

Independent Survey of Givling Participants

FEDERAL STUDENT LOAN BORROWERS



Compiled by Champion Empowerment Institute, June 2018

Champion Empowerment Institute asked hundreds of Givling subscribers to respond to the following question and their responses will enlighten you on the real issues with student loans.

Please, share what wish you would have known or been better informed about before you took out your student loan:

Givling Participant 1: *It is impossible at the age of 18 to truly understand the implications of your choice to obtain student loans to cover the full cost of school. I worked full time to care for myself, while going to school full time. I thought I will have a good paying job after graduation and pay for loans. Not understanding that I could barely even cover the interest and that this debt is a life-long prison sentence and can prevent me from ever being debt free, let alone retire. It's a daily stress that feels like it will never go away.*

Givling Participant 2: *How much student loans would affect my future well after graduation in regards to buying a home, a car and any credit necessary purchases even if you've always paid all of your payments in full and on time.*

Givling Participant 3: *I wish I had had a better understanding of how loans and interest rates work. My parents aren't great with finances and didn't offer up much guidance. I wish dual enrollment (earning college credit through local community college) would have been emphasized over taking AP courses. I was told AP would look better on a college application. I wish community college would have been emphasized over going to a 4 year. Community college was looked down upon. I wish I had known more about scholarships and grants while in college. It seemed more for those getting ready to graduate high school/ first year students. I wish I had taken time off between high [school] and college to learn what I really wanted. I wish I had realized sooner that my major wasn't a good fit. I wish I had thought twice before getting my Master's Degree. I don't regret my education and where I'm at today, but would have done so many things differently so it wouldn't have been so costly.*

Table of Contents

Background	2
Characteristics of Givling Participants.....	5
Age at Start of Higher Education Experience.....	5
Participants’ College Completion Statistics	5
Characteristics of Participants’ Higher Education Experience	6
Type of Higher Education Institution Attended.....	6
Type of Degree Pursued by Participants	6
Characteristics of Participants’ Student Loan Borrowing	7
Approximate Total Amount of Student Loans Borrowed.....	7
Approximate Balance Still Owed for Student Loans.....	7
Change in Student Loan Balance	8
What Participants Wish They Would Have Known or Been Better Informed About BEFORE They Took Out Student Loans	8
What Givling Participants Had to Say	9
Conclusion.....	25

Givling Participant 4: *There is so much I wish I knew, but just general budgeting skills alone would have been a huge help. Who cares about calculus when you don’t know the first things about how to start and maintain a monthly budget, regardless of income?*

Background

Givling, Inc. was launched in December 2016 to fulfill a mission of helping people pay off up to \$50,000 in student loan debt through a trivia game that awards significant cash prizes while at the same time crowdfunding the payoff of student loans and, more recently, mortgages. Funding comes from users who pay-to-play Givling, as well as advertising and sponsorship revenue. Anyone can play by collecting Queue Points (QP), by interacting with ads, buying coins, playing FreePlays, participating in sponsorship offers, or meeting group goals. The person with the most Queue Points at the time Givling has an opening in the Queue, moves into the funding recipient position.



In 2017, Champion Empowerment Institute became a primary sponsor and strategic partner for Givling under the direction of Champion College Services, a default prevention company specializing in teaching and supporting long-term success in financial literacy and student loan repayment since 1989.

In the spring of 2018, Champion Empowerment Institute identified the need for a survey that would provide insight that could be used to enhance its financial literacy education and life skills courses. With this goal in mind, a survey was developed and made available to Givling participants. The following results provide a greater awareness of student loan borrowers' needs and concerns.

Givling Participant 5: *I wish I would have considered more the psychological effects of owing so much money especially in relation to my salary. Even with familial financial support, there is a feeling of infantilism and hopelessness.*

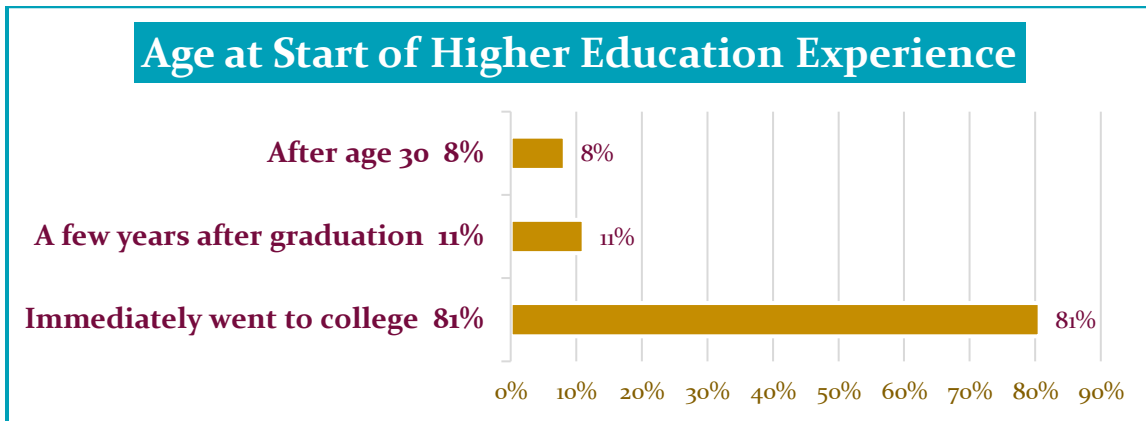


Characteristics of Givling Participants

AGE AT START OF HIGHER EDUCATION EXPERIENCE

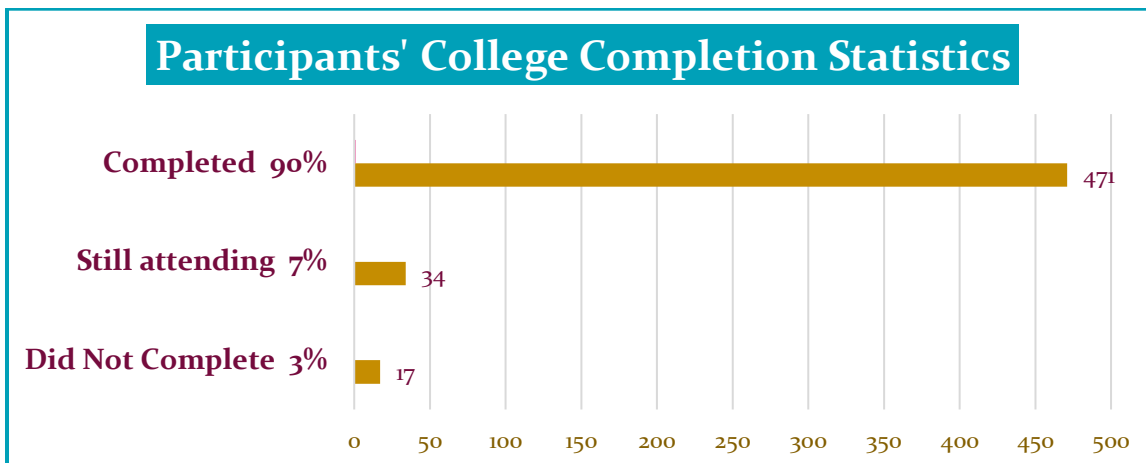
This independent study conducted by Champion Empowerment Institute, in cooperation with Givling, includes feedback from 522 participants who voluntarily provided information about their higher education and student loan experiences.

