

Hawkeye Community College

2024-2025 PRIVATE STUDENT LOAN

"Good Choices" Instruction Sheet

The "Good Choices" packet must be completed before borrowing a Private Loan at Hawkeye Community College EACH academic year.

The simple but helpful "Good Choices" exercises were developed to assist you making informed decisions today by gathering important information about your private loan and potential loan debt. By estimating potential student loan debt and thinking through repayment responsibilities will help prevent repayment difficulties or defaulting on a loan.

PLEASE NOTE: PRIVATE LOANS MAY NOT BE CONSOLIDATED WITH ANY FEDERAL LOANS RECEIVED! YOU WILL MAKE SEPARATE PAYMENTS FOR FEDERAL LOANS AND THE PRIVATE LENDER OF YOUR CHOICE.

You want to make sure you consider Federal aid prior to private aid. The conditions of Federal grants, student loans, and parent loans may be more favorable than those of private loans. If you are choosing to not complete the FAFSA application for Federal aid, you would also need to complete the Declining Federal Aid form along with this packet. If you are a dependent student and a parent is choosing not to pursue a parent PLUS loan, the parent would need to sign this packet.

Here's how you do "Good Choices":

- Step 1** Complete the following AFTER you have been awarded and accepted your financial aid award
- Step 2** Read your private loan materials and learn the conditions of your loan option
- Step 3** Complete the "Good Choices" Budget Sheet, Debt Management Sheet, and Worksheet.
- Step 4** If you wish, make an appointment with a Financial Aid Advisor. (optional)
- Step 5** Submit your completed "Good Choices" Worksheet, Debt Management, and Budget Sheet to the Financial Aid Office.

IMPORTANT INFORMATION:

It may take up to four weeks to process a private loan so early application is important. If you are expecting a credit balance (refund) of a private loan, the earliest the credit balance (refund) will be processed by the Business Office will be 3 weeks into the Fall and Spring terms or 2 weeks into the Summer term. This is also contingent on you meeting your private loan eligibility criteria and attending classes.

Hawkeye reserves the right to limit borrowing. If you are enrolled in a program with required tools or equipment expenses exceeding \$500 per term, and you wish the expenses to be considered in your cost of attendance, please contact us regarding a Cost of Attendance Appeal Form and required documentation. Upon review of this form, we will consider your request for additional private loan funds.

If you do not know the information asked regarding your private loan, you would need to contact your lender to get the information. If you have questions on the paperwork or your Federal Student Loans, you may contact the Financial Aid Office.

Nondiscrimination Statement: Hawkeye Community College does not discriminate on the basis of sex; race; age; color; creed; national origin; religion; disability; sexual orientation; gender identity; genetic information; political affiliation; or actual or potential parental, family, or marital status in its programs, activities, or employment practices. Veteran status is also included to the extent covered by law. Any person alleging a violation of equity regulations shall have the right to file a formal complaint. Inquiries concerning application of this statement should be addressed to: Equity Coordinator and Title IX Coordinator for employees, 319-296-4405; or Title IX Coordinator for students, 319-296-4448; Hawkeye Community College, 1501 East Orange Road, P.O. Box 8015, Waterloo, Iowa 50704-8015; or email equity-titleIX@hawkeyecollege.edu, or the Director of the Office for Civil Rights U.S. Department of Education, John C. Kluczynski Federal Building, 230 S. Dearborn Street, 37th Floor, Chicago, IL 60604-7204, Telephone: 312-730-1560 Facsimile: 312-730-1576, TDD 800-877-8339 Email: OCR.Chicago@ed.gov.

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Student Name _____

Student ID Number _____

(Listed on Hawkeye ID card)

Expenses	Monthly Amount (estimates)	Helpful Tips	
Mortgage/Rent		<p>If Expense/Income are not monthly amounts, try to determine what it would be monthly to help you organize your budget.</p> <p>Use your best estimation. For example, utilities can fluctuate from summer to winter. You may want to estimate on the higher end during the winter months versus the summer months. This way you can better adjust your cashflows.</p> <p>If parents are paying for an item just note this on the expense & place a zero under the amount.</p> <p>It is important to be aware of cashflows. You may show below that you have enough financial aid to cover expenses, but financial aid won't be available until mid-September for fall and end of January for spring.</p>	
Taxes & Insurance & Association Fees			
Home Repairs			
Utilities (Electric/Gas/Oil)			
Water & Sewer			
Phone (Cellular)			
Internet/Cable/Satellite			
Car Payment			
Gas			
Car Insurance			
Car Repairs/Maintenance			
Other Transportation (bus)			
Life/Disability/Health Insurance			
Credit Card			
Student Loans			
Groceries/Eating Out			
Day Care			
Child Support			
School Tuition/Fees			
Medication			
Toiletries/Makeup/Clothing			
Pet Food			
Pet Care (vet, grooming, etc.)			
Hobbies (Books, games, music)/Holidays		Fall Term Total (Sept-Dec)	Spring Term Total (Jan-May)
Cleaning Supplies			
Total Expenses:			

Income	Monthly Amount (estimates)		
Wages (including work study)		<p>Are your total expenses more than your total income? If yes, you may want to look at what expenses are necessary and what you are able to cut back on to live within your budget.</p>	
Child Support			
SNAP (Food stamps)			
Grants/Scholarships			
Federal Loans/Private Loans		Fall Term Total (Sept-Dec)	Spring Term Total (Jan-May)
Disability/Unemployment/Workman's Compensation			
Parental Assistance or other Financial Help			
Total Income:		Monthly X 4 =	Monthly X 5 =

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Private Student Loan "Good Choices" Debt Management Sheet

The purpose of this exercise is to help you estimate how much student loan debt you may acquire during your college years. Please follow the three steps carefully. Then, complete the following items and submit to the **Hawkeye Financial Aid Office** along with the Good Choices Worksheet and Budget Worksheet. **All forms must be entirely completed or they will be returned.**

Student Name _____ Student ID Number _____
(Listed on Hawkeye ID card)

STEP 1 – Federal Student Loan Projection

How much in Federal Student Loans do you plan to borrow before you finish college?

