It doesn’t matter if you are getting a loan to buy a house, a car, or student loans – you are going to be paying an origination fee. Some students notice that the amounts of loans disbursed are less than the original amount that they accepted due to origination fees that have been taken out before disbursement. So what exactly are origination fees? An origination fee is an upfront fee charged by the lender for processing a new loan application used for compensation for putting the loan in place. Origination fees are often a percentage of the total loan. Unsubsidized Loans currently have a 1.062% origination fee; Grad Plus Loans have a 4.248% origination fee.

Remember: If you reduce/return your loans, your origination fee will decrease!

The 2019-20 FAFSA will open on October 1st! Don’t wait to fill it out! The priority deadline for need based grants is December 1st...but why wait?

Is there a topic that you would like to see covered in a future newsletter? Email chris-roling@uiowa.edu