

Sample Owner Property Analysis

Garland, TX 75044 · sample property, not a real address

Prepared for	Sample Owner
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Question	Keep it on Airbnb, switch to medium-term, or both?
Delivered	Standard turnaround, 2 business days
Report	Sample. The property, owner and numbers are fictional.

This is a sample of the \$99 written analysis. A real report is built from the owner's intake form, with every estimate labeled. This one answers the question I hear most from short-term rental owners: **what would this house earn as a furnished 30-day rental instead, and should I switch?**

The short version: a full switch roughly breaks even and depends on never having an empty month. Flexing only the four slowest months to medium-term stays improves the year by about **\$6,713** and keeps the summer peak. Start with the Executive Summary on the next page.

Where you stand, and what I would do

Over the last twelve months the property brought in \$60,370 against \$64,230 of costs. The listing is well run; the issue is a cost base that does not flex in the slow months.

-\$3,860

OPERATING RESULT
TRAILING 12 MONTHS

+\$2,853

HYBRID RESULT
4 MONTHS MEDIUM-TERM

\$3,657

BREAKEVEN RENT
FULL-YEAR MEDIUM-TERM,
PER MONTH

3.3

NIGHTS PER STAY
AVERAGE TODAY

What I would do

Run the hybrid for one full year. List Jan, Feb, Aug and Sep on Furnished Finder at about \$3,800 a month and keep the rest of the year on Airbnb. On these numbers that turns a -\$3,860 year into a +\$2,853 one, an improvement of about \$6,713, without giving up the strongest months.

Do not convert the whole year yet. A full medium-term year at \$3,800 with all twelve months filled comes out at +\$1,721. One empty month between tenants drops it to -\$2,079. The breakeven rent is \$3,657 a month with no vacancy and \$3,989 with one empty month, so a full switch only works if you rarely sit empty.

Get two facts before you list. Confirm with your CPA how a change in average stay affects your tax treatment (page 7), and confirm your insurance policy covers 30-day furnished stays.

THE DECISION IN ONE TABLE · ANNUAL RESULT BY OPERATING MODEL, BEFORE TAX

PATH	REVENUE	EXPENSES	RESULT	VERSUS TODAY
Short-term rental, as operated	\$60,370	\$64,230	-\$3,860	Baseline
Hybrid, 4 months at \$3,800	\$62,470	\$59,617	+\$2,853	+\$6,713
Hybrid, 4 months at \$4,300	\$64,470	\$59,617	+\$4,853	+\$8,713
Full-year medium-term, 12 months at \$3,800	\$45,600	\$43,879	+\$1,721	+\$5,581
Full-year medium-term, 11 months at \$3,800	\$41,800	\$43,879	-\$2,079	+\$1,781
Unfurnished long-term lease at \$2,450	\$29,400	\$36,180	-\$6,780	-\$2,920

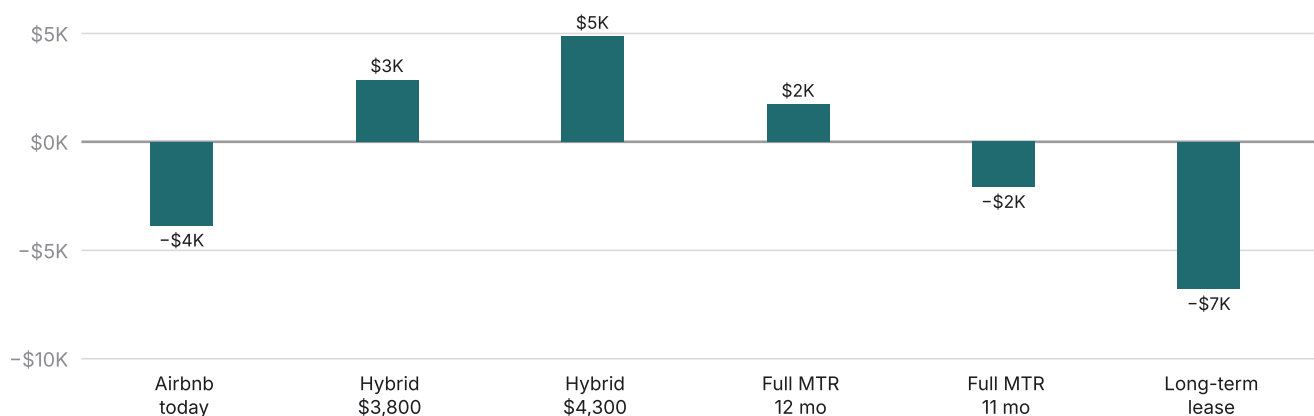


Figure 1. Annual operating result by model. The hybrid is the only path that improves on today without depending on twelve straight months of occupancy.

