



# 2018-2019 Information About Other Loan Options

In addition to Federal Direct loan awards, students may have eligibility for Other Loan Options to meet their Cost of Attendance (COA). While these loans may be requested up to the COA limit, it is important to borrow the minimum needed. Amount(s) borrowed create future repayment obligations; more borrowing today results in higher monthly payments in the future. A complete valid Free Application for Federal Student Aid (FAFSA) must be on file and aid awarded prior to the processing of student and parent loans. The FAFSA can be completed online at: [www.fafsa.ed.gov/](http://www.fafsa.ed.gov/)

## COMPARING STUDENT LOAN OPTIONS

Review the following information that lists main characteristics of each loan category, to assist with your borrowing decisions.

	DIRECT SUBSIDIZED LOANS	DIRECT UNSUBSIDIZED LOANS	FEDERAL PLUS LOANS	PRIVATE EDUCATIONAL LOANS
<b>Annual Loan Limit</b>	\$3,500 to \$5,500 (undergraduate students only, based on grade classification)	\$5,500 to \$12,500 (undergraduate students, based on grade classification, dependent/independent status, and subsidized loan borrowing), \$20,500 (graduate students)	Cost of Attendance minus Student Aid	Cost of Attendance minus Student Aid
<b>Primary Borrower</b>	Student	Student	Parent (or Graduate Student)	Student, Parent
<b>Lender</b>	U.S. Department of Education	U.S. Department of Education	U.S. Department of Education	Banks, Credit Unions, Financial Institutions, State Agencies
<b>Cosigner Requirement</b>	No	No	Endorser if Adverse Credit History; Student cannot be endorser	Cosigner required for most new loans, if student does not satisfy credit criteria
<b>Credit Criteria</b>	None	None	Borrower may not have an Adverse Credit History	Credit Scores, Debt-to-Income Ratios, Minimum Income, No Adverse Credit History
<b>Interest Rates Based on Credit Criteria</b>	No	No	No	Yes
<b>Loan Origination Fees</b>	Yes	Yes	Yes	Varies by Lender and Borrower Credit Typically, 0% to 5%
<b>Grace Period Length</b>	6 months	6 months	6 months	Generally 6 months for most loans, but terms may vary by lender
<b>Repayment Term</b>	Varies by Repayment Plan and Loan Balance, 10 to 30 years	Varies by Repayment Plan and Loan Balance, 10 to 30 years	Varies by Repayment Plan and Loan Balance, 10 to 30 years	Varies by Lender, 5 to 25 years
<b>Deferment, Cancellation, Forgiveness Options</b>	Yes, contact lender if needed	Yes, contact lender if needed	Yes, contact lender if needed	Yes, contact lender if needed

## FEDERAL PARENT LOAN FOR UNDERGRADUATE STUDENTS (PLUS)

The Federal Direct PLUS Loan provides loans to parents of dependent undergraduate students attending college. The parent is the borrower of the Direct PLUS Loan and is responsible for repaying the loan. The Direct PLUS Loan interest rate is fixed at 7.6% as of 07/01/18 for the 2018-2019 school year.

For Federal Direct PLUS Loan, an eligible parent-borrower must:

- > Be the biological or adoptive parent of the student, or a step-parent whose information was included on the student's FAFSA,
- > Be a U.S. citizen or eligible non-citizen,
- > Be borrowing on behalf of a dependent student who meets all of the requirements for the Federal Direct Loan Program,
- > Have a creditworthy history, and
- > Not be in default or owe a refund on any Title IV Federal Student Aid.

To apply for a Federal Direct PLUS Loan, go to the Federal Student Aid site, <https://studentloans.gov>. Select the Parent Borrowers tab and click on the "Apply for a PLUS Loan" link.

- > Parent-borrower logs in with FSA ID (username and password). If the parent does not have an FSA ID, one can be created by following the link below the Log In button to [fsaid.ed.gov](http://fsaid.ed.gov). Once logged in, ACCEPT the terms of the site and click on the START button.
- > Provide the required information to complete your application, through the Credit Check & Submit step.
  - The Credit Balance Option allows payment of loan funds not needed for the student's bill to be directed to either the parent-borrower or the student. Note that selecting payment to parent-borrower will require additional processing time.
- > Click on the "Complete Loan Agreement for a PLUS Loan (MPN)" under the Parent Borrowers tab to complete and submit this document. The Parent PLUS Master Promissory Note (MPN) is valid for up to ten years, provided that the parent borrows within one year after signing.

If the parent-borrower is applying for Federal Direct PLUS Loan funds for more than one student, a separate Direct PLUS Loan Request and PLUS MPN is needed.

Dependent students whose parents are denied the PLUS Loan may be eligible to receive additional funds from the Unsubsidized Federal Direct Loan Program. A denial notice from the Department of Education will be provided to the school; at that time, the eligibility for additional Unsubsidized Federal Direct Loan funds will be determined and processed according to the student's written request submitted to the Campus Hub.

