

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.