

# Lela Refi Higher Education Loan Program



Louisiana residents may be able to reduce their student loan payments and pay less interest with the Lela RefiHELP (Higher Education Loan Program)<sup>SM</sup>. The Lela RefiHELP loans are serviced by Aspire Servicing Center and administered by the Louisiana Education Loan Authority (Lela).

**Fixed Annual Percentage Rate**  
**3.25% APR–6.78% APR<sup>1</sup>**  
**(with auto-debit)**

## Loan Details

The Lela RefiHELP is for creditworthy borrowers. **Note:** Applicants who do not meet the underwriting and credit criteria on their own may apply with cosigners.

Lela RefiHELP allows you to choose between fixed-rate loans with 5-, 10- or 15-year repayment terms. See the following page for detailed financial examples.

**Please note:** Aspire Servicing Center has a contractual relationship with the Louisiana Education Loan Authority (Lela) wherein Aspire Servicing Center performs certain private student loan (private loan) services for Lela.

## Before You Refinance Any Federal Loans

If you choose to refinance federal loans, you may be forfeiting important benefits. **Be sure you understand what important federal loan benefits you may lose before applying.**

## Why Choose Lela?

Refinancing your current student loans into one new loan with Lela can provide you with many advantages.

- ▶ Fixed rates provide you with a set monthly payment that does not change, which can help you manage your funds. And if you qualify for lower interest rates, you may also pay less in interest over the life of your loan.
- ▶ Lela does not assess any upfront origination or late fees. And you can prepay any time with no penalties either.
- ▶ In addition, unlike some lenders, **Lela never capitalizes interest during repayment.** That means you never pay interest on interest and can mean lower costs if you need to use forbearance to postpone payments at any point.
- ▶ You choose the repayment term that works best for your needs when you apply. And if you need to change your repayment plan after applying, you can work with our representatives to determine if a different plan works better for you.

Partner with a nonprofit and help Louisiana thrive. Lela is a division of the Louisiana Public Facilities Authority (LPFA), a nonprofit public trust established to bring financing assistance and advantages to the people of Louisiana. Together, Lela and the LPFA are committed to making Louisiana a better place to live, work and raise families by furthering education, healthcare, economic development and job creation in the state. Since 1974, the LPFA has issued more than \$27 billion in bonds to finance more than 670 projects and programs that benefit Louisiana. Over the years, LPFA has helped to generate more than 327,110 jobs in Louisiana!

The Lela Refi Higher Education Loan Program is subject to credit approval.

**Change Notice:** Lela reserves the right to change the program in any way from time to time without notice.

<sup>1</sup>Annual percentage rates (APRs) assume you are enrolled in and maintain auto-debit payments from the date of origination. Enrolling in auto-debit results in a 0.25% interest rate reduction. Without enrolling in auto-debit, the rate will range from 3.50% APR to 7.03% APR. Not all borrowers receive the lowest rate. If you are approved for a loan, the rate offered will depend on your credit profile and the term you select and will be within the ranges shown above assuming the auto-debit interest rate reduction applies.

## Lela Refi Higher Education Loan Program

Loan Term	5-Year Term	10-Year Term	15-Year Term
Origination Fee	0%	0%	0%
Fixed Interest Rate	3.50%–5.90%	4.63%–6.65%	5.13%–7.03%
Repayment Period	5 years (60 months)	10 years (120 months)	15 years (180 months)
Examples for a \$10,000 Loan			
Annual Percentage Rate (APR)	<b>3.50%–5.90%</b> <sup>1</sup>	<b>4.63%–6.65%</b> <sup>2</sup>	<b>5.13%–7.03%</b> <sup>3</sup>
Finance Charge	\$914–\$1,570 <sup>1</sup>	\$2,511–\$3,715 <sup>2</sup>	\$4,355–\$6,206 <sup>3</sup>
Monthly Payment	\$182–\$193 <sup>1</sup>	\$104–114 <sup>2</sup>	\$80–\$90 <sup>3</sup>

 **Reduce your rate by 0.25%.<sup>4</sup> Enroll in auto-debit to make payments automatically each month.**

<sup>1</sup> Annual percentage rate (APR), finance charge and monthly payments are based on borrowing \$10,000, a 0% origination fee and a fixed interest rate of 3.50% to 5.90% during the 60-month repayment period.

<sup>2</sup> Annual percentage rate (APR), finance charge and monthly payments are based on borrowing \$10,000, a 0% origination fee and a fixed interest rate of 4.63% to 6.65% during the 120-month repayment period.

