

COMPARING PLUS & PRIVATE LOANS:

	FEDERAL DIRECT PLUS LOANS	PRIVATE EDUCATION LOANS
WHO MAKES THESE LOANS?	Federal Direct PLUS Loans are offered by the federal government.	Private education loans are offered by banks, credit unions or state agencies.
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 be the borrower for a private education loan but may need a credit-worthy cosigner.
WHAT ARE THE INTEREST RATES?	All borrowers, regardless of credit quality, will pay the same fixed interest rate of 7.6% for the 2018–2019 academic year.	Interest rates can be fixed or variable and are generally determined by the credit quality of the applicant, and if applicable, cosigner. Chosen repayment term or other factors may also impact interest rate.
ARE THERE FEES?	All borrowers, regardless of credit quality, will pay the same origination fee of 4.248% for loans first disbursed between 10/1/2018 – 9/30/2019.	Fees vary by lender. However, in the current market, there are many zero/low-fee private education loan options.
CAN YOU POSTPONE REPAYMENT?	Deferments and forbearances are available through federal student aid regulations.	Deferments and forbearances will vary by lender.