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The Network Home: Developing an Innovative Co-living Business Plan for Almada

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Master in Management

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ISCTE – Instituto Universitário de Lisboa

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Acknowledgments

The writing and conclusion of this project has proved to be a greater challenge than what I initially anticipated. With multiple events taking place at the same time, there were moments where giving up was becoming an option. However, thanks to the incredible support I received, I had the strength to keep going and see it through the end.

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Resumo

No presente projeto de mestrado é apresentado um plano de negócios inovador para a criação de uma residência de co-living: The Network Home em Almada, Portugal. Numa tentativa de colmatar uma lacuna identificada no mercado, este negócio procura proporcionar um ambiente universitário onde as pessoas possam viver e partilhar as áreas comuns da residência com outros que tenham interesses e ideias semelhantes. A residência tem como objetivo desenvolver uma comunidade que promove a conexão, discussão e partilha de ideias e que incentiva a socialização, colocando-se como uma alternativa ao mercado imobiliário tradicional. Através do uso de ferramentas académicas bem conhecidas, como a análise PESTAL, análise SWOT, modelo VRIO e as cinco forças de Porter, a análise de mercado é realizada para ajudar a entender o contexto de implementação. Além disso, o estudo da concorrência, a descrição detalhada da componente operacional, o plano de marketing e as previsões financeiras foram também efetuadas para uma melhor compreensão do conceito em causa. Com um VAL final de 16.388.662,37 €, um período atualizado do retorno de capital de 2 anos, 9 meses e 14 dias, uma taxa interna de retorno de 43,69% e um índice de rentabilidade de 2,35, este plano de negócios demonstra o seu potencial para se tornar numa alternativa de co-living de relevância na região de Almada.

Palavras-chave: Plano de negócio, Residência de estudantes, Jovens, Co-living, Co-working, Networking

Códigos de Classificação JEL:

L26 Entrepreneurship

O22 Project analysis

Abstract

In this master's project it is presented an innovative business plan for the creation of a co-living residence: The Network Home in Almada, Portugal. In an attempt of bridging a gap perceived in the market, this business seeks to offer a university feel like environment where people can live while sharing common areas with others. The residence would allow the creation of a community that fosters connection, the share of ideas and that incentivizes socialization, posing itself as an alternative to the traditional housing market. By using well-known academic tools, such as PESTEL analysis, SWOT analysis, VRIO Framework and Porter's five forces the market analysis is performed to help understand the context of implementation. Additionally, the evaluation of the competitive environment, detailed description of operations, marketing plan and financial forecasts were also included for a better understanding of the concept. With a final NPV of 16 388 662,37 €, a discounted payback of 2 years 9 months and 14 days, an internal rate of return of 43,69% and a Profitability Index of 2,35 this business plan demonstrates its potential in becoming a leading co-living option in the Almada region.

Keywords: Co-living, Co-working, Business plan, Youth residence, Networking, Residence

JEL Classification Codes:

L26 Entrepreneurship

O22 Project analysis

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1. Introduction

The current project was developed under the conclusion of the master's degree in Management at ISCTE and aims to develop a business proposal for the implementation of a residence concept that combines two main components: Housing and Work.

With a degree in Hospitality Management at ESHTE, the author of this project has an interest that relates to this field along with a passion for the real estate market. These factors, combined with the perception of an opportunity in the market and a love for business creation, lead to the development of The Network Home in Almada, Portugal.

With the evolution of urbanization and changes in lifestyle preferences (Azevedo, 2020), housing costs have been rising and co-living has emerged as an alternative targeted to young professionals who seek affordable, flexible and community-oriented living arrangements. The Network Home was created as a solution for this necessity combining characteristics of an hotel and a student residence where the goal is to foster collaboration, networking and create a family environment with its residents.

This work is divided into 10 chapters to give an overview whether the project could be accepted and implemented. Multiple analysis were made such as the evaluation of the market, the competitive environment, and the strategy to be used along with a detailed description of the business, marketing plan and final financial forecasts in order to assess the viability of a project like this.

2. Identification of the innovative proposal

Imagine yourself in your 20s, starting your adult life and entering the job market. Everyone around you is starting their careers, changing countries or is focusing on their family, making it harder to see them as often. Or perhaps you are traveling the world, you love what you do but there is something missing. You miss meeting new people, exchanging ideas and learning something new. You want to grow and develop but you don't know how to make those connections.

The Network Home is the perfect place for you. Here, digital nomads, students, creative thinkers, each driven by their passions and looking for connections, gather themselves.

Every morning, you can smell the fresh coffee that comes from the restaurant and common areas, hearing laughter, friends having conversations and the sound of the keyboards playing as music. In here you don't simply find a place to live, you find a community focused on personal and professional growth.

During the day, workshops on multiples topics take place, people reunite to co-work, you can see the meeting rooms filled with ideas and enthusiasm. In the evenings, the kitchens and living rooms turn into a gathering spot where residents exchange their culture and stories, share meals, have fun and relax. After that, they enjoy some drinks at the bar while listening to some live music. Friendships are born through the exchange of ideas and the creation of plans for future adventures.

With the growth in technology and the pandemic that spread around the world, remote work has become one of the main topics of discussion in the last years. Companies had to adapt to the changing circumstances and many people started to work from home or even from different places outside the office. It is more and more common to see people studying and working in cafes, restaurants, hotels, parks and other public spaces.

However, most of the time, these places are not designed to receive this type of customers who have specific needs to be able to work. This project aims to respond to this growing necessity and develop a concept where people can have all the tools and the right environment for the development of their work while also socializing and creating connections with others.

Moreover, one of this project aims was also to bring a solution that could help on the housing crisis that is being faced in Portugal mainly near the region of Lisbon, where the situation is more concerning both in terms of prices and housing availability (Branco & Alves, 2018; Azevedo, 2020).

After analyzing the market, it was clear that concepts like this business plan are still very underexplored or nonexistent in the target region, which provided a great opportunity for implementation.

3. Literature review

3.1 Business plan

A business plan is defined by Honig and Karlsson (2004) as “a written document that describes the current state and the presupposed future of an organization.” In this document, the entrepreneur intends to expose the business idea and its potential by providing information about the products or services that will be provided, present the market research, a marketing plan and show financial forecasts to assess the project's financial viability (Watson & McGowan, 2019).

According to the study performed by Watson and McGowan's (2019), participants said that the creation of a business plan was crucial to give credibility and achieve success. It was also viewed as being essential for receiving external investment, since it helped demonstrate the financial viability of the business and show its value to investors (Karlsson & Honig, 2009). Moreover, the process of writing a business plan helped entrepreneurs to align their ideas and establish guidelines for the business.

However, business plans were also perceived as being overly static. Once the business was already implemented, entrepreneurs preferred to take action rather than update the document, which gradually became less relevant over time (Watson & McGowan, 2019). This preference was attributed to rapidly changing circumstances, which made responsiveness more important than updating the written plan (Karlsson & Honig, 2009).

The idea that there were external expectations had a significant role in the creation of business plans (Watson & McGowan, 2019). As a result, the development of the documents was usually done mainly due to these external demands rather than the value perceived by entrepreneurs themselves (Watson & McGowan, 2019; Karlsson & Honig, 2009). Additionally, Watson and McGowan (2019) found that the goals defined, particularly financial projections, were often unrealistic - either overly ambitious or overly cautious – showing the importance of practical and real experience to provide viable forecasts.

Karlsson and Honig (2009) further highlighted a difference between what was defined in the business plan and the actual operations of the businesses, a gap that tended to widen over time. Their study concluded that while a business plan might initially provide legitimacy, businesses often adopted a strategy of "loose coupling," where the plan became less relevant for operations.

In general, the literature found concerning business planning revealed mixed results regarding its usefulness (Karlsson and Honig, 2004). However, analysis by Welter et al. (2021) suggest that the act

of writing a business plan is indeed correlated with success. Even if the plan is not frequently consulted or updated later on (Karlsson and Honig, 2009) since the planning process helps entrepreneurs understand what it takes to launch a new venture and manage expectations.

3.2 Real estate around the world

The global financial crisis of 2007/2008 intensified the problem of housing affordability, affecting numerous countries. This crisis became a wider social concern, impacting aspects such as quality of life, health, birth rates, among others (Lorga et al., 2022; Xerez et al., 2019).

Over the past few decades, there has been a noticeable increase in the gap between housing prices/rents and the financial capacity of families, particularly in metropolitan areas of Western countries. Several factors have contributed to this, such as scarcity of available land, more burocratic planning and construction regulations, increase in material costs, private market focused on luxury construction in order to maximize profits, the transformation of social policies into austerity measures by national governments, the impact of foreign investment and the financialization of the housing market. Meanwhile, the growth of household income has been slow which failed to keep pace with this rapid increase in prices (Lorga et al., 2022; Xerez et al. (2019).

Most governments define housing accessibility issues using the ratio approach, which assesses affordability based on whether a household spends more than a certain percentage of its income - typically between 20% and 50% - on housing. This method, which is the oldest and most widely used, suggests that housing is unaffordable if costs exceed these percentages (Lorga et al., 2022).

In the European Union in 2023, 4,9% of people that were 16 or older, have experienced difficulties concerning housing in their lifetime and 8,5% of the population was at risk of poverty or social exclusion. The countries that have the higher risk are Denmark, Finland and France while those with the lowest are Poland, Italy and Hungary (Eurostat, 2024).

Regarding housing preferences, the notion of a "homeownership society" (Xerez et al., 2019, p.21) became a global phenomenon after World War II, as it was associated with stability and long-term investment. However, since 1990s, this trend has been declining, mainly due to the individualization of the younger generations, changes in traditional family structures and with an increase of difficulty for the younger generations to become homeowners (Xerez et al., 2019; Statista, 2024; McKee, 2012 as cited by Coricelli, 2022; Baryła et al., 2024).

In the years that followed the global financial crisis, the housing market experienced growth, reaching its peak during the COVID-19 pandemic. However, the low supply of housing in highly

competitive markets, fast house prices increase, high inflation, and some of the highest mortgage interest rates recorded in the past decade have led to a cool down of the market. Among the 20 markets with the highest transaction values, Turkey, Russia, and Mexico are expected to have the highest growth until 2028. In Europe, investment and development prospects for housing construction have deteriorated since 2022, likely leading to a decline in the amount of houses finished and affecting the future availability of affordable housing. Moreover, construction costs are expected to continue rising worldwide. (Statista, 2024).

3.3 Historical Perspective of Real Estate in Portugal

Between 1948 and 1980, the rental market in Lisbon and Porto was characterized by rent freezes and the automatic renewal of contracts (Antunes & Seixas, 2020; Cardoso, 2019; Branco & Alves, 2018; Mendes, 2022). From 1960 to 1974, there was a higher period of industrialization which contributed to urban expansion and resulted in an increase of demand for housing. Construction also rose during this time but it was unable to keep up with demand, which led to higher housing prices and affordability issues for families that had fewer economic conditions. This made living conditions worse and helped to spread illegal construction, particularly in Lisbon and Porto (Pinto & Guerra, 2019). After the revolution in April 1974 the demand for housing intensified as more people moved into urban areas. This further fueled unauthorized construction and led to the establishment of slums as alternative housing solutions (Pinto & Guerra, 2019; Lorga et al., 2022).

Portugal's entry into the European Economic Community in 1986 marked the beginning of higher financialization of housing, driven by liberalized economic trends (Antunes & Seixas, 2020; Cardoso, 2019; Xerez et al., 2019). State support in the form of subsidized credit and lower interest rates, aligned with changes in the banking sector, resulted in approximately 75% of the Portuguese population to become homeowners (Lorga et al., 2022; Antunes & Seixas, 2020; Pinto & Guerra, 2019; Cardoso, 2019; Xerez et al., 2019; Branco & Alves, 2018; Azevedo, 2020).

The global financial crisis, which began in the United States in late 2008, spread to Europe by 2010 and the housing market was affected. Prices dropped, fewer homes were sold, and the number of new housing permits decreased (Xerez et al., 2019). In response, Portugal signed the *Programa de Assistência Económica e financeira* (PAEF) with Troika in 2011, securing a bailout of €78 billion. As part of this agreement, several real estate policies were implemented (Xerez et al., 2019; Cardoso, 2019; Azevedo, 2020). These included transitioning existing rental contracts to time-limited agreements and allowing rents to be set according to free-market prices (Lorga et al., 2022; Antunes & Seixas, 2020).

These changes helped the transition of a society that prioritized homeownership to one focused on renting (Xerez et al., 2019).

Following the end of the bailout intervention in 2014, the housing market experienced almost exponential growth, even surpassing the increase felt in the European Union (EU) (Xerez et al., 2019). Portugal's culture, climate, and low cost of living attracted more tourists, students, retirees, and workers, which lead to the alteration of old residential properties into tourist accommodations (Antunes & Seixas, 2020; Lorga et al., 2022; Branco & Alves, 2018). Investors favored these businesses since they provided higher profits compared to long-term leases and posed themselves as being more secure since they were more flexible concerning eviction, further contributing to a shortage of available housing (Lorga et al., 2022; Mendes, 2022).

For several years, the state did not implement policies to control the rise of short-term rentals in Lisbon (Lorga et al., 2022; Branco & Alves, 2018) and with social housing taking only 2% of the total market (Branco & Alves, 2018), there was an increase of average price per m² of approximately 76%, from €1,875/m² in the first quarter of 2016 to €3,296/m² in the first quarter of 2021 (INE, 2022b, cited by Lorga et al., 2022).

Lastly, the income that foreign investors have surpasses the average portuguese citizen providing an affordability gap for local residents (Lorga et al., 2022; Cardoso, 2019; Samadani & Costa, 2021).

3.4 Current State of the Real Estate Market in Portugal

The issues concerning the housing crisis in Portugal, stated previously (Antunes & Seixas, 2020) lead to multiple discussions, beginning with the XXI Constitutional Government's Program, which wanted to address these needs with particular focus on the youth and middle-class families (Xerez et al., 2019). It is important to note that the primary groups affected by this escalation in prices are young individuals, renters, and first-time buyers. In contrast, long-term homeowners may benefit from this situation due to housing value appreciation (Lorga et al., 2022).

The National Housing Strategy, approved in 2015 and set to run from 2015 to 2031, aimed to expand and improve access to housing through the promoting of urban rehabilitation, increasing the availability of housing stock, and enhancing the quality of existing homes. This strategy also examines the decline of a society focused on homeownership and highlights the changes in Portugal's rental market. It challenges the traditional homeownership ideology, as reflected in the statement: "The idea that a 'house' is a place that will be there for a lifetime, often associated with an idea of stability in the workplace and a deep-rooted connection to the house where one lives, has waned" (Xerez et al., 2019).

However, the rise in homeownership after 2014 and the fact that Portugal has a lower number of tenants compared to the EU average indicates that homeownership culture is still very much integrated in Portugal society (Xerez et al., 2019; Antunes & Seixas, 2020; Branco & Alves, 2018).

In 2018, the Banco de Portugal recommended that mortgages should not exceed 50% of the household income (Antunes & Seixas, 2020). However, this threshold does not have common agreement since for example, it is said in an article from the European Parliament (2024) that rent should not be over 40% of house income. Another perspective indicates that housing costs should not go over 30% of the household income for those who are in the lowest two quintiles in terms of income while the higher quintiles could have 40% or more of housing costs (Dewilde & De Decker, 2014 as cited by Branco & Alves, 2018).

By the end of 2019, municipalities like Lisbon, Oeiras, and Cascais had surpassed the 35% threshold, with 12 others showing effort rates equal to or greater than 25%. When comparing housing markets, effort rates for renting are significantly higher than for purchasing with a mortgage, with a disparity that is growing over time (Antunes & Seixas, 2020).

Due to the low level of social housing and the fact that housing credit is only granted to those with sufficient and stable incomes, renting in the private market becomes the only viable option for many (Cardoso, 2019; Branco & Alves, 2018; Azevedo, 2020). However, the increase in rents in recent years, combined with the decrease and/or stagnation of household incomes following the 2007 - 08 crisis, has led to a situation where housing expenses are consuming a larger proportion of salaries, often becoming unsustainable (Cardoso, 2019). This translates into a big challenge for the residents in Lisbon metropolitan area and across Portugal, affecting the economic development conditions of the country (Antunes & Seixas, 2020).

According to the Banco de Portugal (2022), there are indications that the real estate market is overheating in Portugal - a concern that increases due to the fact that 90% of mortgages have a variable interest rate (cited in Lorga, Januário, & Cruz, 2022).

Until now, the rent freezes are still in force, the state was not able to solve the problem of housing affordability that many families face and could not provide confidence to attract significant housing investment. These issues aligned with a low level of social housing and a wide discrepancy between rental demand and offer, represent an issue to the market (Mendes, 2018; Azevedo, 2020).

3.5 Definition and concept of Co-living

The urbanization trend mentioned before with consequent shortage of residential space (Azevedo, 2020) highlighted the need of development and creation of new housing concepts. One of the concepts that has been gaining more noticeability in the last decade in urban real estate markets and high-income economies, is co-living (Hsia et al., 2024; Bergan et al., 2023; Bergan et al., 2021; Ronald at al., 2023; White and Madden, 2024). Often associated with the words “Community” and “Convenience” (Coricelli, 2022, p. 298), this concept primarily involves offering a mixture of private spaces with hospitality services and shared areas such as co-working spaces, distinguishing itself from the traditional rental setup by going beyond merely sharing spaces to promote social interaction and a sense of community (Shafique, 2018, as cited by Hsia et al., 2024; Bergan et al., 2023; Coricelli, 2022). This type of accommodation usually poses as a more affordable option, which allows people to live closer to central urban areas and consequently more job opportunities (Bergan et al., 2023). According to Pepper and Manji (2019), co-living can provide financial benefits, potentially reducing rental costs by up to 30% (as cited by Hsia et al., 2024).

This innovative form of accommodation, typically characterized as short-term, redefines the concept of home into a mobile space that functions both for work and to socialize, and is often marketed as such. The aim of this approach is to offer not just a home, but a space where income can be generated simultaneously (Bergan et al., 2021). Some advantages stated include opportunities to meet new people, possibility to live in city centers, have less responsibility concerning housework and maintenance as well as access to high quality services and spaces (Hsia et al., 2024).

The co-living residences are purposely built to support different types of work. The idea is to provide more than just the basic services, focusing on the living experience. It is frequent to see multiple areas to respond to different needs such as laundry rooms, communal kitchens, working areas among others (Bergan et al., 2021; Lee et al., 2019; White & Madden; 2024; Coricelli, 2022).

Once the idea of co-living is to incentivize a sense of community, private spaces are usually very simple and smaller in size while shared spaces are larger and provide high-quality furniture and utilities. This also helps to reduce costs and consequently provide more affordable prices (Bergan et al., 2021; Coricelli, 2022). Also, it is very common to see companies promote nonmaterialistic benefits such as high speed Wi-Fi, online information or even premium memberships (Bierbaum, 2017 as cited by Coricelli, 2022).

Companies that operate in various locations frequently allow tenants to transition between different spaces through apps, without needing to sign new contracts. By doing this, these companies

aim to reduce the administrative and bureaucratic challenges related to international mobility (White & Madden; 2024).

Usually housing ideologies gain legitimacy by presenting future visions: homeownership promises stability through asset accumulation and is seen as a retreat from work while co-living challenges this notion of home by offering a tech - driven, residential model where work and socialization can be done. This approach resolves political debates over property and occupancy by focusing on flexibility and freedom (Bergan et al., 2021; White & Madden, 2024). Ronald et al. (2023) have identified various types of co-living, such as high-end co-living, which is more common in city centers and offers a more luxurious experience; flexible co-living, which targets a more temporary and adaptable lifestyle; and aspirational co-living, which focuses on fostering a community with shared goals and aspirations.

3.6 Historical evolution of Co-living

Co-living emerged mainly in response to the increase of housing unaffordability, particularly in urban areas, and shifts in the working environment (Bergan et al., 2021; Bergan et al., 2023). This type of accommodation first appeared during the early 2000s recession and its growth has been boosted by the global financial crisis (Bergan et al., 2021; Coricelli, 2022).

One crucial moment for co-living's popularity occurred when Mark Zuckerberg and his roommates founded Facebook while living in a shared five-bedroom home. This experience suggested that cohabiting with like-minded individuals could foster innovation, particularly for startups and entrepreneurial ventures (Bergan et al., 2021).

Another contributor to the rise in demand for shared housing is social individualization. Since the 1980s, life transitions have become more varied, resulting in diverse living arrangements such as non-marital cohabitation, single-parent families, and single-person households (Ronald et al., 2023). Also, social changes such as the extended education and flexible career paths contributed to the creation of this sub-sector (Ronald et al., 2023).

3.7 Co-living demographics

Co-living spaces have been focusing more on digital nomads and individuals who cannot afford a house of their own (Bergan et al., 2023).

The changes in working environment due to technology helped to provide more flexibility for various professions, allowing workers to do their job from home, sometimes in hybrid settings. This

shift allowed the appearance of a new type of workers called digital nomads which are individuals that can do their work around the world without having to be attached to one specific place (Lee et al., 2019).

According to a technical report by MBO Partners (2018) (cited in Lee et al., 2019), 27% of the United States workers in traditional jobs stated that they intended to become digital nomads or were contemplating the transition. These workers take advantage of the flexibility of their work and often choose to live in different cities while traveling (Lee et al., 2019; Thompson, 2019). Digital nomads are predominantly millennials involved in tech-related fields such as design, development, or tech start-ups (Bergan et al., 2021; Thompson, 2019). Their characteristics usually consist of being in their 30s, white, active, single, social, extroverted, and consumers of alcohol (Thompson, 2019). They often look for short-term and fully furnished accommodation which is very helpful due to their lifestyle (Lee et al., 2019).

Digital nomads frequently mention the loneliness they feel while traveling since they have left their families and friends who most of the time do not understand their lifestyle choices. Other difficulties such as language and cultural differences lead them to look for online connections or attend events where they can meet other people in the same situation. The nature of this lifestyle disrupts traditional friendships, making co-living and co-working spaces appealing for those looking to establish connections with like-minded individuals (Thompson, 2019; Lee et al., 2019).

Even though digital nomads choose to attend cafés and these social events they often feel that these spaces provide temporary relationships which leads them to seek co-living arrangements where the community is already well established and that is more likely to provide sustainable relationships (Lee et al., 2019).

4. Methodology

4.2 Research context

The research context for the present business plan is the real estate market in Portugal with a focus on Almada, where the plan intends to be implemented.

4.3 Research aim

The aim is to provide an innovative and alternative solution for the real estate market around Lisbon.

4.4 Research questions

For the development of this business plan, first it is crucial to state what are the main questions to be answered to understand whether this idea is seen as valuable and if it can be implemented.

- Is there a need of affordable accommodation?
- Do people see value in having a space like this project in the market?
- Is this project economically viable?

4.5 Research objectives

The research objectives provide a guideline for the steps that need to be taken throughout the project in order to answer the questions presented previously:

- Initiate market research to understand if the business plan is seen as valuable;
- Define the value proposition;
- Explain the main concepts that are related to the business idea in the literature review;
- Develop an external and internal analysis.
- Identify opportunities and threats perceived;
- Analyze the competitors;
- Define the goals and develop the correspondent strategy;
- Construct a marketing plan, define the target audience, the structure of the company in terms of human resources and business operations;
- Provide forecasts in terms of sales and costs;
- Develop and analyze financial forecasts (Profit and Loss Account, Balance Sheet and Cash Flow Statements) made for a period of 10 years;

- Provide final insights concerning the viability of the project.

4.6 Research design

4.6.1 Secondary data

Secondary data provides useful information of research that has already been done. This can be obtained from different sources (published articles, government publishments, academic work, books, market reports), helping to have a broader and reliable understanding of the context where the business plan is inserted.

4.6.2 Primary data

For the primary data a cross-sectional and sequential research design was used since two studies were made, one after another considering the information received from the target population.

The first survey was more exploratory and focused on understanding if the business idea could be implemented in the city of Lisbon.

After analyzing the information received from the first study three main conclusions were made:

- The prices that the target audience was willing to pay were not possible within the Lisbon metropolitan area even though it was perceived a need for housing, most likely the business would not be viable in this region;
- It was noticed a lot of offer concerning spaces to study and work despite not having the best conditions. The most valuable factors mentioned for these spaces were high speed Wi-Fi connection, comfort and silence;
- One initial idea for this business was offering accommodation in exchange of work. While it attracted some interest from the respondents, this seemed to raise some concern both in terms of its ethical and legal implications which resulted in abandoning this concept.

With this information, a second and final survey was created (see Annex A) in order to better understand how it could be possible to create a business that would offer accommodation at more accessible prices, in the surroundings of Lisbon, while also providing a space where people could connect, socialize and work/study. This survey was also crucial to gain further insights into preferences and help to better forecast sales with more detailed information.

4.7 Data collection

4.7.1 Secondary data

For the collection of secondary data, reliable sources such as Scopus, B-on, Statista, Pordata and INE were used to have a better understanding of the main topics that constitute this business plan. For the published articles, which were the main source of information, priority was given to more recent publications leaving older ones to describe concepts and tools that were used.

Whenever it was possible, the publishers of the articles were verified on Scimago Journal Country & Rank to ensure a selection of good quality articles, giving priority to those within the Q1 and Q2 rank.

4.7.2 Primary data

Concerning the collection for primary data, the target population established was young people between the age of 18 and 35, with higher studies and that lived in Lisbon or Setúbal district.

The Qualtrics tool was used to create the survey and the same was distributed through multiple channels. This included Instagram followers of higher education colleges, Facebook groups in the region of Almada and LinkedIn profiles that met the conditions stated.

4.8 Primary data analysis

A descriptive analysis was chosen to assess the data collected from the second survey.

Following the conclusions of the initial exploratory study stated previously, the project concept was refined to better address the identified needs. The second study had a focus on the region of Almada, chosen for its proximity to Lisbon, good transport connections, potential for expansion, proximity to higher institution facilities and the possibility to provide more affordable housing prices.

A total of 66 respondents fully completed the survey, and the following conclusions are based on the insights gained from their responses.

4.8.1 Affordability Preferences:

When asked about the respondents' willingness to pay for a room in this project, 85% indicated they would prefer to spend less than €400 per month. With the majority (44%) favoring a price range between €200 and €300.

4.8.2 Current Market Conditions in Almada:

A significant portion of respondents (81%) living or working in Almada found the current room rental prices unaffordable. Furthermore, 41% stated that there is insufficient housing supply in the area.

4.8.3 Project Acceptance:

The reception of the project was generally positive, with 62% of respondents indicating they could see themselves living in a place with the proposed characteristics. However, 27% were unsure, mainly due to a preference for having their own home, as some of these respondents did not feel the need to share living spaces.

4.8.4 Key Factors for Project Acceptance:

Among the 62% of respondents who were interested in the project, the most attractive features were:

- A social and healthy environment where they could meet new people;
- Reduced rental prices;
- Convenient access to nearby services.

4.8.5 Top Room Preferences:

When considering renting a room, the five most important factors for respondents were:

1. Having a private bathroom (48%).
2. Price (47%).
3. Room size (32%).
4. Good natural lighting (30%).
5. A dedicated study space (30%).

On the other hand, less relevant factors included having a balcony (5%), extra storage space (6%), and the size of the bed (8%).

4.8.6 Desirable Amenities in Almada:

Respondents living or working in Almada expressed a desire for more leisure facilities, such as bowling, cinemas and theaters (62%). Other desired improvements included:

- More study or workspaces (46%).
- Additional Bars, and nightclubs (38% each).
- More green spaces (30%).

5. Market analysis

5.2 PESTEL analysis

Francis Aguilar is considered the founder of PEST analysis (which was first mentioned as ETPS). Over time, this framework has evolved into several variations, with PESTLE analysis being the most used nowadays. Its acronym stands for Political, Economic, Social, Technological, Legal and Environmental factors. This tool is used to provide information about each of these areas and should be considered in decision-making. Since the market is constantly changing it is crucial to note that this analysis should not be static and instead be revisited and changed to remain effective (Thi et al., 2023).

5.2.1 Political Context

In 2024 Portugal has celebrated its 50th anniversary of democracy. During Estado Novo, before the democracy was installed, Portugal was a very poor country, many people did not have good living conditions, the woman's rights were very behind man's rights, there was no freedom of speech nor freedom of association (Fundação Francisco Manuel dos Santos, 2023).

With the 25th of April in 1974 democracy was implemented and since then, the political field has been dominated by two parties, PS (*Partido Socialista*) and PSD (*Partido Social Democrata*) which are considered central left and central right respectively.

In 2015 with no absolute majority, the PSD government feel, and António Costa (PS) was elected prime minister after a sudden colligation that got known by *Geringonça*.

In the next legislation in 2019, the central left party (PS) got elected once again but in 2021 Portugal faced a political crisis after the disapproval of the state budget. The President Marcelo Rebelo de Sousa announced the dissolution of the Assembly of the Republic which led to new elections. However, the PS was able to win again with absolute majority (Assembleia da República, n.d.).

On the 7th of November of 2023 the prime minister António Costa submitted his resignation. This decision followed the search carried out by the Public Prosecutor's Office at the official residence of the prime minister and other ministries suspected of being involved in corruption. The demission was accepted by the President who scheduled new elections for the 10th of March of 2024.

On the most recent legislative elections, AD (Aliança Democrática) (a colligation between PSD, CDS (*Centro Democrático Social*) and PPM (Partido Popular Monárquico) got the victory even though without absolute majority.

Until this year, the elections in Portugal were characterized by having a very high number of abstinences which took a turn in the last election being the lowest since 1995.

The emergence of CHEGA as the third most voted political force is an unprecedented phenomenon in national politics, symbolizing a clear discontent with traditional parties and a desire of change. This new political group is considered to be on the spectrum of extreme right with populist ideology. The results in this election are in accordance with the rise of the far right that is taken place in Europe.

Currently, the refusal of both the AD and the PS to make understandings with CHEGA created some sense of instability and uncertainty in the country.

5.2.2 Economic Context

The world has faced in 2020 a huge impact due to the pandemic of Covid-19 and Portugal was not excluded, being affected in all sectors. However, in 2024 we can already see recovery from the downfall. According to Banco de Portugal (2024) the country's annual economic growth is projected to reach 2% in 2024, followed by 2.3% in both 2025 and 2026. These estimations are foreseen to surpass the expected growth levels for the Euro zone.

Due to this event, inflation rates rose drastically which led to a continuous increase in the interest rates by BCE (*Banco Central Europeu*) until September 2023. This helped to decrease the inflation that was being faced but in 2024 the interest rates started to decline and are expected to lower even further.

In 2023 the recovery that was more noticeable was within the private consumption which reflected the impact of the lower inflation in the purchasing power of families (Banco de Portugal, 2024).

The inflation in Portugal is expected to decline further, to 2,4% in 2024, 2% in 2025 and 1,9% in 2026 (Banco de Portugal, 2024) which is also the prospects given by the BCE (2024) for the Euro zone.

In 2023 there was a high creation of new jobs which was a contributor for the rise in employment. Consequently, the unemployment rate remained low with numbers close to the ones faced in 2019. This, combined with the increase in salaries, resulted in gains concerning real disposable income in the last three years. Investment in the country continued to grow and the efforts in reducing public and private debt continued (Banco de Portugal, 2024).

