



JF2 Academy

JF2 PADEL CLUB LOS ANGELES

Business Plan — Creation, Management and Development of a Boutique Padel Club in Los Angeles, California

Prepared for investor presentation

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June 2026 | Version 1.0

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1. Executive Summary

JF2 Padel Club Los Angeles (working name) will be a boutique padel club with **8 panoramic courts** in the Westside corridor of Los Angeles, designed from the blueprint not as a court-rental business, but as a **platform for community, corporate events and brand sponsorship** — the model that has turned Madrid's boutique clubs into the most profitable assets in the world's fastest-growing sport.

The project applies **JF2 Academy's own model**, distilled from the direct study of Madrid's most profitable boutique clubs — 8-court clubs with global sponsors whose central events plaza generates nearly three times the revenue of all their courts combined — to the most underserved large metropolitan market in the United States.

The investment thesis in five points

1. **The fastest-growing sport in the world.** 20,900+ clubs, 58,300+ courts and 19.4M players globally; ~22 new courts opened every day in 2025, with ~91,000 courts projected by 2028. The global club market reaches ~€6B in 2026 (Playtomic / Monitor Deloitte, Global Padel Report 2026).
2. **The US just crossed the inflection point.** Over 1,000 courts across 37 states (April 2026), 1,073,000 players (SFIA 2026), and club memberships growing +51.5% year over year. The USPA projects 10,000 courts and 10M players by 2030.
3. **Los Angeles is the largest supply-demand gap in the country.** America's #2 metro (12.9M people, 48.8% Hispanic, 12-month outdoor climate, fitness and celebrity culture) has barely ~25 operating courts — versus 268 in Florida. One court per ~550,000 residents, versus one per ~3,000 in Spain.
4. **A superior revenue model, proven in Madrid.** Five verticals — courts and memberships, academy, corporate events, sponsorships and F&B — where sponsorship and events, designed in from day one, lift the revenue ceiling far above the physical limit of the courts.
5. **A founding advantage that is hard to copy.** Spanish teaching methodology and coach development are, according to the founders of Europe's top clubs themselves, the scarcest asset in new markets. JF2 Academy brings it built-in, together with the university padel network it is already building in California.

Key figures

Investment required	Year 3 revenue	Year 3 EBITDA
\$3.5M	\$2.74M	\$0.88M (32%)
Opening: month 16–18	Year 5 revenue: \$3.67M	Year 5 EBITDA: \$1.29M (35%)

Illustrative investor return: with a Year 5–6 exit at 6–8x EBITDA (\$7.7M–\$10.3M enterprise value), the project generates a **gross MOIC of 2.2x–2.9x and an IRR of 20–27%**, before counting the platform value of a multi-club expansion across Southern California.

Why now: institutional capital has already entered US padel — the Pro Padel League closed a \$15M Series A (March 2026) led by the Charlotte Hornets co-chairman; the **LA Beat** franchise sold for \$10M; Padel Haus is valued at \$33M after raising \$18M. The window to secure location, brand and sponsors in Los Angeles is **2026–2028**, before the consolidation phase.

2. The Opportunity: Why Padel, Why Los Angeles, Why Now

2.1 Padel worldwide: from Iberian niche to global phenomenon

- **19.4M players, 20,900 clubs and 58,300 courts** worldwide (Global Padel Report 2026, Playtomic / Monitor Deloitte).
- In 2025, **4,969 new clubs (~14 per day)** and **7,898 new courts (~22 per day)** were created.
- Projections: **~91,000 courts globally by 2028**; a club market of **~€6B in 2026**; the equipment market has grown 34% annually since 2019.
- The International Padel Federation (FIP) holds IOC recognition (ARISF status); the Premier Padel tour (Qatar Sports Investments) plays 24 tournaments in 16 countries in 2026, with Red Bull as strategic media partner through 2027.

2.2 United States: the inflection point already happened

- **1,000+ courts across 37 states** (April 2026); there were 227 at the end of 2023. ~250 clubs and ~330 courts were added in 2025 alone.
- **1,073,000 Americans played padel in 2025** — the sport's first inclusion in the SFIA participation report (2026). Club memberships grew **+51.5% year over year**.
- The USPA projects **10,000 courts and 10M+ players by 2030** and sanctioned 255 events for 2026.
- The Playtomic/Deloitte report classifies the US as a **“Diamond in the Rough”** market: early adoption, enormous potential, and padel positioned as a **premium, experience-driven sport** — exactly the segment of this plan.
- Pro events already on American soil: **Miami Premier Padel P1** (Miami Beach Convention Center) and the **Reserve Cup** with a \$600,000 prize pool per event, captained by Derek Jeter and Jimmy Butler.
- Conversion pool: **27.3M tennis players and 24.3M pickleball players** in the US. Playtomic positions pickleball as a “gateway sport” into padel, not direct competition.

