

Private Alternative Loan Options

A student or parent loan from a bank, credit union, private company, a nonprofit or state-affiliated lender, or from the college or university directly to pay for educational costs. Interest begins to accrue when the loan is disbursed, and repayment begins while the student is still enrolled in school. Often these loans require a credit worthy co-signer because approval is based upon the creditworthiness of the student. Some of these loans may require interest payments be made while the student is still in school. Most Private Alternative Loans have a variable interest rate; therefore, Mercy College encourages students to exhaust all other forms of financial aid before borrowing a Private Loan.

At Mercy College, we will process an alternative loan from any lending institution. However, we have compiled a neutral, comprehensive list of lenders that have made loans to students at Mercy College within the last five years. FASTChoice is a private loan selection tool that helps students make a good decision regarding borrowing an alternative loan. You can compare lender rates, terms, and benefits. We use FASTChoice because the lenders have been providing service to our students for many years, interest rates are competitive, co-signers help students qualify for better interest rates, there are no repayment penalties, extended repayment terms are available, there is a six month grace period before repayment, the online application process is fast and easy, and funds are sent via Electronic Funds Transfer (EFT).

Process of applying:

1. Research your private education lender options. Pay close attention to the terms and conditions of the loans. Questions you will want to ask each lender are:
 1. **Is the interest rate on the loan fixed or variable?** *A variable interest rate might be lower to begin with, but unlike fixed interest rate loans, nothing keeps the lender from changing the interest rate on a variable interest rate loan.*
 2. **Will I need a co-signer?** *If you have not established a credit history of your own, you will need a co-signer. Interest rates could also vary based on your (and/or your co-signer's) credit score.*
 3. **What are the repayment terms and options?**
2. Once you have decided, apply for the loan on the lender's website. Indicate that you are attending Mercy College of Ohio. Our school code is **0309700**.
3. Submit any follow-up documentation required by your lender. For example, promissory note, disclosure notices, etc.
4. If applying with a co-signer, make sure the co-signer submits all the required documentation.
5. When the loan is fully approved, your lender will notify the Student Financial Aid Office of your approved loan. We will certify the loan and add it to your Financial Aid Award Offer. The amount we can certify cannot exceed your cost of attendance minus other financial aid you are receiving. If you request a larger loan than we are allowed to certify, we may be required to reduce it down to an allowable amount.

6. Loans typically disburse in equal disbursements to your student account in the same manner your other financial aid disburses, unless otherwise indicated. If you need your loan to be disbursed in unequal disbursements, please contact us ahead of time.

Truth in Lending Act

Under the federal Truth in Lending Act (TILA) § 128(e)(11) and § 128(e)(1) and § 487(a)(28) of the Higher Education Act of 1965, as amended, the following disclosures must be made to the borrower in written or electronic format:

- The Private Education Loan Applicant Self-Certification Form
- The information required to complete the form, including the cost of attendance, estimated financial assistance and the difference between the two amounts.

In addition to the information referenced above, the form explains that:

- Free or lower-cost federal, state, or institutional aid may be available. To apply for federal grants, loans and work-study, a student must submit the Free Application for Federal Student Aid (FAFSA). The form is available at www.studentaid.gov or by calling 1-800-4-FED-AID.
- A private loan may lower eligibility for free or low-cost federal, state, or institutional aid.
- You (the borrower) are strongly encouraged to pursue the availability of free or lower-cost federal state or institutional aid with the university; and

Applicants must provide a complete, signed copy of the self-certification form to the private loan lender that they choose. The lender must collect and maintain the self-certification form, prior to disbursement of a private education loan.

Read more information regarding the [Truth in Lending Act](#).

Financial Aid Office Contact Information:

1 (888) 80-MERCY, (419) 251-1219 or financialaid@mercycollege.edu