

# Business Plan

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## VISTA RESIDENCES

*Residential & Commercial Real Estate Property*



Plot no. 1033 & 1033/1,  
Mindu Street,  
Upanga West,  
**Ilala Municipality,  
Dar-es-salaam,  
TANZANIA**

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### **Presented by:**

MO DEVELOPERS LIMITED,  
Golden Jubilee Towers,  
Ohio Street, 20<sup>th</sup> Floor,  
P.O. Box 20660,  
Dar-es-salaam  
TANZANIA  
Website: [www.metl.net](http://www.metl.net)

**February, 2026**

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### ANNEXES - FINANCIAL PROJECTIONS

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## MO DEVELOPERS LIMITED

### Project Summary

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<b>Nature of Project</b>	:	Real Estate Development
<b>Project Concept</b>	:	Establish 232-Residential Apartments
<b>Project Name</b>	:	VISTA RESIDENCES
<b>Products/Services</b>	:	(i) Residential Apartments (ii) Parking spaces (iii) Retail Spaces
<b>Project Site</b>	:	Plots no. 1033 & 1033/1, Mindu Street, UPANGA West, ILALA Municipality, Dar-es-salaam Region
<b>Country of Operation</b>	:	TANZANIA
<b>Implementing Agency</b>	:	MO Developers Ltd
<b>Legal Status</b>	:	Private Limited Liability Company
<b>Contact Address</b>	:	MO DEVELOPERS LTD Golden Jubilee Towers, 20 <sup>th</sup> Floor, Ohio Street, P.O. Box 20660, Dar-es-salaam, TANZANIA Website: <a href="http://www.metl.net">www.metl.net</a>
<b>Construction Period</b>	:	36-months

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# Basic Data Sheet

## MO DEVELOPERS LIMITED

### VISTA RESIDENCES

#### Project Basic Assumptions

<b>1</b>	<b>Project Concept</b>	Development of Residential & Commercial Real Estate Property Project	
<b>2</b>	<b>Project Location</b>	Plot no. 1033, 1033/1 UPANGA WEST, Mindu Street ILALA Municipality, Dar-es-salaam CBD of Dar-es-salaam City	
<b>3</b>	<b>Project Output</b>		
	(a) Residential Apartments		
		Unit Area (SqM/Unit)	Sellable Area (SqM)
	3-Bedroom Units (SR)	207.0	14,904
	3-Bedroom Units	188.0	13,536
	4-Bedroom Units (type 1)	251.5	20,120
	4-Bedroom Units (type 2)	331.1	1,324
	4-Bedroom Units (SR)	365.0	1,460
	<b>Residential Apartments</b>	<b>232</b>	<b>51,344</b>
	(b) Other Sellable Area		Sellable Area (SqM)
	Commercial Space		3,042.0
	Parking Space		15,704.4
	(c) Other Built-Up Area		SqM
	Services Area		-
	Circulation Area		6,473.6
	Amenities Area		2,434.0
	(d) <b>Total Built-Up Area</b>		<b>78,998.0</b>
	Parking Units Available		No. of Units
	<b>Total Parking Units</b>		<b>427</b>
	Parking Units for Sale		<b>384</b>
	Parking Units Sold to Residents		328
	Private Parking Units Sold to Others		56
	Parking Units Not for Sale		43
<b>4</b>	<b>Project Implementation</b>		
	Resources Mobilisation	1	Months
	Construction Works	33	Months
	Installation of Support Facilities & commissioning	2	Months
	<b>Total Implementation Period</b>	<b>36</b>	<b>Months</b>
<b>5</b>	<b>Project Financing</b>		
		USD '000'	%
	Equity Financing		
	Land	6,000	10.6%
	Cash Contribution	4,317.05	7.6%
	<b>Sub-total</b>	<b>10,317</b>	<b>18.2%</b>
	Customer Deposits	17,704	31.2%
	<b>Equity Financing</b>	<b>28,021</b>	<b>49.4%</b>
	External Financing		
	Loan Arrangement Cost	687.5	1.2%
	Capitalised Interest Expense	2,997.7	5.3%
	Cash Contribution	25,000	44.1%
	<b>External Financing</b>	<b>28,685</b>	<b>50.6%</b>
	<b>Total Financing</b>	<b>56,706</b>	<b>100.0%</b>
<b>6</b>	<b>External Financing</b>		
	Term Loan Conditions		
	Loan Tenure	3	Years
	Grace Period On interest	36	Months
	Grace Period On Principal	36	Months
	Interest Rate (Daily SOFR + 1.75%)	6.04%	Per Annum
	Term Loan Amount		
	Loan Disbursement	25,000,000	USD
	Loan Arrangement Cost	687,500	USD
	Capitalised Interest Expense	2,997,682	USD
	<b>Term Loan Amount</b>	<b>28,685,182</b>	<b>USD</b>

## Background of the Project

Dar-es-salaam, Tanzania's largest commercial city, is the centre of industry, commerce, education and cultural diversity in the country. The low supply of houses, coupled with the absence of a proper mechanism to regulate the real estate sector, turns the city into one of the most expensive cities in Africa with at least 34% of earnings in Tanzania spent on rent. The country's housing problems are exacerbated by inadequate availability of affordable quality houses as well as high interest rates on home loans. Currently, most of the city population lives in unplanned settlements with limited or no basic services.

MO DEVELOPERS LIMITED (shortly, "**MO DEVELOPERS**"), an associate company of Tanzania's MeTL Group of companies, has plans to develop a world-class residential and commercial real estate property in Dar-es-salaam to address quality housing shortages in the city. The grand city project, termed "**VISTA RESIDENCES**" Project, is being developed at the affluent UPANGA WEST area, ILALA Municipality. With the built-up area of 78,998 square meters, the project is developed on 11,595 square meters.

The Project is a mixed-use real estate development in which modern retail spaces and residential apartments will be constructed. It involves development of two basement floors for parking spaces, a podium of one level (on a mezzanine floor) for recreational and commercial spaces; and 3-Towers comprising of 20-floors each for residences providing high quality residential apartments in one compound.

The project will be implemented within 3-years, and will entail development of three residential blocks that will provide 232-residential apartments; 427-car parking units; and 3,042 square meters of retail spaces.

This project proposal has been prepared by MO DEVELOPERS LTD for purposes of soliciting external financing for the development of the **VISTA RESIDENCES** Project. The total project cost is estimated at USD 56.7 million.

MO DEVELOPERS is seeking for a medium-term loan amounting to USD 25.0 million to part-finance the construction works of the project. Upon completion the project will provide for sale all the residential apartments and part of the Parking Units. The retail spaces will be for renting out to potential customers.

## Executive Summary

### 1.1 Introduction

- Tanzania's Real estate sector is in the developing stage with an estimated 80% of the residential stock in Dar-es-Salaam considered informal housing. Though this project, MO DEVELOPERS is positioning to fill-in the vacuum in the sector.
- MO DEVELOPERS intends to develop a prestigious project that will provide a kind of amenities that create an exquisite atmosphere for residential and commercial dwelling. The project is designed to bring stress-free living and entertaining life as it is a well-planned with facilities such as Gymnasium, clubhouse, kids playing ground, swimming pool, tennis court, ball courts, ample commercial spaces, estate managers office and parking area.
- The project to be called "**VISTA RESIDENCES**" is situated within the Central Business District (CBD) of the Dar-es-salaam city. The project is located at UPANGA West, ILALA Municipality. The project objectives are, among other things, to direct resources towards the construction industry to address the challenges in the shortage of quality housing and commercial real estate properties in Tanzania.

### 1.2 Project Promoters

- The project is being promoted by the **MO DEVELOPERS** having its Head-offices in Dar-es-salaam, Tanzania. The company is among the associate companies of Tanzania's MeTL Group of companies.
- The company is set to offer comprehensive real estate services including real estate development and management, real property marketing, consultancy in real estate sector, among other services.

### 1.3 Project Designer and Contractor

- **VISTA RESIDENCES** project is being designed by an International Architectural Company, MKD-Architectural Services LLC based in India.
- The project will be constructed by a local construction company based in Dar-es-salaam. The construction company will be a reputable Class One Building contractor, Civil Contractor and other construction activities.

## 1.4 Project Concept

- **VISTA RESIDENCES** project involves the establishment of modern residential facilities with retail spaces. With the built-up area of 78,906.5 sqm, the project is developed on 11,959 sqm situated in **UPANGA Area**, Dar-es-salaam.
- The Project is designed to develop two basement floors for parking spaces, a podium of one level for recreational and commercial spaces and 3-Towers comprising of 20 floors each for residences providing a total of 232 high quality apartments in one compound.
- The project outputs are as summarised below.

<b>Project Output</b>			
(a) Residential Apartments			
	Unit Area (SqM/Unit)	Units	Sellable Area (SqM)
3-Bedroom Units (SR)	207.0	72	14,904
3-Bedroom Units	188.0	72	13,536
4-Bedroom Units (type 1)	251.5	80	20,120
4-Bedroom Units (type 2)	331.1	4	1,324
4-Bedroom Units (SR)	365.0	4	1,460
<b>Residential Apartments</b>		<b>232</b>	<b>51,344</b>
(b) Other Sellable Area			Sellable Area (SqM)
Commercial Space			3,042.0
Parking Space			15,704.4
(c) Other Built-Up Area			SqM
Services Area			-
Circulation Area			6,473.6
Amenities Area			2,434.0
(d) <b>Total Built-Up Area</b>			<b>78,998.0</b>
Parking Units Available			No. of Units
<b>Total Parking Units</b>			<b>427</b>
Parking Units for Sale			<b>384</b>
Parking Units Sold to Residents			328
Private Parking Units Sold to Others			56
Parking Units Not for Sale			43

- The non-rented spaces, which are not for rent or sale, will comprise of the common areas, and spaces for gym, swimming pool, amenities and other facilities.
- MO DEVELOPERS will organise the resources to develop the project.

## 1.5 Project Objective

- The objective of this project is to capture the ever-increasing demand for quality residential as well as commercial retail spaces in Dar-es-salaam city and provide positive returns to the investors.

## 1.6 Investment and Financing

- The project's **total investment cost** is estimated at USD 56.7 million which includes the value of land as summarised below:

Projected Investment Plan		Year 1	Year 2	Year 3	Year 4	Year 5	Total Investment	% of Investment
		Total	Total	Total				
Land	USD '000'	6,000	-	-	-	-	6,000	11%
Buildings & Civil Works	USD '000'	16,515	17,254	12,390	-	-	46,159	81%
Pre-Operating costs								
Capitalised Interest Expense	USD '000'	1,784	915	299	-	-	2,998	5.3%
Loan Arrangement Cost	USD '000'	687.5	-	-	-	-	688	1.2%
Other Finance Costs	USD '000'	12.5	-	-	-	-	13	0.02%
Administrative Costs	USD '000'	410.7	262.7	158.9	17.1	-	832	1.47%
Operating Expenses	USD '000'	1.20	0.85	-0.1	-1.3	-0.7	1.9	0.00%
<b>Total Investment</b>	<b>USD '000'</b>	<b>25,411</b>	<b>18,432</b>	<b>12,848</b>	<b>16</b>	<b>-0.7</b>	<b>56,691</b>	<b>100.0%</b>

- The project is proposed to be **financed** through shareholders' equity; external term-loan; and Customer Deposits. The Project is seeking for external medium-term loan facility of USD 25 million to part-finance the construction works as summarised below:

Projected Financing Plan		Year 1	Year 2	Year 3	Year 4	Year 5	Total Financing	% of Finance
		Total	Total	Total				
Equity Financing								
Shareholders (Land Value)	USD '000'	6,000	-	-	-	-	6,000	10.6%
Cash Contribution								
Shareholders (Construction)	USD '000'	3,579	-	123	-	-	3,455	6.1%
Shareholders (Pre- Operations)	USD '000'	423	263	159	17	-	845	1.5%
Shareholders (W/Capital)	USD '000'	1.2	0.9	-0.1	-1.3	-0.7	1.9	0.00343%
<b>Cash Contribution</b>	<b>USD '000'</b>	<b>4,003</b>	<b>264</b>	<b>35</b>	<b>16</b>	<b>-0.7</b>	<b>4,302</b>	<b>7.6%</b>
<b>Equity Financing</b>	<b>USD '000'</b>	<b>10,003</b>	<b>264</b>	<b>35</b>	<b>16</b>	<b>-0.7</b>	<b>10,302</b>	<b>18.2%</b>
External Financing								
Medium-Term Loans	USD '000'	10,774	9,273	4,953	-	-	25,000	44%
Loan Arrangement Cost	USD '000'	687.5	-	-	-	-	688	1%
Capitalised Interest Expense	USD '000'	1,784	915	299	-	-	2,998	5%
Short-term loans	USD '000'	-	-	-	-	-	-	0%
<b>External Financing</b>	<b>USD '000'</b>	<b>13,245</b>	<b>10,188</b>	<b>5,253</b>	<b>-</b>	<b>-</b>	<b>28,685</b>	<b>51%</b>
Customer Deposits								
Deposits at Signing	USD '000'	-	-	-	-	-	-	0.0%
Installation Payments	%	1	71%	23%	-	-	153.2%	
	USD '000'	2,163	7,981	7,560	-	-	17,704	31.2%
<b>Customer Deposits</b>	<b>USD '000'</b>	<b>2,163</b>	<b>7,981</b>	<b>7,560</b>	<b>-</b>	<b>-</b>	<b>17,704</b>	<b>31.2%</b>
<b>Total Financing</b>	<b>USD '000'</b>	<b>25,411</b>	<b>18,432</b>	<b>12,848</b>	<b>16</b>	<b>-0.7</b>	<b>56,691</b>	<b>100%</b>

## 1.7 Proposed External Financing

- MO DEVELOPERS is seeking a 3-year term loan facility of USD 25 million to part-finance construction costs. The project does not have an existing loan facility.
- The loan, to be disbursed within 36-month period, will have 3-Year of grace on Principal and Interest; and a repayment after sale of the apartments payable within or at the end of the 36-months.

## 1.8 Marketing

- The final products of the project will be lettable spaces for retail as well as residential apartments. The retail spaces will be earmarked for renting while the residential apartments will be sold. The residential apartments include the parking spaces.
- The project renting assumptions consider renting the facilities starting in Year 4 after the first three years of project implementation. The financial assumptions on the revenues and operating costs of the lettable space are not part of this document.
- The selling of the residential apartments and the parking spaces will continue through in Year 1 to Year 5.
- The project sellable area and the selling prices are as summarised below:

Sellable Area		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Residential Apartments	Units	232	232	232	232	232	-
	Sqm	51,062	51,062	51,062	51,062	51,062	-
Parking Space	Sqm	14,123	14,123	14,123	14,123	-	-
Commercial Space	Sqm	-	-	-	-	-	-
<b>Sub-total</b>	<b>Sqm</b>	<b>65,185</b>	<b>65,185</b>	<b>65,185</b>	<b>65,185</b>	<b>51,062</b>	-
Parking Units							
Parking Units for Sale	Units	384	384	384	384	-	-
	Sqm	14,123	14,123	14,123	14,123	-	-
Parking Space Not for Sale	Units	43	43	43	43	-	-
	Sqm	1,581	1,581	1,581	1,581	-	-
<b>Parking Units</b>	<b>Units</b>	<b>427</b>	<b>427</b>	<b>427</b>	<b>427</b>	-	-
Selling Prices							
Residential Apartments	USD/Sqm	1,250	1,250	1,250	1,250	1,250	-
Commercial Space	USD/Sqm	1,250	1,250	1,250	1,250	1,250	-
Parking Space	USD/Unit	15,000	15,000	15,000	15,000	15,000	-
	<b>USD/Sqm</b>	<b>407.8</b>	<b>407.8</b>	<b>407.8</b>	<b>407.8</b>	-	-

## 1.9 Project Implementation

- This is a 36-month construction project as summarised below:

<b>Project Implementation Period</b>		
Resources Mobilisation	1	Months
Construction Works	33	Months
Installation of Support Facilities & commissioning	2	Months
<b>Total Implementation Period</b>	<b>36</b>	<b>Months</b>

- MO DEVELOPERS will undertake to coordinate and supervise the construction works. Upon completion of the construction works the promoters will undertake to manage and market the project.

## 1.10 Projected Revenues

- The project will generate revenues from sales of residential apartments and parking spaces. The project will offer for sale 232 residential apartments and 384- parking spaces. The project will generate a total of sales revenue amounting to USD 69.94 million. The projected revenue, the Sales Model and the Payment Plan, are summarized below.

<b>Projected Revenues</b>		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Residential Apartments	USD '000'	4,814	16,687	27,116	15,564	-	-
Commercial Space	USD '000'	-	-	-	-	-	-
Parking Space	USD '000'	432	1,498	2,434	1,397	-	-
<b>Total Revenue</b>	<b>USD '000'</b>	<b>5,246</b>	<b>18,184</b>	<b>29,550</b>	<b>16,960</b>	-	-
Cumulative Revenue	USD '000'	5,246	23,430	52,980	69,940	69,940	-
<b>Sales Model</b>							
Deposits at Signing	%	5.0%	5.0%	5.0%	5.0%	0.0%	-
Installment Payments	%	75.0%	75.0%	75.0%	75.0%	0.0%	-
Final Payments	%	20.0%	20.0%	20.0%	20.0%	0.0%	-
<b>Payment Plan</b>							
Deposits at Signing	USD '000'	1,574	1,923	-	-	-	-
Installment Payments	USD '000'	3,672	16,261	26,752	5,770	-	-
Final Payments	USD '000'	-	-	2,798	11,190	-	-
<b>Cumulative Revenue</b>	<b>USD '000'</b>	<b>5,246</b>	<b>23,430</b>	<b>52,980</b>	<b>69,940</b>	<b>69,940</b>	-

### 1.11 Returns on Investment

- The Project revenue generation model is to **Build for Sale**. The financial projections have assumed conservative revenue generation assumptions by selling the entire residential apartments plus some of the parking spaces.
- The project will register a Net Profit amounting to USD 13.2 million.
- This demonstrates that the project is viable and financially feasible.
- The project will be able to service the medium-term loan from the project internally generated revenues without support from other projects.

<b>Projected Profit And Loss Statements</b>		
<b>Projected Revenues</b>		
Residential Apartments	USD '000'	64,180
Parking Space	USD '000'	5,760
Commercial Space	USD '000'	-
<b>Projected Revenues</b>	<b>USD '000'</b>	<b>69,940</b>
<b>Project Cost</b>		
Land	USD '000'	6,000
Buildings & Civil Works		
Construction Cost	USD '000'	40,838
Pile Foundation	USD '000'	2,000
Consultancy Fee	USD '000'	828
Permits & Compliance	USD '000'	364
Contingency	USD '000'	2,129
Equipment & Installation works	USD '000'	-
Utilities	USD '000'	-
Finance Costs		
Loan Interest	USD '000'	2,998
Other Finance Costs	USD '000'	700
Administrative Costs	USD '000'	849
<b>Project Cost</b>	<b>USD '000'</b>	<b>56,706</b>
<b>Project Profits</b>	USD '000'	<b>13,234</b>

# The Project Concept

## 2.1 Introduction

- MO DEVELOPERS is desirous to develop **VISTA RESIDENCES** Project into a high quality commercial real estate property for selling to potential clients. The project is developed on 11,595 square meters area. The land is situated in a strategic location suitable for development of commercial property that provides for a more secure and pleasant living atmosphere.

