

Federal Direct PLUS Loans vs. Private Student Loans

	Federal Direct PLUS Loan	Private Student Loan	Private Parent Loan
Borrower	<ul style="list-style-type: none"> Parent or Graduate Student 	<ul style="list-style-type: none"> Student & Co-signer 	<ul style="list-style-type: none"> Parent
Interest Rate	<ul style="list-style-type: none"> Fixed interest rate determine yearly (Currently 6.48%) Interest accrues from the date the loan is disbursed. 	<ul style="list-style-type: none"> Variable or fixed interest rate determined monthly or quarterly based on Prime or LIBOR plus a margin. Interest accrues from the date the loan is disbursed. 	<ul style="list-style-type: none"> Variable or fixed interest rate determined monthly or quarterly based on Prime or LIBOR plus a margin. Interest accrues from the date the loan is disbursed
Fees	<ul style="list-style-type: none"> Fix % fee determined yearly: Deducted prior to disbursement to school. 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None
Credit Requirements	<ul style="list-style-type: none"> Credit check is based on federal standards and does not include credit scoring or debt to income ratios. 	<ul style="list-style-type: none"> Varies by lender: credit scores or debt to income ratios can be used to determine loan terms. 	<ul style="list-style-type: none"> Varies by lender: credit scores or debt to income ratios can be used to determine loan terms.
Loan Limits	<ul style="list-style-type: none"> Parents/graduate students may borrow up to the cost of attendance less other aid. 	<ul style="list-style-type: none"> Cost of attendance less other aid. Limits may also depend on lender maximums. 	<ul style="list-style-type: none"> Cost of attendance less other aid. Limits may also depend on lender maximums.
Cancellation	<ul style="list-style-type: none"> Only possible for following exceptions: permanent and total disability, Borrower death, or death of the dependent student. 	<ul style="list-style-type: none"> Varies by lender. 	<ul style="list-style-type: none"> Varies by lender
Repayment Terms	<ul style="list-style-type: none"> 6 month grace period after student ceases to be enrolled at least half time. 10 years, no pre-payment penalties. 	<ul style="list-style-type: none"> Varies by lender: Usually 6 month grace period after student ceases to be enrolled at least half time. Multiple plans per lender, determined when selection loan In school payment plans offered. 	<ul style="list-style-type: none"> No grace periods after student ceases to be enrolled at least half time. 5-15 years In school payment plans offered.
Deferment/Forbearance	<ul style="list-style-type: none"> Various deferment or forbearance options are available. 	<ul style="list-style-type: none"> Options vary widely- are generally less flexible than Direct PLUS loan deferments. 	<ul style="list-style-type: none"> None
Consolidation	<ul style="list-style-type: none"> Direct PLUS Loans may be consolidated at a fixed interest rate. See www.loanconsolidation.ed.gov. 	<ul style="list-style-type: none"> Very few private loan lenders offer consolidation options. See www.finaid.org for details. 	<ul style="list-style-type: none"> None

How To Apply

- PLUS Application at www.studentloans.gov
- Private www.geneva.edu/privateloans for information and www.elmselect.com for loan options