STUDENT LOAN EXIT COUNSELING
STUDENT LOAN EXIT COUNSELING

Your exit package provided by SFS includes information about loans received at SPU.

We will be referring to the information in your exit packet throughout this presentation. Use the documents for notes and future reference.

- Loan Repayment Exit Letter
- Preparing for Repayment Checklist
- Loan Repayment Worksheet
- Repayment Plans Chart

Repayment details for each loan will be provided by your lender/servicer.
Topics in this presentation:

- Loan terms and conditions
- Borrower rights and responsibilities
- Repayment plans, deferment and forbearance
- Consequences of delinquency and default
- Loan forgiveness and cancellation
- Money Management
STUDENT LOAN EXIT COUNSELING

You are responsible to complete exit counseling for your federal and campus based loans within 30 days.

Exit Packet Instructions

- Read all materials in this exit package thoroughly.
- Contact Student Financial Services if you have any questions about this packet and its contents or need assistance with loan repayment.
- Retain this information along with all forms and correspondence between you and your loan servicer(s).
- **Complete your exit counseling requirements referenced below within 30 days.**

STAFFORD and/or GRAD PLUS Loans: Complete Loan Exit Counseling at www.nslds.ed.gov.
PERKINS Loan: Complete and return to SFS the enclosed Perkins Loan paperwork
NURSING Loan: Complete and return to SFS the enclosed Nursing Loan paperwork
TEACH GRANT (UG): Complete TEACH Grant Exit Counseling at www.nslds.ed.gov.
YOUR EXIT RESPONSIBILITIES

• Stafford and Grad PLUS Loan Exit Counseling is accessed through www.nslds.ed.gov or directly at www.StudentLoans.gov
• TEACH Grant Exit Counseling completed at www.nslds.ed.gov
YOUR EXIT RESPONSIBILITIES

Complete Stafford, Grad PLUS and TEACH Grant Exit Counseling through www.nslds.ed.gov

Welcome to Exit Counseling

Loan Exit Counseling

Loan Exit Counseling is located on the Department of Education’s StudentLoans.gov Web site. Click the Go button below to link to www.studentloans.gov, where you can fulfill your Loan Exit Counseling requirement.

Go

TEACH Grant Exit Counseling

Federal regulations require that students who have received a Teacher Education Assistance for College and Higher Education Grant (TEACH Grant) complete an exit counseling session upon withdrawing or graduating from their program of study. The TEACH Grant Exit Counseling session provides information about the terms and conditions of a TEACH Grant service agreement, as well as the rights and responsibilities that apply if your TEACH Grant is converted to a Direct Unsubsidized Loan. To begin TEACH Grant Exit Counseling, click on the Start button below. If you are not ready to begin, or would like to review the TEACH Grant Exit Counseling content, click on the Tour button. While in Tour mode, you can review all TEACH Grant Exit Counseling content, but you will not be able to enter any data needed during a true TEACH Grant Exit Counseling session, nor will the Tour session satisfy your TEACH Grant Exit Counseling requirement.

Start  Tour
YOUR EXIT RESPONSIBILITIES

You can access Stafford and Grad PLUS exit counseling directly at [www.StudentLoans.gov](http://www.StudentLoans.gov) or you will be directed here from NSLDS.
YOUR EXIT RESPONSIBILITIES

Once you have confirmed your information, select what you would like to do:

- Complete Counseling (Entrance, Financial Awareness, and Exit)

Complete Counseling
- Request a Direct PLUS Loan
- Endorse a Direct PLUS Loan
- Complete IBR/Pay As You Earn/ICR Repayment Plan Request
- Co-sign IBR/Pay As You Earn/ICR Repayment Plan Request
- I am not sure (we will ask you a series of questions to direct you)

Choose Loan Counseling Type
A counseling session will take about 20 - 30 minutes to complete.

- **Exit Counseling** Required

**Entrance Counseling**
- **Who is this for?** Students borrowing federal subsidized/unsubsidized student loans or PLUS loans for the first time.
- **Why?** Entrance counseling is required before you can receive your first federal subsidized/unsubsidized student loan, or your first PLUS loan as a graduate/professional student.
- **What do I need?** Useful Information to Have

**Financial Awareness Counseling**
- **Who is this for?** Student borrowers attending school.
- **Why?** Financial awareness counseling provides tools and information while in school to help you understand your financial aid and assist you in managing your finances.
- **What do I need?** Useful Information to Have

**TEACH Grant Counseling**
The Agreement to Serve for a TEACH Grant can be completed on the TEACH Grant Web site.
TEACH Grant Initial and Subsequent Counseling can be completed on the TEACH Grant Web site.
TEACH Grant Exit Counseling can be completed on the NSLDS Web site.
YOUR EXIT RESPONSIBILITIES

Perkins, Nursing, and/or SPU Institutional Loans

- Complete the disclosure statement and loan interview sheet in your packet; return these to Student Financial Services at SPU
- Review the information provided with your exit forms

Seattle Pacific University

Perkins Loan Exit Interview Packet

Our records indicate that you have dropped to less than six credits or have graduated from Seattle Pacific University. Please read all of the contents of this packet carefully, especially the Perkins Fact Sheet for information regarding the deferment/forbearance process and cancellation benefits, and complete and return the documents noted below.

Enclosed in this packet:
- Perkins Loan Disclosure Statement
- Loan Interview Sheet
- Perkins Fact Sheet
- Automatic Direct Draft (ADD) Form
- www.mycampusloan.com Information Sheet

A copy of your original promissory note is available at your request.

What do you have to complete and return?

1. Read, sign and date the Student Loan Disclosure Statement. Please also sign and date the copy enclosed for your records.
2. Thoroughly complete the Loan Interview Sheet and make a copy for your records.
   - This information is requested to provide a means to contact you in the event that the contact information we have on file for you in the future is no longer valid.
   - The persons noted should be people who would have a high probability of knowing how to contact you in the future. No two contacts should reside at the same address or at your home address. Should we contact one of your references the reason we need to reach you would be kept confidential.
   - Employer information for references is requested to provide a possible means of contacting them if they have moved from the residence listed. Please indicate retired, homeworker, unemployed, etc. If there is no employer to list. If your contact is self-employed, provide the name of their business and the work address and phone number or note that their business address and phone number are the same as their residence information. All information is kept confidential.
3. Return both forms either in person or by mail to:

Seattle Pacific University
Student Financial Services, Ste 114
3007 Third Avenue West
Seattle, WA 98119-1022
LOAN OVERVIEW

Refer to your Loan Repayment Exit Counseling letter to review the total loans you borrowed at SPU as well as any conditional scholarships or grants.

The total loan amount you borrowed at SPU plus any conditional grants/scholarships is $110,351.50. This total is itemized below. The total amount will not include any amount repaid to your lender, default fees or accrued interest. Adjustments to loans that have been paid in full through loan consolidation have NOT been made.