## 2.2 Project Concept

- VISTA RESIDENCES** project involves development of high quality commercial real estate complex project of its kind. The project will entail construction of residential apartments buildings with retail spaces.
- The project is designed with 3-storey building blocks (Towers) and a large podium for retail and recreational spaces.
- The 3-towers of 20 floors each are designed for residential apartments; and podium will provide for retail and recreational facilities.
- The non-rented spaces, which are not for rent or sale, provide for parking spaces, common areas, and spaces for gym, swimming pool and other facilities.
- MO DEVELOPERS will organise the resources to construct the project.

Project Output			
(a) Residential Apartments			
	Unit Area (SqM/Unit)	Units	Sellable Area (SqM)
3-Bedroom Units (SR)	207.0	72	14,904
3-Bedroom Units	188.0	72	13,536
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(c) Other Built-Up Area			SqM
Services Area			-
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<b>Total Parking Units</b>			<b>427</b>
Parking Units for Sale			<b>384</b>
Parking Units Sold to Residents			328
Private Parking Units Sold to Others			56
Parking Units Not for Sale			43

# Project Investment Plan

## 3.1 Introduction

- Real estate, defined as immovable property, is also an important investment tool. Real estate projects such as residences, shopping malls, industrial facilities and business centres, whose manufacturing process differs from other manufacturing, are also an important investment tool for real and legal persons with large amounts of capital.
- This project entails construction of the commercial real estate project with three high-rise buildings and a retail building all in one compound.

## 3.2 Investment Components

- The project investment components include the land on which the project will be developed, the construction works of the buildings and pre-operating expenses as described below.
  - Project land –
    - MO DEVELOPERS owns a large plot of land measuring 11,595 square meters and strategically located for the envisaged residential and commercial real estate project.
    - The land, worth USD 6.0 million, is on Plot no. 1033 & 1033/1, Mindu Street, Upanga West, Ilala Municipality in Dar-es-salaam City. The land is registered with a Right of Occupancy and a Land Title no. 186160-49 & 186160-50.
  - Buildings and Civil Works –
    - The project will involve the development of 3-storey buildings of 20-floors each to provide residential apartments; and one building block for the retail spaces and other amenities which include the following:
      - Retail area for shopping spaces.
      - Sports venues – Swimming Pool, Gym, Kid’s play area, running track/cycle track, and outdoor sports area.
      - Amenities area that will provide for nursery school, prayer room, staff amenities, security room, indoor lounge, rentable events space and classrooms facilities.

- Pre-Operating Expenses –
  - The Projected Pre-Operating Expenses include Finance Costs and Administrative Expenses.
  - The Finance Costs comprise of the loan arrangement costs, capitalized interest expenses and other finance costs.
  - The Administrative Costs include costs related to funds mobilization, administration, contracts management, staff, sales and marketing, title transfer and other Pre-Operating Costs.

### 3.3 Project Investment Cost

- The Project Investments include the land, buildings and civil works and pre-operating costs. The company has already secured the land with the Right of Occupancy for the development of the proposed project.
- The total project investment cost is estimated at USD 56.7 million including the value of land as summarised below:

Projected Investment Plan		Year 1	Year 2	Year 3	Year 4	Year 5	Total Investment	% of Investment
		Total	Total	Total				
Land	USD '000'	6,000	-	-	-	-	6,000	11%
Buildings & Civil Works	USD '000'	16,515	17,254	12,390	-	-	46,159	81%
Pre-Operating costs								
Capitalised Interest Expense	USD '000'	1,784	915	299	-	-	2,998	5.3%
Loan Arrangement Cost	USD '000'	687.5	-	-	-	-	688	1.2%
Other Finance Costs	USD '000'	12.5	-	-	-	-	13	0.02%
Administrative Costs	USD '000'	410.7	262.7	158.9	17.1	-	832	1.47%
Operating Expenses	USD '000'	1.20	0.85	-0.1	-1.3	-0.7	1.9	0.00%
<b>Total Investment</b>	<b>USD '000'</b>	<b>25,411</b>	<b>18,432</b>	<b>12,848</b>	<b>16</b>	<b>-0.7</b>	<b>56,691</b>	<b>100.0%</b>

# Project Financing Plan

## 4.1 Introduction

- MO DEVELOPERS is proposing to finance the real estate project through three sources of finance: Shareholders equity; External finance; and a portion of Customer Deposits.

Project Financing	USD '000'	%
Equity Financing	10,317	18.2%
External Financing	28,685	50.6%
Customer Deposits	17,704	31.2%
<b>Total Financing</b>	<b>56,706</b>	<b>100.0%</b>

## 4.2 Financing Structure

- Equity financing** – MO DEVELOPERS will contribute equity of up to USD 10.3 million towards land, Construction works and the Pre-Operating costs. This is about 18% of the total financing requirements.
- Loan Financing** – the project seeks medium-term loan of USD 25 million that will attract loan arrangement costs of USD 687,500; and capitalised interest costs of USD 2.998 million. The loan totalling USD 28.7 million accounts for 51% of total finance.
- Customer Deposits** – the project will also use portion of the Customer Deposits for the construction works of the project. This forms 31% of the financing required.

Projected Financing Plan		Year 1	Year 2	Year 3	Year 4	Year 5	Total	% of
		Total	Total	Total			Financing	Finance
Equity Financing								
Shareholders (Land Value)	USD '000'	6,000	-	-	-	-	<b>6,000</b>	10.6%
Cash Contribution								
Shareholders (Construction)	USD '000'	3,579	-	-	-	-	<b>3,579</b>	6.3%
Shareholders (Pre- Operations)	USD '000'	423	263	159	17	-	<b>845</b>	1.5%
Shareholders (W/Capital)	USD '000'	1.2	0.9	-0.1	-1.3	-0.7	<b>1.9</b>	0.00343%
<b>Cash Contribution</b>	<b>USD '000'</b>	<b>4,003</b>	<b>264</b>	<b>159</b>	<b>16</b>	<b>-0.7</b>	<b>4,425</b>	<b>7.8%</b>
<b>Equity Financing</b>	<b>USD '000'</b>	<b>10,003</b>	<b>264</b>	<b>159</b>	<b>16</b>	<b>-0.7</b>	<b>10,425</b>	<b>18.4%</b>
External Financing								
Medium-Term Loans	USD '000'	10,774	9,273	4,953	-	-	<b>25,000</b>	44.1%
Loan Arrangement Cost	USD '000'	687.5	-	-	-	-	<b>688</b>	1.2%
Capitalised Interest Expense	USD '000'	1,784	915	299	-	-	<b>2,998</b>	5.3%
Short-term loans	USD '000'	-	-	-	-	-	<b>0.0</b>	0.0%
<b>External Financing</b>	<b>USD '000'</b>	<b>13,245</b>	<b>10,188</b>	<b>5,253</b>	<b>-</b>	<b>-</b>	<b>28,685</b>	<b>50.6%</b>
Customer Deposits								
Deposits at Signing	USD '000'	-	-	-	-	-	<b>-</b>	0.0%
Installment Payments	%	1	71%	23%	-	-	<b>153.0%</b>	
	USD '000'	2,163	7,981	7,436	-	-	<b>17,580</b>	31.0%
<b>Customer Deposits</b>	<b>USD '000'</b>	<b>2,163</b>	<b>7,981</b>	<b>7,436</b>	<b>-</b>	<b>-</b>	<b>17,580</b>	<b>31.0%</b>
<b>Total Financing</b>	<b>USD '000'</b>	<b>25,411</b>	<b>18,432</b>	<b>12,848</b>	<b>16</b>	<b>-0.7</b>	<b>56,691</b>	<b>100.0%</b>
Exposure								
Equity Financing	%	39%	23%	18%	18%	18%	18%	
External Financing	%	52%	53%	51%	51%	51%	51%	
Customer Deposits	%	17%	23%	44%	31%	31%	31%	

## The Project Promoters

### 5.1 Introduction

- The proposed real estate project will be promoted and implemented by MO DEVELOPERS. The company is desirous to become one of the large stakeholders in the real development sub-sector in Tanzania.

### 5.2 Legal Status

- MO DEVELOPERS, formerly KHAKI COMPLEX LIMITED, is a private limited liability company registered under the Tanzania Companies Act (cap. 212). The company is one of the associate companies of the MeTL Group. The company has been established to carry on the business of real estate development and management.
- The company has been granted with a Certificate of Incorporation No: 23906 issued by the Tanzania's Business Registration and Licensing Agency (BRELA).

### 5.3 Company Ownership

- MO DEVELOPERS is a private company, owned by two Tanzanian shareholders. The authorised share capital is TZS 2,000,000,000 divided into 100 shares of TZS 20,000,000 each.
- The subscribed share capital is TZS 2,000,000,000, divided into 100 shares. The shares are distributed as follows among the shareholders:

Shareholders' name	Number of shares	% shareholding
Mr. Gulam Dewji	57	57%
Mrs. Zubeda Dewji	43	43%
<b>Total</b>	<b>100</b>	<b>100.00%</b>

### 5.4 Company Business

- KHAKI COMPLEX LTD, now MO DEVELOPERS, with an annual revenue of TZS 1.6 billion (FY2024), owns and manages office and residential real estate properties. The company is set to develop the proposed residential and commercial property.

## Corporate Information

### 6.1 Background

- **MeTL Group**, taking its name from Mohammed Enterprises (Tanzania) Limited (shortly, "MeTL") is a Tanzania's successful and enduring Corporate Group of companies.
- The Group's investments are vested in the agriculture, industry, energy, transport and logistics, financial services, communication services, infrastructure, Real Estate and trading. This milestone has been achieved by dealing in a wide range of products which touch lives of majority in Tanzania and African region.
- The Group finds its beginning in early 1970's when Mr. Gulam Dewji, the founder and Chairman of the now MeTL Group, established Mohammed Enterprises Tanzania Ltd ("MeTL"). Initially it was a mere trading house which ventured into local trading and later import and export of various consumer goods.
- In 1998, MeTL Group identified opportunities in other economic sectors. Major investments started to be executed, specifically, in Agriculture and manufacturing sectors.

### 6.2 Business Performance

- Presently, MeTL Group comprises of 23 private companies with over 30 independent business operations in manufacturing, industrial processing, trading, service provision, and agricultural crops production and marketing. The companies have maintained competitive advantage and continued to grow the businesses and managed to increase products range overtime.
- The Group's sustainable growth has been achieved through integration which was identified as the key strategic priority. Initially, this strategy called for a change in mind-sets and from there, followed strengthening of the MeTL Group portfolio and processes.
- MeTL Group, with over USD 1.5 billion annual revenues and 29,500 employees, resolves to achieve a "Dominant presence" in its core business areas, in an ethical and socially responsible manner, by providing the market with quality products that give value-for-money to buyers and consumers-at-large.

### 6.3 Legal Status

- MeTL Group of companies is not a registered legal entity. The Group is made up of 23 legal entities whose shareholders are of the Dewji Family.
- The shareholders and the Directors of the associate companies of the MeTL Group are as presented in the Group's Consolidated Accounts.

### 6.4 Group's Sectoral Performance

- Proudly, the Group's fifty-years of presence in the market, identifies itself with vertical integration in six core sectors of the economy:

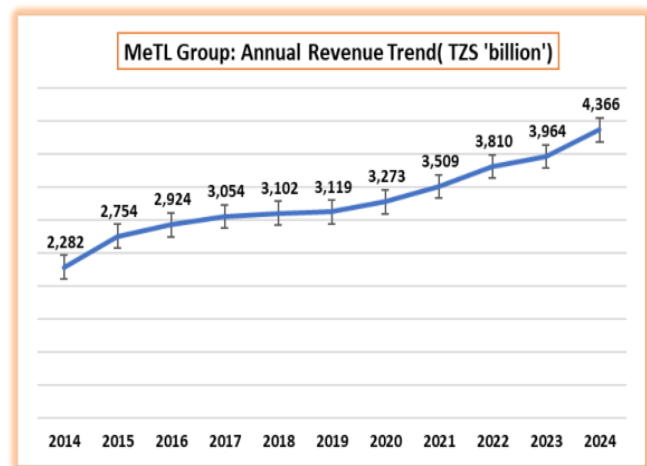
<b>Trade</b>	<b>Agriculture</b>	<b>Manufacturing</b>	<b>Transport &amp; logistics</b>	<b>Energy</b>	<b>Financial Services</b>
• 1	• 2	• 3	• 4	• 5	• 6

### 6.5 Group's Regional Expansion

- MeTL Group's pursuit for regional expansion is largely based on the strength of the in the core sectors of the economy it is been trading in.
- The Group continues with its bold strategy to serve the neighbouring countries including Mozambique, Malawi, Zambia, the Democratic Republic of Congo (DRC), Burundi, Rwanda and Uganda.

### 6.6 Group's Revenues Growth

- MeTL Group's revenues growth has been on average of 6.8% in the past 10-years.
- The growth is entrenched in the Group's strategy to capture opportunities in agriculture, manufacturing, agro-processing, energy, trading, transport and logistics, and others sectors of investment.



# Development Approach

## 7.1 Introduction

- The project investment approach is that of Design-Build (DB). Under this approach MO DEVELOPERS will enter contract with a Contractor, as a single entity, to perform design and construction works. The approach offers the Promoter a single point of responsibility for design and construction services of the project.
- MO DEVELOPERS is responsible for financing the project and upon completion the project will be under the management of MO DEVELOPERS.

## 7.2 Contractor Agreement Process

The overall process may broadly be described as follows:

### (i) Strategic Facility Planning and Programming

- The current and future facility requirements will be analyzed to determine the appropriate facility development plan for the proposed development.
- The program definition has been formulated in which the contractor will sign a contractual agreement to develop the project.

### (ii) Financing Options

- After designing of the project and agreeing with the Contractor, then MO DEVELOPERS will undertake to mobilize financial resources for the development of the project.
- MO DEVELOPERS will solicit funds from their own sources and from external financial institutions to provide the best financial instruments suitable for the medium-term project.

### (iii) Design and Construction

- The Contractor will undertake to carry out the design and construction of the facility in connection with the normal review and approval process.
- All the likely change orders will have a price effect. After completion of the construction works, MO DEVELOPERS will in principle take the management responsibility of the estate including marketing and selling.

## Project Status

### 8.1 Introduction

- The main barriers to development of accommodation facilities of international standards in Tanzania include limited financing, high investment costs, shortage of skills, and inadequate incentives in the building construction projects.
- From the initial project designed, the promoters have worked to address these potential challenges to the project implementation, operation and management.

### 8.2 Statutory Documentation

- MO DEVELOPERS, formerly KHAKI COMPLEX LIMITED, is already registered as a private limited liability company by shares. The company has sought permits to develop the real estate property project from the Tanzania Investment & Special Economic Zones Authority (TISEZA) and the Ilala Municipal Council.
- The project is in the process of applying for construction permits for the development and management of the proposed real estate project.

### 8.3 Project Design

- MO DEVELOPERS has contacted reputable international architectural designers and building consultants of modern commercial properties to undertake the design work as well as provide the cost estimates and other related consultancy works.

### 8.4 Project Development

- The project is yet to commence construction works. The construction works is subject finalization of the project design.

### 8.5 Project Financing

- The shareholders have already set aside funds for the development of the project in the form of shareholders' equity.
- The project is now applying to potential lenders to part-finance the project. The company is seeking a medium-term loan to be repaid within three to four years. The source of the loan repayment will be from sale of residential apartments.

## Business Case

### 9.1 Country Sector Potential

- Tanzania’s real estate market is experiencing a dynamic shift in the recent years, fueled by rapid urbanization, a booming tourism industry, and a growing middle class.
- Tanzania housing sector’s fast-growing demand is mainly driven by the strong and sustained economic growth with GDP growth averaging 6.2% over the past decade, the fast-growing Tanzanian population, which is estimated to more than double by 2050.
- Credit extended to the private sector remained robust, as risks on lending remained low. Credit to the private sector grew to 16.7% by September 2024. Credit extended to agricultural activities continued to record the highest growth, at 39.5%, supported by government policies to promote productivity. Meanwhile, personal loans—primarily extended credit for small and medium enterprises (SMEs)— remained the largest component of credit to the private sector, at 36.4 percent, followed by trade, at 12.8% and agriculture, at 11.8%.

### 9.2 Dar-es-salaam Sector Potential

- In Dar es Salaam, the country’s economic hub. The City’s population soared to 8.16 million in 2024, a 4.95% increase from the previous year, driving unprecedented demand for housing. Meanwhile, Zanzibar’s tourism sector, with a 20% surge in visitors, has intensified the need for short-term rentals.
- Dar es Salaam city is experiencing a major housing shortage, with an estimated gap of around 3 million quality homes and a yearly demand for 200,000 new units. This deficit stems from rapid urbanization, population growth, and limited construction capacity. By 2025, the city’s population is expected to reach 7 million, with urban growth averaging 5.2% annually over the past decade.
- The rental market in Dar es Salaam is thriving, driven by the city’s status as Tanzania’s commercial capital and its growing population. In 2025, Dar es Salaam rent prices are projected to continue their upward trajectory, reflecting a robust demand for both residential and commercial properties.

## Tanzania In Perspective

### 10.1 An Overview

- Tanzania is the largest country in East Africa in terms of land with 883,749km<sup>2</sup> (881,289km<sup>2</sup> mainland 2,460km<sup>2</sup> Zanzibar), plus lakes totalling to 59,100km<sup>3</sup>. The country has about 1,400km of coastline along the Indian Ocean.
- The Country is well situated geographically bordering Burundi, Kenya, Malawi, Mozambique, Rwanda, Uganda, Zambia and the Democratic Republic of Congo (DRC).
- Tanzania has a tropical type of climate. In the highlands, temperatures range between 100 and 200 Celsius during cold and hot seasons respectively. The rest of the country has temperatures never falling lower than 200 Celsius. The hottest period spreads between November and February (250 – 310 Celsius) while the coldest period occurs between May and August (150 – 200 Celsius).



### 10.2 Socio-Economic Development

#### [a] Population

- Tanzania population has increased more than four times from 12.3 million people in 1967 to 61.7 million people in 2022. The average annual intercensal growth rate according to the 2012 Population and Housing Census is 2.7%. The population is estimated to reach 68.6 people in 2024.
- Below table provides a summary of the country's population trend from 1967 to 2024:

<b>Tanzania: Population Trend (in "million")</b>							
<b>Year</b>	<b>1967</b>	<b>1978</b>	<b>1988</b>	<b>2002</b>	<b>2012</b>	<b>2022</b>	<b>2024</b>
<b>Population</b>	<b>12.3</b>	<b>17.5</b>	<b>23.1</b>	<b>34.4</b>	<b>44.9</b>	<b>61.7</b>	<b>68.6*</b>
<i>* Population Estimates</i>							
<b>Source: NBS, Policy Brief, 2024</b>							

## [b] Urbanisation

- Tanzania cities and towns are rapidly urbanizing. This urbanization is a manifest of rural-to-urban migration as well as natural population increase.

