Funding the High-End Gaming Lounge: 2026–2030 Execution Plan

An operational and financial roadmap to $194,000 EBITDA.

$827,000

Total capital required to fund CapEx and bridge the 14-month runway to profitability.

Feb 2027

Target date for operational breakeven.

$194,000

Projected annual EBITDA by 2028.

Executing this strategy requires scaling from initial capital deployment through a rigorous 7-step operational playbook, balancing premium hardware investment with aggressive fixed-cost absorption.

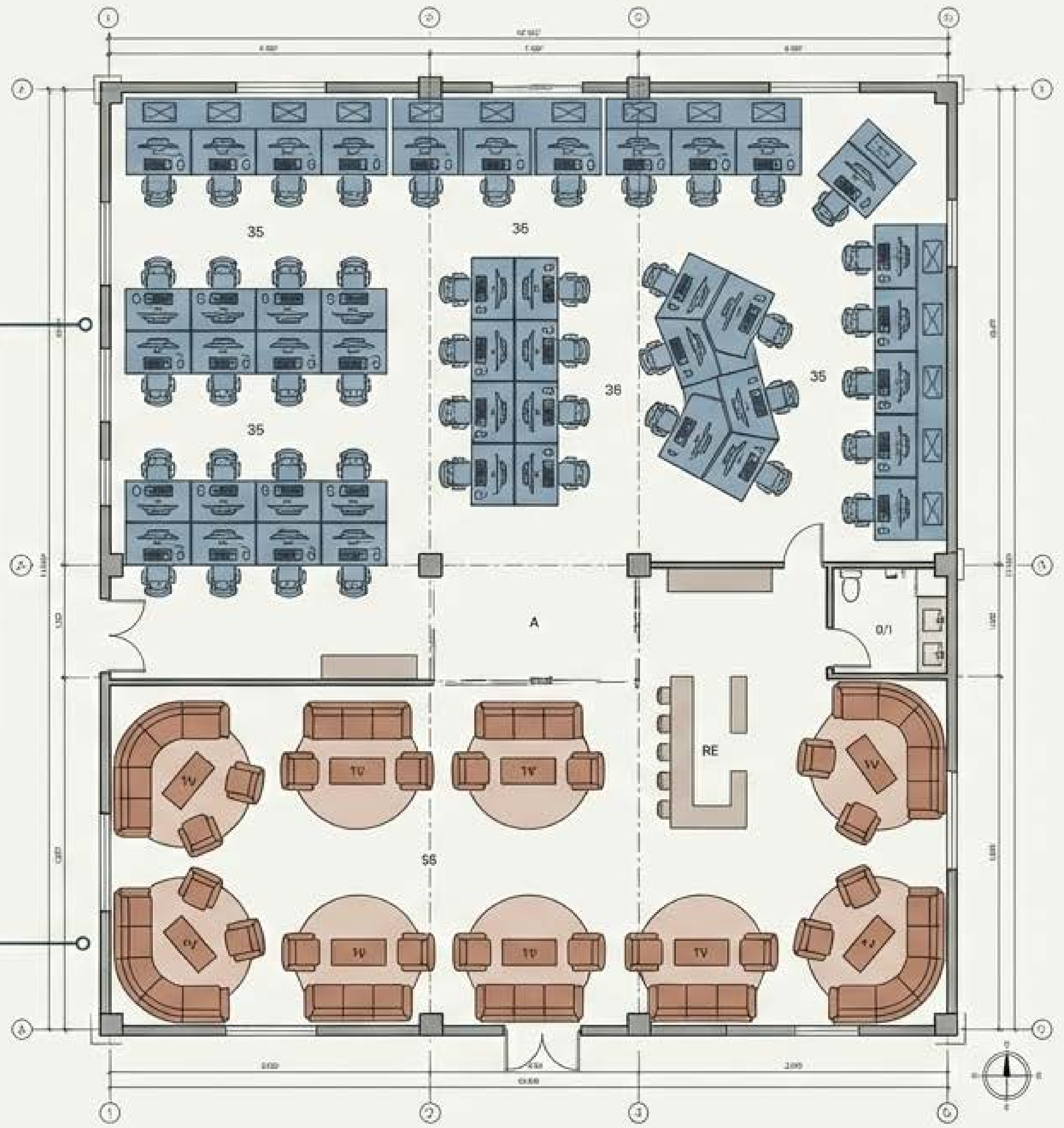
Defining the premium esports destination.

Target Market
Dedicated esports enthusiasts aged 16–35.

Capacity Map
50 total stations.

