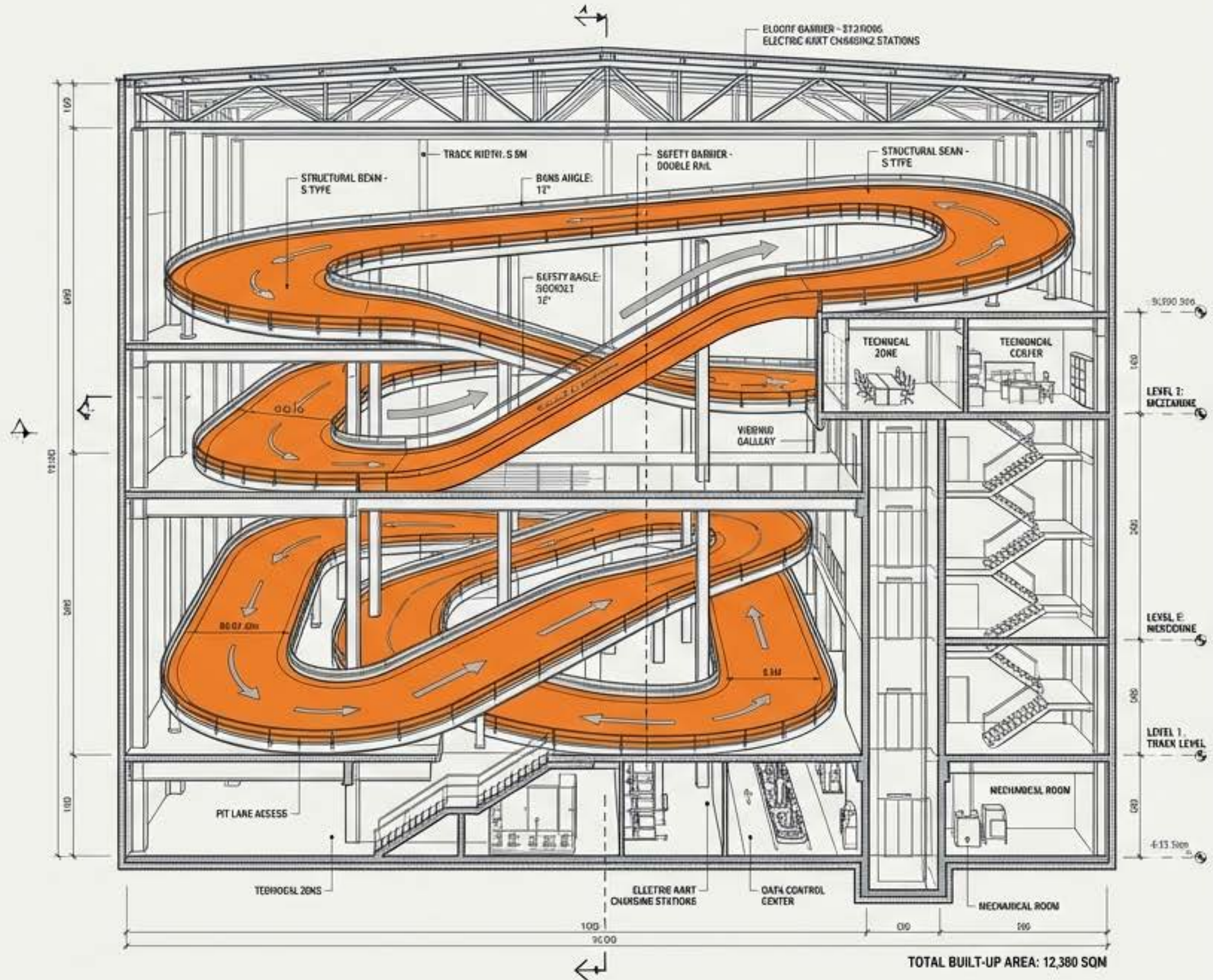


# THE BLUEPRINT: CAPITAL REQUIREMENTS & STARTUP BUDGET FOR INDOOR GO-KART TRACKS.

Inter A strategic financial roadmap for facility build-out, operational launch, and runway survival.



