

Month Year

BUSINESS PLAN



PREPARED BY:

John Doe, CEO

LOGO

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY	3	5. MARKETING PLAN	14
2. COMPANY OVERVIEW	4	5.1. MARKETING OVERVIEW & STRATEGY	14
2.1. MISSION STATEMENT	4	5.2. BRANDING STRATEGY	14
2.2. COMPANY DESCRIPTION.....	4	5.3. SIGNAGE	14
2.3. GROWTH STRATEGY	4	5.4. INTERNET MARKETING	14
3. THE PARK.....	5	5.5. PRINT ADVERTISING	14
3.1. PARK DESIGN& LAYOUT	5	5.6. AFFILIATE MARKETING	14
3.2. SITE LAYOUT	5	5.7. EVENT HOSTING	14
3.3. INDOOR SKATEBOARD PARK.....	6	5.8. PUBLIC RELATIONS.....	14
3.4. ROLLER RING	6	5.9. PROMOTIONS	14
3.5. CONCESSION STAND.....	7	6. OPERATIONAL PLAN	15
3.6. V/R & VIDEO ARCADE	7	6.1. OPERATIONAL OVERVIEW	15
3.7. RADIO CONTROL (RC) RACING TRACK	7	6.1.1. HOURS OF OPERATION	15
3.8. SKATE SHOP	7	6.1.2. LEGAL STRUCTURE.....	15
3.9. VIDEO FOOTAGE.....	7	6.2. EQUIPMENT & SUPPLIES.....	15
3.10. SKATE LESSONS	7	6.3. COMPUTER HARDWARE & SOFTWARE	15
3.11. BIRTHDAY PARTIES.....	7	6.4. LEGAL & INSURANCE	15
3.12. PRICING.....	8	6.5. ACCOUNTING	15
4. THE MARKET	9	6.6. LICENSES & PERMITS.....	15
4.1. TARGET CONSUMER PROFILE.....	9	6.7. CLEANING & MAINTENANANCE.....	15
4.2. U.S. SKATEBOARDING MARKET	9	6.8. PARKING	15
4.3. DEMOGRAPHIC STATS	11	7. MANAGEMENT & STAFF	16
4.3.1. ABC COUNTY, ABC	11	7.1. EXECUTIVE MANAGEMENT	16
4.3.2. ABC, ABC	11	7.1.1. JOHN DOE, GENERAL PARTNER.....	16
4.6. PROFILE OF DIRECT COMPETITORS	12	7.1.2. JOHN DOE, GENERAL PARTNER.....	16
4.6.1. XYZ PARK	13	8. FINANCING & GROWTH STRATEGY	17
4.6.2. XYZ SKATEPARK	13	8.1. CAPITAL REQUIREMENTS.....	17
4.6.3. XYZ PARK	13	8.2 RISK ANALYSIS.....	17
4.6.4. XYZ SKATEPARK	13	8.3 EXIT STRATEGY	17
4.6.5. XYZ SKATEPARK	13	9. FINANCIALS.....	18
4.6.6. XYZ SKATEPARK	13	9.1. SALES	18
4.6.7. XYZ SKATEPARK	13	9.1.1. SALES ASSUMPTIONS.....	18
4.6.8. XYZ SKATEPARK	13	9.1.2. SALES PROJECTIONS.....	19
4.6.9. XYZ SKATEPARK	14	9.2. OPERATING EXPENSES.....	19
4.6.10. XYZ SKATE PLAZA	14	9.2.1. GENERAL & ADMINISTRATIVE EXPENSES.....	19
4.6.11. XYZ SKATEPARK	14	9.2.2. MARKETING EXPENSES	20
4.6.12. THE XYZ	14	9.2.3. STAFF HEADCOUNT & SALARIES	20
4.6.13. XYZ SKATEPARK	14	9.3. ANNUAL PRO-FORMA FINANCIAL STATEMENT SUMMARIES	20
4.6.14. XYZ ROLLERWAY, INC.	14	9.3.1. INCOME STATEMENT	20
4.6.15. XYZ SKATE	14	9.3.2. STATEMENT OF CASH FLOWS.....	21
4.7. COMPETITIVE ANALYSIS	14	9.3.3. BALANCE SHEET.....	21

1. EXECUTIVE SUMMARY

THE COMPANY

- XYZ Skate Park, Inc.
- Founded in January 1234
- Registered as an S-Corp in ABC
- XYZ Skate Park
- xx,xxx sf indoor skatepark and roller rink
- Owned and led by John Doe and John Doe
- Headquartered at 1234 E. XYZ Blvd., ABC, ABC 12345

THE PARK

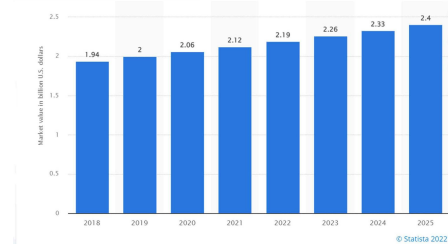
- Indoor skate park
- Roller rink
- Concession stand
- V/R & video arcade
- R/C racing track
- Skate shop
- Lessons
- Video footage

TARGET CONSUMER

- 6-55 years old
- Skaters that live in ABC County
- Skaters visiting ABC
- Party goers

THE MARKET

Skateboard market value worldwide from 2018 to 2025
(in billion U.S. dollars)*



MARKETING

- Signage
- Internet marketing
- Print advertising
- Affiliate marketing
- Celebrity/influencer endorsement
- Public relations
- Promotions

FINANCING

- **Amount:** \$500,000
- **Type:** Debt
- **Use:**
 - Leasehold improvements
 - Equipment
 - Furniture & fixtures
 - Computer hardware & software
 - Working capital
 - Marketing
 - Operations
 - Inventory

2. COMPANY OVERVIEW

2.1. MISSION STATEMENT

The Company's mission is to become the leading indoor skatepark and roller rink in greater ABC and a top-rated skatepark and roller rink in the U.S.

2.2. COMPANY DESCRIPTION

XYZ Skate Park, Inc. (herein also referred to as "the Company") was founded on January 1, 1234 and will be registered as an S-Corporation company in the state of ABC.

