

Loan Repayment Plan Comparison

If the Standard Repayment Plan (estimates shown on other side) does not work for you or you are having difficulty making payments, there are many other options available for you to choose from. Contact your loan servicer right away if you are struggling with loan repayment and see if switching to one of the other plans is a good option for you.

	Standard Repayment	Graduated Repayment	Extended Repayment	Income-Based Repayment (IBR)	Income-Contingent Repayment (ICR)	Pay As You Earn Repayment (PAYE)	Revised Pay As You Earn Repayment (REPAYE)	Income-Sensitive Repayment (ISR)
Loan program	Direct Loans & FFELP	Direct Loans & FFELP	Most Direct Loans & FFELP	Most Direct Loans & FFELP	Most Direct Loans	Most Direct Loans	Most Direct Loans	FFELP only
Eligibility	The default plan if another plan is not selected before entering repayment	Upon request	Must have more than \$30,000 in total FFELP or total Direct Loans	Must qualify for reduced payments; based on total federal loan debt, income, and family size	Based on total federal loan debt, income, and family size	Must qualify for reduced payments; based on total federal loan debt, income, and family size	Based on total federal loan debt, income, and family size	Based on gross monthly income
Payments	Monthly payments are at least \$50	Payments start low and increase every two years	Fixed annual or graduated repayment	Capped at 15% of discretionary income based on income and family size (10% for new borrowers*)	Lesser of 20% monthly discretionary income or monthly payment on 12-year plan adjusted for income	Capped at 10% of discretionary income based on income and family size	Capped at 10% of discretionary income based on income and family size	Varies from lender to lender; lowers payments for 12 months at a time
Loan Term	10 years (up to 30 if consolidated)	10 years (up to 30 if consolidated)	Up to 25 years	25-year term (20-year if new borrower*); any remaining balance is forgiven	25-year term; any remaining balance is forgiven	Any remaining balance after 20 years of qualifying payments is forgiven	Any remaining balance after 20 years of qualifying payments is forgiven	5 years, then defaults to Standard or Graduated; paid within 15 years
Advantages	Shortest repayment time with least interest paid	Works best if income is expected to increase steadily. Largest payment will be no more than three times smallest payment	Longer loan term which makes monthly payments lower	Reduced monthly payment amount and potential loan forgiveness	Works best for borrowers with low-paying jobs; potential loan forgiveness	Reduced monthly payment amount and potential loan forgiveness	Reduced monthly payment amount and potential loan forgiveness	Payments are calculated as affordable, based on gross monthly income
Plan Longevity	Entire term unless you switch plans	Entire term unless you switch plans	Entire term unless you switch plans	Must recertify and recalculate payment amount annually	Must recertify and recalculate payment amount annually	Must recertify and recalculate payment amount annually	Must recertify and recalculate payment amount annually	Must recertify and recalculate payment amount annually
Good to Know	Default plan unless you choose another	Amount due each month must cover interest	You will generally pay more interest due to longer repayment term	Payments may be as low as \$0, depending on eligibility	Capitalization will not exceed 10% of the original amount you owed when entering repayment	Payments may be as low as \$0, depending on eligibility; must have high debt relative to income	Payments may be as low as \$0, depending on eligibility	If you need lower payments for more than five years, Extended or Graduated may be better option

**You are a new borrower for the IBR plan if you had no outstanding balance on a Direct Loan of FFEL Program loan as of July 1, 2014 or have no outstanding balance on a Direct Loan or FFEL Program loan when you obtain a new loan on or after July 2, 2014.*