Sample Business Plan to Help You Start a General contractor and remodeling Venture

HavenCraft Remodeling, LLC (Texas LLC formed January 15, 2024) is led by Marcus Delgado (15-year construction veteran, managed $42M portfolio at Benchmark Builders) and Elena Rivera (NCARB architect, delivered 87 LEED projects). We provide architect-led residential remodels to homeowners earning >$120k in Austin’s 3-county area at $50k average project value, targeting $1.2M Year 1 revenue with 35% gross margin. Plan dated June 2024.

1. Executive Summary

Austin homeowners lose $18.2M annually to remodeling project delays (Austin Remodeling Association 2023), with 68% citing poor communication as primary cause. HavenCraft solves this via Buildertrend-powered client portal showing real-time budget/timeline tracking and fixed-fee contracts for 80% of projects under $75k. We charge $55k avg kitchen remodel (35% gross margin) to 35-65yo homeowners with $575k median home value, targeting 24 projects ($1.2M revenue) in Year 1 with break-even at 15 projects.

We require $200,000 SBA 7(a) loan (7.5% interest, 10-year term) to fund $85,000 equipment, $52,000 vehicle, and $63,000 working capital. This capital enables 24 projects in Year 1, generating $152,000 net profit (12.7% margin) by Month 9. Investor ROI: 22% IRR by Year 3 with $726,000 net profit on $3M revenue.

2. Company Overview

Texas LLC formed January 15, 2024, chosen for liability protection and pass-through taxation. Austin location targets $54M serviceable market in Travis/Williamson/Hays Counties where 28% population growth (2010-2020) drives remodeling demand. Ownership: Marcus Delgado (60%, $75k equity), Elena Rivera (40%, $50k equity).

Marcus Delgado (CEO) managed 127 projects ($42M value) at Benchmark Builders with 94% on-time completion. Elena Rivera (CDO) designed 87 LEED projects averaging 22% energy savings. David Tran (PM) reduced rework 18% at Legacy Renovations via digital checklists.

Date	Milestone	Status	Next Steps
Jan 2024	TDLR License #GC-98432 issued	Complete	N/A
Feb 2024	Office lease signed (4800 Burnet Rd)	Complete	N/A
Mar 2024	Buildertrend CRM implemented	Complete	Integrate with QuickBooks
Apr 2024	First client deposit ($2,500)	Complete	Project kickoff
Jun 2024	SBA loan application submitted	Pending	Close by July 15
Sep 2024	15th project completed (break-even)	Target	Hire estimator
Dec 2024	24 projects completed	Target	Expand to 4 crews
Mar 2025	5-star Google rating (50+ reviews)	Target	Launch referral program

3. Market Analysis

TAM: $320B US residential remodeling (IBISWorld 2024). SAM: $1.8B Texas market excluding new construction. SOM: $54M Austin MSA spend (2024), calculated as 3% of $1.8B SAM based on Austin’s 1.6% state population share and 28% growth premium. Our Year 1 target: $1.6M (3% SOM).

Target customers: Homeowners 35-65yo in ZIP codes 78703, 78704, 78756 earning $120k+ (42,000 households). 62% plan remodels within 2 years (NAHB 2023), budgeting $45k-$95k. 38% prioritize sustainability (EcoBuilding Pulse survey), 29% seek aging-in-place features.

Key trends: 1) Aging-in-place demand growing 14% annually (AARP 2024); 2) Energy-efficient remodels command 12% price premium (Lawrence Berkeley Lab); 3) Digital project tracking adoption up 37% since 2022 (Construction Executive).

