

How to Apply for a PLUS Loan

If you are a dependent student pursuing an undergraduate program your parent may be able to pursue a PLUS loan through the Department of Education.¹ Since the parent is the borrower of the loan (not the student); the parent must apply for the loan. More information about the PLUS loan can be found at: <https://studentaid.ed.gov/sa/types/loans/plus>

Parents - follow these steps to apply:

- Parent borrower logs into <https://studentloans.gov> using his/her own FSA ID and password. Do NOT use the student's login information.



- Select “Apply for a Direct PLUS Loan.”
- Click on the Start button across from “Direct PLUS Loan Application for Parents” — second option from the top.
- Proceed with completing and submitting the application. A credit check will be completed during this process. Specify the amount being requested on the application. Remember loans are evenly distributed between fall and spring terms less the 4.276% origination fee that the Department of Education deducts.
- If denied the parent has several options (e.g. obtain an endorser, appeal the credit decision or the parent could decide not to pursue the loan. If not pursuing approval, the student may be eligible for additional unsubsidized loan funding).
- Parent borrowers need to complete a Master Promissory Note (MPN) for the PLUS loan. When completed with the application select “Complete Loan Agreement (Master Promissory Note).” Scroll down and click the blue start button across from the PLUS MPN for Parents (third option). If you have completed a PLUS loan MPN for the student in a previous year, a new one generally will not be required unless the loan was approved with the use of an endorser.

¹ Independent students who are pursuing an undergraduate degree are not eligible for the PLUS loan. These students can pursue private loan options. Students pursuing Graduate degrees have the option of pursuing either private loans or the Graduate PLUS loan. Graduate School students can apply for the PLUS loan for Graduate students at <https://studentloans.gov/myDirectLoan/index.action>.

Private Loans for Parents – How to Apply

While private loans are generally borrowed by students, a few lenders have options where the parent can be the borrower on a private loan. For parents who have good credit, sometimes the terms and interest rates on these loans may be more favorable than the Federal Parent PLUS loan.

Parents may review private loan options for parents at:

<https://choice.fastproducts.org/FastChoice/home/905800/2>



The screenshot shows the top navigation bar of the FASTChoice website. On the left is the FASTChoice logo (FC in a blue square). Next to it is the Bethel University logo, which includes a shield with a cross and the text "BETHEL UNIVERSITY". To the right of the logo is the text "Bethel University" followed by contact information: "(887) 408-4341", "33610@bethel.edu", and "www.bethel.edu". On the far right is a small image of a person working at a computer. Below the navigation bar is a large heading "Welcome to FASTChoice". Underneath this heading is a paragraph of text: "FASTChoice helps you review and compare various private loan borrowing options. Specifically these private loan options are for parents or sponsors who wish to borrow on behalf of a student. After you review your options, you will need to select the loan you would like to pursue and you will need to begin the application process with the lender. Please click continue to proceed to the loan options review page." To the right of this text is a photograph of three people (two women and one man) sitting on a couch and looking at a laptop. At the bottom right of the page is an orange button with the word "continue" in white text.

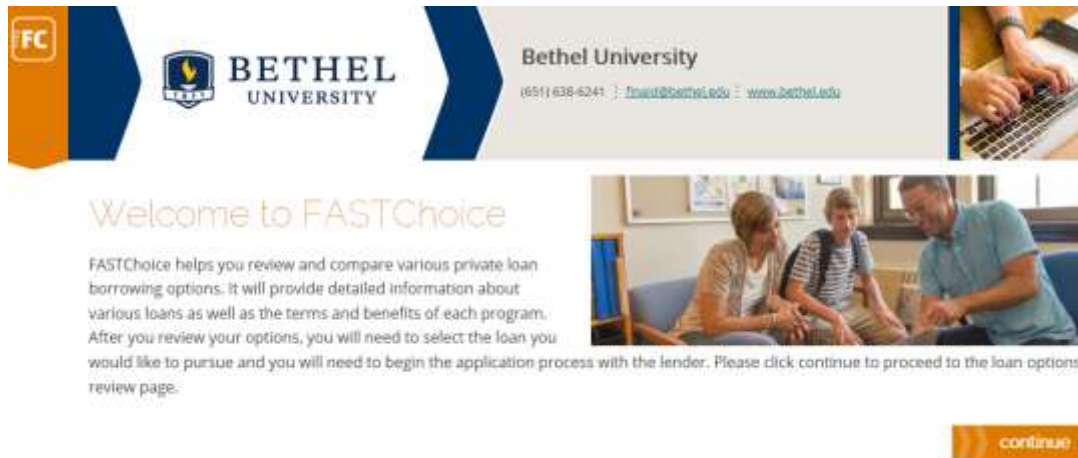
Click Continue and review various options. You can link directly to the lender’s website to apply online.

If your parent is NOT interested in borrowing a loan in his/her own name, then you should review “Private Loans for Students – How to Apply.”

Private Loans for Students – How to Apply

Students may pursue private loan options to help cover their educational expenses. Bethel has compiled a preferred lender list as a starting point to help student's evaluate borrowing options.

- Go to FastChoice: <https://choice.fastproducts.org/FastChoice/home/905800/1> and click "continue"



- Evaluate and compare loan programs. Link directly to the lender's website and apply online with the lender of your choice.
- Complete the loan process with your lender. All lenders will require a self-certification form which they will provide. Some will require proof of identity or income. You may be required to obtain a co-signer to secure funding. All requested information must be provided to your lender before your loan can be processed.
- Your lender will contact Bethel to request school certification on your loan.
- If you select a lender that is not on our preferred lender list please email us at finaid-loans@bethel.edu with the name of your lender, the lender's phone number, the amount you are requesting and the term(s) that you are requesting the loan for. Follow your lender's application instructions.

Questions? Contact the Financial Aid Office

Email: finaid-loans@bethel.edu

Phone: 615-628-6241

LOAN COMPARISON CHART*

Type of Loan	Borrower	Fees	Make Payments While in School?	Interest Rate 2017-18	Standard Repayment
Direct Subsidized Loan	Undergraduate Student	1.066%	No	5.05% Fixed	up to 10 years
Direct Unsubsidized Loan	Undergraduate Student	1.066%	Interest accrues, Optional in-school payment	5.05% Fixed	up to 10 years
Direct Unsubsidized Loan	Graduate Student	1.066%	Interest accrues, Optional in-school payment	6.60% Fixed	up to 10 years

*Rates and fees are as of 7/1/2018.

PLUS/Private Loan Eligibility*					
Type of Loan	Borrower	Fees	Make Payments While in School	Interest Rate 2017-18	Standard Repayment
Direct PLUS	Parent of Undergraduate Student or a Graduate Student	4.264%	Yes, but may request deferment if student is enrolled ½ time	7.60% Fixed	Up to 10 years
Private Loans	Student is typically the borrower- typically requires credit-worthy co-signer. Some lenders may offer private loan for parent borrowers.	Varies	Interest accrues, Optional in school payment	Varies based on market and credit score	Varies (10+ years)