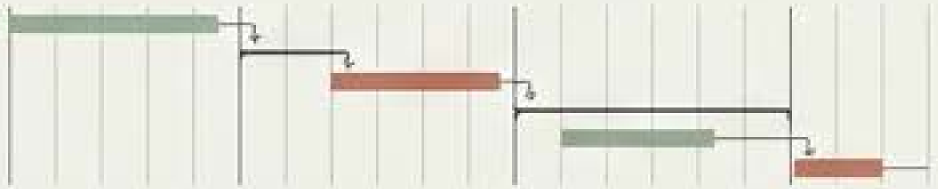
The Premium Day Spa: Operational Financial Blueprint

Unit Economics, Capital Recovery, and the Path to EBITDA Scale

Operational Planning | 2026 - 2030 Projections



A Capital-Intensive Start with Rapid Cash Recovery

443,000
Total Investment (USD)

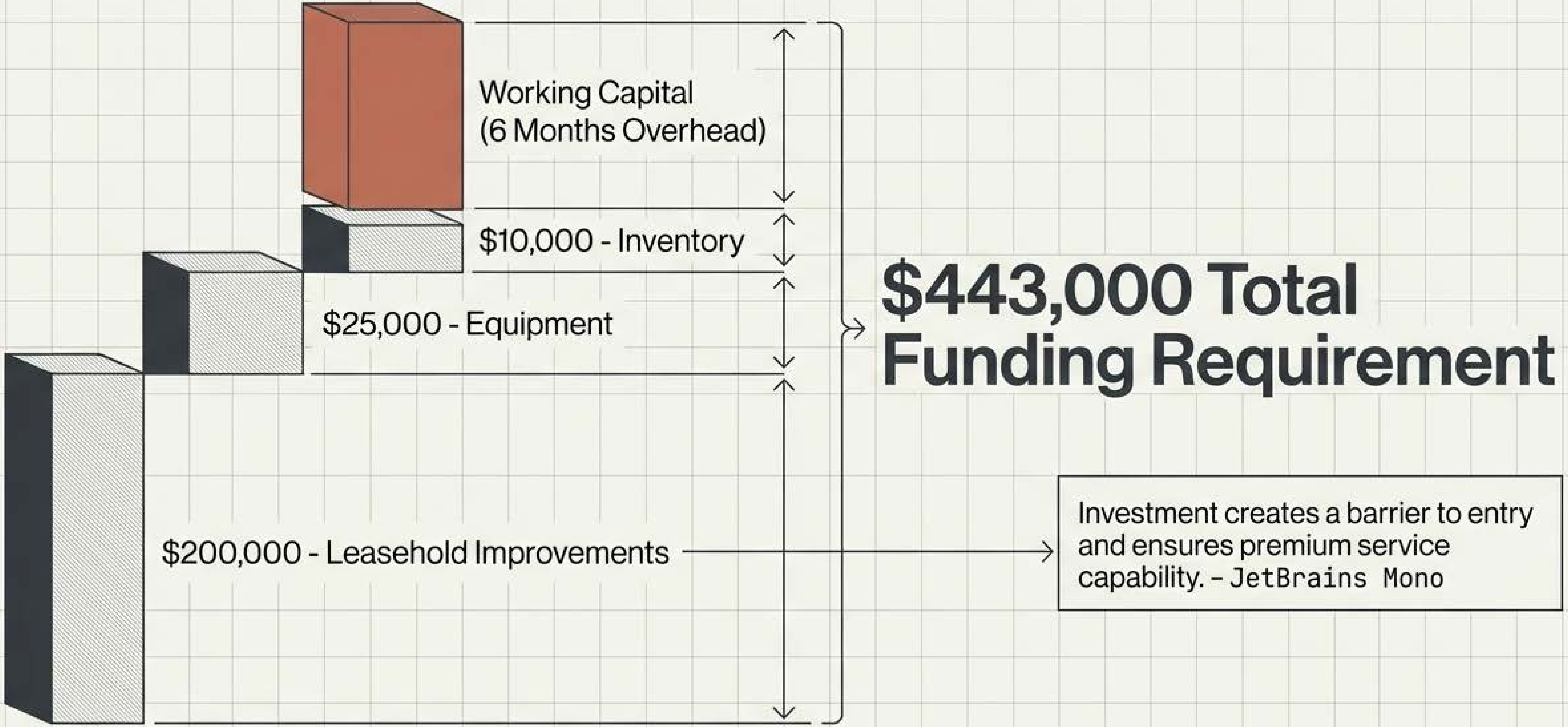
19 MONTHS
Full Payback Period

MONTH 7-8
Operational Breakeven

$18M+
Year 5 EBITDA Potential

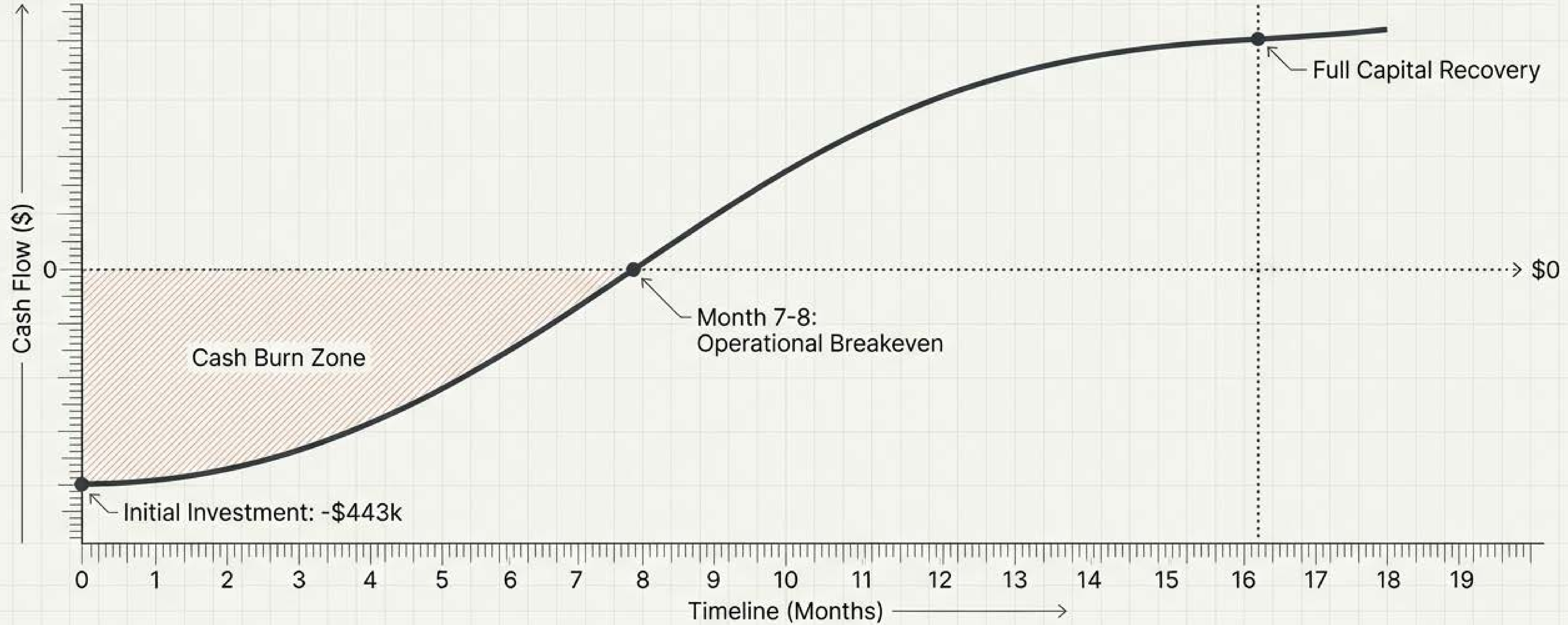
High initial CAPEX is offset by aggressive unit economics, moving from cash burn to Year 1 validation ($300k EBITDA) and massive scale.

The Asset Cost: Drivers of the $443k Commitment



Investment creates a barrier to entry and ensures premium service capability. - JetBrains Mono

The Liquidity Timeline: Weathering the First 7 Months



Survival depends on working capital sufficiency.
Current model requires ~20 months of peak performance to return cash fully.

