

# Evaluating a Lender

With the current market, most lenders have suspended their borrower benefits. Therefore, please consider the following when selecting a lender.

1. Does the lender charge fees on your loans? If so, at what percent?
2. How long has the lender been in the student loan industry?
3. When you contact this lender, do you talk with experienced, education professionals who are in tune with your specific program needs (e.g. graduate or medical student)?
4. How often is loan interest capitalized? Monthly? Quarterly? Only when the loan status changes (i.e. at repayment)?
5. How frequently do they provide statements summarizing loan balances, interest accrual and expected monthly payment?
6. Do they have a history of selling your loans?
7. Does the lender outsource? Some lenders use loan servicing companies to process your loan application and/or manage your loan repayment. Other lenders perform these services themselves. If it is important to you that your lender “own” this process, be sure to ask. If it doesn’t matter to you, then just be sure to ask what servicing company you’ll be dealing with.
8. What kind of debt management education does the lender provide?