Loan Guide

Investing in your education
Need-based loans

**Federal Perkins Loans**
- The Federal Perkins Loan is a low-interest undergraduate loan program. Awards are based on financial need as demonstrated by information provided on the Free Application for Federal Student Aid (FAFSA) and on the availability of funds.
- Funding is limited; preference is given to students with exceptional need who have met Loyola University Chicago’s April 15 priority application deadline.
- Award criteria may change from year to year based on available funding.

**Nursing Student Loans**
- Loans are made to full-time undergraduate nursing students pursuing a BSN who demonstrate financial need as determined by information provided on the FAFSA.
- Funding is limited; preference is given to students with exceptional need.
- Students who transfer out of the School of Nursing are no longer eligible for this loan.

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**MAXIMUM LOAN AMOUNTS**

<table>
<thead>
<tr>
<th></th>
<th>Annual</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNDGRAD</td>
<td>$3,000</td>
<td>$27,500</td>
</tr>
<tr>
<td>GRAD</td>
<td>$8,000</td>
<td>$80,000</td>
</tr>
</tbody>
</table>

**INTEREST RATE**
- Fixed

*Interest does not accrue while the student is enrolled at least half-time in a degree-seeking program.

**REPAYMENT TERMS**
- **GRACE PERIOD**: 9 MONTHS
- **REPAYMENT PERIOD**: 10 YEARS

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**Alternative loan programs**
Eligibility for most of these loan programs is based on the creditworthiness of the borrower and may require a co-signer.

A college education is recognized as an important investment, and the expense can be financed. If your family is not eligible for sufficient need-based financial assistance or chooses not to apply, these programs offer alternate resources. If your family received financial assistance but wishes to finance all or part of your remaining cost of attendance, alternative loan programs can close that gap.

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**PLUS AND ALTERNATIVE LOAN PROGRAMS**
LUC.edu/finaid/additional

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**iPlan**

The Installment Plan (iPlan) is an optional arrangement to make educational payments more affordable by spreading payments over a selected number of monthly installments instead of making one payment each semester. iPlan begins in March; there is no need to have your financial aid award before setting up iPlan.

Loyola iPlan benefits include:
- Additional monthly installment options
- Clear, step-by-step budgeting process
- Streamlined account information

Learn more at LUC.edu/bursar/iplan

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*Grace period begins after a student graduates or ceases to be enrolled on a half-time basis. Loan repayments begin after the end of the grace period.*
Federal Direct Loans

Loyola University Chicago administers the Federal Direct Student Loan Program for undergraduate, graduate, and professional school student borrowing. Under the Direct Loan Program, students will work with the Financial Aid Office to obtain loans from the Federal Government. Students borrowing Federal Direct Stafford Loans will have the terms and conditions and interest rates as mandated by federal law. The Federal Direct Student Loan Program also offers loan fee rebates, more repayment plan choices, and additional loan forgiveness options.

### Federal Stafford Loans

- Submission of a FAFSA is required.
- A 1.0 percent origination fee is deducted from each payment of the loan to Loyola.
- Loans require a minimum of two disbursements during the enrollment period unless the recipient will be enrolled for only one term.

#### Subsidized

*Eligibility is determined by financial need.*

<table>
<thead>
<tr>
<th>INTEREST RATE</th>
<th>MAXIMUM LOAN AMOUNTS Per academic year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed 6.8%</td>
<td>$3,500, $4,500, $5,500, $5,500</td>
</tr>
</tbody>
</table>

**REPAYMENT TERMS**

- **GRACE PERIOD:** 6 MONTHS
- **REPAYMENT PERIOD:** 10 YEARS

The government pays the interest to the lender on behalf of qualified borrowers for as long as the borrower is enrolled at least half-time in a degree-seeking program and for six months thereafter.