2.3 Los Angeles: the largest gap in the United States

Florida holds 41% of the country's courts (268). New York has consolidated chains (Padel Haus, Reserve). Los Angeles — with more population than either hub, better weather, and a unique sports-social culture — has barely **~25 courts across 6–8 clubs**:

Club	Location	Courts	Observed pricing
Padel Up (flagship)	Culver City (indoor)	3	Founding membership \$220/mo; courts ~\$30–70/hr
Padel Up Century City	Westfield rooftop	2–3	Same operator
Pura Padel	Sherman Oaks (rooftop)	3	\$24–30/hr per person; privates from \$175/hr
The Padel Courts	Sunset Blvd, Hollywood	2+1	\$140/hr per court ; lessons \$150–200
Taktika @ LA Galaxy Park	Carson	4	Coaching from \$75
Los Angeles Padel Club	Culver City (opening 2026)	7	Home of the PPL LA Beat franchise (\$10M)
Others (public/listings)	Boyle Heights, Little Tokyo, Torrance	4–6	\$18–55/hr

What the data means: Spain has ~335 courts per million inhabitants; metro Los Angeles, ~2 per million. Even if today's supply multiplied tenfold, LA would still be underserved. The bottleneck is not demand: it is the lack of quality facilities.

2.4 LA-specific demand signals

- **Aligned demographics:** LA County is 48.8% Hispanic/Latino (~4.75M people) — padel's home cultures (Spain, Argentina, Mexico) — plus large European communities on the Westside.
- **Climate:** outdoor play 12 months a year. This removes the \$70,000–\$100,000+ per-court indoor premium that New York or Chicago must carry, cutting CapEx per court by 40–60%.
- **Celebrity and corporate culture:** Beckham, Wade, Butler and Jeter already play or headline padel events in Miami; LA is the world capital of entertainment and branded content. Padel is displacing golf as the corporate event format: 90 minutes, mixed, no frustrating learning curve.
- **Local institutional validation:** the professional **LA Beat** franchise (Pro Padel League) sold for \$10M in November 2025 — the league's largest team deal — and needs a club ecosystem to grow in.
- **2028:** the LA Olympic Games do not include padel, but they will place global sport and premium boutique events at the center of the city through the 2026–2028 cycle — maximum brand and sports-sponsor attention on LA.

3. Founding Principles: the JF2 Philosophy

This plan does not start from theory. It starts from the **eleven management principles JF2 Academy has distilled from the direct study of Spain's most profitable boutique clubs** — the world's most mature padel market, where the best 8-court clubs have closed global sponsors in automotive, fashion and consumer goods and host ~80 corporate events a year. These principles, validated by the P&L of Europe's leading operators, are the backbone of this project and the methodological foundation of JF2.

Principle 1 — “The courts are the excuse”

The real product is not a court rental: it is the community, the meeting point and the experience. At the reference boutique clubs, the central events plaza comes to generate almost three times what all the courts combined generate.

The industry's standard mistake is maximizing courts per square meter. Madrid's most profitable clubs left **~500 m² at their center without courts** — against the whole industry's advice — and that plaza (events, sponsorships, dining) ended up generating ~3x the revenue of the 8 courts combined. **Application:** our architectural program reserves a ~5,000 sqft central events plaza with mobile bleachers, and consciously gives up a ninth and tenth court.

Principle 2 — Occupancy fills the courts; community fills the club

Recurrence — not one-off occupancy — is the metric that matters: **be a members' club without being one**, so that every player feels it is their club. **Application:** internal leagues, rankings, weekly social events, a founding-member program, and designed hospitality (documented front-desk, coaching and service processes) from day one.

Principle 3 — Design for sponsorship from the blueprint, don't chase it later

Sponsorship is not something you go out and find: it is something you design for. When the first global brand comes in, it creates a locomotive effect — the others want to be where it is.

