

BUSINESS PLAN TO TANZANIA
INVESTMENT
CENTRE (TIC)

IN FAVOUR OF

BONSI INVESTMENTS
LIMITED

AS
A PROPOSAL FOR REGISTRATION
FOR
THE CERTIFICATE OF INCENTIVES

JUNE 2025

Business Plan for 6-Unit Rental Homes Development

Plot 865, Burka Area, Arusha, Tanzania

1. Title of the Project

"Bonsi Portfolio Rental Homes in Burka, Arusha, Tanzania"

2. Executive Summary

This business plan outlines the development of six modern each, fully furnished rental homes on Plot 865 in Burka Area, Arusha. The project aims to provide high-quality, short-term and long-term rental accommodations targeting expatriates, tourists, and professionals in Arusha.

We intend to apply for the **Tanzania Investment Centre (TIC) Certificate of Incentives** to benefit from tax exemptions on imported construction materials, furniture, and electronics. The project will create employment opportunities, contribute to local economic growth, and generate steady rental income.

3. Summary of Company Legal Formation

- **Company Name:** Bonsi Investments Limited
- **Legal Structure:** Limited Liability Company (LLC) registered under Tanzanian laws.
- **Incorporation number:** 138851966
- **Tax Compliance:** Compliant with TRA (Tanzania Revenue Authority).
- **Ownership:** Private ownership with clear shareholding structure.

4. Company Shareholding Structure & Nationality

Shareholder Name	Nationality	Ownership (%)
Dharampal Singh Mand	Tanzanian	62.5%
Sukhraj Singh Mand	American	18.75%
Vikram Singh Mand	Canadian	18.75%

5. Description of the Project Location

- **Location:** Plot 865, Burka Area, Arusha, Tanzania.
- **Accessibility:** Close to major roads, Arusha city center, and key amenities.
- **Advantages:**
 - Growing demand for rental properties due to Arusha's tourism and business activities.
 - Proximity to international schools, hospitals, and shopping centers.

6. Project Objective

- Develop Six fully furnished, modern rental units.
- Generate stable rental income through short-term and long-term leases.
- Leverage TIC incentives to reduce import costs.
- Create employment opportunities for locals on construction work and upkeep of units.

7. Summary of Sector Performance

- **Real Estate Growth:** Arusha's real estate market is expanding due to tourism, international organizations (e.g., African Court, UN agencies), AFCON Stadium to host 2026 cup and future events and business investments.
- **Rental Demand:** High demand from expatriates, NGO workers, and tourists.
- **Competitive Advantage:** Fully furnished homes with modern amenities will attract premium tenants.

8. Summary of Market Analysis

- **Target Market:**
 - Expatriates working in NGOs, embassies, and international firms.
 - Tourists seeking mid-to-long-term stays.
 - Local professionals preferring high-end rentals.
- **Competitors:** Few high-quality furnished rentals in Burka area.
- **Pricing Strategy:** Competitive monthly rents (\$1200 - \$1,500 per unit).

9. Project Description

Annual Production Capacity

- 6 fully furnished homes available for rent year-round.
- Expected occupancy rate: **100%**.

Employment Creation

Role	Number	Gender (M/F)	Local/ Foreign	Skill Level
Property Manager	1	F	Local	Skilled
Cleaners/ Maintenance	4	M/F	Local	Unskilled
Security Guard	4	M	Local	Semi-skilled

Technology & Skills Transfer

- Use of modern architecture and construction techniques provided employment to local Tanzania companies to showcase their work in the home businesses.
- Training for local staff in property management.
- Promoting local businesses in construction, security and home care.

10. Project Investment Costing (USD)

Category	Amount (USD)
Land (Already owned)	\$218,456
Construction (6 units)	\$450,000
Furniture & Electronics	\$150,000

Landscaping & Fencing	\$10,000
Working Capital (6 months)	\$54,000
Total Investment	\$882,456

11. Project Financing Pattern

Source	Amount (USD)	%
Local Equity	\$353,000	40%
Foreign Loan (if applicable)	\$0	0%
Working Capital	\$177,544	20%
Local Loan	\$353,000	40%

12. Project Implementation Schedule

Phase	Duration
Approval & Permits	Approved
Construction	8 months
Furnishing & Setup	1 month
Marketing & Tenant Acquisition	1 month
Total Duration	12 months

13. Financial Projections (5 Years)

Income Statement (Annual Projection)

Year	Rental Income (\$)	Operating Expenses + Loan Interest (\$)	Net Profit (\$)
1	\$72,000	\$109,990	
2	\$79,000	\$102,840	
3	\$87,000	\$95,780	
4	\$95,000	\$88,720	\$6,289
5	\$105,000	\$81,660	\$23,340

Cash Flow Projections

- Positive cash flow expected from Year 4.

Loan Repayment Schedule

- If a loan is taken, repayment over **5 years** at **10% interest**.

Payback Period

- Estimated **3-5 years** based on net profits.

14. Conclusion

This project presents a profitable opportunity in Arusha's growing rental market. With TIC incentives, efficient construction, and strong demand, the six rental units will generate stable income while contributing to local employment.

Prepared by: Sukhraj Singh Mand

Date: 23/6/2025

Contact: subwayarusha@gmail.com

+255689762141