



ULTIMATE FITNESS CLUB

Sample Investor Business Plan

Wise Business Plans

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Mission Statement

To become the leader in the muscle building.



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Executive Summary

Ultimate Fitness Club, LLC (also referred to as “the Company” or “the Club”) will be a fitness gyms chain in the U.S., registered in California. The Company will be one of the first to offer boutique style and general fitness under the same roof on the way to maximize the customer experience and be a one-stop-shop for customers. The Company has highly qualified and certified trainers, the best structure, and the most modern equipment to provide complete personalized performance training development and consulting. All this will be in an exclusive environment, fun, and focused on improving the clients' quality of life. The management is seeking \$3.5 million from investors to bring this vision into reality.

OPPORTUNITY:

Boutique fitness clubs that offer targeted classes have entered the industry to attract demand for markets typically dominated by the industry's traditional health clubs. The boutique fitness clubs capture demand from local niche markets by locating themselves in proximity to residential areas to be more accessible. Furthermore, boutique fitness clubs primarily revolve around the experience offered. Accordingly, such clubs' emergence has placed pressure on traditional health clubs to adapt to consumer trends and preferences. Inglewood is home to some of the most affluent minority population in the entire state of California, along with the modest fitness-minded demographic. Due to a lack of supply in the area, most weight loss clients travel to other cities to fulfill their fitness needs. The potential market demand in Inglewood, taking the relevant competition into account, greatly exceeds the supply. This opens the door for Ultimate Fitness Club to reach our financial capacity goals.

BUSINESS MODEL AND FUTURE EXPANSION:

Ultimate Fitness Club will have a business model comprised of multiple revenue streams, including a hybrid of memberships, personal training and yoga rentals, and the sale of meals and juices. To enter new regional markets, the company has also planned to establish new gyms by years 1 to 5. With each new gym, the company will seek to integrate operations and marketing to optimize scale and profitability while preserving each gym's unique appeal to its local community. Given future expansion plans, the number of gyms will be as follows:

MARKET SIZE:

According to market research firm IBISWorld, the Gym, Health & Fitness Club Industry has seen an average annual growth rate of 0.5% over the last five years, positioning industry revenue to be around \$32.5 billion in 2020. Consumer trends toward improved health have benefited the industry over the last five years. Additionally, the number of adults aged 20 to 64, the largest gym-going demographic, has grown, spurring demand for gym memberships during the period. These trends are expected to continue over the next several years, as is the industry's overall growth. The Gym, Health & Fitness Club industry is projected to see an average annual growth rate of 3.2% over the next five years, placing industry revenue at \$38.1 billion in 2025. These trends bode extremely well for organizations as Ultimate Fitness Club, as they show the long-term potential that the market and industry in the general hold.

MARKETING:

Marketing for the Company will be done through various mediums, with the Internet being the primary driver. The Company will draw attention to its pioneering gyms through grassroots marketing, pop up rides, community outreach, and local charity events. The Company will also leverage P.R. to develop brand awareness, especially on a regional level. The Company will run several robust social and Internet marketing campaigns to drive a strong word of mouth, authentic marketing message. A well-optimized web and mobile site will be constructed for the U.S. region, with proper site structure, page layout, clear and easy navigation, and targeted keywords embedded throughout to ensure proper search engine placement and saturation target audience demographically. Other marketing activities will include print advertising that will round out the marketing model, with print advertisements being placed in publications typically read by members of the targeted audience.



TARGET MARKET:

Ultimate Fitness Club's products and services will generally be for men and women between the ages of 18 and 59. With a population density of 95,519 people per square mile, the roughly 3 square miles of holds over 150,000 residents, including 100,000+ adults. Median household income exceeds \$50,000. The aging population has encouraged health and fitness clubs to widen their target demographic beyond the traditional market of 18- to 35-year-olds. Industry operators are increasingly expanding their target market to include 35- to 50-year-olds and individuals aged over 50. Ultimate Fitness Club will be a destination where the most positive, hardworking people in California can connect to sweat, inspire, encourage, and connect.

COMPETITION AND COMPETITIVE ADVANTAGES:

Ultimate Fitness Club faces competition from several fitness clubs, with the most notable being 24 Hour Fitness, Planet Fitness, and The Camp Transformation Center. Despite a competitive field, the Company has a significant advantage over other fitness clubs in the market. These competitive advantages include:

- Boutique style and general fitness under the same roof
- Instructors with talent, reputation, drive, and commitment
- Cardio, strength, and flexibility options where boredom doesn't exist.



MANAGEMENT:

John Smith is the CEO of Ultimate Fitness Club. Mr. Smith has experience-based knowledge; he has always been a self-motivator and accomplished every goal he set out to pursue throughout her career. His professional interests focus on building a successful business through the gym club chain, where he has several years of hands-on experience.

FINANCIAL OVERVIEW:

The Company expects steady growth over the first five years of operation and projects the following revenue to be generated:

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$2,442,953	\$2,639,397	\$2,771,366	\$2,909,935	\$3,055,431



OBJECTIVE

The purpose of this plan is to provide investors with the information necessary to evaluate the scope and future growth of Ultimate Fitness Club in the marketplace. In addition to serving as a roadmap for management, the plan will show that:

Goal 1:

a significant market opportunity exists when analyzing the current market demands and competitive landscape

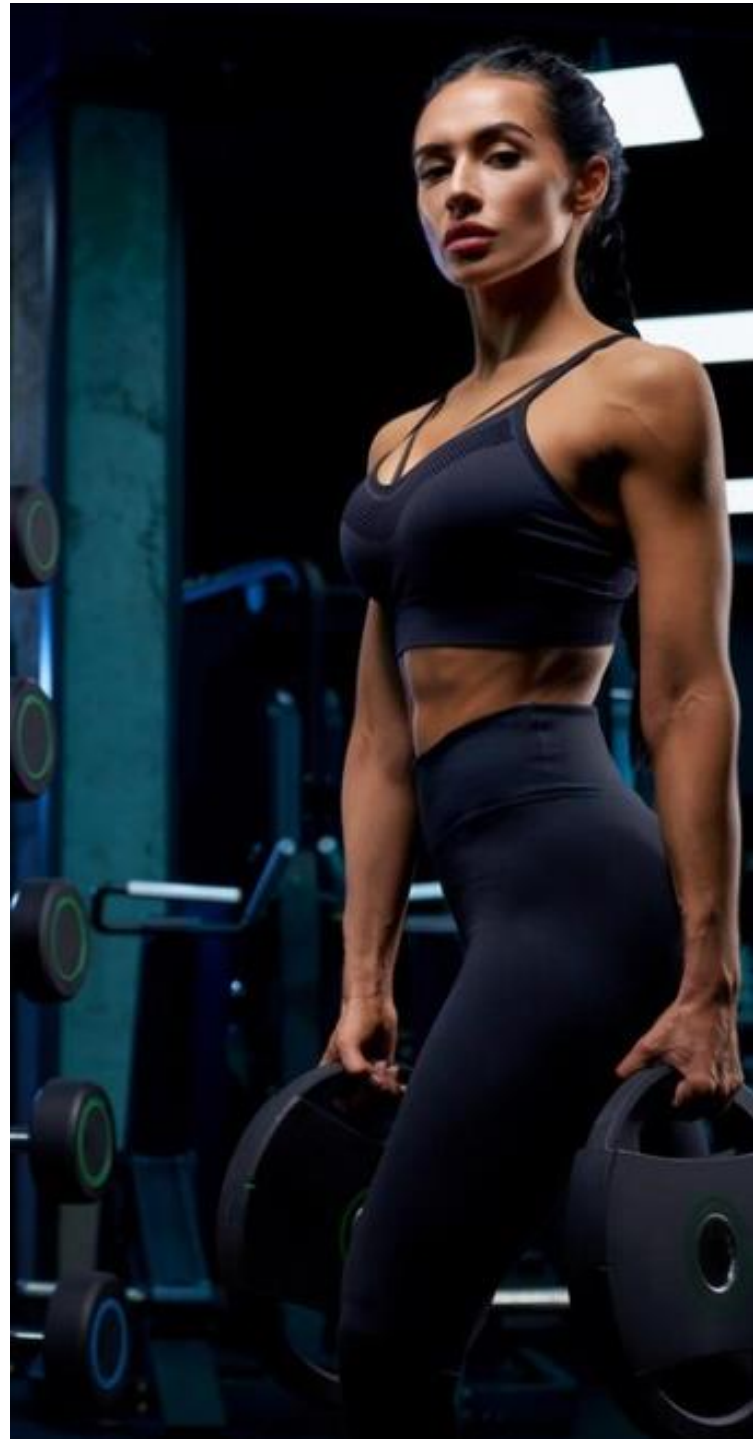
Goal 2:

the management team set in place is qualified to execute on a well-thought-out operational, marketing and sales strategy, and

Goal 3:

the correct capital structure will allow for a long-lasting, profitable business

To achieve the Company's objectives, Ultimate Fitness Club is seeking **\$3.5 million** in total funding. The funding will be allocated in various ways, including staffing, operations, and marketing initiatives. The investment risk is minimal based on the management experience and industry growth rates. Ultimate Fitness Club's financial model shows consistent growth for the brand over the next five years. By year five, plans call for the Company to achieve **\$3 million** in annual gross revenue with a net profit of **\$1.1 million** or approximately **37.53%**

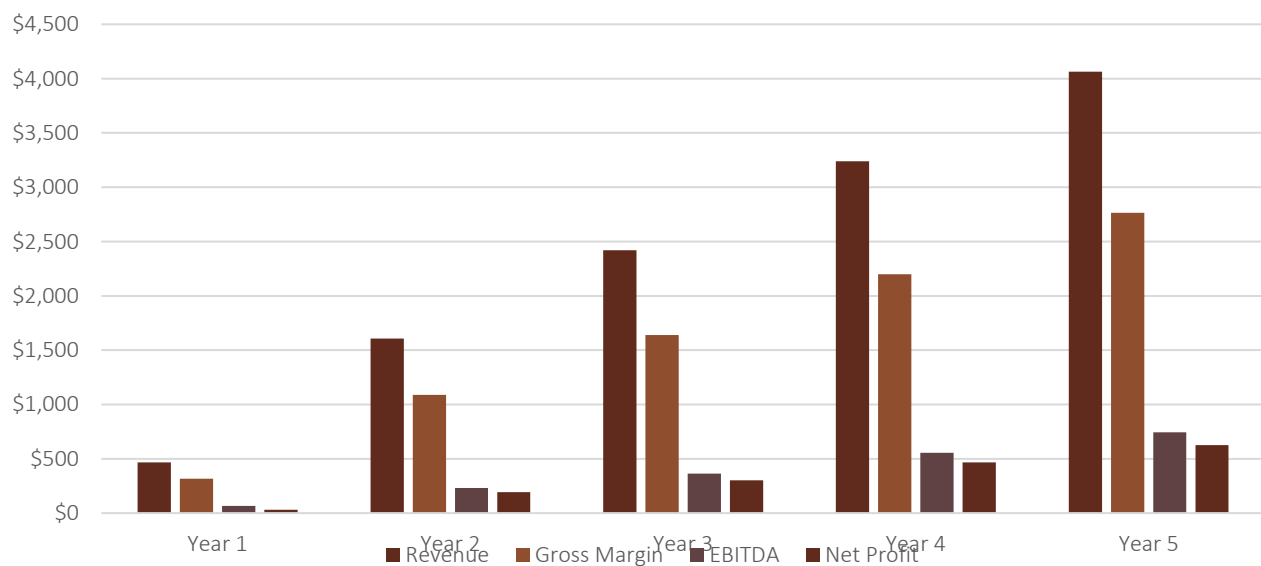


Financial Objectives

The following table and graphs illustrate Ultimate Fitness Club's financial goals during the next five years. The financials are explained in detail throughout the duration of the plan.

Financial Highlights (\$1,000's)																	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3	Y4	Y5
Revenue	84	104	119	133	152	194	236	270	292	321	348	382	2 633	2 639	2 771	2 910	3 055
Gross Margin	84	104	119	133	152	194	236	270	292	321	348	382	2 633	2 639	2 771	2 910	3 055
Operating Expenses	224	143	143	143	143	143	143	143	143	143	143	143	1 792	1 762	1 809	1 858	1 909
EBITDA	-125	-24	-8	5	24	66	108	142	164	193	220	254	1 020	1 057	1 141	1 231	1 326
Net Profit	-140	-39	-23	-9	9	51	93	127	149	178	205	239	841	877	962	1 052	1 147
Gross Margin/Revenue	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
EBITDA/Revenue	-148%	-23%	-7%	4%	16%	34%	46%	53%	56%	60%	63%	67%	39%	40%	41%	42%	43%
Net Profit/Revenue	-166%	-38%	-19%	-7%	6%	26%	40%	47%	51%	56%	59%	63%	32%	33%	35%	36%	38%
Net Cash Flow	18	-39	-17	-2	16	54	93	127	150	179	206	239	1 023	1 060	1 135	1 223	1 317
Cash Balance - Ending	18	-21	-38	-40	-24	29	123	249	399	578	783	1 023	1 023	2 082	3 218	4 440	5 757

Projected Operating Highlights By Year (\$1,000's)



Start-up Summary

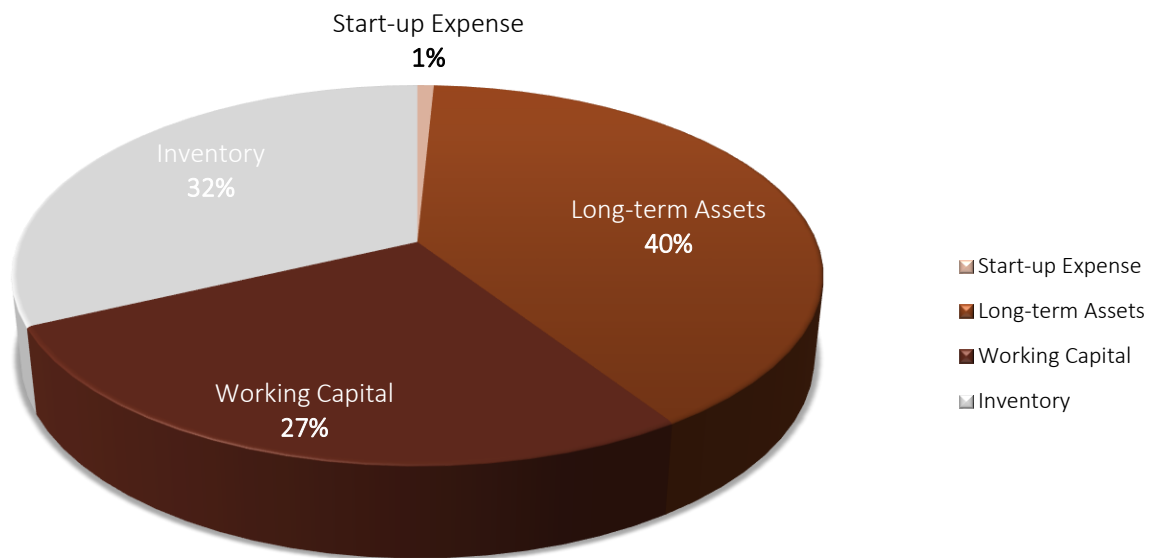
The following tables and graphs detail the funding the business will need to bring the vision to reality. Start-up funding includes all the expenditures, both start-up assets and start-up expenses, incurred before the Company starts earning revenue. The working capital element of the asset table represents the balance of cash at the beginning of Month 1 of the financial projections.

