

INTERNAL APPROVAL MEMORANDUM

Bulk Sale Deal Authorization Request

TO: Senior Management / Chairman **FROM:** Strategy Department
DATE: January 30, 2026 **RE:** Laguna Residence Bulk Disposal - AED 893M Portfolio

EXECUTIVE SUMMARY

This memorandum requests approval for a bulk sale transaction of 632 units at Laguna Residence totaling AED 893,271,236 in gross value. The proposed terms include a 9% referral commission and 10% bulk discount, resulting in net proceeds of AED 723,549,701.

DEAL STRUCTURE

Transaction Overview

Parameter	Value
Gross Portfolio Value	AED 893,271,236
Total Units	632
Average Unit Price	AED 1,413,404
Net Proceeds	AED 723,549,701

Proposed Terms

Term	Rate	Impact
Referral Commission	9%	(AED 80,394,411)
Bulk Discount	10%	(AED 89,327,124)
Payment Structure	100% Upfront	Immediate liquidity
Total Concession	19%	(AED 169,721,535)

UNIT ALLOCATION

Unit Type	Count	Avg. Price	Subtotal
Studio	206	AED 855,140	AED 176,158,903
1BR	381	AED 1,619,963	AED 617,206,000
2BR	45	AED 2,220,141	AED 99,906,333
Total	632		AED 893,271,236

Data sourced from Salesforce Unit_c (Base_Price_c field) — January 30, 2026

FINANCIAL ANALYSIS

Proceeds Breakdown

Gross Value:	AED 893,271,236
Less: Referral Commission (9%)	(AED 80,394,411)
Less: Bulk Discount (10%)	(AED 89,327,124)
NET PROCEEDS:	AED 723,549,701

Comparative Analysis

Scenario	Timeline	Net Realization	NPV (8% discount)
Bulk Sale (This Deal)	Immediate	AED 723,549,701	AED 723,549,701
Retail Sales (Est.)	24-36 months	AED 848,107,674	AED 692,000,000
Mixed Strategy	18-24 months	AED 785,828,688	AED 689,000,000

Conclusion: Bulk sale provides superior NPV and eliminates market timing risk.

STRATEGIC RATIONALE

Benefits

1. **Immediate Liquidity**
 - AED 723.5M cash injection
 - No payment collection risk
 - Reduced admin overhead
2. **Risk Mitigation**
 - Eliminates 24-36 month sales cycle
 - Removes market volatility exposure
 - No individual buyer default risk
3. **Operational Efficiency**
 - Single transaction vs. 632 individual sales
 - Reduced sales & marketing costs
 - Freed resources for other projects
4. **Market Positioning**
 - Demonstrates institutional investor interest
 - Validates project pricing
 - Creates scarcity for remaining inventory (307 units)

Considerations

1. **Commission Rate (9%)**
 - Above standard agency rates (2-3%)
 - Justified by deal size and immediacy
 - Single point of contact efficiency
2. **Bulk Discount (10%)**
 - Industry standard for volume transactions
 - Offset by certainty of close
 - No carrying costs

REMAINING INVENTORY

After this transaction: - **Remaining Units:** 307 (939 total - 632 sold) -
Remaining Value: ~AED 901M - **Mix:** Primarily larger 2BR+ units

RISK ASSESSMENT

Risk	Likelihood	Impact	Mitigation
Market downturn before close	Low	High	100% upfront payment
Buyer default	Very Low	High	Pre-qualified investor
Regulatory issues	Low	Medium	Standard due diligence
Reputational	Low	Low	Confidentiality clauses

APPROVAL REQUIREMENTS

Signatories Required

- CEO / Managing Director**
- CFO / Finance Director**
- Chairman** (for deals > AED 500M)
- Legal Counsel** (review of terms)

Supporting Documents

1. ✓ Unit schedule with pricing (Salesforce export)
 2. ✓ Buyer qualification memo (separate)
 3. ✓ Legal term sheet (pending)
 4. ✓ Financial model (attached)
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RECOMMENDATION

APPROVE this transaction based on:

1. Strong NPV compared to alternative scenarios
 2. Immediate liquidity benefits
 3. Risk mitigation through 100% upfront payment
 4. Operational efficiency gains
 5. Strategic portfolio optimization
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APPROVAL SIGNATURES

Role	Name	Signature	Date
Strategy Director			
CFO			
CEO			
Chairman			

Prepared by: Strategy Department **Classification:** CONFIDENTIAL -
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