

From: **DeenaCA**

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Hi and thanks for your post.

I am considering to apply to business schools for an MBA beginning in fall of 2010. By reading on this website I get a feel that these are not good times for international students to apply to US business schools as job opportunities in US are diminishing for international students due to TARP and other legislations. I would like to hear from others regarding this, if international students are still selecting US for their MBA.

I think this is a great question, but I can tell you that we are seeing international applicants apply for top business programs in the U.S. If loans are an issue for you, you might consider the following information relevant in your search:

School-by-School International Student Loan Scorecard

Last fall, due to shrinking credit markets resulting from the global economic crisis, banks were forced to cancel a range of existing loan programs with many top business schools. Domestic students pursuing an MBA were not impacted, but the cancellations brought to an abrupt end most loan programs for international students that didn't require a U.S. cosigner.

The schools have been working hard ever since to find solutions for their international students, and in the course of the past month, several top MBA programs have announced new no-cosigner loan options.

Here at Clear Admit, we have worked to compile the following international student loan scorecard, intended to give prospective applicants a quick view of available no-cosigner loan options on a school-by-school basis. Where available, we also have listed specific loan terms and rates. For additional details about any of the loan programs listed, please follow the corresponding links. We will update this resource regularly as new loan programs are added and/or program terms are announced.

Schools with No-Cosigner Loan Programs in Place

- **Darden School of Business at the University of Virginia at Charlottesville:** On April 14th, Darden Director of Admissions Sara Neher announced that her office has successfully negotiated a new no-cosigner loan program for international students. Details of the program, which have not been shared publicly, have been sent directly to admitted international students, Neher reported.
- **Fuqua School of Business at Duke University:** On May 11th, Fuqua announced on its website that international students will be able to secure loans for their studies at Fuqua without the need for a U.S. cosigner. "We have a solution in hand that will meet students' needs, with terms similar to those offered for the current academic year," according to the website. To date, details and terms of that program have not been shared publicly.
- **Haas School of Business at the University of California at Berkeley:** The Haas School has created a new Berkeley MBA Student Loan Program, which will provide no-cosigner loans for U.S. and international students in the full-time MBA program at Berkeley. Modeled on the Federal Direct Loan, the new loan program will provide loans of up to \$20,000 a year with an interest rate of 6.8 percent, repayable over ten years. No interest will accrue while loan recipients are in enrolled in the MBA program, and there will be a six-month post-graduation grace period for repayment.
- **Harvard Business School:** On April 15th, Harvard University announced a new partnership with the Harvard University Credit Union to provide private educational loans that don't require a U.S. cosigner to its international students, including MBA students at HBS. Specific terms and details of the loan program have yet to be announced.
- **Ross School of Business at the University of Michigan at Ann Arbor:** The Ross School of Business has partnered with the University of Michigan Credit Union to create the RSB-UMCU International Student Loan Program, which provides no-cosigner loans up to the cost of attendance to all international students enrolled in or admitted to any graduate programs at Ross for 2009-10 and 2010-11. The variable-interest loans feature no origination fee, a rate of prime plus 1.75 percent, a floor of 4.5 percent and a rate cap of 18 percent adjusted quarterly. (Borrowers with a qualified U.S. cosigner can receive an additional 0.5 percent discount.) The loans feature a 20-year repayment period with a six-month post-graduation grace period. The RSB-UMCU loan application will be available in early July 2009.
- **Sloan School of Business at the Massachusetts Institute of Technology:** Through a partnership with the MIT Federal Credit Union, Sloan offers its international students a custom credit-based alternative loan that does not require a U.S. cosigner. The loan features an aggregate limit of up to \$170,000 and carries a variable interest rate of prime plus 2.75 percent. (International students with a U.S. cosigner will receive a 0.5 percent rate reduction.) The loan's interest rate varies quarterly and has a rate floor of 5.50 percent and a rate cap of 18 percent. Students have up to 25 years to repay depending on the loan balance, and repayment begins six months after graduation.
- **Stanford Graduate School of Business:** According to the Stanford GSB website, the school has partnered with the Stanford Federal Credit Union (SFCU) and Citibank to provide private educational loans to international business school students that do not require a U.S. cosigner. As of this writing, no additional details about the loan program are available.
- **Tuck School of Business at Dartmouth College:** In early May, Tuck sent an email to international applicants for the Class of 2011 announcing a new self-funded loan program for international students that doesn't require a cosigner. According to a Tuck spokesperson, the school is still in the process of working out some of the details of the program with Dartmouth, including the interest rate.
- **University of Chicago Booth School of Business:** On April 14th, Chicago Booth announced a new loan program through JPMorgan Chase that will provide financing for qualified international students who aren't eligible for federal loans and who cannot qualify for standard private loans because they don't have a U.S. co-signer. The loans will cover amounts up to the total cost of

