

WHO IS FUTURE FINANCE ?



Future Finance is a Dublin based financial technology company which touts itself as the UK's first specialist student lender providing undergraduates and postgraduates an additional way to fund their university education.

Future Finance provides loans to students in the UK and Germany when government loans and bursaries are not available or large enough to cover the cost of higher education. They call themselves a “specialist student lender”.

WHAT THEY DO ?

Future Finance lends, in a “traditional manner”, amounts between £1,000 and £40,000 each academic year. Money can be used to pay for tuition fees or can be put towards living expenses or both.

Future Finance recommend taking out the government student loans first recognising they remain the best value loan on the market.

Future Finance assesses a potential borrowers application based on a number of factors:

- Continuation rates: Some courses have a high dropout rate in its first year and a potential borrower might be assigned a “low continuation rate” which means the loan is not approved
- The employment rate of your course and your university
- likelihood of employment and what your future income might be will also determine whether you can afford the repayment
- Credit score/credit history: as almost all lenders do

Under some conditions Future Finance will only approve loans to students if they have a guarantor to back their loan. While the student is responsible for the loan, and its repayments, if a guarantor secures the loan then the guarantor takes on that responsibility if the borrower is unable to repay the loan.

Under these conditions the guarantor repays the borrower's debt.

HOW IT WORKS ?

1. Eligible students apply online
 - a. Enrolled in an accredited UK university
 - b. Over 18 years of age
 - c. Resident in the UK
 - d. Meet lending criteria
2. Guarantors complete application (if a guarantor is needed)
3. Credit checks and other checks are completed on borrower and guarantor (if guarantor is needed)
4. Future Finance can conditionally approve applications for up to 3 months before the start of your course so there is no need to wait.
5. Funds are usually released within 3-5 working days - tuition funding is sent directly to the university while living expense funding is transferred to the student)
6. Interest begins accumulating immediately
7. Repayments while studying, and for three months after graduation, are capped at £75
8. After graduation the cap is removed the loan is repaid in monthly payments
9. Loans include up to two payment holidays of three months
10. The loan period is 5-7 years - there are no fees or penalties for early repayment

FEES AND CHARGES

Future Finance take into account circumstances, and status, when calculating a borrower's interest rate. They consider individual circumstances, the borrower's credit history, choice of course and university.

Interest rates vary between 6% – 24.9% with typical rates of 14.7%

An origination charge is also applied to all loans (new loans 4.5%-8.5% and returning customers 3.5%). This can be paid up front at the beginning of your loan or it can be added to the loan amount at set-up.

A default charge of £12 might be applied too should you miss payments.

FROM THE MEDIA

- Loans from specialist student lender advertised in UCAS emails will double in size by the time they are repaid ([Aug, 2019](#))
- Future Finance has funded over 30,000 students with over £60 million in loans ([Jan, 2018](#))
- Future Finance have raised a total of \$325m and are funded by a range of funding institutions including; Blackstone, QED Investors and Goldman Sachs ([March, 2016](#))

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THINGS TO NOTE

You begin repaying the loan while you study

repayments are reduced while you study (capped at £75 per month) and are kept at this level for 3 months after you graduate but the term of the loan is 5-7 years and the clock begins ticking the moment you receive the money.

High interest rates

Future Finance average interest rates are very high but for some students this might be the only option. For comparison purposes many credit cards charge 19% APR while an average bank loan in the UK today could be half that at around 8-9%.

A government student loan has by far the lowest interest rate and, if it is available to you it is the best choice.

All types of students can apply for loans

Part time and full time students can apply.

International students can also apply provided they are over 18, resident in the UK and enrolled in an accredited UK university. All international students must secure a UK guarantor.

If you drop out of university...

If you discontinue your studies you will bounce back to the standard repayment rate and the 'in study' interest rate will be locked in for the rest of the loan period.

Regulation Status

Future Finance is authorised and regulated by the Financial Conduct Authority which means that existing consumer protection and legislation is in place to protect the customer / borrower in the event of complaints.