BT PROJECTS

PROJECT DIRECTION · COST CONTROL · OPERATIONS

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Business plan

Padel Club Colina del Paraíso

Benahavís (29679) · Málaga · Costa del Sol

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Estepona · July 2026

Indicative render — the sports area of Colina del Paraíso as a padel club. Layout, court count and clubhouse position to be confirmed by the topographic survey.

Executive summary

We propose to lease the sports area of the Colina del Paraíso aparthotel in Benahavís, remove the two tennis courts, build four new panoramic padel courts, refurbish the two existing ones, and operate the result as a six-court club with an academy, tournaments and camps.

The landlord is asked for no money — and, this time, not handed the business either. He chooses between three structures: rent only at €36,000 (worth ≈ €807,000 over the term); the base case of €28,000 plus 5% of EBITDA (≈ €775,000 — he earns more when the club earns, never pays when it loses); or, if he invests €200,000 in works on his own plot, an upgraded lease with a 6% revenue share and 8% of the company worth ≈ €1.26 M plus dividends. Rent prices the land; the upside is reserved for capital.

	Base case	
Total funding requirement	€739,050	CAPEX €677,050 + working capital €62,000
Equity at risk	€369,525	Balance: bank debt and court leasing at 3.75% over 12 years
Occupancy assumed	40%	Capped. Never exceeded in any year of the plan
Blended court price	€28/h	€24 off-peak, €32 peak, €15 in the summer heat band
Revenue / EBITDA, year 3	€522,521 / €136,132	26.1% margin · €87,087 per court
Equity IRR	**14.7%**	**11.2% unlevered · 4.7× cash-on-cash · payback 8.5 years**
Break-even occupancy	28%	Twelve points below the plan · DSCR year 3 = 2.9×

Why the return is what it is

- Every assumption is deliberately conservative. We open with no brand, no members and no booking history, on a site inside a private resort with no passing trade. Occupancy is capped at 40% in every year; a well-run club reaches that after two or three years, not on opening. Year 1 is modelled at a loss and year 2 breaks into profit — that is how this business ramps, and we have not pretended otherwise.
- The plan carries €45,000 of pre-opening marketing and €65,000 in the first trading year, because in this location every customer has to be bought. Cutting that budget is the fastest way to make the occupancy assumptions wrong.
- Leverage works because the unlevered EBITDA yield on invested capital is 20.5% against a cost of debt of 3.75%. The courts, lighting and clubhouse module are financeable assets — manufacturers lease the units themselves — which brings the equity at risk down from €739,050 to €369,525.
- Sweden burned roughly half a billion euros on padel between 2019 and 2024 — ninety bankruptcies, a hundred closures — and it did so with occupancy assumptions of 60–70% in interchangeable suburban warehouses. Section 1.1 addresses that precedent head-on, because it is the right question to ask and this plan is built as its opposite.
- This is a mid-teens IRR on a real, cash-generating asset — not a venture bet dressed up as one. Break-even sits twelve points below plan — and it comes with something a bond never will: your own club. A place with your name on the membership cards, courts you can walk onto any morning, a tournament calendar you host, and a business you can show people rather than describe. The numbers have to work, and they do. But the reason to do this one rather than another 16% is that this one you get to own.

The lease: rent prices the land, upside is reserved for capital

The lease terms are the largest single determinant of the return, and this plan takes a firm position: when the landlord contributes no capital, the rent must price the land — not the business. He is offered three structures:

Structure	His capital	Fixed rent	Variable	Stake	Landlord, year 3	Landlord, total (20 y)
A · Rent only	€0	€36,000, years 1–2 at 50%	—	—	€36,000	≈ €807,000
B · Rent + EBITDA share — base case	**€0**	**€24,000, years 1–2 at 50%**	**5% of EBITDA**	**—**	**≈ €34,700**	**≈ €775,000**
C · Co-investor	€200,000 (works on his own plot)	Same as B	6% of revenue	8%	≈ €55,400 + dividend	≈ €1,258,000 + dividends

The base case assumes structure B. Under C the club pays a richer rent, but the landlord's €200,000 cuts the lead investor's cash requirement from €369,525 to roughly €269,500 and turns the landlord into an aligned shareholder — a different trade, not a worse one.

> **Why the two-year 50% ramp matters more than its size suggests.** Fixed rent charged in full during the two loss-making ramp years is the single most common killer of new clubs — it is the exact pattern behind the Swedish failures of section 1.1. At €14,000 in years 1 and 2, the year-1 cash burn is €45,157 against a €62,000 working-capital buffer. At full rent it would be within €10,000 of exhausting it before the club has sold a single peak-season summer.

What we are asking the landlord for

- A 20-year term. It costs him nothing — that land is not doing anything else — and it is what makes a €677,050 investment amortisable and financeable. The bank lends at 12 years; a lease materially shorter than 20 leaves no cushion behind the debt.
- A ground rent of €28,000, years 1 and 2 at 50%, plus 5% of the club's EBITDA. The fixed part prices the land and is paid every year from day one; the variable part pays him only when the club earns — and never costs him a euro if it does not.
- No capital — unless he wants the upside. If he invests €200,000 he is upgraded to structure B: a 6% revenue share and 5% of the company. The richer numbers exist, but they are bought, not granted.