The majority of participants (81%) began their postsecondary experience immediately after completing high school. A small number of participants began a few years after completing high school (11%) and only 8% of participants began after the age of 30.



PARTICIPANTS' COLLEGE COMPLETION STATISTICS

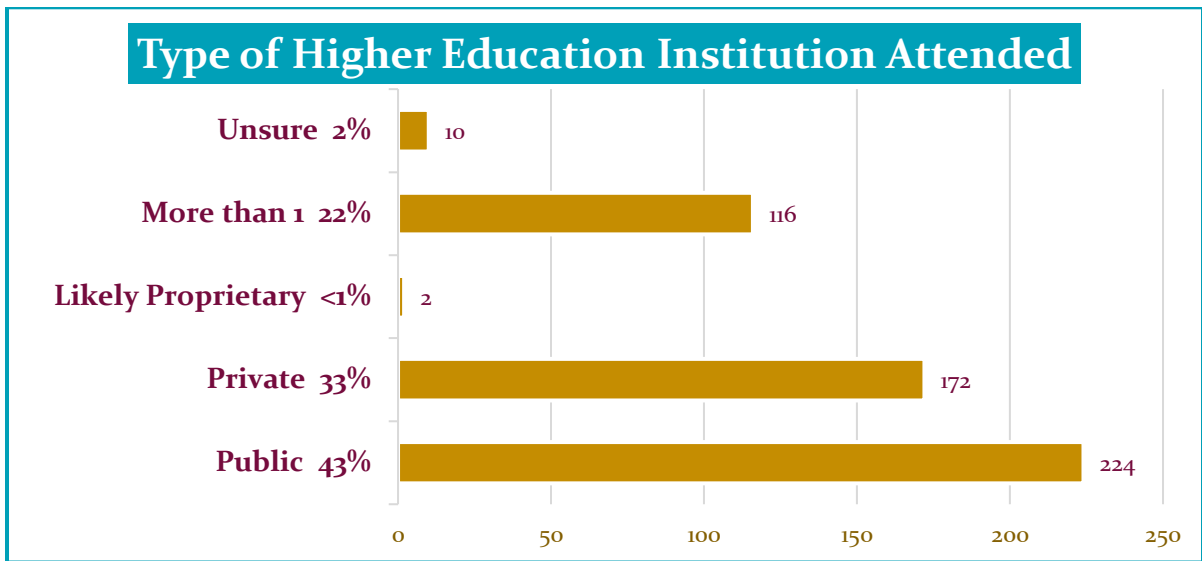
The majority of participants (90%) completed their degree, diploma or certificate. Only 3% of participants did not complete their education and 7% of participants are still attending an institution of higher education.



Characteristics of Participants' Higher Education Experience

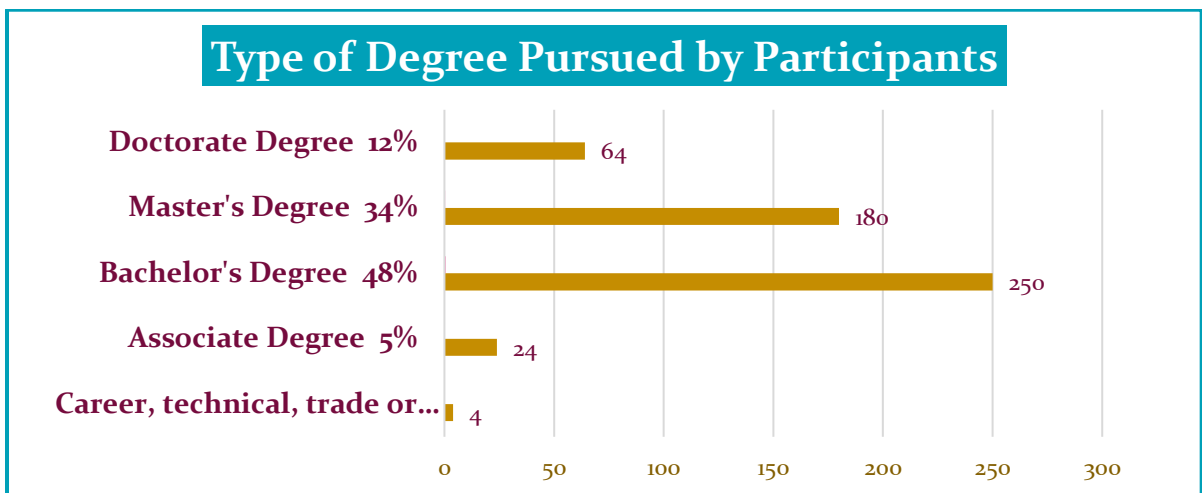
TYPE OF HIGHER EDUCATION INSTITUTION ATTENDED

The majority of participants (43%) attended public institutions while 33% attended private institutions and less than 1% attended a proprietary institution. Many participants attended more than one type of institution (22%) while only 2% of participants were unsure of the type of institution they attended.