Year	1967	1978	1988	2002	2012	2018	2022
<b>Urban</b>							
Population	685,092	2,257,921	3,991,882	7,554,838	12,701,238	17,785,328	21,965,444
% of Population	6%	13%	18%	23%	29%	34%	37%
<b>Dar-es-salaam</b>							
Population	272,821	769,445	1,205,443	2,336,055	4,364,541	5,147,070	5,383,728
% of Population	2%	5%	5%	7%	10%	10%	9%
<b>Tanzania: (Mainland)</b>							
Population	11,975,757	17,036,499	22,507,047	33,461,849	43,625,354	52,619,314	59,851,347
Growth Rate	-	3.30%	2.80%	2.90%	2.70%	2.70%	3.20%

- The four largest cities are Dar-es-salaam, Mwanza, Arusha and Mbeya.
- In 2022, Tanzania's urban population was 37% which is an increase from 6% in 1967 and 34% a decade ago. The current population growth rate is 3.2%.

## [c] Macro-economic Performance

- Tanzania maintains an economy highly dependent on agriculture, contributing an estimated 30% to the country's Gross Domestic Product (GDP) and employing nearly 70% of the working population.

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GDP Growth	7.0%	7.0%	7.1%	7.0%	7.0%	4.8%	4.9%	4.7%	5.1%	5.5%
Inflation Rate	5.6%	5.2%	5.3%	3.5%	3.4%	3.3%	3.7%	4.3%	3.8%	3.1%
Exchange Rate (TZS/USD)	1,985	2,177	2,229	2,242	2,307	2,306	2,310	2,315	2,396	2,606

*Source: Annual Report, BOT, 2022; Economic Survey 2021 & Ministry of Finance, 2024*

- The economy continued expanding steadily in the aspect of GDP, and become more stable on inflation and exchange rates.

- For the past 8-years, both Real and Nominal GDP have been increasing annually at a rate of between 6.5% and 10.2% for the Nominal GDP; and between 4.2% and 7.0% for the Real GDP.

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Nominal GDP</b>									
TZS 'trillion'	108.3	118.7	129.0	139.6	151.6	161.5	170.8	186.7	205.8
% Change	-	9.6%	8.7%	8.2%	8.6%	6.5%	5.8%	9.3%	10.2%
<b>Real GDP</b>									
TZS 'trillion'	100.8	107.6	115.1	123.2	129.1	135.5	141.2	148.5	156.6
% Change	-	6.7%	7.0%	7.0%	4.8%	5.0%	4.2%	5.2%	5.5%

*Source: Ministry of Finance, 2024*

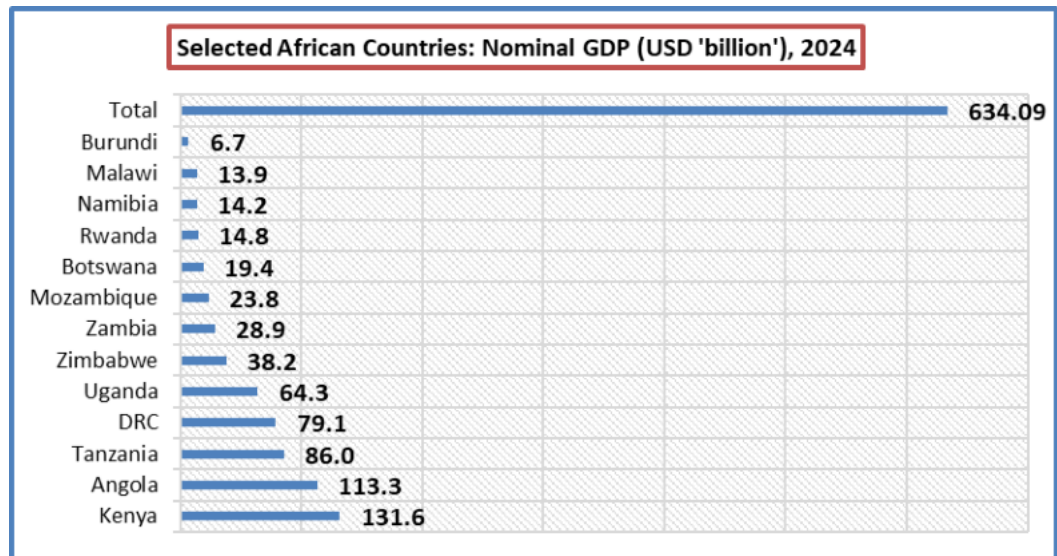
In 2024, the growth in the GDP was occasioned by strategic investment in infrastructure projects, growth in tourism sector, increased mineral production and increased credit to private sector which stimulated economic activities.

### 10.3 Regional Market

- The growth in intra-trade in the East and Central Africa regional market for goods and services may be determined by the growth in the economy, the population, the cargo transit business within the region and other factors.

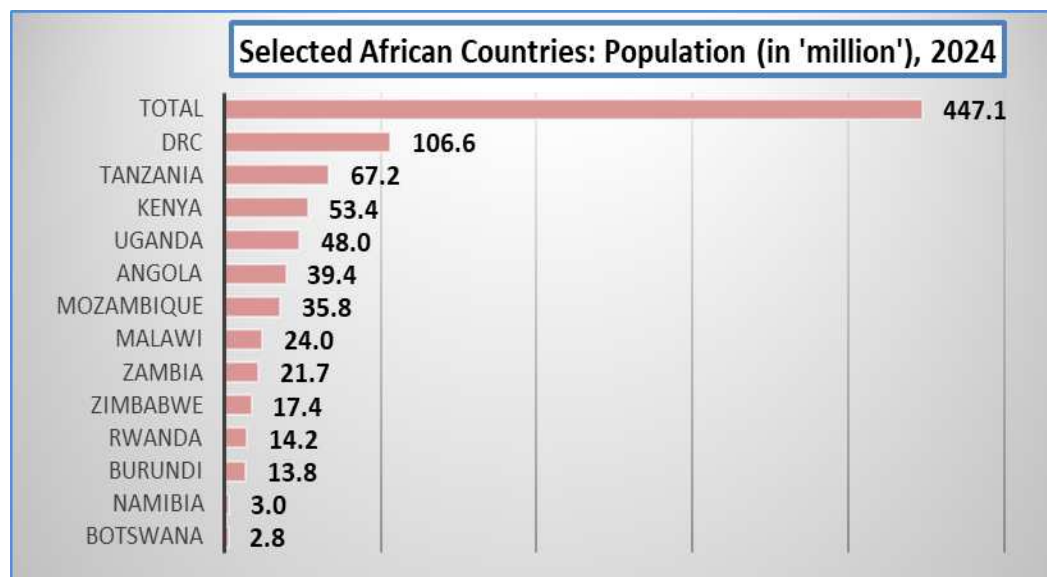
#### (a) Gross Domestic Products (GDP)

- Africa has emerged as one of the fastest growing regions of the world. Most of the Southern African countries experienced economic growth of between 3% and 7%.
- The below graph presents the Nominal GDP for some of the selected African countries in the southern and eastern African region.



#### (b) Population.

- Africa, and especially Sub-Saharan Africa, has experienced an unprecedented rate of urban growth, outpacing other regions. The six countries of Tanzania, Zambia, Malawi, DRC, Rwanda and Burundi have a combined population of about 247 million people (in year 2024).
- The populations in urban areas for most African countries are currently are estimated at about 40% of total population and expected to increase annually. The below graph depicts population distribution for some eastern and southern African countries.



### (c) Transit Trade Volumes

- Tanzania is the natural gateway to one of the fastest growing regions in the world with increasing trade volumes. In 2021, transit cargo handled at Dar es Salaam port increased by 20.2 percent to 6,421,598 tons compared to 5,340,287 tons handled in 2020. This was attributed to initiatives by TPA to widen the market base especially in Zambia and DRC.

- The container transit trade flows have witnessed the highest growth, increasing at a compounded annual growth rate of 19%.

	2017	2018	2019	2020	2021	Growth
Country						
Zambia	2,021.2	1,504.0	1,763.0	1,159.1	1,507.7	30%
DRC	1,176.7	1,779.6	1,914.1	1,840.6	2,357.9	28%
Burundi	415.9	379.7	453.2	476.8	507.0	6%
Rwanda	1,061.2	911.8	1,238.6	1,239.2	1,366.3	10%
Malawi	276.0	311.2	336.7	407.4	471.3	16%
Uganda	271.9	188.6	140.9	153.9	138.8	-10%
Others	85.4	98.5	25.3	63.2	72.5	15%
<b>Total</b>	<b>5,308.3</b>	<b>5,173.4</b>	<b>5,871.8</b>	<b>5,340.2</b>	<b>6,421.5</b>	<b>20%</b>

- Transit traffic growth is mainly driven by economic growth, growth in agriculture, forestry and fisheries, energy, mining and development of rail and road infrastructure.
- Transit trade is growing at a rate of 15% compared to the 10% growth in the total traffic of Dar-es-salaam port.

## Tanzania's Real Estate Sub-Sector

### 11.1 Introduction

- The present state of the Tanzania's real estate market leaves much to be desired. With 70 per cent of the urban population immersed in unplanned and un-serviced informal settlements, there lies immense opportunity for growth especially bearing in mind that the government's strategy is geared towards upgrading.
- Generally, the country's affordable housing is in short supply. With the current annual demand of 200,000 plots and a 3,000,000-housing gap, Tanzania faces a huge hurdle but equally presents immense opportunities for the prudent investor.

### 11.2 Main Players in Real Estate Sector

- The Ministry of Lands, Housing and Human Settlements Development has been mandated to administer land and human settlement in Tanzania on behalf of the President of Tanzania who serves as the trustee of all land. The Ministry currently has four major Departments: Land Administration, Survey and Mapping, Physical Planning and Housing.
- Within the Ministry of Lands, there is four core sector units namely the Registration of Titles Agency, Property Valuation, and the District Land and Housing Tribunal. The Ministry also has an agency dealing with Housing and Building materials research (the National Housing Building Research Agency), a commission dealing with Land Use Planning (National Land Use Planning Commission) and the National Housing Corporation.
- The limited amount of housing construction is largely done by the public sector either through the National Housing Cooperation (NHC), the Tanzania Building Agency (TBA), which caters specifically to the government employee market or through the parastatal pension and social security institutions.
- The private or "organized" developer/ builder market is virtually absent in Tanzania and there are no professional real estate developer associations. The little private development which does occur tends to be luxury developments aimed at the wealthy, expatriates or the Diaspora.

### Key actors in the development of shelter in Tanzania

	Actors	Contribution
1	Individual Un-surveyed Dwellings	70.0%
2	Individual Surveyed Dwellings	13.5%
3	National Housing Corporation	5.1%
4	Real Estate Developers	3.9%
5	Central Government	3.0%
6	Pension Institutions	2.4%
7	Local Government	2.1%

### 11.3 Government Policy Support

The proposed project is supported by the government initiatives to remove the problems of poor and unplanned urban settlements. Most notable programs include the following:

- **Urban Housing Programme**

In 1969, the Government of Tanzania adopted a "slum clearance" policy, which saw replacement of informally built housing with decent constructed by the National Housing Cooperation (NHC).

- **National Sites and Services and Squatter Upgrading Programme**

Between 1972 and 1990 the government, with support from the World Bank, implemented the National Sites and Services and Squatter Up-grading Programme as an alternative to the slum clearance. The programme was implemented in three phases covering seven major regions.

- **Sustainable Cities Programme**

In 1992, Sustainable Cities Programme was launched and became operational in 1993. The main objective of the programmewas to build capacity ofthe Dar es Salaam City Councilto plan, coordinate and manage urban development and growth, with emphasis on improved multi-sectoral coordination and participation. Based on the successes of the programme, its implementation was rolled out to seven other regions countrywide.

- **Community Infrastructure Upgrading Program**

The programme aimed to improve living conditions of low-income residents of unplanned settlements by upgrading the existing infrastructure and services, and facilitating their participation in the planning, provision and management of infrastructure services in their respective areas. The project was implemented in two phases. The first phase (2003 – 2008) was funded by Government and the second phase (2008-2012) by the World Bank.

- **Unplanned Urban Settlements Regularisation Program**

The Unplanned Urban Settlement Regularisation Program was conceived in 2004. The program primarily focused on identifying and adjudicating properties in unplanned areas and issuing residential licences. The licences were accepted by financial institutions and helped some owners to access credit.

#### **11.4 Government Houses**

- The Tanzania Building Agency (TBA), established in 2002, is tasked with the building and maintenance of government buildings and construction and sale of houses to civil servants.
- By December 2008, the agency had constructed 955 houses worth TZS 37.7 billion. In total TBA has constructed over 2000 houses countrywide for other commercial and renting purposes. Government houses are usually sold below the market rate and are associated with very high competition.

## Regulatory Issues

### 12.1 Statutory Requirements

- The proposed project will be implemented in General Land, which is governed by the Land Act and, hence, under the control and jurisdiction of the commissioner for lands. This ministerial key person has delegated much of the powers to the district councils/municipalities.
- MO DEVELOPERS will seek approval from the ILALA Municipality for the development of the proposed project.
- A real property developer in Tanzania must follow the following procedures in undertaking construction works of a housing project of this scale:
  - 1) Obtain location plan from the municipal council and ministry of lands
  - 2) Obtain certified copy of the land rent receipts from Internal revenue authority
  - 3) Submit geological survey along with application for building permit at the city council
  - 4) Obtain building permit which requires submission of the following documents:
    - (a) Architectural/engineering drawings and calculations, including site layout and location plans, elevations plan, sections of the building including storm water drainage, fire protection, driveways and parking,
    - (b) Title deed showing ownership
    - (c) Receipts of payments of land rents and other statutory fees.
    - (d) To speed up the process, the developer/investor should follow-up with the city council, Health Department, Fire Department, and Planning Department, and the City Engineer.
  - 5) Request and receive pre-construction inspection from the city council. Before beginning construction, the developer must notify the city council 7 days before construction.
  - 6) Request and receive excavation work inspection, concrete work inspection, slabs work inspection, roof work inspection from the city council,
  - 7) Upon completion, request and receive inspection from the fire department, health department, and receive final inspection the city council
  - 8) Apply for utilities connections – electricity, water and sewage and telephone once construction is complete.

## **12.2 Investment Incentives**

- Like other investment projects, Tanzania has put in place investment incentives for investment in real estate sector.
- The incentives offered to investors include exemption on import duty and VAT on building materials, net profits or dividends of the investment, payment in respect of foreign loans, remittance of proceeds net of all taxes and other obligations, royalty fees and other charges, and payment of emolument and other benefits to foreign personnel.

## **12.3 Taxation Issues**

- Renting a house, as in most other products and services, attracts 18% Value Added Tax (VAT). The VAT is charged to the tenants.
- Withholding Tax –
  - Withholding tax applies to specific payments including payment that is to be included in calculating the chargeable income of an employee from employment, payment of investment return including dividend, interest, natural resource payment, rent or royalty, payment in respect to service fee and contract payments and payment in respect to supply of goods to the government and its institutions.
  - The current withholding tax rate is 10% for residents and 15% for non-residents.
- Real property tax –
  - For Dar-es-salaam region, Property tax is charged on residential and commercial properties at the rate of 0.15% and 0.2%, respectively, of the total value.
- Stamp duty –
  - Stamp duty may be levied either as a specific amount or at a progressive rate up to a maximum of 1% of the value of the consideration.

## Products And Services

### 13.1 Introduction

- MO DEVELOPERS is a Private Investment Company formed to spearhead property development projects specifically development of residential properties, commercial properties, retail properties and mixed-use properties.

### 13.2 Products and Services

- VISTA RESIDENCES project will provide modern commercial building in the ever-growing Dar-es-salaam city. The project shall offer the following main facilities:
  - Residential apartments
  - Retail spaces
  - Recreational facilities
  - Parking spaces



- The built-up area of the project will be 78,998 sqm. The VISTA RESIDENCES Project is a mixed-use development whereby retail spaces and apartments will be constructed. The Project involves the development of:
  - Two basement floors for parking spaces,
  - A podium of a single level (on a mezzanine floor) for recreational and commercial spaces,
  - Three (3)-Towers comprising of 20 floors each for residences and social amenities.
  
- The project will provide residential apartments and one building block for the retail spaces and other amenities which include the following:
  - Retail area for shopping spaces.
  - Sports venues – Swimming Pool, Gym, Kid’s play area, running track/cycle track, and outdoor sports area.
  - Amenities area that will provide for nursery school, prayer room, staff amenities, security room, indoor lounge, rentable events space and classrooms facilities
  - The project will further provide car parking spaces, including private parking for the residents and public parking spaces.
  
- The retail spaces will offer quality facilities for attracting commercial enterprises such as Shops, Pub, Bank, mini mart, supermarket, and food-courts.

### **13.3 Value-added facilities**

- VISTA RESIDENCES project will offer value-added services to the occupiers including the following:
  - Water and Electricity installations and connections.
  - Standby electric generators.
  - Common garden.
  - Waste collection system-garbage chute.
  - Data and internet service facilities
  - 24-hour Security services.
  - Parking space for each tenant and ample parking lots are reserved for visitors/customers visiting the commercial property.

## Market Overview

### 14.1 Introduction

- The Real Estate sector is an intermediate sector whose demand for services is driven by need for housing accommodation, office space, shopping premises, hotel facilities, and other private and public facilities. Since the demand for such services grows with the economy, the real estate development sector will inevitably grow to meet the growing needs of the market.
- Besides the needs triggered by the overall growth of the economy, population growth forms another important variable in exerting pressure for increased facilities such as office space, residential houses, recreational services, shopping areas, other infrastructure services, etc.

### 14.2 Project Location

- The VISTA RESIDENCES Project is situated with the CBD of the Dar-es-salaam city, and it is along Bindu Street off UN Road crossing Charambe Street, West Upanga area in ILALA Municipality. The property is opposite the International School of Tanganyika (IS Upanga Campus) and close to numerous multi-story residential blocks with commercial premises on the ground floors. The project land comprises of an area covering 11,595 m<sup>2</sup>.
- Presently, Upanga is one of the most prime locations within Dar es Salaam City by virtue of it being located within the medium-density residential area and by virtue of its proximity to the ocean.



## 14.3 Real Property Demand and Supply Analysis

### (a) An Overview

- Tanzania is one of sub-Saharan Africa's fastest-growing economies and is expected to become one of the fastest-growing economies of the world but is still small in absolute terms with a market size of about US\$33.23 billion.
- Key drivers for anticipated growth will be:

- Recent natural gas discoveries.
- The growth in industrial subsectors such as construction, mining and manufacturing.
- Regional integration.
- Reforms that improve the ease of doing business; and
- A long-term stable democracy.

