

# Eastern WV Community and Technical College Financial Aid Office Subsidized and Unsubsidized Loan Information

## Think about how much you are borrowing:

- ❖ Borrow only what you need because loans must be repaid in full along with any accumulated interest.

## Uses of federal student loan money:

- ❖ You may use the money you receive only to pay for education expenses at Eastern WVCTC. Education expenses include school tuition and fees, room and board, books and supplies, dependent child care expenses, transportation and a personal computer.

## General Information:

- ❖ Subsidized Loans have a fixed interest rate of 4.45% with a 6 month grace period after graduation or period of non-enrollment or below half-time enrollment.
- ❖ Unsubsidized Loans have a fixed interest rate of 4.45% and interest will be charged from the time of disbursement until it is paid in full. You have the option to pay the interest while in school or to allow the interest to accumulate, which adds to the principal amount of the loan and increases the amount to be repaid.
- ❖ Please see <http://www.easternwv.edu/financial-aid/loans> for loan limit information.

## Entrance Counseling:

- ❖ You must complete an online entrance counseling session, at [www.studentloans.gov](http://www.studentloans.gov), if you are a first time borrower. Useful tips and tools are provided to help you develop a budget for managing your education expenses.

## Signing the Master Promissory Note (MPN):

- ❖ You are agreeing to repay the loan according to the terms of the note, even if you do not complete your education or can't find a job after graduating. If you have not signed your MPN, complete it at [www.studentloans.gov](http://www.studentloans.gov).

## Keep track of how much you are borrowing:

- ❖ You should access [www.nslsds.ed.gov](http://www.nslsds.ed.gov) to evaluate how much you have borrowed and who your loan servicer is along with their contact information.

## Exit Counseling:

- ❖ You must receive exit counseling before you leave school to make sure you understand your rights and responsibilities as a loan borrower. Repayment information will be given to you and your loan servicer will notify you of the date loan repayment will begin.

## Making payments:

- ❖ Repaying student loans is a very serious matter. If you don't repay your student loan on time or according to the terms in your promissory note, you could default on this legal obligation. Loan default has serious consequences and will adversely affect your credit rating, making future borrowing impossible and even finding a job difficult.
- ❖ You must make loan payments even if you don't receive a bill or repayment notice. Billing statements are sent to you as a convenience but it is your responsibility to make sure payments are made in full and on time each month.

## Estimated Repayment Chart

Initial Debt When Loan Enters Repayment	Amount Owed Per Month	Total Loan Amount Paid
\$3,500.00	\$50	\$4,471
\$4,500.00	\$52	\$6,215
\$8,000.00	\$92	\$11,047
\$10,000.00	\$108	\$12,937
\$15,000.00	\$173	\$20,714
\$20,000.00	\$230	\$27,619

\*Payments calculated using the current 6.8% interest rate for student borrowers.

Monthly payments and total amount repaid shown in the above chart are based on the standard 10 year repayment plan using the repayment calculator at <https://studentloans.gov/myDirectLoan/mobile/repayment/repaymentEstimator.action>.