The Cost of Admission

The 2025 Report from SoFi

A snapshot of how current students, graduates, and parents of students are feeling about the value of a higher education—and how to pay for it.

SoFi

Introduction

College has been a keystone of the American dream for decades. But in 2025, the economics underlying higher education are in flux, driven by factors like persistently increasing tuition costs, shifting political views on student loans, and rapid changes in professions and the job market. Students, prospective students, graduates, and parents are navigating a landscape that's vastly more complicated than ever before.

To learn more about how those groups are feeling about this emotional topic – and how they have planned to fund a college education—SoFi fielded a study of 3,500 prospective and current students, graduates, and parents of students to gauge their perspectives on the value of higher education and the methods of paying for it in this moment of dramatic change. What we found is that students and parents are actively reevaluating the return on investment of college—and getting creative about how to afford it.

In this study, out of 25 ambitions, including homeownership and creating generational wealth, securing a college degree came in fourth—tied with having children. So it's still widely held as a vital part of the American dream. But for many, paying for higher education remains a black box that leaves many college hopefuls skeptical of the whole enterprise. All of this places greater responsibility on universities and lenders—particularly federal lenders, who fund the lion's share of student loans—to be more transparent. But it also signals that this may be the moment to radically rethink and reframe how borrowers can finance the college experience.

College is still a vital part of the American dream. Out of 25 ambitions, including homeownership and creating generational wealth, securing a college degree came in fourth—tied with having children.

Executive Summary & Key Stats

1. The Undergrad's Dilemma

A college credential remains highly coveted, but financing it can be confusing. Young people want to achieve a college education, but they are confused about what an education costs—and their options for paying for it.

- Fewer than half of all students and parents of students (44%) said they feel well-informed—or informed at all—about student loans. Even fewer (37%) said they are aware of alternative ways to finance their education.

2. Cost Paralysis

The top pain point in financing higher education, according to survey respondents, is "figuring out how much college actually costs." Rather than being able to conduct a thoughtful cost *analysis*, many borrowers face cost paralysis—an inability to make smart decisions because they just don't know what numbers they're working with.

- More than one-quarter (28%) of respondents said they have "absolutely no idea" how much a four-year college experience costs. When they did wager a guess, their estimates fell about 30% to 65% short of actual college costs, according to financial experts.[1]

3. The D Word: Debt

The stigma surrounding debt has escalated among Gen Zers,

who have seen how student debt impacted previous generations and have developed an aversion to it. Making matters more complicated, some young people believed their student debt would be forgiven by the government—a scenario that looks increasingly far-fetched today.

- 68% of young people and their parents would rather talk about sensitive topics like their sex life than debt.

4. Ghosting Loans

Calculating the cost of college and figuring out how to fund it is taking a toll on students and parents. Uncertainty about how student loans work further complicates the math, driving some people to ignore their debt altogether.

- 35% of student borrowers said they have no intention of paying back their loans, with 20% reporting they are waiting for their student loans to be forgiven and 15% reporting they plan to default on their loans. These findings are in line with federal student loan delinquency data.[2]

5. Finance 101

The lack of credible advice about how to navigate financing higher education provides an opportunity for universities, the federal government, private lenders, and financial advisors to help empower the next generation of borrowers with financial education. But left to their own devices, many Americans are getting creative and bootstrapping their college degrees.

- 70% of students and parents said they've either used or considered using an alternative path to paying for college, with half (50%) having considered or used crowdfunding to pay for their degree—almost as many who said they've tapped into a traditional 529 plan (60%).

[1] Educational Data Initiative, March 2025
[2] Reuters, May 2025

6. Student Lending, Refinanced

Lenders have an opportunity to help young people and their parents "refinance" college education—not only in the traditional sense through refinancing options but also by stepping in to educate and support borrowers—starting with an honest picture of how much a 4-year education with all expenses accounted for, costs.

- 93% of student loan borrowers admitted that if given the chance, they would have approached their college financing differently. Their top regret is not having sought financial advice.

7. Resources to Help You Plan and Save

SoFi offers several resources to help borrowers parents and students to plan, save, and consider financing. One of the most popular, according to survey respondents, was SoFi's new SmartStart student loan refinancing option. Borrowers have the option to pay only interest on refinanced student loans for nine months. This gives SoFi members the flexibility to put money they'd otherwise use on student loan payments in the first nine months toward supporting life transitions like finding a new job, relocating to a new city, or searching for a new home.

Methodology

This study is based on a 3,500-person online survey fielded April 27th through May 8th 2025 among a nationally representative sample of students, graduates, and parents of students, in the following groups:

- **250** high school students, ages 16 to 18, planning to attend a four-year college
- **750** higher education students, ages ages 18 to 34, attending a four-year or graduate program
- **1,000** graduates, ages ages 18 to 34,, who have graduated from a 4-year college or graduate program
- **500** graduates, ages 35 and up, who still have some student debt that they are paying off
- **1,000** parents of Gen Z students, ages 16 to 29, who either plan to take loans for a four-year college or graduate program for their child(ren); currently have student loans; or have recently paid off student loans (within the past three years)

All current students and graduates must have financed at least some of their education through student loans or other educational financing.[3]

The sample was nationally reflective within the above parameters, including a balanced sample of gender, race, ethnicity, geography, and income.

Findings were analyzed within 50 different demographic and psychographic categories, including generation, gender, student status (high school, four-year college, graduate school, graduate), income level, amount of student debt, and more.

Young Gen Zers were defined as respondents ages 16 to 24, older Gen Zers ages 25 to 29, young millennials ages 30 to 34, and older millennials ages 35 to 44. All parents in the study were parents of Gen Zers ages 16 to 29.

Percentages of respondents who "agree" in this study include those who "agree" or "somewhat agree" in survey statements. All data is self-reported.

In addition, 30-minute Zoom interviews were conducted with four higher education, finance experts, and influencers, including:

- Beth Armstrong, Associate Vice Provost of Enrollment Management and Director of University Scholarships and Financial Aid at Virginia Tech
- Vin Matano, Entrepreneur and Content Creator
- Vivian Tu, Founder and CEO of Your RIch BFF
- Brian Walsh, PhD, CFP® and Head of Advice & Planning at SoFi

[3] "Other educational financing" was left open for respondents to define, but could include traditional educational financing like 529s or alternative financing, like HELOC loans and crowdfunding.

Also included were written reflections about financing higher education from select SoFi members who opted in to answering questions about their experiences with student debt. Note that these reflections are separate and independent from the survey data, and are specified as "member quotes" throughout the report.

This study was funded by SoFi, and conducted and analyzed by independent trend and research firm Culture Co-op.

All findings in this study, unless otherwise noted, are from the methodology described above.

