As you evaluate options for financing your student's education, we wanted to share some information that we think may be helpful. We encourage you to explore all grant and scholarship options before turning to loans.

**Federal Direct Parent PLUS Loans**

Parents of dependent, undergraduate students may borrow up to the total cost of education minus other financial aid assistance through the PLUS loan program. Some highlights of the loan include:

- Fixed interest rate.*
- Interest begins to accrue once disbursed.
- An origination fee* is deducted from each disbursement.
- Repayment begins within 60 days after the final loan disbursement, OR you may defer payment until six months after the date your student ceases to be enrolled at least half time; however interest accrues during this time.
- This is a parent loan, so YOU are responsible for the repayment of this loan; it can't be transferred to your student's name.

**PLUS Loan application**: To apply for a Federal Direct Parent PLUS Loan, go to [www.studentloans.gov](http://www.studentloans.gov).

- Sign in using your parent FSA ID
- Click on Request a PLUS Loan.

**Master Promissory Note (MPN)**: Also found at [www.studentloans.gov](http://www.studentloans.gov), this is a legal document in which you promise to repay your loan(s) and any accrued interest and fees to the department. It also explains the terms and conditions. You'll need to complete the MPN if you're a first-time PLUS loan borrower, and if you have a PLUS loan for more than one student.

**Private Educational Loans**

Alternative or private educational loans are student loans from a lending institution, and are not part of the federal government guaranteed loan programs. We encourage families to exhaust their eligibility for federal student loan programs before turning to this resource, as federal loans typically offer better terms and lower rates.

**For private educational loans**:

- The loan is in your student's name, but a cosigner is typically required. Ask if there's a cosigner release option.
- Interest rates and fees vary, and may be variable or fixed.* If it's variable, ask about the interest rate spread.
- Repayment typically begins 6 months after graduation.
- Interest typically accrues once it's disbursed.
- Learn about the reputation of the lender; are they credible?
- What are the repayment options, terms and repayment benefits?
- Allow 3-4 weeks for processing, loan certification and receipt of funds. Plan accordingly to avoid late fees being charged to your student account.

**Processing Information**: We recommend borrowing to cover all semesters of the academic year rather than for each semester separately. Applying for one loan avoids multiple inquiries into your credit, and interest doesn't accrue until the loan is disbursed.

*Find more details, current interest rates and origination fees at [www.snc.edu/go/options](http://www.snc.edu/go/options). There is also an interactive tool on our website that allows you to compare loan features of specific lender's products.