

## **ADDITIONAL FINANCING OPTIONS**

There are a variety of programs available to assist families with financing a college education after exploring the "need-based" financial aid programs. Whether you are eligible for a limited amount of financial aid, not eligible for aid at all, or perhaps need a program to fill a gap or unmet need, a wide range of programs are available.

### **SHORT TERM PAYMENT PLANS:**

The College has a monthly payment plan (MPP) which allows families to pay college expenses in ten equal installments beginning in June. Information on this program is included with the bill from the Business Office.

### **LONG TERM LOAN PROGRAMS:**

Families looking to extend their payments beyond a 10 month period may want to explore one of the many long term loan programs. Some are available as loans to parents; others are available to students and generally will require a credit worthy co-signer.

### **FEDERAL PARENT LOANS FOR UNDERGRADUATE STUDENTS (PLUS)**

The Federal Direct PLUS (Parent Loans for Undergraduate Students) Loan Program makes it possible for parents to borrow money to help pay educationally-related expenses. The PLUS Loan allows parents to borrow up to the annual cost of their student's education minus any financial aid. The interest rate on these loans is a fixed rate of 7.9% and there is a 10-year repayment schedule. Parents also have the opportunity to request deferment of payments while the student is enrolled in school. Complete the FEDERAL Direct PLUS Loan Request Application at [www.StudentLoans.gov](http://www.StudentLoans.gov). Once eligibility for the PLUS loan is determined, notification and instructions on completing the required Master Promissory Note will be provided.

### **ALTERNATIVE LOAN PROGRAMS**

Alternative Loans are designed to assist students in obtaining additional funding for educationally-related expenses. The ability to obtain an alternative education loan is based largely on credit-worthiness, and most programs recommend or require a co-borrower to obtain the loan and/or the most favorable credit terms. Most of these programs offer a variable interest rate with the ability to defer the payment of principal while the student is enrolled in school (interest accrues while the student is enrolled and can be paid or allowed to add to the balance owed).

Most programs have a minimum loan amount of \$500 to \$2,000 with a maximum up to the entire cost of attendance (minus any financial aid received) for that year.

The Unity College Financial Aid Web page at <http://www.unity.edu/Admissions/Financing/FinAid/LoanCounseling.aspx> can assist you in the Alternative Loan process. Once at the site select the FAST CHOICE link and follow the online process to select a lender for the Alternative Loan Program of your choice and complete the process online.

### **OTHER AVAILABLE OPTIONS**

Many families explore the availability of a home equity loan to assist in the financing of an education. Some families look at more than one option to share the financial responsibility.

### **POTENTIAL STUDENT LOAN TAX CREDIT**

Graduates of Maine colleges who live and work in Maine can apply for a ME State Income Tax Credit for student loans borrowed after January 1, 2008. For more information go to [www.opportunitymaine.org](http://www.opportunitymaine.org) and for tax forms go to [www.maine.gov/REVENUE/forms](http://www.maine.gov/REVENUE/forms) (search Opportunity Worksheet)

### **WHAT PROGRAM IS BEST FOR YOU?**

Only you can decide which program or combination of programs best suits your needs. You may be more comfortable with higher monthly payments for a short period of time or lower monthly payments stretched out over several years. Some families consider a combination of long and short term programs.

This informational sheet is designed to highlight some of the financing options available. Please call us at (207) 948-3131 ext. 235 and we will be happy to send you more information or answer any questions you may have.