

Federal Parent PLUS Disclosure

What are Federal Parent PLUS?

Federal Parent PLUS Loans are loans taken out by parents of dependent undergraduate students, enrolled at least half-time, to help pay for their child's college expenses. Parents are responsible for repaying Parent PLUS loans. (PLUS loans taken out by graduate students are called Grad PLUS loans, but this section only deals with Parent PLUS loans.)

PLUS loans are in addition to the loans taken out by your child, and your PLUS loan will cover the entire cost of tuition, room and board, and other school-related expenses that your child's financial aid doesn't cover. These PLUS loans also have a fixed interest rate ([view the current PLUS Loan interest rate](#)).

Note: Parents cannot borrow more than the cost of the child's education minus other financial aid received—your child's school will determine the actual amount parents can borrow.

PLUS Loan Eligibility and Application Process

From the Department of Education's [website](#):

To take out a Direct Loan for the first time, you must complete a PLUS Application and master promissory note (MPN). The MPN 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 of your loan(s). The MPN will be provided either by your child's school or the Department.

If your child's school offers the option of completing the MPN electronically, you can do so online at the StudentLoans.gov website. If you are borrowing Direct PLUS Loans for more than one student, you'll need to complete a separate MPN for each one. To complete an MPN online, you will be required to use your Department of Education-issued PIN (not your child's). If you do not have a PIN, you may request one from the official PIN site.

In most cases, once you've submitted the MPN and it's been accepted, you won't have to fill out a new MPN for future loans you receive to pay for the educational expenses of the same student. Unless your child's school does not allow more than one loan to be made under the same MPN, you can borrow additional Direct Loans on a single MPN for up to 10 years.

You'll receive a disclosure statement that gives you specific information about any loan that the school plans to disburse under your MPN, including the loan amount and loan fees, and the expected loan disbursement dates and amounts.

A few of the basic eligibility factors for borrowing [Federal Parent PLUS Loans](#) include:

- An established financial need
- U.S. citizenship (or eligible non-citizenship)
- A credit check
- Filling out the FAFSA[®]
- A valid Social Security number

For more eligibility information, visit the [PLUS Loan eligibility](#) section of the Department of Education's website.

Paying Back Federal PLUS Loans

Unlike federal loans for students, you must start making payments on your Parent PLUS loans right after they are fully disbursed, with the first payment being due no more than 60 days after disbursement (the time at which funds have been sent to you or the school to pay for the education expenses).

If you are having trouble paying back your PLUS loan, there are options to lower your monthly payment amounts. You may also request deferment if you or your child is enrolled in school at least half-time, and up to six months after your child graduates or drops below half-time status. This allows you to forgo making payments on the loan until your child graduates or drops below half-time status. However, you are responsible for paying any interest that accrues during the time your payments are postponed. If you do not pay this interest during deferment, it will be capitalized at the end of your deferment.

If you have questions about PLUS Loans, please contact us! We're here to help.