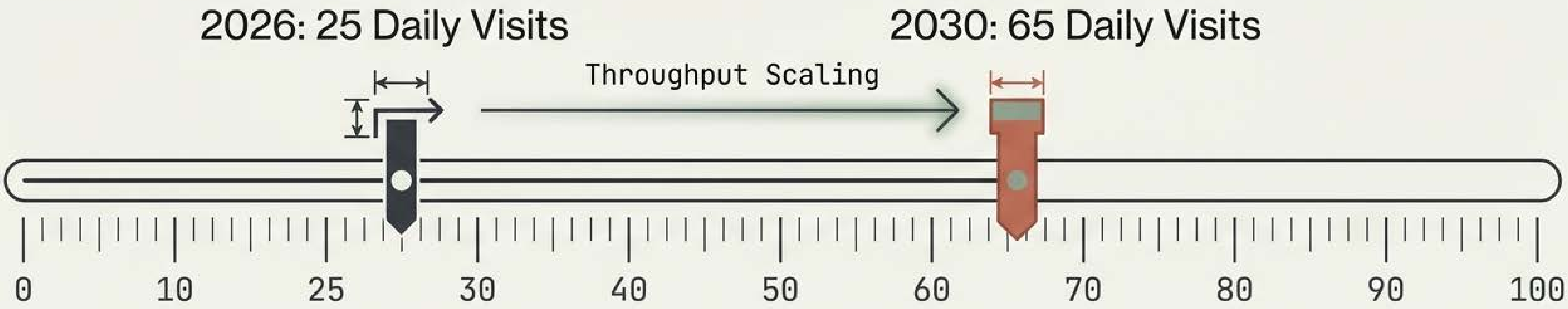
The Monthly Hurdle: $21,300 in Fixed Overhead

- **Rent:** $12,000
- **Utilities:** $2,500
- **Core Ops/Staff:** Balance

Daily Burden: ~$833/day

This is the cost of existence before a single customer walks in.
These costs are non-negotiable and burn cash immediately.

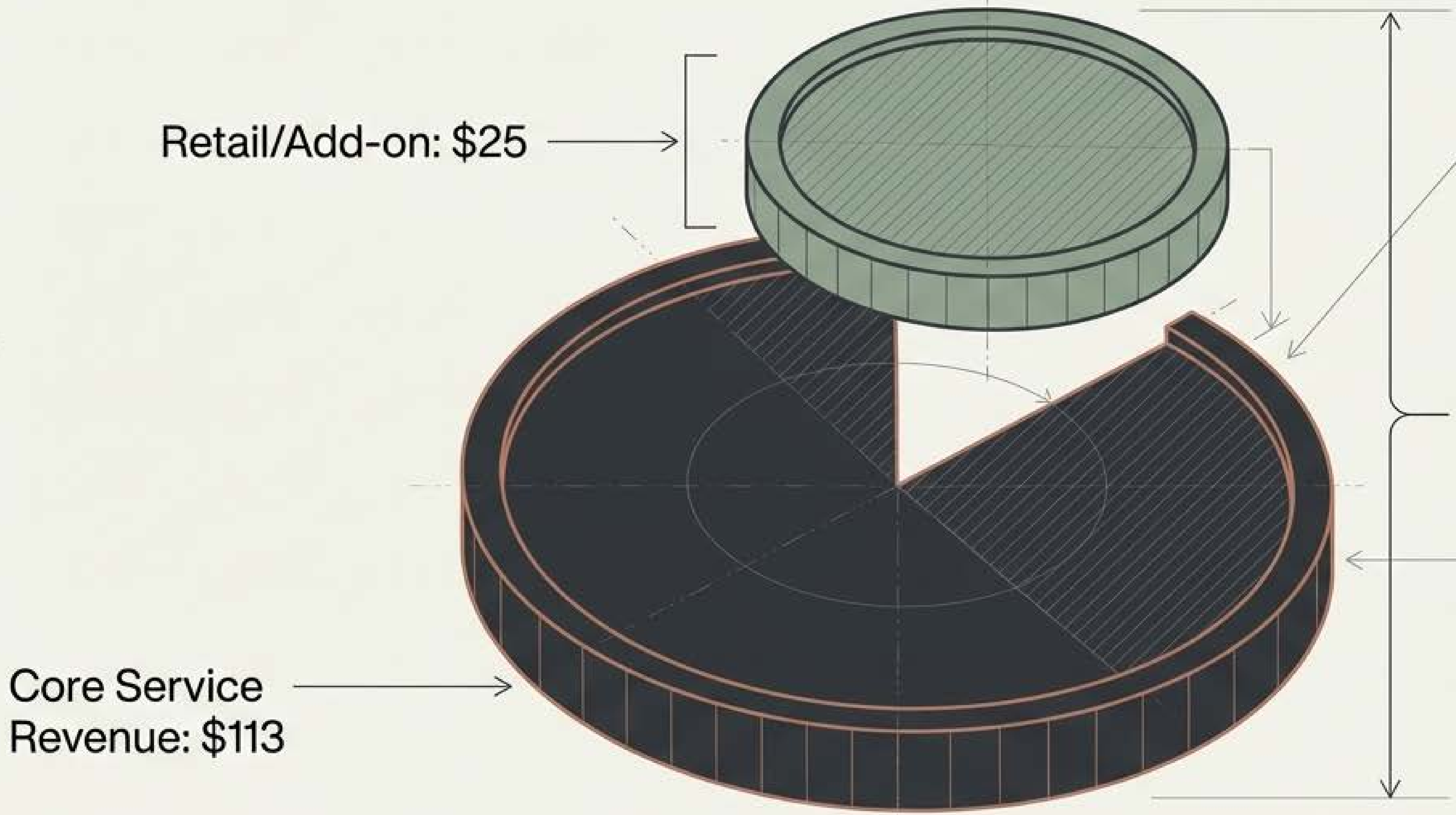
Factor 1: The Volume Engine (Visit Density)



