

THE COMPLETE GUIDE TO STUDENT LOANS FOR PHYSICAL THERAPY (DPT) PROGRAMS





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TWO TYPES OF STUDENT LOANS: FEDERAL & PRIVATE



FEDERAL STUDENT LOANS

Federal student loans are offered by the federal government, whereas private student loans are offered by private lenders.

While there are many types of federal student loans, U.S. Citizens and eligible noncitizens pursuing their degree can typically access Direct Unsubsidized Loans.

Federal student loan interest rates are determined annually based on the May 10-year U.S. Treasury auction and take effect on July 1, remaining fixed for the life of the loan. Federal loans come with a standard repayment schedule and offer a wide range of repayment assistance options.

DPT students are limited to borrowing \$20,500 or \$50,000 per year through the Direct Unsubsidized Loan program, depending whether their program is designated as Graduate or Professional. We recommend contacting your financial aid office if you are unsure what your program is classified as. Historically, any additional funding needs were covered by Grad PLUS loans, but for new borrowers after July 1, 2026, Grad PLUS loans are no longer available and new lifetime limits apply.

This created a significant funding gap for many students in physical therapy school, who will need to supplement federal loans with private loans or rely entirely on private loans to finance their education.

What's an origination fee?

An extra service charge for taking out the loan. It requires you to borrow more money to receive the full amount desired. Essentially, you have to borrow \$10,105.70 to receive \$10,000 for school through a Direct Unsubsidized loan. If you borrow the \$20,500 maximum, you will receive \$20,283 in your student account. If you borrow the \$50,000 maximum, you will receive \$49,472 in your student account.

TWO TYPES OF STUDENT LOANS: FEDERAL & PRIVATE



For students entering a new program for the 2026-27 school year, the updated federal loan limits are:

	Direct Unsubsidized Loans	Direct PLUS loans
Maximum Loan Amount [Graduate Limit]	\$20,500 – Annual \$100,000 – Aggregate	No longer available to incoming students (2026-27), previously up to cost of attendance
Maximum Loan Amount [Professional Limit]	\$50,000 – Annual \$200,000 – Aggregate	No longer available to incoming students (2026-27), previously up to cost of attendance
Interest Rate	8.07%	9.07%
Origination Fee	1.057%	4.228%



Disclaimer as of 7/17/2026:

Judge Beryl Howell recently blocked ED's narrowed definition of professional students. If the definition is formally changed, this would allow some additional DPT programs previously under the graduate limit to borrow up to the \$50K limit. However, it is important to note this ruling is not finalized, and if the current regulation is held up in court, students who were granted the \$50K per academic year temporarily, will be reverted to the \$20.5K for any future disbursements. For example, this could result in fall disbursements of \$25K under the temporary stay, followed by a spring disbursement of \$10,250 while the final court case is pending. If you are an incoming student that wanted to borrow more than \$20.5K in federal loans, we recommend contacting your financial aid office for additional guidance.

TWO TYPES OF STUDENT LOANS: FEDERAL & PRIVATE



PRIVATE STUDENT LOANS

Private student loans are offered by private financial institutions such as banks, credit unions, or other non-governmental lenders. To apply for private student loans, students must apply directly through various lenders. After you submit an application and receive approval for a private student loan, you typically will be presented with multiple options such as:

- ▶ Variable or Fixed Interest Rates
- ▶ Loan Term (also known as Repayment Term)
- ▶ Repayment Plan

In addition, you will see the interest rates and APR (Annual Percentage Rate) offered to you as well as any fees associated with the loan. The APR includes both the interest rate and fees. It's important to understand the costs and terms associated with your loan options. The following sections will help you understand any student loan options presented to you.

WHAT'S THE DIFFERENCE?

Federal student loans should be the foundation when financing DPT school. In almost every case, students should maximize their federal borrowing each year, up to the annual limit. These loans have less stringent approval requirements and do not rely on credit underwriting, making them broadly accessible regardless of financial background.

Equally important, federal loans offer borrower protections and flexibility that private loans do not. These include income-driven repayment options that scale with earnings, as well as eligibility for programs like Public Service Loan Forgiveness (PSLF). For many students, these benefits create meaningful long-term financial advantages that can outweigh differences in interest rates.