Brands don't buy banners: they buy outcomes. Automotive buys **leads** and test drives; beverages buy **sampling**; others buy image, hospitality or tournaments. The club must be born with the spaces — and the target audience — those outcomes require. **Application:** on-site parking fit for automotive/EV activations, a fully wired events plaza, a naming inventory (courts, plaza, academy) and a defined category pipeline (automotive, wealth management, insurance, beverages, athleisure) from pre-opening.

Principle 4 — Four (five) revenue verticals, not one

The reference boutique clubs bill through four channels: (1) padel — rentals and academy; (2) dining; (3) corporate events; (4) sponsorships — the line with the highest ceiling. Court rental has a physical ceiling (“the margin is what it is”); sponsorship and events do not. **Application:** the five verticals of Section 6, with court rental contributing less than 45% of revenue in Year 3.

Principle 5 — Control the land

The land must be under the project's control. Depending on public concessions or local partners exposes the club to regulatory changes and other people's agendas.

The industry's history is full of projects killed by entitlement: unexpected regulatory changes, slow administrations and misaligned local partners. The clubs that endure control their land. **Application:** in LA's price context, the preferred structure is a **10+5+5-year ground lease with a negotiated purchase option**, full zoning due diligence before signing, and a permit (CUP) contingency clause in the contract — effective control without locking up \$4M+ in land on day one.

Principle 6 — A covered court = viability

There is an enormous difference in occupancy, viability and profitability between a covered and an uncovered court — and for corporate events booked months in advance, cover is critical: an unexpected rain cannot take down a \$10,000 event. **Application:** LA allows year-round outdoor play, but we will cover **4 of the 8 courts with tensile canopies** — an event guarantee against winter rain and summer sun, at a fraction of indoor cost.

Principle 7 — Dining: cobbler, stick to your shoes

The repeated experience of the European industry is conclusive: self-managed or hybrid F&B models end up failing. A sports club's F&B is a different business (16 service hours, event peaks, high-end corporate catering). **Application:** F&B outsourced from day one to a local operator with a Mediterranean/Spanish identity, base rent + revenue share, a shared events calendar and contractual catering standards.

Principle 8 — The financial lungs and the desert crossing

“The spreadsheet can justify anything”: projections are always optimistic. Without financial lungs come the rush, the price wars and the zigzags — and the brand's value weakens.

A global sponsor takes time to arrive: in the Spanish market, the reference boutique clubs needed 3–4 years to close their first anchor brand. **Application:** the round includes **\$500,000 of working capital** (a 12–18 month operating cushion) and the financial plan models sponsorship with a prudent ramp (residual in Year 1, \$300k in Year 3). The club is EBITDA-positive **without** sponsorships from Year 2 — sponsorship accelerates, it does not sustain.

Principle 9 — Brand coherence: no zigzags

The clubs that reached global brands turned down small sponsorships for years (“I’ll buy a court banner”) that would have diluted their positioning, until they closed the brands they wanted. **Application:** a category-based partnership policy with a value floor; no price wars with low-cost clubs; a single positioning (accessible premium boutique) held consistently across pricing, aesthetics and communication.

Principle 10 — Team, hiring and mentors

“I don't pay good salaries because I'm rich; I'm rich because I pay good salaries.” Invest in hiring, documented service processes and a strong academy director. And facing an unknown desert, hire someone who has already crossed it. **Application:** above-market salary lines for key positions, and an advisory board of established Spanish club operators (JF2's relationship with the Spanish padel ecosystem is direct).

Principle 11 — The real gap in new markets: methodology and coaches

The request established operators receive most often from new markets is not construction: it is methodology and coach training. “You have the court — now what?”

Coach development is international padel's biggest opportunity — and it is precisely JF2 Academy's specialty. **Application:** the academy is not an add-on — it is the community engine, the competitive differentiator versus real-estate-first clubs, and a future B2B revenue line (coach certification for the western US market).

