

Financing for Families: A Quick Comparison of Parent PLUS Loans and Private Loans

At Dickinson, we understand each family's financial situation is unique. We encourage families to consider their choices as they create a financial plan to invest in their child's education. Student & parent educational loan products are summarized below. As a reminder, Dickinson College partners with Nelnet Campus Commerce to offer [payment plans](#).

	Federal Direct Parent PLUS Loan	Private Loans
<i>Borrower Eligibility</i>	Parent only- cannot be transferred to student.	Student- will likely require a co-signer to share liability. Parent loans are now available from select lenders.
<i>Rates</i>	7.6% fixed until July 1, 2019 Rates for 2019-2020 academic year TBA	Fixed or variable, dependent upon credit score and income.
<i>Fees</i>	Origination fee- 4.248% until Sept. 30, 2019	Most feature no fees.
<i>Tax Considerations</i>	Interest may be tax deductible.	Interest may be tax deductible.
<i>Features</i>	May request deferment while student is enrolled at least half time. Many repayment plan options, including income-based plans. Deferments or forbearances available for hardship.	May choose to defer payments until graduation. Repayment terms range from 10 to 25 years. There will likely not be an income-based repayment option. Deferment and forbearance options for hardship may be available but vary widely and are less flexible.
<i>Forgiveness</i>	Federal insurance forgives loan in case of parent or student death, or parent total disability. Parents in qualifying public service positions may be able to consolidate a PLUS loan into a Direct Consolidation Loan to apply for public service loan forgiveness .	Some lenders will dismiss loan in case of death- see disclosures.

For more information regarding Parent PLUS Loans, please visit [Financial Aid: Direct PLUS Loan](#).

For more information regarding Private Loans, including our historical lender list, please visit [ELM Select](#). This is NOT a preferred lender list. Dickinson does not endorse any particular lender(s). You have the right to choose any lender offering student loans.

We strongly urge families to contact their financial planner or a tax professional for further assistance, particularly if considering non-educational financing products such as borrowing from home equity or retirement.

As a note of caution, retirement distributions are counted as income when determining financial need. Please speak with your financial aid counselor to determine if taking a distribution to pay college expenses will negatively affect your need-based grant in future academic years.