The Tiny House

Income Blueprint

A Real P&L From 2 Tiny Builds

Rob Abasolo tracked every dollar on 2 tiny houses for a full year, then published the actual numbers.

Tiny house content is usually a highlight reel: A pretty photo and a vague income claim. This is the full profit and loss statement instead, proof that a small, low-footprint build can outperform a much bigger property, if you run the numbers before you build.

Is This Your Entry Point? A Feasibility Check

Before you build anything, answer these:

Question	Why it matters?
Do you have a backyard, ADU-eligible lot, or land sitting unused?	This is what made the LA build possible for $72,000 instead of $200,000-plus?
Is an ADU or tiny home legal on that lot?	Check your city's zoning before anything else
What would a similar build cost in your market today?	Use the 2026 Reality Check below as a starting range, not a quote
What do comparable listings near you actually charge?	Check Airbnb directly, not just an aggregator average

Property 1: The LA Backyard ADU

- **Build cost:** $72,000 (303 sq ft, financed with a $40,000 personal loan at 7.54%, $16,000 cash, and the rest on a 27% APR credit card, later refinanced into a 30-year note at 3.5%)

- **Model:** Mid-term rental, 30-day minimum stays.

- **Gross revenue (1 year):** $26,357.91 ($24,917.91 booking revenue plus $1,440 in cleaning fees).

- **Expenses (1 year):** $3,687 (loan payment $2,460, electricity $415.83, supplies and maintenance $600, pest control $57, internet $153).

- **Net profit:** $21,230.88, or $1,769.24 a month

Property 2: Casa Conejo, Joshua Tree

- **Build cost:** $165,000 (funded through a HELOC, personal savings, a 0% intro credit card, and $40,000 from his parents; hired a contractor for this one).

- **Model:** Short-term rental, mostly 1 to 7 night stays, highly seasonal (one monthly-stay guest was a one-off, not a regular pattern).

- **Gross revenue (1 year):** $83,131.02

- **Expenses:** $15,640.88 (mortgage $10,882, electricity $1,762.44, water $654.12, supplies and maintenance $729.81, trash and pest control $771.80, internet $839.99).

- **Net profit:** $57,040.12

Combined Numbers

Total gross revenue across both properties: $109,488

Total profit across both properties: $78,271, beating his own prediction from a year earlier by more than $24,000.

A note on transparency: Airbnb's 3% host fee is already subtracted from every revenue figure above, built directly into the numbers you're seeing.

How These Returns Stack Up

Rob's own bar for a deal, established in his getting-started course, is a 20% minimum cash-on-cash return, with 50 to 75% as the ideal target. Here's where these 2 properties land against that bar:

- **LA ADU:** A 29.5% cash-on-cash return, with payback in about 3.4 years.
- **Joshua Tree:** A 34.6% cash-on-cash return, with payback in about 2.9 years. Rob was able to cash-out refinance the construction cost and get 100% of his money back, which equates to an infinite cash-on-cash return.

Both clear the 20% minimum by a wide margin, even with a rocky financing start on both. Worth noting: this measures return against total build cost, not the cash he personally put in, since both builds were financed through loans, a HELOC, and family money that gets paid down by rental income. His real cash-on-cash return would be higher.

3 Things Worth Stealing From This Model

1. Seasonality is real. Budget around it.

The Joshua Tree property swung from $9,467 in December to $6,500 in February, same property, same year. Budget around the average month, not the best one.

2. Mid-term rentals trade ceiling for stability.

The LA ADU would have grossed more on a short-term rental model. Thirty-day stays mean fewer cleanings, less turnover, and a calmer operation in exchange for that lower ceiling.

3. A cash-out refi can rescue a bad initial loan.

Financing the LA build with a 27% credit card and a 7.54% personal loan was a real mistake. Refinancing into a 3.5%, 30-year note is what made the numbers work.

The 2026 Reality Check

These builds happened in 2020 and 2021. ADU and small-home construction costs have climbed since then, a detached ADU today typically runs $150 to $300 per square foot, well above what this build reflects. Interest rates are also meaningfully higher than the 3.5% refinance rate that rescued the LA property. These numbers prove the model works, not what it costs to replicate today. Run your own numbers against current construction and financing costs before assuming you'll land in the same range.

The Host Camp Take

Two tiny houses, one built with a private loan and a maxed-out credit card, still cleared $78,271 in profit in a year, proof that a rough start on financing doesn't sink a property once the numbers work while it's running. We don't recommend that path to get there.

Disclaimer: *These are 1 host's real numbers from 2 specific properties in 2 specific markets. Construction costs, financing terms, and rental income vary widely by location and season. Run your own numbers before building or buying.*

What to Do Next

You don't need a backyard tiny house to learn something from this. A small, low-footprint build can outperform a much bigger property when the numbers get run correctly before construction starts. If you've got a backyard, a spare lot, or land you've been sitting on wondering what to do with it, this is the model that turns it into income.

Rob Abasolo and Kai Andrew built Host Camp into the world's biggest resource for short-term rentals. Visit our website for blogs, newsletters, tools, and personally mentored coaches, all built to help hosts go from managing 1 property to managing a real portfolio, and figure out if a build like this makes sense for their specific property before they spend a dollar on it.

We'll look at your land or backyard and tell you honestly whether a build like this pencils out.

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