

**CHENLIN INVESTMENT COMPANY LIMITED**

**BUSINESS PLAN**

**FOR**

**PROPERTIES LEASE**

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1. The Company

1.1. Executive summary/Preamble

Chenlin will be a Tanzanian Real Estate Business Company, with very high potential for growth.

This real estate project will be developed at Nyamagana district, Mwana region under International Management in collaboration with local experts.

Project development will be done in 3 years at a total of USD 600,000 of which 500,000 will be in the first year.

Dar es Salaam, April 2023

Cor van den Doel

Consultant

## 1.2. Introduction of the Company

### **CHENLIN INVESTMENT COMPANY LIMITED**

Is a company incorporated in Tanzania with certificate No. 159076369 dated 28<sup>th</sup> November 2022 as a private limited company under the Tanzanian Companies Act, 2002. **CHENLIN INVESTMENT COMPANY LIMITED** is engaged in the business of Real estate,

Across Mwanza, **CHENLIN INVESTMENT COMPANY LIMITED** is currently planning to provide real estate by construction of building, properties lease within Mwanza region.

#### a) **CHENLIN INVESTMENT COMPANY LIMITED's** mission...

- To serve for a better life...
- To become a leading real estate and properties lease company with business-enabling solutions and exceeding customer expectations.

#### b) **CHENLIN INVESTMENT COMPANY LIMITED's** vision...

The company will be for her customers a reliable, competent and guiding partner, with a worldwide network for expertise and knowledge;

where employers and proprietors doing their duties and making their jobs with pleasure, well motivated, well educated, good prepared and well equipped, in a setting where respect to each other is so self-evident, that people feel home and they develop themselves, so that they are be able to share their knowledge and understandings with others inside and outside the company;

besides we deeply respects the interests of our environment and society, local, in Tanzania and neighbouring countries.

- To deliver customized and unique business-enabling ensuring time and cost savings for customers.
- The company will be for her customers a reliable, competent and guiding partner, with a worldwide network for expertise and knowledge;  
where employers and proprietors doing their duties and making their jobs with pleasure, well motivated, well educated, good prepared and well equipped, in a setting where respect to each other is so self-evident, that people feel home and they develop themselves, so that they are be able to share their knowledge and understandings with

others inside and outside the company; besides we deeply respects the interests of our environment and society, local, in Tanzania and neighbouring countries

c) **CHENLIN INVESTMENT COMPANY LIMITED's core values**

- At **CHENLIN INVESTMENT COMPANY LIMITED**, we believe the customer comes first; the company management is focused to ensure customer delight, superior quality of delivery, and increased customer profitability.
  
- At **CHENLIN INVESTMENT COMPANY LIMITED**, our operations all over the Mwanza, we practice an enduring value system based on open culture, honest and fair business, and personal conduct, earning the confidence and trust of our Associates and Customers.
  
- At **CHENLIN INVESTMENT COMPANY LIMITED**, we practice transparency with all agencies that we are involved with.
  
- At **CHENLIN INVESTMENT COMPANY LIMITED**, value the importance of our colleagues, evolving a sense of togetherness and passion to deliver.
  
- Integrity & Transparency
- Team Spirit & Responsibility
- Quality & Excellence
- Knowledge, Understanding & High Standards
- Passion & Innovation
- Accountability

d) **CHENLIN INVESTMENT COMPANY LIMITED's Leadership...**

**CHENLIN INVESTMENT COMPANY LIMITED** will take and show responsibility to the social community by setting up and manage a chain of value in the Forest Industry and to improve the image of products processed in Tanzania.

e) **CHENLIN INVESTMENT COMPANY LIMITED's Real Estate & Community Project Planning**

- i. Real estate by Regrowth Management
- ii. Logging and property lease operations
- iii. Community Development
- iv. Schooling local communities
- v. Technical Training programs for staffs



#### 1.4. Managing Director

##### PERSONAL DETAILS

**NAME:** Lin Zhuxiang  
**SEX:** Male  
**NATIONALITY:** Chinese  
**DATE OF BIRTH:**  
**LANGUAGE WRITTEN AND SPOKEN** Chinese and English

#### 1.5. Director

##### PERSONAL DETAILS

**NAME:** Tamal  
**SEX:** Female  
**NATIONALITY:** Tanzania  
**DATE OF BIRTH:**  
**LANGUAGE WRITTEN AND SPOKEN** English & Swahili

## 1.1. Introduction of the management

### 1.1.1. Consultant C.C. (Cor) van den Doel ing.



#### **Curriculum vitae**

##### **Summary**

##### **Profile**

Skilled expat, consultant, process- and interim manager in industrial sceneries, service industries, tropical agricultural and cattle farming. Is able to break new grounds. A real people manager who knows how to explore knowledge and understandings, trusted in the companies root, in favour of operations. Is familiar with several characters of leadership. He is resourceful, understands habits and cultural sensitivities. Initiates and leads the process of changes. Very experienced in strategic, tactic and operational management. Communicator with power in confrontations.