The three things that would kill this

- A materially shorter lease. At 15 years the IRR still reads 15.2%, but the bank debt runs 12 years and the two ramp years eat the front of it — a sub-20-year term strips the financing of its cushion and makes the term sheets harder to obtain. Twenty years is the ask because the financing needs it.
- Failure to secure the debt. Without it the equity requirement doubles and the return falls to 9.7%. Term sheets must be in hand before the lease is signed, not after.
- A permitting overrun beyond six months. The €62,000 working-capital buffer covers six months; beyond that it needs a further capital call.

1. The basis of these assumptions

Every figure in this plan is lower than the figure a promoter would put in front of you. The credibility of the return depends entirely on the credibility of the inputs, so here is the reasoning behind each.

Assumption	Why it is set where it is
Occupancy capped at 40%	We open with zero brand, zero members and zero booking history. Booking platforms rank clubs by reviews and activity; on day one we are at the bottom of the list. Every competitor in the corridor has between five and fifty years of accumulated community. A well-run club reaches 40–50% after two or three years. This model never assumes more than 40%, in any year.
Blended price of €28/hour	Bel Air (€26) and Villa Padierna (€24) sit below us with old glass or concrete-wall courts; NAC fills at €36 — NAC at roughly 12 hours per court per day. We sit at €24 off-peak and €32 peak, blending to €28. Prices surveyed on the ground, July 2026.
No passing trade	The site sits inside a private resort, up a hill, off the A-7. Nobody drives past it. Every customer has to be acquired deliberately — which is why this plan carries €45,000 of pre-opening marketing and €65,000 in year 1, not a token line.
Seasonal catchment	El Paraíso and Atalaya are affluent, but a substantial share of the housing stock is second homes, empty for months. Winter occupancy is modelled at 35%, not at the 45% a town-centre club would assume.
Build cost	Costed at Costa del Sol contractor rates in 2026 with a 10% contingency, not at catalogue prices. Court manufacturers quote the kit; they do not quote the slab, the drainage, the power upgrade or the changing rooms — and that is where the money goes.
Cost of debt at 3.75%	Secured against financeable assets (courts, lighting, modular clubhouse) with manufacturer leasing on the units and an ICO-backed line for the balance. Term sheets to be obtained before the lease is signed.

1.1 The Swedish precedent, and why this is not that

Anyone who has followed padel's recent history in Europe will ask this question before any other, so we will answer it before it is asked.

Between 2019 and 2022 Sweden went from a few hundred courts to more than 4,200. By the end of 2024, over a hundred facilities had closed, around ninety padel companies had filed for bankruptcy, and We Are Padel — backed by Triton — had shut fifty of its sixty-three Swedish clubs. Industry estimates put the capital destroyed at close to half a billion euros. It is the most expensive lesson the sport has produced.

It is worth being precise about what actually failed, because it was not the sport. More than 600,000 Swedes were still playing in early 2024 — a higher participation rate per head than any country in Europe except Spain. What failed was a financing model that mistook a participation boom for an infrastructure thesis: lease a suburban warehouse, drop in six courts, charge €35 an hour, and assume the queue never ends. They were warehouses with nets in them, sitting next to identical warehouses with nets in them, all chasing the same off-peak booking. None of them had a defensible position, so when supply caught demand there was nothing to defend.

What killed the Swedish clubs	What this plan does instead
Occupancy modelled at 60–70% because that is what the boom years showed.	Occupancy capped at 40%, never exceeded in any year, with break-even at 29%.

What killed the Swedish clubs	What this plan does instead
Interchangeable suburban warehouses with no local moat.	A site inside a 112-unit resort (50 apartments, 50 townhouses and 12 penthouses) with captive demand on top of the courts, in a corridor whose only nearby alternative is a fifty-year-old tennis club.
Growth financed as a real-estate arbitrage, on the assumption that courts are the asset.	The courts are not the asset. The academy, the community and the camps are — which is why the academy is 25% of revenue and marketing is 8.6% of it.
Marketing treated as a rounding error, because the courts filled themselves.	€45,000 of pre-opening marketing and €65,000 in year 1, because in this location nothing fills itself.
Heavy fixed rent and leverage against a demand curve that turned.	Ground rent set at land value, at 50% through the two ramp years. Debt service cover of 3.2× at year 3.

> **The Swedish survivors were not the cheapest, the largest, or the best-financed. They were the ones in the right postcode, with a real membership base and a reason to exist beyond the court itself. That is precisely the club this plan describes — and it is why the assumptions in it are deliberately unglamorous.**

2. Competitive analysis

Prices verified in July 2026 from each club's published rates. Distances by road from Colina del Paraíso.

Club	Distance	Padel courts	Court / hour	Private lesson	Positioning
Bel Air Tennis & Padel (Urb. Bel-Air, Estepona)	≈ 2 km 5 min	4	€26	€60	A padel-specialised club — our nearest direct competitor. Its limit is the product: old, well-worn glass, four courts, and no resort dimension. It competes on proximity; we compete on facility and programme.
Villa Padierna Racquet Club (Los Flamingos)	≈ 5 km 10 min	15	€24	€65 (pack: €60)	Anantara brand and scale — but the padel courts are concrete-wall (muro), not glass, and the padel programming (mixings, events) is minimal. Strong name, weak padel product.
NAC – Nueva Alcántara (San Pedro Alcántara)	≈ 12 km 15 min	16 (15 panoramic + centre court)	€36	€70–140	Best club in the world, PadelSpain Awards 2023 and 2024 — and running at roughly 12 hours per court per day (≈80% occupancy, July 2026 survey). The proof that this corridor pays premium prices for a premium product.
Real Padel Club (Marbella)	≈ 14 km 18 min	6 (all outdoor)	€28	€60	Six outdoor courts, none covered. Mid-market reference for the corridor.
Cap Racket Club	corridor	8 (new)	€32	€70–110	Eight new, modern courts with a weak operation behind them. The corridor's clearest proof that hardware without programming does not make a club. Its members are our first acquisition target.

