3 WAYS TO GET OUT OF DEFAULTED STUDENT LOANS

1. LOAN REHABILITATION
Make 9 consecutive payments during a 10 month period
Regain eligibility for federal aid & restore student loan benefits after 6 months*
Affordable monthly payments – as low as $5 per month based on income
Removal of the record of default from your credit history after 9 consecutive payments*

2. PAYMENT IN FULL
Regain eligibility for federal aid & restore original student loan benefits

3. LOAN CONSOLIDATION
Pay off your defaulted loans by consolidating them into a Direct Consolidation Loan.
Regain eligibility for federal aid & restore student loan benefits
Option 1- Repay the new loan on an Income-Driven Repayment Plan
Option 2 - Make 3 consecutive full on time payments on defaulted loan before consolidation

Getting help with your defaulted loan – Speak with the agency holder of your defaulted loan. The assigned agency will determine the options that are available and procedures to complete the process. Log in to nslds.ed.gov with your FSA ID username and password (fsaid.ed.gov) to review a history of your federal aid contact information. For Federal Direct Loans in default & owned by USDOE, contact Default Resolution Group at 1-800-621-3115.

Tips to complete the process
✓ Access with a computer/mobile device to receive, review, print, and complete forms. Mail or fax may be an option.
✓ Have copies available of your most recent pay stubs, benefits summary, taxable income or most recent filed taxes.
✓ Visit studentloans.gov or studentaid.ed.gov to learn more about defaulted student loans.
✓ *UPON COMPLETION, request a Default Clearance/Title IV clearance letter from the Default Resolution Group to be faxed to the UHMC Financial Aid office (808)984-3562.
✓ Contact our Financial Aid Student loan coordinator for loan advising at mauiloan@hawaii.edu or call 984-3277.