

## LOANS AT A QUICK GLANCE

A student must be enrolled at least half-time, making satisfactory academic progress, and have a current financial aid application (FAFSA) on file in order to receive the Federal Student Stafford Loan, Federal Parent Plus loan, or Federal Grad Plus loan.

### Choose loans carefully –

- Borrow only the amount you need
- Make a budget and stick to it
- Borrow from the federal loan programs first
- If you do need to borrow a private loan, do your homework and pick the one that is best for you.

**STAFFORD** – These student loans are deferred until 6 months after graduation or when the student drops below half-time. They are either subsidized or unsubsidized, depending on need.

- **Subsidized** - the government will pay the interest on this loan while the student is in school; for '09-10 academic year, the interest rate is 5.6%
- **Unsubsidized** – the interest will accrue on this loan while the student is in school; you may elect to make quarterly interest payments while in school, for '09-10 academic year, the interest rate is 6.8%

YEAR IN COLLEGE	STAFFORD LOAN LIMITS (dependent students)	STAFFORD LOAN LIMITS (independent students/dependent students whose parents were denied Plus loan)
<b>Freshmen</b>	<b>\$5500</b>	<b>\$9500</b>
<b>Sophomores</b>	<b>\$6500</b>	<b>\$10,500</b>
<b>Juniors/Seniors</b>	<b>\$7500</b>	<b>\$12,500</b>
<b>Grad Students</b>	<b>\$20,500</b>	

**PARENT PLUS** - This is a credit based parent loan. Repayment can be deferred until after the student graduates or drops below half-time. You may elect to pay the interest while the student is in school. A parent must apply for this loan. The interest rate is 8.5%.

**GRAD PLUS** – This is a credit based student loan for those graduate students who have exhausted their Stafford loan eligibility. Repayment can be deferred until after the student graduates or drops below half-time. You may elect to pay the interest while you are in school. The interest rate is 8.5%.

**PRIVATE/ALTERNATIVE** – This is a student loan, usually needs a co-signer. Interest rates vary, depending on credit.

**HOW DO I APPLY?** - Longwood cannot recommend a lender to you. New borrowers must apply with a lender (bank, credit union, other financial institutions) of your choice. A certification request will be sent to the University and the loan will be processed by the Office of Financial Aid. Returning students who have previously borrowed from the Federal Stafford Loan program while at Longwood need only to accept your award on MyLongwood. Your loan will be processed with your previous lender at Longwood University. Please apply for your student/parent loans online and e-sign your master promissory note. This ensures that your loans can be processed as quickly as possible.

**WHAT ELSE DO I NEED TO DO?** - Student must complete entrance counseling on line for both the Stafford and Perkins loans. This is a one time only requirement while an undergraduate or graduate. Loans must be accepted on the *MyLongwood* portal before processing begins.

**WHEN DO I GET THE MONEY?** – Longwood will receive the funds after the add/drop period is over each semester. Those funds will be applied to your student account and any excess will be refunded. You may sign up for direct deposit for refunds on MyLongwood.

