

Business Plan

**——WANHE TIANYI REAL ESTATE
INVESTMENT COMPANY LIMITED**

1. Executive Summary

WANHE TIANYI REAL ESTATE INVESTMENT COMPANY LIMITED intends to develop a 7-floor serviced apartment hotel on Plot No. 865 in Kinondoni, Dar es Salaam. The project will consist of approximately 70 serviced apartments, catering to tourists, business travelers, and long-term tenants. The total construction area is around 3,500 square meters on a land area of 889 square meters. The investment for this project is \$5 million, which will be self-financed. The goal is to create a modern, fully serviced residential option in a prime urban location, meeting the growing demand for quality accommodation in Dar es Salaam.

2. Investment Objective

The main objective of the project is to build and operate a 7-floor serviced apartment hotel, providing luxury accommodation to business travelers, expatriates, and long-term residents. The property will offer high-end services, including housekeeping, 24/7 security, concierge services, and amenities such as a gym, swimming pool, and business center. The investment will contribute to Dar es Salaam's growing real estate and hospitality industry, generating sustainable income and capital appreciation.

3. Sector and Products

- **Sector:** Real Estate Development and Hospitality
- **Product:** Serviced apartment hotel, offering 70 fully furnished, high-end residential units with hotel-like amenities.
 - **One-bedroom apartments:** Approximately 30 units
 - **Two-bedroom apartments:** Approximately 30 units
 - **Three-bedroom penthouses:** Approximately 10 units
 - Each unit will be equipped with a kitchen, living room, and access to in-house services such as housekeeping, laundry, and concierge.

4. Investment Cost and Sources of Finance

- **Total Investment:** \$5 million
- **Source of Finance:** The project will be entirely self-financed using personal and company reserves. There will be no external debt or equity raised for this project.

5. Job Creation

The project will create employment opportunities both during the construction and operational phases:

- **Construction Phase:** Around 100 jobs, including engineers, architects, laborers, and contractors.

- **Operational Phase:** Approximately 50 permanent jobs, such as hotel management, housekeeping, maintenance staff, front desk staff, and security.

6. Investment Funds Expenditure Breakdown

- **Land Acquisition:** \$ 460,000 thousand
- **Construction Costs:** \$3,540,000 million
 - Civil works (foundation, structure): \$1.8 million
 - Finishing (plumbing, electrical, fixtures, etc.): \$1,000,000 million
 - External works (parking, landscaping, etc.): \$740,000 thousand
- **Permits and Licenses:** \$150,000 thousand
- **Consultancy Fees (architects, engineers, etc.):** \$200,000 thousand
- **Furnishings and Fixtures:** \$300,000 thousand
- **Marketing:** \$50,000 thousand
- **Contingency:** \$300,000 thousand

7. Sources of Supply of Inputs

- **Construction Materials:** Cement, steel, glass, tiles, and fittings will be sourced locally, ensuring cost efficiency and compliance with Tanzanian building standards. High-end finishes and fixtures, such as lighting, kitchen equipment, and furniture, will be imported to maintain international standards.
- **Labor:** The project will use local construction workers and skilled labor. Specialized consultants and architects will be brought in if necessary.
- **Services:** Building materials, furnishing, and amenities will be sourced from trusted local and international suppliers to ensure quality.

8. Marketing Plan

The marketing strategy will focus on attracting both short-term and long-term residents through a mix of digital and traditional marketing channels:

- **Online Presence:** Website, Google Ads, and listing on international hotel booking platforms (e.g., Booking.com, Airbnb) to target tourists and business travelers.
- **Social Media:** Utilize platforms like Instagram, Facebook, and LinkedIn to promote the apartments to potential tenants.
- **Real Estate Agents:** Partner with local real estate agents and property management firms to promote long-term leasing.
- **Corporate Partnerships:** Develop corporate relationships with multinational companies and embassies to accommodate expatriates and business executives.
- **Public Relations:** Host an open house event to introduce the serviced apartments to local businesses, diplomats, and high-net-worth individuals.

- **Promotions:** Offer discounts for long-term leases and early bookings during the first year of operation.

9. Implementation Schedule

- **Land Acquisition and Permits:** Months 1–2
- **Design Finalization and Approvals:** Months 2–4
- **Construction Start:** Month 5
- **Midway Review (50% Construction Completion):** Month 12
- **Construction Completion:** Month 18
- **Furnishing and Finishing:** Months 18–20
- **Marketing and Pre-leasing:** Start Month 18
- **Final Inspection and Occupancy:** Month 21
- **Full Operation:** Month 22

10. Financial Projections (Five Years)

Revenue Assumptions:

- Average room rent: \$1,200 per month (ranging from \$800 for a one-bedroom unit to \$1,800 for a penthouse).
- Occupancy rate in Year 1: 65% (growing to 90% by Year 5).

Year	Revenue	Operating Expenses	Net Profit
Year 1	\$655,200	\$300,000	\$355,200
Year 2	\$921,600	\$325,000	\$596,600
Year 3	\$1,180,800	\$350,000	\$830,800
Year 4	\$1,440,000	\$375,000	\$1,065,000
Year 5	\$1,512,000	\$400,000	\$1,112,000

- **Return on Investment:** Expected to break even by the end of Year 4.

11. Capacity of the Project

The apartment hotel will cover 3,500 square meters, accommodating approximately 70 serviced apartments across 7 floors. The capacity will serve both short-term and long-term residents, with the flexibility to adjust room configurations based on market demand. Additional services such as a business center, gym, and restaurant will enhance the appeal to both corporate and leisure clients.

12. Conclusion

WANHE TIANYI REAL ESTATE INVESTMENT COMPANY LIMITED is well-positioned to capitalize on the growing demand for high-quality, serviced

apartments in Dar es Salaam. With a clear financial plan, strong marketing strategy, and well-defined project timelines, the company expects to generate substantial returns while contributing to the local economy through job creation and enhanced real estate options. This investment will establish a foothold in the hospitality sector and serve as a model for future developments in Tanzania.