



## ***Bar Loan Resources for Graduating Miami Law Students***

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### **Frequently Asked Questions**

#### **What is a Bar Loan?**

A Bar Loan provides funding to cover both the fees associated with the preparation and taking of the Bar, as well as support for your living costs during your post graduate Bar study period.

#### **Who offers Bar Loans?**

Bar Loans are only offered by private lenders (i.e. there are no federal loans available).

#### **How much money can I borrow?**

Each lender sets different loan limits, ranging from \$12,000 - \$15,000.

#### **What is the approval process?**

As a private loan, the Bar Loan approval is credit-based and at the discretion of each lender's criteria. Before applying for a Bar Loan, you may wish to check your credit at [www.annualcreditreport.com](http://www.annualcreditreport.com) which provides free access to your report from the three credit bureaus: Equifax, Transunion and Experian. By reviewing your credit in advance of the Bar Loan application, you may have time to rectify any discrepancies on the credit report or correct any credit issues incurred.

#### **What is the interest rate?**

Because these are private loans, lenders set their own interest rates. Some may be fixed rates (i.e. that rate remains the same over the life of the loan) and some may be variable.

#### **What other factors should I review in evaluating Bar Loan options?**

- *Fees*: are there origination or disbursement fees associated with the loan? If so, be conscious of the percentage that will be deducted from your loan disbursement.
- *Interest Rate Reductions*: does the lender offer any interest rate reductions for either automatic debit or prior account or loan history with the lender?
- *Repayment terms*: how long will you have to pay the loan back? Is there any type of post enrollment grace period offered? Are there other deferment or forbearance options?

### **When should I apply for a Bar Loan?**

You should apply for the Bar Loan anytime during your final semester. Because the loan payment comes directly to you, you will be able to set the beginning and end date of the loan, as well as the disbursement dates.

### **How do I begin the Bar Loan application process?**

The best way to begin the process is to compare the various Bar Loan products from the different lenders. Visit the websites listed below and use the phone contact information to talk with representatives. In essence, you are “shopping” at this point to determine which loan product will benefit your financial situation. Be careful not to submit applications to multiple lenders given that each submission may impact your credit score. Some key points to compare are: determination of approval (i.e. credit standard), maximum loan amount, loan period and disbursement dates, interest rates: fixed vs. variable, fees, available interest rate reductions and repayment terms (including grace period, deferment and forbearance availability). Some lenders set limits on eligibility based on the amount of the student’s existing loan debt. If you anticipate this being a problem, be sure to inquire about the limits set by the different lenders.

### **Will I need a co-signer?**

In some cases (if your credit is at question or if you have not established enough of a credit history) you will be asked to add a co-signer to your application to gain approval. The lender may also suggest the addition of a credit worthy co-signer to lower your interest rate as well. In addition, international students may be required to apply with a U.S. citizen co-signer in order to receive approval.

## **Access Lex One-on-One Financial Coaching**

To empower students to develop a sound financial strategy we have partnered with Access Lex, an online financial education program created specifically for law students. Visit the MAX Access Lex resource at <https://www.accesslex.org/maxonline> to access free one-on-one financial coaching with an Accredited Financial Counselor to discuss bar loans or any other financial questions you may have.

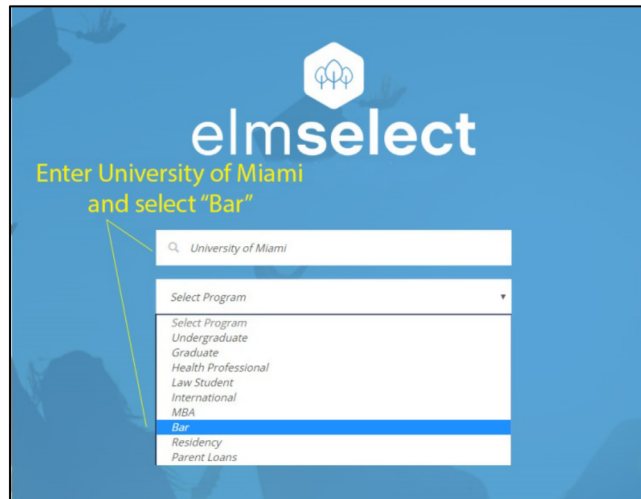
## **Private Lenders Currently Providing Bar Loans**

You may use the below tool at ELMSelect to view a list of lenders who have historically provided private loans to University of Miami Law students/recent graduates. This site will allow you to view products, compare rates, and begin the application.

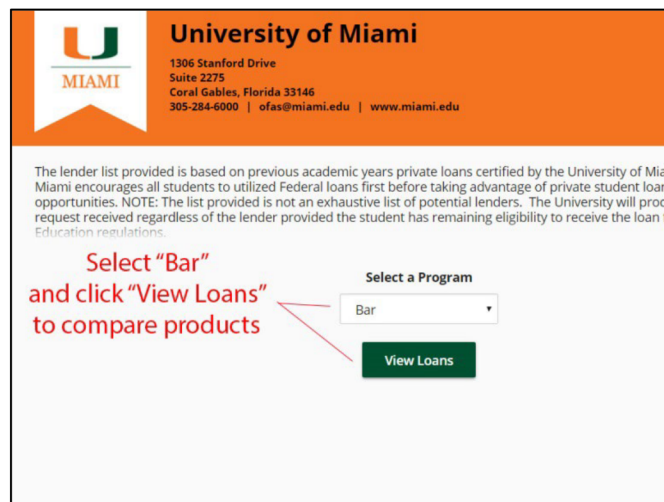
NOTE: The list provided may not be an exhaustive list of potential lenders.

[www.elmselect.com](http://www.elmselect.com)

Step 1:



Step 2:



### Additional Resources

The websites listed below contain additional information about bar study loans.

- <http://www.finaid.org/loans/privatestudentloans.phtml>
- <http://www.law.harvard.edu/current/sfs/myaid/education-loans/overview/bar.html>