



makanda finance

work **smarter** not **harder**

JOINT VENTURE PROPOSAL



EXECUTIVE SUMMARY

Over the past 13 years, Makanda Finance has strived to curve the Micro Finance Industry into one of the best and most growing micro lending finance business. We have pride ourselves as a business that gives opportunities to build up other potential entrepreneurs who share the same vision as us.

As a vast growing business, we say that there is more to this new path which leads to a greater opportunity to maximise profits and income. With a database of over 140 000+ clients whom we can lend out loans, we acknowledge that the market has broadened. The demand for loans has risen expeditiously to more than we expected.

It is therefore, due to this change, that Makanda Finance is facing a challenge in keeping up with the demand to provide loans to new clients.

WHY CHOOSE US?

We propose that you invest in the business with a minimum amount of **R100 000.00 (One Hundred Thousand Rand)**.
How it works:

1. Assuming we loan out R1000.00 x 100 clients = R100 000.00
2. Repayment by the client is within the next 35 days;
3. In terms of our loan calculator:
 - 3.1. Capital loaned = R1000.00
 - 3.2. Interest = R58.00
 - 3.3. Service fee = R84.00
 - 3.4. Initiation fee= R150.00
 - 3.5. Total repayment = R1327.43
4. The gross profit per loan is R327.43
5. Gross profit for the 100 loan is R32 743

PROFIT MARGINS

An investment of:

1. R100 000.00 to R500 000.00 the investor earns 25% of monthly profits made.
2. 500 001 to R1 million the investor earns 30% of monthly profits made.
3. R1 000 001 to R2 million the investor earns 35% of monthly profits made.
4. R2 000 001 to R3 million the investor earns 40% of monthly profits made.
5. R3 000 001 to R5 million the investor earns 45% of the monthly profits made.
6. Above R5 million the investor earns 50% of the monthly profits made.

COSTS AND PROFITS

1. An invoice is created to cover the JV's running costs and tax.
2. Payments to the investor start on the second month after the investment has started. The investor is entitled to 50% (half) of the monthly profit made and the other 50% will be reinvested into the JV.
3. An account manager will be assigned for the JV. They receive a monthly incentive of 5%.

MONITORING OF FUNDS

1. We will be responsible for all business activities and procedures.
2. A investment bank portfolio will be created in which the investor shall have access to it for purposes of transparency.
3. The assigned profile manager will be the sole individual responsible for the management of the investment portfolio and sending full monthly reports to the investor.

Provided there are failed loans, they will immediately be moved for debt collection where arrangements will be made to have payments done in agreed fixed amounts to be paid over a period of 12 months.

REFERRAL COMMISSION

Our referral commission is 5% of the invested capital which will be paid 30 days after the potential investor successfully invests under our JV. This is a once-off payment.





**FOR MORE
INFORMATION
AND ENQUIRIES.**

GIVE US A CALL ON:

+27 (0) 12 111 7078

EMAIL:

BUSINESSVENTURE@MAKANDAFINANCE.CO.ZA

CONNECT WITH US VIA OUR WEBSITE:

WWW.MAKANDAFINANCE.CO.ZA

VISIT OUR BRANCH AT:

1059 FRANCIS BAARD, HATFIELD, PRETORIA.