

If You Have Been Awarded An Alternative Loan On Your Eligibility Letter....

What Is An Alternative Loan?

An Alternative Loans is a loan that is borrowed through a bank or corporate lender. Unlike the Federal Stafford Loans, when you apply for an Alternative Loan you must complete a separate application. Also, be aware that the lender will conduct a credit check. The interest rates, fees and other options available vary from lender to lender. Please make sure to read the application and promissory note carefully. It will provide you with information regarding interest, fees, repayment and grace periods. If you have any questions, call the lender or check their web site. The web sites offer helpful information, particularly with understanding the interest rates for their particular loan and if and when any fees will be assessed. Before you complete an Alternative Loan application, you should clearly understand the terms and conditions of the loan.

Why An Alternative Loan?

In creating your financial aid package OHSU's financial aid office uses as much readily available grants and loans as possible. These loans and grants always have restrictions on the maximum amount available each school year. There may be a shortage between the budget we have created for students in your program and the amount of other financial aid we are able to offer you. If such a gap exists between your cost of attendance budget and the aid we are able to offer, you will have Alternative Loan eligibility listed on your financial aid award. Remember that Alternative Loans require a separate application. If the amount of the Federal Loans or other aid that you have been awarded won't be enough for you to complete the school year, you will have to look into applying for an Alternative Loan. The alternative loan funds end up being the part of your financial aid that you typically get back in your refund check to help you pay rent, buy food, and books and supplies. Therefore, it is important to get started on the application process as early as possible. Process time for most of the applications are typically 3-4 weeks. Some loans have the option of applying on-line, or calling for quick pre-approval, which will help speed up the process.

How Do I Apply?

The financial aid office at OHSU will have several Alternative Loan applications to choose from. There is a lender list on the other side of this page. You are free to use any other source that you may know to borrow. You can also apply on-line with many lenders, or contact them via telephone for pre-approval. You can only borrow up to the amount of eligibility listed on your award letter. Alternative Loan lenders require that the financial aid office certify the amounts that can be borrowed and the disbursement dates of the funds. You may have to bring the application to the financial aid office for completion. For those of you that apply on-line, the lender will request certification from us directly.

The Alternative Loan funds will be sent to the Financial Aid Office and then the Cashier's Office to be applied to your account like all other funds. Some Alternative Loan checks are made out to OHSU, some are made out to you and some are made out to you and OHSU jointly, so you may have to endorse a check before receiving funds. Please remember that the financial aid office sets up disbursement dates to coincide with term start dates. However, funds will not be available to you if OHSU has not yet received the disbursement from the lender.

**If you have any questions call our office at
(503) 494-7800 or
1 (800) 775-5460**