

9 ways to pay off student loans before your 30s

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You don't have to drag a student loan around with you for decades. Here's how to pay it off quicker. (Photo from GOBankingRates.com)

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Today's student loan debt situation is often described as a "crisis," but you don't have to be an English major to argue that's too weak of a word. The financial burden today's college students shoulder might as well be the scholastic equivalent of carrying textbooks to class in a tractor trailer. Student loan debt for this year's graduates will pass \$35,000, according to an analysis of federal government data by Mark Kantrowitz, the publisher of Edvisors.com.

Being burdened with too much student loan debt for too long can prevent you from buying a home, embarking on your dream career or even starting a family. To help you get rid of student loan debt before you reach 30, read these nine tips:

1. Get a second job before you settle down.

Whether your second job entails pouring coffee, serving food, washing dishes, babysitting or answering phones - the extra boost to your income will pay off down the line. "Increasing your income is the fastest way to earn extra money you can use to accelerate paying off student loans," said David Weliver, founding editor of Money Under 30, a finance blog.

Even if you're working for promotions and raises at work, "getting a second job is the most straightforward way to put extra money in your pocket now - If you're able to live on the income from one job now, you can put everything you earn at a second job straight toward your debt."

2. Live at home with your parents.

Granted, this is definitely not for everyone. But, rent often makes up your biggest monthly expense, especially in a big city. Rental prices for a one-bedroom apartment in millennial-friendly Chicago neighborhoods, for example, easily top \$1,200 a month, according to Curbed Chicago. Save that much on rent by living with the 'rents, and you'll have a huge sum to dump into loan payments and - if you choose - to invest as well.

3. Reconsider your big-ticket purchases.

Half the fun of playing post-college adult is spending like one: vacations, big screen TVs, a new car, etc. But if that's taking up half your budget or more, consider cutting back to funnel more dough into your loan balance. As one financial expert put it, material possessions can't buy happiness - they might even detract from it - but getting out of the debt jam can.

"I've found people with less live less stressful and happier lives," said Michael Chadwick, CEO of Chadwick Financial Advisors, which offers financial advice. "They're not trying to substitute physical possessions for personal happiness."

4. Refinance your student loans.

Here's where a single job and good credit can help you out in a big way. If you have both, "there are some very competitive options for refinancing both federal and private student loans," Weliver said. "I've seen variable interest rates as low as 2 percent when you enroll in automatic payments."

Refinancing at a lower interest rate can also reduce your minimum monthly payment. "So if you can continue to make your old, higher payment after refinancing, you'll reduce the amount of time until your loan is paid in full," he said.

5. Look at alumni-backed student loans.

Another wrinkle on student loan consolidation is brand new but definitely innovative. SoFi, an online platform based in San Francisco, cuts loan interest rates and consolidates with backing from your school's alumni. "We were horrified by the high rates people were paying for student loans and that there's very little choice for students out there," said SoFi co-founder Dan Macklin. "It's an underserved market, and we wanted to bring a new solution."

6. Write out a detailed budget with a loan payoff plan.

Accounting for money coming in and going out will give you some peace of mind in eradicating your loan balance - especially when you can work backward from a target payoff date and see what it takes to get there.

However, "we are not talking about scribbling a few figures on a napkin," said Kendrick Wakeman, CEO of FinMason, which provides financial and investment portfolio assistance. "You need to get a detailed budgeting tool to help you develop a budget and, just as importantly, help you stick to it." You can find these online at sites such as Mint.com and LearnVest.

7. Join the Peace Corps.

I'm not talking about skipping off to Micronesia to duck your loan payments. But a number of loan programs through the Peace Corps can cut your balances significantly, even as you see the world and get your living expenses covered. With a Perkins Loan,

for example, four years of service might make you eligible for up to 70 percent of cancellation.

8. Look into Public Service Loan Forgiveness programs.

The federal government's Public Service Loan Forgiveness (PSLF) program pays off the remaining balance on your federal student loans. To be eligible, you must work for a government organization at any level - federal, state or local - or a tax-exempt non-profit, also known as a 501(c)(3). But if you want to take advantage of this, keep in mind that you first need to make 120 qualifying monthly payments.

9. Ask your employer for help.

Before you assume your boss will spit up his coffee and laugh, keep in mind this might work out well for your employer as well. After all, it's one way for them to keep top talent. You can suggest this during salary negotiations to make it become part of your compensation package. Also, check to see if your employer offers some sort of student loan payoff program.

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