Use of Start-up Funding	
Expenses	
Legal Fees	\$30,000
Grand Opening Advertising	\$20,000
Website Development	\$25,000
Initial Office Supplies	\$1,000
Total Start-up Expenses	\$76,000
Long-term Assets	
Computer & Accessories	\$5,000
Build-out	\$1,788,520
Total Long-Term Assets	\$1,793,520
Short-Term Assets	
Working Capital	\$50,480
Yearly Lease Advance	\$1,600,000
Total Short-Term Assets	\$1,650,480
Total Expenses & Assets	
Total Start-up Expenses	\$76,000
Total Start-up Assets	\$3,444,000
Total Funding Requirements	\$3,520,000

As shown in the charts above and the graph below, the total start-up funding needed to successfully implement this venture is **\$3.52 million**. To date, the founder/owner has invested \$20K in personal funds to create the Company's brand. As depicted above, \$76K will be used for start-up expenses, \$1.7 million will be used to purchase long-term assets. The remaining balance of \$50K will be used for working capital.

TOTAL FUNDS ALLOCATED

Allocation of Funding



About The Company:

Ultimate Fitness Club

Ultimate Fitness Club provides the most effective group fitness and body conditioning for optimal results. Ultimate Fitness Club offers an authentic experience for those who want to learn how to live a healthy lifestyle while getting in the best shape of their lives in a high-intensity gym or group fitness setting. Become part of a tight-knit community, building the strength, confidence and passion needed to triumph in any fight that life presents.

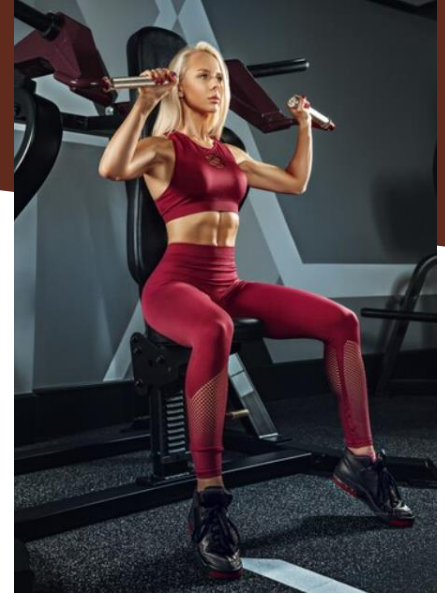
The Company's emphasizes its three goals;



to give each student a pathway towards finding physical accomplishment by setting achievable targets



for students, coaches, and staff to feel at home as they immerse themselves into the Ultimate Fitness Club community



to provide every member a pathway to building physical strength through a thoughtfully sequenced, safe class

PRODUCTS AND SERVICES

The following is a listing of the types of products that are available through Ultimate Fitness Club.

Product/Services	Description Benefits
Gym memberships	Membership to tone up and shape oneself
Weight loss program	Lose weight, gain strength, and get healthy
Personal Training	We provide space for trainers to train clients.
Retail Clothing	Hoodies, Tanks, tops, shirts, masks, hats.
Juice bar	Smoothies, Juices, snacks, donuts.
UDB Meals	Custom meal prep service

CLASSES OFFERED BY ULTIMATE FITNESS CLUB:

Leg Workout

A unique leg focused class consisting of high-intensity interval training focused on quads, hamstring, and glutes. Ultimate Fitness Club incorporates dynamic speed, agility and strength training drills. Ignite the strength and power within every part of legs while burning upwards of 700 calories. Just 3 rounds – three-minute rounds for 90 minutes, and the body will be right on track in achieving that lean and toned physique.



Upper Body

The ultimate upper body workout that incorporates best dynamic muscle building practices with strength and conditioning exercises. Throughout this 90-minute class, develop your technique and lifting form, along with various functional movement patterns that will leave the body feeling strong, tough, and ready to take on the world.



Cardio Killer

This class is designed for those people that love and hate cardio. Ultimate Fitness Club cardio sessions are based on conditioning programs designed for athletes in football, soccer, and basketball; this optimizes the member's cardiovascular health. Additionally, Ultimate Fitness Club also work on the member's flexibility, coordination, agility, and core strength. This class is guaranteed to burn 700+ calories per class.

Beast Unleashed

An extended strength and conditioning fitness class; combining the best elements of both Leg Day Destruction and Upper Body Domination. This 90-minute sweat session will challenge athletes of all levels, getting the body in the best shape of one's life while empowering the confidence of a Beast.

Personal Training

In addition to the group training, Ultimate Fitness Club will also have one on one training sessions. These sessions will vary based on the clients' needs and include physical fitness training, weight loss, muscle gain, HIIT training, TABATA training, and strength and bodybuilding training. Ultimate Fitness Club will also offer nutritional guidance and eight-week challenges.

Fully Functioning Fitness Center

In addition to Ultimate Fitness Club weight loss program, it will also offer a fully functioning state of the art fitness facility. This facility will include locker rooms, a state-of-the-art functional training area, a turf field, heavy boxing bags, a complete athletic training area, and free weight equipment.

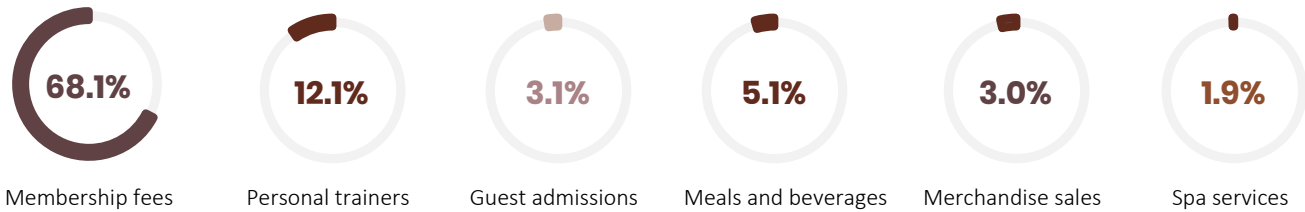


Retail Store

The retail store will showcase various products from fitness attire, gloves, wraps, braces, mats, towels, hats, gift cards, and more. The inventory will constantly reflect the latest fitness & the Los Angeles community's latest trends and demands and emphasize convenience, comfort, versatility, and style-focused towards the middle to high-end consumers. Ultimate Fitness Club will work with some of the top designers in fitness for procurement to attract both fitness clientele and general walk-in clientele. The retail department will have a clean and modern, yet hip-like fitness feel. Additionally, towels and mats will be available to rent on a per-visit basis.

Market Analysis Summary:

Gym, Health & Fitness Clubs in the US



“The Gym, Health & Fitness Clubs industry is expected to grow at an average annual rate of **3.2%** over the next five years, placing industry revenue at **\$38.1 billion** in 2025.”

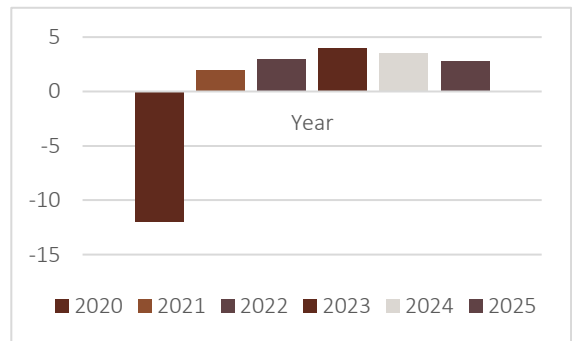
According to IBISWorld, the Gym, Health & Fitness Clubs industry operates fitness and recreational sports facilities that feature exercise and other active physical fitness conditioning involved in facilities management and fitness instruction.

The Gym, Health and Fitness Clubs industry has benefited from the health of the broader economy and growth in health-consciousness

over most of the five years to 2020. Companies in this industry operate fitness and recreational sports facilities that offer exercise equipment and recreational sports activities for consumers.

According to 2020 data from International Health, Racquet & Sportsclub Association, the number of health club memberships in the United States increased to 64.2 million members in 2019 (latest data available), illustrating heightened industry demand. Overall, monthly memberships with low cancellation fees have fared well during most of the period. The number of adults aged 20 to 64, the largest gym-going demographic, has expanded over the past five years, spurring demand for gym memberships. The COVID-19 (coronavirus) pandemic has forced industry operators to temporarily close their doors to the industry's detriment, hurting industry revenue. Thus, industry revenue has increased at an annualized rate of 0.5% to \$32.5 billion over the five years to 2020, including a decline of 13.2% in 2020 alone. However, industry profit has declined during the same period. Growing consumer demand for low-cost monthly memberships has constrained profit for gyms with low member retention rates because this type of business model typically requires a higher volume of subscriptions to generate growth.

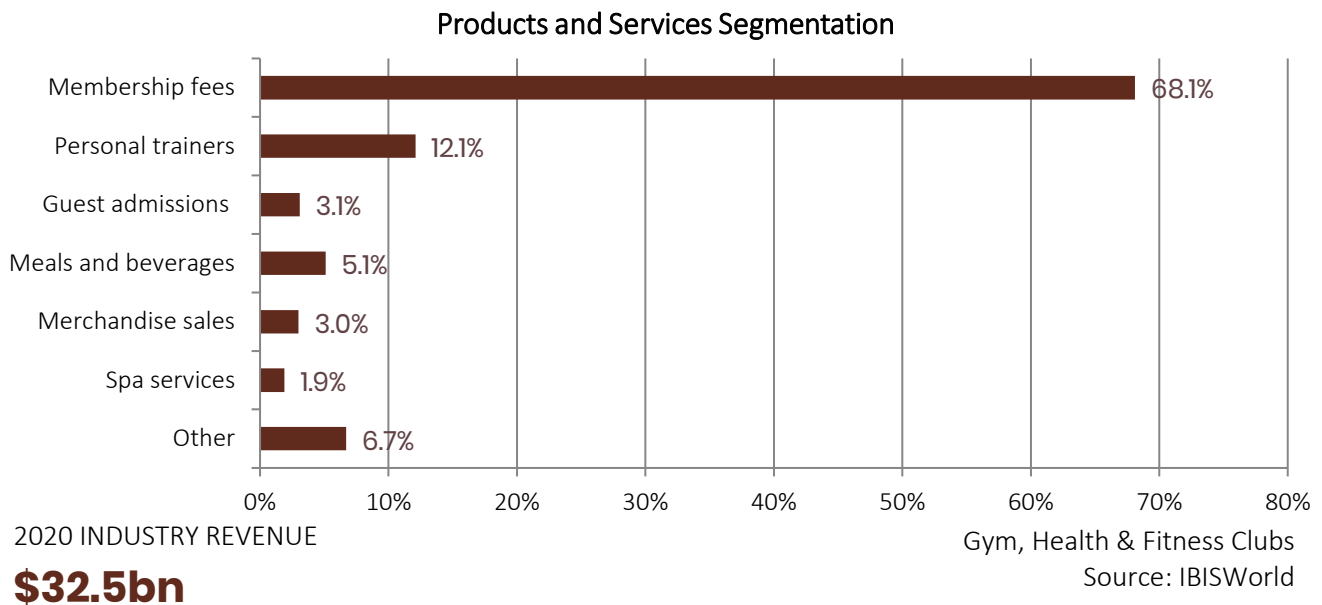
Industry Outlook 2020–2025



Gym, Health & Fitness Clubs
Source: IBISWorld

Over the five years to 2025, many baby boomers are expected to sign up for health club memberships as they grow more health-conscious due to their age. Furthermore, employers may subsidize gym memberships for their employees, while parents will likely continue to seek out fitness programs for their children as concerns regarding childhood obesity grow. Furthermore, increases in both per capita disposable income and consumer spending are expected to boost industry expansion. Additionally, increased time spent on leisure and sports is expected to bolster demand for industry services, which will likely help drive revenue to grow. Therefore, industry revenue is expected to grow an annualized 3.2% to \$38.1 billion over the five years to 2025.

PRODUCTS AND SERVICES SEGMENTATION



Membership fees

Membership fees make up the largest share of Gym, Health and Fitness Clubs industry revenue, accounting for an estimated 68.1% of revenue in 2020. In an attempt to appeal to budget-conscious consumers, some gyms have begun to offer low-cost memberships; this has caused demand for gym memberships to rise as industry operators have been able to tap into a new customer pool. Many gym, health and fitness clubs offer memberships that cover basic amenities, such as free weights and elliptical equipment but require an additional fee for services such as yoga classes and pool access. Overall, this product segment has fallen as a share of revenue over the five years to 2020, as industry operators generate an increased share of the revenue from alternative services and price competition pressures revenue within this segment.

