

# Building a Fire damage restoration Enterprise: A Detailed Sample Plan

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# TITLE PAGE

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FireShield Restoration Enterprises, LLC (Texas LLC). Founded March 15, 2024 in Austin, TX by Michael Reyes (ex-ServiceMaster Restore Operations Manager managing \$4.2M annual revenue). We provide 24/7 fire restoration services to residential/commercial clients in Central Texas at \$4,200 average job value, targeting \$756,000 Year 1 revenue. Plan dated October 26, 2024.

## SECTION 1: EXECUTIVE SUMMARY

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8.7 million US residential fires annually cause \$14.2B in property damage (NFPA 2023), with Central Texas experiencing 12,400 fire incidents yearly (Texas Fire Marshal). Insurance carriers reject 23% of fire restoration claims due to non-compliant contractors (NARUC 2023). FireShield solves this with IICRC-certified technicians providing 60-minute dispatch (vs. 90-120 industry average) and real-time insurance documentation via Canopy software. We charge \$1,200-\$20,000 per job based on IICRC S500 square footage tiers, achieving 48% gross margins in Year 1 through 52% COGS (55% labor, 30% materials, 15% disposal). Break-even occurs at 257 jobs/year (Month 18) with \$540,000 fixed costs and \$2,100 contribution margin per job.

We require \$200,000 SBA 7(a) loan (10-year term, 7.5% interest, \$2,360 monthly payment) to cover 71% of \$281,000 startup costs. Funds deploy as: \$185,000 equipment (66%), \$40,000 working capital (14%), \$15,000 marketing (5%), \$12,500 facility (4%), \$12,000 inventory (4%), \$8,500 tech (3%), \$4,200 licensing (1.5%), \$3,800 legal (1.3%). This enables 180 jobs in Year 1, \$149,000 net profit by Year 3, and 28% EBITDA margin. Investor ROI: 3.2x cash-on-cash by Year 5 via regional expansion.

## SECTION 2: COMPANY OVERVIEW

Texas LLC formed March 15, 2024 for asset protection and SBA loan eligibility. Headquarters at 4800 Burnet Road, Austin (3,200 sq ft light industrial lease, \$3,800/month) serving Travis/Williamson/Hays/Caldwell counties. 70% Michael Reyes (CEO), 20% Elena Chen (COO), 10% angel investor. Reyes contributed \$126,000 equity; Chen contributed \$54,000.

Michael Reyes managed ServiceMaster Restore Austin (2018-2023), growing revenue from \$2.1M to \$4.2M while maintaining 94% insurance claim acceptance rate. Elena Chen reduced BELFOR's project completion time by 22% (2020-2022) through Jobber SaaS implementation. David Tran (Lead Supervisor) completed 1,200+ fire jobs with 0 OSHA violations.

Date	Milestone	Status	Next Steps
Mar 2024	TDLR licensing	Complete	Renewal Q1 2025
Apr 2024	SBA loan approval	Complete	Draw down \$100k
May 2024	4 van fleet acquisition	Complete	Add 2 backup vans by Q3 2025
Jun 2024	IICRC firm certification	Complete	Certify 4 additional technicians
Jul 2024	State Farm carrier agreement	Complete	Add Allstate by Dec 2024
Sep 2024	Jobber/Canopy integration	Complete	Automate 100% insurance docs
Dec 2024	15 jobs/month run rate	Target	Achieve 20 jobs/month by Feb 2025
Jun 2025	Break-even operations	Target	Expand to San Antonio

## SECTION 3: MARKET ANALYSIS

TAM: \$12.8B US fire restoration (IBISWorld 2024). SAM: \$480M Texas market (Ducker Frontier 2023, 3.75% of US TAM). SOM: \$18.7M Central Texas (Austin-Round Rock MSA), calculated as 3.9% of SAM based on 12,400 annual fire incidents x \$1,508 average claim value (Texas Department of Insurance) x 100% contractor penetration.

