Exit Counseling

Please Check In and Pick Up Your Folder
Online Exit Counseling

- [www.studentloans.gov](http://www.studentloans.gov)
  - Sign in using your FSA ID & click on “Complete Counseling”
    - Select “Exit Counseling”

- Required
  - Withdraw
  - Graduate
  - Enrollment drops below half-time
  - Transfer to another school

- This counseling session covers the following federal student loan types:
  - Stafford Direct Loans
    - Direct subsidized loans and unsubsidized loans
    - Direct PLUS loans (for graduate/professional students)
Exit Counseling Folder

- Personalized federal student loan balances per NSLDS (National Student Loan Data System)
- Exit Counseling Guide (red pamphlet)
- Letter from our office & purple book mark handout
- Direct Loan Servicer and contact information (label on loan balance sheet)
- Inside right panel contains Loan Servicer Information and Loan Tips and Resources
- If you borrowed a Federal Perkins Loan, you will have an additional form with Perkins repayment information included.
Exit Counseling

- Federal Perkins Loan Exit Counseling is completed online. Perkins Exit Counseling is completed online at [www.myloancounseling.com](http://www.myloancounseling.com)

- If your parent borrowed a Parent PLUS loan it is **NOT** included in the balances you see. The Parent PLUS loan is under their name, therefore they are responsible for it.

- Private Education Loans (bank or other lending institution): contact them for additional repayment information. Those balances are **NOT** included on your print out.
Federal Parent PLUS Loan

- If your parents borrowed a Parent PLUS loan they can locate their servicer by:
  - [www.nslds.ed.gov](http://www.nslds.ed.gov)
  - Click on “Financial Aid Review”
  - Accept the terms and conditions
  - Log in with their personal information and their FSA ID
  - Click into each loan to find the servicer
Locating Your Direct Loan Servicer

- Your servicer is the company that collects payments on your student loans and responds to customer service questions.

- To locate your servicer you will go to:
  - www.nslds.ed.gov
  - Click on Financial Aid Review
  - Accept the terms and conditions
  - Log in with your personal information and your FSA ID
  - Click into each loan to find the servicer
Federal Loan Servicers

Nelnet
www.nelnet.com 1-888-486-4722

Great Lakes Educational Loan Services, Inc.
www.mygreatlakes.org 1-800-236-4300

Navient (formerly Sallie Mae)
www.navient.com 1-800-722-1300

FedLoan Servicing (PHEAA)
www.myfedloan.org 1-800-699-2908

MOHELA
www.mohela.com 1-888-866-4352

ESA/Edfinancial
www.edfinancial.com/DL 1-855-337-6884

CornerStone
www.MyCornerStoneLoan.org 1-800-663-1662

Granite State - GSMR
www.gsmr.org 1-888-556-0022

OSLA Servicing
www.osla.org 1-866-264-9762
Deferment

- If you are continuing to graduate school and will be enrolled at least half-time, each school automatically reports enrollment to the servicers.
  - You do not need to fill out a deferment form, but it’s still a good idea to check with your servicer after you start graduate school to make sure they know of your current enrollment!
Repayment

- Begins 6 months after you graduate
- You will be contacted by your lender/loan holder with payment schedules
  - Set up user name and password with your DL servicer
  - Name, address, phone number is updated
- No penalty for prepayment
- Automatic payments = 0.25% reduction on interest rate
Standard Repayment Plan

- Automatically placed in this plan unless you change it
- Fixed monthly repayment amount of at least $50
- Maximum 10 years to pay off Subsidized and Unsubsidized loans
- Best option – save money on less interest even though monthly payments will be higher
  - Example: $25,000

<table>
<thead>
<tr>
<th>Months in Repayment</th>
<th>120</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Payment</td>
<td>$287.70</td>
</tr>
<tr>
<td>Total Interest Payment</td>
<td>$9524.10</td>
</tr>
<tr>
<td>Total Loan Payment</td>
<td>$34524.10</td>
</tr>
</tbody>
</table>
Graduated Repayment Plan

- Payments lower at first and increase every 2 years
- Maximum 10 years to pay off loan
- Minimum payments must cover the interest that accumulates between payments
- **Example: $25,000**

<table>
<thead>
<tr>
<th>Period (years)</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2</td>
<td>$165.95</td>
</tr>
<tr>
<td>3-4</td>
<td>$218.41</td>
</tr>
<tr>
<td>5-6</td>
<td>$287.45</td>
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<tr>
<td>7-8</td>
<td>$378.31</td>
</tr>
<tr>
<td>9-10</td>
<td>$497.85</td>
</tr>
</tbody>
</table>

**Totals**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Months in Repayment</td>
<td>120</td>
</tr>
<tr>
<td>Total Interest Payment</td>
<td>$12,149.53</td>
</tr>
<tr>
<td>Total Loan Payment</td>
<td>$37,149.53</td>
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</table>
Extended Fixed Repayment Plan

- Available only to new Direct Loan borrowers on or after October 7th, 1998 with more than $30,000 in Direct Loan debt
- Fixed payments
- Maximum 25-year (300 payments) repayment period, regardless of loan type or amount of debt
  - Example: $35,000

<table>
<thead>
<tr>
<th>Months in Repayment</th>
<th>300</th>
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</thead>
<tbody>
<tr>
<td>Monthly Payment</td>
<td>$242.93</td>
</tr>
<tr>
<td>Total Interest Payment</td>
<td>$37877.57</td>
</tr>
<tr>
<td>Total Loan Payment</td>
<td>$72877.57</td>
</tr>
</tbody>
</table>
Extended Repayment Plan

- Available only to new Direct Loan borrowers on or after October 7th, 1998 with more than $30,000 in Direct Loan debt
- Graduated payments
- Maximum 25-year (300 payments) repayment period, regardless of loan type or amount of debt
  - Example: $35,000

