



The Critical Role of Lender Lists in the New Lending Era:

Empowering Financial Aid Offices to Lead with Confidence and Compliance

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A Better Student Loan Experience.

collegeave.com

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Today's Objectives

- Understand the evolving student lending landscape
- Historical perspective
- Dispel myths around lender list compliance
- Learn actionable strategies for compliant lender list creation
- Promote lender lists as a student advocacy tool



The Shifting Landscape of Student Lending

- Changes in federal loan programs
- Increased borrowing needs and complexity for families
- Rise of alternative and private loan products
- Students are navigating an opaque marketplace



Changes for Undergraduate Students

Big updates are coming to the Federal Parent PLUS Loan program starting July 1, 2026.

Federal Parent PLUS loan Changes Coming: Before & After July 2026

Before July 1st, 2026	After July 1st, 2026
Borrow the cost of attendance (minus any other financial assistance your child)	Borrow up to \$20,000 (per student) per year, with a max lifetime limit of \$65,000.

- Prior to July 1, 2026, parents can borrow up to the full cost of attendance for each child in college. Beginning with the 2026-2027 academic year, this will change.
- Parents will be capped at \$20,000 per year with a lifetime borrowing limit of \$65,000, per student
- If a student enrolls before July 1, 2026, their parents can still access the current unlimited borrowing—for up to three more academic years or until they finish their program, whichever comes first.



Changes for Graduate & Professional Students

Federal Grad PLUS loan Changes Coming: Before & After July 2026

Category	Before July 1, 2026	After July 1, 2026 (for new borrowers)
Annual Limit (Direct Unsubsidized)	\$20,500 per year	Graduate (non-professional): \$20,500/year Professional (e.g. law, medicine): \$50,000/year
Lifetime/Aggregate Limit (Direct Unsubsidized)	\$138,500 total (includes undergraduate borrowing)	Graduate (non-professional): \$100,000 total Professional (e.g. law, medicine): \$200,000 total
Covering costs above unsubsidized caps	Grad Plus available to cover remaining cost of attendance	No federal options – Must use alternate funding.

Professional degrees are currently defined as: Pharmacy (Pharm.D.), Dentistry (D.D.S. or D.M.D.), Veterinary Medicine (D.V.M.), Chiropractic (D.C. or D.C.M.), Law (LL.B. or J.D.), Medicine (M.D.), Optometry (O.D.), Osteopathic Medicine (D.O.), Podiatry (D.P.M., D.P., or Pod.D.), and Theology (M.Div., or M.H.L.).



Historical Perspective

Why Students Need Your Guidance Now

- Students are overwhelmed by choices
- Many lack financial literacy around loan terms
- Directing students to borrow only federal funds will no longer meet the need for most
- Schools are still the most trusted source of advice



Historical vs. Preferred Lender Lists: Understanding the Difference

Historical Lender List

- Lists lenders students have used at your institution in the past
- Typically includes no vetting or evaluation criteria
- Intended to reflect past behavior, not present guidance
- May still require basic HEOA disclosure, depending on use

Preferred Lender List

- Schools actively select and evaluate lenders based on transparent criteria
- Must include at least three **unaffiliated lenders**
- Requires disclosure of selection criteria and student choice disclaimer
- Typically, fewer lenders and a more pointed and useful resource for students

Unaffiliated lenders are financial entities that have no formal association, relationship, or subordinate status with another specific organization.



Benefits of Hosting a Lender List

- Empowers student decision-making
- Encourages comparison and transparency
- Reduces misinformation and delays
- Aligns with your mission: equitable access to education



The Lender List Legacy

Changes to the lending landscape in the mid-2000's

- Then–New York Attorney General Andrew Cuomo launched a national investigation into the student loan industry in 2007–2008
 - Revealed conflicts of interest and unethical arrangements between lenders and schools
 - Students were paying the price through higher interest rates or unfavorable terms

Led to the development of federal guidelines in the Higher Education Opportunity Act (HEOA) of 2008 and influenced state laws.



