

Direct Student Loan on the Web

Applying for and receiving a Direct Student loan is a four step process! Don't miss a step or your loan will not be processed successfully.

You must be enrolled in 6 or more credits to be eligible!

Know your Federal Student Aid (FSA) ID

- ✓ **This is the same FSA ID you used to sign your FAFSA**
- ✓ **Go to: www.studentaid.ed.gov**
- ✓ **What is a Federal Student Aid (FSA) ID?**
 - The FSA ID serves as your identifier to let you access your personal information in various U.S. Department of Education systems. Because your FSA ID serves as your electronic signature, you should not give it to anyone.

Complete Entrance Counseling

- ✓ First-time borrowers must complete Entrance Counseling before receiving loan funds. To complete this requirement, simply go to our website: www.hibbing.edu . Browse to the Financial Aid page; choose **Loans** from the left menu and then **Complete Direct Student Loan Entrance Counseling**.

Complete the Promissory Note

The quickest and most efficient way to apply for a loan is to use the Internet. Simply go to our website: www.hibbing.edu . Browse to the Financial Aid page; choose **Loans** from the left menu then **Complete the Master Promissory Note**. Ideally, there should be a printer available. If you don't have your own computer with web access, check with your public library. You may also come to the Financial Aid Office and we will direct you to one of the College's computer labs. You will be able to complete your Stafford Loan application much faster if you have the following information ready:

- Your driver's license number.
- Names and complete addresses of the two people you will use as personal references. One reference should be a parent or guardian if living. (References cannot have the same address.)

Complete the Student Loan Request

You must complete the Student Loan Request online in order for us to know how much you would like to borrow. Go to our website: www.hibbing.edu . Browse to the Financial Aid page; choose **Loans** from the left menu. Click on the "Complete the Direct Student Loan Request". You will need to know your HCC Star ID and password to eServices.

Things you should know

- All new incoming students, first-time Direct Loan borrowers or transfer students attending Hibbing Community College for the first time must complete loan entrance counseling.
- All new incoming students, first-time Stafford Loan borrowers or transfer students who will be attending Hibbing Community College will have their loan disbursements delayed 30 days.
- All loans are divided into two payments. Eg. (½ Fall & ½ Spring Semester) or (½ beginning of one term and ½ mid-term)
- You must be enrolled in 6 or more credits to receive a student loan.
- Your loan eligibility may be adjusted, down or up, if other sources of financial aid are awarded or reduced.

What is a Master Promissory Note?

- The Master Promissory Note (MPN) is the application now used to apply for a Direct Student Loan.
- Depending on the school/s you attend, you may only need to complete one MPN for all your future Stafford Loans.
- By signing the MPN, electronically or otherwise, you're agreeing to repay all Direct Loans that are guaranteed using the note.

When will my MPN expire?

- If the school/s you attend participate in the multi-year process, the MPN will remain valid for 10 years unless you file for bankruptcy. If you sign the MPN and then decide not to borrow for 12 months, you will be required to complete a new MPN. HCC participates in the serial processing of Stafford Loans.

How much can I borrow?

- Your award letter will advise you of your eligibility. You may always decline all or part of your loan. Sometimes you can increase your eligibility by declining work-study. Contact the financial aid office if you have questions.

Can I change my loan amount?

- You may reduce the loan by contacting the Hibbing Community College Financial Aid Office. You may decline all or part of your loan even after the money has been sent to the school. If you are interested in borrowing more additional funds, you should contact the financial aid office to discuss your options.

What happens if I transfer to another school?

- You may continue to use the MPN if the new school participates in the Direct Loan Program and uses serial processing. Work with your school's financial aid office to learn if you will need to complete a new MPN.

What happens if I already have Federal Stafford Loan through a bank?

- When you complete your college education you should go online to www.loanconsolidation.ed.gov to learn how you can consolidate all your Stafford loans.

What happens if I drop below ½ time (less than six credits)?

- Any remaining disbursements will be cancelled and you will enter repayment.

Are you sure?

AMOUNT BORROWED (PRINCIPAL)	MONTHLY PAYMENTS (FOR 10 YEARS)	INTEREST COST* (APPROXIMATE)	TOTAL COST OF LOAN (PRINCIPAL + INTEREST)
\$4,000	\$50	\$1,524	\$5,350
\$7,000	\$81	\$2,667	\$9,667
\$10,000	\$115	\$3,810	\$13,810
\$15,000	\$172	\$5,714	\$20,714
\$20,000	\$230	\$7,619	\$27,619
\$25,000	\$288	\$9,524	\$34,524
\$30,000	\$345	\$11,429	\$41,429
\$35,000	\$403	\$13,334	\$48,234
\$40,000	\$460	\$15,239	\$55,239
\$45,000	\$518	\$17,143	\$62,143

*These figures are approximate and are based on an interest rate of 6.8% for a maximum 10 year repayment

Borrow only what you really need!