In 2023 the medium wage in Portugal reached 1505€ which corresponded to an increase of 6,6% from the previous year (Governo de Portugal, 2024). However, the minimum wage established for 2024 was 820€ with an increase of 60€ (largest increase ever faced). Even though this amount is still

considered insufficient, at the moment it is among the 10 highest minimum wages in the European Union (Governo de Portugal, 2023).

The current government intends to stimulate the income of Portuguese workers, setting the bar for the national minimum wage at 1,000 euros by 2028 while 1750 euros for the medium wage (Santos, 2024)

5.2.3 Social Context

Portugal is known by having a major issue concerning its population aging. There are more elderly than younger people. This can lead to a decline in the overall population over the years and to a decrease in the working age population which could affect the sustainability of public finances as well as the job market. According to Pordata (2024a) in 2022 there were a total of 10.444.242 inhabitants of which 24% had more than 65 years, 63% had between 15 and 64 years and 13% had between 0 and 13 years of age, showing an inverted age pyramid.

It is also important to notice that in Portugal there is another phenomenon that has been more noticeable in the 21st century which is emigration. Between 2001 and 2020 an annual average of more than 75 thousand people has left Portugal. It is estimated that 30% of those born in Portugal between the ages of 15 and 39 have left the country at some point and are currently living abroad (Pires et al., 2023).

Moreover, it is relevant to notice that in the last years, education has become more accessible with evidence that there has been a big decrease of illiterate citizens. According to Pordata (2024b), in 1970 there were 1.795.210 illiterate citizens with 10 or more years compared to 292.809 in 2021. Also, concerning higher education, in 1960 there were 49.065 attendees compared to the 1.782.888 in 2021.

One big tendency that has been intensified mainly due to the pandemic was remote work and digital nomads. With Covid-19 social distancing measures were adopted, with restrictions on movement, closure of offices, schools, colleges, commerce, between others and remote work was the solution found by companies to continue activities during this period. Even after the restrictions were put down, many companies kept the fully remote or hybrid model of work due to a shift of mentality in the market.

5.2.4 Technological Context

During the XXI century Technology had a huge development and it has affected businesses in a major way. Consumers have easier access to companies' products and services, to their reviews, prices, characteristics and are able to compare various options, choosing what best suits their wants and needs. This requires enterprises to be more competitive and give greater importance to the opinions gave by customers.

Also, the new technologies can have a big impact on all stages of a business such as their communication, way of purchasing, and manufacturing which helps companies be more efficient and effective due to sophisticated automation tools and software. Moreover, technology allows greater access to global markets which enables businesses to reach and engage with customers that are beyond traditional geographic limits. Small businesses can now compete on a global scale, and consumers benefit from a wider variety of products and services.

Innovation, driven by technology, is therefore the essence of today's business world. This is linked to all industries, and it must be one of the top business priorities since consumers are constantly looking for a more technological world that can help them automate day-to-day tasks.

5.2.5 Environmental Context

The environmental theme has been one of the main discussions in the last years. Climate change is known worldwide, and it is affecting all countries with changes in weather, rising sea levels and increase in natural disasters. One of the main causes of these changes is the greenhouse gas emissions caused by humans and mainly by companies themselves.

As the problem at hand is being increasingly felt by the population, consumers are getting more environmentally conscious and are demanding more business sustainability which greatly impacts how companies operate.

Improvements can be done by making changes and opting for more sustainable materials, recycle, avoid waste, give preference to sustainable supplies among others.

It is also important to consider that in the EU, it is mandatory that all listed companies disclose information from risks and opportunities perceived within environmental and social matters and what could be the impact of their activities on the surroundings (European Comission, n.d.).

It is also crucial to being updated concerning the European Green Deal which is a growing package of policies that will be implemented with the goal of making the EU climate neutral by 2050.

5.2.6 Legal Context

There is no specific legal framework for this type of business, and it is a subject that has been a theme of discussion in the last years since there are more businesses, within this sector, being created in Portugal (Moreira, 2023). However, the most applicable law is the Decree-Law n.º 14/2022 of 13th January which establishes the regime applicable to the installation and operation of accommodation for higher education students and regulation by the ordinance n.º 35-A/2022 of 14th January.

According to article 2, chapter II this decree-law is applicable for a) the construction of new residential buildings which is the case of this business plan.

Regarding the exact definition of the technical standards that establish the installation and operating conditions that student residentials must comply with, the Decree-Law refers to Ordinance No. 35-A/2022 of 14th January, approved by the Ministry of Science, Technology and Higher Education. It is important to bear in mind these conditions in the course of writing this business plan.

There is no specific license for the operation of accommodation for residences. In this way, any construction, adaptation and renovation works should be classified in accordance with the Legal Regime of Urbanization and Building approved by Decree-Law No. 555/99 of December 16th. Concerning the contracts established with the residents, there are two types of contracts suitable for this situation: of the provision of services, or lease. Nevertheless, the most common one is the contract of provision of services since in the residences there is a set of services that can be provided according to the lawyer Regina Santos Pereira (Moreira, 2023). This contract is not governed by price limits and does not need to follow the restriction on price increases established by lease agreements. It is, however, important to stress that this reality may change very soon due to the controversy it has generated.

In Portugal, after setting up and registering the company, it is necessary to take care of a set of formalities. Depending on the activity chosen, there are general and specific requirements to be met in order to be authorized to carry out the activity.

On the ePortugal portal there is all the information on the licenses and authorizations required to carry out the different types of activities and the contacts of the competent authorities to whom the applications should be addressed.

5.3 Porter's 5 forces analysis

The Five Forces analysis was proposed by Porter (1979) and intends to analyze the attractiveness of a specific industry by evaluating the barriers to entry since new competitors in an industry would intensify rivalry and reduce the average returns earned (Pangarkar & Prabhudesai, 2024).

5.3.1 Threat of new entries – 2 (Low)

The threat of new entrants is influenced by multiple factors. Economies of scale are one of which has a greater impact in the real estate market. Bigger companies can distribute their fixed costs in a more efficient way through the offer of multiple services or even reduce them by being able to purchase in bulk. This factor positively influences the threat of new entrants since smaller companies have more difficulties in competing concerning cost-efficiency.

The need for a higher level of capital is also another critical factor that acts as a barrier to entry. This industry requires a high initial investment which makes access to the market more difficult, reducing the likelihood of new entrants.

In the real estate market, the level of expertise constitutes another very important factor. The industry requires a deep level of knowledge concerning legislation, construction, finances and, in this case, hospitality management as well. This also helps to minimize the entrance of competitors in the market.

Access to government subsidies is not perceived to be very high for both real estate and hospitality industries and the required regulations are usually another barrier to entry.

While providing differentiation in tangible assets in real estate may constitute a challenge, there is more room for innovation concerning intangible assets such as status and branding. This provides some room for new entrants but is still not enough to represent a big threat.

5.3.2 Bargaining power of customers – 1 (very low)

Once everyone needs a place to live, the real estate market has a high level of demand. Taking into consideration the information provided in the Literature review and discussions within the industry, it is possible to understand that there is a high level of demand in comparison to the current supply, weakening the negotiation power of buyers.

Moreover, it is not applicable the possibility to buy in bulk for customers. This condition, along with the fact that The Network Home offers innovative and specific features that cannot be found easily in the market, also reduce the ability of negotiation.

Concerning price sensitivity, housing expenditure takes up a large portion of a person's income. This usually increases the negotiation power of buyers since they will be more selective but due to the shortage of available housing, the same does not have great impact.

5.3.3 Bargaining power of suppliers – 3 (moderate)

There has been an increase of construction companies in the last years but, since there is a shortage of blue-collar professionals the bargaining power of suppliers increases.

Moreover, there are no substitute products or services in the industry, further strengthening this condition.

Switching suppliers would have different costs depending on the type of contract agreed. This can be very expensive, lead to delays or have legal complications.

The two key factors, however, that reduce this negotiation power of suppliers are the low differentiation perceived on the existing products and services provided as well as the codependence of the construction and real estate industries.

5.3.4 Competitive rivalry – 2 (Low)

The real estate industry is perceived as being highly competitive despite the slowdown experienced after the pandemic. The high fixed costs intensify competition since companies need to be able to pay their minimum requirements.

On the other hand, switching suppliers is difficult for customers due to the contracts that are usually established at the beginning preventing customers from non-complying to what was agreed.

The market is not dominated by a few companies which leads to a low market concentration. However, the factor that mostly reduces the industry rivalry is the innovative offer provided by The Network Home, helping it to differentiate itself from competitors.

5.3.5 Threat of substitute products – 3 (moderate)

In relation to substitute products, private homes and traditional room renting have usually higher prices with the perception of lower profitability. Also, the likelihood of this to change is perceived as low which reduces their overall threat.

The major factor that contributes to a somewhat concern is the clear preference for privacy and personal space in Portugal's culture, as it was seen in the survey that was conducted. This means that if there is a reduction in the substitute prices, there is a high chance that customers would consider changing.

5.3.6 Overall industry attractiveness

Taking into consideration the analysis performed, the overall industry attractiveness is rated at 4, meaning that the industry has potential and that entering in the market constitutes a good decision.

5.4 Competitors

To better understand the opportunities and threats for The Network Home it is important to analyze the direct and indirect competitors within the sector.

Considering that the current project was created in order to be an innovation it is important to freeze that there is currently no businesses operating with the same purpose as the one that is being presented in the region of Almada.

5.4.1 Direct Competitors

Direct competitors are those who offer the same products or services as of a certain company. Even though the few that were identified do not offer the same as the project in question, it was identified the Nova School of Science and Technology student residence and Houze FCT Caparica. Also, there is an ongoing project named - Wave campus - that can be a big threat to the business in the future since the project has many similarities. However, the only articles that can be found about this project are from 2021 and looks like there is no updates concerning the conclusion of the project.

5.4.2 Indirect competitors

Indirect competitors are the ones that even though they offer different solutions, they can respond to the needs and wants of the target customers. The ones that were identified are Hotels, full house renting, bedroom renting, Airbnb, hostels and guesthouses.

Even though these businesses do not offer a co-living experience (except the bedroom renting and hostels that do offer that experience, but in an unintentional way) they do provide accommodation which is the core concept of the business.

Figure 5.1 - *Summary of direct and indirect competitors*

	Price	Main characteristics	Advantages	Disadvantages	Important notes
Wave campus	• Target price below 400€ (not yet defined)	• 333 individual studios with private bathroom and kitchen • Common areas within the sports and leisure area • 86 Parking spots • Modern buildings that are environmentally sustainable • Tourism licence	• Low target price • Location (300m from the Nova Business school and near the Beach) • Private bathrooms	• Possible conflict between tourists and residents • Small individual bedrooms (see prototype in annex) • Does not focus on co-living experience and tries to provide accessible housing to students	• No updates of the project since 2021 • Ongoing project with few information
Nova School of Science and Technology student residence Fraústo da Silva	• In 2022/2023 the individual rooms with private bathrooms were 372€ and with shared bathroom 251€ (see full price list in annex)	• Total of 221 beds distributed by different accommodation Typologies • Common spaces such as Kitchen, laundry, living rooms, 3 study rooms, parking	• Multiple accommodation offers • Location (350m from the Nova Business School and near the beach)	• Students only • Limited services • Older facilities • Not focused on the co-living experience	• In the academic year 2023/2024 the residence is closed with no date of opening due to rehabilitation
Houze FCT Caparica	• Price range between 237,50€ - €534	• Total of 4 rooms between single or double inserted in a full house	• Location • Spacious rooms • Rehabilitated facilities • Low price range	• Few rooms (only 4) • Not focused on the co-living experience • No Common Areas like study rooms, leisure spaces etc.	• Very few information on the website, not good marketing, difficult to find (Promoted on the Nova business school)
Hotels	• Price range – 1500€ - 4500€ per month	• 8 hotels within the Almada district listed on Booking	• Staff available all the time, usually high-quality services • Common facilities like restaurants, bars, swimming pool, fitness room.	• High prices • No common kitchen • Usual accommodation type is bedroom with private bathroom or suite, usually does not provide apartments • Main target customers are turists	• Information provided by Booking
Full house renting	• Price range – 700€ - 13 000€	• 173 houses and apartments available	• Full privacy • Many location options	• High prices • No co-living experience • Low renting flexibility • Extra costs (electricity, water, Gas, TV etc.)	• Information provided by the website of Idealista
Bedroom renting	• Price range – 225€ - 990€	• 225 bedrooms for rent	• Low prices	• Low privacy • No services provided like fitness rooms, restaurants, study rooms etc. • Usually, random tenants that can be very different (age difference, work status difference, different objectives etc.) • For lower prices, usually the facilities are very old and deteriorated • Low renting flexibility	• Information provided by the website of Idealista
Hostels	• Price range – 780€ - 3060€	• 12 hostels within the Almada district	• High renting flexibility	• Low security (usually bedroom shared with multiple people) • Low privacy • High prices	• Information provided by Booking

Note. Self-elaboration

6. Internal Analysis

6.2 SWOT analysis

The SWOT analysis is a summary of information concerning internal and external factors which may have an impact on a business (Pickton & Wright, 1998).

Stacey (1993, p.52) (cited by Pickton & Wright, 1998) explains that this tool is a list of a company's strengths, weaknesses (which is related to its internal analysis) and the threats and opportunities (which are related to the external analysis).

Other authors also add that this analysis should be done in comparison to the competitors' characteristics and in accordance to market changes, being the company's priority to seek competitive advantage (Pickton & Wright, 1998).

Figure 6.1 - *SWOT analysis to The Network Home*

Strengths	Weaknesses
• Multiple services offered; • Modern design adapted especially for the needs of the target residents; • Good location; • Proven market acceptance through market research; • Innovative concept within the region • Low competitiveness within the region in question; • High technology focused business; • High environmentally focused business.	• Big seasonality with contracts established with students; • Complex business with multiple services and variables; • Need for a high initial investment; • High infrastructural needs; • There is still some reticence with the concept of co-living (Country with a strong homeownership culture); • High maintenance costs.
Threats	**Opportunities**
• Increasing interest in laws, regulations and licenses for this type of business; • Increasing creation of similar businesses in the country; • High dependance on bureaucracy • Low purchasing power and disposable income; • Tendency of decrease in the youth population.	• Increasing need for accommodation; • Increased interest in the concept of co-living; • Increased number of digital nomads and remote workers; • High pressure for government housing incentives; • Government incentives for entrepreneurs.

Note. Self-elaboration

6.3 VRIO Framework

The resource-based view model is mentioned by Barney and Hesterly (2015) as a tool that defines the tangible and intangible assets that a firm possesses and that can use to achieve a sustainable competitive advantage. These resources and capabilities can be classified into four broad categories: Financial, physical, individual and organizational resources.

Along with this model, comes the VRIO framework which helps to analyze the resources and capabilities identified. To do this, four questions must be answered as is stated by Barney and Hesterly (2015, p. 90):

1. "*The Question of Value*. Does a resource enable a firm to exploit an environmental opportunity and/or neutralize an environmental threat?
2. *The Question of Rarity.* Is a resource currently controlled by only a small number of competing firms?
3. *The Question of Imitability*. Do firms without a resource face a cost disadvantage in obtaining or developing it?
4. *The Question of Organization*. Are a firm's other policies and procedures organized to support the exploitation of its valuable, rare, and costly-to-imitate resources?"

Figure 6.2 - *VRIO framework*

VRIO Framework					
	Is valuable?	Is rare?	Is difficult to imitate?	Is organization organized around?	Competitive implication
Multiple services provided which originates economies of scale and lower prices	Yes	Yes	Yes	Yes	Sustainable competitive advantage
Innovative concept in the region of Almada	Yes	Yes	Yes	Yes	Sustainable competitive advantage
Building and design specifically built to meet the needs of the target audience	Yes	Yes	Yes	Yes	Sustainable competitive advantage
Perfect conditions provided to foster co-working environment with high speed internet and	Yes	Yes	No		Temporary competitive advantage
High level of know-how within hospitality industry	Yes	No			Competitive parity
Possibility to hire premium staff with higher levels of performance and expertise throught higher salaries and conditions	Yes	No			Competitive parity
Customer loyalty - A perfect spot and go-to option for anyone seeking to connect with others while being productive	Yes	Yes	Yes	Yes	Sustainable competitive advantage

Note. Self-elaboration

7. Development of the strategy

7.2 Competitive strategy

To understand competitive strategy, it is important to understand the importance of this topic: “Positioning determines whether a firm’s profitability is above or below the industry average. A firm that can position itself well may earn high rates of return even though industry structure is unfavorable, and the average profitability of the industry is therefore modest” (Porter, 1985, p.11). According to Porter (1985) for a company to achieve an above average performance within an industry it can position itself with three generic strategies: Differentiation, Cost Leadership and Focus which can have two variants, cost focus or differentiation focus.

For this business plan the idea is to position itself as a differentiation focus by choosing to serve a specific group in exclusion of the remaining ones. Also, differentiation will be a priority for positioning within the industry in a way that our customers can perceive and value, choosing aspirational co-living as the goal. However, usually a differentiation strategy is commonly associated with a premium price which will not be exactly the case for this business plan. One of the goals is to offer more accessible prices to positively impact the housing market, but this doesn't mean aiming to provide the lowest prices. Instead, the focus is on balancing affordability with quality.

This point is crucial to highlight and handle carefully because the use of all the strategies simultaneously lead the company to be "stuck in the middle" (Porter, 1985, p.16). This happens when a company tries to engage in multiple strategies but fails to achieve any of them. This is what happens to most companies and leads to below-average performance.

As we will see further ahead in the financial section, although the accommodation service is the central point of this business plan, providing a more affordable service without sacrificing performance will rely heavily on the economies of scale that are expected for The Network Home through the offering of multiple services. Without these economies of scale, this strategy would be unsustainable and likely to fail.

7.3 Mission, Vision and Values

A company's mission statement defines its purpose and answers the question, "Why we exist?" In contrast, the vision statement focuses on the company’s future aspirations, addressing "What do we want to be?" Lastly, the values reflect the core principles guiding the company’s actions, explaining "What we believe in and how will we behave?" (Grant, 2018, p.16).

7.3.1 Mission

The Network Home mission is to create a university feel-like environment with a vibrant atmosphere. It is dedicated to foster meaningful connections and inspire personal and professional growth where its customers can live, learn, have fun and work in a community where they feel integrated and welcomed.

7.3.2 Vision

To be recognized as the best co-living residence among younger generations by delivering outstanding value for money and consistently adapting to emerging trends to meet the evolving needs of our residents.

7.3.3 Values

- *Innovation* – Enhance the living experience by going beyond the accommodation product and focus on a lifestyle that meets the residents' changing needs and keeps up with industry trends;
- *Young spirit* – Foster an environment for young people that combines work with a lot of fun and a feel of freedom where people can discover who they are and where they belong;
- *Practicality and convenience* – Focus on the offering of services and technologies that alleviate residents of daily tasks, enabling them to concentrate on their personal and professional development;
- *Socially and environmentally focused* – Create an exceptional workplace for employees while prioritizing environmental sustainability in every decision;
- *Networking and community* – Foster an environment that promotes collaboration, support, and mutual growth.

7.4 SMART objectives

According to George Doran (1981), the objectives of a company should follow certain characteristics which complete the word S.M.A.R.T.:

Specific → The objective should be detailed and clearly articulated. Define what is meant to be accomplished and which actions need to be taken;

Measurable → The objective needs to be quantified to track the progress and see whether or not it is being met or if other actions need to be taken;

Achievable → It needs to be realistic since it is important to understand our limitations since unrealistic objectives can be demotivators;

Relevant → The objectives should be aligned with the Mission and Vision of the company;

Time-Bound → A deadline should be set in place in order to identify if the objective was successfully achieved or not.

7.4.1 The Network Home objectives

7.4.1.1 Accommodation objectives

- Have an average of 75% of rooms occupation within the first year of operations;
- Have an average period of stay of at least 8 months in the first year;
- Achieve a 5% annual growth in the average occupancy rate for the bedrooms in the first three years of operation.

7.4.1.2 Marketing objectives

- Achieve a total number of followers of 2000 in Instagram in the first 6 months of business;
- Publish at least one publication per day in each social media for the first 6 months of the business;
- Have a conversion rate of 5% in Instagram and 2% on the website at the end of the first year.

7.4.1.3 Financial objectives

- Generate a payback on investment in less than 5 years;
- Have a Gross profit margin of at least 40% at the end of the first year of operations;
- Maintain the % of Cost of goods sold below 30% of net revenue at the end of each year;
- Generate a % of Net profit margin of at least 10% at the end of each year.

7.4.1.4 Human resources objectives

- Establish a reward system of annual bonuses through the evaluation of employees' performance by the end of the first year;
- Conduct at least 3 training courses per year for the first three years of the business;
- Ensure that salaries remain at least 10% higher than the average market for the first 5 years;

- Achieve at least 70% of employee satisfaction by conducting an internal survey each year;
- Provide a minimum of 3 team building sessions per year.

7.4.1.5 F&B objectives

- Have an average food cost below 30% when launching the business;
- Have an average of 80% of occupation within the first year of operations;
- Achieving a 5% annual growth in the average occupancy rate in the first three years of operation.

7.4.1.6 Overall objectives

- Be able to launch the business in 2 years lifetime;
- Accomplish 80% customer satisfaction by the end of the first year of operations;
- Each year introduce at least one major change within the company towards a more environmentally friendly footprint;
- Seek and explore new technological solutions to be implemented within the residence. At least 3 solutions should be incorporated by the end of the third year of operations.

7.5 Target audience

The target audience for The Network Home primarily consists of students, young professionals, digital nomads, and entrepreneurs, typically aged between 18 and 35, from the millennial and Gen Z generations. They value high-quality accommodation but seek affordability and a community-oriented environment.

7.5.1 Millenials

Millennials are known for being the first adopters of technology, particularly the internet, social media, and for being able to quickly adapt to technological changes. They are achievement-oriented but place a high value on work-life balance, often seeking flexible work arrangements that allow them to pursue personal passions and hobbies. With this, they usually look for experiences such as traveling, dining out, and social activities over accumulating material things. They look for environments that foster teamwork and networking. Additionally, this generation tends to delay traditional goals in life, for example homeownership and marriage and rather prioritize their personal development and meaningful experiences (Smith & Nichols, 2015).

7.5.2 Gen Z

This generation is expected to be the main audience for a concept like this. Known for being "digital natives" (McKinsey & Company, 2024, p. 2), Gen Z have grown up in a world that was already fully integrated with technology and with a big online presence. Almost all the aspects of their lives are managed online, from seeking jobs opportunities, dating, making friends, looking for travelling, shopping and so on. As a result, they frequently rely on the internet to research news, reviews, and compare multiple options before making purchasing decisions. Additionally, this generation is recognized for its strong social and environmental consciousness and has a strong need to be inserted in groups. They prioritize diversity, inclusion, and sustainability, valuing green practices and the availability of opportunities to everyone (McKinsey & Company, 2024; Baryła et al., 2024).

8. Business structure and Operations

8.2 Location

Almada has emerged as being very promising with an increase in businesses' creation and investment in real estate. Its proximity to Lisbon, with easy access by train through the *25 de Abril* bridge and a 10-minute boat access, along with the closeness to the beach has made it an attractive destination.

However, the key factor in choosing Almada was the approval of a relatively new project called Innovation District that was presented in 2021. This initiative aims to create a global city that combines an unique and sustainable lifestyle with a private investment of 800 million euros. The project is expected to generate 17.000 jobs, construct 1.000 new housing units, provide a dedicated area of 250.000 m² for new economic activities and 86.000 m² of touristic infrastructure. The goal is to create a new centrality and internationalization of the Lisbon region, contributing to Portugal's economic recovery in a post Covid-19 scenario (Rito, 2021).

Considering the proximity to Nova's campus, the beach area, the accessibility to the center of Lisbon and the location map previewed for the Innovation District project, the ideal location for The Network Home would be in the zone highlighted in blue below in the figure presented in Annex B.

It is important to note that currently there is no prebuilt building with the needed characteristics in this zone, which means that it would be necessary to acquire a plot of land and initiate construction from the ground up.

8.3 Marketing Mix

8.3.1 Product

8.3.1.1 The residence

The building will feature four floors with a hotel-style architecture, with a total space of 5900 m².

- First floor – On this floor, there will be the lobby with the respective reception and offices, the restaurant / bar and the gym. Moreover, here will be located the meeting rooms for the events and two bathrooms;
- Second and Third floors - Each of these floors will include, besides the bedrooms, a kitchen, two locker rooms, a study room, and a living room;

- Top floor – This floor will have the same as the previous ones but without the locker rooms since all the bedrooms here will have private bathrooms.

8.3.1.2 The bedrooms

The residence will offer a total of 240 bedrooms being distributed in 160 single rooms (60 with private bathrooms), 40 twin rooms (20 with private bathrooms), and 40 double rooms (20 with private bathrooms). All bedrooms will be soundproofed to enhance privacy and comfort, particularly given the presence of a restaurant/bar and the existence of events within the building. Each room will also include a desk designed for studying or work.

Single rooms

These 10 m² rooms will feature a single bed and ample built-in storage. Each private bathroom of 6 m² will include a toilet, shower, sink with a mirror, and a small cabinet for storage.

Twin rooms

These rooms of 12 m² will have a bunk bed and are designed for friends that are looking for a less expensive room that they can share. The remaining features will be similar to the ones that constitute the single rooms, but only larger.

Double rooms

These 14 m² rooms are designed for two people and feature a queen-size bed, they were conceived primarily for couples seeking accommodation in a community-oriented residence and will be offering the same amenities as the other rooms but with added space.

8.3.1.3 The meeting rooms

The residence will have one large meeting room that was thought specifically to receive events and lectures and may also be rented out by everyone that may need the space. This 250 m² space will have room for two hundred people, being constituted by two big tables, a projector for presentations, and a whiteboard.

The two smaller meeting rooms, each 12 m², are destined for residents working on smaller projects that need some privacy and can be reserved at any time. They will include a small table and seating for eight people, along with a whiteboard for presentations.

8.3.1.4 The study rooms

There will be three 30 m² study rooms that will be located on the top floors of the residence, and they are destined for quiet study or work. These spaces are ideal for residents who want to be studying or working alongside their friends while maintaining a focus on silence and concentration.

8.3.1.5 The living rooms

These 60 m² social rooms will be present on each floor and they will allow residents to have an inviting space to relax and socialize. Each room will have comfortable sofas, tables, ping pong tables, a snooker table, and foosball. Moreover, board games will be available to encourage residents to reunite and enjoy some time together.

8.3.1.6 The kitchens

Each floor will feature a spacious 130 m² kitchen that will be equipped with multiple stoves, ovens, and big counter space for meal preparation. Also, other equipments such as shared fridges, personal storage for each room and multiple tables will be available.

8.3.1.7 The restaurant / Bar

The restaurant will be located on the first floor with direct access to the street since the idea is to also be able to host external customers. The goal is to be the first choice for students and younger people to hang out with their group, socialize and have fun. The intention is to provide a relaxing environment, meant for groups, where people can have good laughs, share food with friends and meet new people. At night the place would be transformed into a bar for the customers to have some drinks and listen to some live music while each friday night the space would turn into a nightclub meant for dancing.

The restaurant of 300 m² would have a total of 104 seats in around 20 tables of 4 and 4 built in sofas in a C shape with 6 seats and during the bar and nightclub time the space will be able to accommodate 400 people.

Technical sheets for each meal and drink were created (see Annex C) to provide a clearer understanding of pricing, costs, and other relevant details. These sheets provide more realistic information to support financial calculations and ensure more accurate projections for the business plan. All the dishes as well as the drinks on the menu were carefully chosen to be in accordance with the concept designed to bring people together through shared meals from different cultures.

8.3.1.8 The lobby

Just like the restaurant, the lobby intends to be accessible to anyone who would like to stay in the space, even without making a purchase. The goal is to provide a soft, easy-going, cozy and relaxing atmosphere where people can hang out but mainly study or work.

The 150 m² lobby will have a direct access to the restaurant so that people can drink some hot drinks or snacks if they desire. In this space there will be multiple sofas and tables so that people spend as much time as needed. It is very important that this area is well prepared in terms of comfort, electrical plugs and lighting to provide the perfect conditions for productivity and concentration.

8.3.1.9 The Gym

The 200 m² gym will be rented to a well-known gym chain where the management is handled by the partner. The place will also have direct access to the street and special offers will be made for the residents, allowing them to be able to attend the space with a few minutes of walking distance, saving time in their day-to-day basis.

This service is seen as crucial for the business in question and for the lifestyle that wants to be promoted since exercise is crucial in maintaining good physical and mental health, contributing for better academic and work results.

8.3.2 Price

According to the information provided by the Observatório do Alojamento Estudantil (n.d.) the mean price practiced in the district of Almada (bedrooms in private houses, residences among other room renting options available for students) with expenses included is 433€, with only 78 rooms available.

As it was stated previously, the residence intends to provide a specialized product for a specific target while practicing more affordable prices.

Considering the current market rates within the region of Almada, the business model in question and the results obtained from the survey, the following prices were determined:

Figure 8.1 - *Bedroom prices per typology for the first year of operations*

Room Typology	Price / month
Single room 10 m2 without private bathroom	290,00 €
Single room 10m2 with private bathroom of 6m2	370,00 €
Twin room 12m2 without private bathroom	360,00 €
Twin room 12m2 with private bathroom of 6m2	460,00 €
Double room 14m2 without private bathroom	430,00 €
Double room 14m2 with private bathroom of 6m2	550,00 €

Note. Self-elaboration

For the housekeeping services, the following prices were determined based on the cost per room and market prices.

Figure 8.2 - *Housekeeping services prices for first year of operations*

Cleaning services	Price
Monthly fee	32 €
Sporadic cleaning	10 €

Note. Self-elaboration

8.3.3 Place

8.3.3.1 Website

In marketing, Place refers to the location where a product is displayed and sold. For this business plan, a website will be developed where potential clients can explore the residence's services, room options and detailed information about the amenities provided. Through the website, customers will have the option to book rooms online or get in touch with the staff via email or phone to expose their questions.

8.3.3.2 Idealista

Additionally, advertisements will be created on the Idealista, one of the most popular platforms for housing in Portugal. This website is cost-free and offers a lot of exposure since it becomes very easy to find for those searching for accommodation.

8.3.3.3 Google maps

It is also crucial to establish a presence on Google Maps, which will allow potential residents and visitors to easily find the residence and the restaurant. This is also cost-free, enhances visibility and can include links that direct to the official website.

8.3.4 Promotion

Taking into consideration the target audience of The Network Home, the promotion of the product will rely heavily on social media, with the advantage that it is is almost cost-free and of easy access.

Across the platforms that will be mentioned below it is important to freeze that the feeling that wants to be transmitted in all the advertisements should be in accordance with the values outlined.

8.3.4.1 Instagram

According to a study by Marktest (Martins, 2023), this platform is the most used by the target audience in Portugal. In this social media, there is a focus on photos, reels and stories where the goal is to provide fast, succinct and engaging content to keep the users curious and with an eagerness to know more. The strategy here will be to publish daily content, including small videos of the facilities, the events or parties that will be fostered in the future and testimonials from current residents. This constant posting aims to build a brand presence in the customer's mind and incentivize engagement.

8.3.4.2 Youtube

This platform is the second most used within the target audience (Marktest, 2023, cited by Martins, 2023), and allows to share more detailed content through longer videos. In here, it is possible to include virtual tours of the residence to provide a more realistic feeling of the environment, expose interviews performed to the residents, highlights of the events that where hosted and recordings of workshops or educational topics that were done.