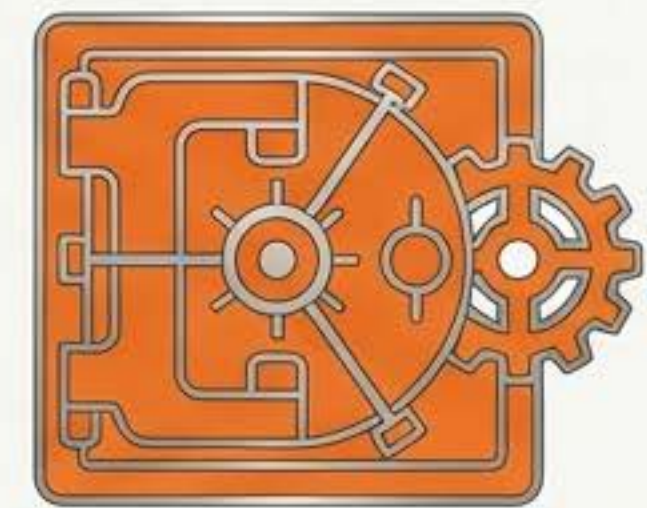
# Structuring the Capital Requirement



**Pillar 1:** Initial CAPEX. The heavy investments. Track construction, electric karts, and lap timing systems.

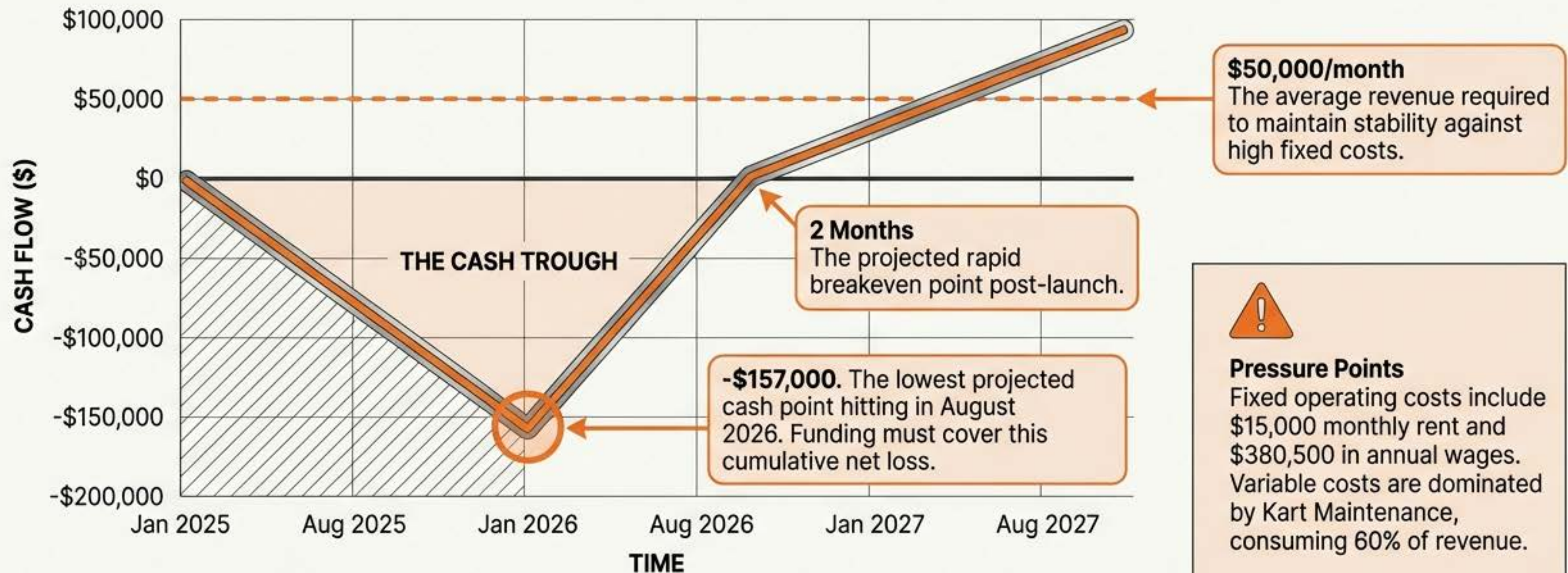


**Pillar 2:** Pre-Opening OPEX. The cost of standing still. Fixed overhead and core labor before revenue flows.



**Pillar 3:** Working Capital Runway. The survival net. 3 to 6 months of cash buffers to outlast construction delays and operational surprises.

# Navigating the Cash Trough



# Pillar 1: Capital Expenditures (CAPEX)

Physical assets and structural improvements dominate the initial investment, consuming 60% or more of total startup capital.



60%  
CAPEX

A donut chart with a thick orange ring and a grey ring. The orange ring represents 60% of the total, and the grey ring represents 40%. The text '60% CAPEX' is centered in the white hole of the orange ring.



0%  
CAPEX

A donut chart with a thick orange ring and a white ring. The orange ring represents 0% of the total, and the white ring represents 100%. The text '0% CAPEX' is centered in the white hole of the orange ring.

**Context Note:** The total capital expenditure (CAPEX) required to launch a large-scale Go-Kart Track is approximately \$12 million. The following slides detail the primary startup and equipment outlay subset required to get the doors open.

