



Exit Counseling

 Please Check In and Pick Up Your Folder

Exit Counseling Folder

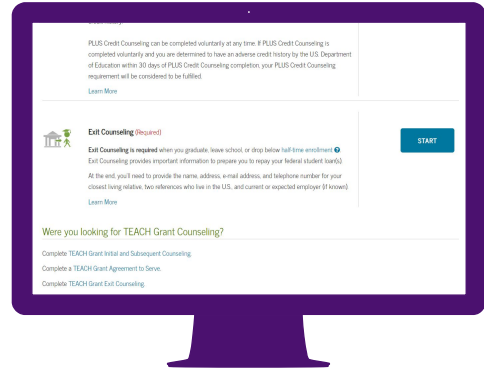


- ◆ Personalized federal student loan balances
- ◆ Letter from our office and bookmark
- ◆ Loan Servicer information
- ◆ Loan Tips and Resources
- ◆ If you borrowed a Federal Perkins Loan:
 - ◆ You will have a Perkins repayment document

Online Exit Counseling



- ◆ <https://studentloans.gov>
- ◆ Sign in using FSA ID
- ◆ Click “Complete Loan Counseling”
- ◆ Select “Exit Counseling”



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Online Exit Counseling



Required if you:

- ◆ Withdraw
- ◆ Graduate
- ◆ Drop below half-time
- ◆ Transfer schools

Federal Loans Covered:

- ◆ Direct Subsidized
- ◆ Direct Unsubsidized
- ◆ Direct Grad PLUS

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No Exit Counseling



Private Education Loans

- ◆ Contact lender for repayment info
- ◆ NOT included on your print out

Parent PLUS Loan

- ◆ Parent is responsible for this loan
- ◆ NOT included on your print out



Parent PLUS Loan

Federal Parent PLUS Loan



◆ Parent can locate Loan Servicer:

- ◆ Go to [Nslds.ed.gov](https://nslds.ed.gov)
- ◆ Click on "Financial Aid Review"
- ◆ Accept terms & conditions
- ◆ Log in with FSA ID
- ◆ Click into each loan to find servicer

Perkins Loan





Perkins Loan

- ◆ Exit Counseling: www.myloancounseling.com
- ◆ Repayment and Loan Servicer:
 - ◆ Payments are made to school or their servicer
 - ◆ University Accounting Services (UAS)
- ◆ 9 month grace period
- ◆ Issues w/ website call UAS at 1-800-999-6227
- ◆ All communication is by email. Update email with UNI and UAS with a non-UNI email.

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Perkins Loan Forgiveness

- ◆ If eligible, a percentage is forgiven each year of qualifying employment
- ◆ Apply for deferment
 - ◆ Complete *Request for Deferment Prior to Cancellation*
- ◆ To receive cancellation benefits:
 - ◆ File a *Request for Cancellation* form at the end of your eligible year
- ◆ See handout and visit <https://studentaid.ed.gov>

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Federal Loan **Servicer**

Federal Loan **Servicer**



- ◆ **Collects student loan payments and answers questions**
- ◆ **How to locate Loan Servicer info:**
 - ◆ Go to www.nslds.ed.gov
 - ◆ Click on *Financial Aid Review*
 - ◆ Click *Accept*
 - ◆ Log in with FSA ID
 - ◆ Click into each loan to find servicer

Federal Loan Servicers



Nelnet www.nelnet.com	1-888-486-4722
Great Lakes http://mygreatlakes.org	1-800-236-4300
Naviet www.navient.com	1-800-722-1300
FedLoan Servicing https://myfedloan.org	1-800-699-2908
MOHELA www.mohela.com	1-888-866-4352
ESA/EdFinancial https://edfinancial.com	1-855-337-6884
CornerStone https://MyCornerStoneLoan.org	1-800-663-1662
Granite State https://gsmr.org	1-888-556-0022
OSLA Servicing https://public.osla.org	1-866-264-9762



Federal Loan Repayment

Deferment - Grad School



- ◆ **If you are continuing to graduate school:**
 - ◆ Loans will be deferred if you are enrolled at least **half-time**
 - ◆ This is an automatic process - but double-check with your loan servicer!