4. Market and Competitive Analysis

4.1 Relevant pricing benchmarks

Reference	Court price/hour	Notes
LA market (standard)	\$25–45 off-peak / \$35–60 peak	Mostly outdoor/rooftop
The Padel Courts (Sunset)	\$140	Proof of premium willingness-to-pay in LA
Padel Haus (NYC)	\$220 non-members / \$140 members	Membership \$150/mo + \$490 initiation
This plan (Year 1)	\$44 off-peak / \$68 peak	\$11–17 per person — accessible premium

4.2 The corporate and brand market in LA

- The LA team-building market runs at **\$30–150 per person** (premium events \$300–500+); a 3-hour padel event with catering for 40 people supports \$5,000–\$12,000 tickets.
- Brand categories already active in padel: **automotive** (Cupra since 2019, Alpine ~\$200k/yr at the Paris Major, BMW at Madrid clubs), **insurance** (Generali, 2026 Hexagon Cup title; Adeslas), **banking/wealth** (UBS at the Reserve Cup Miami; Santander), **beverages** (Estrella Damm, Mahou, Electrolit, Red Bull–Premier Padel).
- The Hexagon Cup proves the media value: 38 broadcasters, 825M households reached, teams owned by Nadal, Murray/Joshua, Lewandowski, Agüero, Eva Longoria; in 2026 Saudi Arabia's PIF invested in the Hexagon World Series.

4.3 Direct competition and positioning

LA's current operators are small (2–4 courts), mostly rooftop without a real clubhouse, or still opening (LAPC, 7 outdoor courts; Ballers, a mixed pickleball model; The King of Padel at the Port of LA). **None combines** the four pieces of the JF2 model: (1) 8 courts with partial cover, (2) a central events plaza with bleachers, (3) an academy with structured Spanish methodology, and (4) sponsorship infrastructure (activation-ready parking, naming, event production). Our positioning: **the home club of padel in Los Angeles** — boutique, Hispanic-international, family-friendly by day and social-corporate by evening.

4.4 Pickleball: gateway, not threat

24.3M Americans play pickleball (+171.8% in 3 years). Far from cannibalizing, pickleball has educated the market in social short-court racquet sports; Playtomic/Deloitte describes it as a *gateway sport*. Padel differentiates through its athletic ceiling (glass walls, wall dynamics) and premium-experiential positioning. Strategy: “pickleball-to-padel” conversion clinics and partnerships with pickleball clubs that lack padel.

5. The Concept: Facility and Location

5.1 Architectural program

Element	Size	Economic function
8 panoramic courts (international spec)	~26,000 sqft	Rentals, academy, leagues; center court with mobile bleachers for exhibitions and tournaments
Tensile canopies over 4 courts	—	Event and occupancy guarantee (Principle 6)
Central events plaza	~5,000 sqft	Corporate events, brand activations, outdoor F&B — the engine of the model (Principle 1)
Clubhouse	~4,000 sqft	Reception, pro shop, locker rooms, lounge, flex room (media/light coworking)
Outsourced F&B with terrace	within clubhouse	Rent + % of revenue; Mediterranean identity (Principle 7)
On-site parking	60+ spaces	Automotive/EV activations with chargers — a sponsor requirement (Principle 3)

Total target footprint: **65,000–80,000 sqft (1.5–1.9 acres)**, an outdoor format on a parcel or large rooftop/parking field, avoiding the cost premium of an indoor warehouse with 26 ft clear height.

5.2 Location strategy

Criteria: 15 minutes from the Westside's affluent cores; visibility from a main artery; parking; M/C zoning with a clear path to a Conditional Use Permit; a daytime environment (offices/studios) that feeds morning corporate events — every club's dead inventory.

Target submarket	Indicative cost	Rationale
Culver City / West Adams	\$2.0–3.0/sqft/mo (warehouse); land \$45–120/sqft	Creative-tech epicenter (Apple, Amazon, HBO), padel critical mass already proven (Padel Up, LAPC)
El Segundo / Playa Vista	\$2.6/sqft/mo; 1.6% vacancy	Aerospace-tech corporates, high income, sports culture (LA Galaxy, Lakers HQ)
Sherman Oaks / South Valley	\$1.4–1.5/sqft/mo	Lower cost, proven family demand (Pura Padel), less premium competition

Preferred real-estate structure (Principle 5): a 10-year ground lease + two 5-year extensions, with a **purchase option at a negotiated price**, the contract contingent on obtaining the CUP. Rent budget: ~\$30,000/month (\$360k/yr) with 3% escalations. Permitting path: CUP in LA City (fee \$12,500–15,000, 4–8 months) or submarkets with by-right recreational use; the 2024 Adaptive Reuse Ordinance eases conversions of existing buildings.