8.3.4.3 TikTok

This social media has seen a very fast growth in the last years within the younger generations. Nowadays almost every person within the Millenials and Gen Z generations have heard about the platform, with Gen Z to be part of 60% of the total user base (McKinsey & Company, 2024). On TikTok is possible to watch a never-ending display of short videos (similar to Instagram reels) and perfect aligns

with the message that wants to be transmitted: Youthfulness, a lot of fun and a sense of togetherness, allowing to showcase content in a more creative and entertaining way.

8.3.4.4 Higher education institutions

Lastly, it is also crucial to get in contact with the higher institutions within the location of Almada since they can recommend the residence on their websites and provide information to students that are looking for accommodation. This partnership would provide higher credibility to the business and help to position itself as a trusted housing choice in the area.

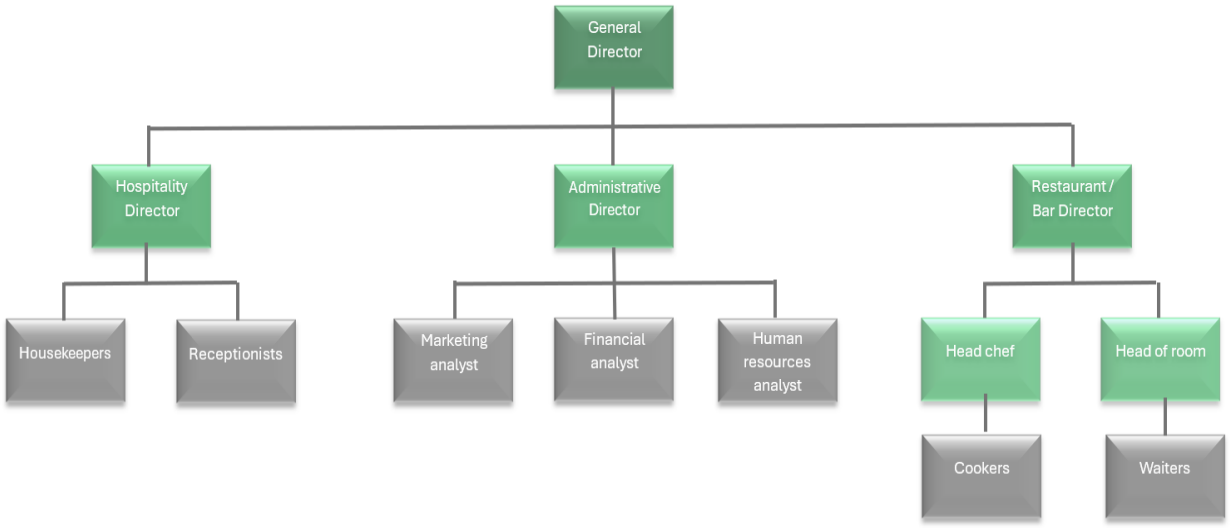
8.4 Business Structure

8.4.1 Job descriptions and organizational chart

- **General Director:** The General Director will oversee all business operations, lead the company, and implement the overall strategy. He will also be the direct contact to stakeholders, keep track of industry trends and analyze the company's overall performance;
- **Hospitality Director:** Will be responsible for managing the hospitality activities of the residence, including reception and housekeeping. He will monitor the service quality, keep track of sales, provide regular reports while also identifying areas for improvement;
- **Administrative Director:** Will manage the finance, marketing, and human resources department. Responsibilities include supervising and make the necessary changes for the marketing strategy, keep track of the financial performance of the business and human resources operations;
- **Restaurant/Bar Director:** Responsible for menu implementation, coordinating staff, analyze key performance indicators (KPIs) and for the logistics concerning the restaurant and bar;
- **Housekeepers:** These workers will be responsible for cleaning the residents' rooms and common areas of the residence;
- **Receptionists:** Responsible for answering the resident's daily needs, managing meeting room bookings, handling phone calls, provide information when necessary and grant security through the monitoring of entrances and exits of the residence;
- **Marketing Analyst**: This specialist will prepare reports to be presented, illustrating data graphically and translating complex findings into written text. He will also collect and analyze data on customer demographics, preferences, needs, and buying habits;

- **Financial Analyst:** This analyst will be responsible for all the processes related to financial activity, including the receivable of payment for the services provided and also process supplier payments. Additionally, he will generate reports with data to support the director's decision-making;
- **Human resources analyst:** Will be responsible for tracking employee satisfaction, planning team building activities, be in charge of the hiring process and paperwork, address employees complains and process salary payments.
- **Head Chef:** This chef will ensure sanitarian practices and ensure that employees follow regulations. He will also be responsible for managing inventory, supervise and guide the kitchen staff while actively participating in food preparation;
- **Head of room:** He will be responsible for the management of the dining room staff, organize the place, keep track of restaurant inventory, manage customers' complaints and schedule reservations;
- **Cookers:** These employees will be responsible for the cooking of the food served in the restaurant and respond to the Head chef instructions;
- **Waiters:** They will be the ones providing the service to the customers by taking their orders and communicating directly with the kitchen;
- **Bartenders:** Lastly, these workers will be responsible for the preparation and serving of drinks during bar and nightclub time while maintaining a clean and organized area

Figure 8.3- *Organization chart*



Note. Self-elaboration

8.4.2 Headcount and Salaries

When considering the costs that the business will incur it is important to take into consideration the expenses related to staff since this is usually the highest cost supported by companies.

In Portugal, organizations must pay 23,75% of social security, insurance compensation and even though, not mandatory, meal subsidies. In the case of this project, since there is a restaurant, meals will be provided, which eliminates this cost.

Insurance costs vary based on the evaluation made by the insurance companies taking into account the number of workers and the risk level of the job. For the purpose of this analysis, the cost assumed for the annual insurance will be equal to one month salary per year for a worst-case scenario.

Additionally, in Portugal employers pay in a year a total of 14 salaries that include vacations and Christmas compensation.

The base salaries that can be seen in Annex E for each role were determined by analyzing the average value that is currently being offered in the market and then adding a premium to it. It is thought that employees who feel valued and satisfied are more likely to perform at their best and foster a positive employer-employee relationship.

Moreover, assumptions used to make calculations for the necessary staff can be seen in Annex F for a better understanding.

9. Financial evaluation

In this chapter the financial analysis of the project is performed to assess its feasibility. Multiple assumptions were made to perform the necessary calculations, which are detailed in Annex G and year 0 was divided into Y00 and Y0 for a better understanding of the timeline.

9.2 Initial Investment

The initial investment of 7,230,863€ detailed in the table below is a summary of all the materials, land and construction that will be needed to start the business. All the furniture information, with costs and quantity considered for these final values, is displayed in Annex H. The prices assumed were made according to the information provided by some suppliers and others through websites of furniture companies. For the cases where it would be bought big quantities, a discount of 20% was considered since it would be possible to negotiate the price with the suppliers for buying in bulk.

Figure 9.1 - *Initial investment*

Infrastructural	
Land	1 000 000,00 €
Building construction	5 700 000,00 €
Rooms	
Bedrooms	162 440,00 €
Private bathrooms	75 500,00 €
Common areas	
Meeting rooms	10 400,00 €
Kitchens	93 849,00 €
Study rooms	1 020,00 €
Living rooms	18 400,00 €
Locker rooms	5 720,00 €
Lobby	17 000,00 €
Common areas decorations	15 000,00 €
Laundry rooms	5 400,00 €
Restaurant/ Bar	
Restaurant room	60 434,00 €
Employee's working tools	
Restaurant/bar	42 500,00 €
Administration and reception	15 800,00 €
Housekeeping	2 400,00 €
Uniforms	5 000,00 €
Total	7 230 863,00 €

Note. Self-elaboration

9.2.1 Depreciations and amortizations

Depreciation is a term used in accounting to calculate the loss of value and wear of a tangible asset over its useful life. Amortization has the same concept but applies to intangible assets.

In the table below it is exposed the depreciations and amortizations for the different assets that will be purchased in accordance with the Regulatory Decree currently in force, DR 25/2009.

Figure 9.2 - *Depreciation and Amortizations per typology*

Depreciation and Amortization				
Typology	Initial value	Depreciation % / yea	Life span	Depreciation / yea
Building	5 700 000,00 €	5,0%	20	285 000,00 €
Furniture	290 276,00 €	12,5%	8	36 284,50 €
Clothes and sheets	27 740,00 €	50,0%	2	13 870,00 €
Blankets	5 700,00 €	20,0%	5	1 140,00 €
Glasswear	22 214,00 €	33,3%	3	7 403,93 €
Decorations	35 700,00 €	25,0%	4	8 925,00 €
Kitchen miscellaneous	26 620,00 €	25,0%	4	6 655,00 €
Computers	14 600,00 €	33,3%	3	4 866,18 €
Heavy machines	94 813,00 €	12,5%	8	11 851,63 €
Printers	1 600,00 €	14,28%	7	228,48 €
Phones	6 400,00 €	20,0%	5	1 280,00 €
Music system	10 000,00 €	20,0%	5	2 000,00 €
Software	20 000,00 €	10,0%	10	2 000,00 €
Total				381 504,71 €

Note. Self-elaboration

9.3 Forecast for sales

The renting growth in real estate in the district of Almada in the last 5 years was 1,6% between 2019 and 2020, -1,1% between 2020 and 2021, 2,1% between 2021 and 2022, 25,4% between 2022 and 2023 and 13,8% between 2023 and 2024. Taking this data into account it was determined that the price growth for the bedrooms renting, per year would be 8%. It is important to note that this growth is very feasible taking into consideration that this period includes the pandemic which has led to a recession in the real estate prices (growth in 2017 of 19,2%; 2018 of 26,6% and 2019 of 13,4%) (Idealista, n.d.). This rate was also considered for the gym prices since it is also related to real estate.

For the remaining sales, namely housekeeping, restaurant and bar, the price growth percentage that was assumed was equal to the expected inflation of 2%.

9.3.1 Bedroom sales

The occupancy rate per room considered was in accordance with the answers obtained from the survey. However, since the number of available rooms of each typology is different, whenever the percentage of preference incurred in a higher number of rooms occupied than the ones that exist, the remaining rooms were attributed to the single room typology without private bathroom.

Figure 1.3 - *Bedroom sales forecast*

Rooms Nº		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
	Average Total occupancy rate	75,0%	80,0%	85,0%	85,0%	85,0%	85,0%	85,0%	85,0%	85,0%	85,0%
	Average total rooms occupied	180	192	204	204	204	204	204	204	204	204
100	Single room without private bathroom										
	Average occupancy rate	33%	37%	40%	40%	40%	40%	40%	40%	40%	40%
	Number os rooms occupied	59	71	82	82	82	82	82	82	82	82
	Total sales	205 320 €	266 846 €	332 844 €	359 471 €	388 229 €	419 287 €	452 830 €	489 057 €	528 181 €	570 436 €
60	Single room with private bathroom										
	Average occupancy rate	33%	31%	29%	29%	29%	29%	29%	29%	29%	29%
	Number os rooms occupied	60	60	60	60	60	60	60	60	60	60
	Total sales	266 400 €	287 712 €	310 729 €	335 587 €	362 434 €	391 429 €	422 743 €	456 563 €	493 088 €	532 535 €
20	Twin room without private bathroom										
	Average occupancy rate	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
	Number os rooms occupied	6	6	6	6	6	6	6	6	6	6
	Total sales	25 920 €	27 994 €	30 233 €	32 652 €	35 264 €	38 085 €	41 132 €	44 422 €	47 976 €	51 814 €
20	Twin room with private bathroom										
	Average occupancy rate	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
	Number os rooms occupied	15	15	16	16	16	16	16	16	16	16
	Total sales	82 800 €	89 424 €	103 016 €	111 258 €	120 158 €	129 771 €	140 153 €	151 365 €	163 474 €	176 552 €
20	Double room without private bathroom										
	Average occupancy rate	11%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Number os rooms occupied	20	20	20	20	20	20	20	20	20	20
	Total sales	103 200 €	111 456 €	120 372 €	130 002 €	140 402 €	151 635 €	163 765 €	176 867 €	191 016 €	206 297 €
20	Double room with private bathroom										
	Average occupancy rate	11%	10%	10%	10%	10%	10%	10%	10%	10%	10%
	Number os rooms occupied	20	20	20	20	20	20	20	20	20	20
	Total sales	132 000 €	142 560 €	153 965 €	166 282 €	179 585 €	193 951 €	209 467 €	226 225 €	244 323 €	263 869 €
TOTAL SALES		815 640 €	925 992 €	1 051 160 €	1 135 252 €	1 226 073 €	1 324 158 €	1 430 091 €	1 544 498 €	1 668 058 €	1 801 503 €

Note. Self-elaboration

9.3.2 Housekeeping sales

According to the survey, the number of rooms that would request a cleaning service for a fee would be 42%, which will be the percentage used for calculations concerning sales for housekeeping services. Sporadic cleaning services requests were not considered.

Figure 9.4 - *Housekeeping sales forecast*

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Total of rooms occupied	180	192	204	204	204	204	204	204	204	204
Percentage of rooms with monthly cleaning servi	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%
Total of rooms with monthly cleaning service	76	81	86	86	86	86	86	86	86	86
TOTAL SALES	29 030 €	31 585 €	34 230 €	34 915 €	35 613 €	36 325 €	37 052 €	37 793 €	38 549 €	39 320 €

Note. Self-elaboration

9.3.3 Restaurant sales

To perform calculations, it was considered the expected occupancy for the restaurant and the preferences of the clients based on the survey performed. For the shared plates, the number of clients sharing each meal was estimated based on the guidelines provided on the technical sheets (see Annex C).

Below is a simplified version of the sales (for detailed version, see Annex I).

Figure 9.5 - *Restaurant sales forecast*

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Total possible meals	151840	151840	151840	151840	151840	151840	151840	151840	151840	151840
Total occupancy rate	80%	85%	90%	90%	90%	90%	90%	90%	90%	90%
Total meals provided	121472	129064	136656	136656	136656	136656	136656	136656	136656	136656
Dishes to share sales	837 752 €	907 914 €	980 547 €	1 000 158 €	1 020 161 €	1 040 564 €	1 061 375 €	1 082 603 €	1 104 255 €	1 126 340 €
Single plates sales	1 141 837 €	1 237 466 €	1 336 463 €	1 363 192 €	1 390 456 €	1 418 265 €	1 446 630 €	1 475 563 €	1 505 074 €	1 535 176 €
Desert sales	470 097 €	509 467 €	550 225 €	561 229 €	572 454 €	583 903 €	595 581 €	607 492 €	619 642 €	632 035 €
Alcoholic beverages	583 066 €	631 897 €	682 449 €	696 098 €	710 020 €	724 220 €	738 705 €	753 479 €	768 549 €	783 920 €
Non- alcoholic beverages	346 195 €	375 189 €	405 204 €	413 308 €	421 574 €	430 006 €	438 606 €	447 378 €	456 326 €	465 452 €
Hot beverages	216 220 €	234 329 €	253 075 €	258 136 €	263 299 €	268 565 €	273 936 €	279 415 €	285 003 €	290 703 €
TOTAL SALES	3 595 166 €	3 896 261 €	4 207 962 €	4 292 122 €	4 377 964 €	4 465 523 €	4 554 834 €	4 645 930 €	4 738 849 €	4 833 626 €

Note. Self-elaboration

9.3.4 Bar sales

The calculations for bar sales were performed considering the space capacity, the drinking preferences obtained from the survey and occupancy rate equal to the restaurant.

Figure 9.6 - *Bar sales forecast*

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Total possible clients	146000	146000	146000	146000	146000	146000	146000	146000	146000	146000
Total occupancy rate	80%	85%	90%	90%	90%	90%	90%	90%	90%	90%
Total clients according to occupancy	116800	124100	131400	131400	131400	131400	131400	131400	131400	131400
Rate of clients drinking 1 beverage	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
Total of drinks sold	28032	29784	31536	31536	31536	31536	31536	31536	31536	31536
Total sales	262 800 €	284 810 €	307 594 €	313 746 €	320 021 €	326 421 €	332 950 €	339 609 €	346 401 €	353 329 €
Rate of clients drinking 2 beverage	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%
Total of drinks sold	67744	71978	76212	76212	76212	76212	76212	76212	76212	76212
Total sales	635 100 €	688 290 €	743 353 €	758 220 €	773 384 €	788 852 €	804 629 €	820 722 €	837 136 €	853 879 €
Rate of clients drinking 3 beverage	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%
Total of drinks sold	63072	67014	70956	70956	70956	70956	70956	70956	70956	70956
Total sales	591 300 €	640 821 €	692 087 €	705 929 €	720 047 €	734 448 €	749 137 €	764 120 €	779 402 €	794 991 €
Rate of clients drinking 4 beverage	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Total of drinks sold	7012	7450	7888	7888	7888	7888	7888	7888	7888	7888
Total sales	65 738 €	71 241 €	76 938 €	78 476 €	80 046 €	81 647 €	83 280 €	84 945 €	86 644 €	88 377 €
Rate of clients drinking 5 beverage	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Total of drinks sold	11680	12410	13140	13140	13140	13140	13140	13140	13140	13140
Total sales	109 500 €	118 671 €	128 164 €	130 728 €	133 342 €	136 009 €	138 729 €	141 504 €	144 334 €	147 220 €
TOTAL SALES	1 664 438 €	1 803 832 €	1 948 136 €	1 987 099 €	2 026 841 €	2 067 378 €	2 108 725 €	2 150 900 €	2 193 918 €	2 237 796 €

Note. Self-elaboration

9.4 Forecast of expenses

9.4.1 F&B costs

The calculations performed were made with the same criteria used for the sales forecast but based on the cost assumed on the technical sheets of each plate and drink (see Annex J). For the F&B costs, a discount of 15% over the prices seen in big supermarket chains was applied for the purchase in bulk.

Figure 9.7 - *Restaurant costs forecast*

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Total possible meals	151840	151840	151840	151840	151840	151840	151840	151840	151840	151840
Total occupancy rate	80%	85%	90%	90%	90%	90%	90%	90%	90%	90%
Total meals provided	121472	129064	136656	136656	136656	136656	136656	136656	136656	136656
Dishes to share sales	205 549 €	222 764 €	240 585 €	245 396 €	250 304 €	255 310 €	260 417 €	265 625 €	270 937 €	276 356 €
Single plates sales	299 939 €	325 059 €	351 063 €	358 084 €	365 246 €	372 551 €	380 002 €	387 602 €	395 354 €	403 261 €
Desert sales	54 784 €	59 372 €	64 122 €	65 404 €	66 712 €	68 047 €	69 407 €	70 796 €	72 212 €	73 656 €
Alcoholic beverages	52 658 €	57 068 €	61 634 €	62 866 €	64 124 €	65 406 €	66 714 €	68 049 €	69 410 €	70 798 €
Non- alcoholic beverages	41 070 €	44 509 €	48 070 €	49 031 €	50 012 €	51 012 €	52 033 €	53 073 €	54 135 €	55 217 €
Hot beverages	16 095 €	17 443 €	18 838 €	19 215 €	19 600 €	19 992 €	20 391 €	20 799 €	21 215 €	21 639 €
Total Costs	670 094 €	726 215 €	784 312 €	799 998 €	815 998 €	832 318 €	848 964 €	865 944 €	883 262 €	900 928 €

Note. Self-elaboration

Figure 9.8 - *Bar costs forecast*

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Total possible clients	146000	146000	146000	146000	146000	146000	146000	146000	146000	146000
Total occupancy rate	80%	85%	90%	90%	90%	90%	90%	90%	90%	90%
Total clients according to occupanc	116800	124100	131400	131400	131400	131400	131400	131400	131400	131400
Rate of clients drinking 1 beverage	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
Total of drinks sold	28032	29784	31536	31536	31536	31536	31536	31536	31536	31536
Total cost	20 954 €	22 709 €	24 526 €	25 016 €	25 516 €	26 027 €	26 547 €	27 078 €	27 620 €	28 172 €
Rate of clients drinking 2 beverage	29%	29%	29%	29%	29%	29%	29%	29%	29%	29%
Total of drinks sold	67744	71978	76212	76212	76212	76212	76212	76212	76212	76212
Total cost	50 639 €	54 880 €	59 270 €	60 455 €	61 665 €	62 898 €	64 156 €	65 439 €	66 748 €	68 083 €
Rate of clients drinking 3 beverage	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%
Total of drinks sold	63072	67014	70956	70956	70956	70956	70956	70956	70956	70956
Total cost	47 146 €	51 095 €	55 182 €	56 286 €	57 412 €	58 560 €	59 731 €	60 926 €	62 144 €	63 387 €
Rate of clients drinking 4 beverage	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Total of drinks sold	28032	29784	31536	31536	31536	31536	31536	31536	31536	31536
Total cost	20 954 €	22 709 €	24 526 €	25 016 €	25 516 €	26 027 €	26 547 €	27 078 €	27 620 €	28 172 €
Rate of clients drinking 5 beverage	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Total of drinks sold	11680	12410	13140	13140	13140	13140	13140	13140	13140	13140
Total cost	8 731 €	9 462 €	10 219 €	10 423 €	10 632 €	10 844 €	11 061 €	11 283 €	11 508 €	11 738 €
TOTAL COST	148 424 €	160 854 €	173 722 €	177 197 €	180 741 €	184 356 €	188 043 €	191 804 €	195 640 €	199 552 €

Note. Self-elaboration

9.4.2 Staff expenses

To maintain an environment of happiness and employee satisfaction within the company, regular salary increases were considered. An average salary growth of 3% was assumed, which is above the inflation rate but below the projected increase in sales for the first years.

After performing calculations, it was determined that in 2027 it would be necessary to hire one more cook and waiter to cope with the increase in sales while still providing a good quality service. In-depth calculations can be found in Annex K.

Figure 9.9 - *Staff costs forecast*

	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
TOTAL COST	110 561 €	849 364 €	874 234 €	899 851 €	926 236 €	953 412 €	981 404 €	1 010 236 €	1 039 932 €	1 070 520 €	1 102 025 €

Note. Self-elaboration

9.4.3 Housekeeping costs

Figure 9.10 - *Housekeeping costs forecast*

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Total of rooms occupied	180	192	204	204	204	204	204	204	204	204
Percentage of rooms with monthly cleaning	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%
Total of rooms with monthly cleaning servic	76	81	86	86	86	86	86	86	86	86
TOTAL COST	5 443 €	5 922 €	6 418 €	6 547 €	6 677 €	6 811 €	6 947 €	7 086 €	7 228 €	7 372 €

Note. Self-elaboration

9.4.4 Other Costs

These costs include all the expenses with water, electricity and gas that the residence will be having with the bedrooms, with all the meals and beverages provided and with the common areas. Here it was also included costs like internet connection, softwares licences that will be used, maintenance of equipment, office and cleaning materials for the common areas and marketing costs.

It was also included a cost for unexpected expenses for charges or services that may arise.

Taking into consideration the marketing strategy, the calculations for the expected investment were performed and can be seen in Annex D. These calculations assumed that the cost of Google ads per click would be 1€ and the conversion rate for the website and Instagram would be 5% and 2% respectively. Moreover, it was assumed that those who visited the website would more likely be looking to rent a room while those who visited Instagram were more inclined to check information about the restaurant.

Figure 9.11 - *Other variable and fixed costs forecast*

	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Inflation			2%	2%	2%	2%	2%	2%	2%	2%	2%
Total clients in rooms occupied		241	253	266	266	266	266	266	266	266	266
Total plates + beverages provided		624421	663447	702473	702473	702473	702473	702473	702473	702473	702473
Water price / meal		0,0020 €	0,0020 €	0,0021 €	0,0021 €	0,0022 €	0,0022 €	0,0023 €	0,0023 €	0,0023 €	0,0024 €
Total Water Restaurant and bar		1 249 €	1 353 €	1 462 €	1 491 €	1 521 €	1 551 €	1 582 €	1 614 €	1 646 €	1 679 €
Water cost / client		17,00 €	17,34 €	17,69 €	18,04 €	18,40 €	18,77 €	19,14 €	19,53 €	19,92 €	20,32 €
Total water / rooms / client		49 164 €	52 644 €	56 456 €	57 585 €	58 737 €	59 912 €	61 110 €	62 332 €	63 579 €	64 851 €
Electricity + Gas price / meal		0,36816 €	0,37552 €	0,38303 €	0,39069 €	0,39851 €	0,40648 €	0,41461 €	0,42290 €	0,43136 €	0,43999 €
Total Electricity + Gas Restaurant and bar		229 887 €	249 140 €	269 071 €	274 452 €	279 941 €	285 540 €	291 251 €	297 076 €	303 018 €	309 078 €
Electricity + Gas / client		35,00 €	35,70 €	36,41 €	37,14 €	37,89 €	38,64 €	39,42 €	40,20 €	41,01 €	41,83 €
Total electricity / room / client		101 220 €	108 385 €	116 233 €	118 558 €	120 929 €	123 348 €	125 815 €	128 331 €	130 898 €	133 516 €
Total variable costs	- €	381 520 €	411 523 €	443 222 €	452 087 €	461 129 €	470 351 €	479 758 €	489 353 €	499 140 €	509 123 €
Internet		3 600 €	3 672 €	3 745 €	3 820 €	3 897 €	3 975 €	4 054 €	4 135 €	4 218 €	4 302 €
Common areas water		6 000 €	6 120 €	6 242 €	6 367 €	6 495 €	6 624 €	6 757 €	6 892 €	7 030 €	7 171 €
Common areas electricity		12 000 €	12 240 €	12 485 €	12 734 €	12 989 €	13 249 €	13 514 €	13 784 €	14 060 €	14 341 €
Office and cleaning materials		12 000 €	12 240 €	12 485 €	12 734 €	12 989 €	13 249 €	13 514 €	13 784 €	14 060 €	14 341 €
Maintenance		180 000 €	183 600 €	187 272 €	191 017 €	194 838 €	198 735 €	202 709 €	206 763 €	210 899 €	215 117 €
Insurance	1 000 €	1 000 €	1 020 €	1 040 €	1 061 €	1 082 €	1 104 €	1 126 €	1 149 €	1 172 €	1 195 €
Unexpected costs	40 000 €	120 000 €	122 400 €	124 848 €	127 345 €	129 892 €	132 490 €	135 139 €	137 842 €	140 599 €	143 411 €
Marketing expenses	77 827 €	196 138 €	212 457 €	229 349 €	233 933 €	238 607 €	243 372 €	248 232 €	253 186 €	258 239 €	263 390 €
Total fixed costs	118 827 €	530 738 €	553 749 €	577 467 €	589 013 €	600 788 €	612 798 €	625 045 €	637 537 €	650 276 €	663 268 €
TOTAL OTHER COSTS	118 827 €	912 257 €	965 272 €	1 020 689 €	1 041 100 €	1 061 917 €	1 083 149 €	1 104 804 €	1 126 890 €	1 149 416 €	1 172 391 €

Note. Self-elaboration

9.5 Financing

Given the high level of investment required, this business plan cannot be fully funded through equity alone and will need to rely heavily on leverage. However, as noted in the literature review, a well-constructed business plan can be instrumental in securing funding proposals from various sources which means that this funding section of the plan is flexible and subject to change based on the proposals that can be received in a later stage. For financial calculations, market estimates have been used to create the most realistic scenario as possible.

The amount that would be needed for the business to begin its activity would consist of the amount necessary for the initial investment, some of the costs that will be incurred at the end of Y0 (for example to early hiring of staff), for the fixed costs expected for Y1 and for the payment of interest during grace period which would totalize 10.000.000€.

Only 200.000€ would be equity from the Owner while the remaining 9.800.000€ would be financed. This financing won't be taken at the same time since it takes into consideration the process of construction and the actual beginning of activity.

For this loan, it was considered the option of investment from Millenium called *Linha BPF Invest EU* where 2 credits could be requested for a total of 7.000.000€. In this case it was assumed the maximum spread possible of 4,338% to present a more conservative scenario.

For the remaining capital needed of 2,800,000, a crowdfunding financing was chosen.

Figure 9.12 - *Financing sources*

	Linha BPF Invest EU - PME - Investimento	Linha BPF Invest EU - PME - Fundo de maneio	Crowdfunding
Financing amount	5M	2M	2,8M
Begining of financing	Y00	Y1	Y0
Duration/Months	144	48	36
TAE (Euribor 6 months)	9,058%	9,058%	
TANB	9,176%	9,176%	14%
Grace period / month (Interest + Capital)	24	-	-
Grace period / month (only Interest)	-	12	12
Regularity of payments	Monthly	Monthly	Monthly
Spread	4,338%	4,338%	

Note. Self-elaboration

To better understand the installments that will be made over time in accordance with each financing typology, the table in Annex X was constructed.

9.6 Financial statements

To elaborate the financial statements, some additional calculations had to be done such as the investment made over the course of the project, the Working Capital needed and the expected safety stock that would be necessary. These maps can be found in Annex L.

The financial statements are reports that summarize the activity and financial performance of a business, usually prepared at the end of each accounting year. They are helpful in having an overview of the current situation of a company, support decision-making and to present information to investors.

9.6.1 Income statement

The income statement, also known as Profit and Loss, is constructed to understand how the net revenue is generated and used in a company over a specific period of time, usually being one year. By subtracting all the expenses to the revenue generated it is possible to infer conclusions on whether the business has incurred in a Profit or Loss.

