

2007-08 Northwestern University Preferred Lender List

If you plan on borrowing a Federal Stafford Loan, Federal Grad PLUS Loan, or NU Loan and have not previously borrowed from these loan programs, you will need to select a lender.

The difference in lenders is measured in terms of customer service, savings programs and repayment options. To assist in this decision, the financial aid office has compiled a list of institutions whom we consider excellent in the educational lending field. **An informed decision will depend upon a careful review of the aspects outlined on the following comparison charts.** You may also wish to use the "loan calculators" link available at www.finaid.org to compute the potential savings of different repayment options.

Staff in the Financial Aid Office **cannot make a specific recommendation** from this list. If you need further information, contact the lender or see the attached charts.

The Office of Financial Aid is committed to choosing lenders who provide good service and benefits to our students. This is done by surveying more than 20 lenders every two years. Lenders are asked to provide information regarding their services via a Request for Information (RFI). ([View Northwestern's current RFI.](#))

The lenders' responses to the RFI are ranked using criteria developed by the National Association of Student Financial Aid Administrators (NASFAA). The results of these rankings and the responses to the RFIs are examined by a committee of financial aid administrators made up of members of the Undergraduate Office of Financial Aid as well as representatives from each of Northwestern's graduate and professional program financial aid offices. A second meeting is held with the Associate Provost for Enrollment Management and the Associate Vice President of Financial Operations. Northwestern's financial aid community presents their choices for inclusion on the list taking into account efficient processing, customer service (for parents, students, and administrators) and benefits to the borrower. The final selections must be approved by the Associate Provost and the Associate Vice President.

Northwestern continues to provide students and their families with a Preferred Lender List despite current concerns regarding such lists because we believe that it is helpful to our students, who often request guidance in the selection of a lender. The Preferred Lender List is intended as a guide only. The Office of Financial Aid will process a loan from any lender selected by a student.

Northwestern Student Loan Office

Student Loan Origination
555 Clark Street-3rd Floor
Evanston, IL 60208
(847) 491-3125

Lender Code: 824565

www.studentloans.northwestern.edu

Access Group, Inc

Student Loan Processing
P.O. Box 17162
Wilmington, DE 19850
(800) 282-1550

Lender Code: 808851

www.accessgroup.org

Citibank

Student Loan Processing
P.O. Box 6128
Sioux Falls, SD 57117
(800) 967-2400

Lender Code: 826878

www.studentloan.com

Edamerica

Student Loan Processing
P.O. Box 36014
Knoxville, TN 37930
(800) 337-1009

Lender Code: 831453

www.edamerica.net

Wells Fargo

Student Loans
P.O. Box 5185
Sioux Falls, SD 57117
(800) 658-3567

Lender Code: 807176

www.wellsfargo.com/student

Lender	Interest Rate	Borrower Incentives	Origination Fee	On-Line access for loan status	Sell loans to Servicer
Northwestern University	6.80% fixed**	Please see more information about borrower incentives at www.northwestern.edu/sfs/student_loans/loans_services/nustafford_general.html	0%	Yes www.salliemae.com	Yes— Sallie Mae services Stafford Loans for NU Student Loan Office and takes ownership after graduation.
Access Group, Inc.	6.80% fixed**	Please see more information about borrower incentives at www.accessgroup.org/Student-Loans/student-loan-repayment/payment-incentives.htm	0%	Yes www.accessgroup.org	No
Citibank	6.80% fixed**	Please see more information about borrower incentives at http://studentloan.citibank.com/citibankatwork/index.asp	1.5% fee on any new loans processed or first disbursed after 1/1/08	Yes www.studentloan.com	No
Edamerica	6.80% fixed**	Please see more information about borrower incentives at www.edamerica.net/applyforstudentloan/studentloanbenefits/	0%	Yes www.edamerica.net	No
Wells Fargo	6.80% fixed**	Please see more information about borrower incentives at www.wellsfargo.com/student/repay/benefits	0%	Yes www.wellsfargo.com/student	No

The lenders listed provide excellent customer service and prompt electronic payment of loan funds. The preferred lender list above provides a summary of the lenders services.

Reasons for selecting a lender vary. Familiarity with a lender's name, an immediate benefit provided through reduced origination fees, or long term advantages of loan principal and interest rate reductions are important considerations for you when choosing a lender.

* Many of the borrower and repayment incentives include reduced interest or principal rates after a period of on-time payments. Please make sure to visit the lenders website for specific information regarding their on-time payment policy. In most cases, one late payment will disqualify you from the incentive.

** The interest rate for Federal Stafford Loans is set by Congress.

Supplemental Loan Options for Graduate and Professional Students

For years, Northwestern graduate and professional students have used private loans to bridge the gap between their Federal Stafford Loans and their cost of attendance. The NU Loan and the Federal Graduate PLUS Loan are the best Supplemental loans currently available to students. Please consult the chart below before deciding between applying for a Northwestern NU Loan or a Federal Graduate PLUS Loan.

