

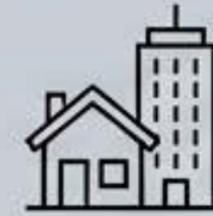
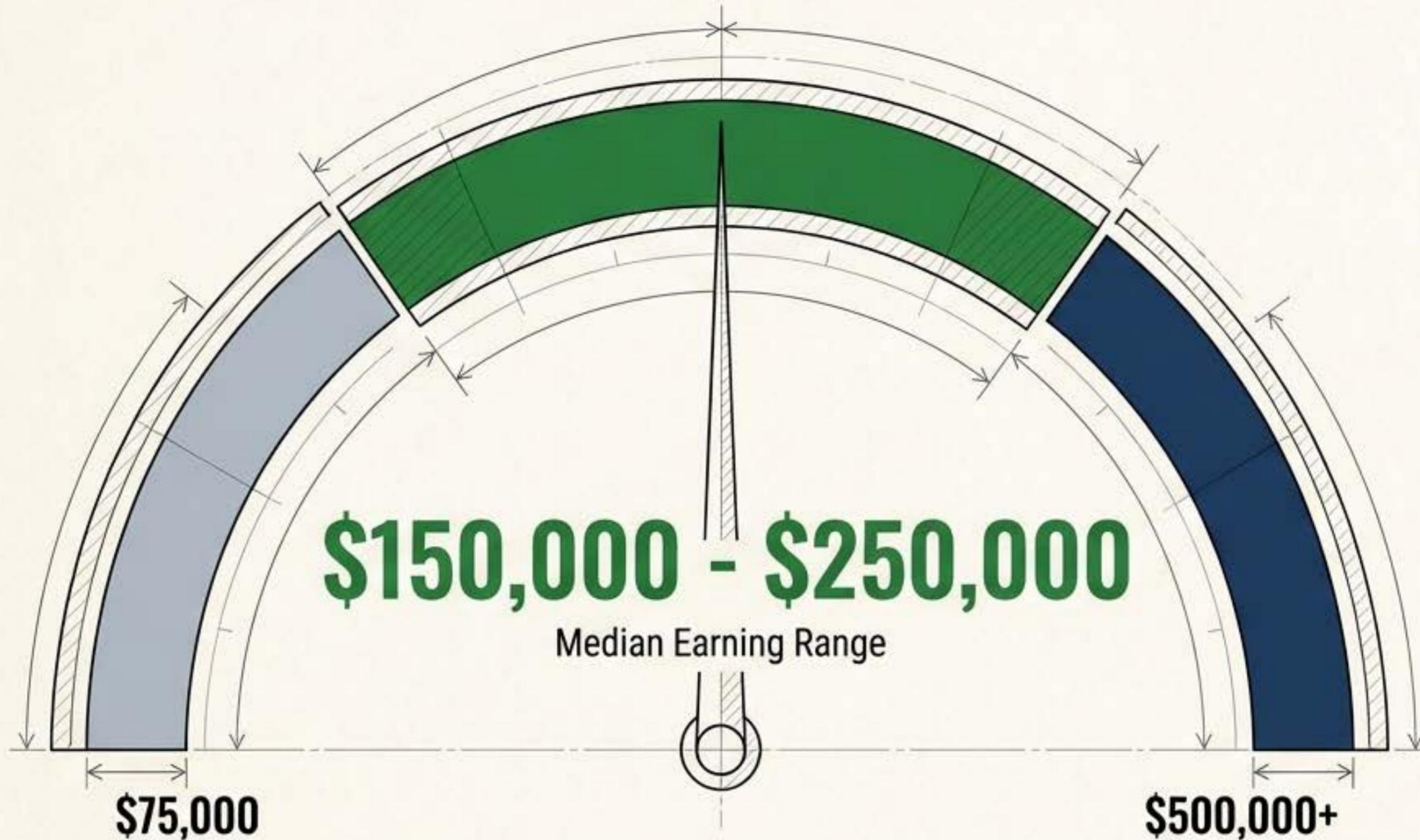


# How Much General Contractor Owners Typically Make

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A Visual Benchmarking Guide  
for Construction Entrepreneurs  
and Advisors

