Ridgeline Builders — Business Plan

Construction business in Spokane, WA · Startup plan

Executive summary

Ridgeline Builders is a new construction business in Spokane, WA offering kitchen and bathroom remodels; additions and basement finishing; decks, patios and outdoor structures; and repairs and small jobs between projects. The model is written scopes, fixed prices with margin built in, and progress payments that keep cash moving — with finished-job referrals as the growth engine.

Startup budget: $50,550 across 11 items, funded from savings. Target: $45,000 in monthly sales.

Twelve months from now, success looks like this: Two remodels running at once, a lead carpenter on payroll, and every job priced from a written scope

Products and services

Ridgeline Builders's core work is kitchen and bathroom remodels. Every project starts with a written scope and price, changes are agreed in writing before the work happens, and the job is scheduled so crews, subcontractors and inspections line up.

- Kitchen and bathroom remodels
- Additions and basement finishing
- Decks, patios and outdoor structures
- Repairs and small jobs between projects

Market analysis

The customers are homeowners who have decided to remodel or add on and want a contractor who shows up, communicates and finishes; landlords with repairs and turnovers; and the agents and designers who refer them.

- Homeowners planning a remodel or addition, usually after a few quotes
- Landlords and property managers with repairs and unit turnovers
- Real-estate agents whose listings need work before sale
- Small commercial tenants fitting out an office, shop or clinic

Marketing strategy

Most work will come from word of mouth and referrals, and from Google — a homeowner searching for a contractor in their area, then checking reviews and photos before calling. Yard signs on active jobs, truck lettering, and a website with real finished work and a quote form turn that attention into estimates.

- Google Business Profile and Google Maps — “contractor near me”, “kitchen remodel” plus your city
- Word of mouth and referrals from finished jobs — the main source for most contractors
- Real-estate agents, designers and architects who refer clients
- Yard signs and truck lettering on every active job
- A website with photos of finished work, reviews and a quote form

Operations plan

Jobs run from a schedule that sequences trades and inspections. The owner estimates and manages in year one, tracks actual costs against every estimate, and adds crew only when the pipeline of signed work supports the payroll.

- Every job starts with a written scope, a fixed price or a clear time-and-materials rate, and a deposit
- Change orders in writing, signed before the extra work starts
- A schedule that lines up subcontractors and inspections so crews aren't waiting
- Progress payments tied to milestones so cash arrives as the job moves
- Photos of every finished job for the website, reviews and the next quote

Startup costs

What it will take to open the doors, funded from savings.

Startup costs

ITEM	AMOUNT
Contractor license, exam and application	$1,150
License or contractor bond (first year)	$800
General liability insurance (first year)	$3,250
Tools and equipment (beyond what you own)	$9,000
Work truck or van (used) and trailer	$21,500
Business registration, LLC and EIN	$300
Estimating, invoicing and job-management software (first year)	$0
Website and Google Business Profile	$0
Truck lettering, yard signs and business cards	$1,150
Safety gear and first-aid, plus any OSHA training	$900
Working capital (first two months)	$12,500
Total	**$50,550**

Typical range to start a construction business in the US: $18,600–$86,500. Your list is what you decided to spend — replace estimates with real quotes as you get them. Estimating, invoicing and job-management software (first year): Invoicing, quotes and a customer list come with your Zarla plan — you may still want a dedicated estimating tool for big jobs. Website and Google Business Profile: Your Zarla plan includes the website and walks you through your Google Business Profile — a designer typically charges $2,000 or more to build one.

Financial plan

The numbers below come from your own startup list and typical monthly costs for a small construction business in the US. Materials and labor are the big monthly lines — they scale with the jobs you win, and they are paid before the client pays you.

Typical monthly operating costs for a construction business: $10,000–$54,800 a month, before the owner's own pay.

At $45,000 in monthly sales, Ridgeline Builders would clear up to $35,000 a month before owner pay and tax if costs stay near the low end of the typical range, and recover the $50,550 startup budget in roughly 2 months. At the high end of typical costs ($54,800) that target doesn't cover them — so the cost list, not the sales target, is the number to pin down first.

Typical monthly operating costs

COST	TYPICAL RANGE
Materials (billed to jobs, but paid up front)	$5,000–$25,000
Crew and subcontractor labor	$4,000–$25,000
Insurance and bond	$200–$800
Fuel, vehicle payments and maintenance	$400–$1,500
Estimating, invoicing and job software (included with Zarla)	$0–$200
Marketing and lead services	$200–$1,500
Phone, bookkeeping and permits	$200–$800

US ranges for a small operation; replace with your own figures as you learn them. Lines marked (included with Zarla) are what those tools cost separately — with Zarla they are part of one monthly plan.

Risks and honest downsides

Every construction business plan should say out loud what can go wrong. For Ridgeline Builders, the real risks are:

- Cash flow: materials and labor are paid before the client's next payment, and one slow payer can stall the business
- Underpricing jobs — a fixed price that missed a cost is a loss you work weeks to deliver
- Weather, inspections and subcontractor delays push schedules and costs
- Injuries and property damage are real; insurance and safety routines aren't optional
- Reputation is local and permanent — one unfinished job follows you for years

Licenses, permits and insurance

What Ridgeline Builders needs before it can legally trade in the US. Rules vary by state and city — confirm each item with your local licensing office and an accountant.

- Contractor license — Required in most US states for general contracting above a dollar threshold; exams, experience and a bond are common conditions. Check your state licensing board.
- Business registration and EIN — Most contractors form an LLC for liability protection; register a DBA if you trade under another name.
- General liability insurance — Effectively mandatory — clients, permits and most licenses require proof.
- Workers' compensation — Required in nearly every state once you have employees; some states require it even for one worker.
- Building permits per job — Pulled from the city or county for structural, electrical and plumbing work; unpermitted work is the fastest way to lose a license.
- Lead-safe certification — Required in the US (EPA RRP) for work disturbing paint in homes built before 1978.

Milestones: the next 30 days

The first month's to-do list for Ridgeline Builders, in order:

- Check your state's licensing rules and start the application, exam and bond now — they take longest
- Register the business, get an EIN and open a business bank account
- Get general liability quotes and set up workers' comp before the first hire
- Write your standard contract, change-order form and deposit schedule
- Price your first jobs from a written cost breakdown, then add margin
- Set up a free Google Business Profile and put a website with your work photos live
- Tell every agent, designer and past client you know that you're taking jobs
- Photograph every finished job and ask for a Google review on the final walkthrough

---

Appendix: what a lender will ask for

This plan tells the story and shows the numbers. If you take it to a bank, expect to be asked for these documents as well:

- Two years of personal tax returns and a personal financial statement
- A month-by-month 12-month cash-flow projection that shows materials paid before progress payments arrive
- Proof of license, bond and insurance
- Signed contracts or letters of intent for upcoming jobs
- Quotes for the truck or equipment if you're borrowing for them
- Your credit report and anything you can offer as collateral

---