



# THE COLLEGE PARENT



## College Loans Get Good Grades From Parents

(NAPSA)—Parents of undergraduate college students are finding a silver lining in the clouds of rising education costs during the 2004-2005 academic year. The silver lining comes in the form of federal student loan interest rates that are at all-time lows.

One loan that is getting good grades from parents has rates as low as 4.17 percent, which is down from 4.22 percent in 2003-2004. The rates for this loan, called the Parent Loan for Undergraduate Students (PLUS), are set by the federal government and will continue through June 30, 2005.

“Families also may qualify for interest rate reduction programs to help lower their rates even more,” said Fabrizio Balestri, president and CEO of Student Loan Xpress, Inc., a subsidiary of Education Lending Group, Inc. “Parents can take out a PLUS loan at rates as low as 2.17 percent through the SLX Parent Loan program.”

Why is this type of loan so beneficial for parents? Because these loans can be used to pay for all college-related expenses—and parents can borrow up to the total cost of college, less other aid. Part of the Federal Family Education Loan Program (FFELP), the loans are available to parents regardless of income or assets and may be tax deductible.

### **You're Not Alone**

According to the National Center for Education Statistics, about 50 percent of lower- and middle-income students and 35 percent of higher-income students relied on college loans in 2000 (the most recent year for which data is available).

Parents who have already used high-cost loans, credit cards, personal savings or retirement plans



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to pay for their child's higher education can even use a PLUS loan to reimburse themselves for those costs in the current school term.

“I find that many parents are surprised by the PLUS loan's ability to pay for fees, room and board, and books at a much lower interest rate than a private loan,” says Ellen Frishberg, director of student financial services at Johns Hopkins University.

### **Education A Good Investment**

Parents concerned about the ever-rising cost of college are a strong majority. A national survey conducted by international research firm Wirthlin Worldwide shows that only seven out of 10 parents are concerned about paying for college. Still, financially assisting their children with college costs is an investment with impressive returns. Education experts routinely point out that today's college graduate will earn \$1 million more in his or her lifetime than a person who does not attend college.

Parents, students and schools can learn more by calling 866-300-8113 or by visiting us on the Web at [www.studentloanxpress.com](http://www.studentloanxpress.com).