



University of the Incarnate Word
Office of Financial Assistance
2011-2012 Parent PLUS Loan Request Form

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SECTION 1: All Applicants

Student's Last Name* **Student's First Name** **Student's Middle Initial** **Student's UIW ID or Social Security Number**
**List student's name as it appears on their Social Security Card*

Parent's Last Name* **Parent's First Name** **Parent's Middle Initial** **Parent's Social Security Number**
**List your name as it appears on your Social Security Card*

Parent's Driver's License Number and State **Parent's Date of Birth** **Parent's Home/Cell Phone Number(s)**

Parent's Street Address **City** **State & Zip Code** **Parent's Email Address**

PARENT ELIGIBILITY INFORMATION:

Relationship to Student: Mother Father Step-mother Step-father Other: _____

Are you one of the parents (or step-parents) listed on the FAFSA?

Yes No – Please provide copies of your Social Security card or Permanent Residency card, and Driver's license (**required**)
**Please note – step-parents may only request Parent PLUS loans when they are one of the parents included on the student's FAFSA.*

Parent Citizenship Status:

US Citizen Eligible Non-Citizen* (Alien Registration #A _____)
Please submit a legible copy of your permanent residency card (required**)*

LOAN REQUEST INFORMATION:

Requested Loan Amount: \$ _____ **or** **maximum eligibility for the time period chosen**

Please choose one option below for your student's expected enrollment, and the loan's disbursement dates:

Fall/Spring (Preferred. Disbursed ½ in Fall, ½ in Spring) **Summer 2011 only*** **Fall only*** **Spring only***

**If you choose Summer only, Fall only or Spring only, we will certify only the amount the student is eligible for in that smaller enrollment period.*

**Single semester loans CANNOT be created after that individual semester has ended.*

Please mark one of the following two options:

If I am **denied** the Parent PLUS Loan, I **will appeal the decision** and/or **obtain a credit-eligible endorser.**

If I am **denied** the Parent PLUS Loan, **please award** my student the Direct Unsubsidized Stafford Loan to the extent to which they are eligible. I understand the annual funding amount available to the student is **\$4000 for a freshman or sophomore, \$5000 for a junior or senior, up to the amount that will fit in the student's budget.**

Optional: If you are approved for the Parent PLUS loan, we will certify your requested amount, or the amount the student is eligible for, unless you indicate otherwise below:

If I am **approved** for the Parent PLUS Loan, I **do not** want the loan.

CONSENT TO OBTAIN A CREDIT REPORT AND CERTIFICATIONS:

I certify by signing below that:

- I consent to the U.S. Department of Education and its agents obtaining a report of my credit record and using the information from that report in determining whether to grant a Direct PLUS Loan to me. I understand I will be notified in writing of the results of the credit check with respect to my loan application.
- The information submitted for review is true and correct to the best of my knowledge.
- I am not in default on a federal student or parent loan, or have made satisfactory arrangements to pay it.
- I do not owe money back on a Federal student grant, or have made satisfactory arrangements to pay it.
- I understand that per Federal regulations, the Parent PLUS loan disbursement will be applied to my student's account. Any resulting refund will be mailed to me via paper check.

Parent Signature: _____ Date: _____

Parent PLUS Loan Information

Eligibility:

- A completed and valid 2011-2012 FAFSA is **required** before you may apply for a Parent PLUS Loan.
- PLUS loans are restricted to the biological parents, or adoptive parents of a dependent undergraduate student. Step-parents whose information is included on the FAFSA may also apply. Grandparents, aunts, uncles, & friends may not apply for a PLUS loan.
- Eligibility for the PLUS loan depends on a modest credit check that determines whether the parent has adverse credit. An adverse credit history is defined as being more than 90 days late on any debt or having had Title IV debt within the past five years subjected to default determination, bankruptcy, discharge, foreclosure, repossession, tax lien, wage garnishment, or write off.

Loan Details:

- Repayment begins 60 days after the loan is fully disbursed. **You may contact the Direct Loan Servicer to request to defer payments until six months after your student graduates or drops below half-time enrollment.**
- The interest rate on the PLUS Loan is 7.9% fixed. Interest begins to accrue on the loan once it is disbursed to UIW.
- There is a 2.5% net origination fee charged by the Dept. of Education which will be deducted from each loan disbursement.
- You can reduce or decline your loan or even return all or part of it, up to 120 days after funds have been released.
- PLUS loans *may not* be transferred to the student. The Parent PLUS loan is a Parent Loan, taken out in the Parent's name.
- If you are not approved for the PLUS loan, you may add an endorser or increase the student's unsubsidized loan.
- Your loan may be discharged if you pass away or if the child for whom you borrowed passes away, or if you become totally and permanently disabled.
- For more information, please visit the Direct loan web site: www.direct.ed.gov or contact the UIW Office of Financial Assistance at (210) 829-6008.

What are the advantages of a Federal PLUS loan vs. a Private Loan?

Federal Direct PLUS Loan

- Less stringent credit approval than an alternative loan.
- Denial allows student to increase their Direct Unsubsidized Loan.
- Fixed 7.9% interest rate for the life of the loan
- Net origination fee of 2.5%, deducted from each disbursement
- Discharge in case of student or borrower death or in the case of borrower total and permanent disability.
- No penalty for early repayment

Private Loan

- Approval based on credit criteria such as credit score, debt-to-income ratio, etc.
- Denial does not result in additional funding for student.
- Variable interest rate, based on credit rating and market rates
- Origination fee may be added to principal balance rather than deducted from disbursements
- Usually does not have a discharge option for borrower or cosigner.

Sample Direct PLUS Loan Repayment Chart

(Based on Standard Repayment Plan of 10 Years. Other plans available.)

Loan Amount	Interest Rate	Monthly Payment	Months of Payment	Total Interest Paid	Total Loan Paid
\$5,000.00	7.90%	\$60.40	120	\$2,248.00	\$7,248.00
\$10,000.00	7.90%	\$120.80	120	\$4,496.00	\$14,496.00
\$20,000.00	7.90%	\$241.60	120	\$8,992.00	\$28,992.00