

## SnapLoan FAQs

### **Am I eligible to apply?**

Borrower must be a member of The United Methodist Credit Union(TUMCU) and enrolled in an accredited school at least half time. Special Note: Students attending Methodist affiliated colleges within the United Methodist Conferences\* we serve are eligible to become TUMCU members.

### **Is this a bank loan?**

No, TUMCU is a non-profit credit union.

### **Once I apply for a loan, how long must I wait to find out if my loan has been approved?**

Once all required documents have been received, the borrower and co-signer will usually be notified within one business day regarding loan approval.

### **What is the maximum amount I can borrow?**

An approved borrower may borrow up to \$20,000 per calendar year and up to \$80,000 over their lifetime.

### **Are there any loan fees for a SnapLoan, other than the interest charges?**

No, applicants pay no application, origination or early repayment fees.

### **Do I have to reapply each year for a loan?**

No, SnapLoan is structured as a Line-of-Credit(LOC), which you can then use over multiple years, subject to annual credit reviews.

### **When does the loan repayment period begin?**

Twelve months after the borrower graduates or leaves school.

### **Is the interest rate fixed or variable?**

The interest rate on all SnapLoans is fixed for the first five years, then will convert to a fixed rate term loan(you choose the length of that fixed rate term loan up to 10 years). The fixed rate will be equal to the corresponding term treasury rate at that time plus 4.00%.

### **When does interest start accruing?**

Interest begins to accrue as soon as the loan is disbursed.

### **Can I view my account online?**

The account can be viewed online by logging into CU-Online, TUMCU's home banking site.

### **Is the interest on my TUMCU student loan tax deductible?**

The borrower will need to consult with their tax preparer to determine if the loan interest is deductible.

### **Do I need to attend a United Methodist affiliated school to apply for a loan?**

No, but you must be enrolled in an accredited institution of higher education. Students who attend a United Methodist affiliated school within the United Methodist Conferences\* we serve do receive a .50% interest rate discount.

### **Do I have to be going into the ministry to receive a loan?**

No, but students who attend seminary school do receive a .50% interest rate discount.

### **Are part-time students eligible for a loan?**

All borrowers must be at least half-time status per school guidelines and pursuing a degree at an accredited institution.

All TUMCU loans are subject to approval and credit restrictions apply.

We recommend that at least interest be paid during the first 5 years so that you will carry forward the smallest possible financial burden. Example: On a \$20,000 balance with a 5.45% APR, the monthly interest only payment would be \$90.84

\*Serving these United Methodist Conferences: North Carolina, Virginia, Western North Carolina, West Virginia and Baltimore-Washington(churches and organizations)