Personal trainers

Personal trainers are expected to generate 12.1% of revenue in 2020. Typically, gym, health and fitness clubs offer private trainers for individuals or private groups. Over the five years to 2020, demand for personal trainers has risen, thus, increasing this segment's share of revenue, driven by time-strapped consumers who want to achieve their fitness goals quickly. Many gyms have focused on personal training services, which are being demanded by an increasingly active baby boomer population.

Other

All other industry products and services include meals and beverages, which account for an estimated 5.1% of revenue in 2020; guest admissions, which represent an expected 3.1% of revenue in 2020; merchandise sales, such as athletic apparel, which account for an estimated 3.0% of revenue in 2020; and spa services, which represent an additional 1.9% of industry revenue in 2020. Some other industry services include ice and roller rinks, childcare services, and admission to live sports events, which account for 6.7% of revenue in 2020.

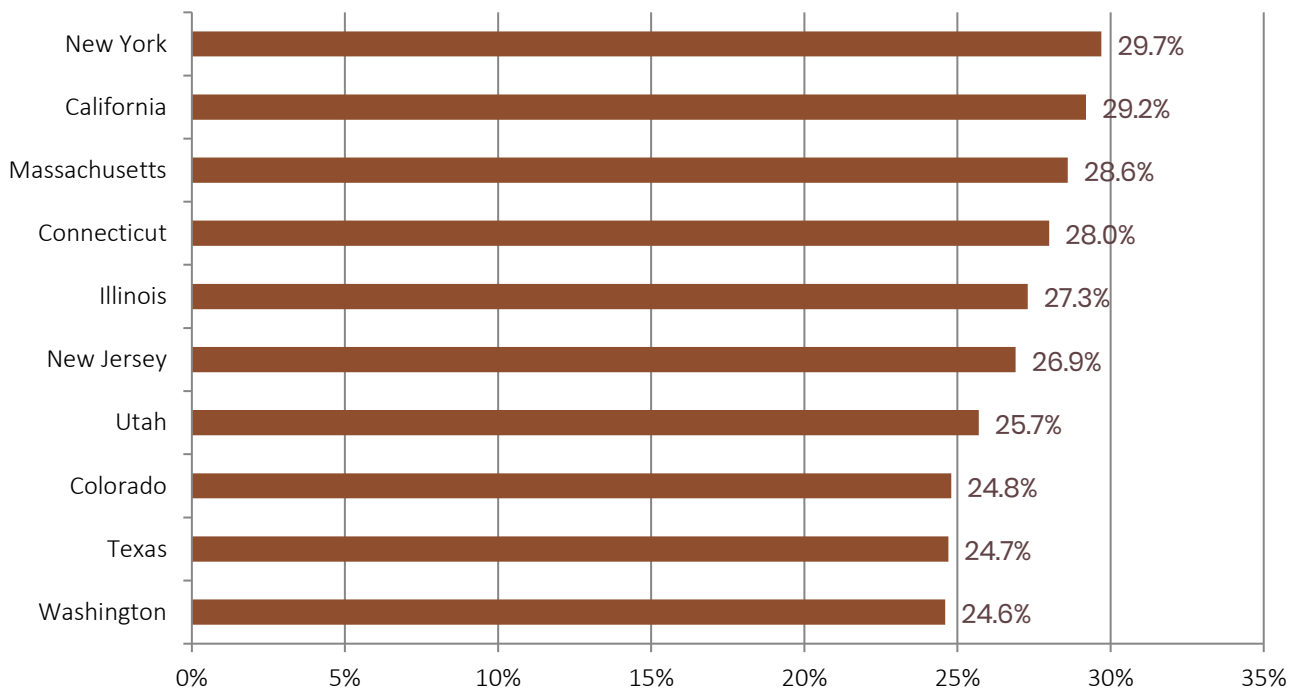
MARKET SIZE

The four regions that encompass the greatest percentages of Gym, Health and Fitness Clubs industry establishments include the Southeast (23.4% of establishments), the Mid-Atlantic (18.0%), the West (17.3%) and the Great Lakes (13.4%) regions. Together, these four regions account for 72.2% of total industry establishments. Establishments are particularly concentrated in California (12.2% of establishments), New York (7.0%), Texas (7.1%), Florida (6.2%) and Illinois (4.3%). Typically, highly populated regions have a higher portion of industry establishments. This trend can be attributed to the consumer's lack of willingness to travel excessive distances to perform exercises or become fitness or recreational sports center member.

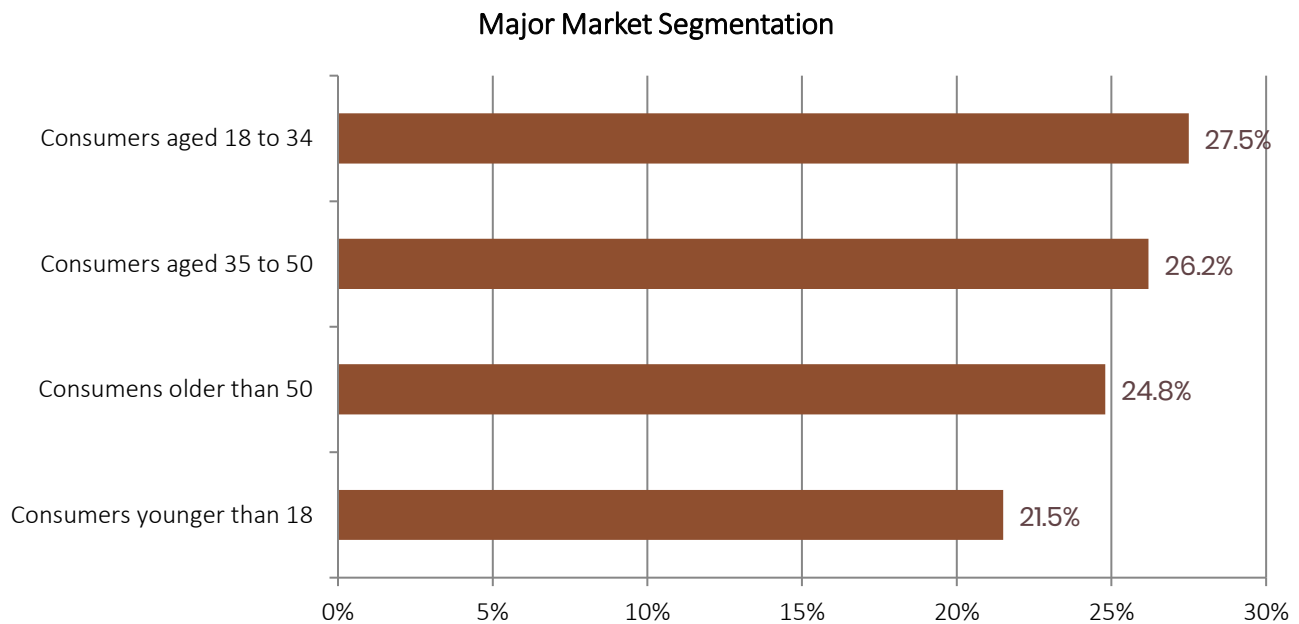
As a whole, the number of industry establishments has increased an annualized 1.2% to 106,213 locations over the five years to 2020. Consumers who seek individualized fitness programs, specific fitness goals, or uncomfortable exercising in larger gyms have particularly favored small-scale gyms, which has boosted the number of industry locations. Nonetheless, this growth includes a sharp decline toward the end of the period as some industry operators exit the industry permanently due to the coronavirus pandemic.

HEALTH CLUB MEMBERSHIP PENETRATION RATE IN THE UNITED STATES IN 2019, BY STATE

The state of California was home to the largest number of gyms in the United States - 5,123 in total. Just under 30 percent of residents in California had a gym membership in 2019.



MAJOR MARKET SEGMENTATION



2020 INDUSTRY REVENUE

\$32.5bn

Gym, Health & Fitness Clubs

Source: IBISWorld

DEMAND DETERMINANTS

Demand for services provided by the Gym, Health and Fitness Clubs industry is determined by several factors, including household disposable income, consumer confidence, leisure time availability, participation in recreation and sports, seasonal conditions, attitudes toward health and fitness and the cost of services relative to other recreation options.

- Household disposable income is particularly relevant to industry demand, as the level of disposable income within a household will determine the amount spent at fitness and recreational sports centers. As discretionary spending rises, demand for gyms and fitness clubs typically increases. Similarly, consumer confidence is affected by industry growth, as an increase leads to higher demand and willingness to spend on the industry's services.
- Overall, demand is also sensitive to seasonal and weather conditions. For example, cold weather can reduce the level of swimming pool attendance while also increasing attendance at ice skating rinks. Additionally, the beginning of the calendar year marks the busiest season for new sales.
- Leisure time availability also influences demand, with time-poor consumers finding it difficult to incorporate industry services into their routine. As work hours decline, people find more ways to attend gyms and use facilities. The link between leisure time and demand relates to health and fitness awareness, as people view fitness as a valuable way to use their spare time.
- Health crazes generally positively affect the industry; certain fitness trends can have varied effects on the industry.

Operational strategy

LEGAL STRUCTURE

Ultimate Fitness Club will be a limited liability company registered in California. Ownership will be held privately.

LOCATION: INGLEWOOD, CALIFORNIA

Ultimate Fitness Club's first 15,000 sq. ft. location will be in Inglewood, CA 90301. Inglewood is a city in southwestern Los Angeles County, California, in the Los Angeles metropolitan area. As of the 2010 U.S. Census, the city had a population of 109,673.

Inglewood's Studio

Ultimate Fitness Club's will be a fully functioning fitness center, a retail store, lockers, and it will include gender-neutral bathroom and shower facilities. The location soon to be gentrified area is a great location for a flagship fitness center to service a community on the rise both economically and sociably.



Area Demographics

Area Demographics	1-mile	3-mile
Population	45,703	286,556
Households	15,872	97,905
Average Age	37.00	37.80
Median HH Income	\$41,866	\$52,870
Daytime Employees	14,234	99,983
Population Growth ('19-'24)	↑ 1.1%	↑ 1.3%
Household Growth ('19-'24)	↑ 1.1%	↑ 1.3%

TARGET MARKET

Ultimate Fitness Club's products and services will generally be for men and women between the ages of 18 and 59. With a population density of **95,519 people** per square mile, the roughly 3 square miles of Windsor Hills holds over **286,556 residents**, including 250,000+ adults. Median household income exceeds **\$52,000**

Over the five years to 2020, the Gym, Health and Fitness Clubs industry has experienced substantial growth in demand, and, as a result, the breakdown of the industry's markets has also changed. The aging population has encouraged health and fitness clubs to widen their target demographic beyond the traditional market of 18- to 35-year-olds. Industry operators are increasingly expanding their target market to include 35- to 50-year-olds and individuals aged over 50.

Consumers younger than 35



Consumers younger than 35 are expected to account for 49.0% of revenue in 2020 while that consumers younger than 18 represent 21.5% of industry revenue. According to the demographic analysis, there are 140,412 individuals younger than 35 years and 61,609 individuals younger than 18 years of age reside within 3-mile vicinity belong to this category.

Consumers aged 35 to 50



Consumers aged 35 to 50 are estimated to make up 26.2% of industry revenue in 2020. According to the demographic analysis, there are 75,077 individuals reside within 3-mile vicinity belong to this category.

Consumers older than 50



According to 2017 data from the Physical Activity Council, consumers older than 50 are most likely to be inactive, with 32.5% of individuals aged 55 to 64 and 40.7% of those over 65 being considered inactive. However, 24.8% of revenue will stem from this demographic. According to the demographic analysis, there are 71,066 individuals reside within 3-mile vicinity belong to this category.

BUSINESS MODEL

Ultimate Fitness Club will conduct its business on-site at the gym. The Company aims to foster physical health, fitness and to extend the sense of family and community. It will attract people to work out and consider themselves as family members of the community.

Expertise

The Company has expert coaches and trainers from renowned gyms. The trainers are certified with a certification. Each trainer can assist, correct, and motivate each member during the workouts. Additionally, each trainer has been trained in nutrition and can help customers develop an effective nutrition plan for customer needs.

Revenue Streams

The Company will provide the following services and products to the members for generating revenues.

- Fundamental Movement Coaching
- Individual Coaching
- Nutritional Coaching
- CrossFit Coaching
- Apparels
- Workout Aids
- Drinks & Snacks

The business plans to offer competitive pricing while offering discounts to members of the same family, military officers, students, and members opting for advance 6-12 months subscriptions.

Business Timings

Ultimate Fitness Club shall observe the following business timings:

Monday – Saturday: 5am – 12am

Sunday: Closed

Franchising Objectives

The business is planning to make 5 locations operative in next 5 years, and after attaining sustainability after 8 years the Company envisions to be at 10 locations and start offering franchises. The investors will receive there share based on equity from future franchising.

Branding and Marketing

To raise brand awareness among its intended audiences, the Company will emphasize a logo and company colors on all marketing materials. The Company's branding, values, and mission will aid in fueling word-of-mouth buzz and building a loyal customer following.

By upholding a positive corporate image in addition to providing its top-quality products and services, Ultimate Fitness Club will increase its market share, stand out among its competitors, and become a dominant player in the market. The Company will also fervently track any direct or indirect competition in the marketplace to ensure it stays on top of cutting-edge industry trends and opportunities. Moving forward, Ultimate Fitness Club will strive to meet the following objectives as it accomplishes specific keys to success:

OBJECTIVES



Become a recognized market leader in the Gym, Health & Fitness Clubs industry



Develop a strong customer service model



Remain flexible in product offerings



Remain attuned to the marketplace and integrate products into the business mix that meet the needs of the targeted audience



KEYS TO SUCCESS¹

Easy access for clients	A high profile location offering easy access and parking can provide a competitive advantage for operators in this industry.
Effective product promotion	Promoting a business effectively increases awareness and attracts greater membership and local patronage.
Economies of scale:	Fitness operators with a large number of establishments and provide a wide range of services can attract and retain new and existing members and reduce costs per member.
Provision of appropriate facilities	Providing appropriate equipment and maintaining it regularly is essential to attracting and retaining customers.
Having good technical knowledge of the product	Skilled employees who can demonstrate various types of equipment and assist participants are important to attract repeat customers.
Business expertise of operators:	The long-term success of an operator in this industry depends on the operator's skill in running a business profitably over time.

