

# How Much Should I Pay?



FROM CART TO RESTAURANT

How much should I pay for this used hot dog cart?

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Moore Better Performance

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Before even thinking about buying a cart, trailer or truck you absolutely must know:

1. Your state and county health codes for the type of license you plan on getting. The county will have rules pertaining to cooling/refrigeration, storage, number of sinks and restrictions on types of food you can sell, among other things. It is a MUST to contact them before shopping. Many carts for sale are from people that just moved from out of state and find they cannot use it because of some differing code from the previous state. The cart ends up for sale to an uninformed buyer. Don't be that buyer.

2. Local laws on street vending vary wildly from city to city you must know restrictions BEFORE shopping. Laws on operational hours, restricted areas, distance from restaurants are just a few examples of local laws that could interfere with your vending business.

3. Your menu will dictate the number and sizes of pans as well as the steam table size and whether you want a grill or some other addition to the cart. Some states do not allow raw meat or onions to be cooked by a hot dog vendor license or even using a dairy based cheese. Menu options are restricted by state codes and local laws and these will affect the type of cart you need!

## HOW MUCH SHOULD I PAY?

Ask Before Setting Viewing Appointment			Nice to Know/Have			Tools to bring					
Title or Bill of sale			Made in USA	Third wheel		Thermometer					
ever licensed your state			Removable Tongue	Side Serve		Flashlight					
name licensed under or License #			<b>Directions:</b>			Propane Tank					
Decision maker present						Magnet					
Gage Firmness on price						Lighter					
Original Paperwork/manuals						Soapy Water					
Includes Propane Tank?						Tire pressure gage					
Original Manufacturer/Model						Water					
Is it accessible to hook up to tow vehicle						12 volt battery					
Ask for 30 to 40 minutes to view						Towing Vehicle & Cash					
<b>Inspection</b>											
	Y	N				Est. Repair \$		Y	N	Est. Repair \$	
<b>Propane System</b>				<b>Road Worthy Inspection</b>							
<i>propane tank</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>Check tail lights and wiring</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>with in date?</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>condition of tires</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>storage for correct number of tanks</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>correct air</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>check lines for leaks</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>signs of patches leaks</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>check knobs - complete &amp; tight</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>spare?</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
Light burner & check flames	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>move cart by hand if possible</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>mostly blue with yellow tip</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>wheels turn freely</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<b>Water System</b>				<i>No rubbing, grinding noises</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>Pump and wiring</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>intact rust free suspension</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>correct size fresh holding tank</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>leaf springs</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>correct size waste holding tank</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>leaf springs good condition</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<b>Hot Water Heater (Separate)</b>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>under body rust, corrosion</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<b>Check water PSI and Temp</b>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>Trailer bolt together</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>any leaks</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>Welds in good condition</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>correct temp</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<b>Business Necessities</b>							
<i>correct number of sinks</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>pans/lids/spillage check for holes</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<b>Body Inspection</b>				<i>are pans service clean</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>Major dents, buckles or metal fatigue</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>Umbrella included</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>latches will hold</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>Umbrella in good repair</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>plexiglass clear</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<i>original "extras" bottles, ladles, tongs</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -				
<i>interior visible rust</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<b>Estimated Repair \$ (100.00)</b>							
<i>hinges solid and rust free</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<b>After Deal is made</b>							
<i>firebox insulation</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	Title paperwork	secure doors, pans, etc						
<i>cooler box insulation</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	properly connect/tow away							
<i>exterior visible rust food related areas</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	<b>Notes</b>							
<i>no attached advertizing</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	\$ (100.00)								
<b>walls construction</b>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -								
<i>wood on wood</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -								
<i>metal on wood</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -								
<i>solid floor material</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -								
<i>wood floor</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -								
<i>metal floor</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -								

Download the spreadsheet from

Print it out and take it with you. Use the list to thoroughly check out the cart and note any problems.

Load this sheet on a tablet and use it keep track of issues and related repair costs.

