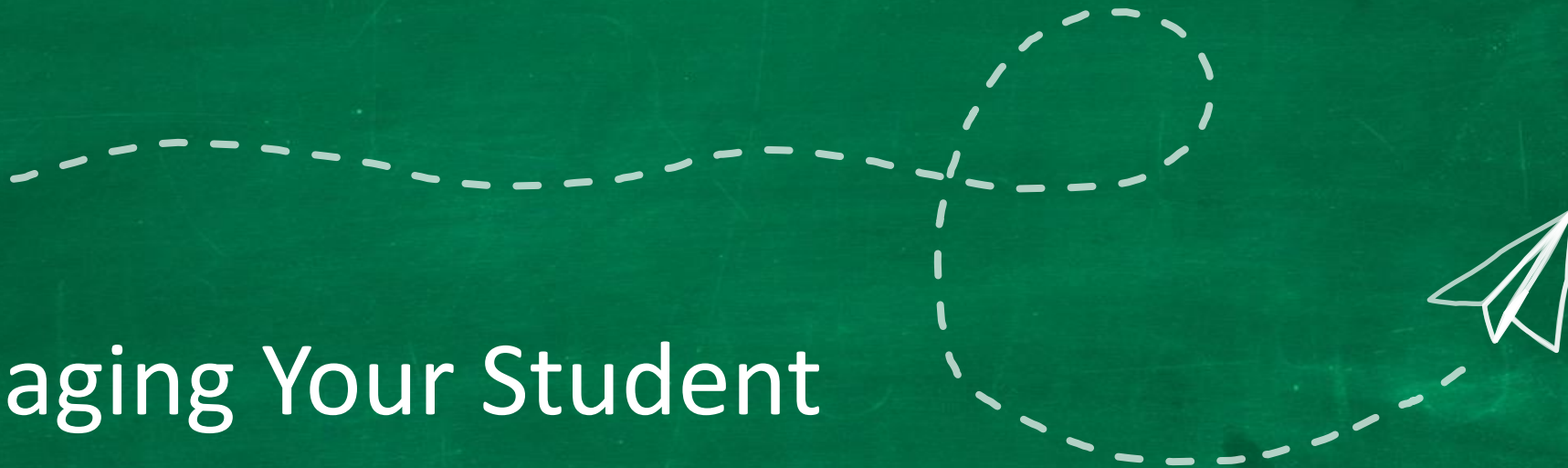


Managing Your Student Loans



Locating Loans



Where to locate student loan information:



Federal –

- studentaid.gov
 - Select “View Your Loan Information”



Private –

- Loan statements/personal records
- Credit report
- Financial Aid Office records
- Documents, including promissory note

Federal Student Loan Types

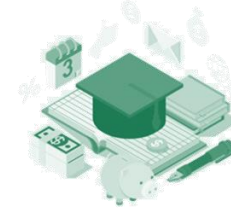
Direct Subsidized



Direct
Unsubsidized



Parent PLUS



Grad PLUS



Direct
Consolidation



*Please note that if you took out federal
loans prior to June 30, 2010 you may have
taken them under the FFEL Program*

Who Do You Repay?

Federal Loans

 **MOHELA**[®]



EdFinancial
SERVICES

aidVantage

nelnet[®]
loan servicing

CRI 

Private Loans

Students should work with
the lender they borrowed the
loan from



Payments may be made
directly to lender or to a
servicing organization

Defining Interest

Interest rates are fixed for federal loans, but private loans may have either fixed or variable rates

FIXED

Rate will not change for the entire term of the loan

VARIABLE

Rate is subject to change periodically based on economic indicators like SOFR

Defining Capitalized Interest

Interest capitalization occurs when unpaid interest is added to the principal amount of a student loan

ORIGINAL LOAN AMOUNT	INTEREST RATE	ACCRUED INTEREST AFTER 4 YEARS AND 6-MONTH GRACE PERIOD		PRINCIPAL BALANCE AFTER 4.5 YEARS
\$15,000	5.05%		\$3,408.75	\$18,408.75
\$15,000	7.10%		\$4,792.50	\$19,792.50
\$25,000	5.05%		\$5,681.25	\$30,681.25
\$25,000	7.10%		\$7,987.50	\$32,987.50
\$50,000	5.05%		\$11,362.50	\$61,362.50
\$50,000	7.10%		\$15,975.00	\$65,975.00
\$100,000	5.05%		\$22,725.00	\$122,725.00
\$100,000	7.10%		\$31,950.00	\$131,950.00

Grace Period

Standard Grace Period

Time before start paying on your loans

Type of Loans	Length
Subsidized/ Unsubsidized	180 days (6 Months)
Graduate PLUS	180 days (6 (6 Months)
Perkins	9 Months
Private Loans	Varies

Stop Attending School

(Exhausted Your Grace Period)

Type of Loan	When Repayment Starts
Federal Loans	Right after Graduation Within 30-45 days
Private Loans	Right after Graduation Within 30-45 days

Current Federal Student Loan Repayment Plans

Standard

- Fixed payments
- Repayment Plan
 - Up to 10 years
 - 10-30 years if consolidated
- Minimum payment \$50 per month
- Assigned payment plan



