

SKYRISE GLOBAL LIMITED

Real Estate Investment & Development
Dar es Salaam, Tanzania

July 2025

EXECUTIVE SUMMARY.

SkyRise Global Limited is envisioned as a forward-thinking, innovative, and dynamic real estate investment and development company strategically headquartered in Dar es Salaam, Tanzania. With an initial capitalization of USD 2,000,000, SkyRise Global aims to capitalize on the immense opportunities presented by Tanzania's growing real estate and infrastructure sectors, particularly in the bustling urban hub of Dar es Salaam. Our dual focus is on developing top-tier residential and mixed-use real estate solutions targeting the growing middle to upper-income population, and creating bespoke industrial warehousing and godowns that support the country's industrialization agenda.

We aim to leverage Tanzania's sustained economic growth, rapid urbanization, and government-led industrialization policies. SkyRise Global will focus on project efficiency, innovative financing, strategic partnerships, and sustainability. By aligning with national development plans, such as Vision 2025 and the newly established Tanzania Investment and Special Economic Zones Authority (TISEZA), our investments will contribute meaningfully to job creation, industrial productivity, and urban planning while generating substantial returns for stakeholders.

1. COMPANY DESCRIPTION

Company Name: SkyRise Global Limited

Incorporation Number: 186-777-158

Legal Structure: Private Limited Company (Ltd) registered in Tanzania

Headquarters: Plot No 70 IPP Road, Mikocheni Industrial Area, Dar es Salaam, Tanzania

Shareholders: Bassam Mohamed Zeaiter 77% shares

Abbas Sultan Yahafouffi. 33% shares

Mission Statement: To revolutionize Tanzania's urban and industrial real estate landscape by delivering state-of-the-art, sustainable, and purpose-driven developments that enrich communities, empower industries, and yield consistent returns for investors.

Vision Statement: To emerge as the leading, most reputable, and socially responsible real estate investment and development firm in East Africa, renowned for delivering world-class solutions in housing, commerce, and industrial infrastructure.

Strategic Objectives:

1. Deliver 500+ housing units across Dar es Salaam within five years.
2. Develop 20,000 sqm of industrial warehousing by year five.
3. Launch a vertically integrated property management service.
4. Attract international partners for a future REIT listing.

Core Values:

- *Integrity*: Highest standards of transparency and accountability.
- *Excellence*: Delivering superior construction quality.
- *Sustainability*: Environmentally conscious design and resource use.
- *Innovation*: Technological advancement and smart development.
- *Client-Centricity*: Value-driven relationships with end-users.
- *Social Impact*: Building inclusive communities and industrial hubs.

Legal and Regulatory Compliance:

Compliance with Tanzanian land and company laws, including:

- Land Act and Village Land Act
- Companies Act
- Investment Act, 2022
- Building Code, 2019
- TISEZA Act, 2025

MARKET ANALYSIS

Current Market Overview:

Tanzania's real estate sector is **experiencing steady expansion, driven by population growth, urbanization, and increased government infrastructure investment. Key data points:**

- 2024 Real Estate Growth: 4.3% (National Bureau of Statistics, Jan 2025)
- Sector GDP Contribution: 2.7%
- Housing Deficit: Approx. 390,981 units/year
- Average Mortgage Interest Rates: 15–19%
- Dar es Salaam apartment sales: \$1,200–\$1,800/sqm
- Rental Yields in Prime Areas: 6–9% annually
- Improved land registry transparency: Over 957,000 titles digitized

Residential Sector:

- Underserved middle-income population
- Strong demand from expatriates and diaspora investors
- High urbanization in Mikocheni, Masaki, Kunduchi, Kigamboni

Industrial Sector:

- High demand for efficient warehousing near SGR, ports, and SEZs
- Growth in light manufacturing and e-commerce
- Credit to construction and manufacturing rose by 39.2% as of April 2025
- New TISEZA incentives encouraging SEZ investment

Market Opportunities:

Market Trends and Strategic Opportunities

Tanzania's evolving economic environment, policy direction, and demographic trajectory present several compelling opportunities for real estate developers, especially those aligned with innovation, sustainability, and public-private collaboration. SkyRise Global Limited is uniquely positioned to capitalize on these opportunities through the following strategic pillars:

1. Green Building and ESG-Compliant Developments

There is a growing awareness, both locally and globally, of the importance of **Environmental, Social, and Governance (ESG)** principles in real estate development. This is reinforced by:

- Tanzania's commitments under global climate frameworks such as the Paris Agreement.
- Increased scrutiny by international investors and DFIs who prioritize ESG-integrated portfolios.
- Rising utility costs and climate resilience concerns prompting demand for more efficient buildings.

