

Graduate PLUS Loan vs. Private Loan

	Federal Direct Graduate PLUS Loan	Private Loan
Fixed Interest Rate	7.9%	As low as 3.75% (check rates)
Variable Interest Rate	Not Available	As low as 2.25% (check rates)
Origination Fee	4%	Usually 0% (check with lender)
Credit Requirements	-Credit check required -Approval determined by federal criteria (no adverse credit) and not on credit score	-Credit check required -Approval determined by lender criteria based on credit score and credit history
Enrollment Status	At least half-time	At least half-time (with the exception of the <i>Sallie Mae Smart Option Student Loan</i> and the <i>Wells Fargo Collegiate Loan</i>)
Eligibility	U.S. Citizen or permanent resident	U.S. Citizen or permanent resident OR must apply with a creditworthy U.S. Citizen or permanent resident cosigner, dependent upon lender
Pay For a Past Due Balance	No	Varies by lender
Annual Loan Limit	Cost of attendance less financial aid	Cost of attendance less financial aid
Aggregate Loan Limit	None	Yes, depending on lender
Grace Period	No federal grace period. However, loan will be placed into deferment for six months after you cease to be enrolled at least half-time	6-9 months, depending on lender
Repayment Terms	10-25 year, depending on plan	5-15 years, depending on lender
Repayment Options	Various repayment options available, including: Standard, Graduated, Extended, Income-Based, Pay as You Earn, and Income-Contingent	Varies by lender
Federal Loan Consolidation	Can be consolidated with other federal educational loans (i.e., Stafford)	Cannot be consolidated with federal loans. Private Loan Consolidation may be available with very few lenders
Borrower Benefits	0.25% interest rate reduction for Electronic Debit Account Repayment	-Benefits offered to reduce interest rates and overall loan costs, dependent upon lender -Cosigner release option, dependent upon lender