TYPE OF DEGREE PURSUED BY PARTICIPANTS

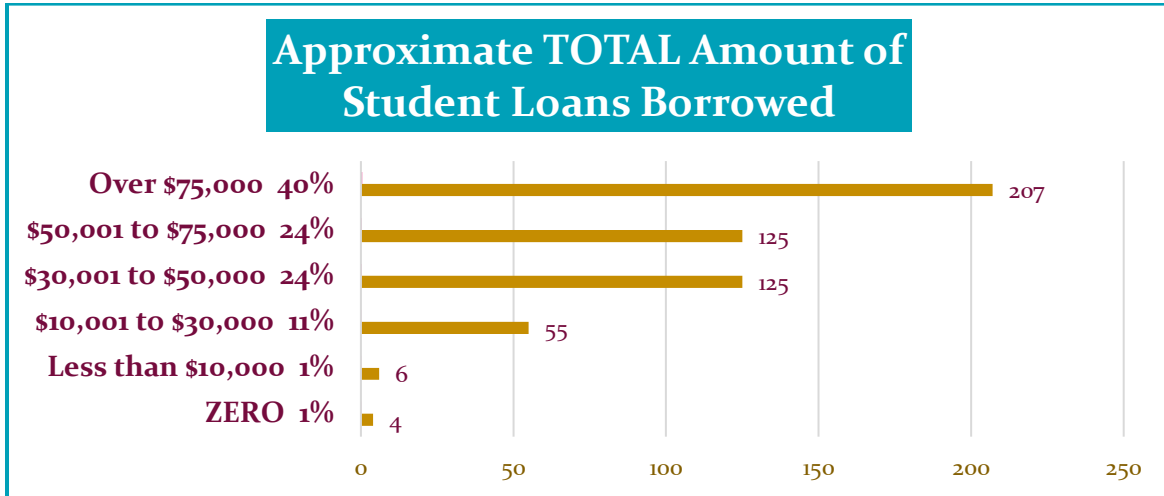
The majority of participants (48%) received a bachelor's degree, 34% received a master's degree, 12% received a doctorate degree, 5% received an associate degree, and 1% took career, technical, trade or vocational courses.



Characteristics of Participants' Student Loan Borrowing

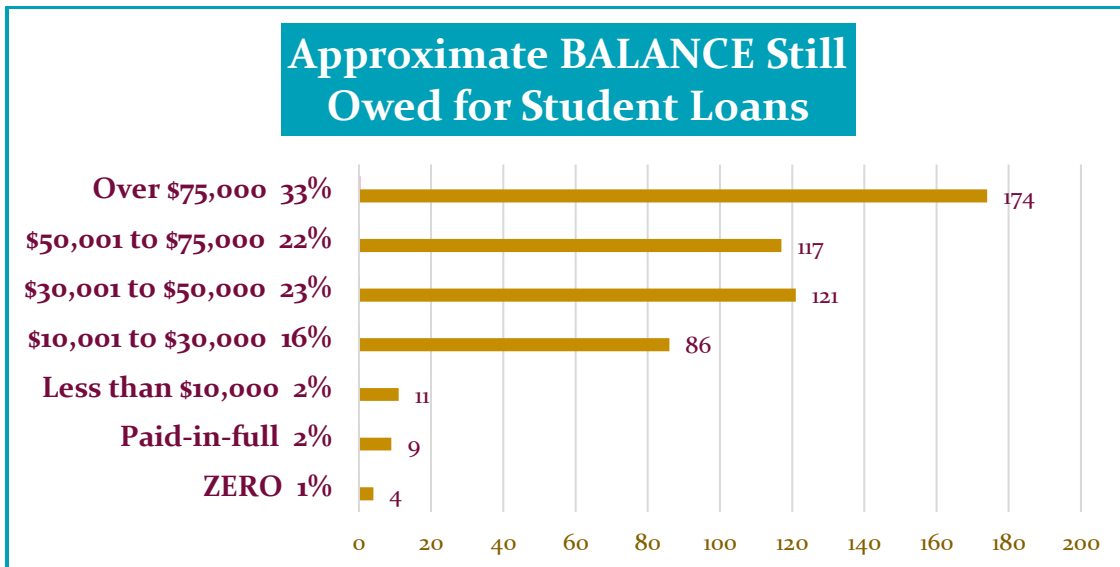
APPROXIMATE TOTAL AMOUNT OF STUDENT LOANS BORROWED

The majority of participants took out large amounts of student loans where 40% took out more than \$75,000, 24% took out \$50,001 to \$75,000, 24% took out \$30,001 to \$50,000, 11% took out \$10,001 to \$30,000, and 2% took out less than \$10,000.



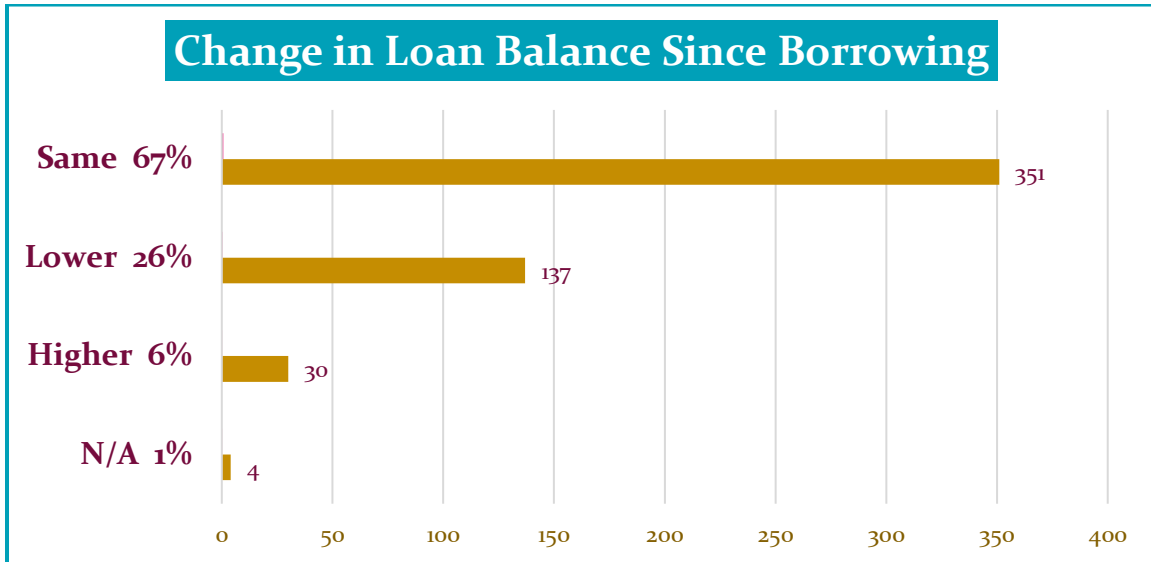
APPROXIMATE BALANCE STILL OWED FOR STUDENT LOANS

The majority of participants still owe a significant amount on their student loans where 33% owe over \$75,000, 22% owe \$50,001 to \$75,000, 23% owe \$30,001 to \$50,000, 16% owe \$10,001 to \$30,000, 2% owe less than \$10,000, and 2% have since paid their loans in full.