70% High-Spec PCs
35 stations budgeted at $2,800 per rig (including high refresh rate monitors) to meet competitive standards.

30% Console Stations
15 premium setups capturing casual groups and families.



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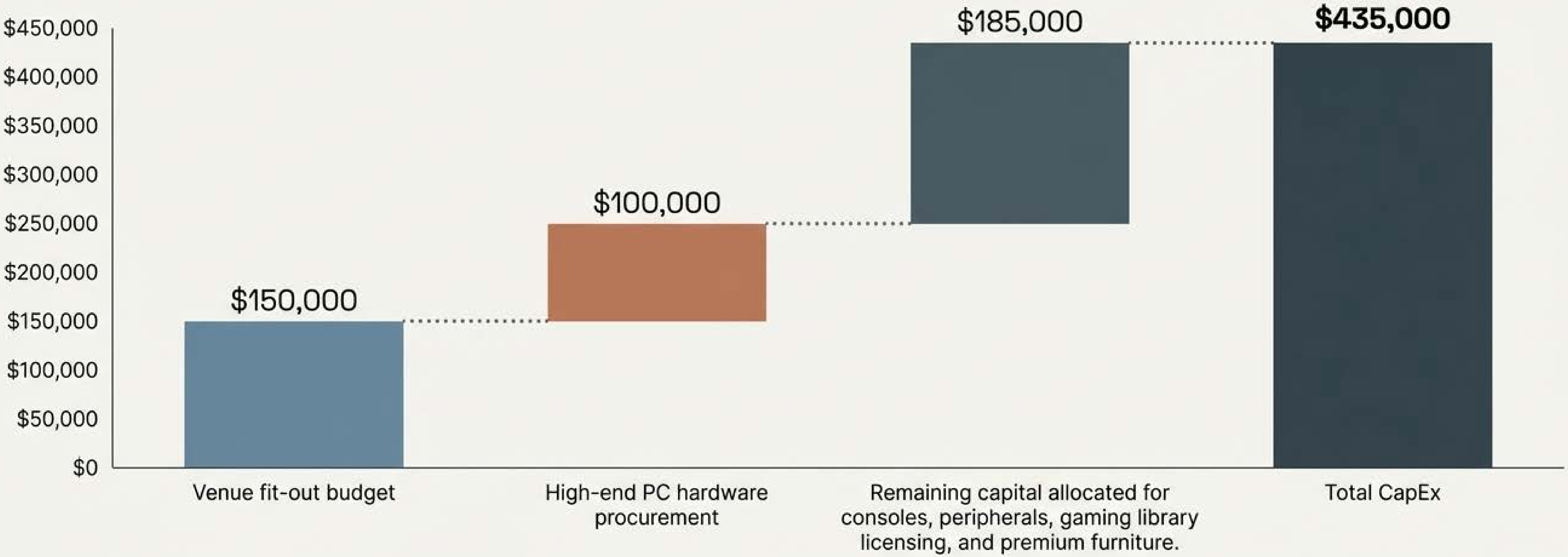
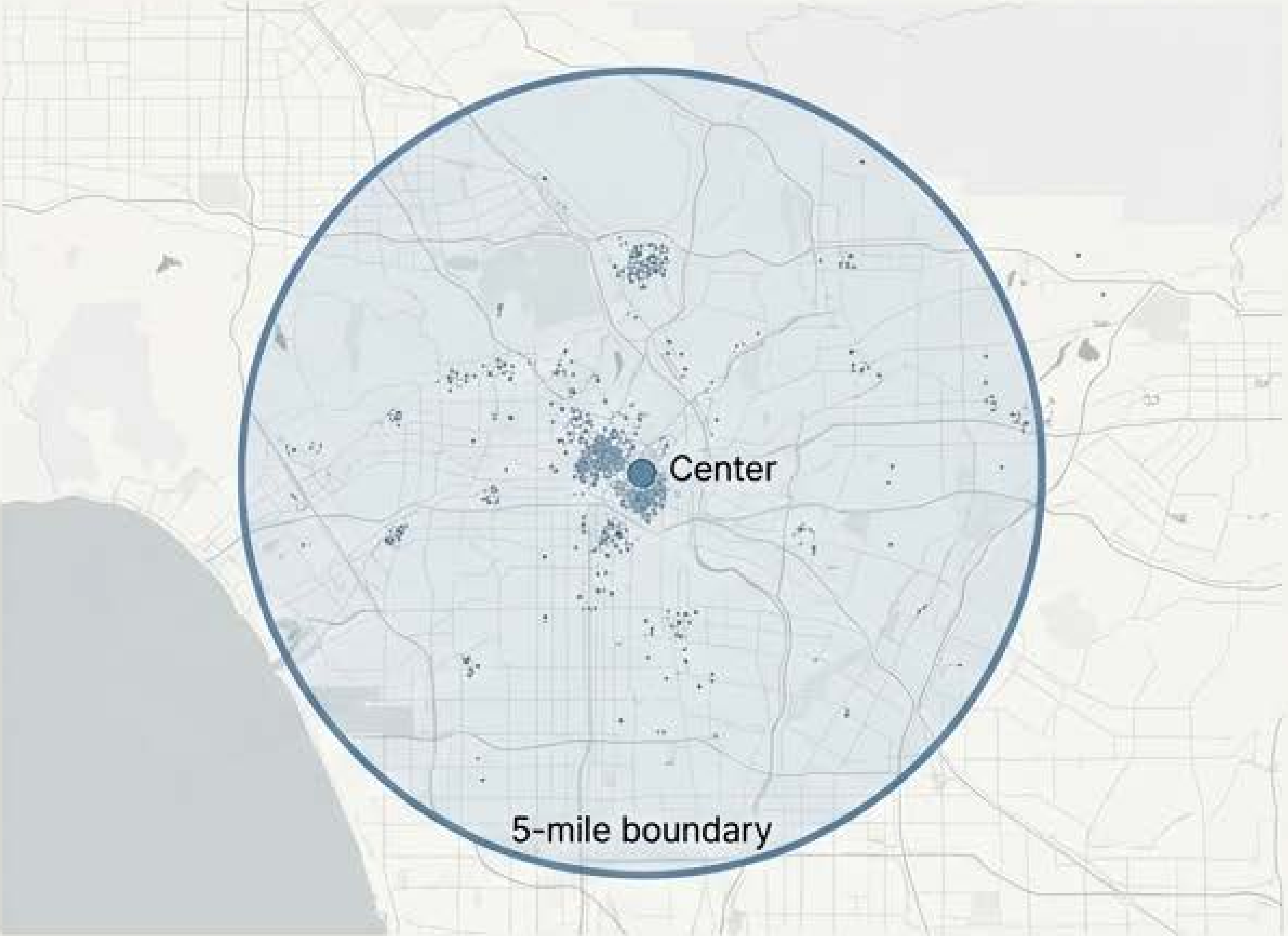
Deploying the $435,000 initial capital expenditure.