Strategic Advantage for SkyRise:

- Implement green design features such as solar rooftops, greywater recycling, natural ventilation systems, and LED lighting.
- Achieve EDGE or IFC Green Building certification to access green financing or interest rate discounts from partner banks.
- Integrate community-impact initiatives (e.g., local employment, access roads, public space integration) to enhance social license to operate.

Integration with Urban Planning Initiatives

The Tanzanian government, through agencies like TISEZA and local authorities such as the Dar es Salaam City Council, is increasingly emphasizing **planned urbanization** and **integrated infrastructure development**. Key initiatives include:

- Development of master plans for satellite towns (e.g., Kigamboni, Kisarawe, Bagamoyo).
- Investment in transport corridors such as the Standard Gauge Railway (SGR), Dar Port expansion, and Bus Rapid Transit (BRT).
- Upgrading of trunk and feeder roads to enhance last-mile connectivity.

Strategic Advantage for SkyRise:

- Align project selection with government-endorsed master plans to ease approvals and attract infrastructure co-investment.
- Prioritize transit-oriented development (TOD) to increase land value and attract demand from professionals and logistics operators.
- Collaborate with municipal councils to integrate developments into public services planning (waste, security, road upgrades).

Build-to-Suit and Lease-to-Own Industrial Models

Tanzania's ambitious industrialization agenda and SEZ expansion have increased demand for **custom-built industrial facilities**, particularly among:

- Food and beverage processors.
- Pharmaceuticals and medical supplies.
- Textile and light manufacturing.
- Third-party logistics and distribution operators.

However, many such firms face capital constraints or prefer **asset-light models**, driving demand for flexible real estate solutions.

Strategic Advantage for SkyRise:

- Offer long-term lease agreements with built-in expansion options or purchase rights after fixed tenancy periods.
- Customize designs to tenant-specific needs (power load, loading docks, temperature control, mezzanine integration).
- Secure tenants via pre-lease agreements backed by deposit guarantees or bank undertakings.
- Attract financing from DFIs and banks offering preferential terms for industrial infrastructure tied to job creation and exports.

Challenges:

Regulatory Complexity in Land Titling and Permits

The land acquisition process in Tanzania—especially for investors—is often protracted due to overlapping legal frameworks (Land Act, Village Land Act, TIC regulations, and SEZ-specific rules). Delays in obtaining clear land titles, inconsistencies in land records, and the bureaucratic hurdles in acquiring building permits, EIAs (Environmental Impact Assessments), and development licenses can significantly extend project timelines.

Mitigation Strategy:

- Work closely with the Tanzania Investment Centre (TIC) and TISEZA for facilitated land access.
- Engage experienced legal advisors to conduct due diligence early.
- Structure acquisitions through long-term leaseholds or joint ventures with title-holding local partners.

Infrastructure Lags in Peri-Urban Industrial Zones

While industrial zones like Temeke, Kisarawe, and Bagamoyo offer strategic access to key transport corridors, they often lack critical infrastructure such as paved roads, stable electricity, sewerage systems, and reliable water supply. These gaps can increase construction costs and

delay tenant onboarding.

Mitigation Strategy:

- Prioritize zones with planned or ongoing government infrastructure investments.
- Partner with utility providers early in the planning process to co-develop infrastructure.
- Consider phased development with in-house infrastructure provisioning (e.g., solar, boreholes, septic systems).

Competition from Established Foreign-Backed Developers

The Tanzanian market has seen an influx of capital-rich foreign real estate developers with access to cheaper financing, large-scale land banks, and political connections. These players can sometimes undercut pricing or fast-track regulatory approvals, creating barriers for newer firms.

