

FOR SALE: Absentee Owned Laundromat with Full Service Drop Off

Heavily traveled area with migrant labor needing laundry services!

Financial Overview

List Price: \$765,000

Gross Sales

2023	2022
\$519,267	\$384,943

Cash Flow

2023	2022
\$198,271	\$146,779

Profit Margin: 38%

Valuation: 2023 Cash Flow x Multiple = Valuation
 \$198,271 x 3.85 = \$763,343

Assets Included in Purchase: \$474,148

Furniture & Fixtures: \$76,137

Equipment: \$381,868

Washing Machines, Dryers, Industrial Machines, Tanning Bed, Showers

A/R: \$16,143

***Bank Loan is 75% Collateralized! ***

Business Information

Services: Self-Service Laundry, Drop-off Services, and Shower Facilities

Space: 3600 Sq. Foot Facility that is very clean and spacious.

Personnel: 1 General Manager and 4-5 Laundry Techs

Current Owners' Responsibilities: Absentee - lives out of state

Location: Watford City, North Dakota

Population: Watford area has 120,000 full-time residents but with the non-resident people who live there for work, the population is more than double. Migrant labor comes from across the country to work in the agriculture, fields, and energy industries

Competition: Very low competition. Plus, the water source is minimal and likely a new laundry mat or shower facility would not be approved to open

Year Established: 2012

Reason for Selling: Divorce

Seller Training Period: 6 months

Growth Opportunities: Expand starching and dry-cleaning services. Offer pickup service. Set up business accounts for the massive amounts of employees these large corporations bring to ND. Add digital Slot Machines for play while customers wait for laundry

Funding Example

Purchase Price: \$765,000

15% Buyer Cash Down Payment	\$114,750
10% Seller Financing	\$76,500
75% Bank Loan	\$573,750

SBA Loan approved for \$550,000

Description

Strategically located in Watford City, ND, which is a temporary home for over 100,000 laborers who migrate to the region for work in the agriculture, fields, and energy industries, and reside in temporary homes who need the access to do laundry. This 3,600 sq ft facility offers self-service laundry, shower facilities and drop-off services where employees will wash, dry and fold laundry for the customer. The owner lives out of state and only visits a few times a year. The business has 1 general manager along with 4-5 laundry techs. This spacious laundromat was established in 2012 and competition in the area is very low. The pay-per-load machines utilize a card service as opposed to cash and coin which is much more secure and safe, especially for the out-of-state owner. Included is over \$474,000 in hard assets, with the bank loan being \$490,000 this is nearly 100% collateralized. An SBA lender has pre-approved this deal structure. The Watford area has 120,000 full-time residents but with the non-resident people who live there for work, the population is more than double. North Dakota is ranked 2nd, after Texas, as the highest oil producing state. Due to this fact, many oil companies will send swathes of contractors to this area and this business is noted as a preferred laundromat for their employees.

Priced at **\$765,000**, a 15% down payment of \$114,750 returns \$93,940 in the first year after debt payments! Plus, the owner is offering a 20% promissory note and 6 months of training, as a sign of good faith. This activity has brought the business to a 38% profit margin. A new owner could boost revenue by offering starching and dry-cleaning services or by offering pick up services in the area and nearby towns.

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