

Alternative Loan Comparison

	Campus Door Alternative Loan campusdoor.com 800.786.0002	Key Bank Alternative Loan key.com/alternative 800.539.5363	Sallie Mae Signature Student Loan salliemae.com/signature 800.695.3317	TERI TERI Alternative teri.org 800.255.8374	Citibank Citiassist Loan studentloan.com 800.692.8200	Access Group Comprehensive Loan accessgroup.org 800.282.1550
Interest Rate	Prime -0.5% to Prime +5%*.	With cosigner: 3-month LIBOR + 3.30%. Without cosigner: 3-month LIBOR + 3.85%.	Prime + 1.5% to Prime + 6.5%, based on credit.	3-month LIBOR + 2.80% to 3-month LIBOR + 5.45%, based on credit and/or cosigner.	Prime - 0.5% to Prime + 4%, based on credit.	3-month LIBOR + 2.70% to 3-month LIBOR + 6.45%, based on credit.
Loan Fees	Origination fees from 0% - 9%*.	No fees.	No disbursement fees Repayment fee: 0% - 3%, based on credit.	Origination fee of 0% - 9.5%, based on credit and/or cosigner. No repayment fees.	No fees.	No fees.
Cosigner Required?	Sometimes required for borrowers with low or no credit.	Sometimes required for borrowers with low or no credit.	Sometimes required for borrowers with low or no credit. Cosigners required for all foreign students.	Sometimes required for borrowers with low or no credit. Cosigners required for all foreign students.	Sometimes required for borrowers with low or no credit. Cosigners required for all foreign students.	Sometimes required for borrowers with low or no credit. Foreign students will need to apply for sponsored access loan.
Cosigner Release?	Yes, cosigner may request to be released after 48 consecutive on-time payments.	Yes, after 48 consecutive on-time payments with new credit check.	Yes, after 24 consecutive on-time payments.	Yes, after 48 consecutive on-time payments with new credit check.	Yes, after 48 consecutive on-time payments with new credit check.	Yes, after 24 consecutive on-time payments.
Minimum Loan Amount	\$500	\$500	\$500	\$1,000	None.	\$1,000
Annual Maximum Loan Amount	Up to Cost of Education less other aid.	Up to Cost of Education less other aid.	Up to Cost of Education less other aid.	Up to Cost of Education less other aid.	Up to Cost of Education less other aid.	Up to Cost of Education less other aid.
Repayment Terms	Up to 20 years, depending on loan balance.	Up to 20 years, depending on loan balance.	Up to 25 years, depending on loan balance.	Up to 25 years, depending on loan balance.	Up to 20 years, depending on loan balance.	Up to 20 years, depending on loan balance.
SAP Required?	Yes.	Yes.	No.	No.	No.	Yes.
Minimum Enrollment	At least half-time.	At least half-time.	At least half-time.	At least half-time.	At least one class.	Less than half-time or in continuing education or certification program.
Grace Period	12 months after graduation.	6 months.	6 months.	6 months.	6 months.	Up to 9 months.
Graduate Loans?	Yes.	Yes.	Yes.	Yes.	Yes.	Yes.
Debt/Income Ratio Required?	No.	Yes.	Yes, for cosigner.	Yes.	Yes.	Yes.

Brochure Rev. 03/07 Information is subject to change. Campus Door is an Equal Opportunity Lender.

ANNUAL PERCENTAGE RATE EXAMPLES:

The examples below are for illustrative purposes only but should help you understand how much a student loan may cost. The actual rates and fees of your loan may vary from the examples below depending upon your credit history and the educational institution you attend. The first example assumes a loan fee of 0% and an interest rate of Prime – 0.5%. The second example assumes a loan fee of 5% and an interest rate of Prime +1%. Both examples make the following assumptions: you borrow \$10,000 which includes your loan fee; your loan is disbursed in a single disbursement on 11/1/2007; you graduate on 11/1/08 (22 months later); your first payment is not due until 11/1/2009; you request a repayment period of 240 months (20 years); and the Prime Rate, which is 8.25% as of December 22, 2006, remains unchanged.

With a loan fee of 0% and an interest rate of Prime – 0.5%, your ANNUAL PERCENTAGE RATE will be 7.61% with an approximate monthly payment of \$100.12.

