Student Loan Repayment and Exit Counseling
Session Overview

Exits
- Packet – exit responsibilities

Basics
- NSLDS – Servicers – Loan Types – Grace Periods

Repayment
- Estimating Repayment - Interest Rates, Fees & Capitalization - Delinquency & Default

Plans
- Plan Options – Consolidation – Repayment Example

Options
- Deferment – Forbearance – Cancellation/Forgiveness

Money
- Budgets – Saving – Strategies – Credit Reports

<table>
<thead>
<tr>
<th>Exits</th>
<th>Basics</th>
<th>Repayment</th>
<th>Plans</th>
<th>Options</th>
<th>Money</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Exit Information & Responsibilities

Know what you owe and who to contact.

Completing your exit counseling requirements is a great place to start!
Student Loan Exit Counseling

Your exit package provided by SFS includes information about loans received at SPU and information to assist you with loan repayment.

Repayment details for each loan will be provided by your lender/servicer prior to repayment.

We believe this presentation along with review of the written materials provided will give you a solid foundation for successful repayment.

- You are responsible to fulfill your exit counseling responsibilities following this presentation. Instructions are included in your Loan Repayment Exit Letter. Completion is required within 30 days.

- Attendance in a group or individual session or review of this presentation does not fulfill your exit counseling requirements!
The letter in your exit packet will give you instructions about your exit requirements.

You will see information only for loans for which you are required to complete exit counseling.

SPU posts requirements on your account which will be updated to “completed” status when we receive notification that you have completed the exit(s).

**Direct Subsidized & Unsubsidized Loans, FFEL Stafford and/or Grad PLUS** Loans exit counseling must be completed at [www.StudentLoans.gov](http://www.StudentLoans.gov)

**Perkins, Nursing and/or SPU Institutional Loan** exit counseling will be completed at [https://heartland.ecsi.net](https://heartland.ecsi.net). An email will be sent to your SPU email account when the exit(s) are available for you to complete.

**TEACH Grant** exit counseling is completed at [www.nslds.ed.gov](http://www.nslds.ed.gov).
### Loan Overview – Sample Exit Letter

<table>
<thead>
<tr>
<th>Loan Name</th>
<th>Loan Principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct/FFEL Subsidized Loan</td>
<td>$13,500</td>
</tr>
<tr>
<td>Direct/FFEL Unsubsidized Loan</td>
<td>$10,167</td>
</tr>
<tr>
<td>Federal Graduate PLUS Loan</td>
<td>$45,000</td>
</tr>
<tr>
<td>Federal Perkins Loan</td>
<td>$2,000</td>
</tr>
<tr>
<td>Federal Nursing Loan</td>
<td>$1,500</td>
</tr>
</tbody>
</table>

Any balance due on your SPU student account will not be reflected in the totals below.

Review cumulative records of your DUFFEL Stafford, Grad PLUS & Perkins Loans at NSLDS.ed.gov; servicer information is provided in the details for each loan.

Nursing, SPU Institutional and other private student loans will not appear in NSLDS. All loans are reported to the national credit bureaus.

| Total Federal Loans              | $72,167        |
| SPU Institutional Loan           | $1,000         |
| Smart Option Student Loan (800) | $21,000        |

**Total of All Loans (Federal and Private)**

The loan total above is for the original principal loans awarded to you thorough SPU. It does not include loans received when enrolled at another institution or any payments made or any fees or interest that has accrued to date. Additionally, if you have consolidated any of these loans the consolidation is not reflected.

| TEACH Grant - GR (Conditional)   | $3,708         |

**Grand Total - All Loans**

Any conditional grants/scholarships you received are included in the Grand Total because these awards may be converted to a loan if teaching conditions are not met.

**Grand Total - All Loans**

| Money                           | $97,875        |

### Exits

<table>
<thead>
<tr>
<th>Basics</th>
<th>Repayment</th>
<th>Plans</th>
<th>Options</th>
<th>Money</th>
</tr>
</thead>
</table>

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Your Exit Responsibilities

Direct Subsidized/Unsubsidized Loans, FFEL Stafford and Grad PLUS Loan Exit Counseling is completed at StudentLoans.gov

Exit Counseling is required when you graduate, leave school, or drop below half-time enrollment. Exit Counseling provides important information you need to prepare to repay your federal student loan(s).

At the end, you will need to provide the name, address, e-mail address, and telephone number for your closest living relative, two references who live in the U.S., and current or expected employer (if known).

Useful Information to Have

Be sure to indicate SPU as the school to be notified of completion!
Your Exit Responsibilities

The servicer SPU uses for Perkins, Nursing and SPU Institutional Loans has recently changed from Campus Partners to Heartland ECSI.

**Perkins, Nursing and/or SPU Institutional Loan exit counseling will be completed at** [https://heartland.ecsi.net](https://heartland.ecsi.net). An email will be sent to your SPU email account when the exit(s) are available for you to complete.
Your Exit Responsibilities

TEACH Grant Exit Counseling is completed at nslds.ed.gov

Information about TEACH Grant will be enclosed with your exit letter. Retain this information with your loan records.

Be sure to submit all verification documents on time.
Loan Basics

The loans you borrowed are important financial obligations that require your attention now and throughout the time you will be making payments on the loan.

You are responsible to:
- Read all forms, documents and correspondence carefully
- Understand your rights and responsibilities
- Ask questions

Master Promissory Note Information:
- Is a legally binding document
- Specifies your rights and responsibilities
- Must be signed in order to receive loan funds
- Valid for multiple loans over 10 years if a disbursement is made within 12 months of signing
Repayment Responsibilities

When you signed the promissory note you promised to repay your loan.

You must repay the loan even if you:

- Don’t complete your program of study
- Don’t complete your program within the standard allotted timeframe
- Are unable to locate employment after completing your program
- Are dissatisfied with or don’t receive the services purchased from the school
- Don’t receive statements, payment coupons or reminders
Review cumulative federal loan records in nslds.ed.gov or access your NSLDS records through StudentLoans.gov.

Federal Nursing and private loans are not maintained in NSLDS.
Loan Overview

Click on the loan number for details about about the loan including the interest rate and loan servicer contact information.

<table>
<thead>
<tr>
<th>Type of Loan</th>
<th>Loan Amount</th>
<th>Loan Date</th>
<th>Disbursed Amount</th>
<th>Canceled Amount</th>
<th>Outstanding Principal</th>
<th>Outstanding Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>DIRECT Stafford Unsubsidized</td>
<td>$4,666</td>
<td>09/19/2014</td>
<td>$4,666</td>
<td>$0</td>
<td>$4,666</td>
<td>$38</td>
</tr>
</tbody>
</table>

**Amounts and Dates**

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>Outstanding Principal Balance</th>
<th>Outstanding Principal Balance As of Date</th>
<th>Outstanding Interest Balance</th>
<th>Outstanding Interest Balance As of Date</th>
<th>Interest Rate Type</th>
<th>Interest Rate</th>
<th>Canceled Amount</th>
<th>Canceled Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>$4,666</td>
<td>$4,666</td>
<td>01/19/2015</td>
<td>$38</td>
<td>01/19/2015</td>
<td>FIXED</td>
<td>4.66%</td>
<td>$0</td>
<td></td>
</tr>
</tbody>
</table>

**Disbursement(s) and Status(es)**

<table>
<thead>
<tr>
<th>Disbursement Date</th>
<th>Disbursement Amount</th>
<th>Loan Status</th>
<th>Status Description</th>
<th>Status Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/16/2015</td>
<td>$2,333</td>
<td>IG</td>
<td>IN GRACE PERIOD</td>
<td>12/10/2014</td>
</tr>
<tr>
<td>09/19/2014</td>
<td>$2,333</td>
<td>IA</td>
<td>LOAN ORIGINATED</td>
<td>09/19/2014</td>
</tr>
</tbody>
</table>

**Servicer/Lender/Guaranty Agency/ED Servicer Information**

<table>
<thead>
<tr>
<th>Contact Type</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DEPT OF ED/NELNET PO BOX 740283 ATLANTA GA 30348 888-486-4722 <a href="mailto:neinetcustomersolutions@neinet.com">neinetcustomersolutions@neinet.com</a> <a href="http://www.neinet.com">www.neinet.com</a></td>
</tr>
</tbody>
</table>
Loan Servicing

Loan servicers manage billing, records and receive payments for your loans. During repayment they will be your primary point of contact.

