



# Repayment Plans

## Standard Repayment Plan

- Eligible Loans:**
- Direct Subsidized and Unsubsidized Loans
  - Subsidized and Unsubsidized Federal Stafford Loans
  - All PLUS loans

- Monthly Payment and Time Frame:**
- Payments are a fixed amount of at least \$50 per month
  - Up to 10 years

**Compare:**

- *Under this plan, you'll pay less interest for your loan over time than you would under other plans.*

## Graduated Repayment Plan

- Eligible Loans:**
- Direct Subsidized and Unsubsidized Loans
  - Subsidized and Unsubsidized Federal Stafford Loans
  - All PLUS loans

- Monthly Payment and Time Frame:**
- Payments are lower at first and then increase, usually every two years
  - Up to 10 years

**Compare:**

- *You'll pay more for your loan over time than under the 10-year Standard Plan.*

*Continued on next page...*

*"Determining how to pay for school can be confusing, but don't let it interfere with your commitment to getting a quality education. Let OCOM's Office of Financial Aid help to answer any of your financial aid questions."*

— Judy Gjesdal, Director of Financial Aid  
jgiesdal@ocom.edu, 503-253-3443 x108

## Extended Repayment Plan

- Eligible Loans:**
- Direct Subsidized and Unsubsidized Loans
  - Subsidized and Unsubsidized Federal Stafford Loans
  - All PLUS loans

- Monthly Payment and Time Frame:**
- Payments may be fixed or graduated
  - Up to 25 years

**Compare:**

- *Your monthly payments would be lower than the 10-year Standard Plan, but you'll pay more for your loan over time.*
- *Direct Loan borrowers must have more than \$30,000 in outstanding Direct Loans. FFEL borrowers must have more than \$30,000 in outstanding FFEL Program loans.*  
 — *For example, if you have \$35,000 in outstanding FFEL Program loans, and \$10,000 in Direct Loans, you can use the Extended Repayment Plan for your FFEL Program loans, but not for your Direct Loans.*
- *For both programs, you must also be a "new borrower" as of October 7, 1998.*

## Income-Based Repayment Plan (IBR)

- Eligible Loans:**
- Direct Subsidized and Unsubsidized Loans
  - Subsidized and Unsubsidized Federal Stafford Loans
  - All PLUS loans made to students
  - Consolidation Loans (Direct or FFEL) that do not include Direct or FFEL PLUS loans made to parents

- Monthly Payment and Time Frame:**
- Your maximum monthly payments will be 15% 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).
  - Your payments change as your income changes.
  - Up to 25 years

**Compare:**

- *You must have a partial financial hardship.*
- *Your monthly payments would be lower than the 10-year Standard Plan, but you'll pay more for your loan over time.*
- *If your loan is not repaid in full after making the equivalent of 25 years of qualifying monthly payments, any outstanding balance on your loan will be forgiven.*
- *You may have to pay income tax on any amount that is forgiven.*

# Pay As You Earn Repayment Plan

### Eligible Loans:

- Direct Subsidized and Unsubsidized Loans
- Direct PLUS loans made to students
- Direct Consolidation Loans that do not include (Direct or FFEL) PLUS loans made to parents

### Monthly Payment and Time Frame:

- 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).
- Your payments change as your income changes.
- Up to 20 years

### Compare:

- *You must be a new borrower on or after October 1, 2007, and must have received a disbursement of a Direct Loan on or after October 1, 2011.*
- *You must have a partial financial hardship.*
- *Your monthly payments will be lower than payments under the 10-year Standard Plan, but you'll pay more for your loan over time.*
- *If you've not repaid your loan in full after you've made the equivalent of 20 years of qualifying monthly payments, any outstanding balance on your loan will be forgiven.*
- *You may have to pay income tax on any amount that is forgiven.*

# Revised Pay As You Earn Repayment Plan (REPAYE)

*Revised January 2016*

### Eligible Loans:

- Direct Subsidized and Unsubsidized Loans
- Direct PLUS loans made to students
- Direct Consolidation Loans that do not include (Direct or FFEL) PLUS loans made to parents

### Monthly Payment and Time Frame:

- Your monthly payments will be 10 percent of discretionary income.
- Payments recalculated each year, based on your updated income and family size.
- If you're married, both your and your spouse's income or loan debt will be considered, whether taxes are filed jointly or separately (with limited exceptions).
- Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 25 years.

### Compare:

- *Any Direct Loan borrower with an eligible loan type may choose this plan.*
- *Your monthly payment can be more than the 10-year Standard Plan amount.*
- *You may have to pay income tax on any amount that is forgiven.*
- *This is a good option for those seeking Public Service Loan Forgiveness (PSLF).*