

Alternative Student Loans International Students

Private educational loans (alternative loans) are credit based loans provided by nationally recognized lending or banking institutions to eligible students. The maximum amount a student may borrow per academic term is the total cost of attendance minus the total of other financial aid received. Loans will typically be scheduled to disburse at the start of each term. To ensure your funds are available to you when your classes begin, be sure to start the application process with your lender at least 2 months prior to the start of the term.

To assist you in finding a lender, the following provides an alphabetical listing of lenders that international students at American University have borrowed from in the past three years. You may select any lender of your choosing, and you will not be penalized for choosing a lender not listed below. You should compare these options to any government sponsored educational loan programs available in your home country. American University does not endorse, recommend, or promote any of the listed lenders.

Lender Name	Website
College Avenue Student Loans	https://www.collegeavestudentloans.com/
Discover Student Loans	https://www.discover.com/student-loans
HDFC Credila	https://www.hdfccredila.com/
MPOWER Financing	https://www.mpowerfinancing.com/
Prodigy Finance	https://prodigyfinance.com/student-loans/
RBS Citizens Bank	https://www.citizensbank.com/
Richland State Bank/Ascent Loans	https://ascentstudentloans.com/tuition/
Sallie Mae, Inc.	https://www.salliemae.com/
Union Federal Savings Bank	https://www.unionfederalstudentloans.com/

Students interested in applying for an alternative loan must follow the instructions from the lender carefully. These instructions will guide the applicant step by step through the process. One of the requirements is the Private Education Loan Applicant Self-Certification Form which is completed by the student and submitted to the lender. The lender will make this form available. You can also find this on AU's website at <https://www.american.edu/financialaid/alternative-loans.cfm>

Tips for Comparing Lenders

We have established the lender list as a starting point to help make sense of the loan information that is available. However, you are responsible for comparing these terms and selecting the loan that will best meet your needs. The following are some tips for you to consider when evaluating your options.

- What is the interest rate on the loan? Is it a fixed rate or a variable rate?
- Are there any fees for the loan? – Some common names are origination fee, disbursement fee, or default fee. Some lenders may have a sliding scale based on the strength of your credit.
- Are there any front end or back end benefits? – Front end benefits are discounts offered up front when the loan is disbursed. This can be a reduction of fees or a rebate. Back end benefits are discounts offered when the student goes into repayment. These might include an interest reduction for auto-debit payments. It is best to focus on discounts which you can't lose or on discounts that are immediate. Be aware of fine print that requires you to repay a fee rebate if you consolidate with another lender.
- How long will it take to process the loan? – Find out from your lender how long it typically takes to process a loan application and whether it is a paper process or an electronic process. A paper application process can take 6-8 weeks if an original document needs to be mailed back and forth.
- What kind of customer service will be provided? – Lenders can let you know their average response time and satisfaction ratings. Many lenders will also now provide self-service options via telephone or the internet allowing you to get information on your loans even faster.
- Will my loan be sold to a different lender in the future? – Some lenders will hold the loan for the life of the loan, guaranteeing you their service until you finish repayment. Other lenders may sell your loan to a new servicer.