Figure 9.13 - *Income statement*

Income statement												
€ in actual figures	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Sales revenue												
Bedroom rents		0 €	0 €	815 640 €	925 992 €	1 051 160 €	1 135 252 €	1 226 073 €	1 324 158 €	1 430 091 €	1 544 498 €	1 668 058 €	1 801 503 €
Housekeeping service		0 €	0 €	29 030 €	31 585 €	34 230 €	34 915 €	35 613 €	36 325 €	37 052 €	37 793 €	38 549 €	39 320 €
Restaurant		0 €	0 €	3 595 166 €	3 896 261 €	4 207 962 €	4 292 122 €	4 377 964 €	4 465 523 €	4 554 834 €	4 645 930 €	4 738 849 €	4 833 626 €
Bar		0 €	0 €	1 664 438 €	1 803 832 €	1 948 136 €	1 987 099 €	2 026 841 €	2 067 378 €	2 108 725 €	2 150 900 €	2 193 918 €	2 237 796 €
Other income		0 €	0 €	24 000 €	25 920 €	27 994 €	30 233 €	32 652 €	35 264 €	38 085 €	41 132 €	44 422 €	47 976 €
Net revenue		**0 €**	**0 €**	**6 128 274 €**	**6 683 590 €**	**7 269 482 €**	**7 479 621 €**	**7 699 142 €**	**7 928 649 €**	**8 168 787 €**	**8 420 253 €**	**8 683 796 €**	**8 960 221 €**
Cost of goods sold												
F&B raw materials		0 €	0 €	818 518 €	887 069 €	958 034 €	977 195 €	996 739 €	1 016 674 €	1 037 007 €	1 057 747 €	1 078 902 €	1 100 480 €
Cleaning supplies		0 €	0 €	5 443 €	5 922 €	6 418 €	6 547 €	6 677 €	6 811 €	6 947 €	7 086 €	7 228 €	7 372 €
Other costs		0 €	0 €	381 520 €	411 523 €	443 222 €	452 087 €	461 129 €	470 351 €	479 758 €	489 353 €	499 140 €	509 123 €
Total COGS			**1 205 481 €**	**1 304 513 €**	**1 407 675 €**	**1 435 828 €**	**1 464 545 €**	**1 493 836 €**	**1 523 712 €**	**1 554 187 €**	**1 585 270 €**	**1 616 976 €**
Gross Profit		0 €	0 €	4 922 794 €	5 379 077 €	5 861 807 €	6 043 793 €	6 234 598 €	6 434 813 €	6 645 075 €	6 866 067 €	7 098 526 €	7 343 245 €
Gross Profit Margin %		0%	0%	80%	80%	81%	81%	81%	81%	81%	82%	82%	82%
Operating expenses												
Repairs and maintenance		0 €	0 €	180 000 €	183 600 €	187 272 €	191 017 €	194 838 €	198 735 €	202 709 €	206 763 €	210 899 €	215 117 €
Utilities		0 €	0 €	21 600 €	22 032 €	22 473 €	22 922 €	23 381 €	23 848 €	24 325 €	24 812 €	25 308 €	25 814 €
Insurance		0 €	7 033 €	47 350 €	48 150 €	48 974 €	49 822 €	50 696 €	51 595 €	52 522 €	53 475 €	54 458 €	55 469 €
Marketing expenses		0 €	77 827 €	196 138 €	212 457 €	229 349 €	233 933 €	238 607 €	243 372 €	248 232 €	253 186 €	258 239 €	263 390 €
Other non-recurring items		0 €	40 000 €	120 000 €	122 400 €	124 848 €	127 345 €	129 892 €	132 490 €	135 139 €	137 842 €	140 599 €	143 411 €
Office and cleaning supplies		0 €	0 €	12 000 €	12 240 €	12 485 €	12 734 €	12 989 €	13 249 €	13 514 €	13 784 €	14 060 €	14 341 €
Staff expenses		0 €	104 528 €	803 014 €	827 104 €	851 917 €	877 475 €	903 799 €	930 913 €	958 840 €	987 606 €	1 017 234 €	1 047 751 €
Total Opex		0 €	229 388 €	1 380 101 €	1 427 983 €	1 477 318 €	1 515 249 €	1 554 201 €	1 594 202 €	1 635 281 €	1 677 469 €	1 720 796 €	1 765 293 €
EBITDA		**0 €**	**-229 388 €**	**3 542 692 €**	**3 951 094 €**	**4 384 490 €**	**4 528 544 €**	**4 680 397 €**	**4 840 611 €**	**5 009 793 €**	**5 188 598 €**	**5 377 730 €**	**5 577 952 €**
Depreciation and amortization		142 500 €	285 000 €	381 505 €	381 505 €	382 065 €	382 816 €	384 683 €	385 143 €	386 547 €	386 581 €	396 865 €	373 370 €
EBIT (Operating income)		**-142 500 €**	**-514 388 €**	**3 161 188 €**	**3 569 589 €**	**4 002 425 €**	**4 145 728 €**	**4 295 714 €**	**4 455 468 €**	**4 623 246 €**	**4 802 017 €**	**4 980 865 €**	**5 204 582 €**
Interest incurred		0 €	392 000 €	931 410 €	681 622 €	474 994 €	375 762 €	299 681 €	256 026 €	208 250 €	155 961 €	98 734 €	36 103 €
EBT		**-142 500 €**	**-906 388 €**	**2 229 777 €**	**2 887 967 €**	**3 527 430 €**	**3 769 966 €**	**3 996 033 €**	**4 199 441 €**	**4 414 997 €**	**4 646 056 €**	**4 882 131 €**	**5 168 478 €**
IRC (21%)		0 €	0 €	468 253 €	606 473 €	740 760 €	791 693 €	839 167 €	881 883 €	927 149 €	975 672 €	1 025 247 €	1 085 380 €
NET Income		**-142 500 €**	**-906 388 €**	**1 761 524 €**	**2 281 494 €**	**2 786 670 €**	**2 978 273 €**	**3 156 866 €**	**3 317 559 €**	**3 487 848 €**	**3 670 384 €**	**3 856 883 €**	**4 083 098 €**
Net income as % of revenue		0%	0%	29%	34%	38%	40%	41%	42%	43%	44%	44%	46%

Note. Self-elaboration

9.6.2 Balance sheet

The Balance sheet, in contrast to the Income statement, is a photo of the company in a certain point in time. It shows what the resources of a company are (what the business owns: Assets) and how they are funded (what the business owes: Liabilities and Equity).

The Balance sheet always must follow the accounting rule:

$$\text{Assets} = \text{Liabilities} + \text{Equity} \quad (1)$$

Figure 9.14 - *Balance sheet*

Balance sheet												
€ in actual figures	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
ASSETS												
Current Assets												
Cash	1 350 000 €	718 824 €	2 781 605 €	2 995 802 €	5 093 824 €	7 269 230 €	10 254 515 €	13 430 459 €	16 682 099 €	20 134 961 €	23 172 588 €	26 863 105 €
Inventory	0 €	0 €	14 826 €	16 062 €	17 341 €	17 691 €	18 048 €	18 412 €	18 784 €	19 163 €	19 550 €	19 944 €
Other current assets												
Total current assets	**1 350 000 €**	**718 824 €**	**2 796 431 €**	**3 011 864 €**	**5 111 165 €**	**7 286 921 €**	**10 272 563 €**	**13 448 871 €**	**16 700 882 €**	**20 154 124 €**	**23 192 138 €**	**26 883 049 €**
Non-current Assets												
Equipment	0 €	0 €	535 663 €	535 663 €	564 524 €	603 591 €	701 075 €	725 475 €	798 173 €	800 011 €	1 356 724 €	1 400 720 €
Land	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €	1 000 000 €
Building	2 850 000 €	5 700 000 €	5 700 000 €	5 700 000 €	5 700 000 €	5 700 000 €	5 700 000 €	5 700 000 €	5 700 000 €	5 700 000 €	5 700 000 €	5 700 000 €
Intangible assets	0 €	0 €	20 000 €	20 000 €	20 000 €	20 000 €	20 000 €	20 000 €	20 000 €	20 000 €	20 000 €	20 000 €
Accumulated depreciation	-142 500 €	-427 500 €	-809 005 €	-1 190 509 €	-1 572 574 €	-1 955 391 €	-2 340 074 €	-2 725 217 €	-3 111 764 €	-3 498 345 €	-3 895 210 €	-4 268 580 €
Total non-current assets	3 707 500 €	6 272 500 €	6 446 658 €	6 065 154 €	5 711 949 €	5 368 200 €	5 081 001 €	4 720 258 €	4 406 409 €	4 021 666 €	4 181 514 €	3 852 140 €
Total Assets	**5 057 500 €**	**6 991 324 €**	**9 243 089 €**	**9 077 018 €**	**10 823 115 €**	**12 655 121 €**	**15 353 563 €**	**18 169 128 €**	**21 107 291 €**	**24 175 790 €**	**27 373 652 €**	**30 735 189 €**
LIABILITIES												
Current Liabilities												
Accounts payable	0 €	29 707 €	132 316 €	141 451 €	150 952 €	153 970 €	157 049 €	160 190 €	163 393 €	166 660 €	169 992 €	173 391 €
State	0 €	10 506 €	23 059 €	23 751 €	24 463 €	25 197 €	25 953 €	26 732 €	27 534 €	28 360 €	29 211 €	30 087 €
Total current liabilities	**0 €**	**40 212 €**	**155 375 €**	**165 202 €**	**175 415 €**	**179 168 €**	**183 003 €**	**186 922 €**	**190 927 €**	**195 020 €**	**199 203 €**	**203 478 €**
Non-current Liabilities												
Long term loans	5 000 000 €	7 800 000 €	8 175 078 €	5 717 686 €	4 666 900 €	3 516 880 €	3 054 622 €	2 548 709 €	1 995 019 €	1 389 041 €	725 836 €	0 €
Total non-current liabiliti	**5 000 000 €**	**7 800 000 €**	**8 175 078 €**	**5 717 686 €**	**4 666 900 €**	**3 516 880 €**	**3 054 622 €**	**2 548 709 €**	**1 995 019 €**	**1 389 041 €**	**725 836 €**	**0 €**
Total Liabilities	**5 000 000 €**	**7 840 212 €**	**8 330 453 €**	**5 882 888 €**	**4 842 315 €**	**3 696 048 €**	**3 237 624 €**	**2 735 630 €**	**2 185 946 €**	**1 584 061 €**	**925 039 €**	**203 478 €**
Equity												
Owner's capital	200 000 €	200 000 €	200 000 €	200 000 €	200 000 €	200 000 €	200 000 €	200 000 €	200 000 €	200 000 €	200 000 €	200 000 €
Retained earnings	-142 500 €	-1 048 888 €	712 636 €	2 994 130 €	5 780 800 €	8 759 073 €	11 915 939 €	15 233 498 €	18 721 345 €	22 391 730 €	26 248 613 €	30 331 711 €
Total equity	57 500 €	-848 888 €	912 636 €	3 194 130 €	5 980 800 €	8 959 073 €	12 115 939 €	15 433 498 €	18 921 345 €	22 591 730 €	26 448 613 €	30 531 711 €
Total Liabilities and Equit	**5 057 500 €**	**6 991 324 €**	**9 243 089 €**	**9 077 018 €**	**10 823 115 €**	**12 655 121 €**	**15 353 563 €**	**18 169 128 €**	**21 107 291 €**	**24 175 790 €**	**27 373 652 €**	**30 735 189 €**
Balance	0	0	0	0	0	0	0	0	0	0	0	0

Note. Self-elaboration

9.6.3 Cash flow statement

The Cashflow statement is often confused with the income statement, but instead of focusing on Profit, it focusses on Cash movements. Here it is possible to analyze the cash inflows and outflows over a period of time. The main difference between the income statement and the cash flow statement is when the revenue and expenses are recognized. By following the accrual method (the most used for bigger companies), the revenue must be recognized as it is earned and recognize expenses as they are incurred, regardless of when the cash will be exchanged.

Figure 9.15 - *Cash flow statement*

Cash flow statement												
€ in actual figures	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Net income	-142 500 €	-906 388 €	1 761 524 €	2 281 494 €	2 786 670 €	2 978 273 €	3 156 866 €	3 317 559 €	3 487 848 €	3 670 384 €	3 856 883 €	4 083 098 €
Cash from operating activities												
Depreciation and amortiz	142 500 €	285 000 €	381 505 €	381 505 €	382 065 €	382 816 €	384 683 €	385 143 €	386 547 €	386 581 €	396 865 €	373 370 €
Changes in accounts paya	0 €	29 707 €	102 609 €	9 134 €	9 501 €	3 019 €	3 079 €	3 140 €	3 203 €	3 267 €	3 332 €	3 399 €
Changes in inventory	0 €	0 €	-14 826 €	-1 236 €	-1 279 €	-350 €	-357 €	-364 €	-372 €	-379 €	-387 €	-395 €
Changes in State	0 €	10 506 €	12 554 €	692 €	713 €	734 €	756 €	779 €	802 €	826 €	851 €	876 €
Operating cash flow	**142 500 €**	**325 212 €**	**481 842 €**	**390 095 €**	**390 999 €**	**386 219 €**	**388 161 €**	**388 698 €**	**390 180 €**	**390 295 €**	**400 661 €**	**377 250 €**
Investing cash flow												
Capex	-3 850 000 €	-2 850 000 €	-555 663 €	0 €	-28 861 €	-39 067 €	-97 484 €	-24 400 €	-72 698 €	-1 838 €	-556 713 €	-43 996 €
Investing cash flow	**-3 850 000 €**	**-2 850 000 €**	**-555 663 €**	**0 €**	**-28 861 €**	**-39 067 €**	**-97 484 €**	**-24 400 €**	**-72 698 €**	**-1 838 €**	**-556 713 €**	**-43 996 €**
Cash from financing												
Principal repayment	0 €	0 €	-1 624 922 €	-2 457 392 €	-1 050 786 €	-1 150 019 €	-462 259 €	-505 913 €	-553 690 €	-605 978 €	-663 205 €	-725 836 €
Net borrowings	5 000 000 €	2 800 000 €	2 000 000 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
Equity injection	200 000 €											
Financing cash flow	**5 200 000 €**	**2 800 000 €**	**375 078 €**	**-2 457 392 €**	**-1 050 786 €**	**-1 150 019 €**	**-462 259 €**	**-505 913 €**	**-553 690 €**	**-605 978 €**	**-663 205 €**	**-725 836 €**
Net Cash flow	**1 350 000 €**	**-631 176 €**	**2 062 781 €**	**214 197 €**	**2 098 022 €**	**2 175 406 €**	**2 985 285 €**	**3 175 944 €**	**3 251 640 €**	**3 452 863 €**	**3 037 627 €**	**3 690 516 €**

Note. Self-elaboration

9.7 Viability of the project

To understand the viability of the project firstly, it was used an unlevered beta without considering the effects of financing that were mentioned previously and by calculating the cashflows without financing effects (Annex M). With this it is possible to evaluate from an investor perspective whether this project represents or not a good investment decision, excluding the previously mentioned financing.

For calculations, a discount rate (Ru) of 7% was obtained by using the Capital Asset Pricing Model (CAPM) with the information gathered in Annex M.

Taking this into account and by calculating the cashflows without financing (Annex M), the Discounted Payback, NPV, Profitability Index and IRR techniques were used.

The Net Present Value (NPV) represents the present value of cash inflows minus the present value of cash outflows and is commonly used to evaluate different projects. A positive NPV means that a project creates value because the expected earnings exceed the forecasted costs and is therefore worth the investment.

On the other hand, the Internal Return Rate (IRR) is the discount rate that would set the NPV equal to zero, indicating what is the annual rate of return for a certain project. The higher the IRR, the more attractive the investment is. For this case, an annual growth of 34,29% is expected.

The discounted payback indicates the amount of time it is necessary to recover the initial investment while taking into consideration the time value of money. This metric was used instead of the simple Payback because it is perceived to be more accurate and less optimistic. For The Network Home, the initial investment is expected to be fully recovered within 2 years and 9 months of operations.

Lastly, the Profitability index (PI) measures the present value of future cash flows considering the initial investment. This tool allows us to quantify the amount of value that is created per unit of investment. In the case of this project, for each 1€ invested it is generated 2,57€.

Figure 9.16 - *Summary of methods for access viability with unlevered beta*

	Technique used	Value	Assumptions for accepting	Conclusion
Unlevered beta	NPV	17 926 508,67 €	If NPV > 0 Accept the project	Accept
	Ru	7%		
	IRR	43,69%	If IRR >= Ru Accept the project	Accept
	Discounted Payback	2 years 8 months 23 days	Payback <= T (life of the project	Accept
	Profitability index	2,57	PI >= 1 Accept the project	Accept

Note. Self-elaboration

This last analysis provided an insight into the viability of the project without considering its debt, which is not a realistic scenario.

In order to better understand if the investment would be viable, considering its capital structure, the WACC (Weighted average cost of capital) was calculated taking into account its cost of debt and cost of equity. This is a metric that serves as the discounted rate for the tools considered previously and takes into account the capital structure of a company, considering the amount of debt and equity used to finance the project.

A final WACC of 8,29% was obtained with the information provided on Annex N which resulted in the following conclusions.

Figure 9.17- *Summary of methods for access viability with WACC and levered beta*

	Technique used	Value	Assumptions for accepting	Conclusion
Levered beta	NPV	16 388 662,37 €	If NPV > 0 Accept the project	Accept
	WACC	8,29%		
	IRR	43,69%	If IRR >= Ru Accept the project	Accept
	Discounted Payback	2 years 9 months 14 days	Payback <= T (life of the project	Accept
	Profitability index	2,35	PI >= 1 Accept the project	Accept

Note. Self-elaboration

9.8 Sensitivity analysis

In order to assess if this business plan would still be viable in a worse-case scenario, a sensitivity analysis was performed. Since the business already proves itself to be feasible with the current conditions, the focus was on evaluating if it could still be implemented with good returns in less favorable circumstances, so an optimistic scenario was not considered.

For this less favorable scenario, it was assumed a decrease in sales of 20% (excluding other income), maintaining the remaining characteristics.

One other scenario was evaluated but this time only assessing the impact of the F&B on the business since, by analyzing the financial statements, it is clear that this department is a crucial factor in allowing the business to be profitable. For this, all the characteristics of the business were maintained while assuming an initial occupancy of only 50% in the F&B department.

The two final cash flows for each of these scenarios can be seen in Annex O along with the summary of results.

We can conclude, by analyzing both scenarios that even in less favorable conditions the business plan would still be a good investment. Although the PI in Scenario 2 was inferior to 1, its perceived that

this indicator alone should not reject the overall project. However, it is crucial to recognize the importance that the F&B department has over the business's success.

10. Requirements for implementation

To have a better overview of the overall process of implementation the following table was created to expose the main activities to be performed as well as their duration. The final opening of the project is expected to take place on 1th of August since September is usually the date where classes take place. With one month of preparation, this segment of the target audience would have time to adjust to the new environment.

A Gantt chart for a cleaner visualization can be seen on Annex P.

Figure 9.18 - *Implementation process*

Tasks	Start date	End date	Duration / days
Presentation of the plan to explore more investment alternatives	01/01/2025	31/01/2025	30
Reevaluate the plan with new investment proposals	01/02/2025	15/02/2025	14
Verify with the City Council of Almada if construction is feasible in the chosen area	01/02/2025	15/02/2025	14
Hire accountant and lawyer (outsourced services) for various stages of project implementation	15/02/2025	01/08/2027	897
Establishment of contracts with respective investors	15/02/2025	15/03/2025	28
Open activity in the "Portal das Finanças" followed by company registration with Social Security	15/03/2025	20/03/2025	5
Hire an architect and develop the architectural project	15/03/2025	15/08/2025	153
Approval from the City Council of Almada for the project and acquisition of the construction license	15/08/2025	15/09/2025	31
Seek and consequent purchase of the plot of land for construction	01/09/2025	20/09/2025	19
Seek and hire a construction company and present the project	01/09/2025	15/09/2025	14
Proceed with final adjustments to the arquitetural plan and selection of materials	15/09/2025	30/09/2025	15
Construction	01/10/2025	01/06/2027	608
Reevaluate the plan, adapt to new changes, and implen	01/10/2025	31/07/2027	668
Hire staff (administration and directors)	01/03/2027	01/04/2027	31
Implementation of the marketing plan	01/03/2027	31/07/2027	152
Evaluate and establish processes with directors	01/06/2027	31/07/2027	60
Purchase and implement software licenses and initial	01/06/2027	31/07/2027	60
Select suppliers, negotiate, and establish contracts	01/04/2027	31/07/2027	121
Close pre-approved contracts with residents	01/07/2027	31/07/2027	30
Hire the remaining staff and conduct training	01/07/2027	31/07/2027	30
Conduct a pre-opening test with mystery clients	01/07/2027	15/07/2027	14
Implement necessary changes	15/07/2027	31/07/2027	16
Final opening	01/08/2027	01/08/2027	1

Note. Self-elaboration

11. Conclusion

Through this research, it was possible to have a better perception of what it takes to develop a venture and all the factors that must be considered throughout the process.

By using WACC, perceived as the most realistic discount rate to be used, and evaluating tools such as PI with a value of 2,35, a Discounted Payback of 2 years 9 months and 14 days, an IRR of 43,69%, and with a final NPV of 16.388.662,37€ we can infer that this business plan creates value and is therefore a good investment decision.

The only factor that rejected the project was the PI when considering the second case scenario (0,86) where F&B sales would be 50% for the first year, grow by 5% until year 3 and maintain in the following an occupancy of 60%. This scenario, although possible, is not perceived as being likely. Also, changes during the business implementation and operations would have an impact on these forecasts and should be continuously monitored.

There are, nonetheless, some limitations concerning this project. One of them is the type of financing used, which, due to the high initial investment required, involves considerable leverage and could potentially be hard to obtain by presenting itself as being too risky. Additionally, the strong cultural preference in Portugal for home ownership can lead to some difficulties of acceptability at the beginning. However, the target audience is also very specific. This alternative will not appeal to everyone, but rather those who see the potential and value of integrating into a community like this and the significant personal and professional growth they can gain from it. Nevertheless, another aspect that had room for improvement was conducting a qualitive research with a more refined prototype since it was perceived that some survey respondents had some trouble fully understanding the overall feel intended to be transmitted, which may have affected their final feedback.

In conclusion, despite the points mentioned, it is believed that The Network Home constitutes as a viable alternative for the current housing market, responding to an underexplored growing demand while also showing positive financial outcomes.

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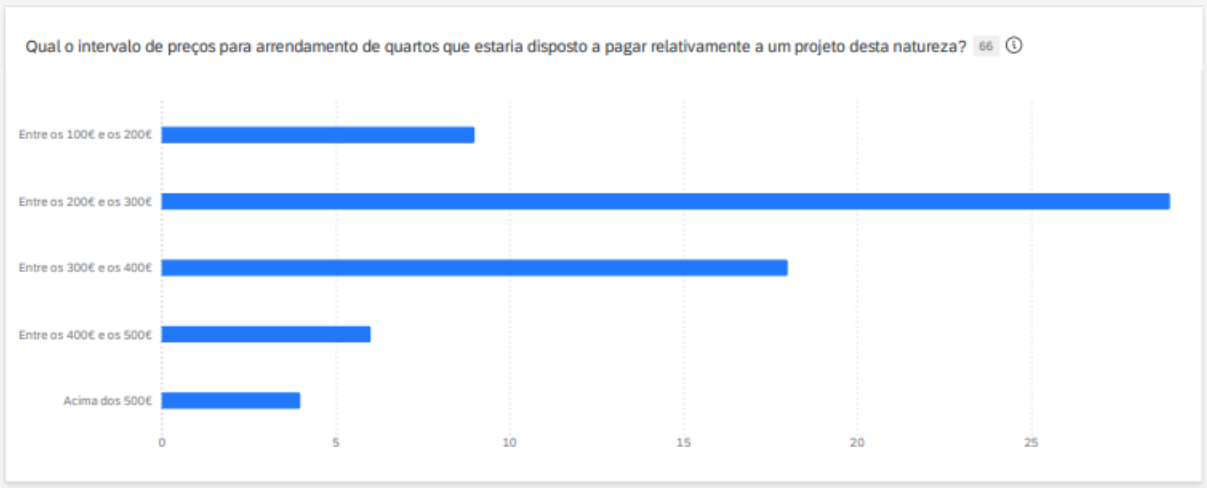
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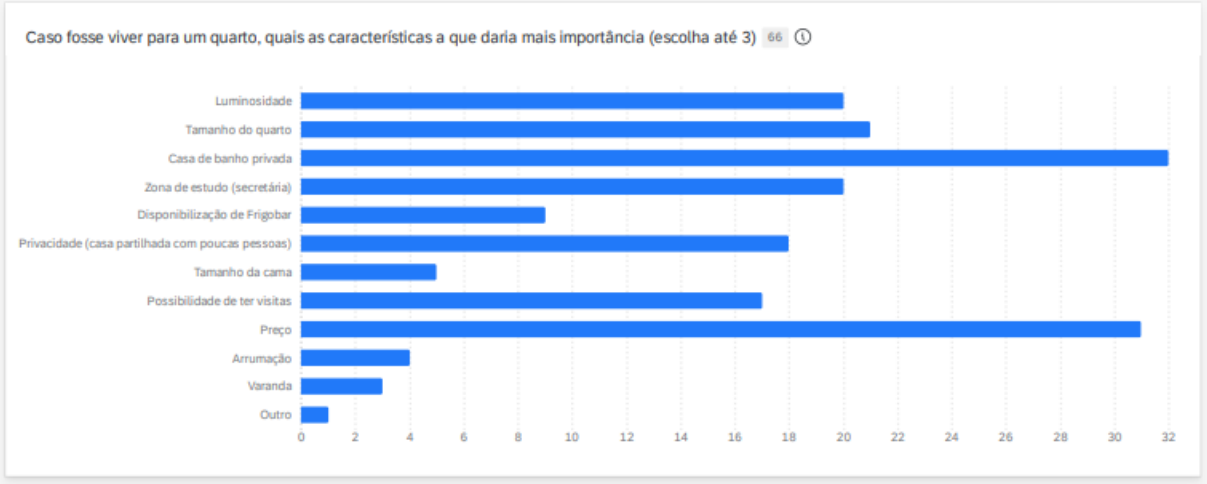
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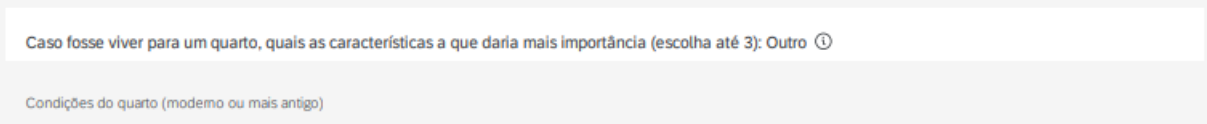
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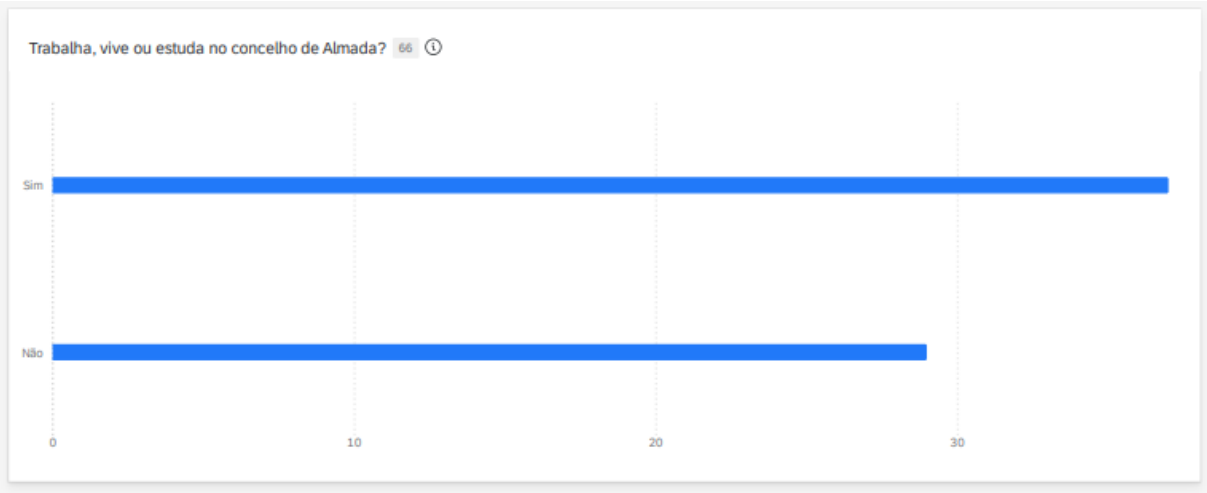
13. Annexes

13.2 Annex A - Final Survey



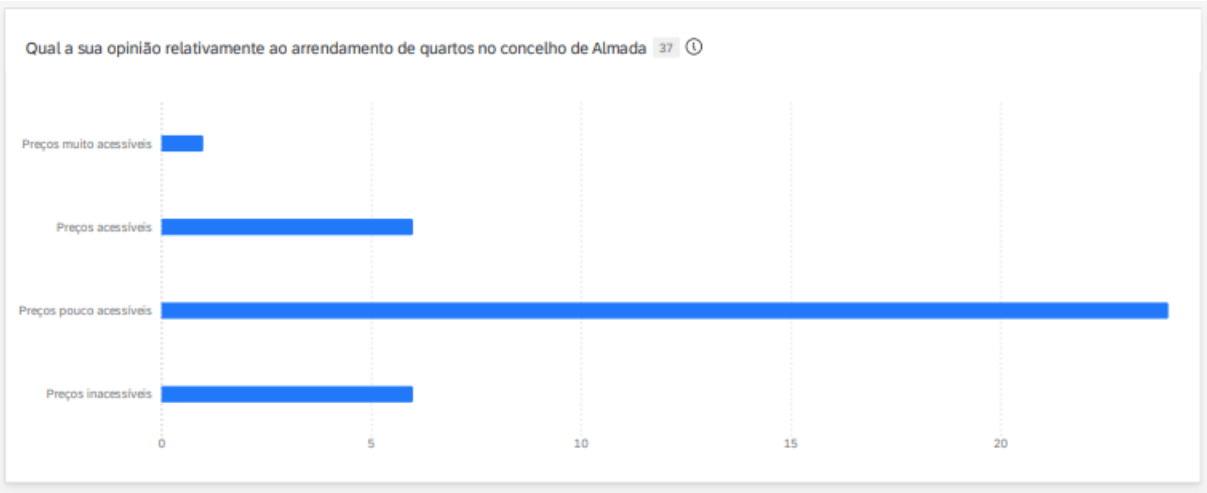


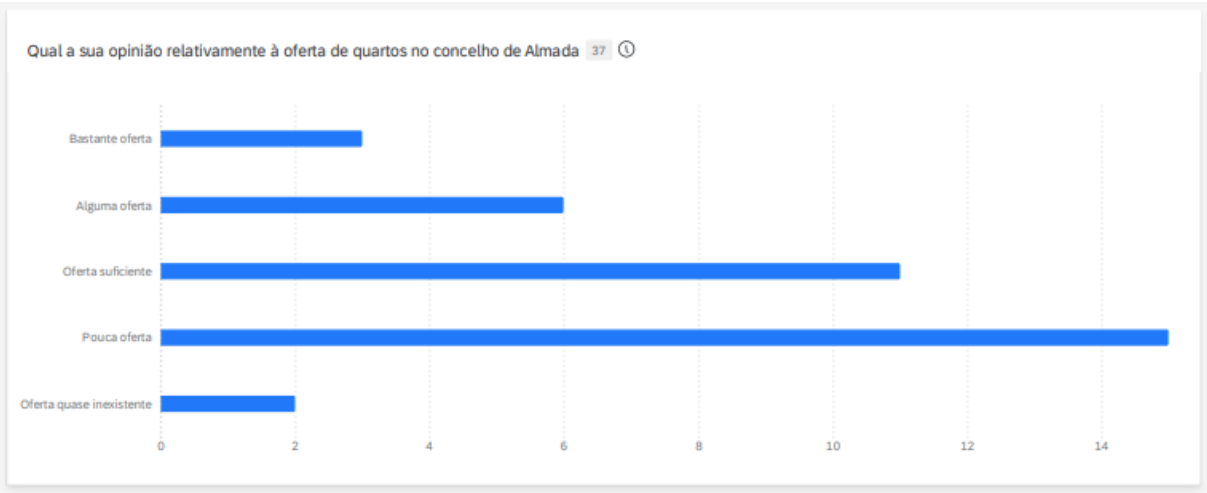




Trabalha, vive ou estuda no concelho de Almada? 66

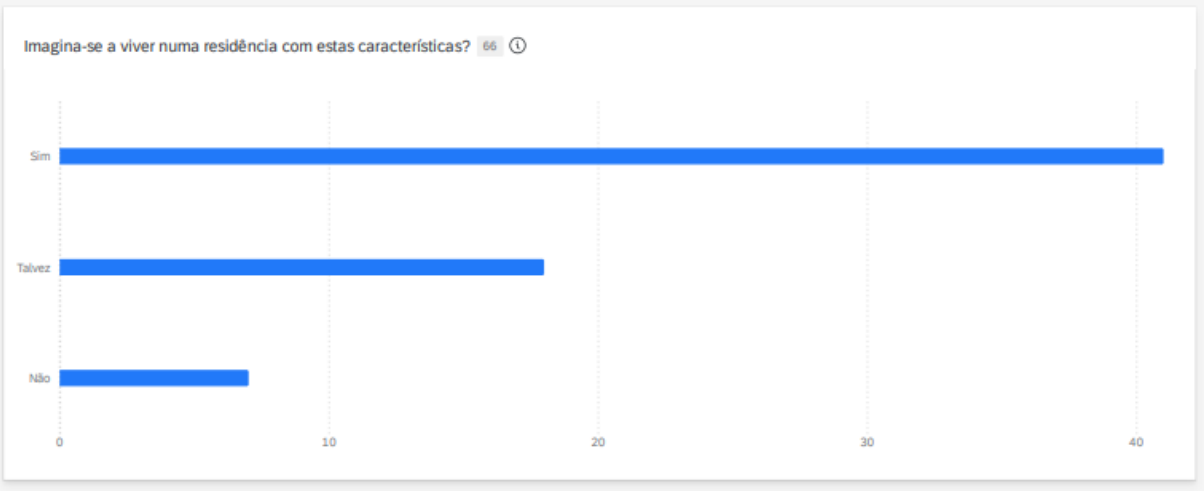
Q3 - Trabalha, vive ou estuda no concelho de Almada?	Percentagem	Contagem
Sim	56%	37
Não	44%	29







Infraestrutura ciclavel que permitisse a deslocação quotidiana de bici de



Explique quais as principais características que o levariam a viver numa residência desta natureza.