Mitigation Strategy:

- Differentiate SkyRise through design excellence, flexible tenant engagement, and sustainability credentials.
- Focus on underserved mid-income residential and small-to-mid industrial users, where competition is less intense.
- Leverage local partnerships, diaspora connections, and B2B relationships to penetrate niche segments.

Construction Material Cost Volatility.

The prices of key materials such as cement, steel, tiles, and imported fixtures can fluctuate significantly due to currency depreciation, import duties, and global supply chain shocks. These variations affect budget planning, especially for multi-year projects.

Mitigation Strategy:

- Lock in prices through early procurement contracts and local supplier agreements.
- Incorporate 10–15% contingency buffers into every project budget.
- Explore the use of alternative, cost-effective materials (e.g., stabilized earth blocks, prefabrication) for selected segments.

SERVICES AND PRODUCTS

Residential Property Development:

- 2-4 bedroom apartment blocks with amenities (pool, gym, backup power)
- Townhouse and gated villa developments with recreational facilities

Industrial Property Development:

- Purpose-built warehouses: 500–5,000 sqm
- High-clearance, truck-accessible godowns
- Cold chain storage and bonded warehouse facilities

- Flexible lease and buyback structures for tenants

Mixed-Use Developments:

- Ground floor retail + upper residential or office blocks
- Transit-oriented developments (TODs) along key roads

Future Business Units:

- Property Management Division
- Real Estate Advisory Services
- Joint Venture Structuring & Syndication
- REIT platform setup and listing (7-10 year goal)

OPERATIONS PLAN

Land Acquisition:

- Identify high-growth corridors in Dar and peri-urban industrial zones
- Structure land ownership through TIC, TISEZA, or private deals
- Conduct full legal, environmental, and valuation due diligence

Design & Construction:

- Appoint qualified engineers, architects, and quantity surveyors
- Align projects with TBA, NCC, and global building codes
- Emphasize modular design, solar integration, and rainwater harvesting

Project Management:

- Use project management tools (Primavera, Procore)
- Implement milestone-based quality inspections
- Enforce contractor performance bonds and insurance guarantees

Sales & Leasing Strategy:

- Create in-house sales team and digital lead capture system
- Run buyer education campaigns for diaspora and mortgage borrowers
- Establish long-term B2B leasing deals with logistics and manufacturing tenants

Legal & Compliance:

- Monitor compliance with all permits, EIA approvals, and tax regulations
- Draft legally robust tenancy and sale agreements

MANAGEMENT TEAM

- **Managing Director:** Strategic oversight and investor relations
- **Project Director:** Coordinates construction and consultants
- **Finance Manager:** Budgeting, accounts, tax, and investment planning
- **Sales & Marketing Head:** Lead generation, closing, market intelligence
- **Legal & Governance Officer:** Handles compliance and regulatory risk
- **Advisory Board:** Legal, financial, construction, and policy experts

FINANCIAL PLAN

Capital Requirements:

- Seed Equity: \$2M
- Future Capital Sources: Bank loans, DFIs, PE funds

Estimated Use of Funds:

- Land Acquisition: \$800,000
- Construction: \$1,000,000
- Professional Services: \$140,000
- Permitting & Legal: \$60,000
- Sales & Marketing: \$100,000
- Contingency: \$300,000

Revenue Streams:

- Residential unit sales
- Industrial leases (3–10 years)
- Build-to-suit developer margin
- Property management fees

Financial Projections (5-Year):

- Gross Revenue: \$12M
- Net Profit: \$3.5M
- ROI: Avg. 18.5%
- IRR (project-level): 22–30%
- Break-even: Mid-Year 3

Funding Options:

- Tanzanian bank loans
- DFI-backed warehouse finance
- Equity partnerships

- Structured lease securitization for long-term tenants

MARKETING & SALES STRATEGY

Residential Projects:

- Online listings, 3D walkthroughs, open houses
- Partner with diaspora platforms and mortgage lenders

Industrial Projects:

- B2B sales team with technical presentations
- Showcase facilities at industry expos, SEZ conferences
- Engage logistics advisors, government industrial partners

Branding & Digital Presence:

- Modern corporate website
- SEO & PPC campaigns
- Quarterly investor newsletters and performance reports

RISK ASSESSMENT

Risks:

- Market downturns, construction delays, regulatory changes

Mitigations:

- Phased projects and diversified offerings
- Contingency capital allocation
- Early permit applications and due diligence
- Long-term lease contracts with termination clauses
- Strategic insurance coverage and political risk protection

9. Exit Strategy

SkyRise Global Limited has been structured with a long-term vision for capital appreciation, sustainable income, and scalability. Nevertheless, clearly defined exit options for investors and the company itself are integral to our financial planning. The company's exit strategy considers the diverse preferences of equity investors, institutional backers, and founders, with multiple well-structured avenues for divestment, liquidity events, or capitalization.

We envisage a phased exit strategy aligned with project maturity and market conditions:

1. Sale of Developed Residential Units (Short- to Mid-Term Liquidity)

SkyRise will adopt a **build-to-sell** model for select residential projects, particularly those targeting middle- to upper-middle-income buyers. Upon completion and titling, units will be sold outright, allowing early capital recovery and margin realization.

Benefits:

- Provides strong short-term liquidity.
- Reinforces SkyRise's reputation through visible, high-quality projects.
- Enables recycling of capital into new developments.

Ideal

Years 2–5 (post-completion of residential phases)

Timing:

Target Buyers:

- Individual homeowners
- Diaspora investors
- Mortgage-backed middle-income families
- Property investment syndicates

2. Retention of Industrial Assets for Rental Income (Core Holding Strategy)

Unlike residential assets, SkyRise intends to **retain the majority of industrial and warehouse properties** under long-term lease agreements. This strategy ensures recurring cash flows, portfolio stability, and strong valuation benchmarks.

Rationale:

- Industrial properties yield stable leases of 3–10 years.
- Rental escalations (e.g., 3–5% annually) provide inflation-hedged income.
- Strong appeal to institutional REITs and pension funds at maturity.

Exit Opportunity:

Refinancing or equity release via asset-backed lending or sale of stabilized assets to private equity real estate investors.

3. Partial or Portfolio Sale to Institutional Investors (Mid- to Long-Term Exit)

SkyRise will package and offer its income-generating assets as a **portfolio sale or structured exit** to:

- Regional or international real estate investment funds.
- Private equity firms seeking stabilized cash flow assets.
- Pension funds, insurance companies, and family offices.

Value Proposition:

- Operational assets with proven occupancy and yield history.
- Option for buyer to retain SkyRise as property manager post-sale.
- Opportunity for bulk transaction discounts or premium pricing on tenant-secured warehouses.

Target Timeline:

Years 4–7

4. REIT Formation and Public Listing (Long-Term Institutionalization)

By Year 7–10, SkyRise intends to consolidate its matured assets and **convert to a Real Estate Investment Trust (REIT)** under Tanzania’s Capital Markets and Securities Authority (CMSA) framework or through a cross-border listing in Kenya, Mauritius, or South Africa.

Benefits:

- Unlocks liquidity for all founding shareholders and early investors.
- Provides public access to a diversified, yield-focused real estate portfolio.
- Facilitates further capital raising without project-level borrowing.

Preparation Requirements:

- 3+ years of audited financials
- Robust governance and asset management structures
- Anchor tenants and stabilized income history
- Regulatory approvals and IPO readiness

5. Strategic Equity Buyouts or M&A (Optional Pathway)

SkyRise may also consider partial or full acquisition by a larger development or asset management firm, especially those seeking a foothold in East Africa’s high-growth industrial and residential sectors.

Triggers for M&A Exit:

- Offers at 2–3x capital employed with future upside sharing.
- Synergy in pipeline, landbank, or investor relationships.
- Opportunity to merge with an existing REIT or regional player.

Exit Governance & Investor Protection

- Exit scenarios will be embedded in shareholder agreements, ensuring predefined thresholds and processes (e.g., minimum IRR, drag-along/tag-along rights).
- Regular portfolio revaluations will be performed by licensed valuers to aid in pricing and negotiation.

