



The Property Profitability Guide

A price that clears your margin can still break your week. This guide walks through both halves of the take-on decision, cost and capacity, with a worked example of each outcome.

A new property can look like an easy yes. The price sounds reasonable, the customer is friendly, the timing works. But a good price only answers half the question. The other half is whether your week has room for it, and that half gets skipped more often than it should.

Two separate questions, not one

Taking on a property is really two decisions stacked together. The financial question: does the price cover cost and clear your target margin? The operational question: does your crew have the weekly hours to actually do the work, on top of everything already committed?

A price can clear your margin easily and still break your week if the hours are not there. A schedule can have plenty of room and still lose money if the price is too low. Evaluating only one half is how operators end up either underpriced or overcommitted without seeing it coming.

The cost side, worked through

Take a 1-acre property, a zero-turn mower with a 60-inch deck on open terrain, and a normal trim allowance. At the site's default 80% field efficiency, that mower covers roughly 2.8 acres per hour, so mowing takes about 21 minutes. Add the normal trim and cleanup allowance (40% of mowing time) and total service time comes to roughly 30 minutes.

With a 2-person crew, that is about 1 crew-hour. At a \$20 base wage and the 30% burden default, the loaded labor rate is \$26.00/hour, so labor cost lands near \$25.67. At the 35% target margin default, the minimum price to clear that margin is about \$39.50. A proposed price of \$95 clears it comfortably, with room to spare.

The capacity side, worked through

Now check the schedule. A 5-day, 8-hour week gives 40 available hours. If the crew already has 30 hours committed, adding this roughly 30-minute property brings utilization to about 76%, plenty of room. Recommendation: accept.

Run the identical property and price again, but with 39.6 hours already committed instead of 30. Utilization after adding the property comes out just over 100%. The price still clears margin easily,

but the week does not have the hours. Recommendation: likely capacity conflict, not because the deal is bad, but because something else on the schedule has to give.

The four outcomes

Every property lands in one of four places: accept (the price clears margin and the week has room), accept if repriced (room on the schedule, but the price falls short), likely capacity conflict (the price is fine, the week is not), or reprice and check capacity (both fall short). Knowing which one you are looking at is the entire point of running the numbers before saying yes.

Key takeaway. A good price on a full week is still a bad decision. Check cost and capacity together, not the price alone.

Assumptions

- The worked example uses the site-wide default assumptions: 30% labor burden, 35% target gross margin, 80% mowing field efficiency. - [research/default-assumptions.md](#)
- Drive time, seasonality, and contract length are not part of this calculation. Treat the recommendation as a starting point, not the full business decision.

Frequently asked questions

What if I only care about the price, not the schedule?

Then a capacity conflict shows up as a quiet cost anyway, either paid overtime, a missed service window on an existing customer, or a crew stretched thin enough that quality slips. Checking capacity up front is cheaper than absorbing that cost later.

Does "acceptable" mean the customer will actually pay this price?

No. It means the price and capacity numbers are internally consistent with your own cost and target margin. It says nothing about what the customer is willing to pay or what competitors are quoting, that judgment still belongs to you.

How is this different from just running Job Labor Cost and Minimum Profitable Job Price separately?

Those engines answer the cost question well on their own. This adds the operational half, whether the property fits your remaining weekly hours, in the same pass, so a property that passes on price alone but breaks the schedule does not slip through unnoticed.

What is Property Profitability Ranking for, if this engine already decides accept or reject?

This guide's engine evaluates one new property at a time. Property Profitability Ranking looks at properties you already service, ranked by profit per hour, to find the ones quietly costing you the most relative to what they pay, a different question about your existing book, not a new one.

Grounds Toolkit is a set of transparent decision engines for landscaping operators, not business management software. This guide is educational, not a guarantee of any outcome.