

Laundromat Ownership — Workbook

This workbook turns the course into action. You will analyze a real listing, build a deal model, plan financing and equipment, and design the operating systems for a profitable self-service laundry. Work through each section as you study the matching course module, and use the templates to keep your numbers in one place.

The Laundromat as a Cash-Flow Business

Build the financial intuition and core metrics you will use to judge every laundromat you look at.

Exercise: Calculate Turns Per Day on a Real Store

Find a laundromat listing on BizBuySell or LoopNet, or visit a local store. Estimate or look up the number of washers and the daily cycles, then compute turns per day and judge whether the store is weak, solid, or strong.

- How many washers does the store have, and how many full cycles do you estimate it runs per day?
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- What is the turns per day (daily cycles divided by washers), and where does it fall against the 4.0 to 6.0 healthy range?
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- If you raised turns by 1.0 per day at an average 4 dollar vend, how much additional annual wash revenue would that create?

Worksheet: Operating Model Decision

Decide whether you will run an attended, unattended, or hybrid store. Fill in each field with your honest answer for a specific target market you have in mind.

Target neighborhood and its general safety level

Hours per week you can personally commit to the store

Planned services (self-service only, or also wash-dry-fold)

Chosen model (attended / unattended / hybrid) and why

Estimated labor as a percent of expected revenue

Checklist: Core Metrics Readiness

- I can define turns per day and calculate it from washers and cycles
- I can compute revenue per square foot from annual revenue and store size
- I can build seller's discretionary earnings by adding back owner pay, interest, depreciation, and one-time costs
- I can use the water bill to estimate plausible revenue
- I have chosen an operating model that matches my available time

Finding and Evaluating the Deal

Source a real listing and run genuine due diligence on its lease, revenue, and equipment.

Worksheet: Lease Term Sheet

Using a real or sample laundromat lease, extract the terms that decide whether the business is worth buying.

Flag any term that fails the course guidance.

Remaining base term plus renewal options (years)

Current monthly rent and rent as a percent of revenue

Annual escalation clause percentage

Who pays for water heater, sewer, roof, and HVAC repairs

Assignment terms (can the lease be transferred to a future buyer)

Exercise: Reconstruct Revenue From the Water Bill

Obtain or assume 12 months of water bills for a target store. Estimate total cycles from metered water and gallons per cycle, then compare your implied revenue to the seller's claim.

- What is the total annual metered water volume, and what gallons-per-cycle figure are you using?
 - How many total cycles does that imply, and what wash revenue results at the average vend price?
 - How does your utility-implied revenue compare to the seller's stated revenue, and what does the gap suggest?
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Checklist: Due Diligence Verification

- Collected 24 months of water, sewer, gas, and electric bills
- Pulled at least 12 months of card-system or coin-counter reports
- Observed the store in person across different days and hours
- Surveyed every washer and dryer for brand, model, and age
- Cross-checked utility-implied, system-reported, and observed revenue
- Confirmed the lease can be assigned to a future buyer

Exercise: Build the Offer

Using your verified numbers, set a defensible price and deal structure, then outline the Letter of Intent you would submit.

- What is the store's verified SDE, and what multiple (3 to 5x) do the lease and machine age justify?
 - How does your SDE-based price compare to the replacement cost of building an equivalent new store?
 - What structure (cash, equipment loan or SBA, and seller note) will you propose, and what contingencies will the LOI include?
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Equipping and Financing the Store

Design the machine mix, secure funding the cash flow can service, and choose the payment and monitoring technology.

Worksheet: Machine Mix Plan

Plan the washer and dryer lineup for your store. Balance large-capacity machines for margin against smaller machines for everyday loads, and note your brand and water-efficiency rationale. Count and capacities of small washers (20 to 30 pound) and planned vend price

Count and capacities of large washers (40 to 80 pound) and planned vend price

Total dryer capacity in pounds versus total washer capacity

Chosen brand(s) and the local distributor for parts and service

Water-efficiency and spin-speed notes for the machines selected

Exercise: Debt-Service Coverage Check

Choose a financing mix and test whether the store's cash flow comfortably covers the debt. Use a target debt-service coverage ratio of at least 1.25.