The Undergrad's Dilemma

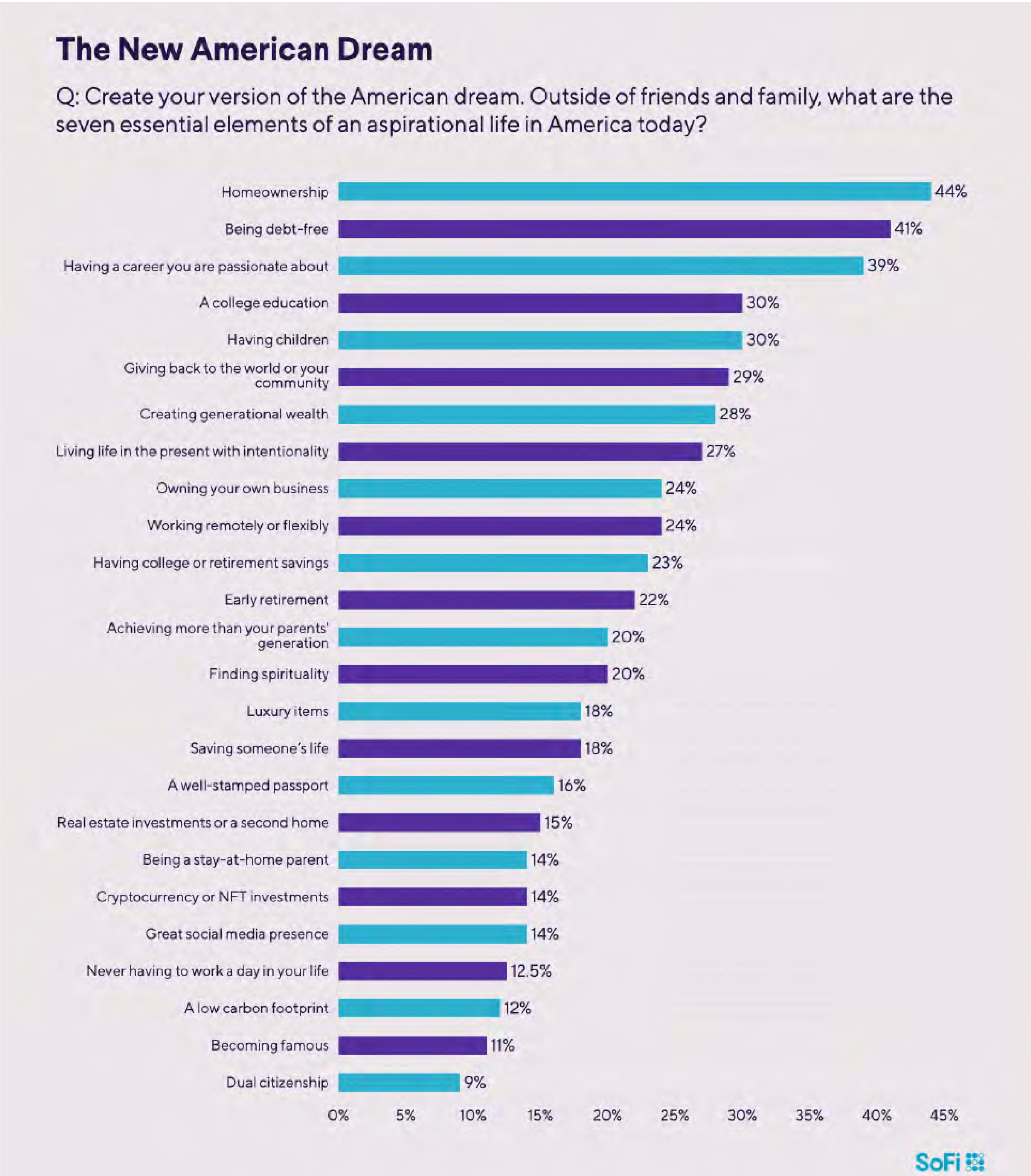
What used to be a turnkey path to a college education—apply, enroll, borrow, go!—has come to a screeching halt. "Loan aversion is at an all time high," says Beth Armstrong, Associate Vice Provost of Enrollment Management and Director of University Scholarships and Financial Aid at Virginia Tech. To her point, a full 20% of 16-18-year-olds aspiring to attend a four-year university say they plan to do so *without* loans. New economic realities are certainly part of their aversion. Many parents of students are still working through post-pandemic debt and facing job cuts, and their kids are sensitive to the mental strain financial debt can cause (see *The D Word: Debt*).

Beyond their financial realities, younger generations are hyperaware of how student debt played out for previous generations, particularly millennials, and they aren't ready to dive in headfirst—or at least not without their head in the game. Instead, they are seeing college as one step in their career portfolio and are assessing how they want to finance it accordingly.

Make no mistake, however: The current generation's hesitation in taking out student loans doesn't equate to questioning the value of college. Contrary to some reports that say four-year degrees are no longer meaningful,[5] the vast majority of respondents of all ages said a college degree is highly aspirational, even in a world where artificial intelligence is changing education in real time. Seventy percent say college is a "must" rather than a "bust" (30%) and 90% of students along with 95% of their parents would take one or more extreme measures—from quitting social media (35% say they'd delete their accounts) to giving up a six-figure salary (19% would pass it up)—to get their degree. In fact, when asked to construct their version of the American dream, a college education came in fourth overall, tied with having kids (see The New American Dream). Even more interesting: 37% of young Gen Zers (ages 16 to 24) named "a college education" as part of their American dream as compared to 30% of respondents overall, proving that higher education hasn't lost its allure, even at a time when YouTube has become a de facto educator among young people.

[5] Who Needs College Anymore? Imagining a Future Where Degrees Don't Matter, February 2025

Brian Walsh, Ph.D., CFP® and Head of Advice & Planning at SoFi, explains: “If you look at the data, college graduates end up earning more over their lifetime than people who didn’t graduate from college. They tend to have more job security. The numbers say that it’s still worth it.” Or as Vin Matano, Entrepreneur and Content Creator, puts it: “Most millionaires have a college degree, so I think there’s still obviously a benefit to it.”



Expert quote

"It's not necessarily what you're there to learn, but it's who you get to meet there, the network you build in college, the opportunities that are afforded to you because of your existence in that space at the same time as other people, and I don't think that's going to change. I think people who are well-connected and have strong networks are always going to have more opportunities."
— Vivian Tu, Founder and CEO of Your Rich BFF

Member quote

"Having intention when choosing a school may help you feel like your degree was 'worth it.' I also believe that you're not just paying for a degree—you're paying for a network. How are you going to make the most out of your time at school? That's the calculus I made when attending college, and it helped me land a job that's now paying for my master's degree. Girl math: My student loans were worth it."
— Amanda, 29, New York, NY

While younger generations understand the value of a college degree, they also understand how the burden of student debt can impact their long-term net worth, even with higher earnings, and are considering the full financial equation. Unlike millennials, who were told to go to the best university they were accepted to—"A good education pays for itself!," their baby boomer parents assured them—most Gen Zers and their Gen X parents are taking a hard look at the cost-to-benefit ratio of higher education and erring on the side of affordability. When asked about their approach to deciding which college to attend, 63% of respondents said affordability mattered more to them than a school's reputation. And while students are still more likely to choose a major based on their passions rather than their potential paycheck (52% versus 48%), parents are strongly encouraging their kids to choose wisely: 88% of parents agree, "I strongly encouraged my child to choose a major that would qualify them for high-paying jobs upon graduation." Furthermore, 72% of parents and 70% of students would prefer to work during school to offset any debt they take on rather than coast through college and worry about the price tag later.

Walsh sees this more calculated approach to college borrowing as a positive shift and one that will ultimately reshape the industry. “My hope is that consumers drive change. As more people are evaluating their decision and asking, ‘What’s the return I’m getting on this education?’ and limiting the amount they borrow—whether by living at home for a couple of years or attending community college first—that drives financial change.”

