

HVAC Markup and Margin Conversion Table

Markup is what you add to cost. Margin is what you keep out of the price. They are never the same number.

- $\text{margin} = \text{markup} / (1 + \text{markup})$. $\text{markup} = \text{margin} / (1 - \text{margin})$.
- A 50% markup is a 33.3% margin. To keep a 40% margin you have to mark up 66.7%.
- Multiplier is what to multiply your cost by to hit that number.
- Arithmetic, not market rates. Every figure on this sheet comes from numbers you fill in. Nothing here is an industry average, because what an HVAC

Markup %	Margin you keep %	Cost multiplier	Margin you want %	Markup needed %	Cost multiplier
10	9.1	1.100	10	11.1	1.111
15	13.0	1.150	15	17.6	1.176
20	16.7	1.200	20	25.0	1.250
25	20.0	1.250	25	33.3	1.333
30	23.1	1.300	30	42.9	1.429
40	28.6	1.400	35	53.8	1.538
50	33.3	1.500	40	66.7	1.667
60	37.5	1.600	45	81.8	1.818
75	42.9	1.750	50	100.0	2.000
100	50.0	2.000	55	122.2	2.222
150	60.0	2.500	60	150.0	2.500
200	66.7	3.000			

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