**Client First and Last Name**

**Client Street Address**

**Client City, State Zip Code**

**Client First Name,**

We would like to thank you for completing your student loan counseling session with Take Charge America (“TCA”). If at any point you have additional questions or need further assistance, please do not hesitate to call our Student Loan Department. Our phone number is **877.784.2008** and our email is **studentloans@takechargeamerica.org**.

Please review the following summary outlining the details of the comprehensive counseling session for your Student Loans.

**Loan Summary**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Servicer** | **Loan Type** | **Loan Status** | **Balance** | **Interest Rate** |
| (insert name of servicer here) | (insert type of loan here) | (insert loan status here) | (insert loan balance here) | (insert interest rate here) |
|  |  |  |  |  |
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|  |  |  |  |  |
|  |  |  |  |  |
| **TOTAL** | | | **$(insert total)** |  |

**Economic Hardship Deferment**

Based on your current financial situation, you could qualify for an **Economic Hardship Deferment**. This deferment will allow you to temporarily stop making payments for up to 12 months. At the end of the 12 months, you would need to re-apply to extend the deferment if necessary. Your loans may remain on this deferment for a maximum of 36 months.

During periods of deferment, interest will not accrue on subsidized loans. For unsubsidized loans, interest continues to accrue, and any interest you do not pay during deferment will capitalize (get added to your principal balance) when the deferment ends. This means you will likely pay more in total interest over the life of the loan. You can elect to make interest-only payments on your unsubsidized loans while in deferment. This will prevent interest from being capitalized.

Click to print a copy of the [Economic Hardship Deferment Request Form](http://www.ifap.ed.gov/dpcletters/attachments/GEN1214HRD.pdf). Send this form to your loan servicer(s).

**Understanding Your Economic Hardship Deferment**

Benefits

* **Immediate Relief**: You do not have to make payments while in deferment.
* **Subsidized Loans**: Interest does not accrue on subsidized loans in deferment.
* **Interest Only Payments**: If you are able, you can make interest only payments during your deferment to prevent interest from capitalizing (being added to your principal balance) on your unsubsidized loans.
* **36 Months**: Student loans typically are allowed 36 months of deferment.

Drawbacks

* **Interest Costs**: If you are unable to make interest only payments during your deferment you may pay more in interest over the life of the loan.
* **Yearly Renewal**: You must reapply each year to extend your deferment.

**Other Recommendations**

* Set a reminder for yourself 60 days prior to your required 12 month renewal application due date to ensure you meet the deadline.
* When you no longer need your economic hardship deferment set up payments on automatic-debit to take advantage of a 0.25% reduction in your interest rate.
* Stay in touch with your loan servicer and update your contact information if you move so you do not miss any important paperwork.
* You may consider speaking with a tax advisor to ask about taking advantage of tax deductions related to the repayment of your student loans.
* Stay organized. Keep all of your student loan paperwork for your records.

**Budget**

We highly recommend that you review the budget you created with your ClearPoint counselor.  We encourage you to look into the resources and recommendations made by your counselors to further assist you in handling your finances.  If TCA can be of further assistance do not hesitate to contact us at <http://www.takechargeamerica.org/> or call 866-528-0588.

Take Charge America appreciates you utilizing our service to assist in your student loan repayments. Please let us know how we are doing and pass along our information to your friends and family who may also be struggling with their student loan payments.

Sincerely,

*(insert counselor name here)*

877-784-2008

[studentloans@takechargeamerica.org](mailto:studentloans@takechargeamerica.org)