

# Student Loans Pros and Cons

Pros	Loan Product	Cons
<ul style="list-style-type: none"> <li> <b>No Credit Checks</b>                      since the funds are guaranteed by the federal government, your credit report is not used in qualifying you for the loan. Other qualifying factors do apply: <a href="#">more information at SayStudent.com</a> </li> <li> <b>Low Interest Rate</b>                      federal student loans are variable rate loans that change once per year; current rates are lower than most other financing options: <a href="#">rate information at SayStudent.com</a> </li> <li> <b>Flexible Repayment Plans</b>                      student loan payments do not have to be repaid until 180 days after you leave or graduate from school. The federal government offers flexible repayment plans that can fit your budget. You can even consolidate your federal loans into one, low repayment plan                 </li> </ul>	<p style="text-align: center;"><b>Stafford Student Loans</b></p> <p style="text-align: center;">more information: <a href="http://www.SayStudent.com">www.SayStudent.com</a></p>	<ul style="list-style-type: none"> <li> <b>Low Amount Limits</b>                      the biggest disadvantage of stafford student loans is the limited loan amounts — only \$3,500 for first-year undergrads. Very small amounts considering the cost of education: <a href="#">see loan limits at SayStudent.com</a> </li> <li> <b>Requires Federal Filings</b>                      you must file the FAFSA form with the federal government in order to apply for stafford loans. The FAFSA filing is used by colleges to determine your financial aid award: <a href="#">see FAFSA filing at SayStudent.com</a> </li> <li> <b>Multiple Borrowings</b>                      you have to file and apply for a loan for each academic year                 </li> <li> <b>Limited Use of Funds</b>                      your stafford loan is processed by your college to pay tuition, books, and housing. You cannot use your loan to pay other education-related expenses.                 </li> </ul>
Pros	Cons	
<ul style="list-style-type: none"> <li> <b>Pays the Entire Cost</b>                      parents and graduate-professional students can borrow up to the total cost of education minus any financial aid received by the student: <a href="#">information at SayStudent.com</a> </li> <li> <b>Low Interest</b>                      federal PLUS loans are variable rate loans that change once per year; current PLUS loan rates are lower than most other financing options: <a href="#">more rate information at SayStudent.com</a> </li> <li> <b>Flexible Repayment Plans</b>                      loan payments begin 60 days after disbursements have been made to the school. The federal government offers flexible repayment plans that can fit your budget.                 </li> </ul>	<p style="text-align: center;"><b>PLUS Loans</b></p> <p style="text-align: center;">for parents of undergrads for graduate students for professional students</p> <p style="text-align: center;">more information: <a href="http://www.SayStudent.com">www.SayStudent.com</a></p>	<ul style="list-style-type: none"> <li> <b>Loan is a Parent/Grad Loan</b>                      the loan is underwritten for the parent or graduate student; the applicant is responsible for repaying the loan                 </li> <li> <b>Requires Federal Filings</b>                      you must file the FAFSA form with the federal government in order to apply for PLUS loans: <a href="#">see FAFSA filing at SayStudent.com</a> </li> <li> <b>Credit Check Required</b>                      in order to qualify for the loan, you must pass a credit check as set by the federal government                 </li> <li> <b>Multiple Borrowings</b>                      you have to file and apply for a loan for each academic year.                 </li> </ul>

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<ul style="list-style-type: none"> <li>• <b>Fills the Gap</b> since the cost of college can be higher than most financial aid awards, private student loans are used to fill the gap between cost of education and financial aid received: <a href="#">more information at SayStudent.com</a></li> <li>• <b>Quick Processing</b> unlike federal loans that are processed through the college, the processing and distribution of funds is through the student thus speeding up the process time: <a href="#">more information at SayStudent.com</a></li> <li>• <b>Availability of Funds</b> private student loans can be used for more education-related expenses such as personal computers and other related supplies</li> <li>• <b>No Federal Filing</b> you do not need to file federal forms with the federal government in order to apply for private student loans. Private student loans are perfect for students who need additional funds to close a gap or pay for additional study</li> </ul>	<p><b>Private Student Loans</b></p> <p><a href="http://www.SayStudent.com">more information: www.SayStudent.com</a></p>	<ul style="list-style-type: none"> <li>• <b>Credit Check Required</b> you must have a credit history and verifiable income in order to qualify for this loan; since many students do not meet these qualifying parameters, a co-applicant may be required on the application</li> <li>• <b>Higher Interest Rates</b> private student loans have a higher interest rate than federal student loans: <a href="#">see rate information at SayStudent.com</a></li> <li>• <b>Multiple Borrowings</b> you have to file and apply for a loan for each academic year</li> </ul>