# HOW MUCH SHOULD I PAY?

Is it accessible to hook up to tow vehicle			
Ask for 30 to 40 minutes to view			
<b>Inspectio</b>	<b>N</b>	Est. Repair \$	
<b>Propane System</b>			
propane tank with in date?		\$	-
storage for correct number of tanks		\$	-
check lines for leaks		\$	-
check knobs - complete & tight		\$	-
Light burner & check flames mostly blue with yellow tip		\$	-
<b>Water System</b>			
Pump and wiring		\$	-
correct size fresh holding tank		\$	-
correct size waste holding tank		\$	-
<b>Hot Water Heater (Separate)</b>			
Check water PSI and Temp			
any leaks		\$	-
correct temp		\$	-

Under the "N" column  
Place a "x" for any issue you find and an estimated repair cost will appear.

<b>Check water PSI and Temp</b>			
any leaks		\$	-
correct temp		\$	-
correct number of sinks		\$	-
<b>Body Inspection</b>			
Major dents, buckles or metal fatigue		\$	-
latches will hold		\$	-
plexiglass clear		\$	-
interior visible rust		\$	-
hinges solid and rust free		\$	-
firebox insulation		\$	-
cooler box insulation		\$	-
exterior visible rust food related areas		\$	-
no attached advertizing	<b>X</b>	\$	(100.00)
<b>walls construction</b>			
wood on wood		\$	-
metal on wood		\$	-
solid floor material		\$	-
wood floor		\$	-
metal floor		\$	-

Place a "x" for any issue you find and an estimated repair cost will appear.

Welds in good condition			\$	-
<b>Business Necessities</b>				
pans/lids/spillage check for holes		\$	-	
are pans service clean		\$	-	
Umbrella included		\$	-	
Umbrella in good repair		\$	-	
original "extras" batt		\$	-	
<b>Estimated Repair</b>		\$	(100.00)	
<b>After Deal is made</b>				
Title paperwork				
secure doors, pans, etc				
properly connect/tow away				
<b>Notes</b>				

The sheet will also keep a running total of the repair estimate.

Using the spreadsheet version on a tablet and placing an "X" under the "N" (no) column will automatically insert an estimated repair cost for the problem area. The cost includes equipment replacement or labor at \$25.00 an hour for dent repair, cleaning or advertisement removal. The sheet will also keep a running total of all repairs. Making the task of figuring out what to offer the owner easier and faster.



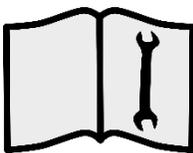
When you call for an appointment make sure the person that owns the cart will be present during the inspection. They are the only ones that can accept or reject an offer and the only one to sign the title or bill of sale.



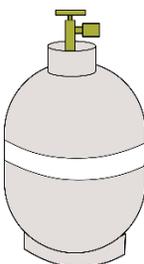
Check with your state on title procedures and the difficulty of using a bill of sale to register your trailer. Some states require tags, others do not. Know what you will need and the associated costs before setting the appointment. These additional costs will impact your business startup cost and therefore affect your offer.



If the trailer has been licensed in your state it will make the plan approval easier. Ask for the name the cart was licensed under. Look this up on state sites for license or inspections. Also Google the business name for Facebook presence or a website with additional cart pictures. If the owner is leaving the business entirely ask if they would be willing to transfer the license to you. (If your state has a procedure for that). This would reduce your business startup fees and make the cart more attractive to purchase even with some issues.



Ask about the brand/model as well as if any paperwork or manuals from the original purchase. The brand and model will be needed to research current pricing. The manuals may list replacement part numbers and where to obtain those parts if needed.



Brand new carts do not include propane tanks. Shipping restrictions will not allow them to be transported with a new cart. You, however, are buying a used cart and having backup tanks are always a good idea.



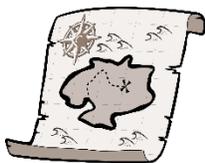
Let the seller know you would like to see and inspect the cart. This will take **at least** 30 minutes or more. Do not be forced to rush your inspection. Any pressure the seller applies for you to hurry is a warning sign something is amiss. This is a big expenditure and deserves time to get it right. Set the appointment and thank the owner for their time.



During your entire conversation with the seller gauge the firmness of price. If you are not sure by the end of the call ask point blank “If I make a **fair** but less than asking price offer, would you consider it?” A firm price does not negate the sale as long as the asking price falls within acceptable ranges for age and condition.



