

Metal Master – Debt Service Worksheet

Loan Amount: \$50,000–\$75,000

Expected Term: 5 Years (60 Months)

Estimated Interest Rate: 8%–12% APR

Estimated Monthly Payments:

- \$50,000 loan → ~\$1,013/month
- \$75,000 loan → ~\$1,520/month

Monthly Business Income (Projected):

Low Range (Month 12): ~\$4,546/month

Expected Range (Year 2+): \$8,000–\$15,000/month

Debt Coverage Ratio (DCR):

Formula: Net Income / Monthly Loan Payment

Year 1 (Month 12): $4,546 / 1,013 \approx 4.48$

Year 2 (Expected): $10,000 / 1,013 \approx 9.87$

DCR Interpretation:

- A DCR of 1.25 is considered acceptable by lenders.
- Metal Master's projected DCR of 4–10 is extremely strong.

Conclusion:

The business is projected to comfortably support loan repayment with substantial surplus cash flow.