attendance less any scholarship aid received and will feature set terms due to the continuing volatility of the market. The terms of the loans will be communicated later this spring, and the new loan program will officially launch in late May.

- **Wharton School at the University of Pennsylvania:** On April 9th, Wharton announced the creation of a custom loan program with Digital Federal Credit Union to cover tuition and living expenses for international students without a U.S. cosigner requirement. The new loans will carry an interest rate of prime plus 3 percent, and borrowers can reduce the rate 25 basis points further by arranging for automatic repayments. To provide these rates, Wharton has agreed to share some of the potential default risk with the lender.

- **Yale School of Management:** On March 12th, Yale SOM announced a new self-funded loan program for international students with no U.S. cosigner requirement. The maximum annual amount of the new loan program is \$49,945 for the Class of 2011 – equivalent to tuition and fees for the academic year – minus any scholarship awarded. The loans carry a fixed interest rate of 7.75 percent. Students have 10 years to repay the loans but make no payments while enrolled and have a six-month grace period after enrollment ends to begin repayment.

Schools With Loan Programs Requiring Co-Signers

- **Anderson School of Business at the University of California at Los Angeles:** According to posts on the Anderson MBA Insider's Blog on April 29th, the UC system is searching for alternative loan options for international students that don't require a U.S. cosigner, but Anderson does not yet have anything in place for the 2009-10 academic year. Queries to Anderson's communications office regarding any updates received no reply.

- **Columbia Business School:** According to the CBS website, loans for international students without a U.S. co-signer are currently not available. "Most international students rely on family funds, personal savings, government or company sponsorships and/pr loans secured in their home countries," the website reads. CBS spokesperson Sona Rai confirmed on May 8th that the above information is accurate and up to date.

- **Johnson School of Business at Cornell University:** According to the school's website, the only U.S. loan option available to international students is with a credit-worthy U.S. citizen cosigner or U.S. permanent resident cosigner. "The Johnson School is currently investigating loan options for international students without a U.S. cosigner and will provide information as it evolves," the website reads. Queries to the school spokesperson regarding any new information received no reply.

- **Kellogg School of Management at Northwestern University:** International students at Kellogg are eligible for the NU International Loan Program, which offers two cosigner options. Option A, which requires a credit-worthy U.S. citizen or permanent resident cosigner (spouse cannot act as cosigner), features no origination fee and a current interest rate for the 2008-9 academic year of 7.50 percent. Option B has no citizenship/residency requirement for the student or cosigner, but international students are required to have a family member included as a cosigner (parent, guardian, or relative; spouse cannot act as co-signer). Interest for both options is variable annually and set by the university, September 1st through August 31st. Kellogg spokesperson Meg Washburn confirmed on May 8th that the above information is current and accurate.

- **Stern School of Business at New York University:** According to the NYU Stern website, all current loan options for international students require a U.S. cosigner. An undated post read, "New York University and the Stern School of Business are committed to our international students, and we will inform you of any new information on loan options as soon as it becomes available." As of this writing, no new details had been announced, and queries to the school's spokesperson received no reply.

Of course, feel free to contact us at info@clearadmit.com for more detailed assistance with your applications.

Best,

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[Back](#)