Student Loan Repayment Workshop

University of Denver
Office of Financial Aid
ACCESS YOUR LOAN INFO

- You can access valuable information about your federal student loans at [www.StudentAid.gov](http://www.StudentAid.gov)
  - Find out:
    - Your loan servicer(s)
    - Loan amounts and types
    - Interest rates and amount of interest accrued
    - Current loan status
    - Grace period

- 6 month grace period
  - Graduating in June → grace period ends in December → first loan payment due in January
LOAN SERVICERS

• Go to StudentAid.gov to see who your loan servicer is

• Nelnet
• Great Lakes
• Navient
• FedLoan
• MOHELA
• EdFinancial
• Cornerstone
• Granite State
• OSLA Servicing
Other Loans

• Perkins Loans
  • 9 month grace period
  • Typically 5-10 year repayments
  • Repayments to the Bursar’s Office at 303-871-4944 or duperkins@du.edu, or your previous institution

• Private Loans
  • Sallie Mae, Wells Fargo, Discover, etc.
  • Payments made directly to the lender
  • Typically 10-15 years repayments
  • Contact lender for repayment details
# Repayment Plans: Standard, Graduated, & Extended

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<th>Repayment Plan</th>
<th>Payment and Time Frame</th>
<th>Other Information</th>
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| Standard Repayment      | • Fixed Payments  
                          • 10 Years                                               | • Pay less over time                                       |
| Graduated Repayment     | • Payment Increases every 2 years  
                          • 10 Years                                                 | • Pay more over time than standard repayment               |
| Extended Repayment      | • Fixed or Graduated Payments  
                          • 25 Years                                                 | • Minimum of $30,000 debt  
                          • Lower monthly payment, pay more interest over time      |

1. You will have a fixed monthly payment for up to 10 years.

2. Your payments will start low and increase every two years for up to 10 years.

3. You will have a fixed monthly payment for 25 years.

4. Your monthly payments will start low and increase every two years for 25 years.
# Repayment Plans: Income Driven

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| Revised Pay As You Earn (REPAYE)      | • 10% Discretionary Income  
• 20 (undergrad) or 25 Years (grad) | • Borrowers before 10/1/07  
• Both spouse’s income & debt  
• Forgiveness 20-25 yrs, PSLF 10 yrs  
• Not taxed if PSLF |
| Pay As You Earn (PAYE)                | • 10% Discretionary Income  
• 20 Years | • New borrower after 10/1/07  
• If MFS, only your income & debt  
• Forgiveness 20 yrs, PSLF 10 yrs  
• Not taxed if PSLF |
| Income Based Repayment (IBR)          | • 10-15% Discretionary Income  
• 20-25 Years | • If MFS, only your income & debt  
• Forgiveness 20-25 yrs, PSLF 10 yrs  
• Not taxed if PSLF |
| Income Contingent Repayment (ICR)     | • 20% Discretionary Income  
• 25 Years | • Direct Loan Borrowers only  
• If MFS, only your income & debt  
• Elect to repay jointly with spouse  
• Forgiveness 2.5 yrs, PSLF 10 yrs  
• Not taxed if PSLF |

MFS = Married Filing Separately  

INCOME DRIVEN REPAYMENT PLANS

• If your student loan debt is higher than your discretionary income, you may benefit from one of these plans.
• Forgiveness options available with each plan.
• Must complete annual re-certification every year – on time! If not, you will default to the Standard 10 year repayment and interest will capitalize.
• Visit www.StudentAid.gov for electronic application
• It is important to file your taxes for your application!
LOAN SIMULATOR

• Unsure of which repayment plan is best for you, or how much you would pay under each? Try the Department of Education’s loan simulator at this link!

• You can sign in with your FSA ID and password and link your actual loans into the calculator.

https://studentaid.gov/loan-simulator/
Loan Consolidation

• 3 main types of loan consolidation
  • Consolidating FFEL federal loans into Direct Federal Loans
    • Borrowers before 10/01/07 may have FFEL loans. In order to qualify for PSLF these loans must be consolidated into Direct loans.
  • Consolidating all Direct Federal Loans
    • Takes all of your Direct loans and consolidates them into one large loan with a weighted average interest rate.
  • Consolidating Federal Loans into Private Loans
    • Using an outside private education loan lender (SoFi, etc.)
    • Be sure to understand all terms and conditions of consolidation agreement as you may lose benefits that federal loans offer (PSLF, other forms of forgiveness, death/disability protection etc.)
PUBLIC SERVICE LOAN FORGIVENESS

• Forgiveness of remaining balance after 120 payments (principle, interest, and tax free)
• Only for non-defaulted loans made under the Direct Loan Program (not Perkins, FFEL or private)
• Only payments made after October 1, 2007 may be counted toward 120 payments
• All PSLF plans are through FedLoan
• Employment Certification Form ➔
  • Complete annually and when you change employers
Teacher Loan Forgiveness

• Full-time teacher in STEM or Special Education can see up to $17,500 forgiven
• Full-time teacher in other fields can receive to $5,000 forgiven
• Direct Unsub and Sub along with FFEL Unsub and Sub are eligible (PLUS loans are not eligible)
• Requires 5 consecutive academic years of teaching
• Application:
  https://studentaid.gov/manage-loans/forgiveness-cancellation/teacher#apply
FORBEARANCE

• Forbearance allows students to stop making loan payments for up to 12 months (interest will still accrue)
• Forbearance can be granted for financial hardship or illness
• Students will need to work with their servicer to request forbearance
• Forbearance does not qualify for PSLF
• It may be beneficial to explore an income driven plan rather than forbearance if your financial circumstances change – you could have as low as a $0/month payment that still counts toward years of forgiveness!
COVID-19 AND STUDENT LOANS

• From March 13th, 2020 – Sept. 30, 2021 the interest rate is 0% on federal student loans
• You can still make payments during this time (but you do not have to)
  • All payments will go towards interest first, then principal
• This period still counts as part of your 6-month grace period

Information updated frequently: StudentAid.gov/coronavirus
Questions?

• Reach out to us (even after graduation!) at:

FinAid@du.edu

303-871-4020