Private Loan Information

A number of private outside agencies offer students alternative sources for financing their education. Unlike federal loans, the terms of private loans are set by the individual lenders. The interest rate and fees are determined by your credit history, your debt-to-income ratio and that of your co-signer. The interest rates for private educational loans are variable and are most often based on a range using Prime or the London Interbank Offered Rates (LIBOR) as a base and add an additional percentage based on the borrower's credit. The current Prime and LIBOR rates are available at the Federal Reserve Statistical Release.

Before deciding on a lender, here are some questions you need to ask:

- How soon will I enter repayment? Are interest-only payments required during enrollment?
- How often is the interest capitalized? (The frequency of capitalization will increase the total loan amount that you have to repay because you will be charged interest on a higher principal loan.)
- If I use a co-signer can I receive a better rate?
- How will the rate formula (interest and fees charged) change in repayment?
- What will my monthly payment be on this loan amount when I am in repayment?
- What kind of borrower benefits does the lender offer? (interest rate reductions with automatic withdrawals, principle reduction with a certain number of on-time payments)

A number of private outside agencies offer students alternative sources for financing their education. This list was created for students as a starting point and reference. It is ultimately the students decision to select a private education lender and a student can select any private lender they choose. Students are encouraged to investigate these options very cautiously and thoroughly. The Office of Financial Aid will process a loan with any lender you have selected regardless of their inclusion on this list as long as you are eligible for the loan. The maximum loan amount your financial aid office can certify is the cost of attendance minus any other aid received.

Lender Selection Method and Criteria
The lenders included in this lender information were selected based on research by Arizona College as to what lenders would potentially lend to students attending a College that specializes in diploma and degree programs as Arizona College does.


Before applying for these loans it is important for you to ensure that you have reviewed all of your federal loan options and eligibility. Prospective borrowers should note that they may qualify for loans or other assistance under the federal Title IV programs and the terms and conditions of loans under the federal Title IV programs may be more favorable than those of private education loans. Federal loans generally have better benefits and lower, fixed interest rates. We encourage you to consider the Federal PLUS before applying for a private loan. Eligible students are also strongly encouraged to review the Department of Education's publication Federal Aid First and speak to their financial aid office to learn about the Federal Loan programs before you apply for a private educational loan. Undergraduate students applying for federal financial aid may also be eligible for a Federal Pell Grant. The award range for 2011-12 is $555-$5,550.
Preferred Lender Listing

The following is Arizona College’s preferred lender list for private education loans. Borrowers who are interested in obtaining private education loans may qualify for federal student loans or other assistance under Title IV of the Higher Education Act and should apply for such federal aid before applying for a private education loan. The terms and conditions of loans made, insured or guaranteed under Title IV of the Higher Education Act typically may be more favorable than the provisions of private education loans.

Private education loans are not subsidized by the federal government. They should be used for education related expenses and should supplement — not replace — federal student loans and federal aid programs. The amount of a private education loan is limited to the cost of attendance less any federal student loans and other federal aid. A student’s eligibility for a private education loan is determined by the lender based on the creditworthiness of the student borrower and/or co-borrower. While we have summarized the features of private education loan offered by our preferred private education loan lender for the specific terms and conditions on any private education loan, you should contact the lender.

<table>
<thead>
<tr>
<th>Lender</th>
<th>Mountain America Credit Union (<a href="http://www.macu.com">www.macu.com</a>)</th>
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<tbody>
<tr>
<td></td>
<td>Julie Anderson (<a href="mailto:juanderson@macu.com">juanderson@macu.com</a>)</td>
</tr>
<tr>
<td></td>
<td>(602) 266-3522</td>
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<tr>
<td></td>
<td>Phoenix Branch</td>
</tr>
<tr>
<td></td>
<td>3001 West Indian School Rd. #100</td>
</tr>
<tr>
<td></td>
<td>Phoenix, AZ 85017</td>
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</tbody>
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Borrower Eligibility Requirements
- Student borrower must be a U.S. citizen or noncitizen permanent resident
- Enrolled at Arizona College

Loan Limits
Dependent on costs of attendance, educational program and meeting other criteria

Interest Rates and Fees
- Interest rates range from 6.0% to 18.0%
- No Fees
- You will be required to set up a savings account with a minimum balance of $25

Important to Know
The maximum loan term is 120 months (10 years) or 12 months per $1,000 borrowed.

2011-2012 Borrower Benefits and Repayment
- Interest Only while in school
- 6 months after graduation or withdrawal, or if grades haven’t been received for 6 months, the Line of Credit converts to the Education Repayment Loan

Other Student Lenders (This is not an exhaustive list – other financing options may be available)
Arizona Federal Credit Union call: (602) 683-1219 or email email: studentloans@azfcu.org
Apply online at: https://www.arizonafederal.org/loans/student
Wells Fargo Collegiate Loan call: 1 (800) 378-5526
Apply online at: https://apply.wellsfargo.com/student_datacollection

If you have any questions regarding these loans beyond the information provided, please contact the lender for more information.

Your private education lender will require you to complete a Private Education Loan Applicant Self-Certification Form. You should use the version the lender provides as it may contain pre-populated information, but you may use this version if your lender does not provide you with one. For applicants receiving other forms of aid: Information necessary for completing this form, such as cost of attendance and financial assistance received, is available to you via your financial aid counselor.