Club	Distance	Padel courts	Court / hour	Private lesson	Positioning
Club de Tenis y Pádel Estepona (Forest Hills)	≈ 10 km 15 min	6	€28	€70	Located away from the demand centre; low activity. Same court price as ours with a far weaker location — a useful floor reference.
Club Pádel Alhambra	corridor	6	≈ €24	€55–90 (privates)	Old, heavily used glass courts; private lessons €55 (1 person) to €90 (4). Confirms the outdoor price band and the ageing state of the mid-market supply.

2.1 Where €28 sits

- 8% above Bel Air (€26) and 17% above Villa Padierna (€24) — but Bel Air's glass is old and worn and Villa Padierna's padel courts are concrete-wall, not glass. Nobody within ten minutes offers new panoramic glass. The premium is not a hope; it is a product gap.
- 22% below NAC, at €36 — and NAC runs at roughly 12 hours per court per day, double the occupancy this plan assumes, at a price 29% above ours. That is the headroom that makes €28 defensible rather than optimistic.
- Our advantage is narrow but real: proximity within the corridor, brand-new courts, and 112 accommodation units sitting on top of the club. It is a good position. It is not a moat, and the bigger clubs can discount if they choose to.

3. Pricing

3.1 Court rental

Band	Hours	Non-member	Member
Off-peak	Mon–Fri 08:00 – 16:00	€24/h	€19/h
Peak	Mon–Fri 16:00 – 23:00 · Sat–Sun all day	€32/h	€26/h
Summer siesta	Jul–Aug 14:00 – 17:00	€15/h	€12/h
10-hour pack	Valid off-peak	€220	€175
Blended average collected		**€28/h**	

€28 is not the average of the rate card — it is the average we expect actually to collect, once you account for the fact that the hours which sell are disproportionately peak hours and the hours which go empty are disproportionately off-peak. It already carries the discount packs and the member rates. The siesta rate is the decision to sell for €15 an hour that would otherwise be worth zero: in July and August, between 2 pm and 5 pm, an uncovered court on the Costa del Sol is unsellable at full price.

3.2 Academy, lessons and memberships

Item	Price	Market reference
Private lesson (1–2 people), 1 h	€55	€60 VP · €60 Real Padel

Item	Price	Market reference
5-lesson private pack	€245	€270 VP · n/a
Group lesson (4 people), 1 h — per person	€14	€15 VP
Adult academy — 1 h/week (monthly)	€46	€49.50 VP
Adult academy — 2 h/week (monthly)	€88	€94 VP
Junior academy — 1 h/week (monthly)	€40	€44 VP
Americana / mix-in (2 h)	€12 · member €8	€12 VP
Individual membership (monthly)	€39	€120 VP
Blended revenue per academy court-hour	**€46**	**—**

VP = Villa Padierna Racquet Club. Corridor class prices, surveyed July 2026: Bel Air €60, VP €65, NAC €70–140, Cap Racket €70–110, Estepona €70, Real Padel €60, private lessons €55–90. Our blended €46 per academy court-hour undercuts every one of them. In year one we are buying a roster, not harvesting one — and the academy is what fills the mornings, which is the difference between 29% occupancy and 40%.

4. Occupancy model

4.1 Occupancy by season · 6 courts, year 3

Season	Months	Days	Usable hours/day	Occupancy	Court-hours/ day	Hours/year
High	Jun – Sep	122	12	52%	37	4,514
Shoulder	Mar–May, Oct	123	15	47%	42	5,166
Low	Nov – Feb	120	14	35%	29	3,480
TOTAL / AVERAGE		**365**	**—**	**40%**	**36**	**13,140**

40% of a 15-hour day, 365 days a year. Six courts, thirty-six court-hours sold per day — six hours per court. This is the ceiling in the model. Growth in years 4 and 5 comes from price indexation, not from filling more courts.

4.2 Ramp-up and the split of hours

	Year 1	Year 2	Year 3	Years 4–5
Average occupancy	27%	35%	40%	40%
Court-hours sold	8,870	11,498	13,140	13,140

Use	% of hours	Hours / year (Y3)	Typical band
Open court rental	70%	9,198	Afternoons, evenings and weekends
Academy and lessons	22%	2,891	Mornings (adults), 17:00–19:00 (juniors)
Tournaments, americanas and events	8%	1,051	Weekends
TOTAL	**100%**	**13,140**	

5. Investment and financing

5.1 Capital expenditure

Item	Scope	Amount
4 new panoramic courts	12 mm tempered glass, galvanised structure, competition-grade turf · €24,000/court installed	€96,000
LED lighting — new courts	8 LED projectors per court, zone control	€20,000
Refurbishment of the 2 existing courts	New turf and silica sand, structural survey, glass replacement, LED	€42,000
Demolition and earthworks	Removal of the 2 tennis courts, levelling, drainage	€55,000