Given two carts to choose from these items could help decide which one to inspect first. Each item is really personal choice, some are just work savers or efficient layouts.



Get specific directions if you are unfamiliar with the area. Also, it is a great idea to bring along a friend for safety. Never go alone when you are carrying cash.



Once you find a cart from your favorite market place find out the brand and head over to the manufacturer’s website. Look up the cost and weight of a brand-new cart and enter it on the spreadsheet. You will need the weight to price the scrap value of a broken-down cart.

## HOW MUCH SHOULD I PAY?

<b>New Cart Today's Price</b>	\$3,699.00	<b>Used Car Valuation Comparison</b>	
<b>Cart weight from website</b>	225		
<b>Annual Depreciation over 5 years</b>	\$739.80	<b>% of lost value</b>	<b>\$ value</b>
<b>Used 1 year</b>	\$2,959.20	81.00%	\$2,996.19
<b>Used 2 years</b>	\$2,219.40	69.00%	\$2,552.31
<b>Used 3 years</b>	\$1,479.60	58.00%	\$2,145.42
<b>Used 4 years</b>	\$739.80	49.00%	\$1,812.51
<b>Used 5 years</b>	\$0.00	40.00%	\$1,479.60
<b>Scrap Value (304 SS at a generous \$2/lbs.)</b>	\$450.00	Asking Price	\$1,650.00
<b>Auction Price Comparison (20% of new)</b>	\$739.80		

On the spreadsheet enter the price and weight, as well as, the asking price.

<b>New Cart Today's Price</b>	\$3,699.00	<b>Used Car Valuation Comparison</b>	
<b>Cart weight from website</b>			
<b>Annual Depreciation over 5 years</b>	\$739.80	<b>% of lost value</b>	
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<b>Auction Price Comparison (20% of new)</b>	\$739.80		

The rest of the numbers will then populate. These numbers are based on a five-year depreciation schedule and the loss of value based on average annual value of a used car after purchase. The numbers are grouped together by year giving you a basis for assigning a reasonable value range devoid of emotion or attachment. After all you are buying an asset.

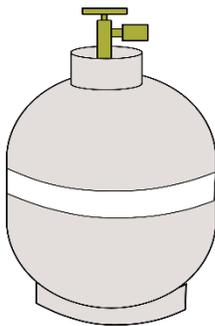
Many sellers advertise a cart as a business, saying "start making money tomorrow!" This will not happen. The cart will have to be inspected, licensed and approved. All of these take time, usually weeks. You may find someone that is actually selling their full business meaning, all contracts, commissary, location, inventory, licenses and assets are transferred to you intact. This inspection sheet is not designed to assign value to a full business.



You will need a thermometer to measure the temperature of the hot water. FDA 2013 code recommends 100 degrees minimum for hand washing. Many states have adopted this code and several more will in the coming years. Also, you will need to temp the onboard cooler. Too high of a reading means you will struggle with keeping cold products at safe temperatures.



You will use a flashlight to look inside cabinets and under the cart. Here you will look for trailer rust, construction and condition/existence of leaf springs.



Even if the seller is including a tank bring your own. This will insure you have enough propane to thoroughly test the burners and hot water system.

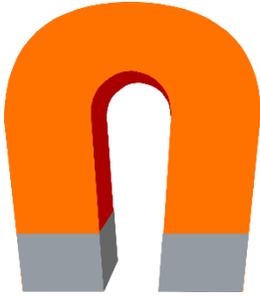
Many people are under the false impression that stainless steel is non-magnetic. This is only true of 300-series (carts are usually 304) UNLESS the sheet has been pressed into shape at room temperature, then even this series will become partly magnetic. Splash guards are commonly made in this manner. 400 series stainless is used for kitchen knives and will hang on a wall mounted magnetic strips for storage. 200 series stainless is used for home cookware and is also magnetic.

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SCIENTIFIC  
AMERICAN.

