

## Best options for funding A student loan

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A student loan remains one of the best options for funding one's way through college especially with the rising cost of getting a college degree. All over the United States, there are several financial institutions that are ready to provide students with loans for the sole purpose of paying for their tuition and sundry school fees.

For the same reason, the Federal Government also makes millions of loan facilities available to its citizens who may be facing the problem of financing their way through school. Loans vary according to different criteria for example; only students who are attending schools that are participating in direct student loans are eligible to be given such loans. The student is required to complete a FAFSA form then sign a MPN (Master Promissory Note). The student would also need to talk with a counselor to give advice concerning the loan.

The direct servicing website of direct student loans offers services such as payment record and outstanding payments for each of the students on the loan facility. The student can schedule his payment of the loans 6months in advance. Students who have been awarded student loans can use the service center to make request for sending of their bills and other information through electronic correspondence. The site takes no charges on payment of student loans. There are various types of student loans. For instance Stafford loan which is a subsidized loan in which the government pays the interest while the students are still in school. But not all Stafford loans are subsidized like that. For students with lesser financial need the government may not subsidize for them.

The good side of this is that the unsubsidized loans don't incur interest subsidy. PLUS loans are another type of student loans. It is a low interest rate loan facility for graduate students and parents. It also requires the application FAFSA application form and a MPN. The amount of money awarded is not the same for all students. The factors that predetermine how much a student is awarded are; the cost of school fees, the amount of any other aid the student would need and the expected contribution from each of the students family. The Department of Education loan will consider these 3 factors before approving the request of a student for student loan. The fees will cover at least the tuition fees. Students can get loans up to \$8,000 and then if need be they can source the remaining funds from other sources of financial aid.