

# LIFE CYCLE

## OF A STUDENT LOAN

There are three general phases in the life of a federal Stafford Loan. It's important to be aware of your loan types and when the first payments are due.

IN SCHOOL (2-4 years) • IN GRACE (6 months) • IN REPAYMENT (1-30 years)



### IN SCHOOL

While you're enrolled in school at least half time, payments are not due. You have the option to pay down your student loans, including paying down the interest on any unsubsidized loan. **Important:** Paying interest will save you money in repayment. Whatever you decide, understanding the student loan life cycle will make you better prepared when it's time to repay your student loans.



### IN GRACE

The grace period is six months between graduation or a drop below half-time enrollment, and when your first payment is due. **Important:** If you attend school at least half time within this six-month period, your loans return to In-School status. If you go back to school at least half time after your initial grace period you will not be eligible for a second grace period. Once you leave college or drop below half time, you will enter repayment status immediately.



### IN REPAYMENT

During the final stage you'll pay back your student loans. **Important:** You have many options to repay your student loans or even postpone repayment if necessary. You can even choose how you want to receive statements and which repayment plan works best for your budget. You can manage your loans online, quickly, easily and securely. Make sure your student loan servicer knows how to contact you, Visit your servicer website and create an online account, **today!**

**Paying your Federal Stafford Loans on time is one of the best ways to build your credit.**



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