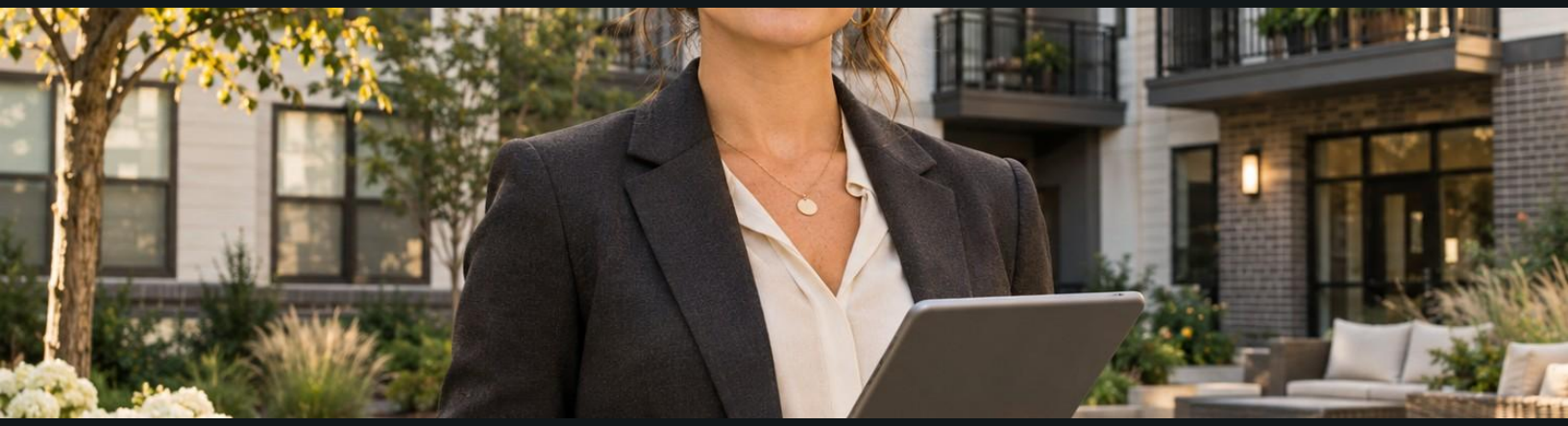


Apartment Growth Advantage

Support the next stage of apartment ownership.

ELIGIBLE PROPERTIES UP TO 25 UNITS

Who it is for

Rental investors considering eligible buildings up to 25 units. The program offers another route to evaluate apartment financing, with credit and ratio provisions that must be matched to the requested loan size.

Ideal properties and transactions

An apartment purchase or refinance supported by complete operating information and a plan for management, maintenance and capital replacements. Explain whether the project is stabilized, in lease-up or undergoing improvements rather than treating all apartment acquisitions alike.

Credit, experience and liquidity

The flyer lists $3.5 million capacity and an indicated credit screen of 550, with no minimum DSCR below $1 million. Leverage is tailored. The no-minimum-DSCR statement does not establish terms for loans at or above $1 million. Discuss your ownership and management history and cash remaining after closing. The flyer does not establish a universal experience or reserve requirement. Prepare a closing-funds reconciliation that separates the down payment, transaction costs, required reserves and your own operating cushion. Explain any partner capital or borrowed funds and the other properties supported by the same liquidity. Ask which funds must be verified before closing and which must remain available afterward.

BRING THE COMPLETE MULTIFAMILY SCENARIO

Property + rent + value + requested loan + ownership strategy

Subject to underwriting. Not a commitment to lend. Images are AI-generated and illustrative.

Apartment Growth Advantage | Planning guide

Leverage and valuation framework

LTV compares the proposed loan with the lender's accepted property value. A purchase, rate-and-term refinance and cash-out transaction can have different limits. Ask which value basis and seasoning rule apply; improvements or an anticipated appraisal do not automatically increase eligible proceeds. Cash to close also includes fees, escrows and any required reserves. For a refinance, subtract existing liens and closing costs to estimate net proceeds. Keep headline capacity, credit screens and maximum leverage separate: the approved combination depends on the entire file.

Rental income and coverage

Prepare actual collections, economic vacancy and recurring expenses, not only a broker's projected gross rent. Ask for the specific coverage and valuation method for your loan size. Explain any gap between current performance and the operating plan.

Loan structure, repairs and closing

Confirm the property condition required at closing and whether any repair escrow is permitted. Renovation funding and repair escrows require review under the selected loan structure. If substantial work or lease-up is needed, ask whether separate renovation or bridge financing must precede a rental takeout; a later refinance requires its own approval. Request the rate structure, amortization, maturity, any interest-only period, escrow treatment and prepayment provisions together. Compare total ownership cost and the payment after any reset, not only the initial monthly payment.

Property and location considerations

Review major systems, deferred maintenance, unit condition and local rental demand. Confirm eligible building size and occupancy. An up-to-25-unit screen should not be treated as automatic acceptance of a distressed property or an unfunded renovation strategy.

Holding period, exits and stress tests

Set a holding period and compare the loan term, prepayment schedule and any planned sale or refinance. Model lower rent, higher insurance or taxes, a vacancy and a major repair. For illustration only, $2,500 qualifying monthly rent divided by $2,000 qualifying debt expense gives 1.25 coverage; the lender's actual formula and accepted income may differ. This simplified ratio is not net operating profit. A future refinance depends on then-current value, income and program eligibility and is not guaranteed.

Documentation to prepare

Start with the address, legal unit count, transaction purpose, purchase price or estimated value, requested loan amount, monthly rent and current occupancy. Add the purchase contract or existing debt information, leases and rent roll, operating history, insurance and tax figures, ownership/entity records and evidence of available funds. Explain any unusual property use, lease-up, credit event or closing deadline. Provide account statements and identity information through the secure process Karpata specifies rather than in a public inquiry. A complete first package makes it easier to identify the correct lane. Bring a unit-level rent roll, operating history, tax and insurance bills, management plan and capital budget. Separate one-time repairs from recurring expenses and identify how work will be funded if the proposed loan does not include renovations.

Limitations and questions to resolve

All published screens remain subject to borrower, property and program approval and may not apply together. Confirm current state availability, eligible loan purpose, pricing, fees, reserves, guarantees and conditions in a written quote. No minimum DSCR does not mean no underwriting. A business-purpose investment loan is not a consumer home mortgage. Confirm any requirement not specified here before committing funds or relying on a closing date. Final approved documents govern the transaction.

LET'S REVIEW YOUR NEXT RENTAL PROPERTY

Request a quote | KarpataFinance.com | 480-846-1001

Subject to underwriting. Not a commitment to lend. Images are AI-generated and illustrative.