TWO TYPES OF STUDENT LOANS: FEDERAL & PRIVATE



While private student loans may sometimes offer lower interest rates for borrowers with strong credit, they require underwriting and do not include federal repayment protections. As a result, private loans are generally best considered as a supplement to federal loans rather than a replacement.

Your practice setting after graduation is a critical financing consideration. Physical therapists who work directly for public schools, 501(c)(3) hospitals, government agencies like the VA, or nonprofit health systems can qualify for PSLF, potentially having their remaining federal loan balance forgiven after 120 qualifying payments. Even occupational therapists entering outpatient, home health, or private practice roles benefit from income-driven repayment plans during the early years when earnings are still ramping up.



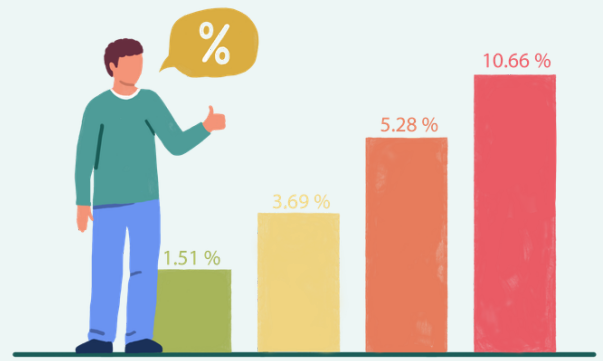
TWO TYPES OF STUDENT LOANS: FEDERAL & PRIVATE



FEATURE COMPARISON

Feature	Federal Student Loans	Private Student Loans
Interest Rates & In-School Features	• Fixed rates • No credit check	• Rates are based on credit. Choice of variable or fixed rates. • Hard credit check required. • Cosigner may be needed for approval or best rates if borrower has not built a strong credit profile • For Juno members, we expect our lending partners to provide great rates and eligibility for DPT students even without a cosigner
Forgiveness & Flexibility	• Eligible for loan forgiveness programs. • Deferment and forbearance available.	• No formal forgiveness programs. • Check fine print for death or disability forgiveness clause. • Deferment options can vary by lender and loan product.

INTEREST RATES AND FEES



INTEREST RATES

When it comes to the actual interest rates, don't assume that all lenders are the same. Pricing can vary significantly from one lender to another.

At Juno, we bring multiple lenders to the table and have them compete against each other, allowing us to negotiate lower interest rates for our members. To learn more, visit joinjuno.org.

FEES

All private student loan lenders do not charge the same fees. Some lenders may charge:

APPLICATION FEES

A fee charged by a lender to apply for the loan.

ORIGINATION FEES

A fee charged by a lender when you first take out a loan.

PREPAYMENT PENALTIES

A prepayment penalty is a fee you'll have to pay if you pay back your loan ahead of the predetermined schedule.

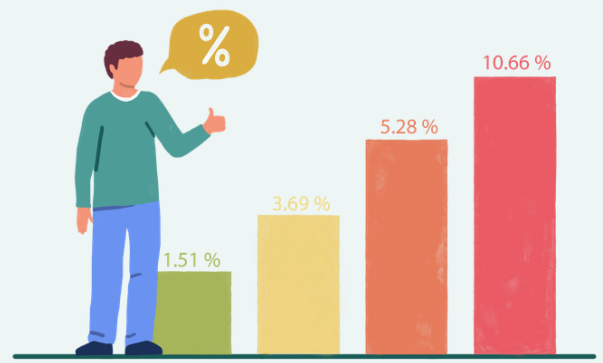
Caution:

Some lenders may not make certain fees very obvious. Contact the lenders you are considering and ask them to specify if they have any application fees or origination fees.

At Juno, we screen our partner lenders and make sure that they do not charge any of these fees.

No application fees,
No prepayment penalties,
and no origination fees.

INTEREST RATES AND FEES



VARIABLE VS. FIXED INTEREST RATES

A variable interest rate can fluctuate over the course of your repayment period as the index selected by the lender fluctuates up or down. The most common index used for student loans is the Secured Overnight Financing Rate (SOFR) index. As this changes, so will your interest rate.

A fixed interest rate remains the same for the life of the loan. The interest rate you receive when you take out the loan will be the same interest rate you have throughout the entire repayment period.

While the variable interest rate may be cheaper on the day of your application, you should consider your personal tolerance for the risk that it could go up or down over the years.

At Juno, our partners allow you to choose from competitive Variable and Fixed Rate options. However, most members prefer fixed student loans at this point in time.