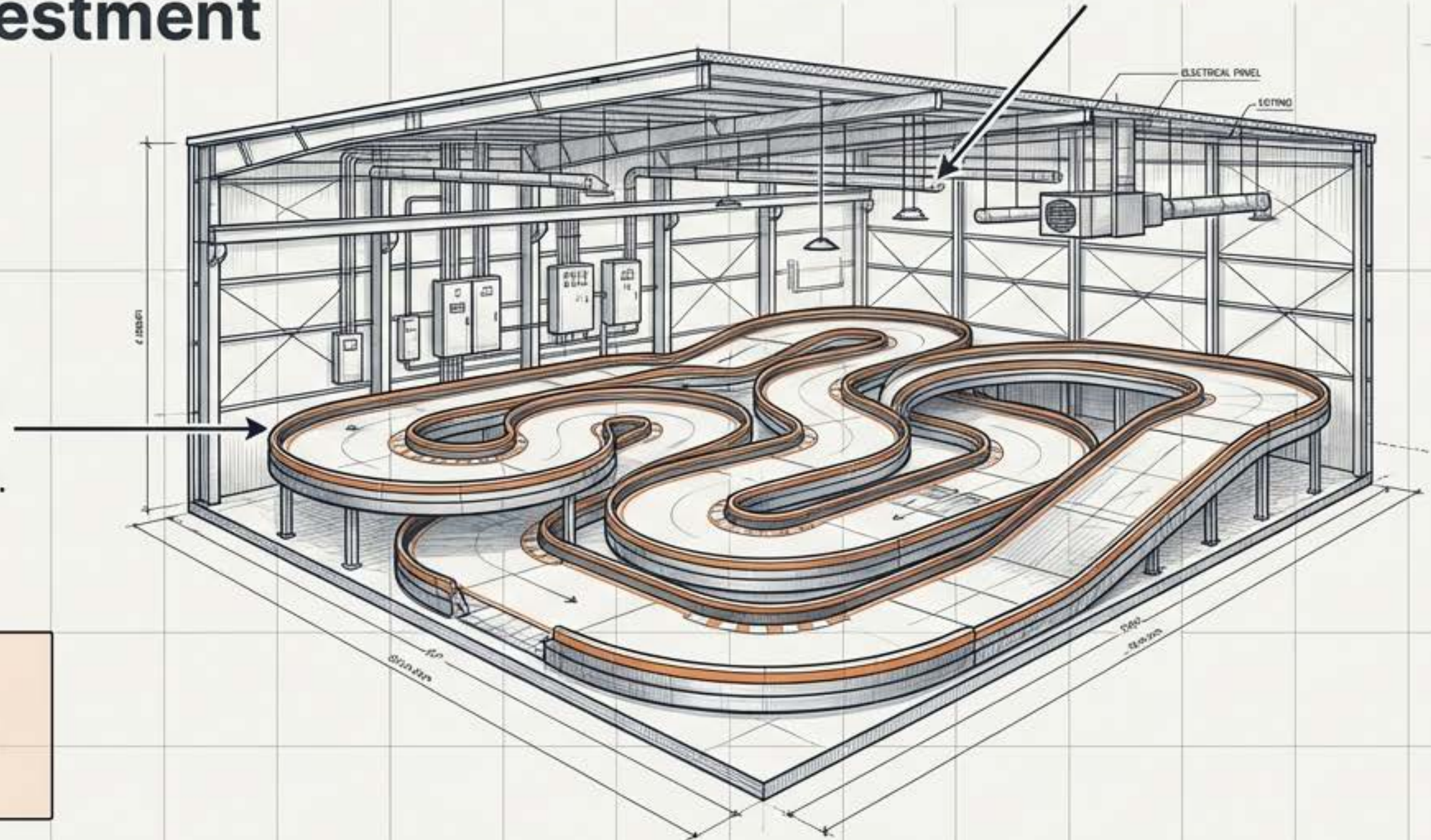
# Startup Cost 1: Facility Build-Out

## \$550,000 Total Investment

(Approx. 33% of core startup capital)

**Leasehold Improvements (\$250,000):**  
Upgrades for specialized electrical capacity.  
Aggressively negotiate tenant improvement (TI) allowances to offset this.

**Track Construction (\$300,000):** Driven by square footage needs for a multi-level layout. Control spend by using standard, proven track designs.



### Timeline Risk

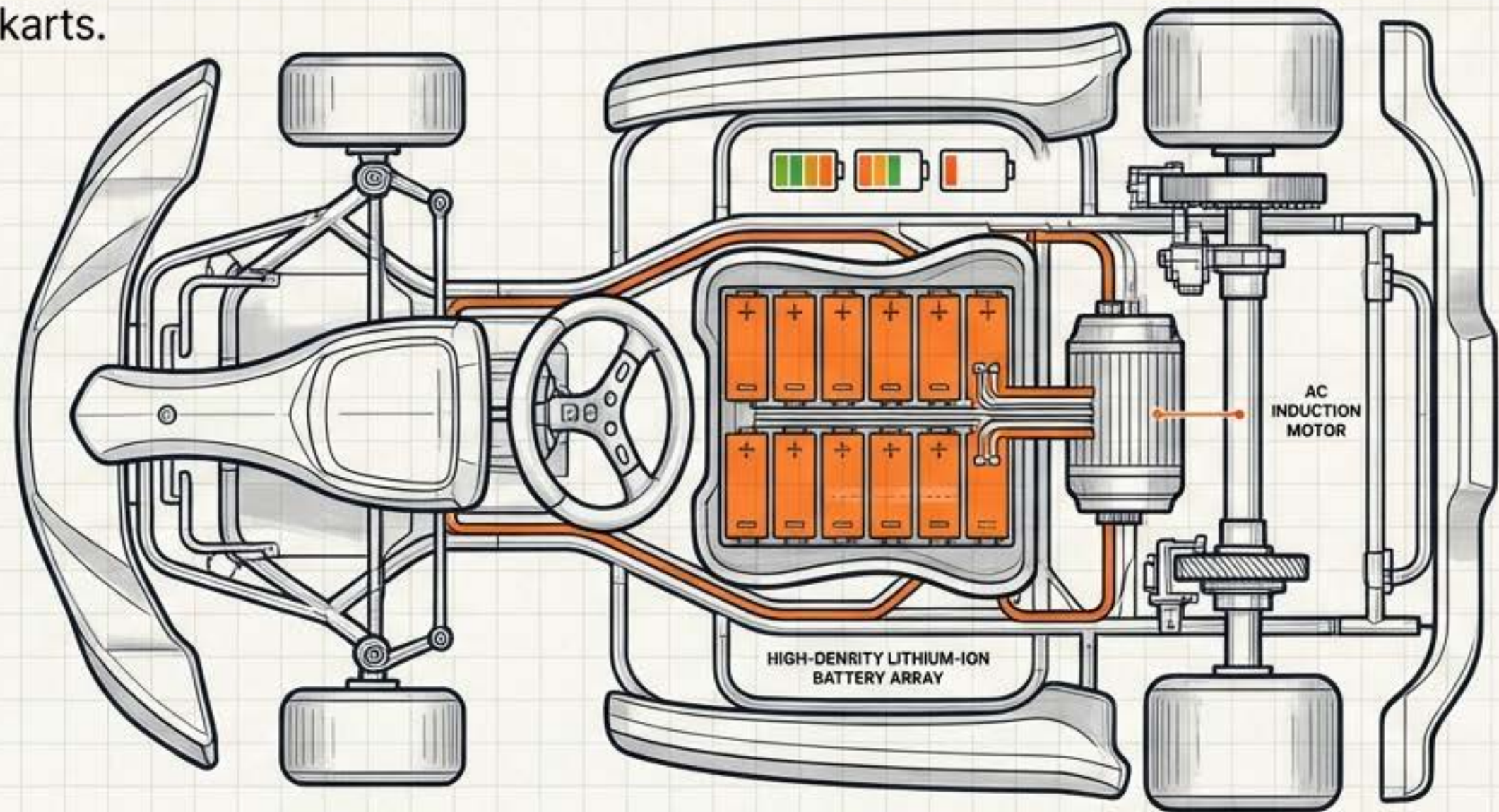
Construction delays burn pre-opening cash. Avoid engineering change orders once permits are issued.