<table>
<thead>
<tr>
<th>Period (years)</th>
<th>Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 2</td>
<td>$201.39</td>
</tr>
<tr>
<td>3 - 4</td>
<td>$210.30</td>
</tr>
<tr>
<td>5 - 6</td>
<td>$219.61</td>
</tr>
<tr>
<td>7 - 8</td>
<td>$229.33</td>
</tr>
<tr>
<td>9 - 10</td>
<td>$239.48</td>
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<tr>
<td>11 - 12</td>
<td>$250.07</td>
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<tr>
<td>13 - 14</td>
<td>$261.14</td>
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<td>15 - 16</td>
<td>$272.70</td>
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<td>17 - 18</td>
<td>$284.76</td>
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<td>19 - 20</td>
<td>$297.36</td>
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<tr>
<td>21 - 22</td>
<td>$310.52</td>
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<tr>
<td>23 - 24</td>
<td>$324.26</td>
</tr>
<tr>
<td>25</td>
<td>$338.61</td>
</tr>
</tbody>
</table>

**Totals**

- Months in Repayment: 300
- Total Interest Payment: $43483.58
- Total Loan Payment: $78485.58
Income Contingent Repayment Plan

- Based on
  - Annual adjusted gross income (and spouse if married)
  - Family size
  - Total amount of Direct Loan
- Will factor how much you can afford to pay, mo. amt. can be more than the Standard Plan.
- Tax information must be provided to lender each year
- If loan is not fully repaid in 25 years, the balance is forgiven
  - Apply for ICRP at www.studentloans.gov.
Income-Based Repayment Plan (IBR)

- Maximum monthly payment will be 15% of discretionary income or standard plan amount, whichever is lower.
- Must qualify for partial financial hardship - if the amount you would repay under the standard 10-year plan is more than the monthly amount under the IBR plan.
- Maximum repayment period may exceed 10 years.
- If not fully repaid after 20-25 years, balance is forgiven.
  - Apply for Income-Based Repayment plan by going to [www.studentloans.gov](http://www.studentloans.gov)
Pay As You Earn (PAYE)

- Maximum monthly payment will be 10% of discretionary income or the standard plan amount, whichever is lower
- 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
- If not fully repaid after 20 years, balance is forgiven
- Apply for pay as you earn at [www.studentloans.gov](http://www.studentloans.gov)
Revised Pay As You Earn (REPAYE)

- Maximum monthly payment will be 10% of discretionary income
- No matter how much you make, your payments will never be more than 10% of your income based on your family size, but may be more than the standard plan amount
- If not fully repaid after 20 or 25 years, balance is forgiven
  - 20 years for loans received for undergraduate programs
  - 25 years for loans received for a graduate or professional study programs.
- Apply for REPAYE at [www.studentloans.gov](http://www.studentloans.gov)
Suggestions

- If you borrowed $15,000 or less and have a job right out of college, the Standard Repayment Plan may work best for you.

- If you borrowed more than $15,000 and your income is relatively low, the Graduated or an income-driven plan may be best, but you will end up paying more interest.

- Remember: It’s okay to pay more than what is due each month!

- Can switch repayment plans if needed, call your servicer.
Delinquency & Default

- Delinquency – Your monthly payment is not received by the due date

- Default – When you become 270 days delinquent in making payments
Consequences of Default

- Entire unpaid amount becomes due and payable
- Account is sent to a collection agency that works for Department of Education
- Reported to national credit agencies and will negatively affect your credit rating
- May be sued and forced to make payment including collection fees and costs
- All or part of tax refund may be withheld
- Wages may be garnished so that your employer is required to send Direct Loans part of your salary
- Lose eligibility for federal student aid/loan deferment

NOT GETTING A BILL DOES NOT MEAN YOU DO NOT HAVE TO PAY!
Consolidation

- Direct Loan Consolidation allows you to consolidate multiple federal education loans into one loan
  - Is **FREE**! You should **NEVER** pay to consolidate

- Apply for consolidation by completing the consolidation application at [www.studentloans.gov](http://www.studentloans.gov), then choose repayment plan

- Interest rate is a fixed weighted average with no cap

- Could give you lower monthly payments and one bill per month

- **DOWNSIDE**: May lose cancellation benefits

- Please visit [www.studentloans.gov](http://www.studentloans.gov) for more information and to complete the consolidation application
Teacher Loan Forgiveness

- 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.

- May receive up to $5,000 in loan forgiveness if highly qualified full-time teacher.

- May receive up to $17,500 if, as certified by Chief Administrative Officer, you were: A highly qualified full-time math or science teacher OR a highly qualified teacher with a primary responsibility to provide special education.

- Please visit www.studentaid.ed.gov for more information.
Public Service Loan Forgiveness

- Will forgive or cancel remaining balance due on eligible Direct Loans after 120 payments are made on time
- Must be employed in a public service position for 10 years
- What types of employment qualify?
  - Emergency management, military service, public safety, law enforcement services, public health services, public education or public library services, public service for individuals with disabilities and the elderly
  - For more information please visit [www.studentaid.ed.gov](http://www.studentaid.ed.gov) and search Public Service Loan Forgiveness
Contact with Servicer

- Be sure to keep in touch with your servicer!
- Notify them with any changes such as:
  - Address
  - Phone number
  - Employment status or change in income
  - If they don’t know you are struggling... they can’t help!
  - If you haven’t done so, create your username and password to your federal loans
For Your Information

- UNI’s default rate: **3.5%**
- National average: **11.5%**
- State average: **12.6%**
- Average UNI indebtedness: **$22,372**
Don’t Forget...

To complete your exit counseling online at www.studentloans.gov

Questions?
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kaili.benham@uni.edu
319-273-2354