Item	Scope	Amount
Slabs and foundations	4 new courts · reinforced concrete with fall and drainage	€62,000
General services	Power supply upgrade, water and drainage connections, distribution board	€44,000
Clubhouse module	≈ 55 m² prefabricated unit: reception, pro-shop and two compact changing rooms in a single build — half the cost of three separate structures	€98,000
Terrace, shade and landscaping	Paving, shade sails, planting, furniture	€14,000
Technology	Booking platform, POS, wifi, CCTV, access control	€14,000
Sports equipment and fit-out	Rental racket fleet, nets, balls stock and coaching equipment. Vending machines are operator-placed at no cost (commission model).	€14,000
Signage and branding	Identity, court wrapping, wayfinding, approach signage	€11,000
Professional fees — integrated project and site direction	Single package at 15% of works: project management plus architect, technical architect and health & safety coordination	€70,500
Licences, taxes and legal	ICIO construction tax, municipal fees, activity licence, incorporation, insurance, legal	€30,000
Pre-opening marketing and launch	See section 7	€45,000
Subtotal		**€615,500**
Contingency (10%)		**€61,550**
TOTAL CAPEX		**€677,050**
Working capital	Funds the year-1 loss and a six-month permitting overrun	€62,000
TOTAL FUNDING REQUIREMENT		**€739,050**

The single clubhouse module is where this plan differs from the obvious approach. A separate reception building and two separate changing-room blocks cost roughly €175,000. One prefabricated unit containing all three costs €98,000, is faster to permit, and is functionally identical to the player walking off court.

5.2 Capital structure

Source	Amount	Terms
Equity — investor	€369,525	Fully at risk. Drawn by milestone (see section 13).
Bank debt and court leasing	€369,525	3.75% over 12 years. Annual service €38,805. The courts, lighting and clubhouse module are financeable assets: manufacturers lease the units themselves, and an ICO-backed line covers the balance.

Source	Amount	Terms
Landlord	€0	No capital. No risk. No guarantee.
TOTAL	**€739,050**	

Leverage works here because the unlevered EBITDA yield on invested capital is 20.5% against a cost of debt of 3.75%. The debt service cover ratio in year 3 is 3.2×, which is comfortably bankable. It also brings the investor's equity at risk down from €739,050 to €369,525.

6. Permits and timeline

This is the largest single risk in the plan. The published range for opening licences in Málaga province runs from four months to over a year, and we have lengthened the timeline accordingly.

Step	Duration	Comment
Preliminary planning consultation	2 months	Confirmation with Benahavís town hall of compatibility and of the buildable area available. Completed before any capital is committed.
Technical design + professional-body stamp	2 months	Building design and activity design.
Major works licence	4–6 months	Required by the clubhouse module. The courts alone could go via a responsible declaration.
Opening / activity licence	In parallel, closing 1–3 months after completion	Sporting activity. Closed out with the completion documentation and the municipal inspection.
Construction	5 months	Demolition, slabs, court assembly, clubhouse, services.
Pre-opening	2 months	Recruitment, booking system, launch campaign, first cohort of members and pupils.
OPENING	**Month 14 – 18**	**From signature of the lease.**

Every month of delay costs roughly €10,000 of EBITDA and burns working capital. The €62,000 buffer covers a six-month overrun without a further capital call — but not more. The preliminary planning consultation is completed before the lease is signed, precisely so that this risk is understood before it is taken.

7. Marketing

Nobody knows this club exists, and nobody will drive past it by accident. Marketing is not a line item here; it is the mechanism by which the occupancy assumptions in section 4 become true.

7.1 Pre-opening · €45,000 (in CAPEX)

Item	Budget
Brand identity, website, booking page, photography and video	€13,000
Launch campaign — geo-targeted paid digital across El Paraíso, Atalaya, El Campanario, Cancelada, Estepona, Benahavís, San Pedro	€12,000
Booking-platform launch positioning and introductory pricing subsidy	€7,000
Opening event, exhibition match, open days	€8,000
Approach and roadside signage	€5,000
TOTAL	**€45,000**

7.2 Ongoing · €65,000 falling to €42,000

Item	Y1	Y2	Y3	Y4–5
Paid digital (Meta, Google, booking platforms)	€24,000	€20,000	€16,000	€15,000
Community and events — americanas, leagues, club nights, prizes	€12,000	€11,000	€9,000	€8,000
Partnerships — hotels, estate agents, gyms, international schools, corporates	€8,000	€7,000	€6,000	€6,000
Content and social media (part-time resource)	€10,000	€9,000	€8,000	€7,000
Camp distribution — European clubs, tour operators, trade fairs	€7,000	€5,000	€4,000	€4,000
Referral and member-get-member scheme	€4,000	€3,000	€2,000	€2,000
TOTAL	**€65,000**	**€55,000**	**€45,000**	**€42,000**

At €45,000 in year 3 this is 8.6% of revenue — a heavy load for a sports club, and the honest cost of building a customer base from zero in a location with no footfall.

8. Revenue

Revenue line	Volume	Average price	Year 3
Court rental	9,198 hours	€28/h	€257,500
Academy and lessons	2,891 court-hours	€46/h	€133,000
Tournaments, americanas and events	18 tournaments + 8 events	—	€22,000
Padel camps	4 camps × 16 places	€350	€22,000
Memberships	≈ 60 average members	€39/month	€28,000
Vending and pro-shop	≈ 52,000 player-visits	—	€52,000
Sponsorship and court advertising	2–3 local brands	—	€8,000
TOTAL REVENUE			**€522,000**
Revenue per court per year			**€87,087**

€87,087 per court per year sits in the lower half of the range for a well-run outdoor club (€70,000 – €110,000). No food and beverage: the Villa Colina restaurant belongs to the landlord and is metres away. Giving up F&B is part of what buys us the term and the rent structure.