Custos, conhecer pessoas

Preço mais acessivel, companhia. Seguran a

Combater a solidao

Localização

Se tivesse um preço assecivel seria muito bom

Conhcer pessoas novas

A principal razao seria financeira.

trabalho 100% remoto e às vezes sinto falta do convivio com as pessoas, parece uma boa ideia para pessoas da minha idade

Teria que ser um sitio com boas condições e com serviços úteis. Imagino-me a viver num ambiente academico e iria mais pela experiencia mas não seria algo para longo termo

.

Viveria numa residência deste genero principalmente pelo convivio e para conhecer pessoas novas

Valor econômico e sociabilização

Viver em contato com a natureza

Não percebo as caracteristicas que refere quando só se pode escolher uma opção...luz não é a unica coisa que posso querer...

msl--aadf

Com os preços atuais da habitação se os preços fossem mais acessíveis seria uma alternativa

Gosto da ideia de viver numa comunidade principalemnte enquanto estou a estudar e nos primeiros anos de trabalho

Preço

não sei

Bom convívio

Preço, distância à faculdade

Por ser um espaço calmo, seguro e saudável

Preço, infraestrutura não antiga, balanço entre privacidade e espaço partilhado/ de convívio

poderia reduzir os gastos e juntar algum dinheiro para o futuro

Partilha de conhecimentos, conhecer novas pessoas etc

Não estaria tão sozinho

Boa relação qualidade preço, serviços nas redondezas, qualidade de vida

Uma residência estilo co-living que, com preços mais acessíveis, e ainda que com quartos de área reduzida com vista a viabilizar estes preços, tivesse boa iluminação e bons espaços partilhados, com atividades culturais e de socialização promovidas dentro da própria residência (ex: staff próprio para criação de jogos inter residentes, espaços de convívio, etc)

Ambiente e ter os servicos todos ao pe

Explique sucintamente a sua posição na resposta anterior.

Disponibilidade, acessibilidade e preço

apenas se não houvesse aletrnativa

se for para viver num quarto aos preços que estão a ser praticados, mais vale viver numa residencia que tem serviços perto e contacto com diversas pessoas e não com o senhorio

Se vivesse numa residencia destas não seria tanto pelo preço mas mais pelas pessoas e por ter os serviços ao pé

Dependeria de muitos fatores e do tipo de pessoas que vivessem lá também

Considero bastante interessante aideia, principalmente para jovens que procuram viver na zona metropolitana.

Nunca pensei viver numa residência mas acho que poderia ser uma boa opção

Numa perspetiva futura quem sabe se não seria uma hipótese face aos atuais preços das rendas incomportáveis.

Talvez, porque teria de avaliar e comparar com outras opções que estivessem disponíveis no mercado

Como resido em Almada e não preciso de alugar um quarto... Mas, se precisa-se, talvez, se não arranja-se melhor.

Não tenho necessidade de viver num quarto e como tal prefiro o meu conforto. Mas entendo que a minha situação não é a de muitos e vejo muitos jovens com interesse

Tenho preferência por arrendar uma casa, no entanto arrendaria um quarto se necessário

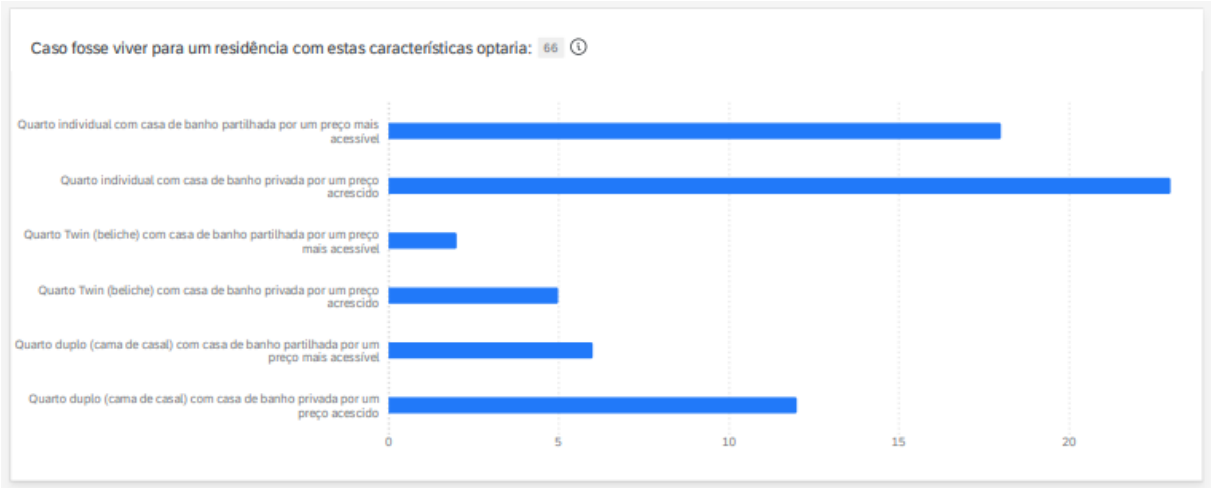
Neste momento não preciso pelo que prefiro ter uma casa prórpia. Mas acho que seria um boa solução para os mais jovens para o convivio

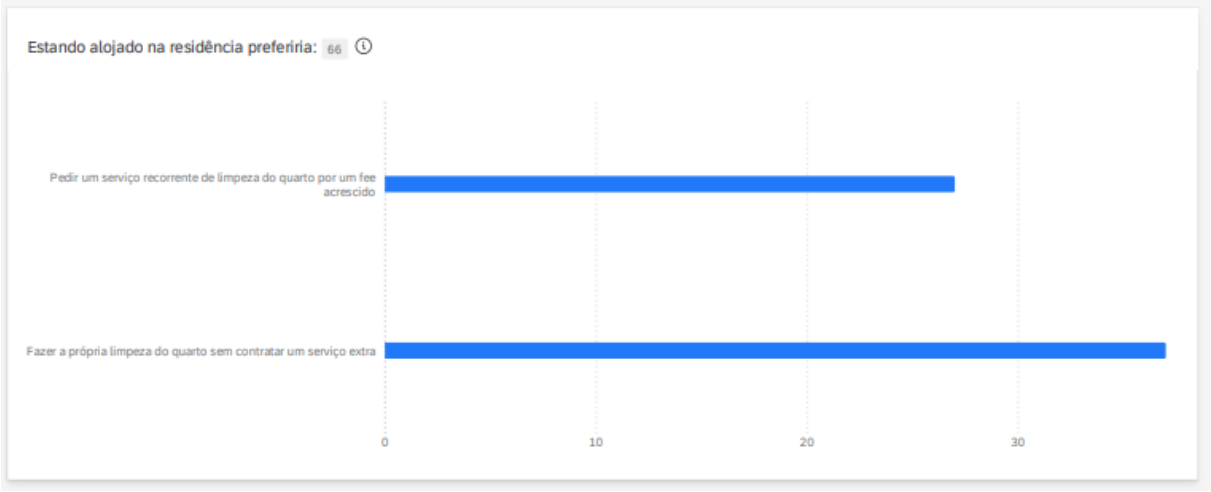
Iria depender do número de pessoas com quem partilhasse a casa/apartamento, do ambiente da casa e da proximidade a transportes públicos.

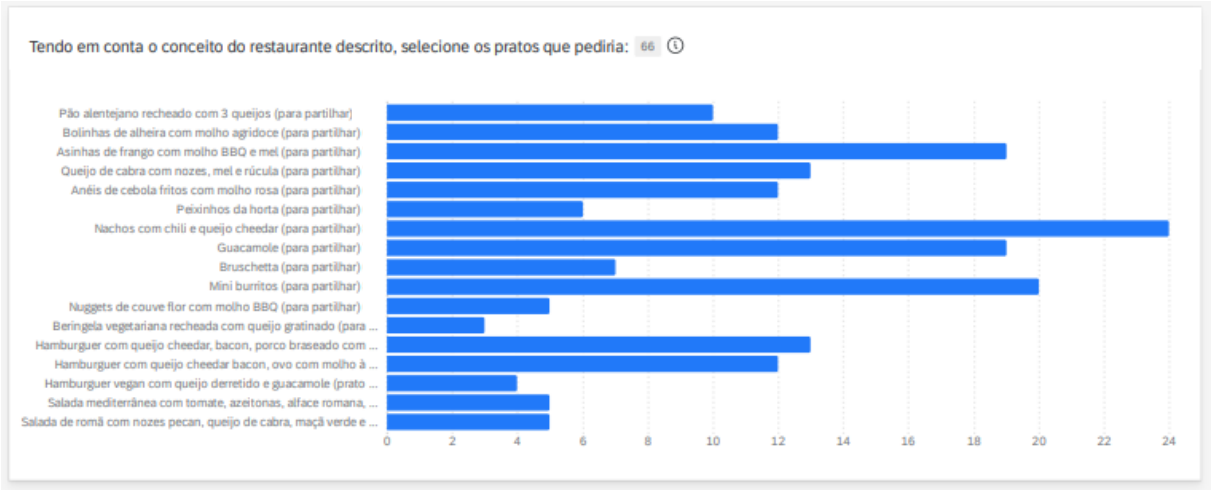
Sem opinião, ainda.

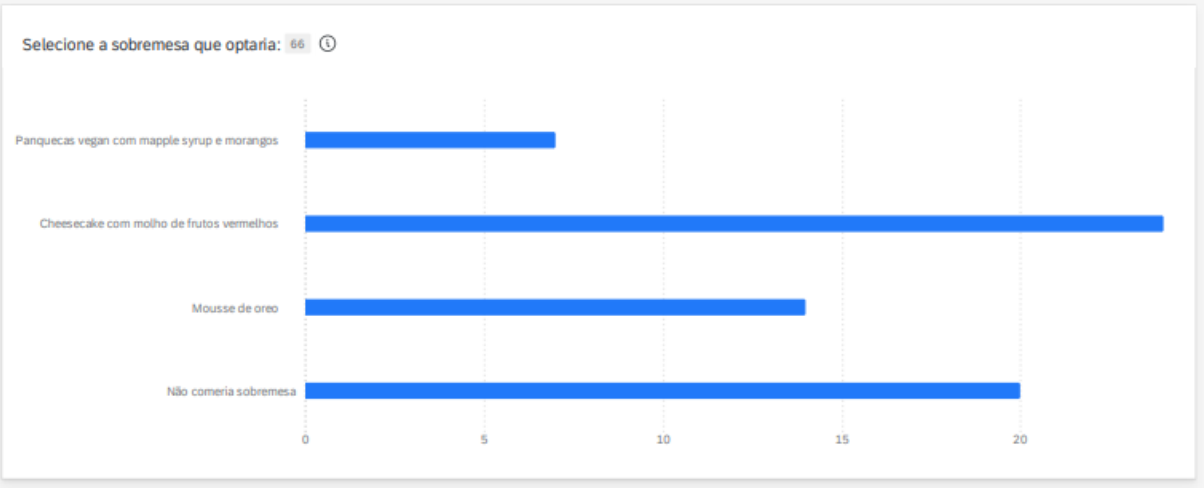
Neste momento não tenho essa necessidade , mas estando em tais circunstâncias era o que mais achava relevante

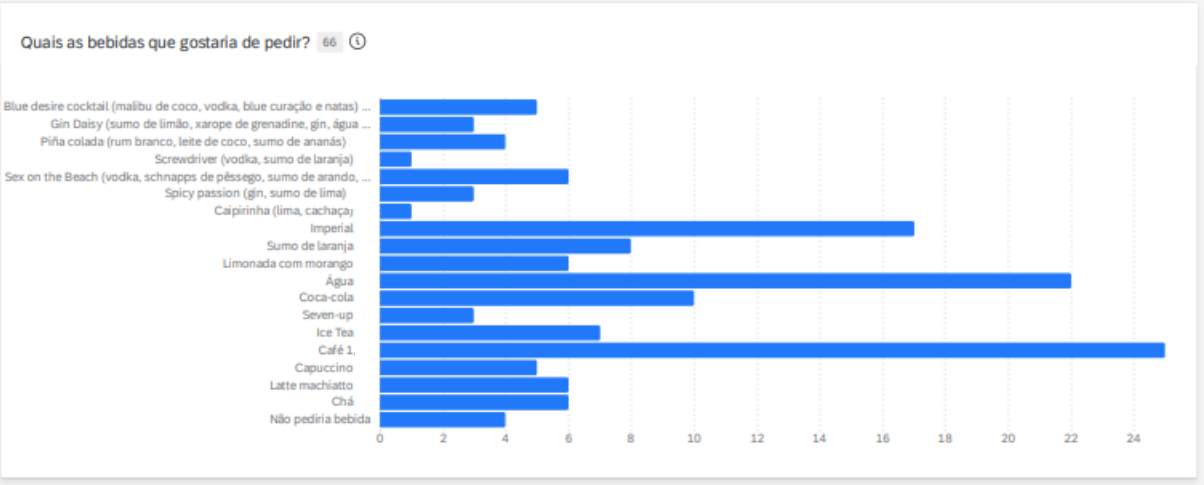
Talvez, iria depender da quantidade de pessoas com que teria de partilhar as zonas comuns e se haveria ou não casas de banho partilhadas

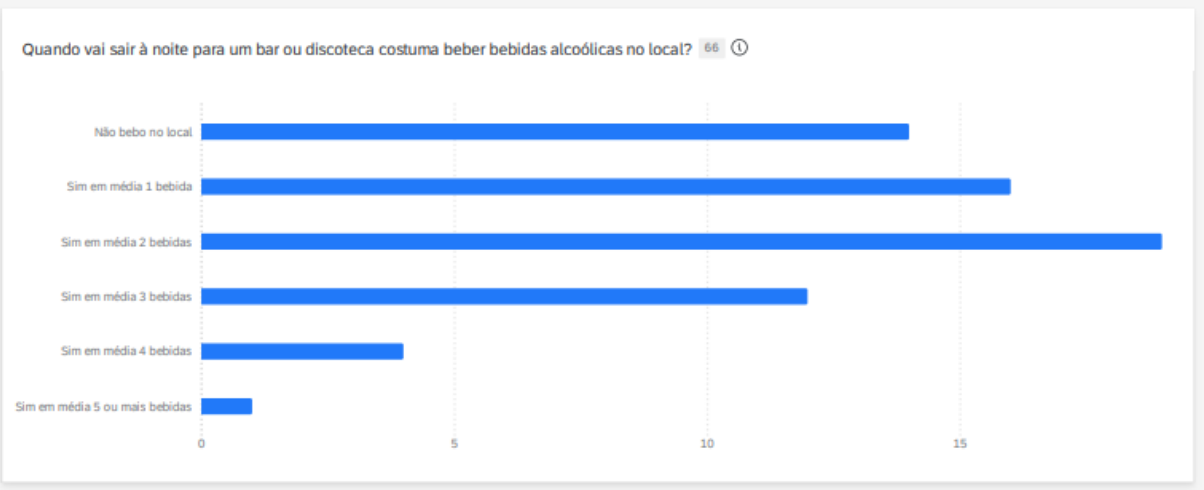

Caso fosse viver para um residência com estas características optaria: 66
Quarto individual com casa de banho partilhada por um preço mais acessível
Quarto individual com casa de banho privada por um preço acrescido
Quarto Twin (beliche) com casa de banho partilhada por um preço mais acessível
Quarto Twin (beliche) com casa de banho privada por um preço acrescido
Quarto duplo (cama de casal) com casa de banho partilhada por um preço mais acessível
Quarto duplo (cama de casal) com casa de banho privada por um preço acrescido
0
5
10
15
20

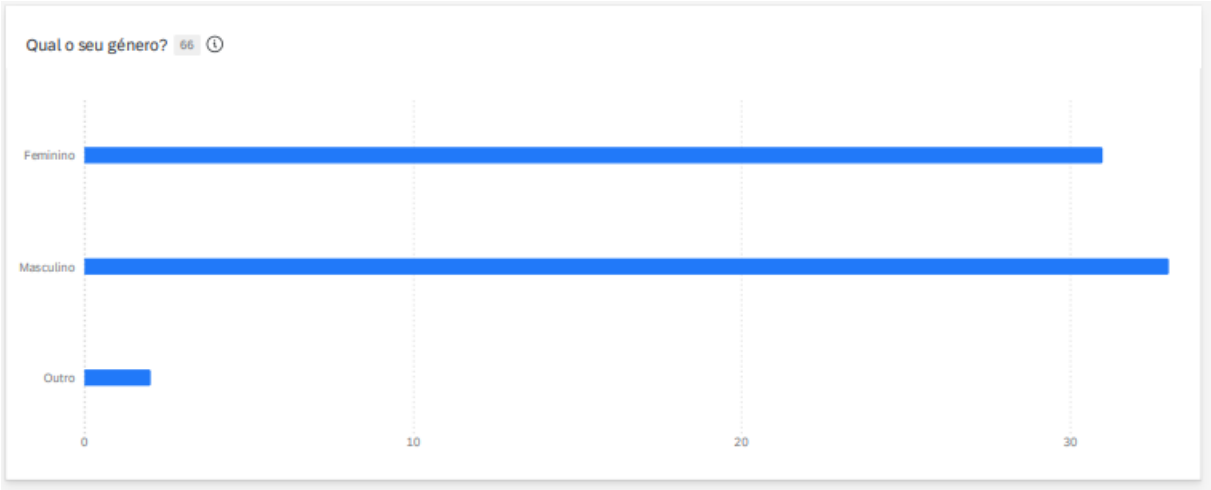

Estando alojado na residência preferiria: 66
Pedir um serviço recorrente de limpeza do quarto por um fee acrescido
Fazer a própria limpeza do quarto sem contratar um serviço extra
0
10
20
30

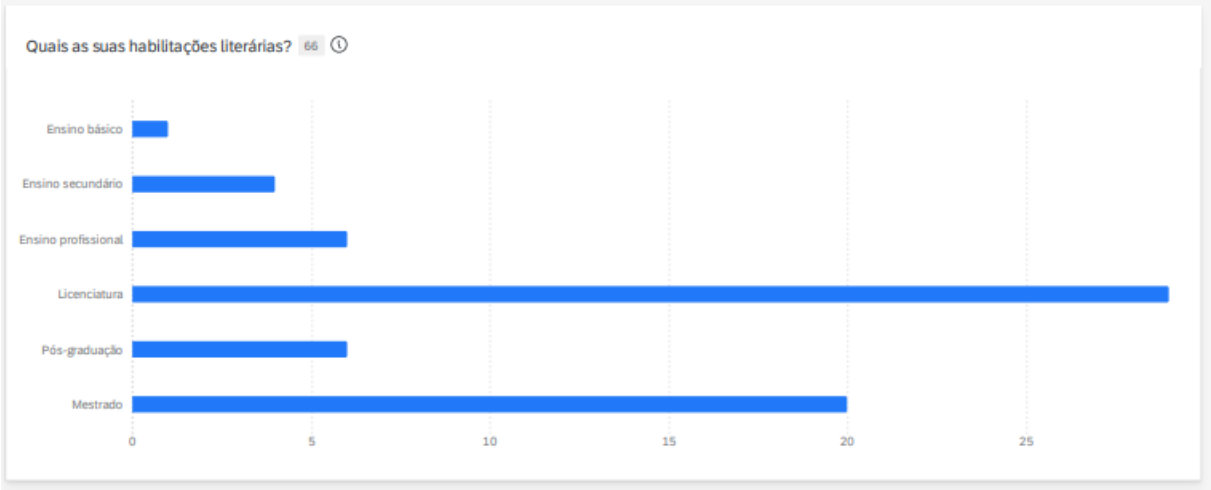

Tendo em conta o conceito do restaurante descrito, selecione os pratos que pediria: 66
Pão alentejano recheado com 3 queijos (para partilhar)
Bolinhas de alheira com molho agridoce (para partilhar)
Asinhas de frango com molho BBQ e mel (para partilhar)
Queijo de cabra com nozes, mel e rúcula (para partilhar)
Anéis de cebola fritos com molho rosa (para partilhar)
Peixinhos da horta (para partilhar)
Nachos com chili e queijo cheedar (para partilhar)
Guacamole (para partilhar)
Bruschetta (para partilhar)
Mini burritos (para partilhar)
Nuggets de couve flor com molho BBQ (para partilhar)
Beringela vegetariana recheada com queijo gratinado (para ...
Hamburguer com queijo cheedar, bacon, porco braseado com ...
Hamburguer com queijo cheedar bacon, ovo com molho à ...
Hamburguer vegan com queijo derretido e guacamole (prato ...
Salada mediterrânea com tomate, azeitonas, alface romana, ...
Salada de romã com nozes pecan, queijo de cabra, maçã verde e ...
0
2
4
6
8
10
12
14
16
18
20
22
24

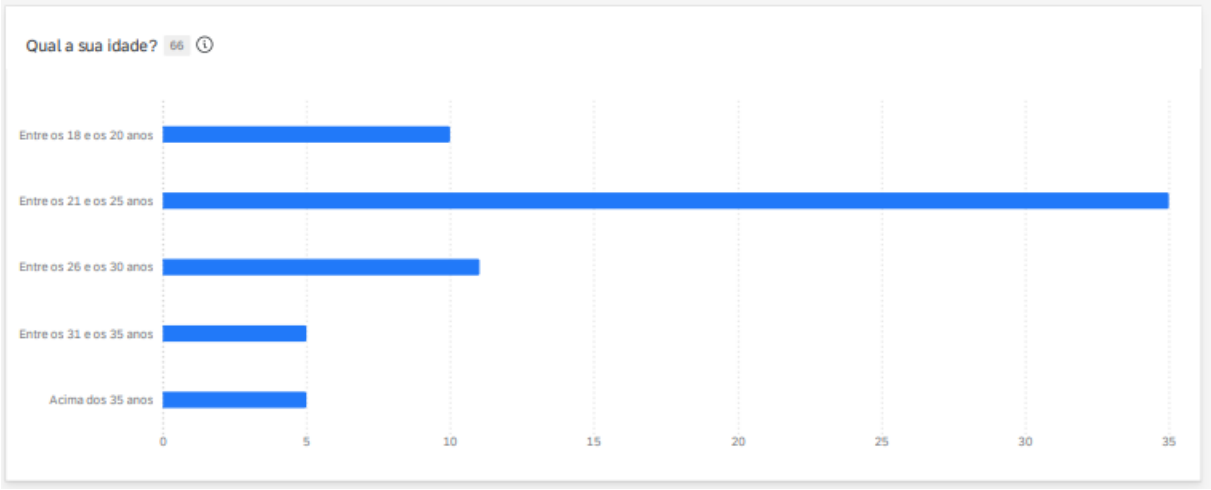

Selecione a sobremesa que optaria: 66
Panquecas vegan com mapple syrup e morangos
Cheesecake com molho de frutos vermelhos
Mousse de oreo
Não comeria sobremesa
0
5
10
15
20

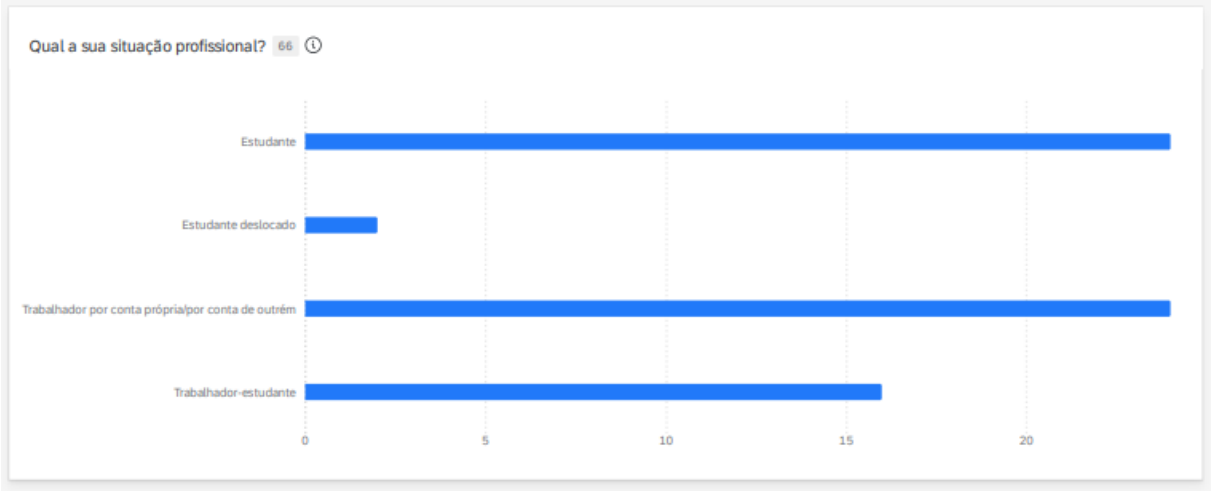

Quais as bebidas que gostaria de pedir? 66
Blue desire cocktail (malibu de coco, vodka, blue curação e natas) ...
Gin Daisy (sumo de limão, xarope de grenadine, gin, água ...
Piña colada (rum branco, leite de coco, sumo de ananás)
Screwdriver (vodka, sumo de laranja)
Sex on the Beach (vodka, schnapps de pêssego, sumo de arando, ...
Spicy passion (gin, sumo de lima)
Caipirinha (lima, cachaça)
Imperial
Sumo de laranja
Limonada com morango
Água
Coca-cola
Seven-up
Ice Tea
Café 1,
Capuccino
Latte machiatto
Chá
Não pediria bebida
0
2
4
6
8
10
12
14
16
18
20
22
24

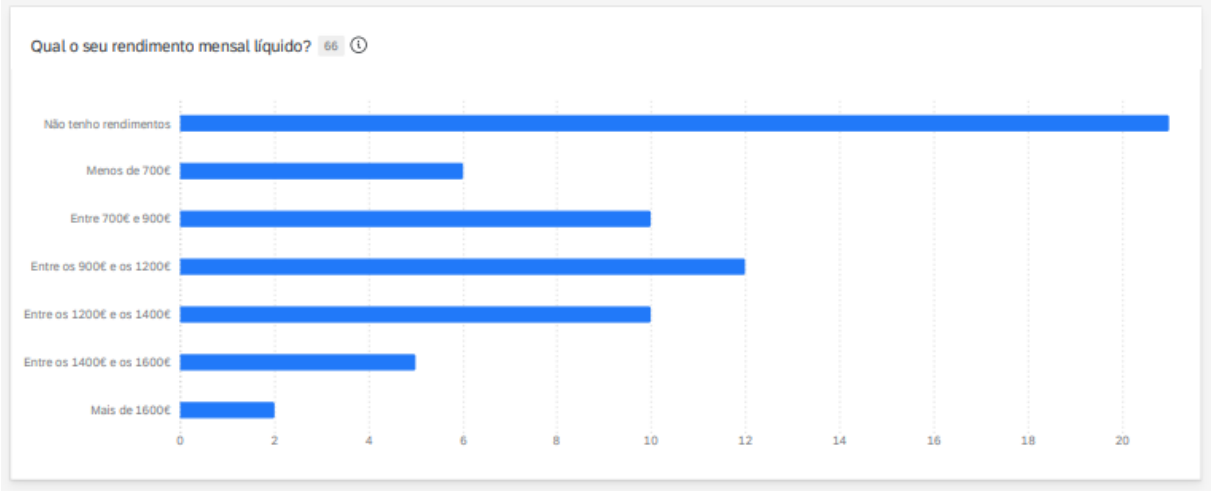

Quando vai sair à noite para um bar ou discoteca costuma beber bebidas alcoólicas no local? 66
Não bebo no local
Sim em média 1 bebida
Sim em média 2 bebidas
Sim em média 3 bebidas
Sim em média 4 bebidas
Sim em média 5 ou mais bebidas
0
5
10
15


Qual o seu género? 66
Feminino
Masculino
Outro
0
10
20
30


Quais as suas habilitações literárias? 66
Ensino básico
Ensino secundário
Ensino profissional
Licenciatura
Pós-graduação
Mestrado
0
5
10
15
20
25


Qual a sua idade? 66
Entre os 18 e os 20 anos
Entre os 21 e os 25 anos
Entre os 26 e os 30 anos
Entre os 31 e os 35 anos
Acima dos 35 anos
0
5
10
15
20
25
30
35





13.3 Annex B – Innovation district map

Figure 13.1 - *Innovation district map*



Note. From Lusa (2021)

Figure 13.2 - *Location for The Network Home*



Note. Self-elaboration

13.4 Annex C – F&B Technical sheets

13.4.1Shared dishes

Figure 13.3 - *Technical sheet 1*

Technical sheet	1		N° of portions	4
Recipe		**Alentejano Bread stuffed with 3-cheese**		
Quantity	Unit of measure	Article	Price unit	Total price
0,4	Kg	Alentejano bread	2,60 €	1,04 €
0,15	Kg	3 cheese misture	14,43 €	2,16 €
0,002	Kg	Garlic	5,70 €	0,01 €
0,05	Kg	Onion	1,70 €	0,09 €
0,0005	Kg	Parsley	17,20 €	0,01 €
0,1	Kg	Mayonnaise	2,93 €	0,29 €
0,0005	Kg	Pepper	13,70 €	0,01 €
0,04	Kg	Alentejano toasts	1,82 €	0,07 €

Servings	**Total cost**
1	3,68 €
Final price	**Food cost**
12,00 €	30,68%

Note. Self-elaboration

Figure 13.4 - *Technical sheet 2*

Technical sheet	2		Nº of portions	2
Recipe		***Alheira* balls with sweet and sour sauce**		
Quantity	Unit of measure	Article	Price unit	Total price
0,6	Kg	Alheira	6,48	3,89 €
0,05	Kg	"Ilha" Grated Cheese	9,13	0,46 €
0,002	Kg	Salt	0,22	0,000 €
0,1	L	Oil	1,30	0,13 €
0,06	L	White wine vinegar	0,60	0,04 €
0,06	Kg	Ketchup	1,85	0,11 €
0,01	Kg	Cornstarch	3,59	0,04 €
0,07	Kg	Sugar	1,26	0,09 €
0,17	Dozen	Eggs	2,13	0,36 €
0,2	Kg	Breadcrumbs	2,17	0,43 €
0,06	Kg	Soy sauce	4,30	0,26 €
0,005	Kg	Garlic	5,70	0,03 €
0,1	Kg	Onion	1,70	0,17 €
0,01	Kg	parsley	17,20	0,17 €
0,001	Kg	Pepper	13,70	0,01 €