Target customers: Homeowners in 42% pre-1980 housing stock (2.3M population, \$85k median income) and 38,000 commercial properties. Residential clients spend \$1,200-\$20,000/job (75% insurance-paid); commercial jobs average \$18,500 (62% paid upfront by carriers). 72% of clients select contractors via insurance referrals (J.D. Power 2023).

Market trends: 14% annual increase in fire claims since 2020 (NARUC), 6.2% CAGR industry growth (IBISWorld), 33% rise in wildfire-related structural fires in Texas (2020-2023, Texas A&M Forest Service), 28% of insurers now require IICRC certification (NAIC 2023).

Segment	Size (\$)	Growth Rate	Our Share Target	Rationale
Residential (0-1,500 sq ft)	\$9.2M	5.8%	8%	42% pre-1980 housing stock; \$4,200 avg job
Residential (1,500+ sq ft)	\$3.1M	7.1%	5%	Higher complexity; \$12,500 avg job
Commercial (retail)	\$4.8M	6.5%	7%	38,000 properties; \$15,000 avg job
Commercial (office)	\$1.6M	4.9%	4%	Lower frequency; \$28,000 avg job

Category	Total Addressable	Serviceable Available	Serviceable Obtainable	Methodology
US Market	\$12.8B	N/A	N/A	IBISWorld 2024 report
Texas Market	N/A	\$480M	N/A	3.75% of US TAM (Texas population share)
Central Texas	N/A	N/A	\$18.7M	12,400 incidents x \$1,508 avg claim x 100%

## SECTION 4: COMPETITIVE ANALYSIS

Top 3 Austin competitors: SERVPRO (35% market share, \$2.1M annual local revenue), PuroClean (18%, \$1.1M), Austin Disaster Restoration (12%, \$720k). SERVPRO's national overhead drives 42% gross margins (vs. our 48% Year 1 target); PuroClean's technician shortage causes 110-minute average dispatch (vs. our 60-minute guarantee).

FireShield's advantages: 1) 60-minute dispatch (validated by 92% on-time rate in pilot data) vs. 90-120 industry average, 2) In-house IICRC-certified technicians (0 subcontracting vs. SERVPRO's 35% subcontracted jobs), 3) Proprietary client portal reducing insurance documentation time from 72 to 4 hours (per adjuster surveys), 4) Bilingual support capturing 32% of Spanish-speaking homeowners (US Census).

Competitor	Revenue Est.	Pricing	Key Strength	Key Weakness	Our Differentiation
SERVPRO South Austin	\$2.1M	15% premium	Insurance relationships	42% gross margin; 35% subcontracting	22% faster dispatch; 6% higher gross margin
PuroClean Central TX	\$1.1M	20% premium	Digital marketing	110-min dispatch; 28 techs for 3 counties	50% more technicians per county
Austin Disaster Rest.	\$720k	10% discount	Local reputation	No IICRC firm certification	Full IICRC compliance; EPA lead-safe
General Contractors	N/A	30% discount	Low price	Unlicensed; 68% claim rejection rate	100% insurance claim acceptance

Strengths	Weaknesses	Opportunities	Threats
60-min dispatch guarantee	Dependent on insurance payments (60% revenue)	Wildfire season expansion (June-Oct)	SERVPRO opening new Austin franchise (Q2 2025)
100% in-house certified techs	Limited commercial fleet (4 vans)	Property manager retainer contracts (\$200/month)	Insurance claim rejection rate increase
Real-time claims portal	No Houston/San Antonio presence	City fire department partnerships	OSHA injury rate 2.1x national avg

28% EBITDA margin target	Owner-dependent sales (70%)	Commercial mold add-on (\$3,500 avg)	Economic downturn reducing home values
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## SECTION 5: PRODUCTS & SERVICES

Core service: 24/7 fire restoration with 60-minute dispatch, including board-up, soot removal, structural drying (LGR dehumidifiers), content pack-out, and insurance documentation. Jobs follow IICRC S500 standards with Flir thermal imaging for moisture mapping. All projects include digital photo logs, line-item estimates, and 1-year structural warranty. Average job duration: 7 days (residential), 12 days (commercial).

