



FINANCE AND ADMINISTRATION CABINET  
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

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**Financial Aid Tip of the Month, June 2019**

**Private loans bridge gap between college costs, other student aid**

Most college-bound students qualify for financial aid to help pay for their education, such as federal and state grants, scholarships and federal loans. In addition, local scholarships are often available, according to the Kentucky Higher Education Assistance Authority (KHEAA). Parents can also borrow federal loans to help pay students' college costs.

Some students may find that these programs don't cover all the costs of college. Others may not qualify for state and federal aid because they're going to school less than half time. When that happens, private student loans, such as Advantage Education Loan, may be an option.

Because interest rates on private loans depend on the borrower's credit rating, students may have to pay higher rates than they would on federal student loans. In addition, many lenders require students to have a cosigner, and most require the college to certify that the student needs the loan.

Students and parents should compare the private loans offered by various lenders to find the best possible deal.

KHEAA is the state agency that administers Kentucky's student financial aid programs, including the Kentucky Educational Excellence Scholarship (KEES). Its sister agency, the Kentucky Higher Education Student Loan Corporation (KHESLC), offers low-cost Advantage Loans to help students and parents pay for college or to refinance student loans. For more information about Advantage Loans, visit [www.advantageeducationloan.com](http://www.advantageeducationloan.com).

For more information about Kentucky scholarships and grants, visit [www.kheaa.com](http://www.kheaa.com); write KHEAA, P.O. Box 798, Frankfort, KY 40602; or call 800-928-8926, ext. 6-7214.

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