- You may have multiple loan servicers
- Submit requests for deferment and forbearance to each servicer
- Loan servicers may change during the repayment of your loan
- Loan servicers will report the status of each of your loans to the national credit bureaus monthly
- Update your contact information with each servicer

**TIP:** If you have a family arrangement that your parents will be making payments to your student loans OR if you will be making payments on parent PLUS loans be sure to fulfill your agreements and keep track of the loans to avoid any repayment problems.
Loan Servicing – Mail Management

Your loan servicer will mail information about your loan but you may also be able to sign up for e-billing and electronic correspondence.

- Be sure to open your mail!
- If your mailing address is not where you reside make plans to get your mail regularly.
- Update your address directly with each loan servicer; you can usually do this online.
- Do not rely on USPS mail forwarding service to update your address!
Loan Terms - Interest

It is important to understand the following terms related to interest.

Subsidized – If interest is subsidized the borrower is not responsible to pay the interest that accrues during deferment and grace periods (with some exceptions).

Unsubsidized – If interest is unsubsidized the borrower is responsible to pay all interest that accrues.
Federal Loan Types

Direct Loans (DL): Borrowed directly from the Department of Education and will be repaid directly to the federal government through your loan servicer.
- All subsidized/unsubsidized and PLUS loans disbursed on or after July 1, 2010 are DL loans

Federal Family Education Loan (FFEL): Federally backed loans borrowed from a bank or other private lender. FFEL loans are repaid to the bank or other private lender that made the loan.
- The FFEL program was eliminated in 2010

Why is this important?
1. Repayment plans and other provisions may be program specific
2. If you borrowed FFEL Loans you may have multiple loan servicers:
   - You may have Direct Loans and FFEL Loans
   - You may have FFEL loans that are serviced by a Direct Loan servicer and a non-Direct Loan servicer
Your Loan Terms: Subsidized Direct and FFEL Stafford

Awarded to eligible undergraduate students enrolled at least half-time.
(Graduate students were eligible for subsidized Direct/FFEL loans prior to 7/1/12.)

Direct Subsidized / FFEL Subsidized Stafford

- Government pays interest during in-school and grace periods
  - Due to sequestration, interest subsidy during the grace period was eliminated for loans with a first disbursement on or after 7/1/2012 and before 7/1/2014. This applies to SPU loans awarded in 2012-13 and 2013-14.
- Borrower is responsible for interest during repayment
- **For new borrowers on or after July 1, 2013**: Eligibility is limited to a maximum period of time equivalent to 150% of the published length of your program
  - Review supplemental entrance counseling at SPU.edu/SFS (Loans → Loan Types → Direct Subsidized/Unsubsidized) for more information.
Your Loan Terms: Unsubsidized Direct and FFEL Stafford

Awarded to eligible undergraduate and graduate students enrolled at least half-time in a degree or eligible certificate program.

- Borrower is responsible for interest at all times

- Accruing interest may be paid during in-school deferment and grace period

- Accrued, unpaid interest will be capitalized at repayment
  (Capitalization will be discussed in more detail later in this presentation.)
Your Loan Terms: Grad PLUS

Awarded to eligible graduate students enrolled at least half-time in a graduate degree or eligible certificate program.

- Federal Direct or FFEL Loan
- Approval requires a valid FAFSA and a credit check for adverse credit.
- Unsubsidized - borrower is always responsible for interest payments
- Accruing interest may be paid during in-school deferment and grace period
- Accrued, unpaid interest will be capitalized at repayment (Capitalization will be discussed in more detail later in this presentation.)

**Parent PLUS Loans** are available for parents of dependent undergraduate students. Repayment of parent PLUS loans is the responsibility of the parent borrower.

Parent PLUS borrowers may review their loan records at nslds.ed.gov, review PLUS Counseling at StudentLoans.gov and receive information and assistance from their loan servicer(s) and at StudentAid.gov.
Your Loan Terms: Perkins

Federal loan
- Records maintained in NSLDS

Requires enrollment at least half-time in a degree or certificate program

Interest:
- Subsidized – Government pays interest during in-school and grace periods
- Borrower is responsible for interest during repayment

Lender: Seattle Pacific University
Servicer: Heartland ECSI / https://heartland.ecsi.net
Your Loan Terms: Nursing

Federal loan administered by the U.S. Dept. of Health & Human Resources

- Records are **not** maintained in NSLDS

Interest:

- Subsidized – Government pays interest during in-school and grace periods
- Borrower is responsible for interest during repayment

- In-school deferment eligibility for Nursing loans requires enrollment at least half-time in a program leading to a degree in nursing or other advanced nursing training.

Lender: Seattle Pacific University
Servicer: Heartland ECSI / [https://heartland.ecsi.net](https://heartland.ecsi.net)
Your Loan Terms: SPU Institutional Loan

Private loan
- Requires enrollment at least half-time in a degree or certificate program

Interest
- Subsidized only while enrolled at SPU and during the grace period
- Borrower is responsible for interest payments during repayment

In-School Deferment eligibility is limited:
- UG enrolled at least half-time at SPU
- GR when enrolled at SPU at least half-time; 2 year maximum

- Forbearance options available
- Does not appear in NSLDS

Lender: Seattle Pacific University
Servicer: Heartland ECSI / https://heartland.ecsi.net
Contact Student Financial Services if you need assistance
Your Loan Terms: Private Loans

Review your promissory note(s) or contact your lender for repayment information including:

- Is the interest rate fixed or variable? If variable how frequently will it change?
- Is there an interest rate cap?
- How often may accrued unpaid interest be capitalized (added to the principal)?
- Is there a grace period before repayment?
- Who will be servicing the loan during repayment?
- What options are available if you have difficulty repaying the loan, e.g. deferment or forbearance?

Loan will be reported to the national credit bureaus

Be sure that your lender has your current contact information
Conditional Grant: TEACH

If you received a TEACH Grant the amount is provided on your Loan Repayment Exit Counseling letter below the summary of loans borrowed.

- **TEACH Grant information:**
  
  teach-ats.ed.gov
  
  StudentAid.ed.gov/types/grants-scholarships/teach

- **TEACH Grant Exit Counseling:** [NSLDS](#)

- Converts to an unsubsidized loan if the service obligation is not met.
  
  - Be sure to review the requirements, how to report completion and the consequences should you be unable to complete the requirements.
  
  - Submit documentation of progress toward completing your service obligation on time. If the grant is converted to a loan, late submission of service documentation will not restore it to a grant!

- **FedLoan Servicing** [MyFedLoan.org](#)
  
  Tracks your progress for completion of your TEACH Grant service obligation

  Servicer for all TEACH Grants converted to an Unsubsidized Loan
Loan Repayment: Grace Periods

The grace period begins when you drop to less than half-time enrollment.

No payments are required during the grace period.

At the end of the grace period the loan enters repayment.

First payment typically due 30-45 days after grace period ends.

No penalty for early repayment.

Payments made prior to repayment will not shorten your grace period or alter your scheduled minimum monthly payment amount.

