



JOHNS HOPKINS
UNIVERSITY

Student Loans

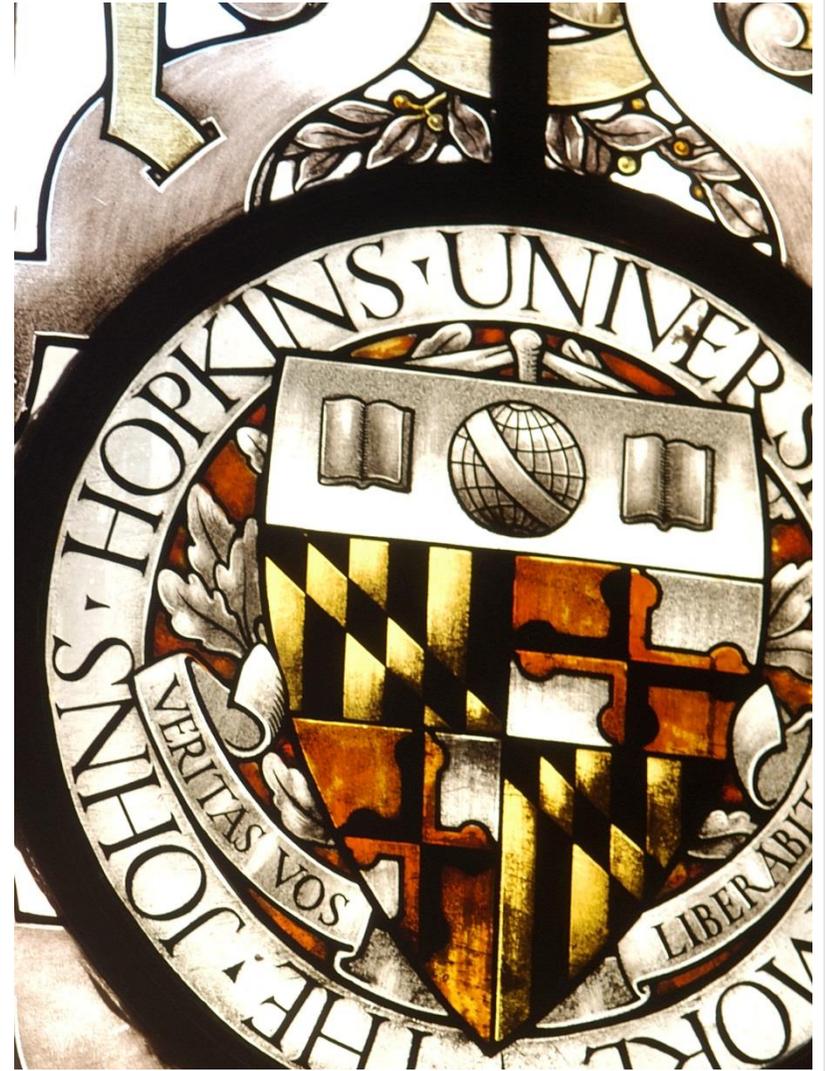
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Topics

- Type of Loans
- Interest Rates of Loans
- Aggregate Limits
- Loan Repayments
- Private Loans



Types of Loans

Direct Subsidized Loans are loans made to eligible undergraduate students who demonstrate financial need to help cover the costs of higher education at a college or career school.

Direct Unsubsidized Loans are loans made to eligible undergraduate, graduate, and professional students, but in this case, the student does not have to demonstrate financial need to be eligible for the loan.

Direct PLUS Loans are loans made to graduate or professional students and parents of dependent undergraduate students to help pay for education expenses not covered by other financial aid.