Pricing uses IICRC square footage tiers: \$1,200-\$2,500 for 0-500 sq ft (minor smoke), \$3,500-\$7,000 for 500-1,500 sq ft (moderate), \$8,000-\$20,000+ for 1,500+ sq ft (severe). Commercial jobs priced at \$125/sq ft with \$5,000 minimum. This achieves 48% gross margin (Year 1) vs. SERVPRO's 42% by using in-house technicians (\$22/hr vs. \$32/hr subcontractors) and bulk chemical purchases (18% discount from Restoration Supply Co.).

Tier	Price	Features	Target Customer	Expected % Rev	Gross Margin
Residential Basic	\$1,200-\$2,500	0-500 sq ft; smoke cleaning; 1-day completion	Homeowners; HOAs	45%	52%
Residential Premium	\$3,500-\$7,000	500-1,500 sq ft; structural drying; content pack-out	Homeowners; property managers	30%	49%
Commercial Standard	\$5,000-\$15,000	Restaurant/retail; 24-hr board-up; insurance liaison	Small businesses	15%	46%
Commercial Enterprise	\$15,000-\$50,000	Office buildings; hazardous waste disposal; project manager	Commercial property owners	10%	43%

Metric	Value	Calculation/Notes
Price per job	\$4,200	180 jobs x \$4,200 = \$756,000 Year 1 revenue
COGS per job	\$2,184	Labor \$1,529 (3.6 hrs x \$22/hr x 1.95 crew) + Materials \$491 + Disposal \$164
Gross Profit per job	\$2,016	\$4,200 - \$2,184
Gross Margin %	48%	\$2,016 / \$4,200

CAC	\$317	\$57,000 annual marketing / 180 jobs
LTV	\$5,040	\$4,200 x 1.2 (15% repeat rate + referrals)
LTV:CAC	15.9:1	\$5,040 / \$317
Payback Period	0.2 months	CAC / (Gross Profit per job / 12)

## SECTION 6: MARKETING & SALES

Primary channel: Insurance referrals (target 40% of jobs by Year 2). Tactics: \$100/referral adjuster bonuses (20+ carriers), quarterly lunch-and-learns (4/year, \$1,200 cost), and direct billing integration with State Farm/Allstate. Secondary: Google Ads targeting "fire damage restoration Austin" (CPC \$8.50, 120 leads/month at \$4,000 budget) and SEO (top 3 ranking target, \$3,500/month agency). Tertiary: \$200/referral to property managers (15% conversion rate).

Sales cycle: 1) Lead (emergency call/online form), 2) Dispatch within 60 minutes (92% on-time rate), 3) Digital estimate within 2 hours (95% approval rate), 4) Work start within 24 hours, 5) Completion in 3-14 days. Conversion: 25% of 120 monthly Google leads (30 jobs), 40% of 50 insurance referrals (20 jobs), 15% of 100 property manager referrals (15 jobs) = 65 jobs/month by Year 2.

Retention: Post-job SMS survey (85% response rate), 10% discount on future services, free HVAC inspection. Target churn: 3.2% monthly (vs. industry 5.7%) based on 95% CSAT goal. Expansion revenue: \$350/job from mold remediation add-ons (35% adoption rate).

Channel	Monthly Budget	Expected CAC	Expected Leads/Month	Conversion Rate	Expected Customers/Month	ROI
Google Ads	\$4,000	\$133	120	25%	30	15.1x
Insurance Referrals	\$3,333	\$167	50	40%	20	12.0x
Property Managers	\$3,000	\$200	100	15%	15	10.1x
SEO/Content	<b>\$3,500</b>	<b>\$0</b>	<b>45</b>	<b>22%</b>	<b>10</b>	<b>20.2x</b>
Social Media	\$1,200	\$120	60	10%	6	16.8x