Servings	**Total cost**
6	1,03 €
Final price	**Food cost**
6,00 €	17,18%

Note. Self-elaboration

Figure 12.5 - *Technical sheet 3*

Technical sheet	3		Nº of portions	2
Recipe		**Honey BBQ Chicken wings**		
Quantity	Unit of measure	Article	Price unit	Total price
2,4	Kg	Chicken wings	2,42	5,808 €
0,23	Kg	Flour	0,60	0,138 €
0,015	Kg	Chili powder	12,50	0,188 €
0,01	Kg	Salt	0,22	0,002 €
0,015	Kg	Pepper	13,70	0,206 €
0,015	Kg	Paprika	8,50	0,128 €
0,23	Kg	BBQ sauce	4,05	0,932 €
0,1	Kg	Honey	4,78	0,478 €

Servings	**Total cost**
4	1,97 €
Final price	**Food cost**
7,00 €	28,14%

Note. Self-elaboration

Figure 13.6 - *Technical sheet 4*

Technical	4		Nº of portions	2
Recipe		**Goat cheese with nuts and honey**		
Quantity	Unit of me	Article	Price unit	Total price
0,085	Kg	Goat cheese	24,94	2,120 €
0,01	Kg	Honey	4,78	0,048 €
0,02	Kg	Nuts	7,80	0,156 €
0,005	Kg	Arugula	9,50	0,048 €

Servings	**Total cost**
1	2,37 €
Final price	**Food cost**
8,00 €	29,64%

Note. Self-elaboration

Figure 13.7 - *Technical sheet 5*

Technical sheet	5		N° of portions	2
Recipe		**Onion rings**		
Quantity	Unit of me	Article	Price unit	Total price
0,25	Kg	Onion	1,70	0,425 €
0,35	L	Beer	1,37	0,480 €
0,005	Kg	Baking powder	6,89	0,034 €
0,005	Kg	Paprika	8,50	0,043 €
0,005	Kg	Black pepper	13,70	0,069 €
0,03	Kg	Pink sauce	4,85	0,146 €
0,18	Kg	Flour	0,60	0,108 €
0,075	Kg	Cornstarch	4,20	0,315 €
0,005	Kg	Salt	0,22	0,001 €
0,1	L	Oil	1,30	0,130 €

Servings	**Total cost**
1	1,75 €
Final price	**Food cost**
6,00 €	29,16%

Note. Self-elaboration

Figure 13.8 - *Technical sheet 6*

Technical sheet	6		N° of portions	3
Recipe		***Peixinhos da horta***		
Quantity	Unit of measure	Article	Price unit	Total price
0,5	Kg	Green beans	3,47	1,735 €
0,012	Kg	Salt	0,22	0,003 €
0,15	Kg	Flour	0,60	0,090 €
0,006	Kg	Pepper	13,70	0,082 €
0,17	Dozen	Eggs	2,13	0,362 €
0,012	L	Olive oil	6,70	0,080 €
0,1	L	Oil	1,30	0,130 €
0,1	L	Sparkling water	0,50	0,050 €

Servings	**Total cost**
3	0,84 €
Final price	**Food cost**
6,00 €	14,07%

Note. Self-elaboration

Figure 13.9 - *Technical sheet 7*

Technical sheet	7		N° of port	3
Recipe		**Chili cheese nachos**		
Quantity	Unit of measure	Article	Price unit	Total price
0,05	Kg	Onion	1,70	0,085 €
0,03	Kg	Tomato	1,12	0,034 €
0,9	Kg	Minced meat mix	8,67	7,803 €
0,012	Kg	Garlic in powder	14,06	0,169 €
0,012	Kg	Onion in powder	15,03	0,180 €
0,012	Kg	Cumin	17,20	0,206 €
0,012	Kg	Chili powder	12,50	0,150 €
0,012	Kg	Paprika	8,50	0,102 €
0,012	Kg	Oregano	42,60	0,511 €
0,012	Kg	Pepper	13,70	0,164 €
0,01	Kg	Cayenne pepper	34,28	0,343 €
0,024	Kg	Salt	0,22	0,005 €
0,042	Kg	Butter	6,57	0,276 €
0,115	L	Milk	0,71	0,082 €
0,3	Kg	Cheedar cheese	8,35	2,505 €
0,03	Kg	Jalapeños	3,04	0,091 €
1	Kg	Nachos	6,30	6,300 €

Servings	**Total cost**
10	1,90 €
Final price	**Food cost**
8,00 €	23,76%

Note. Self-elaboration

Figure 13.10 - *Technical sheet 8*

Technical sheet	8	1	N° of portions	3
Recipe		**Guacamole**		
Quantity	Unit of measure	Article	Price unit	Total price
0,5	Kg	Avocado	3,98	1,990 €
0,1	Kg	Onion	1,70	0,170 €
0,02	Kg	Garlic	5,70	0,114 €
0,005	Kg	Fresh parsley	17,20	0,086 €
0,3	Kg	Limes	3,47	1,041 €
0,1	Kg	Tomato	1,12	0,112 €
0,006	Kg	Pepper	13,70	0,082 €
0,002	Kg	Salt	0,22	0,000 €
0,2	Kg	Nachos	6,30	1,260 €

Servings	**Total cost**
3	1,62 €
Final price	**Food cost**
7,00 €	23,12%

Note. Self-elaboration

Figure 13.11 - *Technical sheet 9*

Technical	9		N° of portions	3
Recipe		**Bruschetta**		
Quantity	Unit of me	Article	Price unit	Total price
0,6	Kg	Tomato	1,12	0,672 €
0,02	Kg	Fresh basil	56,09	1,122 €
0,04	Kg	Garlic	5,70	0,228 €
0,016	Kg	Olive oil	6,70	0,107 €
0,012	Kg	Salt	0,22	0,003 €
0,008	Kg	Pepper	13,70	0,110 €
0,2	Kg	Baguette	2,30	0,460 €

Servings	**Total cost**
3	0,90 €
Final price	**Food cost**
6,00 €	15,01%

Note. Self-elaboration

Figure 13.12 - *Technical sheet 10*

Technical sheet	10		N° of portions	2
Recipe		Mini burritos		
Quantity	Unit of measure	Article	Price unit	Total price
0,4	Kg	Ground chicken	5,64	2,256 €
0,02	Kg	Chili powder	12,50	0,250 €
0,007	Kg	Cumin	17,20	0,120 €
0,007	Kg	Garlic powder	14,06	0,098 €
0,005	Kg	Salt	0,22	0,001 €
0,1	Kg	Cheedar cheese	8,35	0,835 €
0,2	Kg	Beans	4,05	0,810 €
0,1	Kg	Tomato	1,12	0,112 €
0,02	Kg	Jalapeños	3,04	0,061 €
0,01	Kg	Parsley	17,20	0,172 €
0,1	Kg	Onion	1,70	0,170 €
0,1	Kg	Lime	3,47	0,347 €
0,2	Kg	Cream	3,13	0,626 €
0,013	Unit	Aluminum foil	1,99	0,026 €
0,15	Kg	Rice	1,74	0,261 €
0,12	Kg	Tortilla	3,74	0,449 €

Servings	**Total cost**
4	1,65 €
Final price	**Food cost**
8,00 €	20,61%

Note. Self-elaboration

Figure 13.13 - *Technical sheet 11*

Technical sheet	11		N° of portions	2
Recipe		**Cauliflower nuggets with BBQ sauce**		
Quantity	Unit of measure	Article	Price unit	Total price
1,25	Kg	Cauliflower	1,99	2,488 €
0,02	L	Coconut oil	7,80	0,156 €
0,008	Kg	Salt	0,22	0,002 €
0,006	Kg	Pepper	13,70	0,082 €
0,1	Kg	Flour	0,60	0,060 €
0,012	Kg	Chili pepper powder	12,50	0,150 €
0,006	Kg	Garlic powder	14,06	0,084 €
0,012	Kg	Paprika	8,50	0,102 €
0,012	Kg	Cumin	17,20	0,206 €
0,012	Kg	Turmeric	38,69	0,464 €
0,75	L	Coconut cream	2,52	1,890 €
0,12	Kg	Tapioca Flour	5,15	0,618 €
0,23	Kg	BBQ sauce	4,05	0,932 €

Servings	**Total cost**
5	1,45 €
Final price	**Food cost**
6,00 €	24,11%

Note. Self-elaboration

Figure 13.14 - *Technical sheet 12*

Technical sheet	12		N° of portions	2
Recipe		**Vegetarian eggplant stuffed with cheese au gratin**		
Quantity	Unit of measure	Article	Price unit	Total price
0,45	Kg	Eggplant	1,73	0,779 €
0,04	Kg	Carrot	0,86	0,034 €
0,02	Kg	Onion	1,70	0,034 €
0,01	Kg	Olives	4,51	0,045 €
0,002	Kg	Basil	56,09	0,112 €
0,02	Kg	Mozzarella cheese	6,89	0,138 €
0,05	Kg	Tomato	1,12	0,056 €
0,006	Kg	Salt	0,22	0,001 €
0,006	Kg	Pepper	13,70	0,082 €
0,005	Kg	Olive oil	6,70	0,034 €

Servings	**Total cost**
1	1,32 €
Final price	**Food cost**
7,00 €	18,79%

Note. Self-elaboration

13.4.2 Main Dishes

Figure 13.15 - *Technical sheet 13*

Technical	13		N° of portions	1
Recipe		**Burger with Cheedar Cheese, Bacon, and Braised Pork with BBQ Sauce and Honey**		
Quantity	Unit of me	Article	Price unit	Total price
0,006	Kg	Oregano	42,60	0,256 €
0,006	Kg	Cayenne	34,28	0,206 €
0,006	Kg	Cumin	17,20	0,103 €
0,006	Kg	Mustard	3,44	0,021 €
0,006	Kg	Garlic powder	14,06	0,084 €
0,006	Kg	Onion powder	15,03	0,090 €
0,006	Kg	Paprika	8,50	0,051 €
0,01	L	Honey	4,78	0,048 €
0,006	Kg	Sugar	1,26	0,008 €
0,006	Kg	Salt	0,22	0,001 €
0,1	Kg	Pork neck	12,88	1,288 €
0,1	L	Beer	1,37	0,137 €
0,03	L	BBQ sauce	4,05	0,122 €
0,005	Kg	Fried Onion	7,48	0,037 €
0,016	Kg	Bacon	8,04	0,129 €
0,05	Kg	Cheedar cheese	8,35	0,418 €
0,16	Kg	Minced meat mix	8,67	1,387 €
0,006	Kg	Pepper	13,70	0,082 €
0,35	Kg	Hamburguer Brioche bread	3,66	1,281 €

Servings	**Total cost**
1	5,75 €
Final price	**Food cost**
17,00 €	33,81%

Note. Self-elaboration

Figure 13.16 - *Technical sheet 14*

Technical sheet	14		N° of portions	1
Recipe		**Hamburger with egg and Portuguese sauce**		
Quantity	Unit of measure	Article	Price unit	Total price
0,16	Kg	Minced meat mix	8,67	1,387 €
0,006	Kg	Salt	0,22	0,001 €
0,006	Kg	Pepper	13,70	0,082 €
0,05	Kg	Garlic	5,64	0,282 €
0,05	Kg	Onion	1,70	0,085 €
0,09	Dozen	Eggs	2,13	0,192 €
0,12	Kg	Bread "Bolo do Caco"	4,83	0,580 €
0,028	Kg	Butter	6,89	0,193 €
0,01	L	Olive oil	6,70	0,067 €
0,006	Kg	Suggar	1,26	0,008 €
0,03	L	White wine	5,08	0,152 €
0,001	Kg	Mustard	3,44	0,003 €
0,016	Kg	Bacon	8,04	0,129 €
0,05	Kg	Cheedar cheese	8,35	0,418 €

Servings	**Total cost**
1	3,58 €
Final price	**Food cost**
16,00 €	22,37%

Note. Self-elaboration

Figure 13.17 - *Technical sheet 15*

Technical	15		N° of portions	1
Recipe		**Vegan Burger with Melted Cheese and Guacamole**		
Quantity	Unit of me	Article	Price unit	Total price
0,1	Kg	Onion	1,70	0,170 €
0,014	Kg	Butter	6,89	0,096 €
0,01	Kg	Olive oil	6,70	0,067 €
0,1	Kg	Red onion	1,82	0,182 €
0,04	Kg	Red pepper	1,73	0,069 €
0,04	Kg	Mushrooms	3,74	0,150 €
0,05	Kg	Black beans	1,72	0,086 €
0,09	Kg	Eggs	2,13	0,192 €
0,006	Kg	Cumin	17,20	0,103 €
0,006	Kg	Garlic powder	14,06	0,084 €
0,006	Kg	Chili powder	12,50	0,075 €
0,35	Kg	Flour	0,60	0,210 €
0,006	Kg	Pepper	13,70	0,082 €
0,006	Kg	Salt	0,22	0,001 €
0,05	Kg	Vegan cheese	6,55	0,328 €
0,025	Serving	Guacamole (our recipe)	1,62	0,041 €
0,35	Kg	Hamburguer Brioche bread	3,66	1,281 €

Servings	**Total cost**
1	3,22 €
Final price	**Food cost**
16,00 €	20,11%

Note. Self-elaboration

Figure 13.18 - *Technical sheet 16*

Technical sheet	16		N° of portions	1
Recipe		**Mediterranean Salad**		
Quantity	Unit of measure	Article	Price unit	Total price
0,08	Kg	Feta cheese	12,11	0,969 €
0,1	Kg	Cucumber	1,30	0,130 €
0,05	Kg	Red onion	1,82	0,091 €
0,2	Kg	Romanian lettuce	1,92	0,384 €
0,1	Kg	Tomato	1,12	0,112 €
0,05	Kg	Olives	4,51	0,226 €
0,008	Kg	Olive oil	6,70	0,054 €
0,008	Kg	Lemon	1,64	0,013 €
0,008	Kg	Mustard	3,44	0,028 €
0,006	Kg	Oregano	42,60	0,256 €
0,006	Kg	Garlic powder	14,06	0,084 €
0,008	Kg	Vinegar	5,08	0,041 €
0,1	Kg	Grilled chicken	5,64	0,564 €

Servings	**Total cost**
1	2,95 €
Final price	**Food cost**
13,00 €	22,69%

Note. Self-elaboration

Figure 13.19 - *Technical sheet 17*

Technical sheet	17		N° of portions	1
Recipe		**Pomegranate salad**		
Quantity	Unit of measure	Article	Price unit	Total price
0,1	Kg	Mixed greens	6,07	0,607 €
0,1	Kg	Pomegranate	2,50	0,250 €
0,05	Kg	Onion	1,70	0,085 €
0,05	Kg	Pecans	15,17	0,759 €
0,1	Kg	Green apple	1,82	0,182 €
0,05	Kg	Goat cheese	17,33	0,867 €
0,008	Kg	Apple cider vinegar	5,08	0,041 €
0,008	Kg	Mustard	3,44	0,028 €
0,008	Kg	Maple syrup	9,23	0,074 €
0,006	Kg	Ground ginger	23,07	0,138 €
0,006	Kg	Olive oil	6,70	0,040 €

Servings	**Total cost**
1	3,07 €
Final price	**Food cost**
14,00 €	21,93%

Note. Self-elaboration

13.4.3 Desserts

Figure 13.20 - *Technical sheet 18*

Technical sheet	18		N° of portions	1
Recipe		**Vegan pancakes with maple syrup**		
Quantity	Unit of measure	Article	Price unit	Total price
0,19	Kg	Flour	0,60	0,114 €
0,015	Kg	Baking powder	6,89	0,103 €
0,006	Kg	Salt	0,22	0,001 €
0,03	Kg	Sugar	1,26	0,038 €
0,2	L	Soy milk	0,72	0,144 €
0,05	L	Oil	1,30	0,065 €
0,03	L	Mapple syrup	9,23	0,277 €
0,03	Kg	Stawberries	5,63	0,169 €

Servings	**Total cost**
3	0,30 €
Final price	**Food cost**
5,00 €	6,08%

Note. Self-elaboration

Figure 13.21 - *Technical sheet 19*

Technical sheet	19		N° of portions	1
Recipe		Cheesecake with berry sauce		
Quantity	Unit of measure	Article	Price unit	Total price
0,3	Kg	Ricotta cheese	8,76	2,628 €
0,25	Kg	"Maria" cookies	1,60	0,400 €
0,2	Kg	Sugar	1,26	0,252 €
0,15	Kg	Red fruits	4,67	0,701 €
0,15	Kg	Butter	6,89	1,034 €
0,33	L	Condensed milk	3,17	1,046 €
0,3	L	Cream	3,13	0,939 €
0,001	Kg	Gelatin	65,56	0,066 €

Servings	**Total cost**
8	0,88 €
Final price	**Food cost**
6,00 €	14,72%

Note. Self-elaboration

Figure 13.22 - *Technical sheet 20*

Technical sheet	20		N° of portions	1
Recipe		**Oreo mousse**		
Quantity	Unit of measure	Article	Price unit	Total price
0,33	L	Condensed milk	3,16	1,043 €
0,4	L	Cream	3,13	1,252 €
0,15	Kg	Oreo type cookies	6,43	0,965 €
0,001	Kg	Gelatin	65,56	0,066 €

Servings	**Total cost**
8	0,42 €
Final price	**Food cost**
5,00 €	8,31%

Note. Self-elaboration

13.4.4 Cocktails

Figure 13.23 - *Technical sheet 21, 22, 23 and 24*

Technical sheet	21		N° of port	1
Recipe		**Blue desire**		
Quantity	Unit of measure	Article	Price unit	Total price
0,02	L	Coconut malibu	22,00	0,440 €
0,02	L	Vodka	9,90	0,198 €
0,01	L	Cream	3,13	0,031 €
0,01	L	Blue curaçao	13,90	0,139 €
0,02	L	Seven up	0,90 €	0,018

Servings	**Total cost**
1	0,83 €
Final price	**Food cost**
10,00 €	8,26%

Technical sheet	22		N° of portions	1
Recipe		**Gin Daisy**		
Quantity	Unit of measure	Article	Price unit	Total price
0,03	L	Gin	13,65	0,410 €
0,02	L	Grenadine syrup	6,91	0,138 €
0,01	L	Lemon juice	1,55	0,016 €
0,02	L	Carbonated water	0,72	0,014 €
0,001	Kg	Mint	17,20 €	0,0172
0,01	Kg	Cherries	6,94	0,069 €

Servings	**Total cost**
1	0,66 €
Final price	**Food cost**
10,00 €	6,64%

Technical sheet	23		N° of port	1
Recipe		**Piña colada**		
Quantity	Unit of measure	Article	Price unit	Total price
0,03	L	White rum	18,87	0,566 €
0,02	L	Coconut milk	4,65	0,093 €
0,07	L	Pinapple juice	4,73	0,331 €
0,01	Kg	Orange	1,37	0,014 €

Servings	**Total cost**
1	1,00 €
Final price	**Food cost**
12,00 €	8,37%

Technical sheet	24		N° of portions	1
Recipe		**Screwdriver**		
Quantity	Unit of measure	Article	Price unit	Total price
0,03	L	Vodka	9,90	0,297 €
0,03	L	Orange juice	3,03	0,091 €
0,01	Kg	Orange	1,37	0,014 €

Servings	**Total cost**
1	0,40 €
Final price	**Food cost**
8,00 €	5,02%

Note. Self-elaboration

Figure 13.24 - *Technical sheets 25, 26, 27 and 28*

Technical sheet	25		N° of port	1
Recipe		**Sex on the beach**		
Quantity	Unit of measure	Article	Price unit	Total price
0,04	L	Vodka	9,90	0,396 €
0,02	L	Peach schnapps	9,35	0,187 €
0,04	L	Arando juice	3,10	0,124 €
0,04	L	Orange juice	3,03	0,121 €
0,01	Kg	Orange	1,37	0,0137

Servings	**Total cost**
1	0,84 €
Final price	**Food cost**
12,00 €	7,02%

Technical sheet	26		N° of portions	1
Recipe		**Spicy Passion**		
Quantity	Unit of measure	Article	Price unit	Total price
0,03	L	Gin	13,65	0,410 €
0,02	L	Lime juice	6,19	0,124 €
0,01	Kg	Sugar	1,26	0,013 €
0,09	Dozen	Eggs	2,13	0,192 €
0,002	Kg	Coriander	17,2	0,0344

Servings	**Total cost**
1	0,77 €
Final price	**Food cost**
12,00 €	6,43%

Technical sheet	27		N° of port	1
Recipe		**Caipirinha**		
Quantity	Unit of measure	Article	Price unit	Total price
0,03	Kg	Lime	3,47	0,104 €
0,02	Kg	Sugar	1,26	0,025 €
0,05	L	Cachaça	16,90	0,845 €

Servings	**Total cost**
1	0,97 €
Final price	**Food cost**
8,00 €	12,18%

Technical sheet	28		N° of portions	1
Recipe		**Beer**		
Quantity	Unit of measure	Article	Price unit	Total price
0,33	L	Beer	1,54	0,508 €

Servings	**Total cost**
1	0,51 €
Final price	**Food cost**
3,00 €	16,94%

Note. Self-elaboration

13.4.5 Non-alcoholic Drinks

Figure 13.25 - *Technical sheets 29, 39, 31 and 32*

Technical	29		N° of port	1	Servings	Total cost
Recipe		**Orange juice**			1	1,01 €
Quantity	Unit of me	Article	Price unit	Total price		
0,33	L	Orange juice	3,03	1,000 €	**Final price**	**Food cost**
0,01	Kg	Orange	1,37	0,014 €	6,00 €	16,89%

Technical	30		N° of port	1	Servings	Total cost
Recipe		**Stawberry limonade**			1	0,40 €
Quantity	Unit of me	Article	Price unit	Total price		
0,05	Kg	Stawberry	4,67	0,234 €	**Final price**	**Food cost**
0,1	L	Lemon juice	1,55	0,155 €	6,00 €	6,69%
0,01	Kg	Sugar	1,26	0,013 €		

Technical	31		N° of port	1	Servings	Total cost
Recipe		**Soft drinks**			1	0,36 €
Quantity	Unit of me	Article	Price unit	Total price		
0,33	L	Soft drinks	1,00	0,330 €	**Final price**	**Food cost**
0,02	Kg	Lemon	1,55	0,031 €	3,00 €	12,03%

Technical	32		N° of port	1	Servings	Total cost
Recipe		**Water**			1	0,21 €
Quantity	Unit of me	Article	Price unit	Total price		
0,5	L	Bottled water	0,42	0,210 €	**Final price**	**Food cost**
					2,00 €	10,50%

Note. Self-elaboration

13.4.6 Hot beverages

Figure 13.26 - *Technical sheets 33, 34, 35 and 36*

Technical sheet	33		N° of portions	1	Servings	Total cost
Recipe			**Coffee**		1	0,05 €
Quantity	Unit of measure	Article	Price unit	Total price	**Final price**	**Food cost**
0,005	Kg	Coffee	9,35	0,047 €	1,50 €	3,12%

Technical sheet	34		N° of portions	1	Servings	Total cost
Recipe			**Capuccino**		1	0,62 €
0,005	Unit of measure	Article	Price unit	Total price	**Final price**	**Food cost**
0,05	Kg	Coffee	9,35	0,468 €	5,00 €	12,44%
0,2	L	Milk	0,71	0,142 €		
0,002	Kg	Chocolate powder	6,19	0,012 €		

Technical sheet	35		N° of portions	1	Servings	Total cost
Recipe			**Latte Machiatto**		1	0,68 €
Quantity	Unit of measure	Article	Price unit	Total price	**Final price**	**Food cost**
0,05	Kg	Coffee	9,35	0,468 €	5,00 €	13,61%
0,3	L	Milk	0,71	0,213 €		

Technical sheet	36		N° of portions	1	Servings	Total cost
Recipe			**Tea**		1	0,03 €
Quantity	Unit of measure	Article	Price unit	Total price	**Final price**	**Food cost**
0,04	Kg	Tea	0,79	0,032 €	4,00 €	0,79%

Note. Self-elaboration

13.5 Annex D – Marketing Investment

Figure 13.27 - *Detailed marketing investment forecast*

	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Inflation		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Goal / rooms	180	180	192	204	204	204	204	204	204	204	204
Goal / restaurant	238272	238272	253164	268056	268056	268056	268056	268056	268056	268056	268056
Instagram required reach	3974200	11913600	12658200	13402800	13402800	13402800	13402800	13402800	13402800	13402800	13402800
Instagram conversion rate	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Price / click	0,016 €	0,016 €	0,016 €	0,017 €	0,017 €	0,017 €	0,018 €	0,018 €	0,018 €	0,019 €	0,019 €
Total Instagram	63 587 €	190 618 €	206 582 €	223 108 €	227 571 €	232 122 €	236 764 €	241 500 €	246 330 €	251 256 €	256 281 €
Google ads required reach	3600	3600	3840	4080	4080	4080	4080	4080	4080	4080	4080
Conversion rate	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Price / click	1,00 €	1,00 €	1,02 €	1,04 €	1,06 €	1,08 €	1,10 €	1,12 €	1,14 €	1,16 €	1,18 €
Total Google ads	3 600 €	3 600 €	3 917 €	4 243 €	4 325 €	4 406 €	4 488 €	4 570 €	4 651 €	4 733 €	4 814 €
Website maintenance	10 640 €	1 920 €	1 958 €	1 998 €	2 038 €	2 078 €	2 120 €	2 162 €	2 205 €	2 250 €	2 295 €
TOTAL MARKETING INVESTMENT	77 827 €	196 138 €	212 457 €	229 349 €	233 933 €	238 607 €	243 372 €	248 232 €	253 186 €	258 239 €	263 390 €

Note. Self-elaboration

13.6 Annex E – Forecasted salaries for Y0 and Y1

Figure 13.28 - *Salaries forecast, base for first year of operations*

Number of workers	Job title	Gross salary / month	Social security / month	Compensation insurance / month	Anual gross salary (14 months)	Anual social security	Anual insurance compensation	Anual cost per worker	Anual total costs for all the workers
1	General Director	4 000,00 €	950,00 €	333,33 €	56 000,00 €	13 300,00 €	4 000,00 €	73 300,00 €	73 300,00 €
1	Hospitality Director	3 000,00 €	712,50 €	250,00 €	42 000,00 €	9 975,00 €	3 000,00 €	54 975,00 €	54 975,00 €
1	Administrative Director	3 000,00 €	712,50 €	250,00 €	42 000,00 €	9 975,00 €	3 000,00 €	54 975,00 €	54 975,00 €
1	F&B Director	3 000,00 €	712,50 €	250,00 €	42 000,00 €	9 975,00 €	3 000,00 €	54 975,00 €	54 975,00 €
2	Housekeepers	1 000,00 €	237,50 €	83,33 €	14 000,00 €	3 325,00 €	1 000,00 €	18 325,00 €	36 650,00 €
5	Receptionists	1 250,00 €	296,88 €	104,17 €	17 500,00 €	4 156,25 €	1 250,00 €	22 906,25 €	114 531,25 €
1	Marketing analyst	1 700,00 €	403,75 €	141,67 €	23 800,00 €	5 652,50 €	1 700,00 €	31 152,50 €	31 152,50 €
1	Financial analyst	1 700,00 €	403,75 €	141,67 €	23 800,00 €	5 652,50 €	1 700,00 €	31 152,50 €	31 152,50 €
1	Human resources analys	1 700,00 €	403,75 €	141,67 €	23 800,00 €	5 652,50 €	1 700,00 €	31 152,50 €	31 152,50 €
2	Head chef	1 450,00 €	344,38 €	120,83 €	20 300,00 €	4 821,25 €	1 450,00 €	26 571,25 €	53 142,50 €
2	Head of room	1 450,00 €	344,38 €	120,83 €	20 300,00 €	4 821,25 €	1 450,00 €	26 571,25 €	53 142,50 €
5	Cookers	1 100,00 €	261,25 €	91,67 €	15 400,00 €	3 657,50 €	1 100,00 €	20 157,50 €	100 787,50 €
5	Waiters	1 100,00 €	261,25 €	91,67 €	15 400,00 €	3 657,50 €	1 100,00 €	20 157,50 €	100 787,50 €
4	Bartenders	800,00 €	190,00 €	66,67 €	11 200,00 €	2 660,00 €	800,00 €	14 660,00 €	58 640,00 €
								Total monthly cost	65 893,65 €
								Total anual cost	849 363,75 €

Note. Self-elaboration

13.7 Annex F – Assumptions for staff needs calculation

Figure 13.29 - *Assumptions for staff needs calculations*

Assumptions	
Housekeeping	
The estimated occupancy	75% (180 rooms)
Residents with weekly room cleaning	42% (76 rooms, 11 rooms aprox / day)
Average time needed for cleaning / room (includes rooms exchanges)	25 minutes
Time used to clean common areas	90 minutes
Reception	
Number of receptionists / shift (morning, afternoon and night)	1
Restaurant / Bar	
Monday to Sunday (except Friday) working hours	10h-3h
Friday working hours	10h-7h
Lunch opening hours	11h30 – 15h00
Dinner opening hours	18h30 – 22h
Bar opening hours	23h – 2h
Nightclub (Friday) opening hours	00h – 6h
Table rotation	90 minutes
Table turnover / shift	2
Total possible meals / day	416
Estimated occupancy	80%
Tables served / waiter	5
People served / bartender	100
Clients served / cooker	25
General assumptions	
Days of holidays / year	22 days
Rest days / year	104 days
Hours of work	8h
Work breaks / day	60 minutes

Note. Self-elaboration

13.8 Annex G – General Financial Assumptions

Figure 13.30 - *General assumptions for financial calculations*

Assumptions	Value
Inflation	2%
Real estate rent prices growth	8%
Room occupancy rate for the first year	75%
Room occupancy rate growth	5% establishing at 85% of occupancy for the following years
Occupancy rate for F&B for the first year	80%
F&B occupancy rate growth	5% establishing at 90% of occupancy for the following years
Average price for alcoholic drinks sold during bar time for first year	9,38 €
Average cost for alcoholic drinks sold during bar time for first year	0,75€/drink
Time for table rotation	90min
Table turnover per shift	2
Operational costs ratio	20%
Electricity + Gas cost / client per rooms occupied / month	35 €
Electricity common areas / month	1 000 €
Water cost / client per rooms occupied / month	17 €
Water common areas / month	500 €
Internet costs / month	300 €
Equipment maintenance / month	15 000 €
KWh / plate /beverage	1,3 KWh
Electricity + Gas / Kwh	0,2832€/ Kwh
Water cost / m3	0,005€/m3
Water used / plate / beverage	0,4L
Software maintenance / month	2 000 €
Office materials / month	500 €
Common areas cleaning materials / month	500 €
Average salary increase / year	3%
Unexpected costs / year	120 000 €
Gym rent / month for the first year	2 000 €
Cost of cleaning products / room / month	6 €
Replenishment time for stock	8 days
Payment conditions with suppliers	30 days credit
Company insurance /month	1 000 €