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Federal Loan Repayment



- ◆ **Begins 6 months after graduating or dropping below half-time**
 - ◆ NOTE: If you've used up your grace period, repayment begins immediately!
- ◆ **Stay connected with Loan Servicer**
 - ◆ They will contact you with payment schedules
 - ◆ Set up username and password
 - ◆ Update name, address, phone number

- ◆ No penalty for prepayment
- ◆ Auto pay = 0.25% reduced interest rate!

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Time-Driven Plans

Standard Repayment Plan



⚠️ Automatically placed in this plan unless you change it!

- ◆ Fixed monthly payment of at least \$50
- ◆ Maximum timeframe: 10 years
- ◆ Best option
 - ◆ Less interest = save money!
 - ◆ Monthly payments will be higher

Standard Plan

Example

Amount Borrowed: \$25,000	
Months in Repayment	120
Monthly Payment	\$287.70
Total Interest Paid	\$9,524.10
Total Loan Paid	\$34,524.10

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Extended Fixed Plan



Available to new Direct Loan borrowers starting Oct. 7, 1998 with more than \$30,000 in Direct Loans

- ◆ Fixed payments
- ◆ Maximum timeframe: 25 years (300 payments)

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Extended Fixed Example

Amount Borrowed: \$35,000	
Months in Repayment	300
Monthly Payment	\$242.93
Total Interest Paid	\$37,877.57
Total Loan Paid	\$72,877.57

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Graduated Repayment Plan



- ◆ Payments lower at first → increase every 2 years
- ◆ Maximum timeframe: 10 years
- ◆ Minimum payments must cover accumulated interest

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Graduated Plan

Example

Amount Borrowed: \$25,000

Period (Years)	Monthly Payment
1-2	\$165.95
3-4	\$218.41
5-6	\$287.45
7-8	\$378.31
9-10	\$497.85
TOTALS	
Months in repayment	120
Total Interest Paid	\$12,149.53
Total Loan Paid	\$78,485.58

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Extended Repayment Plan



Available to new Direct Loan borrowers starting Oct. 7, 1998 with more than \$30,000 in Direct Loans

- ◆ Graduated payments
- ◆ Maximum timeframe: 25 years (300 payments)

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Extended Plan Example

Amount Borrowed: \$35,000

Period (Years)	Monthly Payment	Period (Years)	Monthly Payment
1-2	\$201.39	15-16	\$272.70
3-4	\$210.30	17-18	\$284.76
5-6	\$219.61	19-20	\$297.36
7-8	\$229.33	21-22	\$310.52
9-10	\$239.48	23-24	\$324.26
11-12	\$250.07	25	\$338.61
13-14	\$261.14		

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Extended Plan Example

TOTALS	
Months in Repayment	300
Total Interest Paid	\$43,485.58
Total Loan Paid	\$78,485.58

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Income-Driven Plans

Income Contingent Plan



⚠ Must apply online at <https://studentloans.gov>

- ◆ **Based on:**
 - ◆ Annual Adjusted Gross Income (and spouse, if married)
 - ◆ Family size
 - ◆ Total amount of Direct Loan
- ◆ **Will factor 20% discretionary income/month**
 - ◆ OR amt. paid on a 12 year Standard Plan
 - ◆ Whichever is less
- ◆ **Must provide tax info to servicer every year**

Income Contingent Loan Forgiveness

If loan is not fully repaid
after 25 years:

Remaining balance is
forgiven.

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Income-Based Plan (IBR)



⚠ Must apply online at <https://studentloans.gov>

- ◆ **Minimum monthly payment will be the lower of:**
 - ◆ 15% of discretionary income, OR
 - ◆ Standard plan amount
- ◆ **Must qualify for partial financial hardship**
 - ◆ Monthly amount under Standard plan is more than monthly amount under IBR plan
- ◆ **Maximum repayment period may exceed 10 years**

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Income-Based Loan Forgiveness

If loan is not fully repaid
after 20-25 years:

Remaining balance is
forgiven.

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Pay As You Earn (PAYE)



⚠ Must apply online at <https://studentloans.gov>

- ◆ Maximum monthly payment will be the lower of:
 - ◆ 10% of discretionary income, OR
 - ◆ Standard plan amount
- ◆ Must qualify for partial financial hardship (*high debt to income ratio*)
- ◆ Must be a new borrower as of 10/01/2007 & have a loan disbursed after 10/01/2011

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Pay As You Earn (PAYE) Loan Forgiveness

If loan is not fully repaid
after 20 years:

Remaining balance is
forgiven.