<table>
<thead>
<tr>
<th>Loan Name</th>
<th>Loan Principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Subsidized Stafford Loan</td>
<td>$17,000.00</td>
</tr>
<tr>
<td>Federal Unsubsidized Stafford Loan</td>
<td>$24,000.00</td>
</tr>
<tr>
<td>Federal Graduate PLUS Loan</td>
<td>$27,679.50</td>
</tr>
<tr>
<td>Federal Perkins Loan</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Federal Nursing Loan</td>
<td></td>
</tr>
</tbody>
</table>

*Estimated Stafford and Grad PLUS repayment information provided on page 2*

<table>
<thead>
<tr>
<th>Loan Name</th>
<th>Loan Principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPU Institutional Loan</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>Discover Loan</td>
<td>$9,473.00</td>
</tr>
<tr>
<td>Smart Option Loan</td>
<td>$19,699.00</td>
</tr>
</tbody>
</table>

Total Federal Loans: $70,679.50

Total of All Loans (Federal and Private): $102,352.00

TEACH Grant - GR (Conditional): $8,000.00
LOAN OVERVIEW

The National Student Loan Data System (NSLDS) provides you with cumulative records of your US Department of Education administered federal loans and grants. Details on each loan record will include the loan servicer contact information.
REPAYMENT RESPONSIBILITIES

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:

- 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 for your loan you promised to repay your 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 payment coupons or reminders
LOAN SERVICING

- Loan servicers managing the billing and receive payments for your loans
- Submit requests for deferment and forbearance and update your contact information with each servicer
- You may have multiple loan servicers
- 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

- USPS mail forwarding service may not provide updated address information to your servicer
U.S. Department of Education Stafford and PLUS loans are made through two major programs:

- Direct Loan Program (DL): You borrowed directly from the Department of Education and will repay the loan directly to the federal government.

- Federal Family Education Loan Program (FFEL): You borrowed federally backed loans from a bank or other private lender. FFEL loans are repaid to the bank or other private lender that made the loan.

  - You may have FFEL loans that were sold to the Department of Education.
  - The FFEL program was eliminated in 2010. All Stafford and PLUS loans disbursed on or after July 1, 2010 are DL loans.
YOUR LOAN TERMS: Stafford Loans

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

Subsidized Stafford
- Graduate students are not eligible for subsidized Stafford loans beginning July 1, 2012.
- Government pays interest during in-school and grace periods
  - Subsidized Stafford loans interest subsidy during the grace period has been eliminated for loans with a first disbursement on or after 7/1/2012 and before 7/1/2014.
- Borrower responsible for interest payments during repayment

Unsubsidized Stafford
- 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 Loans

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

- 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 receive information and assistance from their loan servicer(s) and at www.StudentAid.ed.gov.
YOUR LOAN TERMS: Perkins & Nursing Loans

- Federal loans
- Eligibility
  - **Perkins**: requires enrollment at least half-time in a degree or certificate program
  - **Nursing Loan**: requires enrollment at least half-time in a program leading to a degree in nursing or other advanced nursing training
- Interest is subsidized – Government pays interest during in-school and grace periods

*Note:* 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.

- Borrower is responsible for interest payments during repayment
- Lender: Seattle Pacific University
- Servicer: Campus Partners / [www.MyCampusLoan.com](http://www.MyCampusLoan.com)
YOUR LOAN TERMS: SPU Institutional Loan

- Private loan
- Eligibility
  - Requires enrollment at least half-time in a degree or certificate program at SPU
- Interest is subsidized
- Borrower is responsible for interest payments during repayment
- In-School Deferment eligibility:
  - UG enrolled at least half-time at SPU
  - GR when enrolled at SPU at least half-time; 2 year maximum
- Forbearance options available
- Lender: Seattle Pacific University
- Servicer: Campus Partners / www.MyCampusLoan.com
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
These financial aid sources do not need to be repaid if you fulfill certain requirements.

Be sure to review the requirements, how to report completion and the consequences should you be unable to complete the requirements.

If you received a conditional scholarship or grant these totals are provided on your Loan Repayment Exit Counseling letter below the summary of loans borrowed.
CONDITIONAL GRANT: TEACH

• TEACH Grant information:
  • www.teach-ats.ed.gov
  • www.StudentAid.ed.gov/types/grants-scholarships/teach
• TEACH Grant Exit Counseling: www.nslds.ed.gov
• Converts to an unsubsidized loan if the service obligation is not met.
• Direct Loan Servicing Center
  • Tracks your progress regarding your TEACH Grant service obligation
  • Servicer for TEACH Grant converted to an Unsubsidized Loan
CONDITIONAL SCHOLARSHIP: Robert Noyce

- Robert Noyce Scholarship Program:
  206-281-2399 / noycescholarship@spu.edu

- Teaching Verification Form and information:
  www.spu.edu/acad/robert-noyce

- If service obligation is not met the scholarship must be repaid

- Servicer: Campus Partners /www.Mycampusloan.com
Prior to entering repayment your loans will enter a grace period. No payments are required during this time.

- Stafford, Grad PLUS & SPU Institutional loans: 6 months
- Perkins and Nursing loans: 9 months
- Subsidized loans do not accrue interest during the grace period
  - Exception: Subsidized Stafford loans disbursed on/after 7/1/12 and before 7/1/14 will accrue interest during the grace period
- First payment typically due 30-45 days after grace period ends
- No penalty for early repayment
LOAN REPAYMENT: Grace Periods

The 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 - Stafford loan Example |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Six Month Grace Period Start | Eligible for In-school Deferment | Six Month Grace Period End | Future Graduation, Withdrawal or Less Than Half-Time Enrollment Date |
| 6/9/13 | 12/8/13 | 12/9/13 | 6/10/2015 |

Entire six month grace period is available on this loan.
New loans will have a grace period.

| Entire Grace Period Used Example |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Six Month Grace Period Start | Six Month Grace Period End | Eligible for In-school Deferment | Future Graduation, Withdrawal or Less Than Half-Time Enrollment Date |
| 6/9/13 | 12/9/13 | 12/10/13 | 6/10/2015 |

No grace period available on this loan.
New loans will have a grace period.
YOUR LOAN TERMS: Sample Payments

Sample monthly payments for subsidized Stafford Loans

- Standard repayment option
- 6.8 percent fixed interest rate
- Ten-year repayment period after a six-month grace period
- Minimum monthly payment: $50.00

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

Source: www.usafunds.org
LOAN REPAYMENT ESTIMATES

Your Loan Exit Cover letter provides you with estimated repayment information 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 at 6.8% interest which would require less than ten years for repayment with minimum monthly payments of $50.

If this borrower paid $75 per month rather than $50, they would save over $550 in interest and repay the loan in just over 5 years rather than in almost 9 years.

<table>
<thead>
<tr>
<th>Stafford Loan Principal</th>
<th>Interest Rate (maximum) 6.80%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Stafford Loan Principal $4,000.00</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Interest Paid</strong></td>
</tr>
<tr>
<td>$50/Mo Repayment Schedule</td>
<td>$1,343.75</td>
</tr>
<tr>
<td>$75/Mo Repayment Schedule</td>
<td>$776.26</td>
</tr>
<tr>
<td><strong>Difference</strong></td>
<td><strong>-$567.49</strong></td>
</tr>
</tbody>
</table>
LOAN REPAYMENT ESTIMATES

The following example is for a loan total at 6.8% interest which would require a payment greater than the minimum of $50 to repay the loan within ten years.

