

The Laundromat Acquisition: A Cash Flow Machine

By BVC Research Team | January 2026 | 9 min read

Laundromats have quietly become one of the most popular acquisition targets for first-time buyers. The appeal is straightforward: they're simple to operate, generate strong cash flow, require minimal employees, and serve a recession-proof need. About 35 million US households lack in-unit laundry, creating a built-in, stable customer base.

The Laundromat Business Model

The economics of a laundromat are refreshingly simple. Revenue comes from coin-operated or card-operated washers and dryers, plus ancillary income from vending machines, drop-off wash-and-fold service, and sometimes dry cleaning partnerships. Expenses are primarily rent, utilities, equipment maintenance, and minimal staffing.

Metric	Typical Range
Gross Revenue	\$200K – \$800K per location
Net Operating Income	25-35% of revenue
Average Ticket	\$8-15 per visit
Visits per Machine per Day	4-8 turns
Equipment Lifespan	12-18 years (commercial grade)
Staffing	0-2 FTEs (often attendant-less)

Laundromat Valuation

Laundromats typically sell for 3.0x-5.0x SDE, with premiums for newer equipment, strong locations, multiple revenue streams (wash-and-fold service is increasingly valuable), and card payment systems. The equipment itself provides meaningful asset value — a single commercial washer costs \$5K-\$15K new.

KEY INSIGHT: The most important factor in a laundromat's value is the lease. A laundromat with a 15-year lease in a growing neighborhood is worth dramatically more than one with 3 years remaining. Always negotiate the lease before closing the acquisition.

Due Diligence for Laundromats

- **Revenue verification:** Coin-operated businesses are notoriously hard to verify. Request utility bills (water and gas usage correlates directly with machine usage) as independent verification of claimed revenue.
- **Equipment inspection:** Hire a commercial laundry equipment technician to inspect every machine. Age, condition, and efficiency directly impact operating costs and customer experience.
- **Utility costs:** Water, gas, and electricity are the largest operating expenses. Review 24 months of utility bills to understand true costs and seasonal variation.
- **Demographics:** Analyze the surrounding neighborhood. Growing population of renters (especially in apartment-dense areas) is the strongest demand indicator.
- **Competition mapping:** Visit every competitor within a 2-mile radius. Assess their equipment quality, pricing, cleanliness, and customer volume.

Modernization Opportunities

Many laundromats are still operating with decades-old business models. Modern opportunities include app-based payment and loyalty programs that increase visit frequency, wash-and-fold delivery service (growing rapidly post-pandemic), smart machine monitoring that predicts maintenance needs and optimizes utility usage, self-service kiosks and attended premium services, and co-located services like dry cleaning pickup or alterations. These upgrades can increase revenue 20-40% while improving the customer experience and reducing operational headaches.

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