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Revised Pay As You Earn (REPAYE)



⚠ Must apply online at <https://studentloans.gov>

- ◆ Maximum monthly payment will be 10% of discretionary income
- ◆ Payments will never be more than 10% of your income based on family size
 - ◆ May be more than standard plan amount

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REPAYE

Loan Forgiveness

If loan is not fully repaid
after 20 or 25 years:
Remaining balance is
forgiven.

20 years
Undergrad
loans

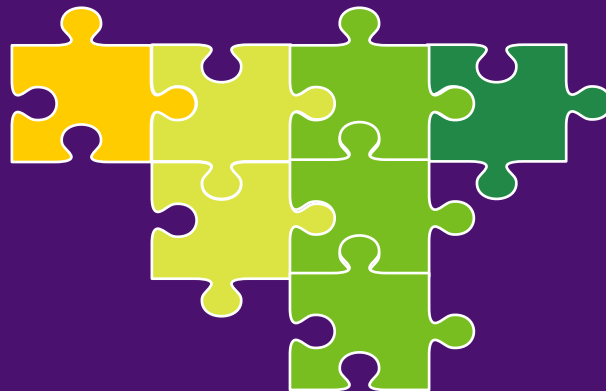
25 years
Grad/Professional
loans

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Eligible Borrowers

ICR IBR PAYE REPAYE

Eligible Loan
Show Need
Recent Borrower



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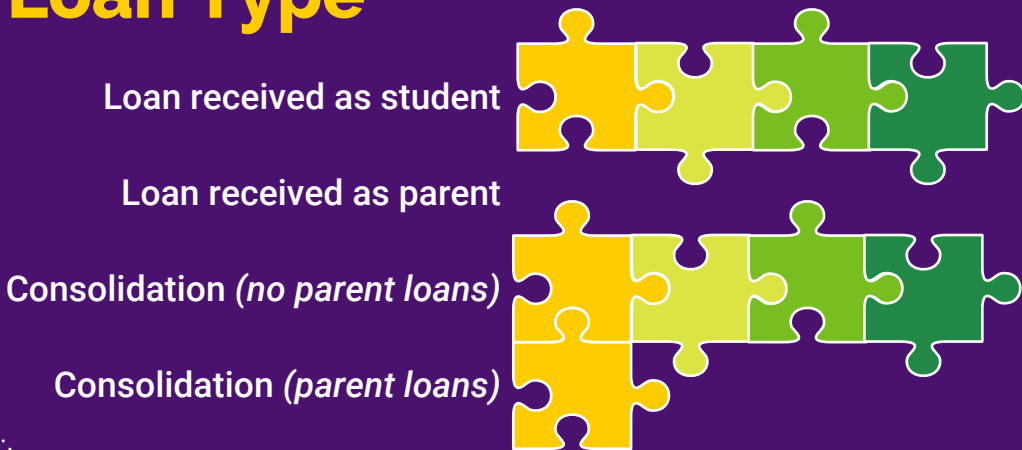
Eligible Loan Type

ICR IBR PAYE REPAYE



Eligible Loan Type

ICR IBR PAYE REPAYE





Income-Driven Review

Repayment Plan	Payment based only on income	Payment based on loan debt
ICR	20% of discretionary income	12-year standard payment adjusted based on income
IBR	15% of discretionary income	10-year standard amount
PAYE	10% of discretionary income	10-year standard amount
REPAYE	10% of discretionary income	None



Repayment Suggestions

- ◆ **If you borrowed \$15,000 or less and have job right out of college:**
 - ◆ Standard Plan may be the best option
- ◆ **If you borrowed more than \$15,000 and your income is low:**
 - ◆ Graduated or income-driven plan may be best option
 - ◆ NOTE: You will end up paying more in interest!

Repayment Suggestions

It's okay to pay more than minimum amount due each month!

You can switch repayment plans, if needed!
Call your servicer.

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Delinquency & Default

Delinquency & Default



- ◆ **Delinquency:**
 - ◆ Your monthly payment is not received by the due date
- ◆ **Default:**
 - ◆ When you become 270 days delinquent in making payments

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Consequences of Default



⚠ Not getting a bill DOES NOT mean you don't have to pay!

- ◆ Entire unpaid amount becomes due and payable
- ◆ Account sent to collection agency
- ◆ Reported to credit agencies - negatively impacts credit rating
- ◆ May be sued and forced to make payments, including collection fees and costs

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Consequences of Default



⚠ Not getting a bill DOES NOT mean you don't have to pay!

