

Graduate PLUS Loan Information

Eligibility:

- Disbursement of the Graduate PLUS loan requires a minimum of half-time enrollment for the semester.
- A completed and valid 2019-2020 FAFSA is **required** before you may apply for a Graduate PLUS Loan.
- Eligibility for the PLUS loan depends on a modest credit check that determines whether you have adverse credit. An adverse credit history is defined as being more than 90 days late on any debt of having had Title IV debt within the past five years subjected to default determination, bankruptcy, discharge, foreclosure, repossession, tax lien, wage garnishment, or write off.

Loan Details:

- Repayment begins 60 days you graduate or stop attending at least half-time. **While you are enrolled at least half-time, your loan will be on an in-school deferment.**
- The interest rate on the Graduate PLUS Loan is 7.6% fixed*. Interest begins to accrue once it is disbursed to UIW.
- There is a 4.248% net* origination fee charged by the Dept. of Education which is deducted from each loan disbursement.
- You may reduce or decline your loan or even return all or part of it, up to 120 days after funds have been released.
- If you are not approved for the Graduate PLUS loan, you may add an endorser or appeal the credit denial.
- Your loan may be discharged if you pass away, or if you become totally and permanently disabled.
- For more information, please visit <http://studentaid.ed.gov/types/loans/plus> or contact the UIW Office of Financial Assistance at (210) 829-6008.

**Origination fees and interest rates as of 10/01/2018, subject to change based upon legislative action.*

What are the advantages of a Federal PLUS loan vs. a Private Loan?

Federal Direct PLUS Loan

- Less stringent credit approval than an alternative loan.
- Fixed **7.6%*** interest rate for the life of the loan
- Net origination fee of **4.248%***, deducted from each disbursement
- Discharge in case of death or total and permanent disability.
- No penalty for early repayment

Private Loan

- Approval based on credit criteria such as credit score, debt-to-income ratio, etc.
- Variable interest rate, based on credit rating and market rates
- Origination fee may be added to principal balance rather than deducted from disbursements
- Usually does not have a discharge option for borrower or cosigner.

Sample Direct PLUS Loan Repayment Chart

(Based on Standard Repayment Plan of 10 Years. Other plans available.)

Loan Amount	Interest Rate	Monthly Payment	Months of Payment	Total Interest Paid	Total Loan Paid
\$5,000.00	7.6%	\$59.61	120	\$2,153.59	\$7,153.59
\$10,000.00	7.6%	\$119.22	120	\$4,307.18	\$14,307.18
\$20,000.00	7.6%	\$238.45	120	\$8,613.76	\$28,613.76