Engaging personality, who is able to bridge opposite visions and creates support in situations when it is required. He knows how to employ common interest. He is a good listener and acute analyst. His inventive mind easily thinks out of the box.

##### **Competences**

Bird's eye, professional, analytical, motivated, initiated, decent, conscientious, sympathised, serving, open minded, active, commercial, doing, realizing and innovative.

##### **Brand experience**

Metal

Real Estate

Fast Moving Consumer Goods

Food [chocolate & dairy]

Water

Print

Manpower

Magazines and Journals

Packages

Hygiene

Communication

Tropical agricultural & cattle farming

Government

**Education**

Stivaco University for Applied Science; Print Management: Degree  
[Bachelor] 1995

Stivaco University for Applied Science; Marketing: Degree [Bachelor]  
1995

HEAO University for Applied Science; Logistic Management: Certificate  
1991

High School for Engineering; Mechanical Engineering: Diploma 1982

## 2. Investment Promotion

### 2.1. Location overview

- 2.1.1. Project name:  
Chenlin investment company limited ...
- 2.1.2. The plan:
  - a. To do real estate project
  - b. To build and construct houses
- 2.1.3. Proposed location and activities:  
Mwanza, Nyamagana District



2.1 Location



## **2.2 CHENLIN INVESTMENT COMPANY LIMITED**

### **TANZANIAN BUSINESS ENVIRONMENT**

In the African continent, TANZANIA is among the top ten investment destinations in Africa, thanks to reforms and a conducive investment environment set by the government.

The Rand Merchant Bank (RMB) ranked the country tenth in investment attractiveness, in the Where to Invest in Africa 2021 report released recently.

## **2.3 THE TANZANIA DEVELOPMENT CORRIDORS**

Development of real estate corridors has been one of the main strategies adopted by the Government of Tanzania to facilitate trade. Tanzania is devoting much attention to the corridor concept in its development policy by concentrating efforts in the Mwanza Corridor, Dar-es-Salaam Corridor, Central Corridor and the Tanga Corridor.

The geography of Tanzania, including its size, diversity and dispersion, give real estate a special position in the integration of the national economy.

### 3. Industry and Market

#### 3.1. Vision

It has become a challenge to employ a growing world population.

Africa is rich in agricultural resources, with around 200 million hectares arable land, 13% of the world's total. But the continent's real estate and properties lease development is undermined by a weak foundation and a major poor population. It would be wise to explore and invest in these sectors, to draw a master plan in capacity building, general trainings to empower people.

#### 3.2. Industry Status

Real estate generates jobs and income in Tanzania

The sector is mainly informal and its value remains largely unreported. Including the informal sector in GDP calculations could double the contribution of the other sector and the number of related full-time jobs.

