

EXECUTIVE SUMMARY

This business plan is the result of research to create a new service in property business, a company that prioritizes sustainable and environmentally responsible practices while offering competitive pricing for the Indonesian market.

The company itself, named PT Ecotopia Sinergi Graha (Ecotopia), provides a rental residence with a sustainable living concept as its problem solution fit for sustainability global trend, setting it apart from competitors and addressing the needs of sustainability enthusiasts, as well as the broader rental market. As a pioneer in the sustainable rental residence business, Ecotopia promotes improved health and well-being for its tenants, serving as a solution to the shortcomings of existing rental options that lack sustainable values.

Based on the findings and analysis obtained, this business plan recommends that there are huge opportunities for stakeholders, which ultimately translate into significant business opportunities related to sustainability, aligned with global and Indonesia's net zero emissions (NZE) target in 2060 or sooner.

Each of Ecotopia project entails an initial investment of IDR 44 billion, with a projected Net Present Value (NPV) of IDR 109 billion over 20 years. This indicates a good value generation beyond the project's costs. With an Internal Rate of Return (IRR) of 18.75%, the investment promises attractive returns that comparable to typical benchmarks for 3 and 4 stars hotel. The payback period is estimated at 10 years, allowing investors to recoup their initial investment relatively quickly.

The project is designed to generate steady cash flow, supported by a projected occupancy rate of 70%. This rate is realistic and reflects the demand for new rental residence building which typically will be close to 100% in the first two to three years. The rent revenue from tenants and commercial areas will become the substantial factor for Ecotopia's financial performance, therefore we acknowledge that such occupancy levels are essential for maintaining financial stability and ensuring ongoing profitability. All key assumptions regarding Ecotopia's financial performance are based on the current macroeconomic conditions in Indonesia, without considering any green financing incentives or benefits. If such incentives (lower interest rate from blended financing, supports from climate funds/ grants, etc) are introduced, they could create significant opportunities to reduce investment costs in the future, ultimately enhancing returns for investors.

Overall, the financial metrics present a compelling opportunity, combining strong returns with a commitment to environmental sustainability. This makes the project not only financially viable but also an appealing choice for stakeholders who seek both profitability and a positive impact, supporting global's emission reduction target, as well as achieving low carbon economy.

This business plan identifies several challenges and limitations faced during the research process, such as the limited number of survey respondent samples, limited research area, budget constraints, and other factors. These challenges present opportunities for further research in the future.

Keywords : sustainable living, sustainable property, green building, sustainability, sustainable living.