- Tanzania's urban population is growing fast at an annual rate of 4.77%. The country's total population is growing at a rate of 2.8% per year.
- In the Commercial real Estate Sub-sector, most of Tanzania's office market activity is in the cities. In recent years, office space that has been developed has achieved full occupancy. However, tenant relocations and ongoing construction may begin to have an impact on occupancy levels especially for Dar-es-salaam city.
- It is estimated that the average rental for premium office space is US\$21/ m2 per month, providing an income yield of 9%. In the past, due to the scarcity of office space in the capital, some residential flats in prime areas of the city have been converted into commercial properties.

### (b) History of Dar-es-salaam City

- Dar-es-Salaam is popularly believed to mean the "HARBOUR (HAVEN) of PEACE", the name having come from the Persian-Arabic *Bandar-ul-Salaam* (in Swahili - *Bandari ya Salama*). Other contemporary records of the City's early

years which are the late 1860's indicate that the name simply means "The House (or Abode) of (Peace or Salvation)" and that it was originally chosen by the City's founder Seyyid Majid Sultan of Zanzibar in 1862.

- Dar-es-Salaam was declared a Township in 1920 and in 1949 it was upgraded to a Municipality under the first appointed British Mayor Mr. Percy Everett. When Tanganyika became independent in 1961, Dar-es-Salaam Municipality was elevated to a city status and continued to be the headquarters of the then Independent Tanganyika and later the United Republic of Tanzania.
- Dar-es-salaam has been the commercial city as well as the capital city of Tanzania since the country's independence in 1961.

### **(c) Dar-es-salaam Situational Analysis**

- **Location of Da-es-salaam**

- Dar-es-salaam city is located between latitudes 6.36 degrees and 7.0 degrees to the south of Equator and longitudes 39.0 and 33.33 to the east of Greenwich. It is bounded by the Indian Ocean on the east and Coast Region on the other sides.

- **Area and City Distribution**

- The total surface area of Dar es Salaam City is 1,800 square kilometers, comprising of 1,393 square kilometers of land mass with eight offshore islands, which is about 0.19% of the entire Tanzania Mainland's area.
- Dar-es-salaam has 3-municipalities: Temeke, Ilala and Kinondoni minimalities. Temeke Municipality has the largest land surface area followed by Kinondoni while Ilala has the smallest area. Ilala forms the CBD of Dar-es-salaam city.

- **Infrastructure Development**

- Dar es Salaam has a unique status, being the major City of Tanzania and the center of Government administration, industry, commerce and banking activities, despite of the Government decision to move its capital to Dodoma.
- Dar es Salaam is also the major port City of Tanzania. It has more than 1000 major industrial establishments, a Central Bank, Commercial Banks, foreign

exchange bureaus, Insurance companies (including one state-owned), foreign embassies, multinational organisations, educational institutions, health institutions and business support services.

- The city is also the starting point of Tanzania's railway lines: the TAZARA railway line connecting Tanzania and Zambia; and the TRL-Railway Line which connects Dar-es-salaam and the rest of the regions – Kigoma, Mwanza and Arusha.
- The Julius Nyerere International Airport is the largest airport in Tanzania which accommodate all types of aircrafts.

#### **14.4 Overview of the Property Market in Dar-es-salaam**

- The gap between the supply of and demand for housing has been widening over the past four decades. The current shortage is estimated at 3 million units, most of them (about 800,000 units, equal to 27%) in Dar es Salaam alone.
- The shortage is attributed mostly to the lack of appropriate policies on housing development, especially in acquisition of building plots, land titles, building permits, and housing mortgage facilities.
- In recent years, there have been a lot of developments in the construction sector and in the real estate sub-sector. These developments as well as the increase in the overall population growth of the country have created a high demand for housing thus calling for more investment. The current projects that are under way, as well as those that are being planned, have created opportunities for investors in this sector which turn benefited the Tanzania real estate sector. While the largest market for investors in the real estate sub-sector has been directed towards office development, there have been huge but unexplored opportunities in the development of retail, industrial and residential spaces.
- According to **Knight Frank** (the biggest real estate agent in Tanzania), the demand for office, retail and industrial real estate in the capital city of Dar es Salaam will remain very strong in the foreseeable future. Below are brief overviews of the current situation in the office, retail, industrial, and residential properties markets in Dar es Salaam.

**(a) Office Market**

- Currently, majority of the property constructions are office buildings, located mainly within the CBD center and along Ali Hassan Mwinyi Road. Encouragingly, most of the office spaces completed within the last two years have been occupied and vacancies remain very low.
- Also, there are new developments heading into completion, of which they have entered the market between 2013 and 2024, and the next project developments due for completion are expected to come in the market in 2025/2026. Therefore, the project anticipates that there could be an abundance of office accommodation now, which might result in a downfall in rents.

**(b) Retail Market**

- Retail real estate constitutes the foundation of commercial real estate investing by focusing on commercial use assets such as shopping malls and retail parks, along with individual retail establishments.
- As East Africa's fastest-growing commercial hub, Dar es Salaam presents exceptional opportunities for businesses seeking prime commercial space. With over 6 million residents and its position as Tanzania's economic epicenter, the city attracts entrepreneurs, corporations, and investors from across the region.
- The city's strategic advantages include:
  - Major Indian Ocean port facilitating regional trade,
  - Julius Nyerere International Airport connectivity,
  - Expanding infrastructure and transport networks,
  - Growing skilled workforce and consumer market
- Some of the famous retail real establishments include Mlimani City Shopping Mall, The Slipway, Sea Cliff Village, Shoppers Plaza (Mikocheni, Masaki & Mbezi Beach), Dar Free Market Mall, GSM Mall, Classic Mall and many others.

**(c) Hotel Market**

- The Hotel sector continue to be dominated by franchise-occupiers. The Hyatt Regency Hotel, Serena Hotel remains the major hotel development in Dar es Salaam, and many others have become available in the Dar es Salaam areas such

as ONOMO Hotel, Johari Rotana, Four Points by Sheraton, Crown Plaza, Holiday-Inn, Golden Tuli and others.

- There have been an increasing number of hotels in the Dar es Salaam and its outskirts. The hotels ranging from Five Stars to normal ones are not in the ranking.

**(d) Residential Market**

- Recently this area has recorded a very good development. Prime residential rents and capital values in Oysterbay and the rest of Msasani Peninsula have increased, especially for stand-alone properties.
- The supply of apartments and townhouses has also increased and there is a good pipeline of future stock which is expected to come on stream by late of 2025/26, especially in Upanga and Oysterbay areas.
- Below are the average returns in terms of prime rent and yield for various types of properties in Dar es Salaam (as collected by NHC, DBDT);

Type	Prime Rent Per Month	Prime Yield
<b>Offices</b>	\$ 16 / m <sup>2</sup>	10%
<b>Retail</b>	\$ 13 / m <sup>2</sup>	10%
<b>Industrial</b>	\$ 6 / m <sup>2</sup> m	10%
<b>Residential*</b>	\$ 3,000	7%
*3 to 4-bedroom Executive House in Prime Location		
<b>Source: NHC - DTBD</b>		

- The price range for various projects within and around Upanga area depends on size of the house, number of bedrooms, type of the apartment and location of the apartment (view from the sea).
- The indicative prices for residential apartments as per a simple market survey that was conducted by this project is as follows:

**Dar-es-salaam: Survey Report on Residential Apartments Market, 2024**

s/n	Location	No. of Bedroom	Sellable Area (SqM)	Sale Price (USD/Unit)	Cost per SqM (USD)	Amenities Offered
1	Upanga	3	180.00	240,000	1,333	-
2	Upanga Mindu Street	3	140.00	150,000	1,071	-
3	Upanga Mindu Street	3	175.00	225,000	1,286	Parking
4	Upanga West	3	225.00	250,000	1,111	Parking
5	Upanga East	3	180.00	233,000	1,294	Parking
6	Upanga West	3	200.00	247,000	1,235	Parking
7	Upanga East	3	200.00	234,000	1,170	Parking & Gym
8	Upanga	3	180.00	267,000	1,483	Parking & Gym
9	Masaki	3	159.21	278,618	1,750	Parking, Gym& Pool
10	Mikocheni	3	134.34	350,000	2,605	Parking, Gym& Pool
11	Kisutu	3	145 to 180	306,000	1,900	Parking, Gym& Pool
12	Masaki	3	146 to 238	235,000	2,000	Parking, Gym& Pool

- The above prices are inclusive of VAT but there will be an extra charge for clients who need additional parking space. This may cost an average of Tshs 25,000,000 to Tshs. 40,000,000 per parking space.
- The proposed residential apartments to be built under this project will be purely for sale. MO DEVELOPERS will not retain any apartments. The company may retain ownership of Retail Spaces which will be rented out to clients.
- Though MO DEVELOPERS has not started the construction works of the project, the company will start to accept early deposits from clients who have shown interest in purchasing residential units under this project. This will enable the project to realize revenue.



## Residential Properties Market in Dar-es-salaam

### 15.1 Introduction

- The current demand for housing in Dar es Salaam is estimated at 800,000. Most people like to live within the City Centre especially Tanzanians with Asian origin. This housing demand in Dar es Salaam is mainly influenced by the following factors:

### 15.2 The Demand for Housing

The factors affecting the demand for housing are:

#### (a) Population growth

- The 2022-National Census reveals that Dar-es-salaam region has the largest population of 5.4 million people accounting for 9% of Tanzania Mainland total population. Dar-es-salaam is the largest city and economic hub which is, administratively, divided into five districts: Kinondoni, Ubungo, Temeke, Kigamboni and Ilala.
- The population distribution of the Dar-es-salaam city as per Tanzania's National Bureau of Statistics (NBS) is as summarized below:

Dar-es-salaam: 2022 Population Census							
s/n	Districts	Population			Sex Ratio	No.of Households	Average Household Size
		Total	Male	Female			
1	Kinondoni Municipal	982,328	474,825	507,503	94	299,184	3.3
2	Ilala Municipal	1,649,912	793,731	856,181	93	458,614	3.6
3	Temeke Municipal	1,346,674	655,137	691,537	95	384,046	3.5
4	Kigamboni Municipal	317,902	156,400	161,502	97	91,135	3.5
5	Ubungo Municipal	1,086,912	519,925	566,987	92	317,087	3.4
	<b>Total</b>	<b>5,383,728</b>	<b>2,600,018</b>	<b>2,783,710</b>	<b>93</b>	<b>1,550,066</b>	<b>3.5</b>

*Source: The National Bureau of Statistics (NBS)*

- The current city population is estimated to grow at 4.3% per annum. This high population growth is exerting an upward pressure on the demand for housing which lacks a corresponding supply of housing units.

- There are various factors that influence the growth of population in the city of Dar-es-salaam including the following:
  - Increased birth rate combined with decreased death rate due to the improvement in health delivery system.
  - Increased immigration rates due to urbanization pressures. The migration rate for permanent dwellers is 10% and for transient population the rate is about 1 million per annum.
  - High rural-urban migration due to increasing poverty levels in the rural areas and the increased propensity for employment brought about by industrialization and commercialization.
  - Increased social economic activities in all sectors of the economy, especially education, entertainment, transportation, etc.

**(b) Economic Activities**

- Dar-es-salaam city's economy is driven by various industries, including manufacturing, finance, trade, transportation, and tourism. The city's diverse economy and well-developed infrastructure have helped it become the economic hub of the country.
- Manufacturing is one of the significant contributors to the city's economy, with numerous factories producing textiles, cement, cigarettes, beverages, and processed foods. The finance sector is also essential, with both local and international banks offering a range of services such as commercial and retail banking, investment banking, and insurance. Additionally, the Dar es Salaam Stock Exchange facilitates capital-raising activities for businesses in Tanzania.
- Trade and transportation also play a vital role in the city's economy. The city's strategic location on the Indian Ocean makes it a hub for trade. The transportation network, including roads, railways, and airports, connects the city to other parts of the country and the region.
- Tourism contributes significantly to the city's economy. Dar es Salaam serves as a gateway to some of Tanzania's world-renowned national parks such as the Serengeti, Ngorongoro Crater, and Selous Game Reserve.

- The service sector, including learning institutions, especially universities and colleges, health institutions (referral hospitals) have made significant contributions to the city's growth.

### **15.3 The Supply of Housing**

- Most of the housing developments in Dar-es-salaam have been developed by individual developers, mostly in unplanned areas leading to the emergence of squatters in most parts of the city. It is estimated that 70% of the population of Dar-es-salaam lives in unplanned settlements and that 60% of the available housing stock are privately built. The ratio of house provision by public (including Parastatal) to private provision is estimated at 15% to 85% respectively.
- Generally, the available data shows that the housing and growth trend, especially apartments in Upanga area and its neighboring area is booming, following the increased group of people of high-income class as well as increased number of foreign investors and expatriates who work around the area thus pushing the need for housing in the same neighborhood.
- The prevailing urban housing deficits have created investment opportunities to institutional investors such as pension funds and other private property developers.

#### **(i) Pension Funds**

- In Tanzania, there are primarily three types of pension funds: public pension funds, private pension funds, and occupational pension schemes.
- The pension funds contribute to capital formation and infrastructure development. For instance, as of 2021, pension funds in Tanzania managed assets worth approximately Tshs. 4.5 trillion, which supports investments in real estate, government bonds, and other financial instruments.
- Pension funds in Tanzania are most attracted to commercial real estate properties, particularly office buildings and retail spaces. These types of properties offer stable rental income and potential for capital appreciation, which align with the long-term investment goals of pension funds.
- The growing urbanization and economic development in cities like Dar es Salaam enhance the demand for commercial spaces, making them a viable investment option.

- Among notable projects undertaken by Pension Funds in Dar-es-salaam include: the construction of 194 units at the Kinyerezi Low Costing Housing Scheme, 72 apartments for rent at Mbezi Beach area, and several specific housing schemes for Tanzania Peoples Defense Force (248 units at Lugalo Barracks), Tanzania Police Force (240 units at Kilwa Road), government houses (200 units at Kijitonyama), and Mabibo Hostels (accommodating 4,000 University students).
- Office buildings such as PPF Tower and PPF House, PSPF Twin towers along Sokoine Avenue and PSPF Golden anniversary Tower.

**(ii) Tanzania Building Agency (TBA)**

- TBA participates in real estate management and development sector through provision of quality accommodation to government, public servants and non-public servants. The Agency constructs new buildings, maintains the buildings and receives houses, buildings, workshops and plots from various Government Institutions to develop and manage them.
- Since its establishment in 2002 up to June 2023, TBA had 14,051 houses. Out of these houses, 7,558 houses were sold to public servants, 1,951 houses were rented to public servants and 688 were rented on special rate.
- The Agency received 3,423 houses from Ex-TAMISEMI and 431 from Ex-CDA houses that were rented to public servants. The Agency continues with its Special Housing Program of constructing 10,000 houses across the Country to be sold to public servants.

**(iii) National Housing Corporation (NHC)**

- NHC is a state-owned corporation that operates as a key player in the country's housing sector. It is responsible for developing and managing residential, commercial, and industrial properties across the country.
- NHC has been involved in numerous large-scale housing projects to address the growing demand for accommodation. Its portfolio includes a mix of government-subsidized housing, affordable rental units, and outright sale properties.

- Over the years, its development activities have contributed significantly to urban planning and infrastructure development within Dar es Salaam and other regions.
- In 2024, NHC property stock included 3,246 buildings located in the most prime areas of major urban centers. This stock offers 18,760 rental units. Capital Base stands at about USD 2 billion.
- NHC investment portfolio includes Rental property investment, Property development for Sale, and Collaborative property development/Investment (PPP) via Joint ventures.
- In 2024, NHC had a stock of 3,246 rental buildings which offers over 18,760 rental units comprising residential and commercial rental properties. These properties include the acquired buildings from the Register of Buildings (RoB) and the newly constructed buildings (by NHC).
- NHC develops **properties for sale**. The current projects include (a) Samia Housing Apartments (SHS) Phase I- Kawe, Dar-es-salaam that comprise of 560 residential apartments. (b) Mindu Residence in Upanga, Dar-es-salaam that consists of 60 apartments for sale with a floor area of 141M<sup>2</sup> each.
- NHC develops **Mixed Use Properties for lease/sale**. The most recent projects include:
  - Morocco Square Mixed-Use project located in Regent Estate, Kinondoni District, Dar es Salaam that consists of two-office towers, three-levels podium of retail mall, hotel apartments building and residential apartments building. The whole project covers a total of 10,000 Sqm (GFA).
  - Victoria Place project that has a blend of 2,3- and 4-bedroom apartments for sale plus rental spaces designed for commercial uses.
  - Kawe 711 project located in Kawe, Kinondoni, Dar-es-salaam has 422 Residential apartments on Eight towers. It comprises of Convenient center with planned services such as retail anchor tenant, line shops restaurant, coffee shop, sports grounds etc.
  - Golden Premier Residence Kawe, Dar-es-salaam is a high-end apartments project with 100 residential apartments, Office Block, Commercial area.

- Further, NHC, through **Joint-Venture**, collaborates with private entities in the delivery of properties/housing. There are over 100 signed contracts for undertaking Joint-venture projects in real estate development.

**(iv) Individual House Owners**

- The bulk of the houses in Dar-es-salaam are privately owned by and occupied by the owners. Some of them are for rent even though their rents are haphazardly set and collected. They are scattered all over the city in both surveyed and un-surveyed areas.

**(v) Private Developers**

- There are several private developers who have embarked on big projects for residential apartments. The majority of these have been in the high-end category in places like Upanga, Kariakoo, Dar CBD, Oysterbay, Masaki, Msasani Peninsular, and Mikocheni.
- There are a few of them targeting medium and to mid-low end of the spectrum in such areas as Ilala, Chang’ombe, Kijitonyama, Sinza, and Mbezi Beach.

**15.4 Pricing & Prices**

- The historical performance of Tanzanian real estate has shown significant growth, particularly in urban areas like Dar es Salaam. Between 2010 and 2020, property prices in Dar es Salaam increased by approximately 10% annually, driven by urbanization and economic development.
- Rental yields in Tanzania typically range from 6% to 10%, which is competitive compared to other investment options such as stocks and bonds, where average returns can vary significantly.
- This project is envisaging to charge the following prices for its products:

<b>Selling Prices</b>		
Residential Apartments	USD/Sqm	1,250
Commercial Space	USD/Sqm	1,250
Parking Space	USD/Unit	15,000
	<b>USD/Sqm</b>	<b>407.8</b>

## Development of Upanga Area

### 16.1 Introduction

- Upanga, the location of **VISTA RESIDENCES** project, is within the CBD of Dar-es-salaam city and, for years, has predominantly been a high-class residential area than office premises area. The area is resided by middle to high-end customers.