By financial change, Walsh means a more informed, realistic, and manageable path to paying for higher education. Currently, fewer than half of all students and parents (44%) say they feel well-informed—or informed at all—about student loans. Even fewer (37%) say they are aware of alternative ways to finance their education.

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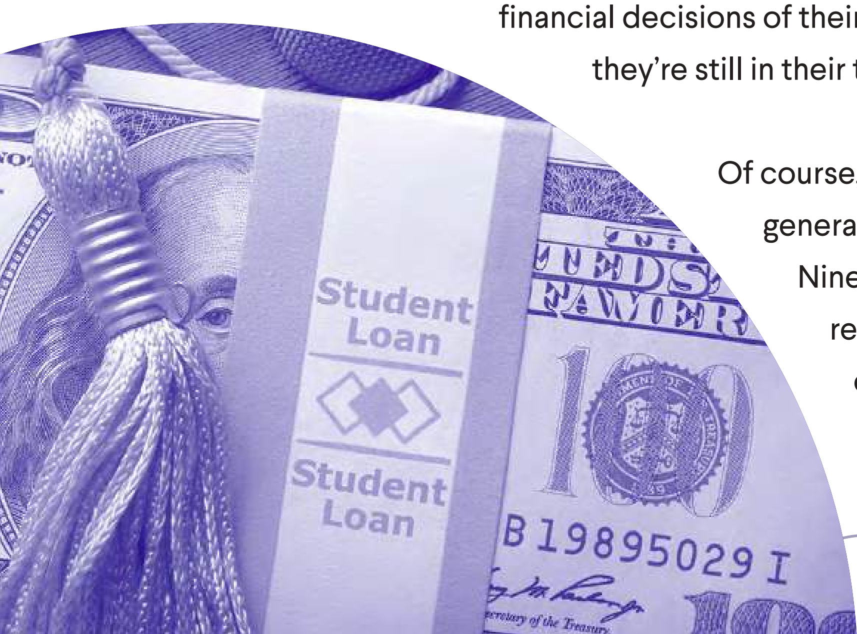
This creates the undergrad’s dilemma: College is coveted but financing it is confusing. Young people want to check off the college box, but they confront a black box when it comes to the cost of education and what their options are to pay for it.

Younger Gen Zers (16-to-24-year-olds) in particular see this as a “damned if you do, damned if you don’t” scenario. On the one hand, they report feeling even more pressure to succeed than previous generations—37% say the pressure to achieve weighs heavily on their mental health, as compared to just 25% of millennials—arguably making a college degree even more critical. On the other hand, they are more financially conservative:

Yet for a digital generation accustomed to accessing information about pretty much anything with a click, they can’t quite figure out how to responsibly finance one of the most important financial decisions of their adult lives—often a decision that’s made while they’re still in their teens.



Of course, most students and parents, regardless of their generation, are rethinking their finances these days. Ninety-seven percent of respondents said they’ve rethought or replanned at least one major financing decision based on inflation, rising prices, and the volatile markets in America. Topping their list is daily spending (46% said they’ve rethought it) and savings (41%), followed by paying off debt (38%). Nearly a third (31%) are rethinking their career path and more than one-quarter (26%) of high school students (16-to-18-year-olds) and parents of students planning to attend a four-year college are reconsidering whether they can afford it.

One-quarter (26%) of high school students (16-18) or parents of students planning to attend a four-year college are reconsidering whether or not they can actually afford it.

Cost Paralysis

One of the biggest contributors to the undergrad's dilemma--and the grad student's dilemma, for that matter--is not determining the best way to pay for college but figuring out its actual costs.. Twenty-eight percent of respondents said they "have absolutely no idea," including 32% of students and 25% of their parents. Even one-fifth of students who currently have loans (19%) or have recently paid them off (21%) couldn't say what a four-year education with all expenses included, costs today. Among respondents who did wager a guess, the estimate was about $80K for all four years. While higher education costs vary greatly and it's difficult to definitively state the "average" cost of a four-year college experience is, respondents' estimates fell about 30% short of what many sources estimate for a public in-state university ($110K); 55% short of a public out-of-state university ($183K); and 65% short of a private university ($235K).[6]

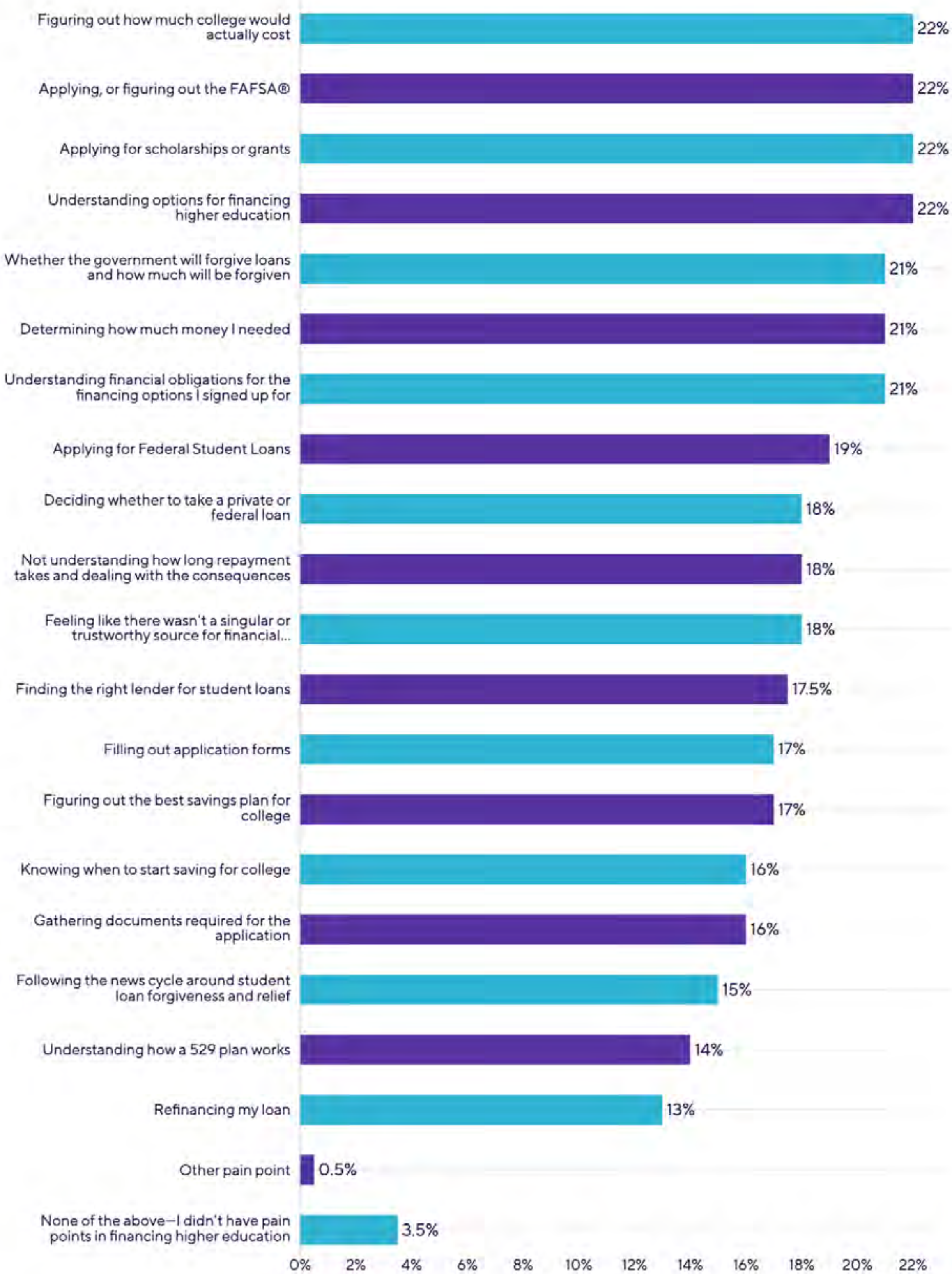
Exact figures aside, it's safe to say there isn't a consensus on college costs among most of those who need to borrow money for it, making them financially vulnerable at the start of their adult life. "For folks who've never been to college, there's so many mixed messages out there in the media about how much of their education they really have to finance," said Armstrong. "We have been talking about college cost transparency for more than 20 years, and we still have not figured out the right message to reach families."

