

Partnership No-Cosigner Loan for Graduates or PLUS Loan?

The federal government offers PLUS Loans to help with college costs not covered by other financial aid. However, the PLUS loan comes with an upfront fee of more than 4% while the Partnership No-Cosigner Loan for Graduates has comparable rates and no fees. This side-by-side comparison of the Partnership No-Cosigner Loan for Graduates to the PLUS Loan may help you determine which is better for your financial situation.

	Partnership No-Cosigner Loan for Graduates	Grad PLUS Loan
Borrower	Graduate student enrolled in full-time studies at an Iowa college or university	Student (for graduate or professional degree students)
Interest and Annual Percentage Rates	Deferred Payment: ▶ 5.60% fixed interest rate (5.38% APR ¹) Additional options with lower rates are available. Visit www.iowaStudentLoan.org for full details on rates and terms.	5.30% fixed interest rate (5.54% APR for deferred repayment ²) PLUS Loan rates change every year on July 1. The rate you receive is determined by disbursement date (when money is sent to the school), not by application date. The rate listed above is for loans first disbursed on or after July 1, 2020, and before July 1, 2021.
Origination Fee	0%	4.236% for loans first disbursed on or after Oct. 1, 2019, and before Oct. 1, 2020; 4.228% for loans first disbursed on or after Oct. 1, 2020, and before Oct. 1, 2021
Payments Required While the Student Is Enrolled	In-school payments may be required based on the loan selected. You may choose options requiring principal and interest payments or interest-only payments while you're enrolled in school or choose to defer all payments while you're enrolled.	Repayment for grad PLUS loans begins six months after you graduate, leave school or drop below half-time enrollment.
Employment and Income Criteria	No employment or income check requirement, however, a specific credit score is necessary to qualify for the loan	No employment or income check requirement to determine eligibility for the loan
Cosigner Requirement	This loan does not allow cosigners.	A cosigner is not required; however, an endorser can help an applicant with an adverse credit history qualify for the loan.
Borrower Benefits	0.25% interest rate reduction with automatic payment withdrawal	0.25% interest rate reduction with automatic payment withdrawal
Repayment Term	10 or 15 years	10–25 years

Have High-Rate Loans Already?

If you have private loans with high interest rates, you may be able to refinance today for a lower rate. We offer regular refinancing, where repayment begins immediately, as well as an in-school refinance that lets you delay repayment until after college.

¹ Annual percentage rates (APRs) are based on borrowing \$10,000, a 0% origination fee, deferring principal and interest for 51 months, and a fixed interest rate of 5.60% during the 51-month in-school and separation period and the 180-month principal and interest repayment period.

² The U.S. Department of Education does not provide annual percentage rate (APR) calculations for federal student loans. As a guide for comparing costs however, the APR for loans that are deferred while you are enrolled is based on borrowing \$10,000, a 4.236% origination fee, deferring interest and principal for 51 months and a fixed interest rate of 5.30% during the 51-month in-school and separation period and the 120-month principal and interest repayment period.