### 16.2 Real Estate Development

- Upanga West area is highly dominated by residential apartments. Some of the residential properties have retail spaces offering spaces for Kid's Day care, supermarkets, pharmacy, grocery store and massage/spa.
- The prices of real properties in Upanga area for the residential apartments are relatively high because of its prime location induced by strategic location, quality of house, city plan and infrastructure and other factors. Below table provides a highlight on the prices and pricing of real properties around Upanga area:

Dar-es-salaam: Selected Residential Apartments (Rental/Sale Prices)							
s/n	Name of Property	Location	Apartments (Units)	Size of Residential Units		Pricing & Prices	
				Bedrooms	Sqm/Unit	Rental (USD/Unit)	Sale Price (USD/Unit)
1	Noor Towers	Mazengo Road, Upanga	180	3	-	1,600	-
				-	200	-	89,434
				-	210	-	92,830
2	Kings Apartments	Sea View, Upanga	56	2	-	1,100	-
				3	-	1,350	-
				3	230	-	240,000
3	Leblanc Luxury Apartments	Sea View, Upanga	18	3	-	3,500	-
4	Soni Residences	Sea View, Upanga	6	3	-	4,000	-
				4	-	5,000	-
5	Sapphire Heights	Haile Selassie, Oysterbay	-	3	150	1,700	-
6	Alrais Development	Kimweri Road, Msasani	-	1	82	-	170,000
				2	160	-	270,000
				3	235	-	400,000

### 16.3 Institutional Development

- There are educational institutions in the locality including College of Business Education (CBE), Dar-es-salaam Institute of Technology (DIT) and Mzumbe University College. There are also primary and secondary schools. There are, also, health institutions including the MUHIMBILI National Referral Hospital, The Aga Khan and Regency Hospitals which are the largest hospitals in Dar-es-salaam.
- Upanga is nearby Kariakoo business centre, the busiest business center in East & central Africa. The area is, also, in the vicinity of the Posta Area that harbours the city's most corporate offices.

## TANZANIA'S MORTGAGE MARKET

### 17.1 An Overview

- The mortgage market in Tanzania registered a 4.0% growth in the value of residential mortgages from TZS 625.00bn recorded in June 2024 to TZS 649.85bn as of September 2024. On a year-to-year comparison, 9.4% growth was registered in value of mortgage loans as of 30 September 2024 (TZS 593.76bn: Q3 2023 vs. TZS 649.85bn: Q3 2024).
- The number of banks and financial institutions reporting to have mortgage portfolios stood at 31 as of September 2024. The overall average mortgage debt size as of September 2024 was TZS 111.05 million equivalent to US\$ 40,6472 compared to TZS 104.80 million equivalent to US\$ 38,358 reported on previous quarter.
- The ratio of outstanding mortgage debt to GDP stood at 0.38% like the previous quarter. Mortgage debt advanced by the top 5 Primary Mortgage Lenders (PMLs) accounted for 62% of the total outstanding mortgage debt. Typical interest rates offered by mortgage lenders ranged between averages of 15 – 19%.

### 17.2 Mortgage Market Growth

- The mortgage market in Tanzania registered a 4.0% growth in the value of residential mortgages as of September 2024.
- Total mortgage debt outstanding that resulted from lending by the banking sector for the purposes of residential housing was TZS 649.85 billion equivalent to US\$ 237.87 million.

### 17.3 Competition in Mortgage Market

- As of September 2024, 31 different banking institutions were offering residential mortgages. The mortgage market was dominated by five top lenders, who commanded 62% of the market.
- CRDB Bank Plc was a market leader, commanding 32.11% of the mortgage market share, followed by NMB Bank (10.09%), Azania Bank. (8.39%), Stanbic Bank (6.44%), and First Housing Finance Company Limited (5.31%).

## MARKET STRATEGY

### 18.1 Introduction

- The fact that property buildings are mushrooming in these areas and the pricing of these properties appears to be a bit on the higher side, it is in a way an indication that demand is still very high.
- The fact that almost all the existing properties in the study area have been either sold out or rented out underpins further the assumption that there is high housing demand in these areas. The high housing demand in these areas could be explained by people's desire to reside closer to city center to avoid long traffic jams being experienced in the city.

### 18.2 Project Target Clients

- The target markets for **VISTA RESIDENCES** project are high and middle end clients comprising of Tanzanian and non-Tanzanian with mid- to high-income, businesses, investors and companies.
- An exclusive personal selling approach will be carried out targeting potential clients. At the initial stage of the customers' engagement prior to official launch of the project to the public, the project is targeting an exclusive market to secure committed clientele with ability and needs of high-quality residences.

### 18.3 Marketing Strategies

- The demand for apartments and retail spaces to be provided under this project is mainly confined to the businessmen and women and individual house buyers.
- These groups will be engaged on a one-on-one basis. Such engagement will start before the project launch. Below are the marketing stages that the sales process of the planned projects will go through:

#### (e) Marketing Concept Development

- After the project designs and construction plans are approved and while the project construction is in preparations, the development of the marketing concept will take place. This will include the following:
  - Project communication plans (both internal & external)

- Designing and production of the project's POS materials (adverts, fliers, banners, billboards, etc.)
- Designing of the project teaser campaign.

**(f) Project Marketing Campaign**

- This is usually marked by the laying of the foundation stone. At this stage the following will happen:
  - Billboards will be erected along the front perimeters of the construction site showing the proposed designs of the project.
  - A project sales office will market and sell the project.
  - Full media coverage of the project will be launched.
  - Continuation of the project, teaser campaigns for demand stimulation.
  - Project Public Relations campaign (PR) to give confidence to the target market.

**(g) Sales**

- Sales will be made through identifying the potential client and thereafter secure their commitment to purchase the said space. The project aims to be able to achieve 30% of the commitment through personal selling prior to the launch. During the launch and afterwards will continue with both the personal sales and engagement process of the customers who are reacting responding to the marketing communication.
- **MO DEVELOPERS** will develop a team of dedicated sales force who will be working on engagement process of the Target customers. In this plan, will provide the of sales Agents as back up options; however, the primary sales model is to use MO DEVELOPERS Team.

**(h) Mortgage Finance**

- Mortgage loan is a secured loan, in which property is used as collateral. At the onset, MO DEVELOPERS will seek to enter into a contractual agreement with a mortgage financing institution that will provide mortgage loans to would be buyers of residential apartments.

- Under this arrangement, the buyer who is willing to take mortgage loan will receive cash upfront then makes payments over a set time span. the lender will finance up to 90% of the selling price

**(i) Competitive edge of the project Vis a Vis competition**

- The VISTA RESIDENCES project is in UPANGA West where the demand for residential apartments is very high due to its closeness to the Dar es Salaam CBD.
- The area has witnessed development of several skyline structures such Leblanc Luxury Apartment, Richmond Tower, Crystal Residence, Kensington Towers, Elite Residence, Zahra Arcade Apartments, MINDU Place and others.
- The project will provide a kind of facility that creates an exquisite atmosphere for the office environment, residential and stress-free living and entertaining as it is well-planned with facilities such as a Gymnasium, clubhouse, kids playing ground, swimming pool and ample commercial space and parking area.
- The design and finishing of the houses are intended to provide convenience, comfort and luxury environment at reasonable prices. Therefore, despite the number and size of new projects which are under construction around UPANGA WEST area, MO DEVELOPERS is confident that the project will attract a strong demand, and it will be sold / leased on time.
- The big developers who could be termed as competitors of MO DEVELOPERS include NHC, Social Security Funds and other Private Developers.
- However, MO DEVELOPERS remains the confidence of developing state-of-the-art property due to its strong balance sheet and it's setting up as a real estate developer.



## Technical Aspects

### 19.1 Land

- VISTA RESIDENCES project comprises of an area covering 11,595 m<sup>2</sup> situated on a Plot no. 1033 & 1033/1, with a Title no. 186160-49 & 186160-50, Land Office (L.O.) no. 71229 in Upanga West, Ilala Municipality, Dar-es-salaam.



- The title to the plot is in the name of KHAKI COMPLEX LTD and has Right of Occupancy of 99-years starting 1982. The land value is estimated at USD 6.0 million.

### 19.2 Amenities, Services and Facilities

- The key considerations for tenants in selecting a property are the availability and reliability of utilities such as water, electricity, elevator services, sanitation, car parking space, security system and telecommunication as follows:
  - The building will be connected to water and power supply and landline telephone.
  - The main power supply will be from the national grid system supplied by TANESCO. Additionally, standby generators will be procured and installed to ensure constant power supply due to expected power cuts from the main power supply.
  - The project will install water reserve tanks adequate to supply water to would-be tenants that would ensure a constant supply of water.
  - The building will be connected to TTCL data system.
  - The project will contract a private security company to provide security services to the tenants and their properties. The occupiers will bear the cost of security services.
  - Project will have an ample parking space for the occupiers and visitors.

### 19.3 Buildings and Civil Works

- The building and civil works shall include the construction of the main buildings, the procurement and installation of utilities (water, electricity, sewerage system, telephone system and security system). The buildings and civil work will also entail the installation of air-conditioners and other fittings as well as ample car parking and pavements.
- This project is a mixed-use development whereby residential and retail facilities will be constructed. The project will include the following:

- 3-Towers comprising of 20 floors each for residences and social amenities.
- Two basement floors for parking spaces,
- A podium of single level for recreational and commercial spaces.
- The Podium will provide for commercial activities such as Shops, mini mart, supermarket, and food-courts. The development will have also social amenities such as swimming pool, clubhouse, water reservoir tanks, kids playing area, guard house, gymnasium, waste collection system-garbage chute, external parking etc.

- The building/structure is designed to meet current requirements of the respective standards in each field of Architectural, Civil and Structural Engineering, Services Engineering as well as respective Local Authorities regulations.
- The residential apartments and the retail spaces will comprise of the following:

<b>Project Output</b>			
<b>(a) Residential Apartments</b>			
	Unit Area (SqM/Unit)	Units	Sellable Area (SqM)
3-Bedroom Units (SR)	207.0	72	14,904
3-Bedroom Units	188.0	72	13,536
4-Bedroom Units (type 1)	251.5	80	20,120
4-Bedroom Units (type 2)	331.1	4	1,324
4-Bedroom Units (SR)	365.0	4	1,460
<b>Residential Apartments</b>		<b>232</b>	<b>51,344</b>
<b>(b) Other Sellable Area</b>			
			Sellable Area (SqM)
Commercial Space			3,042.0
Parking Space			15,704.4
<b>(c) Other Built-Up Area</b>			
			SqM
Services Area			-
Circulation Area			6,473.6
Amenities Area			2,434.0
<b>(d) Total Built-Up Area</b>			
			<b>78,998.0</b>
<b>Parking Units Available</b>			
			No. of Units
<b>Total Parking Units</b>			<b>427</b>
<b>Parking Units for Sale</b>			<b>384</b>
Parking Units Sold to Residents			328
Private Parking Units Sold to Others			56
<b>Parking Units Not for Sale</b>			<b>43</b>

#### **19.4 Pre-Operating expenses**

Pre-construction works include the following:

- Insurance, bonds services for the works; Professional fees such as preparation of Bill of Quantities, preparation of business plan, Market Survey, legal fees, property valuation charges, and other pre-operating expenses.
- Other funds mobilisation expenses including Interest expenses during implementation.

#### **19.5 Environmental Considerations**

- The proposed commercial building project will conduct its operations in an environmentally friendly manner.
- Storage and handling of equipment will be properly supervised to avoid accidents. Smoke detectors will be placed in all rooms to ensure the safety of occupants in case of a fire break, while modern fire-fighting equipment will be provided in case of emergency.

#### **19.6 Project Design**

- VISTA RESIDENCES project has been designed to create a home environment to its occupiers and visitors.
- The designing of the project has considered various solutions based on calculations related to the plot ratio as advised by the ILALA Municipal Council, car-park ratios, and proportions of the main and ancillary building structures.

## Project Implementation

### 20.1 Project Approval

- This is a long-term project and scheduled to be completed in 36-months.
- MO DEVELOPERS has undertaken due diligence on the project and has internally approved the implementation of the project.

### 20.2 Project Implementation Management

- MO DEVELOPERS management team has appointed a Project Manager who undertakes management and supervisory issues of the project implementation. The company's management team provides the strategic and major business decisions of the project.
- The Project Manager undertakes all supervisory issues related to the project, and where appropriate consult specialized consultants such as lawyers, architects, quantity surveyors, business consultants, etc. to provide professional advice.

### 20.3 Implementation Status

- The construction of the project is subject to firm commitment of availability of finance resources from external lenders.
- MO DEVELOPERS has prepared this Business Plan for consideration towards the approval of the project by the relevant financing partners to the project.

### 20.4 Pre-Construction Phase

- MO DEVELOPERS has commissioned consultants who undertake preliminary designs which will adhere to the government building regulations. MO DEVELOPERS has engaged itself to carry out the following activities:
  - architectural plans, structural design and detailed working drawings, appropriate technical specifications for the construction contract to execute the works,
  - Preparation of schedule of materials including finishes and decorations and other building materials,
  - Design and production of detailed drawings for services such as power and lighting points, electrical fittings, security system, firefighting system, (AC) air

conditioning works, water supply, waste and foul water drainage and communication systems.

- Preparation of bills of quantities.

## **20.5 Construction Phase**

- The construction of the buildings will commence immediately upon firm commitment of funds from a potential lending institution, and the construction work is scheduled to be completed within 30 to 36-months.
- MO DEVELOPERS will contract a reputable building contractor to undertake the construction works.
- During construction phase, MO DEVELOPERS will commission the following professional consultants in the implementation of the project.
  - (i) Quantity surveyors, and
  - (ii) Service, civil and structural engineers.
- These professionals follow up the construction work with site visits, inspections and meetings as per programmed activities as well as on clients' request.
- The consultants ensure the work output is of the required quality and technical specifications for the value of money are met.
- The consultants prepare financial appraisal, final accounts and payment evaluation and certification of the contractors' interim claims and advice client for payment and conduct regular inspection of the project before approval of payments.

## **Project Operational Management**

### **21.1 Introduction**

- Upon completion of the building structure, MO DEVELOPERS will undertake to manage and market the commercial property project.
- MO DEVELOPERS will undertake to market and sale 232-residentail apartments to potential buyers.

### **21.2 Project Organization**

- The project name will be "VISTA RESIDENCES" with the following ownership structure:
  - MO DEVELOPERS – 100% ownership
- MO DEVELOPERS will form a Project Management Committee (PMC) which will be responsible for strategic issues of the project including:
  - Marketing and selling of the project
  - Selling of residential apartments
  - Renting of the retail premises

### **21.3 Management**

- MO DEVELOPERS will employ a competent Estate Manager to oversee the project operational functions.
- The management of the project will entail real estate management activities which will include:
  - Project marketing, and property maintenance and repairs,
  - Management of statutory issues, and customer service to tenants,
  - Security management, and
  - Other activities associated with real estate management.

## Risks & Uncertainties

### 22.1 Introduction

- There are several risks which may face the project. These risks include inflation, instability of foreign exchange, political environment, market fluctuations and management problems.

### 22.2 The Potential Risks

#### (a) Currency Fluctuations

- Currency fluctuations can significantly impact returns on real estate investments by altering the value of rental income and property appreciation when converted to the investor's home currency.
- A significant amount of capital expenditure required for establishment of the project infrastructure would be on imported building materials. Thus, the project is exposed to a moderate exchange rate risk in Tanzania.
- Historical data shows that during periods of high volatility, such as the 2015-2016 period when Shilling lost approximately 20% of its value against the Dollar, foreign investors faced substantial losses in real terms.

#### (b) Interest Rate Changes

- Interest rate changes significantly impact real estate financing by altering borrowing costs and investment returns. When interest rates rise, mortgage rates typically increase, leading to higher monthly payments for borrowers, which can reduce housing demand and slow down property sales.
- Conversely, lower interest rates decrease borrowing costs, making real estate investments more attractive and stimulating market activity.
- Historical data shows that a 1% increase in interest rates can reduce home affordability by approximately 10%, affecting buyer behaviour and overall market dynamics.

### **(c) Operational Risks**

- Operational risks in real property development include inadequate internal controls, fraud, compliance failures, and technology failures.
- Inadequate internal controls can lead to mismanagement of assets, while fraud can result in significant financial losses. Compliance failures may expose Developers to legal penalties and reputational damage.
- Additionally, technology failures can disrupt operations and compromise data security, which is critical for maintaining trust with beneficiaries.
- These risks are particularly relevant in the context of Tanzanian real estate investments, where regulatory environments and market conditions can vary significantly.

### **(d) Property Management Risks**

- Property management issues negatively impact investment returns by increasing operational costs, reducing tenant satisfaction, and leading to higher vacancy rates. Inefficient management can result in delayed maintenance, which diminishes property value and tenant retention.
- For instance, properties with poor management can experience up to a 20% decrease in rental income due to prolonged vacancies and tenant turnover. Additionally, mismanagement can lead to legal disputes, further draining financial resources and affecting overall profitability.

### **(e) Political Risks**

- Political risk in real estate refers to the potential for loss due to political decisions, events, or instability that can adversely affect property investments.
- This encompasses a range of factors, including changes in government policies, political unrest, and regulatory shifts that can create an unpredictable environment for real estate ventures.

MO DEVELOPERS is made aware of each of these risks as they underscore the necessity to assess the risk landscape in which the company operate, as these factors can directly influence property valuations and overall investment returns.

## Projected Financial Assumptions

### 23.1 Introduction

- This section presents the financial plan of the proposed project. The main objective of the financial analysis is to examine the commercial viability and profitability of the proposed project.
- The financial assumptions which lead to the financial results are detailed in the attached Annexes 6 to 16.
- The financial results which include the Projected Profit and Loss Statements, Cash Flow Statements, Balance Sheets, Ratio Analysis and Sensitivity Analysis are presented in the attached Annexes 1 to 5.

### 23.2 Financial Goals

The financial goals of the company are as follows:

- Obtain financing of USD 46.1 million for construction works and pre-operating expenses; and balance of USD 6.0 million represents the value of land.
- Establish modern commercial real estate property for renting (retail spaces) and selling (residential apartments) to potential clients at a profit.
- Finance the projects Overheads expenses through shareholders equity.

### 23.3 Financial Assumptions

#### (i) General Financial Assumptions

- The construction of the project is assumed to take 36-month period and selling will commence in the 1<sup>st</sup> year of the project.
- The currency of accounting is United States Dollars (USD).
- The exchange rate of TZS to USD is assumed at TZS 2,750 to USD.
- The external financing of USD 25.0 million is projected to attract 6.04% annual interest rate and the funds are recoverable from the sales proceeds.

