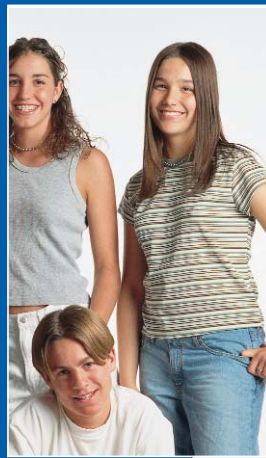


# Private Private loan financing

## Private loan financing

Private loans are designed to assist families who either are not eligible for federal grant and loan funds or need additional education financing. Loan approval is generally based on credit-worthiness and ability to repay. As with any loan, careful consideration should be made in determining loan amounts. The interest on most private loans accrues while the student is in school, however, in-school deferment is possible. Saint Joseph's College recommends the following three private loans. If you have any questions regarding any of the three private loans listed below, please contact the lender directly.



**Saint  
Joseph's  
College**  
of Maine

2006 - 2007  
Financing  
your education



	<b>Academic Private Loan<sup>SM</sup></b> provided by Nelnet	<b>The Maine Loan<sup>®</sup></b> provided by MELA	<b>Signature Student Loan</b> provided by Sallie Mae
<b>Eligibility</b>	<ul style="list-style-type: none"> <li>Enrolled at least half-time</li> <li>Satisfactory academic progress is required</li> </ul>	<ul style="list-style-type: none"> <li>Enrolled at least half-time</li> <li>Satisfactory academic progress is not required</li> </ul>	<ul style="list-style-type: none"> <li>Enrolled at least half-time</li> </ul>
<b>Fees</b>	<ul style="list-style-type: none"> <li>Zero</li> </ul>	<ul style="list-style-type: none"> <li>0%, 3%, or 6% based on credit history, added at repayment</li> </ul>	<ul style="list-style-type: none"> <li>Zero</li> <li>Repayment fee of 3% may apply to some borrowers</li> </ul>
<b>Interest rates</b>	<ul style="list-style-type: none"> <li>LIBOR + 2.25% to 6.75%</li> </ul>	<ul style="list-style-type: none"> <li>Rate for 2005 - 2006 was 5.96%</li> <li>Rate for 2006 - 2007 will be set 6/1/2006</li> </ul>	<ul style="list-style-type: none"> <li>Prime minus .25% to Prime + 6%</li> </ul>
<b>Repayment</b>	<ul style="list-style-type: none"> <li>25 years for loans of \$40,000 or more, up to 20 years for loans less than \$40,000.</li> </ul>	<ul style="list-style-type: none"> <li>Up to 20 years based on loan balance</li> </ul>	<ul style="list-style-type: none"> <li>15, 20, or 25 years depending on amount borrowed</li> </ul>
<b>Other features</b>	<ul style="list-style-type: none"> <li>Instant pre-approval and complete your application online in just minutes</li> <li>No payments until six months after graduation or school separation</li> <li>Capitalization of interest occurs only once, at repayment</li> <li>Payments deferred during in-school and six-month grace period</li> <li>Co-borrower release available to qualified borrowers who make 48 initial, on-time payments</li> <li>.5% interest rate reduction available to qualified borrowers who make 48 initial, on-time payments</li> </ul>	<ul style="list-style-type: none"> <li>Co-signer release option after 36 consecutive, on-time payments</li> <li>Capitalization of interest occurs only once, at repayment and can be used to pay for prior balances up to one academic year</li> <li>Payments deferred during in-school and six month grace period</li> <li>.5% interest rate reduction after making 48 initial, on-time payments</li> <li>.25% interest rate reduction for auto-debit payments</li> </ul>	<ul style="list-style-type: none"> <li>Payments deferred during in-school and six month grace period</li> <li>Co-signer release option after 24 consecutive, on-time payments</li> <li>Capitalization of interest occurs only once, at repayment, and can be used to pay for prior balances up to one academic year</li> </ul>
<b>How to apply</b>	By phone 1.866.866.7372 Online at <a href="http://www.nelnet.net">www.nelnet.net</a>	By phone 1.800.922.6352 Online at <a href="http://www.mela.net">www.mela.net</a>	By phone 1.800.695.3317 Online at <a href="http://www.salliemaeedtrust.com">www.salliemaeedtrust.com</a>

*This chart is intended to be a guide used for comparison purposes only. The information provided in this document has been gathered from publicly available sources and is believed to be accurate as of the time of this printing. It is neither an offer to lend nor a predictor of lenders' future terms. You should refer to each lender's loan application and promissory note for exact information regarding terms, conditions, eligibility and Annual Percentage Rate (APR).*

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SuperLoan<sup>SM</sup>

For more information contact:

**Office of Financial Aid**

278 Whites Bridge Road

Standish, Maine 04084-5263

p 207.893.6612 or 800.752.1266

f 207.893.6699

e-mail: [finaid@sjcme.edu](mailto:finaid@sjcme.edu)

Your education is the most important investment you and your family will make. Like any major investment, it requires a great deal of thought and planning. At Saint Joseph's College, we understand that the financial aid process can be stressful, and at times, overwhelming. Our staff is pleased to assist you and we encourage you to call the office if you have any concerns or questions.