Underscoring this, respondents said "figuring out how much college actually costs" is their top pain point in financing higher education, tied with filling out the FAFSA®, applying for scholarships and grants, and understanding their financing options. Rather than being able to do a thoughtful cost analysis, many borrowers face cost paralysis—an inability to make a smart decision because they don't know what numbers they're working with.

[6] Educational Data Initiative, March 2025

The #1 pain point in financing education, out of 20 options, is "Figuring out how much college actually costs."

96.5% of students and parents said they have encountered at least one pain point in financing their higher education or their child(ren)'s higher education. Top pain points include:



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The D Word: Debt

Part of the reason why borrowers are in the dark about financing options is because of the stigma surrounding debt. In fact, 68% of young people and their parents would prefer to talk about sensitive topics like their sex life than they would about debt. Armstrong sees the reasons for this aversion as twofold. First, she says there's a generational status quo of not discussing money, particularly debt. While dialogue is opening up, she says, debt is still a sensitive topic. Second, Armstrong says debt is often not discussed because there isn't an easy fix: "Finance is still something you can't just take a pill for and make it go away. And it's something that could have adverse impacts on your life for a long time."

68% of young people and their parents would prefer to talk about sensitive topics, like their sex life, than they would about debt.

With this in mind, it's not surprising that debt isn't seen as particularly empowering among borrowers. Thirty-one percent of students and parents and 36% of young Gen Zers (16-to-24-year-olds) see debt as "a necessary evil." Only one-quarter of respondents—and just 16% of young Gen Zers—see debt as "empowering." And a full quarter (25%) of debt-reluctant young Gen Zers don't see it as necessary at all, saying that it is an "unnecessary evil" and they plan to avoid debt at all costs. This compares to 17% of overall respondents who feel this way.

Q: What's your philosophy towards financial debt?

	Total	Young Gen Z (16-24)	Older Gen Z (25-29)	Millennials (30-44)	Gen X+
Debt is a necessary evil	31%	36%	34%	27%	30%
Debt is necessary	27%	23%	26%	29%	29%
Debt can be good	25%	16%	21%	31%	27%
Debt is an unnecessary evil	17%	25%	19%	13%	14%

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Of course, younger Gen Zers may have less experience with debt and its benefits. However, throughout our research, young Gen Zers were more likely to aspire to be debt-free. For example, 45% of young Gen Zers said being debt-free is part of their American dream versus 40% of older Gen Zers and young millennials (25-34). Furthermore, 47% of young Gen Zers said taking on student debt is a “bust” rather than a “must” as compared to 32% of older millennials (35-44)—a significant 15-point difference between the youngest members of one generation and the oldest of the other. While it will take time to tell whether the difference is generational or life-stage driven, one thing is clear: Young Gen Z is thinking seriously about student debt, not just accepting it.

Armstrong sees debt aversion as a generational shift: “Ten to fifteen years ago, students and families accepted student loan debt as a part of the process. I don’t think that’s the case anymore.” She feels more diverse family constructs have complicated the student loan equation. “You have students in legal guardianship, you have students in legal custody, you have blended families, and it changes who needs to file the FAFSA®. Student and family situations have become so much more complex.”

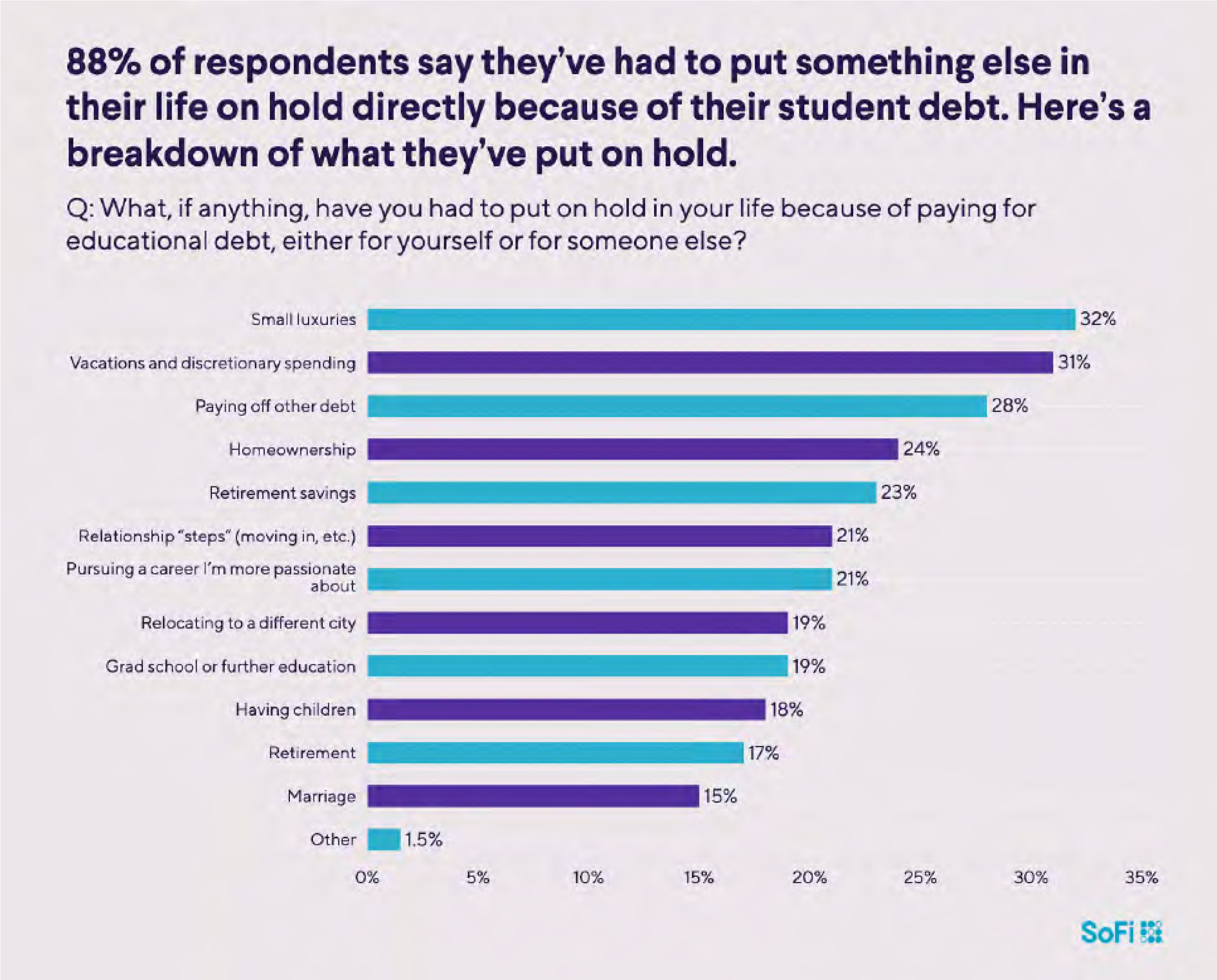
Expert quote

“Ten to fifteen years ago, students and families accepted student loan debt as a part of the process. I don’t think that’s the case anymore.”