Segment	Size ($)	Growth Rate	Our Share Target	Rationale
Kitchen remodels	21.6M	8.2%	4.5%	Avg $55k project; 392 homes/year in target ZIPs
Bathroom renovations	15.1M	11.7%	5.1%	High aging-in-place demand; 395 homes/year
Whole-house remodels	10.8M	6.3%	2.8%	$150k avg; 72 homes/year in target market
Accessibility mods	6.5M	14.0%	7.7%	$42k avg; 155 homes/year (55+ cohort)

Category	Total Addressable	Serviceable Available	Serviceable Obtainable	Methodology
US Market	320B	N/A	N/A	IBISWorld 2024 report
Texas Market	N/A	1.8B	N/A	IBISWorld x TX population share (8.3%)
Austin MSA	N/A	N/A	54M	TX SAM x Austin pop share (3%) x growth adj (1.28)

4. Competitive Analysis

Austin has 327 licensed remodelers (TDLR data). Top 3 competitors: Greenbridge Renovations ($2.8M revenue, 12% market share), Heritage Home Remodel ($1.9M, 8.1%), ModernSpace Contracting ($3.2M, 13.6%). All lack integrated architect-contractor teams and real-time client dashboards. Greenbridge's 2023 Yelp reviews cite 23% project delays.

Our advantages: 1) 17-point QC checklist reduces rework by 22% (vs industry 35%); 2) Client portal cuts change order disputes by 41% (Buildertrend data); 3) Pre-vetted subcontractor network ensures 92% on-time crew arrival (vs 76% industry avg); 4) FSC-certified material sourcing attracts 38% of eco-conscious clients.

Competitor	Revenue Est.	Pricing	Key Strength	Key Weakness	Our Differentiation
Greenbridge	2.8M	40% premium	Eco-certifications	23% project delays	Real-time tracking reduces delays by 41%
Heritage Home	1.9M	Market rate	Historic district expertise	No digital client access	Client portal + architect for historic compliance
ModernSpace	3.2M	55% premium	Luxury finishes	45-day avg design phase	10-day design turnaround via in-house architect
Mr. Handyman	1.1M (local)	30% discount	Brand recognition	Limited to small jobs	Full-service remodels up to $150k
HomeAdvisor	N/A	16% commission	Lead volume	28% client dissatisfaction	Direct booking avoids referral fees

Strengths	Weaknesses	Opportunities	Threats
Architect-contractor integration	Limited crew capacity (Year 1)	FEMA aging-in-place grants	Material cost volatility (+18% lumber 2023)
Real-time client portal	New brand (no reviews)	TX energy efficiency rebates	Recession reducing remodel spend
Pre-vetted subcontractor network	Dependent on 2 key personnel	Insurance restoration work	OSHA compliance risks

FSC-certified material sourcing	High startup costs	Commercial light construction expansion	Competitor price wars

5. Products & Services

We deliver fixed-scope remodels with 60-120 day timelines. Kitchen remodels include 3D SketchUp designs, Semihandmade cabinets, quartz counters, and smart appliance integration. Bathroom renovations feature zero-threshold showers, Kohler Numi toilets, and Marmoleum flooring. All projects include Buildertrend portal access with daily photo updates and automated change order approvals.

Pricing uses fixed-fee for 80% of projects (<$75k) at 35% gross margin. Cost-plus for complex jobs (15% contractor fee + capped 10% overhead). Design fees ($2,500-$7,500) credited to construction. Premium pricing justified by 22% lower rework costs and 10-day faster design phase versus competitors.

Tier	Price	Features	Target Customer	Expected % Rev	Gross Margin
Essential Kitchen	48,000	Cabinet refacing, laminate counters	Homeowners 35-50, $120-180k income	35%	38%
Premium Bathroom	42,000	Zero-threshold shower, heated floors	Homeowners 55+, $150k+ income	28%	36%
Whole-House	150,000	Layout reconfig, smart home wiring	Homeowners 45-65, $200k+ income	25%	33%
Historic Preservation	95,000	Period-accurate materials, permit expediting	Historic district owners	12%	31%

Metric	Value	Calculation/Notes
Price per project	50,000	Weighted avg of 24 Year 1 projects
COGS per project	32,500	Materials (65%) + Subcontractors (35%)
Gross Profit per project	17,500	50,000 - 32,500
Gross Margin %	35.0%	17,500 / 50,000
CAC	1,750	42,000 annual marketing spend / 24 customers

LTV	122,500	50,000 *3.5 avg projects* 0.7 retention rate
LTV:CAC	70.0	122,500 / 1,750
Payback Period	1.2 months	CAC / (Gross Profit per project / 12)

6. Marketing & Sales

Google Ads drives 60% of leads at $500 CAC. $3,500/mo budget targets keywords "kitchen remodel Austin" (CPC $4.20, 833 clicks/mo, 3.3% conversion to leads). Houzz Pro ($600/yr) yields 12 leads/mo at $50 CAC. Real estate agent partnerships generate 20% of leads with 7% referral fee ($3,500 avg project value).

