

## **GRADUATE PLUS LOANS**

Recent legislation has designated that graduate students will be allowed to borrow under the Federal PLUS program to assist with educational costs. It is advised that you maximize your yearly Stafford Subsidized and Unsubsidized eligibility before you apply for the Graduate PLUS loan.

### **Graduate PLUS Eligibility:**

You must be a Graduate/Professional student enrolled at least half-time in a degree seeking program.

You must complete a 2006-07 FAFSA.

You must be making satisfactory academic progress. Graduate students must have passed 67% of attempted hours once they have been enrolled four or more semesters at Auburn University.

You must pass a credit check by the lender.

### **Interest Rate:**

The interest rate on the PLUS loan will be a fixed rate of 8.5%. Some lenders offer interest rate discounts. Please review the Participating Lender List for specific incentives.

### **Repayment Terms:**

Repayment on your PLUS loan will begin 60 days after the final disbursement on each loan. The maximum repayment period is 10 years, with a minimum monthly payment of \$50.00. You may be eligible to defer payments as long as you are enrolled at least half time. However, it is your responsibility to request this option through your lender.

### **Loan Fees:**

You will be charged an Origination Fee of 3%. Some guarantors also charge a 1% Default Fee. Please review the Participating Lender List for specific incentives.

### **Graduate PLUS Process:**

1. Choose your lender by reviewing the Auburn University Participating Lender List.
2. Apply for your Graduate PLUS loan through the lender of your choice.
3. If approved, your lender will contact Auburn University for Certification of your loan.
4. Complete your Master Promissory Note through your lender.
5. Your lender will disburse your loan proceeds to Auburn University.