

STAFFORD LOAN QUALIFICATIONS

1. Be enrolled in at least 6 credit hours at NPCC or in joint enrollment with a consortium school.
2. Have a FASFA completed and financial aid file completed.
3. The GPA must be a 2.0 or better for Title IV aid (starting July 1, 2009).
4. You have to qualify for Title IV funds in order to receive a loan. If you have dropped below eligibility twice or you are over on hours, you can not receive a Stafford loan.
5. The college reserves the right to reduce or deny a student loan if NPCC representatives deem that the money is not being used for a college-related purpose.
6. If you are a first-time freshman you have to wait 30 calendar days after the first day of class to receive your 1st disbursement. If you are a returning student (whether you have had a loan or not) you receive your 1st disbursement after the 20th calendar day. **(If student has completed pell file, completed counseling at <https://mappingyourfuture.org> and completed your Master Promissory Note).**
7. Loans are always in 2 disbursements (fall, fall/spring, spring, summer). If you have fall/spring loan there will be 1 disbursement in fall and 1 disbursement in spring. If you have a spring only loan there will be 2 disbursements in spring, etc.
8. Maintain SAP in order to receive 2nd disbursement. This includes remaining enrolled in a minimum of 6 credit hours.
9. **Charges come out of loan before Pell. If you have a fall only or spring only loan, your loan is in two disbursements and total charges come out of the first disbursement. You may not have a check with that first disbursement because the charges are taken out.**
10. Subsidized (based on need) – government pays your interest while in school.
11. Unsubsidized – government does not pay your interest while you are in school. You can elect to pay interest during school or after you graduate or drop below 6 hours. Interest during 2009-10 school year – subsidized loan 5.6% during repayment and unsubsidized loan 6.8% starts while in school.
12. The aggregate loan amount for undergraduate **dependent** students is \$31,000 (no more than \$23,000 which can be subsidized). The aggregate loan amount for undergraduate **independent** students is \$57,500 (no more than \$23,000 of which can be subsidized).
13. If you are enrolled in a one-year certificate program, the freshman level annual loan limit would apply, regardless of the number of completed credit hours.
14. You have a one-time 6 months grace period after you graduate or drop below 6 hours before you have to start paying back the loans.
15. There is no penalty for paying loan off early.
16. You will receive an Award Letter from NPCC. Sign and return to NPCC.
17. If you have an email address, you will receive notification with instructions to follow web link to sign your MPN. If you do not have an email address the MPN will be mailed. **THE LENDER WILL NOT SEND US LOAN FUNDS UNTIL THE MPN IS SIGNED AND APPROVED.** It can take one or two days for SLGFA to review the MPN. If you change lenders, you are required to sign a new MPN. **IF YOU SELECT A DIFFERENT LENDER, YOU MAY HAVE TO PAY TWO DIFFERENT SERVICERS.**
18. If you withdraw before 60% of the semester you may owe NPCC and the lender.
19. Even though this is a loan, you have to earn the loan by attending classes and making SAP.
20. Defaulting on your loan can result in federal tax refunds being withheld or garnished wages. Defaults are reported to the IRS. These are federal funds.

I understand the above information regarding Stafford loans.

Signature

Date

2009-2010 STAFFORD LOAN APPLICATION WORKSHEET

- ❖ You must have a 2009-2010 FAFSA on file to be eligible for this loan
 - ❖ Students must be enrolled in a minimum of 6 hours each term
- ❖ Failure to fully complete all questions on this application may delay or halt processing

Name _____ SSN# _____

We provide your lender with the permanent mailing address on file in the Registrar's office ~ Be sure that it is correct!

Cell Phone # _____ Home Phone # _____ E-mail _____

Expected graduation date _____ DOB ____/____/____

Degree you are or will be pursuing at NPCC: _____ Associates Degree _____ Certificate _____

I am requesting a loan for: Fall and Spring _____ Fall ONLY _____ Spring ONLY _____ Summer _____

*Once this loan period is chosen for an academic year this option may not be changed for that academic year.

*No more than 2 loan requests per semester per student

<u>Dependent Student</u> (Students qualify for additional unsubsidized when a parent is denied a PLUS loan. Credit denial must be on file @ NPCC prior to submitting a request for the additional funding)	Base amount	Additional unsubsidized loan amount
Freshman 0-30 hours completed	\$3,500	\$2,000
Sophomore 31 hours completed	\$4,500	\$2,000

<u>Independent Student</u>	Base amount	Additional unsubsidized loan amount
Freshman 0 – 30 hours completed	\$3,500	\$6,000
Sophomore 31 – > hours completed	\$4,500	\$6,000

TOTAL AMOUNT REQUESTED *\$ _____ **Purpose for loan:** _____

**Actual amount awarded will be subject to federal, state and institutional guidelines*

Annual loan maximums are set by the U.S. Department of Education **If you do not want any **UNSUBSIDIZED** loans please note on application.