Current amount borrowed (including this year): (If you do not know, go to studentaid.gov to look it up.) _____ (A)

Max per year: Independent Student: \$10,500/year
Dependent Student: \$6,500/year

Estimated amount you may borrow in the future: (Amount borrowing per year X Number of college years left.) _____ (B)

TOTAL PROJECTED FEDERAL DIRECT LOAN DEBT (A + B) _____ (C)

Using the total projected Federal amount, how much will your monthly payment be? _____ per month (X)

Use the Loan Simulator on studentaid.gov to estimate your monthly payments.

STEP 2 – Private Loan Projection

How much in Private Loans do you plan to borrow before you finish college?

Current amount borrowed: If you do not know, contact your lender. _____ (D)

Amount requested on this loan for this school year: _____ (E)

Estimated amount you may borrow in the future: (Amount borrowing per year X Number of college years left.) _____ (F)

TOTAL PROJECTED PRIVATE LOAN DEBT (D + E + F) _____ (G)

Using the total projected Private amount, how much will your monthly payment be? _____ per month (Y)

Use the Loan Simulator on studentaid.gov to estimate your monthly payments. Don't log in, & enter the amount manually.

STEP 3 – Total Federal and Private Loan Monthly Payment Projection

How much in Federal Loan and Private Loans do you plan to borrow before you finish college?

TOTAL PROJECTED FEDERAL LOAN DEBT (C) _____

TOTAL PROJECTED PRIVATE LOAN DEBT (G) _____

TOTAL PROJECTED LOAN DEBT (C + G) _____ (H)

TOTAL MONTHLY PAYMENTS (X + Y) _____ per month (Z)

Reminder: These payments will be made separately; we are just helping you determine the approximate total monthly loan payment.

IMPORTANT: If you estimate your total projected loan debt (Item H) to be over \$16,000 or your monthly payments (Item Z) to be greater than 8% of your future monthly income, you may need to rethink the amount of loans you are borrowing and try to find ways to reduce borrowing (i.e. part time employment, scholarships). If you are unsure about your estimated monthly income, please refer to the Bureau of Labor Statistics www.bls.gov.

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Private Student Loan "Good Choices" Worksheet

The purpose of this exercise is to help you learn important information about the conditions of your Private Loan. **Please read your Private Loan application thoroughly and/or call your lender to find the answers to the following questions.** Then, complete the following items and submit to the **Hawkeye Financial Aid Office** along with the "Debt Management" and "Budget" worksheets. **All forms must be entirely completed or will be returned.** If you wish to meet with a Hawkeye Financial Aid Advisor to discuss this in more detail please, contact the Financial Aid Office at 319-296-4020 to schedule an appointment.

Student Name _____ Student ID Number _____
(Listed on Hawkeye ID card)

Mailing Address _____
Street City State Zip Code

1. Which lender will be servicing the loan you are applying for now? _____

2. If you have borrowed Private Loans in the past, are they with the same lender you listed above?
YES NO - Who was your previous lender? _____
You will be required to repay each lender separately.

3. What is the phone number of your current lender? _____

4. How much private loan do you plan to borrow for the current school year? _____

5. Check ALL semesters the loan is for: Fall Spring Summer
The loan will be split between the semesters selected.

6. Is it a Fixed or Variable interest rate? Fixed - What is the rate? _____
Variable - What is the interest rate capped at? _____
(This is the highest interest rate possible.)

7. What is the Origination Fee of your loan? _____
(This is a fee the lender takes for processing your application and comes out of your requested amount. If you are unsure, contact your lender.)

8. Are you able to defer the payments of this loan while you are in school?
YES NO - What resources are you using to make payments while in school?

9. When is your anticipated graduation date? Month _____ Year _____

10. When do you anticipate payments to begin? Month _____ Year _____

STUDENT CERTIFICATION STATEMENT	
"I understand that I am responsible for the repayment of this Private Loan and any other student loans that I receive. I understand that I am not able to consolidate my Direct Subsidized Loans, Direct Unsubsidized Loans, and Private Loans into one payment. Therefore, I will be responsible for at least two (2) separate payments. I understand that funds from this loan will first be applied to my Hawkeye bill and a credit balance check will be disbursed no earlier than the scheduled disbursement date of each semester.	
I have read the information on the "Good Choices" Instruction sheet I understand that a Federal Parent PLUS loan is available to fund my education. If I am dependent, I also understand that the Parent PLUS loan might be a better option for me than the above-mentioned private loan. I have elected not to pursue the Federal Parent PLUS Loan at this time."	
_____ Student Signature	_____ Date
"I understand that a Federal Parent PLUS loan is available to fund this student's education. I also understand that the Federal Parent PLUS loan might be a better option for the student than the above-mentioned private loan. We have elected not to pursue the Federal Parent PLUS Loan at this time." (Required for "Dependent Students.")	
_____ Parent Signature (required for dependent students)	_____ Date