SayEstimate

THE CONTRACTOR'S FIELD GUIDE

Price It Right.
Get Paid Fast.

The pricing and get-paid playbook I wish somebody handed me when I started. Real numbers, no fluff, written for the field.

By Hoss · a working contractor who got tired of doing paperwork at 9pm

START HERE

Your paperwork decides your paycheck

Most contractors do not lose money on the job. They lose it on the estimate, the deposit they never asked for, and the invoice they never chased.

I spent years doing this the hard way. Prices in my head, deposits I was too polite to ask for, invoices I chased with awkward phone calls after supper. The work was good. The office side was bleeding me.

This playbook is the stuff that fixed it. How to price so a busy year actually leaves money in the account. How much deposit to ask for and how to ask without scaring anybody off. How to write an estimate people say yes to, and how to get paid in days instead of weeks.

None of it is complicated. It is the handful of habits that separate the contractor who is always broke and busy from the one who is building something. Steal all of it.

> **How to use this:** Read it once front to back, then keep the cheat sheet on the last page in the truck. Every number in here is yours to change to your own market.

CHAPTER 1

Know your real number

The number-one reason bids come in too low: pricing only the material and the hours on the job, and forgetting everything it costs just to be in business.

Your cost is bigger than the receipt

Your real cost on any job is materials, plus labor, plus **overhead**: the truck, fuel, insurance, tools, your phone, software, and the unpaid hours you spend quoting, driving, and chasing payment. If your price only covers material and on-site labor, you are working the rest of the week for free.

> **Do this once:** Add up your monthly overhead. Divide it across the jobs you actually run in a month. That number has to ride on every bid before you have made a single dollar of profit.

Profit is a number you add on purpose

Profit is not whatever happens to be left over at the end. It is a line you build into the price on purpose, on top of cost and overhead. Decide the margin you need to keep the lights on and grow, and price to hit it every time. Contractors who know this number bid with confidence. The ones who do not keep wondering why a busy month left nothing behind.

CHAPTER 2

Markup is not margin

This one mistake quietly eats more contractor profit than anything else. Markup and margin are not the same number, and if you price with markup thinking it is your margin, you are leaving money on every job.

Markup is what you add on top of your cost. **Margin** is the slice of the final price you actually keep. A 30% markup only leaves you about a 23% margin, not 30. To actually keep 30% of the sale, you have to mark up by about 43%.

The table to tape in your truck

Pick the margin you want to keep on the left. Mark up by the number on the right to get there.

Margin you keep	Mark up your cost by	$1,000 cost becomes
15%	17.6%	$1,176
20%	25%	$1,250
25%	33.3%	$1,333
30%	42.9%	$1,429
35%	53.8%	$1,538
40%	66.7%	$1,667
50%	100%	$2,000

The rule: price to a margin, not a markup, and do it on purpose. Free calculator that does this for you: **sayestimate.com/contractor-markup-calculator**

CHAPTER 3

Price the whole job

Here is the order that keeps you honest and keeps you paid. Build every bid up the same way:

- **Materials**: everything you buy for the job.
- **Labor**: hours times your loaded labor rate (not just wages).
- **Overhead**: a percentage on top, so the business gets covered.
- **Profit**: your margin, added on purpose.

A worked example

Say a job runs $800 in materials and 16 hours at $55 an hour ($880 labor). That is $1,680 in base cost. Add 15% overhead and you are at $1,932. Now price to a 25% margin: divide by 0.75 and you charge **$2,576**. Your profit on that job is $644, and every real cost is covered.

> **Skip the math:** the free job price calculator stacks it for you. Materials, labor, overhead, margin, out comes the number. **sayestimate.com/job-price-calculator**

Itemize, do not lump

One big number at the bottom of a page invites one question: "why so much?" An itemized estimate answers it before it is asked. It also protects your margin: if the customer wants to cut cost, you trim a line instead of discounting the whole job.

CHAPTER 4

Should you charge for estimates?

Free estimates are the default, and for a lot of jobs that is the right call. But your time on a detailed takeoff is worth something, and giving it away to tire-kickers is a quiet drain on your week.

When free makes sense

Quick, simple jobs where scoping takes minutes and the estimate is really your sales pitch. Competitive residential work, where a free estimate lowers the barrier to yes and the walkthrough is your shot to win the job in person.