	Northwestern NU Loan	Federal Grad PLUS Loan
Lenders	Northwestern University Student Loan Office, Evanston, IL	Various – Refer to the following preferred lender list.
Interest Rate	Variable, with no interest rate cap. Interest rate is set every September 1 st . Interest rate for Need-Based NU Loan is 7.75% 9/1/07 through 8/31/08. Interest rate for Optional NU Loan is 8.25% , 9/1/07 through 8/31/08.	Fixed at 8.5% . Some lenders may offer borrower benefits that can reduce the interest rate on the principal of the loan as low as 6.75% (in repayment). Check with individual lenders regarding their borrower benefits.
Fees	None	3% origination fee
Loan Consolidation	Cannot be consolidated in the Federal Consolidation Loan Program.	Can be consolidated in the Federal Consolidation Loan Program.
Repayment Incentives	None	Varies by lender. Refer to the following preferred lender list.
Deferment/ Forbearance	Deferment and forbearance options available, including in-school deferment which delays repayment until borrower graduates or drops below half-time enrollment.	Deferment and forbearance options available, including in-school deferment which delays repayment until borrower graduates or drops below half-time enrollment.
Repayment Options	Repayment begins within 90 days from graduating or dropping to less than half time enrollment. Standard repayment is 10 years. Medical students have a 20-year repayment period and DPT students have a 15-year repayment period.	Repayment begins within 60 days following the final disbursement for the loan period. However, in-school deferment options are available from our preferred lenders to prevent going into repayment while still enrolled in school. Standard repayment term is 10 years. Repayment term may be extended to 25 years depending on amount borrowed.
Online Application/ Promissory Note	Apply online. Paper promissory notes must be signed each year and for each increase in loan amount.	Apply online. A Master Promissory Note (MPN) needs only to be e-signed once.
Cancellation	NU Loan can be discharged upon death or permanent disability of borrower.	Grad PLUS loan can be discharged upon death or permanent disability of borrower.
Enrollment Requirements	Student must be enrolled at least half-time which is 2 courses per term.	Students must be enrolled at least half time which is 2 courses per term.
Application Process	Students required to complete the Free Application for Federal Student Aid (FAFSA) and borrow their maximum loan eligibility under the Federal Stafford Loan Program determined before applying for NU loan.	Students required to complete the Free Application for Federal Student Aid (FAFSA) and have their maximum loan eligibility determined under the Federal Stafford Loan Program before applying for the Grad PLUS loan.
Eligibility Requirements	Student must be eligible to receive federal financial aid.	Student must be eligible to receive federal financial aid.
Approval Rate	99.5% (including those applying with co-signer)	Varies by lender. Refer to the following preferred lender list.

Lender	Interest Rates	Fees	Repayment Incentives	On-Line Pre-Approval	Co-signer Required?	National Approval Rate	Eligibility	Repayment Options
Access Group, Inc. Federal Grad Plus Loan www.accessgroup.org	8.50% fixed**	3% origination fee at disbursement.	1.50% interest rate reduction after first on-time payment.* 0.25% interest rate reduction for authorizing automatic monthly payments.	Yes. Student receives notification within 3 minutes.	If student fails to receive approval on own signature. Co-signer can apply on-line.	87%	Credit requirement based on set federal standards. Most significant debt-to-income ratio not considered for approval.	Begins 60 days after graduation or withdrawal. Standard repayment is 10 years but may be extended to 25 years.
Citibank Federal Grad Plus Loan www.studentloan.com	8.50% fixed**	3% origination fee at disbursement.	1.25% automatic interest rate reduction at repayment. 0.50% interest rate reduction for authorizing automatic monthly payments. Zero payments for last 6 months.	Yes. The notification time for on-line approval is less than 3 minutes.	If student fails to receive approval on own signature. Co-signer can apply on-line.	87%	Credit requirement based on set federal standards. Most significant debt-to-income ratio not considered for approval.	Begins 60 days after graduation or withdrawal. Standard repayment is 10 years but may be extended to 25 years.
Edamerica Federal Grad Plus Loan www.edamerica.net	8.50% fixed**	3% origination fee at disbursement.	1.25% automatic interest rate reduction at disbursement. 0.50% interest rate reduction for authorizing automatic monthly payments.	Yes. Student receives notification within 24 hours.	If student fails to receive approval on own signature. Co-signer can apply on-line.	55%	Credit requirement based on set federal standards. Most significant debt-to-income ratio not considered for approval.	Begins 60 days after graduation or withdrawal. Standard repayment is 10 years but may be extended to 25 years.

Wells Fargo Federal Grad Plus Loan www.wellsfargo.com/student	8.50% fixed**	3% origination fee at disbursement.	1.50% interest rate reduction after 36 on-time payments.* 0.25% interest rate reduction for authorizing automatic monthly payments. 0.50% interest rate reduction after first disbursement.	Yes. Student receives notification within 24 hours.	If student fails to receive approval on own signature. Co-signer can apply on-line.	73%	Credit requirement based on set federal standards. Most significant debt-to-income ratio not considered for approval.	Begins 60 days after graduation or withdrawal. Standard repayment is 10 years but may be extended to 25 years.
--	---------------	-------------------------------------	---	--	--	-----	---	---

The lenders listed provide excellent customer service and prompt electronic payment of loan funds. The preferred lender list above provides a summary of the lenders services.

Reasons for selecting a lender vary. Familiarity with a lender's name, an immediate benefit provided through reduced origination fees, or long term advantages of loan principal and interest rate reductions are important considerations for you when choosing a lender.

* Many of the borrower and repayment incentives include reduced interest or principal rates after a period of on-time payments. Please make sure to visit the lenders website for specific information regarding their on-time payment policy. In most cases, one late payment will disqualify you from the incentive.

** The interest rate for Federal Graduate PLUS Loan is set by Congress.