A Bit More About Interest

Interest accrues on the loan as soon as it is disbursed to the school. Most student loans use simple interest (not compounding interest), which means interest is calculated only on the principal balance, not on previously accrued interest. Any time a payment is made (whether scheduled or extra), the payment will first pay off any accrued interest. Interest accrues daily. If the payment exceeds the accrued interest by that date, then the remaining amount will go to your principal balance.

With that said, your minimum payment amount is designed to completely pay about 30 days' worth of interest, and some principal, so an extra payment scheduled on the due date would typically go 100% towards the principal. Paying the loan off early can help reduce the total interest paid over the lifetime of the loan.

WHAT SHOULD WE DO?



THE PLANNING PROCESS

The first thing to decide is whether student loans make sense. Often, students don't have a choice – they need to take out loans. Sometimes, people weigh the difference between using savings or loans and end up taking out loans if they can get a competitive rate.

If you've decided to take out a loan, there are a few considerations.

WHEN

It's good that you've started thinking about your plan in advance. You don't necessarily have to start the actual application process until about a month prior to the tuition billing due date (set by the school). If you're starting school in the fall, beginning the application process in June or July is fairly standard, but earlier is okay too.

WHAT

When choosing their loan option, students should consider what their monthly payment will look like post-graduation and choose a loan term that will most appropriately fit their expected budget.

We expect most students to choose a fixed interest rate with a deferred or fixed minimum / flat repayment plan. While the deferred repayment plan puts a hold on payments while in-school, interest will continue to accrue, making the option more expensive over time.

WHAT SHOULD WE DO?



Alternatively, you can choose the interest-only or fixed minimum / flat repayment plans (see definitions in “[Repayment Options](#)” section). Since payments start while you are in-school, you would be paying a bit less in interest over time and can often take advantage of the autopay discount immediately.

Where does the money go?

Funds are sent from the lender to your school. You can take out up to the cost of attendance minus any aid, so it's possible to use a loan to pay for housing, a computer, etc.

If you want to use some of the loan to pay for living expenses, expect to receive a check or direct deposit from the school after they receive the loan.



REPAYMENT OPTIONS



LOAN TERM OR REPAYMENT TERM

The loan term is the amount of time you will take to repay the loan. Paying the loan back sooner will result in a lower overall total cost, but it will also result in larger monthly payments. Choosing a longer term will offer a lower monthly payment, but it will be more expensive overall. The terms offered by lenders vary, and some lenders assign you a term without giving you the choice.

**At Juno, our partners often allow you to choose from a wide variety of terms:
5 Years, 7 Years, 10 Years, 12 Years, 15 Years or 20 Years.**

REPAYMENT OPTIONS

The biggest decisions when it comes to choosing a repayment option are:

1. Whether you want to make payments while you are in school or defer repayment until you graduate.
2. How much you want your monthly payments to be while you are in school.

Making in-school payments helps reduce the overall cost of the loan as you start paying down interest sooner. Some lenders will give you more options than others.

At Juno, our partners allow you to choose from a wide variety of repayment options:

1. Fully Deferred (or no payments in school)
2. Fixed Minimum (or \$25 monthly payments in school)
3. Interest Only (or interest payments in school)*
4. Full Repayment In School (or principal and interest payments in school)*

*Interest Only and Full Repayment In School options may require a cosigner or qualifying income.

GETTING THE LOWEST RATES



AUTO PAY DISCOUNTS

Many, but not all lenders, will offer an Auto Pay Discount. An Auto Pay Discount can reduce your interest rate for making payments using automatic payments.

Reminder: The Auto Pay Discount usually only applies when you have payments due. If you select a repayment plan which does not have payments due in school, the auto pay discount only begins after you've graduated and entered repayment.

Juno partners often offer these.

SPECIAL DISCOUNTS

Some lenders will offer unique opportunities to reduce your interest rate even further. For example, you may see a “relationship discount”. A relationship discount can reduce your interest rate for using additional products or services offered by the same lender.

COSIGNERS

A cosigner is a person who is obligated to pay back the loan just as you, the borrower, are obligated to pay.

Many private student loan lenders will require borrowers to have a cosigner. Others may not offer their lowest rates to borrowers who do not have cosigners.



Through the Juno deal, we expect DPT students will receive lower rates if you have a qualifying cosigner. However, most DPT students will be eligible for attractive rates even without a cosigner.