## (ii) Investment Assumptions

- The projected Investment costs and the Detailed Investments Plans are presented in Annexes 6 and 7, respectively.
- The estimated total project cost is USD 56.7 million which include the value of land. The summary of the investment plan is presented in the table below:

<b>ANNEX 6</b>							
<b>MO DEVELOPERS LIMITED</b>							
<b>VISTA RESIDENCES</b>							
<b>Projected Investment Plan</b>							
	<b>Amount in USD '000'</b>						
	Year 1	Year 2	Year 3	Year 4	Year 5	Total Investment	%-age
	Total	Total	Total				
<b>Exchange Rate (USD/TZS)</b>	<b>2,750</b>	<b>2,750</b>	<b>2,750</b>	<b>2,750</b>	<b>2,750</b>		
Land	6,000	-	-	-	-	<b>6,000</b>	10.6%
Buildings & Civil Works	16,515	17,254	<b>12,390</b>	-	-	<b>46,159</b>	81.4%
Equipment & Installation works	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-
<b>Physical Facilities</b>	<b>22,515</b>	<b>17,254</b>	<b>12,390</b>	-	-	<b>52,159</b>	<b>92.0%</b>
Pre-Operating costs							
Finance Costs							
Capitalised Interest Expense	1,783.8	914.7	299.2	-	-	<b>2,998</b>	5.3%
Loan Arrangement Cost	687.5	-	-	-	-	<b>688</b>	1.2%
Other Finance Costs	12.5	-	-	-	-	<b>13</b>	0.02%
Administrative Costs	411	263	<b>159</b>	17	-	<b>849</b>	1.5%
<b>Pre-operating Costs</b>	<b>2,894.5</b>	<b>1,177.4</b>	<b>458.1</b>	<b>17.1</b>	-	<b>4,547</b>	<b>8.0%</b>
<b>Total capital costs</b>	<b>25,410</b>	<b>18,431</b>	<b>12,848</b>	<b>17</b>	-	<b>56,706</b>	<b>100.0%</b>
Operating Expenses	1.20	0.85	<b>(0.1)</b>	(1.3)	(0.7)	-	0.00000%
<b>Total Investment</b>	<b>25,411</b>	<b>18,432</b>	<b>12,848</b>	<b>16</b>	<b>(0.7)</b>	<b>56,706</b>	<b>100.0%</b>

## (iii) Financing Assumptions

- The Financing Plan is presented in Annex 8 and the Sources and Use of Funds Schedule is presented in Annex 9.
- The total financing required to completion of the project is USD 50.7 million which excludes the value of land.
- MO DEVELOPERS will inject USD 12.4 million in the form of equity besides the land contribution. External Lender is sought to part-finance USD 28.7 million in

the form of 3-year medium-term loan facility which include the principal, capitalised interest expense and loan arrangement costs. The balance of USD 9.5 million will be sourced from Customer Deposits.

- The summary of the financing plan is presented below:

<b>ANNEX 8</b>							
<b>MO DEVELOPERS LIMITED</b>							
<b>VISTA RESIDENCES</b>							
<b>Projected Financing Plan</b>							
<b>Amount in USD '000'</b>							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total Financing
	Total	Total	Total				
Exchange Rate (USD/TZS)	2,750	2,750	2,750	2,750	2,750	2,750	
<b>Equity Financing</b>							
Share Capital	-	-	-	-	-	-	-
Shareholders (Land Value)	6,000	-	-	-	-	-	<b>6,000</b>
Shareholders (Construction)	3,579	0	0	0	-	-	<b>3,579</b>
Shareholders (Pre- Operations)	423	263	159	17	-	-	<b>862</b>
Shareholders (W/Capital)	1.20	0.85	(0.11)	(1.28)	0.67	-	-
<b>Equity Financing</b>	<b>10,003</b>	<b>264</b>	<b>159</b>	<b>16</b>	<b>(0.67)</b>	-	<b>10,441</b>
<b>Customer Deposits</b>							
Deposits at Signing	-	-	-	-	-	-	-
Installment Payments	58.9%	<b>71.2%</b>	<b>22.8%</b>	-	-	-	<b>153%</b>
	2,163	7,981	7,436	-	-	-	<b>17,580</b>
Final Payments	-	-	-	-	-	-	-
<b>Customer Deposits</b>	<b>2,163</b>	<b>7,981</b>	<b>7,436</b>	-	-	-	<b>17,580</b>
<b>Cumulative External Financing</b>	<b>13,245</b>	<b>23,433</b>	<b>28,685</b>	<b>28,685</b>	<b>28,685</b>	<b>28,685</b>	<b>28,685</b>
<b>Total Financing</b>	<b>25,411</b>	<b>18,432</b>	<b>12,848</b>	<b>16</b>	<b>(1)</b>	-	<b>56,706</b>
<b>Cumulative Financing</b>	<b>25,411</b>	<b>43,843</b>	<b>56,694</b>	<b>56,710</b>	<b>56,709</b>	<b>56,709</b>	<b>56,709</b>
<b>Exposure</b>							
Equity Financing	39%	23%	18%	18%	18%	18%	18%
Customer Deposits	0.17	23%	44%	31%	31%	31%	31%
<b>GRAND EQUITY</b>	<b>56%</b>	<b>47%</b>	<b>63%</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>	<b>49%</b>
External Financing	52%	53%	51%	51%	51%	51%	51%
<b>Total</b>	<b>109%</b>	<b>100%</b>	<b>113%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

- MO DEVELOPERS will contribute 18% of the total financing requirements and the potential lender will contribute 50.6%. The proposed Customer Deposits which are advance payments of the residential apartments will account for 31%.

#### (iv) Equity Financing Assumptions

- MO DEVELOPERS is projected to contribute a total of USD 10.4 million excluding the value of land. In the first year, the company will inject USD 10.0 million plus the land on which the project will be developed.
- The proposed equity contribution assumptions for the development of the project are summarized below:

Amount in USD '000'							
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total Financing
	Total	Total	Total				
Exchange Rate (USD/TZS)	2,750	2,750	2,750	2,750	2,750	2,750	
<b>Equity Financing</b>							
Share Capital	-	-	-	-	-	-	-
Shareholders (Land Value)	6,000	-	-	-	-	-	<b>6,000</b>
Shareholders (Construction)	3,579	0	0	0	-	-	<b>3,579</b>
Shareholders (Pre- Operations)	423	263	159	17	-	-	<b>862</b>
Shareholders (W/Capital)	1.20	0.85	(0.11)	(1.28)	0.67	-	-
<b>Equity Financing</b>	<b>10,003</b>	<b>264</b>	<b>159</b>	<b>16</b>	<b>(0.67)</b>	-	<b>10,441</b>

#### (v) External Loan Assumptions

- MO DEVELOPERS is seeking for external loan in the form of a 3-Year medium-term loan facility to part-finance the construction works of the proposed VISTA RESIDENCES project.
- The loan assumptions including loan disbursements, loan tenure, chargeable interest rate and others are as summarized below:

Medium-Term Loan							
		Year 1	Year 2	Year 3	Year 4	Year 5	
		Total	Total	Total			
<b>Principal Loan</b>	<b>USD '000'</b>	<b>25,000</b>					
Loan Disbursements							
1st Disbursement	USD '000'	10,774	-	-	-	-	10,774
2nd Disbursement	USD '000'	-	4,738	-	-	-	4,738
3rd Disbursement	USD '000'	-	4,535	-	-	-	4,535
4th Disbursement	USD '000'	-	-	4,953	-	-	4,953
<b>Loan Disbursements</b>	<b>USD '000'</b>	<b>10,774</b>	<b>9,273</b>	<b>4,953</b>	-	-	<b>25,000</b>
Loan Arrangement Cost	USD '000'	688	-	-	-	-	688
Capitalised Interest Expense	USD '000'	1,784	915	299	-	-	2,998
<b>Loan Conditions</b>							
Loan Tenure	3	<b>Years</b>					
Grace Period On interest	36	<b>Months</b>					
Grace Period On Principal	36	<b>Months</b>					
Interest Rate (Daily SOFR + 1.75%)	6.04%	<b>Daily SOFR + 1.75%</b>					

- The external loan is assumed to be repaid within 3 years from sales proceeds of the apartments and parking units as follows:

<b>Annex 11 (a)</b>						
<b>MO DEVELOPERS LIMITED</b>						
<b>VISTA RESIDENCES</b>						
<b>Loan Repayment And Interest Payment Schedule</b>						
<b>Amount in USD '000'</b>						
		<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>
<b>Loans Repayment Schedule</b>						
<b>Medium -Term loan</b>						
Opening Balance	USD '000'	-	13,245	23,433	-	-
Drawdowns	USD '000'	11,461	9,273	4,953	-	-
Interest Rate	%	6.04%	6.04%	6.04%	-	-
Interest Expenses	USD '000'	1,784	915	299	-	-
Interest Paid	USD '000'	-	-	-	-	-
Principal Repayment	USD '000'	-	-	28,685	-	-
<b>Loan Balance</b>	<b>USD '000'</b>	<b>13,245</b>	<b>23,433</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTALS:</b>						
Opening Balance	USD '000'	-	13,245	23,433	-	-
Drawdowns	USD '000'	11,461	9,273	4,953	-	-
Interest Rate	%	6.04%	6.04%	6.04%	-	-
Interest Expenses	USD '000'	1,784	915	299	-	-
Interest Paid	USD '000'	-	-	-	-	-
Principal Repayment	USD '000'	-	-	28,685	-	-
Closing Balance	USD '000'	13,245	23,433	-	-	-

#### (vi) Customer Deposits Assumptions

- Customer Deposits are projected to be generated in three categories as per the sales model: Deposits at Signing, Installment Payments and Final Payments.
- The project will set aside a portion of the Instalment Payments for construction works. The project assumes that about 50% and 28% of the installment payments in Year-2 and Year-3, respectively will be used in the construction as summarized below:

<b>Customer Deposits</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Total Financing</b>
Deposits at Signing	1,574	1,923	-	-	-	-	3,497
Installment Payments	3,672	16,261	26,752	5,770	-	-	52,455
Final Payments	-	-	2,798	11,190	-	-	13,988
<b>Total Revenue</b>	<b>5,246</b>	<b>18,184</b>	<b>29,550</b>	<b>16,960</b>	<b>-</b>	<b>-</b>	<b>69,940</b>

- Customer Deposits are projected to account for about 15.9% of the total financing requirements of the project.

**(vii) Depreciation Assumptions**

- The Depreciation Schedules are presented in Annex 12. The depreciation and amortization rates are as indicated in the schedule. The proportionate of the output sold has been worked out as follows:

<b>Property Sold</b>		<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>	<b>Year-6</b>	<b>Total</b>
Apartments Revenue	USD '000'	4,814	16,687	27,116	15,564	-	-	<b>64,180</b>
Parking Space Revenue	USD '000'	432	1,498	2,434	1,397	-	-	<b>5,760</b>
Commercial Space Revenue	USD '000'	-	-	-	-	-	-	-
<b>Total Sales</b>	<b>JSD '000'</b>	<b>5,246</b>	<b>18,184</b>	<b>29,550</b>	<b>16,960</b>	-	-	<b>69,940</b>
% of Total Revenues	%	8%	26%	42%	24%	0%	0%	<b>100%</b>

- The depreciation assumptions take into consideration the proportionate of the output sold, i.e., residential apartments and parking units, as presented below:

<b>Annex 12</b>							
<b>MO DEVELOPERS LIMITED</b>							
<b>VISTA RESIDENCES</b>							
<b>Fixed Assets And Depreciation Schedule</b>							
<b>Amount in USD '000'</b>							
	<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>	<b>Year-6</b>	
<b>Land</b>							
Opening Balance	6,000	5,550	3,990	1,455	-	-	
Additions	-	-	-	-	-	-	
Depreciation	-	-	-	-	-	-	
Land Sold	450	1,560	2,535	1,455	-	-	
<b>Closing Balance</b>	<b>5,550</b>	<b>3,990</b>	<b>1,455</b>	-	-	-	
<b>Buildings &amp; Civil Works</b>							
Opening Balance	-	13,053	18,306	11,194	-	-	
Additions	16,515	17,254	12,390	-	-	-	
Depreciation	-	-	-	-	-	-	
Buildings & Civil Works Sold	3,462	12,001	19,502	11,194	-	-	
<b>Closing Balance</b>	<b>13,053</b>	<b>18,306</b>	<b>11,194</b>	-	-	-	
<b>Pre-Operating costs</b>							
Opening Balance	-	2,553	2,549	1,086	-	-	
Additions	2,894	1,177	458	17	-	-	
Amortisation (years)	-	-	-	-	-	-	
Pre-Ops Expensed	341	1,182	1,921	1,103	-	-	
<b>Closing Balance</b>	<b>2,553</b>	<b>2,549</b>	<b>1,086</b>	-	-	-	
<b>Totals:</b>							
<b>Opening Balance</b>	<b>6,000</b>	<b>21,157</b>	<b>24,845</b>	<b>13,734</b>	-	-	
<b>Additions</b>	<b>19,410</b>	<b>18,431</b>	<b>12,848</b>	<b>17</b>	-	-	
<b>Depreciation</b>	-	-	-	-	-	-	
<b>Property Sold</b>	<b>4,253</b>	<b>14,744</b>	<b>23,958</b>	<b>13,751</b>	-	-	
<b>Closing Balance</b>	<b>21,157</b>	<b>24,845</b>	<b>13,734</b>	-	-	-	

**(viii) Revenues Assumptions**

- The projected Revenues Assumptions are presented in the Annexes 13 through to Annexes 15 (a), (b) & (c) as follows:
  - Annex 13 ..... Built-up Area Schedule
  - Annex 14 (a) ..... Projected Space for Sale – Block A
  - Annex 14 (b) ..... Projected Space for Sale – Block B
  - Annex 14 (c) ..... Projected Space for Sale – Block A & B
  - Annex 15 (a)..... Projected Revenues Schedule – Apartments
  - Annex 15 (b) ..... Projected Revenues Schedule – Retail Spaces
  - Annex 15 (c) ..... Projected Revenue Schedule – Parking Spaces
  
- The following are the main revenue assumptions:

**(a) Project Outputs – sellable area**

- The project will generate revenues from residential apartments and parking spaces. The project outputs are as summarized below.

<b>Project Output</b>			
(a) Residential Apartments			
	Unit Area (SqM/Unit)	Units	Sellable Area (SqM)
3-Bedroom Units (SR)	207.0	72	14,904
3-Bedroom Units	188.0	72	13,536
4-Bedroom Units (type 1)	251.5	80	20,120
4-Bedroom Units (type 2)	331.1	4	1,324
4-Bedroom Units (SR)	365.0	4	1,460
<b>Residential Apartments</b>		<b>232</b>	<b>51,344</b>
(b) Other Sellable Area			Sellable Area (SqM)
Commercial Space			3,042.0
Parking Space			15,704.4

**(b) Project Output – Non-sellable area**

- The project total built-up area and the non-sellable area are as summarized below:

<b>Project Output</b>	
(c) Other Built-Up Area	SqM
Services Area	-
Circulation Area	6,473.6
Amenities Area	2,434.0
<b>(d) Total Built-Up Area</b>	<b>78,998.0</b>

**(c) Project Output – Parking Units**

- The project will provide a total of 361 parking units of which some will be for sale and some will be for public use as summarized below:

Parking Units Available	No. of Units
<b>Total Parking Units</b>	<b>427</b>
Parking Units for Sale	<b>384</b>
Parking Units Sold to Residents	328
Private Parking Units Sold to Others	56
Parking Units Not for Sale	43

**(d) Project Output - Products for sale**

- The project is projected to generate revenues from two main sources: sale of residential apartments and sale of parking units.
- The project will provide for sale the following apartments and parking units.

Sellable Area		Year 1	Year 2	Year 3	Year 4	Year 5
Residential Apartments	Units	232	232	232	232	232
	Sqm	51,062	51,062	51,062	51,062	51,062
Parking Space	Sqm	14,123	14,123	14,123	14,123	-
Commercial Space	Sqm	-	-	-	-	-
<b>Sub-total</b>	<b>Sqm</b>	<b>65,185</b>	<b>65,185</b>	<b>65,185</b>	<b>65,185</b>	<b>51,062</b>
Parking Units						
Parking Units for Sale	Units	384	384	384	384	-
	Sqm	14,123	14,123	14,123	14,123	-
Parking Space Not for Sale	Units	43	43	43	43	-
	Sqm	1,581	1,581	1,581	1,581	-
<b>Parking Units</b>	<b>Units</b>	<b>427</b>	<b>427</b>	<b>427</b>	<b>427</b>	<b>-</b>

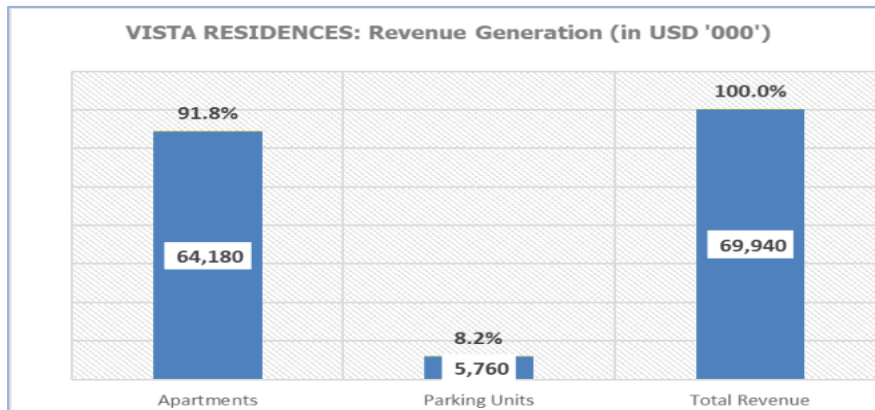
**(e) Projected Selling Prices**

- The project will offer for sale the residential apartments and the parking units in USD currency equivalents as follows:

Selling Prices		
Residential Apartments	USD/Sqm	1,250
Commercial Space	USD/Sqm	1,250
Parking Space	USD/Unit	15,000
	<b>USD/Sqm</b>	<b>407.8</b>

**(f) Sales Revenues & Sales Model**

- The project has assumed a 5% Advance Payment at signing of sale contract; 40% instalment payments payable in 36-monthly installments and 55% as final payment.
- Revenue from sale of the residential apartments will account for about 91.8% of the total revenue and the balance 8.2% will be generated from sale of parking units as shown in the graph below:



- The project will generate a total of USD 69.94 million from sale of residential apartments and parking units over a period of 5-years starting the first year of construction.
- The projected revenues over the sale period per product and per sales model are as presented below:

<b>Projected Revenues</b>		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Residential Apartments	USD '000'	4,814	16,687	27,116	15,564	-	-
Commercial Space	USD '000'	-	-	-	-	-	-
Parking Space	USD '000'	432	1,498	2,434	1,397	-	-
<b>Total Revenue</b>	<b>USD '000'</b>	<b>5,246</b>	<b>18,184</b>	<b>29,550</b>	<b>16,960</b>	-	-
Cumulative Revenue	USD '000'	5,246	23,430	52,980	69,940	69,940	-
<b>Sales Model</b>							
Deposits at Signing	%	5.0%	5.0%	5.0%	5.0%	0.0%	-
Installment Payments	%	75.0%	75.0%	75.0%	75.0%	0.0%	-
Final Payments	%	20.0%	20.0%	20.0%	20.0%	0.0%	-
<b>Payment Plan</b>							
Deposits at Signing	USD '000'	1,574	1,923	-	-	-	-
Installment Payments	USD '000'	3,672	16,261	26,752	5,770	-	-
Final Payments	USD '000'	-	-	2,798	11,190	-	-
<b>Cumulative Revenue</b>	<b>USD '000'</b>	<b>5,246</b>	<b>23,430</b>	<b>52,980</b>	<b>69,940</b>	<b>69,940</b>	-

- The projected revenue is adequate to service the proposed loan facility.

