

Don't Borrow Blindly

It's important for students to understand all the terms of their loans and their repayment responsibilities before they borrow. Student loans are nearly impossible to discharge in bankruptcy, so the student loan choices made today could impact borrowers for the rest of their lives.

The National Association of Student Financial Aid Administrators (NASFAA) has created several tables to illustrate costs borrowers will face when they repay their loans. These tables show:

- The number of monthly payments under various repayment plans
- The amount of those monthly payments
- The total cost of the loan (principal plus interest)
- The total interest borrowers will pay under various repayment plans

Estimating the costs of borrowing federal student loans can be challenging, but these tables can help students make informed decisions before taking out a loan. The tables outline repayment information for different loan amounts and different types of federal student loans, including:

- Undergraduate Federal Direct Loans with Standard Repayment Plan
- Graduate PLUS
- Graduate Federal Direct Loans with Standard Repayment Plans and Example of Extended Repayment Plans

Note: These tables assumed fixed interest rates for loans borrowed in 2011-12.

Graduate PLUS for 2011-12

Loan Amount	# of Payments	Payment	Total Interest/ Repayment @ 7.9% Interest
\$10,000	120	\$120.80	\$4,496 / 14,496
\$20,000	120	\$241.60	\$8,992 / 28,992
\$30,000	120	\$362.40	\$13,488 / 43,488
\$40,000	120	\$483.00	\$17,984 / 57,984
\$50,000	120	\$604.00	\$22,480 / 72,480
\$60,000	120	\$590.51	\$10,861 / 70,861
\$70,000	120	\$724.80	\$26,976 / 86,976
\$80,000	120	\$966.40	\$35,968 / 115,968
\$90,000	120	\$1,087.20	\$40,464 / 130,464
\$100,000	120	\$1,208.00	\$44,960 / 144,960
\$110,000	120	\$1,328.80	\$49,456 / 159,456
\$120,000	120	\$1,449.60	\$53,952 / 173,952
\$130,000	120	\$1,570.40	\$58,448 / 188,448
\$140,000	120	\$1,691.20	\$62,944 / 202,944
\$150,000	120	\$1,812.00	\$67,440 / 217,440
\$160,000	120	\$1,932.80	\$71,936 / 231,936
\$180,000	120	\$2,174.40	\$80,928 / 260,928
\$200,000	120	\$2,416.00	\$89,920 / 289,920
\$210,000	120	\$2,536.80	\$94,416 / 304,416
\$220,000	120	\$2,657.60	\$98,912 / 318,912
\$230,000	120	\$2,778.40	\$103,408 / 333,408
\$240,000	120	\$2,899.20	\$107,904 / 347,904
\$250,000	120	\$3,020.00	\$112,400 / 362,400