— Beth Armstrong, Associate Vice Provost of Enrollment Management and Director of University Scholarships and Financial Aid at Virginia Tech

Complicating matters, young people heard that their student debt would be forgiven only to have that promise retracted, and then learned the Department of Education would dock money from their paychecks to fulfill their loan obligations. This loan forgiveness 180 has added to young people’s weariness about debt. Twenty-one percent of students and parents of students say understanding whether their loans would be forgiven is a top pain point in financing higher education. Fifteen percent say following the news cycle about student loan forgiveness has been stressful.

There are also the tough realities of debt that have no doubt created more aversion to it. Eighty-eight percent of respondents say they’ve put something in their life on hold directly because of their student debt. Small luxuries and vacations were the first to go, and “paying off other debt” came in third: 28% say they can’t tackle other debt obligations because of their student loan commitments (see below).



Ghosting Loans

Calculating the cost of college and figuring out how to fund it is taking a mental toll on students and parents. Ninety percent of respondents agreed, "I believe there is a mental health crisis directly related to being in debt and financial anxiety," and a further 74% said they are suffering from financial debt anxiety, "a mental health condition where I have a lot of anxiety directly due to my financial constraints and debt." Uncertainty about how student loans work further complicates the math, driving some people to ignore their debt altogether.

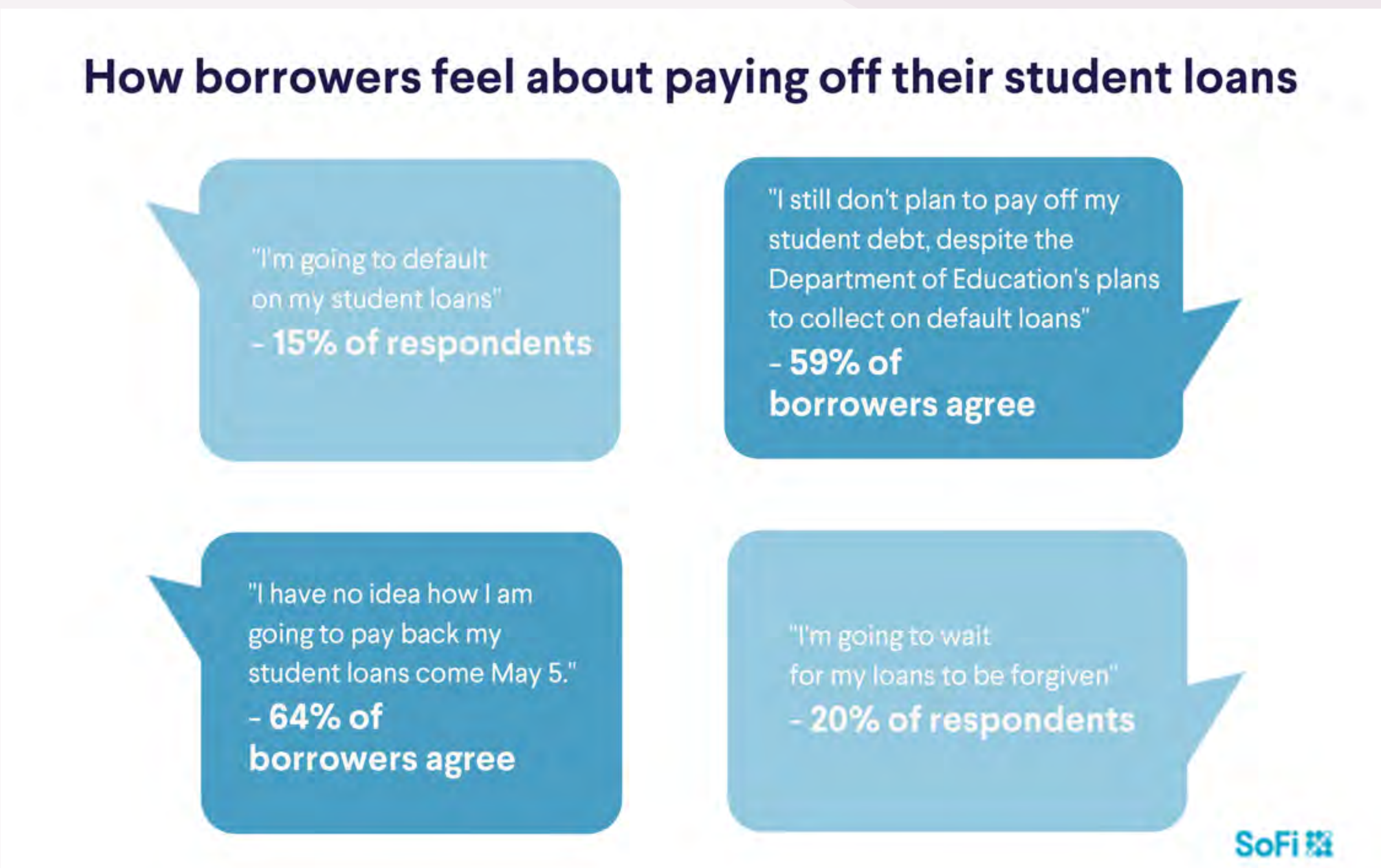
Walsh says debt avoidance can create a vicious cycle. "When people are stressed or anxious about finances, it can actually lead them to make worse financial decisions, which then puts them in a worse financial situation." This isn't to say he doesn't understand their dilemma: "I honestly feel for student loan borrowers right now because the last five years have been an absolute whirlwind and it's not of their own making."

Expert quote

"When people are stressed or anxious about finances, that actually leads them to making worse financial decisions, which then puts them in a worse financial situation." — Brian Walsh, Ph.D., CFP® and Head of Advice & Planning at SoFi

To Walsh's point, being overwhelmed by financial stress has caused some people to ignore their obligations, which ultimately can have far-reaching consequences on their future financial picture. **One surprising finding is that 35% of student borrowers have no intention of paying back their loans.** Of this 35%, 20% said they are waiting for student loans to be forgiven and 15% say they plan to default on their loans. Asked differently, 59% of those with loans agreed: "I still don't plan to pay off my student debt despite the Department of Education's plans to collect on default loans." This percentage is even higher among older millennials (35-44), many of whom didn't blink an eye when they took student loans, only to graduate into the Great Recession. Among this group of millennials, 65% said they don't plan to pay off their student debt, despite the Department of Education's plans to collect on default loans.