#### 3.3. Market Prospects and Predictions

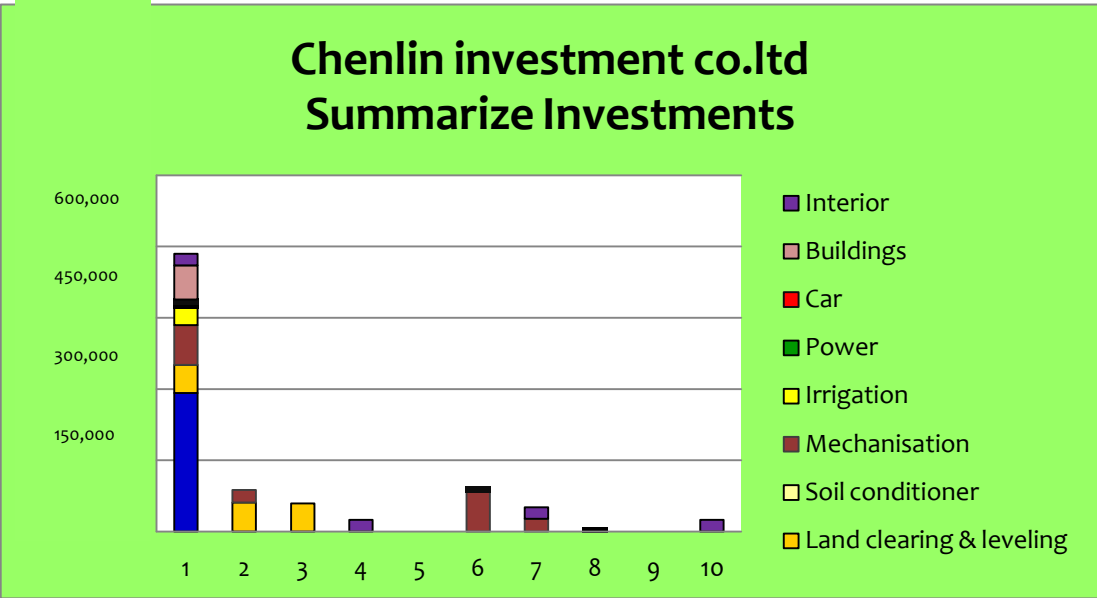
Outside Africa is a fast growing market demand, where consumers can pay better prices, that belongs to a higher standard of product quality. Higher product standards and more product varieties can easily be achieved by improved processing methods.

4. Investment

4.1. Investment

USD 567,000 in 2 years

Below table shows the investments



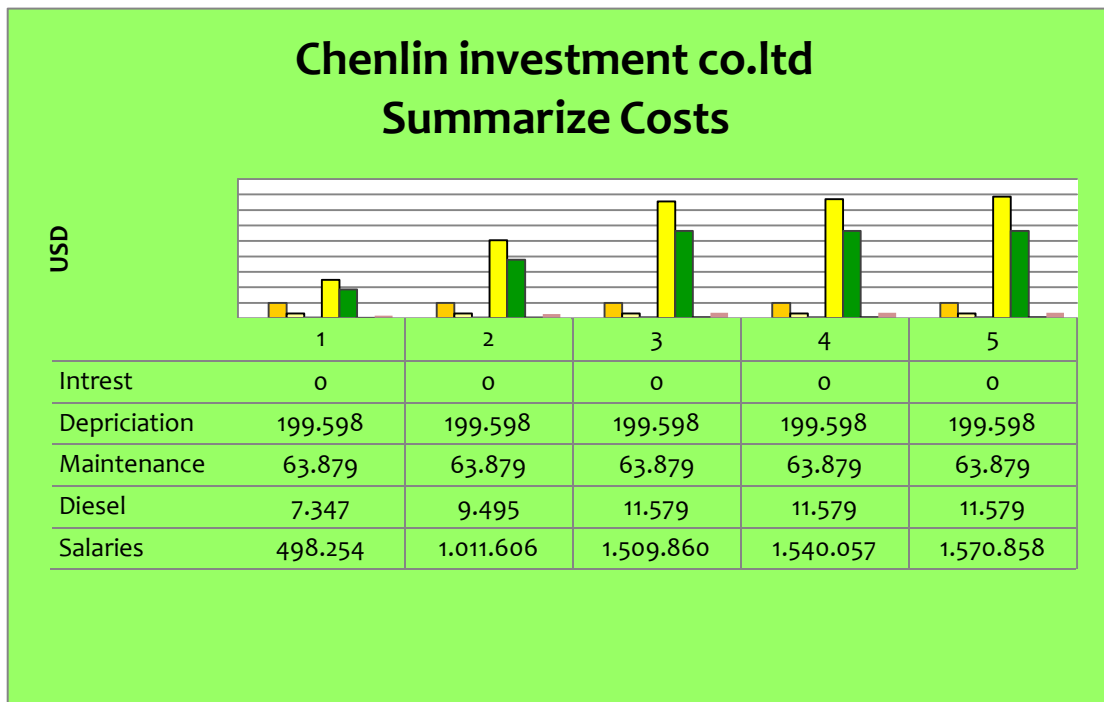
4.2. Interest is calculated for 0% per year

Exchange rate (January 2023: Tsh 2,230 = USD 1)