How the property performs today

From the intake form and the twelve months of booking data you supplied: 78 stays, 254 booked nights, about 70% occupancy.

Property	4-bed, 2.5-bath home in Garland, TX · 2,150 sq. ft. · built 1998
Purchased	March 2022 for \$365,000
Estimated value	\$355,000 to \$390,000, base case \$372,000 ESTIMATE
Mortgage	\$289,500 balance at 6.00% · about \$82,500 of equity at the base value
Platforms	Airbnb (about 85% of bookings) and Vrbo
Guest rating	4.9 stars, 61 reviews
Permit	Registered with the city; renewal due each January

\$205

AVERAGE NIGHTLY RATE
AFTER GUEST DISCOUNTS

70%

OCCUPANCY
BOOKED NIGHTS / 365

3.3

AVERAGE STAY
NIGHTS

\$7,800

PLATFORM FEES
WITHHELD BY AIRBNB AND
VRBO

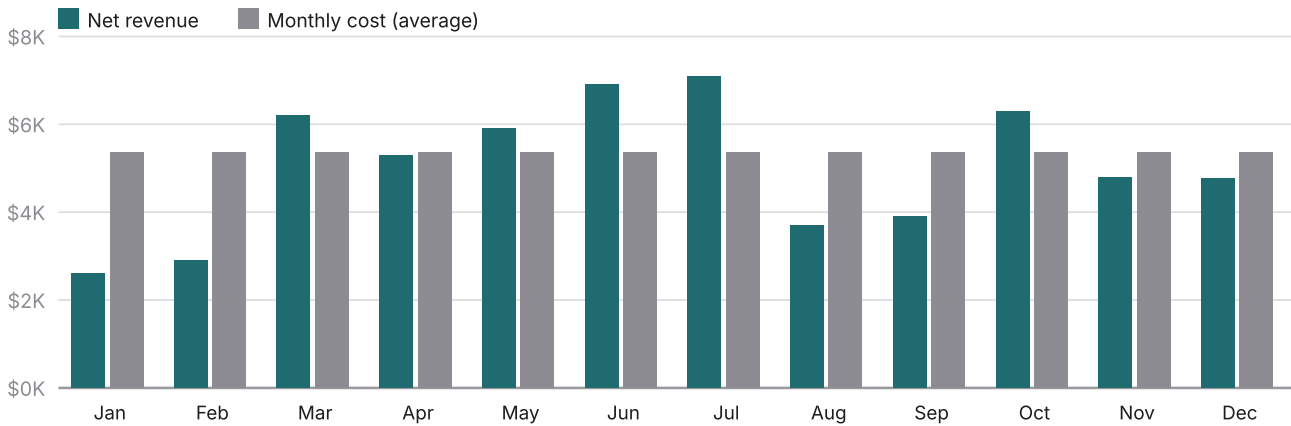


Figure 2. Net revenue by month against the average monthly cost of \$5,352. Jan, Feb, Aug and Sep together brought in \$13,100, only 22% of the year, while carrying a full share of the fixed costs. Those are the months the hybrid flexes.

Fixed costs versus short-term costs

The whole question turns on one split: costs that exist because you own the house, and costs that exist because it turns over every few nights. Only the second group changes with a switch.



Figure 3. 65% of the cost base arrives whether or not anyone books.

STAYS IN EVERY MODEL

FIXED OWNERSHIP COST	ANNUAL
Mortgage interest	\$17,400
Property taxes	\$8,900
Utilities and internet	\$5,700
Insurance, short-term rental policy	\$3,600
Repairs and maintenance	\$3,200
Lawn and pest control	\$1,500
Accounting and licenses	\$1,100
HOA dues	\$480
Total fixed	\$41,880

CHANGES WITH A SWITCH

SHORT-TERM COST	NOW	MEDIUM - TERM
Turnover cleaning	\$11,700	\$1,200
Hotel occupancy tax remitted	\$5,600	\$0
Supplies and consumables	\$3,100	\$600
Pricing and listing software	\$1,450	\$199
Advertising and photography	\$500	\$0
Total	\$22,350	\$1,999

Medium-term column: Furnished Finder membership (\$199 a year, no booking commission), about four turnovers a year instead of 78, and no hotel occupancy tax on stays of 30 consecutive days or more in Texas. Utilities stay in the fixed column because furnished 30-day rentals here usually include them.