Warning

Risk: Bottlenecks in scheduling or onboarding >14 days create revenue lag. Requires smooth therapist availability to hit 65/day.

Factor 2: Unit Economics (The $138 Visit)

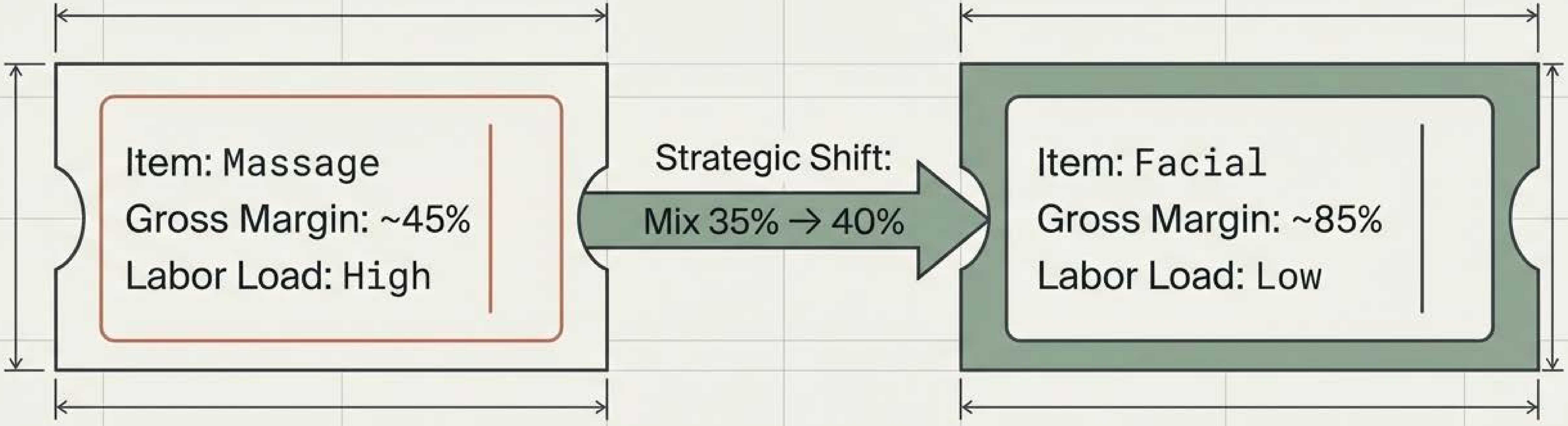


Increasing ARPV is the most efficient leverage. It increases revenue without increasing Rent ($12k) or Utilities ($2.5k).