Furthermore, 64% of respondents agreed: "I have no idea how I am going to pay back my student loans come May 5."[7]



[7] This study was conducted after the Department of Education announced it would be restarting its collection on federal student loans that are in default.

How students and parents plan to handle their loans differs significantly based on how much debt they have. One assumption we had was the more debt a student or parent carried, the more likely they'd be to default on loans. However, this wasn't the case. Students and parents in the highest student debt bracket (defined as $90,000 or more in student loans in this study) were the least likely to say they planned to default—only 6% said that was their plan. Conversely, students and parents in the lowest bracket (defined as under $30,000) were three times more likely to say they planned to default on their loans.

The opposite is true for waiting for forgiveness. In this case, borrowers with the most student debt were the most likely to say they'd wait for government forgiveness (28% say this is their plan) and those with the least student debt were the least likely to count on forgiveness (see table).

While some borrowers, such as teachers, doctors, and government employees, could be eligible for PSLF (Public Service Loan Forgiveness), it's not a given, and those who default on loans could face significant and lasting consequences. The Federal Reserve Bank of New York says 9 million borrowers are in jeopardy of seeing their credit scores drop by 170 points if they are late on payments.[8]

Which of the following best describes your approach to affording a college education for yourself or your children?

Respondents level of loans	Just pay my student loans	Refinance student loans	Wait for forgiveness	Default on student loans
Under $30K	41%	22%	19%	18%
$30K - $59.9K	43%	20%	24%	13%
$60K - $89.9K	41%	23%	26%	10%
$90K or more	47%	19%	28%	6%

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[8] CNBC, May 2025

Member quote

"I knew very little about affording college or options when I started my college journey. I learned more about financial literacy along my journey, but I initially made poor choices, maxing student loans and using credit when I shouldn't have. This had a negative impact on my credit score and my financial wellness as I graduated with my bachelor's. It took several years to recover and develop good, strong financial habits."

— Sandra, 50, Houston, TX

Finance 101

Not everyone plans to default on loans. Nearly half (45%) plan to "just pay" their student loans and 20% say they are looking into refinancing options. Armstrong feels success stories from real people would help to increase these percentages. "There are a lot of students graduating from all sorts of institutions who are doing amazing things. They are paying back their loans and making their debt manageable."

Real stories and coaching on how to handle student debt does seem to be missing from college loan conversations and is a white space for universities, federal and private lenders, and financial advisors to step in and educate borrowers. Fifty-six percent of borrowers report they only felt partially informed (46%) or worse—uninformed or misinformed (10%)—on the student loan process, highlighting a real need for education. Furthermore, while only 43% of borrowers say they felt informed about the financial obligations of their loans when they first borrowed, only 56% feel informed about these obligations today. This is an improvement, but it means nearly half (44%) of students and parents with college loans aren't fully aware of what they owe, when they owe it, or alternatives for paying it back.

Left to their own devices, many Americans are getting creative and bootstrapping their college degrees. Seventy percent of students and parents say they've either used or considered using an alternative path to paying for college, with over half having considered (32%) or used (18%) crowdfunding—about the same percentage as those who say they've used a traditional 529 plan (60%). One in five respondents say they've become a YouTuber (19%) to pay for college, and a similar 21% have cashed out their cryptocurrency.

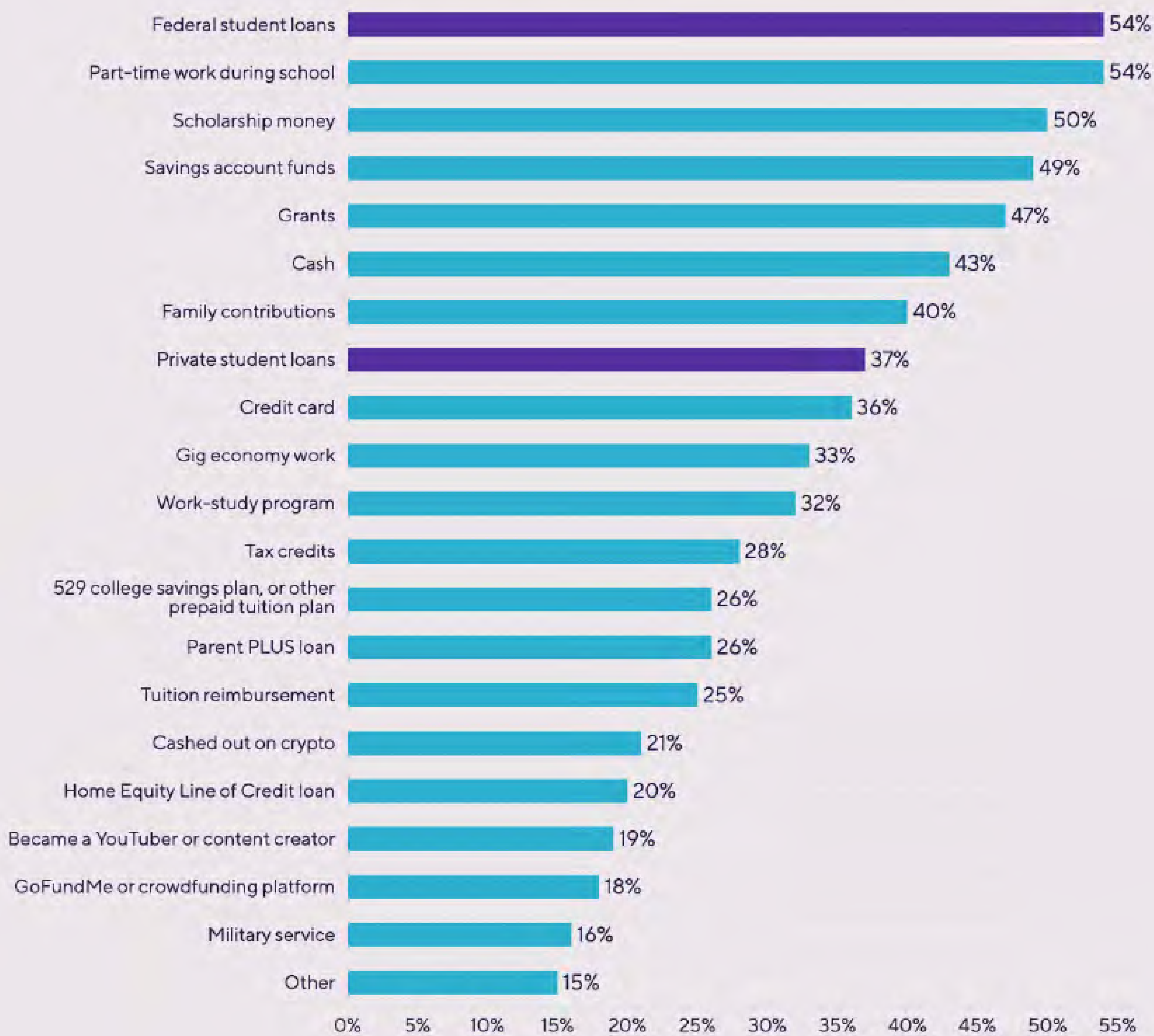
Matano says some of the alternatives are appealing. “Looking back, I definitely would have gotten creative with financing.” But he also says there’s a more straightforward approach that doesn’t require side hustles and crowdsourcing. He suggests students and parents talk about the realities of their career and financial path. “Think about the type of career that you want. Do I want to be a salesperson? Or do I want to be a psychologist? Does it make sense to go into that much debt for a $40,000 to $50,000 salary? That’s a really hard conversation to have with yourself and, hopefully, a parent can have that conversation with their kid too.”