This borrower could save over $4,000 in interest by increasing their monthly payments to repay the loan in five years.

<table>
<thead>
<tr>
<th>Stafford Loan Principal $25,000.00</th>
<th>Interest Rate (maximum) 6.80%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Interest Paid</td>
</tr>
<tr>
<td>Standard 10 Year Repayment</td>
<td>$9,524.00</td>
</tr>
<tr>
<td>Calculation for 5 year Repayment</td>
<td>$4,560.20</td>
</tr>
<tr>
<td>Difference</td>
<td>-$4,963.80</td>
</tr>
<tr>
<td></td>
<td>Total Repayment</td>
</tr>
<tr>
<td>Standard 10 Year Repayment</td>
<td>$34,524.00</td>
</tr>
<tr>
<td>Calculation for 5 year Repayment</td>
<td>$29,560.20</td>
</tr>
<tr>
<td>Difference</td>
<td>-$4,963.80</td>
</tr>
<tr>
<td></td>
<td>Term (Months)</td>
</tr>
<tr>
<td>Standard 10 Year Repayment</td>
<td>120</td>
</tr>
<tr>
<td>Calculation for 5 year Repayment</td>
<td>60</td>
</tr>
<tr>
<td>Difference</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Estimated Monthly Payment</td>
</tr>
<tr>
<td>Standard 10 Year Repayment</td>
<td>$287.70</td>
</tr>
<tr>
<td>Calculation for 5 year Repayment</td>
<td>$492.67</td>
</tr>
<tr>
<td>Difference</td>
<td></td>
</tr>
</tbody>
</table>
LOAN REPAYMENT ESTIMATES

The Repayment Estimator Tool at www.StudentLoans.gov will provide you with estimated repayment information for a variety of repayment plans based on your NSLDS loan records.
YOUR LOAN TERMS: Loan Fees

You will repay the gross amount you borrowed. The net amount (gross minus any fees) disbursed to your SPU student account.

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Origination Fee</th>
<th>Federal Default Fee</th>
<th>Up-front Interest Rebate</th>
<th>Net Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Stafford (1)</td>
<td>1.0%</td>
<td></td>
<td></td>
<td>1.0%</td>
</tr>
<tr>
<td>Direct PLUS (1)</td>
<td>4.0%</td>
<td></td>
<td></td>
<td>4.0%</td>
</tr>
<tr>
<td>FFEL Stafford (2)</td>
<td>0.5% 1.0%</td>
<td></td>
<td></td>
<td>1.5%</td>
</tr>
<tr>
<td>FFEL PLUS (2)</td>
<td>3.0% 1.0%</td>
<td></td>
<td></td>
<td>4.0%</td>
</tr>
<tr>
<td>SPU Institutional</td>
<td>5.0%</td>
<td></td>
<td></td>
<td>5.0%</td>
</tr>
</tbody>
</table>

(1) Loans disbursed on or after 7/1/2010 and before 7/1/2012 received an upfront interest rebate of .5% for Direct Stafford loans and 1.5% for Direct PLUS loans.

(2) Applicable to FFEL loans disbursed on or after 7/1/2009 and before 7/1/2010
## YOUR LOAN TERMS: Stafford Interest Rates

<table>
<thead>
<tr>
<th>First Disbursement On or After</th>
<th>Undergraduate</th>
<th>Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Subsidized Stafford</td>
<td>Unsubsidized Stafford</td>
</tr>
<tr>
<td>7/1/12 – 6/30/13</td>
<td>3.4% (2)</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>
<tr>
<td>Prior to 7/1/06</td>
<td>Variable rates established annually effective July 1st. Variable rate not to exceed 8.25%. (3)</td>
<td></td>
</tr>
</tbody>
</table>

(1) Due to regulatory changes, Graduate students will not be eligible for subsidized Stafford loans with a loan period beginning on or after 7/1/12.

(2) Regulatory rate for undergraduate subsidized loans is 6.8%. The College Cost and Reduction Act reduced interest rates for undergraduate subsidized loans 7/1/08 – 6/30/12 as reflected above. The 3.4% rate was extended for an additional year effective for loans first disbursed on or after 7/1/12 and before 7/1/13.

(3) Information about variable interest rates is available from your loan servicer(s) and at [www.StudentAid.ed.gov](http://www.StudentAid.ed.gov).
## YOUR LOAN TERMS: Interest Rates

<table>
<thead>
<tr>
<th>Other Loan Interest Rates</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Perkins, Nursing and SPU Institutional Loans</td>
<td>5.0% fixed</td>
</tr>
<tr>
<td>FFEL Grad PLUS Loans</td>
<td>8.5% fixed</td>
</tr>
<tr>
<td>Direct Loans Grad PLUS Loans</td>
<td>7.9% fixed</td>
</tr>
<tr>
<td>FFEL and Grad PLUS Loans disbursed prior to July 1, 2006</td>
<td>Variable, established July 1st each year</td>
</tr>
<tr>
<td>Private Loans</td>
<td>Check with your lender – may be variable or fixed</td>
</tr>
</tbody>
</table>
YOUR LOAN TERMS: Capitalization

- Unsubsidized loan unpaid, accrued interest is capitalized, added to the principal, at repayment
- Paying interest while in school saves money
- Interest may be capitalized following future periods of deferment and forbearance

<table>
<thead>
<tr>
<th>Borrower 1</th>
<th>Borrower 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,500 unsubsidized loan at 6.8% fixed. Paid interest during three-year period in school at $19.83 per month.</td>
<td>$3,500 unsubsidized loan at 6.8% fixed. Paid no interest during three-year period in school. Interest capitalized at repayment.</td>
</tr>
<tr>
<td>Total paid while enrolled</td>
<td>$714</td>
</tr>
<tr>
<td>Amount capitalized</td>
<td>$0</td>
</tr>
<tr>
<td>Monthly payment</td>
<td>$50</td>
</tr>
<tr>
<td>Length of repayment</td>
<td>7.5 years</td>
</tr>
<tr>
<td>Total cost</td>
<td>$4,450</td>
</tr>
<tr>
<td>Interest until repaid</td>
<td>$950</td>
</tr>
</tbody>
</table>

Source: Cost of Interest Capitalization Calculator at [www.finaid.org](http://www.finaid.org).
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 as needed your contact information and explore the resources your servicers provide online.
REPAYING YOUR LOANS: Delinquency

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

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

Consequences of delinquent loans:
- Late charges and fines may be assessed
- Negative mark on your credit record
- Increased risk of default
REPAYING YOUR LOANS: Default

Stafford and PLUS loans enter default status when you fail to repay your loan according to the terms of the promissory note, provided that the failure persists for at least 270 days. Perkins loans enter official default at 240 days past due.

