

# YOU SHOULD KNOW...

## GRACE PERIOD

If you have a federal loan, you get one, six-month grace period. This gives you time to find employment and prepare for loan repayment. Your grace period starts as soon as you stop going to school or drop below half-time status. During your grace period, you don't have to make any payments on your student loans.

## REPAYMENT OPTIONS

The right repayment plan makes all the difference in your ability to pay your student loans. **The options are flexible, and there's sure to be one that is a good fit for you.** Check with your lender/loan servicer to find out which options are available to you.

<b>Standard</b>	Monthly payments remain the same throughout the life of the loan.
<b>Graduated</b>	Monthly payments are initially lower and then increase later in your repayment schedule.
<b>Extended</b>	Monthly payments on loans with balances over \$30,000.00 can be lowered by extending the loan term up to 25 years.
<b>Pay As You Earn</b>	Monthly payments based on your adjusted gross income, family size, and the total amount of your eligible loan debt <sup>1</sup> . Payments are calculated based on 10% of your income and loan forgiveness is granted after 20 years of qualifying payments.
<b>Income-Based Repayment (IBR)</b>	Monthly payments based on your adjusted gross income, family size, and the total amount of your eligible loan debt <sup>1</sup> . Payments are calculated based on 15% of your income and loan forgiveness is granted after 25 years of qualifying payments.
<b>Income-Contingent Repayment (ICR)</b>	Monthly payments based on your adjusted gross income, family size, and the total amount of your eligible loan debt <sup>1</sup> . Payments are calculated based on 20% of your income and loan forgiveness is granted after 25 years of qualifying payments.

<sup>1</sup>If you're married and file a joint federal income tax return, your spouse's adjusted gross income, and eligible student loan debt, if applicable, is also taken into consideration.

Eligible Loan Debt - \$23,000, 6.8% interest rate Adjusted Gross Income - \$30,000, Family Size = 1, AGI increasing 5% annually, Poverty Level Change Rate 3.3%				
Repayment Plan	Repayment Period in Months	Monthly Payment (Initial to Final)	Total Interest Paid	Total Amount Paid
Standard	120	\$265 to \$265	\$8,762	\$31,762
Graduated	120	\$153 to \$458	\$11,178	\$34,178
Extended Fixed	N/A	N/A	N/A	N/A
Pay As You Earn	238	\$104 to \$265	\$23,722	\$46,722
IBR	162	\$156 to \$265	\$13,836	\$36,836
ICR	184	\$176 to \$232	\$15,060	\$38,060

## DEFERMENT AND FORBEARANCE

If you anticipate difficulty repaying a loan, contact your loan servicer immediately; don't wait until you fall behind to seek help. Postponing your monthly payments through a deferment or forbearance may be the right choice to prevent your loan from entering default.

Visit [StudentLoans.gov](http://StudentLoans.gov) to learn more about all of your repayment options.

YouCanDealWithIt.com is a public service of the Pennsylvania Higher Education Assistance Agency (PHEAA) and its student loan servicing operations, FedLoan Servicing and American Education Services (AES)