The Hidden Margin Booster: Retail Attachment

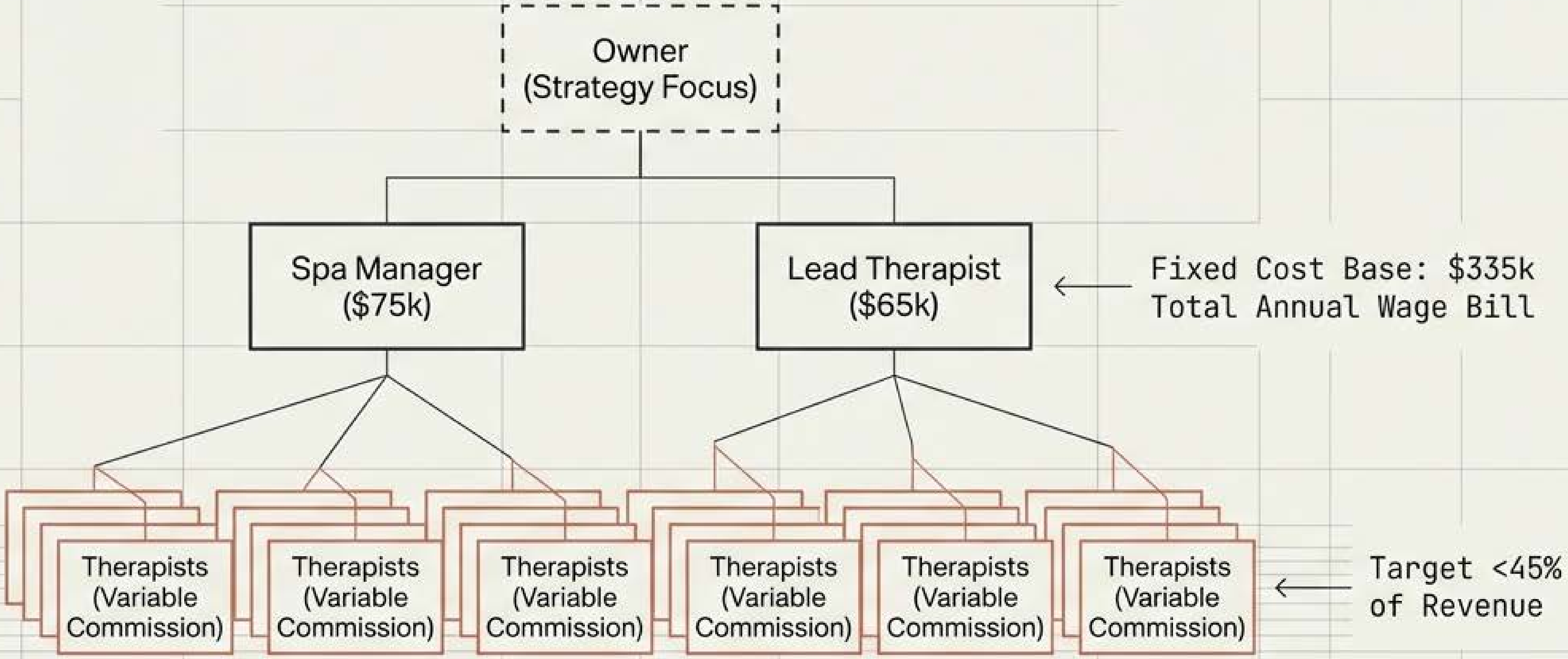
Retail lifts blended service margin by 5-8 points. It is the highest margin dollar in the building.

Factor 3: Service Mix Optimization (Facials vs. Massage)



A 5% shift toward Facials yields an extra $1,500–$2,000 monthly gross profit with zero additional volume.

