



CAL POLY POMONA

California State Polytechnic University, Pomona Office of Financial Aid and Scholarships

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2009-2010

Private Loan Instruction Sheet

Private student loans are also known as **Alternative Loans**. Private loans tend to cost more than the Stafford loans offered by the Federal government. Private loans help bridge the gap between the actual cost of attendance/fees and limited amount of federal student loans.

Program Description

Private student loans (also known as Alternative Loans) can help you pay for school expenses not covered by scholarships, grants or other forms of financial aid. Private loans often provide critical assistance when federal loans, grants and other forms of financial aid are not enough to cover the full cost of your education. Eligibility and interest rates vary from lender to lender.

Eligibility

1. Must complete a FAFSA for 2009/10.
2. Enrolled at least one unit at Cal Poly Pomona.
- *3. Enrollment eligibility terms stipulated by lender.
4. Meet satisfactory academic progress standards as defined at Cal Poly Pomona.
5. Must be at least 18 years old.
6. Have established credit history.
7. International students will need a U.S. co-signer.

Maximum Annual Amount

Total cost of attendance minus any other financial aid received.

Minimum Annual Amount

\$100

Minimum Monthly Payment

\$50/month

Repayment

Repayment terms vary with each lender. Some lenders require the first payment immediately at disbursement, while other lenders offer a six-month grace period after graduation, separation from school, or dropping below half-time enrollment status. The length of the repayment terms may vary depending on the lender and the amount borrowed.

Fees

1. Origination fee 0%
2. Guarantee fee 0%

Interest Rate

Lenders use a variety of different financial indexes to calculate the interest rate on private loans. These indexes are tied to economic factors that make the interest rate on private loans a variable rate. The two most common indexes used are **LIBOR** and **Prime Rate**. **LIBOR** has been historically the **Prime Rate**. Since lenders compute the interest rate differently, check with each lender to determine how the interest rate is calculated and to find the most current interest rate.

Extended University Student Loans

Private loans are available to assist borrowers who do not qualify for the federal loan programs. Interest rates, fees, and repayment vary with each lender so you will need to research to determine the best program for your needs. The application process is initiated by the student with the lender and funds are disbursed from the lender directly to the student. Cal Poly Pomona will not need to certify any information for the processing of these loans.

Current lender partner offering a private loan program:

1. **PNC Bank National Collegiate Loan** (1.800.762.1001)
2. **Wells Fargo Education Connection Loan** (1.877.437.6938)

Is a Private Loan Right for You?

Private Loans at Cal Poly Pomona

1. Student must complete and file a 2009-2010 **Free Application for Federal Student Aid (FAFSA)**. The information on the FAFSA will assist us in processing your Private Loan application.
2. Private Loans are processed electronically online through ELM Select. To apply for a Private Loan log onto <http://www.elmselect.com/oll/SchoolLenderList/?schoolId=8328>. Applications can be processed beginning July 1, 2009.
3. Click on **"Private Loan"** and then click on **"Apply Now."** The Lender will pre-approve your credit and request a certification from Cal Poly Pomona.
4. Once your Lender sends notification to Cal Poly Pomona of your credit approval, we will send you an "Alternative/Private Loan Questionnaire" for you to fill out and return to the school prior to your loan certification, or you can download the questionnaire from our website www.csupomona.edu/financial_aid under **"Download Form."**
5. The Office of Financial Aid and Scholarships will verify your eligibility and electronically send the verification to the Lender. Funds will be disbursed electronically to Cal Poly Pomona, on a quarterly basis.

Determining your Loan Amount

To determine how much you can borrow, take the annual cost of attendance at Cal Poly Pomona and subtract from the amount of Financial Aid you have been awarded. The result is the amount of your Private loan eligibility.

2009/2010 Estimated Cost of Attendance (based on full time attendance)

	Undergraduate	Graduate	Teacher Credential / 2 nd BA
Living with Parents	\$12,774	\$13,845	\$13,437
Living On Campus	\$18,081	\$19,152	\$18,744
Living In Suites	\$17,247	\$18,318	\$17,910
Living Off Campus	\$18,396	\$19,467	\$19,059

Choosing a Lender

Students have a choice of lenders. For the use of lenders not listed on the participating lender list, please visit the Office of Financial Aid and Scholarships for further information. The terms and conditions of all loan programs are the same for each lender, but lender policies may vary. Students are encouraged to inquire about these differences. Some of the differences may include; servicing the loan, consolidation, repayment options and repayment incentives.

Chase Discover US Bank
Citibank Sallie Mae Wells Fargo

*Citibank, US Bank & Discover require "at least half-time enrollment."