

LOANS. . .

William D Ford Federal Direct Loan Program

This program offers Subsidized, Unsubsidized and Parent loans directly from the Federal government through the school. The interest, fees, loan eligibility and limits are the same as for the Federal Family Education Loan (FFEL) program. The grace period for the subsidized, accruing interest on the unsubsidized portions and the need for parents to begin repayment after disbursement are also parallel. The application process, method of payment and choice of repayment plans are slightly different than the FFEL Program, but the terms of the loans are the same. Further consumer literature on the different loan programs, as well as one-on-one counseling, is available to help you.

Federal Plus Loans

PLUS loans are for parent borrowers. They are intended to provide additional funds for educational expenses. A PLUS loan allows parents to borrow the cost of education minus other aid on behalf of their dependent undergraduate children who are enrolled at least half time. The interest rates on these loans are set each year in July. They begin accruing upon a first disbursement. The required minimum monthly repayment is \$50.00 per month. The monthly payment could be more depending on the total amount you borrow.

You may repay all or part of the loan(s) at any time without penalty. Repayment of the loan(s) will begin 6 months as follows, when you graduate, withdraw or become enrolled less than half time. PLUS loans are limited to parents who have a favorable credit history. Most Federal Family Education loans have a maximum repayment period of ten years. These loans must be repaid.