

	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.
Co-signer	No co-signer requirement	Parent borrower can add endorser if credit is not sufficient.	Almost always required for undergrad students; using cosigner can result in lower up-front fee.	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.
Who is the Lender?	US Dept. of Education	US Dept. of Education	State of Texas	Multiple lender options available- TCU's recommendations	You will have a long relationship with whatever lender you select
Loan Limit Per Year?	Freshman- \$5500 Sophomore- \$6500 Junior- \$7500 Senior- \$7500	Student's estimated COA as determined by TCU less other financial aid the student is receiving	Amounts vary based on CAL annual allocation. CAL loan cannot "replace" Direct loan eligibility	Student's estimated COA as determined by TCU less other financial aid the student is receiving	Most families borrow from a combination of loan programs to meet their needs
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.
Interest Rate	Fixed 5.05% for the life of the loan, unless consolidated (first disbursement date between 7/1/2018 and 6/30/2019)	Fixed at 7.60% for the life of the loan, unless consolidated.	Fixed 5.30% 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/ Co-signers 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.

Loan Fee	1.066% for all borrowers	4.264% for all borrowers	No origination fee will be assessed for all approved borrowers	Varies, but most private loans have no upfront fees	State and 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 my.TCU.edu portal (financial aid/financial aid home/ accept-decline financial aid) Student can complete Master Promissory Note (MPN) online at www.studentloans.gov .	Parent can apply online at www.studentloans.gov ; process as little as 5 business days. More information online .	Apply online at www.hhloans.com ; loan process about 3-4 weeks. More information online .	Apply online with the lender of your choice. TCU's recommended lenders ; loan process takes about 3-4 weeks.	Almost all education loan processes are now 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	Experian Vantage Score of 650 required for approval; See CAL loan page for additional details	Varies based on lender, most require a min. of 3 years of positive credit history and at least 3 open credit lines.	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	Federal Direct Consolidation through the US Dept of Education	CAL Loans cannot be consolidated with other types of loans	A few lenders offer private consolidation loans to assist borrowers with multiple private loans; these loans usually cannot be consolidated with Federal loans	Consolidation 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 here .	Multiple repayment plans including some based on income are available. More information here .	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, typically spread out in equal monthly payments	Private loans tend to have fewer repayment choices than Federal and state loans.
Postponement of Payments	Several deferments for school enrollment, unemployment, military service and economic hardship.	Several deferments for school enrollment, unemployment, military service and economic hardship.	Most of the Federal deferments are available for CAL. A list of deferment forms is available on the state's website under "Forms."	Some private loans have periods of postponement available for economic hardship; 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 total/permanent disability of either student or parent borrower. Some forgiveness options available for certain public service careers.	Loan cancelled upon death or disability of either student or parent borrower. Forgiveness options available for certain public service careers.	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.