

Loans

All loans are subject to final approval by your lender based on criteria set forth by federal regulations and lender policies. The specific details of these programs may change at any time due to government legislation and regulation or lender/institutional policy.

Types of Loans

Federal Loans

You must be a citizen or permanent resident of the United States to participate in the federal loan programs. Federal loans provide a variety of deferment options and extended repayment terms.

Federal loan options include Direct Federal Stafford and Direct Grad PLUS loans. Direct Federal Stafford loans offer fixed interest rates and do not require credit checks or collateral. The Direct Grad Plus loan also offers a fixed interest rate but does require a credit check and a positive credit history. See our loan instructions below for a more detailed breakdown comparing the loan types and instructions on how to complete the loan application process.

PLUS Loan Credit Requirements

To qualify for the Graduate PLUS loan, you must not have an adverse credit history. As defined by federal regulations, you may have an adverse credit history if you have any of the following items on your credit report:

- One or more debts with a total combined outstanding balance greater than \$2,085 that are 90 or more days delinquent as of the date of the credit check, or that have been placed in collection or charged off (written off) during the two years preceding the date of the credit report
- Any of the following within the preceding 5 years of the date of the credit check:

- Default
- Bankruptcy
- Discharge
- Foreclosure
- Repossession
- Tax Lien
- Wage garnishment
- Write-off of a Title IV debt

Recent changes in the law that governs the terms and conditions of Grad PLUS loans establish a specific circumstance for certain Grad PLUS loan applicants who would otherwise be considered to have an adverse credit history. Specifically, a Grad PLUS loan applicant may qualify for a Grad PLUS loan based on extenuating circumstances: if the applicant has been or is delinquent for 180 days or less on mortgage loan payments or on medical bill payments for the applicant or the applicant's family AND does not otherwise have an adverse credit history as determined in accordance with the federal regulations that apply to Grad PLUS loan applicants.

Borrowers with an adverse credit history may apply for the loan with a cosigner (called an endorser) who does not have an adverse credit history.

Borrowers who become eligible for PLUS funding by documenting extenuating circumstances or adding an endorser will also need to complete [**credit counseling for PLUS borrowers**](#) before the funding can disburse.

Loan Instructions

In addition to accepting a loan via CAESAR, each loan program requires additional application and promissory note materials from the borrower. Students should also refer to their CAESAR to-do list to determine which materials are required as well as to confirm receipt of these materials by the University.

Students who will borrow both a Direct Stafford and a Direct Grad PLUS Loan must complete a separate Master Promissory Note for each loan program.

First-Time Borrowers

Complete the Accept/Decline Financial Aid process via CAESAR identifying the amount you wish to borrow. Complete the required online Entrance Counseling and Master Promissory Note (MPN).

Returning Borrowers

Complete the Accept/Decline Financial Aid process via CAESAR identifying the amount you wish to borrow. If you completed the Entrance Counseling and MPN in the previous aid year, you do not need to resubmit these documents. If 12 months have elapsed since you last received Stafford loan funds in your program at Northwestern, you will need to complete a new MPN.

Private Loans

Outside agencies also offer credit-based loans to graduate and professional degree students. Before applying for these loans, be sure you have reviewed all your federal loan options and eligibility. Federal loans generally have better benefits and lower, fixed interest rates. Students are encouraged to consider the federal loans before applying for a private loan.

Visit the [**Student Financial Services site**](#) for more information.

For International Students

International students may apply for a private loan through a participating lender. Borrowers must have a co-signer who is a U.S. citizen or permanent resident, who resides in the country and is creditworthy. The co-signer must agree to repay the loan if you fail to do so. For more information, please visit [**Student Financial Services**](#) site.