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The most popular stainless steel is Type 304, which contains approximately 18 percent chromium and 8 percent nickel. At room temperature, the thermodynamically stable crystal structure of 304 stainless steel is bcc; nevertheless, the alloy's nickel concentration, as well as the small amounts of manganese (about 1 percent), carbon (less than 0.08 percent) and nitrogen (about 0.06 percent), maintains an fcc structure and therefore the alloy is nonmagnetic. If the alloy is mechanically deformed, i.e. bent, at room temperature, it will partially transform to the ferritic phase and will be partly magnetic, or ferromagnetic, as it is more precisely termed.



You are wanting a magnet to verify the trailer construction is steel. Which should be very magnetic. If the magnet does not stick to the frame, you are looking at an aluminum frame which could be an issue.



To light the burners, of course.



To check for propane leaks



To check the air pressure of the tires for your safety when towing home.



Bring a couple of gallons of water to check the water system.



Ask the owner what type of water heating system the cart has and bring the necessary batteries.



If you make a deal for the cart you will need cash and a way to tow it home.

Before heading out to inspect the cart gather the necessary tools and cash. Remember to take someone along with you for safety or meet in a very public place. Dress in business casual and have a confident demeanor. There will always be carts for sale. Do not become emotionally attached to the cart or it's features. Your goal is to inspect the cart and negotiate a fair price to all, be prepared to walk away if anything seems out of place.

Once on site, **fill the fresh water tank** and get a **temperature of the outside air** around the cart. Note that temperature and **place the thermometer in the cooler** area of the cart and shut the lid.

Inspection	Y	N	Est. Repair \$
<b>Propane System</b>			
<i>propane tank</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -
<i>with in date?</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -
<i>storage for correct number of tanks</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -
<i>check lines for leaks</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -
<i>check knobs - complete &amp; tight</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -
Light burner & check flames	<input type="checkbox"/>	<input type="checkbox"/>	\$ -
<i>mostly blue with yellow tip</i>	<input type="checkbox"/>	<input type="checkbox"/>	\$ -

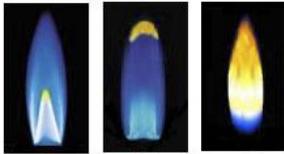


Spray the soapy water mixture all along the propane lines from the tank nozzle to the burners. Include all joints and knobs.



Turn on the propane and look for bubbles along the lines, joints and knobs. Turn on the knobs and follow the lines to the burners looking for leaks.

**Proper Gas Flame Appearance**



A - Natural Gas  
B - Liquid Propane  
C - Call for service

Note if the cart has the correct storage for tanks as required by your state. Light the burners and inspect the flames. The more yellow the flame the cooler the temperature produced. This will increase propane usage until the lines and burner assemble are cleaned. *Source appliance411.com*



Put all pans in place and fill with water as if you are open for business. This is to simulate business conditions and verify the insulations ability to keep the cooler cool.

Mark any problems you notice and move on to the water section, **leaving the burners on for the moment.**

Water System		
Pump and wiring	<input type="checkbox"/>	\$ -
correct size fresh holding tank	<input type="checkbox"/>	\$ -
correct size waste holding tank	<input type="checkbox"/>	\$ -
<b>Hot Water Heater (Separate)</b>		
<b>Check water PSI and Temp</b>		
any leaks	<input type="checkbox"/>	\$ -
correct temp	<input type="checkbox"/>	\$ -
correct number of sinks	<input type="checkbox"/>	\$ -



Pour some water into a clear cup and check for clarity. That is why you brought your own clear water. Debris in the water indicates a thorough cleaning of the water system is due.



Check wiring for the pump and water heater. If one is on the cart. Look for corrosion, frayed wires and broken, brittle insulation.



Verify the fresh and waste water tanks meet the state and county codes.



Turn on the hot water and cold water. Adjust the mix and verify 100-110-degree temperature. FDA codes require plumbing to provide at least 100-degree temperature, however, the sections on hand washing are not specific as to required temperature. Also check the temperature of straight hot water. Anything above 130 is a scald waiting to happen.



Follow all water tubes, pipes and connections looking for leaks.



Make sure the cart has the correct number of sinks for your state codes. Some cart sellers actually make carts without a hand wash sink and some states don't require a sink if a procedure is in place to prevent bare hands touching food (tongs, deli paper etc.) Would you eat with someone who has no visible means of washing hands after returning from a bathroom break? No, sanitizers do not count as hand wash.

