

# MANAGING YOUR MONEY

## Loan Repayment Explained

Managing student loan repayment is an important part of establishing good credit and achieving your future financial goals.

### Locate Your Loans

Visit My Federal Student Aid ([NSLDS.ed.gov](https://nslds.ed.gov)) to view information about all federal student loans you have received and find contact information for the servicer of your loans.

Request a free annual credit report at [AnnualCreditReport.com](https://AnnualCreditReport.com), as your federal loan history and any private education loan history will be listed in your credit report.

### Determine the Best Repayment Plan

The Federal Student Aid website, [StudentAid.ed.gov](https://StudentAid.ed.gov), is the best source of information for repayment plans for federal student loans. There are two categories of repayment plans: automatic and opt-in.

**Automatic.** All federal loan borrowers are given a standard 10 years or 120 months to repay their loans.

**Opt-in.** Federal loan borrowers can opt-in to a payment plan that can offer relief.

**Graduated payments** increase every two years; loans must be paid off in 10 years.

**Extended payments** have two options. With the first option, payments increase every two years with loans paid off in 10 to 30 years based on total balance.



The second option offers a set monthly payment with loans paid off in 10 to 30 years based on total balance.

**Income-driven payments** occur monthly and are a percentage of your discretionary income. This plan offers potential forgiveness.

Your monthly student loan payment is set at an amount that is intended to be affordable based on your income and family size.

The U.S. Department of Education offers four income-driven repayment plans:

- Revised Pay As You Earn Repayment Plan (REPAYE Plan)
- Pay As You Earn Repayment Plan (PAYE Plan)
- Income-Based Repayment Plan (IBR Plan)
- Income-Contingent Repayment Plan (ICR Plan)

### Estimate Your Monthly Student Loan Payment

Use the Federal Repayment Estimator at [StudentLoans.gov](https://StudentLoans.gov) to estimate your monthly student loan payment for each of



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## NEED HELP PAYING YOUR LOANS?

the repayment options listed above.

**The Educational Opportunity Tax Credit**—also known as Opportunity Maine—is a tax credit available for Maine residents paying back eligible student loans. Learn more at [OpportunityMaine.org](http://OpportunityMaine.org).

**You may be eligible** to have your federal student loan forgiven, cancelled or discharged in certain situations. Some examples are Public Service Loan Forgiveness, Teacher Loan Forgiveness, and Total and Permanent Disability Cancellation.

Learn more at [StudentAid.ed.gov](http://StudentAid.ed.gov).

**Deferments and forbearances** are a temporary postponement of student loan repayment. Learn more at [StudentAid.ed.gov](http://StudentAid.ed.gov).

**For help resolving disputes** with your federal student loan, contact the U.S. Department of Education's ombudsman by completing the online form at [StudentAid.ed.gov/repay-loans/disputes/prepare/contact-ombudsman](http://StudentAid.ed.gov/repay-loans/disputes/prepare/contact-ombudsman).

**For help from FAME**, contact our ombudsman at [Education@FAMEmaine.com](mailto:Education@FAMEmaine.com).

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