# Startup Cost 2: The Electric Fleet

## \$400,000 Total Investment

Procuring 20 high-performance electric karts.

Strategic Input: Determine fleet size based on peak hourly throughput, then add a mandatory 15% buffer for charging and maintenance rotation.

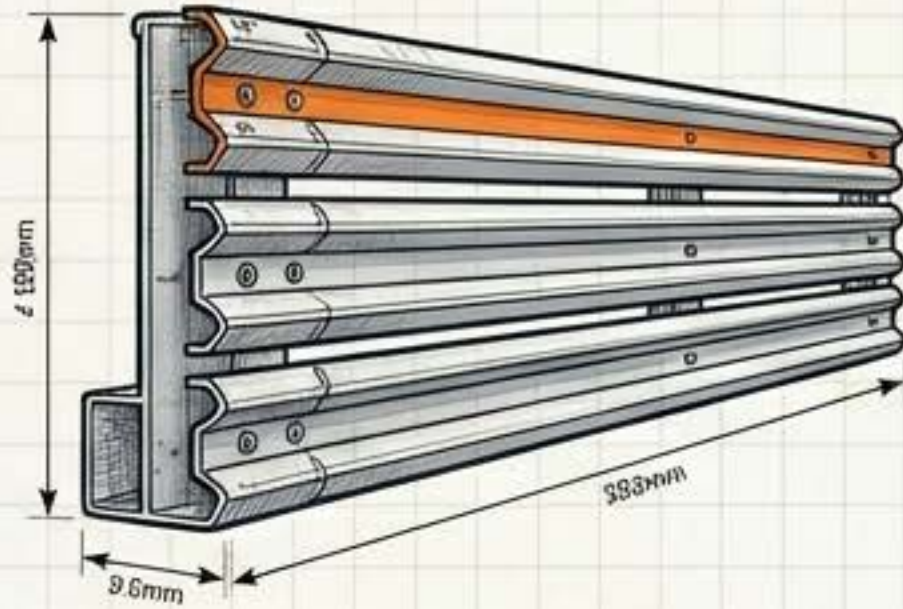


### The Uptime Trap.

Under-budgeting here caps hourly revenue. Running without the 15% maintenance buffer risks losing 20% of potential race ticket sales during peak weekend slots.