The Company launch XYZ Skate Park at 1234 E. XYZ Blvd., ABC, ABC 12345 in the ABC Mart.

The Company will lease a xx,xxx square feet space in a highly transited street in ABC, ABC.

The Company will be owned and led by John Doe and John Doe, who are both experienced business professionals with expertise in management and customer service.

XYZ Skate Park will contain:

- Indoor skatepark
- Indoor roller skate rink
- Video/VR arcade
- Concession stand
- RC racing track
- Skate shop
- State-of-the-art video equipment to film skaters and provide footage for view and sale

The Company will target skaters that live in ABC, as well as skaters that live anywhere in the U.S. or world that are visiting.

The Company will launch a marketing campaign that include internet marketing, print advertising, e-mail marketing, industry events, celebrity endorsement, public relations, promotions, and sponsorships.

2.3. GROWTH STRATEGY

Ramp-up Phase (18 months):

- Secure a bank loan of \$500,000
- Lease a xx,000 square foot store in Palmdale mall
- Remodel and retrofit the store space
- Develop social media profiles
- Develop website and marketing materials
- Purchase and install furniture, fixtures, and signage

Start-up Phase (Month 0 to 12):

- Purchase initial inventory
- Hire and train marketing and operations staff
- Launch a comprehensive marketing campaign that includes Internet marketing, signage, promotions and public relations
- Develop cross promotional partnerships with skate brands
- Collaborate/partner with celebrities and influencers to endorse the park
- Increase social media activity on the Company's social media pages
- Garner positive reviews
- Establish an efficient operation process
- Purchase initial product inventory

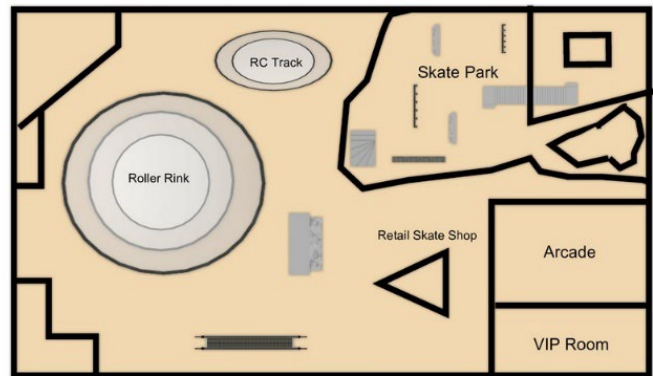
Growth Phase (Month 13-36):

- Increase regional marketing for the store and national marketing for the website
- Garner more positive reviews
- Increase and expand product inventory
- Identify new forms of marketing
- Improve service quality
- Hire additional staff
- Increase operational efficiency

3. THE PARK

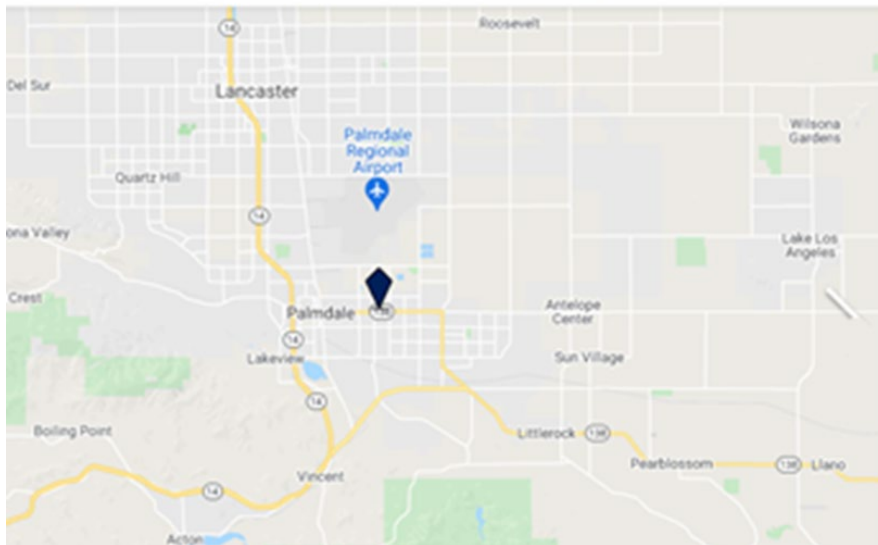
3.1. PARK DESIGN & LAYOUT

XYZ Skate Park will be designed using concrete, wood, composite wood, fiberglass, metal, and more. The skatepark will contain an indoor skateboard park, indoor roller skate rink, video/VR arcade, concession stand, RC racing track, skate shop, and state-of-the-art video equipment to constantly film skaters and provide footage for view and sale. The skatepark will be designed to contain pop skate culture elements of art, posters, and memorabilia on the walls of the concession stand, skate shop, and arcade.



3.2. SITE LAYOUT

ABC Mart | 1234 E ABC Blvd
45,000 SF | Vacant | Retail Building | **ABC CA** | \$5,000,000 (\$111/SF)



ABC Mart
1234 E ABC Blvd
ABC, CA



3.3. INDOOR SKATEBOARD PARK

The Company will operate a state-of-the-art indoor skatepark with pools, rails, stairs, ramps, and more.



3.4. ROLLER RING

The Company will operate a state-of-the-art indoor roller ring with elaborate lighting.



3.5. CONCESSION STAND

The concession stand will offer a wide array of American/snack food including hamburgers, hot dogs, pizza, nachos, ice cream, chicken wings, French fries, fresh fruit cups, sports drinks, fountain drinks, hot chocolate, coffee, and water, and candy.



3.6. V/R & VIDEO ARCADE

The Company will operate a virtual reality (V/R) and video arcade with a broad range of modern, popular games.



3.7. RADIO CONTROL (RC) RACING TRACK

The Company will operate an elaborate radio control racetrack in a designated area inside the facility.



3.8. SKATE SHOP

The Company will operate a skate shop, which will contain skateboards for sale/rental, roller skates for skate/rental, and associated parts including wheels, trucks, and bearings. The Company will also sell Skate Force Factory merchandise including T-shirts and hats.