## Resource Information

- [www.SayStudent.com](http://www.SayStudent.com) for college financing (scholarships, grants, loans, college aid)  
supports: [www.SayFinancialAid.com](http://www.SayFinancialAid.com) - [www.SayStart.com](http://www.SayStart.com) - [www.SayCollegeMoney.com](http://www.SayCollegeMoney.com)
- [www.OfftoCollege.com](http://www.OfftoCollege.com) for college prep and planning
- [www.SayEducate.com](http://www.SayEducate.com) for school and university search

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<ul style="list-style-type: none"> <li>• <b>Total Independence</b> you do not need to file federal forms or work through the college processing system; you simply use your home equity loan to pay all related college expenses (up to your assigned credit limit): <a href="#">more information at <u>www.SayStudent.com/yourbank</u></a></li> <li>• <b>Low Interest Rate</b> depending on your LTV position, your interest rate can be as low as the PRIME rate or lower: <a href="#">more rate information at <u>YourEquity.com</u></a></li> <li>• <b>Flexible Repayment Plans</b> you can use your equity line to draw upon funds as needed while the student is attending school. By depositing your income into the equity line account, you can repay the borrowed funds at minimal cost.</li> <li>• <b>One-Time Application</b> you only apply once for your home equity line; you can draw upon available funds anytime you need money regardless of the student's time in school</li> <li>• <b>Use Funds for Anything</b> you can use your home equity for any expense; you are not restricted on use of funds</li> </ul>	<p><b>Home Equity Credit Lines</b></p> <p><b>more information:</b> <a href="#">SayStudent.com/yourbank</a></p>	<ul style="list-style-type: none"> <li>• <b>Credit Check Required</b> you must have a credit history and verifiable income in order to qualify for this loan. You must also have enough equity value in your home to secure your loan: <a href="#">calculate your LTV position at <u>YourEquity.com</u></a></li> <li>• <b>Home is Your Security</b> your home equity is secured by the equity value of your home; you could potentially lose your home if you defaulted on your loan payments</li> <li>• <b>Rates May Be Higher</b> depending on your LTV position and amount borrowed, your interest rate may be slightly higher than PLUS loan rates: <a href="#">more rate information at <u>YourEquity.com</u></a></li> <li>• <b>Funds May Be Limited</b> the amount you can borrow depends on your LTV value of your home; if your equity value is low, you may not have enough borrowing funds to pay for college expenses: <a href="#">calculate your LTV position at <u>YourEquity.com</u></a></li> </ul>

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## Cost of Attendance and Financial Need Calculation

<b>Cost of Attendance</b>		
Tuition and Fees		+
Class and Lab Fees		+
Books and School Supplies		+
Room and Board		+
Transportation		+
Personal Expense		+
Special Events		+
Other Expenses		+
<b>Total Cost of School Attendance</b>	<b>\$</b>	=

<b>Financial Aid Resources</b>		
<b>Federal Stafford Student Loans</b> enter amounts for Stafford Student loans that you have		+
<b>Federal PLUS Parent Loans</b> enter amounts your parents will borrow with PLUS loans		+
<b>Scholarships and Grants</b> enter amounts of grants and scholarships awarded		+
<b>Other Gift-Aid</b> enter any government, state and private gift aid		+
<b>Pre-Paid Tuition Plans</b> enter funds from pre-paid tuition and 529 plans		+
<b>Personal Savings</b> enter personal savings and other contributions to you		+
<b>Total Financial Aid</b>	<b>\$</b>	=

**Net Financial Need** cost minus aid  
 cost of attendance minus financial aid \$

**Additional Funds Needed**  
 use private student loans to fill in the gap  
<http://www.saystudent.com/fast-money/> \$

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