Sales cycle: 7-day lead response (92% reply rate), 90-min consult ($250 deposit), 8-day proposal turnaround. Close rate: 35% from consults. Average cycle: 22 days. Retention: 70% repeat/referral rate via 2-year warranty and "HavenCraft Circle" loyalty program (5% discount).

Channel	Monthly Budget	Expected CAC	Expected Leads/Month	Conversion Rate	Expected Customers/Month	ROI
Google Ads	3,500	500	27	25.9%	7	34.3x
Houzz Pro	50	50	12	25.0%	3	350.0x
Real Estate Agents	0	3,500	4	25.0%	1	4.0x
Community Workshops	200	200	10	20.0%	2	87.5x
Referral Program	250	0	8	50.0%	4	Infinite

Month	Google Ads	Social Media	Content/SEO	Events	Other	Total	Expected Leads	Expected Customers
1	3,500	500	1,000	0	0	5,000	51	13
2	3,500	500	1,000	0	0	5,000	51	13
3	3,500	500	1,000	500	0	5,500	59	15
4	3,500	500	1,000	500	0	5,500	59	15
5	3,500	500	1,000	500	0	5,500	59	15
6	3,500	500	1,000	500	0	5,500	59	15
7	3,500	500	1,000	500	250	5,750	61	15
8	3,500	500	1,000	500	250	5,750	61	15
9	3,500	500	1,000	500	250	5,750	61	15
10	3,500	500	1,000	500	250	5,750	61	15
11	3,500	500	1,000	500	250	5,750	61	15
12	3,500	500	1,000	500	250	5,750	61	15

7. Operations

Daily workflow: 7AM crew dispatch via Buildertrend, 3PM automated client progress report, Friday PM site inspection. Capacity: 2 crews handle 12 projects simultaneously (60-120 day cycles). Quality control: 17-point checklist signed by PM and client at 5 milestones. Material staging: 72-hour lead time from EcoBuild Supply.

Key vendors: Austin Lumber Co. (20% volume discount at $50k/mo), Ferguson (HVAC/plumbing bulk pricing), EcoBuild Supply (FSC-certified materials). Technology stack chosen for construction-specific workflows and API integration.

Vendor/Supplier	Service	Monthly Cost	Contract Terms	Backup Option
Austin Lumber Co.	Framing/lumber	8,200	Net 30, 2% discount	ABC Supply
EcoBuild Supply	Sustainable materials	5,800	Net 15	Green Depot
Ferguson	Plumbing/HVAC	3,500	Net 30	SupplyHouse.com
Buildertrend	Project management	199	Annual $2,388	CoConstruct
Gusto	Payroll	45	Monthly	ADP

Tool	Purpose	Monthly Cost	Users	Alternatives Considered
Buildertrend	Project mgmt/client portal	199	4	CoConstruct ($249), Procore ($450)
QuickBooks Online	Accounting	30	2	Xero ($29)
SketchUp Pro	3D design	119	1	AutoCAD LT ($120)
Google Workspace	Email/docs	12	4	Microsoft 365 ($6)
Slack	Team communication	0	4	Microsoft Teams (free)

8. Management Team

Flat structure with Marcus Delgado (CEO) overseeing operations, Elena Rivera (CDO) leading design. Salaries: CEO $100k, CDO $90k, PM $75k, PT Admin $35k. Bonuses tied to gross margin (15% of salary at 35%+ margin).

Advisory board: Carlos Mendez (ex-CFO, Benchmark Builders; 0.5% equity), Lisa Chen (OSHA compliance specialist; $150/hr retainer).

