

Federal Direct PLUS Loan - Parent PLUS

A [Parent PLUS Loan](#) allows a parent to borrow an amount up to the student's cost of attendance **minus** all financial aid the student may receive for the enrollment period. This is a last to pay loan and all other aid must be accepted or denied before the loan will be processed.

How to obtain a Parent PLUS Loan:

1. **The student must complete their FAFSA for the current aid year before beginning any additional aid applications.**
2. The **parent** listed on the student's FAFSA, should login to their **parent Federal Student Aid account** at: <https://studentaid.gov/>. Once the parent is logged into their account, they can navigate to the [PLUS Loan Application page](#) and complete the application. A credit check will be performed during the application process. If the parent is approved for a Federal PLUS Loan, the information will be sent to Arkansas State University for processing.
3. The parent will also need to complete a Parent PLUS Promissory Note at [Federal Student Aid](#). If the loan is denied and the parent wishes to seek an endorser, please fill out the MPN before adding an endorser to the loan.

What if my application is denied?

If a parent receives a denied loan application, the student is eligible to fill out an Additional Unsubsidized Loan Form. An appeal or endorser may also be an option if a loan is denied. If an appeal or endorser is approved for the specific loan application, an [MPN](#) and [PLUS Loan Credit Counseling](#) is required to receive the loan funds.

Note: an MPN and Credit Counseling is required for each loan that is approved by appeal or endorser. If your loan is being endorsed please email our PLUS Loan coordinator. The Federal Student Aid does not notify us that the loan is being endorsed and we must pull it in manually.

For summer session(s), you must complete a separate loan application, since it is a separate loan term.

Credit applications only stay on file for 6 months. This is subject to change according to federal regulations. We recommend applying at least one month prior to the start of class. If the approval date is expired, the loan funds will not be disbursed.

Note: Loan applications take at least 24 hours to get to us and they will be processed in the order they were received.

How Much Can Be Borrowed?

Parents may borrow up to their student's total cost of attendance less other financial aid received such as grants, scholarships and loans. The total cost of attendance is determined by the Office of Financial Aid based on an average cost for tuition, books, room and board, travel, and miscellaneous expenses for the academic year.

What is the Loan Processing Fee?

The [processing fee](#) is a fee the lender charges up-front for providing you the loan. The processing fee for a loan disbursed:

1. Between October 1, 2020 and before October 1, 2025 is **4.228%**
2. Between October 1, 2019 and before October 1, 2020 is **4.236%**

What is the Interest Rate?

The fixed interest rate is

1. **9.08%** for a loan disbursed between July 1, 2024 and before July 1, 2025.
2. **8.05%** for a loan disbursed between July 1, 2023 and before July 1, 2024.

*Interest begins accruing at the time of the first disbursement.

When do I have to Repay?

1. Repayment begins within 60 days after the final disbursement for the loan period.
2. [Deferment](#) may be an option.

For additional information, please visit the Federal Student Aid website at:

<https://studentaid.gov/understand-aid/types/loans/plus/parent>

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