# Startup Cost 3: Safety & Timing Infrastructure

## \$150,000 Total Investment

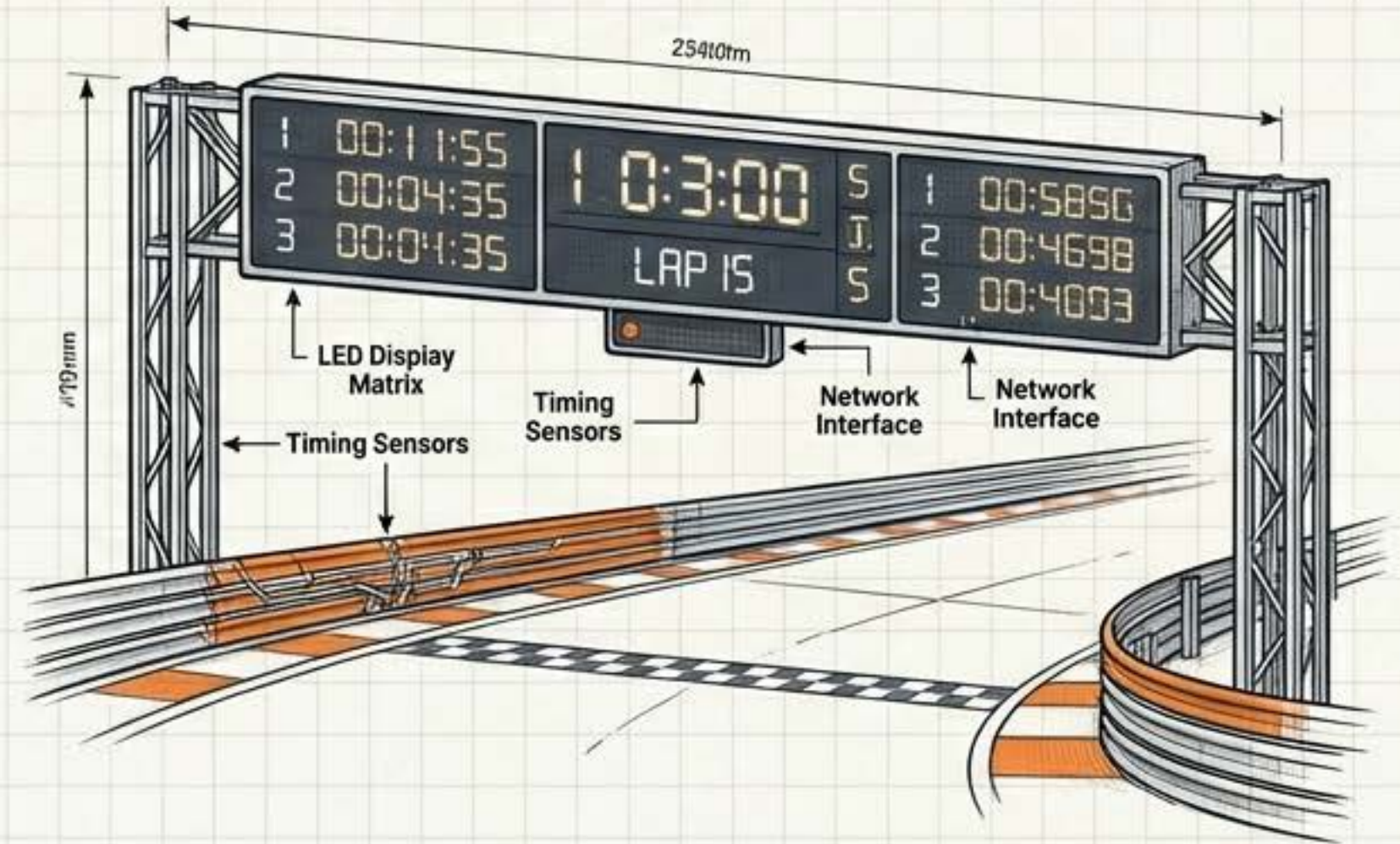


**Safety Barriers (\$80,000):**  
Non-negotiable physical containment. Verify quotes include installation labor.

**Timing System (\$50,000):**  
Essential for lap scoring. Negotiate service level agreements (SLAs) upfront.



**POS Hardware (\$20,000):**  
Sales capture terminals. Consider leasing initially to preserve cash.



### Timing Accuracy Risk.

Customers pay for verifiable results. If the timing system fails, race revenue validation stops cold.

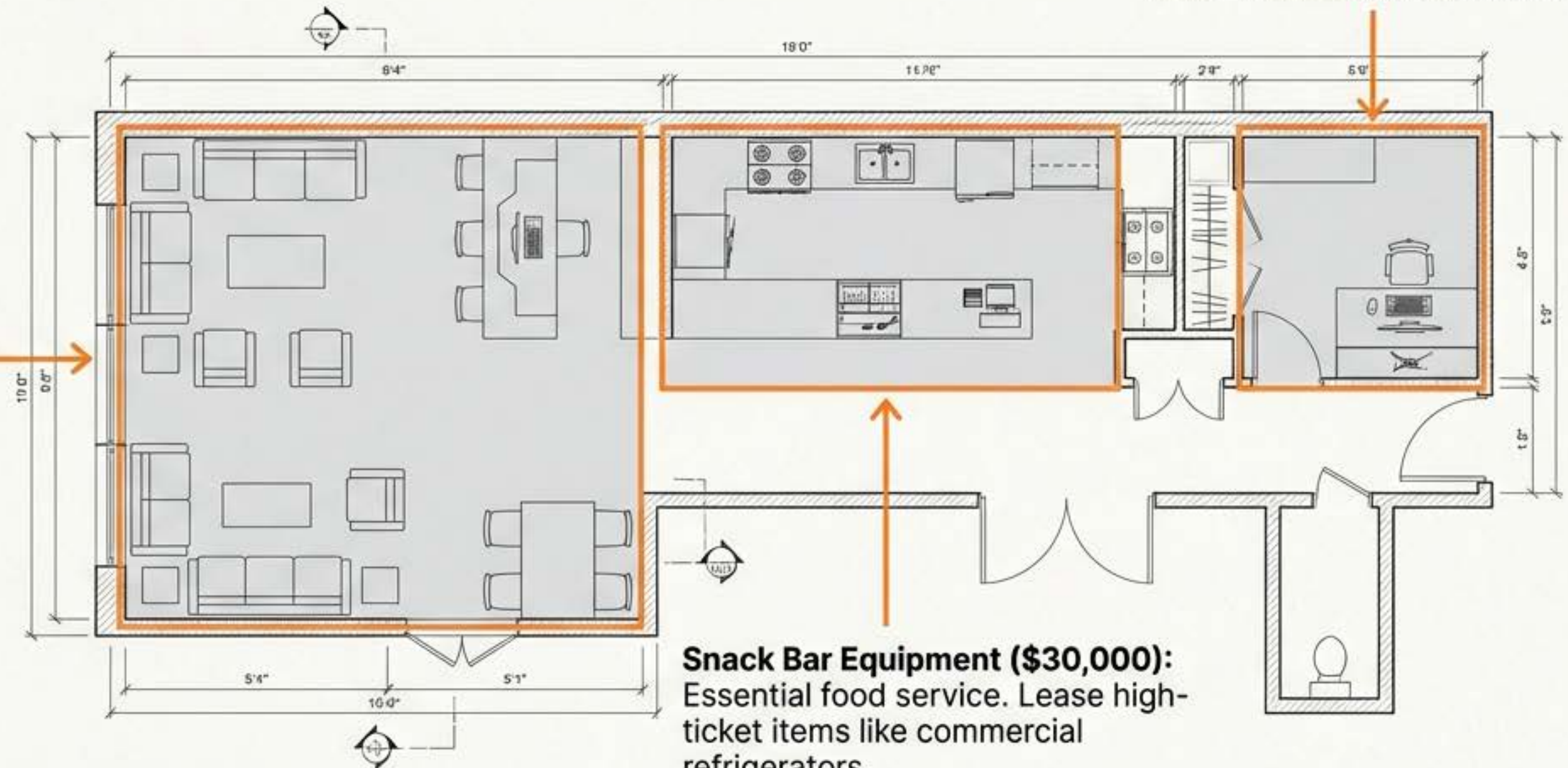
# Startup Cost 4: Ancillary & Furnishings

## \$85,000 Total Investment

(Represents 10.5% of the ~\$805,000 core startup funding requirement).

**Office Equipment (\$15,000):**  
Back-office management tools.

**Furniture/Fixtures (\$40,000):**  
Lobby seating and spectator areas.  
Source durable, used commercial seating to save cash.



