



# College Financing Options

## comparison chart

	Federal Direct PLUS Loans	Private Education Loans	Home Equity Loans
Who makes these loans?	Federal Direct PLUS Loans are offered by the federal government.	Private education loans are offered by banks or credit unions.	Home equity loans are offered by banks or credit unions.
Who can be the borrower?	Only a biological or adoptive parent, or a step-parent on the FAFSA can be the borrower on behalf of an undergraduate student.	The student can often be the borrower for a private education loan but may need a creditworthy cosigner.	The home owner has to be the borrower.
What are the interest rates?	All borrowers, regardless of credit quality, will pay the same fixed interest rate of 6.84% for the 2015–2016 academic year.	Interest rates can be fixed or variable and are determined by the credit quality of the applicant, and if applicable, cosigner. Chosen repayment term may also impact interest rate.	Interest rates can be fixed or variable and are determined by the credit quality of the applicant, and if applicable, cosigner. Chosen repayment term may also impact interest rate.
Are there fees?	All borrowers, regardless of credit quality will pay the same origination fee of 4.292%.	In the current market there are many zero/low fee private education loan options.	Home equity loans may have an application fee, appraisal fee and/or closing costs associated with making the loan.
Can you postpone repayment?	Deferments and forbearances are available through federal student aid regulations.	Deferments and forbearances will vary by lender but other consumer protections are available through federal and state banking regulations.	Home equity loans do not carry deferments or forbearance options but other consumer protections are available through federal and state banking regulations.