Stafford Loans (SUBSIDIZED and UNSUBSIDIZED) General Information

SUBSIDIZED
The subsidized Stafford is a need-based loan program. For a qualified student, the Federal Government pays the interest until the student ceases enrollment as, at least, a halftime student.

The amount a student can borrow will vary, depending upon the student's demonstrated financial need.

To apply, the student must complete the university application procedure.

UNSUBSIDIZED
Students may borrow through the unsubsidized loan program regardless of income. The unsubsidized loan's terms and conditions are the same as the federal Stafford subsidized loan such as loan limits, deferments and interest rates. Students are charged with interest during in school and grace periods.
Please contact the Financial Aid office if you have any additional questions.

Stafford Loan Interest Rates

Note: Graduate students are only eligible to receive unsubsidized loans.

Interest rates are established each year for Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans for which the first disbursement is on or after July 1 through the following June 30. The rate is the sum of a uniform “index rate” plus an “add-on” that varies depending on the type of loan and whether the borrower is an undergraduate or a graduate/professional student. Under the new provision, interest rates are the same for Direct Subsidized Loans and Direct Unsubsidized Loans taken out by undergraduate students, with a different rate for Direct Unsubsidized Loans taken out by a graduate/professional student and for PLUS Loans taken out by parent borrowers or graduate/professional student borrowers.

Under the law, the index rate is determined each year as the “high yield of the 10-year Treasury note” auctioned at the final auction held prior to the June 1 preceding the July 1 of the year for which the rate will be effective, plus a statutorily defined “add-on”. As noted, the add-on differs depending on the type of loan and the student’s grade level. Each loan type is also subject to a maximum interest rate (or cap).The interest rate for a loan, once established, applies for the life of the loan – that is, the loan is a fixed-rate loan.

	Undergraduate		Graduate	Graduate and Parent
Academic Year	**Subsidized**	**Unsubsidized**	**Unsubsidized**	**PLUS**
2019-2020	4.53%	4.53%	6.08%	7.08%
2018-2019	5.05%	5.05%	6.60%	7.60%
2017-2018	4.45%	4.45%	6.00%	7.00%
2016-2017	3.76%	3.76%	5.31%	6.31%
2015-2016	4.29%	4.29%	5.84%	6.84%
2014-2015	4.66%	4.66%	6.21%	7.21%
2013-2014	3.86%	3.86%	5.41%	6.41%

Stafford Loan Limits

Year in school	**Type of Student**		
	Dependent undergraduate students	**Independent undergraduate students and Dependent students whose parents are unable to obtain PLUS Loans**	**Graduate and professional degree students**
Freshman	$5,500 – No more than $3,500 may be in subsidized loans	$9,500 – No more than $3,500 may be in subsidized loans	
Sophomore	$6,500 – No more than $4,500 may be in subsidized loans	$10,500 – No more than $4,500 may be in subsidized loans	

Junior and Senior	$7,500 – No more than $5,500 may be in subsidized loans	$12,500 – No more than $5,500 may be in subsidized loans	$20,500
Aggregate loan limit	$31,000 – No more than $23,000 may be in subsidized loans	$57,500 – No more than $23,000 may be in subsidized loans	$138,500 – this limit includes loans received during undergraduate study

3-Year Cohort Default Rate

A cohort default rate is the percentage of a school's borrowers who enter repayment on certain Federal Family Education Loan (FFEL) Program or William D. Ford Federal Direct Loan (Direct Loan) Program loans during a particular federal fiscal year (FY), October 1 to September 30, and default or meet other specified conditions prior to the end of the second following fiscal year.

3-Year Cohort Default Rate		
	Georgia College Rate	**National Rate**
FY2015	3.0	10.8
FY2014	3.2	11.5
FY2013	3.2	11.3

Please contact the Financial Aid office if you have any additional questions.