



Advice to Manage Student Loan Repayment and to Avoid Default

1. **Contact your loan servicers and know what you owe.** Your loan servicer is the company you are responsible for repaying your student loan to. Muhlenberg College is not your loan servicer—we are the “middle man” that receives the loan money to post to your account. Your loan servicer can be found at nslds.ed.gov. You will log on to this website, using your FSA ID, to see all of the federal loans you currently have, amounts, and loan servicer. Once you see who your loan servicer is (there may be multiple) you can Google that company to set up an account with them. Your account will enable you to set up your repayment plan.
2. **The repayment plan you choose, should be one that fits your budget.** There are many repayment plans out there: Standard Repayment Plan, Graduated Repayment Plan, Income Based Repayment Plan, ect. Find the one that best fits your budget and lifestyle. You can contact your loan servicer for more information on each plan and they will help you find the right plan for you.
3. **Loan forgiveness may be an option for you!** There are many federal and state loan forgiveness programs. These are mostly for people working in public service, nursing, teaching, and other high-need fields. Your debt can be greatly reduced or even eliminated by these programs.
4. **Don't be afraid to pay off your loans early!** Have a few extra dollars left at the end of the month? Put them towards your loans! There is no penalty for paying off your loans early, and you will greatly appreciate the benefit of doing so.
5. **Do not ignore your loans.** Loan debt will not magically disappear and defaulting is a serious thing! Defaulting on a loan can greatly impact your credit score, increase loan costs (due to late fees, interest, collection fees). Stay informed! This will greatly lower your risk of defaulting. It is never too early to start repaying your loans or learning about the loans you have.