

What to Consider Before Cosigning a Loan

Cosigning a student loan is a major decision and ongoing responsibility that must be done with careful consideration.



Here are a few key points to keep in mind when considering cosigning any student loan:

Cosigners are 100% liable for the debt, meaning you will be responsible for paying the loan if the student borrower fails to repay it themselves.

Your debt-to-income ratio will be impacted by cosigning a loan.

Your credit rating and your ability to secure additional credit may both be impacted as well.

The terms of the loan will likely impact how much debt accrues and how easily the loan can be repaid, so it's important to fully understand aspects like the repayment timeline, type of interest rate (ie: fixed vs. variable), and whether or not interest will be deferred while the student is in school.

NJCLASS
Student Loans for Higher Education

The New Jersey Higher Education Student Assistance Authority (HESAA) offers the NJCLASS Loan with competitive interest rates and transparent repayment options to students attending eligible colleges and universities in New Jersey and to New Jersey residents attending eligible institutions of higher education in or out of state.

If you are considering cosigning an NJCLASS Loan, for which the student and/or the parent can be the borrower, keep in mind that the NJCLASS loan has its own terms and conditions. To learn more, visit www.njclass.org.

SCAN ME For More Information on Student Loans