Consequences of student loan default:

• Loan may be accelerated (entire balance of loan including all principal, interest and fees is now due)
  ➢ Perkins, Nursing and SPU Institutional loans are accelerated at 120 days past due
• Lose eligibility for future federal financial aid
• 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 fees and fines
• Legal action
REPAYING YOUR LOANS: Resolving Default

Options are available to resolve defaulted loans

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

- Regain financial aid eligibility with six monthly payments
- Consolidating your loan(s) will regain eligibility for financial aid and loan deferment. Prior to consolidation three monthly payments will be required or you must agree to repay the loan under Income Contingent or Income Based 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 Stafford, Grad PLUS, Perkins, and SPU Institutional loans.
REPAYMENT PLANS: 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.
REPAYMENT PLANS: Stafford & Grad PLUS

Three Basic Repayment Plans:

1. **Standard** repayment allows you to pay your loans over 10 years in equal monthly installments.
   - Unless you request another plan, this will be your repayment plan
   - Stable monthly payments ($50 minimum) until the loan is paid in full
   - Maximum 10-year term for Stafford and PLUS loans, with a 3-year extension if a loan balance remains because of a variable interest rate
   - Lowest lifetime costs
   - Best for borrowers with stable, adequate earnings

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.
   - No payment is more than three times the lowest payment
   - Payments must cover interest
   - Maximum 10-year term for Stafford and PLUS loans, with a 3-year extension if a loan balance remains because of a variable interest rate

➢ Repayment calculators are available at [www.StudentAid.ed.gov](http://www.StudentAid.ed.gov)

Sources: [www.StudentAid.ed.gov](http://www.StudentAid.ed.gov) and ECMC Loan Repayment Information.
REPAYMENT PLANS: Stafford & Grad PLUS

Three Basic Repayment Plans (continued)

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. While it does save money in the short term, extended repayment creates much higher lifetime costs.

- Designed for borrowers with more than $30,000 in student loan debt in a single loan program (i.e., FFEL or Direct Loan)
- Lowers monthly payments by extending the loan terms up to 25 years
- Fixed or graduated payments
- Much higher lifetime costs

➢ Repayment calculators are available at [www.StudentAid.ed.gov](http://www.StudentAid.ed.gov)

Sources: [www.StudentAid.ed.gov](http://www.StudentAid.ed.gov) and ECMC Loan Repayment Information.
REPAYMENT PLANS: Stafford & Grad PLUS

Utilizing one of four income-dependent plans can be a good choice if your income is small relative to your student loan debt.

1. Income-sensitive repayment (FFEL only)
   - Your monthly loan payment is based on your annual income
   - As your income increases or decreases, so do your payments
   - The maximum repayment period is 10 years
   - You must reapply for income-sensitive repayment each year
   - Ask your lender for more information on FFEL income-sensitive repayment plans
   - ISR is available for FFEL Program Stafford loan, PLUS and Grad PLUS loan borrowers

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 calculators are available at [www.StudentAid.ed.gov](http://www.StudentAid.ed.gov)

Sources: [www.StudentAid.ed.gov](http://www.StudentAid.ed.gov) and ECMC Loan Repayment Information.
REPAYMENT PLANS: Stafford & Grad PLUS

2. Income-contingent repayment (DL only)

- ICR is available for Direct Loan Program borrowers of Stafford loans and Grad PLUS loans
- Payments are based on income, family size and total student loan debt
- The payment amount adjusts annually based on your adjusted gross income
- Payments do not have to cover interest, but unpaid interest does accrue
- Accrued interest caps at 10% of the original loan amount
- The federal government subsidizes interest beyond the 10% cap
- If you pay the loan early or switch plans, all accrued interest—including federally subsidized interest—is added to the principal
- The maximum loan term is 25 years
- After 25 years the remaining debt is forgiven
- Forgiven debt may be treated as taxable income

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.

▶ Repayment calculators are available at www.StudentAid.ed.gov

Sources: www.StudentAid.ed.gov and ECMC Loan Repayment Information.
REPAYMENT PLANS: Stafford & Grad PLUS

3. Income-based repayment (DL & FFEL)

- IBR is available to Direct Loan Program and FFEL Program borrowers
- You must submit documentation each year
- You must demonstrate Partial Financial Hardship
- Monthly payments are based on income, family size and the poverty line for your state; maximum monthly payments will be 15% of your discretionary income
- There is no minimum payment
- Payments do not have to cover interest
- The government may pay accruing interest for your first 3 years
- Loans may be eligible for Public Service Loan Forgiveness for Direct Loan Program borrowers after 10 years for those who work in public service or other qualifying careers
- Loans may be forgiven after 25 years of qualifying repayment; you may have to pay income tax on any amount that is forgiven
- Electronic IBR Application at www.StudentLoans.gov includes the IBR 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.

Repayment calculators are available at www.StudentAid.ed.gov

Sources: www.StudentAid.ed.gov and ECMC Loan Repayment Information.
REPAYMENT PLANS: Stafford & Grad PLUS

4. Pay As You Earn repayment (DL only)

- Available for new borrowers only. You are a new borrower if you had no outstanding balance on a Direct loan or FFEL Program loan as of 10/1/07, or if you had no outstanding balance on a Direct loan or FFEL Program loan when you received a new Direct loan or FFEL Program loan on or after 10/1/07. In addition, you must have received a disbursement of a Direct Subsidized, Unsubsidized or Grad PLUS loan on or after Oct. 1, 2011, or you must have received a Direct Consolidation loan based on an application that was received on or after Oct. 1, 2011.
- Most Direct Loans are eligible. Defaulted loans, FFEL loans, Direct Parent PLUS loans and Direct Consolidation loans that repaid parent PLUS loans are not eligible.
- You must submit documentation each year.
- You must demonstrate Partial Financial Hardship.
- Monthly payments are based on income, family size and the poverty line for your state; maximum monthly payments will be 10% of your discretionary income.
- There is no minimum payment.
- Payments do not have to cover interest.
- The government may pay accruing interest for your first 3 years.
- Loans may be eligible for Public Service Loan Forgiveness for Direct Loan Program borrowers after 10 years for those who work in public service or other qualifying careers.
- Loans may be forgiven after 20 years of qualifying repayment; you may have to pay income tax on any amount that is forgiven.

Repayment calculators are available at www.StudentAid.ed.gov

Sources: www.StudentAid.ed.gov and ECMC Loan Repayment Information.
# REPAYMENT PLANS: Stafford Loan Comparison

Refer to the 2013 Repayment Chart enclosed in your packet to compare the various repayment plans. The Repayment Estimator tool at [www.StudentLoans.gov](http://www.StudentLoans.gov) may be used to generate a comparison for your loans.

