LOAN PROGRAMS FOR DEPENDENT STUDENTS
DIRECT LOAN INFORMATION

Federal Direct Subsidized Loan—This loan has a fixed interest rate of 6.8% (loans originated after July 1, 2012). Interest on this loan does not accrue while the student is enrolled at least half-time in a degree seeking program. Before repayment begins, this loan has a six month grace period after the student leaves school or drops below half-time.

Federal Direct Unsubsidized Loan—This loan has a fixed interest rate of 6.8%. Interest on this loan accrues while the student is enrolled. There is a six month grace period before repayment begins after the student leaves school or drops below half-time.

<table>
<thead>
<tr>
<th>Type of Student</th>
<th>Year 1 Limit</th>
<th>Year 2 Limit</th>
<th>Years 3-5 Limit</th>
<th>Cumulative Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent Undergrads</td>
<td>$5,500</td>
<td>$6,500</td>
<td>$7,500</td>
<td>$31,000 (no more than $23,000 can be subsidized)</td>
</tr>
<tr>
<td>Independent Undergrads</td>
<td>$9,500</td>
<td>$10,500</td>
<td>$12,500</td>
<td>$57,500 (no more than $23,000 can be subsidized)</td>
</tr>
<tr>
<td>Graduate Students</td>
<td>$20,500/year</td>
<td></td>
<td>$138,500</td>
<td>($138,500: no more than $65,500 can be subsidized)</td>
</tr>
</tbody>
</table>

FOR FIRST TIME STAFFORD BORROWERS:
1. Log on to ERNIE, select the “Student Services” tab, under “Financial Aid & Scholarships” select “Complete Loan Entrance Counseling”—once you have successfully completed the loan counseling quiz, please proceed to step #2.
2. Select “Submit MPN” and complete Master Promissory Note for the Stafford Loan; unsubsidized and subsidized.

DIRECT PARENT PLUS LOAN FOR UNDERGRADUATE STUDENTS

The PLUS loan is available to parents of dependent students. It has a low fixed interest rate of 7.9% and other attractive federal loan benefits. The loan amount may be up to the entire cost of attendance (including flight if the student is enrolled) minus other aid. Parents may be able to request an “In-School Deferment” in order to postpone payments while their student is enrolled.

Credit approval and an e-signed master promissory note (eMPN) are required to obtain this loan. If the parent is credit denied for a PLUS loan, the parent has the option to obtain an endorser (similar to a co-borrower), or the student has the option to borrow additional Direct Stafford Unsubsidized funds. PLUS loan credit checks are valid for 90 days. If you apply too soon, there may be another credit check done when the loan is first disbursed. Please keep this in mind when applying.

To apply for a PLUS loan please visit, studentloans.gov
Log in using your federal pin, your birthdate and your social security number (NOT THE STUDENTS)

Follow directions under “Manage my Direct Loan” and sign in using your PIN.
STEP 1) Request Direct Plus Loan
Once approved proceed to step 2
STEP 2) Complete Master Promissory Note for Parent Plus Loan

—For more information see reverse—
DIRECT PARENT PLUS LOAN FOR UNDERGRADUATE STUDENTS
Continued

Our office is happy to assist you in determining how much you need to borrow on your PLUS loan. We also want to remind you that this loan is your loan – taken out on behalf of your student. These loans go into immediate repayment once they are fully disbursed. However, you may contact the Department of Education at 800-848-0979 and discuss deferment options with them until your child graduates. During the deferment your loan will be accruing interest at the current fixed rate of 7.9%.

In order to determine what your approximate payments will be once your child has completed their education, we have included a chart with some average loan amounts that you could expect to borrow during your child’s enrollment. For more information you may access the repayment calculator at [http://www2.ed.gov/offices/OSFAP/DirectLoan/calc.html](http://www2.ed.gov/offices/OSFAP/DirectLoan/calc.html)

<table>
<thead>
<tr>
<th>AMOUNT BORROWED</th>
<th>TERM (in months)</th>
<th>APPROX. MONTHLY PAYMENT</th>
<th>TOTAL PAYMENTS (Interest + Principal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td>120</td>
<td>$604.00</td>
<td>$72,480.00</td>
</tr>
<tr>
<td>$80,000</td>
<td>120</td>
<td>$966.40</td>
<td>$115,968.00</td>
</tr>
<tr>
<td>$100,000</td>
<td>120</td>
<td>$1,208.00</td>
<td>$144,960.00</td>
</tr>
</tbody>
</table>

Remember these are just estimates and the actual payment will be determined by the Direct Loan Servicing Center based on the actual amounts borrowed.

PRIVATE LOANS

Students are encouraged to exhaust all other means of funding their education (scholarships, grants, federal loans, etc.) prior to obtaining a private loan as this type of loan generally comes with higher interest rates and poor borrower benefits. Students are encouraged to apply with a credit-worthy co-borrower in order to obtain the best interest rate.

Things to look for in a private loan:
- Eligibility requirements: Most private loans require a credit-worthy applicant and/or co-signer. Having a co-signer may reduce the cost of the loan.
- Interest rate: Most private loans have variable interest rates. Determine how often the interest rate is adjusted and how it is calculated.
- Fees: Many private loans have fees that are deducted from or added to the amount that you borrow. Find out when they are charged and how much they are.
- Annual Percentage Rate (APR): The APR is the annual cost of your loan including the effect of any fees and charges in addition to interest. Remember that a loan with fees and a lower base interest rate may be as good of a choice as a loan with no fees and a higher base interest rate. APR helps determine how all charges affect the cost of the loan.
- Repayment: Clarify the repayment terms including monthly payments and repayment period. Some lenders offer rewards such as interest rate reduction to borrowers who make payments on time or via electronic funds transfer.
- Loan limits: Check to see if there is an annual or aggregate limit. Try to pick a lender that has an aggregate limit that works best with your program of study. Some private loans have maximum limits while others allow you to borrow up to your total cost of attendance.

Borrower and co-borrower must pass a credit check. Applying with a qualified co-borrower may give you the best rate.

Private loan credit checks are valid for a limited time. If you apply too soon, there may be another credit check done when the loan is first disbursed. Please keep this in mind when applying.

For further details, comparisons, or to apply for private loans:
Log in to Ernie. Select the “Student Services Tab”. Under “Financial Aid and Scholarships” Select Apply for Private Loan.

Remember: A student loan must be repaid. Your student loan can only be used for your education costs such as tuition and fees, your room and board, books and supplies, transportation and flight costs. Only borrow what you need.