



# EFC Announces Competitive New Loan Rates Offered By Nonprofit & State-Based Organizations

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*EFC Members offer lower rates and fees than high-cost Federal Parent PLUS Loan*

WASHINGTON, July 11, 2017 /PRNewswire-USNewswire/ -- Education Finance Council (EFC), the national trade association representing nonprofit and state-based higher education finance organizations, is pleased to announce its members' competitive [education loan rates and terms](#) for the upcoming 2017-18 academic year.

All nonprofit and state-based lenders offer a loan option with a lower interest rate than the Federal Parent PLUS Loan. The majority of EFC Member programs offer a product with a fixed interest rate of less than five percent and low or no loan fees; by comparison, starting July 1, the interest rate on the Federal Parent PLUS Loan is 7 percent, with a steep 4.276 percent loan fee.

Borrowing from an EFC member organization is a smart option for families, as these organizations are trusted resources in their states, guided by a [robust set of principles](#) that define their consumer-first programs. As such, their interests are inherently aligned with the students and families they serve — not shareholders.

Nonprofit and state-based lenders also integrate personalized counseling as part of their loan programs to ensure that borrowers first exhaust all Federal Stafford and lower-cost institutional loans, are fully aware of all the options available to them, and only borrow what they need and can afford to repay. EFC Members also offer strong borrower benefits, such as interest rate reduction options for automatic payments, loan forgiveness for students who work in a critical field in the organization's state, income-based repayment plans, death and disability forgiveness provisions, and co-signer release benefits.

Given the July 1 interest rate increase for the Federal Parent PLUS Loan, EFC suggests that families also consider the lower-cost products available through nonprofit and state-based organizations, who offer consumer-friendly loans at lower rates than the Parent PLUS Loan. Learn more about EFC Members' competitive programs [here](#).

*Education Finance Council (EFC) is the national trade association representing nonprofit and state-based higher education finance organizations. All EFC Members, as public-purpose organizations, strive to increase college access, success, and affordability in their states and nationwide, operating as loan servicers and supplemental loan originators while providing a wide array of college access and student success services and resources. In the past year, EFC Members directly worked with over 2.5 million families to help them successfully plan, save, and pay for college.*