

# Undergraduate Financing Options



Financing Options	Advantages	Disadvantages	How To Apply
<b>Tuition Payment Plans</b>	<ul style="list-style-type: none"> <li>• Usually offered by colleges and private agencies</li> <li>• College-sponsored plans usually have low or no fees</li> <li>• Beneficial for financing small balances, managing cash flow, or using in combination with other financing options</li> <li>• Possibly no interest charges</li> </ul>	<ul style="list-style-type: none"> <li>• Private agency fees or high interest</li> <li>• Repayment period usually limited to college term or year, so installment payments can be high</li> <li>• No loan forgiveness in the event of death or total disability unless borrower purchases option</li> </ul>	<p>*Please visit:</p> <p><a href="http://www.afford.com">www.afford.com</a> or <a href="http://www.tuitionpay.com">www.tuitionpay.com</a></p>
<b>Federal Direct Parent (PLUS) Loan</b>	<ul style="list-style-type: none"> <li>• Parents of dependent undergraduates can borrow up to the cost of attendance, less other financial aid</li> <li>• Fixed interest rate at 7.9%</li> <li>• Repayment period of up to 10 years</li> <li>• Loan forgiveness in the case of death or total disability</li> <li>• Deferment and forbearance options including while student is in school</li> <li>• Minimal credit check</li> <li>• Interest paid may be tax deductible</li> </ul>	<ul style="list-style-type: none"> <li>• Borrowers with poor credit may be turned down for a loan</li> <li>• Origination fee of 4.0%</li> <li>• Rebate of 1.5%</li> <li>• Deferment and forbearance options will lead to interest capitalization</li> </ul>	<p>*Please visit our website for applications and instructions:</p> <p><a href="http://www.go.naz.edu/plus">www.go.naz.edu/plus</a></p>
<b>Certified Private Alternative Loans</b>	<ul style="list-style-type: none"> <li>• Students can borrow up to the cost of attendance less other financial</li> <li>• Co-signer allowed if student's credit record is not acceptable</li> <li>• Interest paid on loan may be tax deductible</li> <li>• Payment deferred while in school</li> </ul>	<ul style="list-style-type: none"> <li>• Credit requirements, loan fees, interest rates and loan amounts vary</li> <li>• Interest accrual may begin immediately after disbursement</li> <li>• No loan forgiveness in the event of death or total disability, unless borrower purchases option</li> <li>• Variable interest rates with no or very high caps that can adjust as frequently as monthly</li> </ul>	<p>*Please visit our website for applications and instructions:</p> <p><a href="http://www.go.naz.edu/privateloan">www.go.naz.edu/privateloan</a></p>
<b>Home Equity Loans or Lines of Credit</b>	<ul style="list-style-type: none"> <li>• Both variable and fixed interest rates available</li> <li>• Readily available assuming the home has equity</li> <li>• Interest is typically tax deductible</li> <li>• Long repayment period makes monthly payment lower</li> </ul>	<ul style="list-style-type: none"> <li>• No forgiveness of the loan in the event of death or disability unless borrower purchases option</li> <li>• Loan amount is dependent on amount of equity in home</li> <li>• Closing costs or other fees</li> <li>• Home is collateral for the loan</li> <li>• Repayment begins immediately</li> <li>• Long repayment period makes total interest paid higher</li> </ul>	
<b>Credit Cards</b>	<ul style="list-style-type: none"> <li>• Some credit cards have incentive programs</li> <li>• Low minimum monthly payments and long repayment periods</li> <li>• Best used for short term cash flow purposes</li> </ul>	<ul style="list-style-type: none"> <li>• Cards that earn incentive points usually have an annual fee</li> <li>• Processing fees for advance payments; interest rates can be high</li> <li>• No loan forgiveness in the event of death or total disability unless borrower purchases option</li> </ul>	