6. Business Model: Five Revenue Verticals

Vertical 1 — Courts and memberships (≈48% of Year 3 revenue)

- Pricing: peak \$68/court/hour (\$17 per person), off-peak \$44; dynamic pricing via Playtomic (a 4.7M-player network).
- Memberships: **Founding** \$189/mo (capped at 200; 14-day priority booking, 2 included hours, guest passes), **Club** \$149/mo, **Social** \$59/mo (community, events, F&B discounts). Target: 380 paying members in Year 3.
- Operating benchmark: the best clubs gross ~€3,500/court/month vs €736 for the worst (a 5x spread = management); occupancy target 50–55% in Year 3 over 15 operating hours/day.

Vertical 2 — JF2 Academy (≈16%)

- Private lessons (\$120–160/hr), group clinics, junior academy with a competitive pathway, leagues and social round-robins.
- Documented Spanish methodology — the asset new markets lack (Principle 11). 92% of first-time padel players come back: the academy is the conversion and retention machine.
- Future B2B line: coach certification for the western US and a university program (JF2's California university outreach network already in motion: Pepperdine, LMU, Santa Clara, USC, USD...).

Vertical 3 — Corporate events (≈12%, growing)

- Packages of \$5,000–\$12,000: 2–4 hours, 4–8 courts, coaching, catering by the F&B operator, privatizable plaza; full club buyout option.
- Thursday/Friday mornings — dead inventory at any club — are corporate events' preferred slot (Madrid's reference boutique clubs close ~80 events a year with just 8 courts).
- Target: 20 events in Year 1 → 50 in Year 3 → 65 in Year 5. Padel is replacing golf as the corporate format: 90 minutes, mixed, inclusive, no handicap required.

Vertical 4 — Sponsorships and partnerships (≈11% in Year 3, the line with the highest ceiling)

- Inventory: court and plaza naming, physical branding, activations (test drives from the parking lot, sampling, branded tournaments), content and hospitality.
- Target categories and real references: automotive/EV (Cupra; Alpine ~\$200k/yr; BMW at Madrid clubs), wealth/banking (UBS–Reserve Cup), insurance (Generali–Hexagon), beverages (Mahou, Electrolit, Red Bull), athleisure (Oysho at the Madrid P1).
- The JF2 strategy: wait for the right anchor brand (locomotive effect) instead of selling cheap; packages designed around the brand's objectives (leads, sampling, image). Prudent ramp: \$50k Year 1 → \$300k Year 3 → \$620k Year 5. At the reference boutique clubs this line comes to triple the courts' revenue — our model does not need that outcome to work, but the optionality belongs to the investor.

Vertical 5 — F&B and pro shop (≈8%, outsourced)

- External hospitality operator: base rent + 8–10% of sales; contractual corporate-catering standards; a Mediterranean/Spanish identity as the club's culinary signature.
- At reference clubs, F&B adds 15–20% of revenue with 60–80% beverage margins; we capture it as low-risk rent without taking on its operational complexity (Principle 7).
- Pro shop with technical brands on consignment + JF2's own apparel.

7. Marketing, Community and Brand

7.1 Pre-opening (months 8–16): sell the club before it opens

- **Founding members** campaign: 200 spots at \$189/mo with a \$500 deposit — ~\$100k of early cash and demand validation for the investor and sponsors.
- Pop-ups with a mobile court at Westside events, partnerships with tennis/pickleball clubs and Culver City tech-media companies.
- A public waitlist and a scarcity narrative (a boutique club with limited capacity — not a gym).

7.2 Community (the metric that fills the club)

- Level-based internal leagues, a club ranking, weekly social round-robins, themed nights (Spain, Argentina, Mexico — 48.8% of the county is Hispanic).
- A junior pathway and a university program connected to JF2's California network.
- Documented hospitality: front-desk processes, new-player onboarding (guaranteed level-matched games for the first 4 visits) and coaching standards — management is the 5x differential.

7.3 Brand and media

- A center court with bleachers and AV production: exhibitions with PPL pros (LA Beat), creators and celebrities — LA is the content capital; the club is designed to be a filming and branded-content location.
- A single, coherent positioning: accessible premium boutique. No aggressive discounting, no price wars (Principle 9).

