

Navigating your student loans: Budget tips and repayment strategies

Video transcript

If you have student loan bills, making sure you pay your bills on time is crucial.

It may be difficult to add this bill to your budget, but ignoring payments can have some damaging long term effects.

Making sure you pay your bills on time boils down to two factors, budgeting and repayment strategies. Let's start with budgeting.

To make room in your monthly budget for a student loan bill, consider cutting down on non essential spending, like streaming services and eating out, finding more affordable housing options, like downsizing or getting a roommate, and increasing your income, for instance, with a second job or by negotiating a raise.

Besides your budget, the strategy for paying off your loans is also important. For example, make extra payments if you're able, refinance to consolidate loans at a lower rate, or consider one of the government's income driven repayment plans, which base your monthly payment amount on your income and family size.

No matter which course you take, finding a repayment and budget strategy that works for you can keep you in good financial standing.