What the Law Allows and Encourages

Higher Education Opportunity Act (HEOA)
Section 153(a)(2)(A–D) outlines how schools
can build and disclose lender lists

- Schools can maintain Preferred Lender Lists (PLLs)
- Must meet clear compliance standards
- Designed to empower not restrict institutions



Lender List Compliance Checklist

- ✓ At least 3 unaffiliated lenders
- ✓ Clearly defined selection criteria
- ✓ Statement: Students can use any lender
- ✓ Annual review of lender terms and service
- ✓ No revenue sharing or perks



What a Responsible Lender List Looks Like

- Transparent criteria (e.g., customer service, borrower benefits, default terms)
- Regularly updated based on real performance
- Publicly accessible on your website
- Supports informed choice, not restrictions



Steps to Build or Rebuild Your Lender List

- Determine who will be involved
- Define Selection Metrics (interest rates, servicing, transparency)
- Vet and Select Lenders
- Publish and Disclose Properly
- Review Annually



Building a Compliant Lender List: What to Ask

HEOA Requirements:

- Interest rates, fees, and repayment terms
- Disbursement and application processes
- Customer service and borrower satisfaction
- Historical performance and default rates

Beyond Compliance:

- Support for international and DACA students
- Eligibility for past-due balances and less-than-half-time
- Co-signer release and forgiveness options



Sample RFI Questions for Lender Evaluation

Institutional Evaluation Criteria:

- What are your current variable and fixed interest rate ranges?
- Do you support non-traditional students (part-time, certification programs)?
- What borrower benefits do you offer (auto-pay discounts, cashback)?
- Describe your loan servicing approach and default prevention strategy.



Sample RFI Questions for Lender Evaluation

Student-Centered Considerations:

- How quickly can students receive a credit decision?
- Do you support mobile-first applications and multi-language support?
- Do you offer financial literacy resources and counseling?



How Schools Can Host a Lender List

Host Internally on School Website

- Allows direct integration with other financial aid content
- Requires school to monitor and update changes if they list loan details

3rd-Party Lender Comparison Platform such as ELMSelect or FastChoice

- Streamlines the setup and ensures **compliance features** are built in
- Offers a professional interface with sorting/filtering tools for students
- Supports real-time updates and lender-provided data feeds
- Schools can link website directly to third-party platform to include **custom messaging or guidance** before redirecting
- Combines institutional context with external convenience

ELMSelect Lender Lists



University of Mississippi



Home > Program Select

Select your Program

Select the academic level or the program you are pursuing to view additional information regarding lenders and products offered. The lender and specific product details presented are directly maintained by each lender. If you would like to change the program selected, simply return to this page and reselect from this list.

Program Select

Undergraduate

Graduate

Health Professional

Law Student

International

Private Consolidation

Lender Lists

University of Mississippi

Home > Program Select > Graduate > Loan Results > Lender Products

Lenders Filter Loan Estimator

Favorites Compare

Lender Select



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Feeling Stressed? We've Got a Better Process. With our simple and easy application it takes just 3 minutes to apply and get an instant decision. College Ave offers loans for all types of borrowers including: undergrad, graduate, parent, medical, law, and dental studies. With multiple repayment options and loan terms, College Ave allows you to create a loan that fits your budget. A lot comes with a College Ave loan, but what you will not get are any application, processing, or early repayment fees.

College Ave Graduate Student Loan (Variable Rate) | Variable

4.24% - 14.49% APR Variable ⓘ

College Ave is simplifying the student loan experience. By specializing in student loans, we are able to give our customers the attention they deserve and deliver loans that are simple, clear, and personalized for the individual: we help you find your perfect fit. We offer competitive rates, a wide range of repayment options, and a customer-friendly experience.