Grace periods are specific to each loan record.
# Loan Repayment: Grace Periods

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Grace Period (Months)</th>
<th>First Disbursement Date</th>
<th>Interest Begins to Accrue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Subsidized</td>
<td>6</td>
<td>Prior to 6/30/12 and on or after 7/1/14</td>
<td>When the loan enters repayment</td>
</tr>
<tr>
<td>Direct Subsidized</td>
<td>6</td>
<td>On or after 7/1/12 through 6/30/14 (SPU aid years 1213 &amp; 1314)</td>
<td>When the loan enters grace</td>
</tr>
<tr>
<td>FFEL Subsidized Stafford</td>
<td>6</td>
<td>All dates</td>
<td>When the loan enters repayment</td>
</tr>
<tr>
<td>Direct Unsubsidized</td>
<td>6</td>
<td>All dates</td>
<td>From the date of the first disbursement</td>
</tr>
<tr>
<td>FFEL Unsubsidized Stafford</td>
<td>6</td>
<td>All dates</td>
<td>From the date of the first disbursement</td>
</tr>
<tr>
<td>Graduate PLUS</td>
<td>6</td>
<td>All dates</td>
<td>From the date of the first disbursement</td>
</tr>
<tr>
<td>SPU Institutional (subsidized)</td>
<td>6</td>
<td>All dates</td>
<td>When the loan enters repayment</td>
</tr>
<tr>
<td>Perkins &amp; Nursing (subsidized)</td>
<td>9</td>
<td>All dates</td>
<td>When the loan enters repayment</td>
</tr>
<tr>
<td>Private Loans</td>
<td>Typically 6 mos – contact lender</td>
<td>All dates</td>
<td>From the date of the first disbursement</td>
</tr>
</tbody>
</table>
Loan Repayment: Grace Periods

The entire grace period on a loan will be retained if you return to in-school deferment status before the grace period ends.

If you return to in-school deferment status after the grace period ends the loan will enter deferment but will not be eligible for another grace period.

Perkins loans in repayment provide a post-deferment grace period of six months.

### Partial Grace Period Used Example

<table>
<thead>
<tr>
<th>Six Month Grace Period Start</th>
<th>Eligible for In-school Deferment</th>
<th>Six Month Grace Period End</th>
<th>Future Graduation, Withdrawal or Less Than Half-Time Enrollment Date</th>
<th>Entire grace period is available on this loan.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/11/2016</td>
<td><strong>12/8/2016</strong></td>
<td><strong>12/11/2016</strong></td>
<td>6/10/2018</td>
<td>New loans <strong>will</strong> have a grace period.</td>
</tr>
</tbody>
</table>

### Entire Grace Period Used Example

<table>
<thead>
<tr>
<th>Six Month Grace Period Start</th>
<th>Six Month Grace Period End</th>
<th>Eligible for In-school Deferment</th>
<th>Future Graduation, Withdrawal or Less Than Half-Time Enrollment Date</th>
<th>No future grace period available on this loan.</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/11/2016</td>
<td><strong>12/11/2016</strong></td>
<td><strong>12/13/2016</strong></td>
<td>6/10/2018</td>
<td>New loans <strong>will</strong> have a grace period.</td>
</tr>
</tbody>
</table>
Repayment Tools

Take charge and make a plan

Exits | Basics | Repayment | Plans | Options | Money
--- | --- | --- | --- | --- | ---

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Your Loan Terms: Sample Payments

The monthly payment due on each loan will be determined by:

- The amount of the loan
  - AND
- The minimum payment for the loan
  - $50  Direct Loans, FFEL Stafford and SPU Institutional Loans
  - $40  Perkins and Nursing Loans
  - AND
- The repayment term for the loan

Example: Direct Loan / Interest rate 6.8% / standard repayment (10 yrs)

<table>
<thead>
<tr>
<th>Loan Amount (Principal)</th>
<th>Estimated Monthly Payment</th>
<th>Repayment Term (months)</th>
<th>Total Interest Paid</th>
<th>Total Principal and Interest Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,500</td>
<td>$50</td>
<td>89</td>
<td>$971</td>
<td>$4,471</td>
</tr>
<tr>
<td>$10,000</td>
<td>$115</td>
<td>120</td>
<td>$3,810</td>
<td>$13,810</td>
</tr>
<tr>
<td>$19,000</td>
<td>$219</td>
<td>120</td>
<td>$7,238</td>
<td>$26,238</td>
</tr>
</tbody>
</table>
Loan Repayment Estimates

Your Loan Exit letter provides you with **estimated** repayment information for Direct Subsidized-Unsubsidized/FFEL Stafford (Direct/FFEL) and PLUS loans based on the total borrowed at SPU and the **estimated** savings if you pay more than the estimated monthly payment.

The following example is for a loan total of $11,000 at 6.8% interest.

- A monthly payment of $127 is required to repay the loan within ten years.
- This borrower could save over $2,000 in interest by increasing their monthly payments by $90 per month to repay the loan in five years.

<table>
<thead>
<tr>
<th>Direct/FFEL Loan Principal  $11,000</th>
<th>Interest Paid</th>
<th>Total Repayment</th>
<th>Term (Months)</th>
<th>Estimated Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard 10 Year Repayment</td>
<td>$4,191</td>
<td>$15,191</td>
<td>120</td>
<td>$127</td>
</tr>
<tr>
<td>Calculation for 5 year Repayment</td>
<td>$2,007</td>
<td>$13,007</td>
<td>60</td>
<td>$217</td>
</tr>
<tr>
<td>Difference</td>
<td>$2,184</td>
<td></td>
<td></td>
<td>$90</td>
</tr>
</tbody>
</table>
Loan Repayment Estimates

If you borrowed a Perkins, Nursing or SPU Institutional Loan, estimated repayment information is also provided in your Loan Exit letter.

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**Estimated Repayment for Campus Based Loans**

Information is presented only for loans borrowed at SPU. Review repayment information for these loans at [https://heartland.ecsi.net](https://heartland.ecsi.net). Contact Student Financial Services (sfs-info@spu.edu / 800-737-8826 option #8) for assistance.

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Principal</th>
<th>Interest Rate</th>
<th>Monthly Pymnt</th>
<th>No of Pymts</th>
<th>Interest Paid</th>
<th>Total Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Perkins Loan</td>
<td>$1,500</td>
<td>5%</td>
<td>$40</td>
<td>41</td>
<td>$134</td>
<td>$1,634</td>
</tr>
<tr>
<td>SPU Institutional Loan</td>
<td>$3,000</td>
<td>5%</td>
<td>$50</td>
<td>69</td>
<td>$459</td>
<td>$3,459</td>
</tr>
<tr>
<td>Federal Nursing Loan</td>
<td>$8,950</td>
<td>5%</td>
<td>$95</td>
<td>120</td>
<td>$2,442</td>
<td>$11,392</td>
</tr>
</tbody>
</table>

Additional information about each loan listed will also be enclosed with your letter. Be sure to review this information carefully.
Loan Repayment Estimates

Calculate your estimated monthly payment:

$______ Direct/FFEL
+ $______ Grad PLUS
+ $______ Perkins, Nursing, SPU Institutional
+ $______ Other student loans
________________________
= $______ THAT NUMBER

We’ll be talking about tips and tools to help with THAT NUMBER!

- Strategies when the payment fits within your budget
- Strategies to help when the payment is too big for your budget
- Strategies to consider over the repayment term when your budget changes
Loan Repayment Estimates

The Repayment Estimator at StudentLoans.gov will provide you with estimated federal loan repayment information for a variety of repayment plans based on your NSLDS loan records and an average interest rate calculated from the interest rate applicable for each loan.
Your Loan Terms: Loan Fees

You will repay the gross amount you borrowed. The net amount disbursed to your SPU student account will be equal to the gross amount less any fees.