Month	Google Ads	Social Media	Content/SEO	Events	Other	Total	Expected Leads	Expected Customers
1	\$4,000	\$1,200	\$3,500	\$0	\$500	\$9,200	120	15
2	\$4,000	\$1,200	\$3,500	\$0	\$500	\$9,200	135	18
3	\$4,000	\$1,200	\$3,500	\$0	\$500	\$9,200	150	20
4	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	165	22
5	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	180	24
6	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	195	26
7	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	210	28
8	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	225	30
9	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	240	32
10	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	255	34
11	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	270	36

12	\$4,000	\$1,200	\$3,500	\$1,000	\$500	\$10,200	285	38
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## SECTION 7: OPERATIONS

Daily workflow: 1) 24/7 dispatch via Jobber (120-second response time), 2) GPS-optimized routing (avg. 18 miles/job), 3) On-site assessment with Flir camera, 4) Digital estimate via Canopy (2 hours), 5) Client approval via e-sign, 6) Job execution with 1.95-technician crews (3.6 hours/job), 7) Real-time client portal updates. Capacity: 4 vans x 2 crews/van x 8 jobs/week = 64 jobs/week (3,328/year).

Key vendors: Restoration Supply Co. (\$18,000/year for chemicals/PPE, 30-day terms), Ecola Equipment (\$25,000/year for dehumidifiers/air movers, 24-month lease), Clean Earth (\$8,000/year for hazardous waste, \$250/load). Technology: Jobber (\$299/month for scheduling/invoicing), Canopy (\$150/month for claims docs), RingCentral (\$200/month for call tracking).

Vendor/Supplier	Service	Monthly Cost	Contract Terms	Backup Option
Restoration Supply Co.	Chemicals/PPE	\$1,500	Net 30; 5% discount >\$5k	ServiceMaster Supply
Ecola Equipment	Dehumidifiers/air movers	\$2,083	24-month lease; 15% early buyout	Dri-Eaz Direct
Clean Earth	Hazardous waste disposal	\$667	Per-load; \$250 minimum	Republic Services
Jobber	Field service platform	\$299	Month-to-month	Housecall Pro
Canopy	Claims documentation	\$150	Annual contract	Simpro

Tool	Purpose	Monthly Cost	Users	Alternatives Considered
Jobber	Scheduling, invoicing, payments	\$299	12	ServiceTitan (rejected: \$499/month)
QuickBooks Online	Accounting, payroll	\$70	3	Xero (rejected: integration issues)
Canopy	Insurance photo logs	\$150	4	Simpro (rejected: \$220/month)
RingCentral	VoIP, call tracking	\$200	12	Nextiva (rejected: \$250/month)
Google Workspace	Email, cloud storage	\$48	12	Microsoft 365 (rejected: \$60/month)

## SECTION 8: MANAGEMENT TEAM

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Organizational structure: CEO (Reyes), COO (Chen), Lead Supervisor (Tran), 8 technicians, 1 client coordinator. Salaries: Technicians \$45,760/year (\$22/hr), Supervisor \$62,400, Client Coordinator \$37,440. Compensation philosophy: Base + 5% revenue bonus at \$1M revenue. No equity grants in Year 1.

Advisory board: James Peterson (ex-State Farm claims director, 2 hrs/week), Maria Lopez (TDLR compliance expert, 4 hrs/month). Compensation: \$150/hr consulting fee.

Month	Role	Salary	Priority	Source	Onboarding Time
1	Technician (x2)	\$45,760	High	Indeed	2 weeks
2	Technician (x2)	\$45,760	High	Indeed	2 weeks
3	Client Coordinator	\$37,440	Medium	Internal referral	1 week
4	Technician (x2)	\$45,760	High	Indeed	2 weeks
5	Technician (x2)	\$45,760	High	Indeed	2 weeks
6	Marketing Contractor	\$36,000	Medium	Upwork	1 week
9	Accountant (PT)	\$30,000	Low	Intuit referral	1 week
12	San Antonio Manager	\$65,000	High	Internal promotion	4 weeks

## SECTION 9: FINANCIAL PLAN

Key assumptions: 15 jobs/month in Year 1 (growing to 28/month by Year 2), \$4,200 average revenue per job (3% annual increase), 52% COGS (Year 1), 3.2% monthly churn, 21-day accounts receivable cycle (60% paid upfront by insurance). Fixed costs: \$45,000/month (\$380k salaries, \$4,500 rent, \$2,333 vehicle, \$1,500 insurance, \$4,750 marketing, \$600 software).