Details

Calculate

Apply

College Ave Graduate Student Loan (Fixed Rate) | Fixed

2.89% - 14.49% APR Fixed ⓘ

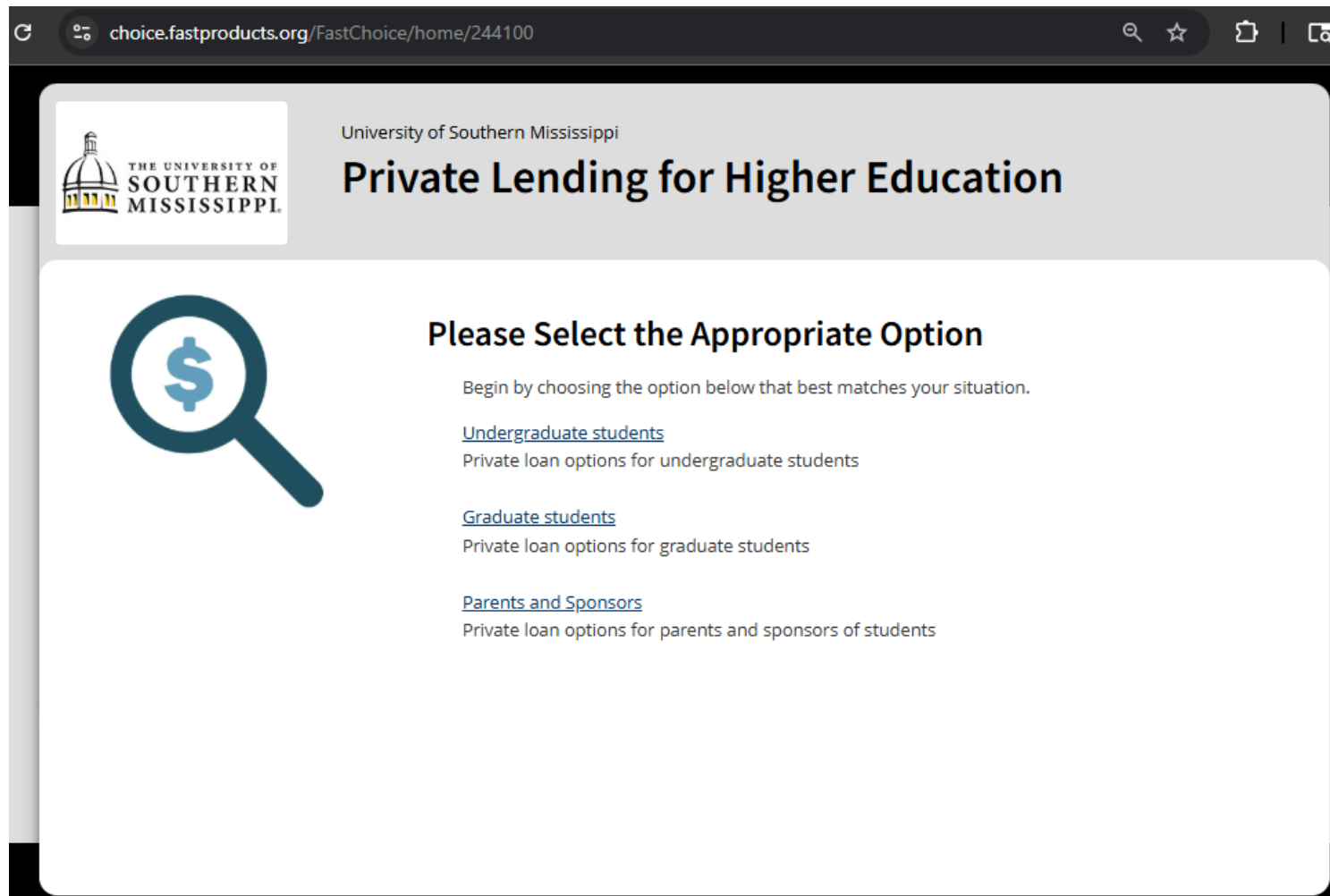
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Lender Lists



Lender Lists



University of Southern Mississippi

Private Lending for Higher Education



Citizens: 1 App to Fund Your Entire Degree

Apply once and we've got you covered until graduation! Instead of applying for a new student loan every year, Citizens Multi-Year Approval gives you a plan to fund your entire college experience. Know how much you can borrow over the years.