Rates of Loans

Annual Interest Rates

Federal Direct Subsidized/Unsubsidized Loan for Undergraduates- **4.45%**

Federal Direct Unsubsidized Loan for Graduate/Professional Students- **6%**

Federal Direct PLUS Loan- **7%**

Origination Fees

Federal Direct Subsidized/Unsubsidized Loan- **1.066%**

Federal Direct PLUS Loan- **4.264%**

Aggregate Limits

Year	Dependent Students (except students whose parents are unable to obtain PLUS Loans)	Independent Students (and dependent undergraduate students whose parents are unable to obtain PLUS Loans)
First-Year Undergraduate Annual Loan Limit	\$5,500—No more than \$3,500 of this amount may be in subsidized loans.	\$9,500—No more than \$3,500 of this amount may be in subsidized loans.
Second-Year Undergraduate Annual Loan Limit	\$6,500—No more than \$4,500 of this amount may be in subsidized loans.	\$10,500—No more than \$4,500 of this amount may be in subsidized loans.
Third-Year and Beyond Undergraduate Annual Loan Limit	\$7,500—No more than \$5,500 of this amount may be in subsidized loans.	\$12,500—No more than \$5,500 of this amount may be in subsidized loans.
Graduate or Professional Students Annual Loan Limit	Not Applicable (all graduate and professional students are considered independent)	\$20,500 (unsubsidized only)
Subsidized and Unsubsidized Aggregate Loan Limit	\$31,000—No more than \$23,000 of this amount may be in subsidized loans.	\$57,500 for undergraduates—No more than \$23,000 of this amount may be in subsidized loans. \$138,500 for graduate or professional students—No more than \$65,500 of this amount may be in subsidized loans. The graduate aggregate limit includes all federal loans received for undergraduate study.

Loan Repayment Options

Plan type	Who qualifies?	Years to repay	Monthly payment	Public Service Loan Forgiveness after 10 years?	Outstanding debt cancelled at the end of repayment?
Standard	All	10	Same throughout repayment.	No ⁴	No ⁵
Graduated	All	10	Increases every 2 years.	No	No
Extended	Direct ¹ and FFEL ² loans from after Oct. 7, 1998, greater than \$30,000 balance.	25	10% or 15% of discretionary income. Changes with income.	No	No
Income-Based Repayment	All who have a partial financial hardship. ³	20 or 25	10% or 15% of discretionary income. Changes with income. Will never be more than under Standard plan.	Yes	Yes
Pay As You Earn	Direct loans from after Oct. 1, 2007. Must have a partial financial hardship.	20	10% of discretionary income. Changes with income. Will never be more than under Standard plan.	Yes	Yes
Revised Pay As You Earn	All Direct loans.	20 or 25	10% of discretionary income. Changes with income.	Yes	Yes
Income-Contingent Repayment	All Direct loans.	25	The lesser of 20% of discretionary income or what you'd pay on a 12-year fixed payment plan. Changes with income.	Yes	Yes
Income-Sensitive Repayment	FFEL program loans.	10	Based on annual income. Each lender's formula for determining amount varies.	No	No

Loan Statuses

Default

Failure to repay a loan according to the terms agreed to in the promissory note. For most federal student loans, you will default if you have not made a payment in more than 270 days. If you default on a federal student loan, you lose eligibility to receive federal student aid and you may experience serious legal consequences.

Forbearance

A period during which your monthly loan payments are temporarily suspended or reduced. Your lender may grant you a forbearance if you are willing but unable to make loan payments due to certain types of financial hardships. During forbearance, principal payments are postponed but interest continues to accrue. Unpaid interest that accrues during the forbearance will be added to the principal balance (capitalized) of your loan(s), increasing the total amount you owe.

Deferment

A temporary postponement of payment on a loan that is allowed under certain conditions and during which interest generally does not accrue on Direct Subsidized Loans, the subsidized portion of Direct Consolidation Loans, Subsidized Federal Stafford Loans, the subsidized portion of FFEL Consolidation Loans, and Federal Perkins Loans. All other federal student loans that are deferred will continue to accrue interest. Any unpaid interest that accrued during the deferment period may be added to the principal balance (capitalized) of the loan(s).

Private Loans

Private student loans are available to undergraduate and graduate students from financial institutions. They're designed to fill the funding gap when savings, scholarships, and federal student aid aren't enough.

Approval based on: borrower's credit score and history are taken, along with other factors. There are different types of private loans:

- **For students:** Loans taken out by the student with or without a cosigner. Both the student and the cosigner are responsible for the loan.
- **For parents:** Loans taken out by parents or another creditworthy individual. The borrower is responsible for repaying the loan.
- Loans can be used to help cover up to 100% of a school's Cost of Attendance (COA), less other financial aid received.



Questions?

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