

# COMMON ALTERNATIVE LOAN QUESTIONS & ANSWERS

## Q How do I determine how much I may need to finance for my education?

A Review your Award Letter if you applied for financial aid. Determine your anticipated outstanding balance for the academic year (Fall/Spring).

It is recommended that when you borrow an alternative loan that you borrow only once for the academic year. Interest will accrue only for that portion of the loan which is disbursed.

## Q How do I choose a financing option?

A Research Alternative Financing Options best suited to meet your financing goals. Alternative loan programs represent a range of options and include eligibility and credit criteria, fees, interest rates and repayment options. When considering an alternative method of financing your education, you should be certain to review all of your options under each program before making a decision. You may consider using the payment plan and/or a loan program that best suits your needs.

## Q Do students need a cosigner for an alternative loan?

A In most cases, yes. A creditworthy cosigner (a parent, relative or friend with good credit) can also strengthen the application and help reduce interest rates and fees.

## Q Does an adverse credit history affect my chances of obtaining an alternative loan?

A **Yes.** All alternative loans are credit based loans. If you have adverse credit (including late payments, charge offs, or bankruptcies), you might want to consider a more credit worthy cosigner.

## Q When should I apply?

A You should apply at least four (4) weeks prior to the due date of your first semester's bill. You can apply on-line or via the telephone. You will also be required to submit a Promissory Note to secure your loan. This **MUST** be completed with your lender **PRIOR** to the Curry College bill due date.

Once you apply, you will be required to complete a Private Education Loan Applicant Self-Certification Form from your lender. To obtain the information you need for this form view your myCurry Portal page for the information to questions A, B and C.

A revised Award Letter will be mailed to the student acknowledging that an Alternative Loan has been processed.

It is recommended that you only apply once and borrow for the entire year (Fall/Spring). Note: You must reapply annually for alternative loans.

## Q Is there a way I can compare alternative loans between different lenders?

A **Yes,** ELMSelect (elmselect.com) is an online tool to compare alternative loans.

## GLOSSARY OF TERMS

**Interbank Offered Rate (LIBOR):** is an estimate of how much interest a bank would pay to borrow money from other financial institutions. It is determined on a daily basis by the British Bankers' Association and derived from a filtered average of the world's most creditworthy banks. Current rate for 1 month LIBOR as of March 2020 is 1.61% and the current rate for 3 month LIBOR is 1.64%

**PRIME:** interest rate that commercial banks charge their most credit-worthy customers. It is determined by the Federal Funds Rate, which is the rate banks charge each other to borrow money overnight. Current rate as of March 2020 is 4.75%.

**Cosigner:** The act of signing for another person's debt which involves a legal obligation made by the cosigner to make payment on the other person's debt should that person default. Having a cosigner is a way for individuals with a low income or poor/limited credit history to obtain financing.

**Variable Rate:** A rate that is linked to Prime or LIBOR that can change (increase or decrease) during the term of the loan. Variable rate loans are generally lower than fixed rate loans.

**Fixed Rate:** A rate that is linked to Prime or LIBOR that remains fixed (will not increase or decrease) for the entire term of the loan.

# CURRY COLLEGE

## Resources for Alternative Financing 2020-2021



We know that a college education is a significant investment for many families. While the value of a college education cannot be measured in dollars and cents alone, Curry College is committed to providing the finest quality education to our students at an affordable price.

Navigating through all of the financing options available to you can be overwhelming. To assist you, we have developed this brochure which presents credit-based loan and payment plan options that you may be eligible for. As you review these options, feel free to contact our office with any questions.

## Curry College is Affordable

### How to Determine Your Loan Period

It is recommended that when you borrow an alternative loan that you **borrow only once for the academic year.** Interest will accrue only for that portion of the loan, which is disbursed. For example, if you are enrolling for the Fall and Spring semesters you should calculate your balance to cover the entire academic year. This will require only one loan application and review of your credit history. Loans are disbursed in two equal payments unless otherwise noted. The Loan Period for the Fall and Spring semesters is **August 31, 2020 to May 15, 2021.**

### Educational Loan Programs

Curry College will work with and process Alternative Loans for any lender of your choice. Parents and students have the right to select the private loan lender of their choice without penalty by the College and are not required to use any private loan lender listed on this brochure. When selecting the options best suited for your circumstances, you should compare interest rates, credit requirements and repayment options.