¹ "Gym Health - Fitness Clubs in the U.S.," IBISWorld.

MARKETING CAMPAIGN

Marketing will be done through the following media:

Grand Opening

Grand opening advertising will involve the following:

- Invitation to students ranging from high school along with teachers and a visit to the facility for opening
- Host ribbon cutting and inviting target customers

Signage:

Industry experts find that over 90% of all business will likely come from residents and employees within a 3 to 4-mile radius of the club. Visibility is key; the club will have one main sign at the top of the building above the roof to showcase the club. This sign will be visible from at least a block away. The best part is, the sign will be displayed on a highly populated street ("MARKET ST."), which tremendous foot traffic. The club's atmosphere will also foster that of a busy and welcoming environment through outside sign spinners.

Billboard, Flyers, and Street Marketing:

Ultimate Fitness Club's marketing campaign will explore the rental of a billboard in Inglewood, Culver City, and Windsor Hills, which are cities within a 3-mile radius of the club. The Company's sales team distributes flyers and canvasses the area, meeting local residents, employees, and businesses to make our presence known.

Website/SEO:

Ultimate Fitness Club will have a fully operational website. This will allow potential students to search for the club/gym, gym memberships, obtain directions, learn about class offerings, and purchase/sign in for class. The club will use a variety of search engine optimization services and techniques to boost club presence on searches of all keywords associations (Examples include: Fitness in Inglewood/Culver City/Windsor Hills/Los Angeles, Gym in L.A., Fitness Club near me) Beyond paying for priority consideration on search engines; advertisements will be put on other group exercises/fitness related sites and blogs to complementing businesses.

Word of Mouth/Referrals:

A referral program will be implemented to encourage clients to bring in friends and family. Incentives will be given to both the existing referring students and the new patrons.

Strategic Partnerships:

The club will offer free in-store classes to fitness-affiliated stores such as Target, Wholefoods, fitness apparel stores, and more. This service will be free of charge and will offer the benefits of cross-marketing for both parties involved.

Competitive Analysis

The identified competitors are described below:

24 Hour Fitness

Founded by	Mark S. Mastrov
Founded in Year	1983
Headquarters	San Ramon, California, United States
Number of locations	400
Number of employees	22,000+
Fee	\$350, annual membership fee
Services	Health and fitness club
Website	https://www.24hourfitness.com/
Facebook	https://www.facebook.com/24HourFitness
Twitter	https://twitter.com/24hourfitness
LinkedIn	https://www.linkedin.com/company/24-hour-fitness/
Instagram	https://www.instagram.com/24hourfitness/
YouTube	https://www.youtube.com/user/24HourFitnessInc
Working hours	24 hours



Planet Fitness

Founded by	Michael Grondahl and Marc Grondahl
Founded in Year	1992
Headquarters	Hampton, New Hampshire, United States
Number of locations	2,039
Fee	\$379 a week as membership
Services	Health and fitness club
Website	https://www.planetfitness.com/
Facebook	https://www.facebook.com/planetfitness
Twitter	https://twitter.com/PlanetFitness
LinkedIn	https://www.linkedin.com/company/planet-fitness/
Instagram	https://www.instagram.com/planetfitness/
YouTube	https://www.youtube.com/user/planetfitnessnh
Working hours	24 hours




The Camp Transformation Center

Founded by	Dr. Saman Bakhtiar, Alejandra Font, Louis Font
Founded in Year	2010
Location	1117 W Manchester Blvd Suite PSQ, Inglewood, CA 90301
Phone	+1 424-331-5504
Strengths	Nationwide Fitness facility
Services	Health and fitness club
Website	https://thecampfc.com/locations/inglewood-california
Facebook	https://www.facebook.com/thecampinglewood/
Twitter	https://twitter.com/thecamp_fc
Instagram	https://www.instagram.com/campfcfranchise
YouTube	https://www.youtube.com/channel/UCeblrq73w7hZz2BikDXxsYA
Working hours	6:00 am to 8:00 pm



Major Industry Players

Company	Market Share	Description
FITNESS INTERNATIONAL LLC 	5.7%	<p>Fitness International LLC (Fitness International) is the parent company of L.A. Fitness, founded in 1984 and is based in Irvine, CA. L.A. Fitness operates over 700 locations in the United States and Canada. In 2018, the company generated \$2.1 billion in total revenue (latest data available). L.A. Fitness offers group fitness classes, including aerobics, boot camp conditioning, club boxing and cycling, among other fitness services. The company's strategy includes making fitness accessible, which it aims to achieve by offering numerous fitness options.</p> <p>In 2015, L.A. Fitness agreed to exchange its two locations in Oklahoma and one in Nebraska for 24 Hour Fitness USA Inc. (24 Hour Fitness)'s 11 facilities in Arizona. The club exchange agreement presented mutual benefits to both clubs, as 24-Hour Fitness could gain access to the Oklahoma market while L.A. Fitness expanded its footprint in Arizona.</p>
24 HOUR FITNESS USA INC. 	-	<p>24 Hour Fitness USA Inc. (24 Hour Fitness) is a large, privately owned and operated fitness center chain. Established in 1983, the company's first club location opened in California. With nearly 450 clubs across the United States, 24 Hour Fitness serves nearly 4.0 million members with many gym services, including personal training, group exercise classes and a variety of strength, cardio and functional training equipment. In 2014, the company purchased 32 Bally Total Fitness Holding Corporation clubs, but closed some of them and sold 19 facilities in the Midwest region to Genesis Health Clubs in 2016. 24 Hour Fitness is currently seeking ways to engage its members inside and outside of the club. In an effort with the University of Pennsylvania, 24 Hour Fitness launched a behavior-change program and research study for adult members. This is being done in conjunction with the University of Pennsylvania's Change for Good initiative. The program is expected to encourage more visits to the gym and improve overall health through proper dieting. According to 2020 data from Moody's, memberships at 24 Hour Fitness decreased to 3.4 million at the end of the third quarter of 2019 (latest data available). IBISWorld expects the company to generate \$1.3 billion in industry-relevant revenue in 2020.</p>
EQUINOX HOLDINGS INC. 	-	<p>Founded in 1991, Equinox Holdings Inc. (Equinox) operates in the higher-end segment in the Gym, Health and Fitness Clubs industry. With more than 100 locations in metropolitan areas, such as Boston, New York, Chicago, Los Angeles, San Francisco, Miami, Boston and Washington, DC, the company offers personal training and group fitness. It also includes ancillary services, such as wellness treatments, full-service spas, cafes, and boutiques. The company owns other fitness brands, which operate under the Blink Fitness, Pure Yoga and SoulCycle banners.</p> <p>By expanding its service offerings and locations, Equinox has boosted its membership over the five years to 2020. By the end of 2019, Equinox was expected to have more than 100 locations open across the United States, Canada, and London.</p> <p>As of May 2020, all Equinox locations remain closed due to the COVID-19 outbreak. However, the company has reopened selected locations with strict protocols, including increased cleaning, temperature checking, limiting capacity and many more. In 2020, Equinox is expected to generate \$900.9 million in industry-relevant revenue.</p>

² Ibid.

COMPETITIVE ADVANTAGES

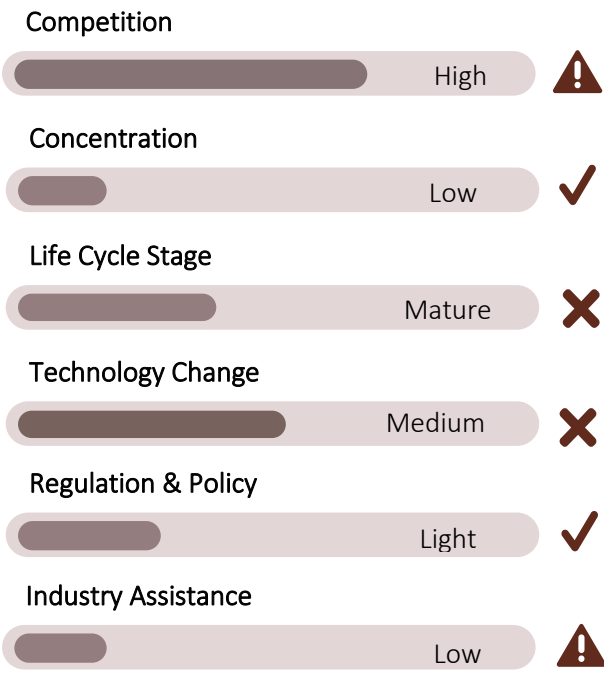
The following is a listing of the primary competitive advantages of the Company upon entering the market.

- Bespoke customer service and personalized experience
- Club design unique to anything in the location
- Proprietary training methodology
- Established brand with state-of-the-art machinery
- Polished instructors with superior skills in showmanship
- Organize classes with proceeds to support a community
- Proprietary training methodology developed and based on science.
- Instructors with talent, reputation, drive, and commitment
- Cardio, strength, and flexibility options where boredom doesn’t exist.

BARRIERS TO ENTRY

The Gym, Health & Fitness Clubs industry has low barriers to entry, according to research.

- Leasing, rather than owning industry facilities, provides a low-cost option for potential industry entrants, thus keeping entry barriers relatively low.
- Additionally, average wages tend to be low, as staff are typically unskilled and provide training services on a part-time basis.
- Equipment costs are also relatively low and have long life spans. Many start-up gyms will either use secondhand exercise equipment to reduce costs or rent their equipment.
- Barriers to entry in urban markets include restrictive zoning laws, lengthy permit processes and a shortage of appropriate real estate. New entrants may also incur heavy costs when acquiring or leasing the required equipment for members and participants to use.
- Access to capital to fund these start-up costs is therefore essential. The high cost and lengthy time needed to build a brand reputation is a potential barrier to entry. Existing players have already established trade names, and new entrants will likely have to invest financial resources and time to persuade consumers to shift away from established, brand-name gyms and fitness centers.



BARRIERS TO ENTRY CHECKLIST

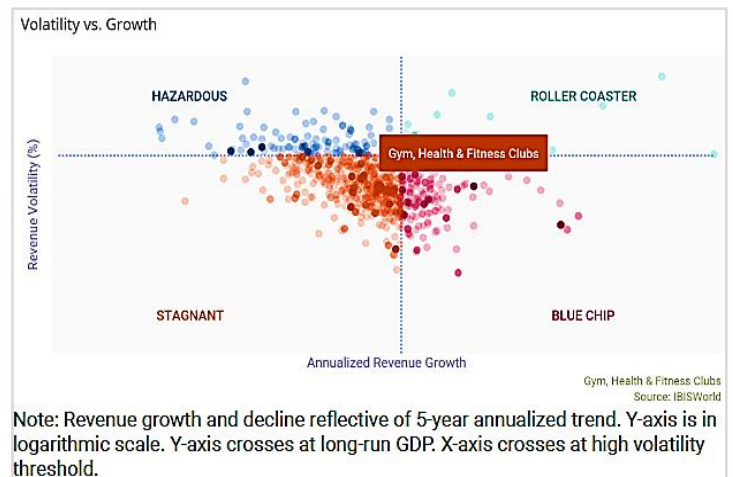
SWOT Analysis

The following is a listing of the key strengths and weaknesses of Ultimate Fitness Club and the opportunities and threats that exist within the marketplace.

Strengths	<ul style="list-style-type: none"> • Knowledge of the founder/owners • Manager with over 20 years in the industry that has built several profitable gyms from the ground up. • Customer service commitment • Scope and quality of products/services
Weaknesses	<ul style="list-style-type: none"> • The Company needs funding and working capital for a successful launch • As a new business, the Company must build its credibility
Opportunities	<ul style="list-style-type: none"> • An extended marketing campaign to acquire new members. • The increasing popularity of the industry • Growth among demographic segments • The need for personalized fitness routines among consumers • Expansion of services such as Yoga and Pilates
Threats	<ul style="list-style-type: none"> • Instability of the U.S. economy leads to unpredictable market activity • Larger companies that have more resources and the ability to reach deeper into the market • The growing number of teachers trained in gym and fitness, who may consider opening their club

RISK ANALYSIS

The Gym, Health and Fitness Clubs industry has a moderate level of revenue volatility. While varying degrees of membership rates across centers increase revenue volatility, the industry's diverse array of services and a high level of fragmentation have partially minimized revenue volatility. Furthermore, the steady promotion of the health benefits of exercise by the medical community has supported consumer demand for gym memberships, constraining industry revenue fluctuations. Nevertheless, in 2020 alone, the industry is expected to take a hard hit by the COVID-19 outbreak, which forced most industry locations to shutter.



While technically a discretionary service, health and fitness clubs are increasingly viewed by consumers as a vital health expense. Furthermore, the structure of gym memberships has slightly mitigated revenue volatility. Gyms and fitness centers have traditionally signed up their members for 12- to 24-month periods and typically have included cancellation fees in their contracts. These fees often deter customers from canceling their memberships. As competition has increased over the past five years, many gyms have offered more flexible membership options, such as shorter contract periods and rolling contracts. As flexible membership options become more prevalent, revenue volatility is likely to increase.

Exit Strategy

After careful consideration, the Company has developed the following scenarios for the investors and management to recover their investments.

Scenario One: Repayment

Ultimate Fitness Club chooses to remain a privately owned enterprise. The Company repays its investors in full, consolidating ownership in the Founder.

Scenario Two: Buyout

Ultimate Fitness Club experiences growth and sees an opportunity to expand its brand into additional markets as a successful income-generating operation. Additional markets open the door for additional product offerings and revenue streams. Due to its substantial market growth and industry recognition, major competing brands begin to notice the Company. These businesses approach Ultimate Fitness Club with attractive buyout offers; then, the Company negotiates and sells to the best deal.

Scenario Three: Merger

Ultimate Fitness Club merges with another company to expand its market reach and development capabilities. Potential merger partners include companies that can offer a more diversified market reach or provide expanded resources for research and development. Ultimate Fitness Club's management would maintain majority control of the Company and combine its operational and sales efforts with its merger partner.

