

## **Bruce Mesnekoff about federal student loans?**

### **Biggest Question for students are why should they take out federal student loans?**

**Jan to Bruce Mesnekoff** : So Mr. Bruce Mesnekoff today discussion for how many types of loan are available and why student should take loans, as you said its an investment in your future. How?

**Bruce Mesnekoff** : Hey Jan , Federal student loans are an investment in your future. You should not be afraid to take out federal student loans, but you should be smart about it.

Federal student loans offer many benefits compared to other options you may consider when paying for college:

- The interest rate on federal student loans is almost always lower than that on private loans—and much lower than that on a credit card!
- You don't need a credit check or a cosigner to get most federal student loans.
- You don't have to begin repaying your federal student loans until after you leave college or drop below half-time.
- If you demonstrate financial need, you can qualify to have the government pay your interest while you are in school.
- Federal student loans offer flexible repayment plans and options to postpone your loan payments if you're having trouble making payments.
- If you work in certain jobs, you may be eligible to have a portion of your federal student loans forgiven if you meet certain conditions.

There are four types of Direct Loans available:

- Direct Subsidized Loans are loans made to eligible undergraduate students who demonstrate *financial need* to help cover the costs of higher education at a college or career school.
- Direct Unsubsidized Loans are loans made to eligible undergraduate, graduate, and professional students, but in this case, the student does not have to demonstrate financial need to be eligible for the loan.
- Direct PLUS Loans are loans made to graduate or professional students and parents of dependent undergraduate students to help pay for education expenses not covered by other financial aid.
- Direct Consolidation Loans allow you to combine all of your eligible federal student loans into a single loan with a single *loan servicer*.

For more information please contact Bruce Mesnekoff from Student Loan Help Center.