

Know What You Owe

You're in college and working toward a degree that will make you more employable. That's fantastic! If you're taking out student loans to finance your education, please use caution so you don't burden your future earnings potential.

If you borrow Stafford Loans each school year, here's what you could expect to pay based on the standard 10-year repayment period and 6.8% interest:

- If you attend a two-year college and have a total of \$12,000 in loans, your monthly payment would be \$138.10.
- If you attend a four-year college, have a dependent student status and \$27,000 in loans, you could end up owing \$310.72 per month.
- If you attend a four-year college, have an independent student status and \$45,000 in loans, the amount would be \$517.86 per month!

That's a lot of money to pay back! With this kind of debt, you better have a good-paying job when you graduate.

How much money do you need to borrow to pay for school and how do you plan on paying that money back? Just because the financial aid office awards you a \$5,500 loan at the beginning of the year doesn't mean you need to take the full amount. Check your budget and determine how much money you really NEED to pay for school expenses, and only borrow that amount.

Always know how much money you owe, whether it's for your federal loans or private loans you have borrowed. For federal loans, the best place to find out how much you owe is NSLDS.gov. NSLDS will list every federal loan you have in your name, regardless of what school you attend. If you have any problems accessing your information via NSLDS, please let the financial aid office at your school know. They can help you locate the details.

To obtain your private loan balance, check your statements. If your lender doesn't mail those to you, contact the lender.

Student loan debt has increased 23% since 1997, mainly due to rising education costs and decreasing family incomes in the recent economic downturns. But even more interesting is the fact that 43% of students taking student loans have no idea how much money they have borrowed. Don't be one of the 43% of students who don't have a clue how much debt they have.

To be successful after graduation, you need to have a clear understanding of what you owe and how much your monthly student loan payment will be. How will you know if the job you land will allow you to pay living expenses and student loan debt if you wait until the lender sends you your first payment statement?

Be aware of how much you are borrowing, and only borrow what you absolutely need!



The screenshot shows the NSLDS Student Access website. At the top, there is a navigation bar with links for "Español (Spanish)" and "Skip Navigation". Below this is the "National Student Loan Data System (NSLDS) for Students" header. A secondary navigation bar includes "Financial Aid Review", "Exit Counseling", "Glossary of Terms", "Browser Info/Setup", "FAQs", and "Contact Us". The main content area features a large image of a student at a computer. To the right of the image, the text reads "NSLDS STUDENT ACCESS National Student Loan Data System" and "Retrieve Your Loan Information". Below this, a description states: "The National Student Loan Data System (NSLDS) is the U.S. Department of Education's (ED's) central database for student aid. NSLDS receives data from schools, guaranty agencies, the Direct Loan program, and other Department of ED programs. NSLDS Student Access provides a centralized, integrated view of Title IV loans and grants so that recipients of Title IV Aid can access and inquire about their Title IV loans and/or grant data." Two buttons are visible: "Financial Aid Review" and "Exit Counseling". At the bottom of the page, there are links for "FOIA", "Privacy", "Security", "Notices", "WhiteHouse.gov", "USA.gov", and "ED.gov".

Click [here](#) for NSLDS information.