## EDUCATIONAL LOANS FROM PRIVATE LENDERS

Several private lenders offer educational loan programs. The terms of these loans vary from one lender to another. Some have fees attached to the loans along with interest. Repayment options also vary from one lender to another. To be eligible, students must meet the specific requirements of the loan they select. Most lenders may require a creditworthy co-signer. A completed and valid **FAFSA** must be on file and aid must be awarded. There are limited exceptions to the FAFSA requirement for students who are prohibited from completing the FAFSA process; these students must meet with a financial aid advisor for approval before the private loan application will be processed.

You have the option to choose any private lender that offers educational loan programs whether or not the lender is included in the list below. The lenders listed represent the majority of loans processed at Minnesota State University, Mankato and are currently active. FASTChoice is an online comparison tool that helps you determine the loan that is right for you by providing detailed information for various loans, as well as the terms and benefits offered by different lenders. Access FASTChoice directly at <https://choice.fastproducts.org/FastChoice/home/236000/1> or through a link on our web page, [www.mnsu.edu/campushub/loans/private](http://www.mnsu.edu/campushub/loans/private).

Lender Information	Minimum Loan Amount	Student loans available if:			Parent Loans Available
		Current SAPS Suspension	Less than half-time enrollment	Needed for Past Due Balance	
Affinity Plus Federal Credit Union (800) 737-5115 <a href="https://www.affinityplus.org">https://www.affinityplus.org</a>	\$1,000	No	No	No	No
Bank of North Dakota (800)472-2166 ext 5660 <a href="http://mystudentloanonline.nd.gov">http://mystudentloanonline.nd.gov</a>	\$500	No	Yes	Yes	No
Citizens One (800)721-3969 <a href="https://www.citizensone.com/student-loans">https://www.citizensone.com/student-loans</a>	\$1,000	Yes	No	Yes	Yes
College Ave Student Loans (844) 422-7501 <a href="https://www.collegeavestudentloans.com">https://www.collegeavestudentloans.com</a>	\$1,000	No	Yes	Yes	Yes
Discover Student Loans (800)788-3368 <a href="http://www.discoverstudentloans.com">http://www.discoverstudentloans.com</a>	\$1,000	No	No	No	No
LendKey (888)549-9050 <a href="http://www.lendkey.com/private-student-loans">www.lendkey.com/private-student-loans</a>	\$2,000	No	No	Yes	No
Minnesota Office Of Higher Education(SELF) (800) 657-3866 <a href="http://www.selfloan.state.mn.us">www.selfloan.state.mn.us</a>	\$500	No	No	No	No
Sallie Mae (877) 279-7172 <a href="http://www.salliemae.com">http://www.salliemae.com</a>	\$1,000	Yes	Yes	Yes	Yes
Thrivent Federal Credit Union (866) 540-3191 <a href="https://www.thriventcu.com">https://www.thriventcu.com</a>	\$1,000	No	No	Yes	No
Wells Fargo (800)378-5526 <a href="https://www.wellsfargo.com/student">https://www.wellsfargo.com/student</a>	\$1,000	Yes*	Yes	Yes	No

\*student loans not available to graduate students with current SAPS suspension.

Note: Credit Unions might have additional requirements such as membership. Please check with particular Credit Union for details.

## FEDERAL GRADUATE PLUS LOAN (GRAD PLUS)

Graduate students have the option to borrow a Federal Direct Graduate PLUS Loan. This is a federal student loan; however, unlike the Federal Direct Unsubsidized Loan program, the Federal Direct Graduate PLUS borrower must meet credit history criteria. Interest is fixed at 7.6% as of 07/01/18 for the 2018-2019 school year.

For Federal Direct Graduate PLUS Loans, an eligible graduate student-borrower must:

- > Be a U.S. citizen or eligible non-citizen,
- > Meet all of the requirements for the Federal Direct Loan Program,
- > Have a creditworthy history, and
- > Not be in default or owe a refund on any Title IV Federal Student Aid.

To apply for a Federal Direct Graduate PLUS Loan go to the Federal Student Aid site, <https://studentloans.gov>. Select the Graduate/Professional Students tab and click on the "Apply for a PLUS Loan" link.

- > Graduate student-borrower logs in with FSA ID (username and password). If the graduate student does not have an FSA ID, one can be created by following the link below the Log In button to [fsaid.ed.gov](https://fsaid.ed.gov). Once logged in, ACCEPT the terms of the site and click on the START button.
- > Provide the required information to complete your application, through the Credit Check & Submit step.
- > Click on the "Complete Loan Agreement for a PLUS Loan (MPN)" under the Graduate/Professional Students tab to complete and submit this document. The Graduate PLUS Master Promissory Note (MPN) is valid for up to ten years, provided that the graduate student borrows within one year after signing.

## CONTACT INFORMATION

Student Financial Services • Minnesota State University, Mankato • 120 Wigley Administration Center • Mankato, MN 56001  
507-389-1866 • [www.mnsu.edu/campushub](http://www.mnsu.edu/campushub)



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