4.3. Cash Flow is after 2 years positive

See diagrams at 4.6

#### 4.4. Costing summarize

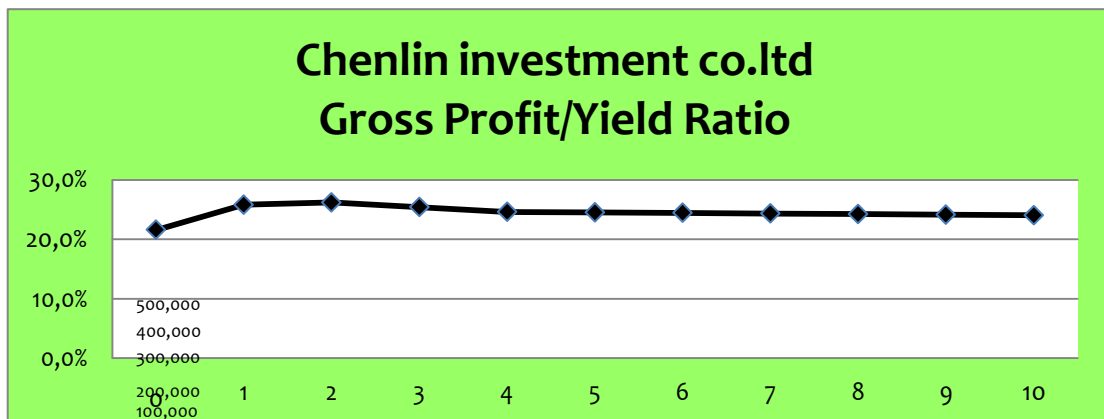


Average house price = USD .....

Average prices = USD .....

#### 4.5. Gross profit compared to revenue

The ratio for the house is around 30%



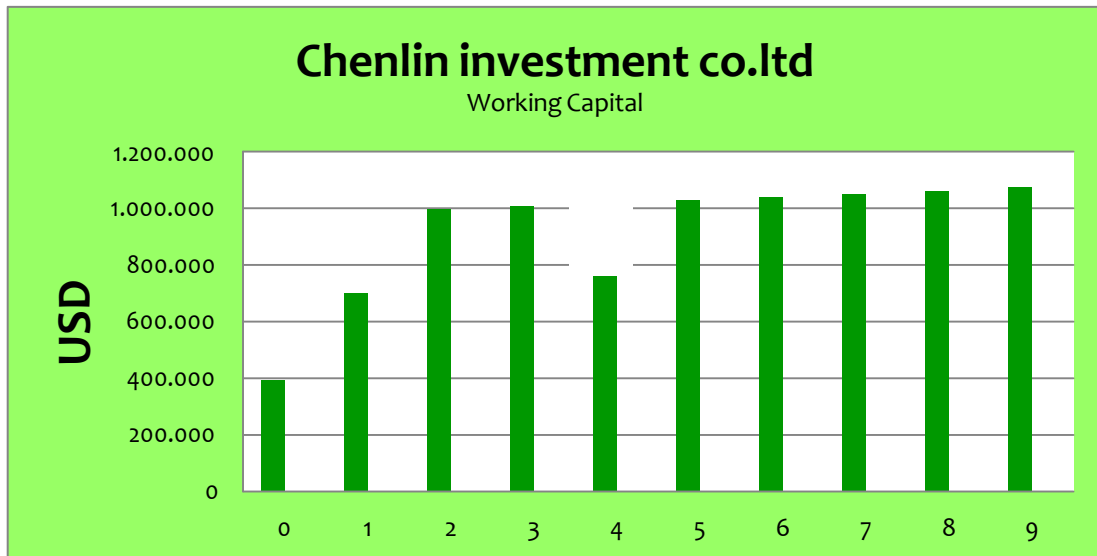
#### 4.6. ROI

The return of investment will be done in 2.5 years.

#### 4.7. Working capital

The first year USD 900,000, the second year USD 1.8 million and from year 3 around

USD 3 million.



#### 4.8. Employment

	Direct jobs	Indirect Jobs
Year 1	25	20
Year 2	35	27
Year 3	45	36

### 5 SWOT Analysis

SWOT Strategy		Opportunities			Treatths			
		Growing market	Fierce competition	Low margins (e.g. paper)	Disasters	Tr. Investment Rules & Regulations	USPEZ (D. yet)	
Strengths	Management	3	5	5				<p><b>Opportunities &amp; Strengths</b>  <b>Offensive Strategy</b>                      Move to use strengths to adapt to opportunities</p> <p><b>Threats &amp; Strengths</b>  <b>Defensive Strategy</b>                      Focus on strengths and keep an eye on the competitors</p> <p><b>Opportunities &amp; Weaknesses</b>  <b>Change strategy</b>                      Improve weaknesses and redirect organization</p> <p><b>Threats &amp; Weaknesses</b>  <b>Turnaround Strategy</b>                      Focus on core business, clean up and reorganise</p>
	coll. integration & knowledge network	5	3					
	Sales contracts	1	1	3	1	5	5	
Weaknesses	Funds (w. working capital)				5	1	3	
	Local habits				3	3		
	work of plant can't be used			1			1	

