

WISCONSIN LUTHERAN COLLEGE

Loan Information • 2022-2023

Although loans should not be a family's first option to pay for school, many students may need to borrow to pay a portion of their education costs.

- Go to wlc.edu/fa/loans for more detailed information on loan options.
- Consider federal loans first. They often provide better benefits.
- Students can borrow the Federal Direct Loan on their own.
- More information on federal loans can also be found at studentaid.gov/understand-aid/types/loans.
- If other loans are needed, a dependent student will usually need the help of a parent or a cosigner.

FEDERAL DIRECT LOAN FOR STUDENTS

Your Direct Loan eligibility is listed on your financial aid offer. You can borrow the entire amount listed, a portion of it, or none at all. You will choose the amount that you plan to borrow when you accept your offer in your myFinancialAid portal at my.wlc.edu (*Warrior ID and password required*).

Your FAFSA determines the type and amount of Direct Loan that you can borrow: subsidized, unsubsidized, or a combination of both.

Direct Subsidized Loan: The Federal government pays your interest while you are enrolled at least half time.

Direct Unsubsidized Loan: Interest accrues and can be paid periodically while in school or capitalized (added to the principal of your loan to repay later).

Features include:

- 4.99% fixed interest rate
- Interest may be tax deductible
- 1.057% federal fee deducted from disbursement
- Various repayment options
- No income or credit history required
- Payment begins six months after you drop below half time or after graduation

→ FIRST TIME BORROWERS: REQUIRED ACTION BETWEEN MAY 1-AUGUST 1

1. Log in to studentaid.gov with your FSA ID and password and go to **I'm Preparing for School**.
2. Do all three required steps.
 - **Complete Entrance Counseling.**
 - **Complete MPN** (i.e. Loan Agreement) **I'm an Undergraduate Student.**

FEDERAL DIRECT PLUS LOAN FOR PARENTS

The Direct PLUS Loan enables parents to borrow funds to pay the educational expenses of each child who is a dependent undergraduate enrolled at least half time.

Features include:

- 7.54% fixed interest rate
- 4.228% federal fee deducted from disbursement
- Quick credit pre-approval
- Interest may be tax deductible
- Various repayment options
- Payment begins 60 days after loan is fully disbursed
- Deferments available
- If denied, student can borrow additional Direct Unsubsidized Loan funds

→ TO APPLY FOR A PLUS LOAN BETWEEN MAY 1-AUGUST 1

1. Log in to studentaid.gov with PARENT FSA ID and password. Go to **I'm a Parent**.
2. **Apply for Parent PLUS Loan.**
3. First-time Plus borrower also **Complete MPN** (i.e. Loan Agreement) **for Parent PLUS Loan.**

PRIVATE EDUCATION LOANS • *Cosigner is required for dependent student borrowers.*

Private loans are specific consumer loans in the student's or the parent's name offered by lenders to help pay educational expenses. These need to be researched carefully as the terms and conditions are not standard and vary by lender.

Features include:

- Fixed or variable interest rates
- Applicant or cosigner credit approval required

Some private loan options are now available to parents. Private education loans are described at wlc.edu/fa/loans. If you need a private education loan, you may research the details and apply through our website or through the website of the lender of your choice.

→ Apply for a Private Education Loan for the entire academic year between **May 1 and August 1** in order to meet WLC's payment deadline.

Please contact us with questions at 414.443.8856 or email financial.aid@wlc.edu.