

Undergraduate	Federal Direct Subsidized & Unsubsidized Loans	Federal Parent PLUS Loan	College Access Loan (CAL) and Forward Loan - Texas Residents ONLY	Private Education Loan	Why It Is Important
Who is the borrower?	The student is the borrower.	The student's natural, adoptive, or step-parent is the borrower.	The student is the borrower.	The student is the borrower.	Whoever is listed as the borrower is liable for the debt.
Who is the lender?	U.S Department of Education	U.S. Department of Education	State of Texas	Depends on the loan chosen: <u>Private Lending for Higher Education</u>	You will have a long relationship with your lender.
Is a cosigner required?	No cosigner required.	Parent borrower can add an endorser if their credit is not sufficient.	Almost always required for undergraduate students.	Almost always required for undergraduates. The benefit to adding a cosigner is it will likely improve the interest rate.	A cosigner can help a student qualify for a loan. A co-signer is equally liable for the debt.
Can the co-signer be “released” from the loan?	Not applicable.	No.	No.	Varies; student must make a certain number of payments on time and pass a credit check to release the cosigner.	Cosigners may be more agreeable to cosigning if there is an opportunity to be removed from debt obligation in the future.
What is the loan limit per year?	First year - \$5,500 Second year - \$6,500 Third year and beyond - \$7,500	Student's estimate Cost of Attendance (COA) as determined by UTA minus other financial aid the student receives.	Student may not borrow less than \$100, nor more than the Cost of Attendance (COA) minus all other financial resources.	Student's estimate Cost of Attendance (COA) as determined by UTA minus other financial aid the student receives.	Most families borrow from a combination of loan programs to meet their needs.

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What is the interest rate?	Fixed 6.39% for the life of the loan, unless consolidated, for loans first disbursed on or after July 1, 2025 and before July 1, 2026. Subject to change on July 1 each year.	Fixed 8.94% for the life of the loan, unless consolidated, for loans first disbursed on or after July 1, 2025 and before July 1, 2026. Subject to change on July 1 each year.	Fixed 6.30% for the life of CAL applications received on or after August 1, 2024. Fixed 4.30% for the life of Forward Loan applications received on or after August 1, 2024.	Varied and fixed rates available depending on borrower's and/or the cosigner's credit score(s).	Borrowers and cosigners are encouraged to consider to obtain a lower rate on a private loan compared to the federal and state fixed options with a good credit score. If you intend to repay the loan early, it may be wise to select a lower rate on a private loan.
Does interest capitalize?	Interest capitalizes (calculated and added to the principal) upon entering repayment and again after any period of deferment or forbearance.	Interest capitalizes (calculated and added to the principal) upon entering repayment and again after any period of deferment or forbearance.	Interest is never capitalized.	Varies by lender; most capitalize upon entering repayment and again after any period of forbearance.	The more often interest is capitalized the more it will cost to pay off the loan.
What is the loan fee? (Deducted from disbursement).	1.057% for all borrowers for loans first disbursed on or after October 1, 2020. Subject to change on October 1 each year.	4.228% for all borrowers for loans first disbursed on or after October 1, 2020. Subject to change on October 1 each year.	No origination fee will be assessed for all approved borrowers.	Varies but most private loans do not have upfront fees.	Federal loans have fees which are deducted from the loan disbursements while most private loans do not.

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What is the application process?	Student completes a FAFSA online at StudentAid.gov . Student may accept loan offers on their MyMay account, then complete their Master Promissory Note (MPN) online at StudentAid.gov .	Parents apply online at StudentAid.gov .	Students apply online at www.HHLoans.com . Loan process is about 3-4 weeks.	Apply online with the lender of your choice: Private Lending for Higher Education .	Almost all education loan processes are now online. It is critical that you check your email and keep track of when additional steps must be completed.
What are the credit requirements?	There is no credit requirement.	There is no debt to income ration or credit is used, but cannot have any adverse credit history.	Experian Vantage Score of 650 or higher is required for approval.	Varies based on lender, most require a minimum of three years of positive credit history.	With private loans, a borrower or cosigner's credit history helps determine the interest rate.
Can loans be consolidated?	Yes. Federal Direct Consolidation through the U.S. Department of Education.	Yes. Federal Direct Consolidation through the U.S. Department of Education.	Cannot be consolidated with other types of loans.	A few lenders offer private refinanced loans to assist borrowers with multiple private loans. Usually cannot be consolidated with federal loans.	Refinancing is a helpful tool for students with multiple loans of the same type held by different lenders or servicers.

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What loan repayment plans are available?	Multiple repayment plans including income-based plans are available. More information can be found online at StudentAid.gov .	Multiple repayment plans including income-based plans are available. More information can be found online at StudentAid.gov .	Ten and 20 year repayment plans are available depending on loan balance; graduate and income-sensitive are also available.	Traditionally, private loans have repayment periods of 10-25 years based on loan balance and are typically split in equal monthly payments.	Private loans tend to have fewer repayment choice than federal or state loans.
Postponement of Payments	<u>Deferments</u> for in-school enrollment, unemployment, military service and economic hardship and <u>forbearances</u> are available.	<u>Deferments</u> for in-school enrollment, unemployment, military service and economic hardship and <u>forbearances</u> are available.	A list of deferment forms are available at www.HHLoans.com under "Forms".	Some private loans have deferments and forbearances. See promissory note for details.	No one expects to be unemployed or need to postpone payments, but these options can be crucial if you need them.
What are the cancellation and forgiveness options?	Loans cancel upon death or disability of the student borrower. Some <u>forgiveness options</u> are available for certain public service careers.	Loans cancel upon death or disability of the student borrower. Some <u>forgiveness options</u> are available for certain public service careers.	Loans are cancelled upon death or total and permanent disability of the borrower.	Some lender do forgive loans in the event of the borrower's death or total and permanent disability. See promissory not for details.	If the unexpected occurs, it's helpful to know remaining loan balances can be forgiven.