From: <u>Tim Kurtz</u>

To: "Justin Springfield"; Eric Jensen; Brandon Blake; Reece Bautista; Cory McDonald; Jacob Gibson; Rhylan Rowe;

Cc: <u>David DeHaven;</u> ; <u>Chris Gordon; Matt Bourne;</u>

Subject: FW: Diversification opportunities

Date: Saturday, February 10, 2018 9:01:05

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Attachments: ATP marketing deck.pptx

Denton P&L.PDF EXIT P&L .pdf KCD P&L .pdf RNY P&L.PDF

Gentlemen, (confidential, please do not share)

My apologies, I believe I thought I sent this info out to you previously. I you have received it, please disregard. If you have genuine interest feel free to reach back out to me or contact ATP directly if you want to do it yourself or gather a group and go that route.

As you know, I am always hunting for the next business opportunity, we did a ton of due diligence on this brand and this business category and we think it has much potential. Altitude Trampoline Parks are doing some amazing stuff around the world. We have hit it off nicely and a bunch of friends and I have formed "partnerships" and we are moving forward to open parks around the country.

This is NOT a sales pitch or an investor pitch. This is me disseminating information as I like to do. If you have genuine interest, we can chat from there.

How are we going about these deals?

The average start up cost for a unit is about 1.8 mil. We figure a 20% cash investment and 80% debt. We are usually partnering in groups of three or so and purchasing ten unit agreement deals. (build ten units in seven years). The average partner will need to have 150k liquid for the first year and probably another 150k for the second year. After that, all cash flow will go towards expansion and you should not need to reinvest. This is just a brief overview. I have several Planet Fitness owners, other business associates, etc also in deals or in due diligence at the moment. I am a partner in some deals and not involved in others. I am happy to help anybody through due diligence.

Several folks have asked how to get in. I just state that if you have a higher net worth friend with entrepreneurial spirit, bring it to him (her) and if there is interest we can chat.

Separately, Layne's is taking off nicely. The opening numbers are staggering but they are just opening numbers. If this site holds up and Lewisville and Frisco do anything close to the Allen numbers then there will be a real opportunity to franchise. Garrett obviously drives that bus but he does want to franchise so start thinking. Todd, Andrew and I own the North Texas and Houston rights so anything done would be done outside those areas. Garrett will only partner with a seasoned operating team so you will need to bring in a good operator.

Anyhow, below are the informational decks for Altitude Trampoline Parks and attached are a couple park P&Ls. As you can see, I underperforming park makes as low as 100k and top

performing parks hit 1mil (very Planet Fitness like). Confidential so please do not share.

If interested, circle back

You can watch the hype video here:

https://www.dropbox.com/s/peuad5e8twgfcdo/AltitudeHype.mp4?dl=0

Franchise video here:

https://vimeo.com/170524725

Accounting Brochure:

http://www.cdesignsonline.com/Altitude/ATPCO-BRO-AccountingServices-L.pdf

Management Services:

http://www.cdesignsonline.com/Altitude/ATPCO-BRO-ManagementServices-L.pdf

Marketing Services:

http://www.cdesignsonline.com/Altitude/ATPCO-BRO-8pg-MarketingServices-L.pdf

Regards,

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