# The National Baseline for GC Owner Compensation



## Target Sector

Residential vs.  
Commercial margins



## Business Size

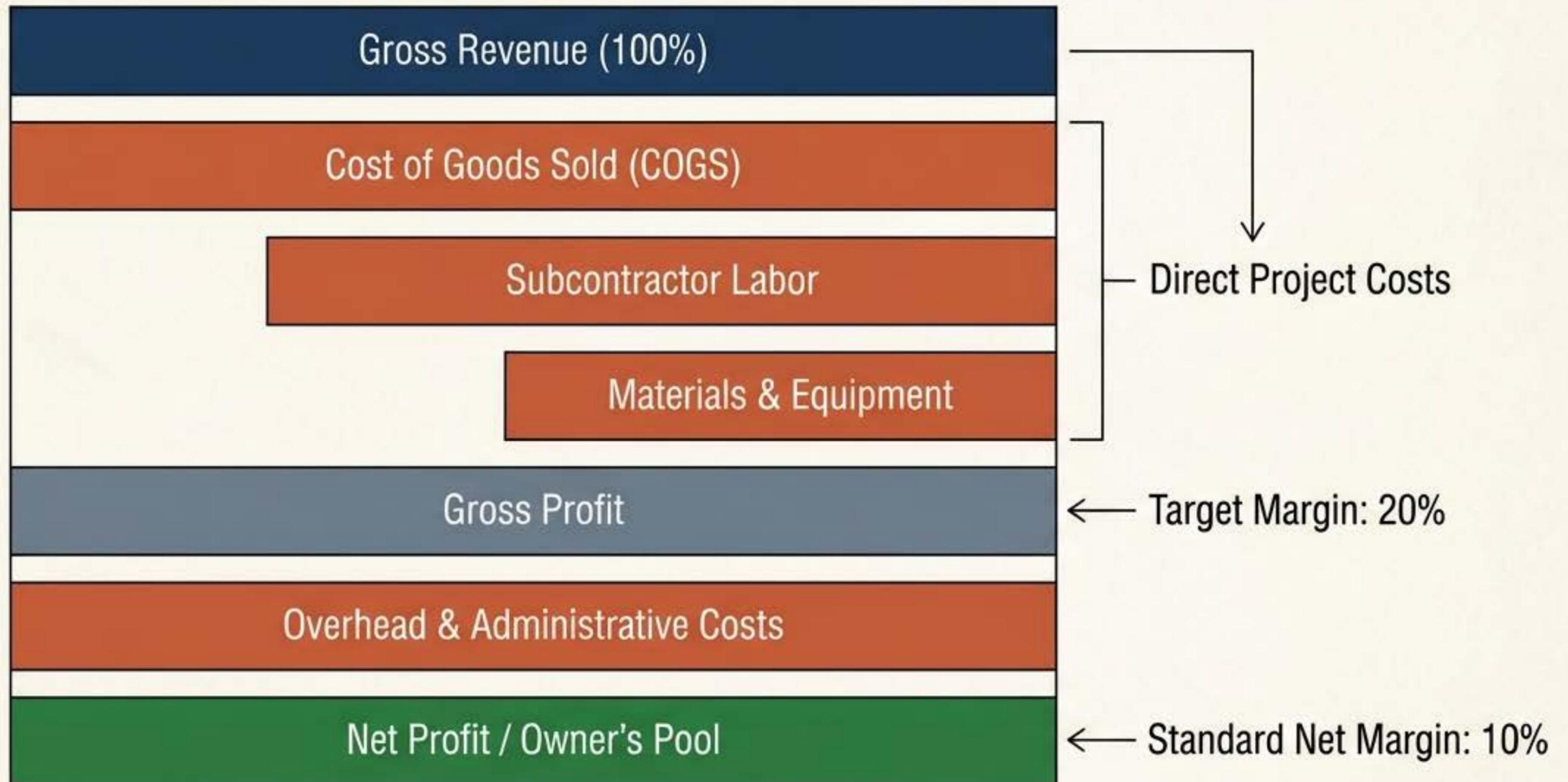
Gross revenue volume  
and overhead scale



## Location

Regional cost of  
doing business

# Tracking the Dollar from Gross Revenue to Owner's Pocket



# Commercial Margins Versus Residential Volume



**\$90,000 - \$180,000**



## The Residential Reality

High volume, smaller contract sizes, and significant client-management hours.



