

FS INTERNATIONAL INVESTMENT CO. LIMITED
BUSINESS PLAN
FOR
SETTING UP COMMERCIAL OFFICES, HOTEL
AND
RESIDENTIAL APARTMENTS



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PART 1: GENERAL PROJECT INFORMATION

1.1 PREAMBLE

FS International Investment Co. Limited is a new company in the real estate development market in Dar es Salaam, Tanzania, specializing in commercial buildings, residential apartments, offices, warehouses, and industrial parks. The target market includes local and international corporate companies, residents and tourists interested in top-notch buildings in Tanzania.

The real estate sector in Tanzania is poised for growth due to increasing urbanization, a growing expatriate community, and rising tourism. This project captures these opportunities by providing modern infrastructure in a prime location, enhancing the city's appeal to both residents and visitors.

1.2 THE PROJECT PROMOTERS

Promoted by FS INTERNATIONAL INVESTMENT CO. LIMITED, a limited liability company incorporated under Tanzanian law. Shareholders include WENHONG FU (70% Chinese) and SHENFANG WANG (30% Chinese).

Their combined resources and understanding of real estate trends position the project for success. The company has partnered with local professionals to ensure compliance with Tanzanian regulations and to optimize project execution.

1.3 LOCATION

Strategically located in Plot no 346, Karume road at Oysterbay, Dar es Salaam Tanzania. This picturesque location provides an ideal setting for the intended hotel, residential apartments and office spaces to accommodate visitors, offering them a serene and immersive experience. The proximity to stunning natural attractions and vibrant city life enhances the appeal of our offices and accommodations, making it a perfect retreat for visitors seeking tranquillity and adventure.

PART 2. PROJECT OBJECTIVES

- Acquire 4,017 square meters of prime land for development.
- Develop a 6-storey mixed-use building within two years.
- Achieve occupancy rates of 85% for office spaces, 50% for the hotel, and 90% for apartments.
- Establish the facility as a premier destination for businesses, tourists, and residents.

These objectives align with market trends, aiming for operational efficiency and sustainable growth. Success will depend on robust execution and effective marketing strategies.

PART 3. PROJECT JUSTIFICATION

3.1. Market Demand:

Dar es Salaam's population growth and economic expansion drive the need for modern infrastructure. The influx of foreign investment bolsters demand for commercial spaces and quality housing. Tanzania's economic growth and increasing foreign investments create a steady demand for business infrastructure.

3.2. Tourism Growth:

The city serves as a key gateway for both business and leisure travelers. With limited mid-tier accommodations, the project fills a critical market gap.

3.3. Economic Benefits:

- Job creation during construction and operations.
- Boost to local businesses supplying materials and services.

3.4. Strategic Location:

Accessibility to commercial hubs and residential areas enhances the project's value. The location's proximity to vibrant commercial districts and natural attractions ensures high visibility and accessibility, appealing to diverse clientele, including corporate tenants, expatriates, and tourists.

PART 4. TARGET MARKET

4.1. Office Spaces:

- Small and medium-sized enterprises (SMEs), corporate offices, and service providers.
- Leasing rate: \$12/sq. meter/month; total leasable space: 2,000 sq. meters.

4.2. Hotel:

- Business travelers, mid-tier tourists, and conference attendees.
- Revenue: \$100/room/night with a 50% occupancy rate.

4.3. Residential Apartments:

- High-income earners, expatriates, and long-term renters.
- Revenue: \$1,500/month for 24 units.

PART 5. MARKET ANALYSIS

5.1. Economic Context:

- Overview of Tanzania's GDP growth, foreign investments, and urbanization trends.

5.2. Real Estate Demand:

- Increasing demand for mixed-use developments in urban areas.
- Key competitors and market opportunities in Dar es Salaam.

5.3. Tourism Trends:

- Growth in business and leisure tourism driving hotel demand.
- Focus on mid-range accommodations due to affordability concerns.

