

Rental Portfolio Advantage

Structure capital around a larger rental platform.

APPROXIMATELY 20-100+ UNITS

Who it is for

Owners and sponsors considering financing for approximately 20-100+ units. The source describes a large-portfolio focus and possible non-recourse structures for eligible sponsors, rather than a universal exemption from personal liability. The stated portfolio unit total may span multiple buildings; it is not a requirement that every building contain more than four units.

Ideal properties and transactions

A rental portfolio with organized financial reporting, a management plan and a defined long-term ownership strategy. Unit count, property count and entity count are different measures; provide all three so the proposed structure can be assessed accurately.

Credit, experience and liquidity

Capacity and leverage are portfolio-based in the flyer, with credit and cash flow subject to review. No fixed loan amount, LTV, DSCR minimum or universal non-recourse entitlement is stated. Ask which sponsor and portfolio requirements apply. 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.

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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 a consolidated operating model and separate results by property. Identify occupancy trends, delinquency, capital needs and concentration in a single tenant base or market. Ask how debt service, expenses and stressed cash flow are measured across the portfolio.

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 entity ownership, cross-collateralization, property releases and any limits on future sales. If non-recourse is offered, confirm exceptions, guarantees and obligations in the actual documents rather than relying on the marketing label.

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. Provide a complete real-estate-owned schedule, rent rolls, operating statements, debt schedule, ownership chart and management history. Include capital expenditures and an acquisition/disposition plan showing how the financing supports portfolio changes.

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

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