

# How to Pay Off Your Student Loans Fast

When you're paying off student loans, it can often feel like an eternity has passed and you've made no progress. This can be discouraging when you see money going out the door, but your loan balances barely go down.

To that end, here are some tips for how to pay off your student loans fast.

## **Pay More Than the Minimum**

When you have a loan, there's typically a minimum payment you're required to make each month. Individuals who just make the minimum monthly payment might feel like repaying their student loans isn't such a chore.

The problem with only paying the minimum, however, is you're going to end up giving away more toward interest payments over the long term, while also extending the life of your loan to the max. While some might be okay with this, others want to get out of debt sooner rather than later. Bumping up your payment plan so you're doing more than the minimum can help you pay down student loans faster.

## **Make Payments Even When Loans Are in a Deferment Period**

Some loans from the Federal government, allow students to defer payments until after they graduate. It's important to note, however, many of these loans will still be [accumulating interest](#), which gets tacked on when you finish school. Some private lenders also offer deferment, but it varies by organization.

Making payments on your loans when they're in the deferment period is smart regardless of whether or not you're

accumulating interest. The sooner you can start chipping away at your student loans, the faster you'll be able to pay them off after graduation.

## **Refinance Your Loans**

A [student loan refinance](#) can also help accomplish this goal. [What is refinancing?](#) Simply put, it's basically taking out a new loan with better terms, which is then used to pay off the old one. There are a few different ways to refinance a loan. Generally, borrowers will want to seek out a lower interest rate. But it's also possible to shorten the term on a loan, which can lower your interest rates even more, while also setting you up to pay off the loan sooner.

## **Look to Employers or Others for Assistance**

Exhaust every option available when trying to pay off your student loans faster. Many employers offer assistance for individuals paying for their education, or even help paying off loans. Working for a company that offers this as a perk can be one way to pay down your student debt, or pay for school, with far less financial stress.

Looking to relatives for help with loans is another option. A variety of [parent loans](#) exist for students who wouldn't otherwise be able to finance their tuition. Getting a cosigner can also lower your interest rate, which will reduce the total amount you owe over time. Having to pay back less can make it easier to pay back your loans faster.

## **Make Payments with Your Paychecks**

Opting to make loan payments biweekly, if your pay schedule works this way, can help you get out of student debt faster. Anyone who sticks to this plan will be making an additional full month's worth of payments over the course of the year—as you'd have 26 biweekly installments, which adds up to 13 months.

## Utilize Automatic Payments

There are a couple of ways automatic payments can help individuals pay off their student loans faster. The first benefit to automatic payments is obvious: You won't be missing your loan payments and accumulating accidental late fees. But there are further benefits to automatic payments as well.

The federal government, as well as many private lenders, will actually give borrowers a 0.25 percent interest rate discount when utilizing autopay. Over time, this can make a substantial difference on the [amount you'll pay back](#)—a bit over 1.5 percent of the initial principal balance over a 10-year period. When you owe less, it's easier to get out of debt in less time.

No one wants to be stuck with student loans. If you have them, finding an agile repayment plan can help put you in a better financial position.