



## KEY POINTS TO REMEMBER BEFORE YOU BORROW:

- Late loan applications will be accepted **ONLY** through the dates listed below and condition number:
  - ❖ Summer Semester - 3 weeks before the end of semester
  - ❖ Fall Semester - November 1<sup>st</sup>
  - ❖ Spring Semester - April 1<sup>st</sup>
- You must be registered for both summer and fall semesters to receive Financial Aid consideration for the summer term.
- A retroactive loan application for a semester that has ended will not be processed.

### DEFINITIONS

**SUBSIDIZED:** A subsidized Federal Loan is a guaranteed loan on which the federal government pays the interest while you are in school.

**UNSUBSIDIZED:** An unsubsidized Federal Loan is a guaranteed loan on which you are responsible for paying the interest. You must contact your lender for interest payment arrangements.

**Note:** Your school must determine your need for a subsidized Federal Stafford Loan before determining your need for an unsubsidized Federal Stafford Loan. Requesting a given loan type does not necessarily mean you will be eligible to receive that loan type.

- First Time, First Semester Borrowers are subject to a 30-day delayed delivery of loan monies. Funds will not be released until 30 days from the start of the semester.
- NMHU will disburse single term loans in two payments. The first half of the loan amount will be posted to your student account the Friday prior to the first day of the semester or within 48 hours of certification (for those who apply late); the second half of the loan amount will be posted at mid-term.
- First time borrowers are subject to both the 30-day and multiple disbursement of a single term loan.

Federal Family Education Loan Program borrowers have maximum limits on how much they can borrow at each class level and per each academic year. Please refer to the following table (remember these are maximums, we encourage you to borrow those amounts which are needed and borrow wisely within these limits):

### Annual Loan Limits per Grade Level

Class Level	Credit Hours	Stafford Subsidized/Unsubsidized	Stafford
			Additional Unsubsidized (Independent Students Only)
		Maximum	Maximum
Freshman	0 - 31 Credit Hours	\$3,500	\$6,000
Sophomore	32 - 63 Credit Hours	4,500	6,000
Junior	64 - 95 Credit Hours	5,500	7,000
Senior	96 Plus Credit Hours	5,500	7,000
Licensure		5,500	7,000
Graduate	Graduate Credit Hours	8,500	12,000

### Stafford limits for a dependent undergraduate student:

Effective for loans first disbursed on or after July 1, 2008, for loan period that include July 1, 2008 or begin on or after that date, dependent undergraduate students (excluding dependent undergraduates whose parents are unable to obtain PLUS loans) are eligible for an additional \$2000 in unsubsidized Stafford Loan funds each academic year. For these students, the annual loan limits are:

- \$3,500 combined subsidized and/or unsubsidized plus \$2,000 additional unsubsidized for dependent first-year undergraduates;
- \$4,500 combined subsidized and/or unsubsidized plus \$2,000 additional unsubsidized for dependent second-year undergraduates; and
- \$5,500 combined subsidized and/or unsubsidized plus \$2,000 additional unsubsidized for dependent third-, fourth-, fifth-year undergraduates.

## Instructions:

To borrow a student loan, you must complete the following steps:

1. **File a FAFSA** [www.fafsa.ed.gov](http://www.fafsa.ed.gov)

2. **Complete your financial aid file**

3. **Complete a Loan Data Form**

4. **Select a Lender**

Note: When choosing a Lender use the following guidance.

Selecting a lender is an important decision. For many students this will be their first exposure to commercial lending. As with any debt, the student borrower is responsible for repaying the loan — in full — even if the student did not complete school, cannot get a job, or feels that he or she did not receive the educational or other services purchased. Failure to make regular monthly payments could result in a defaulted student loan. So, choosing a lender wisely is an important step in taking out a student loan.

You will want to consider many factors when deciding which lender to use...

- **Does the lender offer any discounts, rebates or interest reduction programs?**  
Many lenders will. Ask potential lenders or browse their webpage to learn more about these offers.
- **Does the lender hold any prior student loans that I may have?**  
This is only a guide if you already have a student loan. It is best to continue borrowing from the same lender. If you borrow from different lenders you will have to send separate payments to each lender when in repayment. Please visit the websites to determine which lender best fits your needs. When filling out the loan data form you will have to select a lender. Below is information regarding lenders we do business with on a daily basis.
- **What level of service can I expect from my lender or its servicer?**  
Most lenders employ servicers to answer students' questions and to take care of the day-to-day management of student loans. Can they answer all my questions? Will they provide me the best customer service possible?
- **Does the lender participate fully in all of the electronic processes employed in the guarantee of my student loan?**  
Most lenders participate in electronic processes like Electronic Funds Transfer to streamline the student loan processes. If your lender does not participate in electronic processes, your lender will probably send your loan via a paper check to the financial aid office, please be advised that this may delay the receipt of the loan proceeds.

5. **Online Student Loan Counseling**

If you are a first-time borrower at NMHU you must complete an on-line loan entrance counseling session.

- a. Go to <http://mappingyourfuture.org>
- b. Click on Student Loan Counseling Interview.
- c. Follow the instructions to complete your session.
- d. The financial aid office will be notified electronically when you have completed your online student loan counseling.

6. **Complete the online Master Promissory Note.**

- a. To complete the MPN on-line choose your lender (below are a few lenders NMHU does business with on a daily basis and has an established relation with).
- b. After completing the online MPN, you will have several options for signing the MPN.
  - a) Electronically sign using your FAFSA PIN. If you do not have or have forgotten your FAFSA PIN, visit [www.pin.ed.gov](http://www.pin.ed.gov). Using e-sign will speed your loan processing.
  - b) Download, print, and sign the MPN. Return to the lender at address provided.
  - c) Have the MPN mailed to you for your signature and then return to the lender.

7. **Availability of Funds**

Release of funds may be delayed, canceled and/or returned to the lender if the following criterion is not met:

1. *You must be enrolled at least half-time & accepted within the designated program as degree seeking.*
2. *You must meet satisfactory academic progress in your program of study.*
3. *You must complete an Entrance Counseling session via the internet*  
<http://mappingyourfuture.org>  
<https://www.dlsonline.com/borrower/EntrCounselingStart.do> (Direct Loan Borrowers)
4. *You must complete a Master Promissory Note*

Loan requests will only be processed after we have finalized your financial aid file; your academic progress has been determined; and we can verify your enrollment of at least six (6) credit hours in your program of study.

**Note: Loan processing takes additional time and the process largely depends on you. Once your loan has been certified by the FAO, then you must sign your MPN. Plan accordingly and prepare for this processing time. Stay in touch with the FAO and review your information on-line (available 24/7 at [www.nmhu.edu](http://www.nmhu.edu) – My NMHU enter secure area).**

**LENDER**

**LENDER CODE**

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| <input type="checkbox"/> <b>New Mexico Student Loans</b> | <b>822717</b> <a href="http://www.nmstudentloans.org">www.nmstudentloans.org</a><br>800-279-5063   |
| <input type="checkbox"/> <b>Wells Fargo</b>              | <b>807176</b> <a href="http://www.wellsfargo.com/customerApp/apps/BeforeYouApply">www.wellsfargo.com/customerApp/apps/BeforeYouApply</a><br>800-658-3567 |
| <input type="checkbox"/> <b>Direct</b>                   | <a href="http://www.dlenote.ed.gov">www.dlenote.ed.gov</a>   |
| <input type="checkbox"/> <b>Other</b>                    | _____  |
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