**Snack Bar Equipment (\$30,000):**  
Essential food service. Lease high-ticket items like commercial refrigerators.

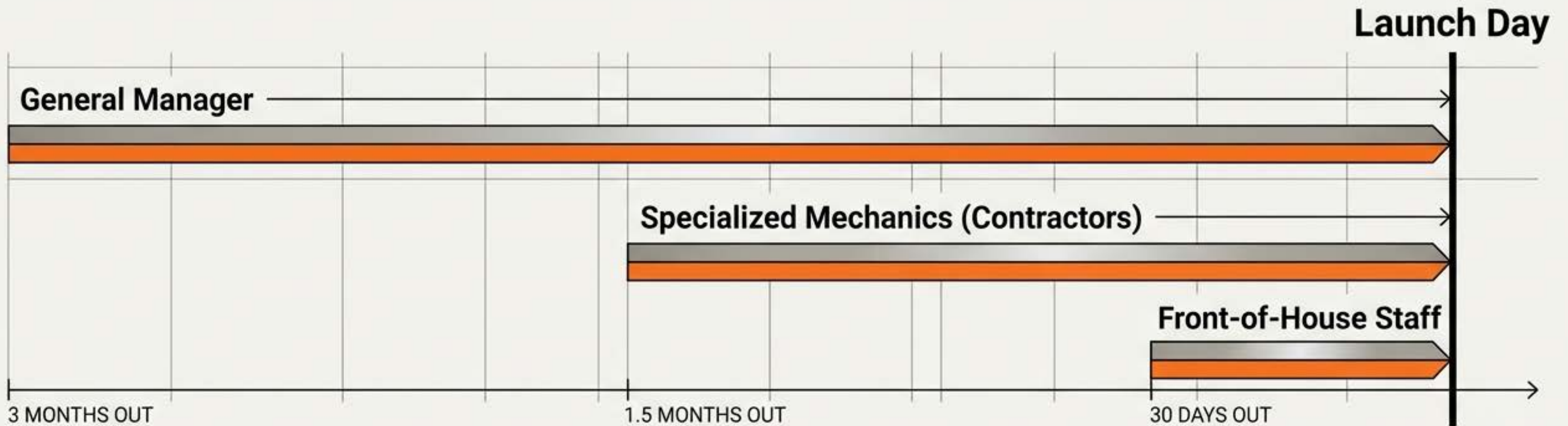
Crucial for driving high-margin ancillary revenue.



# Startup Cost 5: Pre-Opening Labor

## \$95,125 Wage Buffer

Secures 3 months of core salaries (GM and Mechanics) prior to launch.



**Tactic:** Stagger hiring based on operational readiness. Use contractors for technical setup instead of full-time hires early on.



**Schedule Creep.** If track construction slips by just 4 weeks, you instantly need an extra \$21,140 just to keep the core team paid.

# Startup Cost 6: Pre-Opening Fixed Overhead

## \$71,400 Cash Buffer

Funds 3 months of essential overhead before ticket sales begin.

### The Monthly Burn Rate:

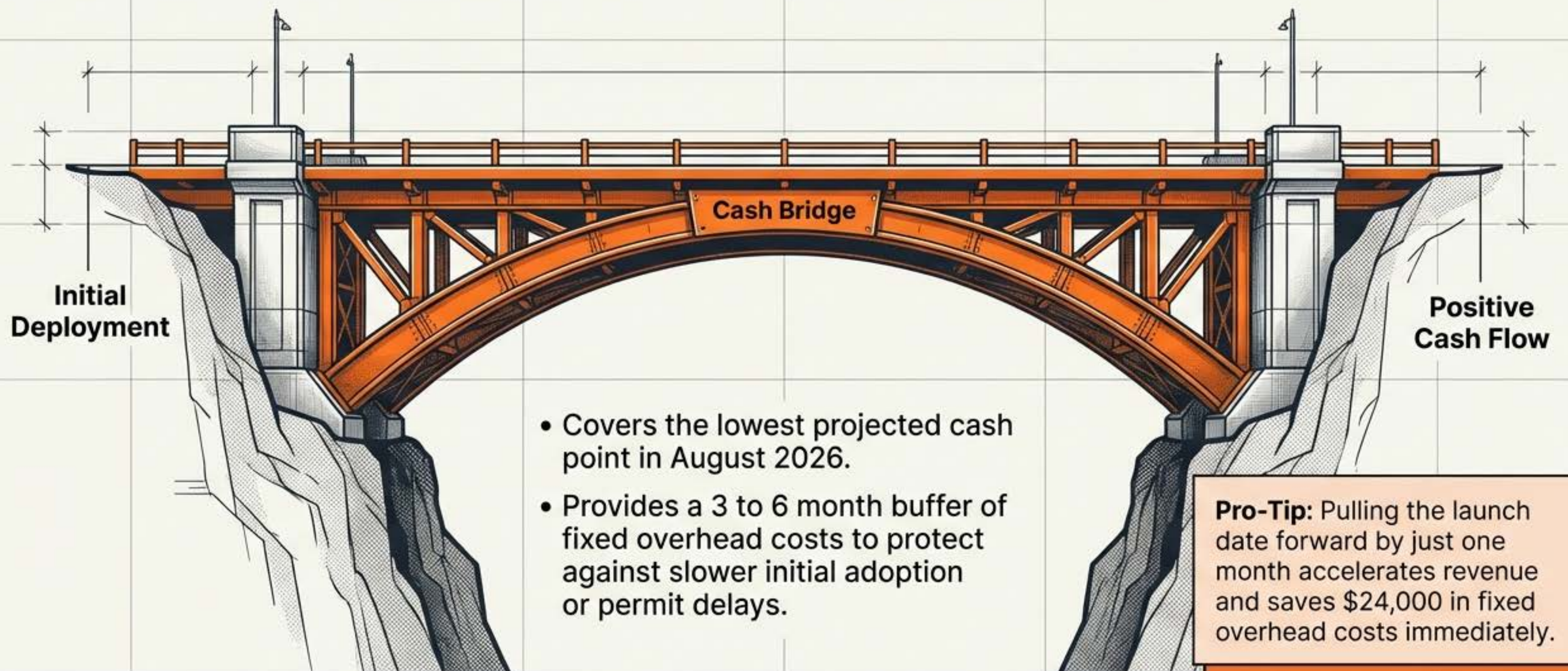
\$19,000 total  
(\$15,000 Facility Rent  
+ \$4,000 Utilities).