CHANGE IN STUDENT LOAN BALANCE

The vast majority of participants (67%) have balances in the same balance category as the amount they borrowed, 26% are in a lower balance category, and 6% are in a higher balance category than the amount they borrowed.

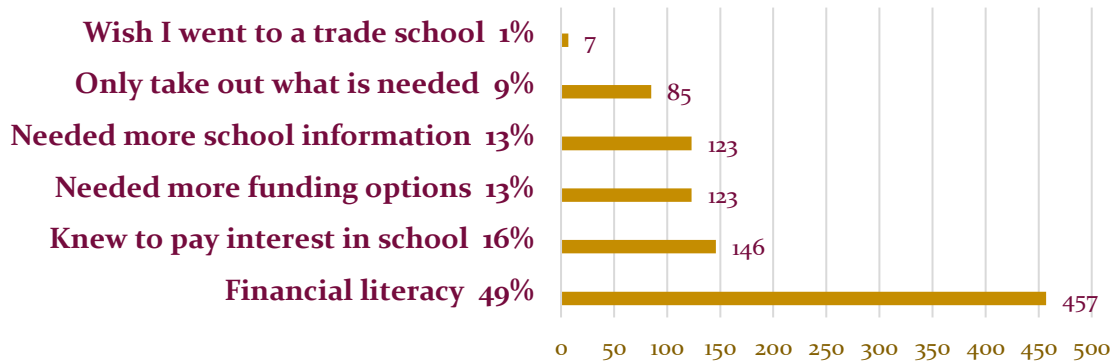


What Participants Wish They Would Have Known or Been Better Informed About BEFORE They Took Out Student Loans

Survey participants gave very comprehensive answers to an essay question about what they wished they had known or been better informed about before they took out student loans. These essays were very detailed and many fell into several critical categories that would impact their decisions if they had known better or been provided more information prior to taking on the responsibilities associated with student loans.

The vast majority of participants (49%) wish they had more financial literacy education or understanding, 16% wished they had known to pay accruing interest while they were in school, 9% wished they had known to only take out what was needed, 13% needed more funding options, 13% needed more higher education institution information and 1% wished that they would have attended a trade school.

What Participants Wish They Would Have Known or Been Better Informed About BEFORE They Took Out Student Loans



What Givling Participants Had to Say

Nearly every participant wrote a very informative essay response to “Please, share what wish you would have known or been better informed about before you took out your student loans.” The following relevant participant responses encompass the feedback from numerous participants.

PARTICIPANT 6 I wish I had understood better the negative power of capitalized interest. I probably could have paid down at least some of the accrued interest while in college and it would have made a dramatic difference in where I am in repaying my student loans (e.g. it took 4+ years of payments to reduce the loan balances to the amount I originally borrowed).

PARTICIPANT 7 I wish I would have known the extent of which loan interest eats up the monthly payment. I didn’t understand that over half the monthly payment at the beginning is just interest and not paying off your loan. Knowing that information like I do now would have encouraged me to take some classes at a junior college, work a little harder for cash in the summer, and keep my loan debt a lot smaller in general. I’m honestly paying it off fine, but it’s a very large number. Basically first 5 years of my job I don’t even really have a pay check.

PARTICIPANT 8 That the payment amount required to lower the principal and have the loan paid in a timely manner would be such a high portion of the income I would be able to make right after leaving college. A payment on the 10 year plan is comparable to a car note & insurance. You don't realize the impact of that at 18.

PARTICIPANT 9 I wish someone would've have explained how interest accrues and makes it nearly impossible to pay off the principal in a timely manner. The solution to this is often to pay more than the minimum payment, but nobody explained to me what a huge impact that extra \$5-10 a month can have on your balance and payoff time.

PARTICIPANT 10 Only borrow as much as you need!!!! It's great when you receive extra money and think of all the "fun" things you can do with it without considering that you will be paying it back for years and years and years....

PARTICIPANT 11 That the amount I borrowed would literally Double when I graduated!!!! I cried when I opened my first bill saying I owed \$80,000!!!! Will never forget that day-it was awful!

PARTICIPANT 12 I wish I had known I was signing up for a lifelong burden.

PARTICIPANT 13 I wish I knew how hard it would be to get a job in my field and how difficult life would be to start with a large, looming amount of debt held over my head.

PARTICIPANT 14 I worked two jobs through school and took loans. I'm not sure what else I could have done differently to avoid loans. Education is important and I got worthwhile degrees (Engineering BS/MS/MBA) so not going to school was not an option.

PARTICIPANT 15 I wish I would have been able to see the "real" numbers of what it would take to pay off my loan. It would be so helpful to have someone dedicated at high schools to strictly explain loans, at my school we had counselors but that was more focused to get into school rather than pay for it.

PARTICIPANT 16 That interest compounds daily. That you should really start paying back your loans while you're in school. Whether I would be able to consolidate and still qualify for certain repayment plans offered by the federal government.

PARTICIPANT 17 I wish I would have been encouraged to go to trade school.

PARTICIPANT 18 I began taking out federal student loans in 1995. Back then, finding scholarship sources was not easy, because as far as I remember the internet was not as established as it is today, so I had to do everything via snail mail. Next, I wish I could have applied for more scholarships and grants, or saved money to attend college, rather than take out a ton of loans. I only applied for 1 scholarship (a national speech writing contest) and was awarded \$500, which went towards my college deposit. And I received recognition for this from my city's government officials when the Veterans of Foreign Wars organized a party for me.I wish that I would have had a mentor clearly explain to me the pros and cons of forbearance and deferment. I also wished I would have started to pay my loans while I was in school, so I could have saved so much money in interest. I know a lot about student loan counseling today because I have been working for American Student Assistance for over 3 years. They have taught me so much, which has enabled me to encourage and empower those struggling with their student debt just like me.

PARTICIPANT 19 To be more conservative with my loan amounts and get more federal loans instead of private.

PARTICIPANT 20 I wish I had known how much it would cost me just in living expenses that I needed loans for. It was impossible not to borrow extra, even with scholarships and part time work. In retrospect I would have attended trade school first and waited for a traditional degree until I had saved for it.

PARTICIPANT 21 I wish I had known how easily the high interest rates for parent PLUS loans stack up so quickly.

PARTICIPANT 22 I wish I would have known how many grants you're eligible for once you hit age 24. I rushed and completed my schooling before I hit that age.