Factors 4 & 5: Wage Structure & Buying Owner Time



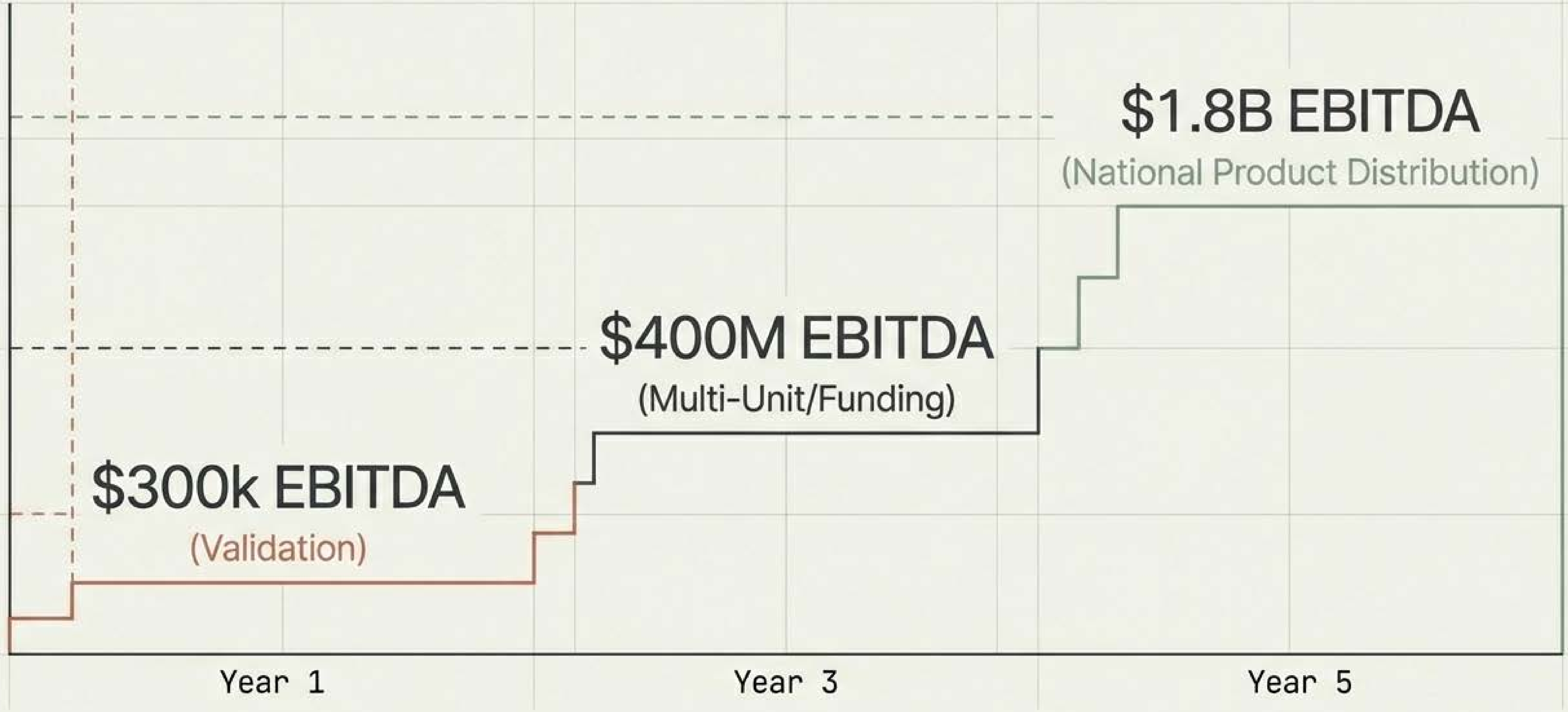
Trading $335k in payroll to shift owner focus from daily ops to strategy.

The Breakeven Formula

$$\frac{\overbrace{\$25{,}000}^{\text{Fixed Costs}}}{\underbrace{\$108}_{\text{Contribution Margin}}} = 7.8 \text{ Visits/Day}$$

