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2019 – 2020 Federal Direct PLUS LOAN
Pre Qualification Request

Instructions: Complete this form if you wish to apply for the Federal Direct PLUS Loan Program. Please return the completed form to the address listed above:

Please Print Legibly Student Information

Student's Name: Last First Student BANNER ID @
Date of Birth: Email Address:

Please Print Legibly Parent Borrower Information

Borrower's: Last First MI SSN:
Relationship to student: Father Mother Stepfather Stepmother

Parent Address: Address City State Zip Code

Parent Date of Birth: Parent DL# State:

Telephone: Home/Cell ( ) Work: ( )

Citizenship: US Citizen Non-Citizen Email:

Are you (the parent borrower) currently in default on any educational loans? Yes No

Loan Period: (please check one box) Fall / Spring Fall Only Spring Only Summer Only
(Fall & Spring loan proceeds will be disbursed in two equal payments as required by federal law).

Total Amount \$

Refund Option: If there is a credit as a result of the Plus loan being applied to the semester bill, I would like NMHU to refund the balance to: Student Parent (refund will be sent to borrower indicated).

I authorize New Mexico Highlands to submit information to the Department of Education to obtain a credit bureau report for the purpose of making a preliminary credit determination as to whether I qualify for a Federal PLUS Loan. I also authorize the release of the results of the preliminary credit determination to me and to the school.

Parent Borrower's Signature (Original Signature Required) Date Signed

\*\* Definition of a parent borrower: The natural or adoptive parent, legal guardian, or a spouse of a parent who remarried if the spouse's income and assets would have been taken into account when calculating the dependent student's expected family contribution (EFC).

For Office Use Only

Conditionally approved Denied Date: COA Aid PLUS

## Federal Direct Parent PLUS Loan Summary of Terms:

<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>• Student must have a 2019-2020 FAFSA on file and all required documents submitted before applying for a PLUS loan.</li> <li>• You must be the student's biological or adoptive parent or the student's stepparent, if the biological or adoptive parent has remarried at the time of application.</li> <li>• You must be a U.S. citizen, U.S. national or permanent resident of the United States.</li> <li>• You must not be in default on a federal education loan or owe an overpayment on a federal education grant and must meet other general eligibility requirements for the Federal Student Aid programs.</li> <li>• You must not have an adverse credit history (a credit check is required).</li> <li>• Your child must be an eligible undergraduate dependent student who is enrolled at least half-time in a degree-seeking program and must be maintaining Satisfactory Academic Progress. For financial aid purposes, a student is considered "dependent" for an Undergraduate degree if he or she is under 24, unmarried, and has no legal dependents at the time the FAFSA is submitted.</li> </ul>
<b>Creditworthiness</b>	<p>Applicant cannot be:</p> <ul style="list-style-type: none"> <li>• 90 days or more delinquent on the repayment of any debt; or</li> <li>• The subject of bankruptcy, voluntary surrender, repossession, foreclosure, a deed in lieu of foreclosure, unpaid collection accounts and charge offs, wage garnishment, defaulted loan that has been claim paid, lease or contract terminated by default or County/State/Federal tax lien.</li> <li>• You will receive written notice of the credit review from the Department of Education.</li> </ul>
<b>Credit Check &amp; Endorser Alternative</b>	<p>When you apply for a Direct PLUS Loan, the Department of Education will check your credit history. To be eligible for a PLUS Loan, you must not have an adverse credit history. If you are found to have an adverse credit history, you may still borrow a PLUS Loan if you obtain an endorser who is in good credit standing. An endorser is someone who agrees to repay the Direct PLUS Loan if you do not repay the loan. The endorser may not be the student on whose behalf a parent obtains a Direct PLUS Loan. In some cases, you may also be able to obtain a Direct PLUS Loan if you document to the Department of Education's satisfaction extenuating circumstances related to your adverse credit history. New loans requiring a credit check that are approved after documenting extenuating circumstances or obtaining an endorser will require the borrower to complete PLUS Loan Credit Counseling and Master Promissory Note (MPN) through <a href="http://studentloan.gov">studentloan.gov</a>.</p>
<b>Plus Loan Denial</b>	<p>If you are unable to secure a PLUS loan, then your student may be eligible for an additional Federal Direct Unsubsidized loan of either \$4,000 or \$5,000. You will be given the option to pursue the additional unsubsidized loan upon notification of your credit denial by the Direct Loan program. The Financial Aid office will receive the notice of denial.</p>
<b>Annual Loan Maximum</b>	<p>Cost of attendance minus other financial aid. The amount that parents may borrow is listed as the OPTIONAL loan on the Financial Aid Notification.</p>
<b>*Loan Fees</b>	<p>4.248% origination fee for loans first disbursed on or after 10/1/2018 and before 10/1/2019.</p>
<b>Interest Rate/Subsidy</b>	<p>The interest rate is established each year based on the 10-year Treasury note auctioned at the final auction held prior to June 1 plus a statutorily defined add-on. The interest rate in effect for each year is fixed for the life of that loan. The 2018-2019 interest rate is 7.6%. The 2019-20 rate will not be determined until June 2019. The PLUS Loan has a fixed interest rate cap of 10.5%. No federal interest subsidy (interest is charged on loan amount paid while in school).</p>
<b>In-School Deferment Available</b>	<p>A Deferment must be requested for each new Parent PLUS Loan borrowed. You may receive a deferment form to complete from your loan servicer once your loan has been approved, or you may contact the servicer of your loan to request deferment at any time the in-school criteria applies. Your loan servicer contact information is available at <a href="http://NSLDS.ED.GOV">NSLDS.ED.GOV</a>.</p>
<b>Repayment</b>	<p>Unless you have requested a deferment, repayment on a Plus loan begins sixty days (60) after the final disbursed of the academic year.</p>
<b>Additional Information</b>	<p>For additional information about the Federal Direct Parent PLUS Loan, go to: <a href="http://Studentaid.ed.gov">Studentaid.ed.gov</a></p>

Updated: 3/1/19