

INITIAL FINANCIAL PROSPECTUS

Year One Financial Operations

Monthly Running Budget and Sustaining Capital Requirements for Apex Forme

Total monthly and annual capital requirements to sustain operations

TARGET MONTHLY OPERATING BUDGET

\$65,500

Average monthly burn across all 12 initial months.

TOTAL YEAR 1 CASH REQUIRED

\$850,000

Fully capitalized runway to reach operational stabilization, inclusive of contingency buffers.

Baseline operational assumptions driving the financial model



Facility Footprint

8,500 Usable Square Feet.



Operating Schedule

98 Hours per Week / 7 Days per Week.



Target Capacity

1,200 Active Members at Stabilization.



Market Positioning

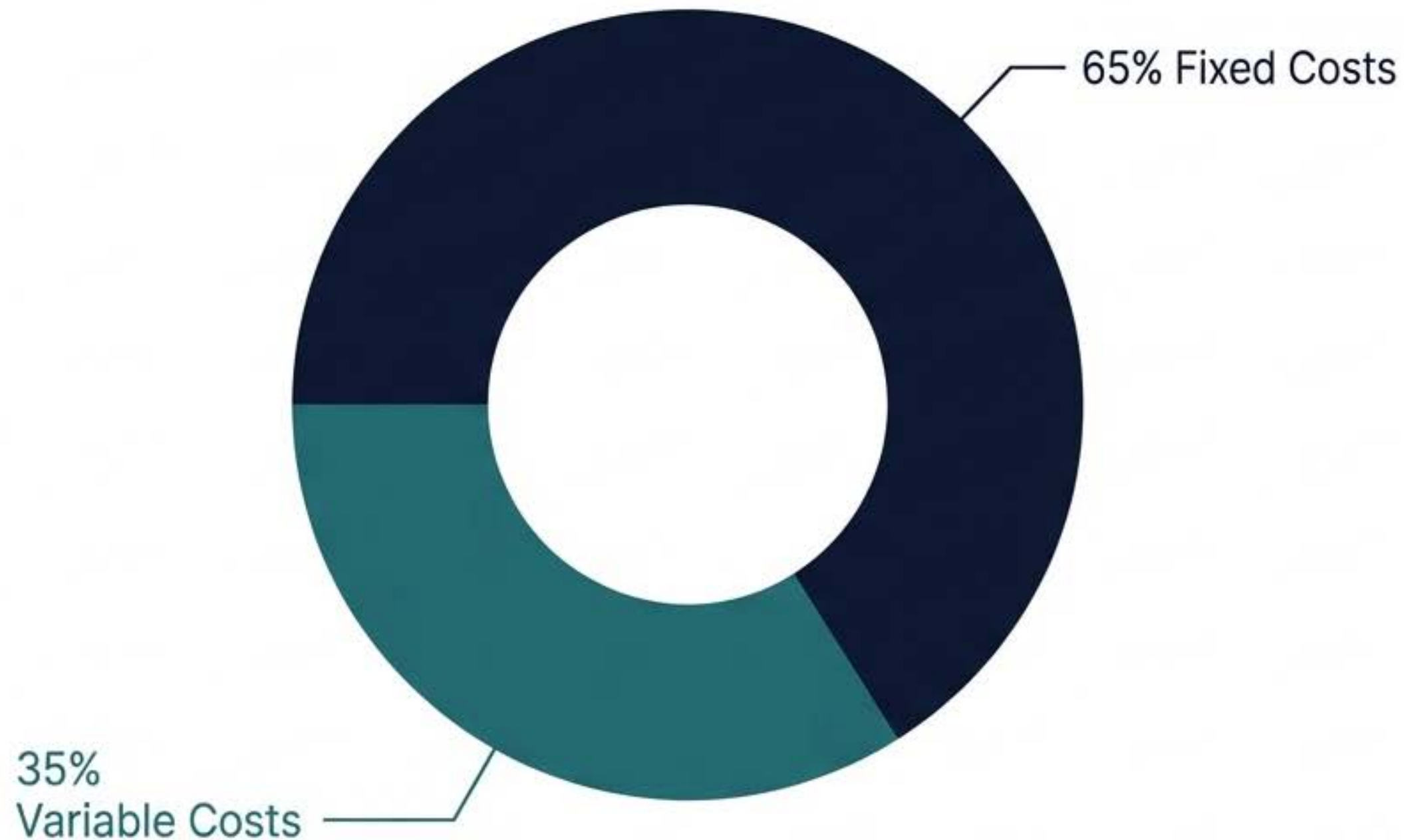
Premium tier operating in the downtown Austin pricing environment.

How the monthly operating budget breaks down across five core pillars

Facility and Payroll account for 73% of ongoing operational expenditures, establishing a rigid but predictable baseline.



Balancing predictable overhead with scalable operating costs



Fixed Costs (Non-Negotiable)

- Rent, Base Management Salaries, Insurance premiums, core SaaS Subscriptions.

