191.585,43	₺376.502.659,83	₺417.917.952,41	₺463.888.927,18	₺514.916.709,17	₺571.557.547,18	₺634.428.877,37
₺2.234.360,03	₺2.480.139,64	₺2.752.955,00	₺3.055.780,05	₺3.391.915,85	₺3.765.026,60	₺4.179.179,52	₺4.638.889,27	₺5.149.167,09	₺5.715.575,47	₺6.344.288,77
₺18.921.186,24	₺21.002.516,73	₺23.312.793,57	₺25.877.200,86	₺28.723.692,96	₺31.883.299,18	₺35.390.462,09	₺39.283.412,92	₺43.604.588,34	₺48.401.093,06	₺53.725.213,30
₺2.234.360,03	₺2.480.139,64	₺2.752.955,00	₺3.055.780,05	₺3.391.915,85	₺3.765.026,60	₺4.179.179,52	₺4.638.889,27	₺5.149.167,09	₺5.715.575,47	₺6.344.288,77
₺1.658.939,24	₺1.841.422,56	₺2.043.979,04	₺2.268.816,73	₺2.518.386,57	₺2.795.409,09	₺3.102.904,10	₺3.444.223,55	₺3.823.088,14	₺4.243.627,83	₺4.710.426,89
₺1.117.180,02	₺1.240.069,82	₺1.376.477,50	₺1.527.890,02	₺1.695.957,93	₺1.882.513,30	₺2.089.589,76	₺2.319.444,64	₺2.574.583,55	₺2.857.787,74	₺3.172.144,39
₺197.269.977,93	₺218.969.675,50	₺243.056.339,80	₺269.792.537,18	₺299.469.716,27	₺332.411.385,06	₺368.976.637,42	₺409.564.067,53	₺454.616.114,96	₺504.623.887,61	₺560.132.515,24
27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%	27,00%
₺11.205.115,68	₺9.793.447,56	₺8.559.627,40	₺7.481.249,14	₺6.538.729,57	₺5.714.952,61	₺4.994.958,58	₺4.365.672,46	₺3.815.666,48	₺3.334.952,60	₺2.914.801,09

This Document was signed via e-signature within the scope of the "Electronic Signature Law" no 5070.

Valuation Table			
Risk-free Rate of Return	23,00%	23,00%	23,00%
Risk Premium	3,50%	4,00%	4,50%
Discount Rate	26,50%	27,00%	27,50%
Present Value (TL)	₺327.492.987,38	₺317.841.377,89	₺308.640.242,60
Approximate Present Value (TL)	₺327.490.000,00	₺317.840.000,00	₺308.640.000,00

#### **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.

Considering the discounted cash flow data, the total value of the real estate determined by the cash flow projection is approximately **317.840.000,00 TL**.

#### **5.4 Other Determinations and Analyzes**

##### **Δ Determined Rental Values**

According to the rent increase rate determined in September every year between the Credit and Dormitories Agency and Akfen GYO AŞ for the said real estate, the monthly rental price has been determined as 2,569,397.07 TL, excluding VAT, as of September 2023. This amount will increase in September every year, and the increases will be determined according to WPI-CPI ratios in agreement with Credit and Dormitories Agency.

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

The real estate subject to the appraisal is used as a student dormitory. Considering that the real estate in question will not be subject to revenue sharing or flat for land, no study has been carried out in this regard.

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

The real estate subject to the appraisal is used as a student dormitory. 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. No common or divided part appraisal has been made.

## **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**

Since the value of the right arising from the lease contract was determined for the real estate subject to the report, an income analysis was performed over the current rental income. With the market approach, the rental value of the commercial units and the land value were determined. In the cost analysis, the cost of the existing buildings was determined. Considering that the real estate is currently generating income according to the lease contract, the value determined by the income analysis has been accepted as the basis.

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

#### **Δ Positive Features**

- The real estate is located within the Dumlupınar University campus.
- Easy access by students to the facilities within the real estate

#### **Δ Negative Features**

- Distant from the city center

#### **Δ Opportunities**

- High student potential of the university

#### **Δ Threats**

- 1+1 houses built in the region started to be preferred

### **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 building on the real estate subject to appraisal is used as a "Student Dormitory" and there are no studies for the development of any project due to 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 real estates subject to the appraisal are used as a dormitory and are operated in accordance with the easement agreement. In the official contract regarding the easement, it is seen that the independent and permanent easement right has a duration of 29 years, that the right of easement can be transferred to third parties, that, at the end of the period, the building subject to the easement will pass to the owner of the real estate free of charge, that the easement price is 459.000 TL + VAT for the first year, and for the following years it is as the prices specified in the contract. According to the said contract, there is no obstacle to the transfer of the easement right.

**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. Pursuant to subparagraph (a) of Article 22 of Section 7 of the "Communiqué No. III-48.1 on Principles Regarding Real Estate Investment Trusts" for Real Estate Investment Partners **“(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. Şu kadar ki münhasıran altyapı yatırım ve hizmetlerinden oluşan portföyü işletecek ortaklıklar sadece altyapı yatırım ve hizmet konusu olan gayrimenkuller ile ilgili olan işlemleri gerçekleştirebilir.”

(b) bendi **“(Değişik:RG-2/1/2019-30643)** Portföylerine alınacak her türlü bina ve benzeri yapılara ilişkin olarak yapı kullanma izninin alınmış ve kat mülkiyetinin tesis edilmiş olması zorunludur. paragraph (b) **“(Amended: OG-2/1/2019-30643)** For all kinds of buildings and similar structures to be included in their portfolio, it is obligatory that the building occupancy permit has been obtained and the condominium has been established. However, if all or parts of buildings such as hotels, shopping malls, business centers, hospitals, commercial warehouses, factories, office buildings and branches that are owned by the partnership, either alone or together with other persons, are used solely for the purpose of generating rental income, it is considered sufficient to obtain a building occupancy permit for the aforementioned building and to have the qualification specified in the title deed suitable for the current situation of the real estate. In addition, obtaining a building registration certificate within the scope of the provisional article 16 of the Zoning Law No. 3194 dated 3/5/1985 is considered sufficient to fulfill the condition of obtaining the building occupancy permit in this paragraph.” and paragraph (g) **“It can establish right of construction, right of usufruct and time-share servitude in its favor on real estates owned by other persons and transfer these rights to third parties.”.** Pursuant to these paragraphs, It has been concluded that there is no obstacle for the real estate to be included in the GYO portfolio as a real estate based right with its qualifications in the title deed.

## 7. CONCLUSION

### 7.1 Conclusion Sentence of The Responsible Appraiser

This report, which contains the minimum elements within the scope of the CMB legislation for the determination of the market value of the easement right in Kütahya Province, Merkez District, Civli Neighborhood, Block 102, Parcel 2 has been prepared by us, upon the request of Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.

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 'Income 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; **317.840.000,00 TL** and in Words **Three hundred seventeen million eight hundred forty thousand Turkish Lira.**

Total Sales Value Including 20% VAT is: 381.408.000,00 TL.

As of the appraisal date, the rental price calculation of the real estate for 18% over monthly turnover has been determined by taking into account the cash flow data.

Monthly Lease Amount of Real Estate has been determined as: **2.569.397,07 TL/Month.**

Monthly Rental Value including 20% VAT is: 3.083.276,48 TL.

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 is 1€:32.5739 TL.*

Burak BARIŞ Appraiser CMB License No: 406713	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 for customer request. 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 Easement Agreement,

Δ Photos of Real Estate,

Δ CMB License Certificates and Professional Experience Certificates