

**STRATEGIC BUSINESS PLAN FOR
WILD URBAN INTERNATIONAL DEVELOPMENT LIMITED**

**BUSINESS PLAN FOR REAL ESTATE DEVELOPMENT AND
INVESTMENT**

**ON PROPERTY TITLE No. 186034/32, Plot No. 1/6 –
KINONDONI/OYSTERBAY, DAR ES SALAAM**

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EXECUTIVE SUMMARY

Wild Urban International Development, established on March 27, 2024, and registered under the laws of the United Republic of Tanzania with Certificate of Incorporation Number 173433239, is a premier real estate company. Specializing in building, buying, selling, renting, and managing residential and commercial properties, the company has quickly established itself as a trusted name in the dynamic real estate sector.

With a commitment to excellence and innovation, Wild Urban International Development delivers tailored solutions to meet the diverse needs of its clients. Its strong market presence is backed by a reputation for high-quality services, professionalism, and a customer-focused approach. The company aims to be a leader in shaping the future of real estate in Tanzania, contributing to sustainable urban development and creating value for its stakeholders.

SERVICES

Wild Urban International Development offers a comprehensive range of real estate services designed to meet the diverse needs of clients:

- a) Property Sales** The company facilitates the buying and selling of residential and commercial properties, connecting buyers with their ideal investments and helping sellers achieve optimal market value.

- b) Property Rentals:** With an extensive portfolio of rental properties, Wild Urban International Development assists clients in finding the perfect home or office space tailored to their specific needs, ensuring convenience and satisfaction.

- c) Property Management:** Wild Urban International Development provides end-to-end property management services, including property maintenance, tenant screening, lease administration, and rent collection. These services ensure properties are well-maintained, profitable, and hassle-free for owners.

d) Property Development: Specializing in the planning, design, construction, and management of residential and commercial properties, the company has a proven track record of delivering high-quality, innovative developments. Wild Urban International Development is committed to creating sustainable, functional spaces that cater to the evolving needs of modern communities.

Wild Urban International Development is a foreign company owned by one Chinese and one Burundian. Of its 1000 authorized shares all taken by the shareholders. The authorized share capital of the company is Tshs. 2,500,000,000 (USD 970276) that is divided into 1000 shares of Tshs. 2,500,000 each.

This project focuses on development of the land for the building and apartment which shall be sold or leased, the capital planned is USD 970276 which 50% will come from foreign equity and 50% will come from local loan. At full capacity of the project will directly employ 100 people (14 foreigners and 86 locals) and indirectly employ more than 100 people.

Through the analysis conducted the shareholders of the company have realized feasibility of this project. The market analysis conducted has revealed that the services will penetrate the market and the company can establish its niche. The financial analysis has shown that the investment will pay-off as it has been predicted to make profits.

The object of this business plan is to present the business idea so that the TIC can provide incentives and immunities to the project presented. The incentives will help this project to develop and since this is a financially, socially and fiscally rational project the management believes that it deserves the incentives.

1.0 INTRODUCTION

The Board of Directors and Senior Management staff of the company met to establish goals and a strategy to achieve those goals for the coming five years. The purpose of this Strategic Plan is to outline the strategy by which we plan to meet our goals. The Strategic Plan is to be used:

- To participate fully in real estate business and property management.
- To identify short-term actions needed to prepare the Society to meet its long-term objectives.
- To help assess the long-term impact of short-term plans.
- To provide basis for financial strategy; and
- To provide control device against which to compare actual progress.

2.0 BACKGROUND

2.1 BRIEF HISTORY OF THE BUSINESS AND OUT LOOK OF THE BUSINESS STRENGTH AND GROWTH POTENTIAL

Wild Urban International Development, registered in Tanzania under the Companies Act, 2002, is a dynamic real estate and property development company. With majority shareholders from China and Burundi, the company brings a unique blend of international expertise and local market knowledge. Wild Urban International Development is committed to driving excellence in the real estate sector by offering innovative solutions and fostering sustainable property development to meet the needs of modern communities.

The Company has developed this Strategic Business Plan (SBP) to outline its vision and operational strategy. The primary focus during its initial phases will be on expanding its portfolio by constructing and developing a greater number of high-quality residential and commercial properties. Looking ahead, the company plans to explore investment opportunities in other key regions of Tanzania, including Mwanza and Arusha.