Revenue model: 75% residential jobs (\$3,900 avg), 25% commercial (\$5,100 avg). Growth drivers: Insurance referral program (target 40% of jobs by Year 2), Google Ads (120 leads/month), and property manager partnerships (15% conversion). COGS includes 70% of technician wages (job-related), chemical costs, and disposal fees.

Cost structure: 68% fixed costs (\$380k salaries, \$54k rent, \$18k insurance, \$7.2k software), 32% variable (\$392k COGS, \$50k marketing). Fixed costs scale linearly with headcount; COGS scales at 0.85x revenue growth due to bulk purchasing discounts.

Funding: \$200,000 SBA loan covers 71% of \$281,000 startup costs. Provides 14-month runway to positive cash flow (Month 14). Milestones funded: 180 jobs Year 1, 95% insurance claim acceptance, 4.9 Google rating.

Category	Item	Cost	Notes
Legal/Formation	Texas LLC filing	\$300	State fee
Legal/Formation	Operating agreement	\$1,500	Attorney fee
Licenses/Permits	TDLR license	\$1,200	2-year term
Licenses/Permits	IICRC firm certification	\$1,500	Annual fee
Licenses/Permits	EPA lead-safe	\$500	Renewal every 5 years
Equipment	Ford Transit vans (x4)	\$140,000	\$35k each; 20% down

Equipment	Dryer \$22,000 movers (x16)	Dri-Eaz LGR 7000
Equipment	Air \$12,000 scrubbers (x12)	Camfil APC
Equipment	Thermal \$5,000 cameras (x2)	Flir E8
Technology Setup	Laptop \$4,000 tablets (x5)	Dell Latitude
Technology Setup	Software \$4,500 setup	Jobber/C integratio
Initial Inventory	Chemicals \$10,000 PPE	Restorat Supply Co.
Initial Inventory	Absorbents \$2,000	3-month supply
Marketing Launch	Website \$3,500 development	WordPre + SEO
Marketing Launch	Initial \$5,000 Google Ads	3-month budget
Marketing Launch	Branding \$1,500	Logo, uniforms van wraps
Working Capital	3-month \$59,000 reserve	\$19,667 x 3 months

Insurance	General liability (\$2M)	\$12,000	Annual premium
Insurance	Pollution liability	\$6,000	Annual premium
Professional Fees	Accounting system setup	\$2,500	Bookkeeper system
Office/Facility	Lease deposit	\$7,600	2 months rent
Office/Facility	Warehouse buildout	\$4,900	Storage bays, office
Contingency (10%)	Unplanned costs	\$28,100	10% of total
<b>Total</b>		<b>\$281,000</b>	

Category	Monthly Cost	Annual Cost	Notes
Rent	Fixed \$3,800	\$45,600	3,200 sq ft warehouse
Salaries/Payroll	Fixed \$31,667	\$380,000	1 CEO, 1 COO, 1 supervisor, 8 techs
Benefits	Fixed \$3,167	\$38,000	10% of payroll

Insurance	Fixed	\$1,500	\$18,000	Liability + pollution
Software	Fixed	\$600	\$7,200	Jobber, Canopy, QuickBooks
Utilities	Fixed	\$400	\$4,800	Electricity internet
Marketing	Fixed	\$4,750	\$57,000	Google Ads, SEO, events
Professional Services	Fixed	\$600	\$6,000	Accounting legal
Vehicle Leases	Fixed	\$2,333	\$28,000	4 vans; \$583 each
Fuel/Maintenance	Variable	\$318	\$10,000	\$0.50/mile x 20,000 miles
Loan Payment	Fixed	\$2,360	\$28,320	SBA 7(a) principal + interest
COGS	Variable	\$21,667	\$392,000	52% of \$756k revenue
<b>Fixed Total</b>		<b>\$48,917</b>	<b>\$587,000</b>	
<b>Variable Total</b>		<b>\$33,500</b>	<b>\$402,000</b>	
<b>Combined Total</b>		<b>\$82,417</b>	<b>\$989,000</b>	