## HOW MUCH SHOULD I PAY?

Body Inspection		
Major dents, buckles or metal fatigue	<input type="checkbox"/>	\$ -
latches will hold	<input type="checkbox"/>	\$ -
plexiglass clear	<input type="checkbox"/>	\$ -
interior visible rust	<input type="checkbox"/>	\$ -
hinges solid and rust free	<input type="checkbox"/>	\$ -
firebox insulation	<input type="checkbox"/>	\$ -
cooler box insulation	<input type="checkbox"/>	\$ -
exterior visible rust food related areas	<input type="checkbox"/>	\$ -
no attached advertizing	<input checked="" type="checkbox"/>	\$ (100.00)



Go over the cart very carefully looking for dents, buckles and bends to the walls and shelving. Also get inside the cart cabinets looking for weld cracks or other signs of metal fatigue. Remember the cart is traveling on your city streets with only leaf springs to cushion the ride. Ever ride in the back of a pickup?



Look at latches, hinges, locks and handles. Are they able to hold the door shut while traveling? Any visible rust will need to be cleaned. Simply because they operated with rusty equipment does not mean you should. You have higher standards, right? That might explain why they are out of business!



Clear, clean plexiglass shows you have high sanitation standards and take pride in your equipment looking its best.



For this you will need to get inside the cabinet and look at the insulation between the fire box and the cooler and well as the cooler itself. Insulation should prevent the heat from the burner impacting the cooler. Otherwise you will need a separate cooler to hold your cold products.



Again, your standards are a rust-free food environment. This pictured rust will take time to clean, and time is money.



If the advertisements are something you plan on selling, great! Usually it is business names, phone numbers, license numbers, basically stuff you will spend time peeling off.

walls construction			
wood on wood		\$	-
metal on wood		\$	-
solid floor material		\$	-
wood floor		\$	-
metal floor		\$	-

Spend some time on this part of the inspection. Many structural issues are often hidden. DIY cart plans are all the rage and the plans are generally sound instructions for a novice to build a cart. DIY plans are basic carts, based on designs from 1926 with little care or concern for ease of work flow. Many DIY cart builders recognize this short coming and design a better work flow. You will run across some very innovative and cool looking carts. REMEMBER, emotional detachment!



This picture shows a DIY homemade cart. Nothing wrong with DIY. The plans are sold on line by a couple of different companies. Nothing special in the design and the plans are fairly easy to follow. Just remember to look at the joints, the

wall connections to the frame, the frame connection to the trailer. Is the floor solid, or open mesh metal? Stand at one corner and push towards the opposite corner. Does it give or wobble? Some DIY builders use metal over wood. Check the joints for caulking. There is a silicone sealant designed to look like metal welds, don't be fooled thinking it is really welded. Grab the cart and give it a good shake. Does it feel solid? Tap on the walls do they 'give' or are they firmly attached. If wood construction check for rot all along the underside and where the trailer attaches to the frame. Look for rust or rot all around the water tanks, drains and hoses.



The same applies to a company manufactured cart. Shake it, rattle it, do whatever it takes to ensure the construction is sound. Many carts are imported from China and then sold from American companies. These carts typically have bolted

construction, edges that are sharp producing cuts and often are barely road worthy. US made carts have welded trailer frames not bolted. Carts like cars last only as long as the owner takes care of them.

## HOW MUCH SHOULD I PAY?

Road Worthy Inspection		
Check tail lights and wiring	<input type="checkbox"/>	\$ -
condition of tires	<input type="checkbox"/>	\$ -
correct air	<input type="checkbox"/>	
signs of patches leaks	<input type="checkbox"/>	\$ -
spare?	<input type="checkbox"/>	
move cart by hand if possible	<input type="checkbox"/>	
wheels turn freely	<input type="checkbox"/>	\$ -
No rubbing, grinding noises	<input type="checkbox"/>	\$ -
intact rust free suspension	<input type="checkbox"/>	\$ -
leaf springs	<input type="checkbox"/>	\$ -
leaf springs good condition	<input type="checkbox"/>	\$ -
under body rust, corrosion	<input type="checkbox"/>	\$ -
Trailer bolt together	<input type="checkbox"/>	\$ -
Welds in good condition	<input type="checkbox"/>	\$ -



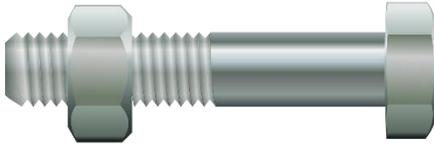
Plug the lights into a power source and verify all work as designed. Check the wiring for frays, brittle insulation and firm connections.