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>First Disbursement</th>
<th>Origination Fee</th>
<th>Interest Rebate (1)</th>
<th>Federal Default Fee</th>
<th>Net Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Loan (1)</td>
<td>10/1/15 - 9/30/16</td>
<td>1.068%</td>
<td>N/A</td>
<td>1.068%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10/1/14 - 9/30/15</td>
<td>1.073%</td>
<td>N/A</td>
<td>1.073%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12/1/13 - 9/30/14</td>
<td>1.072%</td>
<td>N/A</td>
<td>1.072%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7/1/13 - 11/30/13</td>
<td>1.051%</td>
<td>N/A</td>
<td>1.051%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7/1/12 - 6/30/13</td>
<td>1.0%</td>
<td>N/A</td>
<td>1.0%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7/1/10 - 6/30/12</td>
<td>1.0%</td>
<td>.5%</td>
<td>0.5%</td>
<td></td>
</tr>
<tr>
<td>Direct PLUS (1)</td>
<td>10/1/15 - 9/30/16</td>
<td>4.272%</td>
<td>N/A</td>
<td>4.272%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>10/1/14 - 9/30/15</td>
<td>4.292%</td>
<td>N/A</td>
<td>4.292%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12/1/13 - 9/30/14</td>
<td>4.288%</td>
<td>N/A</td>
<td>4.288%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7/1/13 - 11/30/13</td>
<td>4.204%</td>
<td>N/A</td>
<td>4.204%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7/1/12 - 6/30/13</td>
<td>4.0%</td>
<td>N/A</td>
<td>4.0%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7/1/10 - 6/30/12</td>
<td>4.0%</td>
<td>1.5%</td>
<td>2.5%</td>
<td></td>
</tr>
<tr>
<td>FFEL Stafford (2)</td>
<td>7/1/09 - 6/30/10</td>
<td>0.5%</td>
<td>N/A</td>
<td>1.0%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td>FFEL PLUS (2)</td>
<td>7/1/09 - 6/30/10</td>
<td>3.0%</td>
<td>N/A</td>
<td>1.0%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4.0%</td>
<td></td>
</tr>
<tr>
<td>SPU Institutional</td>
<td></td>
<td>5.0%</td>
<td>N/A</td>
<td>5.0%</td>
<td></td>
</tr>
</tbody>
</table>

(1) Rebate retained if first 12 monthly payments are made on time.  
(2) FFEL loans disbursed on or after 7/1/2009 and before 7/1/2010
# Your Loan Terms: Interest Rates

<table>
<thead>
<tr>
<th>First Disbursement On or After</th>
<th>Undergraduate</th>
<th>Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidized</td>
<td>Unsubsidized</td>
<td>Sub/Unsub</td>
</tr>
<tr>
<td>7/1/15 – 6/30/16</td>
<td>4.29%</td>
<td>4.29%</td>
</tr>
<tr>
<td>7/1/14 – 6/30/15</td>
<td>4.66%</td>
<td>4.66%</td>
</tr>
<tr>
<td>7/1/13 – 6/30/14</td>
<td>3.86%</td>
<td>3.86%</td>
</tr>
<tr>
<td>7/1/12 – 6/30/13</td>
<td>3.4%</td>
<td>6.8%</td>
</tr>
<tr>
<td>7/1/11 – 6/30/12</td>
<td>3.4%</td>
<td>6.8%</td>
</tr>
<tr>
<td>7/1/10 – 6/30/11</td>
<td>4.5%</td>
<td>6.8%</td>
</tr>
<tr>
<td>7/1/09 – 6/30/10</td>
<td>5.6%</td>
<td>6.8%</td>
</tr>
<tr>
<td>7/1/08 – 6/30/09</td>
<td>6.0%</td>
<td>6.8%</td>
</tr>
<tr>
<td>7/1/06 – 6/30/08</td>
<td>6.8%</td>
<td>6.8%</td>
</tr>
</tbody>
</table>

Prior to 7/1/06 Variable rates established annually effective July 1st.

Information about interest rates for each loan is available from your loan servicer(s) and in NSLDS federal loan record details. General interest rate information is available at [StudentAid.gov](http://StudentAid.gov).
# Your Loan Terms: Interest Rates

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>First Disbursement On or After</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct PLUS</strong></td>
<td>7/1/15 – 6/30/16</td>
<td>6.84%</td>
</tr>
<tr>
<td></td>
<td>7/1/14 – 6/30/15</td>
<td>7.21%</td>
</tr>
<tr>
<td></td>
<td>7/1/13 – 6/30/14</td>
<td>6.41%</td>
</tr>
<tr>
<td></td>
<td>7/1/06 – 6/30/13</td>
<td>7.9%</td>
</tr>
<tr>
<td></td>
<td>Prior to 7/1/06</td>
<td>Variable rates established annually effective July 1st.</td>
</tr>
<tr>
<td><strong>FFEL PLUS</strong></td>
<td>7/1/06 – 6/30/10</td>
<td>8.5%</td>
</tr>
<tr>
<td></td>
<td>Prior to 7/1/06</td>
<td>Variable rates established annually effective July 1st.</td>
</tr>
<tr>
<td><strong>Perkins, Nursing &amp; SPU Institutional</strong></td>
<td></td>
<td>5.0%</td>
</tr>
<tr>
<td><strong>Private Loans</strong></td>
<td>Check with your lender; determined by lender based on credit criteria. Rate may be variable or fixed.</td>
<td></td>
</tr>
</tbody>
</table>

Information about interest rates for each of your loans is available from your loan servicer(s) and in NSLDS federal loan record details.

General interest rate information is available at [StudentAid.gov](http://StudentAid.gov).
Your Loan Terms: Capitalization

Capitalization adds accrued interest to the principal of a loan. Interest will capitalize at repayment and following future periods of deferment and forbearance.

<table>
<thead>
<tr>
<th>Unsubsidized Loan Principal:</th>
<th>$3,500</th>
<th>Borrower 1:</th>
<th>Paid Interest Prior to Repayment</th>
<th>$1,071</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate:</td>
<td>6.8%</td>
<td>Borrower 2:</td>
<td>Interest Capitalized</td>
<td>$1,071</td>
</tr>
<tr>
<td>Repayment Plan:</td>
<td>Standard</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Estimated total interest accrued prior to repayment</td>
<td>$1,071</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Voluntary monthly payment while in school (48 mo) &amp; grace period (6 mo)</td>
<td>$20.00 per month</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Capitalized Interest</td>
<td>$0</td>
<td>$1,071</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Principal at repayment</td>
<td>$3,500</td>
<td>$4,571</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Monthly payment at repayment / repayment term</td>
<td>$50 / 90 mo</td>
<td>$53 / 120 mo</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Interest paid during repayment</td>
<td>$971</td>
<td>$1,742</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Interest paid prior to repayment</td>
<td>$1,071</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Paid</td>
<td>$5,542</td>
<td>$6,313</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Savings</td>
<td>$771</td>
<td></td>
</tr>
</tbody>
</table>

Source: CollegeToolKit.com > Loan Capitalization Calculator
Your Loan Terms: Payment Methods

Payment methods available from your loan servicer may include:

- Coupon books
- Online payments
- Auto-debit from bank account

Your payment method could affect any borrower benefits your lender offered.

- Your grace period is an excellent time to set up online access to your account with each of your loan servicers. Be sure to review and update your contact information and explore the resources your servicers provide online.
- E-billing may be helpful if you anticipate frequent address changes.
Repaying Your Loans: Delinquency

Direct and FFEL loans offer various options and repayment plans to assist you with repayment. If you keep these options in mind and communicate promptly you should be able to keep your loans current and avoid delinquency and default.

Student Financial Services can provide assistance with Perkins, Nursing and SPU Institutional loans.

Loans become delinquent when you fail to make your scheduled payment on time.

Consequences of delinquent loans:

- Late charges and fines may be assessed
- Delinquent status reported your credit record monthly
- Increased risk of default
Repaying Your Loans: Default

Consequences of Student Loan Default

- Loan may be accelerated (entire balance of loan including all principal, interest and fees become due; interest continues to accrue)
  - Perkins, Nursing and SPU Institutional loans are accelerated at 120 days past due
- Lose eligibility for future federal financial aid
  - Direct and FFEL Loans: at 270 days past due
  - Perkins: at 240 days past due
- Lose flexible loan repayment options & deferment eligibility
- Bad credit
- State-issued licenses can be withdrawn
- Income tax refunds can be withheld
- Wages may be garnished
- Interest continues to accumulate
- Ongoing collection activities, including addition of collection costs, collection fees and fines
- Legal action

Exits Basics Repayment Plans Options Money

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Repaying Your Loans: Resolving Default

You must contact your loan servicer and establish a plan for satisfactory repayment.

- Regain financial aid eligibility with six monthly payments.
- Consolidating defaulted federal loan(s) will regain eligibility for financial aid and loan deferment.