PARTICIPANT 23 I wish that I would have been better informed about the consequences of using loans to pay for school. I also wish that I had understood the benefits of exploring career options before enrolling in school: it doesn't help to get a degree in something that you won't use.

PARTICIPANT 24 The interest rates and how they compound! I also would have liked to have known about grants and scholarship opportunities!

PARTICIPANT 25 That my loan could be sold to an unscrupulous servicer who could then lie to me, send me incorrect forms, and generally mismanage my account to send me to collections and then cash in for the full amount from my guarantor (dept. of health & human services) to make a profit.

PARTICIPANT 26 That the Public Service Loan Forgiveness program could go away!

PARTICIPANT 27 I wish I had known more about interest rates and how to find scholarships, grants and other financial aid options to supplement what I received from my school.

PARTICIPANT 28 I wish I would have been more informed about trade school options.

PARTICIPANT 29 What the repayment options (or lack of options) would be.

PARTICIPANT 30 I would've started making payments since I started borrowing. Even if it was small amounts.

PARTICIPANT 31 That the cost of the school will increase each year but the scholarships do not.

PARTICIPANT 32 I wish I would have known that the money I was given I would have to give back.

PARTICIPANT 33 That 30k is a LOT of money and takes time to pay off. They don't just go away.

PARTICIPANT 34 How disbursements work and how much I would get as a refund so I could budget ahead of time.

PARTICIPANT 35 How to minimize the amount I took out each semester or find more scholarships.

PARTICIPANT 36 I wish someone had sat me down and explained my monthly payments and how much of my starting salary that would be. I also wish someone had explained what to do when you have extra money to contribute, what it means to refinance, and how I might end up paying double what I paid.

PARTICIPANT 37 That the payment amount required to lower the principal and have the loan paid in a timely manner would be such a high portion of the income I would be able to make right after leaving college. A payment on the 10 year plan is comparable to a car note & insurance. You don't realize the impact of that at 18.

PARTICIPANT 38 I wish I had known/ paid attention to the interest rate.

PARTICIPANT 39 That I would be paying them for decades. Not to consolidate because it is harder to snowball.

PARTICIPANT 40 The vast number of grants/scholarships out there. Our high school guidance counselor made it seem there were only some opportunities, and that they were highly competitive.

PARTICIPANT 41 Pretty much everything! My parents were "poor", so they said I had to take out private student loans if I wanted to go to college. My parents consigned. Biggest mistake of our lives, but I don't regret my amazing college experience.

PARTICIPANT 42 I wish I would have better understood the actual normal starting salary after college as well as how much everything else in life costs.

PARTICIPANT 43 I wish that I had known I should have paid off the interest on my unsubsidized loans before they went into repayment and it all got capitalized.

PARTICIPANT 44 I would have liked to have known how quickly interest builds up when you are in deferment after you had previously refinanced all of your individual loans into one.

PARTICIPANT 45 How long it would take to pay back vs what I would be making as a yearly salary with my degree.

PARTICIPANT 46 How much of my monthly income would go to student loans; how much variable interest rates can balloon; that you can get the same education at a state school.

PARTICIPANT 47 I wish the lenders wouldn't have allowed me to take a loan out for any more than what it costs for school.

PARTICIPANT 48 I wish I had been more informed about other options and how much of a burden loans would be. I could have gone to a cheaper school, I could have used the military to supplement my loans, I could have taken a break between bachelors and master's degree so an employer would help pay.

PARTICIPANT 49 That deferment messes up chances for forgiveness.

PARTICIPANT 50 Guidance to career path earlier in school. I have a year of loans that were unnecessary.

PARTICIPANT 51 I never anticipated my payment to be so high after I graduated. I wish I would have had the info laid out in black and white in front of me before I made a decision. When I graduated, I had just had a child and decided to become a stay at home mom, so decided to do the payment reduction over 25 years, where the debt was forgiven after that time. I have been paying for almost 9 years now and haven't even made a dent in my loan amount.

PARTICIPANT 52 Better loan options and scholarships for graduate degrees. Wish I would have made enough money to pay that interest while in professional school.

PARTICIPANT 53 I wish I understood that the interest rates were so high on student loans (and what that meant in terms of payback) and that, even on income based repayment plans, nearly 100% of my payment would go to interest.

PARTICIPANT 54 I wish I had known more about how to only take out exactly what I need, or if there were a way to deny getting loan refunds.

PARTICIPANT 55 I wish I'd realized the impact that the compounding of interest would have and that the rates would change so drastically after school.

PARTICIPANT 56 Finances in general. I went in not knowing anything about loan interest, budgeting for life, taxes, money spent on benefits, etc. I simply thought there was a loan amount due and a salary earned.

PARTICIPANT 57 Some of my interest rates are really quite high for some types of loans, so knowing which loans to take out and which to avoid would have been helpful, as well as why each loan has a different rate.

PARTICIPANT 58 I wish I didn't go to school, or I went for something else. There's a societal pressure to go to college, but many people are now in debt and current wages aren't livable. I would've been better off not going to college and just starting my own business.

PARTICIPANT 59 I wish I would have been aware that college isn't always a necessity especially right out of high school and taking a gap year or 2 to think things through would have been a better idea.

PARTICIPANT 60 Interest and the benefit of starting to pay loans back earlier.

PARTICIPANT 61 I wish I would have known the full weight of the responsibility that I would carry in paying off my student loans.

PARTICIPANT 62 I wish I had known about the maximum allowable limits on federal loans. I haven't run into the problem yet, but a classmate of mine had to pull out of the program to pay down loans before resuming because he had maxed out his student loan capacity! If I had known about these limits, I would have planned more carefully to ensure that it never became a problem. I'm still not done with my dissertation, so the fear remains.

PARTICIPANT 63 Not accepting unless you really need it. Sub vs. Unsub. Read the terms and conditions more. Negotiated more.

PARTICIPANT 64 I wish I had known just how much of a racket college currently is. I would have gone to a trade school, paid for most if not all of it up front and avoided student loans entirely.

PARTICIPANT 65 Wish I had known earlier I would pursue my Master's so I could have saved better for at least living expenses. Wish that I could have known more about how quickly interest would be accumulating.

PARTICIPANT 66 The extensive repayment periods, accumulation of interest, and grant/scholarship opportunities. After graduation, I had one hardship after another from job loss, lack of employment opportunities, health issues leaving me unable to work, then having children.