8. Operations, Team and Governance

8.1 Team

Position	Profile and rationale
General Manager (CEO) — Fernando Fermosell	Founder of JF2 Academy and professional tennis coach; Spanish training methodology, program-development experience and an active network across California's university and club ecosystem. Owns the P&L, institutional partnerships and the investor relationship
Sporting Director — Jaime Fermosell	Former US #1 (2025), 2025 US Open Padel champion, former world #68, and #1 PRO-AM player in Europe and the US (2026). Leads the academy, the methodology and the coaching team; the club's sporting face to media, brands and professional players
Head Coach	Key hire at an above-market salary (Principle 10); runs the school's day-to-day with 4–6 certified coaches under the sporting direction
Marketing Manager	Brand, content and social media, community and the founding-members campaign; guardian of positioning coherence (Principle 9) and the social-events calendar
Events & Partnerships Manager	Corporate events vertical and sponsorship pipeline from month 1
Front desk (4) + maintenance	Documented service processes; intensive selection

8.2 Systems and KPIs

- Playtomic as the booking, payments, dynamic-pricing and acquisition engine (a 4.7M-player marketplace); CRM and NPS from day one.
- KPIs: occupancy by time band (target 50–55% Year 3), revenue/court/month (target \$12k+), active members and churn (<3%/mo), corporate events per quarter, sponsorship pipeline, NPS (>60).
- Advisory board: established Spanish club operators and an LA real-estate/entitlements advisor — “hire someone who has already crossed the desert.”

9. Financial Plan

9.1 Initial investment (CapEx + launch): \$3.5M

Item	Amount	Notes
8 panoramic courts (supply, freight, installation; incl. ~15% EU tariff)	\$480,000	\$60k/court, international spec
Tensile canopies over 4 courts	\$320,000	\$80k/canopy incl. engineering
Civil works: slabs, drainage, electrical, LED lighting, fencing	\$450,000	
Clubhouse (4,000 sqft) + central plaza + F&B shell	\$750,000	Modular construction/adaptation
Scenic lighting, AV, security, signage and branding	\$180,000	
Design, entitlement (CUP), permits, legal	\$280,000	Includes permitting contingency
Pre-opening: team, marketing, software, pre-sales	\$220,000	
Contingency (~12% of works)	\$320,000	Additional tariff coverage
Working capital (12–18 months)	\$500,000	The “financial lungs” (Principle 8)
TOTAL	\$3,500,000	

Market reference: an installed panoramic court in the US runs \$43k–96k (Sports Venue Calculator 2026); a comparable disclosed project: club + restaurant in El Paso, TX for \$3.7M. Section 232 tariffs (steel/aluminum 50%) and the US–EU tariff agreement (15% ceiling) are already reflected in the unit prices.

9.2 Projected P&L (5 years, \$ thousands)

Line	Year 1*	Year 2	Year 3	Year 4	Year 5
Courts (rentals)	520	900	1,160	1,300	1,380
Memberships	130	290	380	430	460
Academy and programs	180	340	430	490	530
Corporate events	90	220	330	430	500
Sponsorships	50	150	300	480	620
F&B (rent+%) and pro shop	60	110	140	160	175
Total revenue	1,030	2,010	2,740	3,290	3,665
Payroll (incl. variable coaching)	620	780	920	1,060	1,160
Rent (ground lease)	360	370	380	395	405
Utilities and maintenance	110	130	145	160	170
Insurance	50	55	60	65	70
Software and booking commissions	45	70	90	105	115
Marketing	140	140	150	160	170
G&A	95	105	115	125	135
Total OpEx	1,420	1,650	1,860	2,070	2,225
EBITDA	(390)	360	880	1,220	1,440
EBITDA margin	—	18%	32%	37%→35%**	39%→35%**

*Year 1 = first fiscal year from opening (9 effective ramp months). * For valuation we use a normalized 35% margin (normalized Year 5 EBITDA ≈ \$1.28M), in line with the 30–35% range of efficient clubs (Playtomic/Deloitte; operator guides). Sponsorship figures are deliberately conservative versus Madrid's reference boutique clubs, where sponsorship comes to triple court revenue.*

9.3 Key operating assumptions

- Capacity: 8 courts × 15 hrs/day × 360 days = 43,200 court-hours/year. Occupancy: 28% Year 1 → 45% Year 2 → 52% Year 3 (effective average price \$52/hr).
- Revenue-per-court benchmark: \$150k–250k/year at premium US clubs; this plan reaches ~\$343k/court in Year 3 **counting all five verticals**, but only ~\$193k/court in rentals+memberships — inside the proven range.
- Padel Haus reached ~90% utilization in its first 6 months in Brooklyn; our ramp assumes less than half that speed.
- Operating payback: cumulative EBITDA equals total investment between Year 5 and 6; positive cash flow from the first quarter of Year 2.

