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Successful
Management
Assures
Remaining on
Track

CGTC

Loan Options

Deferment

A deferment is a temporary postponement of loan payments. To be eligible, specific criteria set forth by the lender must be met. A student does not have to pay principal and interest on that loan while it is in deferment. Loans may be deferred if you:

- Enroll in school at least half-time
- Are unemployed
- Experience economic hardship
- Engage in graduate fellowship
- Are involved in rehab training

Forbearance

A forbearance allows you to temporarily postpone your payments, extend the period of time allowed to make payments, or allow you to make smaller payments. Specific requirements set forth by the lender are required. The interest that accrues is the responsibility of the student. Forbearance may be granted if you are experiencing

- economic hardships,
- unemployment,
- poor health, or
- disability

*** Check with your lender or servicer for further details.**



Repayment

After graduation, the lender will send repayment options to you. Choose the best option for your situation. Repayment will begin after your grace period. The grace period is between 6-9 months depending on your loan type.

!! It is the student's responsibility to make your payments on time.

!! Remember, your student loans belong to you; you have to pay them back.

Rate	3.42%	5%	6%	7%	8.25%	9%
Amount Borrowed	Estimated Monthly Repayment					
\$5000	\$50	\$53	\$55	\$58	\$61	\$63
\$10,000	\$99	\$106	\$111	\$116	\$123	\$127
\$30,000	\$296	\$318	\$333	\$348	\$368	\$380
\$40,000	\$394	\$424	\$444	\$465	\$491	\$507
\$50,000	\$493	\$530	\$555	\$581	\$613	\$633

Although Central GA Technical College does not participate in any Title IV or Independent Loan Programs, many of our students have student loans from other colleges attended previously. This brochure is designed to help students stay on track with their student loans.

Other Loan Options

Consolidation

Consolidation of loans is to combine multiple loans into one loan. Loan consolidation will:

- ❖ Simplify your loans into one payment,
- ❖ Extend repayment term to provide financial relief on a tight cash flow,
- ❖ Increase monthly savings by decreasing your payment amount.

When repayment terms are extended, the total interest charges increase.



Satisfactory Repayment Plan

Satisfactory repayment plan is when you have went into a default status on your student loan and you and your lender agree that if you can make a certain number of payments on time then you will no longer be in default. Your loan will then be put in a satisfactory repayment status. To be eligible for federal aid, you must have made the agreed upon payments and made them on time.

Note: If you are in satisfactory repayment status on your loans, you are **not** eligible for the Georgia HOPE Grant\Scholarship.

Default

Prevention and Consequences

When you accept a student loan, you agree to all terms and conditions. You made a commitment to pay back the loan. You are in default on your student loans if during your repayment time you are delinquent for 270 days.

Don't Forget

To prevent being in default on your student loans you must do the following:

1. Maintain copies of your student loan records on paper or on your computer.
2. Make sure that your loans are deferred while you are still in school.
3. Keep your information such as mailing address and e-mail address current.
4. Contact your lender if you are having problems with your repayment. Make sure that you do this before your loan becomes delinquent.



CONSEQUENCES OF DEFAULT PAYMENTS OR FAILING TO MAKE ARRANGEMENTS

The following are several consequences of becoming in default on your student loans:

1. Your defaulted loans are reported to the credit bureau and can stay on your credit report for up to 7 years.
2. A credit card, car loan, mortgage, or apartment can not be obtained.
3. You can not receive any additional financial aid, deferments, or loan consolidation.
4. Your tax refunds may be taken from you.
5. Employment by a city, county, state, or federal agency may be denied.
6. Loan may be sent to a collections agency.
7. A lawsuit for non-payment will be filed against you and you will have to pay all court costs and attorney fees.

**If you can answer these questions,
you are a smart borrower:**

1. How many student loans do I have?
2. What is the status of those loans?
3. Who is the current loan holder and is there more than one?
4. Is it time for me to start repaying my loan(s)?
5. Do I know what to do if I can't repay my loan now?
6. Does my loan holder know I have reenrolled in school?

FYI

For further information concerning your student loan questions or concerns contact your lender or loan holder. If you do not know who your lender is, contact the **United States Department of Education at 1-800-621-3115** or visit the **National Student Loan Data System at www.nsls.ed.gov**. For more information about loans visit the Department of Education's website at **www.studentaid.ed.gov**.



THE KEY TO SUCCESS

Remain on Track

- You have begun your education, be proud.
- Once you have earned your education no one can take it away, you can't lose or spend it. You will always have it, be proud.
- Do what you have to do to complete your education.
- Use college resources: library, computer labs, Job Placement, Student Activities, Tutorial.
- It's not easy. If it were, everyone would have success.
- Expect some challenges, they strengthen you.
- Those that can't handle the difficulty don't succeed.

CONSEQUENCES OF Remaining on Track

Higher Education – earn a diploma, a degree

Marketable Skills

Interviews, job offers,

Satisfactory Employment

Earn more money

CONSEQUENCES OF Getting Off Track

- Dropout – owe for tuition & fees, do not earn your financial aid, payback unearned financial aid, ruin/damage your academic history.
- Little or No Skills
- Nothing to Offer Employers
- No Job Opportunities
- Stuck where you are or worse you become more behind.

Note: Be smart: stay in school, graduate, prepare for the interview, & work hard.