8.1 Sponsorship: the full inventory, and why the plan only counts €8,000 of it

The €8,000 in the table is deliberately the most conservative line in the plan — it is roughly the price of the basic back-wall banner on each court and nothing else. The actual advertising inventory of a six-court club with 50,000+ player visits a year is considerably larger:

Inventory	What it is	Market value / yr
Back-wall banners — 6 courts	The standard position, one headline brand per court. €1,000–1,500 each at proven footfall.	€6,000–9,000
Side-mesh and on-glass positions	Two to four secondary positions per court (side panels, glass vinyls at eye height on the terrace side). €500–900 each; 12–18 sellable positions.	€7,000–13,000
Court naming	"Pista [Brand]" on one or two courts, sold on top of the banner package.	€2,000–4,000
Tournament title sponsors	18 tournaments and 8 events a year; local brands pay €300–800 to put their name on one. Even selling half of them:	€3,000–7,000
Academy kit and booking-app presence	Logo on academy shirts, on the booking confirmation and on the club WiFi landing page.	€1,500–3,000
Racket-brand technical partnership	Demo fleet, coach equipment, academy kit at cost, tournament prize support, pro-shop terms. In-kind, not cash — worth €8,000–12,000/yr in avoided cost.	€0 cash
Beverage exclusivity (vending)	Negotiable from year 2, once volumes are proven.	€1,500–3,000
TOTAL — realistic at maturity (year 3+)		**€20,000–35,000**

Inventory	What it is	Market value / yr
Modelled in this plan, every year		**€8,000**

Why model it at a quarter of its potential? Because sponsors buy proven audiences, and a club in year one has none. Advertising here is sold on footfall data — visits, members, tournament attendance, social reach — and we will not have twelve months of it until we do. Committing the plan to money that depends on selling an audience we do not yet have would be exactly the kind of optimism this document avoids everywhere else.

What the low number buys us is a one-way risk. Sponsorship revenue is almost pure margin — the cost is printing a banner — so every euro above €8,000 drops straight to EBITDA. If by year 3 the inventory sells at just the low end of the range above (€20,000), that is €12,000 of extra EBITDA, worth roughly half a point of equity IRR, from a line the plan already treats as zero-growth. The racket-brand partnership should be closed before opening in any case: it dresses the club, equips the academy and stocks the pro-shop at terms we could not get alone, and it costs the brand little because we are their shop window in a corridor they want.

8.2 The mixing engine: how the courts get filled on quiet nights

The hardest problem in padel is not price — it is finding three other players at your level on a Tuesday. A mixing solves it: players sign up individually, the club builds balanced round-robins, everyone plays four short matches with rotating partners, and the evening ends on the terrace. The club stops renting courts and starts organising the sport — which is precisely what Cap Racket, with eight new courts and no programming, fails to do.

Format	When and who	Courts / players	Price/head (2 h)
Weekday evening mixing	Tue and Thu 19:00–21:00, by level	4 courts · 16–20	€12
Weekend americana	Sat morning, prizes from sponsors	5–7 courts · 20–28	€12–15
Themed mixings	Ladies' morning, corporate after-work, resort-guest welcome mixing	3–4 courts · 12–16	€12–15

- The economics: a four-court mixing with 18 players at €12 is €216 over eight court-hours — €27 per court-hour, in line with open rental. The point is not premium yield: it is that these are Tuesday-evening and Saturday-morning hours that would otherwise sit partly empty, sold in guaranteed blocks — plus the drinks and pro-shop spend of twenty people finishing on the Villa Colina terrace. A mixing hour is a filled hour that also feeds the restaurant.
- It is the acquisition funnel, not just revenue. A third of mixing players are typically new faces brought by regulars; every sign-up is a name, a level and a WhatsApp group membership. Three mixings a week is 2,000+ qualified contacts a year — the cheapest marketing in this plan, and the fastest route to the 40% occupancy the model assumes.
- Modelled prudently: mixing revenue sits inside the existing court-rental and ancillary lines at standard rates — the €56/court-hour uplift and the drinks are not separately counted. Another line that can only surprise upwards.

8.3 The boutique layer

What separates a premium club from a court-rental business is a short list of details, executed every day:

- Chilled towels courtside — served after every match and clinic, as at NAC and THE IO. Trivial cost, outsized perceived value; it is the single most-commented amenity in premium clubs.
- Court presentation service — daily cleaning and glass polishing to keep the courts looking new. A standing request from the property, and the right one: in a resort, the courts are part of the landscape.
- AI match recording — phase 2, year 2, funded from operating cash flow: an on-site AI server with cameras on two courts as a pilot (~€18,000, deliberately outside the initial CAPEX). Automatic match highlights delivered to players' phones; every shared clip is organic marketing. If adoption holds, extended to all six courts.

None of these is modelled as revenue. The towels and cleaning sit inside the existing operating lines; the AI pilot is a phase-2 decision taken with real occupancy data on the table.

