**INFORMATION ABOUT STUDENT LOANS**

Listed below are the three most common ways MVS participants have dealt with their federal student loan payments during their MVS terms. You are, however, free to pursue any option available to you. Please speak with your lender about specific options so that you will know the details of what to expect.

If you have private loans, you will need to speak with your lender as they determine what repayment options are available.

**Standard Repayment Plan**

This plan is generally the default option for paying back loans, if no other option is selected. The principle plus interest will be divided up into equal payments so that the loan will be paid off in 10 years.

Most MVS participants do not have the resources to make the full monthly payments while doing service. The next two options are ways to decrease or postpone these payments.

**Income-Based Repayment Plans**

There are a few different but similar Income-Based Plans available. Specific options and details will have to come from your lender. Here is the general information about these options.

An income-driven repayment plan is a repayment plan that sets your monthly student loan payment at an amount that is intended to be affordable and is based on your income and family size. Payments will generally range from 10%-15% of your income, but will never be more than the 10-year Standard Repayment Plan amount. For an MVS participant, the monthly payment should be $0. Repayment periods range from 20-25 years. Under all the options, any remaining balance is forgiven if your loans are not repaid in full at the end of this repayment period. A quicker path to loan forgiveness is the Public Service Loan Forgiveness Program, which could have huge benefits if you plan on working in not-for-profit organizations in the future.

To apply for an Income-Based Repayment Plan, contact your loan servicer to determine which plan is best for you. You will then submit the application online at StudentLoans.gov. Your local leadership can provide the necessary proof of income documentation, if needed.

**Deferment / Forbearance**

There are many types of deferments and forbearances. In general, they are all ways to postpone or suspend your loan payments. If interested in one of these, the Economic Hardship Deferment is the most common option. Deferment is generally granted in 12 month increments for up to 36 months during the life of the loan. Interest will continue to accrue during this time. The only exception are subsidized loans put into deferment, in which the government will pay the interest.

To apply, contact your lender for the application. Your local leadership can provide the necessary proof of income documentation, if needed.

**Scholarships**

MVS has some scholarship money available to assist MVS participants with student loan debt. You will receive more information on how to apply during your MVS term. The scholarships are given out at the end of the MVS year.