



This guide will provide you with information for Private Loans, also referred to as Alternative Loans. These loans are available to all students, regardless of whether they file a Free Application for Financial Aid (FAFSA) however, we highly recommend that you submit the FAFSA and allow the Financial Aid Office to determine your eligibility for other sources of aid, including federal loans, *before you consider applying for a Private Loan.*

Before you decide to apply for a private loan, please read this guide.

Private Loan *Fact Sheet*

Program Description	Private Loans are available to undergraduate and graduate students admitted to and enrolled in a degree granting program at UCLA. Most, but not all private loans, require half-time enrollment (6 units for undergraduates and 4 units for graduates) Students may borrow up to the full cost of education for the academic year less any other aid received for that year.
Eligibility	The borrower must be a U.S. citizen or a permanent resident in order to qualify or apply with a co-signer who is a citizen or a permanent resident. A credit check is required before the lender can determine your eligibility for a private loan. Borrowers who are not approved on based on their credit will be advised to apply with a cosigner. We recommend that you file a Free Application for Federal Student Aid (FAFSA) but it is not required.
Interest Rate	Private loans are not federally regulated and their interest rates will vary based on the lender and the applicant's (and/or cosigner's credit score). Interest starts accruing at disbursement.
Fees*	Loan fees are set by the lender and will vary.
Repayment	Repayment terms vary by lender. Most lenders do not require repayment while in school. Please ask your lender for repayment information (or refer to UCLA's Preferred Private Lender List) before you apply for a private loan.

Unlike federal loans, private loans do not have to be certified before last day of the enrollment period, for which the loan is requested. Please allow 1-2 weeks to receive an electronically processed private loan and 2-4 weeks to receive a private loan processed via a paper process.**

* Loan fees are deducted from each disbursement prior to the disbursement of funds by the lender.

** To determine whether UCLA has an electronic process set up with a private lender, refer to the "process" description on UCLA's Preferred Private Lender List. If you borrow from a lender not on our list, please check with the Financial Aid Office for information on how your loan will be processed.

Applying for a Private Loan

Determine How Much You Need to Borrow — UCLA awards all financial aid applicants up to their cost of education so, please refer to your electronic Financial Aid Notification for the information on your maximum private loan eligibility. If you are a dependent student, the parent PLUS Loan on your eFAN can be replaced with a private loan. If you are approved for a private loan, the Financial Aid Office will automatically revise your eFAN upon notification of eligibility by the lender. *If you select to apply for a private loan without completing a FAFSA, please contact the financial aid office to determine how much you can borrow.*

Select a Lender — Review the loan information on the [Private Lender List](#) and select the lender from whom you want to borrow. Please remember that private loans are not federally regulated and, as such, their terms will vary. UCLA's private lender list will provide you with a comparison of some of the private loan programs. To find out information about loans offered by lenders not on our list, please contact the lender directly. *Consider going through a pre-approval process with more than one lender to determine, which one can offer you better terms. According to Fair Isaac Corp. shopping for the best priced private loan involving multiple student loan inquiries made within a relatively short time frame (e.g. 30 days) will lower a FICO score by only a few points, if at all.*

Apply for a Loan — UCLA's [Private Lender List](#) includes application links for our lenders. If you select a lender not on UCLA's Lender List, please contact them directly for instructions on how to apply. Once completed, the MPN is valid for 10 years so continuing lenders do not have to complete one each year.

Loan Certification — Once you provide all information required by the lender and your application is approved, the lender will contact UCLA to request the certification of your private loan eligibility. The Financial Aid Office will certify your eligibility for the private loan and notify the lender. The request and certification will be done electronically (3-5 business days) for lenders who are set up for electronic process with UCLA and via paper process (5-15 business days) for lenders with which we do not work electronically. If you have questions about the process in place between your lender and the UCLA Financial Aid Office, please contact us at 310-206-0400 or send an inquiry to finaid@saonet.ucla.edu.

Selecting a Lender

You can access UCLA's Lender List at <http://www.fao.ucla.edu/publications.html>. Listing of the lenders on the lender list does not constitute the guarantee of benefits offered as the benefits are subject to change without notice, at lender's discretion. To verify benefits being offered, please contact your lender directly. You do not need to borrow from one of the lenders listed on UCLA's Lender List. If you prefer to borrow from a lender not on our list, please contact them directly to obtain benefits information and application instructions.

Loan Disbursements

The total loan amount you are certified for will be divided equally among terms, for which you have been awarded. If you apply with one of UCLA's electronic lenders, your loan will be disbursed via Electronic Funds Transfer (EFT) and applied to your UCLA BAR account at the beginning of each term. Any funds left after BAR charges are paid, will be refunded to you. If you choose to work with a lender that does not work with UCLA electronically, your loan will be disbursed via a paper check that will need to be picked up from Student Loan Services (A227 Murphy Hall) each term.

Most private lenders require that you are enrolled at least half time (6 units for undergraduates and 4 units for graduates) in order for your loans to be disbursed.

If your loans are not disbursed because of non-enrollment, insufficient units or holds on your account, Student Loan Office will return all loan funds within 10 business days of receiving them from the lender, in order to stay in compliance with federal regulations. If your loans are returned to the lender, the Financial Aid Office can request reissue of your disbursements *per request from the borrower*. The reissue process will take 2-3 weeks.

If you have additional questions about private loans, please contact the Financial Aid Office at 310-206-0400 or finaid@saonet.ucla.edu