



Office of Financial Aid
103 Wilder Tower
Memphis, Tennessee 38152-3520

Voice: (901) 678-4825
Fax: (901) 678-3590

2009 - 2010 DIRECT LOAN REQUEST FORM (LOANR)

If you responded "Yes" to the student loan question on the FAFSA, you will be offered the maximum amount of subsidized and unsubsidized loan for which you are eligible. Use this form **ONLY** if:

1. you want a student loan **and/or**
2. you want to borrow **less** than the maximum **or**
3. you do not want to borrow an unsubsidized loan (interest on unsubsidized loans accrues while you are in school and during your six month grace period).

Name:

SSN:

Local Address: _____

city state zip

Permanent Address: _____

city state zip

Telephone: () _____

Telephone: () _____

EXPECTED DATE OF GRADUATION FROM YOUR UofM DEGREE PROGRAM:

Month

Year

FEDERAL DIRECT STUDENT LOAN REQUEST

1. I wish to borrow a total amount of : \$ _____
(refer to loan limits on reverse side)
2. I am requesting this amount for the following term(s):
(check one) Fall 2009 only (disbursed on 08/2009)
 Spring 2010 (disbursed on 01/2010)
 Fall & Spring (disbursed on 08/2009 & 01/2010)
3. If necessary, I will accept all or part of this loan as unsubsidized funds in order to receive the amount requested YES NO
4. Signature (required): _____ Date: _____

If you are a dependent student and wish for a parent to receive a Federal Direct **Parent Loan for Undergraduate Student**

(PLUS) application, complete this section: Name of Parent: _____
Address: _____
City, State, Zip _____

**FAX OR RETURN THIS FORM TO: Office of Financial Aid, 103 Wilder Tower
The University of Memphis, Memphis TN 38152-3520**

Federal Direct Loan Request - Fall 2009 / Spring 2010

What is a Federal Direct Loan?

- * The Federal Direct Loan Program is a cooperative effort between the federal government and educational institutions: 1) The federal government provides the loan funds, 2) Schools determine the loan amount and interest subsidy, confirm eligibility, and determine the loan period.
- * Direct Loan provides funds to help you meet your educational expenses. However, unlike gift aid, **loans must be repaid.**
- * Federal Direct Loans are offered in two forms: subsidized and unsubsidized.

Subsidized: You will not be charged any interest while you are in school (as long as you remain at least a half-time student) and during grace or deferment periods. The federal government “subsidizes” the interest during these periods. Your interest begins to accrue and repayment of the principal begins six months after enrollment in an educational institution ceases.

Unsubsidized: You are responsible for your interest. Your interest accrues within sixty (60) days of disbursement and may either be paid while you are in school or capitalized and added to the principal amount borrowed. As with subsidized loans, principal repayment begins six months after enrollment in an educational institution ceases.

How Much Can I Borrow?

- * Your total financial aid, including Federal Direct Loans, can never exceed your cost of education. The limits indicated are the federal maximums which you can receive during two terms of enrollment.
- * In addition to annual loan limits, there are aggregate loan limits. Students may never borrow more than the aggregate loan limit for all subsidized and unsubsidized loans at the University of Memphis and other schools.

ACADEMIC YEAR LOAN LIMITS				
	Base Loan Sub/Unsub	Additional Unsub	Extended Loan Unsub only*	Total Loan
Freshman	\$ 3,500	\$2,000	\$ 4,000	\$ 9,500
Sophomore	4,500	2,000	4,000	10,500
Junior	5,500	2,000	5,000	12,500
Senior	5,500	2,000	5,000	12,500
Graduate	8,500	n/a	12,000	20,500

* available to independent students

AGGREGATE LOAN LIMITS		
	Base	Base plus Extended
Undergraduate	\$ 31,000	\$ 57,500
Graduate	65,500	138,500

Do I Need a Loan?

- * If you do not need to borrow the maximum amount, you can choose to borrow less. In deciding the appropriate amount, you should follow these steps:

1. What are your costs for an academic year? Add your costs together for tuition/fees, room and board, books and supplies, transportation and personal expenses.
2. Subtract your resources from these costs. Consider all aid and private scholarships you have received as well as money from savings and your family.
3. Decide if you **need** to borrow. Before you borrow funds, are there other resources available to you? Review your expenses to see if you can reduce your costs.
4. Consult the repayment chart to the right. What will be the monthly payment if you borrow this amount? Remember to consider what you may borrow in future years.
5. Select the amount that you can manage to repay. What you borrow today must be repaid, with interest, in the future. **Remember to be as conservative as possible when borrowing funds.**

Total Borrowed	Monthly Payment
\$ 5,000	\$ 61.00
10,000	123.00
30,000	368.00
50,000	613.00
100,000	1,227.00