Prior to consolidation you may be required to make three monthly payments or you must agree to repay the loan under Income Contingent or Income-Derived repayment plans.

- Rehabilitation regains eligibility for financial aid and loan deferment and removes the default from your credit history.

Nine consecutive monthly payments are required as well as an agreement for each loan.

Rehabilitation is available for Direct Loans, FFEL Stafford, Grad PLUS, Perkins, and SPU Institutional loans.
Repayment Plans

Paying more each month will shorten the repayment term and reduce the amount of interest paid.

If you use a plan that reduces your monthly payment you will pay more in interest and may extend the repayment term.
Repayment Plans: Direct/FFEL Stafford & Grad PLUS

You have the right to:

- Change repayment plans
- Pre-pay your loan at any time without fees or penalty

- Paying more than the scheduled monthly payment will not increase your monthly payment amount.

- Contact your loan servicer to discuss changing your repayment plan. In some circumstances you may benefit from staying on your current plan.

- Compare plans: Repayment Estimator at [StudentLoans.gov](http://StudentLoans.gov)
Repayment Plans: Direct/FFEL Stafford & Grad PLUS

Three Basic Plans

1. **Standard** repayment allows you to pay your loans over 10 years in equal monthly installments. This will be your repayment plan unless you select a different plan.
   - Lowest lifetime costs
   - Best for borrowers with stable, adequate earnings
Three Basic Plans

2. **Graduated** repayment is designed for those who have a low salary early in their repayment period, but anticipate future higher incomes. You start with lower monthly payments that increase over time.
Three Basic Plans

3. Extended repayment allows you to lower your monthly payments by extending your payments for up to 25 years if you borrowed more than $30,000 in FFEL Program or Direct Loan Program loans—separately, not combined.

- Lowers monthly payments by extending the loan terms up to 25 years
- Fixed or graduated payments
- Much higher lifetime costs
Repayment Plans: Direct/FFEL Stafford & Grad PLUS - Income Driven Plans

<table>
<thead>
<tr>
<th>Income-driven repayment plans common criteria &amp; terms</th>
<th>ICR</th>
<th>IBR</th>
<th>IBR (New Borrower)</th>
<th>PAYE</th>
<th>REPAYE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Information: StudentAid.gov and ibrinfo.org</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>You must have partial financial hardship (PFH) for initial eligibility.</td>
<td></td>
<td></td>
<td>√ √ √</td>
<td>√</td>
<td></td>
</tr>
<tr>
<td>You must submit financial information annually.</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Your payments will be adjusted annually based on your financial information.</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Your monthly payment will not exceed the amount for standard repayment calculated based on the loan amounts when your loans first entered repayment</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>You'll pay more for your loan over time than you would under the 10-year standard plan.</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>If you have not repaid your loan in full after making the equivalent of 20 or 25 years of qualifying monthly payments (determined by the repayment term for the plan), any outstanding balance on your loan will be forgiven.</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>You may have to pay income tax on any amount that is forgiven.</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
</tbody>
</table>
Income-Based Repayment (IBR) (DL & FFEL)

- Your maximum monthly payments will be 15 percent of discretionary income, the difference between your adjusted gross income and 150 percent of the poverty guideline for your family size and state of residence (other conditions apply).
- Repayment Term: Up to 25 years

Direct Parent PLUS loans and Direct Consolidation Loans that included a parent PLUS loan are not eligible for this plan.
IBR for New Borrowers (DL & FFEL)

- **New borrower** – no outstanding balance on a Direct or FFEL program loan as of 7/1/14 or, had no outstanding balance on a Direct or FFEL program loan when you obtained a new loan on or after 7/1/14.

- **Your maximum monthly payments will be 10 percent of discretionary income**, the difference between your adjusted gross income and 150 percent of the poverty guideline for your family size and state of residence (other conditions apply).

- **Repayment Term: Up to 20 years**

Direct Parent PLUS loans and Direct Consolidation Loans that included a parent PLUS loan are not eligible for this plan.
Pay As You Earn Repayment (PAYE) (DL only)

- You must be a new borrower on or after Oct. 1, 2007, and must have received a disbursement of a Direct Loan on or after Oct. 1, 2011.
- Your maximum monthly payments will be 10 percent of discretionary income, the difference between your adjusted gross income and 150 percent of the poverty guideline for your family size and state of residence (other conditions apply).
- Repayment Term: Up to 20 years

Direct Parent PLUS loans and Direct Consolidation Loans that included a parent PLUS loan are not eligible for this plan.
Revised Pay As You Earn Repayment (REPAYE) (DL only)

- All Direct Loan borrowers are eligible.
- Your maximum monthly payments will be **10 percent** of discretionary income, the difference between your adjusted gross income and 150 percent of the poverty guideline for your family size and state of residence (other conditions apply).
- Does not require partial financial hardship for eligibility.
- Repayment Term:
  
  Up to 20 years if repaying only undergraduate loans.
  
  Up to 25 years if repaying any graduate loans.

Direct Parent PLUS loans and Direct Consolidation Loans that included a parent PLUS loan are not eligible for this plan.
Repayment Plans: Direct/FFEL Stafford & Grad PLUS - Income Driven Plans

Income-Contingent Repayment (ICR) (DL only)

- Payments are calculated each year and are based on your adjusted gross income, family size, and the total amount of your Direct Loans.
- Does not require partial financial hardship for eligibility.
- Repayment Term: Up to 25 years

If you plan to pay your loans off early or switch to a different plan, ICR is probably not right for you, because you will be responsible for all the unpaid interest.

Direct Parent PLUS loans are eligible for this plan only if the loans have been consolidated into a Direct Consolidation Loan.
Income-Sensitive Repayment (ISR) (FFEL only)

- Your monthly payment is based on annual income.
- Your payments change as your income changes.
- Repayment Term: Up to 10 years
- You'll pay more for your loan over time than you would under the 10-year standard plan.
- Each lender’s formula for determining the monthly payment amount under this plan can vary.

ISR can help you stay current with your payments if you’re facing an income shortfall; but if you think you’ll need lower payments for more than a year, you may want to consider extended or graduated repayment.
Repayment Plans: Direct/FFEL Stafford & Grad PLUS - Income Driven Plans

IBR, IBR-New Borrowers, PAYE, REPAYE & ICR Plan Requests

- Estimate repayment under the various plans using the Repayment Estimator at StudentLoans.gov to determine which plan best suits your needs and goals.

- Complete the application annually online at StudentLoans.gov; if you prefer to complete a paper application contact your loan servicer.

- Application includes option of letting the system determine the plan that will give you the lowest minimum monthly payment.

- The electronic Income-Driven Repayment Plan Request process at StudentLoans.gov includes an IRS retrieval tool which is an easy and secure way to access and transfer tax return information directly onto the electronic application, saving time and improving accuracy.

- Contact your FFEL servicer for Income-Sensitive Repayment assistance.
Repayment Plans: Direct Loan Comparison

This chart compares the various repayment plans. Use the Repayment Estimator tool at StudentLoans.gov to generate a comparison for your loans.