THE PRIVATE STUDENT LOAN PROCESS

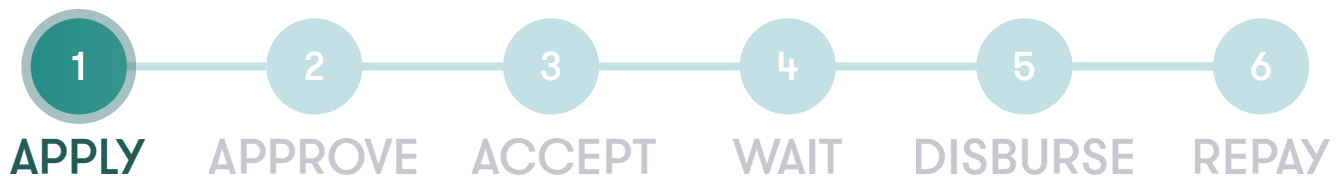


It is generally a best practice to start the application process at least 30 days before your program's tuition due date, though you can apply earlier as well. That being said, some students are able to get through the entire process within a week.



Interest on your loan doesn't accrue until the funds are disbursed, generally a couple weeks before the start of classes, so there is no downside to getting started early.

Here are the steps involved:

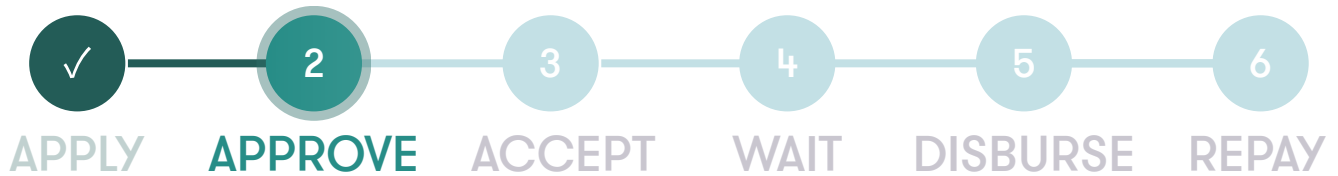


APPLY

You'll enter your personal information, school information, and requested loan amount in order to apply for a loan. Applying with a cosigner, you'll either enter your information at the same time as yours, or ask the lender to contact your cosigner for their information

We recommend checking your rate through Juno during this process. We negotiate rates that can be lower than going directly through a lender and may have a rate match guarantee program with bonus cashback.

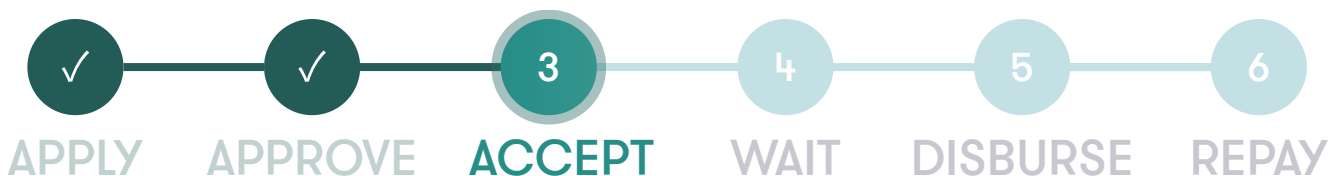
THE PRIVATE STUDENT LOAN PROCESS



APPROVE

Once you submit your application, the lender will do a hard credit check. The result will come back with one of 3 results: approved, denied, or eligible with a creditworthy cosigner.

Some lenders have an instant process, while others require a manual check which can take a few days. In other cases, the lender may request additional documents to review, like paystubs or 1099s.



ACCEPT

If you are approved, your next step is to choose loan terms and accept the loan. This is where you are able to choose your:

Variable or fixed
interest rates

Loan term (length
of the loan)

Repayment
plan

You'll sign the remaining documents to confirm the terms and conditions.