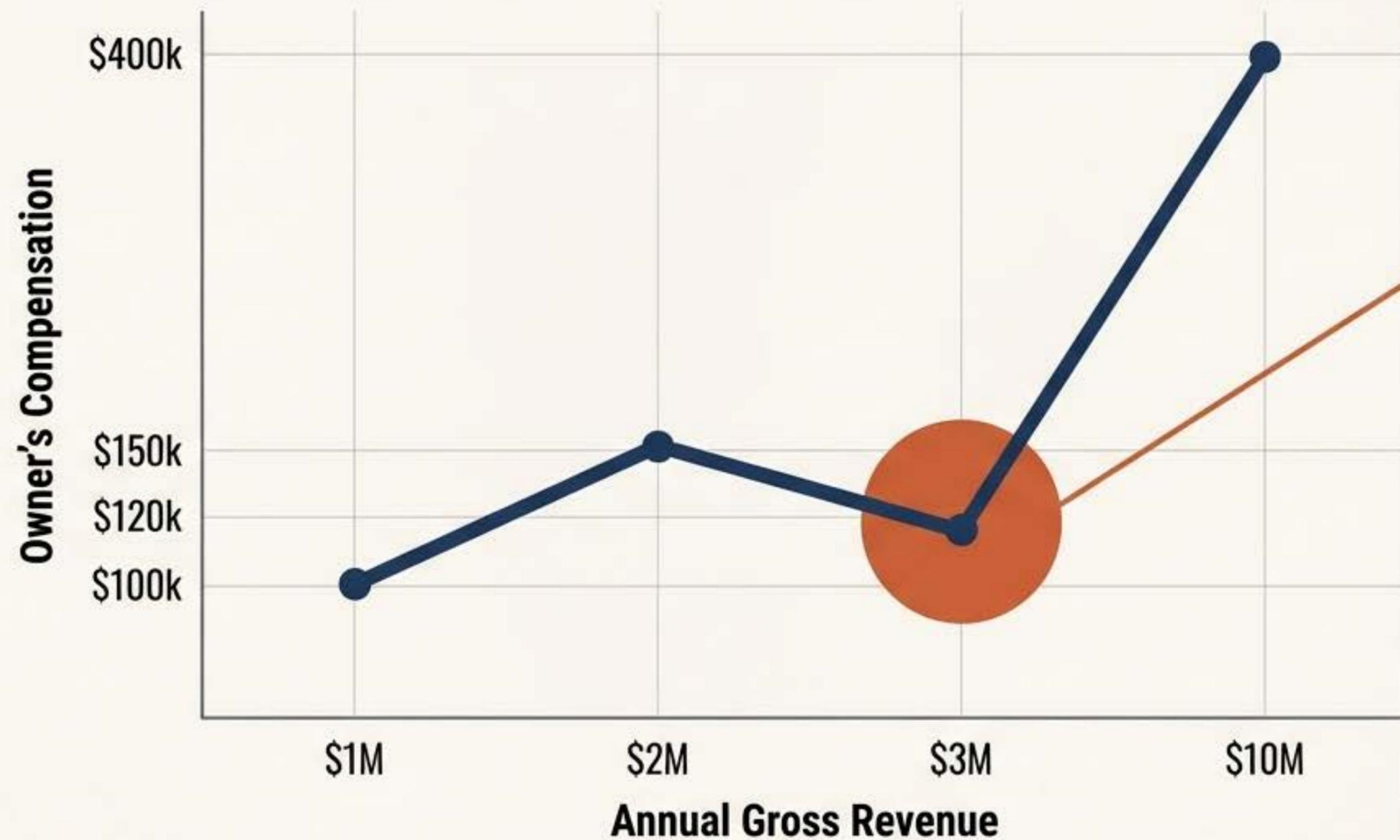
**\$150,000 - \$350,000**



## The Commercial Premium

Lower volume, massive contract sizes, rigorous bidding, and higher final payout margins.

