

The average interest rate on a federal loan is **4.53%**

Repayment terms are 10 to 30 years to repay loans

When you look at the terms of the loan agreement, they mimic the terms of a mortgage. This is a document that Parents and Child need to go over. Looking at the income level will show you what your net income with no benefits or 401k contribution. It’s good to get an understanding of what you net income is every 2 weeks. You can look at you monthly take home income deduct the average loan payment and see what you are left with.

To get a gauge on what you will be left with deduct the average items below.

* Rent
* Cell phone
* Car
* gas
* Insurance
* Food
* Utilities

This exercise will show you what your average income level will yield you when you enter the working world. Just a side note, to maximize your income level when you graduate you need to build a strong professional network and have multiple internships.

**Payroll Information when you graduate college**

1. **40K** = X on a 26 week pay period **$1,111.10** every 2 weeks
2. **50K** = x on a 26 week pay period **$1,423.67** every 2 weeks
3. **60K** = x on a 26 week pay period **$1,736.24** every 2 weeks
4. **70K** = x on a 26 week pay period **$2,024.50** every 2 weeks
5. **80K** = x on a 26 week pay period **$2,269.40** every 2 weeks
6. **90K** = x on a 26 week pay period **$2,578.60** every 2 weeks
7. **100K** = x on a 26 week pay period **$2,855.65** every 2 weeks

**Remember this is with no benefit, or 401K deductions.**

When you graduate you have a 6-month grace period before your loans come to fruition. You need to see what the debt burden is when you graduate. This will assist you in building a plan! *(again, these numbers are based off of a national av average)*

**Average loan payment per month**

* **$40,000** in loans over 15 years = **$307.00 per month**
* **$50,000** in loans over 15 years = **$383.00 per month**
* **$60,000** in loans over 15 years = **$460.00 per month**
* **$70,000** in loans over 15 years = **$537.00 per month**
* **$80,000** in loans over 15 years = **$613.00 per month**
* **$90,000** in loans over 15 years = **$690.00 per month**
* **$100,000** in loans over 15 years = **$767.00 per month**
* **$110,000** in loans over 15 years = **$843.00 per month**
* **$120,000** in loans over 15 years = **$920.00 per month**
* **$130,000** in loans over 15 years = **$996.00 per month**
* **$140,000** in loans over 15 years = **$1,073.00 per month**
* **$150,000** in loans over 15 years = **$1,150.00 per month**
* **$160,000** in loans over 15 years = **$1,226.00 per month**
* **$170,000** in loans over 15 years = **$1,303.00 per month**
* **$180,000** in loans over 15 years = **$1,380.00 per month**
* **$190,000** in loans over 15 years = **$1,456.00 per month**
* **$200,000** in loans over 15 years = **$1,533.00 per month**

This information is to assist you with making a strong financial decision. The Career Management Platform want you to enter into this next stage in life with your eyes wide open.

Remember there are a lot of Scholarship’s out there for you to get money. Do the research on those tools and start applying, you will be surprised on what you can receive for money to assist you in the endeavor.