## Financial Analysis

### 24.1 Financial Results

- This section of the financial projection gives the analysts and investors an idea about the anticipated project profitability, the cash flows, and future potential regarding growth opportunity and expansion.
- The project will use this information for budgeting purposes, evaluating investment opportunities and risks, forecasting cashflow needs and make various business and financial decisions.
- The Financial Results present the following financial statements which are used to generate financial ratios and economic parameters about the project:
  - Projected Profits & loss Statements .....Annex 1
  - Projected Cash Flows Statements..... Annex 2
  - Projected Balance Sheets Statements..... Annex 3
  - Projected Internal Rate of Return (IRR) Schedule..... Annex 4
  - Sensitivity Analysis..... Annex 5

### 24.2 Projected Profitability

- The Projected Profits & Loss Statements of the VISTA RESIDENCES project have been worked out and presented in Annex 1.

Projected Profitability		Year 1	Year 2	Year 3	Year 4
Net Incomes	USD '000'	5,246	18,184	29,550	16,960
Property Sold	USD '000'	2,090	6,763	16,522	13,751
<b>Gross Profits</b>	<b>USD '000'</b>	<b>3,156</b>	<b>11,422</b>	<b>13,028</b>	<b>3,209</b>
Gross Margins	%	60.2%	62.8%	44.1%	18.9%
Interest Expense	USD '000'	-	-	-	-
Corporate Tax	USD '000'	-	-	-	-
<b>After Tax Profits</b>	<b>USD '000'</b>	<b>895</b>	<b>3,312</b>	<b>5,466</b>	<b>3,158</b>
Net Margins	%	17%	18%	18%	19%
<b>Cumulative Profits</b>	<b>USD '000'</b>	<b>895</b>	<b>4,206</b>	<b>9,673</b>	<b>12,831</b>

- The project has assumed no corporate tax payable to the government and no interest rate on the Projected Net Working Capital.
- The annual projections for the first 5-years of operation have been worked out for the Projected Profits & Loss Statements.

- The profitability analysis of the overall project indicates that the project is a profitable undertaking with medium-term returns to the investors.

### 24.3 Projected Cash flow Statements

- The details of sources and application of funds are presented in Annex 2.
- The annual projections for the first 5-years of operation have been worked out for the Projected Cash Flows Statements.

Projected Cash Flows Statements		Year 1	Year 2	Year 3	Year 4	Year 5
<b>Cash Inflows</b>						
Equity Financing	USD '000'	4,003	264	159	16	-
External Financing	USD '000'	10,774	9,273	4,953	-	-
Incomes from Operations	USD '000'	5,246	18,184	29,550	16,960	-
<b>Cash Inflows</b>	<b>USD '000'</b>	<b>20,022</b>	<b>27,721</b>	<b>34,662</b>	<b>16,976</b>	<b>-</b>
<b>Cash Outflows</b>						
Capital Expenditure						
Buildings & Civil Works	USD '000'	3,082	17,254	12,390	-	-
Pre-Operating costs						
Other Finance Costs	USD '000'	12.5	-	-	-	-
Administrative Costs	USD '000'	410.7	262.7	158.9	17.1	-
Loans Payments	USD '000'	-	-	28,685	-	-
<b>Total Outflows</b>	<b>USD '000'</b>	<b>3,506</b>	<b>17,517</b>	<b>41,234</b>	<b>17.1</b>	<b>-</b>
Surplus (Deficit)	USD '000'	16,516	10,204	-6,572	16,959	0
Opening Cash Balances	USD '000'	-	2,985	13,059	6,362	23,271
<b>Closing Cash Balances</b>	<b>USD '000'</b>	<b>16,516</b>	<b>13,189</b>	<b>6,487</b>	<b>23,321</b>	<b>23,271</b>

- Source of Incomes –
  - The project sources of inflows include the additional investment funds from the shareholders in the form of ordinary equity; external loans; and customer deposits.
- Cash outflows –
  - The project cash outflows include construction costs, pre-operating costs, finance costs and loan principal repayments.
  - The project has not included dividends because dividends distribution is based on shareholders' decisions from time to time.

- Cash flows Results –
  - The cash flow analysis of the project indicates that the project will register positive cash flows throughout the project life-time that demonstrates no need for external financing on working capital costs as summarised below:

#### 24.4 Projected Balance Sheets

- The project balance sheet is presented in Annex 3.
- The projected balance sheet statements present the status of the project's fixed assets and current assets and the financing of the assets including the liabilities and shareholders' contribution into the project.
- The annual projections for the first 5-years of operation have been worked out for the Projected Balance Sheets Statements.

Projected Balance Sheets Statements		Year 1	Year 2	Year 3	Year 4	Year 5
Fixed Assets						
Land	USD '000'	6,000	5,550	3,990	1,455	-
Buildings & Civil Works	USD '000'	16,515	30,307	30,696	11,194	-
Pre-Operating costs	USD '000'	2,894	3,731	3,007	1,103	-
Depreciation & Amortization	USD '000'	-4,253	-14,744	-23,958	-13,751	0
<b>Net Fixed assets</b>	<b>USD '000'</b>	<b>21,157</b>	<b>24,845</b>	<b>13,734</b>	<b>-</b>	<b>-</b>
Current Assets	USD '000'	2,993	13,069	6,372	23,275	23,272
Current Liabilities	USD '000'	7	9	8	4	-
<b>Net Current Assets</b>	<b>USD '000'</b>	<b>2,986</b>	<b>13,061</b>	<b>6,364</b>	<b>23,272</b>	<b>23,272</b>
<b>Total Net Assets</b>	<b>USD '000'</b>	<b>24,142</b>	<b>37,905</b>	<b>20,098</b>	<b>23,272</b>	<b>23,272</b>
Financed By:						
Equity Financing						
Shareholders (Land Value)	USD '000'	6,000	6,000	6,000	6,000	6,000
Shareholders (Construction)	USD '000'	3,579	3,579	3,579	3,579	3,579
Shareholders (Pre- Operations)	USD '000'	423	686	845	862	862
Shareholders (W/Capital)	USD '000'	1.2	2.1	1.9	0.7	0.7
Retained Earnings	USD '000'	-1,268	-5,938	-7,908	-4,750	-4,750
External Financing	USD '000'	13,245	23,433	-	-	-
Customer Deposits	USD '000'	2,163	10,144	17,580	17,580	17,580
<b>Total Financing</b>	<b>USD '000'</b>	<b>24,142</b>	<b>37,905</b>	<b>20,098</b>	<b>23,272</b>	<b>23,272</b>

## Project Viability Analysis

### 25.1 Introduction

- When the purpose of an economic analysis is to help make a decision, there are several key managerial indicators or economic parameters that are considered. Although there are many parameters that can be considered, the most common decision criteria are:
  - Net present value (NPV)
  - Internal rate of return (IRR)
  - Profit-to-investment ratio (both discounted and undiscounted)
- The projections have undertaken analysis of the project NPV, IRR, Normal Payback Period and the Average Returns on Investments.

### 25.2 Assumed Cost of Funds

- As presented in the Financial Assumptions Section, the Projected Economic Analysis has taken into consideration the cost of borrowing (Daily SOFR + 1.75%) as the cost of fund. The net principal loan amount comprises of the disbursed loan, loan arrangement costs and the capitalized interest expense.
- The Project assumes the capitalized interest expense during project implementation is for the period of 36-months starting Month 1 of Year 1, when the project is officially launched, and a 60.4% interest rate has been used.

### 25.3 Selected Economic Parameters

- The key economic indicators for proposed real property project are as follows:

<b>Economic Parameters</b>		
Cost of Loan Funds	<b>6.04%</b>	Percentage
Net Present Value (TZS)	<b>1,499</b>	USD '000'
Internal Rate of Return (IRR)	<b>9.5%</b>	Percentage
Payback Period	<b>1.0</b>	Year

- Note that: the IRR of 9.5% is greater than the assumed cost of fund (6.04%) and the NPV is positive suggesting a viable business venture.

## **25.4 Other Economic Benefits**

- Besides the financial gains to the partners of the project, the proposed project will have the following additional benefits:

### **(i) Tax Income –**

- The project will pay income taxes, property taxes, VAT, and other taxes to the government.

### **(ii) Jobs Creation –**

- The project will create more than 200 direct jobs and about 500 indirect employments.

### **(iii) Value Creation –**

- VISTA RESIDENCES project will mobilize resources to create a modern residential and retail real property which will substantially add to the country's capital formation and Gross Domestic Product (GDP). The project will add to the country's stock of capital goods.

## **25.5 General Comment**

- The general analysis of the project suggests that the project is financially viable and technically feasible. In the short-run, the project will be able to service the loan obligations from the sale of apartments.

## Finance Requirements

### 26.1 Financing Structure

- The project requires financing to the tune of USD 56.7 million including the value of land. The project is proposed to be financed by MO DEVELOPERS; External sources of funds in the form of Medium-term loan; and portion of Customer deposits.

### 26.2 Source & Uses of Funds

- MO DEVELOPERS is planning to mobilize investible funds in the form of equity (33.4%) from own funds; Medium-term loan from Lending Institutions (50.6%) and Advance Payments from customers (15.9%). The funds will used as presented below:

<b>ANNEX 9</b>						
<b>MO DEVELOPERS LIMITED</b>						
<b>VISTA RESIDENCES</b>						
<b>Sources &amp; Uses of Funds</b>						
	<b>Amount in USD '000'</b>					<b>Total Financing</b>
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	
	<b>Total</b>	<b>Total</b>	<b>Total</b>			
Exchange Rate (USD/TZS)	2,750	2,750	2,750	2,750	2,750	
<b>Equity Financing</b>						
Land	6,000.0	-	-	-	-	<b>6,000</b>
Buildings & Civil Works	3,578.6	-	-	-	-	<b>3,579</b>
Equipment & Installation works	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
<b>Physical Facilities</b>	<b>9,578.6</b>	-	-	-	-	<b>9,579</b>
Pre-Operating costs						
Capitalised Interest Expense	-	-	-	-	-	-
Loan Arrangement Cost	-	-	-	-	-	-
Other Finance Costs	12.5	-	-	-	-	<b>13</b>
Administrative Costs	410.7	262.7	158.9	17.1	-	<b>849</b>
<b>Pre-operating Costs</b>	<b>423.2</b>	<b>262.7</b>	<b>158.9</b>	<b>17.1</b>	-	<b>862</b>
Operating Expenses	1.2	0.9	(0.1)	(1.3)	(0.7)	-
<b>Equity Financing</b>	<b>10,003.0</b>	<b>263.6</b>	<b>158.8</b>	<b>15.8</b>	<b>(0.7)</b>	<b>10,441</b>
<b>External Financing</b>						
Land	-	-	-	-	-	-
Buildings & Civil Works	10,774	9,273	4,953	-	-	<b>25,000</b>
Equipment & Installation works	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
<b>Physical Facilities</b>	<b>10,774</b>	<b>9,273</b>	<b>4,953</b>	-	-	<b>25,000</b>
Pre-Operating costs						
Capitalised Interest Expense	1,783.8	914.7	299.2	-	-	<b>2,998</b>
Loan Arrangement Cost	687.5	-	-	-	-	<b>688</b>
<b>Pre-operating Costs</b>	<b>2,471</b>	<b>915</b>	<b>299</b>	-	-	<b>3,685</b>
Operating Expenses	-	-	-	-	-	-
<b>External Financing</b>	<b>13,245</b>	<b>10,188</b>	<b>5,253</b>	-	-	<b>28,685</b>
<b>Customer Deposits</b>						
Land	-	-	-	-	-	-
Buildings & Civil Works	2,163.05	7,981	7,436	-	-	<b>17,580</b>
<b>Physical Facilities</b>	<b>2,163.05</b>	<b>7,981</b>	<b>7,436</b>	-	-	<b>17,580</b>
<b>Customer Deposits</b>	<b>2,163</b>	<b>7,981</b>	<b>7,436</b>	-	-	<b>17,580</b>
<b>Total Financing</b>	<b>25,411</b>	<b>18,432</b>	<b>12,848</b>	<b>16</b>	<b>(1)</b>	<b>56,706</b>
<b>Exposure</b>						
Equity Financing	39%	1%	1%	100%	100%	18.4%
External Financing	52%	55%	41%	0%	0%	50.6%
Customer Deposits	9%	43%	58%	0%	0%	31.0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100.0%</b>

### 26.3 Proposed Terms and Conditions

- The Loan Repayment Schedule is presented in Annex 8.
- The project is seeking for a total loan amount of USD 28.7 million which comprises of the principal amount, loan arrangement costs and the capitalised interest expense as summarised below:

Term Loan Amount		
Loan Disbursement	25,000,000	USD
Loan Arrangement Cost	687,500	USD
Capitalised Interest Expense	2,997,682	USD
<b>Term Loan Amount</b>	<b>28,685,182</b>	<b>USD</b>

- The following are the proposed Terms and Conditions of the required term loan to part finance the project;

<b>Loan Amount</b>	• <b>USD 25,000,000</b>
<b>Loan Currency</b>	• US Dollar (USD)
<b>Uses of Funds</b>	• To finance construction works
<b>Moratorium period</b>	• 36-months on Principal amount • 36-months on Interest expense
<b>Mode of disbursement</b>	• Direct disbursement to the account of the promoters/contractors
<b>Repayment period</b>	• 3-years including the 3-years of grace
<b>Mode of repayment</b>	• Bullet Payment in the final year
<b>Interest rate</b>	• Fixed rate of 6.04% p.a.

### 26.4 Security of the loan

- MO DEVELOPERS will provide adequate security to secure the proposed loan for the development of the project.
- The market value of the security will be determined by valuation report.

## Conclusion And Recommendations

- It is noted that, in Tanzania, the proportion of the national population living in urban areas increased from 25% during the 2002 Population and Housing Census to more than 30% at present. However, the rapid growth was taking place in the context of inadequate resources including commercial real estate facilities.
- The viability of the project will be subject to successful negotiations with potential lenders for provision of the investment funds to develop the project. MO DEVELOPERS will deploy financial resources, physical resources as well as stock of well-trained and experienced personnel in the execution of the proposed project.
- Investment in property development normally appreciates in value and thus guarantees stable earnings over time.
- The project analysis suggests that the project is financially viable and technically feasible. The project will be in a position to meet its financial obligations from the project residential apartments sales incomes. The preliminary assessment of the viability of the proposed project demonstrates the project is a medium-term investment and a profitable venture.
- It is recommended that implementation of the project should observe the timeframe to capture the window of opportunity for the establishment of commercial real estate facilities and the other related projects.

# **MO DEVELOPERS LIMITED**

## ***MO KHAKI COMPLEX Project***

### **Residential Apartments & Commercial and Parking Spaces**

#### **FINANCIAL PROJECTIONS**

**AUGUST. 2025**

**Annex 13**

**MO DEVELOPERS LIMITED  
MO KHAKEI COMPLEX Project  
Built Up Area Schedule**

**Podium Built Up Area (BUA) Summary (in Sqm)**

Floors	Usable Area A			Balcony - Service -		Circulation - D		Amenities - E	GFA (A+A'+D+D'+E)	BUA (A+B+C+D+E)	RESI SA (A+B)	TOTAL SA (A+A'+B)
	Residential- A	Commercial - A'	Parking - A''	B	C	Resi + Service - D	Retail - D'					
Parking Level 1	-	1,014	8,095	-	-	-	-	-	1,014	9,109	-	1,014
Parking Level 2	-	1,014	7,609	-	-	-	-	-	1,014	8,623	-	1,014
Podium	-	1,014	-	-	-	-	-	2,434	3,448	3,448	-	1,014
<b>Total - Parking</b>	-	<b>3,042</b>	<b>15,704</b>	-	-	-	-	<b>2,434</b>	<b>5,476</b>	<b>21,180</b>	-	<b>3,042</b>

**TOWER Built Up Area (BUA) Summary (in Sqm)**

Floors	Usable Area A			Balcony - Service -		Circulation - D		Amenities - E	GFA (A+A'+D+D'+E)	BUA (A+B+C+D+E)	RESI SA (A+B)	TOTAL SA (A+A'+B)
	Residential- A	Commercial - A'	Parking - A''	B	C	Resi + Service - D	Retail - D'					
Floor +1	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +2	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +3	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +4	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +5	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +6	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +7	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +8	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +9	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +10	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +11	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +12	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +13	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +14	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +15	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +16	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +17	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +18	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +19	2,150.0	-	-	436	-	305.2	-	-	2,455	2,891	2,586	2,586
Floor +20	1,820.8	-	-	389	-	279.2	-	-	2,100	2,489	2,210	2,210
Roof	-	-	-	-	-	305.2	-	-	305	305	-	-
Top of Roof	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total - Apartments</b>	<b>42,671</b>	-	-	<b>8,673</b>	-	<b>6,382</b>	-	-	<b>49,053</b>	<b>57,726</b>	<b>51,344</b>	<b>51,344</b>

<b>Grand Total</b>	42,671	3,042	15,704	8,673	-	6,382	-	2,434	54,529	78,907	51,344	54,386
	Residential Apartments Units	Commercial Buildings	Parking Area			Commercial Corridors & Lift Lobbies Btn Apartments		Amenities on Podium	All Habitable Spaces	Usable Area, Balconies, Service Areas, Circulation & Amenities	Apartment Area with Balconies	Apartment Area with Balconies & Commercial Building