Dependency Tag: Binding vendor quotes must be secured for the fit-out and PCs before locking this budget request to mitigate supply chain risk.

Validating the 2026 revenue hypothesis

Volume Target 25,000 gaming sessions and 1,500 tournament entries in Year 1



Demographic Check

Success requires mapping local census tracts to confirm a high concentration of the 16–35 demographic within a 5-mile radius to support 70 daily sessions.

Risk: The baseline assumption of a $1,500 Average Order Value (AOV) for sessions requires immediate market validation against local competitors operating at 65% utilisation (often charging roughly $25/hour). The $1,500 AOV may strictly apply to premium all-day tournament packages.

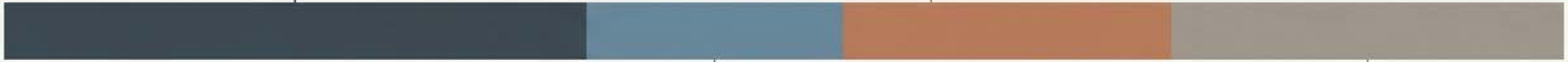
Segmenting revenue to protect downside risk.

Gaming Sessions

Core volume driver.

Tournaments

Driving competitive density with 1,500 projected initial entries.



Private Events

High-margin spikes anchored at a $50,000 AOV.

Food & Beverage (F&B)

Projected at $120,000 in baseline 2026 sales, functioning as the crucial lever for contribution margin.

F&B is not ancillary; it is the primary engine for fixed cost absorption.

The Hurdle

Monthly fixed overhead sits at $17,200.

The Reality

Sessions and events (at $1,500 and $50,000 AOVs) must first clear their direct variable costs.

The Necessity

Even if core gaming revenues achieve a 50% contribution margin, escalating payroll forces F&B to deliver the critical profit dollars.

If sessions yield zero contribution margin, F&B must autonomously generate $17,200+ in monthly gross profit to keep the lights on.

Defining the financial floor and restructuring variable costs

	Annual Fixed Baseline
Fixed Operating Costs	$206,400 (Covers non-negotiable rent, insurance, and core salaries)
Variable Costs	⚠ Critical Risk: Current models indicate a 195% total variable cost ratio. A negative contribution margin (-95%) makes the February 2027 breakeven mathematically impossible.