3.9. VIDEO FOOTAGE

The Company will have an elaborate set-up of state-of-the-art video equipment that films in HD quality, so that each skater will be able to both view and purchase footage of themselves skating, which can be uploaded onto social media.



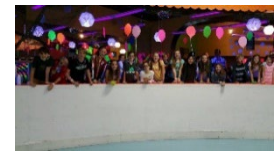
3.10. SKATE LESSONS

The Company will provide skateboard, roller skate, and in-line skate lessons via its Skate Coaches.



3.11. BIRTHDAY PARTIES

The Company will host birthday parties at the facility.



3.12. PRICING

The Company will charge the following prices in year 1:

Skatepark 1-day pass	\$22.00
Skatepark 1-month pass	\$19.60
Skatepark 3-month pass	\$23.00
Skatepark 1-year pass	\$17.38
Roller rink 1-day pass	\$20.00
Roller rink 1-month pass	\$18.00
Roller rink 3-month pass	\$13.00
Roller rink 1-year pass	\$16.13
Skatepark + arcade 1-day pass	\$28.00
Skatepark + arcade 1-month pass	\$21.60
Skatepark + arcade 3-month pass	\$14.80
Roller rink + arcade 1-day pass	\$25.00
Roller rink + arcade 1-month pass	\$19.60
Roller rink + arcade 3-month pass	\$13.80
Radio car race track 1-hour pass	\$12.00
Radio car race track 2-hour pass	\$21.00
Video footage revenues	\$25.00
Lesson revenues	\$150.00
Birthday party revenues	\$700.00

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per purchase
per purchase
per session
per session
per party

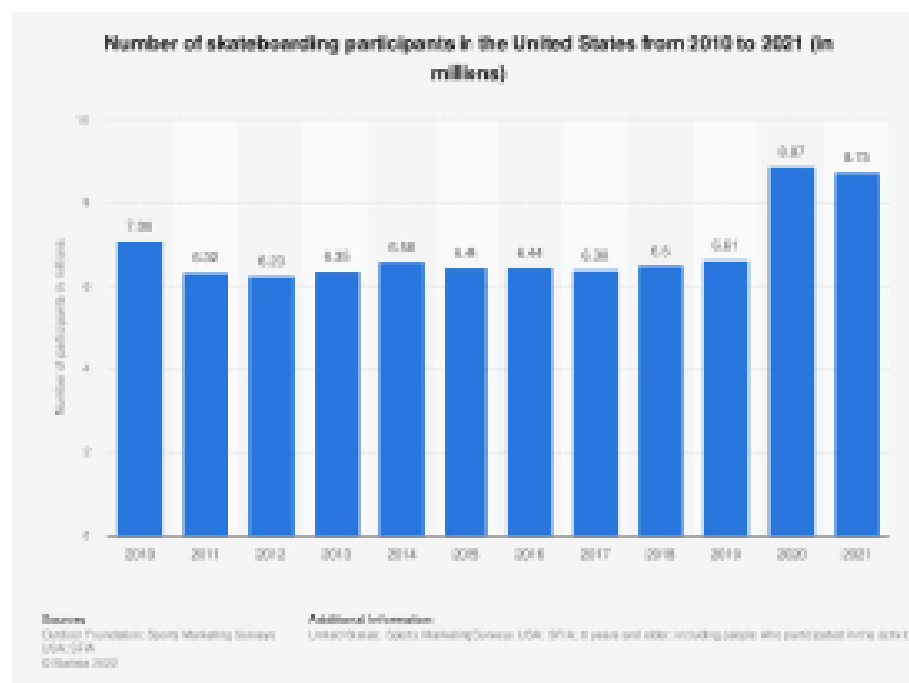
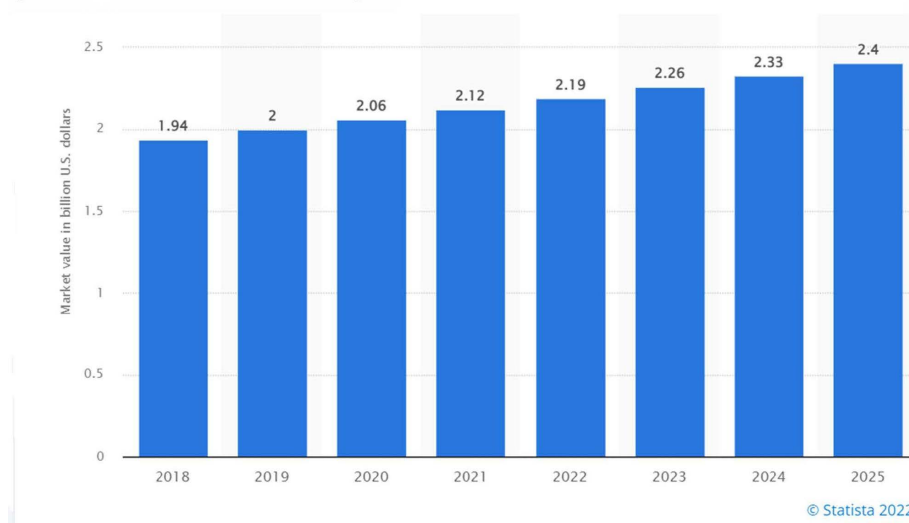
4. THE MARKET