This strategic expansion is expected to contribute to economic growth by increasing the supply of quality buildings nationwide and generating higher income streams. Additionally, the company is committed to creating employment opportunities for local communities while

leveraging international expertise. By integrating foreign specialists with local talent, the company aims to foster knowledge transfer, enhance skills, and support sustainable development in Tanzania.

The company is fully committed to contributing to the rapid and comprehensive growth of the real estate sector in Tanzania, which has experienced significant development in recent years. Wild Urban International Development will base its operations in Dar es Salaam, positioning itself at the heart of Tanzania's economic hub to effectively drive its mission of enhancing the country's real estate landscape.

3.0 CUSTOMERS AND SERVICES

3.1 The major customers:

- a) Homebuyers: Individuals or families looking to purchase residential properties such as houses, apartments, or condominiums for personal use.
- b) Real Estate Investors: Investors looking to purchase properties as investments to generate rental income, capital appreciation, or both.
- c) Commercial Tenants: Businesses or organizations seeking to lease or purchase commercial properties such as office spaces, retail spaces, or industrial facilities.
- d) Developers: Companies or individuals involved in property development who may purchase land or existing properties for development projects.
- e) Real Estate Agents and Brokers: Professionals who help buyers and sellers navigate the real estate market and facilitate property transactions.
- f) Financial Institutions: Banks and mortgage lenders that provide financing to buyers and investors for property purchases.
- g) Government Entities: Government agencies or organizations that may acquire or lease properties for public use, infrastructure projects, or government facilities.
- h) Property Management Companies: Companies that manage properties on behalf of owners, handling tasks such as tenant relations, maintenance, and rent collection.

3.2 The services provided by the company

- a) Property Sales: facilitating the sale of residential, commercial, and industrial properties. This includes marketing properties, arranging viewings, negotiating offers, and managing the sales process.

- b) **Property Purchases:** assisting clients in finding and purchasing properties that meet their requirements and budget. This involves property search, property valuation, negotiation, and legal documentation.
- c) **Property Rentals:** helping clients find rental properties, whether residential or commercial. This includes property search, lease agreements, tenant screening, rent collection, and property maintenance.
- d) **Property Management:** Managing properties on behalf of owners, including tenant relations, rent collection, property maintenance, repairs, and handling day-to-day operations.
- e) **Real Estate Investments:** advising clients on real estate investment opportunities, such as rental properties, commercial real estate, or development projects. This may involve market analysis, financial projections, and investment strategies.
- f) **Property Development:** engaging in property development projects, including land acquisition, planning, design, construction, and marketing of new developments.
- g) **Real Estate Consulting:** Providing expert advice on various real estate matters, such as market trends, property valuation, investment strategies, and legal issues.
- h) **Property Valuation:** conducting property valuations to determine the market value of a property for sale, purchase, or financing purposes.
- i) **Real Estate Marketing:** Developing and implementing marketing strategies to promote properties for sale or rent, including online listings, advertising, and promotional campaigns.
- j) **Tenant Representation:** Representing tenants in lease negotiations, helping them find suitable rental properties, and ensuring their interests are protected.

4.0 SHAREHOLDING STRUCTURE OF THE COMPANY

NAME	NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER	SHARE PERCENT %
ZHENHUI CHEN	900	90
AUBELIN INGABIRANO	100	10

5.0 SUPPLY AND PRODUCTION PLAN

5.1 Supply Plan

The company will prioritize sourcing its supplies locally within Tanzania to support the domestic economy and ensure sustainable operations. For products that are unavailable locally, the company will extend its procurement to neighboring East African Community (EAC) countries. Importation will be reserved exclusively for items that cannot be sourced either locally or regionally, ensuring efficiency and minimizing reliance on external markets.

5.2 Production (Services) Plan

At full capacity the project is estimated to cover an area of 3,168 square meters in terms of developed structures (building and industrial shades)

YEARS	Y1	Y2	Y4	Y5	
DETAILS					
Structure Area Developed (sq. m) - A	1,000	1,500	2,000	2,500	3,100
Rate per (sq.m) structure - B	950	1,200	1,500	2,500	2,500

5.0 CURRENT POSITION AND FUTURE OUTLOOK

5.1 Vision:

To be a leading real estate company known for innovation, excellence, and integrity in transforming properties and enriching communities.

