UNDERSTANDING YOUR STUDENT LOANS

Dear «First\_Name» «Last\_Name»:

Below is a summary of your estimated student loan liability (including the upcoming academic year) as of «Current\_Date». For many students, this information is helpful in developing a financial plan and deciding how much to borrow in student loans.

**Remember: You will be responsible for paying back your student loans and related college debt. Understanding the short- and long-term implications of your borrowing decisions is critical.**

University logo here

For additional information on financial aid, budgeting for college and developing a financial plan, contact your campus financial aid administrator at «Campus\_Admin\_Email» or «Campus\_Admin\_Phone\_Number». Attached to this letter is a helpful guide to being a responsible borrower.

SUMMARY

Principal «Principal\_Amount»

Interest («Interest\_Rate»% per year over 10 years) «Interest\_Amount»

Total Payoff Amount «Total\_Payoff\_Amount»

MONTHLY PAYMENTS

Monthly Payment for 10 years «Monthly\_Payment\_Amount»

BORROWING LIMIT

You have reached «Borrowing\_Limit\_Percentage»% of your borrowing limit for federal student loans.

If you reach 100% of your borrowing limit, your monthly payment might be as high as **«Max\_Borrowing\_Limit\_Payment».**

*«Federal\_Loan\_Borrowing\_Comments»*

ADVICE

* Time is Money: Stay on-track to graduate on time by earning 15 or more credits each semester.
* You can reduce your borrowing by applying personal savings toward tuition.
* Textbooks are expensive. Does your course offer a less expensive e-reader edition?
* Paying accrued interest on your loans while you are in school will lower your payments after graduation.
* *«Additional\_Institutional\_Advice»*

*(Add data definitions, estimation assumptions, and disclaimers here.)*