

Comparison of Federal Higher Education Loans





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| | Direct Unsubsidized Stafford Loan | Direct Subsidized Stafford Loan | Perkins Loan | Direct PLUS Loan |
|---|---|--|---|--|
| Description | A federal student loan available to students regardless of financial need | A federal student loan available to students with financial need | A federal student loan available to students with the greatest financial need | A federal loan available to parents and students with good credit histories regardless of financial need |
| Available to | Undergraduate and graduate students enrolled at least half-time | Undergraduate students only enrolled at least half-time | Undergraduate and graduate students (can be less than half-time) | Parents of undergraduate students enrolled at least half-time, and graduate and professional students |
| Lender | Federal government only | Federal government only | College | Federal government only |
| Borrower | Student | Student | Student | Parent or graduate/professional student |
| Based on financial need | No | Yes | Yes | No |
| Interest rate for loans in academic year 2015/2016 | 4.29% fixed for undergraduates; 5.84% fixed for graduate students | 4.29% fixed | 5% | 6.84% fixed |
| Interest subsidized | No | Yes ¹ | Yes ¹ | No |
| Grace period | 6 months | 6 months | Generally 9 months | 6 months |
| Loan limits for academic year 2015/2016 | Dependent undergraduates: | | Undergraduate students: \$5,500/year \$27,500 limit Graduate students: \$8,000/year \$60,000 limit (including undergraduate loans) | Student's total cost of education, minus any other financial aid received |
| | 1st year: | \$5,500 (\$3,500 subsidized) | | |
| | 2nd year: | \$6,500 (\$4,500 subsidized) | | |
| | 3rd - 5th year: | \$7,500/year (\$5,500/year subsidized) | | |
| | Maximum: | \$31,000 | | |



| | | |
|--|--|---|
| | Independent undergraduates and dependent undergraduates whose parents don't qualify for PLUS loans: | |
| | 1st year: | \$9,500 (\$3,500 subsidized) |
| | 2nd year: | \$10,500 (\$4,500 subsidized) |
| | 3rd - 5th year: | \$12,500/year (\$5,500/year subsidized) |
| | Maximum: | \$57,500 |
| | Graduate students: | |
| | Any year: | \$20,500/year |
| | Maximum: | \$138,500, including undergraduate loans |

²The federal government pays the interest on the loan when the student is in school at least half-time, in a grace period, or in a deferment period.

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American Private Wealth
781-300-7777
www.AmericanPrivateWealth.com

