



Selecting the right location is not merely a detail when establishing successful racquet sports facilities—it is arguably the single most critical factor for ensuring long-term sustainability. Whether investing in Squash, Padel, Pickleball, or Badminton, understanding how location directly impacts sustainability is essential.

Why is Location Critical?

Historical trends offer a clear lesson: many racquet sports facilities that were both popular and financially successful in city centers during the 1980s and 90s have since closed. These closures are rarely due to a lack of demand for the sport, but rather to a single decisive factor: location decisions shaped by shifting real estate dynamics. In essence, the **real estate component became more profitable than the leisure operations themselves**.

A Dual Business Model: Real Estate vs. Leisure

Every racquet sports facility must navigate two interconnected but often conflicting business models:

1. **Real Estate Component** – Focused on land acquisition, construction, and long-term property appreciation.
2. **Leisure Operations Component** – Focused on daily facility management, programming, community engagement, and services such as events, memberships, and hospitality.

Balancing these two elements is essential. Leisure operations demand proximity to vibrant, accessible urban zones, while real estate economics in those same zones increasingly prioritize higher-yield developments—such as residential towers, office spaces, or mixed-use complexes. The challenge lies in finding locations where both dimensions can sustainably coexist.

The Land Cost Dilemma

Racquet facilities require extensive space. A single squash court occupies approximately 60m², and a padel court exceeds 200m². With additional circulation spaces, lounges, and locker rooms, the footprint quickly reaches thousands of square meters.

Such a large footprint becomes economically challenging in central urban areas. Numerous facilities built during the 1980s and 90s have since closed, not due to waning popularity or reduced demand, but because the underlying land's value dramatically increased. Developers often see higher economic returns from alternative developments such as office buildings, hotels, or residential towers.

Key Location-Related Considerations

1. Demographic and Market Analysis

- Match your location to the primary demographic: Padel is popular with urban adults aged 18–45; Pickleball thrives in suburban areas with older adults and retirement communities.
- A successful facility typically needs sufficient local population density within a 10–15 km radius or a 15–20 minute drive for consistent utilization and economic viability.

2. Competition and Alternative Offerings

- Evaluate direct competition from similar racquet sports venues and indirect competition from gyms, wellness centers, and other leisure activities.
- Identify gaps in services that your facility can uniquely address.

3. Real Estate Dynamics

- Recognize that historically, racquet facility closures correlate with surging property values.
- Choose locations with stable, long-term real estate prospects or properties less attractive for alternative commercial developments.

4. Facility Size and Economies of Scale

- Experience indicates that larger venues (minimum eight courts) benefit significantly from operational efficiencies, diversified offerings, and cost-effective marketing. They foster vibrant communities essential for long-term sustainability.
- Smaller venues (3–4 courts) can also succeed if strategically supplemented with diverse social programming and niche offerings.

5. Community Integration and Infrastructure

- Locations near universities, large employers, schools, and residential areas offer strong strategic advantages by attracting steady demand.
- Ensure compatibility with local infrastructure, including public transportation access, ample parking, and proximity to commercial amenities.

Learning from the Past: A Cautionary Tale

Facilities failing to address these location-specific factors often encounter significant long-term challenges. Neglecting detailed market analysis, underestimating competition, or making speculative real estate decisions have historically resulted in failure. Effective location selection must balance immediate feasibility with foresight into demographic and real estate trends.

Strategic Implications for New Projects

If central urban land costs are prohibitive, consider alternative approaches:

- **Mixed-Use Developments:** Integrate racquet facilities within office or residential complexes, enhancing overall lifestyle value.
- **Peripheral Urban Zones:** Target more affordable areas within a manageable commute from urban centers.
- **Public-Private Partnerships:** Utilize municipal or institutional lands to reduce initial land costs and ensure community service delivery.

Demand Is Not the Problem—Location Economics Are

Over 90% of racquet sports participants seek recreational and social engagement. Demand remains strong and evolves over time. The primary risk is failing to secure economically sustainable locations, balancing proximity and affordability.

Strategic Actions for Sustainability:

- Conduct thorough demographic and market research.
- Select locations aligned strategically with target demographics and economic viability.
- Evaluate long-term real estate stability.
- Engage closely with local communities and institutions to enhance loyalty and visibility.
- Regularly reassess local market dynamics and adapt accordingly.

The SFN View

SFN advocates for future-oriented racquet sports facilities that:

- Harmoniously balance real estate and leisure business considerations.
- Choose demographically suitable and economically viable locations.
- Adopt flexible, innovative formats and hybrid uses.
- Prioritize long-term strategic land use over immediate short-term returns.

Final Thought

Choosing a location transcends immediate considerations—it requires envisioning sustained relevance and economic viability decades into the future. Real estate is a long-term asset; leisure is an ongoing service. The ideal racquet facility thrives precisely where these two dimensions intersect harmoniously.