Line Item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1 Total
Revenue	\$21,000	\$25,200	\$29,400	\$33,600	\$37,800	\$42,000	\$46,200	\$50,400	\$54,600	\$58,800	\$63,000	\$67,200	\$504,000
COGS	\$10,920	\$13,104	\$15,288	\$17,472	\$19,656	\$21,840	\$24,024	\$26,208	\$28,392	\$30,576	\$32,760	\$34,944	\$262,080

Gross Profit	\$10,080	\$12,096	\$14,112	\$16,128	\$18,144	\$20,160	\$22,176	\$24,192	\$26,208	\$28,224	\$30,240	\$32,256	\$241,920
Marketing	\$9,200	\$9,200	\$9,200	\$10,200	\$10,200	\$10,200	\$10,200	\$10,200	\$10,200	\$10,200	\$10,200	\$10,200	\$118,200
Salaries	\$25,000	\$25,000	\$25,000	\$31,667	\$31,667	\$31,667	\$31,667	\$31,667	\$31,667	\$31,667	\$31,667	\$31,667	\$360,000
Rent	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$45,600
Software	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$529	\$6,348
Insurance	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$18,000
Other OpEx	\$10,888	\$10,888	\$10,888	\$10,888	\$10,888	\$10,888	\$10,888	\$10,888	\$10,888	\$10,888	\$10,888	\$10,888	\$130,656
Total OpEx	\$49,917	\$49,917	\$49,917	\$56,594	\$56,594	\$56,594	\$56,594	\$56,594	\$56,594	\$56,594	\$56,594	\$56,594	\$665,804
EBITDA	-\$39,837	-\$37,821	-\$35,805	-\$40,466	-\$38,450	-\$36,434	-\$34,418	-\$32,402	-\$30,386	-\$28,370	-\$26,354	-\$24,338	-\$423,884
Depreciation	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$27,600
EBIT	-\$42,137	-\$40,121	-\$38,105	-\$42,766	-\$40,750	-\$38,734	-\$36,718	-\$34,702	-\$32,686	-\$30,670	-\$28,654	-\$26,638	-\$451,484
Interest	\$1,250	\$1,235	\$1,220	\$1,204	\$1,189	\$1,173	\$1,157	\$1,141	\$1,125	\$1,109	\$1,093	\$1,077	\$14,113
Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income	-\$43,387	-\$41,356	-\$39,325	-\$43,970	-\$41,939	-\$39,908	-\$37,877	-\$35,846	-\$33,815	-\$31,784	-\$29,753	-\$27,722	-\$465,597

Line Item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Beginning Cash	\$180,000	\$136,613	\$95,257	\$55,932	\$11,962	-\$32,007	-\$71,915	-\$110,761	-\$148,605	-\$185,420	-\$221,204	-\$255,957
Cash In (Revenue)	\$12,600	\$22,680	\$26,460	\$30,240	\$34,020	\$37,800	\$41,580	\$45,360	\$49,140	\$52,920	\$56,700	\$60,480
Cash In (Loan)	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash In	\$212,600	\$22,680	\$26,460	\$30,240	\$34,020	\$37,800	\$41,580	\$45,360	\$49,140	\$52,920	\$56,700	\$60,480
Cash Out (COGS)	\$10,920	\$13,104	\$15,288	\$17,472	\$19,656	\$21,840	\$24,024	\$26,208	\$28,392	\$30,576	\$32,760	\$34,944
Cash Out (OpEx)	\$39,017	\$36,817	\$34,617	\$46,394	\$44,194	\$41,994	\$39,794	\$37,594	\$35,394	\$33,194	\$30,994	\$28,794
Cash Out (Loan)	\$0	\$0	\$0	\$2,360	\$2,360	\$2,360	\$2,360	\$2,360	\$2,360	\$2,360	\$2,360	\$2,360
Total Cash Out	\$49,937	\$49,921	\$49,905	\$66,226	\$66,210	\$66,194	\$66,178	\$66,162	\$66,146	\$66,130	\$66,114	\$66,098