9.4 Sensitivities

Scenario	Year 3 EBITDA	Comment
Base	\$880k	32% margin
No sponsorship at all (ramp = \$0)	\$580k	The model stands on courts+events alone
Occupancy –10 pts	\$620k	Working-capital cushion covers 18+ months
CapEx +15% (tariffs/works)	—	Absorbed by the \$320k contingency
Upside: 60% occupancy + early anchor sponsor	\$1.15M	The reference-club scenario

10. Investment Proposal

10.1 The deal

- **Round: \$3,500,000** into a new entity (California/Delaware LLC) that owns the club and its contracts.
- Illustrative structure (to be negotiated): preferred equity with an **8% cumulative preferred return**; 70/30 distributions in the investor's favor until 1.0x is returned; 50/50 thereafter. Board seat, monthly information rights and a board-approved annual budget.
- The founder contributes the JF2 brand and methodology, the university pipeline, full-time dedication and co-investment; standard vesting and key-man clauses in the investor's favor.

10.2 Returns and exit

Exit scenario (Year 5–6)	EBITDA multiple	Enterprise value	Gross MOIC
Conservative	6.0x	\$7.7M	2.2x
Base	7.0x	\$9.0M	2.6x
Strategic buyer/consolidator	8.0x	\$10.3M	2.9x

On normalized Year 5 EBITDA of \$1.28M. References: Life Time trades at ~10x EV/EBITDA; single-site gyms 3.3–4.3x; branded boutique chains command a premium. Indicative project IRR: 20–27% unlevered. SBA debt (the combined 7(a)+504 cap was raised to \$10M in May 2026) can replace part of the equity and amplify IRR.

- **Natural buyers:** rollup platforms already active (Epic Padel — holds stakes in Ultra, Padel 39, Padel Haus; Racquet 360), expanding chains (Padel Haus, Reserve), fitness-hospitality groups, and sports family offices (the PPL franchise went from \$200k to \$10M+ in 2.5 years).
- **Platform upside (not in the numbers):** clubs 2 and 3 in Orange County/the Valley on the same playbook, management fees, B2B coach certification and proprietary events — the option to build the West Coast's reference boutique padel chain under the JF2 brand.

10.3 Sector capital comparables (2025–2026)

Deal	Amount	Read-through
Pro Padel League — Series A	\$15M (Mar 2026)	Led by the Charlotte Hornets co-chairman; valued ~10x the 2025 seed
LA Beat franchise (PPL)	\$10M (Nov 2025)	LA's professional padel asset is already worth 8 figures
Padel Haus — Series B	\$7M at \$33M val.	\$18M raised; targeting 120 courts by 2027
Epic Padel — seed	\$10M (Sep 2025)	Rollup vehicle with stakes in 5 operators
Racquet 360	\$9M (Q4 2025)	Sports PE + family offices
Playtomic	\$70M at €250M val.	The sport's infrastructure is already institutional

11. Risk Analysis and Mitigation

Risk	Observed reality	Mitigation
Oversupply (the “Sweden effect”)	Sweden went from hundreds to 4,200 courts in 36 months; 100+ clubs closed. But demand held: leveraged suburban big-boxes with expensive energy died; premium urban clubs with community survived	Our model IS the survivor: urban, boutique, multi-vertical, outdoor (no energy risk), with financial lungs. LA is >100x away from Spanish court density
Growing local competition (LAPC, Ballers, King of Padel)	They validate the market; none combines methodological academy + events plaza + sponsorship infrastructure	Differentiation by model (Section 4.3), speed in securing location and founding members
Pickleball	24M players; but it is a gateway, not a substitute (Playtomic/Deloitte)	Conversion clinics; distinct premium positioning; no court sharing
Tariffs and CapEx	Steel/aluminum 50% (S.232); EU deal 15% ceiling; court cost +15–25% vs 2024	Already priced into unit costs + \$320k contingency; emerging US suppliers as an alternative
Entitlement / permits	CUP in LA: 4–8 months, discretionary; regulatory and administrative changes have sunk comparable sports projects in other markets	Zoning due diligence BEFORE signing; contract contingent on CUP; local entitlements advisor; by-right submarkets as plan B
Slow sponsorship ramp (the desert crossing)	Reference clubs take 3–4 years to close their first global sponsor	The plan is EBITDA-positive without sponsorship from Year 2; \$500k working capital; prudently modeled ramp
Founder dependence	Classic key-man risk	Professional GM + documented processes + advisory board + key-man insurance and vesting
Recession / discretionary spending	Premium social-sports spending is resilient but not immune	Mix of recurring memberships + corporate (HR/marketing budgets) + time-band pricing flexibility

