



VASSAR COLLEGE LOAN AND LENDER INFORMATION

Vassar College realizes that financing an education can be a rather complex and confusing decision for families. As an entering college student you and your family will be inundated, if you haven't already, with loan information from many sources. We have found that much of the information families receive at this time of the year can be misleading as to the best rates and terms for student and parent education loans.

All borrowers will be offered federal loans through the William D. Ford Direct Loan Program. Loans are available to students and parents, with low interest rates and flexible repayment options. The Direct Loan Program eliminates the need to select a financial institution from which to borrow; instead the lender is the U.S. Department of Education.

Should the need arise to borrow above the Direct Student Loan limits in order to finance a Vassar education, parents should consider the Direct Parent Loan(PLUS). If the parent is denied a PLUS loan, limited additional loan eligibility is available to students, and students should discuss their options with our office.

If resources are still needed beyond federal loans, some Vassar families have found alternative loan products to be helpful as a loan of last resort. Vassar College has a policy of refraining from an exclusive partnership with a single lender or group of lenders; we do not endorse or recommend lenders of private education loans to our families. The lenders listed on the ELMSelect website have been used by other Vassar students in the past year. Private education loans are non-government loans with either the student or parent as the primary borrower and generally require a co-signer. The basis for the interest rates of these products differs among lenders. A comparison of these interest rates (prime rate versus 3 month Libor) can be found at <http://www.forecasts.org/interestrates/index.htm>. For additional information, you should also visit the individual lender websites.

Michael P. Fraher
Director of Financial Aid

Note: The Direct Parent Loan (PLUS) has a provision for loan forgiveness in the event that either the parent or student dies or suffers 100% disability. This is not offered by private student loans where a co-signer is required for the student.

Students have an additional \$2,000 Unsubsidized Direct Student Loan eligibility that is not listed on the Statement of Financial Aid. Please email your request to finaid@vassar.edu.

How to Apply for Loans:

Federal Direct Student Loan: (*Student Loan – no credit required*)

- Complete the Free Application for Federal Student Aid (FAFSA) www.fafsa.ed.gov, if you have not already done so

- Complete Entrance Counseling
 - 1) Go to: <https://studentloans.gov/myDirectLoan/index.action>
 - 2) Sign In to Manage My Direct Loan
 - 3) Click on My Profile
 - 4) Click on Entrance Counseling
 - 5) Click on Complete Entrance Counseling
 - Follow the four steps to complete the Entrance Counseling

- Complete the Master Promissory Note (MPN)
 - 1) Go to: <https://studentloans.gov/myDirectLoan/index.action>
 - 2) Click on Complete Master Promissory Note
 - 3) Click on Subsidized/Unsubsidized
 - Follow the four steps to complete and submit the Master Promissory Note

Federal Direct Parent Loan for Undergraduate Students (PLUS): (*requires credit check*)

- Complete the Free Application for Federal Student Aid (FAFSA) www.fafsa.ed.gov, if you have not already done so

- Complete PLUS Loan Application
 - 1) Go to <https://studentloans.gov/myDirectLoan/index.action>
 - 2) Sign In to Manage My Direct Loan
 - 3) Click on My Profile
 - 4) Click on Start PLUS Application Process

- Complete the Master Promissory Note (MPN)
 - 1) Go to <https://studentloans.gov/myDirectLoan/index.action>
 - 2) Click on Complete Master Promissory Note
 - 3) Click on Parent PLUS
 - Follow the four steps to complete and submit the Master Promissory Note
 - **Please make sure that the same parent completes both the PLUS Application & the PLUS MPN**

Alternative/Private Loans: (*Typically a Student Loan –requires credit check & co-borrower for best interest rate*)

- Go to <https://www.elmselect.com> to select a lender under the Alternative Tab
 - 1) The ELMSelect Lender Comparison User Agreement emphasizes your right to select any lender, you must click on the box and accept indicating that you understand this right
 - 2) On the ELMSelect Lender Comparison page select **New York**, the state in which Vassar is located. You must scroll down through the list of schools and click on Vassar College, then click “Search”
 - 3) This is our Vassar specific page with tabs related to the various types of loans available for education and a list of lenders that Vassar families have borrowed from in the past year. We suggest that you visit various lender websites and review the terms of the loans offered
 - 4) Select a lender under the *alternative loan* tab, click *apply now*, and complete the application/promissory note requirements. If you would like to choose a lender not listed, you can search for other lenders by clicking on the tab above Helpful Links
 - 5) Click on the link to apply and fill out the Promissory Note