

Ref: G0208

Fantastic architecture project of a 34 room luxury boutique hotel in Funchal, Madeira

**3,800,000
EUR**



Investment type : For sale

Price in Euros : 3,800,000 EUR

Country : Portugal

Property type : Hotel

Condition : Project stage

Bedrooms : 34

Price in US Dollars : 3,917,526 USD

Restaurants : 1

Hotel area : 2040

The property is located approximately 1 km from the center of Funchal, Madeira, in an established urban area with strong accessibility to the city center, tourism infrastructure, and key demand generators. The total land area is approximately 4,900 m².

The project comprises the renovation of a historic Quinta with approximately 900 m² of built area, which, under the architectural design, will accommodate 5 guest rooms, a reception and lobby area, a full-service restaurant, and a top-floor bar with open views. The historic building forms the core of the hotel's character and positioning.

The approved architectural project also includes the construction of a new 900 m² hotel building with 28 guest rooms. This building is planned on the site of an existing tennis court, which materially reduces construction complexity as no major excavation is required, improving cost efficiency and execution certainty.

In addition, the development includes a standalone villa of approximately 80 m², designed as a family accommodation unit with two bedrooms, counted as one guest key. The total planned capacity of the project is 34 keys.

The opportunity is offered as a pre-construction hotel development, allowing an investor to acquire the urban estate together with the full hotel concept, architectural project, and a detailed financial model. Based on conservative operating assumptions, the project demonstrates strong projected EBITDA margins and double-digit unlevered returns, with a clear valuation gap between total development cost and stabilized asset value. The structure enables an investor to enter at an advanced stage of definition while avoiding the lengthy early-phase planning, permissions, and feasibility risks typically associated with hospitality developments.

For more detailed information, get in touch with us.