4.1. TARGET CONSUMER PROFILE

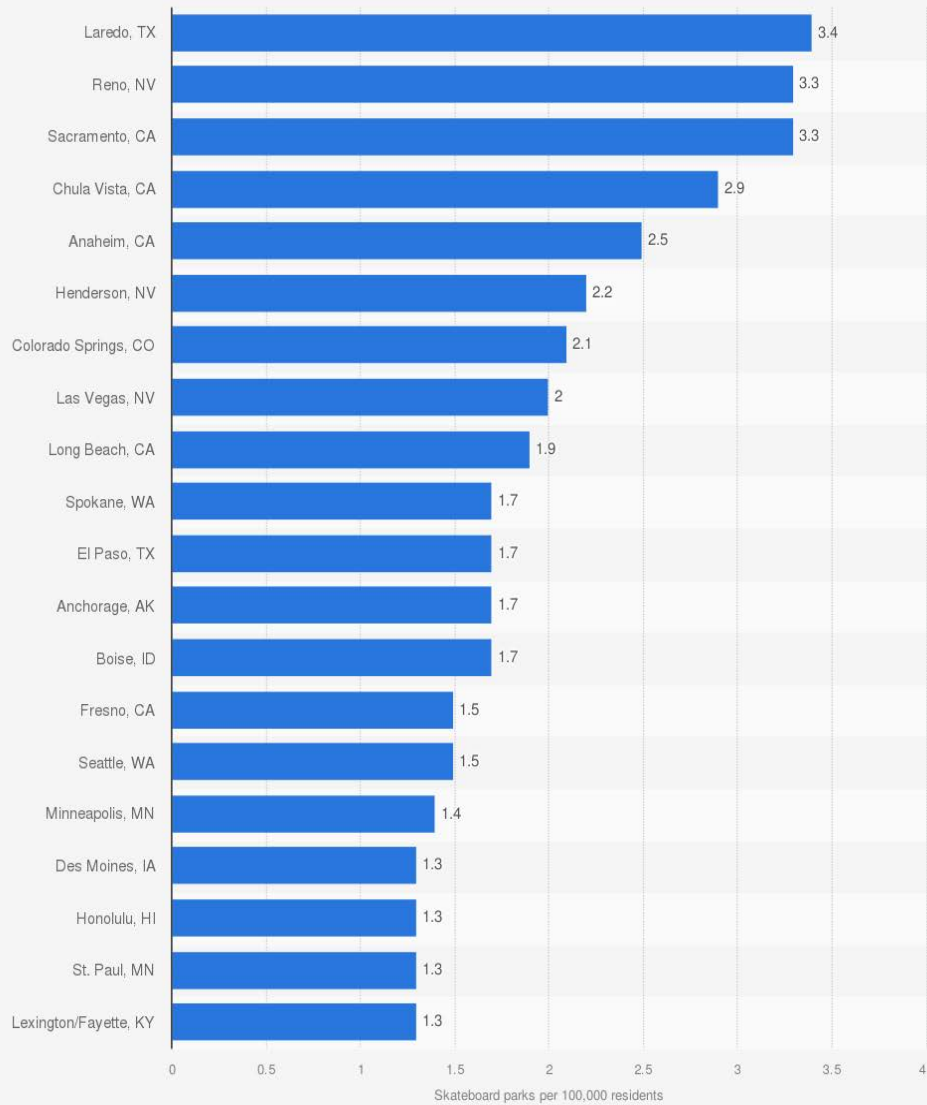
The Company will target skaters that live in Southern ABC, as well as skaters that live anywhere in the U.S. or world that are visiting.

4.2. U.S. SKATEBOARDING MARKET

Skateboard market value worldwide from 2018 to 2025
(in billion U.S. dollars)*



Cities with the largest number of skateboard parks per 100,000 residents in the United States in 2021



Source
The Trust for Public Land
© Statista 2022

Additional Information:
United States; The Trust for Public Land; 2021

4.3. DEMOGRAPHIC STATS¹

4.3.1. ABC COUNTY, ABC



4.3.2. ABC, ABC



¹ DataUSA; 2021

4.6. PROFILE OF DIRECT COMPETITORS

4.6.1. XYZ PARK

- **Address** - 12345 ABC St., ABC, ABC 12345
- **Distance** - x.x miles
- **Services** - Public skatepark
- **Size** - Small



4.6.5. XYZ SKATEPARK

- **Address** - 1234 ABC Ave, ABC, ABC 12345
- **Distance** - xx.x miles
- **Services** - Public skatepark
- **Size** - Small



4.6.2. XYZ SKATEPARK

- **Address** - 12345 ABC Hill, ABC, ABC 12345
- **Distance** - x.x miles
- **Services** - Public skatepark
- **Size** - Small



4.6.6. XYZ SKATEPARK

- **Address** - 1234 ABC Ave., ABC ABC 12345
- **Distance** - xx.x miles
- **Services** - Public skatepark
- **Size** - Small



4.6.3. XYZ PARK

- **Address** - 12345 ABC St., ABC, ABC 12345
- **Distance** - x.x miles
- **Services** - Public skatepark
- **Size** - Small



4.6.7. XYZ SKATEPARK

- **Address** - 1234 ABC Blvd, ABC, ABC 12345
- **Distance** - xx.x miles
- **Services** - Public skatepark
- **Size** - Small



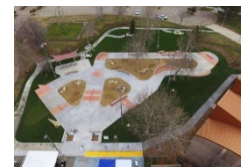
4.6.4. XYZ SKATEPARK

- **Address** - 12345 ABC Pkwy, ABC, ABC 12345
- **Distance** - xx.x miles
- **Services** - Public skatepark
- **Size** - Small



4.6.8. XYZ SKATEPARK

- **Address** - 1234 ABC Street ABC. ABC
- **Distance** - xx.x miles
- **Services** - Public skatepark
- **Size** - Medium



4.6.9. XYZ SKATEPARK

- **Address** - 123 ABC St. ABC, ABC CA 12345
- **Distance** - xx.x miles
- **Services** - Public skatepark
- **Size** - Small



4.6.10. XYZ SKATE PLAZA

- **Address** - 12345 ABC Blvd., ABC, ABC 12345
- **Distance**- xx.x miles
- **Services** - Public skatepark
- **Size** - Small



4.6.11. XYZ SKATEPARK

- **Address** - Castaic, CA
- **Distance**- xx.x miles
- **Services** -Public skatepark
- **Size** - Small



4.6.12. THE XYZ

- **Founded** - 2007
- **Address** - 1234 E ABC St, ABC ABC 12345
- **Distance**- xx.x miles
- **Services/Products** -Private skatepark, online store ("The Canteen")
- **Size** - Large



4.6.13. XYZ SKATEPARK

- **Founded** - 2014
- **Address** - 1234 ABC Avenue, ABC, ABC
- **Distance**- xx.x miles
- **Services** - Private skatepark, equipment rentals, lessons, birthday parties
- **Size** - Large