**Mitigation Tactics:** Aggressively seek rent-free months (abatement) in the lease and set utility accounts to minimum service levels during construction.

# Pillar 3: Working Capital & Contingency

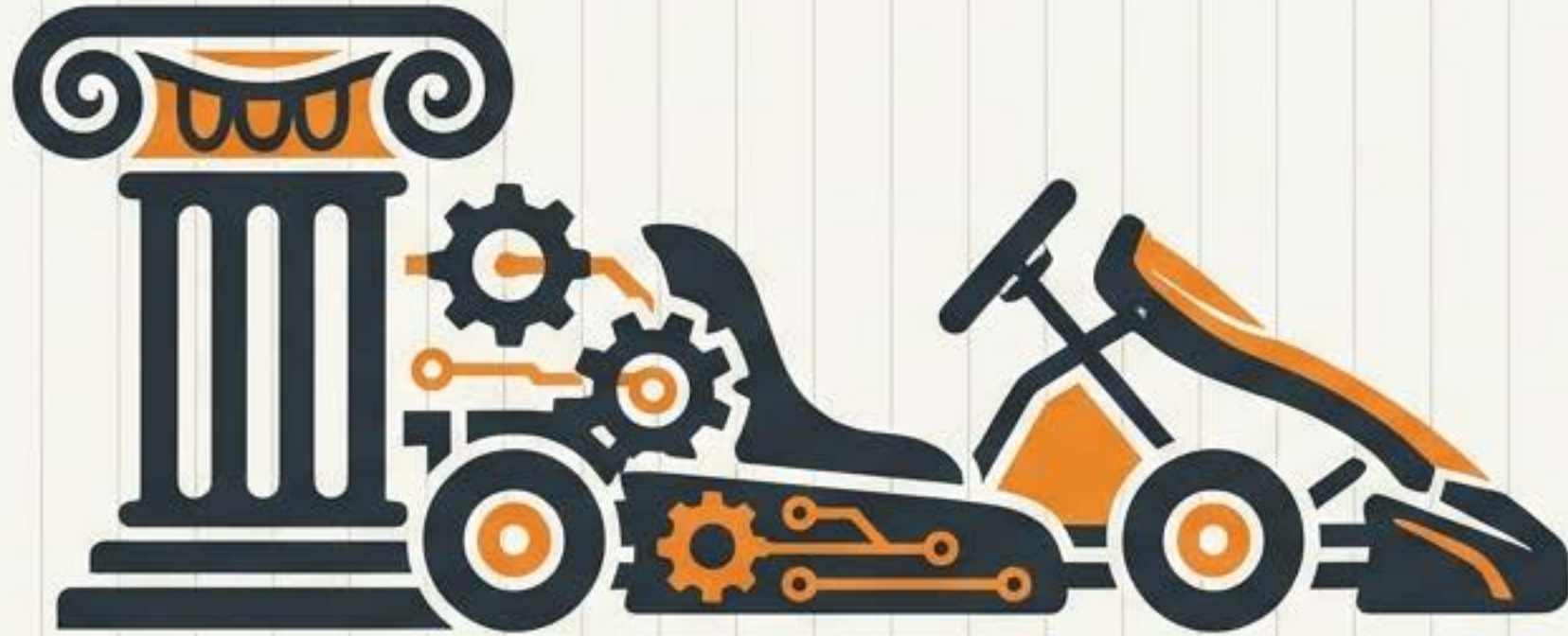
## \$157,000 Minimum Safety Net



- Covers the lowest projected cash point in August 2026.
- Provides a 3 to 6 month buffer of fixed overhead costs to protect against slower initial adoption or permit delays.

**Pro-Tip:** Pulling the launch date forward by just one month accelerates revenue and saves \$24,000 in fixed overhead costs immediately.

