

The DSCR Investor Starter Pack

How experienced and self-employed investors qualify without tax returns



A practical guide to using Debt Service Coverage Ratio (DSCR) loans to finance and scale rental properties—without traditional income documentation.

What is a DSCR Loan?

A DSCR loan is an investment-focused mortgage that qualifies you based on the **cash flow of the property**, not your personal income.

DSCR stands for **Debt Service Coverage Ratio**—a simple metric lenders use to determine whether a rental property generates enough income to cover its debt.

The Basic Formula

- **DSCR = Monthly Rental Income ÷ Monthly Housing Payment**
- Rental income is typically based on the lease or market rent
- The housing payment includes principal, interest, taxes, insurance, and HOA (if applicable)

What the Ratio Means

- **DSCR = 1.00** → The property breaks even
- **DSCR above 1.00** → The property cash flows
- **DSCR below 1.00** → Some lenders may still allow it with adjustments

The higher the DSCR, the stronger the deal looks from a lending perspective.

**With DSCR loans, the property qualifies on its own merits—
not your tax returns, W-2s, or adjusted gross income.**

How DSCR Loans Qualify You

Unlike traditional mortgages, DSCR loans are underwritten with the **property as the primary borrower**, not you personally.

Instead of analyzing your tax returns, W-2s, or adjusted gross income, lenders focus on whether the rental income supports the loan.

What Lenders Look At

- Expected or actual rental income
- Monthly housing payment (principal, interest, taxes, insurance, HOA)
- Debt Service Coverage Ratio (DSCR)
- Property type and use
- Credit profile and down payment

What Lenders Don't Prioritize

- Personal income from employment
- Business write-offs
- Year-over-year income fluctuations
- Traditional debt-to-income ratios

DSCR loans are built for investors whose financial strength lives in their properties—not their tax returns.

Who This Is For

DSCR loans are designed for investors who prioritize **cash flow, scalability, and speed** over traditional income documentation.

This type of financing works best when your investment strategy is focused on building or expanding a rental portfolio.

Ideal Fit For:

- Experienced real estate investors scaling their portfolio
- Self-employed borrowers with significant write-offs
- Investors purchasing or refinancing long-term rentals
- Short-term rental or Airbnb investors
- Buyers using LLCs or business entities

May Not Be the Best Fit For:

- Primary residence buyers
- Borrowers with limited rental experience
- Properties without reliable rental income
- Buyers seeking the lowest possible down payment

DSCR loans are built for investors who treat real estate like a business—not a personal purchase.

DSCR Loan Requirements & Guidelines

While DSCR loans are more flexible than traditional financing, there are still baseline guidelines lenders use to evaluate risk and consistency across investment properties.

These requirements focus on the **strength of the property and the structure of the deal**.

Common DSCR Guidelines

- **Credit score:** Typically 620+ (higher scores may improve terms)
- **Down payment:** Often 20–25%, depending on the scenario
- **DSCR threshold:** Commonly 1.00 or higher (some programs allow lower)
- **Rental income:** Based on current lease or market rent
- **Property type:** Single-family, condos, townhomes, and small multi-unit properties
- **Loan purpose:** Purchase, rate/term refinance, or cash-out refinance

Additional Considerations

- Both long-term and short-term rentals may be eligible
- Properties may be held in personal name or an LLC
- Interest rates are typically higher than primary-residence loans
- Program details vary by lender and market conditions

DSCR loans trade documentation complexity for stronger equity and cash-flow requirements.

DSCR Loans vs. Traditional Financing

DSCR loans are designed around how real estate investors actually operate, while traditional mortgages are built for wage-based income and primary residences.

The differences become clear when you compare how each approach evaluates risk.

| Feature | DSCR Loan | Traditional Mortgage |
|----------------------------|------------------------|--------------------------|
| Income qualification | Based on rental income | Based on personal income |
| Tax returns required | No | Yes |
| Debt-to-income ratios | Not a primary factor | Required |
| Ideal borrower | Real estate investors | Primary residence buyers |
| Property count limits | None or higher | Often limited |
| Flexibility for write-offs | High | Low |

Why Work with Cindy Tomlinson

DSCR loans are simple on paper. The difference is execution.

Cindy works with real estate investors who need financing that aligns with **cash flow, speed, and real-world deal structure**—not traditional income documentation.

Her role is to make sure your DSCR loan is structured correctly from the start, so there are no surprises late in the process.

What You Can Expect Working With Cindy

- Investor-first guidance built around cash flow and strategy
- Clear expectations before you write an offer
- Experience with DSCR, rental, and investor-focused loans
- Direct communication and proactive problem-solving
- A process designed to keep deals moving efficiently

Backed by US Lending Company

Cindy is supported by **US Lending Company**, providing the lending platform, programs, and infrastructure that allow DSCR loans to be executed smoothly.

This combination gives you:

- Institutional lending access
- Consistent underwriting standards
- The flexibility investors need without unnecessary friction

You get **personal execution with professional backing**.

The goal isn't just approval—it's a predictable, on-time closing that supports your investment strategy.

Next Steps

If you're considering a rental purchase or refinance and want to know whether a DSCR loan makes sense, the next step is a simple numbers review.

This allows you to move forward with clarity before writing an offer or restructuring an existing property.

What Happens Next

- Review your property's rental income and expenses
- Confirm DSCR eligibility and program fit
- Identify potential issues early—before they slow things down
- Decide whether DSCR is the right strategy for your situation

If you'd like a quick, straightforward review of your scenario, Cindy can walk through the numbers and outline your options.

[Book a DSCR Strategy Call](#)



Cindy Tomlinson NMLS 214851 | DRE 01520422/01215943

Branch Manager

(530) 227-4770

cindy@uslendingcompany.com



When you think of lending, think of US

A DIVISION OF AMERICAN PACIFIC MORTGAGE CORPORATION | NMLS 1850

US LENDING COMPANY IN CA; APMC IN AZ, OR, ID AND FL

© 2026 US Lending Company, a division of American Pacific Mortgage Corporation (NMLS 1850). All information contained herein is for informational purposes only and, while every effort has been made to ensure accuracy, no guarantee is expressed or implied. Any programs shown do not demonstrate all options or pricing structures. Rates, terms, programs, and underwriting policies are subject to change without notice. This is not an offer to extend credit or a commitment to lend. All loans are subject to underwriting approval. Some products may not be available in all states and restrictions apply. Equal Housing Opportunity.