Month	Role	Salary	Priority	Source	Onboarding Time
1	Project Manager	75,000	High	LinkedIn	30 days
3	Estimator	68,000	Medium	Trade associations	45 days
6	Second PM	75,000	High	Employee referral	30 days
9	Full-time Admin	45,000	Medium	Craigslist	14 days

9. Financial Plan

Key assumptions: 1.7 new projects/month starting Month 3 (ramps to 4.3/month by Month 12). Avg project value $50k (Year 1), $58k (Year 2). COGS 65% of revenue. Monthly churn 0.8%. CAC $1,750. Payroll 60% of OpEx. Break-even at 15 projects (35% gross margin on $50k projects covers $262k fixed costs).

Revenue grows via project volume (24 Year 1 to 52 Year 3) and avg project value increase ($50k to $57.7k). Primary growth drivers: 70% client retention rate and 22% higher project value from whole-house remodels.

Fixed costs: $32.3k/month (rent, salaries, software). Variable costs: 65% of revenue (materials, subs, commissions). Fixed costs decline from 68% to 48% of revenue as volume scales.

We require $200,000 SBA loan for $85k equipment, $15.6k vehicle down payment, $98k working capital. Provides 10.2 months runway to Month 17, funding 37 projects and hitting $2.1M Year 2 revenue.

Category	Ite	Cost	Notes
Legal/Formation	LLC filing	300	Texas SOS fee
Licenses/Permits	TDLR license	1,200	GC license #GC-984
Equipment	Power tools	42,000	Milwauke
Equipment	Safety gear	8,500	OSHA-c
Technology	Software setup	2,500	Buildertr config
Initial Inventory	Hardware stock	3,200	Screws, fasteners etc.
Marketing Launch	Website development	4,500	WordPre + Houzz integratio

Marketing Launch	Branding	3,500	Logo, template
Working Capital	6 months OpEx	180,200	Based on $30,033/
Insurance	General liability	6,200	$2M coverage
Insurance	Workers comp	2,600	2 employe
Professional Fees	Accounting setup	2,500	QuickBo configura
Office Setup	Furniture	7,000	Desks, design station
Vehicle	Down payment (30%)	15,600	2024 Ford Transit 250
Contingency (10%)	Unplanned costs	32,500	10% of total
Total		**325,000**	

Category	Ty	Monthly Cost	Annual Cost	Notes
Rent	Fixed	3,333	40,000	Office + warehous
Salaries	Fixed	21,667	260,000	CEO, CDO, PM, PT admin

Payroll Taxes	Fixed	4,333	52,000	20% of salaries
Benefits	Fixed	1,000	12,000	Health stipend
Insurance	Fixed	817	9,800	GL, workers' comp
Software	Fixed	350	4,200	Buildertre QuickBoo
Utilities	Fixed	500	6,000	Internet, phone, electricity
Marketing	Variable	3,500	42,000	Google Ads, Houzz
Vehicle	Variable	1,000	12,000	Lease, fuel, maintena
Subcontractors	Variable	0	0	Billed per project
Materials	Variable	0	0	Purchase per project
Loan Payment	Fixed	1,917	23,000	SBA 7(a) at 7.5%
Fixed Total		**32,317**	**387,800**	
Variable Total		**4,500**	**54,000**	
Combined Total		**36,817**	**441,800**	

Line Item	**M1**	**M**	**M3**	**M4**	**M5**	**M6**	**M7**	**M8**	**M9**	**M10**	**M11**	**M12**	**Year 1 Total**	
Revenue	0	0	50,000	100,000	150,000	200,000	250,000	300,000	350,000	400,000	450,000	500,000	2,400,000	
COGS	0	0	32,500	65,000	97,500	130,000	162,500	195,000	227,500	260,000	292,500	325,000	1,560,000	

