

Example #1: Full-Time Law Student

What Is the Long-Term Cost of What You Borrow Today?

Assumptions:

- Annual cost of education (COE) is \$44,881.00
- Student A is financing with only Stafford loans at 6.8%
- Student B is financing to COE using Stafford loans then supplementing with Graduate PLUS, which has an 8.5% fixed rate
- Student C is financing to COE less \$5000 using Stafford loans then supplementing with Graduate PLUS

	L-1	L-2	L-3	Total Principal Balance	Principal Balance at Repayment (after cap)	Monthly Payment Level ----- Graduated	Total Loan Cost (based on a 25 year repayment term)
Student A: Financing Only with Stafford	\$18,500	\$20,500	\$20,500	\$59,500	\$64,182	300 pymts of \$445 ----- 24 pymts of \$364 276 pymts of \$461	\$133,641 \$135,829
Student B: Financing to COE with Stafford & Grad PLUS	\$44,881	\$44,881	\$44,881	\$134,643	\$152,806	300 pymts of \$1,159 ----- 24 pymts of \$991 276 pymts of \$1193	\$347,729 \$352,958
Student C: Financing to COE less \$5000 with Stafford & Grad PLUS	\$39,881	\$39,881	\$39,881	\$119,643	\$135,149	300 pymts of \$ 1016 ----- 24 pymts of \$866 279 pymts of \$1046	\$305,074 \$309,698



Note: If you can adjust your daily budget by an average of \$14 a day for the next three years you could borrow \$5000 less per year and save yourself \$42,655!

Example #2: Part-Time Law Student

What Is the Long-Term Cost of What You Borrow Today?

Assumptions:

- Annual cost of education (COE) is \$34,629
- Student A is financing with only Stafford loans at 6.8%
- Student B is financing to COE with Graduate PLUS, which has an 8.5% fixed rate
- Student C is financing to COE less \$5000 using Stafford loans then supplementing with Graduate PLUS

	L-1	L-2	L-3	L-4	Total Principal Balance	Principal Balance at Repayment (after cap)	Monthly Payment Level ----- Graduated	Total Loan Cost (based on a 25 year repayment term)
Student A: Financing Only with Stafford	\$18,500	\$20,500	\$20,500	\$20,500	\$80,000	\$87,877	300 pymts of \$610 ----- 24 pymts of \$498 276 pymts of \$631	\$182,979 \$185,975
Student B: Financing to COE with Stafford & Grad PLUS	\$34,629	\$34,629	\$34,629	\$34,629	\$138,516	\$159,498	300 pymts of \$1187 ----- 24 pymts of \$1005 276 pymts of \$1222	\$355,994 \$361,448
Student C: Financing to COE less \$5000 with Stafford & Grad PLUS	\$29,629	\$29,629	\$29,629	\$29,629	\$118,516	\$135,106	300 pymts of \$990 ----- 24 pymts of \$832 276 pymts of \$1020	\$297,070 \$301,686



Note: If you can adjust your daily budget by an average of \$14 a day for the next three years you could borrow \$5000 less per year and save yourself \$58,924!