PARTICIPANT 67 I should have gone to a 2 year Community College and gotten my associates degree before pursuing acceptance to a 4 year school and Bachelor's Degree. I truly regret not making that decision out of HS... and think about it at least a few times a week. I think the excitement of seeing classmates/friends around me going to 4 year colleges was the reason I went ahead and did the same, though I was on the fence about it at the time.

PARTICIPANT 68 Just how badly it was going to impact my life and take over my entire budget. I wouldn't have traded schools for the world, but I would have been smarter about how many loans I took out and only taken them out for tuition, not living expenses.

PARTICIPANT 69 I wish I would've known the impact student loans have on your credit, your income and your way of life. They easy to give you a loan but they don't tell you about the realities of the debt. Especially when you income don't like up the student loan payments.

PARTICIPANT 70 12k in loans per year does not seem like a lot until you get through school and find out that your loans are going to cost \$500 per month to repay. It prevented us from being able to buy a house.

PARTICIPANT 71 I never would have taken out the amount I did if I truly understood the amount of interest and how much it would take to pay them back.

PARTICIPANT 72 I wish I would have been warned about interest rates and how they work. I also would have looked into reviews of different loan companies so that I could have chosen better companies to borrow from.

PARTICIPANT 73 I wish I understood the implications of my grad school loans. I made it through undergrad with no loans and then went to grad school out of state a few years later. I didn't realize how much less assistance would be available to me and how, after I dropped out and decided to peruse a technical Associate's Degree, so much less money would be available to me. I now have 1 year of an associates left and will have over \$60k in loans, 75% of which was from one year at grad school.

PARTICIPANT 74 Select the cheapest schools offering the same degree. Take out the minimum necessary. Live frugally after graduation to pay off debt.

PARTICIPANT 75 I wish I had known how quickly the balance would grow and how impossible it would be to lower it. I also wish I understood properly the contingencies of the Public Service Loan Forgiveness program. I was misled by the lender I consolidated with.

PARTICIPANT 76 I wish that I would have known about the interest rates from private lenders like my provider, Sallie Mae. My total amount has doubled because of how much interest is accruing on my principle.

PARTICIPANT 77 That I could make small monthly payments to help keep my interest total amount down and that I could have gone about getting my degree in a smarter way financially.

PARTICIPANT 78 How predatory the rates and servicing companies would be.

PARTICIPANT 79 To start repayment right after school and to pay more on loans. Refinance with lower rates, set up a separate account just for loans and add to it extra funds that come in (i.e. birthday gifts, Christmas gifts, etc.)

PARTICIPANT 80 I wish I had an idea of what my monthly payment would be. When I picked a school my mom and I sat down and did the math of what the tuition cost would be minus any grants or scholarships I had. I knew pretty accurately what my total amount would be when I graduated. I knew what the starting salary and salary potential would be for my degree. I just didn't have any clue what my take home pay would be and how much of that would go to my student loans. Estimate calculators would be really great to help future students even just to get a vague idea of take home pay and student loan bill.

PARTICIPANT 81 To pay back my student loans would require high monthly payments. If I couldn't afford payments and didn't make enough money, the interest owed on loans would put me further in debt.

PARTICIPANT 82 I wish I had a plan for repayment in place and that I had had other options. I was a single mom with two kids living off loans and grants, taking everything that was offered. I never would have pursued a degree if I'd have realized the crushing debt I was accumulating. I felt at the time it was the only way to survive. No I will be paying for those very difficult years for the rest of my life with countless more difficult years.

PARTICIPANT 83 Interest rates and the sheer amount it cost to go to school. I never thought I'd have so much debt at such a young age. It makes me feel like I'm in prison every day. I have a very low paying job which doesn't help matters. I recently even thought about joining the armed forces but due to having bad credit I most likely wouldn't get the job I wanted. I would never get my security clearance needed because I have loans that are in default. My loans are a mess and I'm sure I'm just another story along with many others that are in the same situation as me.

PARTICIPANT 84 That I didn't have to take the total amount they suggested. Partial amounts were allowed.

PARTICIPANT 85 I wish someone had warned me to stay away from Sallie Mae! I also wish I had known that I would deeply regret not just going ahead and writing essays for a scholarships even though it was the last thing I wanted to do.

PARTICIPANT 86 Budgeting - when you are young, the thought of graduating and earning \$40,000 a year sounds like big money! I thought I'd have no problem with paying back my loans until I moved out of my parent's house and had real bills to pay.

PARTICIPANT 87 How little (if any) what you pay towards the loan goes to the actual principal.

PARTICIPANT 88 I wish I would have known to take fixed rate loans. My interest rates keep rising up and up and I haven't even been paying them for 2 full years yet.

PARTICIPANT 89 I wish I would have been better informed about what my monthly payments would be and how much would go to interest v principle.

PARTICIPANT 90 I wish I had understood better about paying down the loans and interest on student loans while still in school.

PARTICIPANT 91 I wish someone would have sat me down and explained how long it would take to realistically pay back the amount of loans that I was taking out to pay for college. With that information I could have at least tried to pursue more grants, scholarships, work-study, part-time employment opportunities to lessen the burden post-graduation.

PARTICIPANT 92 The actual daily dollar amount spent on interest. I was at \$14/day so most of my payment was going to interest. And when you defer your payments that interest accrued is off the charts.

PARTICIPANT 93 I wish I'd worked for a few years and grown up a bit before going to college. I would have had a better idea of what I liked or didn't like to make a better choice in major. And I'd have gained some work experience to put me in a better position during my job hunt to get a good job with decent pay. I could definitely had made better progress paying my loans down.

PARTICIPANT 94 How To Pay THEM Back sooner. Taking out the extra loans would be more expensive. Researching how much it was going to cost and try to pay as I go to take out less loans.

PARTICIPANT 95 That I shouldn't have taken a loan for everything I could have stayed on campus instead of taking student loans out to live off campus, and how to search for grants and scholarships!

PARTICIPANT 96 Ugh! There is so much. I wish I would have known realistically what my loan payments each month would look like. It doesn't mean much to an 18 year old when they sign off to borrow 40,000 or more in loans. Seeing what it actually translates to and how far behind other life goals it puts you would have made me reconsider. I am still almost 32 year old apartment dweller who won't have a home until I'm probably at least 40 years old and then I'll be paying on the mortgage.

PARTICIPANT 97 I wish I had been better informed about interest rates as well as money management while I was in college. I'm sure I did not spend my (loan) money intelligently and am paying for it dearly now.

