

Custom Home Builder Break-Even Calculator

Know the exact revenue and the number of jobs your custom home business needs each month just to cover costs. Put in your overhead and average job, and see your break-even point by day, week, and month.

FREE TOOL

CUSTOM HOME BUILDER

PRINT OR FILL ON SCREEN

BUILT BY FERVOR STUDIO

HOW IT WORKS

The math behind the number

Break-even revenue is your fixed monthly costs divided by your gross margin. Divide that by your average job value and you get the number of jobs you need before your custom home builder business makes a dollar of profit. Change the average job or the margin and the whole target moves, which is the part that surprises most owners.

THE DEFAULTS

Custom Home Builder benchmarks for 2026

The worksheet starts from the sourced figures below, so the first number you see is realistic. You then replace each one with your own.

BENCHMARK	TYPICAL VALUE
Average job value	\$500,000
Gross margin	20.7%
Net profit margin	8.7%
Median field-tech wage	\$28.51/hr
Payroll burden	35%
Billable utilization	65%
Billed labour rate	\$50/hr

BENCHMARK	TYPICAL VALUE
Close rate	20%
Marketing % of revenue	5%

YOUR WORKSHEET

Fill in your own numbers

Write your figures into the blank column, on paper or on screen. The typical column is only a starting point, so replace it with what your business actually runs.

INPUT	YOUR NUMBER	TYPICAL
Monthly fixed costs (overhead) Rent, insurance, vehicles, software, office and owner wages, ad retainers		\$20,000
Average job value Your blended average		\$500,000
Gross margin % Gross profit as a share of revenue		20.7%

OUTPUT	HOW IT IS BUILT	YOUR RESULT
Break-even revenue per month	$\text{fixed} / (\text{margin} / 100)$	
Jobs to break even per month	$\text{break-even revenue} / \text{average job}$	
Jobs to break even per week	$\text{monthly jobs} / 4.3$	

WORKED EXAMPLE

A Custom Home Builder example

Monthly fixed costs (overhead)	\$20,000
Average job value	\$500,000
Gross margin %	20.7%
Break-even revenue per month	\$96,618
Jobs to break even per month	1
Jobs to break even per week	1

WHERE THE DEFAULTS COME FROM

NAHB – New Study Provides Statistics on Builder Financial Performance (Cost of Doing Business 2025, 2023 data)

NAHB Eye on Housing – Builders' Profit Margins Improved in 2023 (20.7% gross / 8.7% net, \$11.3M avg revenue, cost-of-sales 79.3%, opex 12.0%)

BLS Occupational Outlook Handbook – Carpenters (May 2024 median \$59,310/yr = \$28.51/hr)

BLS Occupational Outlook Handbook – Construction Laborers and Helpers (May 2024 median \$46,050/yr = \$22.14/hr)

SmartBarrel – Labor Burden in Construction (30–40% of base wage typical)

Bridgit – Construction Workforce Utilization Rate (40–70% typical)

Bokka Group – Average Conversion Rates for Home Builder Sales (~20% appointment-to-sale, ~4% lead-to-sale)

HomeAdvisor – How Much Does a Carpenter Cost per Hour (2025, \$40–\$70/hr billed)

EPCON Franchising / NAHB & SBA marketing-budget guidance (~5% of revenue, 1–2% advertising)

Sweeten – Average Cost to Build a House in 2025 (~\$428K standard build / \$350K–\$1.5M custom)

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