### Truth in Lending (TILA)

The Higher Education Opportunity Act (HEOA) enacted August 2008 amended the Truth-in-Lending Act (TILA) establishing private education loan disclosure requirements about loan terms on or with the loan application and lenders must also disclose information about lower cost alternatives like federal student loans. Additionally, once the loan is approved and finalized for disbursement, additional disclosures must be provided. These regulations were passed to ensure that borrowers of private education loans have the necessary information to make informed choices about financing products to fund educational costs. These regulations apply to all private education loans but not to loans under the Federal IV loan programs (Stafford, Perkins and PLUS). You may view a model private lender agreement (PLA) form at [curry.edu/undergraduatefinancingoptions](http://curry.edu/undergraduatefinancingoptions).

We encourage you to start early in the planning of your educational financing so you do not experience delays in receiving your education loan proceeds. Under these new amendments, you, the borrower will have additional responsibilities as a loan borrower including acknowledgement of the disclosure statements and completion of the Self-Certification Form. We encourage you to check with your lender to ensure you complete all necessary paperwork. Also, we invite you to contact the Student Financial Services Office if you have any questions about these new requirements.

### STUDENT FINANCIAL SERVICES

1071 Blue Hill Avenue, Milton, MA 02186 tel: 617-333-2354 fax: 617-333-2915  
Financial Aid email: [fin-aid@curry.edu](mailto:fin-aid@curry.edu) Student Accounts email: [studentaccounts@curry.edu](mailto:studentaccounts@curry.edu)

## TUITION PAYMENT PLAN

Payment Option	Eligible Participant	Features	
<b>Nelnet Campus Commerce</b> <b>curry.afford.com</b> <b>800-722-4867</b>	<ul style="list-style-type: none"> <li>Any family with a student attending Curry College is eligible</li> <li>Typically in parent(s)' name</li> <li>No credit check required</li> </ul>	<ul style="list-style-type: none"> <li>No interest or finance charge</li> <li>Low annual enrollment fee of \$60 for the 10 month plan</li> </ul>	

## PRIVATE LOANS

LENDER	Who Can Borrow		Must Be Enrolled in a Degree Program		Eligible Borrower			Satisfactory Academic Progress Required		Cosigner Release Option		Eligible for Past Due Balances
	Parent	Student with Cosigner	Yes	No	Full-time	Half-time	Less than Half-time	Yes	No	Yes	No	
<b>US DEPARTMENT OF EDUCATION</b> Federal Direct PLUS Loan studentaid.gov 1-800-4-FED-AID (800) 433-3243	✓		✓		✓	✓		✓			✓	No
<b>AAA</b> <b>AAA Advantage Loan</b> <a href="https://northeast.aaa.com/financial/studentlending/aaa-advantage-loans.html">https://northeast.aaa.com/financial/studentlending/aaa-advantage-loans.html</a> 866-513-8445		✓	✓		✓	✓			✓	✓		Yes Up to 90 days after academic period ends
<b>Citizens Bank</b> <b>Citizens Bank Student Loan</b> citizensbank.com/studentloan 800-708-6684	✓	✓	✓		✓	✓			✓	✓		Yes Up to 180 days after academic period ends. Student must be currently enrolled at least half-time
<b>Discover</b> <b>Discover Undergraduate Loan</b> DiscoverStudentLoans.com 800-788-3368		✓	✓		✓	✓		✓			✓	No
<b>Massachusetts Educational Finance Authority (MEFA)</b> MEFA Loan for Undergraduate Education mefa.org 800-449-6332		✓	✓		✓	✓		✓		✓		No
<b>New Hampshire Higher Education Loan Corporation</b> <b>EDvestinU</b> edvestinu.com 855-887-5430		✓		✓	✓	✓			✓	✓		Yes Balance must be for the most recent past academic term
<b>Rhode Island Student Loan Authority (RISLA)</b> <b>RISLA Student Loan</b> risla.com 800-758-7562	✓	✓	✓		✓	✓			✓	✓		No
<b>SallieMae</b> <b>Smart Option Student Loan</b> salliemae.com 800-472-5543	✓	✓		✓	✓	✓	✓		✓	✓		Yes Less than 365 days after academic period ends. Student must be enrolled, intend to be enrolled or have graduated
<b>SunTrust Bank</b> <b>Custom Choice Loan</b> suntrusteducation.com 866-296-3637		✓	✓		✓	✓			✓	✓		Yes Up to 90 days after the academic period ends. Student does not need to be currently enrolled

### IMPORTANT BILLING DATES

**FALL 2020:** Student bills will be mailed to billing or permanent addresses by mid-June and are due by mid-July.

**SPRING 2021:** Student bills will be mailed to billing or permanent addresses by mid-November and are due by mid-December.