When to charge

Detailed takeoffs from a plan set, design or consulting, long drives to a remote site, or diagnostic time to figure out what is actually wrong. If the customer is getting real value before there is a contract, that value is worth a fee. A fee also filters: serious buyers pay it, tire-kickers vanish.

> **The move that wins both ways:** charge a fee for the estimate, then credit it toward the job if they hire you. Now it is free for real buyers and only costs the ones who were never going to hire you anyway.

CHAPTER 5

How much deposit to collect

A deposit protects you from fronting material and labor on a handshake. The right amount is simple: it should at least cover the money you have to spend before the customer owes you anything.

Job type	Typical deposit	Why
Small, material-heavy	25% – 33%	Covers materials before you load the truck
Mid-size residential	10% – 33%	Deposit now, balance at completion
Large / multi-week	Deposit + progress	Bill in stages so your cash stays even with costs

> **Check your state.** A few states cap home-improvement deposits (California, for example, limits it to $1,000 or 10%). Look up your own contractor board before you set a house policy, and always put the deposit and balance in writing on the estimate.

How to ask without scaring them off

Most customers expect a deposit. Frame it as what it is: "The deposit covers your materials and holds your start date. The balance is due when the work is done and you are happy." Put it on a clean, professional estimate, not in a text that reads like you are short on cash.

Free deposit calculator: sayestimate.com/deposit-calculator

CHAPTER 6

An estimate that gets approved

A good estimate does two jobs: it protects you, and it makes the customer comfortable saying yes. Every winning one has these seven things:

- Your business name, license, and contact, so it looks like a real company.
- The customer and the job address.
- A clear scope: what you will do, in plain language.
- Itemized line items with quantities and rates.
- What is **not** included, so there are no surprises.
- The deposit, the balance, and when each is due.
- A place to sign and a date the price is good through.

> **Make the yes easy.** Every extra step between the customer and "yes" costs you jobs. The fastest-closing estimates are the ones they can approve from their phone in the driveway, right after you walk the job. Speed wins: the estimate that lands while you are still in the kitchen beats the one that shows up three days later.

And look the part. Customers judge your work by your paperwork. A clean estimate with your logo tells them you run a real business and you will show up. Do it once as a template, reuse it forever.

CHAPTER 7

Get paid faster

Slow pay is not a customer problem, it is a system problem. The contractors who get paid fast all run the same handful of habits.

Get money before you start

The deposit is the biggest lever on your cash flow. A job that starts funded is a job you are never chasing from behind.

Bill in stages on big jobs

For anything over a few days, do not wait until the end for one big invoice. Bill at milestones: deposit at signing, progress payment at rough-in, balance at completion. Your cash stays even with your costs.

Put a pay button on every invoice

The easiest invoice to ignore is one that makes the customer find their checkbook. The easiest to pay is one with a button. A tapped card or bank payment clears in days; a mailed check clears whenever they get around to it.

Let the reminders do the awkward part

Nobody likes calling to ask for money, so it gets put off and the invoice ages. Take yourself out of it: a friendly automatic reminder every week until it is paid does the nagging for you. Most overdue invoices get paid after the first or second nudge, as long as the nudge actually goes out.

KEEP THIS IN THE TRUCK

The one-page cheat sheet

To keep this margin, mark up by this

Margin	15%	20%	25%	30%	40%	50%
Markup	17.6%	25%	33.3%	42.9%	66.7%	100%

Deposit rule of thumb

Cover your material before the truck rolls. 25–33% on small material-heavy jobs; 10–33% on mid-size; deposit plus progress billing on big ones. Always in writing.

Every estimate needs

Business name & license · customer & address · clear scope · itemized lines · what's excluded · deposit & balance · signature line & price-good-through date.

Get paid faster

Deposit up front · progress-bill big jobs · pay button on every invoice · automatic reminders until it's paid.

> **Free calculators (no signup):** markup & margin, job price, deposit, and hourly rate at **sayestimate.com/resources**. Or build a real estimate in 30 seconds at **sayestimate.com/demo**.

SayEstimate

Let the app do all of this for you.

SayEstimate prices every line in your own rates, marks it up to your target, puts the deposit on the estimate, and lets the customer sign and pay from their phone. Then it chases the invoice so you don't have to. Built by a contractor, from $9.99 a month.

Start free at sayestimate.com

14 days free · no credit card · or build a real estimate right now with the no-signup demo