Gross Profit	0	0	17,500	35,000	52,500	70,000	87,500	105,000	122,500	140,000	157,500	175,000	840,000	
Marketing	5,000		5,000	5,500	5,500	5,500	5,500	5,750	5,750	5,750	5,750	5,750	5,750	42,000
Salaries	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	21,667	260,000	
Rent	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	40,000	
Software	350	350	350	350	350	350	350	350	350	350	350	350	4,200	
Insurance	817	817	817	817	817	817	817	817	817	817	817	817	9,800	
Other OpEx	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	
Total OpEx	32,167	32,167	32,667	32,667	32,667	32,667	32,667	32,917	32,917	32,917	32,917	32,917	388,000	
EBITDA	-32,167	-32,167	-15,167	2,333	19,833	37,333	54,833	72,083	89,583	107,083	124,583	142,083	452,000	
Depreciation	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	1,417	17,000	
EBIT	-33,584	-33,584	-16,584	916	18,416	35,916	53,416	70,666	88,166	105,666	123,166	140,666	435,000	
Interest	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000	
Taxes (25%)	0	0	0	0	4,291	8,579	12,854	17,116	21,371	25,616	29,866	34,116	153,750	
Net Income	-34,834	-34,834	-17,834	-334	12,875	26,107	39,312	52,300	65,545	78,799	92,049	105,299	266,250	

Line Item	**M1**	**M2**	**M3**	**M4**	**M5**	**M6**	**M7**	**M8**	**M9**	**M10**	**M11**	**M12**
Beginning Cash	180,200	145,366	110,532	92,698	92,364	105,239	131,346	170,658	222,958	288,503	367,302	459,351
Cash In	0	0	25,000	50,000	75,000	100,000	125,000	150,000	175,000	200,000	225,000	250,000
Total Cash In	0	0	25,000	50,000	75,000	100,000	125,000	150,000	175,000	200,000	225,000	250,000
Cash Out	34,834	34,834	42,834	35,334	62,125	73,893	85,688	97,700	109,455	121,201	132,951	144,701
Total Cash Out	34,834	34,834	42,834	35,334	62,125	73,893	85,688	97,700	109,455	121,201	132,951	144,701
Net Cash Flow	-34,834	-34,834	-17,834	14,666	12,875	26,107	39,312	52,300	65,545	78,799	92,049	105,299
Ending Cash	145,366	110,532	92,698	107,364	119,239	145,346	184,658	236,958	302,503	381,302	473,351	578,650

Metric	**Y1**	**Y2 Q1**	**Y2 Q2**	**Y2 Q3**	**Y2 Q4**	**Y3 Q1**	**Y3 Q2**	**Y3 Q3**	**Y3 Q4**	**Y3 Total**

Revenue	1,200,000	600,000	650,000	700,000	750,000	825,000	875,000	925,000	975,000	3,000,000
COGS	780,000	390,000	422,500	455,000	487,500	536,250	568,750	601,250	633,750	1,950,000
Gross Profit	420,000	210,000	227,500	245,000	262,500	288,750	306,250	323,750	341,250	1,050,000
OpEx	388,000	128,000	128,000	128,000	128,000	156,000	156,000	156,000	156,000	624,000
EBITDA	32,000	82,000	99,500	117,000	134,500	132,750	150,250	167,750	185,250	426,000
Net Income	16,250	53,300	64,675	76,050	87,425	91,588	103,638	115,688	127,738	477,750
Ending Cash	578,650	731,950	896,625	1,073,675	1,263,100	1,454,688	1,658,326	1,874,014	2,101,752	2,101,752

Metric	Value	Calculation
Monthly Fixed Costs	32,317	From OpEx table
Variable Cost per Project	32,500	COGS per $50k project
Price per Project	50,000	Avg Year 1 value
Contribution Margin per Project	17,500	50,000 - 32,500
Contribution Margin %	35.0%	17,500 / 50,000
Break-Even Units per Month	1.84	32,317 / 17,500
Break-Even Revenue per Month	92,000	1.84 * 50,000
Expected Break-Even Month	Month 6	Cash flow shows positive net flow Month 6
Safety Margin	81.5%	(24 projects - 15 BE) / 24 projects

Metric	Y1	Y2	Y3	Industry Benchmark
Gross Margin %	35.0%	35.0%	35.0%	25-35%

Operating Margin %	1.4%	19.8%	24.2%	5-15%
Net Profit Margin %	1.4%	20.5%	15.9%	3-10%
Current Ratio	1.8	2.1	2.4	1.5-2.0
Quick Ratio	1.2	1.5	1.7	1.0-1.5
CAC Payback	1.2	1.0	0.9	6-18 months
LTV:CAC	70.0	72.5	75.0	3:1
Monthly Burn Rate	28,792	N/A	N/A	N/A
Runway (months)	10.2	N/A	N/A	N/A

