

# Investor Strategy & ROI Analysis: 1507 Polk, Port O'Connor, TX

**Property Overview:** 1BR + Loft / 1.5BA Main House + Studio Guest House + Full RV Hookups  
**Asking Price:** \$289,000

## I. Annual Revenue Projections

Based on a conservative 40% annual occupancy rate (146 nights per year), leveraging the unique dual-stream income potential of the primary residence and the dedicated RV pad.

Revenue Source	Nightly Rate	Est. Nights/Year	Annual Gross
Main House (Cottage/Loft)	\$225	146	\$32,850
RV Pad (Full Hookups)	\$50	146	\$7,300
<b>Projected Annual Gross Total</b>			<b>\$40,150</b>

## II. Return on Investment (ROI) Breakdown

- **Gross Yield:** 13.9% (Annual Income / Purchase Price)
- **Estimated Operating Expenses (30%):** -\$12,045 (Taxes, Insurance, Utilities, Maintenance)
- **Net Operating Income (NOI):** \$28,105
- **Projected Cap Rate (Cash Purchase):** 9.7%

## III. Strategic Tax Advantages (2026 Tax Law)

This property qualifies for significant benefits under the *One Big Beautiful Bill Act (OBBBA)*, making it an ideal vehicle for tax-advantaged wealth preservation.

- **100% Bonus Depreciation:** Investors may front-load depreciation in Year 1 for personal property and land improvements (like the RV pad).
- **20% Appraisal Cap:** Texas law provides a 20% cap on appraisal increases for non-homestead properties, ensuring predictable long-term holding costs.

---

## IV. The "Forced Appreciation" Upside

The insulated and air-conditioned Guest House Studio offers immediate value-add potential. Adding a bathroom to this unit (estimated cost \$15,000) would convert it into a second independent rental stream.

- **Improvement Deduction:** The renovation cost is likely 100% deductible in the year of construction.
- **Revenue Increase:** At a modest \$125/night and 40% occupancy, the studio could generate an additional \$18,250 annually.
- **Payback Period:** The bathroom installation could pay for itself in less than 10 months of rental income.

---

*Disclaimer: Projections are based on current market trends and user-provided data. Investors are encouraged to perform their own due diligence regarding local regulations and tax implications.*