

Applying for a Parent PLUS Loan

The William D. Ford Federal Direct **Parent PLUS Loan** is an unsubsidized loan available through the U.S. Department of Education (DOE) to parents who wish to borrow money to help their dependent undergraduate children cover the costs of their college education. The Parent PLUS Loan requires credit approval and is generally meant to supplement the student's other financial aid.

New Rules Effective July 1, 2026 (under the "One Big Beautiful Bill Act")

Effective July 1, 2026, new Parent PLUS Loans are subject to an annual borrowing limit of \$20,000 per student and a lifetime aggregate limit of \$65,000 per student.

Previous Borrowers: If the student or parent have received any Federal Direct Loan disbursement before July 1, 2026, while the dependent student was enrolled in the **same degree** program at Northwest University, the parent can continue to borrow a Parent PLUS Loan up to the student's full cost of attendance (minus other aid) for up to three academic years or the remainder of the dependent student's expected time to credential, whichever is less.

Information for PARENTS

When should I apply?

A new application must be completed each year you wish to receive a Parent PLUS Loan (credit-checks are valid for up to 180 days). It is best to complete the application after your child has received their Financial Aid Offer; as knowing the amount of financial aid your child is receiving will help you to determine the appropriate PLUS Loan amount to request.

What are the eligibility requirements?

You (the parent) must:

- Be a U.S. Citizen or National or Permanent Resident/Other Eligible Non-Citizen.
- Be the biological or adoptive parent of a dependent undergraduate student—or— the spouse of the student's biological or adoptive parent *and* considered to be a parent in accordance with the FAFSA.
- Not have an adverse credit history (or obtain a credit-worthy endorser to cosign the loan).
- Have a valid FAFSA on file at Northwest University for the appropriate academic year.
- Meet all general eligibility requirements for federal student aid, as defined by the U.S. Department of Education. For more information, visit [StudentAid.gov/understand-aid/eligibility/requirements](https://studentaid.gov/understand-aid/eligibility/requirements).

What if I am not eligible for a Parent PLUS Loan?

If your PLUS Loan application is denied based on the results of your credit-check, you may obtain a credit-worthy endorser to cosign the loan or appeal the credit decision by documenting extenuating circumstances to the satisfaction of the DOE. If your application is approved with an appeal or endorser, you must also complete **PLUS Credit Counseling** at [StudentAid.gov](https://studentaid.gov). If you are unable to obtain an approved endorser or appeal, or other exceptional circumstances exist that prevent you from borrowing a PLUS Loan, your child may be eligible to receive up to an additional \$5,000* per year in unsubsidized loan funds (*up to the amount normally available only to independent undergraduate students at the same grade level).

What other important information should I be aware of?

Interest Rate: Determined annually by the Government and fixed at the time of disbursement for the life of the loan. For current rate visit [StudentAid.gov/understand-aid/types/loans/interest-rates](https://studentaid.gov/understand-aid/types/loans/interest-rates).

Loan Fee: Prior to receiving any Parent PLUS Loan funds, the Government deducts a percentage of the principle loan amount, which is subtracted proportionately from each disbursement. This means the money you receive will be less than the amount you actually borrow. See [StudentAid.gov/interest](https://studentaid.gov/interest) for current loan fees.

Maximum Amount: Effective July 1, 2026, new Parent PLUS Loans are subject to an annual borrowing limit of \$20,000 per student and a lifetime aggregate limit of \$65,000 per student. For previous borrowers enrolled in the same degree program at Northwest University, the parent can borrow up to the student's full cost of attendance for the period in which the loan is intended, minus the amount of other financial aid their child is receiving for up to three academic years or the remainder of the dependent student's expected time to credential, whichever is less.

Receiving Your Loan Money: Parent PLUS Loans are generally disbursed by semester in equal installments, and the student must be enrolled at least ½ time. The funds will first be applied toward the owing balance on your child's school account. Any loan amount that remains after all charges have been paid is called a *credit balance*. The credit balance will be refunded directly to you or your child in accordance with the *Credit Balance Option* you selected when completing your online Parent PLUS Loan application at [StudentAid.gov](https://studentaid.gov).

