[Your business name] — Business Plan

Equipment rental business in [Your city] · Startup plan

Executive summary

[Your business name] is a new equipment rental business in [Your city] offering mini excavator and compact track loader rental; trailers, dump trailers and delivery to the job; contractor tools: saws, compactors and concrete tools; lawn, landscaping and homeowner project equipment; and monthly rental and fleet accounts for contractors. The model is a small, well-kept fleet of the machines local contractors rent most, day, week and month rates on one sheet, delivery to the job, and every machine judged by how many days a month it spends on rent.

Startup budget: $133,793 across 12 items, with funding still to be decided.

Twelve months from now, success looks like this: [What success looks like twelve months from now]

Products and services

[Your business name]'s core service is mini excavator and compact track loader rental. Every machine is inspected, fueled and photographed going out and coming back, every rental runs on a signed agreement with a card on file and the damage waiver offered, and every first-time renter gets a walk-through before the machine leaves the yard.

- Mini excavator and compact track loader rental
- Trailers, dump trailers and delivery to the job
- Contractor tools: saws, compactors and concrete tools
- Lawn, landscaping and homeowner project equipment
- Monthly rental and fleet accounts for contractors

Market analysis

The customers are the small contractors who rent a machine rather than own one, homeowners doing a weekend project, builders who need an extra machine for a week or a month, and farms, property managers and towns with seasonal work.

- Small contractors — landscapers, fence builders, plumbers and remodelers — who rent the machine rather than own it
- Homeowners doing a weekend project: a trench, a patio, a stump, a fence line
- Builders and site contractors who need an extra machine for a week or a month
- Farms, property managers and municipalities with seasonal work

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Marketing strategy

Most first rentals will come from Google — a contractor or a homeowner searches “mini excavator rental near me” the week the job needs it and calls the yard with the machine, the price and the reviews — so the Google Business Profile and a website showing the fleet, the rates and a reservation request do the selling. Word of mouth from contractors, signs on every machine and trailer, and monthly accounts won in person build the steady base.

- Google Business Profile and Google — “mini excavator rental near me” and “equipment rental” plus your town are searched by the job that needs it this week
- Contractor accounts won in person, with monthly rates and delivery included
- Word of mouth from contractors and homeowners, and repeat renters who come back every season
- Signs on every trailer and machine that goes out, parked on job sites all over town
- A website that shows the fleet, the day, week and month rates, and a reservation request

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Operations plan

The owner runs the counter, the deliveries and the maintenance in year one, services every machine by engine hours, and tracks each machine's days on rent every month. A yard hand is hired when deliveries and turnarounds outgrow one person, and the next machine is bought only when the rental history says it will stay out.

- Every machine inspected, fueled, greased and photographed going out and coming back, on a written checklist
- A rental agreement, a card on file and ID for every rental, with the damage waiver offered on every contract
- Day, week and month rates on one sheet, with delivery, fuel and cleaning charges posted
- Service intervals tracked by engine hours, and machines pulled from the fleet the moment they fail an inspection
- Operating instructions and safety basics walked through with every homeowner before the machine leaves the yard
- Utilization tracked for every machine each month — the share of days it was on rent decides whether to keep it, sell it or buy another

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Startup costs

What it will take to open the doors, with funding still to be decided.

Startup costs

ITEM	AMOUNT
Rental fleet: down payments or cash for used machines and tools	$70,000
Delivery truck with an equipment trailer	$27,500
Yard and counter: lease deposit, fencing, lighting and cameras	$11,500
Insurance (first installment): liability and inland marine on the fleet	$3,750
Attachments, spare parts, fuel and safety gear	$3,000
Rental software: reservations, contracts and inspections	$3,350
Sales tax permit, business license and yard zoning	$525
Business registration, LLC and EIN	$268
Website and Google Business Profile	$0
Invoicing and customer records (first year)	$0
Yard signage, machine decals and business cards	$1,400
Working capital: fleet payments and repairs for the first months	$12,500
Total	**$133,793**

Typical range to start an equipment rental business in the US: $41,585–$229,100. Your list is what you decided to spend — replace estimates with real quotes as you get them. Website and Google Business Profile: Your Zarla plan includes the website with your fleet, your rates and a reservation request, and walks you through your Google Business Profile — a designer typically charges $2,000 or more to build one. Invoicing and customer records (first year): Invoicing, booking requests and a customer list come with your Zarla plan; rental-specific fleet tracking and contracts are separate.

