



Office of Student Financial Aid
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Closing the Gap: Alternative Financing Information

Private Educational Loans

A Private Educational Loan is a form of financial assistance made available to students who need additional funding for educational expenses or for those students who need to satisfy a back balance. A loan approval is generally based on creditworthiness and ability to repay.

The primary borrower for a Private Educational Loan is the student; however, most dependent students will require a cosigner. The interest on most Private Educational Loans accrues while you are in school. Some lenders allow you to defer interest payments while you are enrolled in school at least half-time. You may apply online for these loans. Each bank will offer additional information on their websites.

Selecting a lending agency

You have the right to select any bank, credit union, or lending agency you wish when applying for a Private Educational Loan and the Student Financial Aid Office will process any Private Educational Loan you are approved for. Be sure to see each type of loan that is available. An excellent website, www.elmselect.com, exists to enable student borrowers to review and compare the various loan options so they can select the loan program best suited to their needs.

Applying

The fastest way to apply for a Private Educational Loan is to **submit an online application to the bank, credit union, or lending agency of your choice.**

Maximum Amounts

With most Private Educational Loans, you may borrow up to the cost of attendance minus any other financial aid you are (or will be) receiving for the academic year. The cost of attendance includes tuition, fees, books and supplies, residence hall charges, transportation and miscellaneous expenses. For students who are in need of a Private Educational Loan to cover a back-balance, you may borrow up to the amount owed.

As with any loan, careful consideration should be made in determining the amount borrowed as the loan must be repaid.

Repayment Terms?

Repayment terms vary for Private Educational Loans, some require interest only payments while in school, while others allow flexibility with repayment. Please review the terms and conditions of your loan repayment requirements when completing your lender's disclosure agreements.

Self Certification

A Self Certification Form is a federal requirement for all students borrowing a Private Educational Loan. The lender will provide this form to you or it may be a part of the application process.

After You Apply

After you apply online, the bank will complete a credit check and will notify you if you were approved or denied. If approved, the bank will notify you of the amount that you are eligible to receive. The bank will also notify the

Student Financial Aid Office to have your loan certified if you are approved. You should also **contact our office when you are approved to expedite the certification process.**

Interest Rates

The interest rate on most Private Educational Loans is variable. Interest will accrue on a Private Educational Loan if not paid while the student is in school. Please check the interest rates of each competing loan.

Upfront Fees

Upfront fees are usually charged when you receive the loan. These fees may also be called "guarantee," "origination," or "administrative" fees. You should look for a loan that charges low or no fees.

Monthly Payment Plan

The university offers a monthly payment plan through [Cashnet](#). This plan allows you to pay your semester charges on a monthly basis as listed below. There is a \$35.00 fee to enroll in the plan that is administered by Cashnet.

Payment Schedule	Summer Semester	Fall Semester	Spring Semester
Enrollment Fee	\$35.00	\$35.00	\$35.00
Enrollment Period	4/1 - 6/30	7/15 - 9/15	10/1 - 2/15
First Payment	May 1	August 1	January 1
Second Payment	June 1	September 1	February 1
Third Payment	July 1	October 1	March 1
Fourth Payment	N/A	November 1	April 1

If you have questions about how to enroll in the plan, please email studentbilling@gmercyu.edu or call the Campbell Solution Center at 215-646-7300, Ext. 21595 for assistance.

Private Scholarships

Private scholarships also are available to help students cover the cost of their education. Some private scholarships are based on majors, religion, ethnic background, and scholastic standing or financial need. Students who receive a private scholarship must provide a copy of the award letter to the Office of Student Financial Aid.

Below is a list of safe and reputable sources where Gwynedd Mercy University students have been successful in obtaining private scholarships from.

www.fastweb.com -- Scholarship search

www.scholarship-page.com -- Scholarship search

<http://www.college-scholarships.com/> - Scholar-ship search

<https://myscholly.com/> -- Scholarship search

www.aessuccess.org -- PA Higher Education As-sistance Agency

www.collegeboard.com -- College Board

Parent Plus Loan

The Parent PLUS Loan is a financing option for the parent (biological, adoptive, or in some cases, stepparent) to borrow on behalf of a dependent undergraduate student enrolled at least half-time. Interest rates on Parent PLUS loans are fixed for the life of the loan. Parents cannot have an adverse credit history, and a credit check is a part of the application process. The parent applies online at studentloans.gov with his/her FSA ID and Password. If approved, the school may certify the amount you are approved for up to the student's Cost of Attendance. If denied, the student may be eligible for additional unsubsidized loan funding.

Plus Loan Repayment

Parents are generally be expected to start making payments on your Direct PLUS Loan once your loan is fully disbursed (paid out). However, you may request a deferment while your child is enrolled at least half-time and for an additional six months after your child graduates, leaves school, or drops below half-time enrollment. Contact your loan servicer about your repayment terms.

*****HOW TO APPLY*****

The Parent PLUS Loan credit application can be completed online in a few easy steps:

1. Sign into studentloans.gov with the **Parent Borrower's** FSA ID and Password
2. Select "Apply for a Direct PLUS Loan"
3. Select "Direct PLUS Loan Application for Parents"
4. Input requested information for student and parent to complete the application; you will receive a credit decision status instantly
5. If approved, complete a Direct PLUS Loan Master Promissory Note
6. If approved with a credit appeal or an endorser, complete PLUS Credit Counseling

Gwynedd Mercy University will receive your completed credit application in 1-2 business days.