

# How Student Loans Almost Ruined My Relationship With My Parents

credit.com

By Gerri Detweiler 5 hours ago

[Content preferences](#)

Done

Like a lot of high school seniors, Andrew Josuweit wasn't entirely sure where he wanted to go to college, but a mailbox stuffed full of college brochures introduced him to possibilities he'd never considered before. He had been offered some scholarships at local colleges, but there was a private business college in Boston that interested him more. He loved the campus and felt like it was a good fit.

"It was an emotional decision," he concedes now. The annual cost was about \$40,000.

So Josuweit did what thousands of other college students do: He took out [student loans](#). The difficulty was he couldn't take out the amount he needed from federal loans. He needed private loans as well, and he couldn't get them without co-signers. His parents didn't like the idea, and they had already let him know that even though they agreed to cosign, he would be responsible for funding his own college, and he accepted the responsibility. Josuweit's father, a business owner with [excellent credit](#) who had dropped out of school, was less than supportive of the education loans. "He doesn't think you need philosophy classes if you will be an electrician," says Josuweit.

But every summer, new loan papers had to be signed for more Sallie Mae loans. "My dad was asking, 'Hey, do you realize the debt you're getting into?'" But when you're being told you're going to make \$80,000 a year when you get out, it doesn't seem that bad," he said. Those summer signings also created tension between his parents, Josuweit said. And when he graduated in 2009, the economy had soured. Average starting salaries for new college graduates were more like \$35,000, he said.

## Plans Change – Parents' Scores Suffer

He had decided he didn't want a corporate job, and he took a job working for a nonprofit in Africa. He couldn't pay his student loans, and his parents began to get late notices. Worse, because they had co-signed the loans, their credit scores took a significant hit. His parents have a small business, and good credit was important. "It was an emotional drama," Josuweit said. "I didn't talk to them for three or four months at a time, which may not be long for some people, but we had been closer than that."

When he did talk to his parents, it was often unpleasant. In December of 2011 he had an "angry conversation" with his parents during which they informed him that "10 or 20" student loan bills needed his attention, he said. (He had 16 private loans at the time.) That conversation turned out

to be fortuitous. It was the seed of a business idea that he hoped would help him, his parents and countless others to better manage their student loans.

Josuweit has a business degree, and even he found it difficult to organize all the loans. But the entrepreneur in him sensed opportunity, and he found business partners who felt the same way. He founded Student Loan Hero in 2012 (he is the CEO). Now the student loan website offers free tools to help borrowers track their loans in one place. It's basically a dashboard showing all the loans and their interest rates. It also aggregates [loan forgiveness programs](#) by state and profession, so that borrowers can check eligibility. (They got seed money from startupChile, and the revenue part of the business comes from partnering with banks that pay when borrowers consolidate or refinance.)

Trying to deal with student loans after the fact has become something of a cottage industry. While Josuweit's debt was extreme, his plight in being unable to pay and unaware of what payments might be is common. Blogs and apps have popped up to help former students deal with the debt. Because student loans are usually not dischargeable in bankruptcy, Josuweit knew the audience for products to help navigate student loans isn't going away.

He's patched things up with his parents, but Josuweit doubts it would have happened if his parents had been stuck repaying the loans they advised him against taking out. (Parents [considering co-signing](#) because they think saying no could damage their relationship with their child, take note. Saying yes can also cause lasting resentment.)

### **It's Still Not Over**

Josuweit still owes more than \$100,000 on his student loans, and he pays \$1,100 a month. His credit score is close to 580 (below 620 is considered bad) but improving. A bonus will cut that balance to five digits, and if Student Loan Hero continues to grow the way he hopes, those student loans will be behind him in two or three years.

His advice for students contemplating taking out student loans? Think about the kind of job you'll get after you finish college. Consider what an entry-level position typically pays, and then look carefully at the employment rates for new grads. Use a calculator to get an idea of what your monthly payments will be after school is done. And know that nothing is guaranteed, including that you'll still want the career you're borrowing money to prepare for.

While the whole loan process can be confusing, and there's evidence many students don't know [how much they owe or whether they even have loans](#), the realities of repayment become clear when the bills come due. Your credit reports are also a good way to check for what loans are in your name, and pulling your credit scores can give you a good idea of how your debt is affecting your credit. Credit.com offers two free credit scores, updated monthly, [along with a profile of your credit report](#).