PART 6. SWOT ANALYSIS

Strengths	Weaknesses
Prime location in a growing city	High initial investment cost
Diverse revenue streams	Dependence on local economy
High demand for mixed-use properties	Seasonality in hotel occupancy
Opportunities	Threats
Urbanization and expatriate growth	Competitive real estate market
Infrastructure development in the area	Regulatory and economic risks

PART 7. RISK FACTORS

7.1. Market Risks:

- Low demand due to economic fluctuations.
- Mitigation: Competitive pricing and high-quality offerings.

7.2. Cost Overruns:

- Unforeseen increases in construction or material costs.
- Mitigation: Detailed budgeting, contingency funds, and value engineering.

7.3. Regulatory Risks:

- Delays in permits and compliance.
- Mitigation: Engage local consultants and adhere to government standards.

7.4. Competition:

- Increasing real estate and hotel developments.
- Mitigation: Superior customer service, design, and location advantages.

PART 8. PROJECT DESCRIPTION

- **Land Acquisition:** 4,017 square meters at \$2,700,000.
- **Building Plan:**
 - Ground & 1st Floors: Commercial offices (2,000 sq. meters).
 - 2nd & 3rd Floors: Hotel with 50 rooms.
 - 4th to 6th Floors: 24 apartments.
- **Construction Timeline:**
 - Start: Month 4
 - Completion: 24 months.

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PART 9. FINANCIAL PLAN

9.1 Investment Breakdown

Category	Amount (USD)
Land Acquisition	2,700,000
Construction Costs and Regulatory approvals	10,000,000
Total Investment	12,700,000

9.2 Revenue Projections (5 Years)

Year	Office Revenue	Hotel Revenue	Apartments Revenue	Total Revenue
1	\$288,000	\$900,000	\$432,000	\$1,620,000
2	\$302,400	\$945,000	\$453,600	\$1,701,000
3	\$317,520	\$992,250	\$476,280	\$1,786,050
4	\$333,396	\$1,041,862	\$500,094	\$1,875,352
5	\$350,066	\$1,093,955	\$525,099	\$1,969,120

(Note: The Revenue line represents Earnings Before Interest, Tax, Depreciation and Amortization Cash flow) .

9.3 Payback Period:

- Total Revenue (5 Years): \$8,951,522
- Payback Period: ~8 years.



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PART 10. MARKETING STRATEGY

To succeed in this competitive industry, the Company has devised a comprehensive marketing and sales strategy. This plan aims to enhance brand recognition, attract a diverse range of occupants, and drive revenue growth.

Marketing Strategy includes things like:

1. Online Presence: Website, social media campaigns, and SEO.
2. Partnerships: Collaborations with travel agencies, local businesses, and corporate firms.
3. Traditional Media: Billboards, newspapers, and radio ads targeting urban professionals and tourists.
4. Social Media Campaigns: Create engaging content on platforms like Facebook, Instagram and Twitter to connect with potential guests and share updates about the property.
5. Email Marketing: Use personalised email campaigns to keep past guests informed about special offers, events, and news.
6. Loyalty Programs: Implement a loyalty program offering rewards and exclusive deals to encourage repeat visits and build customer loyalty.

PART 11. IMPLEMENTATION TIMELINE

Phase	Duration
Land Purchase	3 months
Design and Approvals	6 months
Construction	24 months
Operational Launch	Month 28

PART 12. Conclusion and Recommendations

This mixed-use development in Dar es Salaam is a strategic investment opportunity with significant market potential. It promises steady revenue streams and aligns with urbanization and tourism trends. With proper execution, the project is positioned to become a landmark in the city's real estate landscape.

The strategic location, aesthetic appeal of the project, and commitment to delivering exceptional service positions this project to compete effectively in the market. By capitalizing on the natural beauty of Oysterbay and maintaining a focus on customer satisfaction the Company is set to become a premier destination for travelers seeking a distinctive and relaxing experience. The company's robust financial planning, including a detailed income statement and cash flow analysis, underscores its potential for sustainable profitability and success.

WENHONG FU- COMPANY DIRECTOR