Using the tire gauge check the air pressure. Inspect for patches, plugs, dry rot and tread wear.

Move the cart by hand and listen for metal on metal rubbing or any grinding sounds. Turn the wheels and listen again for rubbing or clicking sounds.



Using the flashlight look under the cart at the trailer and leaf spring assemble. Check for rust, corrosion and dirt.



Check the trailer for welded construction or bolt together assembly. Check the condition of the welds and for any missing bolts.

At this point, turn off the propane and pull the thermometer in the cooler section. Compare the current temp to the beginning temp. Anything more than a couple of degrees means the insulation is not sufficient to keep the heat out of the cooler. Ultimately that means high ice usage to maintain product temperatures in that cooler.

Business Necessities		
<i>pans/lids/spillage check for holes</i>	<input type="checkbox"/>	\$ -
<i>are pans service clean</i>	<input type="checkbox"/>	\$ -
<i>Umbrella included</i>	<input type="checkbox"/>	\$ -
<i>Umbrella in good repair</i>	<input type="checkbox"/>	\$ -
<i>original "extras" bottles, ladles, tongs</i>	<input type="checkbox"/>	\$ -
<b>Estimated Repair</b>	<b>\$</b>	<b>(100.00)</b>



Check all pans for holes by holding them up to light. Empty all the pans in the steam table and allow to cool. Check them for drips as well.



Check the condition of the umbrella. Look for brittle vinyl, holes. Check the opening and closing mechanism.

## HOW MUCH SHOULD I PAY?



Just like any used car missing radio or door handles, a hot dog cart missing pans, condiment bottles, tongs, etc. that originally came with the cart reduces its resell value.

At this point consider your findings and prepare to make an offer.

Refer back to the spreadsheet information you filled out before the inspection.

New Cart Today's Price	\$3,699.00	Used Car Valuation Comparison	
Cart weight from website	225		
Annual Depreciation over 5 years	\$739.80	% of lost value	\$ value
Used 1 year	\$2,959.20	81.00%	\$2,996.19
Used 2 years	\$2,219.40	69.00%	\$2,552.31
Used 3 years	\$1,479.60	58.00%	\$2,145.42
Used 4 years	\$739.80	49.00%	\$1,812.51
Used 5 years	\$0.00	40.00%	\$1,479.60
Scrap Value (304 SS at a generous \$2/lbs.)	\$450.00	Asking Price	\$1,650.00
Auction Price Comparison (20% of new)	\$739.80		

According to the owner the example cart is 3 years old and the asking price of \$1650 falls into the acceptable range for a 3-year-old cart.

These ranges are taken from 4 sources. First is the allowance for depreciation allowed by the IRS. In this case such a small amount would be divided by 5 years and that amount is removed annually from the books. Thus after 5 years the value is \$0.00. The second method is using the annual devaluation percentages from used car. The IRS method is aggressive in devaluation of older carts, while the used car method retains value in older carts. The third method is pricing the cart as scrap. This scrap metal pricing is based on weight and the overly generous rate of \$2.00 a pound for a fully stainless-steel cart. (Which does not exist, the weight is more in the non-stainless frame and axles) The final method is from selling the equipment at a restaurant auction. The average piece of equipment goes for top end of 15% of new pricing. This sheet lists the generous bid at 20%.



Asking price less the estimated repair work leaves a ceiling price of \$1550. Offer something less than that and settle at that number. Since this cart is really well priced in the middle of the ranges for its age even going the full asking price is a good deal.