#### Unsubsidized

*Eligibility is not determined by financial need.*

<table>
<thead>
<tr>
<th>INTEREST RATE</th>
<th>MAXIMUM LOAN AMOUNTS Per academic year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed 6.8%</td>
<td>$2,000, $2,000, $2,000, $2,000</td>
</tr>
</tbody>
</table>

**IF SUBSIDIZED STAFFORD LOAN IS RECEIVED.**

**FOR STUDENTS WHO AREN’T ELIGIBLE FOR SUBSIDIZED LOANS**

**ADDITIONAL FUNDS AVAILABLE TO INDEPENDENT STUDENTS**

<table>
<thead>
<tr>
<th>INTEREST RATE</th>
<th>REPAYMENT TERMS**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed 7.9%</td>
<td></td>
</tr>
</tbody>
</table>

**Credit-based loans**

### Federal Direct Parent Loan for Undergraduate Students (PLUS)

Loans are made to creditworthy parents of dependent undergraduate students. Submission of a FAFSA is required.

- Federal PLUS Loans are not based on demonstrated need and may be used to replace all or a portion of the remaining cost of attendance.
- A 3 percent origination fee is deducted from each Federal PLUS Loan disbursement.
- Parents should begin the process early—as soon as they determine they want a Federal PLUS Loan. You do not need to wait for an e-bill or the beginning of the semester. Apply online at www.studentloans.gov.
- Parents may defer payment of principal until the student is no longer enrolled at Loyola.

**INTEREST RATE**

- Fixed 7.9%

**REPAYMENT TERMS**

- **GRACE PERIOD:** 60 DAYS
- **LOAN PERIOD:** 10 YEARS

**ADDITONAL FUNDS AVAILABLE TO INDEPENDENT STUDENTS**

<table>
<thead>
<tr>
<th>INTEREST RATE</th>
<th>REPAYMENT TERMS**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed 7.9%</td>
<td></td>
</tr>
</tbody>
</table>

**Federal Direct PLUS Loans begin repayment after the loan is fully paid to Loyola.**
Loan processing

First-time borrowers of federal loans at Loyola must fulfill several requirements before loan money will be paid to Loyola. Unless noted, these steps need to be fulfilled only once, though students who receive both Federal Stafford Loans and Federal Perkins Loans must complete entrance counseling and promissory notes for each loan.

**REQUIREMENT**

**FEDERAL PERKINS LOAN**

**NURSING STUDENT LOAN**

**FEDERAL DIRECT STAFFORD LOAN**

**Entrance counseling**
LUC.edu/finaid/loancounseling
Anytime before classes begin*
Anytime before classes begin*
Anytime before classes begin*

**Master Promissory Note**
LUC.edu/finaid/mpn_direct
Anytime before classes begin*
Anytime before classes begin*
Anytime before classes begin*

**Exit counseling**
Conducted by the loan administration and records office, the session establishes repayment and provides information about deferment and cancellation. Contact the Bursar’s Office at 773.508.7705.

* A combined entrance counseling/promissory note session for recipients of these loans is available at LUC.edu/finaid.

**How much will that loan cost?**

Example of an unsubsidized Federal Stafford Loan (fixed 6.8 percent interest rate for 10 years)

<table>
<thead>
<tr>
<th>BORROWED</th>
<th>$6,125</th>
<th>$11,625</th>
<th>$17,125</th>
<th>$23,000</th>
<th>$30,000</th>
<th>$40,000</th>
<th>$50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>MONTHLY</td>
<td>70</td>
<td>134</td>
<td>197</td>
<td>265</td>
<td>341</td>
<td>460</td>
<td>575</td>
</tr>
<tr>
<td>TOTAL PRINCIPAL AND INTEREST</td>
<td>$8,458</td>
<td>$16,054</td>
<td>$23,649</td>
<td>$31,762</td>
<td>$41,429</td>
<td>$55,239</td>
<td>$69,045</td>
</tr>
</tbody>
</table>

**CONTACT US WITH YOUR QUESTIONS**

**THE HUB**
Loyola’s one-stop center on the Lake Shore Campus offers help with financial assistance and other student services.

Phone 773.508.7700
E-mail onestop@luc.edu

**LOYOLA UNIVERSITY CHICAGO**

Financial Aid Office
1032 W. Sheridan Road
Chicago, IL 60660

Phone 773.508.7704
E-mail lufinaid@luc.edu
Web LUC.edu/finaid

Prepared by people to lead extraordinary lives