10. Risk Analysis

Top risks: 1) Material cost volatility (probability 4/5, impact $15k/mo) - lumber prices rose 18% in 2023; 2) Labor shortages (probability 3/5, impact $10k/mo) - Texas construction unemployment 2.1%; 3) Project delays (probability 4/5, impact $8k/mo) - industry avg 23% delay rate; 4) Economic downturn (probability 2/5, impact $20k/mo revenue loss).

Mitigation: 1) Lock 6-month pricing with Austin Lumber Co. at 2% discount for $50k/mo volume; 2) Offer $500 bonus to subs completing 3+ projects consecutively; 3) Enforce 17-point QC checklist reducing rework 22%; 4) Diversify into FEMA-backed accessibility grants (2023 funding: $2.1M Austin).

Risk	Probability (1-5)	Impact (1-5)	Risk Score	Mitigation Strategy	Contingency Plan	Owner
Material cost volatility	4	4	16	6-mo supplier contracts with price caps	Pass 50% cost increase to clients via contract clause	Marcus
Labor shortages	3	3	9	$500 performance bonuses for subs	Hire temp agency workers at 15% premium	Marcus
Project delays	4	3	12	17-point QC checklist + buffer days	Waive 5% fee for delays not client-caused	David
Economic downturn	2	4	8	Diversify into insurance restoration work	Reduce marketing spend by 30%	Elena
OSHA violation	2	5	10	Monthly safety training + third-party audits	Immediate crew retraining + $10k reserve	Marcus
Permitting delays	3	3	9	Hire permit expediter ($75/hr)	Use pre-approved historic district templates	Elena
Cash flow gap	3	4	12	50% deposits + project staggering	Draw $20k SBA line of credit	Elena
Negative reviews	2	3	6	48-hr response policy + partial refunds	Offer free maintenance visit	Sarah

11. Implementation Timeline

Priority 1: Close SBA loan by July 15 to fund vehicle and equipment. Critical path: TDLR license (Month 1), Buildertrend setup (Month 2), first 3 projects (Months 3-5). Dependencies: Loan funding enables crew hiring; client portal launch drives lead conversion.

Month	Milestone	Deliverables	Resources Needed	Success Metric	Owner
1	SBA loan closing	$200k funding	Loan docs, collateral	Funds received by July 15	Marcus
1	Vehicle delivery	2 Ford Transit 250s	$15.6k down payment	On road by Month 2	Marcus
2	Buildertrend integration	CRM + QuickBooks sync	$2,500 config fee	100% automated invoicing	Elena
3	First project completion	Kitchen remodel (78704)	2 crews, $48k materials	On-time, 5-star review	David
4	Google Ads launch	Live campaigns	$3,500 budget	27 leads/mo at $500 CAC	Sarah
5	10 projects completed	5 kitchens, 3 baths, 2 whole-house	Full crew capacity	$450k revenue	Marcus
6	Cash flow positive	Net income $26k	15 projects completed	Ending cash >$145k	Elena
7	Houzz Pro optimization	12 leads/mo	$600 membership	$50 CAC	Sarah
8	Real estate partnership	3 agent contracts	7% referral fee	1 project/mo	Marcus
9	Break-even achieved	15 projects completed	N/A	Net profit $12.9k	Elena
10	5-star Google rating	50+ reviews	Referral program	Avg 4.9 stars	Sarah
12	Year 1 close	24 projects completed	N/A	$1.2M revenue, $16.3k net profit	Marcus

12. Appendix

Supporting documents: TDLR license #GC-98432, SBA loan commitment letter, Austin Lumber Co. volume discount agreement, Buildertrend ROI case study (37% faster invoicing). All financial assumptions documented in source files with IBISWorld, NAHB, and Austin Board of Realtors citations. Full sensitivity analysis available showing 15% revenue variance impact on net income.