

## Federal Student Loan Amounts and Terms for 2010-11

This chart summarizes the loan limits, interest rates, and other terms for federal student loans from July 1, 2010 through June 30, 2011. In March 2010 President Obama signed student loan legislation into law that eliminated the Family Federal Education Loan Program (FFEL). All student loans will now be originated in the Direct Loan Program, in which the federal government makes loans directly to students.

<b>Basic Eligibility Requirements</b>		U.S. citizens or permanent residents, enrolled at least half time in a qualified program at a participating school, not in default on a prior student loan, and not convicted of a drug offense while receiving prior federal financial aid. Total aid, including student loans, cannot exceed school's total cost of attendance (tuition and fees, room and board, transportation, personal and miscellaneous expenses).
<b>Stafford</b>	<b>Eligibility</b>	No credit check. FAFSA required. Subsidized loans require financial need; unsubsidized loans are available regardless of need.
	<b>Annual Loan Limits</b>	<b>Dependent students:</b> \$5,500 as freshmen (including up to \$3,500 subsidized); \$6,500 as sophomores (including up to \$4,500 subsidized); \$7,500 as juniors and seniors (including up to \$5,500 subsidized).
		<b>Independent students:</b> \$9,500 as freshmen (including up to \$3,500 subsidized); \$10,500 as sophomores (including up to \$4,500 subsidized); \$12,500 as juniors and seniors (including up to \$5,500 subsidized).
		<b>Graduate students:</b> \$20,500 (including up to \$8,500 subsidized).
	<b>Aggregate Loan Limits</b>	<b>Dependent students:</b> \$31,000. <b>Independent students (undergraduate):</b> \$57,500. <b>Graduate and professional students:</b> \$138,500 (or \$224,000 for certain medical training) including undergraduate borrowing.
	<b>Interest rate</b>	6.8% on unsubsidized loans. On subsidized loans, no interest is charged during school and in some deferment periods; in repayment, the rate is 4.5% for undergraduate students and 6.8% for graduate students.
<b>Fee</b>	1%	
<b>PLUS</b>	<b>Eligibility</b>	Available regardless of need to parents of dependent students (Parent PLUS) and to graduate and professional students (Grad PLUS). Credit check must show no delinquencies in the previous 90 days (some exceptions for extenuating circumstances) and no bankruptcy in the previous five years. The credit requirement can be met by a cosigner. For Parent PLUS, the school decides whether to require the FAFSA or not.
	<b>Loan Limit</b>	Total cost of attendance minus other financial aid. No aggregate maximum.
	<b>Interest rate</b>	7.9%
	<b>Origination Fees</b>	4% (see Discounts)
<b>Rate reduction for automatic electronic payments</b>		0.25% interest rate reduction offered by the Direct Loan Program. (Note: a 0.25% interest rate reduction is equal in value to about a 1% fee at loan disbursement).
<b>Discounts</b>		In the Direct Loan Program, origination fees are reduced by 1.5% at disbursement; the 1.5% is charged later if the borrower fails to make the first 12 payments on time.
<b>Income-Based Repayment</b>		Available for both Direct Loans and old loans originated in the Family Federal Education Loan program.
<b>Loan Forgiveness</b>		Public Service Loan Forgiveness is available after 10 years of qualifying payments and employment, only in the Direct Loan Program (includes Grad PLUS). Teacher loan forgiveness programs (Stafford only) available for loans in both the Direct and FFEL programs.

For more information about federal student loans, please visit: [www.studentaid.ed.gov](http://www.studentaid.ed.gov)