

Your Sherpa, LLC

Audio Session #2

You Can't Begin to Save if You Have Too Much Student Debt
Defining the Problem – A Broken System

Outline for session #2:

Problem:

- Soaring College Debt (*define the problem in this session*)

Solution:

- Attain your career goals with minimal debt:
 - Career choice – Pursue your passions (next session)
 - Choose a school you can afford (session #4)

Outline for session #2:

Ideal goal – totally avoid college debt

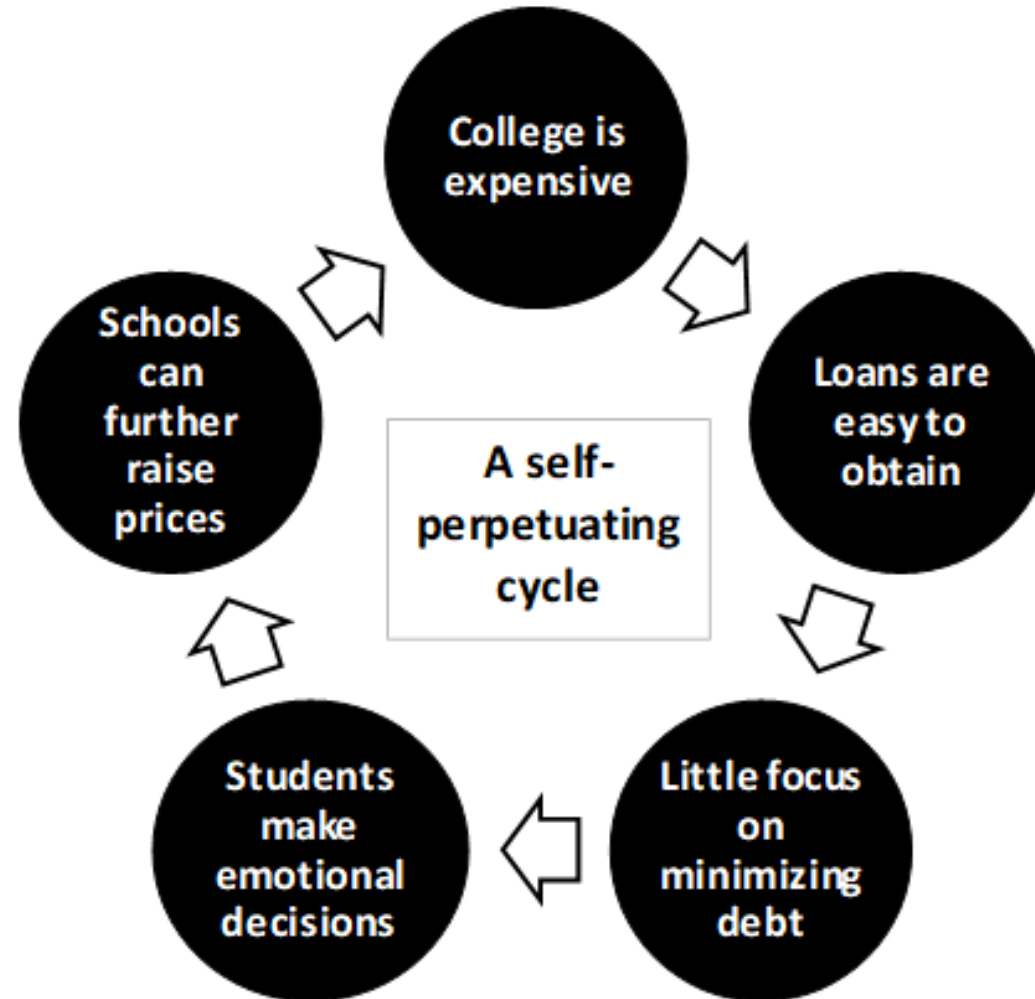
Realistic goal (since college is so expensive) – minimize college debt

Step 1 – Truly realize how expensive college is:

- Research the full cost of attendance at schools you are interested in
- Understand how college debt is a ***double whammy***:
 - A hole you must dig out of
 - You pay \$3000-4000 of interest for every \$10,000 in debt!
 - A missed opportunity to save in your 20s when compounding helps most
 - Save & invest \$10k in your 20s, instead of \$10k in debt, can yield >\$120K by age 60!

Outline for session #2:

A Broken System



Outline for session #2:

- Some college debt may be unavoidable
- Some college debt may be justified
- But...
 - A degree alone does not guarantee you higher income or success
 - Nor does a degree from *certain* schools
 - College may not be right for you or even necessary for your career goals
- **In the end your future success will come down to *you***
- In the end you should **choose a school you can afford. It is your responsibility** to make a sound financial decision and not an emotional decision.