Scenario Four: Business Ceases

Ultimate Fitness Club liquidates all assets, pays its debts, repays investors and ceases business activities.

Conclusion

Ultimate Fitness Club may entertain merger or acquisition scenarios by a major company upon realizing anticipated operating results and favorable market conditions. Aside from merger or acquisition, the Company may also choose to liquidate its assets, repay its investors and debtors, and close the business. A final option would be repaying investors and remaining privately owned. The Company will entertain all scenarios that could be lucrative for the Company and investors. The final decision will depend on market forces and the wishes of the Company's owners and investors.



Return on Investment (ROI)

Ultimate Fitness Club is currently seeking an equity investor. The Company has placed a value on the Company of **\$17.5 million**, and it is looking for a **\$3.5 million** investment for **20%** of the company.

The value of Ultimate Fitness Club's shares will increase as the Company achieves its goals. The investor will be secure in knowing that the Company's valuation increases as revenues grow, the balance sheet becomes stronger, and the Company attains a strong market position.

The Company believes that it can achieve an excellent valuation in the next five years. Based on reasonable financial ratios and the business plan projections, Ultimate Fitness Club is estimated to be valued at **~\$5.3 million** by year 5.

Return on Investment Projection			
	Company Valuation*	Outstanding Shares	Per Share Valuation
Issued & Committed	\$17,500,000	8,000,000	\$2.1875
After Investment Group	\$17,500,000	10,000,000	\$1.7500
	Proposed Shares	Per Share	Dollar Investment
Investment Group (IG)	2,000,000	\$1.7500	\$3,500,000
	10,000,000	Total Shares - ROI for the IG is as follows:	
	Company Valuation	Per Share Price	ROI for IG
Year 2	\$21,135,907	\$2.11	121%
Year 3	\$22,825,743	\$2.28	130%
Year 4	\$24,619,062	\$2.46	141%
Year 5	\$26,521,608	\$2.65	152%
	Number of Shares	Per Share Price	Proceeds from Sale
	(for IG)		(for IG)
Year 1	2,000,000	\$1.66	\$3,321,788
Year 2	2,000,000	\$2.11	\$4,227,181
Year 3	2,000,000	\$2.28	\$4,565,149
Year 4	2,000,000	\$2.46	\$4,923,812
Year 5	2,000,000	\$2.65	\$5,304,322

ROI Notes: (1) The company valuation has been estimated by management. (2) Future company valuation based off of EBITDA and the current industry multipliers.

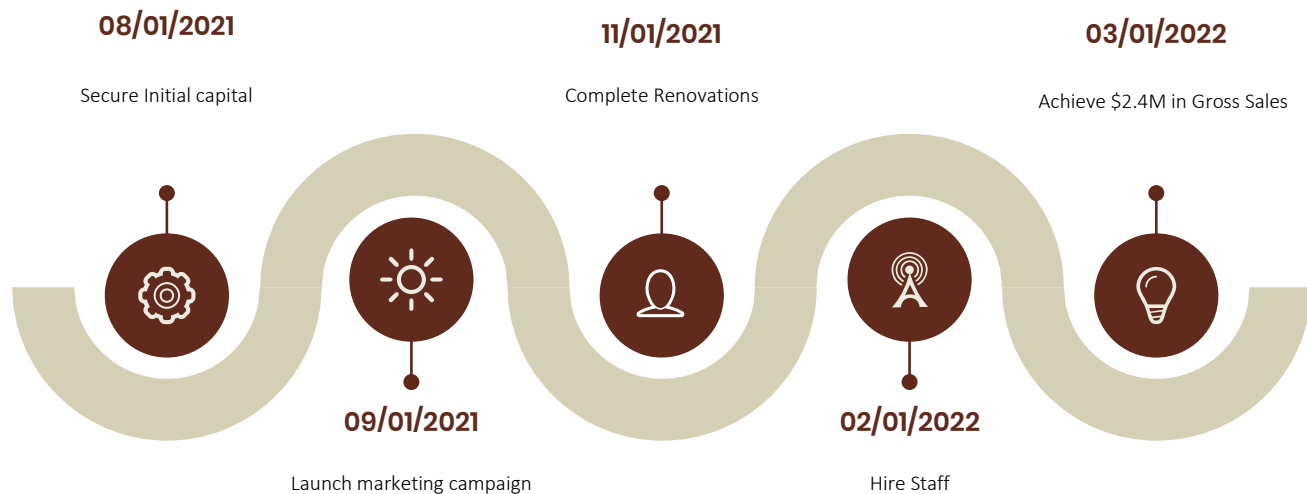
Management expects investors to cash out on their investment in the Company when it generates sufficient profits to repay them. The Company expects to achieve this goal by the end of Year 5. Investors are projected to receive a **152%** return on investment. The assumed company valuation was based on a multiplier of **6** multiplied by EBITDA.

Milestones

The tentative milestones are shown below. Management reserves the right to make changes to this schedule as needed.

Milestones			
	Start Date	Duration (days)	Manager
Secure Initial capital	08/01/2021	60.00	Management
Design and develop website	09/01/2021	61.00	Management
Complete Renovations	11/01/2021	92.00	Management
Launch marketing campaign	11/01/2021	60.00	Management
Hire Staff	02/01/2022	28.00	Management
Grand Opening	03/01/2022	61.00	Management
Achieve \$2.4M in Gross Sales	03/01/2022	365.00	Management

Milestones



Management

ABOUT THE CEO

CEO – John Smith

PROFESSIONAL SUMMARY

Growth-minded analyst with extensive experience creating efficient operational structures and insightful process improvements. A solid history of identifying opportunities and streamlining processes to maximize resources and boost productivity. Repeatedly recognized for improving workflows, operational performance and best practices while contributing towards an organization's strategic objectives.

CORE SKILLS AND KNOWLEDGE

Project Management | Process Implementation | Data Analysis | Operations Performance Resource Planning | Reporting & Presentations | Documentation Management | Quality Assurance Continuous Improvements | Technical Writing | KPI Dashboards & Scorecards | Process Analysis

WORK EXPERIENCE

Business Analyst | Large Company – Somewhere, TX January 2019 – Present

- Designing and enhancing workflow automation within a highly visible process area.
- Identifying and analyzing process gaps and system defects, proposing tangible solutions and implementation.
- Creating visual dashboards for monitoring workflow, current business processes and system performance for business partners and leadership teams.
- Documenting technical design for workflows, creating standard operating procedures (SOPs), presentations and job aids for the operations team, using tools such as Microsoft Visio, Excel, Word and PowerPoint; managed documents within SharePoint.
- Experienced with using SQL for data analysis, data verification and ad-hoc reporting.
- Acting as a functional and technical liaison between Product Line Management and operations.

Digital Marketing Analyst | Friend's Veterinary Hospital – Working Remote, TX February 2017 – January 2019

- Established social media image through the creation of online marketing and promotional materials.
- Proactively monitored metrics (total site visits, traffic by sources, sessions by device, etc.), reviewing analytics and providing recommendations for enhancing effectiveness.
- Optimized Google Analytics and AdWords, Bing AdCenter and Facebook to maximize ROI.

Project Analyst / Business Analyst | Promotion from Big Name Insurance Co Nowhere, SP July 2013 – October 2016

- Executed on the development, implementation and coordination of projects consisting of root-cause and impact analysis, trending data and identifying opportunities for cost savings, contributing towards a yearly departmental savings goal of \$850 million.
- Created effective strategies in workflow and operational structure, resulting in a 15% increase in production across the organization.
- Involved with software development projects using methodologies such as Waterfall and Agile.
- Partnered with stakeholders to identify, collect and analyze key factors and business requirements for technical projects, process improvements and system changes.
- Performed functionality testing, integration testing, regression testing and user acceptance testing (UAT); provided analysis and insight to QA Team with defects and bug tracking.
- Gathered system and functional requirements by conducting interviews with business users, stakeholders and subject matter experts (SME).
- Conducted gap analysis by identifying existing technologies, created and documented current state (As-Is) and future state (To-Be) business processes to better understand existing systems.
- Researched, created and revamped workflow diagrams, flowcharts, procedures and reference guides with tools such as Microsoft Visio, Excel and Word; managed documents in SharePoint
- Acted as functional and technical liaison between cross functional groups to communicate needs, issues and concerns within the department.

Claims Auditor | Different Big Name Health Insurance Company – Nowhere, SP February 2010 – June 2013

- Coordinated internal audits on issues involving claims operations with adherence to state and federal regulatory policies, HIPAA compliance and standard operating procedures.
- Saved the company \$36 million in claim overpayments through detailed audits with an emphasis on trend analysis, fraud prevention and overutilization practices.
- Created and maintained workload inventory reports to ensure proper staffing levels and resource allocation; updated data related to key performance indicators (KPI) and dashboards.
- Optimized resources while managing workload inventory for multiple teams, reducing late payment penalties by 48%.

Application Support Specialist | Small Tech Company – Nowhere, SP February 2009 – August 2009

- Analyzed performance data from applications and generated reports for executive staff and management.
- Provided recommendations to C-level executives by interpreting user data and identifying critical

insights, patterns and trends that led to improvements to application performance.

- Collaborated with software engineers and development team to design, execute test cases and troubleshoot critical issues with applications in a timely manner.

Workflow Coordinator | Big Name Health Insurance Company – Nowhere, SP May 2008 – January 2009

- Delivered deep-dive analysis of workforce and provided reporting of operations management statistics.
- Accurately forecast the hiring of 30 additional full-time employees to meet growing business demands.
- Performed data analysis of key performance indicators (KPI) such as employee capacity, task completion rate, overtime worked and provided key metrics to management with standard and ad-hoc reports.

Enrollment Specialist | Big Name Health Insurance Company – Nowhere, SP June 2004 – April 2008

- Reviewed employer group submissions and verified benefits prior to new case installation and renewals.
- Streamlined existing enrollment systems, realizing a monthly cost savings of \$25,000.
- Created and modified master templates utilized by the audit and enrollment teams.

EDUCATION AND CERTIFICATIONS

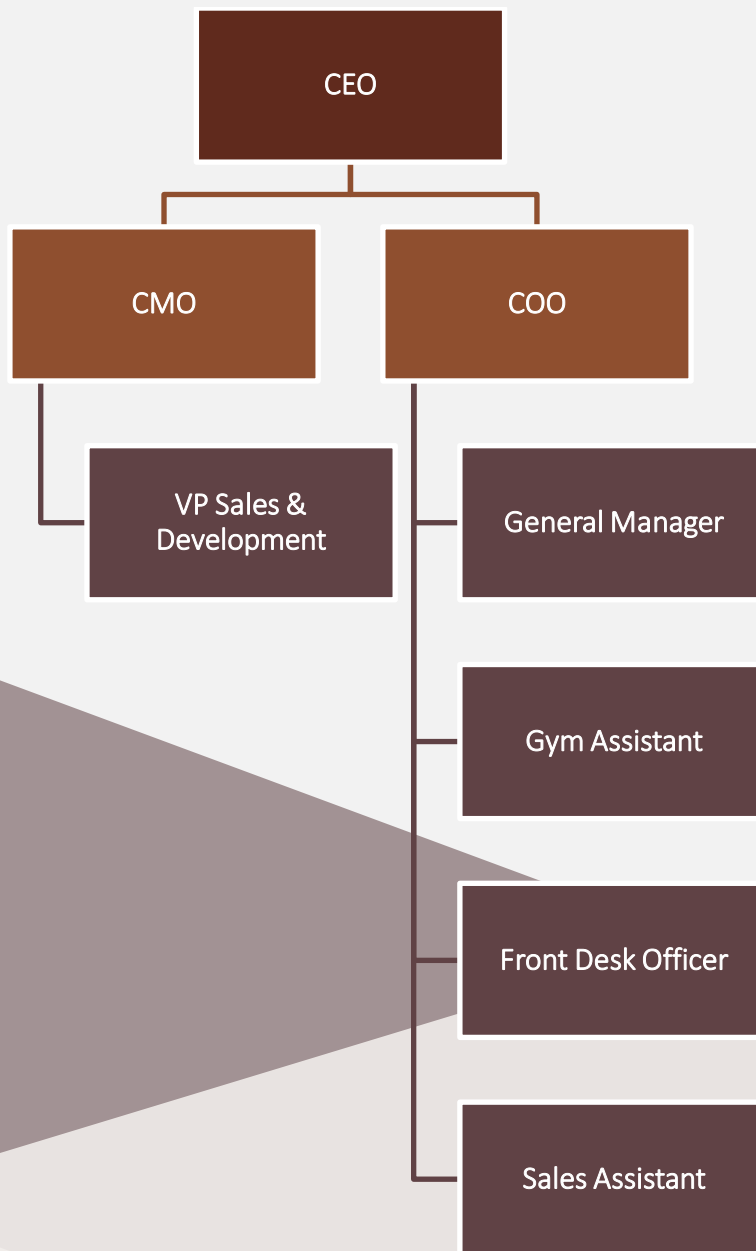
Bachelor of Science in Psychology, cum laude | Some State University, Nowhere SP

Continuing Education in Accounting | Another University, Nowhere, SP

Microsoft Office Specialist Certification | Completion in Summer 2019

Certified Associate Project Management (CAPM) Candidate | Project Management Institute

ORGANIZATIONAL CHART



Personnel Forecast

The personnel forecast below shows the staffing needs for the next five years.

