

Federal Loans

Federal Direct Loans

Federal loans are both subsidized (government pays the interest while student is enrolled at least six hours) and unsubsidized (interest accrues while the student is enrolled at least six credit hours.) Students must be matriculated and taking at least six credits each semester to be eligible for these loans.

If you are a **dependent**, undergraduate student, your loan limits for the 2010-2011 academic year are:

	Subsidized Limit	Additional Unsubsidized Limit
Freshman	\$3500	\$2000
Sophomore	\$4500	\$2000
Junior/Senior	\$5500	\$2000

If you are an **independent**, undergraduate student or if you are a dependent, undergraduate student and your parent is not approved for a PLUS Loan, your loan limits for the 2010-2011 academic year are:

	Subsidized Limit	Additional Unsubsidized Limit
Freshman	\$3500	\$6000
Sophomore	\$4500	\$6000
Junior/Senior	\$5500	\$7000

The total outstanding Federal Direct Student Loan debt an **undergraduate dependent student** may have is limited to \$31,000 (of which no more than \$23,000 may be subsidized). The aggregate limit for an **undergraduate independent student** is \$57,500 (of which no more than \$23,000 may be subsidized). For graduate students, the maximum is \$138,500 (of which no more than \$65,500 may be subsidized). This aggregate limit figure includes any Federal Direct Loans received during undergraduate study.

Federal Perkins Loan

Perkins loans are made directly to our highest need students and credited to their accounts. These loans carry a fixed interest rate of five percent and the amount of the loan cannot exceed \$5,000 per year. The FAFSA must be filed annually to receive a Perkins loan. Awards are dependent upon availability of federal funds. The re-payment of these loans begins nine months after the

student graduates, terminates attendance, or drops below six credit hours. The repayment period may extend up to 10 years, depending on the amount borrowed. The minimum monthly payment is \$40. Cancellation and deferment provisions are available.

Federal Direct Parent PLUS Loans

A Parent Loan for Undergraduate Students (PLUS) is a flexible option for parents looking to help pay for school costs. Loans are available to parents of dependent students at a fixed interest rate of 7.9%. The maximum loan amount available is the annual cost of attendance minus financial aid. Repayment of principal and interest begins within sixty days after full disbursement of the loan **unless the parent has requested an in-school deferment from the lender.**