[Your business name] — Business Plan

Home remodeling business in [Your city] · Startup plan

Executive summary

[Your business name] is a new home remodeling business in [Your city] offering kitchen remodels: layout, cabinets, counters and tile; bathroom remodels and tub-to-shower conversions; basement finishing and attic conversions; flooring, trim and interior updates between projects; and aging-in-place changes: grab bars and walk-in showers. The model is one crew and a short list of trusted licensed subcontractors, every job priced from real quotes rather than a cost per square foot, and deposits and stage payments that keep each job running on the homeowner's money rather than the company's.

Startup budget: $57,768 across 11 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 work is kitchen remodels: layout, cabinets, counters and tile. Every project starts with a site visit and a written estimate, runs under a contract that names the finish allowances and the payment stages, and closes with a walkthrough and a punch list; electrical, plumbing and HVAC go to licensed trades who pull their own permits.

- Kitchen remodels: layout, cabinets, counters and tile
- Bathroom remodels and tub-to-shower conversions
- Basement finishing and attic conversions
- Flooring, trim and interior updates between projects
- Aging-in-place changes: grab bars and walk-in showers

Market analysis

The customers are homeowners who have lived in the house for years and want the kitchen or the bathroom done properly, families adding space instead of moving, older homeowners making the house safer to stay in, and the agents, landlords and investors who need a house updated before a sale or a new tenant.

- Homeowners who have lived in the house for years and want the kitchen or the bathroom done properly
- Families adding space — a finished basement, an attic room or an extra bathroom — instead of moving
- Older homeowners making the house safer to stay in: walk-in showers, wider doors, grab bars
- Real estate agents, landlords and investors who need a house updated before a sale or a new tenant

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Marketing strategy

Most of the work will come from word of mouth — the neighbor who saw the yard sign, the friend who asks who did the kitchen — and from Google, where a homeowner looks at the reviews and the before-and-after photos long before calling. A website with a project gallery, the work [Your business name] takes on and an estimate request turns that looking into a site visit, and agents, designers and showrooms add referrals once the first jobs are finished.

- Referrals and word of mouth from finished jobs — remodeling is bought on a neighbor's recommendation more than almost any trade
- Google Business Profile and Google — “kitchen remodeler near me” and “bathroom remodel” plus your city, where the reviews decide the call
- A project gallery with before-and-after photos, on your website and on Houzz or Instagram
- Yard signs on every job and truck lettering, which the whole street reads for weeks
- Agents, designers and cabinet and tile showrooms who are asked for a contractor every week

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Operations plan

The owner sells, estimates and runs the jobs in year one, with a carpenter or a helper and licensed subcontractors for the trades. Every job is tracked against its estimate — materials, subcontractors and hours — so the next price is better than the last, and a lead carpenter is hired when the signed work would keep one busy, freeing the owner to sell.

- Every job priced from a site visit and a written estimate built from real material and subcontractor quotes, never from a price per square foot
- A written contract with the scope, the allowances for finishes, the payment schedule and how a change order is priced
- A deposit at signing and progress payments tied to stages — demolition, rough-in, drywall, finish — so the job never runs on your money
- Licensed trades for electrical, plumbing and HVAC, each pulling their own permits and inspections
- Every change agreed and priced in writing before the work starts, and every job closed with a walkthrough and a punch list
- Dust walls, floor protection and a clean site at the end of every day, because the family is living in the house

Startup costs

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

Startup costs

ITEM	AMOUNT
Tools and job-site equipment (beyond what you own)	$9,000
Work truck or van (used), racks and a trailer	$18,000
General liability insurance (first year)	$2,600
State contractor license or home-improvement registration	$750
Contractor bond premium (first year, where required)	$500
EPA lead-safe firm certification and renovator course	$500
Business registration, LLC and EIN	$268
Website and Google Business Profile	$0
Estimating, invoicing and project software (first year)	$0
Truck lettering, yard signs and business cards	$1,150
Working capital: materials, subs and pay before the next draw	$25,000
Total	**$57,768**

Typical range to start a home remodeling business in the US: $20,835–$100,200. 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 a before-and-after project gallery and an estimate request, and walks you through your Google Business Profile — a designer typically charges $2,000 or more to build one. Estimating, invoicing and project software (first year): Estimates, invoices and customer management come with your Zarla plan; you may still want dedicated scheduling or takeoff software once you run several jobs at once.

Financial plan

The numbers below come from your own startup list and typical monthly costs for a one-crew home remodeling business in the US. Materials and subcontractors are the largest monthly line and move with the work you sell, so the plan turns on the gross margin each job keeps and on deposits and progress draws arriving before the bills do.

