

Undergraduate	Federal Direct Subsidized/Unsubsidized Loans	Federal Direct Parent PLUS Loan	College Access Loan (CAL) TX Residents Only	Private Education Loan	Why It is Important?
Who is the Borrower?	Student is the borrower	Student's natural or adoptive parent, or step- parent on FAFSA	Student (must be a Texas resident) *Cosigner needed in most cases	Student *Cosigner needed in most cases	Whoever is listed as the borrower is liable for the debt. Cosigner is equally liable.
Who is the Lender?	US Dept. of Education	US Dept. of Education	State of Texas	Multiple options available: https://choice.fastproducts.org/FastChoice/home/365600	You will have a long relationship with whatever lender you select
Co-signer	No co-signer requirement	Parent borrower can add endorser if credit is not sufficient.	Almost always required for undergrad students	Almost always required for undergrad students; definite benefit to add cosigner- will likely improve interest rate	Important to decide whether the debt should be in student's or parents' name.
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 co-signer.	Co-signers may be more agreeable to cosigning if there's an opportunity to be removed from debt obligation over time.
Loan Limit Per Year?	Freshman - \$5,500 Sophomore - \$6,500 Junior - \$7,500 Senior - \$7,500	Student's estimated COA as determined by UTA less other financial aid the student is receiving	Students may borrow no less than \$100 and up to the cost of attendance minus any other financial resources	Student's estimated COA as determined by UTA less other financial aid the student is receiving	Most families borrow from a combination of loan programs to meet their needs
Interest Rate	Fixed 2.75% for the life of the loan, unless consolidated (first disbursed on or after 7/1/2020 & before 7/1/2021). Changes every July 1 st .	Fixed at 5.30% for the life of the loan, unless consolidated (first disbursed on or after 7/1/2020 & before 7/1/2021). Changes every July 1 st	Fixed 4.20% for the life of the loan.	Both variable and fixed rates available depending upon credit; variable rates generally range from 2.5% to 8%, and fixed rates from 5% to 12%	Borrowers/Cosigners should consider all options. It's possible that those with good credit may be able to obtain a lower rate on a private loan than on the Federal and State fixed options. If you intend to repay the loan early, it may be wise to select a lower rate on a private loan.
Interest Capitalization	Interest capitalized (calculated and added to principal) upon entering repayment and again after any period of deferment or forbearance	Interest capitalized (calculated and added to 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 expensive the loan.

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Loan Fee (deducted from disbursement)	1.059% for all borrowers (Disbursed on or after 10/1/2019 and before 10/1/2020). Changes every October 1 st .	4.236% for all borrowers (Disbursed on or after 10/1/2019 and before 10/1/2020). Changes every October 1 st .	No origination fee will be assessed for all approved borrowers	Varies, but most private loans have no upfront fees	Federal loans have fees, which are deducted from the loan disbursements, while most private loans do not.
Application Process	Student will accept loan on the www.uta.edu/mymav portal. Student can complete Master Promissory Note (MPN) online at www.studentaid.gov .	Parent can apply online at www.studentaid.gov .	Apply online at www.hhloans.com ; loan process about 3-4 weeks.	Apply online with the lender of your choice. https://choice.fastproducts.org/FastChoice/home/365600	Almost all education loan processes are done online. It is critical that you keep track of when additional steps must be completed - watch your email!
Credit Requirements	No credit requirement	No debt to income ratio or credit score is used. Cannot have any adverse credit history.	Experian Vantage Score of 650 or higher required for approval	Varies based on lender, most require a min. of 3 years of positive credit history	With private loans, a borrower (or cosigner's) credit history helps to determine the interest rate.
Consolidation	Federal Direct Consolidation through the US Dept of Education (www.studentaid.gov)	Federal Direct Consolidation through the US Dept of Education (www.studentaid.gov)	CAL Loans cannot be consolidated with other types of loans	A few lenders offer private refinance loans to assist borrowers with multiple private loans; these loans usually cannot be consolidated with Federal loans	Refinancing is primarily a helpful tool for students with multiple loans of the same type held by different lenders or servicers.
Loan Repayment Plans	Multiple repayment plans including some based on income are available. More information at www.studentaid.gov .	Multiple repayment plans including some based on income are available. More information at www.studentaid.gov .	Both 10 and 20 year repayment available, depending on loan balance; graduated and income-sensitive also available.	Traditionally, private loans have repayment periods of 10-25 years based on loan balance, typically spread out in equal monthly payments	Private loans tend to have fewer repayment choices than Federal and state loans.
Postponement of Payments	Deferments (for in-school enrollment, unemployment, military service & economic hardship) and Forbearances available (www.studentaid.gov)	Deferments (for in-school enrollment, unemployment, military service & economic hardship) and Forbearances available (www.studentaid.gov)	A list of deferment forms available at www.hhloans.com under "Forms"	Some private loans have deferments & forbearances available; see prom note for details	No one expects to be unemployed or need to postpone payments, but these options can be crucial if you need them.
Cancellation Loan Forgiveness	Loan cancelled upon death or disability of either student or parent borrower. Some forgiveness options available for certain public service careers. (www.studentaid.gov)	Loan cancelled upon death or disability of either student or parent borrower. Forgiveness options available for certain public service careers. (www.studentaid.gov)	Loan is cancelled upon death or total and permanent disability of student borrower.	Some lenders do forgive loans in the event of borrower's death or total and permanent disability; see prom note for details.	If the unexpected occurs, it's very helpful for remaining loan balances to be forgiven.