9. Operating costs

Item	Detail	Year 3
Ground rent	Base case (structure B): €28,000 fixed, IPC-indexed, years 1–2 at 50%, plus 5% of EBITDA	≈ €34,800
Payroll	Director / head coach, 2 coaches, 2 FTE front desk — including social security	€158,000
Marketing	See section 7	€45,000
Cost of goods (vending and pro-shop)	50% on €52,000 of sales	€26,000
Utilities	Electricity (LED), water, hot water	€23,000
Court maintenance	Sand, nets, glass, turf repairs · €2,700/court	€16,000
Cleaning	Clubhouse and courts	€13,000
Booking software and platform commissions		€11,000
Balls and consumables		€9,000
Insurance	Public liability and property	€8,000
Accounting, tax and legal		€11,000
BT Projects — financial control and reporting	€2,400/month retainer	€28,800
Other and contingency		**€16,000**
TOTAL OPERATING COSTS		€386,000

Debt service (€37,100 a year) sits below EBITDA and is not in this table.

9.1 Payroll, line by line

Role	Basis	Year 3
Esteban Novoa — club director and head coach	Self-employed retainer: €2,400/month + VAT, plus his own lessons paid hourly from the coaching pool	€28,800
Coaches (self-employed)	≈ 2,900 academy court-hours × €22/h blended (€20/h group floor, private lessons higher)	€64,000
Reception / club staff	2 FTE covering a 15-hour day, €26,000 employer cost each	€52,000
TOTAL PAYROLL		**€144,800**

Coaches invoice as autonomos by the hour — €20/h is the floor for group teaching, private lessons above. The club sells the academy hour at €46, and that €46 already includes the court: the academy is, deliberately, a machine for selling court hours with a coach attached. The €24/h spread covers the court and its margin. Nobody is on salary except the director: teaching cost scales with revenue, not against it.

10. P&L, cash flow and returns

Base case: structure B — a 20-year term, €28,000 of fixed ground rent (years 1 and 2 at 50%) plus 5% of the club's EBITDA, and €369,525 of debt at 3.75% over 12 years.

	Year 1	Year 2	Year 3	Year 4	Year 5
Average occupancy	27%	35%	40%	40%	40%
Revenue	€352,702	€457,206	€522,521	€532,971	€543,631
Ground rent	€14,000	€18,436	€34,807	€35,503	€36,213
Payroll	€145,360	€151,680	€158,000	€161,160	€164,383
Marketing	€65,000	€55,000	€45,000	€45,900	€46,818
Other operating costs	€136,038	€145,234	€150,982	€154,001	€157,081
Total operating costs	€359,054	€368,478	€386,389	€394,116	€401,998
EBITDA	**−€6,352**	**€88,728**	**€136,132**	**€138,855**	**€141,633**
EBITDA margin	−1.8%	19.4%	26.1%	26.1%	26.1%
Depreciation	€33,853	€33,853	€33,853	€33,853	€33,853
Interest	€13,857	€12,922	€11,951	€10,944	€9,899
Profit before tax	−€54,062	€41,952	€90,328	€94,058	€97,880
Corporate tax (25%)	—	€10,488	€22,582	€23,515	€24,470
Net profit	**−€54,062**	**€36,586**	**€75,717**	**€78,606**	**€81,565**

10.1 Cash flow to equity

	Year 1	Year 2	Year 3	Year 4	Year 5
EBITDA	−€6,352	€88,728	€136,132	€138,855	€141,633
– Tax	—	−€10,488	−€22,582	−€23,515	−€24,470
– Maintenance capex	—	—	−€5,000	−€5,000	−€39,800
– Debt service	−€38,805	−€38,805	−€38,805	−€38,805	−€38,805
Cash flow to equity	**−€45,157**	**€39,434**	**€69,745**	**€71,536**	**€38,557**

Year 1 is funded from the €62,000 of working capital, with €10,000 to spare. From year 3 the club is self-financing: it services its debt, pays its tax, and distributes. The year-5 maintenance capex is the five-yearly turf replacement.

10.2 Returns

Return metric	Base case
Total funding requirement	€739,050
Investor equity at risk	€369,525
EBITDA yield on total invested capital (year 3)	18.4%
Unlevered IRR over the 20-year term	11.2%
Equity IRR over the 20-year term	**14.7%**
Cash-on-cash on equity	5.3 ×
Equity payback	8.5 years
NPV, unlevered, discounted at 8%	+€226,422
Debt service cover ratio, year 3	2.93 ×
Break-even occupancy (at €28/h)	**28.0%**

No terminal value is assumed anywhere. The facilities revert to the landlord at the end of the term. Any sale of the operating company before then — a leasehold club with €120,000 of EBITDA and ten years of term remaining trades at 4–6× — is upside not counted here.

11. The three lease structures, in detail

The base case assumes structure B. Structure C exists so that the landlord's appetite for upside has a price — his capital — rather than being granted for free.

Structure	His capital	Fixed rent	Variable	Stake	Landlord, year 3	Landlord, total (20 y)
A · Rent only	**€0**	**€36,000, years 1–2 at 50%**	**—**	**—**	**€36,000**	**≈ €807,000**
B · Rent + EBITDA share — base case	€0	€24,000, years 1–2 at 50%	5% of EBITDA	—	≈ €34,700	≈ €775,000
B · Co-investor	€200,000	Same	6% of net revenue	5%	≈ €55,400 + dividend	≈ €1,258,000 + dividends

11.1 How to read this

- Structure A prices the land. €24,000 indexed is a real yield on a plot that currently produces almost nothing and consumes maintenance — paid every year, from day one, whether the club thrives or not. What it does not do is give away a slice of a business built entirely with our capital.
- The two-year 50% ramp is the load-bearing clause. Fixed rent charged in full through the loss-making ramp is the classic new-club killer; at €14,000 in years 1–2 the plan self-finances through the ramp with €17,000 of buffer to spare, and no second capital call.
- Structure B is the upgrade path, and it is bought. €200,000 invested on the lead investor's terms converts the lease to fixed-plus-6% and adds a 5% stake — roughly €720,000 more over the term, plus dividends. The stake is the negotiating currency: we open at 5% and hold up to 10% in reserve for the closing table, because a point of equity costs us less than a point of variable rent and reads as generosity. Under C the lead investor's cash requirement falls to roughly €269,500 and the landlord's incentives align with ours.
- If he asks for B-level rent without B-level capital, the answer is the Swedish table in section 1.1. That conversation is why this document exists.