- ◆ All or part of tax refund may be withheld
- ◆ Wages may be garnished
 - ◆ Employer required to send payments to Direct Loans as part of your salary
- ◆ Lose eligibility for federal student aid and loan deferment

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Deferment & Forbearance

Deferment & Forbearance



- ◆ **Place hold on payments towards loan principal (sometimes interest)**
- ◆ **During deferment:**
 - ◆ May be responsible for paying interest on Unsubsidized loans (not Subsidized or Perkins)
 - ◆ Remember: Perkins loans are with a different servicer - reach out to both when requesting deferment

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Deferment & Forbearance



- ◆ **During forbearance:**
 - ◆ Interest accrues on ALL loans
 - ◆ Unpaid interest capitalizes on loan after forbearance period
- ◆ **Loan Servicer can answer questions and help you understand how to qualify**

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Loan Consolidation

Loan Consolidation



You should NEVER pay to consolidate. It's FREE!

- ◆ **Allows you to consolidate multiple federal loans into one loan**
- ◆ **Visit studentloans.gov:**
 - ◆ Complete application and choose repayment plan
 - ◆ For more information

Loan Consolidation



◆ Possible benefits:

- ◆ Interest Rate: Fixed, weighted average (*no cap*)
- ◆ One bill per month (*most have this anyway*)
- ◆ Might have lower monthly payments due to increased time to pay off (up to 30 years)

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Loan Consolidation



◆ Downside:

- ◆ Possibly pay more in interest
- ◆ Lose borrower benefits (interest rate discounts, some loan cancellation benefits)
- ◆ Any outstanding interest becomes part of the principle balance

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Loan **Forgiveness**

Teacher Loan Forgiveness



Visit www.studentaid.ed.gov for more information!

◆ Qualifications:

- ◆ Teach full-time for 5 consecutive years
- ◆ In low income elementary or secondary school OR low-income educational service agency, and
- ◆ Meet other qualifications

Teacher Loan Forgiveness



Visit www.studentaid.ed.gov for more information!

- ◆ May receive up to \$5,000 forgiven if highly qualified full-time teacher
- ◆ May receive up to \$17,500 if (*as certified by Chief Administrative Officer*):
 - ◆ Highly qualified full-time math or science teacher, OR
 - ◆ Highly qualified teacher with a primary responsibility to provide special education

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Public Service Loan Forgiveness



Visit www.studentaid.ed.gov for more information!

- ◆ Forgives remaining balance on eligible direct loans after:
 - ◆ 120 on-time payments (doesn't need to be consecutive)
 - ◆ Under a qualifying repayment plan (income-driven)
 - ◆ While working full-time for a qualifying employer

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Public Service Loan Forgiveness



Visit www.studentaid.ed.gov for more information!

- ◆ **Qualifying employment:**
 - ◆ Government organization at any level
 - ◆ Tax-exempt not-for-profit organizations
 - ◆ Other types of not-for-profit organizations, if primary purpose is public service
 - ◆ AmeriCorps, Peace Corps, *continued on next slide*

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Public Service Loan Forgiveness



Visit www.studentaid.ed.gov for more information!

- ◆ **Qualifying Public Services:**
 - ◆ Emergency management
 - ◆ Military service
 - ◆ Public safety
 - ◆ Law enforcement
 - ◆ Public interest law services
 - ◆ Early childhood education
 - ◆ Public service for individual with disabilities
 - ◆ Public service for the elderly
 - ◆ Public health
 - ◆ Public education
 - ◆ Public library services
 - ◆ Other school-based services

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Final Notes

Contact Loan Servicer



- ◆ **Create online account with your Loan Servicer**
- ◆ **Stay in contact with your Loan Servicer!**
 - ◆ If they don't know you are struggling, they can't help!
- ◆ **Notify them of changes:**
 - ◆ Address
 - ◆ Phone number
 - ◆ Employment status (or changes in income)

For Your Information

UNI's Default
Rate:
3.9%

National
Average:
10.8%

State
Average:
11.6%

Average UNI
Indebtedness:
\$23,174

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Don't Forget



- ◆ Complete Exit Counseling online:
 - ◆ Federal Loans:
<https://studentloans.gov>
 - ◆ Perkins Loans:
www.myloancounseling.com

Questions?

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319-273-2354

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