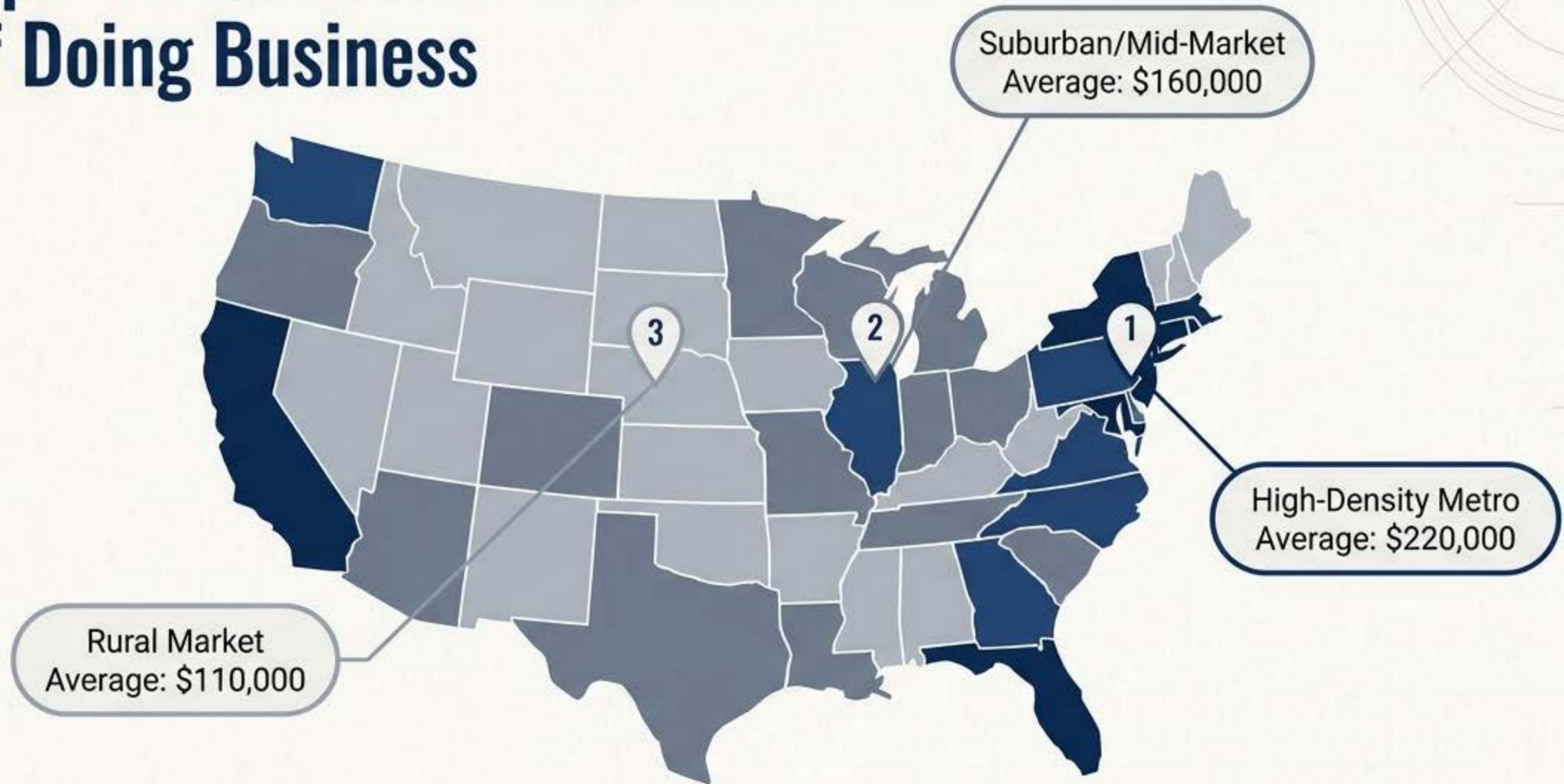
# Revenue Growth Does Not Always Equal Linear Pay Increases