Note. Self-elaboration

13.9 Annex H - Detailed initial investment

Figure 13.31 - *Detailed initial investment*

Initial investment	Units	Price/unit	Total price
Infrastructural			
Land	1	1 000 000,00 €	1 000 000,00 €
Building construction	5700	1000/m2	5 700 000,00 €
Rooms			
Single beds + matresses	200	340,00 €	68 000,00 €
Double beds + matresses	40	780,00 €	31 200,00 €
Pillows	420	7,00 €	2 940,00 €
Single Bed sheets +pillowcases	600	25,00 €	15 000,00 €
Double beds sheets + pillowcases	160	30,00 €	4 800,00 €
Single duvet	300	15,00 €	4 500,00 €
Double duvet	40	30,00 €	1 200,00 €
Room full body mirror	240	50,00 €	12 000,00 €
chairs	240	15,00 €	3 600,00 €
Private Showers	100	430,00 €	43 000,00 €
Private Toilets	100	105,00 €	10 500,00 €
Private Bathroom cabinets	100	70,00 €	7 000,00 €
Private bathroom mirrors with storage	100	45,00 €	4 500,00 €
Private bathroom sinks with storage	100	105,00 €	10 500,00 €
Room decorations	240	80,00 €	19 200,00 €
Common areas			
Meeting room chairs	216	25,00 €	5 400,00 €
Projector	1	1 000,00 €	1 000,00 €
White boards	3	1 000,00 €	3 000,00 €
Meeting room tables	4	250,00 €	1 000,00 €
Ovens + Stoves	28	500,00 €	14 000,00 €
Microwaves	5	85,00 €	425,00 €
Fridges	32	750,00 €	24 000,00 €
Freezers	32	834,00 €	26 688,00 €
Double sinks	28	427,00 €	11 956,00 €
Kitchen tables + chairs	32	290,00 €	9 280,00 €
Kitchen miscellaneous	1500	5,00 €	7 500,00 €
Study room tables + seats	12	85,00 €	1 020,00 €
Living room sofas	4	2 000,00 €	8 000,00 €
Living room tables	6	100,00 €	600,00 €
Snocker tables	2	3 000,00 €	6 000,00 €
ping pong tables	2	1 200,00 €	2 400,00 €
Foosball	2	400,00 €	800,00 €
Living room cabinets	2	300,00 €	600,00 €
Locker rooms showers	16	95,00 €	1 520,00 €
Locker rooms toilets	16	125,00 €	2 000,00 €
Locker rooms sinks	16	50,00 €	800,00 €
Locker rooms mirrors	20	70,00 €	1 400,00 €
Lobby sofas	6	1 500,00 €	9 000,00 €
Lobby tables + chairs	10	800,00 €	8 000,00 €
Decorations	300	50,00 €	15 000,00 €
Laundry room washing + drying machine	6	900,00 €	5 400,00 €
Restaurant/Bar			
Built in sofas + table	4	1 500,00 €	6 000,00 €
Tables + chairs	20	1 000,00 €	20 000,00 €
Sideboard	2	1 000,00 €	2 000,00 €
Bar balcony	1	3 000,00 €	3 000,00 €
Music system	1	10 000,00 €	10 000,00 €
Plates (3 types)	390	7,00 €	2 730,00 €
Cutlery (6 types)	780	8,00 €	6 240,00 €
Glasses (wine, water, cocktails, beer, juices (8 types	884	4,00 €	3 536,00 €
Washable Plastic cups	1000	2,00 €	2 000,00 €
Placemats	130	4,00 €	520,00 €
Cofee cups	52	7,00 €	364,00 €
Bigger cups (3 types)	156	13,00 €	2 028,00 €
Oliver oil and vinegar stand	30	12,00 €	360,00 €
Sugar bowl	52	3,00 €	156,00 €
Restaurant decorations	30	50,00 €	1 500,00 €
Employee's working tools			
Computers and monitors	8	1 400,00 €	11 200,00 €
Office table and chair	7	400,00 €	2 800,00 €
Housekeeping (vaccum, mop, dust pan, broom)	8	300,00 €	2 400,00 €
POS, cash register and suplements	2	1 200,00 €	2 400,00 €
Printer	1	1 600,00 €	1 600,00 €
Phones	8	800,00 €	6 400,00 €
Uniforms	50	100,00 €	5 000,00 €
Trolley	2	200,00 €	400,00 €
Ice maker	1	2 000,00 €	2 000,00 €
Wine cooler	1	1 500,00 €	1 500,00 €
Kitchen michelaneous	1	10 000,00 €	10 000,00 €
Preparation tables	4	1 000,00 €	4 000,00 €
Industrial oven + stove	2	4 000,00 €	8 000,00 €
Industrial fridge	2	3 000,00 €	6 000,00 €
Industrial Freezer	2	2 500,00 €	5 000,00 €
Industrial Dishwasher	1	1 800,00 €	1 800,00 €
Software implementation	1	20 000,00 €	20 000,00 €
Total			7 235 663,00 €

Note. Self-elaboration

13.10 Annex I – Detailed table with forecasted sales for Restaurant

Figure 13.32 - *Detailed Restaurant sales forecast*

Rate of plate consumption	Nr of people served		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
		Total possible meals	151840	151840	151840	151840	151840	151840	151840	151840	151840	151840
		Total occupancy rate	80%	85%	90%	90%	90%	90%	90%	90%	90%	90%
		Total meals provided	121472	129064	136656	136656	136656	136656	136656	136656	136656	136656
		Dishes to share										
15%	4	*Alentejano* Bread stuffed with 3-cheese mix	4555	4840	5125	5125	5125	5125	5125	5125	5125	5125
		Total sales	54 662 €	59 240 €	63 980 €	65 259 €	66 564 €	67 896 €	69 254 €	70 639 €	72 051 €	73 492 €
18%	2	*Alheira* balls with sweet and sour sauce	10932	11616	12299	12299	12299	12299	12299	12299	12299	12299
		Total sales	65 595 €	71 088 €	76 776 €	78 311 €	79 877 €	81 475 €	83 104 €	84 766 €	86 462 €	88 191 €
29%	2	Honey BBQ Chicken wings	17613	18714	19815	19815	19815	19815	19815	19815	19815	19815
		Total sales	123 294 €	133 620 €	144 310 €	147 196 €	150 140 €	153 142 €	156 205 €	159 329 €	162 516 €	165 766 €
20%	2	Goat cheese with nuts, honey and arugula	12147	12906	13666	13666	13666	13666	13666	13666	13666	13666
		Total sales	85 030 €	92 152 €	99 524 €	101 514 €	103 545 €	105 615 €	107 728 €	109 882 €	112 080 €	114 322 €
18%	2	Onion rings	10932	11616	12299	12299	12299	12299	12299	12299	12299	12299
		Total sales	65 595 €	71 088 €	76 776 €	78 311 €	79 877 €	81 475 €	83 104 €	84 766 €	86 462 €	88 191 €
9%	3	*Peixinhos da horta*	3644	3872	4100	4100	4100	4100	4100	4100	4100	4100
		Total sales	21 865 €	23 696 €	25 592 €	26 104 €	26 626 €	27 158 €	27 701 €	28 255 €	28 821 €	29 397 €
36%	3	Chili cheese nachos	14577	15488	16399	16399	16399	16399	16399	16399	16399	16399
		Total sales	116 613 €	126 379 €	136 490 €	139 220 €	142 004 €	144 844 €	147 741 €	150 696 €	153 710 €	156 784 €
29%	3	Guacamole	11742	12476	13210	13210	13210	13210	13210	13210	13210	13210
		Total sales	82 196 €	89 080 €	96 206 €	98 130 €	100 093 €	102 095 €	104 137 €	106 220 €	108 344 €	110 511 €
11%	3	Bruschetta	4454	4732	5011	5011	5011	5011	5011	5011	5011	5011
		Total sales	26 724 €	28 962 €	31 279 €	31 904 €	32 543 €	33 193 €	33 857 €	34 534 €	35 225 €	35 930 €
30%	2	Mini burritos	18221	19360	20498	20498	20498	20498	20498	20498	20498	20498
		Total sales	145 766 €	157 974 €	170 612 €	174 025 €	177 505 €	181 055 €	184 676 €	188 370 €	192 137 €	195 980 €
8%	2	Cauliflower nuggets with BBQ sauce	4859	5163	5466	5466	5466	5466	5466	5466	5466	5466
		Total sales	29 153 €	31 595 €	34 122 €	34 805 €	35 501 €	36 211 €	36 935 €	37 674 €	38 427 €	39 196 €
5%	2	Vegetarian eggplant stuffed with cheese au gratin	3037	3227	3416	3416	3416	3416	3416	3416	3416	3416
		Total sales	21 258 €	23 038 €	24 881 €	25 379 €	25 886 €	26 404 €	26 932 €	27 471 €	28 020 €	28 580 €
		Total sales dishes to share	837 752 €	907 914 €	980 547 €	1 000 158 €	1 020 161 €	1 040 564 €	1 061 375 €	1 082 603 €	1 104 255 €	1 126 340 €
		Single Plates										
20%		Burger with Cheedar Cheese, Bacon, and Braised Pork with BBQ Sauce and Honey	24294	25813	27331	27331	27331	27331	27331	27331	27331	27331
		Total sales	413005	447594	483401	493069	502931	512990	523249	533714	544389	555276
18%		Hamburger with Cheedar cheese, Bacon egg and Portuguese sauce	21865	23232	24598	24598	24598	24598	24598	24598	24598	24598
		Total sales	349839	379138	409469	417659	426012	434532	443223	452087	461129	470352
6%		Vegan Burger with Melted Cheese and Guacamole	7288	7744	8199	8199	8199	8199	8199	8199	8199	8199
		Total sales	116613	126379	136490	139220	142004	144844	147741	150696	153710	156784
8%		Mediterranean Salad	9718	10325	10932	10932	10932	10932	10932	10932	10932	10932
		Total sales	126331	136911	147864	150821	153838	156914	160053	163254	166519	169849
8%		Pomegranate and pecan salad	9718	10325	10932	10932	10932	10932	10932	10932	10932	10932
		Total sales	136049	147443	159238	162423	165671	168985	172364	175812	179328	182915
		Total sales single plates	1141837	1237466	1336463	1363192	1390456	1418265	1446630	1475563	1505074	1535176
		Deserts										
11%		Vegan pancakes with maple syrup and s	13362	14197	15032	15032	15032	15032	15032	15032	15032	15032
		Total sales	66810	72405	78197	79761	81356	82984	84643	86336	88063	89824
37%		Cheesecake with berry sauce	44945	47754	50563	50563	50563	50563	50563	50563	50563	50563
		Total sales	269668	292253	315633	321945	328384	334952	341651	348484	355454	362563
22%		Oreo mousse	26724	28394	30064	30064	30064	30064	30064	30064	30064	30064
		Total sales	133619	144810	156395	159522	162713	165967	169287	172672	176126	179648
		Total sales Deserts	470097	509467	550225	561229	572454	583903	595581	607492	619642	632035
		Alcoholic beverages										
8%		Blue desire	9718	10325	10932	10932	10932	10932	10932	10932	10932	10932
		Total sales	97 178 €	105 316 €	113 742 €	116 016 €	118 337 €	120 703 €	123 117 €	125 580 €	128 091 €	130 653 €
5%		Gin Daisy	6 074 €	6 453 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €
		Total sales	60 736 €	65 823 €	71 088 €	72 510 €	73 960 €	75 440 €	76 948 €	78 487 €	80 057 €	81 658 €
6%		Piña colada	7 288 €	7 744 €	8 199 €	8 199 €	8 199 €	8 199 €	8 199 €	8 199 €	8 199 €	8 199 €
		Total sales	87 460 €	94 785 €	102 367 €	104 415 €	106 503 €	108 633 €	110 806 €	113 022 €	115 282 €	117 588 €
2%		Screwdriver	2 429 €	2 581 €	2 733 €	2 733 €	2 733 €	2 733 €	2 733 €	2 733 €	2 733 €	2 733 €
		Total sales	19 436 €	21 063 €	22 748 €	23 203 €	23 667 €	24 141 €	24 623 €	25 116 €	25 618 €	26 131 €
9%		Sex on the beach	10 932 €	11 616 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €
		Total sales	131 190 €	142 177 €	153 551 €	156 622 €	159 755 €	162 950 €	166 209 €	169 533 €	172 923 €	176 382 €
5%		Spicy passion	6 074 €	6 453 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €
		Total sales	72 883 €	78 987 €	85 306 €	87 012 €	88 753 €	90 528 €	92 338 €	94 185 €	96 069 €	97 990 €
2%		Caipirinha	2 429 €	2 581 €	2 733 €	2 733 €	2 733 €	2 733 €	2 733 €	2 733 €	2 733 €	2 733 €
		Total sales	19 436 €	21 063 €	22 748 €	23 203 €	23 667 €	24 141 €	24 623 €	25 116 €	25 618 €	26 131 €
26%		Beer	31 583 €	33 557 €	35 531 €	35 531 €	35 531 €	35 531 €	35 531 €	35 531 €	35 531 €	35 531 €
		Total sales	94 748 €	102 683 €	110 898 €	113 116 €	115 378 €	117 686 €	120 040 €	122 440 €	124 889 €	127 387 €
		Total alcoholic beverages	583 066 €	631 897 €	682 449 €	696 098 €	710 020 €	724 220 €	738 705 €	753 479 €	768 549 €	783 920 €
		Non-alcoholic beverages										
12%		Orange juice	14577	15488	16399	16399	16399	16399	16399	16399	16399	16399
		Total sales	87 460 €	94 785 €	102 367 €	104 415 €	106 503 €	108 633 €	110 806 €	113 022 €	115 282 €	117 588 €
9%		Stawberry limonade	10 932 €	11 616 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €
		Total sales	65 595 €	71 088 €	76 776 €	78 311 €	79 877 €	81 475 €	83 104 €	84 766 €	86 462 €	88 191 €
33%		Water	40 086 €	42 591 €	45 096 €	45 096 €	45 096 €	45 096 €	45 096 €	45 096 €	45 096 €	45 096 €
		Total sales	80 172 €	86 886 €	93 837 €	95 713 €	97 628 €	99 580 €	101 572 €	103 603 €	105 675 €	107 789 €
15%		Coke	18 221 €	19 360 €	20 498 €	20 498 €	20 498 €	20 498 €	20 498 €	20 498 €	20 498 €	20 498 €
		Total sales	54 662 €	59 240 €	63 980 €	65 259 €	66 564 €	67 896 €	69 254 €	70 639 €	72 051 €	73 492 €
5%		Seven-up	6 074 €	6 453 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €	6 833 €
		Total sales	18 221 €	19 747 €	21 327 €	21 753 €	22 188 €	22 632 €	23 085 €	23 546 €	24 017 €	24 497 €
11%		Ice tea	13 362 €	14 197 €	15 032 €	15 032 €	15 032 €	15 032 €	15 032 €	15 032 €	15 032 €	15 032 €
		Total sales	40 086 €	43 443 €	46 918 €	47 857 €	48 814 €	49 790 €	50 786 €	51 802 €	52 838 €	53 894 €
		Total non-alcoholic beverages	346 195 €	375 189 €	405 204 €	413 308 €	421 574 €	430 006 €	438 606 €	447 378 €	456 326 €	465 452 €
		Hot beverages										
38%		Cofee	46159	49044	51929	51929	51929	51929	51929	51929	51929	51929
		Total sales	69 239 €	75 038 €	81 041 €	82 662 €	84 315 €	86 001 €	87 721 €	89 476 €	91 265 €	93 090 €
8%		Capuccino	9 718 €	10 325 €	10 932 €	10 932 €	10 932 €	10 932 €	10 932 €	10 932 €	10 932 €	10 932 €
		Total sales	48 589 €	52 658 €	56 871 €	58 008 €	59 168 €	60 352 €	61 559 €	62 790 €	64 046 €	65 327 €
9%		Latte machiatto	10 932 €	11 616 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €
		Total sales	54 662 €	59 240 €	63 980 €	65 259 €	66 564 €	67 896 €	69 254 €	70 639 €	72 051 €	73 492 €
9%		Tea	10 932 €	11 616 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €	12 299 €
		Total sales	43 730 €	47 392 €	51 184 €	52 207 €	53 252 €	54 317 €	55 403 €	56 511 €	57 641 €	58 794 €
		Total hot beverages	216 220 €	234 329 €	253 075 €	258 136 €	263 299 €	268 565 €	273 936 €	279 415 €	285 003 €	290 703 €
		TOTAL SALES	3 595 166 €	3 896 261 €	4 207 962 €	4 292 122 €	4 377 964 €	4 465 523 €	4 554 834 €	4 645 930 €	4 738 849 €	4 833 626 €

Note. Self-elaboration

13.11 Annex J - Detailed forecasted costs for Restaurant

Figure 13.33 - *Detailed restaurant costs forecast*

Rate of plate consumption	Nr of people served		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
		Total possible meals	151840	151840	151840	151840	151840	151840	151840	151840	151840	151840
		Total occupancy rate	80%	85%	90%	90%	90%	90%	90%	90%	90%	90%
		Total meals provided	121472	129064	136656	136656	136656	136656	136656	136656	136656	136656
		Dishes to share										
15%	4	Alentejano Bread stuffed with 3-cheese mix	4555	4840	5125	5125	5125	5125	5125	5125	5125	5125
		Total cost	16 763 €	18 167 €	19 620 €	20 013 €	20 413 €	20 821 €	21 238 €	21 663 €	22 096 €	22 538 €
18%	2	Alheira balls with sweet and sour sauce	10932	11616	12299	12299	12299	12299	12299	12299	12299	12299
		Total cost	11 260 €	12 204 €	13 180 €	13 443 €	13 712 €	13 987 €	14 266 €	14 552 €	14 843 €	15 139 €
29%	2	Honey BBQ Chicken wings	17613	18714	19815	19815	19815	19815	19815	19815	19815	19815
		Total cost	34 698 €	37 604 €	40 613 €	41 425 €	42 254 €	43 099 €	43 961 €	44 840 €	45 737 €	46 651 €
20%	2	Goat cheese with nuts, honey and arugula	12147	12906	13666	13666	13666	13666	13666	13666	13666	13666
		Total cost	28 789 €	31 200 €	33 696 €	34 370 €	35 057 €	35 758 €	36 474 €	37 203 €	37 947 €	38 706 €
18%	2	Onion rings	10932	11616	12299	12299	12299	12299	12299	12299	12299	12299
		Total cost	19 132 €	20 734 €	22 393 €	22 841 €	23 298 €	23 763 €	24 239 €	24 724 €	25 218 €	25 722 €
9%	3	Peixinhos da horta	3644	3872	4100	4100	4100	4100	4100	4100	4100	4100
		Total cost	3 061 €	3 317 €	3 583 €	3 655 €	3 728 €	3 802 €	3 878 €	3 956 €	4 035 €	4 116 €
36%	3	Chili cheese nachos	14577	15488	16399	16399	16399	16399	16399	16399	16399	16399
		Total cost	27 696 €	30 015 €	32 416 €	33 065 €	33 726 €	34 400 €	35 088 €	35 790 €	36 506 €	37 236 €
29%	3	Guacamole	11742	12476	13210	13210	13210	13210	13210	13210	13210	13210
		Total cost	19 023 €	20 616 €	22 265 €	22 710 €	23 164 €	23 628 €	24 100 €	24 582 €	25 074 €	25 575 €
11%	3	Bruschetta	4454	4732	5011	5011	5011	5011	5011	5011	5011	5011
		Total cost	4 009 €	4 344 €	4 692 €	4 786 €	4 881 €	4 979 €	5 079 €	5 180 €	5 284 €	5 389 €
30%	2	Mini burritos	18221	19360	20498	20498	20498	20498	20498	20498	20498	20498
		Total cost	30 064 €	32 582 €	35 189 €	35 893 €	36 610 €	37 343 €	38 089 €	38 851 €	39 628 €	40 421 €
8%	2	Cauliflower nuggets with BBQ sauce	4859	5163	5466	5466	5466	5466	5466	5466	5466	5466
		Total cost	7 045 €	7 635 €	8 246 €	8 411 €	8 579 €	8 751 €	8 926 €	9 105 €	9 287 €	9 472 €
5%	2	Vegetarian eggplant stuffed with cheese au gratin	3037	3227	3416	3416	3416	3416	3416	3416	3416	3416
		Total cost	4 009 €	4 344 €	4 692 €	4 786 €	4 881 €	4 979 €	5 079 €	5 180 €	5 284 €	5 389 €
		Total cost dishes to share	205 549 €	222 764 €	240 585 €	245 396 €	250 304 €	255 310 €	260 417 €	265 625 €	270 937 €	276 356 €
		Single Plates										
20%		Burger with Cheedar Cheese, Bacon, and Braised Pork with BBQ Sauce and Honey	24294	25813	27331	27331	27331	27331	27331	27331	27331	27331
		Total cost	139 693 €	151 392 €	163 503 €	166 774 €	170 109 €	173 511 €	176 981 €	180 521 €	184 131 €	187 814 €
18%		Hamburger with Cheedar cheese, Bacon egg and Portuguese sauce	21865	23232	24598	24598	24598	24598	24598	24598	24598	24598
		Total cost	78 277 €	84 832 €	91 619 €	93 451 €	95 320 €	97 227 €	99 171 €	101 155 €	103 178 €	105 241 €
6%		Vegan Burger with Melted Cheese and Guacamole	7288	7744	8199	8199	8199	8199	8199	8199	8199	8199
		Total cost	23 468 €	25 434 €	27 469 €	28 018 €	28 578 €	29 150 €	29 733 €	30 328 €	30 934 €	31 553 €
8%		Mediterranean Salad	9718	10325	10932	10932	10932	10932	10932	10932	10932	10932
		Total cost	28 667 €	31 068 €	33 554 €	34 225 €	34 909 €	35 608 €	36 320 €	37 046 €	37 787 €	38 543 €
8%		Pomegranate and pecan salad	9718	10325	10932	10932	10932	10932	10932	10932	10932	10932
		Total cost	29 834 €	32 332 €	34 919 €	35 617 €	36 329 €	37 056 €	37 797 €	38 553 €	39 324 €	40 111 €
		Total cost single plates	299 939 €	325 059 €	351 063 €	358 084 €	365 246 €	372 551 €	380 002 €	387 602 €	395 354 €	403 261 €
		Deserts										
11%		Vegan pancakes with maple syrup and stawberries	13362	14197	15032	15032	15032	15032	15032	15032	15032	15032
		Total cost	4 009 €	4 344 €	4 692 €	4 786 €	4 881 €	4 979 €	5 079 €	5 180 €	5 284 €	5 389 €
37%		Cheesecake with berry sauce	44945	47754	50563	50563	50563	50563	50563	50563	50563	50563
		Total cost	39 551 €	42 864 €	46 293 €	47 219 €	48 163 €	49 126 €	50 109 €	51 111 €	52 133 €	53 176 €
22%		Oreo mousse	26724	28394	30064	30064	30064	30064	30064	30064	30064	30064
		Total cost	11 224 €	12 164 €	13 137 €	13 400 €	13 668 €	13 941 €	14 220 €	14 504 €	14 795 €	15 090 €
		Total cost deserts	54 784 €	59 372 €	64 122 €	65 404 €	66 712 €	68 047 €	69 407 €	70 796 €	72 212 €	73 656 €
		Alcoholic beverages										
8%		Blue desire	9718	10325	10932	10932	10932	10932	10932	10932	10932	10932
		Total cost	8 066 €	8 741 €	9 441 €	9 629 €	9 822 €	10 018 €	10 219 €	10 423 €	10 632 €	10 844 €
5%		Gin Daisy	6074	6453	6833	6833	6833	6833	6833	6833	6833	6833
		Total cost	4 009 €	4 344 €	4 692 €	4 786 €	4 881 €	4 979 €	5 079 €	5 180 €	5 284 €	5 389 €
6%		Piña colada	7288	7744	8199	8199	8199	8199	8199	8199	8199	8199
		Total cost	7 288 €	7 899 €	8 531 €	8 701 €	8 875 €	9 053 €	9 234 €	9 418 €	9 607 €	9 799 €
2%		Screwdriver	2429	2581	2733	2733	2733	2733	2733	2733	2733	2733
		Total cost	972 €	1 053 €	1 137 €	1 160 €	1 183 €	1 207 €	1 231 €	1 256 €	1 281 €	1 307 €
9%		Sex on the beach	10932	11616	12299	12299	12299	12299	12299	12299	12299	12299
		Total cost	9 183 €	9 952 €	10 749 €	10 964 €	11 183 €	11 406 €	11 635 €	11 867 €	12 105 €	12 347 €
5%		Spicy passion	6074	6453	6833	6833	6833	6833	6833	6833	6833	6833
		Total cost	4 677 €	5 068 €	5 474 €	5 583 €	5 695 €	5 809 €	5 925 €	6 044 €	6 164 €	6 288 €
2%		Caipirinha	2429	2581	2733	2733	2733	2733	2733	2733	2733	2733
		Total cost	2 357 €	2 554 €	2 758 €	2 813 €	2 870 €	2 927 €	2 986 €	3 045 €	3 106 €	3 168 €
26%		Beer	31583	33557	35531	35531	35531	35531	35531	35531	35531	35531
		Total cost	16 107 €	17 456 €	18 853 €	19 230 €	19 614 €	20 007 €	20 407 €	20 815 €	21 231 €	21 656 €
		Total cost alcoholic beverages	52 658 €	57 068 €	61 634 €	62 866 €	64 124 €	65 406 €	66 714 €	68 049 €	69 410 €	70 798 €
		Non-alcoholic beverages										
12%		Orange juice	14577	15488	16399	16399	16399	16399	16399	16399	16399	16399
		Total cost	14 722 €	15 955 €	17 232 €	17 576 €	17 928 €	18 287 €	18 652 €	19 025 €	19 406 €	19 794 €
9%		Stawberry limonade	10932	11616	12299	12299	12299	12299	12299	12299	12299	12299
		Total cost	4 373 €	4 739 €	5 118 €	5 221 €	5 325 €	5 432 €	5 540 €	5 651 €	5 764 €	5 879 €
33%		Water	40086	42591	45096	45096	45096	45096	45096	45096	45096	45096
		Total cost	8 418 €	9 123 €	9 853 €	10 050 €	10 251 €	10 456 €	10 665 €	10 878 €	11 096 €	11 318 €
15%		Coke	18221	19360	20498	20498	20498	20498	20498	20498	20498	20498
		Total cost	6 559 €	7 109 €	7 678 €	7 831 €	7 988 €	8 147 €	8 310 €	8 477 €	8 646 €	8 819 €
5%		Seven-up	6074	6453	6833	6833	6833	6833	6833	6833	6833	6833
		Total cost	2 186 €	2 370 €	2 559 €	2 610 €	2 663 €	2 716 €	2 770 €	2 826 €	2 882 €	2 940 €
11%		Ice tea	13362	14197	15032	15032	15032	15032	15032	15032	15032	15032
		Total cost	4 810 €	5 213 €	5 630 €	5 743 €	5 858 €	5 975 €	6 094 €	6 216 €	6 341 €	6 467 €
		Total cost non-alcoholic beverages	41 070 €	44 509 €	48 070 €	49 031 €	50 012 €	51 012 €	52 033 €	53 073 €	54 135 €	55 217 €
		Hot beverages										
38%		Cofee	46159	49044	51929	51929	51929	51929	51929	51929	51929	51929
		Total cost	2 308 €	2 501 €	2 701 €	2 755 €	2 810 €	2 867 €	2 924 €	2 983 €	3 042 €	3 103 €
8%		Capuccino	9718	10325	10932	10932	10932	10932	10932	10932	10932	10932
		Total cost	6 025 €	6 530 €	7 052 €	7 193 €	7 337 €	7 484 €	7 633 €	7 786 €	7 942 €	8 101 €
9%		Latte machiatto	10932	11616	12299	12299	12299	12299	12299	12299	12299	12299
		Total cost	7 434 €	8 057 €	8 701 €	8 875 €	9 053 €	9 234 €	9 418 €	9 607 €	9 799 €	9 995 €
9%		Tea	10932	11616	12299	12299	12299	12299	12299	12299	12299	12299
		Total cost	328 €	355 €	384 €	392 €	399 €	407 €	416 €	424 €	432 €	441 €
		Total cost hot beverages	16 095 €	17 443 €	18 838 €	19 215 €	19 600 €	19 992 €	20 391 €	20 799 €	21 215 €	21 639 €
		TOTAL COSTS	670 094 €	726 215 €	784 312 €	799 998 €	815 998 €	832 318 €	848 964 €	865 944 €	883 262 €	900 928 €