PARTICIPANT 98 That your loans will be bought and sold on a regular basis. Some servicers will be happy to help you arrange for lower payments and others will basically tell you to suck it up and pay them. It's really aggressive and not conducive to actually getting them paid off.

PARTICIPANT 99 Not to refinance and never to have signed up the income-based repayment and also not to have signed up for the fake loan forgiveness program.

PARTICIPANT 100 Exactly how much aid to accept, better career planning before choosing a program/taking out any loans.

PARTICIPANT 101 Taking out all the loans I was misinformed. They made it seem like financial aid would cover my classes and I would be able to get a job in my field easily with the degree. Instead I've accumulated so much unnecessary debt.

PARTICIPANT 102 I didn't know that interest still accumulates even when your loan is deferred or income based repayment. So even though I was making payments the most I could afford, my loans were increasing instead of decreasing. Over a year of income based repayment and paying my student loan each month the total went from \$18,000 to over \$20,000!

PARTICIPANT 103 I wish I had known how much having student loan debt impacts your decisions. I'm considering moving, but I'm putting it off until my debt situation is better, and sometimes it seems like I'll never be able to make the decisions I want to. I don't want to move somewhere and have that added stressor of the loan payments in top of all the other stresses of moving.

PARTICIPANT 104 That a lot more difficult debt would be incurred if the trade skills earned don't typically translate into a decent paying job...as well as job availability in the sectors aren't truly the higher skilled jobs.

PARTICIPANT 105 I wish someone had helped me make a (realistic) budget with my student loan payment in it to see what a chunk it would take out of life and future goals!

PARTICIPANT 106 I wish I would have known that income-driven repayment doesn't take in account your monthly expenses. So, if you live in an area where the cost of living is higher, it might impact your ability to pay your student loans.

PARTICIPANT 107 I know it sounds ridiculous now but I didn't realize the enormous cost difference between attending a University vs. attending a Community College. I was a young single mother and I was just focusing on getting through school. I didn't really understand the way the loans would work. One of my loans has nearly doubled the original amount that was borrowed. I wish I would have attended a community college.

PARTICIPANT 108 I wish I knew how difficult is to refinance or lower the interest and that all of my payments go to interest rather than principal.

PARTICIPANT 109 I wish I had been more educated about how student loans work, what types of loans I was taking out, what my repayment terms were, what my different options for repayment were, etc. I didn't know any of that. I also wish I had known how burdensome they would feel to me later in life. I just had no perspective on that back then.

PARTICIPANT 110 Oh man... what don't I wish I knew better...? My parents didn't go to college so I was the first and they were just as confused as I was. I think first generation college students are impacted probably a lot more than anyone else. When I graduated (from a top university), my dad looked at the salaries of job offers I received and asked me why I even bothered going. Now a few years later, it makes sense to me why I went because I make more than most people my age and can actually pay some of my debt down, but the beginning years were very tough, and the end isn't that near in sight.

- variable interest rates vs. fixed
- repayment terms in plain English (or whatever language you speak)
- more information about the salary I'd actually be able to earn after finishing school and budgeting; more info about how the cost of living is insane so when you combine that with student loans, you can't get ahead
- other options for financing school

PARTICIPANT 111 I truly did not understand how interest worked. I kind of thought it was a one-time thing. I was really surprised when I realized how much extra money I would be paying back because of interest, including interest that accrued while I was still in school.

PARTICIPANT 112 I wish I would have been better educated about what the monthly payment would be and how long it would take to pay. I think a lot of students don't realize how much it will really cost.

PARTICIPANT 113 If someone had sat down and told me that my monthly payments would be \$800 a month, I would have worked even more than I did. Would not have taken an unpaid internship. Maybe even not have gone to the private school I did.

PARTICIPANT 114 I have also left the teaching field (which I do not regret), but am now paying back the school I worked at for tuition reimbursement for the continuing education credits I was required to take. The whole system is very unfortunate, and it feels like those who pursue a teaching profession are stuck in this wheel of debt needing to take continuing education credits.

PARTICIPANT 115 I wish I would have known the actual definition of "compounded interest" before deferring my loans.

PARTICIPANT 116 I have paid back over \$50,000 in the nine years since graduating, and still owe \$54k+! No one properly explained to me how student loans worked, the ramifications of the payment plan, and I wish every day I could go back and take the 2/3 scholarship I got to my local state school Never again!

PARTICIPANT 117 I did not understand how insane the interest rates would be, and that even if you make the monthly payment, a loan may never budge below the principle balance. I have a master's degree and the pay I receive is a joke because nearly 25% of my income goes to loans and I am not paying extra.

PARTICIPANT 118 I was absolutely clueless with loans and my school didn't do anything to help. Even when I kept asking about paying them back, I was repeatedly told that payback was easy and because I was going to college, I didn't need to worry about it. I was also steered towards loans when I was eligible for grants and scholarships.

PARTICIPANT 119 I wish I had been more disciplined with budgeting, and spending money wisely before I started school. I still would have needed student loans, but it would have been less.

PARTICIPANT 120 The interest rates make it impossible to ever pay back these loans. I can't even afford the interest so my balance grows every month.

PARTICIPANT 121 How little time the grace period was before repayment began and how detrimental a forbearance would be.

PARTICIPANT 122 I wish someone had put my loans in perspective. I wish someone had pointed out that I was likely to still be paying my loans at age 40. At 18, borrowing \$1,000 versus borrowing \$30,000 didn't seem at all different.

PARTICIPANT 123 The insane interests rates and exactly how much money I would need to pay to actually pay off my \$150,000 worth of loans with a 6.25% interest rate.

PARTICIPANT 124 I wish I knew about paying interest or making payments while still in school, and the effect it would have had on compound interest. Seeing timetables now of what my payments look like makes it clear how much an extra \$20 early on makes a difference! I would have lived at home instead of living in the dorms and saved about \$10,000. I had about a 25 minute commute and should have done that. I should have enrolled in community college for a year and worked, or done community college during senior year of high school rather than AP classes. I should have taken Spanish as a foreign language because it would have helped me in my job today! Latin is useless, no matter what they promise you about your SAT scores. I excelled at Latin and it didn't help me once on PSAT or SAT, and I took dozens of practice tests to find that out. Latin and Roman culture and mythology was fun but not useful in a practical sense.