<table>
<thead>
<tr>
<th>Loan &amp; Borrower Info</th>
<th>Repayment Plan</th>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Projected Loan Forgiveness</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>$37,500 Direct Loan</td>
<td>Standard</td>
<td>120</td>
<td>$432</td>
<td>$432</td>
<td>$0</td>
<td>$14,286</td>
<td>$51,786</td>
</tr>
<tr>
<td></td>
<td>Graduated</td>
<td>120</td>
<td>$249</td>
<td>$747</td>
<td>$0</td>
<td>$18,225</td>
<td>$55,725</td>
</tr>
<tr>
<td></td>
<td>Extended, Fixed</td>
<td>300</td>
<td>$260</td>
<td>$260</td>
<td>$0</td>
<td>$40,583</td>
<td>$78,083</td>
</tr>
<tr>
<td></td>
<td>Extended, Graduated</td>
<td>300</td>
<td>$213</td>
<td>$372</td>
<td>$0</td>
<td>$47,078</td>
<td>$84,578</td>
</tr>
<tr>
<td>$37,500 Direct Loan</td>
<td>Revised Pay As You Earn*</td>
<td>258*</td>
<td>$143</td>
<td>$571</td>
<td>$0</td>
<td>$43,065</td>
<td>$80,565</td>
</tr>
<tr>
<td></td>
<td>Pay As You Earn &amp; IBR for New Borrowers</td>
<td>240</td>
<td>$143</td>
<td>$432</td>
<td>$13,305</td>
<td>$45,320</td>
<td>$69,515</td>
</tr>
<tr>
<td></td>
<td>Income Based Repayment (IBR)</td>
<td>187</td>
<td>$215</td>
<td>$432</td>
<td>$0</td>
<td>$27,575</td>
<td>$65,075</td>
</tr>
<tr>
<td></td>
<td>Income-Contingent Repayment (ICR)</td>
<td>183</td>
<td>$308</td>
<td>$370</td>
<td>$0</td>
<td>$23,671</td>
<td>$61,171</td>
</tr>
</tbody>
</table>

Assumptions: Any unpaid interest that will capitalize at repayment is not included. Income increases of 5% a year, Poverty guidelines will increase based on the Congressional Budget Office’s estimation of inflation.

Source: Repayment Estimator tool at StudentLoans.gov. (4/27/16)
## Repayment Plans: Three Income-Derived Plans Comparison

<table>
<thead>
<tr>
<th>Direct Loan Total</th>
<th>Repayment Plan</th>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Amount Forgiven</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>$37,500 6.8%</td>
<td>STANDARD</td>
<td>120</td>
<td>$432</td>
<td>$432</td>
<td>$0</td>
<td>$14,286</td>
<td>$51,786</td>
</tr>
</tbody>
</table>

**AGI: $35,000**

<table>
<thead>
<tr>
<th>Repayment Plan</th>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Amount Forgiven</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>REPAYE</td>
<td>258</td>
<td>$143</td>
<td>$571</td>
<td>$0</td>
<td>$43,065</td>
<td>$80,565</td>
</tr>
<tr>
<td>PAYE</td>
<td>240</td>
<td>$143</td>
<td>$432</td>
<td>$13,305</td>
<td>$45,320</td>
<td>$69,515</td>
</tr>
<tr>
<td><strong>Res: WA</strong></td>
<td>IBR</td>
<td>187</td>
<td>$215</td>
<td>$432</td>
<td>$0</td>
<td>$27,575</td>
</tr>
</tbody>
</table>

**AGI: $35,000**

<table>
<thead>
<tr>
<th>Repayment Plan</th>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Amount Forgiven</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>REPAYE</td>
<td>278</td>
<td>$121</td>
<td>$604</td>
<td>$0</td>
<td>$46,868</td>
<td>$84,368</td>
</tr>
<tr>
<td>PAYE</td>
<td>240</td>
<td>$121</td>
<td>$432</td>
<td>$22,145</td>
<td>$48,477</td>
<td>$63,832</td>
</tr>
<tr>
<td><strong>Res: HI</strong></td>
<td>IBR</td>
<td>211</td>
<td>$181</td>
<td>$432</td>
<td>$0</td>
<td>$32,912</td>
</tr>
</tbody>
</table>

**AGI: $35,000**

<table>
<thead>
<tr>
<th>Repayment Plan</th>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Amount Forgiven</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>REPAYE</td>
<td>300*</td>
<td>$0</td>
<td>$410</td>
<td>$41,872</td>
<td>$45,733</td>
<td>$45,733</td>
</tr>
<tr>
<td>PAYE</td>
<td>240</td>
<td>$0</td>
<td>$266</td>
<td>$63,714</td>
<td>$24,786</td>
<td>$24,786</td>
</tr>
<tr>
<td><strong>Res: WA</strong></td>
<td>IBR</td>
<td>300</td>
<td>$0</td>
<td>$432</td>
<td>$41,379</td>
<td>$53,014</td>
</tr>
</tbody>
</table>

**Res: WA**

**Res: HI**

**Res: HI**

**Assumptions:** Direct Loan amount: $35,000. Interest rate: 6.8%. Any unpaid interest that will capitalize at repayment is not included. Income increases of 5% a year, Poverty guidelines will increase based on the Congressional Budget Office’s estimation of inflation.

*Calculator does not distinguish between REPAYE for UG loans only (20 yr term) and REPAYE including GR loans (25 yr term).*

**Source:** Repayment Estimator tool at [StudentLoans.gov](http://StudentLoans.gov), (4/27/16)
Repayment Plans: Campus Based Loans

Repayment information for these loans is included in your exit packet on the Loan Disclosure Statement.

Minimum monthly payments:
- Perkins Loan: $40.00
- Nursing Loan: $40.00
- SPU Institutional Loan: $50.00

- Repayment term is a maximum of ten years
- No income-driven plans
- Reduced monthly payments may be requested for periods of up to one year
- Contact Student Financial Services for assistance
- Servicer: Heartland ECSI [https://heartland.ecsi.net](https://heartland.ecsi.net)
## Repayment Plans: Perkins, Nursing, and SPU Institutional Loan Examples

<table>
<thead>
<tr>
<th>Principal</th>
<th>Minimum Payment</th>
<th>Repayment Term</th>
<th>Total Interest Paid</th>
<th>Total Payments (Principal + Interest)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Perkins &amp; Nursing Loans - Minimum payment $40/month</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$2,000</td>
<td>$40</td>
<td>56 mos</td>
<td>$247</td>
<td>$2,247</td>
</tr>
<tr>
<td>$3,750</td>
<td>$40</td>
<td>119 mos</td>
<td>$1,014</td>
<td>$4,764</td>
</tr>
<tr>
<td>$4,875</td>
<td>$52</td>
<td>120 mos</td>
<td>$1,330</td>
<td>$6,205</td>
</tr>
<tr>
<td>$8,000</td>
<td>$85</td>
<td>120 mos</td>
<td>$2,182</td>
<td>$10,182</td>
</tr>
<tr>
<td><strong>SPU Institutional Loan - Minimum payment $50/month</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$2,000</td>
<td>$50</td>
<td>44 mos</td>
<td>$193</td>
<td>$2,193</td>
</tr>
<tr>
<td>$3,500</td>
<td>$50</td>
<td>83 mos</td>
<td>$648</td>
<td>$4,148</td>
</tr>
<tr>
<td>$4,725</td>
<td>$50</td>
<td>120 mos</td>
<td>$1,289</td>
<td>$6,014</td>
</tr>
<tr>
<td>$6,000</td>
<td>$64</td>
<td>120 mos</td>
<td>$1,637</td>
<td>$7,637</td>
</tr>
</tbody>
</table>

Note: Repayment calculations are estimates only.
Manageable Payments: Direct Loan Consolidation

Information and where to apply at StudentAid.gov:

→ Repay Your Loans → Loan Consolidation

- Eligible loans: Direct Loans, FFEL Stafford, PLUS, Perkins, Nursing if in grace or repayment
  - Private loans including the SPU Institutional Loan are not eligible to be included
- Repayment period may increase from 10 to 30 years
- Retains interest subsidy on subsidized Direct and FFEL Stafford loans
- Perkins loans lose interest subsidy and service cancellation benefits if included
- Fixed interest rate based on weighted average, rounded up 1/8 of a percent
- Repayment plans: Standard, Graduated, Extended, Income-Continent (ICR), Income Based Repayment (IBR), Pay As You Earn (PAYE) and Revised Pay As You Earn (REPAYE)
- Deferment and forbearance available
- Eligible for Public Service Loan Forgiveness and Teacher Forgiveness
- No grace period
## Manageable Payments: 2016 UG Example