Financial plan

The numbers below come from your own startup list and typical monthly costs for a small equipment rental business in the US. The fleet is the big investment and its payments are mostly fixed, so the plan turns on utilization — how many days a month each machine is on rent, at what rate — and on a cash reserve for the repairs and the winter months.

Typical monthly operating costs for an equipment rental business: $3,610–$14,350 a month, before the owner's own pay.

Add a monthly sales target and the plan will show how long it takes to recover the startup budget.

Typical monthly operating costs

COST	TYPICAL RANGE
Fleet and truck loan payments	$1,500–$4,000
Liability, inland marine and commercial auto insurance	$200–$600
Yard rent, utilities and security	$800–$2,500
Maintenance, repairs, parts and tires	$400–$1,500
Delivery fuel and truck upkeep	$300–$1,000
Rental software	$60–$500
Invoicing and customer records (included with Zarla)	$0–$50
Marketing and lead services	$200–$800
Phone, bookkeeping, sales tax filing and card fees	$150–$400
Counter or yard hand wages (once you hire)	$0–$3,000

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 equipment rental business plan should say out loud what can go wrong. For [Your business name], the real risks are:

- A machine that sits in the yard still has a loan payment — low utilization, not a lack of customers, is what sinks rental businesses
- Renters damage machines, and without a signed agreement, a card on file and photos at check-out and check-in, the repair is yours
- A homeowner hurt operating a machine they have never used before is the liability you insure for — walk every first-time renter through it
- A machine that doesn't come back — stolen, or kept by a renter who stops answering — is a loss insurance may only partly cover
- Construction and landscaping slow down in winter in most of the country, so the cash plan has to cover the quiet months
- The national rental chains compete on price for the big accounts, so a small yard wins on service, delivery and being there on a Saturday

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Licenses, permits and insurance

What [Your business name] 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.

- Sales tax permit, and any rental tax your state adds — In the US, equipment rentals are taxable sales in most states, so you'll collect sales tax on every contract and file returns. Some states add their own tax on heavy-equipment rentals — North Carolina lets counties add 1.2% on short-term heavy-equipment rentals, for one — and a rental to a customer in another state can carry that state's tax. Confirm the rules for your state with an accountant before you price.
- Business personal property tax on the fleet — Many US states and counties tax business equipment every year as personal property, so the fleet itself carries a tax bill; some states exempt it. Ask your county assessor how rental equipment is valued.
- A USDOT number and the right license for your truck and trailer — In the US a truck and trailer rated 10,001 lb or more together, used for business across a state line, needs a USDOT number (free), and many states require one for in-state work too. A Class A CDL is required when the truck and trailer are rated 26,001 lb or more together and the trailer alone is rated over 10,000 lb — the size a compact track loader or a larger excavator can push you into.
- Business license and zoning for the yard — Most US cities require a business license, and a rental yard needs a lot zoned for commercial or industrial use — check before you sign the lease, because the city may not allow machines stored or serviced where you want them.
- Liability and inland marine insurance — Not a license, but no lender will finance a fleet without it: general liability for injuries a machine causes, and inland marine for the machines themselves on your lot and on job sites. Published figures put liability for a small rental business at about $37–$99 a month and inland marine at about $800 a year per $100,000 of equipment.
- Business registration and EIN — Most US rental businesses form an LLC; state filing fees run about $35 to $500. The EIN from the IRS is free, and you'll need it for the sales tax permit and the equipment loans.

Milestones: the next 30 days

The first month's to-do list for [Your business name], in order:

- Pick your niche — compact earthmoving, contractor tools, trailers, or homeowner project equipment — and begin with the few machines local contractors ask for most
- Call ten local contractors and ask what they rent, from whom, at what rate and what annoys them about it
- Register the business, take the free EIN and open a business bank account
- Get your sales tax permit and ask an accountant how rentals and your fleet are taxed in your state
- Get insurance quotes for liability and inland marine before you buy a machine
- Price used machines from dealers and auctions, and have a mechanic inspect any machine before you buy it
- Write your rental agreement, damage waiver and check-out inspection sheet
- Set up a free Google Business Profile and put your website live with the fleet, the rates and a reservation request
- Visit contractors with a rate sheet and offer monthly terms with delivery included

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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 built machine by machine — days on rent, rate and payment
- Quotes or purchase agreements for the machines — the fleet itself is the collateral
- Insurance quotes for liability and inland marine
- The lease or letter of intent for the yard, and confirmation of the zoning
- Letters or emails from contractors who will rent from you
- Your credit report