## The Scaling Squeeze

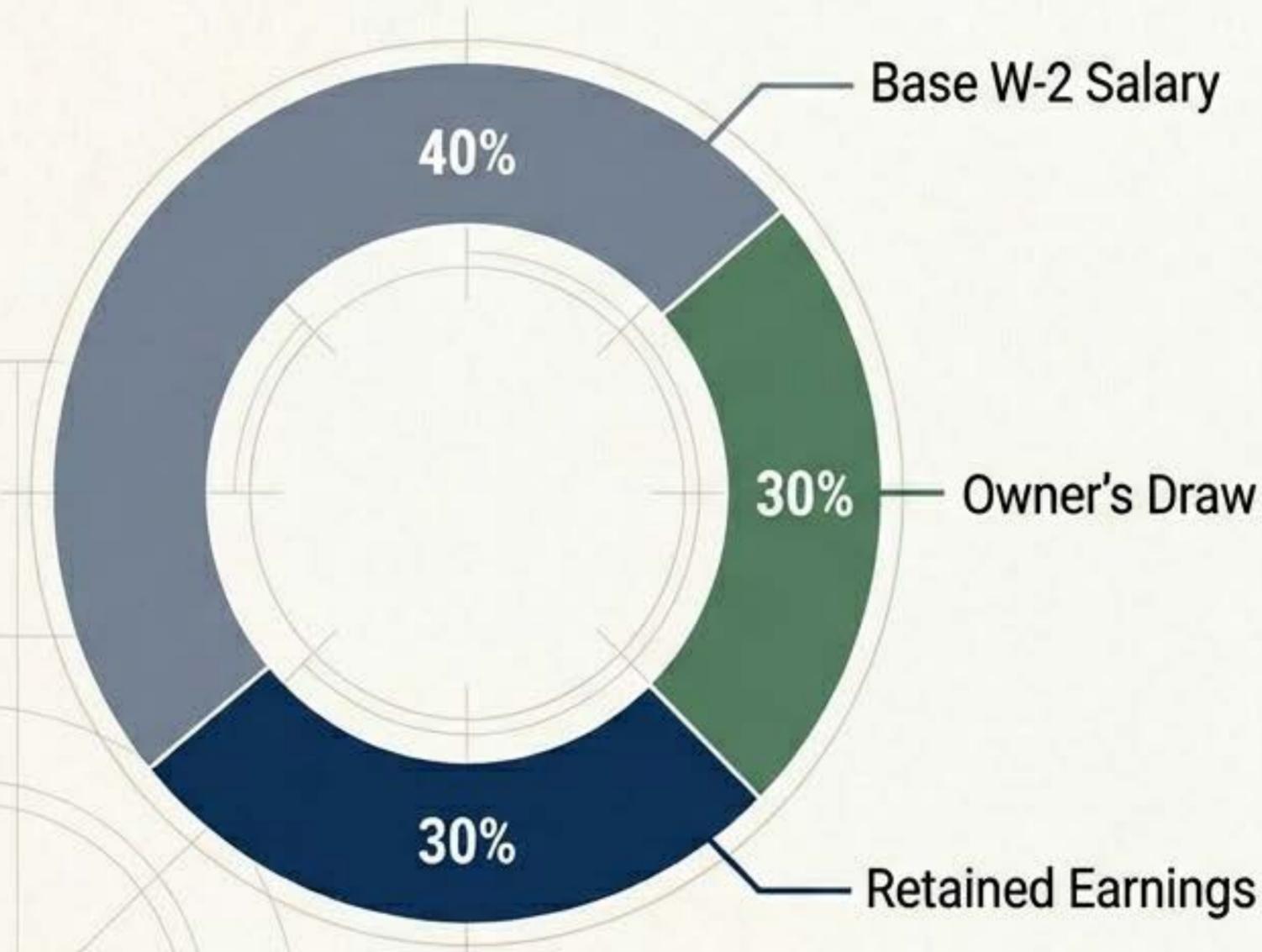
Passing the \$3M revenue threshold requires hiring dedicated Project Managers and estimators, temporarily eating into the owner's take-home pay to support overhead scale.

# Geographic Influence on the Cost of Doing Business



**Critical Context:** Absolute dollars earned must be weighed against personal Cost of Living (COL) and regional Cost of Doing Business (CODB), such as union labor rates and permitting fees.

# Balancing Tax Efficiency with Personal Cash Flow



- Setting a modest, consistent base salary guarantees predictable monthly personal cash flow and fulfills IRS “reasonable compensation” requirements.
- Taking quarterly or year-end distributions based on actual net profit performance allows for efficient tax maneuvering.
- Leaving 30% of the profit in the business operating account ensures liquidity, covers upcoming material floats, and maintains bonding capacity.

# Strategic Levers to Increase Take-Home Pay



## Optimizing Margins

Move away from competitive hard-bidding to negotiated or design-build contracts to protect profit margins from the start.



## Shifting Sectors

Strategically migrate a percentage of operations toward higher-margin commercial or specialized sub-sectors.



## Controlling Overhead

Utilize construction management software and rigorous systems to scale project volume without proportionally scaling internal administrative headcount.