

## Applying for a Graduate PLUS Loan

The William D. Ford Federal Direct **Graduate (Grad) PLUS Loan** is an unsubsidized loan available through the U.S. Department of Education to graduate/professional who wish to borrow money to help finance their college education. The Grad PLUS Loan requires credit approval and is generally meant to supplement the student's other financial aid.

### Information for Graduate Students

#### When should I apply?

A new application must be completed each year you wish to receive a Grad PLUS Loan (credit-checks are valid for up to 180 days). It is best to complete the application after you have received your Financial Aid Offer; as knowing the amount of financial aid you are receiving will help you determine the appropriate PLUS Loan amount to request.

#### What are the eligibility requirements?

You (the student) must:

- Be a U.S. Citizen or National or Permanent Resident/Other Eligible Non-Citizen.
- Be in an eligible graduate degree program (i.e., a master's or doctoral degree program).
- Not have an adverse credit history.
- Have a valid FAFSA on file at Northwest University for the appropriate academic year.
- Meet all general eligibility requirements for federal student aid, as defined by the U.S. Department of Education. For more information, visit [StudentAid.gov/understand-aid/eligibility/requirements](https://studentaid.gov/understand-aid/eligibility/requirements).

#### What if I am not eligible?

If your Grad PLUS Loan application is denied based on the results of your credit-check, you may choose to obtain a credit-worthy endorser to cosign the loan or appeal the credit decision by documenting extenuating circumstances relating to your adverse credit history to the satisfaction of the U.S. Department of Education. If your application is approved with an appeal or endorser, you must also complete **PLUS Credit Counseling** online at [StudentAid.gov](https://studentaid.gov).

#### What other important information should I be aware of?

**Interest Rate:** Determined annually by the Government and fixed at the time of disbursement for the life of the loan. The interest rate for loans 1<sup>st</sup> disbursed between 7/1/22 and 6/30/23 is 7.54%.

**Loan Fee:** Prior to receiving any Grad PLUS Loan funds, the Government deducts a percentage of the principle loan amount, which is subtracted proportionately from each disbursement. This means the money you receive will be less than the amount you actually borrow. See [StudentAid.gov/interest](https://studentaid.gov/interest) for current loan fees.

**Repayment:** The repayment period begins on the date of the final disbursement of the loan, with this first payment due within 60 days from that date. You may be able to defer payments while you are enrolled at least half-time, and for an additional six months after you graduate or drop below half-time. To learn more, visit [StudentAid.gov/deferment-forbearance](https://studentaid.gov/deferment-forbearance).

**Maximum Loan Amount:** There is no set borrowing limit for Grad PLUS Loans, but you may not borrow more than the cost of attendance for the period of enrollment for which the loan is intended, minus the amount of other financial aid you are receiving.

**Receiving Your Loan Money:** Grad PLUS Loans are generally disbursed by semester in equal installments, and you must be enrolled at least ½ time. The funds will first be applied toward the owing balance on your school account. Any loan amount that remains after all charges have been paid is called a *credit balance*. If the disbursement of your loan proceeds results in a credit balance, you may be eligible to receive a financial aid refund. All refunds are processed through Nelnet. To sign up for Nelnet, login to your Eagle account and select My Profile and then Managing Refunds.

## Instructions for Graduate Students – How to Apply for a PLUS Loan

### Step 1

Student Submits a FAFSA

In order to receive a Grad PLUS Loan, you must have a valid Free Application for Federal Student Aid (FAFSA) on file with Northwest University for the applicable academic year. The FAFSA is completed online at [StudentAid.gov](https://studentaid.gov).

### Step 2

Student Completes a PLUS Loan Application and Credit Check

It is best to complete this step after reviewing your Financial Aid Offer and estimated out-of-pocket costs; as knowing the amount of financial aid you are receiving will help you determine the appropriate PLUS Loan amount to request.

- Go to [StudentAid.gov](https://studentaid.gov) and select the **Login** button to login with your Federal Student Aid username and password (FSA ID).
  - \* All students must create their own unique FSA ID. For help, visit [StudentAid.gov/fsa-id](https://studentaid.gov/fsa-id).
- Once logged in, hover over the **Loans and Grants** menu item located at the top of the page and select **PLUS Loans: Grad PLUS and Parent PLUS** under the “Get a Loan” section.
- Under “Select a borrower type”, select the **Learn More** button located next to **I am a Graduate or Professional Student**.
- Select the **Start** button next to **I am a Graduate or Professional Student**.
- Select **Continue** to confirm that you are logged in as the student and do not currently have a freeze on your credit report.
- Select the appropriate **Award Year** from the drop down.
- Review the **Use of Loan Funds** section and select the checkbox to authorize Northwest University to use loan your PLUS Loan to satisfy any additional educationally related charges you may incur at the school (optional).
- Select **Northwest University** as the school to notify and indicate the **Loan Amount** and **Loan Period** you are requesting.
  - \* If you are unsure of the Loan Amount or Loan Period to select, please contact Student Financial Services for assistance.
- Enter your information under the **Borrower Information** section.
- **Review and confirm all information** provided and authorize the U.S. Department of Education to **perform a credit-check**.
- You will be notified immediately if your credit-check has been approved or denied, and the results will be sent electronically to Northwest University within approximately 48 hours. Credit decisions remain valid for **180 days**.

### Step 3

Student Completes a PLUS Loan Master Promissory Note (MPN)

The PLUS Master Promissory Note (PLUS MPN) explains all of the terms and conditions associated with PLUS Loans and constitutes your legally binding agreement to repay all loans received under the MPN. If you have borrowed a Grad PLUS Loan in the past, and the PLUS MPN has not expired, you do not need to complete a new one. However, if you have not borrowed a Grad PLUS Loan before, or your PLUS MPN has expired, **you must complete this step**.

- Go to [StudentAid.gov](https://studentaid.gov) and select the **Login** button to login with your Federal Student Aid username and password (FSA ID).
- Once logged in, hover over the **Loans and Grants** menu item located at the top of the page and select **Master Promissory Note (MPN)** under the “Get a Loan” section.
- Choose **Select MPN Type** next to **I'm a Graduate/Professional Student** and select **Start** next to **MPN for Direct PLUS Loans**.
- Continue on to complete the **PLUS MPN**, making sure to thoroughly review all terms and conditions entailed.
- Once complete, the PLUS MPN will be sent electronically to Northwest University within approximately 48 hours.

### What's Next?

After Completing Steps 1-3

Once all 3 steps above have been successfully completed, you will be notified when your Grad PLUS Loan has been added to your Financial Aid Offer.