

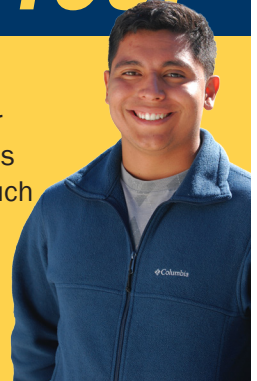


Investing in Your Greatest Asset: **YOU!**

Borrowing for your Oregon Tech Education: Is it Worth It?

Weighing whether or not you can or should borrow student or parent loans to help pay for your Oregon Tech degree? We agree with the experts that the payback from a college degree makes repaying student loans manageable UNLESS you (1) Don't finish your degree or (2) Borrow much higher than average amounts and are in a career field that pays less than average amounts.

College graduates' with bachelors' degrees or higher have lifetime earnings that are significantly higher than those with only some college or with a high school diploma.



Post-Graduation Success = High Returns for Oregon Tech Grads

Oregon Tech students are smart, savvy and they work very hard in difficult fields of study: engineering, technology, healthcare, applied sciences, management and communication. These pay off with:

1. Highest average starting salaries in the state in the mid-\$50,000 a year range (some graduates earn more than this, and some less); and highest early-career salaries (based on results from *PayScale* College Salary Report)
2. Almost a 90% graduate success rate of getting employed or going back for an advanced degree within six months of graduating
3. Highly ranked and accredited programs nationally for quality and for students Return on Investment (e.g., earnings weighed against tuition and borrowing costs). Oregon Tech is #1 in Oregon for graduates Return on Investment, and #11 nationally!



But How Much Should I Borrow? What's safe?

Some students and parents are concerned about borrowing to pay for college. At Oregon Tech we agree that you should carefully consider if you need to borrow, and how much you should borrow to ensure that you can cover college costs and complete your degree.

A typical purchase for many recent college graduates is a car to use for commuting to work and personal activities. Most people take out a car loan for some or all of the costs of a new vehicle, which typically means borrowing \$20,000-25,000 over a period of about 5 years, and keeping the car for about 10 years. So not counting interest or other car expenses, that's about \$2,000 a year if you keep it 10 years.

Borrowing for college is similar to borrowing for a car: it's an important "purchase" that you need in order to get the job you want, and position yourself for future career and personal success. Borrowing can be a positive experience that provides you what you need – a degree – and has a long-term benefit for the rest of your life. For students at Oregon Tech, the average amount borrowed is \$27,300. If your career lasts 40 years, that's about \$680 a year, which is much cheaper than the car loan; and your degree will continue to appreciate in value, not depreciate, over your life time.



College Pays and Borrowing Pays Off

On average, unemployment rates are about half for college grads of what they are for those without a degree; and earnings are significantly higher the more education that you have.

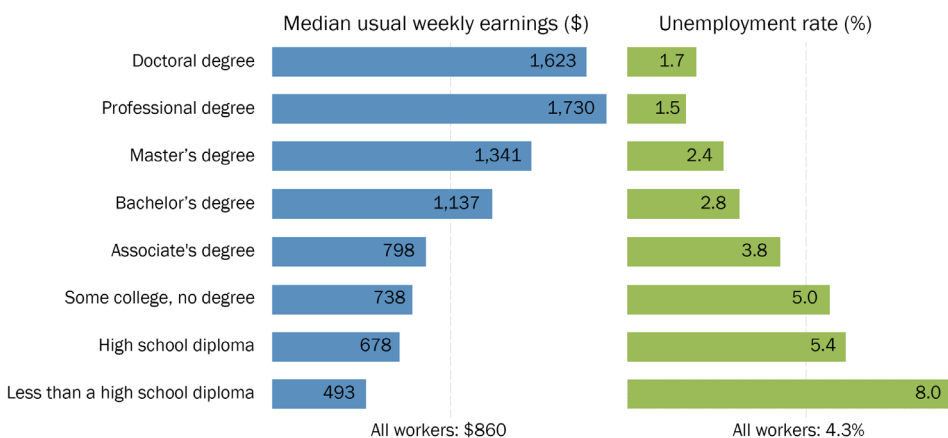
College graduates also gain other value from their higher education¹:

- As workers get older, their earnings rise faster for those who have higher levels of education. So while college grads earnings continue to grow over time, those without a degree see slower growth and more stagnation.
- College graduates are more likely to have a pension plan and employer-provided health insurance than those without a degree. That provides a lifetime of financial stability.

Keep in Mind: How Loan Interest Impacts your Repayment

Remember that interest costs increase the amount you will repay on your student or parent loans. If you borrow \$20,000 and repay over the standard 10-year period, you will actually have to repay about \$27,600 in total, with a monthly payment of about \$230. FinAid.com has repayment and other calculators that can help you determine your own costs monthly and over time.

Earnings and unemployment rate by educational attainment, 2015



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.
Source: U. S. Bureau of Labor Statistics, Current Population Survey

¹ Education Pays 2013, College Board



**Grads
get
HIRED**

Lydia Doza CLASS OF 2016

Software Engineer at Intel

Software Engineering Technology

Bachelor of Science

Hometown: Anchorage, AK



We're transparent!

Oregon Tech is one of the only public universities that surveys our graduates to ask about where they are working and their starting salaries. For more information about our graduates' success, go to:

www.oit.edu/success

Borrowing Rule of Thumb:

To make sure that you don't over borrow, remember this general rule:

Don't borrow more during your whole time in college than what your starting salary will be when you graduate.

So if you are an engineering major and average starting salaries are \$55,000, keep your borrowing below \$55,000 and you should be able to manage repayment and also make other typical consumer purchases of new graduates. But if you borrowed \$40,000 and you make \$25,000 a year starting salary, repaying your loans will be more challenging in the early years and may curtail other purchases or life choices.



Oregon Tech Financial Aid Office

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www.oit.edu/faid