THE \$20,351 IS REAL. IT IS NOT THE WHOLE STORY.

A switch avoids \$20,351 a year of short-term costs. But guests already reimburse a large share of those costs inside your revenue, mostly through cleaning fees. The next page nets both sides, which is where most quick estimates go wrong.

The revenue you do not actually keep

Part of what Airbnb pays you is not rent at all. It is guests paying back costs the house only has because it is a nightly rental.

REVENUE THAT EXISTS ONLY BECAUSE IT IS A NIGHTLY RENTAL	COLLECTED	MATCHING COST	NET
Cleaning fees charged to guests	\$12,870	\$11,700	+\$1,170
Occupancy tax collected from guests	\$2,600	\$5,600	-\$3,000
Pet fees	\$700	in supplies	+\$700
Total that goes away with a switch	\$16,170		

So a switch avoids \$20,351 of cost and gives up \$16,170 of revenue that was paying for it. The net structural gain is **\$4,181** a year, before comparing a monthly rent with nightly rates.

The occupancy tax is worse than it looks. You remitted \$5,600 but collected only \$2,600 from guests, so about \$3,000 came out of your nightly rate. On a stay of 30 consecutive days or more, Texas exempts the guest, so this line goes to zero rather than shrinking.

And the platform fee you stop paying

Airbnb and Vrbo withheld \$7,800 in host service fees, 15% of accommodation revenue. Furnished Finder charges a flat yearly membership and no commission. Your net accommodation revenue after platform fees was about \$44,200; a medium-term rent of \$3,800 for twelve months is \$45,600, or +\$1,400 on a like-for-like basis.

WHERE THAT LEAVES THE COMPARISON

Add the \$4,181 structural gain to the rent comparison and a perfectly occupied medium-term year improves on today by about \$5,581. The two things that erode it are vacancy between tenants and giving up the summer peak. The next page handles both.

Four ways to run the property

Every model has to clear \$41,880 a year, \$3,490 a month, of fixed cost before it earns anything.

\$3,657 BREAKEVEN RENT 12 MONTHS OCCUPIED	\$3,989 BREAKEVEN RENT 11 MONTHS OCCUPIED	\$3,400 to \$4,300 COMPARABLE RANGE FURNISHED 4-BED HOMES	\$3,800 RENT MODELED BELOW THE COMP MIDPOINT
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COMPARABLES FROM FURNISHED FINDER · ASKING RENTS, NOT ACHIEVED RENTS

COMPARABLE FURNISHED MONTHLY RENTAL	CITY	ASKING RENT
4 bd / 2.5 ba, pool	Garland	\$4,300
4 bd / 3 ba	Rowlett	\$3,950
4 bd / 2 ba	Garland	\$3,800
4 bd / 2.5 ba	Sachse	\$3,700
3 bd / 2 ba	Garland	\$3,400

Why the hybrid beats the full switch. On paper a fully occupied medium-term year (+\$1,721) is close to the hybrid (+\$2,853). Two things separate them. First, vacancy: under a full switch, a gap between tenants costs a whole month of the only revenue the house has. Second, the summer peak: June and July earned \$14,000, about \$7,000 a month, against \$3,800 from a monthly tenant. The hybrid keeps the peak and only replaces the months that were already weak.

Monthly rent					
Occupied	\$3,400	\$3,600	\$3,800	\$4,000	\$4,300
12 months	-\$3K	-\$679	\$2K	\$4K	\$8K
11 months	-\$6K	-\$4K	-\$2K	\$121	\$3K
10 months	-\$10K	-\$8K	-\$6K	-\$4K	-\$879
9 months	-\$13K	-\$11K	-\$10K	-\$8K	-\$5K

Figure 4. Full-year medium-term result by rent and months occupied. Only the top-right corner is comfortably positive, which is why the full switch is the riskier path.

