



LOANS PROGRAM

GEAR UP University provides loans for students attending colleges and career schools. Loans are a type of financial assistance that enables students and parents to borrow money from the federal government, state government or private lenders. It is important for students and parents to be well informed of the terms and conditions of loans prior to borrowing.

| Federal Grant Program | Program Details | Annual Award (subject to change) |
|----------------------------|--|----------------------------------|
| Subsidized Stafford Loan | Subsidized Stafford loans are awarded on the basis of need. The interest that accrues on this loan while a student is in school is subsidized (or paid) by the federal government. Typically, the government will subsidize the interest rate until the loan enters into repayment (to include the grace period of the loan). | Up to \$3,500 |
| Unsubsidized Stafford Loan | Unsubsidized Stafford loans are not awarded based on need. The student is responsible for the interest payments from the time the loan is disbursed until it's paid in full. You have the option to pay the interest as you continue to attend school or let the interest accumulate and be added to the principal of your loan. This means that interest will "capitalize" and the total amount you repay will be higher than if you paid the interest all along. | Up to \$2,000 |
| Perkins Loan | Perkins loans are made to students through funds administered by the university. These limited funds are given to students with high need on a first-come, first-served basis. Undergraduate students can receive up to \$4,000 a year (maximum of \$20,000 as an undergraduate). The interest rate is fixed for the life of the loan at 5% and begins to accrue after a nine-month grace period. A borrower who has been attending at least half time is entitled to an initial grace period of nine consecutive months after dropping below half-time enrollment. A borrower must repay his or her loan, plus interest, within ten years. The Perkins loan funds are very limited and awarded until funds are exhausted. | Up to \$4,000 |
| College Access Loan (CAL) | The College Access Loan is a non-need-based state loan program administered by the Texas Higher Education Coordinating Board (THECB). The CAL loan is considered another type of alternative loan that's intended to supplement traditional financial aid programs. Colleges encourage you to consider your options for federal and state financial aid programs before applying for an alternative loan. | |

Looking for more sources of free money? Try StudentAid.gov/scholarships for tips on where to look and a link to a free online scholarship search.

Federal Student Aid

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HAVE QUESTIONS? Contact or visit the following:

- GEAR UP Coach
- College Counselor
- FAFSA Counselor

- 1-800-4-FED-AID (1-800-433-3243) toll free
- 1-800-730-8913 (toll-free TTY for the hearing impaired)