5.2 Mission:

Our mission is to provide exceptional real estate services by delivering high-quality properties, fostering lasting relationships, and creating value for our clients, stakeholders, and communities. We aim to exceed expectations through innovation, professionalism, and a commitment to sustainable development practices. Our goal is to be a trusted partner in helping individuals and businesses achieve their real estate goals while contributing positively to the growth and vitality of the areas we serve.

5.3 Synergy:

At Wild Urban International Development, we thrive as a cohesive team, leveraging our collective expertise and intellectual capital to achieve excellence. Collaboration is at the heart of everything we do, creating a culture of innovation and shared success. We bring energy, enthusiasm, and a sense of excitement to our work, creating a dynamic and enjoyable environment that drives our mission forward.

5.4 Engagement:

We are committed to providing valuable support to our key stakeholders, empowering them to achieve their goals. Our mission is to continuously deliver services and products that adapt to the evolving needs of our members, while striving to become the preferred supplier of building materials. This will be achieved through ongoing improvements in technology, customer care, and employee motivation, ultimately contributing to national development and poverty reduction.

As a member-owned institution, our purpose is to enhance the financial well-being of our members by offering comprehensive, progressive financial services. We ensure access to a robust, stable, and successful system, enabling our members to thrive in a secure and sustainable financial environment.

5.5 The Operating Principles of Our Company:

- a) Integrity conducting all business activities with honesty, transparency, and ethical behavior, maintaining the highest standards of integrity in all dealings.

- b) Customer Focus: placing clients at the center of operations, prioritizing their needs, and delivering exceptional service to exceed their expectations.
- c) Professionalism: upholding professionalism in all interactions, maintaining a high level of expertise, knowledge, and skills in the real estate industry.
- d) Quality: Committing to delivering high-quality properties and services, ensuring excellence in construction, design, and customer experience.
- e) Innovation: embracing innovation in processes, technologies, and strategies to stay ahead in a competitive market and offer unique solutions to clients.
- f) Teamwork: Fostering a collaborative work environment, promoting teamwork, communication, and respect among employees to achieve common goals.
- g) Community Engagement: engaging with local communities, being a responsible corporate citizen, and contributing positively to the areas in which the company operates.
- h) Continuous Improvement: striving for continuous learning and improvement, seeking feedback, adapting to market dynamics, and evolving to meet changing client needs.
- i) Compliance: adhering to all legal and regulatory requirements, following industry best practices, and maintaining a commitment to ethical conduct in all business operations.
- j) Sustainability: incorporating sustainable practices in property development, management, and operations to minimize environmental impact and promote long-term sustainability.

5.6 Objectives:

- a) Our company aims at generating profits by buying, selling, leasing, and managing real estate properties. Maximizing returns on investment is a key goal for these companies.
- b) Our company aims to grow their asset base and expand their portfolio of properties. This can be achieved through acquisitions, development projects, and entering new markets.
- c) Customer satisfaction: Providing excellent service to clients, tenants, and other stakeholders is crucial for real estate companies. Building strong relationships with customers can lead to repeat business and referrals.
- d) Work to manage and mitigate risks associated with property investments. This includes factors such as market fluctuations, regulatory changes, and property maintenance issues.
- e) Sustainability: focusing on sustainability and environmentally friendly practices. This can include energy-efficient buildings, green construction methods, and sustainable property management practices.

- f) Compliance: comply with a variety of laws and regulations at the local, state, and country levels. Ensuring compliance with legal requirements is an important objective for these companies.
- g) Brand building: Developing a strong brand and reputation in the real estate market is essential for attracting clients and investors. we focus on building our brand through marketing, networking, and delivering high-quality services.
- h) Employee development: we aim to attract and retain top talent in the industry. Providing training, professional development opportunities, and a positive work environment are key objectives for these companies.

6.0 REAL ESTATE BUSINESS SECTOR PERFORMANCE IN TANZANIA

The Tanzanian real estate sector has made significant contributions to the country's economy in recent years. In 2021, real estate added approximately 2.9 trillion Tanzanian shillings (about 1.2 billion U.S. dollars) to Tanzania's GDP. This was a slight decrease from 2020 when the sector's contribution reached 3.7 trillion shillings (1.6 billion U.S. dollars), the highest since 2015.