With a loan fee of 5% and an interest rate of Prime +1%, your ANNUAL PERCENTAGE RATE will be 9.56% with an approximate monthly payment of \$115.59. Please note that the Annual Percentage Rate will vary and is indexed to the Prime Rate as published in the Wall Street Journal. In addition, any increases in the interest rate will result in an increase in the amount of your monthly payments and/or an increase in the number of scheduled payments.

*Interest rate and loan fees vary and are based upon borrower and/or cosigner (where applicable) credit profile, school eligibility and other underwriting criteria.

The information provided in this chart has been collected by CAMPUSDOOR with assistance from the other lenders featured. The information presented is believed to be correct as of the date of printing and is subject to change. Cleveland Institute of Music provides this Alternative Loan list as a service to its student body. Cleveland Institute of Music does not endorse any particular lender. See the individual terms and contact the lender for more information. Please borrow conservatively.

Helpful Tips for Choosing an Alternative Student Loan



CLEVELAND INSTITUTE OF MUSIC

11021 East Boulevard
Cleveland, OH 44106-1776

Phone: (216) 791-5000 ext. 262 Website: www.cim.edu

What are alternative loans?

Alternative loans are private loans through a lending institution that are not part of the federal government programs. Alternative loans are more expensive than federal government loans and should only be used when all other options have been exhausted. Research all possibilities for scholarships, grants, work-study and federal loan programs before borrowing from an alternative loan program. If you determine you need an alternative loan, use the helpful comparison chart on the back of this page and research the lenders for additional information. Choose the loan that best suits your needs and remember to borrow only what you need!

What should I look for in an alternative loan?

Annual Percentage Rate (APR) – The APR is the annual cost of your loan including the effect of any fees and charges in addition to interest. The APR is determined based on the terms of the loans. APRs will differ based on the terms and loan amount. Make sure you are comparing APRs to receive a true comparison. Note, if the rate is variable, the APR may be increased after you take out the loan. Take APRS and the other terms mentioned above into consideration when borrowing an alternative loan.

Repayment Incentives

Does the alternative loan reward borrowers who make payments on time? For example, after 48 consecutive on-time payments will you receive an interest rate reduction?

Loan Limits

Does the loan have an annual or aggregate limit?
Can you afford to borrow within these limits?
It's a good idea to borrow from the same lender each year, so make sure the loan can cover your costs throughout your entire education.

Pre-approval

Do you need to know quickly if you qualify?
Does the lender offer loan pre-approval over the phone or internet?

Cosigner Requirement

Does the alternative loan require you to have a cosigner?
Sometimes cosigners reduce the costs of the loan, but if you can't find a cosigner, you'll need to find an alternative loan you may borrow on your own.

Interest Capitalization

If you choose not to pay the interest on your loan while you are in school, the interest may be capitalized (added to your principal balance). When is the interest capitalized? Annually? At repayment? If the interest is capitalized annually the loan is more expensive than if it is capitalized only once at repayment.

Repayment

Does repayment begin immediately or after you graduate or leave school? Make payments whenever you can afford to, but if you can't make regular payments while you're in school, you'll need to find a loan that doesn't require immediate repayment.

Loan Consolidation

Combining student loans into one new loan through one lender can simplify your repayment period. Allowing you to make one monthly payment for all of your student loan. Consolidation extends the length of the repayment period, which reduces monthly loan payments. The total amount repaid over the loan term, however will be greater as a result of the extended repayment term.

Pre-approval

How long is the repayment period in which you repay the loan?
If your educational costs require you to borrow large amounts, you may need a longer time to repay the loans.

Give Yourself Credit!

Lenders use credit scores to make fast and objective decisions on which applicants are likely to repay their loans on-time. Credit scoring is calculated using many pieces of your past bill payment history (number and types of accounts, late payments, outstanding debt, and the age of your accounts). The way you have handled credit in the past is often a good indication of how you will manage credit in the future. Therefore your credit score is like a snapshot of your level of credit risk at a particular point in time: when your credit information changes, so does your credit score. Give yourself the credit you deserve. Pay your bills on time, pay down any outstanding debt and avoid taking on new debt or applying for too many new credit cards.