



## Borrower Beware: Recognizing Predatory Lending

(NAPSA)—If you're like many of America's 21 million college students, you count your money down to the pennies. Unfortunately, that's not always enough. From tuition and fees to books and living expenses, the cost of an education can really add up, and finding the best opportunities for financial assistance is essential.

The search for a little extra cash can be tricky, however, and some students have fallen prey to what is known as predatory lending.

### What Predatory Lending Is

According to the experts on finance at [debt.org](http://debt.org), predatory lending imposes unfair or abusive loan terms on a borrower. It's any practice that convinces a borrower to accept unfair terms through deceptive, coercive, exploitative or unscrupulous actions for a loan that a borrower doesn't need, doesn't want or can't afford.

For example, an educational institution may give you options for financial assistance knowing that with its high interest rates, you'll never be able to pay them back. Alternatively, inflated fees and charges are purposefully hidden in the fine print that make affording their loan ultimately impossible. Then, when you try to take legal action, you realize the contract you've signed contains specific language that makes it impossible for you to sue. Some schools have also been known to tell students to borrow much more than is necessary, and before long, the student owes \$60,000 and has no way to repay. Sadly, this is a very real threat for students and is not uncommon.



**Be smart about financing your education—watch out for predatory lenders.**

### What You Can Do

Fortunately, you do have some options to help you sidestep the crooks, secure your financial future and find financial relief during your college career:

- **Start by creating a budget.** You'll know exactly how much you need so you don't borrow an unnecessary amount, making repayment that much easier.

- **Familiarize yourself with FAFSA** and apply for government aid and for education awards—free money—such as scholarships, grants and fellowships.

- **Read the fine print.** You can most certainly apply for financial aid through your college or bank but you'll have some comparing and contrasting to do. Take a moment to read over each option carefully and in detail.

### Learn More

To learn more about how to make your college experience financially safe and affordable, you can speak with a financial aid counselor at Bellevue University or visit [www.bellevue.edu](http://www.bellevue.edu).