



Boston University Financial Assistance

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Boston, Massachusetts 02215

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BU IS A SMART INVESTMENT

- Most BU students graduate within four years and **do not incur additional costs of prolonged enrollments.**
- BU's federal student loan cohort default rate is only 1.2%, which compares very favorably to the 10.8% national rate and demonstrates that **BU graduates are able to repay their student loans.**
- Upon or shortly after graduating from Boston University, 92% of graduates have reached their first destination, with 67% having successfully concluded their pursuit of full-time employment, 19% enrolling in graduate studies, and 3% working part time.



HOW DO FAMILIES PAY FOR COLLEGE?

- Scholarships, grants
- Monthly payment plan (current income)
- Savings (past income)
- Federal Stafford Loans (future student income)
- Credit-based loans (future parent or student income)

WHY CONSIDER A FEDERAL STAFFORD LOAN?

- Income-driven repayment options
- No interest accrued while enrolled (subsidized borrowers)
- No credit check
- No cosigner
- Loan forgiveness, in some cases

Learn more at studentaid.ed.gov/types/loans/federal-vs-private.

HAVE YOU FILED THE 2019/2020 FAFSA?

You must file the FAFSA (Free Application for Federal Student Aid) to get a:

- Federal Stafford Loan (student borrower)
- Federal PLUS Loan (parent borrower)

To complete your FAFSA, go to bu.edu/finaid/apply.

STEP 1: HOW MUCH WILL IT COST?

For students living in Boston University housing* or in off-campus apartments, total academic year expenses are estimated at \$75,002.

2019/2020 Total Educational Expenses

	Resident
Tuition and Fees**	\$55,892
Other Expenses	
Room and Meal Plan (most plans)	16,160
Books and Supplies (estimated)	1,000
Incidentals (estimated)	1,950
Total Educational Expenses	\$75,002

*Freshmen are required to live in University housing.

**University tuition and fees are subject to change.

For College of General Studies students, total expenses for the spring semester and summer term are similar. Learn more at bu.edu/finaid/apply/cgs-boston-london/incoming.

STEP 2: CONSIDER THE MONTHLY PAYMENT PLAN

Always consider the monthly payment plan to budget all or part of your charged expenses.

- Reduces the need for parents and students to borrow.
- No interest charges; the monthly payment plan is not a loan.
- Manage your cash flow by making set monthly payments.
- Payments begin in May for enrollments starting in September.
- Payments begin in October for enrollments starting in January.
- Summer CGS London plan details will be emailed to students.

Learn more about the monthly payment plan, including 2019/2020 fees, at bu.edu/studentaccountingservices/your-bill/payment-plans.

STEP 3: HOW MUCH CREDIT-BASED LOAN WILL YOU AND YOUR FAMILY NEED?

From your Total Educational Expenses (Step 1) subtract your Enrollment Deposit (\$650) and amounts you expect to pay with:

- Your BU financial aid award (exclude Federal Work-Study)
- Scholarship from non-BU sources
- Student and parent savings
- Amount you expect to pay via the monthly payment plan

Estimated Credit-Based-Loan Amount Needed to Cover Costs \$_____

FIGURE OUT THE FINANCING

USE OUR EASY LOAN CALCULATORS

- **Queue up your questions.** How much do I need to borrow? What will my monthly payment be? How can I use the monthly payment plan to reduce my borrowing?
- **Run the numbers.** Go to bu.edu/finaid/forms-calculators/loan-calculators/payments.

WHAT IS A “CREDIT-BASED” LOAN?

Generally, an educational loan described as “credit-based” requires that the borrower or the borrower with a credit-worthy coborrower, cosigner, or endorser meets certain credit criteria established by the lender. The lender may be a private bank, credit union or other financial institution, or a state or federal government entity. A wide variety of loan products are available and terms vary with the lender.

Repaying loans taken for major purchases, such as education expenses, may extend over 10–20 years.

WHAT ABOUT USING A HOME EQUITY LOAN?

Many families utilize home equity loans to pay for college expenses.

- They often have attractive interest rates and repayment options.
- Carefully investigate any fees and risks that may be associated with using the equity in your home to secure a loan.



