Quick Facts: **Loan Repayment for Teachers**

More info online at [https://finaid.msu.edu/repay.asp](https://finaid.msu.edu/repay.asp)

**What should I know about loan repayment?**

Your loans will go into repayment shortly after you leave school:

- 6 months for Direct (Stafford) Loans, Graduate PLUS, and for most private student loans
- 9 months for Perkins Loans

**How do I find out how much I owe, and to whom?**

For federal loans (Direct, Grad PLUS, and Perkins) you may log on to the National Student Loan Data System (NSLDS) at [www.nslds.ed.gov](http://www.nslds.ed.gov) and access your records. Private student loans are not included on NSLDS, so if you also have private loans, contact your lender for information.

**How do I calculate what my payments will be?**

Total your loans of each interest rate. If you have borrowed $10,000 in unsubsidized Direct Stafford (6.8%), $1000 in Perkins (5%), and $2500 in Grad PLUS (7.9%), you can enter each one into a calculator and get a good picture of what your monthly payments would be for each loan type. A good calculator is available on the web at [https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action](https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action).

If you have decided to consolidate your loans, you would combine all federal loans into a single loan with a weighted interest rate. This may or may not be to your benefit, but it would allow you to make a single payment instead of multiple payments for all of your federal loans. More information on loan consolidation can be found here: [www.finaid.msu.edu/consolid.asp](http://www.finaid.msu.edu/consolid.asp).

<table>
<thead>
<tr>
<th>Repayment Examples</th>
<th>Interest Rate</th>
<th>Monthly Repayment</th>
<th>Total Repaid</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15,000</td>
<td>6.8%</td>
<td>$172.62</td>
<td>$20,714.40</td>
</tr>
<tr>
<td>$20,000</td>
<td>6.8%</td>
<td>$230.16</td>
<td>$27,619.20</td>
</tr>
<tr>
<td>$25,000</td>
<td>6.8%</td>
<td>$287.70</td>
<td>$34,524.00</td>
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<tr>
<td>All examples assume a 10-year repayment schedule</td>
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**What options are there if I can’t make payments?**

If you find you can’t keep up with your scheduled payments, contact your lender immediately. Don’t take the chance of defaulting on your loans.

You may qualify for a deferment or forbearance (the lender suspends or reduces your payments for a period of time).

If you don’t qualify for deferment or forbearance, you may be able to change your repayment plan to a longer repayment (more than the standard 10 years). Although you ultimately pay more in interest, such a plan reduces your monthly payments and may be more manageable.

**What special programs might I qualify for?**

If you teach in full time for five consecutive years in a low-income school, you may be eligible to have a portion of your loan(s) forgiven (cancelled). If you are a highly-qualified elementary or secondary school teacher, you may receive up to $5000 in loan forgiveness. If you are teaching as a highly qualified teacher in certain subject areas, you may be eligible for up to $17,500. See the web site above for details on loan forgiveness programs. Learn more on the web at [https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/teacher](https://studentaid.ed.gov/sa/repay-loans/forgiveness-cancellation/teacher)