THE PRIVATE STUDENT LOAN PROCESS



WAIT

The rest of the process generally occurs between the lender and your school (unless there are any issues you need to be notified about). The school approves your:

Enrollment
status

Anticipated
graduation date

Loan amount vs cost
of attendance

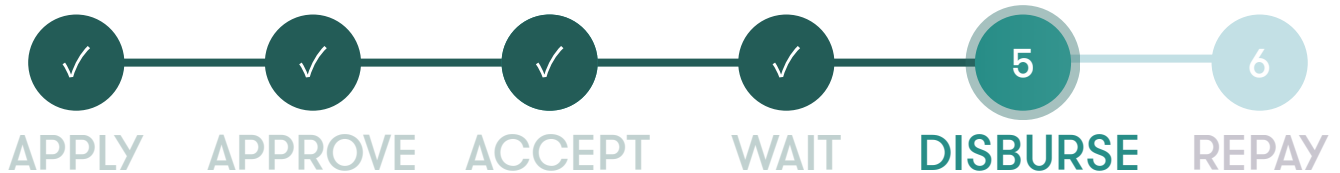
Schools can either certify the loan as is, or request changes based on the student's status.



Some schools require you to confirm before they can certify your loan. Be sure to check both your student portal and email to see if there are any action items for you to complete.

The process takes between 1 day to 2 weeks, but could take longer depending on how early you apply (some schools won't start certifying until tuition bills officially come out) and your school's certification process. We recommend calling your financial aid office for guidance.

THE PRIVATE STUDENT LOAN PROCESS



DISBURSE

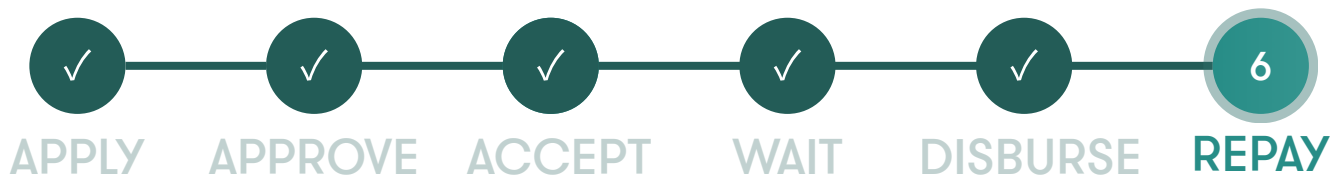
Loan disbursement is how your school receives the funds to pay for your education. Typically, the lender sends funds directly to your school, not the borrower, for reference.

When does this happen?

Usually, the disbursements will be sent once per semester if you applied to cover more than one term. Disbursement dates are set by your university around the beginning of the semester.

Any loan amount above your billed costs will be transferred to you by the school as a refund. This can be used for things like rent and textbooks. The school will handle this process.

Interest on your loan doesn't start to accrue until the funds are disbursed, and if there are multiple disbursements, interest only accrues on funds already disbursed.



REPAY

THE PRIVATE STUDENT LOAN PROCESS

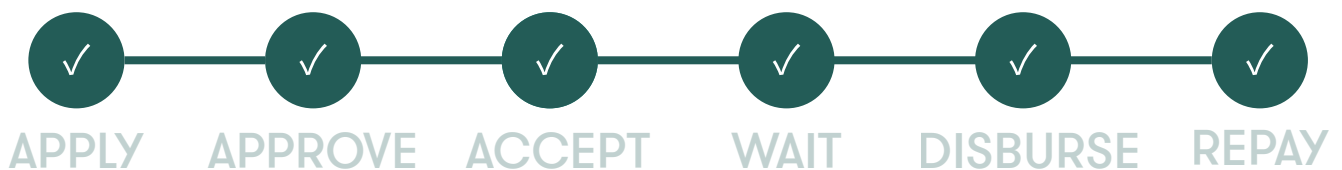


Payments for your loan are made through your chosen lender's portal.



Depending on the repayment plan you have chosen, you may need to start making payments as soon as you start school (in-school, interest only, or fixed) or you may not need to make any payments until after you graduate (deferred).

Most lenders offer a discount for automatic payments, and you'll qualify for this whenever your loans have an active payment status.



PRIVATE STUDENT LOAN PROCESS COMPLETE!



MAKE AN INFORMED DECISION

We hope this guide has equipped you with enough knowledge to make an informed decision about your student loans.

If you have any questions that weren't answered here, drop us a note at hello@joinjuno.com and let us know. We'd be happy to help.

To learn more about the student loan offers Juno has negotiated, visit juno.us/dpt

OUR PROGRAM

If you find a lower rate from an eligible lender in our (long) list let us know here:

juno.us/match

We may be able to match the rate, plus give you 1% cash back on your loan amount (and a 9-month grace period!) through our Rate Match Program.