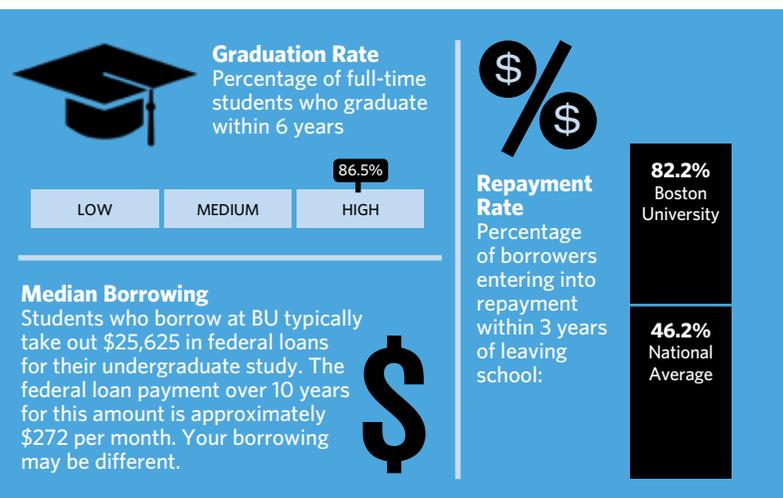
STEP 4: UNDERSTAND HOW TO SELECT A CREDIT-BASED LOAN

When families consider taking a credit-based loan to pay for college, two concerns arise:

1. How to get a loan that offers **affordable** monthly payments
2. How to **minimize** the amount they need to borrow and the total cost of borrowing

Only you and your family can decide which loan program is best for you. At bu.edu/finaid/types-of-aid/loans/credit-based-loans/undergraduate we list detailed information on several loan programs, but our list is not exhaustive. You are welcome to select other credit-based loans that are not listed there.

It is best to submit your loan application approximately 60 days prior to the semester payment deadline, which for the fall semester is early August. Also, be sure to utilize your Federal Stafford Loan eligibility before taking a credit-based loan.