- What is the store's annual cash flow before debt, and what are your total annual loan payments under your chosen mix?
 - What is the resulting DSCR, and does it clear 1.25 with room for a slow year?
 - If a utility spike cut cash flow by 15 percent, would the store still cover its loan payments?
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Worksheet: Payment and Monitoring Setup

Specify the technology stack for your store, from payment platform to security cameras, and the data you will use to manage it.

Payment platform chosen (CCI, ESD, Laundroworks, or PayRange) and why

Whether you will run a coin-and-card hybrid transition period

Remote-monitoring features you will rely on from your phone

Camera coverage plan (entrance, payment area, machine bank) and recording location

Loyalty or bonus structure to lift average ticket

Checklist: Financing and Equipment Readiness

- Compared distributor financing, SBA 7(a), bank loan, and seller note options
- Sized debt against cash flow to keep DSCR at or above 1.25
- Weighted the machine mix toward profitable large-capacity washers

- Matched dryer capacity to washer output
- Selected a card or app payment system with reporting
- Planned camera coverage and off-site recording

Operating for Profit

Price for margin, staff lean, secure the cash, and build the cash-flow and reserve discipline that keeps the store profitable.

Exercise: Cost Per Cycle and Pricing

Compute your real utility cost per cycle and use it to set or revise vend prices for each machine size, protecting a 25 to 35 percent or better net margin.

- What is your monthly utility cost divided by cycles run, giving cost per wash cycle?

- What vend prices will you set for small and large washers, and what contribution per cycle does each produce?

- After surveying three nearby laundromats, where do your prices sit relative to the local market?

Worksheet: Daily Operations and Staffing Plan

Define the routines and labor that keep the store clean, working, and secure. Fill in each field for your specific store.

Open and close routine tasks (cleaning, lint, trash, restock)

Attendant hours scheduled and the peak window they cover

Total labor as a percent of expected revenue

Cash and change-machine security measures

Preventive maintenance schedule (lint traps, hoses, seals)

Exercise: Reserve and Growth Plan

Plan the cash reserves that protect you from shocks and choose the added services that will grow revenue without raising rent.

- How many months of operating expenses will you hold in reserve, and what monthly sinking-fund amount covers eventual equipment replacement?

- Which added services (wash-dry-fold, commercial accounts, pickup-and-delivery, vending) will you launch first, and why?

- What monthly review routine will you use to reconcile deposits, watch the utility ratio, and revisit pricing?

Checklist: Profit Operations Readiness

- Calculated utility cost per cycle and set prices to protect margin
- Benchmarked vend prices against at least three local competitors
- Sized labor to peak hours and kept it under about 15 percent of revenue
- Secured cash and machines with timed locks and cameras
- Funded a reserve of three to six months of operating expenses plus a sinking fund
- Scheduled a monthly review of revenue, utilities, and deposits

Your Action Plan

1. Pick a target market and decide whether you will run an attended, unattended, or hybrid store
2. Source three to five real listings via BizBuySell, LoopNet, and local distributor contacts
3. Read each lease and reject any store with a short term, high rent share, or non-assignable lease
4. Run full due diligence: 24 months of utility bills, card or coin reports, in-person counts, and a machine survey
5. Reconstruct revenue from the water bill and cross-check it against the seller's claim
6. Value the store at 3 to 5 times verified SDE and sanity-check against replacement cost
7. Arrange financing (distributor or equipment loan, SBA 7(a), and a seller note) sized to keep DSCR at or above 1.25
8. Submit a Letter of Intent with a due-diligence period and a lease-assignment contingency
9. Install or upgrade the payment, remote-monitoring, and camera systems before or just after closing
10. Set prices from your cost per cycle, fund your reserves, and start a disciplined monthly numbers review

