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Connecticut Higher Education Supplemental Loan Authority
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State of Connecticut's College Financing Authority Reveals New Loan Rate

June 27, 2014 Hartford, CT –

The Connecticut Higher Education Supplemental Loan Authority (CHESLA) announced today that it successfully issued bonds to fund approximately \$23 million in student loans for the upcoming academic year. CHESLA loans are available to qualifying students who attend higher education institutions in Connecticut and to Connecticut residents who attend higher education institutions in other states. The interest rate for this new offering of CHESLA student loans will be fixed at 6.75%. This rate is significantly lower than the upcoming rate on the Federal Parent PLUS loan, which is expected to be 7.21% as of July 1, 2014. CHESLA's new loan pool will also include a new co-borrower release feature. If the borrower achieves five consecutive years of on-time repayment and can individually qualify for the loan at that time, upon request, the co-borrower may be released from the loan.

"Connecticut has invested hundreds of millions of dollars to improve our education system from pre-school through college graduation," said Governor Dannel P. Malloy. "Strengthening Connecticut's economy depends on a talented workforce. Putting college within reach of students will make us a more competitive state."

CHESLA Executive Director Jeanette W. Weldon said, "With the support of the State of Connecticut, CHESLA is able to offer Connecticut students a very favorable fixed interest rate. Our new co-borrower release feature is another enhancement that will benefit students and their parents. We are very pleased to be able to offer this product to help students finance their higher education."

CHESLA was created by the General Assembly in 1982 to help students and their families meet the costs of higher education. The mission of the Authority is to expand higher educational opportunities for students in or from the State of Connecticut by offering a cost-effective alternative financing program. CHESLA is a supplemental loan source for students who do not qualify for need-based loans or who need to finance a portion of their education after other financial aid (including Federal loans) is considered. CHESLA is dedicated to helping families finance the cost of higher education. Since 1985, CHESLA has generated more than 39,000 loans totaling over \$385 million.

To apply for a CHESLA Loan—www.chesla.org or call the loan hotline (800-935-2275, option 3)