LENDER NAME: _____ **LENDER ID:** _____ (On back of form)

**If you change Lenders you will have to complete a new Master Promissory Note*

IS THIS YOUR FIRST STUDENT LOAN AT NATIONAL PARK COMMUNITY COLLEGE? YES _____ NO _____

*IF YES, YOU **MUST** COMPLETE STAFFORD LOAN ENTRANCE COUNSELING at mappingyourfuture.org*

Please list any other grants, scholarship or work-study that you know you will be receiving: _____

I understand that if the amount requested exceeds my eligibility for subsidized Stafford loan, I may be awarded unsubsidized funding for any amount over that eligibility.

Signature (REQUIRED) _____ **Date** _____

Student loan money is not a substitution for a job or benefits that are meant to provide a total household income

Do not put checks in the mail or guarantee payment to a third party until you have money in hand. Allow for delays in disbursement.

For Office use only

<u>MYF Complete?</u>	<u>GPA</u>	<u>Total Other Aid</u>	<u>Total hrs earned</u>	<u>NSLDS</u>	<u>Ind/Dep</u>	<u>1st Time Freshman</u>
<u>SAP Eligible</u>	<u>Hrs Enrolled</u>	<u>VA</u>	<u>Loan/Pell at other school this year?</u>			

Estimated Student Loan Repayment Chart

**Fixed Rate Stafford Loan
Assumes Standard Repayment Plan
10 Years/120 Monthly Payments**

6.8%* Interest Rate			
Loan Amount at Repayment	Estimated Monthly Payment	Total Amount Paid	Minimum Required Annual Income
\$3,500.00	**\$50.00	\$4,450.00	\$6,041.00
\$5,500.00	\$63.32	\$7,598.00	\$9,497.00
\$10,000.00	\$115.12	\$13,814.54	\$17,268.00
\$15,000.00	\$172.69	\$20,722.49	\$25,903.50
\$20,000.00	\$230.24	\$27,629.08	\$34,536.00
\$25,000.00	\$287.80	\$34,536.35	\$43,170.00
\$30,000.00	\$345.36	\$41,443.62	\$51,804.00
\$35,000.00	\$402.92	\$48,350.89	\$60,438.00
\$40,000.00	\$460.48	\$55,258.16	\$69,072.00
\$45,000.00	\$518.04	\$62,165.43	\$77,706.00

These are examples of the monthly payments and total amount paid for subsidized federal Stafford loans.

The annual income is the minimum income needed to handle this debt.

The payment is approximately 8% of the suggested annual income.

*Interest rate in effect for new loans disbursed on or after 7/1/06.

**Total of 89 payments at minimum payment of \$50.00.

- Be responsible in managing your debt.
- Avoid the serious consequences of default.
- As with any debt, you are responsible for repaying your loan in full, even if you did not complete school, cannot get a job, or feel you did not receive the education or other services you were seeking.
- If you do not make your monthly payments as scheduled and you do not make any special arrangements with your lender, your loan may go into default.
- If you have not received your payment information within your six-month grace period after leaving school, your lender should be contacted.
- For lender information, please contact Student Loan Guarantee Foundation of Arkansas (SLGFA) 800-622-3446 or your school.

NPCC Lender List: Stafford Student Loans

These lenders are listed for one of the following reasons:

They are a local lender; they are one of the top five volume lenders or they have asked to be listed. You may select any lender you prefer for your student loan. You may need to provide the lender's name and code. **If you select a different lender, you may have to pay two different servicers.**

LENDER NAME AND CODE REPEAT BORROWERS ONLY:	LOAN SERVICER	ORIGINATION FEE	DEFAULT FEE
Bank of the Ozarks 192509	ASLA www.asla.info	.5%	1%
Diamond State Bank 149509	ASLA www.asla.info	.5%	1%
Diamond Lakes FCU 116509	ASLA www.asla.info	.5%	1%
Malvern National Bank 155509	ASLA www.asla.info	.5%	1%
Summit Bank 127509	ASLA www.asla.info	.5%	1%
Southern State Bank 154509	ASLA www.asla.info	.5%	1%
<u>New or Repeat Borrowers:</u>			
Arvest 800301	OSLA www.osla.com	.5%	1%
First Security Bank 834348	OSLA www.osla.com	.5%	1%
EdAmerica 831453	EdAmerica www.edamerica.net	.5%	1%
Commerce Bank 813979	SallieMae www.salliemae.com	.5%	1%
Regions 810612	SallieMae www.salliemae.com	.5%	1%
SallieMae 802218	SallieMae www.salliemae.com	.5%	1%
Simmons Bank 815745	Simmons Bank www.simmonsfirst.com	.5%	1%
<u>Subject to Passing a Credit Check.</u>			
Arkansas Rural Endowment Fd 800246	Arkansas Rural Endowment www.aref.org	0%	1%