Net Cash Flow	\$162,663	-\$27,241	-\$23,445	-\$35,986	-\$32,190	-\$28,394	-\$24,598	-\$20,802	-\$17,006	-\$13,210	-\$9,414	-\$5,618
Ending Cash	\$136,613	\$95,257	\$55,932	\$11,962	-\$32,007	-\$71,915	-\$110,761	-\$148,605	-\$185,420	-\$221,204	-\$255,957	-\$289,675

Metric	Y1	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4	Y3 Q1	Y3 Q2	Y3 Q3	Y3 Q4	Y3 Total
Revenue	\$756,000	\$350,000	\$385,000	\$420,000	\$455,000	\$490,000	\$525,000	\$560,000	\$595,000	\$1,564,000
COGS	\$392,000	\$171,500	\$188,650	\$205,800	\$222,950	\$240,100	\$257,250	\$274,400	\$291,550	\$735,000
Gross Profit	\$364,000	\$178,500	\$196,350	\$214,200	\$232,050	\$249,900	\$267,750	\$285,600	\$303,450	\$829,000
OpEx	\$587,520	\$152,000	\$152,000	\$152,000	\$152,000	\$170,000	\$170,000	\$170,000	\$170,000	\$680,000
EBITDA	-\$223,520	\$26,500	\$44,350	\$62,200	\$80,050	\$79,900	\$97,750	\$115,600	\$133,450	\$149,000
Net Income	-\$223,520	\$10,700	\$25,700	\$40,700	\$55,700	\$55,700	\$70,700	\$85,700	\$100,700	\$149,000
Ending Cash	-\$289,675	-\$180,000	-\$40,000	\$100,000	\$250,000	\$420,000	\$600,000	\$800,000	\$1,000,000	\$1,000,000

Metric	Value	Calculation
Monthly Fixed Costs	\$45,000	$\$540,000 / 12$
Variable Cost per Job	\$1,134	$\$2,184 \text{ COGS} \times 52\%$
Price per Job	\$4,200	Average revenue
Contribution Margin per Job	\$2,100	$\$4,200 - \$2,100$
Contribution Margin %	50%	$\$2,100 / \$4,200$
Break-Even Units per Month	21.4	$\$45,000 / \$2,100$
Break-Even Revenue per Month	\$90,000	$21.4 \text{ jobs} \times \$4,200$
Expected Break-Even Month	18	Per cash flow projections

Safety Margin	29%	(30 jobs - 21.4) / 30
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Metric	Y1	Y2	Y3	Industry Benchmark
Gross Margin %	48%	51%	53%	45-50% (Restoration)
Operating Margin %	-29.6%	8.7%	9.5%	5-10% (Restoration)
Net Profit Margin %	-29.6%	8.7%	9.5%	5-10%
Current Ratio	0.8	1.9	2.5	1.5+
Quick Ratio	0.5	1.2	1.7	1.0+
CAC Payback	0.2 months	0.1 months	0.1 months	3-6 months
LTV:CAC Ratio	15.9:1	16.5:1	17.1:1	3:1+
Monthly Burn Rate	\$38,639	\$0	\$0	N/A
Runway (months)	4.7	Indefinite	Indefinite	6+

## SECTION 10: RISK ANALYSIS

Top risks: 1) Insurance payment delays (30% probability, 40% impact on cash flow; NAIC 2023 shows 28-day avg claim processing), 2) Technician injury (15% annual probability, 35% impact; BLS data shows 8.2 injuries/100 workers), 3) SERVPRO market share growth (25% probability, 20% revenue impact; SERVPRO opened 12 TX franchises in 2023), 4) Wildfire season volatility (40% probability, 25% revenue impact; Texas A&M data shows 33% annual increase).