12. Sensitivity and break-even

12.1 Year-3 EBITDA by occupancy and blended price

Occupancy	€24/h	€26/h	€28/h	€30/h	€32/h
28%	€12,004	€23,188	€34,373	€45,558	€56,743
32%	€42,729	€55,510	€68,293	€81,076	€93,858
36%	€73,452	€87,832	€102,212	€116,593	€130,973
40% (base)	**€104,176**	**€120,154**	**€136,132**	**€152,110**	**€168,088**
44%	€134,900	€152,476	€170,051	€187,627	€205,204

Break-even sits at 28.0% occupancy — twelve points below the plan, and below what any established club in the corridor achieves. If we reach 44% rather than 40%, EBITDA rises to €170,051 and the equity IRR moves to roughly 17.5%. The downside is protected; the upside is real but not assumed.

12.2 Upside not in the plan

Lever	Effect on Y3 EBITDA	Comment
Occupancy at 44% rather than 40%	+€33,919	EBITDA rises to €170,051 and the equity IRR to roughly 17.5%. Achievable in year 4–5 with the academy and camps working. Deliberately excluded.
A guaranteed block booking from the aparthotel for guest programming	+€20,000 – €30,000	Costs the landlord nothing net — he recovers it through guest activity fees. Worth asking for; not assumed.
Roofing 2 courts (phase 2, ≈ €200,000)	+€35,000 – €50,000	Rain and summer heat become playable. Funded from cash in year 4, not at entry.
Sponsorship inventory sold at maturity	+€12,000 – 27,000	The plan carries €8,000 flat. The full inventory (section 8.1) is worth €20,000–35,000 a year at proven footfall, at near-100% margin. Not modelled.
Sale of the club as a going concern	4–6× EBITDA	A leasehold club with €125,000 of EBITDA and ten years of term remaining is a saleable asset. No terminal value is assumed anywhere in this plan.

12.3 Worst case: 20% occupancy and the contingency plan

First, what 20% physically means: on 6 courts and a 15-hour day, it is 18 court-hours sold per day — 3 hours per court. In practice: empty mornings, a half-full 18:00–22:00 band, little else. It is a club that has failed at acquisition for two straight years. For reference, the weakest established competitor in the corridor runs above that, and this plan assumes 6 hours per court (40%).

Occupancy	Hours/court/day	EBITDA with contingency	EBITDA without	Cash after debt
20%	**3.0**	**+€6,353**	**−€63,129**	**−€32,452**
22%	3.3	+€26,017	−€42,482	−€12,788
24%	3.6	+€45,681	−€21,835	+€6,876
28%	4.2	+€85,009	+€18,532	+€46,204

The contingency plan, deployable within a quarter: reception cut to 1 person or 2 part-time (€52,000 → €26,000); director and BT Projects at 50% of their retainers (€14,400 each); marketing trimmed to €30,000 — not to zero, which is the death spiral; and the coaches adjust automatically because they are paid by the hour: at 20% the teaching pool falls from €64,000 to about €32,000 without firing anyone. Sixty percent of the club's cost base is variable by design, and this is why.

- With the plan active, the club breaks even on EBITDA at 19.4% occupancy — 2.9 hours per court per day — and fully covers its debt at 23.4%. Without it, the operating break-even is 26.2%: activation buys seven points.
- Between 19% and 23% the problem is not operational but financial: roughly €32,500 a year short of the bank instalment. The order of response: (1) a debt holiday or extension to 15 years (instalment falls to ~€32,700); (2) renegotiate the fixed rent against more variable — the years-1–2 ramp already sets the contractual precedent; (3) only as a last resort, a top-up of ~€32,000/year, sustainable for years out of undrawn capital.
- Triggers: two consecutive quarters below 26% occupancy, or a half-year below 24%. Until then, marketing is not touched.

13. Risks

Risk	Impact	Mitigation
A materially shorter lease	High. At 15 years the IRR is 15.2%, but the 12-year debt loses its cushion and financing terms worsen.	20 years is the opening ask and the term is agreed before anything else. Below 18, the debt structure is re-negotiated first.
Permitting delay	High. Every month costs ~€10,000 of EBITDA and burns working capital.	Preliminary planning consultation completed before any capital is committed. Local consultant with a Benahavís track record. Building and activity licences filed in parallel. €62,000 buffer covers six months.
Debt not secured, or at a worse rate	High. Without it the equity requirement doubles and the return falls to 9.7%.	Courts, lighting and clubhouse are financeable assets; manufacturers lease the units themselves. Term sheets obtained before the lease is signed.
Slow customer acquisition	High. A loss-making year 1 is in the plan; a loss-making year 2 would exhaust the working capital.	€45,000 of pre-opening marketing plus €65,000 in year 1. Introductory pricing. Academy roster built before opening. Break-even at 29%.

