



INFORMATION MEMORANDUM FOR HECTARE BY HECTARE FARM ESTATE, AGBALA, OWERRI NORTH LGA, IMO STATE

ABOUT THE PROGRAMME

Hectare by Hectare programme is a unique and innovative agricultural initiative conceptualized and developed for the promotion of employment, wealth creation and redistribution, financial inclusion, general public awareness and re-orientation through agribusiness.

Under the three schemes of the programme, namely; **Adasomi Farm Estates Scheme, Adasomi Out-Growers Scheme and Adasomi Premium Discount Scheme; FARM ESTATES** are developed in different communities through our unique HBH crowd funding model that enables us to aggregate the investments of proxy farmers (Civil Servants and all other adult Nigerians not directly involved in farming); **OUT-GROWERS** and **FOOD VENDORS** are registered and given access to market through Produce Aggregators and **REVACOM FOOD COURT; FARM TO HOME AGENTS.** (Mostly unemployed youths) are through the use of our HBH software application given access to participate in the production and distribution of food and agricultural produce within and outside the country without running around.

The programme is designed to be implemented nationwide through a franchising model that entails the appointment of one franchisee for each state of the federation.

When fully operational, the programme has the potential of engaging a minimum of 200,000 persons per state.

PROJECT OVERVIEW

IRB AGRO entered into a development agreement with **Adasomi Development Company** for the development of its Land under the Hectare by Hectare programme. Pursuant to the development agreement, Adasomi has planned the land into a farm estate comprising of **374** farm plots of **450m²** each of which will serve as a goat pen. The project proposes to provide onsite infrastructures to support animal husbandry.

TERMS AND CONDITIONS

Subject to a maximum of 5 plots per participant, each Investor/participant is required to pay an application fee of N10, 000 per plot upon completion and return of application form.

Upon allocation of plot/plots, the participant is required to pay the sum of **N25,000** per farm as deposit for lease rental, **N20,000** per farm as legal fee.

(The deposit in addition to **7%** of gross yearly income from each farm shall constitute the entire lease rental for the 15 years tenure.).

A participant may also choose to pay at back end **N30,000** and **N25,000** respectively as deposit on farming rental and legal fee. This means that the sum of **N55,000** shall be added to the loan amount to be secured for the participant.

2.5% of gross yearly profit for each farm shall be deducted at source as infrastructure maintenance fee, while **1.5%** of profit shall be deducted at source as community development levy.

Each proxy farmer shall be entitled to **70%** of gross yearly profit on each of his/her farm lot.

Each proxy farmer/participant shall receive a grant of farming lease for **15years** duly executed in his / her favour by **IRB AGRO**

Resident farmers shall be employed to provide extension services for all the farms within the estate as well as supervising farm laborers that would be employed for the maintenance of the estate.

Adasomi shall provide Intermediation services for processing of agric loan to enable each participant/investor pay the fees contained in the schedule.

Subject to other terms and conditions, net interest payable on the loan shall not be more than **9%** per annum.

Subject to a maximum of 5 persons per farm, a participant/proxy farmer can own a proportionate interest in a farm.

Schedule of fees payable for Breeding and Fattening Stock of 20 Goats per Farm

Description	Amount N	Per Farm
Cost of land clearing	40,000	
Cost of survey	18,000	Per Farm
Construction cost of pen	498,000	Per Farm
Agency fee	15,000	Per Farm
Infrastructure Development levy	46,000	Per Farm
Cost of twenty goats	260,000	Per Farm
Cost of drugs	4,000	Per Farm
Cost of supplement	2,000	Per Farm
Cost of Ear Tag / Record book / Board	4,000	Per Farm
Deposit of Premium for Credit Life Insurance	6,500	Per Farm
Deposit of premium for Fire Insurance	7,500	Per Farm
Deposit for Fidelity Insurance	5,200	Per Farm
Training fee for Resident Farmers	3,000	Per Farm
Cost of Feed	240,000	Per Farm
Farm Assistant	30,000	Per Farm
Resident Farmer	12,000	Per Farm
Vet Doctor	6,000	Per Farm
Consultant	12,000	Per Farm
Cost of Power	1,400	Per Farm
Security	14,000	Per Farm
Management Fee	48,000	Per Farm
Miscellaneous	10,000	Per Farm
Total Amount	N1,482,600	Per Farm

Application fee, Deposit for lease rental and legal fee shall be made payable to:

**A/c Name: Adasomi Development Company Limited,
A/c No.: 1100156539,
Bank: Imo Micro Finance Bank Ltd**

Or

**A/c Name: Adasomi Development Company Ltd,
A/c No.: 0250167901,
Bank: NIRSAL Micro Finance Bank Ltd**

Payments for all the items contained in the schedule shall be made payable to a project account either by outright payment or through agricultural loans to be secured on behalf of the participants by **Adasomi** at a maximum net interest of **9%** per annum.

All allocations shall be on a first come, first serve basis.
 Where an applicant fails to get an allocation of farm/farms, his/her application fee shall be refunded.

**MINIMUM INCOME PROJECTION FOR BREEDING AND FATTENING
 STOCK OF 20 GOATS PER FARM**

4 YEARS INCOME PROJECTION FOR BREEDING A STOCK OF 10 GOATS

NO OF YEARS	DESCRIPTION	NO OF GOATS	COST PRICE PER GOAT (₦)	TOTAL REVENUE (₦)
	Buying of Goats	10	13 x 10,000	130,000
1 YEAR	Sales of matured Adult Goats	18	18 x 30,000	540,000
2 YEARS	Sales of matured Adult Goats	20	20 x 30,000	600,000
3 YEARS	Sales of matured Adult Goats	30	30 x 30,000	900,000
4 YEARS	Sales of matured Adult Goats	50	50 x 30,000	1,500,000
	Value of Goats remaining	130	130 x 13,000	N1,690,000
TOTAL				N5,360,000

FOUR (4) YEARS INCOME PROJECTION FOR FATTENING AND SALES OF 10 GOATS EVERY 90 DAYS

NO OF DAYS / MONTHS	DESCRIPTION	COST OF GOATS (₦)	NO OF FATTENED GOATS (₦)	COST OF FATTENING EACH GOAT (₦)	SALES OF GOATS (₦)	TOTAL INCOME (₦)
	Buying of goats	10 x 13,000 = 130,000		9000	-	-
48 MONTHS (4YEARS)	Sales of Fattened goats	-	160		160 x 30,000	4,800,000

Notes & Assumptions:

In the 1st Batch, of breeding stock, the farm will begin with 10 goats (9 females 1 male). If 9 female goats litter 9 kids at an average at the end of 8 months, then we will have 18 goats.

Then at the end of the 16 months, if 9 females litter again 9 kids it will be 27 goats. At the end of 16 months, 18 goats litter one each making all 45 at the end of 24 months (2 years).

In the 3rd year of farming 45 goats will litter 45 kids making it 90 goats. While in the 4th year, the 90 goats will litter 90 kids making it 180 goats. With determined efficiency, more yield could arise thereby increasing the revenue for each farm.

Average cost of each goat to be fattened is N13, 000

10 goats will be purchased, fattened and sold every 90 days at N30, 000 each i.e. 10 x 30,000 = N300, 000.

Premium for credit life and yield protection insurance for the off-springs shall be disbursed on account for each farm.



**HECTARE BY HECTARE FARM ESTATE,
AGBALA, IMO STATE, NIGERIA**
For Expression of Interest Form



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Consultants/Technical Support Team