Mitigation: 1) Require 50% upfront deposit on jobs >\$10k (reduces AR exposure by 65%), 2) OSHA 30 training + \$2M liability insurance (cuts injury rate by 50% per OSHA data), 3) Target 20+ adjuster relationships with \$100/referral bonuses (achieves 40% referral target by Year 2), 4) Build 2-van backup fleet (ensures 100% dispatch capacity during peak season).

Risk	Probability	Impact	Risk Score	Mitigation Strategy	Contingency Plan	Owner
Insurance payment delays	3	4	12	50% upfront deposit on large jobs; factoring for >45-day AR	Draw \$50k SBA line of credit	COO
Technician injury	2	4	8	OSHA 30 training; mandatory PPE; \$2M insurance	Activate backup technicians	Lead Supervisor
Competitor expansion	3	3	9	\$100/referral bonuses; adjuster lunch-and-learns	Reduce pricing by 5% for 6 months	CEO
Wildfire season volatility	4	3	12	2-van backup fleet; 30% surge pricing during peak	Subcontract overflow to PuroClean	CEO
Mold claim rejection	2	5	10	EPA lead-safe certification; third-party lab testing	Free remediation reattempt	Lead Supervisor
Vehicle breakdown	3	2	6	24/7 Ecola maintenance contract; 2 backup vans	Rent replacement van (\$150/day)	COO
Low insurance referrals	4	3	12	Direct billing integration with 25+ carriers	Double Google Ads budget	CEO
Reputation damage	2	5	10	NPS tracking; \$1,000 service recovery fund	PR agency retainer (\$2k/month)	Client Coordinator

## SECTION 11: IMPLEMENTATION TIMELINE

Critical path: Achieve 15 jobs/month by Month 6 through insurance referrals (State Farm agreement in Month 3) and Google Ads (top 3 ranking by Month 9). Key dependency: IICRC technician certification (8 weeks training). Month 12 priority: Positive cash flow via 28 jobs/month and 40% insurance referral rate.

Month	Milestone	Deliverables	Resources Needed	Success Metric	Owner
1	Van fleet deployment	4 operational vans; GPS tracking	\$140k equipment budget	100% dispatch capacity	CEO
2	Technician certification	8 IICRC-certified technicians	\$5k training budget	0 subcontracting	Lead Supervisor
3	State Farm agreement	Direct billing integration	Adjuster lunch-and-learn	10 jobs from referrals	CEO
4	Jobber/Canopy integration	Real-time client portal	\$4,500 software setup	4-hour doc turnaround	COO
5	Google Ads launch	120 leads/month	\$4k monthly budget	\$133 CAC	Marketing Contractor
6	15 jobs/month run rate	90 total jobs	Full technician team	\$63,000 monthly revenue	CEO
7	First profit center	Commercial division launch	\$5k marketing budget	5 commercial jobs/month	COO
8	4.5 Google rating	50+ verified reviews	SMS survey system	90% survey response rate	Client Coordinator
9	Top 3 SEO ranking	Page 1 for 5 keywords	\$3,500 SEO budget	45 organic leads/month	Marketing Contractor
10	Break-even path	22 jobs/month	2 new technician hires	\$92,400 monthly revenue	CEO
11	20 adjuster relationships	\$100/referral program	\$2k monthly bonus budget	40% referral revenue share	CEO
12	Positive cash flow	Month 14 cash flow target	\$10k marketing reserve	\$100,000 ending cash balance	COO

## SECTION 12: APPENDIX

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Supporting documents: TDLR license #TRC12345, IICRC firm certificate #F12345, SBA loan commitment letter, State Farm carrier agreement, 3-year financial model with 120+ assumptions. All market data sourced from IBISWorld, Ducker Frontier, Texas Department of Insurance, and NFPA reports. Full unit economics model available upon request.