Looking forward, the sector is expected to continue growing in line with the overall economic expansion. Tanzania's GDP growth was 5.3% in 2023, driven by sectors like agriculture, construction, and manufacturing. The continued growth of the real estate sector is aligned with broader national goals, including significant investments in infrastructure and urban development to meet the growing demand for housing and commercial space.

With projections for Tanzania's GDP growth reaching 5.6% in 2024, the real estate sector is likely to benefit from this stable economic environment, further solidifying its role as a key contributor to national development.

6.1 Residential Market Dynamics

Dominance of Individual Homebuilders of individual homebuilders, constituting over 70% percent of the total housing supply.

6.2 Public Sector Involvement

The remaining housing supply is provided by the public sector through entities such as local governments, the national Housing Corporation (NHF) The Tanzania Building Agency (TBA),

the WATUMISHI Housing Company (WHC) and the pension funds like the National Security Social Fund (NSSF), alongside private developer.

6.3 Demand and Deficit

Tanzania faces a demand estimated of 200,000 units annually, contributing to an existing housing deficit of 3,000,000 units.

6.4 Urban-Rural Disparities

In 2018, Tanzania had 12.3 million households, with 67% residing in rural areas and 33 % residing in urban areas. The urban housing marketing specifically Dar es Salaam witnesses' rental landscape.

6.5 Dar Es Salaam; A Prime Housing Hub

Dar es Salaam, accounting 51% of the households engaged in renting, features diverse residential segment including High-end properties in Oster Bay and Msasani Peninsular.

6.6 Market Trends in Dar Es Salaam

The Tanzanian real estate market has been evolving, with both challenges and opportunities shaping the sector. In 2024, Dar es Salaam's prime residential rents saw significant changes, including a notable 72% decline, which indicates some volatility in the market. Housing prices for prime properties in Dar es Salaam range from USD 300,000 to USD 500,000 for a three-bedroom home, depending on location. However, prices are more affordable in other areas, starting from USD 50,000.

Meanwhile, Dodoma, the capital city following the government's decision to relocate ministries, has emerged as a promising market for residential properties, with demand driven by both the relocation and an increasing expat community. Prime residential rents in Dodoma range from USD 2,500 to USD 3,000 per month for three-bedroom apartments. There are also affordable housing developments, such as the NHC's Iyumbu Satellite Centre, which offers houses priced between USD 25,109 and USD 36,551.

These trends suggest a growing interest in both luxury and affordable housing options across Tanzania. The development in Dodoma, alongside urban expansion in Dar es Salaam, shows the sector's potential for both residential and commercial projects, particularly in emerging regions

like Mwanza, Mbeya, and Tanga, which are attracting more investor interest due to their economic development and improved infrastructure.

6.7 General Market Analysis

The real estate market in Tanzania, particularly in Dar es Salaam, has seen some shifts and trends across office, retail, and industrial sectors.

6.7.1 Office Market

Dar es Salaam remains the central hub for office activity in Tanzania, housing government offices, diplomatic missions, and private enterprises. However, office rents have seen a decline over the past five years. From USD 25 per sqm per month in 2015, rents dropped to USD 12 per sqm in 2019 due to an oversupply of office spaces in the market. Additionally, the government's relocation of ministries to Dodoma is expected to increase office space demand in the capital, potentially driving up prices in the Dodoma real estate market.

6.7.2 Retail Market

The retail sector in Tanzania is concentrated in Dar es Salaam, the economic center of the country. Retail activity is primarily in small retail centers within residential neighborhoods. With a retail stock of 153,000 sqm, Dar es Salaam has a limited supply of premium malls, such as Mlimani City Mall, Aura Mall, and Mkuki Mall. The average rent for retail space is USD 20 per sqm per month, while the selling price is USD 2,200 per sqm. Despite the relatively low supply of formal retail spaces, informal retail, including street sales by local vendors (Wamachinga), makes up 80% of the market. This creates opportunities for further growth in formal retail sectors.

6.7.3 Industrial Market

Dar es Salaam's industrial sector has been boosted by increased investment and trade activity, particularly along Nyerere Road, the city's prime industrial area. As Tanzania's primary transit port handling 95% of its trade, including exports to neighboring landlocked countries, demand for industrial storage space has grown. However, rents for industrial properties have dropped by 50% from 2016 to 2019, from USD 5 per sqm per month to USD 3.5 due to oversupply and rising vacancy rates. The industrial sector is expected to grow in the coming years, driven by offshore natural gas discoveries and several planned infrastructure projects that will fuel increased demand.