4.6.14. XYZ ROLLERWAY, INC.

- **Founded** - xxxx
- **Address** - 1234 ABC Rd., ABC, ABC 12345
- **Distance**- xx.x miles
- **Products & Services** - Roller rink, pro shop, snack bar, classes, birthday parties
- **Size** - Medium



4.6.15. XYZ SKATE

- **Founded** - xxxx
- **Address** - 12356 Central Ave, Chino, CA 91710
- **Distance**- xx.x miles
- **Services** - Private roller rink, equipment rentals, birthday parties, bumper cars, arcade games, mini bowling
- **Size** - Medium



4.7. COMPETITIVE ANALYSIS

XYZ Park, XYZ Skatepark, XYZ Park, XYZ Skatepark, XYZ Skatepark, XYZ Skatepark, XYZ Skatepark, XYZ Skatepark, XYZ Skatepark, XYZ Skate Park, and XYZ Skate Plaza are public skateparks within approximately xx miles of the proposed site for XYZ Skate Park. The XYZ and XYZ are the only 2 private skateparks within xxx miles of the proposed site for XYZ Skate Park. XYZ Rollerway, Inc. and XYZ Skate are the only 2 roller rinks within 100 miles of the site. As the Company will be 1 of only 3 private skateparks and/or roller rinks within 100 miles, the only skatepark with a roller rink, the only facility with a V/R & video arcade, and the only facility with an RC racing area, the Company should be able to garner substantial market share within the market.

5. MARKETING PLAN

5.1. MARKETING OVERVIEW & STRATEGY

XYZ Skate Park, Inc. will implement a dynamic marketing campaign to drive business growth and maximize branding within the indoor sports facilities management industry that includes:

- Marketing materials
- Sales
- Signage
- Celebrity/influencer endorsement
- Internet marketing
- Affiliate marketing
- Sponsorships
- Public relations

5.2. BRANDING STRATEGY

The branding objectives for XYZ Skate Park, Inc. will focus on building credibility in the skateboarding and roller-skating industry by offering a broad array of services and products, excellent customer service, professional affiliations, and superior management skills.

5.3. SIGNAGE

XYZ Skate Park will use signage to display information of its products and services. This will help prospective customers and affiliate partners learn of the Company's presence.

5.4. INTERNET MARKETING

The Company will develop an appealing and user-friendly website. The Company's internet marketing will include social media marketing, PPC advertising, display advertising, search engine optimization, search engine marketing, and article marketing.

5.5. PRINT ADVERTISING

The Company will utilize print advertising in local and regional daily and weekly newspapers that might include:

- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ
- XYZ

5.6. AFFILIATE MARKETING

XYZ Skate Park, Inc. will employ affiliate marketing efforts to garner referrals from businesses in the skateboard industry including skate shops.

5.7. EVENT HOSTING

XYZ Skate Park, Inc. will host local events to promote brand visibility.

5.8. PUBLIC RELATIONS

The Company will pursue a strong public relations campaign to gain public awareness and credibility that will lead to good relationships with customers. The Company will work to become valued members of the local community through. This will involve garnering press in news articles, radio broadcasts, and television broadcasts.

5.9. PROMOTIONS

The Company will offer promotional giveaways and discounts during the 6-month Grand Opening, sales, and selectively on the Company's marketing materials and social media profiles.

6. OPERATIONAL PLAN

6.1. OPERATIONAL OVERVIEW

6.1.1. HOURS OF OPERATION

XYZ Skate Park, Inc. will be open for operation during the following hours:

- Mon 10AM - 10PM
- Tue 10AM - 10PM
- Wed 10AM - 10.00 PM
- Thurs 10AM - 10PM
- Fri 9AM - 11PM
- Sat 9AM - Midnight
- Sun 9AM - Midnight

6.1.2. LEGAL STRUCTURE

- S-Corporation in the state of ABC on January 1, 1234

6.2. EQUIPMENT & SUPPLIES

The Company will maintain supply of the following types of equipment & supplies:

- HD video equipment
- First aid kits
- Crutches
- Bandages/wraps

6.3. COMPUTER HARDWARE & SOFTWARE

The Company will obtain the essential computer hardware and software systems to support operations including inventory management systems, payroll administration programs, sales management tools, managerial accounting, and financial analysis and reporting, as well as performance management.

6.4. LEGAL & INSURANCE

John Doe of XYZ Law Group will handle all legal matters related to the business including contract development, employment, and corporate issues. The Company will obtain liability insurance to manage liability risk.

6.5. ACCOUNTING

John Doe of XYZ Accounting Firm will manage the Company's accounting responsibilities and file the Company's annual tax return.

6.6. LICENSES & PERMITS

The Company will obtain and maintain the following licenses and permits:

- Business license to operate in the city of ABC
- Health permit from ABC County
- Seller's permit from ABC County

6.7. CLEANING & MAINTENANCE

The Company will employ a cleaning and maintenance crew to keep the facility clean according to industry standards, complying with all safety and state regulated cleaning laws for a facility of its type.

6.8. PARKING

The Company will construct adequate parking for participants and fans.

7. THE MANAGEMENT

7.1. EXECUTIVE MANAGEMENT

7.1.1. JOHN DOE, GENERAL PARTNER

Removed info



7.1.2. JOHN DOE, GENERAL PARTNER

Removed info



8. FINANCING

8.1. CAPITAL REQUIREMENTS

XYZ Skate Park, Inc. will secure \$500,000 of debt financing, which will include an estimated \$190,000 for capital expenditures including \$20,000 for furniture & fixtures, \$150,000 for leasehold improvements, \$10,000 for equipment and \$10,000 for computer hardware & software; the remaining \$285,000 will be available for working capital to support marketing expenses, general and administrative expenses, and inventory.

The Company has assumed that it will obtain an SBA loan with a 6% interest rate and 10-year duration.

