SAN ANTONIO RENTALS

Qualify with the rent, not your tax returns

A DSCR loan lets you buy a rental property based on what the home can rent for, not your personal income. For self-employed investors whose write-offs make tax returns look thin, it can open the door to building a portfolio.

How it works

DSCR stands for debt service coverage ratio. The lender divides the monthly rent by the full monthly payment.

THE FORMULA

Monthly rent ÷ PITIA = DSCR

PITIA: principal, interest, taxes, insurance and HOA dues

No W-2s, no tax returns and no personal debt to income ratio on most programs.

Reading your ratio

DSCR	WHAT IT USUALLY MEANS
Below 1.0	Rent doesn't cover the payment. Fewer lenders, and often 30% to 35% down.
1.0	Rent covers the payment. A common minimum.
1.25+	Strong cash flow. Often the best rates and terms.

Typical terms to expect

20 to 25%
down payment on a purchase

620 to 680
minimum credit score, by lender

About 6
months of payments in reserves

Good to know

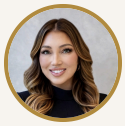
- **Investment property only.** DSCR loans aren't for the home you live in.
- **Rates run higher** than a conventional investment loan.
- **An appraiser estimates market rent.** Lenders often use the lower of actual or market rent.
- **Many programs let you close in an LLC.**
- **Watch for prepayment penalties** if you plan to sell or refinance soon.

Why taxes and insurance matter here

In Texas, property taxes and insurance are a big part of the monthly payment, so they can make or break your ratio. Before you write an offer, Kassie helps you pull the real tax history and get an insurance quote, so your DSCR math holds up in underwriting.

Self-employed and buying your first rental?

Ask your lender to compare a DSCR loan with a conventional investment property loan. If your tax returns show enough income, conventional may cost less. If they don't, DSCR lets the property qualify itself.



Kassie Johnson, REALTOR®, MRP
The GoldenEye Group · Barlowe Daly Realty
TX License #780591 · Equal Housing Opportunity

Get your free investor plan
kassiekeys2homes.com/self-employed-home-buyers
210-361-7715 · kassie@thegoldeneyegrp.com

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RUN THE NUMBERS

Your DSCR deal worksheet

Use this on any San Antonio rental you're considering. Kassie can pull rent comps and tax history for the property.

EXAMPLE

3 bed home, northwest side

Estimated monthly rent	**$2,100**
Principal and interest	**$1,250**
Property taxes, monthly	**$400**
Insurance, monthly	**$180**
HOA, monthly	**$30**
Total payment (PITIA)	**$1,860**
DSCR: $2,100 ÷ $1,860	**1.13**

Above 1.0, so many lenders would consider it. Getting it to 1.25 might take a larger down payment or a lower price.

YOUR PROPERTY

Address: _____

Estimated monthly rent	$ _____
Principal and interest	$ _____
Property taxes, monthly	$ _____
Insurance, monthly	$ _____
HOA, monthly	$ _____
Total payment (PITIA)	$ _____

DSCR (rent ÷ PITIA) _____

Have these ready

- [ ] Down payment funds in your account, with 2 months of statements
- [ ] Reserves for about 6 months of payments
- [ ] Credit report checked for errors
- [ ] LLC documents, if you're buying in a company name
- [ ] A current lease, if the home is already rented
- [ ] Insurance quote, including rent loss coverage if required

How Kassie helps investors

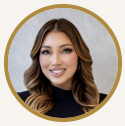
- Rent comps and tax history before you offer
- Neighborhoods matched to your rent and resale goals
- Intros to lenders who do DSCR and conventional, so you can compare
- Offers built around appraisal and rent schedule timelines
- A plan for your next property, not just this one

Have a property in mind?

Send Kassie the address or the listing link. She'll pull rent comps, tax history and recent sales so you can run real numbers before you make an offer. Call or text 210-361-7715.

Sources: DSCR requirements, freefincalc.net/blog/dscr-loan-requirements-2026 · Griffin Funding, griffinfunding.com/blog/dscr-loans/dscr-loan-requirements · LendingOne, lendingone.com/insight/a-guide-to-dscr-loans-for-real-estate-investors · Ridge Street Capital, ridgestreetcap.com/blog/dscr-loan-guide

Example is for illustration only, not a quote for any specific property. General information, not a loan offer. Requirements, rates and terms vary by lender and change often. Kassie Johnson is a REALTOR®, not a lender. Talk to a licensed mortgage loan originator about your situation.



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