Mandate: Immediate restructuring of operational variable costs and vendor terms is required before capital deployment to ensure every dollar of revenue contributes positively to overhead.

Protecting the $100,000 hardware investment.

Depreciation

Enforcing a strict three-year depreciation schedule for the entire PC fleet.

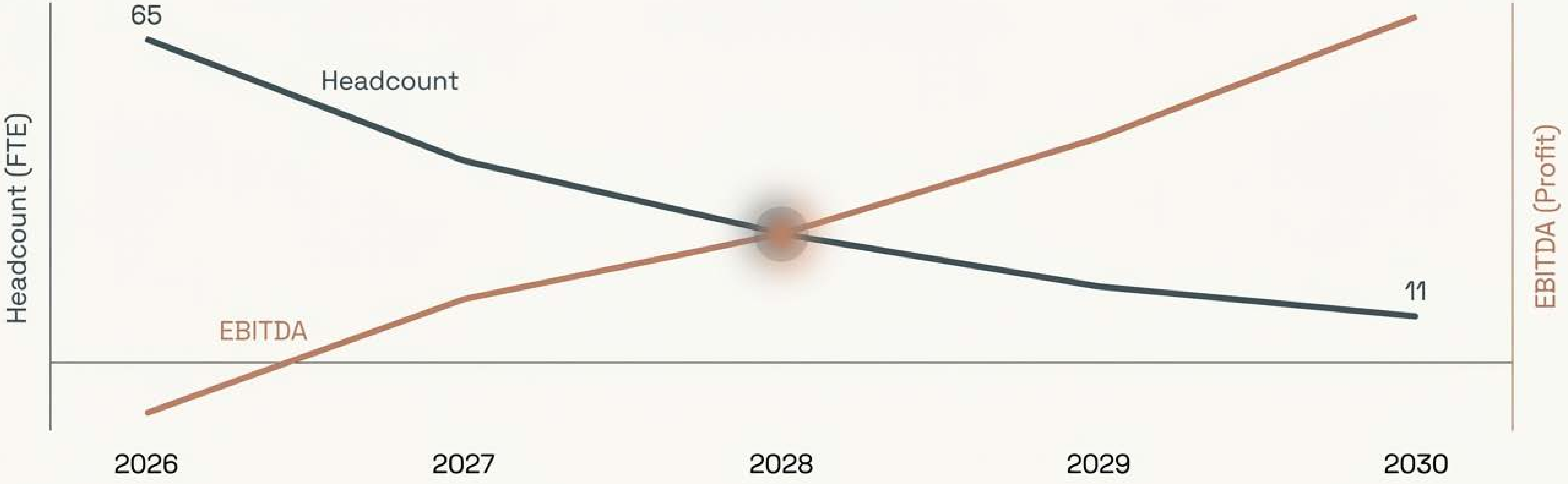
Maintenance

Mandating quarterly deep cleaning and component checks.

Uptime Tracking

Monitoring Mean Time Between Failures (MTBF) and strict peripheral inventory control to eliminate downtime risk.

Aggressive staffing optimisation to drive margins.



2026

Launch requires 65 FTEs (frontline Gaming Attendants mapped to peak session times) to ensure premium service quality.

The Key Hire

Venue Manager ($70,000/yr) to oversee operations and utilisation tracking from Day 1.

2030 Goal

Reduce to 11 FTEs via cross-training and process automation.

Retention Focus

Streamlining onboarding to under 14 days to mitigate new-hire churn risk.

Structuring the $827,000 capital stack.

Debt Allocation

Targeting $500,000 in secured debt exclusively for tangible assets (hardware, fit-out).

Equity Allocation

Requiring $327,000 to fully cover the $392,000 minimum cash requirement (operating buffer).

Strategic Tag: Carefully negotiating debt covenants to ensure they do not strangle future operational flexibility during the 14-month negative cash flow period.

The path to $194,000 EBITDA.

2026: Launch & Scale

Navigating the planned initial EBITDA of -$72,000 through the $392k cash buffer.

Feb 2027: Operational Breakeven

Achieving 14-month cash flow neutrality by driving high utilisation and F&B margins.

2028: Profitability

Sustaining growth to reach the target +$194,000 EBITDA through scaled session volume and reduced staffing overhead.

Executing the premium gaming model

- Fully costed physical infrastructure designed for the highest-value local demographic
- Clear operational levers targeting variable cost restructuring and fixed cost absorption via F&B
- A highly engineered capital stack providing the exact runway needed to cross the 14-month breakeven threshold