Cedar Cup Neighborhood Coffee

Business Launch Report
Fictional project | Example prepared October 1, 2026

A new concept, created for this demonstration

An independently owned coffee shop with espresso, light breakfast and flexible seating. Proposed site: a fictional 1,200 sq. ft. leased retail unit in Juniper Crossing, Colorado. The business, neighborhood, competitors, anchor stores, prices and operating metrics in this file are invented assumptions. No Panda Express data was used.

Decision posture	Recommended next move
Conditional evaluation	Continue due diligence; do not sign an unconditional lease. Confirm use, utilities, health review, contractor pricing and funding first.

Illustrative investment snapshot

Opening costs	Funding target	Monthly break-even
$125,000	$197,750	$30,769

Funding target includes a 15% opening contingency and three months of fixed costs. Available capital assumed: $150,000. Funding gap: $47,750. These figures demonstrate the model, not a quote or investment recommendation.

What this review contains

Site and demand assumptions; source and validation register; seven-stage opening budget; operating scenarios; licensing contacts and dependencies; commitment gates.

01 / Site and market assessment

Concept and customer fit

Working hypothesis: nearby residents and weekday workers would use a fast, welcoming cafe with dependable pickup. Planned hours: 7 a.m. to 4 p.m., six days per week. Menu and staffing remain assumptions pending local demand testing.

Potential strength - assumed	Constraint / verification needed
Visible storefront and pedestrian approach	Observe visibility from each direction; confirm legal signs and safe access.
Existing retail shell	Check electrical load, plumbing, accessibility, HVAC and permitted use.
Shared parking	Verify lease rights, peak occupancy and delivery access.
Nearby grocery and fitness uses	Fictional anchors only. Actual anchors must be mapped and their presence verified; no traffic uplift is assumed.

Competition and sales evidence

Two fictional nearby cafes are used as research targets. No employee count, turnover rate or store revenue is shown because there is no supporting evidence. Collect menu pricing, opening hours, queues and service gaps through dated observations. Corporate revenue, if used in a real report, must be clearly labeled company-wide.

Evidence register - research to complete

Question	Evidence required	Current status
Trade-area demand	Defined geography, current Census/ACS profile, date and source	Not researched
Customer traffic	Dated counts by day and time; official road counts where applicable	Not observed
Competitors / anchors	Mapped locations, source URLs, date and scope	Fictional only
Rent / buildout	Written lease proposal and licensed contractor quotes	Assumptions only

02 / Opening capital and sequence

Stage	Assumed cost	Release condition
1. Validate demand	$2,000	Interviews, sample menu and site observations
2. Entity and bookkeeping	$1,000	Choose structure; confirm registration needs
3. Site and permit review	$5,000	Obtain agency requirements and actual fee schedules
4. Lease, deposit and fitout	$60,000	Written use confirmation, lease and contractor scope
5. Equipment and initial stock	$45,000	Approved design; quotes including freight and installation
6. Insurance, recruitment, training	$8,000	Coverage and payroll setup; staff training
7. Soft opening and marketing	$4,000	Required final approvals; operational readiness

Capital bridge

Component	USD - assumption
Opening stage subtotal	$125,000
Contingency: 15% x $125,000	$18,750
Fixed-cost reserve: 3 x $18,000	$54,000
Total funding target	$197,750
Available capital	$150,000
Additional capital needed	$47,750

Quoted permit fees belong in stage 3; do not add them twice. The reserve covers fixed costs only. Inventory cycles, loan payments and other working-capital needs may require additional cash. Property purchase and franchise fees are excluded.

03 / Operating model and downside

Monthly input	Illustrative assumption
Average transaction	$9.50
Transactions per month	4,000
Sales: transaction x volume	$38,000
Variable costs	41.5% of sales
Fixed costs incl. rent, payroll, owner pay and insurance	$18,000
Operating surplus before excluded items	$4,230

Scenario comparison

Volume vs. base	Monthly sales	Operating surplus
80%	$30,400	-$216
100%	$38,000	$4,230
120%	$45,600	$8,676

Surplus = sales x (1 - 41.5%) - $18,000. Break-even = $18,000 / 58.5% = $30,769 monthly sales, about 3,239 transactions/month or 125 per day over 26 operating days. The base volume is about 154 transactions/day. These are calculated requirements, not evidence that customers will arrive.

Key sensitivities

At base sales, a five-point increase in variable costs reduces monthly surplus by $1,900. An additional $2,000 of fixed costs reduces surplus to $2,230. A 20% volume shortfall produces a small operating loss before tax and financing.

Model limits

Flat monthly volume; no seasonality, growth or ramp-up. Surplus is not net profit. Taxes, debt service, depreciation and capital replacement are excluded. A real decision requires a monthly cash-flow schedule with supplier terms, payroll timing, tax reserves and loan payments.

04 / Approvals and commitment gates

Jurisdiction is deliberately fictional. This is a workflow example, not a complete or verified license list. Fees and processing times are omitted because no issuing authority has confirmed them.

Contact / where to go	Question / dependency
State business filing office	Entity registration and trade name. Use the actual state Secretary of State website.
IRS - irs.gov/businesses	Determine EIN needs; use the official EIN application.
City/county planning and building departments	Confirm permitted use, occupancy, construction, accessibility, signs and parking before the lease.
Local or state food regulator	Confirm retail food approval, plan review, inspections and food handling requirements before buildout.
Fire authority	Confirm life-safety requirements and inspection sequence.
State/local revenue agencies	Confirm sales tax and applicable business tax registration.
State labor agency and insurance adviser	Confirm employee obligations, payroll and required coverage.

Illustrative milestones - dependencies, not promised dates

Weeks 1-2: demand testing and written agency questions.
Weeks 3-4: conditional lease, quotes and financing review.
Weeks 5-10: only after approvals, permitted fitout and equipment delivery.
Weeks 11-12: staff training, inspections and soft opening if all required clearances are complete. Actual durations can differ substantially.

Decision gates

1. Validate a credible path to at least the modeled break-even volume.
2. Confirm permitted use and food-service requirements in writing.
3. Replace all major cost allowances with quotes and reconcile the $47,750 gap.
4. Negotiate lease protections for unresolved approvals.
5. Document required clearances before opening.

Sources: no external factual market research used. All project-specific facts and figures are original fictional assumptions. Formulas and arithmetic are shown so the reader can audit the example.