Manchester University

Loans – The Simple Facts

Undergraduate Student—Federal Direct Loans Subsidized and Unsubsidized

Student eligibility listed on Financial Aid Notification

- Student must be enrolled at least half-time (six or more credit hours) to borrow
- Interest Rate on or after 7/1/24 and before 7/1/25
  - ◊ Subsidized – 6.53% fixed rate
  - ◊ Unsubsidized – 6.53% fixed rate
- Fees on or after 10/1/20 and before 10/1/25
  - ◊ 1.057%
  - ◊ Calculate net amount applied to student's account
    - Loan amount X .98943 = net amount
- Payments begin six months after the student leaves school, graduates, or drops below half-time status

Student is the borrower

- Complete Entrance Counseling
- Complete Master Promissory Note (MPN)

Parent—Federal Direct PLUS Loan

Parent eligibility listed on Financial Aid Notification

- Student must be enrolled at least half-time (six or more credit hours) to borrow
- May borrow up to the cost of attendance minus all financial aid options
- Interest Rate on or after 7/1/24 and before 7/1/25
  - ◊ 9.08% fixed rate
- Fees on or after 10/1/20 and before 10/1/25
  - ◊ 4.228%
  - ◊ Calculate net amount received by the school
    - Loan amount X .95772 = net amount received by the school
- Payments begin after the loan is fully disbursed for the academic year
  - ◊ Payment deferment and/or forbearance options available

Parent is the borrower

- Parent of a dependent undergraduate student
  - ◊ Biological, adoptive, or step-parent
- Yearly application process
  - ◊ Complete Loan Application,
  - ◊ Credit based loan, may apply with an Endorser
- Complete Master Promissory Note (MPN)
- Allows additional unsubsidized eligibility for undergraduate student if parent is denied the loan

Private Loans

- Loan in student's name with cosigner
- Parent loans available
- Variable and fixed interest rates
- Lender specific benefits