



# LOAN OPTIONS FOR GRADUTATE STUDENTS

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Characteristic	Direct Unsubsidized Loans	Grad PLUS Loans	Private Student Loans
Annual Limits	\$20,500	Cost of attendance minus student aid	Cost of attendance minus student aid
Cumulative Limits	\$138,500 (Grad + undergrad combined) increased to \$224,000 for medical students	None	Varies by lender, degree, and academic major
Cosigner Required?	No	Endorser if adverse credit history; student cannot be endorser	Cosigner required for 90% of new loans, if student borrower does not satisfy credit criteria
Cosigner Release Option	N/A	No	Varies by lender and borrower credit. Typically requires 12 to 48 months of consecutive on-time payments
Credit Criteria	None	Borrower may not have an adverse credit history	Credit scores, Debt-to-income ratios, minimum income, no adverse credit history
Interest Rates Based on Credit Criteria	No	No	Yes
Interest Rate Type	Fixed	Fixed	Fixed and variable options
Interest Rate	Fixed at 6% for the 2017-2018 academic year	Fixed at 7% for the 2017-2018 academic year	Depends on borrower and cosigner credit
Subsidized Interest	No	No	No
Interest Capitalization	Once at repayment	Once at repayment	Monthly, quarterly, annually, or once at repayment
Rate Reduction for Automatic (Auto) Debit	0.25%	0.25%	Varies by lender
Loan Fees	1.066%	4.264%	Varies by lender and borrower credit typically, 0% to 5%
Requires School Certification	Yes	Yes	Yes
Requires FAFSA	Yes	Yes	No
Requires Half-Time Enrollment	Yes	Yes	Varies by lender
Available for Prior School Years	No	No	Varies by lender
Available for Continuing Education	No	No	Yes
Bar Study, Residency and Relocation Loans	No	No	Yes
Borrower	Graduate students	Graduate students	Graduate students

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Lender	U.S. Department of Education	U.S. Department of Education	Banks, credit unions, financial institutions, state agencies, colleges, and university
Secured?	No	No	No
Student Loan Interest Deduction	Yes	Yes	Yes
Interest Rate Reduction for In-School Interest Payments	No	No	Varies by lender
In-School and Grace Period Deferment Options	Interest only payments, immediate repayment, full deferment	Immediate repayment, full deferment	Immediate repayment, interest-only payments, fixed in-school payments, full deferment
Grace Period Length	6 Months	6 Months	Generally, 6 months for most loans, but terms may vary by lender
Forbearance Options	3 Years	3 Years	1 Year
Repayment Term	Varies by repayment plan and loan balance, 10 to 30 years	Varies by repayment plan and loan balance, 10 to 30 years	Varies by lender, 5 to 25 years
Repayment Plans	Standard, extended, graduated, ICR, IBR, PAYE, and REPAYE	Standard, extended, graduated, icr, ibr, paye, and repaye	Varies by lender
Public Service Loan Forgiveness	Yes	Yes	No
Death Discharge	Yes	Yes	Varies by lender
Total and Permanent Disability Discharge	Yes	Yes	Varies by lender
Prepayment Penalties	None	None	None
Can be Consolidated?	Yes Does not relock rate	Yes Does not relock rate	Varies by lender Rate based on current credit
Dischargeable in Bankruptcy?	Generally no, unless borrower demonstrates undue hardship petition in an adversarial proceeding		
Consequences of Default	Administrative wage garnishment, intercept income tax refunds and lottery winnings, collection charges, ineligible for federal student aid, blocked renewal of professional license, no fha/va mortgages, may be sued, negative credit reports		Wage garnishment with court order, collection charges, may be sued, negative credit reports
Subject to Statutes of Limitation	No	No	Yes
Subject to Defense of Infancy	No	No	Yes
Truth-in-Lending Act (TILA) Disclosures Required	No	No	Yes
Oversight	FSA Ombudsman	FSA Ombudsman	CFPB