What the numbers do not show

Six things decide whether a medium-term plan works in practice. None of them appear in a profit and loss statement.

- 1 Taxes, for your CPA.** Short-term rental losses can be treated differently when the average guest stay is seven days or less and you materially participate. Today's average is 3.3 nights; the hybrid keeps it near 5.2; a full switch pushes it far past seven. You skipped the optional tax questions, so this report does not model taxes. Ask your CPA how a change in average stay affects your return before changing minimum-stay settings.
- 2 Hotel occupancy tax paperwork.** In Texas a guest staying 30 consecutive days or more is exempt, but for the exemption to apply from the first night, get written notice of intent to stay 30 days at or before check-in. Put it in the lease.
- 3 Insurance.** Confirm your policy covers furnished stays of 30 days or more. Short-term and landlord policies are written differently, and the hybrid needs coverage for both.
- 4 City and HOA rules.** Many cities regulate stays under 30 days and leave longer stays alone, but HOAs can restrict leasing of any length. Read your current restrictions before listing.
- 5 Lead time.** Traveling nurses, insurance placements and corporate relocations book weeks ahead and often in 13-week blocks. List by early November for a January start.
- 6 Screening and wear.** A monthly tenant has more time in the house than a weekend guest. Use income or contract verification, a background check, references, and renter's insurance.

ASSUMPTIONS THIS REPORT MADE FOR YOU

ITEM	VALUE USED	WHY
Medium-term rent	\$3,800	Below the comparable midpoint; comps are asking rents
Medium-term cleaning	\$1,200	About four deep cleans a year
Property value	\$372,000	Owner estimate, cross-checked with online valuations; not an appraisal
Capital reserve	Not included	Add about 5% of rent a year for roof, HVAC and appliance replacement

Recommendation and next 60 days

Run the 4-month hybrid for one full cycle, measure it, then decide whether to go further.

WHEN	ACTION	COST
This week	Ask your CPA about the average-stay question on page 7	\$0
This week	Confirm insurance covers 30-day furnished stays; get one competing quote	\$0
Within 2 weeks	Read HOA restrictions and confirm city rules for 30-day stays	\$0
Within 3 weeks	Draft a medium-term lease with a 30-day intent-to-stay clause and screening criteria	\$0 to \$500
By early November	List Jan, Feb, Aug and Sep on Furnished Finder at \$3,800 to \$4,300	\$199
Mid-December	Checkpoint: if there are no serious inquiries for January, lower the ask toward the bottom of the range	\$0

WHAT SUCCESS LOOKS LIKE AFTER TWELVE MONTHS

Both medium-term blocks filled at \$3,400 or better, the summer peak intact, and a result near +\$2,853. If that happens, consider a fifth flexed month. If the medium-term months sit empty, the hybrid has answered the question for you, and the house stays a short-term rental.

Questions to take with you

- **CPA:** How does a change in average guest stay affect how my rental losses are treated?
- **Insurance agent:** Does my policy cover furnished stays of 30 days or more, and what changes if I flex part of the year?
- **HOA or city:** Are leases under twelve months, or stays under 30 days, restricted at this address?

Talk it through, at half price

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Sources and method

Operating figures come from the owner's intake form and twelve months of booking data. Comparable rents come from Furnished Finder listings, which show asking rents rather than achieved rents. Value estimates come from online valuation models and are not an appraisal. Texas hotel occupancy tax treatment of stays of 30 consecutive days or more follows the Texas Comptroller's permanent resident exemption.

Method: costs are split into fixed ownership costs and short-term-specific costs; short-term-specific revenue is netted against the costs it pays for; platform fees are added back; the breakeven rent is fixed cost plus medium-term operating cost divided by months occupied; vacancy and seasonality are tested explicitly.

Important disclosures

This sample report uses a fictional property and owner. Apollo Advising reports are real estate analysis for education and decision support, based on information the client provides and public data. They are not legal, tax, investment, insurance, or lending advice, and do not recommend securities. Tax observations are questions for the client's CPA, not tax opinions. Valuation figures are estimates, not appraisals. Apollo Advising makes no guarantee of future rents, occupancy, values, or results. Investment advice is offered only through Nashional Independent Investment Management LLC, a separate registered investment adviser. Apollo RE Advising LLC, dba Apollo Advising, 5900 S Lake Forest Dr, Suite 300, McKinney, TX 75070.