**- DRAFT OF TEMPLATE FOR STUDENT BORROWERS -**

«Student Identifier»

«Run Date»

«Addr\_Ln1»

«Addr\_Ln2»

«City», «State», «Zip»

Dear «FirstName» «LastName»:

This is a personalized summary of how much you currently owe in student loans.

**Estimate of Your Total Education Loans, Including Interest:** «All Loans»

**Estimated Interest Rate\*:** «Interest Rate»

***What have I borrowed?***

|  |  |  |
| --- | --- | --- |
| **Federal Stafford/Direct Loans** | **Other Education Loans** | **Private Loans** |
| «$xx,xxx» or «Unknown» | «$xx,xxx» or «Unknown» | «$xx,xxx» or «Unknown» |

**Federal Stafford/Direct Loans**

Your Federal Stafford/Direct Loan amount includes both Subsidized and Unsubsidized Stafford Loans. There are limits to how much you may borrow each year and throughout the course of your degree program which are based on your dependency status and grade level.

At this point, you have borrowed «DL Limit Borrowed»% of your current limit.

**Other Education Loans**

The estimated total of other education loans only includes amounts for which «Institution Acronym» has information:

* Federal Perkins Loans: «Perkins Total»
* State/Institutional Loans: «State/Institutional Loans Total»
* Other Loans: «Other Loans Total»

(May include Grad PLUS and Federal Health Profession Loans)

**Private Loans**

This estimated total is based only on private loans that have been borrowed at «institution name».

***How will I pay off my student debt?***

Based on the standard 10-year repayment plan:

* Monthly Payment Amount: «Monthly Payment Amount»
* Total Monthly Payments: 120
* Paid Interest Over 10 Years\*: «Estimated Interest Paid»
* Cumulative Payments: «Estimated Cumulative Payment Amount»

\* Student loan interest rates vary based on when you borrowed and the loan type. Calculations in this letter are based on an estimated rate applied to your total indebtedness, so actual repayment amounts will vary.

***What You Should Know***

* This letter is NOT a complete and official record of your student loan debt.
* This letter is NOT a guarantee or promise.
* You may qualify for other repayment options.

If you need help understanding the information in this letter, pleasemake an appointment by calling «telephone number» or stop by the Financial Aid Office to discuss this letter, future borrowing and/or repayment options.

***Financial Planning Resources Available to Assist You***

«This section will vary by institution.» Following is suggested/sample text:

We encourage you to make use of these resources to find ways to balance your budget, minimize your borrowing and more clearly understand your loan repayment options.

* «Name(s) of and link(s) to school-recommended budgeting/financial literacy tools/programs»
* National Student Loan Data System (NSLDS) provides the most accurate information about your federal student loans at <http://www.nslds.ed.gov/nslds_SA/>. Log in using your personal information and the FSAID you used to sign your FAFSA®.
* The Financial Awareness Counseling Tool (FACT) is a free interactive tool to help you manage your finances and access your loan information, available at:
	+ <https://studentloans.gov/myDirectLoan/counselingInstructions.action?counselingType=fa>.
* Visit studentaid.gov for detailed information about student loans and repayment options.
* Visit studentloans.gov to estimate your monthly obligation for your cumulative debt under various repayment plans.

**Please Read This Important Information About These Loan Estimates**

Loan information in this letter may be incomplete or incorrect if you are a student who has:

* borrowed money to enroll at more than one college
* borrowed money at one college but transferred to another college
* consolidated your loans
* had your loans forgiven or discharged
* paid off some of your debt already
* requested a loan from an external source, such as a bank, that the college’s financial aid office doesn’t know about
* requested a new loan that the college is still processing
* had scholarships or grants converted to loans if terms and conditions were not met; these are not included in these estimates
* borrowed both subsidized and unsubsidized loans.+

+Subsidized loans don’t require you to pay interest while you’re in college. Unsubsidized loans are the opposite, and interest does accrue while you’re enrolled.