

Beginning in 2021-2022, Grinnell College does not use loans to meet a student's demonstrated need. Instead, the College meets 100% of each student's institutionally determined need with grants, scholarships, and student employment. Families are still able to borrow to pay for all or part of their contribution.

## Student Loan Options

### Federal Direct Loan

- Must be eligible for federal student aid
- Fixed interest rate and origination fee (both set annually by federal law)
- Annual eligibility is outlined on the Grinnell College website
- Repayment begins six months after leaving school or if the student drops below half-time enrollment
- Flexible repayment options
- Application instructions are in the online financial aid office (student login required)

### Grinnell College/Henry Strong Loan

- Fixed interest rate (4% for domestic students; 5% for international students)
- No interest accrues until six months after leaving Grinnell College
- No origination fee
- Domestic students must have borrowed the annual maximum Federal Direct Loan
- Repayment begins six months after leaving Grinnell College
- Annual eligibility ranges from \$200 to \$4,000
- Repayment period: six years for domestic students; ten years for international students
- International students must obtain a cosigner or request a waiver (PDF)
- Application instructions are in the online financial aid office (student login required)

### Private Loans

- Fixed or variable interest rate
- Fees, eligibility, and repayment terms vary by lender
- Apply directly with lender
- State financing options are available in some states
- International students may be eligible for financing through their home country's loan authority
- Grinnell College cannot recommend any lender but provides a list of historical lenders
- Students can choose any lender, including one not on the historical lender list

## What is the difference between subsidized and unsubsidized Federal Direct Loans?

**Subsidized:** The federal government pays your interest while you are enrolled in school at least half time, during your six-month grace period, and during a deferment period

**Unsubsidized:** Your loan will accrue interest throughout the life of the loan beginning at disbursement

Please contact the Office of Financial Aid at [finaid@grinnell.edu](mailto:finaid@grinnell.edu) or 641-269-3250 if you have questions about your Federal Direct Loan eligibility.

### A Note on Private Loans

Before borrowing a private loan, make sure you know and understand your eligibility for federal loans. Terms and conditions of these options may be more favorable than those offered by private lenders. It is important to understand all terms and conditions before borrowing a private loan.

## Repayment Calculators

We recommend using repayment calculators to estimate your future monthly payment before making the decision to borrow. Repayment calculators are available for federal and private loans.

## Monthly Payment Plan

Grinnell College works with TouchNet to offer a monthly payment plan for families who prefer to pay all or part of their balance due in monthly installments.

Here's how it works:

- Spread payments over up to five months for fall semester and up to six months for spring semester
- No interest
- \$35 enrollment fee per semester
- Payment plan year is June to April
- Your family is responsible for making timely payments to avoid late fees or plan cancellation
- Each student can only have one payment plan per semester
- The payment plan amount matches the student account current term balance in real time and will automatically update if the student account balance changes

Please contact the Office of Student Accounts at [studentaccounts@grinnell.edu](mailto:studentaccounts@grinnell.edu) or 641-269-4100 with questions.

Would you like assistance making a plan to pay for your education? We are happy to help. Contact the Office of Financial Aid at [finaid@grinnell.edu](mailto:finaid@grinnell.edu) or 641-269-3250, or you can schedule an appointment on our website.

## Parent Loan Options

### Federal Direct PLUS Loan

- Student and parent must meet federal student aid eligibility requirements
- Either biological or adoptive parent may apply regardless of whether that parent is included on the student's FAFSA
- A stepparent may apply if included in the parent information of the student's FAFSA
- Fixed interest rate and origination fee (both set annually by federal law)
- Annual eligibility: cost of attendance minus all other aid
- Flexible repayment options
- Credit check required
- Application instructions are on the Grinnell College website

### Home Equity Loan

- Can be a better alternative to other financing options
- Contact mortgage provider for details
- Review potential IRS tax benefits

### Private Loans

- Fixed or variable interest rate
- Fees, eligibility, and repayment terms vary by lender
- Apply directly with lender
- State financing options are available in some states
- Grinnell College cannot recommend any lender but provides a list of historical lenders
- Parents can choose any lender, including one not on the historical lender list
- Parent may be the sole borrower or cosigner