



## **Step-by-Step Guide: Buying or Building a Laundromat**

This guide outlines the typical timeline and decision points from concept to grand opening:

*Please Note:* The timelines listed below are generalized. Many factors can extend this process significantly. These include, but not limited to, building out a vanilla box, building from the ground up, needing to secure additional funding, permitting, construction delays, etc.

All municipalities vary greatly in their permitting and construction requirements. It is recommended to check with the local building department before signing any leases or buying land. This will better prepare you for any challenges you may face that are unique to the specific locale. Also, verify all real estate of interest is properly zoned, or can be zoned, for laundromat use.

### **1. Clarify Your Goals (Week 1)**

- Define your 1, 3 and 10-year objectives (e.g., replace income, build legacy, passive income).
- Determine risk tolerance, involvement level and investment appetite.

### **2. Financial Preparation (Weeks 1-3)**

- Estimate your total investment: 15-30% of project cost in liquid capital is typical.
- Get pre-qualified with lenders: SBA, equipment lenders or commercial banks.
- Prepare financial documents (PFS, credit scores, tax returns, lease draft, utility bills).

### **3. Define Your Business Model (Weeks 2-4)**

- Urban, suburban, rural
- Attended vs. unattended
- Full-service (WDF, PUD) vs. self-service
- Multi-store vs. single store
- Coin vs. hybrid vs. card
- Rent vs. buy property

### **4. Explore Distribution & Equipment Options (Weeks 3–8)**

- Research different commercial laundry equipment brands and models.
- Understand energy efficiency, capacity, warranty terms and cost differences.
- Speak with multiple distributors to learn about their experience and support.
- Identify your preferred distributor and equipment strategy.

## **5. Market & Location Research (Weeks 3-8)**

- Analyze demographics: income, renters, household size, foot/vehicle traffic.
- Identify local competition: pricing, layout, amenities, equipment age.
- Avoid over-saturation
- Use Google Maps, real estate listings and scouting trips.

## **6. Build vs. Buy Decision (Weeks 4-6)**

### **Buying an Existing Store**

- Pros: (Possibly) Faster cash flow, infrastructure in place, easier financing.
- Cons: May overpay, risk of bad leases, old equipment, poor layout, hidden issues.

### **Building a New Store**

- Pros: Custom layout, modern branding, fresh start.
- Cons: Longer timeline, permitting delays, higher upfront costs.

## **7. Site Selection & Lease/Purchase (Weeks 6-12+)**

- Secure a great location with visibility, traffic, and safe access.
- Parking (1 spot per 250 sq. ft.) is key.
- Negotiate rent (target: <10–25% of gross sales).
- Request exclusivity from landlord, distributor and possibly municipality.

## **8. Conduct Due Diligence (Weeks 10-14+)**

- Hire laundry-specific general contractor and some form of consultant.
- Analyze utility capacity (gas, water, electric).
- Estimate impact fees and permitting timeline.
- Inspect infrastructure if buying: HVAC, drainage, asbestos, etc.

## **9. Assemble Your Team (Weeks 10-16)**

- Distributor (equipment, layout design, service).
- Architect and contractor (especially for buildouts).
- Laundromat-specific mentor (could be distributor)
- Vendors for POS, card system and any other ancillary services.

## **10. Secure Equipment & Design Store (Weeks 10-20)**

- Choose high-efficiency, large-capacity washers. Focus on distributor support.
- Design around flow, comfort and brand image.
- Plan for payment systems (card, app, coin, hybrid).
- Sign equipment invoice and finalize contracts.

## **11. Construction and Remodeling (Weeks 14-38+)**

- Work with general contractor to keep all trades on time and on target.
- Small remodels 2-4 weeks.
- Large remodels/retools 4-8 weeks.
- Full buildout of existing space 14-24 weeks.
- New construction 24-52+ weeks.

## **12. Marketing & Opening (Weeks 18-38+)**

- Register business, insurance and permits.
- Begin local SEO, social media and community outreach.
- Train staff and establish opening procedures.
- Plan a grand opening with promotions or events.