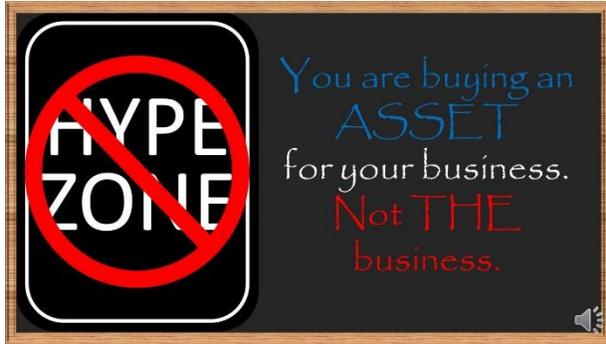
Keep in mind most sellers vastly over value the cart, calling it a business. It is under no condition a business. A cart is and always will be **an asset of your business**. When a successful hot dog vendor sells his old cart to purchase a new bigger one, did he sell his successful business or did he sell an asset of his successful business? See the difference?

After Deal is made	
Title paperwork	secure doors, pans, etc
properly connect/tow away	

If a deal is struck make sure you get all the associated paperwork and a signed title or bill of sale. Under no circumstances show or give money until you see the title. Do not allow the seller to retain the title to “mail it later”. Once all the paperwork is finished, hook up the cart to your tow vehicle. Safely store the accessories, connect the lights and safety chains. Then head for home and into your new life as a food vendor.



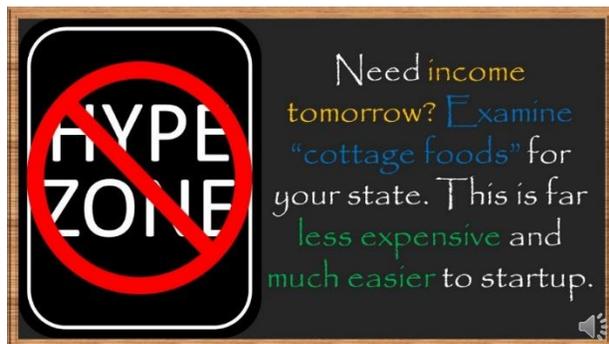
Supply and Demand will keep prices higher in some areas of the country. As will shopping during the spring and summer when most vendors are selling at their peak. Shopping in the off season brings the best deals. That is when the unsuccessful vendor tries to unload the cart out of frustration. Retiring vendors also look to sell carts in the off season to give the budding new vendor a fighting chance at success. Some retiring vendors will actually sell the "business" meaning they are selling the cart with inventory, location, commissary contracts, licenses and permits (for transfer) as a bundle.



Just in case you forgot... carts are assets. Businesses are contracts, standards of operation, recipes, licenses, permits and your ability to deliver an awesome guest experience. If you see an advertisement suggesting you can start tomorrow, understand you cannot. A brand-new license takes 3 weeks or more to process. Even transferring ownership takes several days. So opening tomorrow and selling is not a legal possibility.



Need to make some money quickly? Investigate "cottage foods" for your state. Cottage foods are, in most states, allowed to be prepared from your home kitchen. These are foods that are not TCS (time and temperature controlled for safety).



Things like loaf breads, rolls, biscuits, cakes, pastries, cookies, candies, confections, fruit pies, jams, jellies, preserves, dried fruits, dry herbs, seasonings, cereals, trail mixes, granola, coated or uncoated nuts, vinegar and flavored vinegars, popcorn, popcorn balls, cotton candy

All these are from the Florida list of foods that you can prepare at home and sell at the farmers market or on the road side. Each state has a similar list and similar laws regarding total annual income, labeling and licensing requirements. Florida for example has no license or inspection. You can start selling as soon as you register to collect sales taxes. Literally in an hour or so.

Check out my [blog](#) and my [YouTube channel](#) for additional insight, information and training. Give me a call for your free 30-minute Q&A session anything food service related. I offer several affordable training and support packages to help you achieve your food business goals.

# INCREASE Sales & Profit\$

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*Business coaching and training from a 40 year food service professional*

Training YOU to make your business as great as your food.

**What I have to offer you:**

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-  Food service forms, checklists & contracts
-  Sales building & profit increasing strategies
-  Clear growth plan from cart to restaurant



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and speak directly to me!