Graduated

- Gradual payments
- Repayment Plan
 - Up to 10 years
 - 10-30 years if consolidated
- If your income is low now, but you expect it to increase steadily over time



Extended

- Federal debt greater than \$30,000
- Repayment Plan
 - Up to 25 years
- Fixed or graduated payments
- Minimum payment \$50 per month



Income-Driven Repayment Plans

Income-Driven Repayment Plans

- Income-Based Repayment (**IBR** Plan)
- Pay As You Earn Repayment (**PAYE** Plan)
- Income-Contingent Repayment (**ICR** Plan)
- Saving for a Valuable Education (**SAVE** Plan)

Payments

- % of discretionary income and family size
- Recalculated annually
- May be \$0 loan balance
- Forgiven after 20 or 25 years depending upon plan
- You may have to pay income tax on the amount forgiven

You should work with your loan servicer to choose what plan is right for you!

Income driven plans require submitting paperwork annually to determine yearly payment amount

Post July 1, 2026

Only 2 Federal Student Loan Repayment Plans

Standard

- Fixed payments
- Repayment Plan
 - < \$25k = 10 years
 - < \$50k = 15 years
 - < \$100k = 20 years
 - > \$100k = 25 years
- Assigned payment plan



Repayment Assistance Plan (RAP)

- New Income Driven Plan
- Replaces SAVE, ICR and PAYE in 2028
- Payments calculated on AGI, not discretionary income, \$10 minimum
- Loans forgiven after 30 years
- Not available for Parent PLUS



Repayment Assistance Program- RAP

- Payment is the below divided by 12:
- AGI of \$10K or less = \$10 per month - \$120 per year
- AGI between \$10K- \$20K = 1% of AGI
- AGI between \$20K - \$30K = 2% of AGI
- Etc. with max of 10% AGI over \$100k

Important note: Anyone borrowing after July 1, 2026 is only eligible for Standard or RAP

Public Service Loan Forgiveness (PSLF)



Forgives the remaining balance on Federal Direct Loans

- To **qualify** for PSLF borrowers must
 - Be employed by a government organization, 501(c)(3) not for profit organization or other not-for-profit organizations providing specific qualifying services
 - Working full time for that **qualifying** employer
 - Repay the loans under an income-driven repayment plan
 - Make 120 **qualifying** payments
- To find out if they qualify, borrowers should submit the PSLF Employer Certification Form found on studentaid.gov

Private Refinance vs. Federal Consolidation

Private Refinance

Combine **private** and federal payments into one payment

Possibly **lower interest rate** and/or payments

Interest is based on your (or your co-signer's) creditworthiness with **choice** of fixed or variable rate

Current interest rates and/or loan term can **lower** the overall cost of the loan

Pays off existing loans and may reflect a **lower monthly payment** on your credit report

You should **compare rates** and terms and apply with the lender of your choice

Federal Consolidation

Combine **federal** payments into one payment

Possibly **lower monthly payment** with longer loan term

The interest rate is the **weighted average of included loans**, rounded up to the nearest 1/8th of a percent

You will **pay more interest** over the life of the loan if the repayment period is extended

You **may lose** some benefits offered with the original loan

Apply for a direct consolidation loan at <https://studentaid.gov>

Avoiding Delinquency & Default

Falling behind on federal student loan payments can have major ramifications!

Delinquency

- Federal loan servicer has not received payment **by the stated due date**

Default

- If a federal student loan is delinquent for **more than 270 days**, it goes into default

Default Consequences

Loans may become due immediately (fees and collection costs)

State and Federal Income Tax Returns withheld

Wage Garnishment

Damaged Credit Score

Difficulty getting hired

Unable to renew professional license

Higher interest rates

No more federal financial aid

Lawsuits and court costs

Avoid Student Loan Scams

"You never have to pay for help with your federal financial aid or student loans. Make sure you understand which companies and claims are legitimate." studentaid.gov

Newsweek

U.S.

More Than 19,000 People 'Swindled' ... Alleged \$6 Million Student Loan Debt Scam



Student loan forgiveness scams are on the rise costing victims money and sensitive information

FOX 8

NEWS

WEATHER

CLOSINGS

AM SHOW

NEW DAY

SPORTS

SEEN ON TV

NEWS

BBB warns of student loan forgiveness scams in Ohio, offers tips to avoid

California News Times

Consumers warned of surge in student loan forgiveness scams

Student loan forgiveness is not the only financial COVID-19 related scam. As we have said many times, you need to be careful and provide...

USA Today

Scam calls are selling student loan forgiveness. Don't fall for it.

The calls come regularly to people with a student loan, and even those without them: An unknown person is offering aid paying back loans...



Student Loan Summary



Steps You Should Be Taking

- ☐ Get to know your loans –studentaid.gov
- ☐ Update your contact information
- ☐ Figure out how much your monthly payments will be
- ☐ Make your loan payments automatic
- ☐ Determine if you qualify for Loan Forgiveness
- ☐ Pay more if you can
- ☐ Ask about employer assisted loan repayment programs (new employer match)
- ☐ Can you consolidate/refinance? Should you?

Q & A



Thank You