While the primary responsibility for funding your education belongs to you and your family, there are many ways to manage these costs. The College encourages families who may qualify for need-based assistance to apply for financial aid. For those who may not qualify for need-based aid or who are looking for additional assistance, various financing options are available.

## Estimated costs for the 2006 - 2007 academic school year

Description	Amount
Tuition & fees	\$21,550
Room & board	\$8,980
Books & supplies	\$800
Transportation & personal	\$1,750
Total	\$33,080



## Payment Plan

Saint Joseph's College provides an interest free monthly payment plan through Tuition Management Systems (TMS) that allows families to spread all or part of the academic year's expenses over ten equal monthly payments. Participation in the plan requires a \$60 non-refundable fee.

For information about the plan, contact TMS by:

Calling: 800.722.4867  
 E-mailing: msserv@afford.com  
 Or visit: www.afford.com

**Home Equity Loans** offer families lower interest rates than some traditional forms of education loans. In some cases, families may receive tax benefits. Please contact your mortgage holder for more information.

## Federal PLUS Loan for Parents

Another financing option is the PLUS loan. The PLUS loan is a government guaranteed, no-collateral loan with flexible repayment options and a fixed interest rate. A parent/stepparent of a dependent undergraduate student may borrow up to the full annual cost of education, minus any other financial aid, regardless of income. The PLUS loan is not based on financial need. With the security of a fixed interest rate, parents nationwide are turning to the federal PLUS loan as a low-cost alternative to home equity loans, credit cards, or other sources of financing.

### Features:

- For loans disbursed after July 1, 2006, the interest rate for PLUS loans will be fixed at 8.5%.
- Approval is based on a parent's good credit standing. No debt-to-income ratio is calculated or proof of employment is needed.
- Flexible repayment options from 10 to 30 years, depending on loan balance.
- No pre-payment penalty.
- Repayment of this loan begins 60 days after the loan is fully disbursed. Interest may be tax deductible. Please contact your tax professional for details.
- A federal origination fee of 2% and a default fee of 1% will be deducted from the loan proceeds.

## Saint Joseph's College PLUS Preferred Lenders

Not all lender programs are the same. Review each lender carefully to determine which lender program offers you the best terms and greatest savings. Saint Joseph's College recommends that you choose one of the four lenders listed below. If you choose a different lender, the processing of your loan may be delayed.

Lender name	Borrower benefits
<b>Nelnet SuperLoan</b> 1.800.660.1982	<ul style="list-style-type: none"> <li>• 3% interest credit at full disbursement</li> <li>• 3.33% reduction of original principal loan balance after 30 initial, on-time payments</li> <li>• .25% interest rate reduction for auto-debit payments</li> </ul>
<b>Academic Financing Corp.</b> 1.877.232.6023	<ul style="list-style-type: none"> <li>• .25 interest rate reduction immediately upon repayment</li> <li>• 1.75% interest rate reduction for auto-debit payments</li> </ul>
<b>College Loan Corporation</b> 1.888.972.6314	<ul style="list-style-type: none"> <li>• 5% rebate of principal outstanding after 48 consecutive, on-time payments</li> <li>• .25 interest rate reduction for auto-debit payments</li> </ul>
<b>Bank of America</b> 1.800.344.8382	<ul style="list-style-type: none"> <li>• 3% principal reduction at full disbursement</li> <li>• .5% automatic interest rate reduction at repayment</li> </ul>

### Steps to apply for a PLUS loan over the phone

1. Choose from one of our preferred lenders and call Nelnet at 1.800.660.1982
2. Provide parent and student information
3. Receive loan approval while on the phone and procedures for submitting your PLUS application
4. Sign and return PLUS loan application or e-sign PLUS application on-line
5. College certifies the loan
6. PLUS funds are sent to the College directly

### Steps to apply for a PLUS loan online

1. Choose from one of our Preferred Lenders and go to www.nelnet.net
2. Click Parents
3. Under Parent education loans, click Apply Online
4. Read and click Continue
5. Select State and School in which you plan to attend and click Continue
6. Click the blue MPN oval
7. Type in your Social Security Number and leave password blank. Later, you will be prompted to create a password
8. Once your loan has been approved, you will electronically sign the Federal Master Promissory Note
9. College receives information directly from Nelnet regarding your loan approval
10. College certifies loan
11. PLUS funds are sent to College directly