<sup>3</sup> Annual percentage rate (APR), finance charge and monthly payments are based on borrowing \$10,000, a 0% origination fee and a fixed interest rate of 5.13% to 7.03% during the 180-month repayment period.

<sup>4</sup> The 0.25% interest rate reduction will apply to loans once payments begin to be automatically deducted. The reduction will remain in effect as long as automatic payments continue without interruption during the repayment period. The 0.25% interest rate reduction will not lower the monthly payment amount but will instead reduce the interest amount that accrues. The interest rate reduction will be suspended during approved assistance or if automatic payments are rejected due to insufficient funds.

## Eligibility Criteria

To be eligible for this private refinance loan, you must:

- ▶ Be a Louisiana resident.
- ▶ Be of majority age pursuant to applicable law at the time of application or be an emancipated minor.
- ▶ Not have defaulted on any private or government student loan.
- ▶ Be a U.S. citizen or permanent resident residing the United States. Cosigners must be U.S. citizens and must reside in the United States. Military addresses are considered U.S. addresses if designated as an APO or FPO.

## Underwriting Criteria

To qualify for the Lela RefiHELP loan, you or your cosigners must have:

- ▶ Monthly payments for approved credit (mortgages, rent, car loans, credit cards and other forms of credit, including the loan for which the student has submitted an application) that do not exceed 40% of gross monthly income (if a mortgage or rent is not included, debt-to-income ratio cannot exceed 25%). All student loan debt will be treated as though it is in repayment.
- ▶ An annual income of at least \$25,000.
- ▶ A FICO score of at least 690.
- ▶ No more than two accounts reporting 30-day delinquencies and no delinquencies of 60 days or more during the previous two years.
- ▶ No charge-offs, repossessions, collection accounts, judgments, foreclosures, garnishments by credit providers or tax liens.
- ▶ No previous bankruptcies.
- ▶ Not defaulted on any private or government student loan.

**Note:** For joint cosigned loans, at least one cosigner must meet all credit underwriting criteria with the exception of the debt-to-income ratio.

**Change Notice:** Please note that the list of criteria above may not be exhaustive. Lela may require you or your cosigners to meet additional criteria in order to qualify for a loan. Lela reserves the right to change the list of criteria in any way from time to time without notice.

## Loan Amounts

The Lela RefiHELP loan may only consist of current educational debt and must be:

- ▶ At least \$5,000.
- ▶ No more than \$175,000.

You may include any private or federal student loan debt in your name that was used to finance your or your child's education. You cannot include debt that is not an education loan (for example, credit card debt or a mortgage) even if it was used to pay education expenses.

## Repayment Benefit

As a Lela RefiHELP loan borrower, you can earn a 0.25% interest rate reduction<sup>1</sup> when you sign up to have monthly payments automatically withdrawn.

<sup>1</sup> The 0.25% interest rate reduction will apply once payments begin to be automatically deducted and will remain in effect as long as automatic payments continue without interruption during the repayment period. The 0.25% interest rate reduction will not lower the monthly payment amount but will instead reduce the interest amount that accrues. The interest rate reduction will be suspended during approved forbearance(s) or if automatic payments are rejected due to insufficient funds.

## Repayment Plans

Your Lela RefiHELP loans will be placed on a Standard Repayment Plan when you begin repayment. If your financial circumstances change and you need to lower your monthly payment amount, you may be eligible for the Graduated Repayment Plan or the Select 2 Repayment Plan if your loan has a 10-year or 15-year repayment term.

### Standard

The Standard Repayment Plan is the basic repayment plan that will pay off your loan:

- ▶ In the shortest amount of time.
- ▶ With the least amount of interest.

The minimum monthly payment amount under the Standard Repayment Plan will be equal to the amount necessary to repay the loan in full by the end of the repayment term. Your repayment term may vary. Please refer to your credit agreement for term information about your specific loan or contact us to determine your repayment term.

### Graduated

The Graduated Repayment Plan lets you begin with lower payments that increase by 10% every two years. **Using this plan, you will pay more in interest over the life of the loan because the principal balance will decrease at a slower rate.**

### Select 2

The Select 2 Repayment Plan lets you make mostly interest-only payments during the first two years of repayment. The amount increases to a standard amount for the remainder of repayment term, which may vary. **Using this plan, you will pay more in interest over the life of the loan because the principal balance will decrease at a slower rate.**

### Find the Best Plan for You

If your payment amount under the Standard Repayment Plan is unmanageable, call us at (800) 243-7552 to speak with an experienced customer service representative to find the best plan for you.