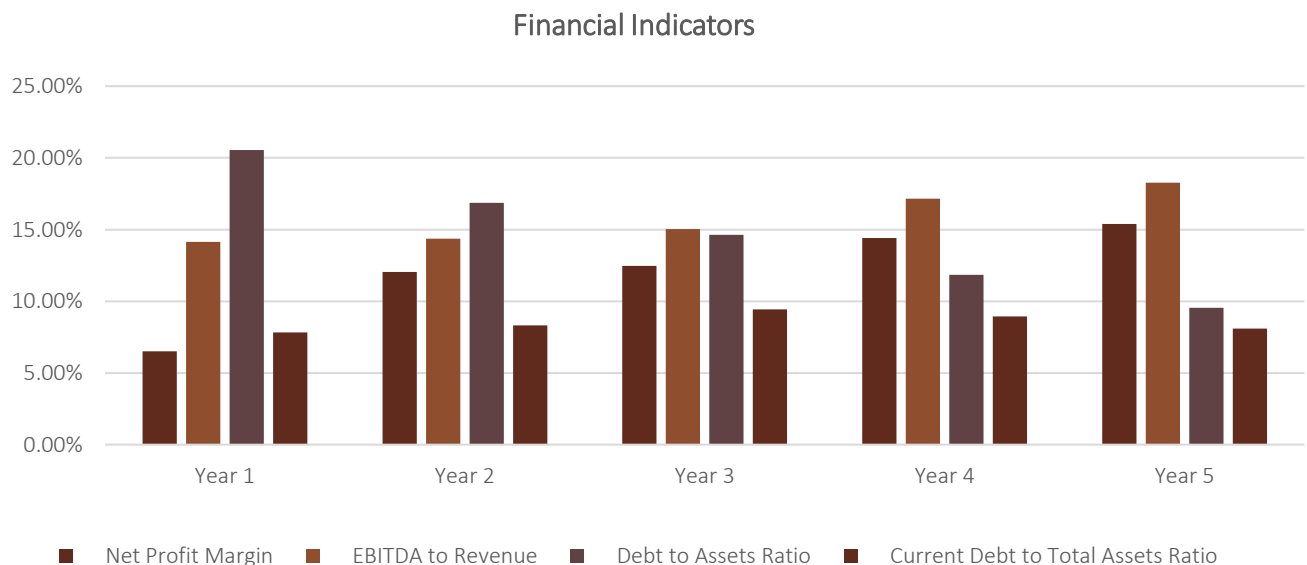
Personnel Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Management Staff					
President	1	1	1	1	1
Space/Community Manager	4	4	4	4	4
Chief Marketing Officer	1	1	1	1	1
Sales Representatives	3	3	3	3	3
Accountant	1	1	1	1	1
Total Personnel	10	10	10	10	10
Management Salaries					
President	\$120,000	\$123,600	\$127,308	\$131,127	\$135,061
Space/Community Manager	\$36,000	\$37,080	\$38,192	\$39,338	\$40,518
Chief Marketing Officer	\$24,000	\$24,720	\$25,462	\$26,225	\$27,012
Sales Representatives	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Accountant	\$40,000	\$41,200	\$42,436	\$43,709	\$45,020
Management Staff					
President	\$120,000	\$123,600	\$127,308	\$131,127	\$135,061
Space/Community Manager	\$144,000	\$148,320	\$152,770	\$157,353	\$162,073
Chief Marketing Officer	\$24,000	\$24,720	\$25,462	\$26,225	\$27,012
Sales Representatives	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Accountant	\$40,000	\$41,200	\$42,436	\$43,709	\$45,020
Total Payroll	\$388,000	\$399,640	\$411,629	\$423,978	\$436,697

Personnel Assumptions: (1) Costs are based on average wages.

Financial Indicators

The following table summarizes Ultimate Fitness Club's projected financial performance with standardized measurement indicators to evaluate the profitability, leverage, asset turnover and liquidity. As with any long-range projection, accuracy is based on reasonable estimates of return on investment and past performance. The Company believes the following numbers are attainable and reasonable. However, actual results will vary.

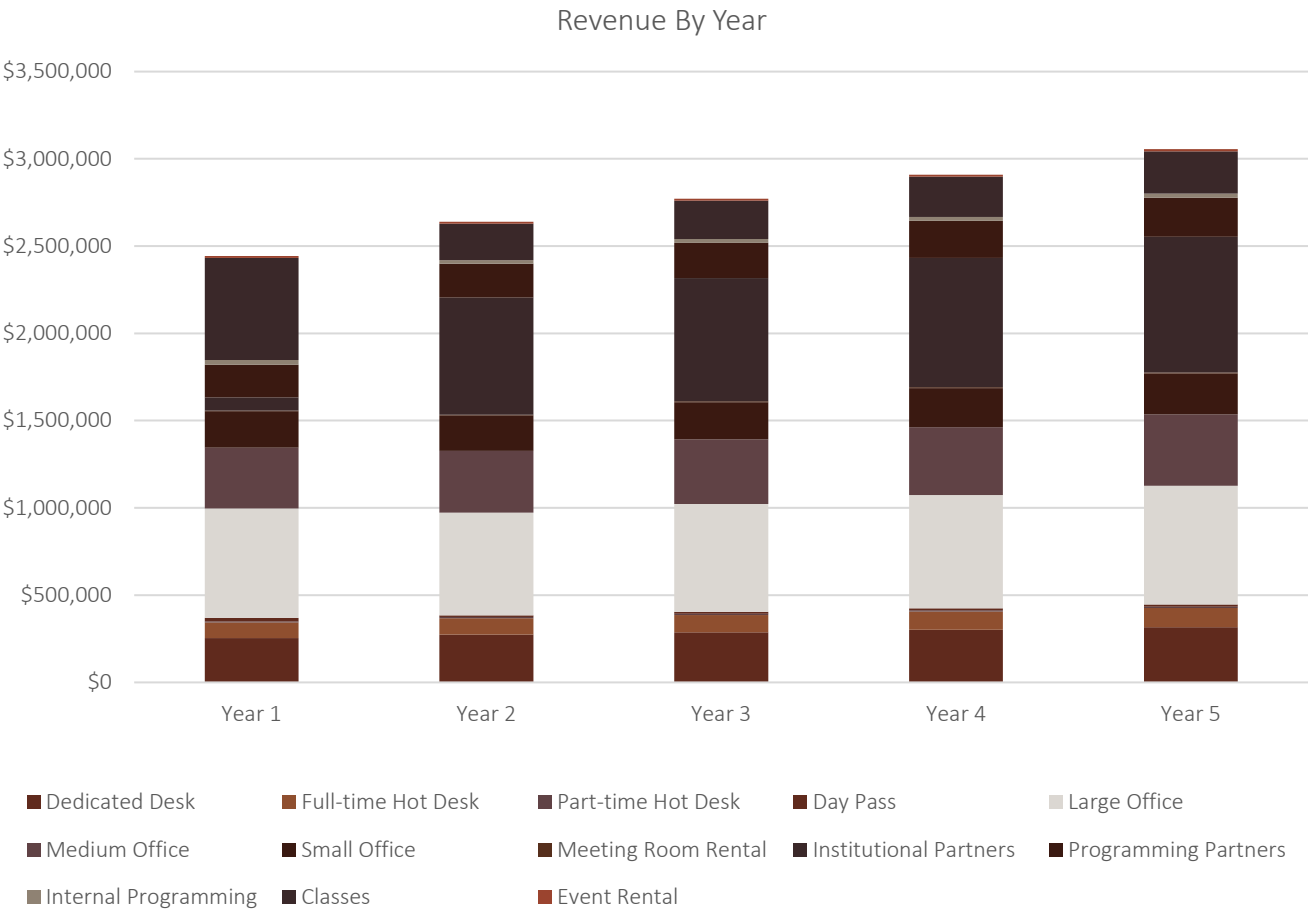
Financial Indicators					
	Year 1	Year 2	Year 3	Year 4	Year 5
Profitability %'s:					
Gross Margin	100.00%	100.00%	100.00%	100.00%	100.00%
Net Profit Margin	26.65%	33.24%	34.71%	36.14%	37.53%
EBITDA to Revenue	33.99%	40.04%	41.18%	42.30%	43.40%
Return on Assets	14.61%	16.44%	15.26%	14.29%	13.48%
Return on Equity	14.93%	16.75%	15.51%	14.50%	13.65%
Activity Ratios:					
Accounts Payable Turnover	0.00	0.00	0.00	0.00	0.00
Asset Turnover	0.55	0.49	0.44	0.40	0.36
Leverage Ratios:					
Debt to Equity	0.02	0.02	0.02	0.01	0.01
Debt to Assets Ratio	2.14%	1.85%	1.64%	1.45%	1.29%
Liquidity Ratios:					
Current Ratio	29.85	39.59	48.78	58.94	69.33
Current Debt to Total Assets Ratio	2.14%	1.85%	1.64%	1.45%	1.29%
Additional Indicators:					
Revenue to Equity Ratio	0.56	0.50	0.45	0.40	0.36



Revenue Forecast

The following is a five-year revenue forecast. Direct costs include all costs directly tied to revenue and include "cost of goods/services."

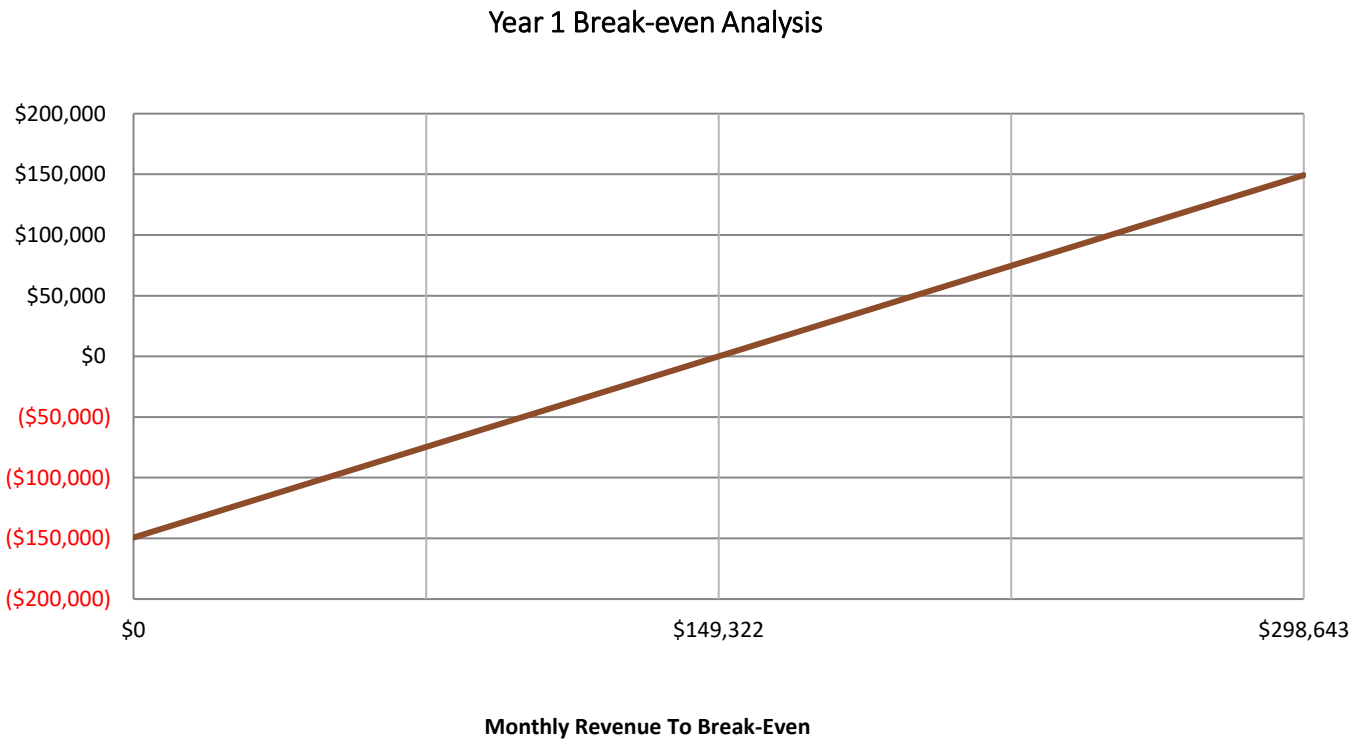
Revenue Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Total					
Dedicated Desk	373	391	411	431	453
Full-time Hot Desk	360	377	396	416	437
Part-time Hot Desk	195	205	215	226	237
Day Pass	341	358	376	395	414
Large Office	93	98	103	108	114
Medium Office	168	176	185	194	204
Small Office	194	203	214	224	236
Meeting Room Rental	75	79	83	87	91
Institutional Partners	32	34	35	37	39
Programming Partners	51	54	56	59	62
Internal Programming	399	419	440	462	485
Classes	133	140	147	154	162
Event Rental	20	21	22	23	24
Price					
Dedicated Desk	\$700.00	\$700.00	\$700.00	\$700.00	\$700.00
Full-time Hot Desk	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Part-time Hot Desk	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Day Pass	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Large Office	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00
Medium Office	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Small Office	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
Meeting Room Rental	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Institutional Partners	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00
Programming Partners	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00
Internal Programming	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Classes	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Event Rental	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Revenue					
Dedicated Desk	\$253,250	\$273,788	\$287,477	\$301,851	\$316,943
Full-time Hot Desk	\$89,875	\$94,369	\$99,087	\$104,042	\$109,244
Part-time Hot Desk	\$6,264	\$6,149	\$6,456	\$6,779	\$7,118
Day Pass	\$20,764	\$10,742	\$11,279	\$11,843	\$12,435
Large Office	\$626,400	\$588,420	\$617,841	\$648,733	\$681,170
Medium Office	\$348,000	\$352,800	\$370,440	\$388,962	\$408,410
Small Office	\$208,800	\$203,490	\$213,665	\$224,348	\$235,565
Meeting Room Rental	\$3,900	\$3,938	\$4,134	\$4,341	\$4,558
Institutional Partners	\$75,000	\$672,000	\$705,600	\$740,880	\$777,924
Programming Partners	\$187,200	\$192,780	\$202,419	\$212,540	\$223,167
Internal Programming	\$28,500	\$20,948	\$21,995	\$23,095	\$24,249
Classes	\$585,000	\$209,475	\$219,949	\$230,946	\$242,493
Event Rental	\$10,000	\$10,500	\$11,025	\$11,576	\$12,155
Total Revenue	\$2,442,953	\$2,639,397	\$2,771,366	\$2,909,935	\$3,055,431



Breakeven Analysis

The following break-even analysis shows the revenue necessary to break-even in the first year of operation. Break-even is where revenue equals expenses. As shown below, the Company is expected to incur average monthly fixed costs of **\$149,322** in Year 1. To cover fixed costs and variable costs, which rise and fall with revenue, the Company must, on average, achieve revenue of **\$149,322** per month to break-even.