	Product Name	Rate Type	APR Min	APR Max	Grace Period	Compare
Apply	Citizens Student Loan for Graduate Students (Fixed & Variable Rates)	Fixed	3.240%	13.620%	6 months	☐
		Variable	4.840%	13.820%		
Apply	Citizens Student Loan for MBA and Graduate Business Students (Fixed & Variable Rates)	Fixed	3.240%	13.280%	6 months	☐
		Variable	4.840%	13.590%		
Apply	Citizens Student Loan for Medical and Graduate Health Care Professions (Fixed & Variable Rates)	Fixed	3.240%	13.620%	6 months	☐
		Variable	4.840%	13.820%		



College Ave

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	Product Name	Rate Type	APR Min	APR Max	Grace Period	Compare
Apply	College Ave Graduate Loan (Fixed & Variable Rate)	Fixed	2.890%	14.490%	9 months	☐
		Variable	4.240%	14.490%		
Apply	College Ave MBA Loan (Fixed & Variable)	Fixed	2.890%	14.490%	9 months	☐
		Variable	4.240%	14.490%		



Your Role as a Trusted Navigator

- Financial aid professionals are on the front lines of student success.
- Helping students borrow wisely is student advocacy
- Hosting a list is not just legal, it's leadership



Why Now? Why You?

- Lending is changing—fast
- Students trust their school
- You hold the key to transparent, ethical borrowing
- You can lead—confidently and compliantly

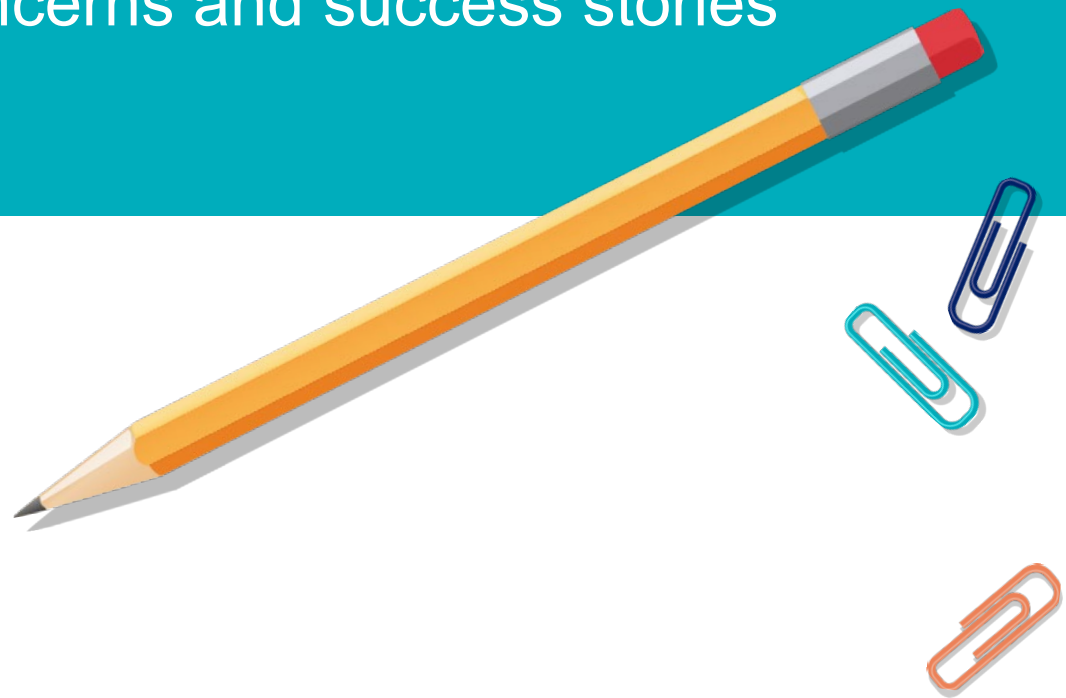


Final Takeaways

- Lender lists are legal and beneficial
- Compliance is clear and achievable
- Hosting a list improves student outcomes
- Financial aid offices can lead with confidence

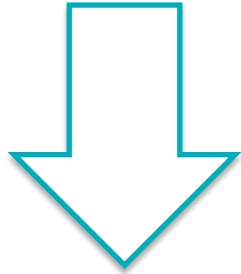
Questions & Discussion

Let's explore your concerns and success stories





Arigato Gozaimasu



Thank you very much



Resources

- NASFAA Lender List Guidance
- HEOA Compliance Summary