PARTICIPANT 125 I wish I hadn't trusted my mother just because she was a business owner and an adult. She was ignorant about loans and I didn't know that. When she told me which schools I could afford, I just believed her. If school had taught me about loans, I might have had a better chance of making a different choice. I wish I had taken a year to mature and then gone to community college and then chosen a cheaper school. I didn't understand that each loan I took out had a different interest rate because I thought I was just replicating what my mother told me and that it was fine. Two of my loans were at 11% interest, which is insane. I didn't understand the amount I'd be paying in interest over time would be more than what the education itself cost and how high the payments would be right out of college. I wish I knew they could refuse to release me from a co-signer for years even though originally they told me I could release them after 2yrs. I have excellent credit, the same job, and paid extra on my loans on time for 9 years before I was able to refinance to a fixed rate without a co-signer because until then I wasn't considered making enough for the amount they gave me at 18 with no job. I wish I had heard about Dave Ramsey, gotten a second job, and threw all my money at it sooner to save myself a ton of money and then moved on with my life sooner and gotten a home. Getting a plan and paying it off early has given me such relief by feeling in control and I'm planning to bust my ass for another 2 years to be rid of them ASAP.

PARTICIPANT 126 How much interest actually builds up (especially with unsubsidized loans) and takes so much longer to pay down. I've been making payments of \$200/mo. for the last six years with a short deferment break (so around \$12,000 paid total) but my balance is currently only \$6000 less than what I started with. I knew there would be interest but don't think anyone helped me fully understand what that really looks like.

PARTICIPANT 127 I wish I would have realized how difficult it can be to repay the loans, especially since I went into the field of education. It was said there was a way to have the loans paid for you if you taught for a number of years in certain areas. Well, I did, but they failed to mention the other criteria for the loan forgiveness. Now, I have a job that doesn't pay enough to support my family much less repay the loans.

PARTICIPANT 128 Consolidation with Sallie Mae at 8.9% was a terrible, terrible idea.

PARTICIPANT 129 Everything. I thought it would all be so easy and simple. Basically how it's a black hole that seems impossible to get out of. It's like having a mortgage without the house. Bankruptcy laws. Interest. Payment options. Deferment. Forbearance. To always stay in contact with your lender. Options. Options. Options.

PARTICIPANT 130 No excuses from me as I should have been smarter about taking that quick, easy money. However, the fact that the University and the government clearly preyed on that financial ignorance leaves me kind of bitter.

PARTICIPANT 131 That I would be enslaved for the rest of my life.

“Outstanding student debt reached \$1.521 trillion in the first quarter of 2018, according to the Federal Reserve, hitting \$1.5 trillion for the first time. Though the marker is somewhat arbitrary, it offers a reminder of how quickly student debt has grown—jumping from about \$600 billion 10 years ago to more than \$1.5 trillion today—and that the factors fueling the increase aren't likely to disappear any time soon.”

<https://www.marketwatch.com/story/student-debt-just-hit-15-trillion-2018-05-08>

Conclusion

In summarizing the concerns and suggestions from the survey participants, the following are relevant to improving borrower understanding of student loan debt:

1. Parents and students should be taught about saving for college well before college begins, including education about programs like the 529 College Savings Plans
2. High school students and potential college enrollees should have more information and training about the cost of attendance at different schools, transfer credits, and pertinent information for them to make good decisions about the field of study and college they will attend
3. Financial literacy and budgeting education needs to begin in high school, prior to incurring student loan debt, and continue through college—it should be customized and be mandated, not optional (electronic entrance and exit interviews when they already have student loans are not enough)
4. Financial literacy education should include training about the following:
 - a. The impact of variable interest rates vs. fixed interest rates
 - b. The impact of interest capitalization
 - c. How to pay interest as it accrues
 - d. Minimizing debt—don't take out more than absolutely needed
 - e. How to find and apply for scholarships, grants, and other “free” funding
 - f. Budgeting during periods of enrollment in college that includes making interest payments
 - g. Budgeting after completing college based on realistic starting and take-home wages in the field of study
 - h. Short-term and long-term good/bad consequences of available repayment plans
 - i. What to expect when you start getting a paycheck including taxes, benefits and other payroll deductions, and an expected net income for each paycheck
 - j. Strategies for paying down debt including prioritizing credit payments (pay the credit balance with the highest interest rate first), proper documentation and follow-up for paying down the principle balance so the payments don't go to future payments as is common practice, and other relevant valuable lessons

This valuable information is evidence of the need to create or expand these types of programs:

FINANCIAL LITERACY EDUCATION should be a comprehensive required curriculum beginning in high school before they apply for student loans. These courses should educate on how to manage compound interest, credit and debit management, the benefits of borrowing only what you need.

PRE-EMPLOYMENT TESTING TOOLS including internships, job shadowing, and personality profiling programs that help students choose an appropriate field of study in which they will be happy and where they can ask questions of mentors to better understand the job market and realistic beginning and lifetime income expectations.

REALISTIC STARTING WAGE ESTIMATORS with easily available searchable information for projected employment opportunities and starting wages at the anticipated graduation or completion date. These searches should be based on the geographic location where the student wishes to seek employment to give realistic expectations for relocating for employment if needed. Students should be able to search and compare before they sign up for a loan to be more realistic about post-graduation opportunities.

TRAINING ON HOW TO FUND YOUR EDUCATION for high school students and those seeking continued education to identify and apply for grants, scholarships and micro scholarships, as well as how to spot an unscrupulous source, basics of crowdfunding, finding “free” funding for education and job training and finding employers that offer student loan repayment assistance.

A CHECK AND BALANCE SYSTEM TO PROTECT BORROWERS FROM OVER BORROWING within higher education laws and programs that would minimize borrowing and provide repayment schedules that are affordable, do not double the amount owed, and do not hold borrowers hostage both financially and emotionally, and reward good behaviors for completing college on time and making timely payments.

MODERNIZING THE CREDIT TRANSFER PROGRAM to increase cooperation with planning curriculum and transfer of credit for degrees taught in community colleges, other institutions and through on-the-job experience will decrease the cost of education.



The survey used for Givling participants with federal student loans was developed by Champion Empowerment Institute under the direction of Champion College Services.

Analysis was completed by Mary Lyn Hammer, President, CEO, and Education Advocate

© 2018 Champion Empowerment Institute. Use of this report and its contents is strictly prohibited without prior written permission from Champion Empowerment Institute.

CONTACT INFORMATION

Sandy Watt, Executive Assistant to President and CEO

(480) 947-7375 *office* (602) 819-8192 *direct*

Sandy.Watt@ChampionCollegeServices.com

Champion Empowerment Institute, Inc.

7776 S. Pointe Pkwy West, Suite 250

Phoenix, Arizona 85044