# Funding the Dream: Asset-Backed Debt

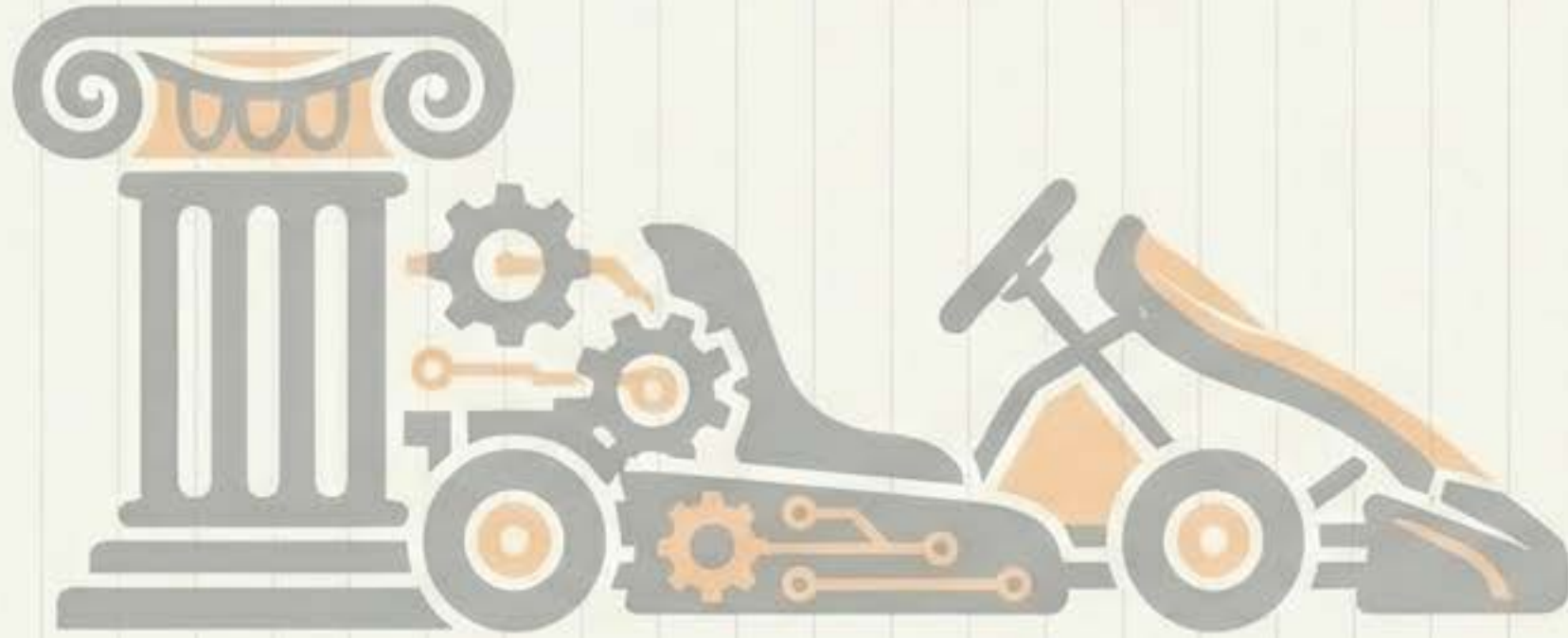


Structure financing by using debt for high-cost physical assets.

- **Target Asset:** The \$400,000 electric kart fleet.

**Strategy:** Use equipment financing or leasing to spread the cost over the asset's useful life. Securing debt against tangible assets is easier to acquire and minimizes early equity dilution for founders.

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# Funding the Dream: Equity Allocation

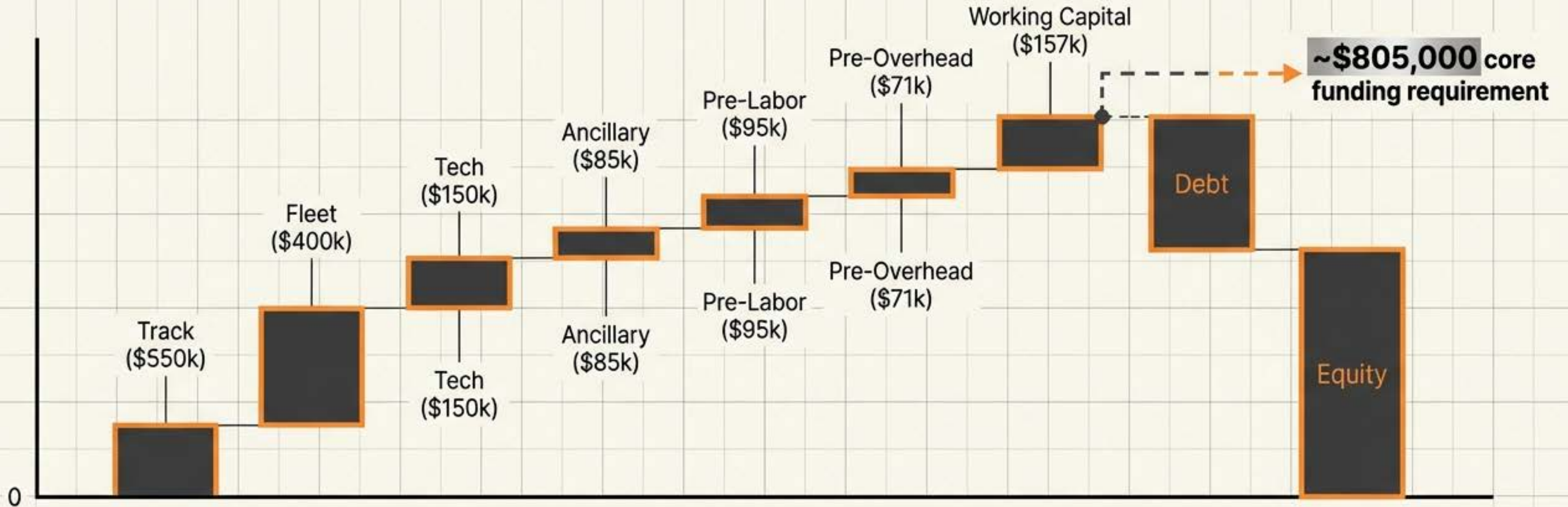


Deploy founder and investor equity to cover softer startup expenses and operational runways.

## Target Allocations:

- Intangible setup costs (e.g., the \$50,000 lap timing system).
- Pre-opening marketing and facility customization.
- Securing at least 6 months of operational runway and initial working capital before race revenue flows.

# The Final Checklist



**CAPEX:** Build-Out (\$550k) | Fleet (\$400k) | Tech (\$150k) | Ancillary (\$85k)

**OPEX:** Pre-Launch Labor (\$95k) | Pre-Launch Overhead (\$71k)

**SURVIVAL:** Working Capital (\$157k)

Align your asset-backed debt to your physical fleet, allocate equity to your operational runway, and relentlessly defend your timeline.