Note. Self-elaboration

13.12 Annex K – Detailed forecasted costs for Staff

Figure 13.34 - *Detailed forecast for staff costs*

Job title		Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Salary increase		3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
General Director											
Number of workers	1	1	1	1	1	1	1	1	1	1	1
Base salary	18 667 €	56 000 €	57 680 €	59 410 €	61 193 €	63 028 €	64 919 €	66 867 €	68 873 €	70 939 €	73 067 €
Company SS	4 433 €	13 300 €	13 699 €	14 110 €	14 533 €	14 969 €	15 418 €	15 881 €	16 357 €	16 848 €	17 353 €
Insurance	1 333 €	4 000 €	4 120 €	4 244 €	4 371 €	4 502 €	4 637 €	4 776 €	4 919 €	5 067 €	5 219 €
Total cost	**24 433 €**	**73 300 €**	**75 499 €**	**77 764 €**	**80 097 €**	**82 500 €**	**84 975 €**	**87 524 €**	**90 150 €**	**92 854 €**	**95 640 €**
Hospitality/ Administrative / F&B Directors											
Number of workers	3	3	3	3	3	3	3	3	3	3	3
Base salary	42 000 €	126 000 €	129 780 €	133 673 €	137 684 €	141 814 €	146 069 €	150 451 €	154 964 €	159 613 €	164 401 €
Company SS	9 975 €	29 925 €	30 823 €	31 747 €	32 700 €	33 681 €	34 691 €	35 732 €	36 804 €	37 908 €	39 045 €
Insurance	3 000 €	9 000 €	9 270 €	9 548 €	9 835 €	10 130 €	10 433 €	10 746 €	11 069 €	11 401 €	11 743 €
Total cost	**54 975 €**	**164 925 €**	**169 873 €**	**174 969 €**	**180 218 €**	**185 625 €**	**191 193 €**	**196 929 €**	**202 837 €**	**208 922 €**	**215 190 €**
Housekeepers											
Number of workers		2	2	2	2	2	2	2	2	2	2
Base salary	- €	28 000 €	28 840 €	29 705 €	30 596 €	31 514 €	32 460 €	33 433 €	34 436 €	35 470 €	36 534 €
Company SS	- €	6 650 €	6 850 €	7 055 €	7 267 €	7 485 €	7 709 €	7 940 €	8 179 €	8 424 €	8 677 €
Insurance	- €	2 000 €	2 060 €	2 122 €	2 185 €	2 251 €	2 319 €	2 388 €	2 460 €	2 534 €	2 610 €
Total cost	**- €**	**36 650 €**	**37 750 €**	**38 882 €**	**40 048 €**	**41 250 €**	**42 487 €**	**43 762 €**	**45 075 €**	**46 427 €**	**47 820 €**
Receptionists											
Number of workers		5	5	5	5	5	5	5	5	5	5
Base salary	- €	87 500 €	90 125 €	92 829 €	95 614 €	98 482 €	101 436 €	104 480 €	107 614 €	110 842 €	114 168 €
Company SS	- €	20 781 €	21 405 €	22 047 €	22 708 €	23 389 €	24 091 €	24 814 €	25 558 €	26 325 €	27 115 €
Insurance	- €	6 250 €	6 250 €	6 250 €	6 250 €	6 250 €	6 250 €	6 250 €	6 250 €	6 250 €	6 250 €
Total cost	**- €**	**114 531 €**	**117 780 €**	**121 126 €**	**124 572 €**	**128 122 €**	**131 778 €**	**135 543 €**	**139 422 €**	**143 417 €**	**147 532 €**
Marketing / Finance / HR analyst											
Number of workers	3	3	3	3	3	3	3	3	3	3	3
Base salary	23 800 €	71 400 €	73 542 €	75 748 €	78 021 €	80 361 €	82 772 €	85 255 €	87 813 €	90 447 €	93 161 €
Company SS	5 653 €	16 958 €	17 466 €	17 990 €	18 530 €	19 086 €	19 658 €	20 248 €	20 856 €	21 481 €	22 126 €
Insurance	1 700 €	5 100 €	5 100 €	5 100 €	5 100 €	5 100 €	5 100 €	5 100 €	5 100 €	5 100 €	5 100 €
Total cost	**31 153 €**	**93 458 €**	**96 108 €**	**98 838 €**	**101 651 €**	**104 547 €**	**107 531 €**	**110 603 €**	**113 769 €**	**117 029 €**	**120 386 €**
Head chef / Head of room											
Number of workers		4	4	4	4	4	4	4	4	4	4
Base salary	- €	81 200 €	83 636 €	86 145 €	88 729 €	91 391 €	94 133 €	96 957 €	99 866 €	102 862 €	105 948 €
Company SS	- €	19 285 €	19 864 €	20 459 €	21 073 €	21 705 €	22 357 €	23 027 €	23 718 €	24 430 €	25 163 €
Insurance	- €	5 800 €	5 800 €	5 800 €	5 800 €	5 800 €	5 800 €	5 800 €	5 800 €	5 800 €	5 800 €
Total cost	**- €**	**106 285 €**	**109 300 €**	**112 405 €**	**115 603 €**	**118 897 €**	**122 290 €**	**125 784 €**	**129 384 €**	**133 091 €**	**136 910 €**
Cookers / Waiters											
Number of workers		10	10	12	12	12	12	12	12	12	12
Base salary	- €	154 000 €	158 620 €	163 379 €	168 280 €	173 328 €	178 528 €	183 884 €	189 401 €	195 083 €	200 935 €
Company SS	- €	36 575 €	37 672 €	38 802 €	39 966 €	41 165 €	42 400 €	43 672 €	44 983 €	46 332 €	47 722 €
Insurance	- €	11 000 €	11 330 €	11 670 €	12 020 €	12 381 €	12 752 €	13 135 €	13 529 €	13 934 €	14 353 €
Total cost	**- €**	**201 575 €**	**207 622 €**	**213 851 €**	**220 266 €**	**226 874 €**	**233 681 €**	**240 691 €**	**247 912 €**	**255 349 €**	**263 010 €**
Bartenders											
Number of workers		4	4	4	4	4	4	4	4	4	4
Base salary	- €	44 800 €	46 144 €	47 528 €	48 954 €	50 423 €	51 935 €	53 494 €	55 098 €	56 751 €	58 454 €
Company SS	- €	10 640 €	10 959 €	11 288 €	11 627 €	11 975 €	12 335 €	12 705 €	13 086 €	13 478 €	13 883 €
Insurance	- €	3 200 €	3 200 €	3 200 €	3 200 €	3 200 €	3 200 €	3 200 €	3 200 €	3 200 €	3 200 €
Total cost	**- €**	**58 640 €**	**60 303 €**	**62 016 €**	**63 781 €**	**65 598 €**	**67 470 €**	**69 398 €**	**71 384 €**	**73 430 €**	**75 537 €**
TOTAL STAFF COSTS	110 561 €	849 364 €	874 234 €	899 851 €	926 236 €	953 412 €	981 404 €	1 010 236 €	1 039 932 €	1 070 520 €	1 102 025 €
Employees SS	9 291 €	71 379 €	73 520 €	75 726 €	77 998 €	80 338 €	82 748 €	85 230 €	87 787 €	90 421 €	93 133 €
Employess IRS	12 670 €	97 335 €	100 255 €	103 263 €	106 361 €	109 551 €	112 838 €	116 223 €	119 710 €	123 301 €	127 000 €
Company SS	20 061 €	154 114 €	158 737 €	163 499 €	168 404 €	173 456 €	178 660 €	184 020 €	189 540 €	195 227 €	201 083 €
Insurance	6 033 €	46 350 €	47 130 €	47 933 €	48 761 €	49 613 €	50 491 €	51 395 €	52 327 €	53 286 €	54 274 €

Note. Self-elaboration

13.13 Annex L – Financial maps

Figure 13.35 - *Investment over the years of operations with respective depreciations*

Investment over time (CAPEX)													
Inflation		2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
	Asset life span	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Land		1 000 000 €											
Building	20	2 850 000 €	2 850 000 €										
Furniture	8			290 276 €								340 105 €	
Clothes and sheets	2			27 740 €		28 861 €		30 027 €		31 240 €		32 502 €	
Blankets	5			5 700 €					6 293 €				
Glasswear	3			22 214 €			23 574 €			25 017 €			26 548 €
Decorations	4			35 700 €				38 643 €				41 828 €	
Kitchen miscellaneous	4			26 620 €				28 814 €				31 190 €	
Computers	3			14 600 €			15 494 €			16 442 €			17 448 €
Heavy machines	8			94 813 €								111 089 €	
Printers	7			1 600 €							1 838 €		
Phones	5			6 400 €					7 066 €				
Music system	5			10 000 €					11 041 €				
Software	10			20 000 €									
Total CAPEX		**3 850 000 €**	**2 850 000 €**	**555 663 €**	**- €**	**28 861 €**	**39 067 €**	**97 484 €**	**24 400 €**	**72 698 €**	**1 838 €**	**556 713 €**	**43 996 €**
Depreciation and amortization													
Building		142 500,00 €	285 000,00 €	285 000,00 €	285 000,00 €	285 000,00 €	285 000,00 €	285 000,00 €	285 000,00 €	285 000,00 €	285 000,00 €	285 000,00 €	285 000,00 €
Furniture				36 284,50 €	36 284,50 €	36 284,50 €	36 284,50 €	36 284,50 €	36 284,50 €	36 284,50 €	36 284,50 €	42 513,07 €	42 513,07 €
Clothes and sheets				13 870,00 €	13 870,00 €	14 430,35 €	14 430,35 €	15 013,33 €	15 013,33 €	15 619,87 €	15 619,87 €	16 250,92 €	16 250,92 €
Blankets				1 140,00 €	1 140,00 €	1 140,00 €	1 140,00 €	1 140,00 €	1 258,65 €	1 258,65 €	1 258,65 €	1 258,65 €	1 258,65 €
Glasswear				7 403,93 €	7 403,93 €	7 403,93 €	7 857,11 €	7 857,11 €	7 857,11 €	8 338,02 €	8 338,02 €	8 338,02 €	8 848,38 €
Decorations				8 925,00 €	8 925,00 €	8 925,00 €	8 925,00 €	9 660,71 €	9 660,71 €	9 660,71 €	9 660,71 €	10 457,06 €	1,17 €
Kitchen miscellaneous				6 655,00 €	6 655,00 €	6 655,00 €	6 655,00 €	7 203,59 €	7 203,59 €	7 203,59 €	7 203,59 €	7 797,39 €	7 797,39 €
Computers				4 866,18 €	4 866,18 €	4 866,18 €	5 164,03 €	5 164,03 €	5 164,03 €	5 480,11 €	5 480,11 €	5 480,11 €	5 815,54 €
Heavy machines				11 851,63 €	11 851,63 €	11 851,63 €	11 851,63 €	11 851,63 €	11 851,63 €	11 851,63 €	11 851,63 €	13 886,07 €	1,17 €
Printers				228,48 €	228,48 €	228,48 €	228,48 €	228,48 €	228,48 €	228,48 €	262,45 €	262,45 €	262,45 €
Phones				1 280,00 €	1 280,00 €	1 280,00 €	1 280,00 €	1 280,00 €	1 413,22 €	1 413,22 €	1 413,22 €	1 413,22 €	1 413,22 €
Music system				2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €	2 208,16 €	2 208,16 €	2 208,16 €	2 208,16 €	2 208,16 €
Software				2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €	2 000,00 €
Total D&A		**142 500,00 €**	**285 000,00 €**	**381 504,71 €**	**381 504,71 €**	**382 065,06 €**	**382 816,09 €**	**384 683,37 €**	**385 143,40 €**	**386 546,94 €**	**386 580,91 €**	**396 865,13 €**	**373 370,13 €**

Note. Self-elaboration

Figure 13.36 - *Investment in Working Capital*

Working Capital											
	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Current assets											
Accounts receivable	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Inventory	- €	14 826 €	16 062 €	17 341 €	17 691 €	18 048 €	18 412 €	18 784 €	19 163 €	19 550 €	19 944 €
TOTAL Current assets	- €	14 826 €	16 062 €	17 341 €	17 691 €	18 048 €	18 412 €	18 784 €	19 163 €	19 550 €	19 944 €
Current liabilities											
Accounts payable	29 707 €	132 316 €	141 451 €	150 952 €	153 970 €	157 049 €	160 190 €	163 393 €	166 660 €	169 992 €	173 391 €
State SS (Company + worker)	7 338 €	16 107 €	16 590 €	17 088 €	17 600 €	18 128 €	18 672 €	19 232 €	19 809 €	20 403 €	21 015 €
State IRS (Worker)	3 168 €	6 953 €	7 161 €	7 376 €	7 597 €	7 825 €	8 060 €	8 302 €	8 551 €	8 807 €	9 071 €
TOTAL Current Liabilities	40 212 €	155 375 €	165 202 €	175 415 €	179 168 €	183 003 €	186 922 €	190 927 €	195 020 €	199 203 €	203 478 €
Necessary working capital	- 40 212 €	- 140 549 €	- 149 140 €	- 158 074 €	- 161 477 €	- 164 955 €	- 168 510 €	- 172 143 €	- 175 857 €	- 179 653 €	- 183 533 €
Investment in working cap	**- 40 212 €**	**- 100 337 €**	**- 8 591 €**	**- 8 934 €**	**- 3 403 €**	**- 3 478 €**	**- 3 555 €**	**- 3 633 €**	**- 3 714 €**	**- 3 796 €**	**- 3 880 €**

Note. Self-elaboration

Figure 13.37 - *Safety Stock calculations*

Safety Stock										
	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Housekeeping										
Value spent in product / day	17,40 €	18,10 €	18,82 €	19,57 €	20,36 €	21,17 €	22,02 €	22,90 €	23,81 €	24,77 €
Replenishing time	8	8	8	8	8	8	8	8	8	8
Housekeeping safety stock	€ 139,20	€ 144,77	€ 150,56	€ 156,58	€ 162,84	€ 169,36	€ 176,13	€ 183,18	€ 190,50	€ 198,13
Restaurant and Bar										
Value spent in product / day	1 835,87 €	1 989,63 €	2 148,80 €	2 191,78 €	2 235,61 €	2 280,32 €	2 325,93 €	2 372,45 €	2 419,90 €	2 468,30 €
Replenishing time	8	8	8	8	8	8	8	8	8	8
F&B safety stock	14 687 €	15 917 €	17 190 €	17 534 €	17 885 €	18 243 €	18 607 €	18 980 €	19 359 €	19 746 €
Total inventory needed	**14 826 €**	**16 062 €**	**17 341 €**	**17 691 €**	**18 048 €**	**18 412 €**	**18 784 €**	**19 163 €**	**19 550 €**	**19 944 €**

Note. Self-elaboration

13.14 Annex M – Values for CAPM calculation

Figure 13.38 - *Information for CAPM calculation*

CAPM		Reference
Risk free rate return (rf)	2,6260%	Bond Yields by Country - Quotes - Prices (tradingeconomics.com)
Market risk premium (rm-rf)	6,35%	pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html
Unlevered Beta (medium of hotel and real estate industry	0,69	betaEurope.xls (live.com)

Note. Self-elaboration

Figure 13.39 - *Cashflows without financing*

Cashflows without financing												
	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Capex investment	- 3 850 000 €	- 2 850 000 €	- 555 663 €	- €	- 28 861 €	- 39 067 €	- 97 484 €	- 24 400 €	- 72 698 €	- 1 838 €	- 556 713 €	- 43 996 €
Investment in working capital	- €	- 40 212 €	- 100 337 €	- 8 591 €	- 8 934 €	- 3 403 €	- 3 478 €	- 3 555 €	- 3 633 €	- 3 714 €	- 3 796 €	- 3 880 €
Net income (no interest)	- 142 500 €	- 514 388 €	2 497 338 €	2 819 975 €	3 161 915 €	3 275 125 €	3 393 614 €	3 519 820 €	3 652 365 €	3 793 593 €	3 934 883 €	4 111 620 €
Depreciation and amortization	142 500 €	285 000 €	381 505 €	381 505 €	382 065 €	382 816 €	384 683 €	385 143 €	386 547 €	386 581 €	396 865 €	373 370 €
Cashflows without financing	**- 3 850 000 €**	**- 3 119 600 €**	**2 222 843 €**	**3 192 889 €**	**3 506 185 €**	**3 615 471 €**	**3 677 335 €**	**3 877 008 €**	**3 962 580 €**	**4 174 622 €**	**3 771 240 €**	**4 437 113 €**
		- 6 969 600 €	2 222 843 €	3 192 889 €	3 506 185 €	3 615 471 €	3 677 335 €	3 877 008 €	3 962 580 €	4 174 622 €	3 771 240 €	4 437 113 €
PV of cashflows		-6 969 600 €	2 077 423 €	2 788 793 €	2 862 092 €	2 758 225 €	2 621 889 €	2 583 414 €	2 467 696 €	2 429 668 €	2 051 304 €	2 255 603 €

Note. Self-elaboration

13.15 Annex N – WACC calculation with Cost of Debt and Cost of equity

Figure 13.40 - *Cost of debt and cost of equity with WACC calculation*

Cost of debt	
Interest expense	392 000,00 €
Total debt	7 800 000,00 €
Cost of debt	5,03%
Debt proportion	97,50%

Levered cost of equity	
Risk free rate	2,6260%
Levered beta	27,40
Market risk premiui	6,35%
Cost of equity	177%
Equity proportion	2,5%

WACC
8,29%

Note. Self-elaboration

13.16 Annex O – Cashflows for Sensitivity analysis

Figure 13.41 - *Cashflow for scenario 1*

Cash flow statement	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Cash from operating activities												
Net income	- 142 500 €	- 906 388 €	1 116 516 €	1 576 662 €	2 018 551 €	2 186 488 €	2 340 276 €	2 474 951 €	2 617 927 €	2 771 768 €	2 928 093 €	3 122 554 €
Depreciation and amortizati	142 500 €	285 000 €	381 505 €	381 505 €	382 065 €	382 816 €	384 683 €	385 143 €	386 547 €	386 581 €	396 865 €	373 370 €
Changes in accounts payable	- €	29 707 €	102 609 €	9 134 €	9 501 €	3 019 €	3 079 €	3 140 €	3 203 €	3 267 €	3 332 €	3 399 €
Changes in inventory	- €	- €	- 14 826 €	- 1 236 €	- 1 279 €	- 350 €	- 357 €	- 364 €	- 372 €	- 379 €	- 387 €	- 395 €
Changes in State	- €	10 506 €	12 554 €	692 €	713 €	734 €	756 €	779 €	802 €	826 €	851 €	876 €
Operating cash flow	**142 500 €**	**325 212 €**	**481 842 €**	**390 095 €**	**390 999 €**	**386 219 €**	**388 161 €**	**388 698 €**	**390 180 €**	**390 295 €**	**400 661 €**	**377 250 €**
Investing cash flow												
Capex	- 3 850 000 €	- 2 850 000 €	- 555 663 €	- €	- 28 861 €	- 39 067 €	- 97 484 €	- 24 400 €	- 72 698 €	- 1 838 €	- 556 713 €	- 43 996 €
Investing cash flow	**- 3 850 000 €**	**- 2 850 000 €**	**- 555 663 €**	**- €**	**- 28 861 €**	**- 39 067 €**	**- 97 484 €**	**- 24 400 €**	**- 72 698 €**	**- 1 838 €**	**- 556 713 €**	**- 43 996 €**
Cash from financing												
Principal repayment	- €	- €	- 1 624 922 €	- 2 457 392 €	- 1 050 786 €	- 1 150 019 €	- 462 259 €	- 505 913 €	- 553 690 €	- 605 978 €	- 663 205 €	- 725 836 €
Net borrowings	5 000 000 €	2 800 000 €	2 000 000 €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Equity injection	200 000 €											
Financing cash flow	**5 200 000 €**	**2 800 000 €**	**375 078 €**	**- 2 457 392 €**	**- 1 050 786 €**	**- 1 150 019 €**	**- 462 259 €**	**- 505 913 €**	**- 553 690 €**	**- 605 978 €**	**- 663 205 €**	**- 725 836 €**
Net Cash flow	**1 350 000 €**	**- 631 176 €**	**1 417 773 €**	**- 490 635 €**	**1 329 903 €**	**1 383 620 €**	**2 168 695 €**	**2 333 337 €**	**2 381 720 €**	**2 554 246 €**	**2 108 836 €**	**2 729 973 €**

Note. Self-elaboration

Figure 13.42 - *Cashflows without financing for scenario 1*

Cashflows without financing												
	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Capex investment	- 3 850 000 €	- 2 850 000 €	- 555 663 €	- €	- 28 861 €	- 39 067 €	- 97 484 €	- 24 400 €	- 72 698 €	- 1 838 €	- 556 713 €	- 43 996 €
Investment in working capital	- €	- 40 212 €	- 100 337 €	- 8 591 €	- 8 934 €	- 3 403 €	- 3 478 €	- 3 555 €	- 3 633 €	- 3 714 €	- 3 796 €	- 3 880 €
Net income (no interest)	- 142 500 €	- 514 388 €	1 852 330 €	2 115 143 €	2 393 797 €	2 483 340 €	2 577 024 €	2 677 212 €	2 782 444 €	2 894 977 €	3 006 093 €	3 151 076 €
Depreciation and amortization	142 500 €	285 000 €	381 505 €	381 505 €	382 065 €	382 816 €	384 683 €	385 143 €	386 547 €	386 581 €	396 865 €	373 370 €
Cashflows without financing	**- 3 850 000 €**	**- 3 119 600 €**	**1 577 835 €**	**2 488 057 €**	**2 738 067 €**	**2 823 686 €**	**2 860 746 €**	**3 034 401 €**	**3 092 660 €**	**3 276 006 €**	**2 842 449 €**	**3 476 570 €**
		- 6 969 600 €	1 577 835 €	2 488 057 €	2 738 067 €	2 823 686 €	2 860 746 €	3 034 401 €	3 092 660 €	3 276 006 €	2 842 449 €	3 476 570 €
PV of cashflows		- 6 969 600 €	1 457 046 €	2 121 698 €	2 156 150 €	2 053 350 €	1 921 045 €	1 881 667 €	1 770 980 €	1 732 359 €	1 388 026 €	1 567 716 €

Note. Self-elaboration

Figure 13.43 - *Cashflow for scenario 2*

Cash flow statement € in actual figures	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Cash from operating activities												
Net income	- 142 500 €	- 906 388 €	445 852 €	855 636 €	1 246 743 €	1 407 548 €	1 554 726 €	1 683 376 €	1 820 982 €	1 970 181 €	2 122 676 €	2 314 206 €
Depreciation and amortizati	142 500 €	285 000 €	381 505 €	381 505 €	382 065 €	382 816 €	384 683 €	385 143 €	386 547 €	386 581 €	396 865 €	373 370 €
Changes in accounts payable	- €	29 707 €	102 609 €	9 134 €	9 501 €	3 019 €	3 079 €	3 140 €	3 203 €	3 267 €	3 332 €	3 399 €
Changes in inventory	- €	- €	- 14 826 €	- 1 236 €	- 1 279 €	- 350 €	- 357 €	- 364 €	- 372 €	- 379 €	- 387 €	- 395 €
Changes in State	- €	10 506 €	12 554 €	692 €	713 €	734 €	756 €	779 €	802 €	826 €	851 €	876 €
Operating cash flow	**142 500 €**	**325 212 €**	**481 842 €**	**390 095 €**	**390 999 €**	**386 219 €**	**388 161 €**	**388 698 €**	**390 180 €**	**390 295 €**	**400 661 €**	**377 250 €**
Investing cash flow												
Capex	- 3 850 000 €	- 2 850 000 €	- 555 663 €	- €	- 28 861 €	- 39 067 €	- 97 484 €	- 24 400 €	- 72 698 €	- 1 838 €	- 556 713 €	- 43 996 €
Investing cash flow	**- 3 850 000 €**	**- 2 850 000 €**	**- 555 663 €**	**- €**	**- 28 861 €**	**- 39 067 €**	**- 97 484 €**	**- 24 400 €**	**- 72 698 €**	**- 1 838 €**	**- 556 713 €**	**- 43 996 €**
Cash from financing												
Principal repayment	- €	- €	- 1 624 922 €	- 2 457 392 €	- 1 050 786 €	- 1 150 019 €	- 462 259 €	- 505 913 €	- 553 690 €	- 605 978 €	- 663 205 €	- 725 836 €
Net borrowings	5 000 000 €	2 800 000 €	2 000 000 €	- €	- €	- €	- €	- €	- €	- €	- €	- €
Equity injection	200 000 €											
Financing cash flow	**5 200 000 €**	**2 800 000 €**	**375 078 €**	**- 2 457 392 €**	**- 1 050 786 €**	**- 1 150 019 €**	**- 462 259 €**	**- 505 913 €**	**- 553 690 €**	**- 605 978 €**	**- 663 205 €**	**- 725 836 €**
Net Cash flow	**1 350 000 €**	**- 631 176 €**	**747 109 €**	**- 1 211 661 €**	**558 095 €**	**604 681 €**	**1 383 145 €**	**1 541 762 €**	**1 584 774 €**	**1 752 659 €**	**1 303 419 €**	**1 921 625 €**

Note. Self-elaboration

Figure 13.44 - *Cashflows without financing for scenario 2*

Cashflows without financing												
	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Capex investment	- 3 850 000 €	- 2 850 000 €	- 555 663 €	- €	- 28 861 €	- 39 067 €	- 97 484 €	- 24 400 €	- 72 698 €	- 1 838 €	- 556 713 €	- 43 996 €
Investment in working capital	- €	- 40 212 €	- 100 337 €	- 8 591 €	- 8 934 €	- 3 403 €	- 3 478 €	- 3 555 €	- 3 633 €	- 3 714 €	- 3 796 €	- 3 880 €
Net income (no interest)	- 142 500 €	- 514 388 €	1 181 666 €	1 394 117 €	1 621 989 €	1 704 400 €	1 791 474 €	1 885 637 €	1 985 499 €	2 093 390 €	2 200 676 €	2 342 728 €
Depreciation and amortization	142 500 €	285 000 €	381 505 €	381 505 €	382 065 €	382 816 €	384 683 €	385 143 €	386 547 €	386 581 €	396 865 €	373 370 €
Cashflows without financing	**- 3 850 000 €**	**- 3 119 600 €**	**907 171 €**	**1 767 031 €**	**1 966 259 €**	**2 044 746 €**	**2 075 196 €**	**2 242 826 €**	**2 295 714 €**	**2 474 419 €**	**2 037 032 €**	**2 668 222 €**
		- 6 969 600 €	907 171 €	1 767 031 €	1 966 259 €	2 044 746 €	2 075 196 €	2 242 826 €	2 295 714 €	2 474 419 €	2 037 032 €	2 668 222 €
PV of cashflows		- 6 969 600 €	837 724 €	1 506 841 €	1 548 373 €	1 486 914 €	1 393 533 €	1 390 802 €	1 314 617 €	1 308 478 €	994 724 €	1 203 202 €

Note. Self-elaboration

Figure 13.45 - *Summary of methods for access viability for scenario 1 with unlevered beta*

	Technique used	Value	Assumptions for accepting	Conclusion
Unlevered beta	NPV	12 275 087,17 €	If NPV > 0 Accept the project	Accept
	Ru	7%		
	IRR	33,49%	If IRR >= Ru Accept the project	Accept
	Discounted Payback	3 years 6 months	Payback <= T (life of the project)	Accept
	Profitability index	1,76	PI >= 1 Accept the project	Accept

Note. Self-elaboration

Figure 13.46 - *Summary of methods for access viability for scenario 1 with WACC and levered beta*

	Technique used	Value	Assumptions for accepting	Conclusion
Levered beta	NPV	11 080 436,27 €	If NPV > 0 Accept the project	Accept
	WACC	8,29%		
	IRR	33,49%	If IRR >= Ru Accept the project	Accept
	Discounted Payback	3 years 6 months 11 days	Payback <= T (life of the project)	Accept
	Profitability index	1,59	PI >= 1 Accept the project	Accept

Note. Self-elaboration

Figure 13.47 - *Summary of methods for access viability for scenario 2 with unlevered beta*

	Technique used	Value	Assumptions for accepting	Conclusion
Unlevered beta	NPV	6 894 860,61 €	If NPV > 0 Accept the project	Accept
	Ru	7%		
	IRR	22,74%	If IRR >= Ru Accept the project	Accept
	Discounted Payback	years 11 months 16 days	Payback <= T (life of the project)	Accept
	Profitability index	0,99	PI >= 1 Accept the project	Reject

Note. Self-elaboration

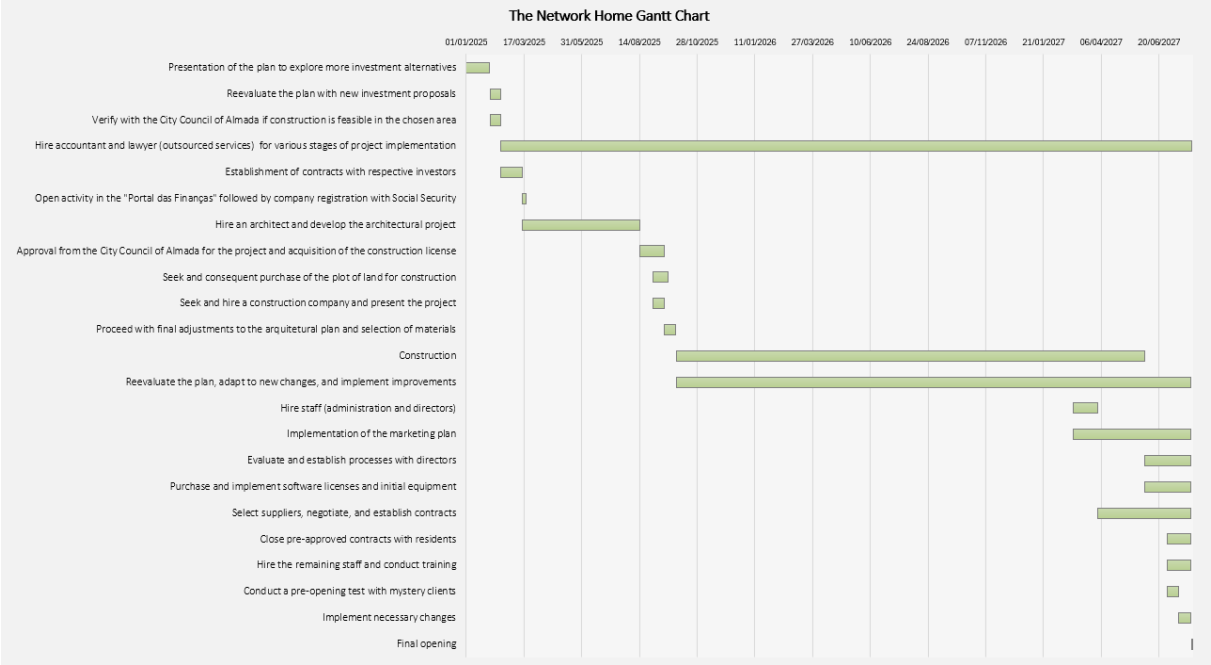
Figure 13.48 - *Summary of methods for access viability for scenario 2 with WACC and levered beta*

	Technique used	Value	Assumptions for accepting	Conclusion
Levered beta	NPV	6 015 608,56 €	If NPV > 0 Accept the project	Accept
	WACC	8,29%		
	IRR	22,74%	If IRR >= Ru Accept the project	Accept
	Discounted Payback	5 years 4 days	Payback <= T (life of the project)	Accept
	Profitability index	0,86	PI >= 1 Accept the project	Reject

Note. Self-elaboration

13.17 Annex P – Gantt Chart for project implementation

Figure 13.49 - *Simplified Gantt chart for business implementation*



Note. Self-elaboration

13.18 Annex Q – Cashflow of financing overtime per typology

Figure 13.50 - *Cashflow of financing overtime*

	Y00	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Linha BPF Invest EU - PME - Investimento	5 000 000 €	5 000 000 €	5 000 000 €	4 677 802 €	4 325 177 €	3 939 252 €	3 516 880 €	3 054 622 €	2 548 709 €	1 995 019 €	1 389 041 €	725 836 €
llment	- €	- €	761 939 €	761 939 €	761 939 €	761 939 €	761 939 €	761 939 €	761 939 €	761 939 €	761 939 €	761 939 €
Principal amortization	- €	- €	322 198 €	352 625 €	385 926 €	422 371 €	462 259 €	505 913 €	553 690 €	605 978 €	663 205 €	725 836 €
erest	- €	- €	439 742 €	409 314 €	376 014 €	339 568 €	299 681 €	256 026 €	208 250 €	155 961 €	98 734 €	36 103 €
Principal due at year end	5 000 000 €	5 000 000 €	4 677 802 €	4 325 177 €	3 939 252 €	3 516 880 €	3 054 622 €	2 548 709 €	1 995 019 €	1 389 041 €	725 836 €	- €
Crowdfunding	-	2 800 000 €	2 800 000 €	1 497 276 €								
Installment	- €	392 000 €	1 613 233 €	1 613 233 €								
Principal amortization	- €	- €	1 302 724 €	1 497 276 €								
erest	- €	392 000 €	310 509 €	115 957 €								
Principal due at year end	- €	2 800 000 €	1 497 276 €	- €								
Linha BPF Invest EU - PME - Fundo de maneio	-	-	2 000 000 €	2 000 000 €	1 392 509 €	727 648 €						
llment	- €	- €	181 160 €	763 842 €	763 842 €	763 842 €						
Principal amortization	- €	- €	- €	607 491 €	664 861 €	727 648 €						
erest	- €	- €	181 160 €	156 350 €	98 981 €	36 194 €						
Principal due at year end	- €	- €	2 000 000 €	1 392 509 €	727 648 €	- €						
incipal paid	- €	- €	1 624 922 €	2 457 392 €	1 050 786 €	1 150 019 €	462 259 €	505 913 €	553 690 €	605 978 €	663 205 €	725 836 €
terest paid		392 000 €	931 410 €	681 622 €	474 994 €	375 762 €	299 681 €	256 026 €	208 250 €	155 961 €	98 734 €	36 103 €
ash flow	- €	- 392 000 €	- 2 556 332 €	- 3 139 014 €	- 1 525 781 €	- 1 525 781 €	- 761 939 €	- 761 939 €	- 761 939 €	- 761 939 €	- 761 939 €	- 761 939 €

Note. Self-elaboration