

What are some Grad PLUS loan advantages?

Grad PLUS loans have a number of advantages over traditional consumer loans, including:

- Borrowers can apply for a Grad PLUS loan at any time.
- Many borrowers qualify for Grad PLUS loans even if their income is too high for most other types of federal student aid.
- No collateral is necessary to qualify – you can borrow with your signature alone if a credit check determines that you meet the federal credit requirements.
- Grad PLUS loans have a fixed interest rate, enabling you to plan for and manage your finances more accurately.
- Grad PLUS loan repayment periods can last up to 10 years. An extended repayment plan may also be available.
- There is no penalty for early repayment.

Important points to remember:

- Borrow only what you need.
- Make sure you apply for any grants, scholarships, or work-study programs for which you may be eligible.
- Remember, you are responsible to repay the Grad PLUS loan.
- Always keep UHEAA informed of your correct address, telephone number, and e-mail address.
- Contact UHEAA if you have any questions regarding your loan.

Any further questions?

Web site: www.uheaa.org
Call: 801.321.7294 (Salt Lake)
877.336.7378 (toll free)
E-mail: uheaa@utahsbr.edu
Write to: P.O. Box 145112
Salt Lake City, Utah 84114-5112

*UHEAA Borrower Benefits are subject to change without notice.
Terms and conditions apply.
Please visit www.uheaa.org for more information.*



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Also find us on:



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REV 06/09

Federal Graduate / Professional PLUS Loans



Get a
0.25%
interest rate reduction
with the Automatic
Payment
Benefit.

What is a Federal Graduate/Professional PLUS (Grad PLUS) loan?

A Grad PLUS loan is a government-guaranteed loan available to students enrolled in a graduate or post-bachelor, professional degree program. Before applying for a Grad PLUS loan, check with the financial aid office at your school for additional information on other sources of financial aid.

What is the interest rate and fees?

Effective July 1, 2006, the interest rate for Grad PLUS loans is fixed at 8.5%. Federal law requires certain fees to be charged for each loan made, including a 3% origination fee and a 1% federal default fee. Fees charged to the borrower are deducted from the loan proceeds when the money is sent to the school.

How is the loan disbursed?

Your loan proceeds will be disbursed to the school in one or more installments over the course of the academic year.

How much can I borrow?

A Grad PLUS loan may not exceed the cost of attendance minus other financial aid, but otherwise is not limited. Check with the financial aid office to determine your loan amount.

Will my credit history be evaluated?

Yes. Your lender will perform a standard credit check with a national consumer reporting agency before approving each loan. You may not be eligible for a Grad PLUS loan if your lender determines that you have an adverse credit history. If it is determined that you have adverse credit history, you may still be able to borrow by obtaining a credit-worthy co-signer/endorser. Contact UHEAA's Customer Service (877.336.7378) for more information.

What happens after my Grad PLUS loan is approved?

If your loan is approved, you will receive a disclosure statement confirming your loan's guarantee and providing details and terms of your loan. This disclosure becomes a part of your promissory note, so keep it until your loan is paid in full.

What extra benefits do I receive by borrowing a Grad PLUS loan through UHEAA?

If you receive your loan from a UHEAA Partner Lender* that sells its loans to UHEAA's secondary market, you may qualify for some or all of the following benefits:

• Automatic Payment Benefit

When your loan enters repayment, your interest rate will be reduced by 0.25% if your monthly payments are automatically withdrawn from your bank account. You will not only save the time and money associated with mailing payments each month, but you will also save hundreds of dollars in interest charges over the life of the loan.

• Local Service

UHEAA offices are located in Salt Lake City and Customer Service Representatives are available by telephone, e-mail, or in-person consultations.

• State of the Art Technology

UHEAA provides a secure e-sign process as well as a complete set of self-service tools that enable you to manage your loans. You can check the status of your account and update your contact information at our Web site, www.uheaa.org. You can also access your account 24 hours a day by phone (877.336.7378).

• Online Planning Tools

The UHEAA Web site offers a wide variety of tools including financial planning calculators and instructional videos to walk you through the financial aid process.

*See www.uheaa.org for a list of UHEAA Partner Lenders.

When does repayment begin?

Repayment begins within 60 days after the loan is fully disbursed. UHEAA will provide notice of the terms and conditions for repayment of the loan before payments are scheduled to begin. You are responsible for paying the interest that accrues on the loan from the date of first disbursement.

What are my deferment options?

- **In School Deferment.** You must be enrolled at least half-time at an eligible school or in grace period on a Federal Stafford loan.
- **Graduate Fellowship Deferment.** You must be in an eligible graduate fellowship program.
- **Rehabilitation Training Program Deferment.** You must be in a rehabilitation program for people with disabilities.
- **Unemployment Deferment.** You must be looking for but not able to find a full-time job or working less than 30 hours per week.
- **Economic Hardship Deferment.** There are several reasons that you might qualify for an economic hardship deferment. These include the inability to find employment, earnings below a certain level, and full-time volunteer service for a non-profit organization.

These deferments are available if none of your loans are older than July 1, 1993. For a complete list of deferments and eligibility requirements, contact UHEAA's Customer Service (877.336.7378).

Even if you are not eligible for a deferment, in times of economic hardship you can request a forbearance (a temporary reduction or cessation of payments). Anytime your loan is in deferment or forbearance, interest continues to accrue and will be added to your loan balance.

How do I apply for a Grad PLUS loan?

Contact your school's financial aid office to apply. The school can provide other important information to help you determine the appropriate loan amount.