

Rental Leverage Advantage

Preserve capital without overlooking the payment.

$3.5M CAPACITY | TIER-DEPENDENT DSCR

Who it is for

Investors prioritizing available acquisition or refinance leverage while retaining a credible cash-flow and reserve plan. The program is an option to evaluate, rather than a promise that every transaction can reach the same advance.

Ideal properties and transactions

An income-producing rental where a higher loan amount supports a clear capital objective. Compare the additional capital retained with increased debt service, pricing and reduced cushion if rent softens or taxes and insurance rise.

Credit, experience and liquidity

The flyer lists $3.5 million loan capacity and an indicated credit screen of 620. Its core DSCR screen is at least 1.00, tier-dependent. Leverage is explicitly tailored; no specific maximum LTV is published for this program. 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 RENTAL SCENARIO

Property + rent + value + requested loan + ownership strategy

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

Rental Leverage 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

Run the coverage calculation at several possible loan amounts. As the payment increases, a property that passed at lower leverage can fail the selected coverage tier. Confirm the applicable interest-only or amortizing payment used for qualification before comparing offers.

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

Support value with a current property description and comparable-market evidence. A larger appraisal assumption does not guarantee that the lender will accept it, and purchase financing may use a different value basis from a seasoned refinance.

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. Prepare side-by-side loan scenarios showing cash to close, reserves, monthly payment and expected net operating cash. Identify whether preserving capital is for another acquisition, repairs or a general liquidity cushion.

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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