TapGrow360

FREE 2-MINUTE CHECK · NO SIGNUP

Know your number before your renewal.

Your lender sizes up your operation with one figure: the **Debt Service Coverage Ratio** — whether your farm throws off enough cash to cover its loan payments. You can run your own rough number in about two minutes, before you ever sit down across the desk. No account, nothing saved.

Below 1.00x	Cash flow doesn't cover the payments. Red flag.
1.00 – 1.24x	Thin coverage. Expect scrutiny and added conditions.
1.25x	The common minimum many ag lenders want to see.
1.50x and up	Real margin of safety — where lenders prefer you.

Scan it. Run your check.

Point your phone camera at the code, enter a few rough figures, and see your coverage ratio against the 1.25x line — with a built-in stress test.

tapgrow360.com/dscr-calculator

NOTHING SAVED · NO CREDIT CARD · NO EMAIL REQUIRED

You'll enter

Net farm income, off-farm income, family living, taxes, and your term-debt payments. **Rough figures are fine.**

You'll see

Your **coverage ratio** in plain language — green when you clear the minimum, flagged when you're thin.

You'll test it

Drop your income by a price slide and **watch the ratio move** — so a soft market is no surprise.

Why it matters: on a 1,200-acre corn & soybean operation, a 30¢ slide on 132,000 bushels is about $40,000 — enough to take a comfortable 1.45x down to 1.25x on the line. One input, one afternoon, and the margin's gone. Better to see it in January than at renewal.

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COME PREPARED

What to bring to your renewal

The check gives you a ballpark. Your lender runs the real number off statements that tie together — so the more of this you bring, the faster and smoother the conversation goes. A simple pull-together list:

INCOME & TAXES

- **Schedule F** — last 2–3 years of farm tax returns
- **Form 4562** — depreciation schedule for machinery & buildings
- **Prior-year actuals** — income & expenses / P&L
- **Off-farm income** — W-2s or records for reliable outside income

ASSETS

- **Current balance sheet** — assets & liabilities, dated
- **Land owned** — acres and estimated value
- **Machinery & equipment list** — with current values
- **Receivables due** — grain sold unpaid, insurance, gov't payments

THIS YEAR'S PLAN

- **Crop budget / projection** — acres, yield, price by crop
- **Projected cash flow** — for the coming operating year
- **Grain on hand & contracts** — priced and unpriced bushels

DEBTS

- **Loan schedule** — balances, rates, payments, maturity dates
- **Land & equipment notes** — term-debt principal & interest
- **Rented ground** — acres, cash rent, lease terms
- **Accounts payable** — open input / operating balances

The quick check is a sketch. The real number comes off your statements.

Your true DSCR runs off an accrual-adjusted P&L, balance sheet, and cash flow that all tie together — the same statements your lender expects. TapGrow360 builds them from your Schedule F and paperwork, so you can walk in with the real number instead of a guess. **tapgrow360.com**

A free resource from TapGrow360 · Newton, Iowa · Confirm the exact DSCR convention your lender uses — some vary.