

## University of Portland Preferred Private Education Lender List Rationale

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The University of Portland will certify private education loans for our students from any lender selected by the student, except where the lender asks us to certify a loan outside of current regulations.

Students should consider federal student loans first as they generally have lower, fixed interest rates, and more flexible repayment options. Additionally, federal student loans offer deferment options, forgiveness programs, and income-based repayment plans. Students should always exhaust their federal student options before pursuing private loans.

We assist students looking for private loans by providing a lender list that students and parents can consider when choosing financing options. We recommend that you research your options carefully when considering private loans. All lenders on the lender list were selected because they meet the standards listed below.

1. The lender requires certification by the school, so that the loan can be accounted for correctly in the student's financial aid package.
2. The lender offers reasonable and competitive interest rates and fees.
3. The lender provides death and permanent disability forgiveness for the life of the loan.
4. The amount borrowed is not over the cost of attendance minus other aid.
5. The lender participates in Education Loan Management (ELM) and agrees to approve loans prior to posting the loan for certification on ELM.
6. The lender disburses funds via EFT to the University of Portland, rather than directly to the student. Exceptions are only considered if the loan has been calculated correctly within the financial aid package.
7. The lender must disclose any agreement(s) to sell its loans to another entity.

A lender may be dropped from the list if the above conditions are not maintained or if unethical or deceptive practices are perceived, or if origination, process, or servicing concerns arise that cannot be resolved satisfactorily. The University of Portland retains the right to adjust the lender list at any time and to select lenders that we believe provide reasonable, competitive products, and who also respond to our annual Request for Information (RFI). No lender may bargain to be a preferred lender with respect to a certain type of loan by providing benefits to UP as to another type of loan.