

Name:

Students will be able to:

- Discuss common mistakes made in repaying student loans
- Explain the difference between different types of repayment plans
- Identify sources of assistance if they need help with student loan repayment
- Analyze different scenarios and choose the best repayment option

NOTE: Vocabulary for this unit can be found in the [NGPF Personal Finance Dictionary](#)



INTRO

QUESTION OF THE DAY: What is the average amount of student debt for college graduates?

Answer the question on the first slide in the space below. Then, compare your answer to the answer on the second slide. Finally, follow your teacher's directions on how to answer the follow-up questions on the last slide.

1. What is the average amount of student debt for college graduates?



LEARN IT

INFOGRAPHIC: The Financial Aid Process

Your college graduation day has arrived! Do you have a plan to make sure your student loan repayment doesn't put a damper on your celebration? We've moved to the final portion of the financial aid process roadmap. Read the box labeled "Repayment" to get an idea of where you are in the process. Then, answer the question.

1. What questions do you have right away about life after graduation and student loan repayment?

INFOGRAPHIC: [Federal Student Loan Repayment Options](#)

VIDEO: [Student Loan Repayment Options](#)

You've already learned about multiple types of federal student loans. To go along with those, there are also multiple types of repayment plans. Take a look at the infographic and watch the video to learn more about the most common types of repayment options. Then, answer the questions.

- 1. Consolidating multiple student loans into one payment can help by lowering your monthly payment. But what is the downside?**
- 2. Your friend tells you after doing all their research they've chosen the graduated repayment plan. What assumption are they making about their future income?**
- 3. It might seem tempting to choose an income-driven repayment plan since the remaining balance is forgiven after 20-25 years. What are some drawbacks you can think of if you were to choose an income-driven plan when you could be making higher payments?**

VIDEO: [Everything You Need to Know About Student Loan Deferment & Forbearance](#)

You've got your repayment plan ready to go...but then, something happens. Maybe you lost your job or suffered another kind of hardship that will keep you from being able to make your normal student loan payments. Watch the video to learn more about student loan deferment and forbearance. Then, answer the questions.

- 1. What function do both deferment and forbearance each serve?**
- 2. What is the main difference between deferment and forbearance?**

ARTICLE: [Biggest Student Loan Repayment Mistakes](#)

It can help to learn from the mistakes of others before you're in a situation to make them yourself. Review the slides in this article to learn about some of the biggest mistakes student loan borrowers make. Then, answer the questions.

- 1. Choose one of the common mistakes mentioned in the article. Explain why it stood out to you and, if possible, describe how you would avoid it.**



DO IT

ACTIVITY: [COMPARE: Which Repayment Option Is Best?](#)

Is a standard repayment plan always the best way to go? As you've probably already figured out, it depends on several different factors. Let's analyze a few different scenarios to see what kind of repayment options work for different situations. Follow the directions on the worksheet to complete this activity.



EXIT TICKET

Follow your teacher's directions to complete the Exit Ticket.