Member quote

“My approach to affording college was to attend a community/state school, become a resident assistant, and to work for a company willing to pay for my higher education through tuition reimbursement. In today’s day and age, YouTube is the central repository of information. I utilized personal finance YouTubers that gave me the tools to mitigate, learn about, and manage debt.”
— Benny, 33, New York, NY

Students and parents have either used, or considered using, alternative paths to paying for college. Here's a complete rundown on how alternative routes stack up to tried-and-true solutions.

Q: What did you use to finance your higher education or your children's? Percentages reflect those who report having used each option



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Armstrong agrees that honest conversations are a good start to financial education and creating a solid college plan. “Families should be asking what higher education costs mean. They should be asking what the costs are to live in that area and they should be asking what they can cut out.” She suggests a little Adulting 101, such as knowing how to be economical at a grocery store, can be beneficial too.

Still, solving this educational pain point assumes students and parents know what college costs to begin with. And as we’ve already learned, many don’t.

Student Lending, Refinanced

Lenders have an opportunity to help young people and their parents “refinance” college education, not only in the traditional sense through refinancing options but also by educating and supporting borrowers, starting with an honest picture of what a four-year education costs. The need is clear: 67% of students and parents say they have “no one to go to for advice on student loans” and 93% of borrowers admit that if given the chance, they would have approached their college financing differently. Their top regret is not having sought financial advice (30%).

93% of student loan borrowers admit that, if given the chance, they would have approached their college financing differently. Their top regret is not having sought financial advice.

Member quote

“In hindsight, I wish I’d known the path to higher education isn’t one-size-fits-all. Attending a local university and then transferring to the school of your choice is a great option. But for me, leaving home was a necessary step, so leaning on student loans and grants helped me begin to get the financing I needed..”

— Sandra, 50, Houston, TX

This is particularly true among those who ultimately refinanced their student loans. Forty-one percent of this group say they wish they had sought financial advice about student loan repayment earlier, compared to 32% of student loan borrowers overall. This perhaps indicates that those who have refinanced their student loans wish they had known about the option earlier (see Repayment Regrets).

If you could go back in time, what, if anything, would change about your student loan repayment plan?

	Student loan borrowers	Student loan refinancers
Seek financial advice	32%	41%
Budget all of my expenses	33%	40%
Start the repayment process earlier	27.5%	29%
Do more research around how much money to take out	27%	30%
Speak to a student loan repayment expert	26.5%	29%

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More transparency and education about student loans can empower borrowers to make positive strides towards their future, even while they are managing their debt—-they don't need to get back to "net zero" (no debt) in order to begin living their lives. SoFi offers a number of innovative solutions. One of the most popular, according to respondents, is SoFi's new SmartStart program, where borrowers pay only interest on refinanced student loans for nine months. This allows those who are just beginning to pay back their loans the option of lower and partial payments, freeing up money to relocate, rent an apartment, build a rainy day fund for unexpected expenses, contribute to retirement savings, and more. As Vivian Tu, Founder and CEO of Your Rich BFF, points out, "People have internal controls that can change their financial picture, whether that be budgeting, smarter saving, investing for the future, or just making a better financial plan. When you are able to leverage the benefits of a student loan to make smart decisions, and you are tuned into your financial picture, you are able to make decisions out of a place of abundance versus a place of scarcity" (see "Resources to Help You Plan and Save").

Member quote

"Was it easy? No. But was it worth it? 100%. If I had let fear stop me, I wouldn't have the opportunities I have today. Now, I have a stable career, a better quality of life, and the ability to manage my loan

payments without drowning in stress. Debt is a tool—not a trap—if you're strategic."
— Natalia, 38, Durham, NC

As college continues to remain a top ambition and a core part of the American dream, more transparency and education about educational financing, including student loans, is paramount. There is an onus among universities and lenders to paint the full picture of higher education costs, financing solutions, and ways to repay and manage loans without having to put other aspects of their lives on hold. This will empower rather than jeopardize their financial futures.

Even more than informing borrowers about financial options, there is an opportunity to inspire them. It's not just about education, it's about empowerment. Students and parents should feel excited about how their money can work for the life they want to live.

Expert quote

"When you are able to leverage the benefits of a personal loan to make smart decisions, and you are tuned into your financial picture, you are able to make decisions out of a place of abundance versus a place of scarcity."
-- Vivian Tu, Founder and CEO of Your RIch BFF

Conclusion

You might be wondering how you can use all this information in your own life. Here are a few places to start:

Navigating Your College Finances

Master your money during your college years to build a strong financial foundation for the future.

1. **Maximize All Available Financial Aid:** Proactively seek and apply for every form of financial aid you qualify for, including work-study programs, grants, and scholarships. Don't leave money on the table.
2. **Implement a Robust Budget and Track Spending**: Once you have a clear picture of your aid, create and rigorously follow a personal budget. Always build in a buffer for unexpected expenses. Leverage a reputable financial planning app (like Rocket Money, Origin, or similar) to manage your budget, track every dollar, and monitor your overall financial health.
3. **Cultivate a Healthy Credit Score:** Your credit score impacts future opportunities. Avoid damaging it during college. Instead, focus on building a positive credit history through timely payments on any bills or credit cards. A good score will be crucial for buying a car, renting an

apartment, or securing future loans after graduation.

Member Insight: "Financial literacy isn't something you're born with—it's something you build piece by piece. Budgeting apps taught me to track every dollar, loan comparison sites showed me how to spot the best terms, and most importantly, people who had walked this path before me became my most valuable financial guides." *— Natalia, 38, Durham, NC*

Chartering Life After Graduation

As an explorer, it's time to optimize your post-college finances and confidently navigate your financial journey.

1. **Get Familiar with Your Debt:** Understanding the details of your loans will help empower you to make the best decisions for your personal situation and avoid credit harm.
    - Make sure you're up-to-date on student loan payments. Don't assume your auto-pay is handling everything for you, log-in to your servicer to make sure payments are flowing so you're not caught with a credit impact or wage garnishment.
    - Check the details of your debt! We recommend everyone have active knowledge of their interest rate, term length, amount left to pay, monthly payment, and total cost of debt (e.g. how much you'll pay in principal and interest over the life of your loan).
2. **Strategize Student Loan Repayment:** Tailor your repayment approach to your current financial situation.
    - **If you're struggling with payments:** Explore federal student loan options like extended repayment, graduated repayment, or income-driven repayment plans. These can offer lower monthly payments in the short term, though they may extend the life of your loan. Refinancing federal loans into a private loan could also offer lower monthly payments, but be aware this sacrifices federal benefits like income-driven plans and forgiveness programs.
    - **If you have financial flexibility:** Consider being more aggressive. Make extra payments or explore refinancing with a private lender if it results in a lower interest rate, allowing you to pay off loans sooner and significantly reduce the total interest paid over time.
3. **Build Your Financial Pillars:** Beyond student loans, prioritize establishing other key financial foundations. This includes building an emergency fund (aim for 3-6 months of living expenses), contributing to retirement accounts (like a 401(k), especially if your employer offers a match), and managing any other debts strategically.
4. **Continuously Learn and Adapt:** The financial landscape evolves. Stay informed about personal finance best practices, investment opportunities, and economic trends. Regularly review your budget and financial goals, adjusting your strategies as your income, expenses, and life circumstances change.