Capital expenditures:	
Computer hardware & software	\$10,000
Furniture & fixtures	\$20,000
Leasehold improvements	\$150,000
Equipment	\$10,000
Total capital expenditures	\$190,000
Working capital:	
Marketing expenses	\$85,000
G & A expenses	\$217,500
Inventory	\$7,500
Total working capital	\$310,000
Total capital expenditures	\$500,000

8.2 RISK ANALYSIS

The Company is a start-up entity and will be managed by a professional executive team. The risks associated with this venture are related to future uncertainties in the software-as-a-service marketplace and fall within the medium risk segment of the investment spectrum. Such uncertainties are associated with competition, changing industry patterns, technological innovation, economic conditions, compliance, and fraud.

Management believes that the demand for news and information within its target geographic market will remain strong in the foreseeable future. While there can be no guarantees that the Company will be able to effectively manage the business risks associated with the economic cycle, management is confident that it will be able to effectively sustain revenues through its marketing and operations.

8.3 EXIT STRATEGY

XYZ Skate Park, Inc. will grow the Company over the period of the next several years, so that it is in a position to be sold if the Company's management decides to.

9. FINANCIALS

9.1. SALES

9.1.1. SALES ASSUMPTIONS

Sales:	Year 1	Year 2	Year 3	Year 4	Year 5	
# Entrances	4%	2.5%	1.5%	1%	0%	monthly growth rate
# Skatepark 1-day pass purchases	15%	15%	15%	15%	15%	of entrances
# Skatepark 1-month pass entrance/purchases	5%	\$23.58	5%	5%	5%	of entrances
# Skatepark 3-month pass entrance/purchases	5%	5%	5%	5%	5%	of entrances
# Skatepark 1-year pass entrance/purchases	5%	5%	5%	5%	5%	of entrances
# Roller rink 1-day pass purchases	10%	10%	10%	10%	10%	of entrances
# Roller rink 1-month pass entrance/purchases	10%	10%	10%	10%	10%	of entrances
# Roller rink 3-month pass purchases	6%	6%	6%	6%	6%	of entrances
# Roller rink 1-year pass purchases	5%	5%	5%	5%	5%	of entrances
# Skatepark + arcade 1-day pass	10%	10%	10%	10%	10%	of entrances
# Skatepark + arcade 1-month pass purchases	7%	7%	7%	7%	7%	of entrances
# Skatepark + arcade 3-month pass entrance/purchases	5%	5%	5%	5%	5%	of entrances
# Roller rink + arcade 1-day pass	7%	7%	7%	7%	7%	of entrances
# Roller rink + arcade 1-month pass entrance/purchases	5%	5%	5%	5%	5%	of entrances
# Roller rink + arcade 3-month pass entrance/purchases	5%	5%	5%	5%	5%	of entrances
	100%	100%	100%	100%	100%	
# Skate shop purchases	10%	10%	10%	10%	10%	of patrons
# Radio car race track 1-hour pass purchases	3%	3%	3%	3%	3%	of patrons
# Radio car race track 2-hour pass purchases	2%	2%	2%	2%	2%	of patrons
# Concession stand purchases	15%	15%	15%	15%	15%	of patrons
# Video game purchases		10%	10%	10%	10%	of patrons
# V/R game purchases		7%	7%	7%	7%	of patrons
# Video footage sales	3.5%	3.5%	3.5%	3.5%	3.5%	of patrons
# lessons	0.5%	0.5%	0.5%	0.5%	0.5%	of patrons
# birthday parties	0.25%	0.25%	0.25%	0.25%	0.25%	of patrons
Revenues:						
Skatepark 1-day pass revenues	\$22.00	\$22.55	\$23.11	\$23.69	\$24.28	per purchase
Skatepark 1-month pass revenues (\$49; 2.5 visits/1 mo.)		\$0.09	\$20.59	\$21.11	\$21.63	per purchase
Skatepark 3-month pass revenues (\$69; 5 visits/3 mo.)			\$24.16	\$24.77	\$25.39	per purchase
Skatepark 1-year pass revenues (\$139; 8 visits/yr.)		\$17.81	\$18.25	\$18.71	\$19.18	per purchase
Roller rink 1-day pass revenues	\$20.00		\$21.01	\$21.54	\$22.08	per purchase
Roller rink 1-month pass revenues (\$45; 2.5 visits/1 mo.)	\$18.00	\$18.45	\$18.91	\$19.38	\$19.87	per purchase
Roller rink 3-month pass revenues (\$65; 5 visits/3 mo.)	\$13.00	\$13.33	\$13.66	\$14.00	\$14.35	per purchase
Roller rink 1-year pass revenues (\$129; 8 visits/yr.)	\$16.13	\$16.53	\$16.94	\$17.36	\$17.80	per purchase
Skatepark + arcade 1-day pass revenues	\$28.00	\$28.70	\$29.42	\$30.15	\$30.91	per purchase
Skatepark + arcade 1-month pass revenues (\$54; 2.5 visits/1 mo.)	\$21.60	\$22.14	\$22.69	\$23.26	\$23.84	per purchase
Skatepark + arcade 3-month pass revenues (\$74; 5 visits/3 mo.)	\$14.80	\$15.17	\$15.55	\$15.94	\$16.34	per purchase
Roller rink + arcade 1-day pass revenues	\$25.00	\$25.63	\$26.27	\$26.92	\$27.60	per purchase
Roller rink + arcade 1-month pass revenues (\$49; 2.5 visits/1 mo.)	\$19.60	\$20.09	\$20.59	\$21.11	\$21.63	per purchase
Roller rink + arcade 3-month pass revenues (\$69; 5 visits/3 mo.)	\$13.80	\$14.15	\$14.50	\$14.86	\$15.23	per purchase
Skate shop revenues	\$40.00	\$41.00	\$42.03	\$43.08	\$44.15	per purchase
Radio car race track 1-hour pass revenues	\$12.00	\$12.30	\$12.61	\$12.92	\$13.25	per purchase
Radio car race track 2-hour pass revenues	\$21.00	\$21.53	\$22.06	\$22.61	\$23.18	per purchase
Concession stand revenues	\$15.00	\$15.38	\$15.76	\$16.15	\$16.56	per purchase
Video game revenues	\$5.00	\$5.13	\$5.25	\$5.38	\$5.52	per session
V/R game revenues	\$10.00	\$10.25	\$10.51	\$10.77	\$11.04	per session
Video footage revenues	\$25.00	\$25.63	\$26.27	\$26.92	\$27.60	per session