Repayment: The repayment period begins on the date of the final disbursement of the loan, with the first payment due 60 days from that date. You may be able to defer payments while your child is enrolled at least half-time, and for an additional six months after they graduate or drop below half-time. To learn more, visit [StudentAid.gov/deferment-forbearance](https://studentaid.gov/deferment-forbearance).



Instructions for PARENTS – How to Apply for a PLUS Loan

Step 1: Student Submits a FAFSA and Receives a Financial Aid Offer

In order to receive a Parent PLUS Loan, your student must have a valid Free Application for Federal Student Aid (FAFSA) on file at Northwest University for the applicable academic year. The FAFSA is completed online at [StudentAid.gov](https://studentaid.gov). Once the FAFSA is received and evaluated by Student Financial Services, your student will receive a Financial Aid Offer reflecting an **estimated package** of the maximum amount of aid available to them for the academic year.

Step 2: Parent Completes a PLUS Loan Application and Credit-Check

It is best to complete this step after reviewing your child's Financial Aid Offer and estimated out-of-pocket costs; as knowing the amount of financial aid your child is receiving will help you to determine the appropriate PLUS Loan amount to request.

- Go to [StudentAid.gov](https://studentaid.gov) and select the **Login** button to login with your Federal Student Aid username and password (FSA ID).
 - * You must have your own unique FSA ID (do not use your child's FSA ID). For help, visit [StudentAid.gov/fsa-id](https://studentaid.gov/fsa-id).
- Once logged in, hover over the **Loans and Grants** menu item located at the top of the page and select **PLUS Loans: Grad PLUS and Parent PLUS** under the "Get a Loan" section.
- Under "Select a borrower type", select the **Learn More** button located next to **I am a Parent of a Student**.
- Select the **Start** button next to **I am a Parent of an Undergraduate Student**.
- Select **Continue** to confirm that you are logged in as a parent and do not currently have a freeze on your credit report.
- Select the appropriate **Award Year** from the drop down.
- Select **your child** (if listed) or manually enter **your child's** information under the **Student Information** section.
- Select **Northwest University** as the school to notify and select **Continue**.
- Indicate **how much you would like to borrow** and the **loan period** you are requesting (contact NU Student Financial Services if you are unsure).
- Review and answer the **Deferment** and **Authorization** questions, choose your **Credit Balance Option**, and select **Continue**.
 - * The Credit Balance Option you select will dictate whether a credit balance refund gets paid directly to you or your child.
- Enter **your** information (**the parent**) in the **Parent Information** section and select **Continue**.
- **Review important notices and provide authorization** for the U.S. Department of Education to **perform a credit-check**.
- **Review and confirm all information** provided and **submit** the application.
- You will be notified immediately if your credit-check has been approved or denied, and the results will be sent electronically to Northwest University within approximately 48 hours. Credit decisions remain valid for **180 days**.

Step 3: Parent Completes a PLUS Loan Master Promissory Note (MPN)

The PLUS Master Promissory Note (PLUS MPN) explains all of the terms and conditions associated with PLUS Loans and constitutes your legally binding agreement to repay all loans received under the MPN. If you have borrowed a Parent PLUS Loan for this child in the past, and the PLUS MPN has not expired, you do not need to complete a new one. However, if you have not borrowed a PLUS Loan for this child before, or your PLUS MPN has expired, **you must complete this step**.

- Go to [StudentAid.gov](https://studentaid.gov) and select the **Login** button to login with your Federal Student Aid username and password (FSA ID).
- Once logged in, hover over the **Loans and Grants** menu item located at the top of the page and select **Master Promissory Note (MPN)** under the "Get a Loan" section.
- Select the **Start** button next to **I'm a Parent of an Undergraduate Student**.
- Continue on to complete the **PLUS MPN for Parents**, making sure to thoroughly review all terms and conditions entailed.
- Once complete, the PLUS MPN will be sent electronically to Northwest University within approximately 48 hours.

What's Next?

After Completing Steps 1-3

Once all 3 steps above have been successfully completed, you will be notified when your Parent PLUS Loan has been added to your child's Financial Aid Offer.