These developments present opportunities for investors and developers, particularly in the retail and industrial sectors, where growth is still expected despite current market dynamics.

6.8 Real Estate Market Growth Graph in Tanzania



6.9 Challenges Facing Real Estate Business in Tanzania

In Tanzania rental market practice is pro-landlord however, rents are freely determined. According to the Tanzania Real Estate Report (2008) advance payments can reach up to 6 months or one year, although the legal limit is only two months. Because the formal legal environment process can take years or decades to conclude, landlords often resort to intimidation, threats and violence to evict tenants. Above that, access to land is Complex and investors regularly encounter delays and non-transparent bureaucracy when attempting to purchase property and register title deeds. On the other hand, the demand for construction materials is increasing forcing the government to allow importation of these products and in some cases to waive duties on the importation of capital goods. For example, cement and steel materials are imported at low prices from China, Dubai and India. There is a steadily increasing supply of townhouses, business premises and apartments in urban areas in Tanzania that put the real estate sub-sector under tremendous pressure.

6.10 Marketing Strategy of Real Estate Company

- (i) **Branding:** Develop a strong brand identity that sets your real estate company apart from competitors. This includes a logo, color scheme, tagline, and messaging that convey your company's value proposition and values.
 - (ii) **Online Presence:** Establish a strong online presence through a professional website that showcases your property listings, services, and team members. Utilize search engine optimization (SEO) techniques to improve your website's visibility in search engine results.
 - (iii) **Social Media Marketing:** Engage with your audience on popular social media platforms like Facebook, Instagram, and LinkedIn. Share property listings, market updates, real estate tips, and engage with followers to build relationships.
 - (iv) **Content Marketing:** Create valuable and informative content such as blog posts, videos, infographics, and guides related to real estate trends, buying/selling tips, neighborhood profiles, etc. This helps establish your company as a trusted authority in the industry.
 - (v) **Email Marketing:** Build an email list of clients, prospects, and leads, and send out regular newsletters, property updates, market reports, and promotional offers to stay top of mind with your audience.
 - (vi) **Networking:** Build relationships with other real estate professionals, local businesses, community organizations, and industry influencers to expand your network and generate referrals.
 - (vii) **Advertising:** Invest in targeted online advertising campaigns on platforms like Google Ads, Facebook Ads, and LinkedIn Ads to reach potential clients in your target market segments.
 - (viii) **Open Houses and Events:** Host open houses, property tours, seminars, workshops, and networking events to showcase properties, connect with clients, and build brand awareness.
 - (ix) **Client Testimonials and Reviews:** Encourage satisfied clients to provide testimonials and reviews that can be shared on your website, social media, and marketing materials to build credibility and trust with potential clients.
- Target Market Identification:** Identify the target market segments you want to focus on, such as first-

time homebuyers, luxury property investors, commercial clients, etc. Understand their needs, preferences, and buying behaviors.

7.0 SUMMARY OF PROJECT DESCRIPTION

PROJECT NAME	WILD URBAN INTERNATIONAL DEVELOPMENT
ANNUAL INVESTMENT PLAN.	THE COMPANY TENDS TO DEVELOP THREE BUILDINGS EACH YEAR AND SALE.
EMPLOYMENT CREATION.	<p>THE PROJECT INTENTS TO EMPLOY MORE THAN 100 EMPLOYEES AT THE RATIO OF:</p> <ul style="list-style-type: none"> a) 41- SKILLED LABOURS TO b) 59 - UNSKILLED LABOURS. c) 86-LOCAL EMPLOYEES. d) 14-FOREIGN EMPLOYEES. <p>THE NUMBER IS NOT FIXED SHALL BE INCREASING AS THE PROJECT EXPAND EACH AND EVERY TIME.</p>
MATERIALS THAT WILL BE USED	<p>Concrete: A versatile and durable material used in foundations, walls, floors, and other structural components.</p> <p>Steel: Known for its strength and flexibility, steel is commonly used in high-rise buildings, bridges, and industrial structures.</p> <p>Bricks: Traditional building material used for walls, facades, and partitions due to their durability and aesthetic appeal.</p> <p>Wood: Used in framing, flooring, and finishing work, wood is a renewable and sustainable building material.</p>