**Annex 15 (a)**

**MO DEVELOPERS LIMITED**  
**MO KHAKEI COMPLEX Project**

**Projected Revenue Schedule - Apartments**

				Amount in USD '000'					
				Year-1	Year-2	Year-3	Year-4	Year-5	Year-6
<b>1 Apartments</b>									
<b>Selable Area</b>	<b>Units</b>	<b>Sqm/Unit</b>							
	<b>%-age Sold</b>								
1	3-Bedroom Units (SR)	72	207.00	Sqm	14,904	14,904	14,904	14,904	14,904
2	3-Bedroom Units	72	188.00	Sqm	13,536	13,536	13,536	13,536	13,536
3	4-Bedroom Units (type 1)	80	251.50	Sqm	20,120	20,120	20,120	20,120	20,120
4	4-Bedroom Units (type 2)	4	331.05	Sqm	1,324	1,324	1,324	1,324	1,324
5	4-Bedroom Units (SR)	4	364.95	Sqm	1,460	1,460	1,460	1,460	1,460
	<b>Selable Area</b>	<b>232</b>			<b>51,344</b>	<b>51,344</b>	<b>51,344</b>	<b>51,344</b>	<b>51,344</b>
					<b>64,180</b>	<b>3,209</b>	<b>25,672</b>	<b>2,139</b>	
<b>Apartment Prices</b>									
1	3-Bedroom Units (SR)			USD/Sqm	1,250	1,250	1,250	1,250	1,250
2	3-Bedroom Units			USD/Sqm	1,250	1,250	1,250	1,250	1,250
3	4-Bedroom Units (type 1)			USD/Sqm	1,250	1,250	1,250	1,250	1,250
4	4-Bedroom Units (type 2)			USD/Sqm	1,250	1,250	1,250	1,250	1,250
5	4-Bedroom Units (SR)			USD/Sqm	1,250	1,250	1,250	1,250	1,250
<b>Payment Plan</b>									
	Deposits at Signing			%	5.0%	5.0%	5.0%	5.0%	5.0%
	Installment Payments			%	45.0%	45.0%	45.0%	45.0%	45.0%
	Final Payments			%	50.0%	50.0%	50.0%	50.0%	50.0%
<b>Deposits at Signing</b>									
	<b>Amortisation</b>			<b>%</b>	<b>40%</b>	<b>60%</b>	-	-	-
	3-Bedroom Units (SR)			USD '000'	372.6	558.9	-	-	-
	3-Bedroom Units			USD '000'	338.4	507.6	-	-	-
	4-Bedroom Units (type 1)			USD '000'	503.0	754.5	-	-	-
	4-Bedroom Units (type 2)			USD '000'	33.1	49.7	-	-	-
	4-Bedroom Units (SR)			USD '000'	36.5	54.7	-	-	-
	<b>Deposits at Signing</b>			<b>USD '000'</b>	<b>1,283.6</b>	<b>1,925.4</b>	-	-	-
	Accumulated Revenue			USD '000'	1,283.6	3,209.0	3,209.0	-	-
<b>Installment Payments</b>									
	<b>Amortisation</b>			<b>USD '000'</b>	<b>15.0%</b>	<b>35.0%</b>	<b>40.0%</b>	<b>10%</b>	-
	3-Bedroom Units (SR)			USD '000'	1,257.5	2,934.2	3,353.4	838.4	-
	3-Bedroom Units			USD '000'	1,142.1	2,664.9	3,045.6	761.4	-
	4-Bedroom Units (type 1)			USD '000'	1,697.6	3,961.1	4,527.0	1,131.8	-
	4-Bedroom Units (type 2)			USD '000'	111.7	260.7	297.9	74.5	-
	4-Bedroom Units (SR)			USD '000'	123.2	287.4	328.5	82.1	-
	<b>Installment Payments</b>			<b>USD '000'</b>	<b>4,332.2</b>	<b>10,108.4</b>	<b>11,552.4</b>	<b>2,888.1</b>	-
	Accumulated Revenue			USD '000'	4,332.2	14,440.5	25,992.9	28,881.0	-
<b>Final Payments</b>									
	<b>Amortisation</b>			<b>%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>40.0%</b>	<b>40.0%</b>	<b>20.0%</b>
	3-Bedroom Units (SR)			USD '000'	-	-	3,726	3,726	1,863
	3-Bedroom Units			USD '000'	-	-	3,384	3,384	1,692
	4-Bedroom Units (type 1)			USD '000'	-	-	5,030	5,030	2,515
	4-Bedroom Units (type 2)			USD '000'	-	-	331	331	166
	4-Bedroom Units (SR)			USD '000'	-	-	365	365	182
	<b>Final Payments</b>			<b>USD '000'</b>	<b>-</b>	<b>-</b>	<b>12,836.0</b>	<b>12,836.0</b>	<b>6,418.0</b>
	Accumulated Revenue			USD '000'	-	-	12,836.0	25,672.0	32,090.0
<b>Apartments Revenue</b>									
	Deposits at Signing			USD '000'	1,283.6	1,925.4	-	-	-
	Installment Payments			USD '000'	4,332.2	10,108.4	11,552.4	2,888.1	-
	Final Payments			USD '000'	-	-	12,836.0	12,836.0	6,418.0
	<b>Apartments Revenue</b>			<b>USD '000'</b>	<b>5,615.8</b>	<b>12,033.8</b>	<b>24,388.4</b>	<b>15,724.1</b>	<b>6,418.0</b>
	<b>Accumulated Revenue</b>			<b>USD '000'</b>	<b>5,615.8</b>	<b>17,649.5</b>	<b>42,037.9</b>	<b>57,762.0</b>	<b>64,180.0</b>

<b>Annex 15 (b)</b>								
<b>MO DEVELOPERS LIMITED</b>								
<b>MO KHAKI COMPLEX Project</b>								
<b>Projected Revenue Schedule - Parking Spaces</b>			<b>Amount in USD '000'</b>					
			<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>	<b>Year-6</b>
<b>Parking Space Revenue</b>								
Prices of Parking Spaces								
Parking Units for sale	USD/Unit		15,000	15,000	15,000	15,000	15,000	15,000
Public Parking Units	USD/Unit		-	-	-	-	-	-
% of Parking Space Sold								
Parking Units for sale	%		0%	0%	0%	0%	0%	0%
Public Parking Units	%		-	-	-	-	-	-
<b>Payment Plan</b>								
Deposits at Signing	%		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Installment Payments	%		45.0%	45.0%	45.0%	45.0%	45.0%	45.0%
Final Payments	%		50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
<b>Deposits at Signing</b>								
<b>Amortisation</b>	<b>%</b>		<b>40%</b>	<b>60%</b>	-	-	-	-
Parking Units for sale	USD '000'		115	173	-	-	-	-
Public Parking Units	USD '000'		-	-	-	-	-	-
<b>Deposits at Signing</b>	<b>USD '000'</b>		<b>115</b>	<b>173</b>	-	-	-	-
Accumulated Revenue	USD '000'		115	288	-	-	-	-
<b>Installment Payments</b>								
<b>Amortisation</b>	<b>USD '000'</b>		<b>15%</b>	<b>35%</b>	<b>40%</b>	<b>10%</b>	-	-
Parking Units for sale	%		389	907	1,037	259	-	-
Public Parking Units	%		-	-	-	-	-	-
<b>Installment Payments</b>	<b>%</b>		<b>389</b>	<b>907</b>	<b>1,037</b>	<b>259</b>	-	-
Accumulated Revenue	%		389	1,296	2,333	2,592	-	-
<b>Final Payments</b>								
<b>Amortisation</b>	<b>%</b>		<b>0.0%</b>	<b>0.0%</b>	<b>40.0%</b>	<b>40.0%</b>	<b>20.0%</b>	-
Parking Units for sale	USD '000'		-	-	1,152	1,152	576	-
Public Parking Units	USD '000'		-	-	-	-	-	-
<b>Final Payments</b>	<b>USD '000'</b>		-	-	<b>1,152</b>	<b>1,152</b>	<b>576</b>	-
Accumulated Revenue	USD '000'		-	-	1,152	2,304	2,880	-
<b>Parking Space Revenue</b>								
Deposits at Signing	USD '000'		115	173	-	-	-	-
Installment Payments	USD '000'		389	907	1,037	259	-	-
Final Payments	USD '000'		-	-	1,152	1,152	576	-
<b>Parking Space Revenue</b>	<b>USD '000'</b>		<b>504</b>	<b>1,080</b>	<b>2,189</b>	<b>1,411</b>	<b>576</b>	-
Accumulated Revenue	USD '000'		504	1,584	3,773	5,184	5,760	-
<b>Total Revenue</b>								
Revenue by Facility								
Apartments Revenue	USD '000'		5,616	12,034	24,388	15,724	6,418	-
Parking Space Revenue	USD '000'		504	1,080	2,189	1,411	576	-
Commercial Space Revenue	USD '000'		-	-	-	-	-	-
<b>Total Revenue</b>	<b>USD '000'</b>		<b>6,120</b>	<b>13,114</b>	<b>26,577</b>	<b>17,135</b>	<b>6,994.0</b>	-
Cumulative Revenue	USD '000'		6,120	19,234	45,811	62,946	69,940	-
Revenue by Payment Plan								
Deposits at Signing	USD '000'		1,399	2,098	-	-	-	-
Installment Payments	USD '000'		4,721	11,016	12,589	3,147	-	-
Final Payments	USD '000'		-	-	13,988	13,988	6,994	-
<b>Total Revenue</b>	<b>USD '000'</b>		<b>6,120</b>	<b>13,114</b>	<b>26,577</b>	<b>17,135</b>	<b>6,994</b>	-
Cumulative Revenue	USD '000'		6,120	19,234	45,811	62,946	69,940	-

**Annex 1**  
**MO DEVELOPERS LIMITED**  
**MO KHAKEI COMPLEX Project**  
**Projected Profit And Loss Statements**

		<b>Amount in USD '000'</b>					
		<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>	<b>Year-6</b>
<b>Projected Revenues</b>							
<b>Total Sales Revenue</b>							
Deposits at Signing		1,399	2,098	-	-	-	-
Installment Payments		4,721	11,016	12,589	3,147.3	-	-
Final Payments		-	-	13,988	13,988.0	6,994.0	-
<b>Total Sales Revenue</b>		<b>6,120</b>	<b>13,114</b>	<b>26,577</b>	<b>17,135.3</b>	<b>6,994.0</b>	-
<b>Other Incomes</b>							
Service Charges		-	-	-	-	-	-
Generator Fuel		-	-	-	-	-	-
<b>Sub-total</b>		<b>6,120</b>	<b>13,114</b>	<b>26,577</b>	<b>17,135</b>	<b>6,994</b>	-
Add: Withholding Tax		-	-	-	-	-	-
Other Incomes		-	-	-	-	-	-
<b>Gross Revenues</b>		<b>6,120</b>	<b>13,114</b>	<b>26,577</b>	<b>17,135</b>	<b>6,994</b>	-
Less: Withholding Tax		-	-	-	-	-	-
Other Incomes		-	-	-	-	-	-
<b>Net Incomes</b>		<b>6,120</b>	<b>13,114</b>	<b>26,577</b>	<b>17,135</b>	<b>6,994</b>	-
<b>Operating expenses</b>							
Statutory Costs		52	93	90	43	12.5	-
Administrative Costs		42	42	42	42	42	-
Sales & Marketing Costs		-	-	-	-	-	-
<b>Operating Costs</b>		<b>94</b>	<b>135</b>	<b>132</b>	<b>85</b>	<b>55</b>	-
<b>Installment Payments</b>		<b>-</b>	<b>5,508</b>	<b>3,525</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gross Profits</b>		<b>6,026</b>	<b>7,471</b>	<b>22,920</b>	<b>17,050</b>	<b>6,939</b>	-
Gross Profits Margins		98%	57%	86%	100%	99%	-
<b>Other Operating costs</b>							
Depreciation		-	-	-	-	-	-
Amortisation		-	-	-	-	-	-
Property Sold		4,962	10,632	21,548	13,893	5,671	-
<b>Total Depreciation + Amortisation</b>		<b>4,962</b>	<b>10,632</b>	<b>21,548</b>	<b>13,893</b>	<b>5,671</b>	-
<b>Earning Before Interest &amp; Tax</b>		<b>1,064</b>	<b>-3,162</b>	<b>1,372</b>	<b>3,157</b>	<b>1,269</b>	-
<b>Les: Interest Expense</b>							
Interest on Medium-Term Loans		-	-	-	-	-	-
Interest on Short-term Loans	0%	-	-	-	-	-	-
<b>Sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit Before Taxes</b>		<b>1,064</b>	<b>-3,162</b>	<b>1,372</b>	<b>3,157</b>	<b>1,269</b>	-
<b>Taxable Incomes</b>		<b>1,064</b>	<b>-3,162</b>	<b>1,372</b>	<b>3,157</b>	<b>1,269</b>	-
Corporate Tax	0%	-	-	-	-	-	-
<b>After Tax Profits</b>		<b>1,064</b>	<b>-3,162</b>	<b>1,372</b>	<b>3,157</b>	<b>1,269</b>	-
Projected Dividends		-	-	-	-	-	-
Projected Retained Incomes		1,064	-3,162	1,372	3,157	1,269	-
<b>Cumulative retained income</b>		<b>1,064</b>	<b>-2,097</b>	<b>-726</b>	<b>2,432</b>	<b>3,701</b>	-

**Annex 2**  
**MO DEVELOPERS LIMITED**  
**MO KHAKE COMPLEX Project**  
**Projected Cash Flow Statements**

	<b>Amount in USD '000'</b>					
	<b>Year-1</b>	<b>Year-2</b>	<b>Year-3</b>	<b>Year-4</b>	<b>Year-5</b>	<b>Year-6</b>
<b>Cash Inflows</b>						
Equity Financing						
Share Capital	-	-	-	-	-	-
Shareholders (Land Value)	-	-	-	-	-	-
Shareholders (Construction)	4,719	7,080	298	-	-	-
Shareholders (Pre- Operations)	407	304	122	21.4	10.7	-
Shareholders (W/Capital)	1.1	1.1	0.1	1	-	-
<b>Equity Financing</b>	<b>5,127</b>	<b>7,385</b>	<b>420</b>	<b>20.1</b>	<b>10.70</b>	-
External Financing						
Medium-Term Loans						
1st Disbursement	10,000	-	-	-	-	-
2nd Disbursement	-	6,000	-	-	-	-
3rd Disbursement	-	4,000	-	-	-	-
4th Disbursement	-	-	5,000	-	-	-
Capitalised Interest Expense	-	-	-	-	-	-
Short-term loans	-	-	-	-	-	-
<b>External Financing</b>	<b>10,000</b>	<b>10,000</b>	<b>5,000</b>	-	-	-
Customer Deposits						
Deposits at Signing	-	-	-	-	-	-
Installment Payments	-	5,508	3,525	-	-	-
Final Payments	-	-	-	-	-	-
<b>Customer Deposits</b>	-	<b>5,508</b>	<b>3,525</b>	-	-	-
Projected Revenues						
Deposits at Signing	1,399	2,098	-	-	-	-
Installment Payments	4,721	5,508	9,064	3,147	-	-
Final Payments	-	-	13,988	13,988	6,994	-
<b>Incomes from Operations</b>	<b>6,120</b>	<b>7,606</b>	<b>23,052</b>	<b>17,135</b>	<b>6,994</b>	-
<b>Cash Inflows</b>	<b>21,247</b>	<b>30,498</b>	<b>31,997</b>	<b>17,155</b>	<b>7,005</b>	-
<b>Cash Outflows</b>						
Capital Expenditure						
Land	-	-	-	-	-	-
Buildings & Civil Works	14,719	22,587	8,823	-	-	-
Equipment & Installation works	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Pre-Operating costs						
Capitalised Interest Expense	-	-	-	-	-	-
Loan Arrangement Cost	-	-	-	-	-	-
Other Finance Costs	12.5	-	-	-	-	-
Administrative Costs	394.2	304	122	21.4	10.7	-
<b>Capital Expenditure</b>	<b>15,126</b>	<b>22,891</b>	<b>8,945</b>	<b>21.4</b>	<b>10.7</b>	-
Change in Operating Capital	1.09	1.15	0.08	-1.3	-0.8	-
Loans Payments						
Principal Repayment	-	-	28,711	-	-	-
Interest Payments	-	-	-	-	-	-
<b>Sub-total</b>	-	-	<b>28,711</b>	-	-	-
Operating Costs						
Statutory Costs	52	93	90	43	13	-
Administrative Costs	42	42	42	42	42	-
Sales & Marketing Costs	-	-	-	-	-	-
Corporate Tax	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
<b>Total Outflows</b>	<b>15,221</b>	<b>23,028</b>	<b>37,788</b>	<b>105.2</b>	<b>64.4</b>	-
<b>Surplus (Deficit)</b>	<b>6,026</b>	<b>7,471</b>	<b>-5,791</b>	<b>17,050</b>	<b>6,940</b>	-
<b>Opening Cash Balances</b>	-	<b>6,026</b>	<b>13,497</b>	<b>7,705</b>	<b>24,755</b>	-
<b>Closing Cash Balances</b>	<b>6,026</b>	<b>13,497</b>	<b>7,705</b>	<b>24,755</b>	<b>31,696</b>	-

**Annex 3**  
**MO DEVELOPERS LIMITED**  
**MO KHAKI COMPLEX Project**  
**Projected Balance Sheets Statements**

Amount in USD '000'

	Year-1	Year-2	Year-3	Year-4	Year-5	Year-6
<b>Fixed Assets</b>						
Land	6,000	5,475	4,350	2,070	600	-
Buildings & Civil Works	14,719	33,270	33,444	15,915	4,613	-
Equipment & Installation works	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Pre-Operating costs	2,729	3,720	3,285	1,568	458	0
<b>Capital Expenditure</b>	<b>23,448</b>	<b>42,465</b>	<b>41,079</b>	<b>19,553</b>	<b>5,671</b>	<b>0</b>
Less: Depreciation	-	-	-	-	-	-
Amortisation	-	-	-	-	-	-
Property Sold	4,962	10,632	21,548	13,893	5,671	-
<b>Net Fixed assets</b>	<b>18,486</b>	<b>31,833</b>	<b>19,531</b>	<b>5,660</b>	<b>-</b>	<b>0</b>
<b>Current Assets</b>						
Cash Balances	6,026	13,497	7,705	24,755	31,696	-
Debtors	-	-	-	-	-	-
Pre-payments	8	11	11	7.0	4.5	-
Stocks	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>6,034</b>	<b>13,508</b>	<b>7,716</b>	<b>24,762</b>	<b>31,700</b>	<b>-</b>
<b>Current Liabilities</b>						
Administrative expenses	-	-	-	-	-	-
Creditors	3.8	5.6	5.4	3.5	2.2	-
Accrued Incomes	-	-	-	-	-	-
Salaries	1.5	1.5	1.5	1.5	1.5	-
Other current liabilities	1.3	1.9	1.8	1.2	0.7	-
<b>Total Current Liabilities</b>	<b>7</b>	<b>9</b>	<b>9</b>	<b>6.1</b>	<b>4.5</b>	<b>-</b>
<b>Net Current Assets</b>	<b>6,027</b>	<b>13,499</b>	<b>7,707</b>	<b>24,756</b>	<b>31,696</b>	<b>-</b>
<b>Total Net Assets</b>	<b>24,514</b>	<b>45,331</b>	<b>27,239</b>	<b>30,416</b>	<b>31,696</b>	<b>0</b>
<b>Financed By:</b>						
Equity Financing						
Shareholders (Land Value)	6,000	6,000	6,000	6,000	6,000	-
Shareholders (Construction)	4,719	11,799	12,097	12,097	12,097	-
Shareholders (Pre- Operations)	407	711	832	854	864	-
Shareholders (W/Capital)	1.1	2.2	2.1	0.9	0.9	-
<b>Equity Financing</b>	<b>11,127</b>	<b>18,512</b>	<b>18,931</b>	<b>18,951</b>	<b>18,962</b>	<b>-</b>
Retailed Earnings	1,064	-2,097	-726	2,432	3,701	-
External Financing						
Medium-Term Loans	12,322	23,409	-	-	-	-
Short-term loans	-	-	-	-	-	-
<b>External Financing</b>	<b>12,322</b>	<b>23,409</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Customer Deposits						
Deposits at Signing	-	-	-	-	-	-
Installment Payments	-	5,508	9,033	9,033	9,033	-
Final Payments	-	-	-	-	-	-
<b>Customer Deposits</b>	<b>-</b>	<b>5,508</b>	<b>9,033</b>	<b>9,033</b>	<b>9,033</b>	<b>-</b>
<b>Total Financing</b>	<b>24,514</b>	<b>45,331</b>	<b>27,239</b>	<b>30,416</b>	<b>31,696</b>	<b>-</b>