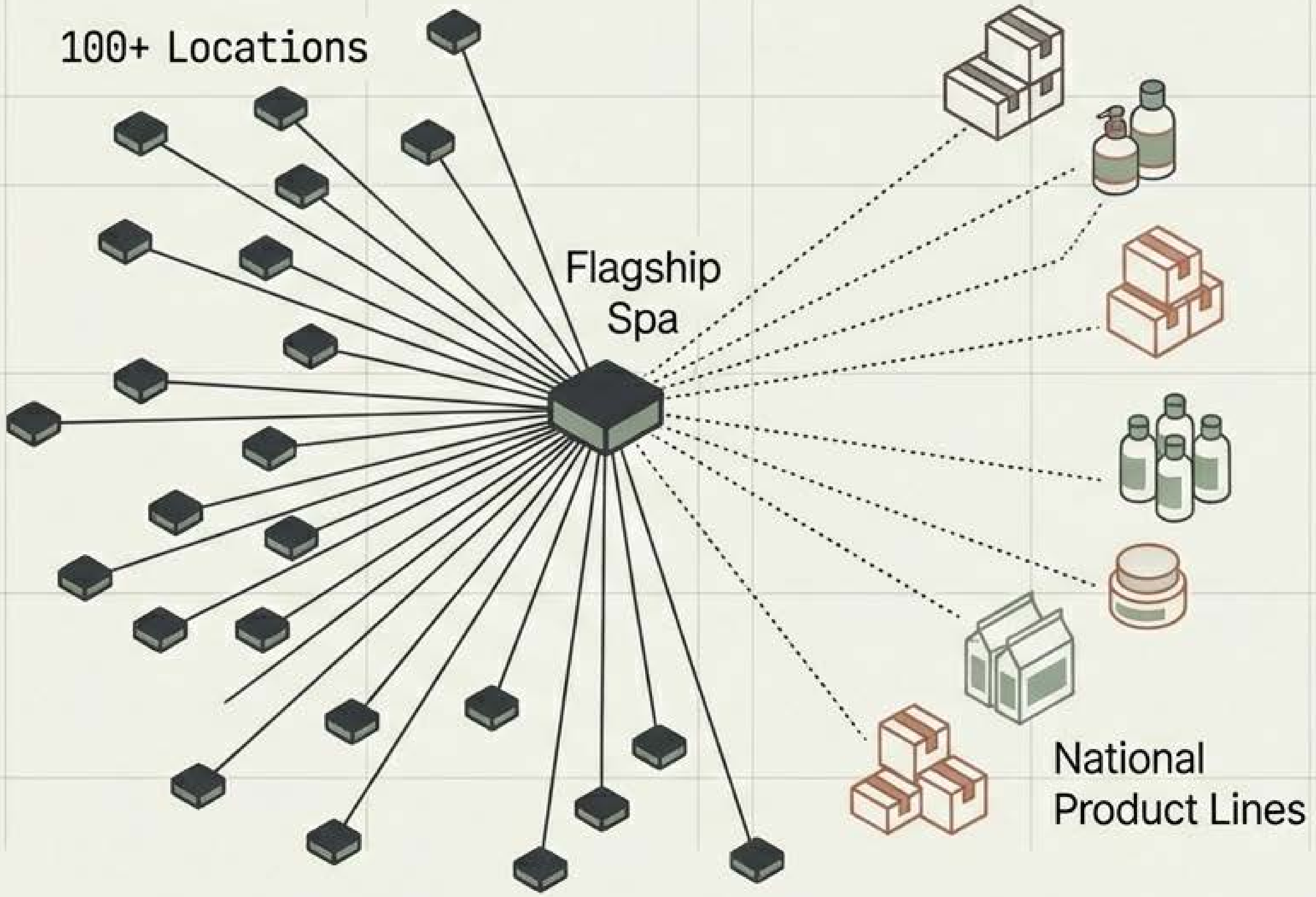
Sensitivity Table		
1	If ARPV = $180	→ Breakeven = 7.8 Visits
2	If ARPV = $200	→ Breakeven = 7.2 Visits
3	If Commission = 35%	→ Breakeven = 7.1 Visits

Scaling EBITDA: From Validation to Empire



A verifiable path from local operations to national valuation.

The Pivot: Scaling Beyond the Lease



To hit $1.8B, the model pivots.

- Decouple revenue from square footage.
- Series/Expansion Funding required Year 3.
- Shift from Service-Heavy to Product-Heavy.

Risks & Operational Mitigations

R1 / R1	High Fixed Lease Costs	MITIGATION PATH →	Negotiate shorter terms / Maximize Tenant Improvement Allowances	N1 / M1
R2 / R2	Low Utilization	RITIGATIOK PATH →	Target 80% utilization / Pre-booking incentives	M2 / N2
R3 / R3	Staff Churn	NITIGATION PATH →	Onboarding <14 days / Competitive commissions	M3 / N3

Ready to Scale

— $443k CAPEX creates defensive moat.

— 19-month payback.

— Profitability via Facial Mix (40%) & Retail (25%).

— Local success funds National Product Distribution.