How to Open a Gym: Costs & Permits

AdvisedSpaces

Print this checklist and check off each step as you complete it.

STEPS (10)

- [ ] **Step 1: Define Your Gym Model and Offer**
  Your first-time-founder trap is building "a gym for everyone." That spikes CapEx (too much equipment variety) and kills your marketing (message becomes mush). Pick one model, one avatar, one outcome.
- [ ] **Step 2: Understand the Real Startup Costs**
  Kill the fantasy numbers. A standard 8,000 sq ft mid-size gym with new equipment costs $300,000 to $750,000. A lean boutique studio can open for $100,000 to $200,000 in the right space.
- [ ] **Step 3: Find the Perfect Location**
  Gyms are not coffee shops. You are not hunting foot traffic. You are hunting repeat drive-time convenience and parking, plus a building that will not bankrupt you on HVAC and electrical.
- [ ] **Step 4: Negotiate Your Lease**
  Your lease is not a form to sign. It is a multi-hundred-thousand-dollar negotiation that defines your P&L for the next decade. Every dollar per sq ft you fail to negotiate away comes directly out of your operating margin for the life of the lease.
- [ ] **Step 5: Permits and Regulatory Compliance**
  Your timeline is usually gated by permitting and inspections, not equipment delivery. The big trigger is often change of use — turning retail into assembly-like use can force upgrades in restrooms, egress, fire protection, and parking.
- [ ] **Step 6: Buildout and Equipment**
  This is where first-time founders either build a gym that lasts 15 years or one that looks dated in 18 months. Invest in structural durability and equipment quality while avoiding vanity spending.
- [ ] **Step 7: Run a Pre-Sale Campaign**
  Done right, you can open with 200 to 400 founding members already paying — cash-flow positive from day one instead of bleeding money for 6 to 12 months.
- [ ] **Step 8: Operations, Staffing, and Retention**
  You are now open. The hard part begins. Running a gym is fundamentally a retention business. Your growth rate is meaningless if your churn rate eats it alive.
- [ ] **Step 9: Diversify Revenue Beyond Dues**
  Membership dues should be your base, not your only stream. The most profitable independent gyms generate 30% to 40% of total revenue from non-dues sources.
- [ ] **Step 10: Build an Ongoing Marketing System**
  Your grand opening was an event. Ongoing marketing is a system. You need 50 to 100 qualified leads per month to sustain growth after the initial excitement fades around month 3 to 4.

NOTES

Read the full guide

https://advisedspaces.com/open/gym

Scan the QR code or visit the link for the complete guide.