

PARENT GUIDE: DIVE INTO LENDING

# LEARN IN SHALLOW WATER— BEFORE IT GETS EXPENSIVE



For many adults, the first real lesson about borrowing comes **after a mistake** — a credit card balance that grows fast, a student loan that feels heavier than expected, or a car loan that costs more than the car.

**Dive Into Lending** teaches kids before that moment. Kids learn the basics now — when examples are simple and curiosity is high. This helps them understand credit cards and student loans before they're ever asked to sign up for one.

This experience includes a **map and worksheet**, plus short animated videos (accessed by QR code) that explain:

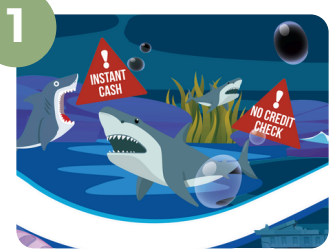
- What it means to borrow
- Why interest adds up
- How small choices can become expensive

## HOW TO USE IT:



Scan the QR code, watch a short video together, then complete the matching worksheet section. The sea creature explains first — you just talk it through.

The goal isn't to scare kids away from borrowing. It's to make sure their **first lesson doesn't come from a costly mistake.**



### 1 Loan Shark Lagoon | What Is a Loan & Why to Be Cautious

**Parent lesson:** A loan is money you borrow and promise to pay back, usually with interest. Some loans seem helpful but are risky because they charge too much or rush people into decisions.

**Ask:** "What would make a loan feel unsafe to you?"



### 2 Balloon Payment Tsunami | Surprise Payments

**Parent lesson:** Some loans look affordable each month but end with one very large final payment called a balloon payment. That surprise can cause real problems if you're not ready for it.

**Ask:** "Why might smaller monthly payments be misleading?"



### 3 Mortgage Reef | Renting vs. Owning

**Parent lesson:** Renting means paying to use a home. A mortgage is a long-term loan that helps someone own a home over time and slowly build value.

**Ask:** "How is owning something different from just paying to use it?"

4



### Car Loan Current | Credit Scores & Interest

**Parent lesson:** A credit score helps lenders decide how risky it is to lend money. Higher scores usually mean lower interest and lower monthly payments.

**Ask:** “Why do you think responsibility affects borrowing costs?”

5



### Student Loans | Borrowing for the Future

**Parent lesson:** Student loans help pay for education now, but must be repaid later. Borrowing more than you can afford in the future can make adulthood more challenging.

**Ask:** “How could choosing a career affect someone’s ability to repay a loan?”

6



### Credit Card Cove | Borrowing Small Amounts Often

**Parent lesson:** Credit cards let you buy things now and pay later. If the balance isn’t paid in full, interest adds up — and small purchases can quietly become very expensive.

**Ask:** “Why did the same hoodie could end up costing different amounts?”

7



### HELOC Harbor | What Is Equity?

**Parent lesson:** Equity is the part of a home you actually own. It’s the difference between what the home is worth and how much is still owed.

**Ask:** “Why does equity take time to build?”

8

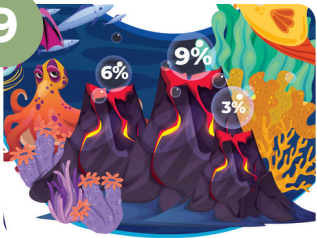


### APR Abyss | The True Cost of a Loan

**Parent lesson:** APR shows how much extra a loan costs each year. A lower APR usually means paying less overall — even if the loan amount is the same.

**Ask:** “Which loan costs the least in the long run?”

9



### Variable Rate Volcano | Changing Interest Rates

**Parent lesson:** Some loans have interest rates that change. When rates rise, payments rise too — sometimes unexpectedly.

**Ask:** “Why might predictable payments feel safer?”

## Final Thought for Parents

Credit cards and student loans often become a child’s **first independent financial decisions** — and they’re usually made without much context. Teaching these concepts early doesn’t remove risk entirely, but it **dramatically reduces the chance** that a child’s first lesson comes from a painful, expensive mistake.

**One video. One worksheet. One conversation.** That’s how a foundation gets built.