شركة المهيلب
ALMOHAILEB
Group of Companies

Rakkah Luxury Compound

Preliminary Feasibility Report

Disclaimer

This document is a conceptual, high-level assessment intended for preliminary planning only. All figures and assumptions are indicative and non-verified, and do not constitute a certified feasibility study or professional advisory. The information should not be relied upon for financial or investment decisions without independent expert validation.

Project Introduction

Nestled in the heart of Rakkah, Al Khobar, this exclusive residential enclave redefines luxury coastal living. With pristine white contemporary villas, resort-style pools, lush green landscapes, and thoughtfully designed family amenities including serene playgrounds, the community offers an unmatched blend of sophistication, comfort, and long-term investment value in one of Saudi Arabia's most sought-after locations.

Designed for discerning families and investors alike, the project delivers not only a premium residence but a thriving community atmosphere—complete with shaded walking paths, children's play areas, and clubhouse facilities—while maintaining the privacy and exclusivity that define true luxury living in Al Khobar.

Project Introduction

Residential

40 Luxury Villas:

Avg. Size: 300 m^2
High-end finish, premium landscape integration.

120 Townhouses:

Avg. Size: 130 m^2

Amenities

Large resort-style swimming pool (60+ people)
2 paddle courts
2 basketball courts
Children play zones
Picnic & seating areas
Botanic-inspired landscape (biophilic)
Internal roads, lighting, pathways

Land

Total Land: 40,000 m^2

Built-up Area: ~20,000 m^2

Land is owned and valued at 48,000,000 SAR

Construction Cost Summary

Component	Cost (SAR)
Villas (40×300 m²)	96,000,000
Townhouses (120×130 m²)	93,600,000
Amenities (pool, courts, landscape)	15,000,000
Roads & Infrastructure	21,000,000
MEP + Utilities	18,000,000
Contingency + PM	12,175,000
Total Construction Cost	**295,775,000**
Land Value (already owned)	**48,000,000**
Total Project Value	**343,775,000**

Revenue Forecast (Base Case)

Selling Prices:

Luxury Villas: 3,500,000 SAR/unit
Townhouse: 2,000,000 SAR/unit

Product	Units	Cost (SAR)	Price	Total Revenue
Villas	40	96,000,000	140,000,000	**44,000,000**
Townhouses	120	93,600,000	240,000,000	**146,400,000**
Total Sales Revenue	-	-	-	**190,400,000**

A New Benchmark in Living

Generous space, abundant light, and every line—architectural or landscaped— drawn with restraint and precision.

Payback, Profit Margin, IRR

Full Cashflow Assumptions:

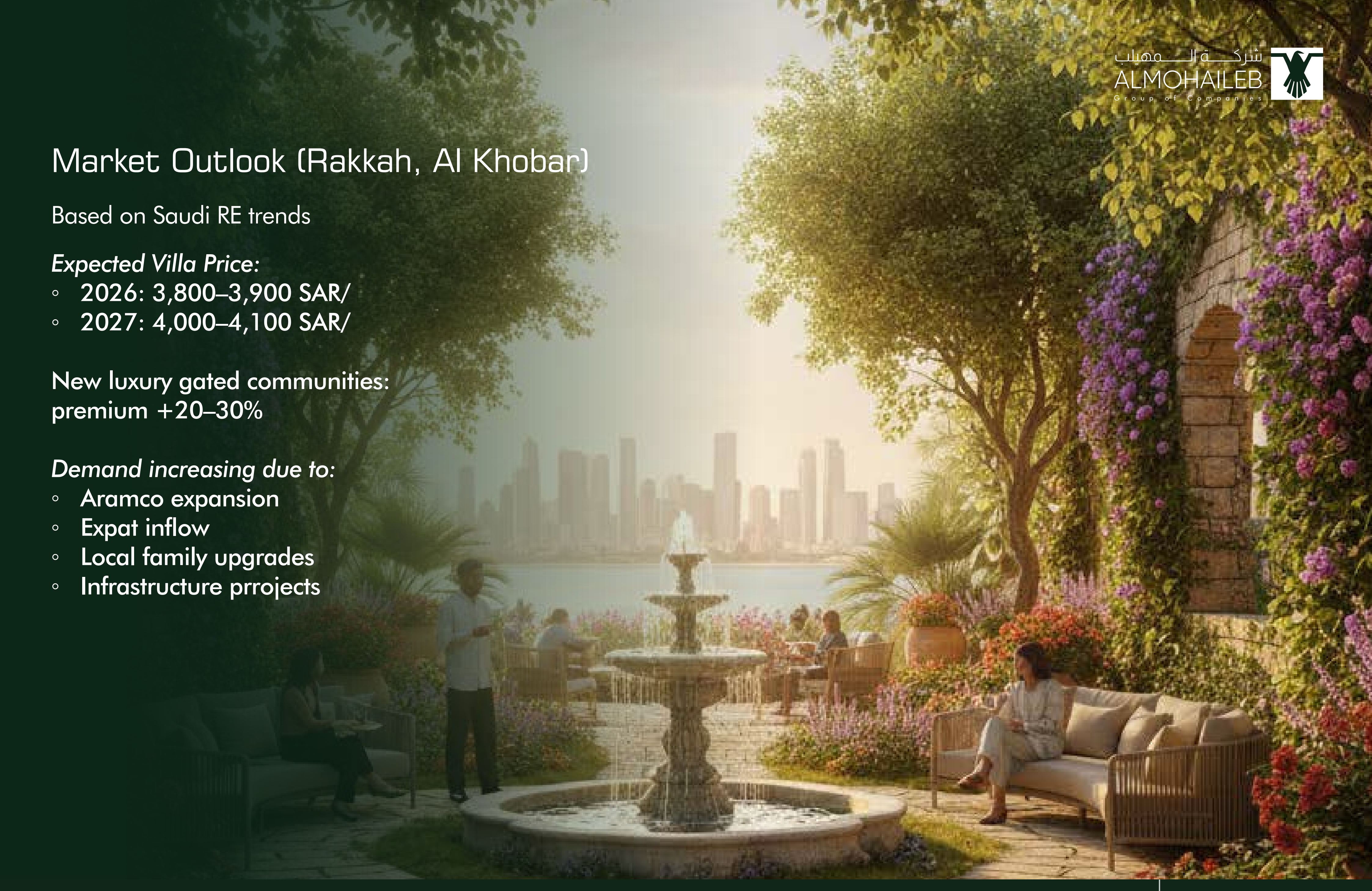
70% units sold at Year 3
30% rented long-term
Villa Yield: 5.5%
Townhouse Yield: 4.5%

Metric	Result
Profit Margin	≈10% on construction cost
ROI Including Land Value	~6%
IRR (Base Cap)	8.4%
Payback Period	≈5–6 years

Project Timeline

Total project duration: ~26 months (2.2 years)

Phase	Duration
Concept + Design	0–3 months
Approvals	3–6 months
Constructions	6–18 months
Finishing	18–24 months
Handover	24–26 months



Market Outlook (Rakkah, Al Khobar)

Based on Saudi RE trends

Expected Villa Price:
- 2026: 3,800–3,900 SAR/
- 2027: 4,000–4,100 SAR/

New luxury gated communities:
premium +20–30%

Demand increasing due to:
- Aramco expansion
- Expat inflow
- Local family upgrades
- Infrastructure prrojects

Conclusion

Strengths

Strong demand for luxury villas in Rakkah

High absorption rate expected

Attractive investor metrics when priced at upper bracket

Excellent amenity package is a value booster

Weaknesses

Construction cost high due to luxury specs

Rental yields moderate

Opportunities

Increase villa area to 320–350 m² for even higher revenue

Raise sales % from 70 to 80% to improve IRR

Introduce branded residences concept for premium

Risks

Price sensitivity for TH buyers

Delays in approvals

Material cost fluctuations

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