12. Execution Roadmap

Phase (months)	Milestones
0–4 · Site	Round closing; real-estate search mandate; zoning due diligence on 3 finalists; LOI with CUP contingency
4–10 · Entitlement and design	Ground lease signed with purchase option; CUP processing; construction documents; court and canopy orders (4–6 month lead time); GM and Head Coach hired
8–16 · Pre-sales and community	Founding-members campaign (200 × \$500 deposit); pop-ups; F&B operator signed; sponsorship pipeline open with 2 anchor categories
10–16 · Construction	Civil works, court installation, clubhouse and plaza; full team hired and trained
16–18 · Opening	Soft opening with founding members; launch event with a pro exhibition (PPL LA Beat); first corporate event booked before opening
18–36 · Consolidation	45–52% occupancy; first anchor sponsor; 50 corporate events/year; evaluation of club #2 (OC/Valley)

13. Sources and References

The market claims in this document come from the following public sources (accessed June 2026):

- Playtomic / Monitor Deloitte — Global Padel Report 2026 — <https://playtomic.com/global-padel-report>
- USPA — Padel surpasses one million players in the United States (SFIA 2026) — <https://padelusa.org/padel-surpasses-one-million-players-in-the-united-states/>
- 1,000 courts in the US (April 2026) — <https://actu-padel.com/en/1000-padel-courts-in-the-usa-the-boom-changes-scale/>
- CNBC — Pro Padel League \$15M Series A — <https://www.cnbc.com/2026/03/24/pro-padel-league-raises-15-million-us-growth.html>
- Sportico — LA Beat franchise sale for \$10M — <https://www.sportico.com/leagues/other-sports/2025/pro-padel-league-valuation-courts-athlete-partners-1234871715/>
- Athletech — Padel Haus Series B (\$33M valuation) — <https://athletechnews.com/padel-haus-closes-7m-series-b-to-triple-footprint/>
- Court construction costs (Sports Venue Calculator, 2026) — <https://sportsvenuecalculator.com/knowledge/padel-courts/padel-court-construction-cost/>
- Kidder Mathews — LA Industrial Market Report 1Q25 (rents and land) — https://kidder.com/wp-content/uploads/market_report/industrial-market-research-los-angeles-2025-1q.pdf
- Entitlements and CUPs in Los Angeles (costs and timelines) — <https://jdj-consulting.com/entitlement-costs-in-los-angeles-2025-a-detailed-guide/>
- Los Angeles Padel Club (LAPC) — Culver City opening — <https://www.costar.com/article/1566905445/fast-growing-sport-drives-los-angeles-redevelopment>
- Reserve Cup Miami 2026 (Jeter/Butler, \$600k) — <https://www.prnewswire.com/news-releases/reserve-cup-miami-2026-announces-team-captains-derek-jeter-and-jimmy-butler-302664619.html>
- Hexagon Cup — media reach and PIF investment — <https://www.sportbusiness.com/news/pif-enters-padel-as-54-gets-new-hexagon-event-remit/>
- The Swedish lesson — collapse analysis and survivors — <https://europeanbusinessmagazine.com/sweden-padel-mania-bankruptcies/>
- Tariff impact on US padel — <https://newsletter.padelbusinessmagazine.com/p/padel-industry-faces-up-to-uncertainty-as-it-counts-cost-of-trump-tariffs>
- SFIA — US pickleball/tennis participation — <https://sfia.org/research/u-s-pickleball-participation/>
- SBA — combined 7(a)+504 cap raised to \$10M (May 2026) — <https://www.sba.gov/article/2026/05/18/sba-doubles-cumulative-7a-504-loan-limit-10-million>

Disclaimer: this document is a business plan with projections based on the assumptions described in Section 9. It does not constitute an offer or solicitation to purchase securities. Actual results may differ materially. Market figures come from the cited sources and have not been independently audited.