



ECONOMIC HARDSHIP DEFERMENT BORROWER ELIGIBILITY CALCULATION WORKSHEET*

Complete the following steps to see if you (or for FAOs, your borrowers) meet the requirements for hardship deferment as defined in Section 6 of the Economic Hardship Deferment Request form. Economic Hardship Deferment is available for ‘new’ Stafford borrowers (borrowers with no outstanding Stafford or GSL Program loans as of July 1, 1993 or who had no balance when they took out a new loan after that date) and Federal Perkins borrowers. Contact your loan servicer(s) for details. Figures subject to change each Spring.

1. Borrower’s total monthly payments on Federal education _____ loans
(GSL, Stafford, SLS, Perkins, PCL, HPSL,
LDS, HEAL) amortized over 10 years, Standard (Level) Repayment

2a. Borrower’s monthly gross income from all sources** _____

2b. 20% of borrower’s monthly gross income from all sources _____
(.20 times 2a above)

3. Does the figure in 1 (above) EQUAL OR EXCEED 2b? _____

If the answer is NO, you DO NOT qualify for the economic hardship deferment.
If the answer is YES, continue to number 4.

4. Monthly gross income from all sources minus total monthly _____
payments on Federal education loans (2a. minus 1.)

5. Is 4. LESS than \$2,189.00*** (YES or NO)? _____

If the answer is NO, you DO NOT qualify for the economic hardship deferment.
If the answer is YES, you MAY qualify for the economic hardship deferment.****

* this worksheet assumes the borrower is working full time and is making more than either a) the federal minimum wage or b) the 2001 poverty level for a family of two (subject to change each year)

** all sources does NOT include spouse

*** this figure is \$2,737.17 and \$2,519.00 for residents of Alaska and Hawaii respectively

**** always check with your Loan Servicer regarding your eligibility

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