<table>
<thead>
<tr>
<th>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>$15,000</td>
<td>Standard</td>
<td>120</td>
<td>$172.62</td>
<td>$172.62</td>
<td>$0.00</td>
<td>$5,714.46</td>
<td>$20,714.46</td>
</tr>
<tr>
<td></td>
<td>Graduated</td>
<td>120</td>
<td>$99.57</td>
<td>$298.71</td>
<td>$0.00</td>
<td>$7,289.98</td>
<td>$22,289.98</td>
</tr>
<tr>
<td></td>
<td>Extended, Fixed</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Extended, Graduated</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pay As You Earn</td>
<td>126</td>
<td>$148.04</td>
<td>$172.62</td>
<td>$0.00</td>
<td>$6,169.20</td>
<td>$21,169.20</td>
</tr>
<tr>
<td></td>
<td>Income Based Repayment</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Income Contingent Repayment</td>
<td>166</td>
<td>$126.42</td>
<td>$157.41</td>
<td>$0.00</td>
<td>$8,566.08</td>
<td>$23,566.08</td>
</tr>
<tr>
<td>$35,000</td>
<td>Standard</td>
<td>120</td>
<td>$402.78</td>
<td>$402.78</td>
<td>$0.00</td>
<td>$13,333.74</td>
<td>$48,333.74</td>
</tr>
<tr>
<td></td>
<td>Graduated</td>
<td>120</td>
<td>$232.33</td>
<td>$696.99</td>
<td>$0.00</td>
<td>$17,009.95</td>
<td>$52,009.95</td>
</tr>
<tr>
<td></td>
<td>Extended, Fixed</td>
<td>300</td>
<td>$242.93</td>
<td>$242.93</td>
<td>$0.00</td>
<td>$37,877.57</td>
<td>$72,877.57</td>
</tr>
<tr>
<td></td>
<td>Extended, Graduated</td>
<td>300</td>
<td>$198.33</td>
<td>$347.02</td>
<td>$0.00</td>
<td>$43,939.16</td>
<td>$78,939.16</td>
</tr>
<tr>
<td></td>
<td>Pay As You Earn</td>
<td>240</td>
<td>$148.04</td>
<td>$402.78</td>
<td>$9,356.68</td>
<td>$40,826.29</td>
<td>$66,469.61</td>
</tr>
<tr>
<td></td>
<td>Income Based Repayment</td>
<td>177</td>
<td>$222.06</td>
<td>$402.78</td>
<td>$0.00</td>
<td>$23,673.12</td>
<td>$58,673.12</td>
</tr>
<tr>
<td></td>
<td>Income Contingent Repayment</td>
<td>166</td>
<td>$294.97</td>
<td>$367.28</td>
<td>$0.00</td>
<td>$19,987.52</td>
<td>$54,987.52</td>
</tr>
</tbody>
</table>

**Assumptions:** Loan amount reflects unsubsidized Direct Stafford loans at 6.8%; unpaid interest that will capitalize at repayment is not included. Unmarried borrower, Family Size 1, Adjusted Gross Income $35,000, State of Residence: WA, Income increases of 5% a year, Poverty Guideline increases of 3.3% a year.

**Source:** Repayment Estimator tool at [www.StudentLoans.gov](http://www.StudentLoans.gov).
REPAYMENT PLANS: Income-Derived Comparison

The examples below demonstrate changes to PAYE, IBR and ICR payment plans based on your earnings, family size and state of residence.

<table>
<thead>
<tr>
<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>$35,000 Loan Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standard</td>
<td>120</td>
<td>$403</td>
<td>$403</td>
<td>$0</td>
<td>$13,334</td>
</tr>
<tr>
<td>Graduated</td>
<td>120</td>
<td>$232</td>
<td>$697</td>
<td>$0</td>
<td>$17,010</td>
</tr>
<tr>
<td>Extended, Fixed</td>
<td>300</td>
<td>$243</td>
<td>$243</td>
<td>$0</td>
<td>$37,878</td>
</tr>
<tr>
<td>Extended, Graduated</td>
<td>300</td>
<td>$198</td>
<td>$347</td>
<td>$0</td>
<td>$43,939</td>
</tr>
<tr>
<td>AGI: $35,000</td>
<td>Pay As You Earn</td>
<td>240</td>
<td>$148</td>
<td>$9,357</td>
<td>$40,826</td>
</tr>
<tr>
<td>Family Size: 1</td>
<td>Income Based Repayment</td>
<td>177</td>
<td>$222</td>
<td>$0</td>
<td>$23,673</td>
</tr>
<tr>
<td>Residence: WA</td>
<td>Income Contingent Repayment</td>
<td>166</td>
<td>$295</td>
<td>$0</td>
<td>$19,988</td>
</tr>
<tr>
<td>AGI: $35,000</td>
<td>Pay As You Earn</td>
<td>240</td>
<td>$126</td>
<td>$19,238</td>
<td>$44,624</td>
</tr>
<tr>
<td>Family Size: 1</td>
<td>Income Based Repayment</td>
<td>202</td>
<td>$189</td>
<td>$0</td>
<td>$28,681</td>
</tr>
<tr>
<td>Residence: HI</td>
<td>Income Contingent Repayment</td>
<td>166</td>
<td>$295</td>
<td>$0</td>
<td>$19,988</td>
</tr>
<tr>
<td>AGI: $30,000</td>
<td>Pay As You Earn</td>
<td>240</td>
<td>$0</td>
<td>$64,702</td>
<td>$17,898</td>
</tr>
<tr>
<td>Family Size: 4</td>
<td>Income Based Repayment</td>
<td>300</td>
<td>$0</td>
<td>$45,564</td>
<td>$48,936</td>
</tr>
<tr>
<td>Residence: WA</td>
<td>Income Contingent Repayment</td>
<td>201</td>
<td>$191</td>
<td>$0</td>
<td>$27,760</td>
</tr>
</tbody>
</table>

Assumptions: Loan amount reflects unsubsidized Direct Stafford loans at 6.8%; unpaid interest that will capitalize at repayment is not included., Income increases of 5% a year, Poverty Guideline increases of 3.3% a year.

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

- Standard repayment only
- Repayment term ten years
- Reduced monthly payments may be requested for periods of up to one year
- Contact Student Financial Services for assistance
- Servicer: Campus Partners  www.MyCampusLoan.com
REPAYMENT PLANS: Perkins & Nursing Examples

- Standard repayment; 5% fixed interest
- Minimum payment: $40.00
- Grace period: 9 months

<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>$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>
</tbody>
</table>

Note: Repayment calculations are estimates only.
REPAYMENT PLANS: Institutional Examples

- Standard repayment; 5% fixed interest
- Minimum payment: $50.00
- Grace period: 6 months

<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>$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: Deferment

- Payments may be postponed under certain conditions
- Interest subsidy applies*
- Length of time varies by type of deferment
- Application required
- Request must be submitted to each loan servicer.

Federal loan deferment information provided on your MPN, from your loan servicer(s) and at www.StudentAid.ed.gov

- Enrolled at least half-time*
- Unemployment; 3 yr max
- Economic hardship; 3 yr max
- Graduate fellowship program
- Rehabilitation training
- Serving on active duty

*Loan Servicers will apply in-school deferment based on electronically submitted enrollment data as a benefit to borrowers. If you are enrolled at least half-time at an eligible school that does not electronically report enrollment you will need to submit a request for in-school deferment to your loan servicer.