Year 1 Break-even Analysis	
Monthly Revenue Break-even	\$149,322
Assumptions:	
Average Monthly Revenue	\$203,579
Average Monthly Variable Cost	\$0
Estimated Monthly Fixed Cost	\$149,322



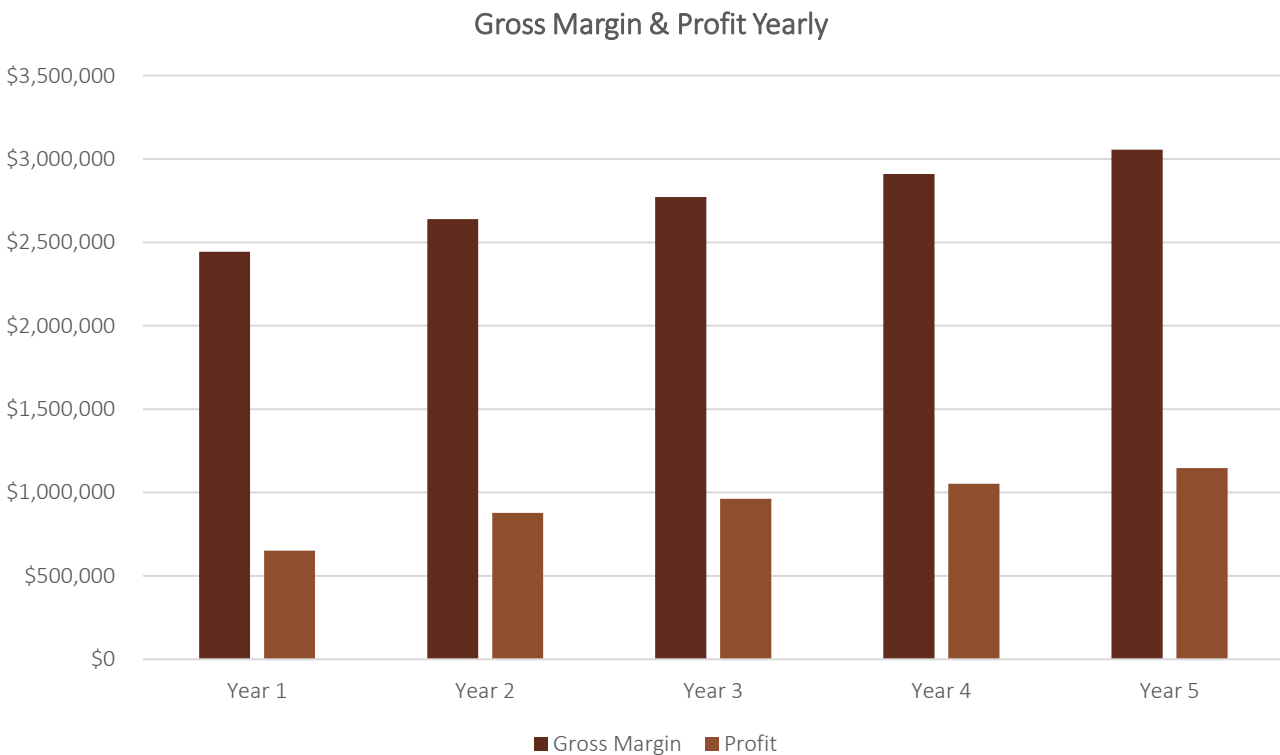
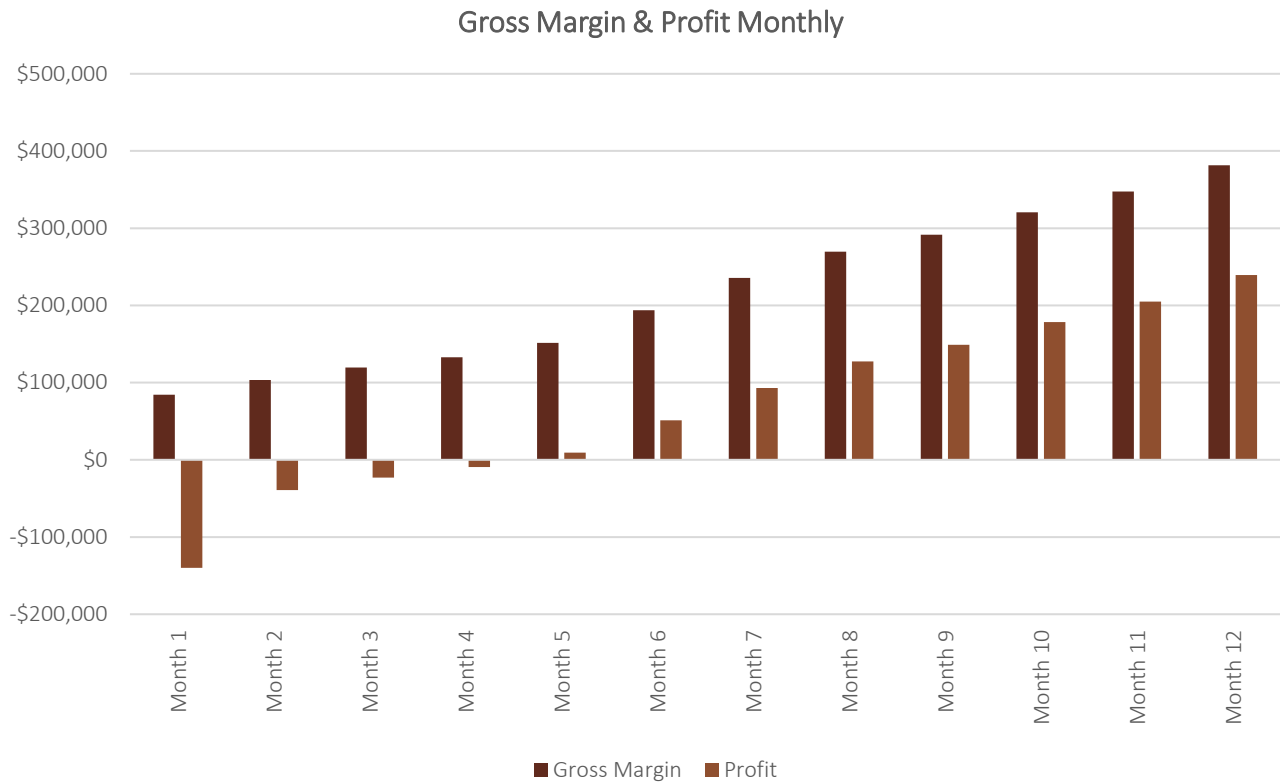
Projected income statement

Ultimate Fitness Club intends to deploy its funding to maximize growth and profitability. In the Income Statement table below, gross margin equals sales minus direct costs. The “bottom line” or profit (as measured before and after interest, taxes, depreciation and amortization) equals gross margin minus operating expenses.

Pro Forma Income Statement					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$2,442,953	\$2,639,397	\$2,771,366	\$2,909,935	\$3,055,431
Gross Margin	\$2,442,953	\$2,639,397	\$2,771,366	\$2,909,935	\$3,055,431
Gross Margin/Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Expenses					
Rent	\$938,244	\$966,391	\$995,383	\$1,025,245	\$1,056,002
General Insurance Liability	\$5,750	\$5,923	\$6,100	\$6,283	\$6,472
Snacks	\$13,800	\$14,214	\$14,640	\$15,080	\$15,532
Telephone/Internet	\$39,450	\$40,634	\$41,853	\$43,108	\$44,401
Website Hosting/Updates	\$1,200	\$1,236	\$1,273	\$1,311	\$1,351
Marketing & Advertising	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
Supplies	\$6,900	\$7,107	\$7,320	\$7,540	\$7,766
Electricity	\$20,700	\$21,321	\$21,961	\$22,619	\$23,298
Professional Services	\$12,000	\$12,360	\$12,731	\$13,113	\$13,506
Cleaning and Trash Removal	\$20,700	\$21,321	\$21,961	\$22,619	\$23,298
Printer/copier lease	\$16,500	\$16,995	\$17,505	\$18,030	\$18,571
Startup Expenses	\$76,000	\$0	\$0	\$0	\$0
Depreciation & Amortization	\$179,352	\$179,352	\$179,352	\$179,352	\$179,352
Payroll Taxes & Benefits	\$43,262	\$44,560	\$45,897	\$47,274	\$48,692
Total Personnel	\$388,000	\$399,640	\$411,629	\$423,978	\$436,697
Total Operating Expenses	\$1,791,858	\$1,761,953	\$1,809,431	\$1,858,334	\$1,908,703
Profit Before Interest and Taxes	\$651,095	\$877,443	\$961,935	\$1,051,601	\$1,146,728
EBITDA	\$830,447	\$1,056,795	\$1,141,287	\$1,230,953	\$1,326,080
Net Profit	\$651,095	\$877,443	\$961,935	\$1,051,601	\$1,146,728
Net Profit/Revenue	26.65%	33.24%	34.71%	36.14%	37.53%

Income Statement Assumptions: (1) Depreciation is based on 10 years; (2) Total payroll taxes are 11.15%.

The charts below represent the total revenue monthly and for the next five years. The charts illustrate the percentage of revenue allocated to cost of goods (COG), operating expenses, taxes and interest. The net income piece represents revenue less the aforementioned expenditures.

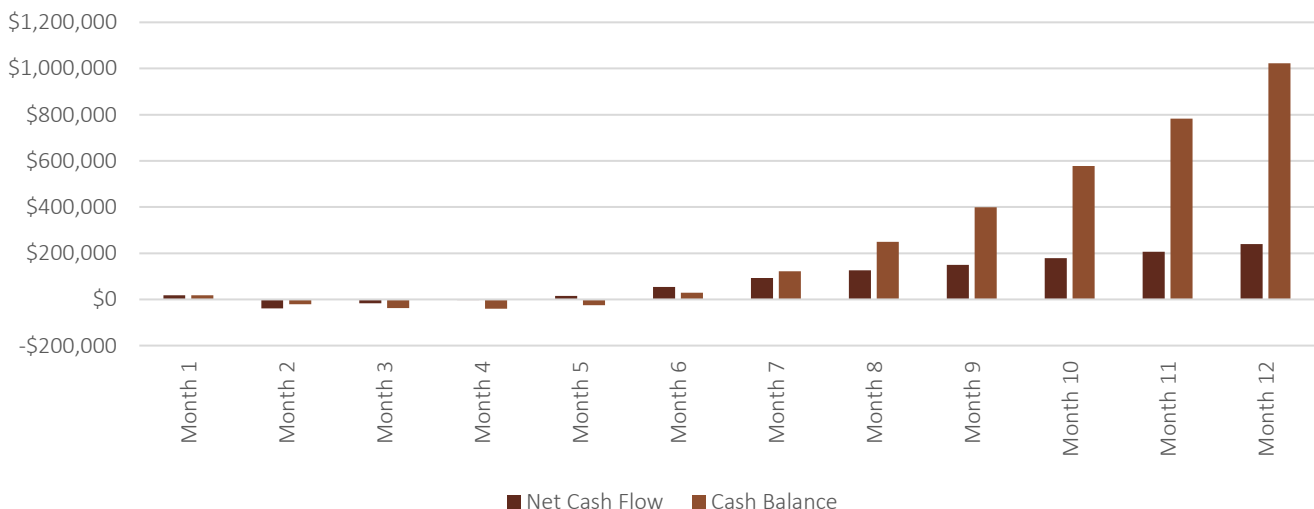


Projected Cash Flow

The following depictions of Ultimate Fitness Club's projected cash flow show that the Company expects to maintain sufficient cash balances over the five years of this plan. The "pro forma cash flow" table differs from the "pro forma income statement" table. Pro forma cash flow is intended to represent the actual flow of cash in and out of Ultimate Fitness Club. In comparison, the revenue and expense projections on the income statement include "non-cash" items and exclude funding and investment illustrations.

Pro Forma Cash Flow					
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash Received					
Revenue	\$2,632,953	\$2,639,397	\$2,771,366	\$2,909,935	\$3,055,431
Owner Contribution	\$20,000	\$0	\$0	\$0	\$0
Proceeds from Investor	\$3,500,000	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$5,933,540	\$2,638,860	\$2,760,369	\$2,898,387	\$3,043,307
Expenditures					
Expenditures from Operations					
Total Personnel	\$388,000	\$399,640	\$411,629	\$423,978	\$436,697
Bill Payments	\$1,053,276	\$1,179,611	\$1,213,545	\$1,251,899	\$1,289,456
Subtotal Spent on Operations	\$1,441,276	\$1,579,251	\$1,625,175	\$1,675,877	\$1,726,153
Additional Cash Spent					
Start-up Costs	\$76,000	\$0	\$0	\$0	\$0
Purchase Inventory	\$1,600,000	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$1,793,520	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$4,910,796	\$1,579,251	\$1,625,175	\$1,675,877	\$1,726,153
Net Cash Flow	\$1,022,744	\$1,059,609	\$1,135,194	\$1,222,510	\$1,317,153
Cash Balance	\$1,022,744	\$2,082,353	\$3,217,547	\$4,440,057	\$5,757,211

Year 1 Cash



Projected Balance Sheet

A balance sheet is a snapshot of Ultimate Fitness Club's financial condition. The balance sheet has three parts: assets, liabilities and ownership equity.

