The Numbers Behind a Handyman and Home Repair Business

A free field guide from Bytell Press. The figures come from our example financial model for a small handyman company with an owner, two technicians and an office coordinator. They are planning assumptions, not quotes for your market; the worksheet at the end is for your own numbers.

Most new handyman companies do not fail on the repairs. They fail because nobody worked out how many invoices a month the business needs, and how long the cash has to last until it gets there. This guide gives you that arithmetic in two pages.

1. How the work is priced

Handyman work is sold by the **hour plus materials**, with flat prices on the jobs done most often. The example model uses these lines:

Pricing line	Model figure
Labor rate, time and materials	$75–$110 per hour
Technician wage behind that rate	$22–$32 per hour
Materials	Cost plus a 20–35% markup
Common jobs	Flat-rate menu
Smallest calls	Trip-charge minimum
Blended across the mix	**About $390 per invoice, 45% gross margin**

The gap between the rate and the wage looks wide, but a technician is paid for the whole day and only part of it is billed. The model targets 55–65% of paid hours billed. That ratio, more than the hourly rate, decides whether the margin holds.

2. What it costs to open

The example model opens on about **$95,000**: a $65,000 loan plus about $30,000 from the owner.

Use of funds	Amount
Service vans or trucks	$35,000–$45,000
Van build-outs (shelving, racking, ladder racks)	$3,000–$7,000
Tools and truck stock	$8,000–$16,000
Field software and payment hardware	$1,000–$2,500
Branding, van wraps, uniforms, signage	$3,000–$7,000
Fees and deposits	$1,500–$5,000

Use of funds	Amount
Working-capital reserve	$15,000–$30,000

Fund the upper half of the last line; section 5 shows why.

3. What it costs to stay open

The model carries about **$14,754 a month** whether or not a single job is booked. Technician wages, materials and fuel are not included; they are already taken out of the margin.

Monthly fixed cost	Amount
Storage rent, insurance, software, phone, admin and vehicle overhead, uniforms, small tools	$4,500
Office and dispatch coordinator	$3,000
Loan payment	$1,254
Owner draw	$6,000
Total	**$14,754**

4. The break-even: the one number to know

Break-even revenue = monthly fixed costs ÷ margin.

The model's gross margin is 45%, but two more costs move with every sale: card processing at 2.6% of revenue and marketing at 4.0%. Take those off and the margin that pays the fixed costs is 45% – 2.6% – 4.0% = **38.4%**.

With the model's numbers: $14,754 ÷ 0.384 = about **$38,400 a month**. At $390 an invoice, that is about **99 invoices a month** before the business earns anything beyond the owner's draw. The full crew produces about 108 invoices, or about $42,000 a month. Without the draw and loan principal, overhead is covered at about $21,000 a month.

5. Plan for the ramp before it starts

The model takes about eight months to reach $42,000, and the owner draw runs the whole time. Here is its bank balance, starting from $20,000 of opening cash:

Month	Revenue	Cumulative cash
1	$14,400	$10,776
3	$24,600	$2,321 below zero
7	$37,520	$8,491 below zero
8	$42,000	$7,117 below zero
12	$38,408	About zero

The opening cash is gone in month 3 and the account does not get back above zero until month 13. There are two ways to close the gap: open with about $28,500 of cash instead of $20,000, or hold the draw near $4,785 through month seven.

6. Your numbers

Fill this in with quotes from your own market before you spend anything.

Question	Model	Yours
Hourly labor rate you can charge	$75–$110	_____
Average invoice in dollars	$390	_____
Margin after card fees and marketing	38.4%	_____
Monthly fixed costs, including your draw	$14,754	_____
Break-even revenue (fixed costs ÷ margin)	$38,400	_____
Invoices a month to break even	99	_____
Opening cash in dollars	$28,500	_____

If your break-even needs more invoices than your crew can complete in a month, fix the plan before you buy the vans: raise the rate, cut a fixed cost, or start with a smaller draw.

This guide is general business information, not legal, tax, accounting or investment advice. The figures are illustrative assumptions from an example model and are not a forecast or a promise of results. Licensing and insurance requirements vary by state and are not covered here; check yours with the state agency.

Bytell Press publishes the full business plan, the editable financial model behind these numbers, and the operating playbooks for a handyman and home repair service.

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