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

*SPU Institutional Loan provides in-school deferment only if enrolled at SPU, see MPN for details.
MANAGEABLE PAYMENTS: Forbearance

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


- Eligible loans: Stafford, PLUS, Perkins, Nursing in grace or repayment
- Repayment period may increase from 10 to 30 years
- Retains interest subsidy on subsidized Stafford loans
- Perkins loans included will lose interest subsidy and service cancellation benefits
- Fixed interest rate based on weighted average, rounded up 1/8 of a percent, not to exceed 8.25%
- Repayment plans: Standard, Graduated, Extended, Income-Continent, Income Based Repayment, Pay As You Earn Repayment
- Deferment and forbearance available
- Eligible for Public Service Loan Forgiveness
- No grace period
MANAGEABLE PAYMENTS: 2013 UG Example

Repayment example based on median undergraduate Stafford and Perkins loan borrowing for 2013 SPU spring graduates scheduled to receive a BA or BS degree.

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Aid Year</th>
<th>Total</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Subsidized Loan</td>
<td>2012-13</td>
<td>5,500</td>
<td>3.40%</td>
</tr>
<tr>
<td>Direct Subsidized Loan</td>
<td>2011-12</td>
<td>5,500</td>
<td>3.40%</td>
</tr>
<tr>
<td>Direct Subsidized Loan</td>
<td>2010-11</td>
<td>2,600</td>
<td>4.50%</td>
</tr>
<tr>
<td>Direct Unsubsidized Loan</td>
<td>2009-2013</td>
<td>4,640</td>
<td>6.80%</td>
</tr>
<tr>
<td>FFEL Subsidized Stafford Loan</td>
<td>2009-10</td>
<td>1,600</td>
<td>5.60%</td>
</tr>
<tr>
<td>FFEL Unsubsidized Stafford Loan</td>
<td>2009-10</td>
<td>4,000</td>
<td>6.80%</td>
</tr>
<tr>
<td>Stafford Loan Total</td>
<td></td>
<td>23,840</td>
<td>4.90% Average Interest Rate*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Aid Year</th>
<th>Total</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perkins</td>
<td>2010-11</td>
<td>2,000</td>
<td>5.00%</td>
</tr>
<tr>
<td>Total Federal Loans</td>
<td></td>
<td>25,840</td>
<td></td>
</tr>
</tbody>
</table>

*Average Interest Rate determined by the Repayment Estimator tool and used to calculate the data below. Tool available at www.StudentLoans.gov.

<table>
<thead>
<tr>
<th>Repayment Estimator tool generated repayment</th>
<th>Repayment Plan</th>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stafford loans $23,840 total</td>
<td>Standard</td>
<td>120</td>
<td>$252</td>
<td>$252</td>
<td>$6,363</td>
<td>$30,203</td>
</tr>
<tr>
<td></td>
<td>Graduated</td>
<td>120</td>
<td>$142</td>
<td>$427</td>
<td>$7,998</td>
<td>$31,838</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Perkins Standard 56</th>
<th>$40</th>
<th>$247</th>
<th>$2,247</th>
</tr>
</thead>
<tbody>
<tr>
<td>Totals for Standard Repayment</td>
<td>$292</td>
<td>$6,610</td>
<td>$32,450</td>
</tr>
</tbody>
</table>
MANAGEABLE PAYMENTS: 2013 UG Example

Consolidation repayment example based on median undergraduate Stafford and Perkins loan borrowing for 2013 SPU spring graduates scheduled to receive a BA or BS degree.

<table>
<thead>
<tr>
<th>Principal (Stafford + Perkins)</th>
<th>25,840</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate</td>
<td>5.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Repayment Term (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Interest Paid</th>
<th>Total Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>240</td>
<td>$171</td>
<td>$171</td>
<td>$15,088</td>
</tr>
<tr>
<td>Graduated</td>
<td>240</td>
<td>$108</td>
<td>$289</td>
<td>$19,012</td>
</tr>
</tbody>
</table>

Interest Rate with Electronic Debit Account (EDA):

4.75%

<table>
<thead>
<tr>
<th>AGI $35,000; Family Size 1; Residence: Continental US</th>
<th>Income Contingent*</th>
<th>172</th>
<th>$197</th>
<th>$224</th>
<th>$10,085</th>
<th>$35,925</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>240</td>
<td>$167</td>
<td>$167</td>
<td>$14,236</td>
<td>$40,076</td>
<td></td>
</tr>
<tr>
<td>Graduated</td>
<td>240</td>
<td>$107</td>
<td>$279</td>
<td>$17,788</td>
<td>$43,628</td>
<td></td>
</tr>
</tbody>
</table>

*This is an estimated repayment amount for the first year and total loan payment, based on the information you provided. This repayment amount will be recalculated annually based on your income (and the Poverty Guidelines for your family size as determined by the U.S Dept of Health & Human Service for ICR and your family size for IBR). The ICR and IBR Plans have a maximum term of 25 years.
### MANAGEABLE PAYMENTS: 2013 UG Example

Consider your goals when evaluating repayment plans and consolidation

<table>
<thead>
<tr>
<th>Principal (Stafford + Perkins): $25,840</th>
<th>Repayment Term</th>
<th>Standard</th>
<th>Graduated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Unconsolidated</td>
<td>120 months</td>
<td>Monthly Payment</td>
<td>Interest Paid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$292</td>
<td>$6,610</td>
</tr>
</tbody>
</table>

Consolidation 5.00% interest rate

- 240 months $171 $15,088 $40,928
- **$108 - $289** $19,012 $44,852

**$110 initial reduction** $10,767 $10,767

Change over Standard, Unconsolidated 10 additional yrs

- 240 months $167 $14,236 $40,076
- **$107 - $279** $17,788 $43,628

**$111 initial reduction** $9,543 $9,543

Consolidation 4.75% interest rate

- 240 months $167 $14,236 $40,076
- **$107 - $279** $17,788 $43,628

**$111 initial reduction** $9,543 $9,543

**Increased Payments** Compare to:

- **186 months (15.5 yrs)** $200 $11,345 $37,185
- **135 months (11.5 yrs)** $251 $7,998 $33,838
- **111 months (9.25 yrs)** $292 $6,488 $32,328
- **97 months (8.08 yrs)** $325 $5,626 $31,466

Least interest paid / shortest repayment term

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*Calculator used to estimated accelerated payments:  www.bretwhissel.net/amortization*
MANAGEABLE PAYMENTS: 2013 MA/MS Example

Repayment example based on median graduate Stafford and PLUS loan borrowing for 2013 SPU spring graduates scheduled to receive a masters degree.

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Total</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Subsidized Loan Total</td>
<td>17,000</td>
<td>6.80%</td>
</tr>
<tr>
<td>Direct Unsubsidized Loan Total</td>
<td>24,000</td>
<td>6.80%</td>
</tr>
<tr>
<td>Direct PLUS Loan Total</td>
<td>26,700</td>
<td>5.60%</td>
</tr>
<tr>
<td></td>
<td>67,700</td>
<td>7.20% Average Interest Rate*</td>
</tr>
</tbody>
</table>

*Average Interest Rate determined by the Repayment Estimator tool and used to calculate the data below. Tool available at www.StudentLoans.gov.