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Aid Year</th>
<th>Amount</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Subsidized</td>
<td>2012-13</td>
<td>$3,500</td>
<td>3.40</td>
</tr>
<tr>
<td>Direct Subsidized</td>
<td>2013-14</td>
<td>$4,500</td>
<td>3.86</td>
</tr>
<tr>
<td>Direct Subsidized</td>
<td>2014-15</td>
<td>$5,500</td>
<td>4.66</td>
</tr>
<tr>
<td>Direct Subsidized</td>
<td>2015-16</td>
<td>$5,500</td>
<td>4.29</td>
</tr>
<tr>
<td>Direct Unsubsidized</td>
<td>2012-13</td>
<td>$2,000</td>
<td>6.80</td>
</tr>
<tr>
<td>Direct Unsubsidized</td>
<td>2013-14</td>
<td>$1,500</td>
<td>3.86</td>
</tr>
<tr>
<td>Direct Unsubsidized</td>
<td>2014-15</td>
<td>$1,500</td>
<td>4.66</td>
</tr>
<tr>
<td>Direct Unsubsidized</td>
<td>2015-16</td>
<td>$1,500</td>
<td>4.29</td>
</tr>
</tbody>
</table>

**Direct Loan Total**  
$25,500  
4.39

**Perkins Total**  
$2,000  
5.00

**Total Principal***  
$27,500

*Total is equal to federal loan median for 2015-16 SPU spring undergraduates scheduled to receive a BA/BS degree as of 3/31/16. **Average Interest Rate determined by the Repayment Estimator tool and used to calculate the data below. Tool available at [StudentLoans.gov](http://StudentLoans.gov).**

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Amount</th>
<th>Interest Rate</th>
<th>Initial Monthly Payment</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Loans</td>
<td>$25,500</td>
<td>4.39% avg</td>
<td>$263</td>
<td>$6,049</td>
<td>$31,549</td>
</tr>
<tr>
<td>Perkins Loan</td>
<td>$2,000</td>
<td>5.00%</td>
<td>$40</td>
<td>$254</td>
<td>$2,254</td>
</tr>
</tbody>
</table>

**Totals for Standard Repayment**  
$303  
$6,303  
$33,803
### Manageable Payments: 2016 UG Example - Consolidated

#### Consolidation Loan Estimates

<table>
<thead>
<tr>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Loans $25,500 @ 4.39% avg</td>
<td>120</td>
<td>$263</td>
<td>$6,049</td>
</tr>
<tr>
<td>Perkins Loan $2,000 @ 5.0%</td>
<td>57</td>
<td>$40</td>
<td>$254</td>
</tr>
</tbody>
</table>

**Totals for Standard Repayment (not consolidated)**
- **Principal**: $27,500
- **Interest Rate**: 4.5%

<table>
<thead>
<tr>
<th>Repayment Term</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Interest Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>$174</td>
<td>$174</td>
<td>$14,255</td>
</tr>
<tr>
<td>Graduated</td>
<td>$103</td>
<td>$310</td>
<td>$18,164</td>
</tr>
<tr>
<td>REPAYE</td>
<td>$143</td>
<td>$350</td>
<td>$11,267</td>
</tr>
<tr>
<td>PAYE &amp; IBR New Borr.*</td>
<td>$143</td>
<td>$285</td>
<td>$11,363</td>
</tr>
<tr>
<td>IBR*</td>
<td>$215</td>
<td>$285</td>
<td>$7,718</td>
</tr>
<tr>
<td>ICR*</td>
<td>$200</td>
<td>$237</td>
<td>$10,396</td>
</tr>
</tbody>
</table>

- Interest for consolidation loans is the weighted average of the amounts and interest rate for each loan included; rate is fixed.
- Repayment term for Direct Consolidation Loans varies from 10 to 30 years based on your Direct Consolidation Loan amount & other education loan debt.
- Income-Derived repayment estimates calculated based on AGI of $35,000, family size 1, State of Residence: WA
- Income-Derived repayment calculations assume income will grow 5% each year, that your family size will remain the same during the life of the loan, and that the poverty guidelines will increase based on the Congressional Budget Office’s estimation of inflation.
## Manageable Payments: 2016 UG Example – Strategy

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Standard Repayment (yrs)</th>
<th>Monthly Payment</th>
<th>Interest Paid</th>
<th>Total Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Loans</td>
<td>$25,500</td>
<td>10</td>
<td>$263</td>
<td>$6,049</td>
<td>$31,549</td>
</tr>
<tr>
<td>Perkins Loan</td>
<td>$2,000</td>
<td>4.75</td>
<td>$40</td>
<td>$254</td>
<td>$2,254</td>
</tr>
<tr>
<td><strong>Unconsolidated Repayment Estimate - Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Loans</td>
<td>$25,500</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perkins Loan</td>
<td>$2,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$27,500</strong></td>
<td></td>
<td><strong>$177</strong></td>
<td><strong>$14,539</strong></td>
<td><strong>$42,587</strong></td>
</tr>
<tr>
<td><strong>Change</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$303</td>
<td>10</td>
<td>$126</td>
<td>$8,236</td>
<td></td>
</tr>
</tbody>
</table>

### Consolidation Considerations:
- May reduce the monthly payment amount
- May increase the total paid
- May reduce the number of federal loan servicers
- May be helpful to be more aggressive in repayment of private loans
- Helpful to make federal non-Direct loans eligible for Public Service Loan Forgiveness
- Consolidated Perkins - lose interest subsidy & cancellation benefits for full-time service employment

### If you consolidate but can pay more than the minimum scheduled payment:

| Consolidation payment of $177 + $23 /mo | 16.2 | $200 | $11,255 | $38,755 |
| Consolidation payment of $177 + $73 /mo | 11.8 | $250 | $8,018  | $35,518 |
| Consolidation payment of $177 + $98 /mo | 10.5 | $275 | $7,057  | $34,557 |
| Pay $303 (total payment if not consolidated) | 9.3  | $303 | $6,170  | $33,670 |
| Pay $303 (total payment if not consolidated) + $47 /mo | 7.8  | $350 | $5,124  | $32,624 |
Managing Repayment

Life Happens! You have options that may help.

Deferment
Forbearance
Loan Forgiveness / Cancellation
Public Service Loan Forgiveness
Death / Disability / Bankruptcy
Tax Benefits
Records
Managing Repayment:

Deferment may be requested to postpone payments under certain conditions

- Interest subsidy applies
- Length of time varies by type of deferment
- Requests must be submitted to each loan servicer; a form and supporting documentation will be required to document your eligibility for the deferment
- Continue to make payments until deferment is approved

You may be eligible for deferment if you meet the criteria for:

<table>
<thead>
<tr>
<th>Enrolled at least half-time*</th>
<th>Unemployment; 3 yr max</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graduate fellowship program</td>
<td>Economic hardship; 3 yr max</td>
</tr>
<tr>
<td>Rehabilitation training for the disabled</td>
<td>Serving in the military on active duty</td>
</tr>
</tbody>
</table>

Federal loan deferment information is available on your MPN, from your loan servicer(s) and at StudentAid.gov

*Nursing loans require enrollment in a Nursing degree program*, see MPN for details.

*SPU Institutional loans provide in-school deferment only if enrolled at SPU*, see MPN for details.
Manageable Payments: Forbearance

- Temporarily postpone or reduce payments
- Typically granted for a period of 3, 6 or 12 months
- Interest accrues on subsidized and unsubsidized loans
- May affect repayment term:
  - Extends the repayment period for Direct, Stafford and Perkins loans
  - Nursing and SPU Institutional loan forbearance periods do not extend the repayment term; term will not exceed 10 years
- Any unpaid interest that accrues may be capitalized, increasing the total balance due
- Granted at the discretion of the lender/servicer
- Contact each loan servicer if forbearance is needed

➢ Contact SFS to request forbearance for Perkins, Nursing and SPU Institutional Loans; a form and documentation is required.
Forgiveness & Cancellation

Federal loans provide some forgiveness (cancellation) provisions

- Teacher loan forgiveness: Perkins, Direct Subsidized/Unsubsidized, FFEL Stafford & Direct Consolidation loans for eligible teachers serving in a low-income or subject-matter shortage area; requires five consecutive years of service
- Details for all forgiveness and cancellation provisions are included in your MPN
- Additional information available from your loan servicer and StudentAid.gov

Perkins Loans

- Several employment categories available for cancellation if you are employed full-time in a variety of service fields, e.g. teaching in a low-income school, nurse/medical tech and law enforcement; cancellation is incremental for each year of qualified employment
- Information and forms to request deferment in anticipation of cancellation and cancellation available at https://heartland.ecsi.net
- Contact Student Financial Services for assistance.
Forgiveness & Cancellation

Public Service Loan Forgiveness (PSLF)
- DL loans only
- May be eligible for forgiveness of loan balance after 10 years of eligible payments and qualified full-time employment in a public service job
- Info at StudentAid.gov and ibrinfo.org

Repayment and cancellation assistance may be available from an outside organization or your employer and will be separate from provisions of your loan(s)
- Military benefits – Check with military recruiter
- National and community service jobs
- Service in areas of national need
- Americorps service

Health Professions
- NURSE Corps Loan Repayment Program
- National Institutes of Health / Division of Loan Repayment
- National Health Service Corps / Loan Repayment Program
Forgiveness & Cancellation

Federal student loans provide full cancellation for:

- Death of borrower
- School closure
- False certification by the school
- Identity theft incurred loans

If you are an identity theft victim be sure to retain documentation and file a police report.