## **SWOT ANALYSIS**

### **STRENGTHS**

Strengths of the business are –

- Management
- Sales contracts
- Promoters have sound experience in this business and have talented Management.
- Rapid growth in sector due to effective management
- Influence & Networking of Directors in the Business Sector.
- Business location is at prominent place.
- Confirmed business via agreement entered with few companies.

### **WEAKNESSES**

Weaknesses of the business are –

- Local habits
- Funds and working capital
- 30% of plots cant be used and sold
- New entry in real estate market
- Stiff competition from local market
- Limited market share growth

### **OPPORTUNITIES**

Opportunities of the business are –

- Growing market
- Poor competition
- Government support
- Potential market encourages foreign investors
- Increasing market share due to real estate limitations

- Augmented demand for world class real estate and properties lease services
- Increased use of properties lease services in sectors such as technology, consumer retail, automotive and industrial

## **THREATS**

Threats of the business are –

- Diseases
- Tanzania government rules and regulations
- Buyers
- Complex Tax Structure
- Unorganised sector and competition
- Different laws in different countries
- Increasing fuel rates therefore increasing transportation costs

### **6.1 SERVICES OFFERED BY CHENLIN INVESTMENT COMPANY LIMITED**

**CHENLIN INVESTMENT COMPANY LIMITED** Management understands that your supply chain needs are unique that's exactly why the company have engaged the best minds in the real estate industry to create specific properties lease solutions customized to suit your ever-changing real estate movement environment.

Allows **CHENLIN INVESTMENT COMPANY LIMITED** real estate to complete the supply chain and offer truly door-to-door property lease service in the market

- Eliminates unnecessary customs delays, in payment and improves communication between the customers, Client and our department team.
- Provides greater control, handling and security of your safety.

**CHENLIN INVESTMENT COMPANY LIMITED** real estate plan to customize and design real estate solutions.

**Tuongee kazi zingine za kampun**

## 7.0 COMPETITION

According to data available there are more than ...real estate registered in Tanzania and CHENLIN INVESTMENT COMPANY LIMITED plan to compete favorably with local and foreign companies

### 8.1 ECONOMIC ASPECTS OF THE PROJECTS

Besides the financial/monetary returns to the owners, there are other benefits to be derived for the whole region and country.

#### (i) Employment Opportunities

Employment and poverty reduction are among the major concern of the Central and local Government authorities. It is gratifying to note that the company will provide additional employment to 120 people. This is a significant contribution coming from local investors.

#### (ii) Revenue to the Government

The Project is expected to pay a substantial annual amount in the form of corporation tax and other taxes

#### (iii) Foreign Exchange Earning

The project will thus earn foreign currency for the United Republic of Tanzania. Out of all project expected real estate transactions will be settled in foreign currencies. In this study we have assumed that the project will be paid in foreign currency

### 9.1 Conclusion

An investment in the value chain of real estate is very profitable. The feasibility study shows a breakeven within two years and comfortable profit margins!

It has become a challenge to employ a growing world population. 50% Of Tanzania's population (25 million people) is below 15 years old and will enter the labor market the next decade, to look for a job.

The project will bring benefits to the social community by employment of direct and indirect 80 full time jobs in 3 years.

- (i) The project is profitable and contributes to government revenue by way of taxes.
- (ii) The project provides employment to 120 people.
- (iii) The project is an encouraging sign to prove that we have good business environments and we have investors who have confidence in Tanzania so much so that they are ready to invest such large sums of investment despite the odds of the sector in question.

#### **10.0 RECOMMENDATION**

After the foregoing economic and financial evaluation of the project, we strongly recommend that this project be implemented and be given all the support required by all the concerned Government Ministries and Agencies, including Tanzania

Revenue Authority, TRA, and the Tanzania Investment Centre – (TIC). The project deserves this support because of its viability,

since it is technically feasible, economically viable, and socially acceptable.