

Federal Stafford Loans

The Federal Stafford Loan program assists students from both low to high income families. If the Financial Aid grants and/or scholarships offered to you do not cover your educational expenses, then consider applying for a Subsidized or Unsubsidized Stafford Loan.

Subsidized Stafford Loans offer:

- Assistance with interest payments (Interest is paid by the federal government while you are attending school 6 units or more).
- Lower interest rate than private loans (rate is fixed at 6.0%, July 1, 2008 to June 30, 2009).
- Deferred payment (means that you are not required to make payments until 6 months after you graduate or 6 months after your enrollment is less than 6 units).

Unsubsidized Stafford Loans Offer:

- The ability to borrow a student loan regardless of your federal/state grants, fee waiver, or Subsidized Stafford loan due to high income and/or assets.
- Lower interest rate than private loans (rate is fixed at 6.8%, July 1, 2008 to June 30, 2009).
- Deferred payment (means that you are not required to make payments until 6 months after you graduate or 6 months after your enrollment is less than 6 units),

Note** Interest rate payment is the student's responsibility. Interest will begin to capitalize from the time the unsubsidized loan is fully disbursed (that is, interest will be added to the principal

amount of the loan, and additional interest will be based on that higher amount).

**Other than interest, is there a charge to
get a Stafford Subsidized and/or
Unsubsidized Loan?**

You will pay a fee of up to 2% of the loan, deducted proportionately each time a loan disbursement is made. A portion of this fee goes to your lender of choice, and a portion goes to the guaranty agency (EdFund) to help reduce the cost of the loans.