Typical monthly operating costs for a home remodeling business: $29,300–$48,750 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
Materials and subcontractors (priced into every job, paid before the draw)	$28,000–$36,000
Lead carpenter or helper wages	$0–$7,000
Fuel, truck payment, commercial auto insurance and upkeep	$400–$1,500
General liability, and workers' compensation once you hire	$150–$500
Dumpsters and debris disposal	$200–$1,200
Estimating, invoicing and project software (included with Zarla)	$0–$250
Marketing, yard signs and lead services	$300–$1,500
Phone, bookkeeping, permits and tool replacement	$250–$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 home remodeling business plan should say out loud what can go wrong. For [Your business name], the real risks are:

- A job priced from a cost per square foot instead of real quotes can lose the whole margin, and in remodeling one underpriced kitchen can take a quarter's profit
- Walls get opened and the house surprises you — rot, old wiring, a joist somebody cut — so the contract needs a clause for hidden conditions or the surprise is yours to pay for
- Cash runs out on jobs that look profitable: materials and subcontractors are paid before the next draw, and a homeowner who delays a payment stops the whole schedule
- Change orders agreed in conversation instead of in writing turn into arguments at the final payment
- Working above your state's license threshold, or without the permit, can mean you cannot legally collect what you are owed
- A good subcontractor who gets busy elsewhere, or a cabinet order that arrives late, stalls the job while the family lives in a building site

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.

- State contractor license or home-improvement registration — There is no national remodeling license in the US, and the state rules run from nothing to exams. California requires a contractor license for any job of $1,000 or more in labor and materials, any job that needs a building permit, or any job where you employ someone to help (the threshold rose from $500 in 2025). Massachusetts registers home improvement contractors — $150 plus a $100 Guaranty Fund payment for up to three employees — and New Jersey registers them for $110 and, since 2025, also requires a surety bond of $10,000 to $50,000 sized to your contract values, while a 2024 law moves the trade to a state license. Texas has no state license for remodeling, so the cities set the rules. Start at your own state's contractor board before you sign the first contract.
- Trade licenses for electrical, plumbing and HVAC work — In the US, electrical and plumbing work is licensed by the state or the city almost everywhere, and HVAC in most states. A remodeler without those licenses subcontracts the work to a licensed trade, who pulls the permit and passes the inspection; doing it yourself without the license can void the permit and the homeowner's insurance claim.
- Building permits and inspections on the jobs — In the US, permits are pulled from the city or county for anything structural, for moving plumbing or wiring, for most basement finishing and for additions; the inspector signs off at rough-in and at the end. The permit is part of the price — never a line the homeowner is asked to skip.
- EPA lead-safe firm certification — Required in the US under the EPA's Renovation, Repair and Painting rule for paid work that disturbs paint in homes built before 1978 — which is most kitchen and bathroom remodels in older houses. The EPA's firm certification is $300 for five years (the states that run their own lead-safe program set their own fee), and a certified renovator must be assigned to each job.
- General liability insurance, and workers' compensation once you hire — Not a license, but homeowners, lenders and many state registrations ask for the certificate. Insureon's medians for general contractors are about $162 a month for general liability and $196 for workers' compensation, which nearly every US state requires once you have an employee.
- Business registration and EIN — Most US remodelers form an LLC; state filing fees run about $35 to $500. The EIN from the IRS is free, and subcontractors will need your W-9 details as much as you need theirs.

Milestones: the next 30 days

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

- Choose the work you will sell first — kitchens and baths, basements, or smaller updates — because the tools, the crew and the price of a job differ
- Look up your state's contractor board and start the license or registration now; where exams and bonds apply, they take weeks
- Register the business, take the free EIN and open a business bank account
- Get general liability quotes, and take the EPA lead-safe renovator course and firm certification if you will work in homes built before 1978
- Line up a licensed electrician, a plumber and a tile or drywall sub you trust, with their insurance certificates on file
- Write your standard contract: scope, finish allowances, the payment schedule by stage and how a change order is priced
- Set up a free Google Business Profile and put your website live with before-and-after photos and an estimate request
- Introduce yourself to three real estate agents, a kitchen designer and the nearest cabinet and tile showrooms
- Photograph every job before, during and after, and ask for the Google review at the final walkthrough

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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 that shows materials and subcontractors paid before each progress draw
- Your contractor license or registration, insurance certificates and lead-safe certification
- Signed contracts or estimates for the jobs you have lined up
- Photos and references from finished projects — in remodeling the portfolio is most of the credit history
- Quotes for the truck, trailer or tools if you are borrowing for them
- Your credit report and anything you can offer as collateral

Template: replace every [bracketed] line and every estimate with your own figures. Written with Zarla's free business plan generator — zarla.com/business-plan-generator writes it from five questions.