Pro Forma Balance Sheet					
	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Current Assets					
Cash	\$1,022,744	\$2,082,353	\$3,217,547	\$4,440,057	\$5,757,211
Account Receivable	\$219,413	\$219,950	\$230,947	\$242,495	\$254,619
Inventory	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
Total Current Assets	\$2,842,157	\$3,902,302	\$5,048,494	\$6,282,552	\$7,611,830
Long-term Assets					
Long-term Assets	\$1,793,520	\$1,793,520	\$1,793,520	\$1,793,520	\$1,793,520
Accumulated Depreciation	\$179,352	\$358,704	\$538,056	\$717,408	\$896,760
Total Long-term Assets	\$1,614,168	\$1,434,816	\$1,255,464	\$1,076,112	\$896,760
Total Assets	\$4,456,325	\$5,337,118	\$6,303,958	\$7,358,664	\$8,508,590
Liabilities and Capital					
Current Liabilities					
Accounts Payable	\$95,230	\$98,580	\$103,485	\$106,589	\$109,787
Subtotal Current Liabilities	\$95,230	\$98,580	\$103,485	\$106,589	\$109,787
Total Liabilities	\$95,230	\$98,580	\$103,485	\$106,589	\$109,787
Paid-in Capital	\$3,520,000	\$3,520,000	\$3,520,000	\$3,520,000	\$3,520,000
Retained Earnings	\$0	\$841,095	\$1,718,538	\$2,680,474	\$3,732,075
Earnings	\$841,095	\$877,443	\$961,935	\$1,051,601	\$1,146,728
Total Capital	\$4,361,095	\$5,238,538	\$6,200,474	\$7,252,075	\$8,398,803
Total Liabilities and Capital	\$4,456,325	\$5,337,118	\$6,303,958	\$7,358,664	\$8,508,590
Net Worth	\$4,361,095	\$5,238,538	\$6,200,474	\$7,252,075	\$8,398,803

Sensitivity Analysis

The sensitivity analysis below assumes that revenues are 10% higher or 10% lower than the figures projected earlier in this business plan.

Best Case Scenario (Revenue Increases by 10%)					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$2,896,248	\$2,903,336	\$3,048,503	\$3,200,928	\$3,360,975
Gross Margin	\$2,896,248	\$2,903,336	\$3,048,503	\$3,200,928	\$3,360,975
Gross Margin/Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Operating Expenses	\$1,791,858	\$1,761,953	\$1,809,431	\$1,858,334	\$1,908,703
Net Profit	\$1,104,390	\$1,141,383	\$1,239,072	\$1,342,595	\$1,452,272
Cash Flow	\$1,286,039	\$1,323,548	\$1,412,331	\$1,513,504	\$1,622,696
Cash Balance	\$1,286,039	\$2,609,588	\$4,021,919	\$5,535,422	\$7,158,119
Net Profit/Revenue	38.13%	39.31%	40.65%	41.94%	43.21%

Worst Case Scenario (Revenue Decreases by 10%)					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$2,369,658	\$2,375,457	\$2,494,230	\$2,618,941	\$2,749,888
Gross Margin	\$2,369,658	\$2,375,457	\$2,494,230	\$2,618,941	\$2,749,888
Gross Margin/Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Operating Expenses	\$1,791,858	\$1,761,953	\$1,809,431	\$1,858,334	\$1,908,703
Net Profit	\$577,800	\$613,504	\$684,799	\$760,608	\$841,185
Cash Flow	\$759,449	\$795,669	\$858,058	\$931,517	\$1,011,610
Cash Balance	\$759,449	\$1,555,118	\$2,413,176	\$3,344,692	\$4,356,303
Net Profit/Revenue	24.38%	25.83%	27.46%	29.04%	30.59%

Financial Assumptions

The assumptions below provide growth rates, cash on hand, and the terms of funding:

Financial Assumptions					
	Year 1	Year 2	Year 3	Year 4	Year 5
Growth Assumptions					
Total Revenue Growth		8%	5%	5%	5%
Total Expense Growth		-2%	3%	3%	3%
Personnel Assumptions					
Average Salary Growth		3%	3%	3%	3%
Payroll Growth		3%	3%	3%	3%
Cash Assumptions					
Months of Cash on Hand	0	14	21	29	36
Bill Payment Term (Days)	32	32	32	32	32

Appendix: Year One Financials

Year 1 Revenue Forecast												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Total												
Dedicated Desk	15	15	16	14	15	35	38	40	43	45	48	50
Full-time Hot Desk	15	15	16	1	15	35	38	40	43	45	48	50
Part-time Hot Desk	7	7	9	14	15	17	18	19	20	22	23	24
Day Pass	18	18	20	25	25	26	30	32	34	36	37	40
Large Office	2	2	3	7	8	8	9	10	10	11	11	12
Medium Office	8	8	8	12	13	14	15	16	17	18	19	20
Small Office	7	7	7	14	16	17	18	19	20	22	23	24
Meeting Room Rental	1	1	1	4	5	6	7	8	9	10	11	12
Institutional Partners	1	1	1	2	2	2	3	3	4	4	4	5
Programming Partners	0	0	1	2	2	4	4	6	6	8	8	10
Internal Programming	30	30	30	32	33	34	35	33	34	35	36	37
Classes	5	5	10	12	13	12	13	12	13	12	13	13
Event Rental	0	1	1	2	2	2	2	2	2	2	2	2
Revenue												
Dedicated Desk	\$9,000	\$9,000	\$9,600	\$8,400	\$9,000	\$24,500	\$26,250	\$28,000	\$29,750	\$31,500	\$33,250	\$35,000
Full-time Hot Desk	\$3,750	\$3,750	\$4,000	\$250	\$3,750	\$8,750	\$9,375	\$10,000	\$10,625	\$11,250	\$11,875	\$12,500
Part-time Hot Desk	\$324	\$360	\$396	\$432	\$468	\$504	\$540	\$576	\$612	\$648	\$684	\$720
Day Pass	\$1,074	\$1,193	\$1,313	\$1,432	\$1,551	\$1,671	\$1,790	\$1,909	\$2,029	\$2,148	\$2,267	\$2,387
Large Office	\$32,400	\$36,000	\$39,600	\$43,200	\$46,800	\$50,400	\$54,000	\$57,600	\$61,200	\$64,800	\$68,400	\$72,000
Medium Office	\$18,000	\$20,000	\$22,000	\$24,000	\$26,000	\$28,000	\$30,000	\$32,000	\$34,000	\$36,000	\$38,000	\$40,000
Small Office	\$10,800	\$12,000	\$13,200	\$14,400	\$15,600	\$16,800	\$18,000	\$19,200	\$20,400	\$21,600	\$22,800	\$24,000
Meeting Room Rental	\$50	\$100	\$150	\$200	\$250	\$300	\$350	\$400	\$450	\$500	\$550	\$600
Institutional Partners	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000	\$35,000	\$40,000	\$45,000	\$55,000	\$65,000
Programming Partners	\$0	\$3,600	\$3,600	\$7,200	\$7,200	\$14,400	\$14,400	\$21,600	\$21,600	\$28,800	\$28,800	\$36,000
Internal Programming	\$1,500	\$2,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Classes	\$7,500	\$15,000	\$22,500	\$30,000	\$37,500	\$45,000	\$52,500	\$60,000	\$67,500	\$75,000	\$82,500	\$90,000
Event Rental	\$0	\$500	\$500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Total Revenue	\$84,398	\$103,503	\$119,359	\$133,014	\$151,619	\$193,825	\$235,705	\$269,785	\$291,666	\$320,746	\$347,626	\$381,707

Year 1 Personnel Forecast												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Management Staff												
President	1	1	1	1	1	1	1	1	1	1	1	1
Space/Community Manager	4	4	4	4	4	4	4	4	4	4	4	4
Chief Marketing Officer	1	1	1	1	1	1	1	1	1	1	1	1
Sales Representatives	3	3	3	3	3	3	3	3	3	3	3	3
Accountant	1	1	1	1	1	1	1	1	1	1	1	1
Total Personnel	10	10	10	10	10	10	10	10	10	10	10	10
Management Staff												
President	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Space/Community Manager	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Chief Marketing Officer	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Sales Representatives	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Accountant	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333
Total Payroll	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333

Year 1 Income Statement

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Revenue	\$84,398	\$103,503	\$119,359	\$133,014	\$151,619	\$193,825	\$235,705	\$269,785	\$291,666	\$320,746	\$347,626	\$381,707
Gross Margin	\$84,398	\$103,503	\$119,359	\$133,014	\$151,619	\$193,825	\$235,705	\$269,785	\$291,666	\$320,746	\$347,626	\$381,707
Gross Margin/Revenue	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Expenses												
Rent	\$78,187	\$78,187	\$78,187	\$78,187	\$78,187	\$78,187	\$78,187	\$78,187	\$78,187	\$78,187	\$78,187	\$78,187
General Insurance Liability	\$5,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Snacks	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150
Telephone/Internet	\$3,288	\$3,288	\$3,288	\$3,288	\$3,288	\$3,288	\$3,288	\$3,288	\$3,288	\$3,288	\$3,288	\$3,288
Website Hosting/Updates	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Marketing & Advertising	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Supplies	\$575	\$575	\$575	\$575	\$575	\$575	\$575	\$575	\$575	\$575	\$575	\$575
Electricity	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725
Professional Services	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Travel & Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cleaning and Trash Removal	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725	\$1,725
Printer/copier lease	\$1,375	\$1,375	\$1,375	\$1,375	\$1,375	\$1,375	\$1,375	\$1,375	\$1,375	\$1,375	\$1,375	\$1,375
Startup Expenses	\$76,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation & Amortization	\$14,946	\$14,946	\$14,946	\$14,946	\$14,946	\$14,946	\$14,946	\$14,946	\$14,946	\$14,946	\$14,946	\$14,946
Payroll Taxes & Benefits	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605
Total Personnel	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333	\$32,333
Total Operating Expenses	\$224,259	\$142,509	\$142,509	\$142,509	\$142,509	\$142,509	\$142,509	\$142,509	\$142,509	\$142,509	\$142,509	\$142,509
Profit Before Interest and Taxes	(\$139,861)	(\$39,006)	(\$23,150)	(\$9,495)	\$9,110	\$51,316	\$93,196	\$127,276	\$149,157	\$178,237	\$205,117	\$239,198
Net Profit	(\$139,861)	(\$39,006)	(\$23,150)	(\$9,495)	\$9,110	\$51,316	\$93,196	\$127,276	\$149,157	\$178,237	\$205,117	\$239,198
Net Profit/Revenue	-165.72%	-37.69%	-19.40%	-7.14%	6.01%	26.48%	39.54%	47.18%	51.14%	55.57%	59.01%	62.67%

Year 1 Cash Flow

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Additional Cash Received												
Revenue	\$84 398	\$103 503	\$119 359	\$133 014	\$151 619	\$193 825	\$235 705	\$269 785	\$291 666	\$320 746	\$347 626	\$381 707
Owner Contribution	\$20 000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Investor	\$3 500 000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$3 520 000	\$93 951	\$110 890	\$125 366	\$143 309	\$181 251	\$220 740	\$254 302	\$277 192	\$306 259	\$333 329	\$366 953
Additional Cash Spent												
Total Personnel	\$32 333	\$32 333	\$32 333	\$32 333	\$32 333	\$32 333	\$32 333	\$32 333	\$32 333	\$32 333	\$32 333	\$32 333
Bill Payments	\$0	\$100 980	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230
Start-up Costs	\$76 000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Inventory	\$1 600 000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$1 793 520	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Spent	\$3 501 853	\$133 313	\$127 563	\$127 563	\$127 563	\$127 563	\$127 563	\$127 563	\$127 563	\$127 563	\$127 563	\$127 563
Net Cash Flow	\$18 147	(\$39 363)	(\$16 674)	(\$2 198)	\$15 746	\$53 688	\$93 177	\$126 739	\$149 629	\$178 696	\$205 766	\$239 390
Cash Balance	\$18 147	(\$21 216)	(\$37 889)	(\$40 087)	(\$24 341)	\$29 347	\$122 524	\$249 263	\$398 892	\$577 588	\$783 354	\$1 022 744

Year 1 Balance Sheet

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Current Assets												
Cash	\$18 147	(\$21 216)	(\$37 889)	(\$40 087)	(\$24 341)	\$29 347	\$122 524	\$249 263	\$398 892	\$577 588	\$783 354	\$1 022 744
Inventory	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000	\$1 600 000
Total Current Assets	\$1 702 545	\$1 672 735	\$1 664 531	\$1 669 982	\$1 694 038	\$1 760 300	\$1 868 442	\$2 010 664	\$2 174 767	\$2 367 950	\$2 588 013	\$2 842 157
Long-term Assets	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520	\$1 793 520
Accumulated Depreciation	\$14 946	\$29 892	\$44 838	\$59 784	\$74 730	\$89 676	\$104 622	\$119 568	\$134 514	\$149 460	\$164 406	\$179 352
Total Long-term Assets	\$1 778 574	\$1 763 628	\$1 748 682	\$1 733 736	\$1 718 790	\$1 703 844	\$1 688 898	\$1 673 952	\$1 659 006	\$1 644 060	\$1 629 114	\$1 614 168
Other Assets												
Total Assets	\$3 481 119	\$3 436 363	\$3 413 213	\$3 403 718	\$3 412 828	\$3 464 144	\$3 557 340	\$3 684 616	\$3 833 773	\$4 012 010	\$4 217 127	\$4 456 325
Current Liabilities												
Accounts Payable	\$100 980	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230
Subtotal Current Liabilities	\$100 980	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230
Total Liabilities	\$100 980	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230	\$95 230
Paid-in Capital	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000	\$3 520 000
Earnings	(\$139 861)	(\$178 867)	(\$202 017)	(\$211 512)	(\$202 402)	(\$151 086)	(\$57 890)	\$69 386	\$218 543	\$396 780	\$601 897	\$841 095
Total Capital	\$3 380 139	\$3 341 133	\$3 317 983	\$3 308 488	\$3 317 598	\$3 368 914	\$3 462 110	\$3 589 386	\$3 738 543	\$3 916 780	\$4 121 897	\$4 361 095
Total Liabilities and Capital	\$3 481 119	\$3 436 363	\$3 413 213	\$3 403 718	\$3 412 828	\$3 464 144	\$3 557 340	\$3 684 616	\$3 833 773	\$4 012 010	\$4 217 127	\$4 456 325
Net Worth	\$3 380 139	\$3 341 133	\$3 317 983	\$3 308 488	\$3 317 598	\$3 368 914	\$3 462 110	\$3 589 386	\$3 738 543	\$3 916 780	\$4 121 897	\$4 361 095