Variable Costs (Scalable)

- Hourly Wages (Trainers/Front Desk), Marketing Spend, Member Amenities, Utility usage.

A healthy 35% variable ratio allows management to aggressively pull back spending during slower seasonal months without defaulting on core obligations.

Securing and maintaining the physical footprint



Facility Metrics

Lease Type

Triple Net (NNN)

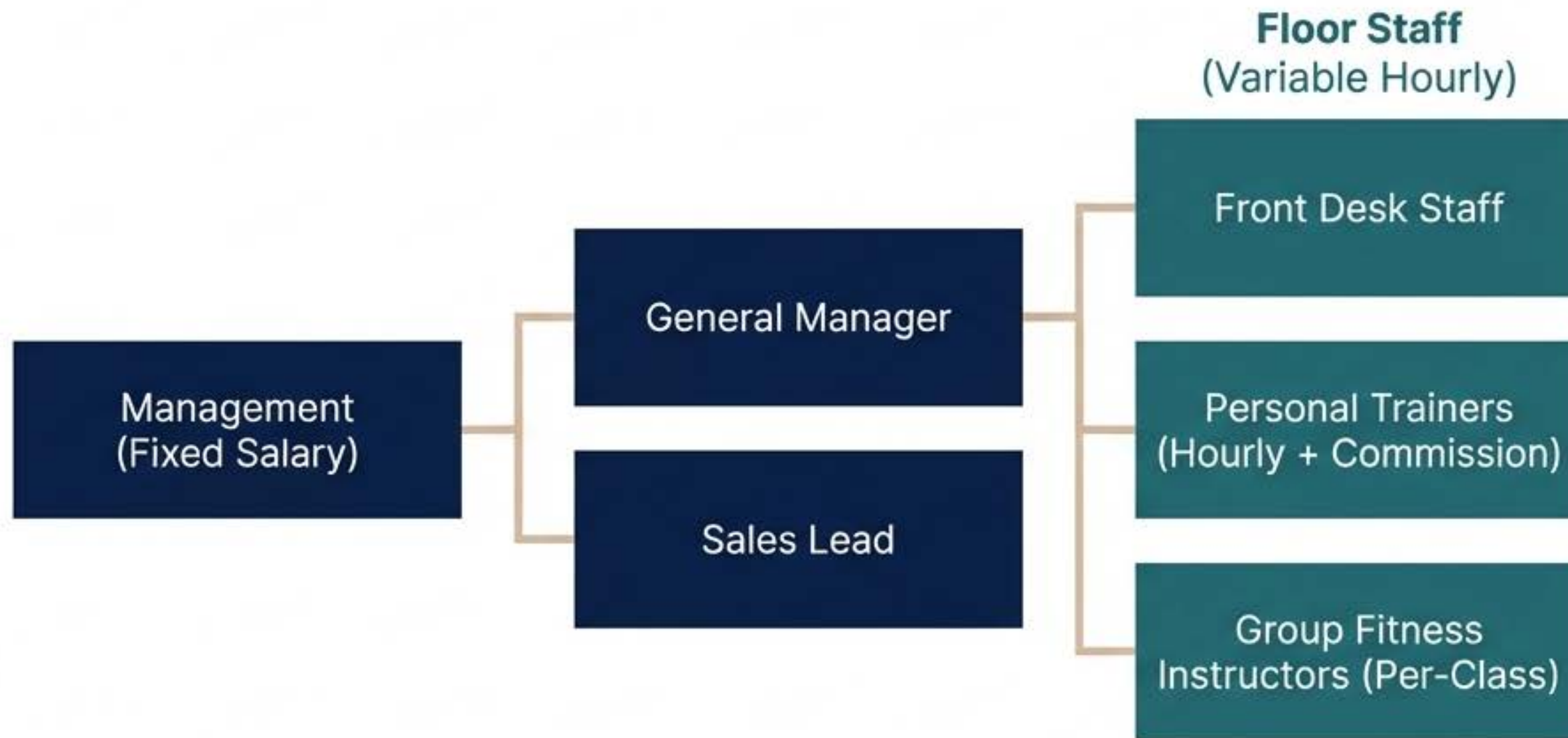
Lease Duration

10 Years

Cost Per Square Foot

\$21.17 Annualized

Sustaining an expert team to drive member experience



Payroll Assumptions

Total Headcount

14 FTEs

Average Front-line Wage

\$22/hr

Monthly Burden Rate

24% (Taxes & Benefits)

Funding member acquisition and community retention



The \$5,500 monthly marketing budget is strictly calibrated to achieve a target Customer Acquisition Cost (CAC) of \$85, ensuring sustainable and highly efficient growth toward our 1,200 member stabilization capacity.