	<p>Glass: Used for windows, doors, and facades to provide natural light and aesthetic appeal.</p> <p>Stone: Natural stone such as granite, marble, and limestone are used for cladding, flooring, and decorative purposes.</p> <p>Aluminum: Lightweight and corrosion-resistant, aluminum is used in windows, doors, and exterior cladding.</p> <p>Insulation materials: Such as fiberglass, foam board, and mineral wool are used to improve energy efficiency and thermal comfort in buildings.</p> <p>Roofing materials: Including asphalt shingles, metal panels, clay tiles, and concrete tiles to protect buildings from the elements.</p> <p>Composite materials: Such as fiber-reinforced polymers (FRP) and composite panels are used for specialized applications requiring high strength-to-weight ratios.</p>
<p>TRASFER OF SKILLS.</p>	<p>Market Knowledge: Understanding local real estate market trends, property values, zoning regulations, and other factors that can impact real estate transactions.</p> <p>Negotiation Skills: Ability to negotiate effectively with buyers, sellers, agents, and other parties involved in real estate transactions to achieve favorable outcomes.</p> <p>Communication Skills: Strong communication skills are crucial for building relationships, marketing properties, and closing deals in the real estate industry.</p> <p>Financial Acumen: Knowledge of real estate finance, including mortgage options, interest rates, property valuation, and investment analysis.</p>

	<p>Marketing and Sales Skills: Ability to market properties effectively, attract potential buyers or tenants, and close sales or lease agreements.</p> <p>Networking Skills: Building a strong network of contacts in the real estate industry, including other agents, brokers, lenders, contractors, and potential clients.</p> <p>Customer Service Skills: Providing excellent customer service to clients, addressing their needs and concerns, and building trust and rapport.</p> <p>Problem-Solving Skills: Ability to identify and address challenges that may arise during real estate transactions, such as legal issues, financing problems, or property defects.</p> <p>Organization and Time Management: Managing multiple properties, clients, and transactions requires strong organizational skills and the ability to prioritize tasks effectively.</p> <p>Legal Knowledge: Understanding real estate laws, regulations, contracts, and disclosure requirements to ensure compliance and protect clients' interests.</p>
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8.0 FINANCIAL ANALYSIS

This section covers project financing and financial projections. Project financing includes source of funding and financing of items in the project. Financial projections on other hand, covers sales projections, income projections, projected retained earnings and projected cash flow.

8.1 PROJECT FINANCING

8.1.1 Sources of funding

The project will be financed by the foreign equity (50%) amounting to **USD 485,138** and by loan (50%) amounting to **USD 485,138**

Table: Project Financing:

Details	Amount (USD)	Percentage
Local		
Equity		00.0%
Loan	242,569	25%
Sub-total	242,569	25%
Foreign		
Equity	727,707	75%
Loan		
Sub-total	727,707	75%
GRAND TOTAL	97,0276	
Total Equity	727,707	75%
Total Loan	242,569	75%

8.1.2. Financial Of Project Items

The invested capital of **USD 970276** will cover various item in the project include land and buildings, vehicles and other items as shown on table 6 below.

Table 6: Financing of Items.

ITEMS	FINANCING IN USD
Land & Buildings	705,000
Plant	-
Vehicles	105,276
Furniture& Fittings	60,000
Pre-Expenses	35,000
Others	15,000
Working Capital	50,000
TOTAL	97,0276
FIXED CAPITAL	50,000

8.1.3 Financial Projections

8.1.3.1 Sales Projections

The company has projections of steadily growing sales over the first five years of the operations of the project. From year 1 to year 5 the company expect to attain sales amounting to USD 3,270,000: 3,852,288: 4,656,808, 5,186,078 and 5,849,557 respectively. The costs of the sales are projected to be USD 156,000: 198,016: 360,145:502,393 and 644,767 for the first five years of the project.

The Table below gives the details, including those of the projected gross profit for the first five years.

Table: Gross profit Projection

Years	Y1	Y2	Y3	Y4	Y5
Sales	3,270,000	3,852,288	4,656,808	5,186,078	5,849,557
Cost of Sales	156,000	198,016	360,145	502,393	644,767
Gross Profit	3,114,000	3,654,272	4,296,663	4,683,685	5,204,790

The project promises to yield gross profit throughout the first five years of operation. In year 1 the profit is expected to be the lowest as it is the year of investment - even in promotion campaigns- which implies much spending while the brand is relatively respected new in the market and thus sales are picking up.

