

Alternative Student Loan FAQ's

Why should I consider applying for an Alternative Student Loan?

Alternative Student Loans are intended to be used to fill the gap between your resources, awarded Financial Aid, and your Annual Cost of Attendance. If all these sources are not sufficient to finance your education, an alternative loan may be a good option for you.

How much am I eligible to borrow?

The maximum you can borrow is your cost of attendance, minus all sources of Financial Aid received. However, we recommend borrowing as little as you need. If you have any questions determining your eligibility, the Financial Aid Office can assist you.

Which lender does the Financial Aid Office recommend?

The lenders on this list are only a sample of alternative lenders currently utilized by some of our students. You are not limited to the lenders listed, although each lender listed has been added because of the favorable terms offered, and their record of good customer service. You should select your lender carefully based on criteria that meets your borrowing needs.

Where can I find up-to-date interest rate information?

The following Web site offers current interest rate information:

www.bankrate.com/cbsmw/ratehm.asp. You can also check directly with the lender.

How can I determine which loan is best for me?

Interest rates and fees can vary by lender. We would like to encourage you to visit the following Web site: www.finaid.org/calculators/loanalyzer.phtml. This comprehensive Web site allows you to compute the various terms set by each lender, using their listed interest rate, fees, and repayment period.

I have chosen a lender and know how much I want to borrow, what do I do now?

Most lenders offer an online application process. If you feel more comfortable with a hard copy application, you may contact the lender to request one. In order to ensure proper processing, your application must be certified by the school before any lender will disburse funds.

I have completed the loan application and have been approved. When will I receive the funds?


Loans typically have multiple disbursements (a percentage released each semester). If your loan application is submitted at least one month prior to the beginning of classes, your first disbursement should be available on the first day of class. Otherwise it is a good rule of thumb that the total process takes two to three weeks from submission of the application until funds are available.

How can I obtain a copy of my Credit Report?

Any of the following national credit bureaus will send you a copy for a small fee.

Experian:	1-888-397-3742
TransUnion:	1-800-888-4213
Equifax Credit:	1-800-685-1111

2008-2009 Non-U.S. Citizen Alternative Student Loans Comparison Chart

	CITIBANK: CitiAssist	Sallie Mae: LawLoans Private Loan
Phone	800.967.2400	800.634.9308
Web site	www.studentloan.com	www.customschool.com/umich/smet/law/
Loan Limits	Maximum: Cost of education minus all other aid received for academic year Minimum: None Aggregate: \$180,000	Maximum: Cost of education minus all other aid received for academic year. Minimum: \$500 Aggregate: \$150,000 - none with co-signer
Fees: insurance, origination and/or guarantee	Zero to three and a half percent (determined by credit history)	None
Interest Rates	Interest rates range from Prime rate plus 1% to plus 4% (determined by credit history) both while in school and in repayment	One eligible individual: LIBOR rate plus 4.5% to LIBOR plus 11.25% Two eligible individuals: LIBOR rate plus 4.5% to LIBOR plus 10.25%
Repayment	9-month grace period after graduation Up to 20 years No pre-payment penalty	9-month grace period after graduation Up to 20 Years No pre-payment penalty .50 percentage point interest rate reduction with auto-debit
Eligibility	May be enrolled less than half-time Must have a credit worthy U.S. cosigner	May be enrolled less than half-time Must have a credit worthy U.S. cosigner

Please note that these terms and rates are subject to change. For current terms/interest rates please contact your lender.

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