SoFi Resources to Help Students Plan and Save

Informational Guides:

[Student Debt Guide:] A resource to help student borrowers stay ahead of federal student loan changes and make informed decisions about loan repayment options.

[Consolidation vs. Refinancing:] A comparison guide with information on how to decide which option is right for you.

Tools and Calculators:

Student Loan Calculator
Student Loan Refinancing Calculator
Student Loan Tracking
Budgeting Tools

SoFi Private Student Loans: SoFi offers loans for college students at all stages of their academic career, with no origination or late fees and the option to choose from competitive fixed or variable rates.

Undergraduate Student Loans
Graduate Student Loans
Law School Loans
MBA Loans
Health Professions Loans
Parent Student Loans

SoFi Student Loan Refinancing: SoFi offers a variety of flexible repayment options that make it easier for borrowers to lower their monthly payments, reduce their total interest costs, and pay down their loans sooner.

Medical Professional Refinancing

Medical Resident Refinancing

Parent PLUS Refinancing

Law and MBA Refinancing

NEW! **SmartStart Refinancing**: SoFi now offers an interest-only for the first nine months re-financing option that enables student loan borrowers to take advantage of lower monthly minimum payments. This new feature allows for more financial flexibility to navigate life transitions like finding a new job, relocating to a new city, or searching for a new home.

Need help applying for student loan refinancing?
Call SoFi Student Loans Support: (855) 456-7634

SoFi's mission is to help people reach financial independence to realize their ambitions. And financial independence doesn't just mean being rich—it means getting to a point where your money works for the life you want to live. Everything we do is geared toward helping our members get their money right. We're constantly innovating and building ways to give our members what they need to make that happen.

About SoFi

SoFi Technologies (NASDAQ: SOFI) is a one-stop shop for digital financial services on a mission to help people achieve financial independence to realize their ambitions. Over 10.9 million members trust SoFi to borrow, save, spend, invest, and protect their money – all in one app – and get access to financial planners, exclusive experiences, and a thriving community. Fintechs, financial institutions, and brands use SoFi's technology platform Galileo to build and manage innovative financial solutions across 158.4 million global accounts. For more information, visit www.SoFi.com or download our iOS and Android apps.

DISCLOSURES

INVESTMENTS ARE NOT FDIC INSURED • ARE NOT BANK GUARANTEED • MAY LOSE VALUE

Student Loan Refinancing: Terms and conditions apply. SOFI RESERVES THE RIGHT TO MODIFY TERMS AND DISCONTINUE PRODUCTS AND BENEFITS AT ANY TIME. To qualify for refinancing, you must fulfill all SoFi eligibility requirements. SoFi only refinances student loans totaling at least $5,000 that you used to fund tuition at an eligible Title IV accredited school where you were enrolled at least 50% time. Loans currently being used to fund education for actively enrolled students are not eligible for refinancing. For more detail, see SoFi.com/eligibility. **Lowest rates reserved for the most creditworthy borrowers. You may pay more interest over the life of the loan if you refinance.**

Notice: SoFi Refinance Student Loans are private loans. When you refinance federal loans with a SoFi loan, YOU FORFEIT YOUR ELIGIBILITY FOR ALL FEDERAL LOAN BENEFITS, including all flexible federal repayment and forgiveness options that are or may become available to federal student loan borrowers including, but not limited to: Public Service Loan Forgiveness (PSLF), Income-Based Repayment, Income-Contingent Repayment, extended repayment plans, PAYE or SAVE. Information current as of 6/9/25 and subject to change. SoFi Refinance Student Loans are originated by SoFi Bank, N.A. Member FDIC. NMLS #696891 (www.nmlsconsumeraccess.org).

SmartStart Loan: Eligible only for 7, 10, 15, and 20 year loan terms and fixed rate. Not available to borrowers in the Medical Residency ReFi program. Must meet creditworthiness requirements. Learn more at SoFi.com/eligibility. During the interest-only period, your minimum monthly payments only pay accrued interest and do not reduce the loan principal balance on the SmartStart loan. After the interest-only period, your minimum monthly payments will increase for the remainder of the loan term to pay principal and interest on a conventional amortization schedule. You are only eligible to take a SoFi SmartStart loan one time as a primary borrower.

Interest-only for First 9 Months Repayment Plan: Repayment plan is available for fixed-rate loans only. For the initial 9-month period, monthly payments will be interest-only, with no reduction in the principal balance. Following the 9-month interest-only period, monthly payments will consist of both principal and interest for the remainder of the loan term. A 5-year term is not available for this offer. **Choosing this option may result in a higher total loan cost compared to making full principal and interest payments from the start.**

Private Student Loans: Please borrow responsibly. SoFi Private Student loans are not a substitute for federal loans, grants, and work-study programs. We encourage you to evaluate all your federal student aid options before you consider any private loans, including ours. Read our FAQs.

Terms and Conditions Apply. SOFI RESERVES THE RIGHT TO MODIFY OR DISCONTINUE PRODUCTS AND BENEFITS AT ANY TIME WITHOUT NOTICE. SoFi Private Student loans are subject to program terms and restrictions, such as completion of a loan application and self-certification form, verification of application information, the student's at least half-time enrollment in a degree program at a SoFi-participating school, and, if applicable, a co-signer. In addition, borrowers must be U.S. citizens or other eligible status, be residing in the U.S., Puerto Rico, U.S. Virgin Islands, or American Samoa, and must meet SoFi's underwriting requirements, including verification of sufficient income to support your ability to repay. **Minimum loan amount is $1,000**. See SoFi.com/eligibility for more information. Lowest rates reserved for the most creditworthy borrowers. SoFi reserves the right to modify eligibility criteria at any time. This information is current as of 6/9/25 and is subject to change. SoFi Private Student loans are originated by SoFi Bank, N.A. Member FDIC. NMLS #696891. (www. nmlsconsumeraccess.org).

Student Loan Tracking and Budgeting Tools: SoFi Relay offers users the ability to connect both SoFi accounts and external accounts using Plaid, Inc.'s service. When you use the service to connect an account, you authorize SoFi to obtain account information from any external accounts as set forth in SoFi's Terms of Use. Based on your consent SoFi will also automatically provide some financial data received from the credit bureau for your visibility, without the need of you connecting additional accounts. SoFi assumes no responsibility for the timeliness, accuracy, deletion, non-delivery, or failure to store any user data, loss of user data, communications, or personalization settings. You must confirm the accuracy of Plaid data through sources independent of SoFi. The credit score is a VantageScore® based on TransUnion® (the "Processing Agent") data. Debt Calculators: Using the free calculators is for informational purposes only, does not constitute an offer to receive a loan, and will not solicit a loan offer. Any payments shown depend on the accuracy of the information provided.

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SoFi Credit Cards are issued by SoFi Bank, N.A. pursuant to license by Mastercard® International Incorporated.

Loans originated by SoFi Bank, N.A., NMLS #696891 (www.nmlsconsumeraccess.org). Equal Housing Lender.

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