CREDIT-BASED-LOAN TIMELINE

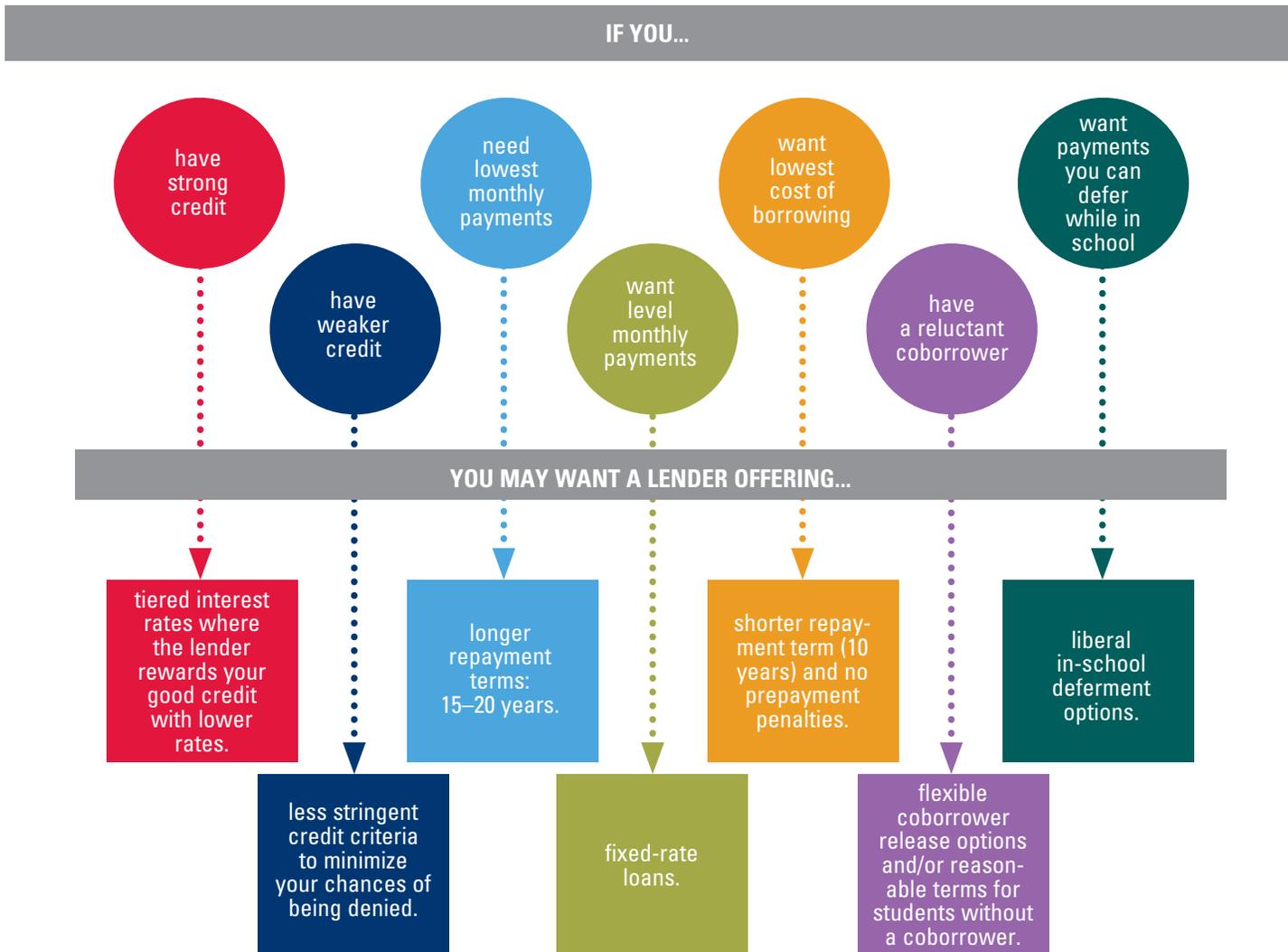
ACTION STEP	WHEN SHOULD I ACT?	WHERE CAN I GET HELP?
1. Do I need to borrow? How much should I borrow?	Start researching your options 3–4 months before the semester payment deadline.*	Use our college cost planning calculator at bu.edu/finaid/aid-basics/plan/calculator .
2. What am I looking for in a loan?	Start identifying the elements of a loan that are important to you 2–3 months before the semester payment deadline.*	Learn more about how to identify which loan is right for you on the next page.
3. How do I pick a lender?	Decide which loan product you will apply for 1–2 months before the semester payment deadline.*	Learn more about loan products at bu.edu/finaid/types-of-aid/loans/credit-based-loans/undergraduate .
4. How do I apply for a loan?	Be prepared to submit your application approximately 30–60 days before the semester payment deadline* to maximize the likelihood that the lender will approve your loan by the date the bill is due.	<p>If you opt to:</p> <ul style="list-style-type: none"> • Apply for a private loan listed by BU at bu.edu/finaid/types-of-aid/loans/credit-based-loans/undergraduate and select “Private Credit-Based Loans.” • Apply for a private loan not listed on the BU ELMSelect page, go to that lender’s website. • Apply for a Federal PLUS Loan at BU, go to bu.edu/finaid/types-of-aid/loans/credit-based-loans/undergraduate/federal-direct-plus-loan.

*The payment deadline for the fall semester is in early August. The payment deadline for the spring semester is in mid-December.



WHICH CREDIT-BASED LOAN IS BEST FOR YOU?

IT DEPENDS ON YOUR CIRCUMSTANCES AND ON YOUR PRIORITIES.



Boston University is an equal opportunity, affirmative action institution. 0319

PLAN TO MINIMIZE YOUR DEBT

- Borrow **only as much as you need**; you'll have less to repay later.
- Use our **planning guide** at bu.edu/finaid/aid-basics/plan for lots of helpful tips. Minimize your expenses and maximize your resources.
- Use our **expense planning calculator** at bu.edu/finaid/aid-basics/plan/calculator to help you estimate your expenses, resources, and net costs to you and your family.
- Set annual borrowing limits for yourself based on how much you expect to need for the entire academic program of study. Limit your borrowing each year to no more than those budgeted amounts.
- Use the Loan Timeline chart at bu.edu/finaid/types-of-aid/loans/credit-based-loan-timeline as your step-by-step guide and be sure that you start researching credit-based loans early enough to secure funds before the bill is due.
- Keep in mind that the typical median student loan debt (federal, state, and private) upon graduation from BU is \$31,500, only 12% of the total cost of education.
- Learn how to reduce your expenses and borrow less at **Smart Money 101** (bu.edu/smartmoney101).
- Get a part-time job through **BU Student Employment** at bu.edu/seo. Borrow less by using money you earn to pay incidental expenses.
- Learn about your options for repayment of your federal student loans, including **Income-Based Repayment**, at bu.edu/finaid/types-of-aid/loans/loan-repayment. IBR allows you to make lower monthly payments on your Federal Stafford and Consolidation loans.