




| |  VSAC Student private loan |  VSAC Parent private loan |  Federal Parent PLUS | EXPLAINED |
|-----------------------------------|---|--|--|--|
| APR/Interest Rate Range | 4.75% – 8.57% APR Lowest interest rate scenario to most creditworthy applicants. | 4.75% – 8.93% APR Lowest interest rate scenario to most creditworthy applicants. | 9.08% IR | The interest rate is the cost of borrowing money. The lower the interest rate, the more favorable the loan. |
| Fees (percentage) | 0% | 0% | 4.228% | If you choose an option with fees, find out if the fees will be deducted from or added to the total amount requested so that you are requesting the correct loan amount and avoid being left with a balance on their tuition bill. |
| Your role | Student & a cosigner are jointly responsible for the loan | The parent is solely responsible for the loan | The parent is solely responsible for the loan | VSAC requires a credit-eligible cosigner for our VSAC student loan. |
| Max loan amount | Total Cost – Financial Aid = Maximum Loan Amount | | | The maximum you can borrow for most education loans is the cost of attendance at the school the student will attend minus any other financial assistance the student receives. Additional amounts may be available for housing. |
| Repayment Option | Immediate, Interest Only, or Deferred | Immediate or Delayed | Standard, graduated, or extended | |
| Loan Term | 10 or 15 year repayment term | | 10 year standard repayment term | Parent PLUS loans offer 10-year standard repayment plan options. Private loans can offer repayment lengths as short as 5 years, and as long as 25 years. |
| Repayment begins | 15 - 45 days after the loan is fully disbursed | | 60 days after the loan is fully disbursed | Although payments may be deferred or postponed, interest will begin to accrue once the loan is disbursed to the school. There are no penalties for paying early. |
| Credit requirements | Yes. credit worthiness of the cosigner determines interest rate. | Yes. credit worthiness of the parent borrower determines interest rate. | Yes. required credit check | Borrowers with an adverse credit history may still be able to receive a PLUS loan if they meet additional requirements. |
| Discounts | 0.25% interest rate discount for auto-debit | | | Most lenders require the borrower to sign up for the auto-debit discount once they enter repayment. Ask about the details so that you don't miss out on this benefit. |
| Hardship/Loan Cancellation | Yes. Limited forbearance options and death/disability. | | Yes. PLUS borrowers can consolidate to access more hardship options | With any suspension of payments, it's important to understand how they affect interest and credit. |
| How to apply | vsac.org | | contact your school's financial aid office | |