



# 2008-2009 CAPS STUDENT STAFFORD LOAN REQUEST FORM

**Please read ALL information very carefully. Changes have been made to the loan application process.**

## **What is a Stafford Loan?**

It's a low-interest (6.8% or less) educational loan that you, the student can take out to help pay for college.

## **How much can I borrow?**

It depends on your grade-level. Yearly amounts: juniors and seniors (60+ units) \$5,500. If you're an independent student or your parents are denied the PLUS loan, you can take out an additional Stafford Unsubsidized loan (juniors and seniors, \$7,000).

## **What's the difference between Subsidized and Unsubsidized?**

Subsidized is just a big word which means you don't need to worry about the interest on the loan while you are in school (the government actually pays it for you). Unsubsidized means you pay the interest on the loan while in school.

## **I don't want to pay the interest while in school. Can I capitalize the interest on my Unsubsidized Stafford loan?**

You can, but it will cost you. See an example at <http://www.apu.edu/caps/sfs/loan/>.

## **Anything else I should know?**

You need to be enrolled at least half-time: To apply for a Stafford loan, you need to take at least 6 units a semester.

You need to pass the classes you take: To remain eligible for financial aid in future years, you need to maintain what's called Satisfactory Academic Progress (basically pass the units you take, and maintain a cumulative 2.0 GPA). For more detailed information on SAP, please refer to the student handbook.

## **Instructions for completing the Online Loan Entrance and the Online Loan Application**

***Student Financial Services will receive daily reports listing students who have completed the Loan Entrance requirement. Remember, the loan entrance MUST be completed BEFORE your loan can be processed.***

## **How do I apply?**

### New students (or those who haven't borrowed a Stafford loan at APU before)

Step 1 – Complete a FAFSA for 08/09

Step 2 – Return this Stafford Loan Request Form to CAPS Student Financial Services

Step 3 – Complete the Online Loan Entrance and Application at [www.apu.edu/caps/sfs](http://www.apu.edu/caps/sfs)

Under "Loan Information", click on **Begin an Online Loan Entrance and Application**

### Returning students

Step 1 – Complete a FAFSA for 08/09

Step 2 – Return this Stafford Loan Request Form to CAPS SFS

## **How should I choose my lender?**

You can choose any lender you want. Pick a lender you're comfortable with; one that offers you the best loan benefits. For a list of lenders we work closely with, as well as the loan benefits they offer, please go to <http://www.apu.edu/caps/sfs/loan/>. We've chosen these lenders based on the following criteria: interest rate reductions offered, loan benefits to the borrower (front and back end), prior experience, online service and superior customer service; however, we do not endorse any particular lender. If you wish to choose a lender not listed, please call our office and we will send you a paper Master Promissory Note to complete.

## **If I need to, how do I change my lender?**

Please notify our office in writing. You will also need to complete a new Federal Stafford Master Promissory Note.

