

WISCONSIN LUTHERAN COLLEGE

2019-2020 Loan Information

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 www.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.ed.gov/sa/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 award. 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 award in your MyWLC > myFinancialAid portal at my.wlc.edu. (Warrior ID & 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:

- 4.53% fixed interest rate for loans disbursed in 2019-2020
- Interest may be tax deductible
- Various repayment options
- Payment begins six months after you drop below half time or after graduation.
- 1.062% federal fee deducted from disbursement
- No income or credit history required

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:

- 7.08% fixed interest rate for PLUS Loan disbursed in 2019-2020
- 4.248% 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 Loan funds.

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 www.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.

⚠ New Borrowers: REQUIRED ACTION
Must complete before the loan can be processed
1. Log into studentloans.gov with your FSA ID
2. **Complete Loan Counseling > Entrance and**
3. **Complete Loan Agreement (Master Promissory Note) > MPN for Subsidized/Unsubsidized Loans**

⚠ To Apply for a PLUS Loan:
1. Determine amount needed for the year
2. Log into studentloans.gov with Parent FSA ID
3. **Apply for a Direct PLUS Loan > Direct PLUS Loan Application for Parents**
4. New PLUS borrowers must also **Complete Loan Agreement (Master Promissory Note) > PLUS MPN for Parents**
5. If denied, contact our office to discuss options

⚠ Apply for a Private Education Loan between April 1st and Aug 1st in order to meet WLC's payment deadline.