DSCR Calculator Worksheet

Debt Service Coverage Ratio tells a lender whether the park earns enough to cover the loan. Most lenders want 1.25 or higher.

The Formula

DSCR = Net Operating Income (NOI) / Annual Loan Payments

Run Your Numbers

Annual NOI: ________________
Annual loan payments: ________________
DSCR (NOI / payments): ________________
Is your DSCR 1.25 or higher?   Yes / No

Example

NOI $150,000 / Annual payments $120,000 = DSCR 1.25
The park earns 25% more than it needs to cover the loan.

Remember

As the purchase price rises, payments rise and DSCR falls.
If DSCR drops below the lender minimum, the price is too high.