9.1.2. SALES PROJECTIONS

Table 2 XYZ Skate Park, Inc. Sales Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Sales:					
Skatepark 1-day pass revenues	\$91,733	\$136,219	\$136,219	\$208,463	\$225,561
Skatepark 1-month pass revenues (\$49; 2.5 visits/1 mo.)	\$27,242	\$40,453	\$40,453	\$61,907	\$66,985
Skatepark 3-month pass revenues (\$69; 5 visits/3 mo.)	\$31,967	\$47,470	\$47,470	\$72,646	\$78,605
Skatepark 1-year pass revenues (\$139; 8 visits/yr.)	\$24,149	\$35,861	\$35,861	\$54,879	\$59,381
Roller rink 1-day pass revenues	\$55,595	\$82,557	\$82,557	\$126,341	\$136,704
Roller rink 1-month pass revenues (\$45; 2.5 visits/1 mo.)	\$50,036	\$74,302	\$74,302	\$113,707	\$123,033
Roller rink 3-month pass revenues (\$65; 5 visits/3 mo.)	\$21,682	\$32,197	\$32,197	\$49,273	\$53,314
Roller rink 1-year pass revenues (\$129; 8 visits/yr.)	\$22,412	\$33,281	\$33,281	\$50,931	\$55,109
Skatepark + arcade 1-day pass revenues	\$77,834	\$115,580	\$115,580	\$176,878	\$191,385
Skatepark + arcade 1-month pass revenues (\$54; 2.5 visits/1 mo.)	\$42,030	\$62,413	\$62,413	\$95,514	\$103,348
Skatepark + arcade 3-month pass revenues (\$74; 5 visits/3 mo.)	\$20,570	\$30,546	\$30,546	\$46,746	\$50,580
Roller rink + arcade 1-day pass revenues	\$48,646	\$72,238	\$72,238	\$110,549	\$119,616
Roller rink + arcade 1-month pass revenues (\$49; 2.5 visits/1 mo.)	\$27,242	\$40,453	\$40,453	\$61,907	\$66,985
Roller rink + arcade 3-month pass revenues (\$69; 5 visits/3 mo.)	\$19,180	\$28,482	\$28,482	\$43,588	\$47,163
Skate shop revenues	\$111,191	\$165,115	\$165,115	\$252,683	\$273,408
Radio car race track 1-hour pass revenues	\$10,007	\$14,860	\$14,860	\$22,741	\$24,607
Radio car race track 2-hour pass revenues	\$11,675	\$17,337	\$17,337	\$26,532	\$28,708
Concession stand revenues	\$62,545	\$92,877	\$92,877	\$142,134	\$153,792
Video game revenues	\$13,899	\$20,639	\$20,639	\$31,585	\$34,176
V/R game revenues	\$19,458	\$28,895	\$28,895	\$44,219	\$47,846
Video footage revenues	\$24,323	\$36,119	\$36,119	\$55,274	\$59,808
Lesson revenues	\$20,848	\$30,959	\$30,959	\$47,378	\$51,264
Birthday party revenues	\$48,646	\$72,238	\$72,238	\$110,549	\$119,616
Total revenues	\$882,912	\$1,311,092	\$1,311,092	\$2,006,426	\$2,170,993
Cost of goods sold:					
Cost of goods sold - Skate shop	\$38,917	\$57,790	\$57,790	\$88,439	\$95,693
Cost of goods sold - Concession stand	\$15,636	\$23,219	\$23,219	\$35,533	\$38,448
Cost of goods sold - Total	\$54,553	\$81,009	\$81,009	\$123,972	\$134,141
Gross Margin	\$828,359	\$1,230,083	\$1,230,083	\$1,882,454	\$2,036,852

9.2. OPERATING EXPENSES

9.2.1. GENERAL & ADMINISTRATIVE EXPENSES

Table 3 XYZ Skate Park, Inc. General & Administrative Expenses					
	Year 1	Year 2	Year 3	Year 4	Year 5
Wages & salaries	\$350,000	\$364,131	\$371,442	\$382,708	\$394,356
Payroll expense	\$35,000	\$36,413	\$37,144	\$38,271	\$39,436
Benefits	\$14,000	\$14,565	\$14,858	\$15,308	\$15,774
Rent	\$360,000	\$369,000	\$378,225	\$387,681	\$397,373
Liability insurance	\$6,622	\$9,833	\$12,689	\$15,048	\$16,282
Supplies	\$6,000	\$6,150	\$6,304	\$6,461	\$6,623
Internet	\$4,200	\$4,305	\$4,413	\$4,523	\$4,636
Telephone	\$4,800	\$4,920	\$5,043	\$5,169	\$5,298
Dues & subscriptions	\$4,200	\$4,305	\$4,413	\$4,523	\$4,636
Utilities	\$42,000	\$43,050	\$44,126	\$45,229	\$46,360
Legal fees	\$3,000	\$3,075	\$3,152	\$3,231	\$3,311
Accounting fees	\$1,500	\$1,538	\$1,576	\$1,615	\$1,656
Total general & administrative expenses	\$829,822	\$859,748	\$881,808	\$908,152	\$934,086

9.2.2. MARKETING EXPENSES

Table 4 XYZ Skate Park, Inc. Marketing Expenses					
	Year 1	Year 2	Year 3	Year 4	Year 5
Marketing materials	\$10,500	\$6,150	\$7,380	\$8,487	\$9,336
Internet marketing	\$84,000	\$88,200	\$92,610	\$97,241	\$102,103
Print advertising	\$60,000	\$63,000	\$66,150	\$69,458	\$72,930
Event hosting	\$21,000	\$22,050	\$23,153	\$24,310	\$25,526
Total marketing expenses	\$175,500	\$179,400	\$189,293	\$199,495	\$209,894

