
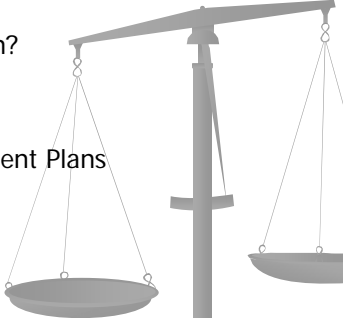


Public Service Loan Forgiveness



Eligibility

- Terms
- What is forgiven?
- Employment
- Eligible Loans
- Eligible Repayment Plans


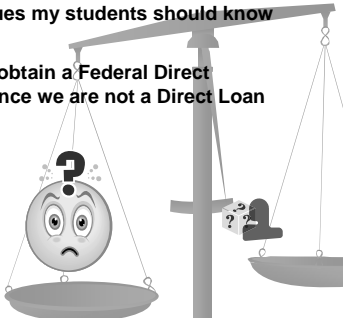


What advice should I give my students?

What caveats are there?

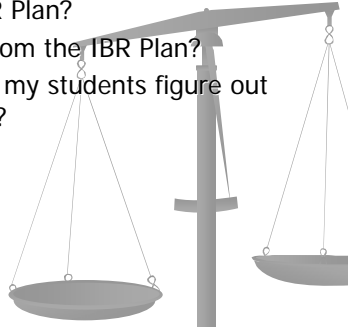
Are there any tax issues my students should know about?

How do my students obtain a Federal Direct Consolidation loan since we are not a Direct Loan school?

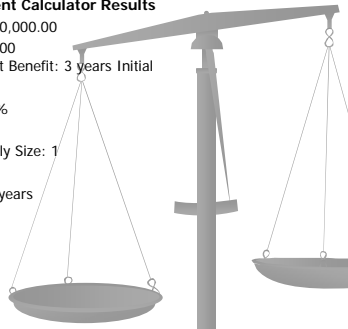


Income Based Repayment

- What is the IBR Plan?
- Who benefits from the IBR Plan?
- How can I help my students figure out their payments?



- **Income-Based Repayment Calculator Results**
- Total Graduating Debt: \$100,000.00
- Subsidized Loans: \$25,500.00
(25.5%) Subsidized Interest Benefit: 3 years Initial
- AGI: \$42,000.00
- Income Growth Rate: 4.00%
- Interest Rate: 7.45%
- Discount Rate: 5.80% Family Size: 1
- Poverty Line: \$10,400.00
- Loan Forgiveness Year: 10 years



Income-Based Repayment	Fixed Monthly Repayment	
	10 years	10 years
Years in Repayment:	10 years	10 years
Minimum Payment:	\$5.00	\$50.00
Monthly Payments		
First Payment:	\$330.00	\$1,184.84
Max Monthly Payment:	\$505.98	\$1,184.84
Total Amount Paid:		
	\$49,544.67	\$142,157.57
NPV of Total Paid:		
	\$36,940.06	\$106,407.03
Total Accrued Interest:		
	\$74,545.00	\$42,157.57
Capitalized Interest:	\$0.00	\$0.00
Govt-Paid Sub. Interest:	-\$2,309.86	\$0.00
Total Interest Paid:	-\$49,544.67	-\$42,157.57
Total Unpaid Interest:	\$22,890.47	\$0.00



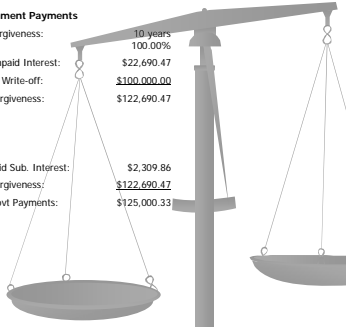
What Does the Government Pay?



Government Payments

Loan Forgiveness:	10 years 100.00%
Total Unpaid Interest:	\$22,690.47
Balance Write-off:	\$100,000.00
Total Forgiveness:	\$122,690.47

Govt-Paid Sub. Interest:	\$2,309.86
Total Forgiveness:	\$122,690.47
Total Govt Payments:	\$125,000.33



Credit

- Information was obtained from www.finaid.org and Mark Kantrowitz as well as from Professor Philip Schrag.

