

FAQs: STR and AirDNA

Q: What is Brokers Advantage’s definition of a short-term rental? And where can I find this in the guidelines?

A: This can be found in our 4/14/26 1st and 2nd lien underwriting guidelines, under the DSCR section.

A Short-Term Rental is a property that is rented based on a nightly rate. Any leases or rentals that include a monthly rental amount are considered long-term rental (LTR). As of our 4/14/26 guidelines, requirements for a Short-Term Rental are as follows:

- Nightly rate must be provided
- Property must be in an established short term rental market and confirmed in the property appraisal
- Gross rents reduced by 20% for specific costs (advertising, cleaning, etc.)

Q: Is there a pricing adjustment for STRs? How do I know when it applies?

A: Yes, as of 4/14/26, the STR LLPA applies to DSCR transactions only. For example, if you have a NOO Full Doc or Bank Statement loan that is also using short-term rental cash flows to qualify, the STR LLPA would **not** apply.

Q: Since there is a pricing hit, how do I get an accurate price on a STR loan?

A: As of 4/14/26, our Pricer has the STR LLPA under the “Income/Employment” data field. Select the appropriate option from the drop-down.

Q: How does Brokers Advantage qualify a STR property for purchase transactions?

A: For purchase transactions:

- DSCR is calculated using the Form 1007 provided by the appraiser or Short-Term Rent Analysis form developed by the Appraisal Management Company.
 - AirDNA short-term rental data is allowed as part of the 1007 and/or AMC’s Short-Term Rent Analysis

Q: How does Brokers Advantage qualify a STR property for refinance transactions?

A: For refinance transactions:

- Use the leases used throughout the year and average over the 12 month period. If there are months where the property is vacant, use zero for that month in the average. The average should be supported by the comparable rent schedule (within reason).
- If the subject property leased on a short-term basis utilizing an online service such as VRBO/Air BNB/Vacasa; gross monthly rents can be determined by using a 12 month look back period and either 12 monthly statements or an annual statement provided by the online service to document receipt of rental income. If documentation cannot be provided covering a 12 month period, the property will be considered unleased.