



UNIVERSITY OF CENTRAL OKLAHOMA

Office of Student Financial Aid
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WELCOME TO UNIVERSITY OF CENTRAL OKLAHOMA

PRIVATE LOANS

Private (sometimes called "alternative") student loans may be an important funding source for students who are ineligible for federal student loans or who need more loan funds than the federal programs can supply. Terms of private loans differ significantly and students have different needs and concerns when selecting a private loan program.

Listed below are private loan programs. All encourage phone or online application. For loans which require school certification, allow 4-6 weeks for processing by Student Financial Services. Note: Avoid applying for several loans by "shopping" for credit approval. Multiple requests for loan approvals can harm your credit record. And could actually prevent you from being approved.

LENDER AND LOAN PROGRAM	PROGRAM REQUIRED?	ENROLLMENT STATUS	ANNUAL LIMITS	SCHOOL CERTIFICATION REQUIRED?
Chase Education One® Loan 1-866-661-3879 www.ChaseEd1.com/3879	NO	Can be less than half-time	Minimum \$1,500 Maximum \$30,000/year	NO
Bank of America Private Loan 1-800-967-2400 www.bankofamerica.com/studentbanking	Must be pursuing a degree	At least half-time & making satisfactory academic progress	Cost minus other aid; Minimum \$1,000	YES
Citibank CitiAssist Loan 1-800-394-7580 www.studentloan.com	Must be receiving college course credit	At least one hour	Cost minus other aid	YES
Collegiate Funding Services 1-866-922-9965 www.cfsloans.com	NO	At least half-time	Maximum \$30,000 Minimum \$1,500	NO
FOCUS Consumer Education Loan 1-877-EFSI-744 or 1-877-337-4744 www.efsi.net/focus	Yes, student must be pursuing a degree, but does not have to meet Satisfactory Academic Progress	At least half-time	Cost of attendance minus other financial aid; No aggregate limits	NO
Key Bank Alternative/Achiever Loans 1-800-539-5363 www.key.com/educate	Special programs for MBA, Grad, Law and non-degree students	At least half-time	Cost minus other aid; Minimum \$500	YES
Nellie Mae Excel Loans 1-800-367-8848 www.nelliemae.com	Must be pursuing a degree; special programs for MBA, Grad, & Law	At least half-time	Cost minus other aid; Minimum \$500	YES
Sallie Mae Signature Education Loan 1-800-695-3317 www.salliemae.com/apply/borrowing/signature.html	Must be pursuing a degree; special programs for MBA, Grad, & Law	At least half-time	Cost minus other aid; Minimum \$500	YES

Students seeking private educational loans should consider several factors when comparing private loan programs and selecting a private loan lender:

INTEREST RATES: Rates are usually variable

ACCRUAL TERMS: The frequency of interest capitalization while in school or in grace periods can significantly affect total interest costs. More frequent capitalization accelerates the growth of the principal balance, in effect requiring the borrower to pay interest on interest.

FEES: Fees vary widely. Typically charged as a percentage of the loan balance, they can range from as low as 0 percent to 8 percent or higher. Fees may be discounted from the loan amount or added to the amount borrowed. In addition, some lenders may opt to charge a fee when the loan is disbursed or collect a fee when the loan enters repayment.

MULTI-TIER PRICING SCHEDULES: Lenders are increasingly offering multi-tiered loans that tie rate and fee levels to the borrower's creditworthiness. The stronger the credit record, the better the terms.

IN-SCHOOL DEFERMENT AND GRACE PERIOD: Some loans allow borrowers to defer payments while they are in school and during a post-school grace period.

BORROWER BENEFITS: A number of loan programs reward borrowers for consistently making their payments on time. These benefits may take effect after a period of one to four years. The benefits may take the form of reductions in the interest rate or a rebate of origination fees. Some lenders have begun offering up-front benefits, such as a preferential interest rate from the onset. The borrower keeps this rate as long as he/she makes on-time payments. A late repayment causes the rate to rise under a specified formula. Borrowers should understand the importance of always making on-time payments. Borrower benefits are theirs to use or lose.

COSIGNER TERMS: Does the loan allow a borrower to qualify for better interest rate by obtaining a cosigner? This is important, because many young people simply don't have a strong enough credit record to qualify on their own. Some lenders allow cosigners to be dropped from the loan after a specified period of on-time payments, provided the borrower is deemed sufficiently creditworthy (usually referred to as a "cosigner release").

CREDIT CRITERIA: Virtually all private loan providers check the credit record of a borrower. The terms of the loan may be different depending on how a student meets the lender's credit criteria. For example, creditworthy borrowers might have a documented credit history, while credit-ready borrowers simply do not have a credit record to review. For some private lenders, creditworthy borrowers may be required to have a three-year employment history and a debt-to-income ratio of 40 percent or less. Credit-ready borrowers do not have to meet these criteria.

LATE CHARGES: Penalties and rules for imposing late charges can vary widely among lenders. This key detail in the fine print should not be overlooked.

chasestudentloans.com
1-800-487-4404

e-mail: studentloans@chase.com

