

# 2016-2017 Education Loans – at a glance

Alaska Student Loan Corporation



acpe.alaska.gov  
800-441-2962

## FEDERAL, STATE & PRIVATE LOAN COMPARISON

Discard after Summer term 2017

| LOAN TYPE  | LENDER   | SERVICER   | INTEREST RATE                     | APR <sup>1</sup> | FEES  | BORROWER BENEFITS   | REPAYMENT STARTS  | TERMS  |
|------------|--|--|-----------------------------------|------------------|---|---|---|--|
| FEDERAL    | loans may be transferred between various contract servicers  | Federal Direct Loan – Undergraduate <sup>2</sup>               | 3.76%<br>Fixed                    | NA               | 1.068% <sup>3</sup><br>origination fee                    | -0.25% for recurring online payment   | Six-month grace period after dropping below half-time status  | <ul style="list-style-type: none"> <li>• 10-25 years (based on repayment plan)</li> <li>• Student Borrower Options:                             <ul style="list-style-type: none"> <li>· Income-Based</li> <li>· Pay-As-You-Earn (w/financial hardship)</li> </ul> </li> <li>• Limited options for parent borrowers</li> </ul> |
|            |  | Federal Direct Loan – Graduate                                 | 5.31%<br>Fixed                    | NA               | 1.068% <sup>3</sup><br>origination fee                    | -0.25% for recurring online payment   |   |  |
|            |  | Direct PLUS  | 6.31%<br>Fixed                    | NA               | 4.272% <sup>3</sup><br>origination fee                    | -0.25% for recurring online payment   | 1 <sup>st</sup> payment due after full disbursement (deferments available to graduate students and some parent borrowers) |  |
| STATE      | Alaska Student Loan Corporation (lender)<br>Alaska Commission on Postsecondary Education (servicer)                        | Alaska Supplemental Education Loan – Undergraduate or Graduate | 6.25%<br>Fixed                    | 5.94%            | 0%<br>origination fee                                     | -0.25% for recurring online payment <sup>4</sup><br>-0.50% Alaska presence <sup>4</sup> | Six-month grace period after dropping below half-time status  | 10 years   |
|            |  | Family Education Loan – Undergraduate or Graduate              | 6.25%<br>Fixed                    | 6.25%            | 0%<br>origination fee                                     | -0.25% for recurring online repayment <sup>4</sup>                                      | 1 <sup>st</sup> payment due after full disbursement   | 10 years   |
| For Profit | Characteristics vary by lender and loan type. Characteristics listed are typical but may not apply to all available loans. |  |                                   |                  |   |   |   |  |
|            | Banks and other lenders  |  | Fixed or Variable<br>Credit-based |                  | Varies. Typically 0% origination fee, may have other fees | Varies  | May require in school payment or allow six-month grace period after dropping below half-time status                       | 10-25 years  |

<sup>1</sup> APR = Annual Percentage Rate. The APR does not include the effects of borrower benefits. ASEL APR Assumptions: Principal loan amount of \$8,500, freshman borrower scheduled for graduation in four years, with repayment beginning after a 6-month grace period.

<sup>2</sup> Low-income students may qualify for a Federal Direct Subsidized Loan and benefit from subsidized in-school and deferment interest.

<sup>3</sup> Loans disbursed after Oct. 1, 2016 will have different loan fees.

<sup>4</sup> State loan (ASEL and FEL) borrower benefits may be applied as account credits or rate reductions to reduce the borrower-paid costs whenever the Alaska Student Loan Corporation has the capacity to do so. Benefits are variable, meaning that a new benefits package may be offered each program year. Delinquent or defaulted borrowers may forfeit some or all benefits.

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## FEDERAL, STATE & PRIVATE LOAN COMPARISON

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| LOAN TYPE  | LENDER  | SERVICER   | CREDIT REQUIREMENT   | ELIGIBLE BORROWERS  | LOAN LIMITS  |
|------------|---|--|--|---|--|
| FEDERAL    | loans may be transferred between various contract servicers   | Federal Direct Loan – Undergraduate  | none   | Student at any school participating in federal aid  | \$5,500 - \$12,500 (depending on year of enrollment and student's status) <sup>5</sup> |
|            |   | Federal Direct Loan – Graduate   | none   | Student at any school participating in federal aid  | Up to \$20,500 per year  |
|            |   | Direct PLUS  | No adverse credit history (May use cosigner/endorser)  | Biological or adoptive parents (some step-parents) Must be dependent student enrolled at least half time in eligible program<br>Graduate or professional degree student enrolled at least half time in eligible program | Up to Cost of Attendance, minus any other financial assistance received                |
| STATE      | Alaska Student Loan Corporation (lender)<br>Alaska Commission on Postsecondary Education (servicer) | Alaska Supplemental Education Loan – Undergraduate or Graduate   | 680 FICO (May use cosigner)  | Student at eligible Alaska school or Alaska resident attending any participating school   | \$7,500 - \$15,000<br>Up to Cost of Attendance, based on program/enrollment status     |
|            |   | Family Education Loan – Undergraduate or Graduate  | No adverse credit history (May use cosigner)   | Student's family member (parent, step-parent, grandparent, foster parent, spouse) Student may be dependent or independent and must be enrolled full time in eligible program Borrower and student must be AK residents  | \$7,500 - \$15,000<br>Up to Cost of Attendance, based on program/enrollment status     |
| For Profit | Banks and other lenders   | Characteristics vary by lender and loan type. Characteristics listed are typical but may not apply to all loans.   |  |   |  |
|            |   | Credit check required.<br>Approval and interest rate determined by lender criteria based on credit score, credit history, and income<br>Cosigner typically required. | Full-time, half-time, less than half-time degree, certificate, and licensure-seeking students or family members borrowing on their behalf. | Up to Cost of Attendance, minus any other non-loan aid the student receives   |  |

<sup>5</sup> Loan limits include subsidized and unsubsidized amounts, combined; see [studentaid.ed.gov](http://studentaid.ed.gov) for more details.

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