Risk	Impact	Mitigation
Bel Air responds on price	Medium-high. It is two kilometres away, padel-specialised, charges €26 and can hold.	We compete on court quality (new panoramic glass against worn glass), lighting, academy and events — not on price. It still caps our pricing power, which is why the plan uses €28 and not €32.
Construction cost overrun	Medium	Cost control by BT Projects. Main packages contracted at a fixed price. 10% contingency.
Key-man dependency on Esteban	Medium	Equity with four-year vesting. A second senior coach from year 1. Documented processes and a transferable academy methodology.
Weather and heat	Medium	Modelled: three hours a day removed in summer, winter occupancy at 35%. The phase-2 court cover is the answer, funded from cash.

14. The team

Esteban Novoa — Club and academy director

Experience	Seven years of professional padel coaching. Head coach at Villa Padierna Racquet Club (Marbella), at De Padel (Bahrain) and at Manila Padel Club (Philippines). Coach at Riviera Sport Club and, through Prodigy Padel, at Villa Padierna.
Qualifications	Certified Padel Coach, Royal Spanish Padel Federation (RFEP). Certified coach, M3 Padel Academy.
Level	Experience training high-performance national players. Competitive player himself.
Languages	Spanish and English.

Read the first line again, because it is the single most valuable asset in this business plan: he was head coach at Villa Padierna Racquet Club — the club five kilometres from our site that this document names as our second competitor. He knows its pricing, its academy, its members and its weaknesses from the inside. He is certified by M3 Padel Academy, which operates out of NAC, the club named best in the world in 2023 and 2024. We are not entering this corridor as strangers.

The second line matters just as much. Head coach in Bahrain and in Manila means he has stood up and run club operations from nothing, in markets with no padel culture and no existing customer base — which is, in miniature, exactly the job here. Building a roster from zero is not a hypothesis for him.

The occupancy assumptions in this plan are, in the end, a bet on him. A club at 28% breaks even and a club at 44% is a good business, and the difference is almost entirely operational: whether there is an americana on Thursday, whether the pupil from the 10 am class comes back in September, whether Saturday's tournament sells out. He will be on site every day.

Braian Y. Tascón — Project direction and financial control · BT Projects

Project manager and finance director with over 12 years in construction and real estate on the Costa del Sol. Certified public accountant and economist. He currently runs high-end residential projects in Benahavís and Marbella with full responsibility for budget, procurement, valuations, cost control and client reporting.

His role is to land the build on budget — at a 26.1% EBITDA margin, a 15% cost overrun is the difference between a 14.7% return and a 12% one — and thereafter to produce monthly financial control, bank reporting and investor reporting. Bilingual Spanish/English.

15. Structure and next steps

Item	Proposal
Vehicle	A newly incorporated Spanish limited company (SL), holding the lease and the operation.
Equity	€369,525 from the investor, drawn by milestone.
Debt	€369,525 of bank debt and court leasing at 3.75% over 12 years. Term sheets secured before the lease is signed.
Landlord	No capital. Structure 3: 20-year term, €18,000 fixed (year-1 holiday) + 6% of net revenue, 10% equity at no cost.
Management	Equity with four-year vesting for Esteban and BT Projects, against tenure and EBITDA targets.
Drawdown	15% on signature of the lease; 30% on grant of the building licence; 45% during construction against valuations; 10% at opening. No material capital committed before the licence is granted.
Governance	Board seat for the investor. Annual budget and marketing plan approved by the investor. Monthly reporting of P&L, occupancy, cash, cost-per-acquisition and DSCR.

What ownership actually looks like. Majority shareholder, on the board, approving the budget — but with the operation in the hands of people who have run clubs before, and monthly reporting built to a professional standard. In practice: play whenever you like, host what you like, bring whoever you like, put your stamp on the place — without your weekends becoming shift work. The structure is designed so that owning the club is a pleasure, not a job.

1	Investor confirms the hurdle rate and the €369,525 equity commitment, subject to conditions.
2	Preliminary planning consultation with Benahavís town hall — before any capital is committed.
3	Negotiate the lease with the landlord. Open on structure A (rent only); B is the expected landing zone; C is presented only if he wants real upside — priced at €200,000 of works on his own plot.
4	Secure debt and leasing term sheets at or below 4%. Without them the structure does not stand.
5	Firm quotes: three court manufacturers, one civil contractor, one modular-building supplier. True the CAPEX up or down against real numbers.
6	Rebuild this model on the firm quotes and the agreed lease terms. Final decision.

Appendix · Assumptions and caveats

- All figures are preliminary estimates built from public market research (competitor rates published as at July 2026, indicative court-manufacturer pricing and Spanish construction price databases) and from the team's experience. They do not replace firm quotations or due diligence. Expected CAPEX variance at this stage: ±15%.
- Occupancy is capped at 40% in every year of the plan. No year assumes more.
- The blended court price of €28 is the price expected to be collected, not the rate card.
- Six courts: four new plus the two existing courts refurbished. A seventh court adds roughly €50,000 of CAPEX and, at the occupancy levels modelled, would sit empty.
- Debt at 3.75% over 12 years is an assumption, not a commitment. It must be confirmed by term sheet before the lease is signed. At 6.5% the equity IRR falls to approximately 11.5%.
- The lease structures modelled here differ materially from the fixed-rent proposal previously discussed with the landlord. That proposal must be re-cut before this plan can be relied upon.
- No terminal value is assumed. The facilities revert to the landlord at the end of the term.