- SkyRise will maintain transparent communication on exit timelines, milestones, and investor options via quarterly reports and AGM

Business Plan Appendices

Appendix A: Detailed Market Research Report

1. Residential Housing

Key Demand Drivers: High population growth (>5% in Dar), increasing middle-income households, rising demand for modern amenities, expatriate presence, Tanzanian diaspora purchasing homes

Supply Gap: Significant shortage of modern housing in mid-income bracket, poor quality in existing stock

Investment Potential: High – Strong yield potential, high liquidity for residential resale, price appreciation ~6% annually

2. Industrial Warehousing

Key Demand Drivers: Tanzania's industrialization drive, strategic SEZs (e.g., Bagamoyo, Benjamin William Mkapa SEZ), manufacturing recovery post-COVID, and logistics demand from SGR/Port upgrades.

Supply Gap: Acute shortage of grade A/B warehousing stock within SEZs and industrial corridors

Investment Potential: Very High – Long-term leases, increasing demand from global manufacturers and DFIs

3. Mixed-Use Developments

Key Demand Drivers: Desire for convenience, live-work-play environments, urban densification policies, demand from SMEs and freelancers for small commercial spaces

Supply Gap: Limited high-quality mixed-use buildings outside CBD and Masaki/Oysterbay areas

Investment Potential: Moderate – More profitable in strategic urban nodes with high pedestrian/vehicular traffic

4. Affordable Housing

Key Demand Drivers: Severe housing deficit, migration from rural to urban areas, support from National Housing Corporation (NHC) and World Bank-backed programs, potential for government PPPs.

Supply Gap: Over 80% of Tanzanians rent; limited institutional investment in social/affordable housing

Investment Potential: High – Social impact-focused investors, potential rent-to-own schemes for long-term occupancy

5. Logistics & Distribution

Key Demand Drivers: Growing e-commerce market, need for last-mile delivery hubs, proximity to port and rail, demand from FMCG, 3PL providers, and regional exporters

Supply Gap: Shortage of temperature-controlled storage and integrated logistics parks

Investment Potential: Very High – Potential to attract anchor tenants and logistics hubs with strong cash flows

Appendix B: Detailed Financial Forecast (5-Year)

Year	Revenue (USD)	Construction Costs	Operational Expenses	Marketing & Sales	Net Profit (USD)	Cumulative ROI (%)
1	0	400000	150000	50000	-600000	0
2	1200000	600000	200000	100000	300000	15
3	3000000	1200000	300000	120000	1100000	45
4	3600000	1200000	400000	150000	1600000	80
5	4200000	1000000	500000	180000	2520000	145

Appendix C: Expanded Implementation Timeline & Milestones

Phase 1 (Q1–Q4 2025)

Company incorporation; secure regulatory licenses; hire core management team; identify and acquire 2 residential plots and 1 industrial parcel; complete topographic and geotechnical surveys; initiate architectural design work; submit for building and environmental permits

Phase 2 (Q1–Q4 2026)

Groundbreaking for residential and warehouse projects; contractor mobilization; complete 50% of warehouse superstructure; open residential project for pre-sales; begin targeted diaspora marketing campaigns; commence off-plan sales agreements

Phase 3 (Q1–Q4 2027)

Complete and commission first warehouse with initial tenants; finalize first residential development and initiate title transfers; collect revenue from rentals and sales; launch 2nd residential project design and financing process; apply for bank construction loan for second phase

Phase 4 (Q1–Q4 2028)

Begin construction of 2nd warehouse and 2nd residential block in new location (Temeke or Kisarawe); expand sales and leasing team; develop joint venture strategy with institutional investor; initiate legal advisory for REIT structuring; roll out corporate ESG compliance policy

Phase 5 (Q1–Q4 2029)

Evaluate REIT listing potential and valuation; prepare financial disclosure documents; secure strategic investor and underwriter support; finalize tenant lease extensions; initiate listing process on Dar es Salaam Stock Exchange or regional platform; host investor roadshows