<table>
<thead>
<tr>
<th>Repayment Plan</th>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>120</td>
<td>$794</td>
<td>$794</td>
<td>$27,608</td>
<td>$95,308</td>
</tr>
<tr>
<td>Graduated</td>
<td>120</td>
<td>$460</td>
<td>$1,381</td>
<td>$35,341</td>
<td>$103,041</td>
</tr>
<tr>
<td>Extended, Fixed</td>
<td>300</td>
<td>$489</td>
<td>$489</td>
<td>$78,891</td>
<td>$146,591</td>
</tr>
<tr>
<td>Extended, Graduated</td>
<td>300</td>
<td>$408</td>
<td>$681</td>
<td>$90,660</td>
<td>$158,360</td>
</tr>
</tbody>
</table>

Repayment Estimator tool generated repayment Stafford & PLUS loans $67,700 total

Average interest rate: 7.20%
MANAGEABLE PAYMENTS: 2013 MA/MS Example

Consolidation repayment example based on median graduate Stafford and PLUS loan borrowing for 2013 SPU spring graduates scheduled to receive a masters degree.

<table>
<thead>
<tr>
<th>Consolidation Loan Repayment Estimates</th>
<th>Principal (Stafford + Grad PLUS)</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>67,700</td>
<td>7.25%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Repayment Term (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Interest Paid</th>
<th>Total Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>360</td>
<td>$462</td>
<td>$462</td>
<td>$98,560</td>
<td>$166,260</td>
</tr>
<tr>
<td>Graduated</td>
<td>360</td>
<td>$409</td>
<td>$586</td>
<td>$110,209</td>
<td>$177,909</td>
</tr>
<tr>
<td>Extended Fixed</td>
<td>300</td>
<td>$489</td>
<td>$489</td>
<td>$79,102</td>
<td>$146,802</td>
</tr>
<tr>
<td>Extended Graduated</td>
<td>300</td>
<td>$409</td>
<td>$679</td>
<td>$91,062</td>
<td>$158,762</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interest Rate with Electronic Debit Account (EDA):</th>
<th>7.00%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>360</td>
</tr>
<tr>
<td>Graduated</td>
<td>360</td>
</tr>
<tr>
<td>AGI $35,000; Family Size 1; Residence: Continental US</td>
<td>300</td>
</tr>
<tr>
<td>Extended Fixed</td>
<td>300</td>
</tr>
<tr>
<td>Extended Graduated</td>
<td>300</td>
</tr>
<tr>
<td>Income Contingent*</td>
<td>219</td>
</tr>
<tr>
<td>Income Based*</td>
<td>300</td>
</tr>
</tbody>
</table>

*This is an estimated repayment amount for the first year and total loan payment, based on the information you provided. This repayment amount will be recalculated annually based on your income (and the Poverty Guidelines for your family size as determined by the U.S Dept of Health & Human Service for ICR and your family size for IBR). The ICR and IBR Plans have a maximum term of 25 years.
MANAGEABLE PAYMENTS: 2013 MA/MS Example
Consider your goals when evaluating repayment plans and consolidation

<table>
<thead>
<tr>
<th>Principal (Stafford + Grad PLUS): $67,700</th>
<th>Repayment Term</th>
<th>Standard</th>
<th>Graduated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Monthly Payment</td>
<td>Interest Paid</td>
</tr>
<tr>
<td>Total Unconsolidated</td>
<td>120 months</td>
<td>$794</td>
<td>$27,608</td>
</tr>
<tr>
<td>Consolidation 7.25% interest rate</td>
<td>360 months</td>
<td>$462</td>
<td>$98,560</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-$332</td>
<td>$70,952</td>
</tr>
<tr>
<td>Change 20 additional yrs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidation 7.00% interest rate</td>
<td>360 months</td>
<td>$450</td>
<td>$94,448</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-$344</td>
<td>$66,840</td>
</tr>
<tr>
<td>Change 20 additional yrs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased Payments* Compare to:</td>
<td>283 months (23.58 yrs)</td>
<td>$500</td>
<td>$73,780</td>
</tr>
<tr>
<td>$67,700 Consolidation loan</td>
<td>226 months (18.83 yrs)</td>
<td>$550</td>
<td>$56,600</td>
</tr>
<tr>
<td>Standard repayment</td>
<td>165 months (13.75 yrs)</td>
<td>$650</td>
<td>$39,448</td>
</tr>
<tr>
<td>7.25% interest rate</td>
<td>119 months (9.92 yrs)</td>
<td>$800</td>
<td>$27,424</td>
</tr>
</tbody>
</table>

Least interest paid / shortest repayment term

*Calculator used to estimated accelerated payments: www.bretwhissel.net/amortization
MANAGEABLE PAYMENTS: 2013 PhD Example

Repayment example based on median graduate Stafford and PLUS loan borrowing for 2013 SPU spring graduates scheduled to receive a PhD.

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Total</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Subsidized Loan Total</td>
<td>17,000</td>
<td>6.80%</td>
</tr>
<tr>
<td>Direct Unsubsidized Loan Total</td>
<td>53,000</td>
<td>6.80%</td>
</tr>
<tr>
<td>Direct PLUS Loan Total</td>
<td>19,173</td>
<td>7.90%</td>
</tr>
<tr>
<td></td>
<td>89,173</td>
<td>7.00% Average Interest Rate</td>
</tr>
</tbody>
</table>

*Average Interest Rate determined by the Repayment Estimator tool and used to calculate the data below. Tool available at www.StudentLoans.gov.*

<table>
<thead>
<tr>
<th>Repayment Plan</th>
<th>Loan Period (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Total Interest Paid</th>
<th>Total Amount Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>120</td>
<td>$1,037</td>
<td>$1,037</td>
<td>$35,273</td>
<td>$124,446</td>
</tr>
<tr>
<td>Graduated</td>
<td>120</td>
<td>$600</td>
<td>$1,799</td>
<td>$45,082</td>
<td>$134,255</td>
</tr>
<tr>
<td>Extended, Fixed</td>
<td>300</td>
<td>$632</td>
<td>$632</td>
<td>$100,527</td>
<td>$189,700</td>
</tr>
<tr>
<td>Extended, Graduated</td>
<td>300</td>
<td>$523</td>
<td>$891</td>
<td>$116,011</td>
<td>$205,184</td>
</tr>
</tbody>
</table>
MANAGEABLE PAYMENTS: 2013 PhD Example

Consolidation repayment example based on median graduate Stafford and PLUS loan borrowing for 2013 SPU spring graduates scheduled to receive a graduate degree.

