

USEFUL RESOURCES

www.hamline.edu/exit

Complete the mandatory exit counseling requirement and learn more about your rights and responsibilities as a federal loan borrower.

www.nsls.ed.gov

Find a list of all of your federal loans.

www.hamline.edu/pipeline

View your alternative loan history at Hamline by using the following links: Logins, Student Services, Financial Aid, My Award Information, Loan Application History.

If you are unable to resolve an issue with your lender or guarantor, contact the ombudsman:

Student Financial Assistance
U.S. Department of Education
Office of the Ombudsman
830 First Street N.E. Mail Stop: 5144
Washington, D.C. 20202

877-557-2575

www.ombudsman.ed.gov

Office of Financial Aid
Hamline University
1536 Hewitt Avenue
Saint Paul, MN 55104

Phone: 651-523-3000
Toll free: 800-888-2182
Fax: 651-523-2585

www.hamline.edu/fa



WHERE DO I START?

National Student Loan Data System

Find a list of all of your federal loans at www.nsls.ed.gov. This site will tell you what types of federal loans you have borrowed and which company is currently servicing each one.

First payment

Repayment of your Stafford Loans begins six months after you graduate or drop below half-time enrollment. You should receive notification from your loan servicer before your grace period ends. Repayment of your Graduate PLUS Loans begins immediately after you cease to be enrolled half time. To estimate what your payments will be, visit the online loan calculator at www.finaid.org/calculators/loanpayments.phtml.

Contact your lender of loan servicer if you have:

- A change of name, address, or phone number
- A change to your enrollment status, such as returning to college
- Any problems making your student loan payment
- Questions about the repayment process

SAVE MONEY

Sign up to make your monthly payment via **automatic debit** (ACH) instead of by check.

Find out if your lender has a program that rewards you for paying on time.

Explore the education tax benefits that are available, such as student loan interest deductions. Visit www.irs.gov (search Publication 970).

Various loan cancellation and discharge options may be available. To find out more, go to www.ed.gov (search Loan Cancellation).

Request a shorter repayment schedule from your lender or loan servicer, or pay off your loan early, if financially possible. The more time your loan has to accrue interest the more expensive the loan becomes!

Look into Stafford Loan Forgiveness Programs. Certain teachers and public servants are eligible for partial loan forgiveness. These programs require a certain number of years of service in specific careers before you qualify. For more information, go to www.studentaid.ed.gov/repaying or talk to your lender or loan servicer.

KNOW YOUR OPTIONS

Consolidation

You may combine all or some of your federal loans into a single consolidation loan.

Advantages

- Fixed interest rate
- Lower monthly payment
- Pay only one bill to one lender for all federal loans
- Extend repayment period

Disadvantages

- Increased total cost of debt due to extended repayment period
- Lose any remaining grace period once loans are consolidated
- Perkins loans become unsubsidized and lose cancellation/forgiveness benefits
- Possibility of higher interest rate

For more detailed information or to consolidate, go to www.loanconsolidation.ed.gov.

Deferment

If you meet certain requirements, you may be eligible to temporarily suspend your payments through a deferment. During deferment, the federal government pays the interest on subsidized loans. For unsubsidized loans, the interest that accrues is your responsibility. If you don't pay the interest during the deferment, it will be added to your balance when repayment resumes. You may qualify if you are:

- In school
- Unemployed
- Experiencing financial hardship
- Completing rehabilitation training
- Pursuing a graduate fellowship
- Serving on active duty in the military

Forbearance

If you don't meet the requirements for a deferment you might qualify for forbearance. With forbearance, your lender or servicer temporarily lowers or suspends your payments. If you don't pay the interest during your forbearance, it will accrue and be added to your balance when the forbearance ends.

To find out more about these options, go to www.studentaid.ed.gov/repaying or talk to your lender or loan servicer.

DON'T DEFAULT!

- Default will seriously damage your credit score.
- Your tax refund may be withheld.
- You'll pay collection fees up to 24 percent per payment.
- A portion of your paycheck may be applied to your loan.
- You will lose eligibility for additional student loans.
- Your state may pull your professional license.
- Eligibility to sit for the bar exam may be delayed or denied.
- Your school may withhold institutional services such as transcripts and letters of recommendation.

You don't have to default on your loans! Contact your lender or loan servicer early on if you think you might have a hard time making your loan payments. They can talk to you about alternative repayment plans, including consolidation, or discuss forbearance and deferment options to let you postpone your payments.

Remember, you must repay your student loans even if:

- You did not complete your program or did not complete the program within the regular completion time for that program
- You are unable to obtain employment
- You are dissatisfied with the education you received

REPAYMENT PLANS

The Standard Repayment Plan allows you to pay equal monthly payments for up to ten years with a minimum payment of \$50 per month.

The Graduated Repayment Plan allows you to pay smaller amounts in the beginning and larger payments later, with a repayment period of up to ten years.

The Income-Sensitive Repayment Plan bases your monthly payments on an annual review of your income. Your payment period may be up to ten years.

The Income-Based Repayment Plan (available July 1, 2009) is for borrowers who are experiencing financial hardship. Payments are based on an annual review of your financial situation. You may receive loan forgiveness after twenty-five years of repayment.

The Extended Repayment Plan allows you to have up to twenty-five years to pay back qualifying loans. Monthly payments can be fixed or graduated.

For more information or to enroll in a different plan, contact your lender or loan servicer.

Tip: Keep in mind, any time you extend your repayment period you pay more in interest charges over the life of your loan.

TIPS FOR REPAYMENT

Make a budget and stick to it.

Stay organized! Keep all of your loan information in one place.

Stay in contact with your lender or loan servicer.

Ask for help if you need it.

REPAYMENT EXAMPLES

<i>Payment Plan</i>	<i>Amount Borrowed</i>	<i>Term</i>	<i>Total Interest Paid</i>	<i>Total Amount Paid</i>
Standard	\$30,000	10 years	\$11,428.92	\$41,428.92
Graduated	\$30,000	10 years	\$14,179.62	\$44,179.62
Income-Sensitive	\$30,000	10 years	\$12,204.84	\$42,204.84
Income-Based	\$30,000	10-25 years	x	\$x
Extended	\$30,000	25 years	\$32,466.48	\$62,466.48

Based on an Unsubsidized Stafford Loan at 6.8 percent interest rate. Payment amounts under graduate and income-sensitive plans may vary from lender to lender. Your lender will determine the exact payments if you choose this plan. The total amount paid under the income-based plan depends upon your annual salary and family size.