

BUSINESS PLAN

REAGAN RESIDENCE LIMITED

Reagan Residence Apartment Project

Location: Mbezi Beach, Kinondoni – Dar es Salaam

1. Total Project Investment

Total Capital Investment: TZS 2,000,000,000

2. Detailed Investment Breakdown (TZS)

Investment Item	Amount (TZS)
Land / Building	450,000,000
Plant & Machinery	0
Vehicles	200,000,000
Furniture & Fittings	680,000,000
Pre-operating Expenses	130,000,000
Other Costs (Utilities, Security, ICT, Elevator, Generator, etc.)	220,000,000
Working Capital	238,000,000
TOTAL INVESTMENT	2,000,000,000

3. Explanation of Investment Components

3.1 Land / Building – TZS 450,000,000

- Land acquisition at Mbezi Beach
- Structural development of 5-floor apartment building

3.2 Vehicles – TZS 200,000,000

- 1 Guest Shuttle Van
- 1 Operations / Maintenance Vehicle

3.3 Furniture & Fittings – TZS 680,000,000

- Fully furnished 24 apartments
- Beds, sofas, wardrobes
- Kitchen fittings & appliances

- Curtains, décor, balcony furniture
- Reception & office furniture
- Gym equipment

3.4 Pre-Operating Expenses – TZS 130,000,000

- Architectural & engineering design
- Legal & registration fees
- TISEZA registration costs
- EIA & statutory approvals
- Marketing & branding

3.5 Other Costs – TZS 220,000,000

- Generator & electrical systems
- Elevator installation
- CCTV & security systems
- Borehole & water systems
- ICT infrastructure

3.6 Working Capital – TZS 238,000,000

- Staff salaries (first 6 months)
- Utilities
- Maintenance reserve
- Marketing expenses
- Operational buffer

4. Revenue Projections (5 Years)

Unit Mix

- 18 Two-Bedroom Apartments
- 5 One-Bedroom Apartments
- 1 Penthouse
- Total Units: 24

Proposed Monthly Rates (TZS)

Unit Type	Units	Monthly Rate (TZS)
Two Bedroom	18	2,500,000
One Bedroom	5	1,600,000
Penthouse	1	4,500,000

Maximum Monthly Revenue (100% occupancy)

= $(18 \times 2.5M) + (5 \times 1.6M) + (1 \times 4.5M)$
= 45M + 8M + 4.5M
= **TZS 57,500,000 per month**

Annual (Full Occupancy):
= $57.5M \times 12$
= **TZS 690,000,000**

5-Year Revenue Forecast

Year	Occupancy	Projected Revenue (TZS)
Year 1	60%	414,000,000
Year 2	70%	483,000,000
Year 3	80%	552,000,000
Year 4	85%	586,500,000
Year 5	90%	621,000,000

Total 5-Year Revenue: TZS 2,656,500,000

5. Employment Creation

Direct Employment: 28 Jobs

- General Manager – 1
- Reception – 3
- Housekeeping – 8
- Maintenance – 3
- Security – 6
- Admin & Accounts – 2
- Marketing – 2
- Drivers – 2
- Leisure Attendant – 1

Indirect Employment: 50+ Jobs

- Construction workers
 - Suppliers
 - Laundry services
 - Food suppliers
 - Taxi services
 - Maintenance contractors
 - Local artisans
-

6. Economic Impact

The project will:

- Increase quality accommodation capacity in Dar es Salaam
- Support tourism and business travel
- Generate municipal revenue
- Promote local procurement
- Strengthen supply chains

7. Conclusion

The Reagan Residence Apartment Project is a **TZS 2 Billion new investment** in the hospitality sector at Mbezi Beach, Dar es Salaam.

The project is financially viable, employment-generating, and aligned with Tanzania's development strategy. Registration with **Tanzania Investment and Special Economic Zones Authority (TISEZA)** will enhance capital efficiency and project sustainability.



