**Loans**

**Navigating Loan Options**

Some of our students are wary of taking out any student loans, while others struggle to understand the long-term consequences of over-borrowing. Our job as advisors is to help students weigh their options while highlighting the importance of borrowing the smallest amount possible that still allows their family to pay off each semester's bill. Most of our students will take out the standard Stafford loans, which will keep them on target to meet our goal of borrowing $31,000 or less over the course of their degree program. Sometimes, extenuating circumstances mean a student needs to borrow more for a semester or longer, and we can support them in choosing the best loan option for their unique situation.

If your student is struggling to resolve a bill and additional loans are their only option, they should know that some loans are more desirable than others. For example, federal loans have lower, more predictable interest rates and more flexible repayment options. However, if additional federal loans aren't an option for your student, how do you help them decide on the next best one to apply for? This chart can help you and your student weigh those options and make an informed decision.

[**Loan Comparison Chart**](https://tbl500amory.sharepoint.com/:b:/s/SuccessProgramCurriculum/EW3b8W8qS2JClEuZ-wQAQn4BpJWQYUrg5BR7fyDkl6QZMw?e=QW9cQR)

**Applying for Loans**

All students need to do to apply for Federal Stafford loans is fill out the FAFSA. Most other loans, however, require a separate application, a credit check, and sometimes a co-signer.

[**Federal Student Loan Website**](https://studentaid.gov/understand-aid/types/loans)

[**Parent PLUS Loan Tips & Instructions**](https://tbl500amory.sharepoint.com/sites/BottomLine/Shared%20Documents/Forms/AllItems.aspx?FolderCTID=0x0120006F9CEB678B6BB340B26DA0282E4059A9&id=/sites/BottomLine/Shared%20Documents/Common%20Drive/Programs/2.%20Success/5.%20Affordability%20-%20PLEASE%20ACCESS%20FROM%20SHAREPOINT/Parent%20PLUS%20Loan%20Instructions.pdf&parent=/sites/BottomLine/Shared%20Documents/Common%20Drive/Programs/2.%20Success/5.%20Affordability%20-%20PLEASE%20ACCESS%20FROM%20SHAREPOINT)

[**Massachusetts No Interest Loan**](https://www.mass.edu/osfa/documents/NIL/NIL_Fact_Sheet.pdf)

[**MEFA**](https://www.mefa.org/loans/undergraduate-student-loans)

[**Sallie Mae**](https://www.salliemae.com/student-loans/smart-option-student-loan/?lnkid=SM-HP-loanoptions-undergrad)

**Entrance Counseling**

Seeing federal student loans show up on an award letter means that the student qualifies for federal loans, but the student still needs to complete Entrance Counseling and sign a Master Promissory Note certifying that they understand the terms of the loan(s) before the funds will be sent to their college. We generally guide students through this process the summer before they enroll in college.

[**Federal Entrance Counseling Instructions**](https://tbl500amory.sharepoint.com/sites/BottomLine/Shared%20Documents/Forms/AllItems.aspx?FolderCTID=0x0120006F9CEB678B6BB340B26DA0282E4059A9&id=/sites/BottomLine/Shared%20Documents/Common%20Drive/Programs/2.%20Success/5.%20Affordability%20-%20PLEASE%20ACCESS%20FROM%20SHAREPOINT/Completing%20Loan%20Paperwork.pdf&parent=/sites/BottomLine/Shared%20Documents/Common%20Drive/Programs/2.%20Success/5.%20Affordability%20-%20PLEASE%20ACCESS%20FROM%20SHAREPOINT)

[**Federal Student Loan Website**](https://studentaid.gov/understand-aid/types/loans)

**Exit Counseling**

As student loan borrowers prepare to graduate (or leave school for at least 6 months), they must also complete Exit Counseling. This process walks students through the various repayment options and emphasizes the importance of staying up-to-date on payments to avoid defaulting, which can have serious, long-term consequences.

[**Guide to Exit Loan Counseling**](https://tbl500amory.sharepoint.com/sites/SuccessProgramCurriculum/Shared%20Documents/Forms/AllItems.aspx?id=/sites/SuccessProgramCurriculum/Shared%20Documents/For%20Students/Success/3.%20Affordability/1.%20Guide%20to%20Federal%20Loan%20Exit%20Counseling%20and%20Repayment%20Options%20%28Updated%204.2021%29.pdf&parent=/sites/SuccessProgramCurriculum/Shared%20Documents/For%20Students/Success/3.%20Affordability)

[**Loan Simulator Video (Part 1)**](https://www.loom.com/share/6a49709980794c6587ff10c737107034)

[**Loan Simulator Video (Part 2)**](https://www.loom.com/share/dfe84421d2e44173bc4800e7d36a7989)

[**FSA ID Reset Instructions**](https://tbl500amory.sharepoint.com/:b:/s/SuccessProgramCurriculum/EVHayAtPY7NNmC2TCnFuIT0BXSmq9dlkVgge-_-0r0WkJg?e=CoUHyt)

[**Service Loan Forgiveness Options**](https://tbl500amory.sharepoint.com/:b:/s/SuccessProgramCurriculum/EXYw-CXD5G1ChBGPdfrbibQB0mPKuG3OWMVP4jrMvwqlmQ?e=rRop2n)

[**Service Loan Forgiveness Options (NY)**](https://tbl500amory.sharepoint.com/:b:/s/SuccessProgramCurriculum/EUKoNr_B8UBAmnUqCI54ajUBhkhwhhbhunoVltsHWgmGQA?e=sOSD6g)