Powering the operational infrastructure and compliance



Tech Stack & Software

- Monthly SaaS subscriptions for CRM
- Billing Gateway and payment processing
- 24/7 Access Control security systems



Regulatory & Compliance

- General Liability Insurance premiums
- Worker's Compensation policy coverage
- ASCAP/BMI Music Licensing fees



Professional Administration

- Retainers for external bookkeeping
- On-call legal counsel advisory
- Institutional banking and merchant fees

Delivering a consistent premium member experience



Equipment Maintenance Sinking Fund

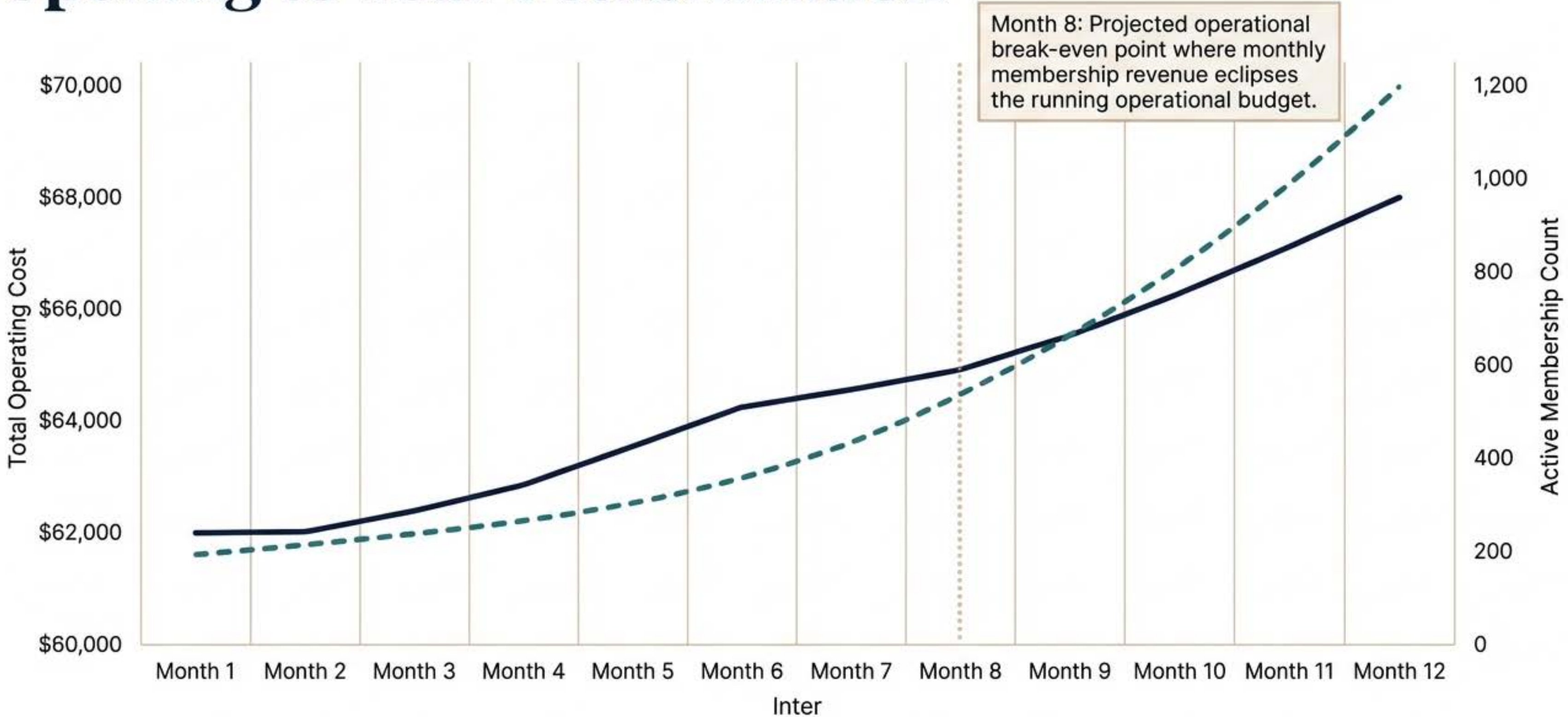
A strict allocation of **\$1,500** per month is diverted into an isolated reserved fund. This explicitly guarantees capital is always available for replacing worn cables, **upholstery**, and **executing preventative** maintenance on all cardio machines without disrupting cash flow.

A built-in financial buffer to absorb operational volatility

A strict 13% contingency buffer is applied to all projected operating expenses every single month.



Monthly cost evolution from grand opening to Year 1 stabilization



Capitalizing the first year of operations guarantees runway for stabilization

Total Year 1 Running Budget	\$786,000
Projected Operating Break-Even	Month 8
Contingency Reserves Embedded	13%
Total Required Capitalization	\$850,000

Action Required

Pending board review and funding approval to initiate real estate finalization and the pre-sale marketing phase.

Approve Capital Allocation