9.2.3. STAFF HEADCOUNT & SALARIES

Table 5 XYZ Skate Park, Inc. Staff Headcount					
	Year 1	Year 2	Year 3	Year 4	Year 5
Managing Partner	2	2	2	2	2
Entrance Associate	2	2	2	2	2
Skate Shop Associate	2	2	2	2	2
Concession Stand Associate	2	2	2	2	2
Total Headcount	8	8	8	8	8

Table 6 XYZ Skate Park, Inc. Staff Salaries					
	Year 1	Year 2	Year 3	Year 4	Year 5
Managing Partner	\$70,000	\$71,750	\$73,544	\$75,382	\$77,267
Entrance Associate	\$35,000	\$35,875	\$36,772	\$37,691	\$38,633
Skate Shop Associate	\$35,000	\$35,875	\$36,772	\$37,691	\$38,633
Concession Stand Associate	\$35,000	\$35,875	\$36,772	\$37,691	\$38,633

9.3. ANNUAL PRO-FORMA FINANCIAL STATEMENT SUMMARIES

9.3.1. INCOME STATEMENT

Schedule 1 XYZ Skate Park, Inc. Pro-Forma Income Statement					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues	\$882,912	\$1,311,092	\$1,691,860	\$2,006,426	\$2,170,993
Cost of good sold	\$54,553	\$81,009	\$104,536	\$123,972	\$134,141
Gross margin	\$828,359	\$1,230,083	\$1,587,324	\$1,882,454	\$2,036,852
Marketing expense	\$156,250	\$157,350	\$166,140	\$175,185	\$184,369
General & administrative	\$829,822	\$859,748	\$881,808	\$908,152	\$934,086
Net operating income	(\$157,713)	\$212,985	\$539,376	\$799,116	\$918,398
Depreciation	\$19,333	\$19,333	\$19,333	\$19,333	\$19,333
Interest expense	\$28,976	\$26,655	\$24,190	\$21,574	\$18,796
Interest earned	\$1,752	\$1,435	\$4,582	\$10,645	\$18,840
Income before taxes	(\$204,271)	\$168,431	\$500,434	\$768,854	\$899,108
Income taxes	\$0	\$0	\$0	\$0	\$0
Net income	(\$204,271)	\$168,431	\$500,434	\$768,854	\$899,108

9.3.2. STATEMENT OF CASH FLOWS

Schedule 2 XYZ Skate Park, Inc. Pro-Forma Cash Flow Statement					
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash flows from operations					
Net income:	(\$204,271)	\$168,431	\$500,434	\$768,854	\$899,108
Depreciation & amortization	\$19,333	\$19,333	\$19,333	\$19,333	\$19,333
Increase (decrease) in accrued liabilities	\$33,250	\$1,342	\$695	\$1,070	\$1,107
Increase (decrease) in accrued taxes	\$0	\$0	\$0	\$0	\$0
Increase (decrease) in accounts payable	\$2,396	(\$1,476)	\$315	\$167	\$35
Increase (decrease) in accounts receivable	(\$9,046)	(\$1,189)	(\$5,047)	(\$2,194)	(\$616)
Increase (decrease) in inventory	(\$9,742)	(\$610)	(\$852)	(\$803)	(\$629)
Net cash flows from operations	(\$168,078)	\$185,833	\$514,878	\$786,429	\$918,339
Cash flows from investing:					
Capital expenditures	\$190,000	\$0	\$0	\$10,000	\$0
Prepaid expenses	\$0	\$0	\$0	\$0	\$0
Net cash flows from investing	\$190,000	\$0	\$0	\$10,000	\$0
Cash flows from financing:					
Proceeds from issuance of debt	\$500,000	\$0	\$0	\$0	\$0
Debt service payments	(\$37,636)	(\$39,957)	(\$42,422)	(\$45,038)	(\$47,816)
Proceeds from sale of stock	\$0	\$0	\$0	\$0	\$0
Net cash flows from financing	\$462,364	(\$39,957)	(\$42,422)	(\$45,038)	(\$47,816)
Net increase (decrease) in cash	\$104,286	\$145,876	\$472,456	\$731,390	\$870,522
Beginning cash balance	\$0	\$104,286	\$250,161	\$722,618	\$1,454,008
Ending cash balance	\$104,286	\$250,161	\$722,618	\$1,454,008	\$2,324,530

9.3.3. BALANCE SHEET

Schedule 3 XYZ Skate Park, Inc. Pro-Forma Balance Sheet					
	Year 1	Year 2	Year 3	Year 4	Year 5
Assets:					
Current assets					
Cash & marketable items	\$104,286	\$250,161	\$722,618	\$1,454,008	\$2,324,530
Prepaid expenses	\$0	\$0	\$0	\$0	\$0
Accounts receivable	\$9,046	\$10,234	\$15,282	\$17,476	\$18,092
Inventory	\$9,742	\$10,351	\$11,203	\$12,005	\$12,634
Total current assets	\$123,073	\$270,747	\$749,102	\$1,483,489	\$2,355,256
Net non-current assets:	\$170,667	\$151,333	\$132,000	\$122,667	\$103,333
Total assets	\$293,740	\$422,080	\$881,102	\$1,606,156	\$2,458,590
Liabilities & Shareholders' Equity:					
Current liabilities:					
Accounts payable	\$2,396	\$920	\$1,236	\$1,403	\$1,438
Accrued liabilities	\$33,250	\$34,592	\$35,287	\$36,357	\$37,464
Accrued taxes	\$0	\$0	\$0	\$0	\$0
Total current liabilities	\$35,646	\$35,513	\$36,523	\$37,760	\$38,902
Total long-term liabilities	\$462,364	\$422,406	\$379,985	\$334,946	\$287,130
Total liabilities	\$498,010	\$457,919	\$416,507	\$372,707	\$326,032
Shareholders' equity:					
Common stock	\$0	\$0	\$0	\$0	\$0
Retained earnings	(\$204,271)	(\$35,839)	\$464,595	\$1,233,449	\$2,132,558
Total shareholders' equity	(\$204,271)	(\$35,839)	\$464,595	\$1,233,449	\$2,132,558
Total liabilities & equity	\$293,740	\$422,080	\$881,102	\$1,606,156	\$2,458,590