

## Loans– The Simple Facts

### Student—Federal Direct Loans Subsidized/Unsubsidized

#### ***Student eligibility listed on Financial Aid Notification***

- Student must be enrolled at least half-time (six or more credit hours) to borrow
- Interest Rate on or after 7/1/23 and before 7/1/24
  - ◊ Subsidized – 5.5% fixed rate
  - ◊ Unsubsidized – 5.5% fixed rate
- Fees on or after 10/1/21 and before 10/1/23
  - ◊ 1.057%
  - ◊ Calculate net amount applied to student’s account  
Loan amount X .98943 = net amount
- Payments begin six months after the student leaves school, graduates, or drops below half-time status

#### ***Student is the borrower***

- Complete Entrance Counseling
- Complete MPN (i.e. Loan Agreement )
- Complete Annual Student Loan Acknowledgement (optional)

### Parent—Federal Direct PLUS Loan

#### ***Parent eligibility listed on Financial Aid Notification***

- Student must be enrolled at least half-time (six or more credit hours) to borrow
- May borrow up to the cost of attendance minus all financial aid options
- Interest Rate on or after 7/1/23 and before 7/1/24
  - ◊ 8.05% fixed rate
- Fees on or after 10/1/21 and before 10/1/23
  - ◊ 4.228%
  - ◊ Calculate net amount received by the school  
Loan amount X .95772= net amount received by the school
- Payments begin after the loan is fully disbursed for the academic year
  - ◊ Payment deferment and/or forbearance options available

#### ***Parent is the borrower***

- Parent of a dependent undergraduate student
  - ◊ Biological, adoptive, or step-parent
- Yearly application process
  - ◊ Complete Loan Application, Credit based loan, may apply with an Endorser
- Complete MPN (i.e. Loan Agreement)
- Complete Annual Student Loan Acknowledgement (optional)
- Allows additional unsubsidized eligibility for undergraduate student if parent is denied the loan

### Private Loans

- Loan in student’s name with cosigner
- Parent loans available
- Variable and fixed interest rates
- Lender specific benefits