

An alternative loan is a non-federal education loan offered by private lenders. Alternative loans require a credit check of the borrower and/or cosigner. Typically the interest rate is variable and can change as often as monthly during the life of the loan. Some lenders offer a fixed interest rate. Alternative loans cannot be consolidated under the Federal Consolidation Loan Program.

Alternative loans are intended to be used to fill the gap between your resources, including awarded financial aid, and your cost of attendance. If your grants, scholarships, federal loans and family savings are not enough to finance your education, an alternative loan may be an option.

You may select any lender of your choosing. However, to assist you with your decision, Hamline has created an Alternative Loan Lender List that you can view during the online application. These lenders were chosen because they offer a variety of loan products, a competitive total cost of borrowing, favorable borrower benefits, borrowing options for non-traditional students and easy processing capabilities, including electronic funds transfer. This list does not constitute an endorsement of any lender by Hamline University and you are welcome to borrow from any lender you choose, even if they are not on the list. The lender list also includes some comparison information which is updated by the lender periodically as terms may change.

There are a number of things to consider: What are the eligibility requirements and do I fit them? What is the interest rate, how is it calculated and how often can it change? Will I be charged a fee upon origination or at repayment? What are the repayment terms? Are there any required in-school interest payments? How is their customer service? It is a good idea to review a number of different lenders' terms before making a final decision.

Maybe. Undergraduate students, international students and students with little or negative credit history will likely need a cosigner. Some lenders may require all students to use a cosigner. However, sometimes you can receive a lower interest rate if you use a cosigner even if one is not necessary. Check with your lender for details.

The maximum amount you can borrow is your cost of attendance minus all sources of financial aid. Your maximum eligibility will be listed on your award letter. Remember this is a loan that will need to be paid back, so borrow as little as you need.