Identity theft information from the FTC:

consumer.ftc.gov/features/feature-0014-identity-theft

Full or partial discharge

- Total and permanent disability
- Some limited bankruptcy scenarios
Tax Benefits for Borrowers

You may be eligible for a federal tax deduction up to $2,500 based on student loan interest you paid.

- Income limits apply to this tax benefit
- Find out more at [irs.gov](http://irs.gov) / IRS Publication 970
- Most loan servicers will provide total interest paid information online
- Financial institutions are required to provide a 1098-E if the borrower paid $600 or more of interest on a qualified student loan during the year
Keep Copies of Everything – Securely!

It is important to keep a file of all loan-related records should documentation be required to resolve a dispute about a loan(s).

- Copies of written correspondence
- Notes of conversations with lender or servicer
- Contact information
- Copies of your MPN
- Copies of repayment schedules
- Copies of deferment forms

Tip: If assistance during repayment is needed, describe your situation and ask the servicer to discuss all possible options available. Take notes and ask questions until you understand all of your options and the any forms you need to complete and when and how to submit your request.
Money Management

Stay focused – make payments on time – ask for help promptly
Balance!

Considerations to maintain balance and financial well-being, to your life:

- Expenses
- Financial Obligations
- Dreams
- Goals
- Family
- Time
- Work
Manage Your Money: Financial Success Tips

Identify your financial goals

S.M.A.R.T. goals are specific, measurable, attainable, realistic and have a time line

Develop a realistic monthly budget

Review your budget and loan repayment strategy at least annually

Pay your bills prior to the due date

Keep your contact information current on all accounts

Save for the future including planning now for retirement (a.k.a financial independence)

If your employer offers a 401K matching program maximize your contributions

Online resources:

Financial Awareness Counseling and Exit Counseling at StudentLoans.gov; populates with NSLDS data, you can manually add loan and other financial obligation information.

CashCourse.org

May also be available from your loan servicer, bank or credit union

<table>
<thead>
<tr>
<th>Exits</th>
<th>Basics</th>
<th>Repayment</th>
<th>Plans</th>
<th>Options</th>
<th>Money</th>
</tr>
</thead>
</table>

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Manage Your Money: Track your Spending

Identify where your money goes and where you are over spending:

- Eating out
- Entertainment and vacations
- Gifts and holidays
- Retail therapy
- Miscellaneous cash transactions

Tips for managing your spending:

- Leave credit cards at home
- Write down cash purchases on back of ATM receipt
- Resist easy credit

Save online processing fees

- Debit and credit transactions typically charge a service or convenience fee
- Use your bank account info for e-checks or to set up ACH to reduce service fees
Manage Your Debt: Strategy

List all debts including:
- Principal
- Interest
- Minimum monthly payment

Prioritize your debts to determine which you wish to pay in full first
- Largest or smallest debt amount?
- Largest interest rate?
- Largest minimum monthly payment?
- Debt types: federal or private loans, credit cards, etc.
- Options during repayment?

Allocate any additional funds to your highest priority debt. Once paid, increase payments on next highest priority.

Avoid the minimum payment trap

Resolve to stay out of debt
http://unbury.me is a helpful calculator for estimating repayment using avalanche (priority by interest rate) and snowball (priority by balance) strategies.

You might select the snowball method if:
- You are more emotional than logical.
- You need the early success to motivate yourself.
- You are the type who usually do not stick to the plan.
- You want a simple plan to follow.
- Your debts have varying balances.

You might choose the avalanche method if:
- You are more of a logical thinker than you are an emotional one.
- You have the discipline and self-control to complete the plan.
- You are more concerned about the savings that you will get in the long run.
- You want to keep the money wasted on the interest small.
Debt Relief Companies

You don’t need to pay someone to help you with your federal student loans!

- Enrollment in alternative repayment programs, like IBR, is available at no cost.
- Direct Loan Consolidation for federal student loans is efficiently completed online at StudentLoans.gov and does not charge a fee or require a credit check.
- Be wary of any company that
  - pressures you to pay an up-front fee or to sign a contract immediately
  - promises immediate loan forgiveness or debt cancellation. Debt relief companies cannot negotiate with your creditors in order to obtain a “special deal” under the federal student loan programs.
  - demands that you provide them with a “third party authorization” or a “power of attorney” which are written agreements giving the company permission to act on your behalf.
  - requests that you provide them with your FSA ID for direct access to information about your federal student loans. Your unique ID from the Department of Education is the equivalent of your signature on documents for your student loan.
Manage Your Debt: Credit Reports

Review your credit report for accuracy now and periodically in the future.

- Your credit report may be reviewed by potential employers and when you apply to rent an apartment as well as for extending credit.

Request a **free** credit report every 12 months

- [AnnualCreditReport.com](http://www.annualcreditreport.com) or 877.322.8228
- FICO scores available for a fee
- Credit information is supplied by the three major reporting bureaus:

<table>
<thead>
<tr>
<th>Equifax</th>
<th>Experian</th>
<th>TransUnion</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="http://www.equifax.com">equifax.com</a></td>
<td><a href="http://www.experian.com">experian.com</a></td>
<td><a href="http://www.transunion.com">transunion.com</a></td>
</tr>
<tr>
<td>(800) 685-1111</td>
<td>(888) EXPERIAN</td>
<td>(800) 888-4213</td>
</tr>
<tr>
<td>P.O. Box 740241</td>
<td>P.O. Box 2002</td>
<td>P.O. Box 1000</td>
</tr>
<tr>
<td>Atlanta, GA 30348</td>
<td>Allen, TX 75013</td>
<td>Chester, PA 19022</td>
</tr>
</tbody>
</table>

Information:

- [MyFico.com](http://www.myfico.com) → Learn About Scores

Exits | Basics | Repayment | Plans | Options | Money
--- | --- | --- | --- | --- | ---

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Student Loan Assistance

Don’t hesitate to ask for help or information

- Contact your servicer(s)
- Contact Student Financial Services at SPU
- Review guidance at StudentAid.gov → How to Repay Your Loans → Resolving Disputes
- U.S. Department of Education FSA Ombudsman Group (1-877-557-2575) provides assistance for federal student aid disputes if all other efforts have been unsuccessful.
- Consumer Financial Protection Bureau: provides assistance for student loan issues including private loans (consumerfinance.gov)
- U.S. Department of Education: federal loan information available at StudentAid.gov
- U.S. Department of Health and Human Resources: federal Nursing loan information available at hrsa.gov/loanscholarships
Questions?

Student Financial Services
Demaray Hall 10
206-281-2061 / 800-737-8826
Email questions to: sfs-info@spu.edu

This presentation and repayment information are available online: spu.edu/sfs

→ Maximizing Your Money
  → Loan Exit Counseling

→ Loans
  → Before Loan Repayment
  → During Repayment
  → Consolidating Repayment

Complete your exit responsibilities!