Consolidation Loan Repayment Estimates

<table>
<thead>
<tr>
<th>Principal (Stafford + Grad PLUS)</th>
<th>89,173</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate</td>
<td>7.13%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Repayment Term (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Interest Paid</th>
<th>Total Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>360</td>
<td>$601</td>
<td>$601</td>
<td>$127,106</td>
</tr>
<tr>
<td>Graduated</td>
<td>360</td>
<td>$529</td>
<td>$769</td>
<td>$142,110</td>
</tr>
<tr>
<td>Extended Fixed</td>
<td>300</td>
<td>$637</td>
<td>$637</td>
<td>$102,042</td>
</tr>
<tr>
<td>Extended Graduated</td>
<td>300</td>
<td>$529</td>
<td>$889</td>
<td>$117,928</td>
</tr>
</tbody>
</table>

Interest Rate with Electronic Debit Account (EDA): 6.88%

<table>
<thead>
<tr>
<th>Repayment Term (months)</th>
<th>Initial Monthly Payment</th>
<th>Final Monthly Payment</th>
<th>Interest Paid</th>
<th>Total Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td>360</td>
<td>$586</td>
<td>$586</td>
<td>$121,716</td>
</tr>
<tr>
<td>Graduated</td>
<td>360</td>
<td>$511</td>
<td>$752</td>
<td>$138,079</td>
</tr>
<tr>
<td>Extended Fixed</td>
<td>300</td>
<td>$623</td>
<td>$623</td>
<td>$97,776</td>
</tr>
<tr>
<td>Extended Graduated</td>
<td>300</td>
<td>$511</td>
<td>$878</td>
<td>$113,991</td>
</tr>
<tr>
<td>Income Contingent*</td>
<td>287</td>
<td>$397</td>
<td>$911</td>
<td>$116,135</td>
</tr>
<tr>
<td>Income Based*</td>
<td>300</td>
<td>$228</td>
<td>$985</td>
<td>$158,936</td>
</tr>
</tbody>
</table>

AGI $35,000; Family Size 1; Residence: Continental US

*This is an estimated repayment amount for the first year and total loan payment, based on the information you provided. This repayment amount will be recalculated annually based on your income (and the Poverty Guidelines for your family size as determined by the U.S Dept of Health & Human Service for ICR and your family size for IBR). The ICR and IBR Plans have a maximum term of 25 years.
MANAGEABLE PAYMENTS: 2013 PhD Example
Consider your goals when evaluating repayment plans and consolidation

<table>
<thead>
<tr>
<th>Principal (Stafford + Grad PLUS): $89,173</th>
<th>Repayment Term</th>
<th>Standard</th>
<th>Graduated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Monthly Payment</td>
<td>Interest Paid</td>
</tr>
<tr>
<td>Total Unconsolidated</td>
<td>120 months</td>
<td>$1,037</td>
<td>$35,273</td>
</tr>
<tr>
<td>Consolidation 7.125% interest rate</td>
<td>360 months</td>
<td>$601</td>
<td>$127,106</td>
</tr>
<tr>
<td>Change 20 additional yrs</td>
<td></td>
<td>-$436</td>
<td>$91,833</td>
</tr>
<tr>
<td>Consolidation 6.875% interest rate</td>
<td>360 months</td>
<td>$586</td>
<td>$121,716</td>
</tr>
<tr>
<td>Change 20 additional yrs</td>
<td></td>
<td>-$451</td>
<td>$86,443</td>
</tr>
</tbody>
</table>

Increased Payments* Compare to:

<table>
<thead>
<tr>
<th></th>
<th>Monthly Payment</th>
<th>Interest Paid</th>
<th>Total Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>285 months (23.75 yrs)</td>
<td>$650</td>
<td>$95,986</td>
<td>$185,159</td>
</tr>
<tr>
<td>$89,173 Consolidation loan Standard repayment</td>
<td>$775</td>
<td>$61,243</td>
<td>$150,416</td>
</tr>
<tr>
<td>194 months (16.17 yrs)</td>
<td>$900</td>
<td>$45,776</td>
<td>$134,949</td>
</tr>
<tr>
<td>150 months (12.50 yrs)</td>
<td>$1,050</td>
<td>$35,437</td>
<td>$124,610</td>
</tr>
<tr>
<td>119 months (9.92 yrs)</td>
<td>$1,050</td>
<td>$35,437</td>
<td>$124,610</td>
</tr>
</tbody>
</table>

*Calculator used to estimated accelerated payments:  www.bretwhissel.net/amortization

Least interest paid / shortest repayment term
FORGIVENESS & CANCELLATION

Federal loans provide some forgiveness (cancellation) provisions

- Teacher loan forgiveness: Perkins & Stafford loan for eligible teachers serving in a low-income or subject-matter shortage area
- Details for all forgiveness and cancellation provisions are included in your MPN
- Additional information available from your loan servicer and www.StudentAid.ed.gov

Perkins Loans

- Several employment categories available for cancellation if you are employed full-time including teaching in low-income school, nurse/medical tech and law enforcement.
- Information and forms to request deferment in anticipation of cancellation and cancellation available at www.MyCampusLoan.com & in your Perkins loan packet.
FORGIVENESS & CANCELLATION

Public Service Loan Forgiveness

- DL loans only
- May be eligible for forgiveness of loan balance after 10 years of eligible payments and employment
- Info at www.StudentAid.ed.gov and www.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

Nurses: You may wish to explore the Nursing Education Loan Repayment Program (NELRP) (www.hrsa.gov/loanscholarships/repayment/nursing)
FORGIVENESS & CANCELLATION

Federal student loans provide full cancellation for:

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

Full or partial discharge

- Total and permanent disability
- Some limited bankruptcy scenarios
KEEP COPIES OF EVERYTHING

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
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 [www.irs.gov](http://www.irs.gov)
- 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
MANAGE YOUR MONEY: Financial Success Tips

- Identify your financial goals
- Develop a realistic monthly budget
- Pay your bills prior to the due date
- Keep your contact information current on all accounts
- Keep accurate and well-organized records
- Save for the future
- Online resources:

  Financial Awareness Counseling at [www.StudentLoans.gov](http://www.StudentLoans.gov) will populate with your NSLDS loan data if you log in before starting the counseling. You may manually add loan and other financial obligation information.

  [www.CashCourse.org](http://www.CashCourse.org)

  May also be available from your loan servicer, bank or credit union
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
MANAGE YOUR DEBT: Develop a 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?
- 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
MANAGE YOUR DEBT: Credit Reports

Review your credit report for accuracy
Request a **free** credit report every 12 months

- [www.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:

  **Equifax**
  - [www.equifax.com](http://www.equifax.com)
  - (800) 685-1111
  - P.O. Box 740241
  - Atlanta, GA 30348

  **Experian**
  - [www.experian.com](http://www.experian.com)
  - (888) EXPERIAN
  - P.O. Box 2002
  - Allen, TX 75013

  **TransUnion**
  - [www.transunion.com](http://www.transunion.com)
  - (800) 888-4213
  - P.O. Box 1000
  - Chester, PA 19022

Information:
- FICO: [www.myfico.com](http://www.myfico.com) / Credit Education
STUDENT LOAN ASSISTANCE

Don’t hesitate to ask for help or information

- Contact your servicer(s)
- Contact Student Financial Services
- U.S. Department of Education Student Loan Ombudsman: provides assistance for federal student aid disputes if other efforts have been unsuccessful.

**FSA Ombudsman**
Phone: 877.557.2575

- Consumer Financial Protection Bureau: provides assistance for student loan issues including private loans ([www.consumerfinance.gov](http://www.consumerfinance.gov))
- U.S. Department of Health and Human Resources: federal Nursing loan information available at [www.hrsa.gov/loanscholarships](http://www.hrsa.gov/loanscholarships)
QUESTIONS?

Seattle Pacific University
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:

www.spu.edu/sfs
→Managing Your Money
   →Student Loan Exit Sessions
→Financial Aid
   →Loans
      →Loan Repayment