8.1.3.2 Income Projection

Through the first five years the project is expected to be making profits. The projected profits are as shown on Table 8 for the first respectively years.

Years	Y1	Y2	Y3	Y4	Y5
Total	3,270,00	3,852,288	4,656,808	5,186,078	5,849,557
Less: Cost of sales	156,000	198,016	360,145	502,393	644,767
Gross Profit	3,114,000	3,654,272	4,296,663	4,683,685	5,204,790
Less operating	170,300	155,046	186,176	197,762	226,051

expenses					
EBIT	2,943,700	3,499,226	4,110,487	2,485,924	4,978,739
Less: Loan Interest	2,859,600	3,414,126	4,026,387	4,401,824	4,894,639
Less: Taxes (30%)	857,880	1,024,538	1,207,916	1,320,547	1,468,392
Net Profit (Loss)	2,001,720	2,390,588	2,818,471	3,081,277	3,426,247
Dividend (20%)	400,344	478,188	563,694	616,255	685,249
Retained Earnings	1,601,376	1,912,471	2,254,777	2,465,021	2,740,998

8.1.3.3 Projected Cash flow

Project is a promising venture as projections show a positive cash flow as shown on table 9. This is a muscle giving the company an edge in the market as cash flow implies liquidity which gives help the project to operate smoothly.

Years	Y1	Y2	Y3	Y4	Y5
Profit before Tax	2,859,600	3,415,126	4,026,387	4,401,824	4,894,639
Receivable	-450,000	-450,000	-465,000	-380,000	-395,000
Trade payables and accruals	5,000	3,500	3,600	5,8000	2,500

Capital Additions	585,000	435,000	250,000	-	-
Total	140,000	-11,500	-211,400	-374,200	-392,500
Tax payments	857,880	1,024,538	1,207,916	1,320,547	1,468,392
Total cash flow from operating activities.	997,880	1,013,038	996,516	946,347	1,075,892
Cash from Investing Activities	355,600	355,600	355,600	355,600	355,600
Net cash flow Investing activities	642,280	657,438	640,916	590,747	720,292
Dividends	400,344	478,118	563,694	616,255	685,249
Change in cash and cash equivalent	241,936	179,320	77,222	-25,508	35,042
Opening cash balance	12,000	8,000	10,500	6,500	7,500
Closing cash balance	8,000	10,500	6,500	7,500	6,800

8.1.4 NPV Analysis

The project has a positive NPV. This implies that it will be a success, basing on the projections made for it has shown on table below.

Years	Y1	Y2	Y3	Y4	Y5
Change in cash and cash equivalent	241,936	176,320	777,222	-25,508	35,042
Discount Rate	0.021	0.021	0.021	0.021	0.021
Overall NVP	236,960				489,644

9.0 PROJECT IMPLEMENTATION SCHEDULE AND FUTURE EVENTS

AT RISK	TASK NAME	ASSIGNED TO	START DATE	END DATE
01.	Marketing Analysis	DIRECTORS & MANAGERS	January, 2025	March, 2025
02.	Land acquisition	DIRECTORS AND LEGAL TEAM	December, 2024	March 2025
03.	Site Development Phase 1	DIRECTORS AND CONTRACTORS	March, 2025	October,2025
04.	Site Development Phase 2	DIRECTORS AND CONTRACTORS	October,2025	June,2026

10.0 PROJECT RATIONALE

This project rationale can be viewed in momentary, fiscal and social aspects. From the financial analysis conducted this project is promise of success in the Tanzanian economy. Monetary it will create income for supplier SMEs, fiscally it will pay taxes (both Income Tax and VAT on sales) and socially it will contribute to social development as detailed under subsequent items.

11.0 CONCLUSION

Our real estate business plan outlines a comprehensive strategy for success in the competitive real estate market. By leveraging our unique value proposition, focusing on customer satisfaction, and implementing innovative marketing techniques, we are poised to capitalize on the growing demand for quality properties in our target market. With a dedicated team, sound financial projections, and a commitment to excellence, we are confident in our ability to achieve our business objectives and establish a strong presence in the industry. We look forward to the opportunities that lie ahead and are excited to embark on this journey towards sustainable growth and profitability in the real estate sector.