

Alternative (private) loans are administered and processed by private lending institutions to be used for educational costs. These loans help bridge the gap between the financial aid available from federal, state and/or institutional resources and the total cost of your education. Alternative loans should be used for circumstances where you have exhausted all other options in regards to financing your education.

Exhaust Federal Student Aid Options First

We strongly recommend that you apply for financial aid using the Free Application for Federal Student Aid (FAFSA) prior to seeking an Alternative Loan option. You may be eligible for the Federal William D. Ford (Direct) loan. Benefits of the Federal William D. Ford (Direct) loan over an Alternative Loan may include lower interest rates and greater repayment options. The FAFSA application can be found at <https://studentaid.gov>. If you have completed the FAFSA, you will be required to acknowledge and accept/decline your federal loan eligibility before CTX can certify a private loan.

Plan Ahead

We encourage you to thoroughly research any lender prior to making a decision to apply for a loan. All educational loans, regardless of the method of payment, must be reported to Concordia University Texas (CTX) Student Financial Services and may not exceed your total cost of attendance.

Alternative Loans can take a **minimum of 30 days** to process and generally require a credit check on the borrower and/or co-signer. Your lender will also require that you complete a series of disclosures as well as a Self-Certification Form prior to disbursing funds. Once you sign your master promissory note, the lender will provide you with a finalized disclosure, which confirms the terms and conditions of your loan. This is when your “right-to-cancel” period begins; the lender cannot release the first disbursement of your loan funds until the end of this period, which may be up to 11 business days. Although the application process begins with the lender, these loans require school certification and are disbursed to the student’s CTX account.

Concordia University Texas does not endorse or have a preferred lender arrangement with any lender. Students are free to select any lender and it is the student’s responsibility to research the loans offered by these or any other private lender before making a decision. ELM Select will direct you to a comprehensive historical list of private lenders that CTX students have selected over the past 3 years. The ELM Select online tool (<http://elmselect.com>) can assist you by providing a side-by-side comparison of these lenders.

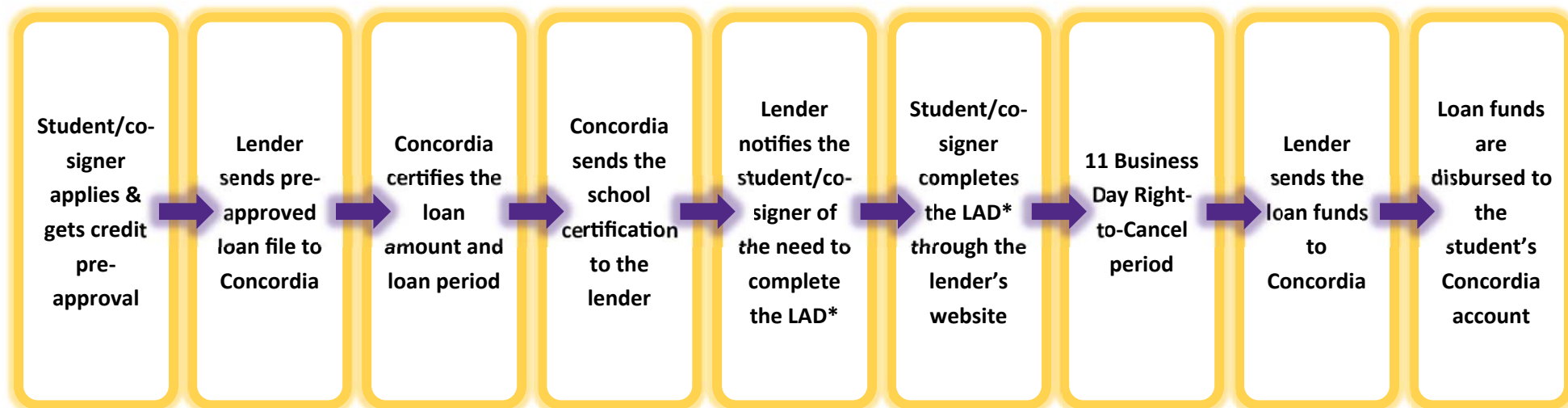
[***ELM Select for Undergraduate Students***](#)

[***ELM Select for Graduate Students***](#)

Points to Consider when Choosing a Lender

The process of choosing a lender can be overwhelming. Below are some additional things to consider when making your choice:

1. Does the lender hold any previous student loans that you may have?
If you already have an established relationship with a lender, you may want to consider contacting them to see if they have an Alternative Loan available.
2. Does the lender offer any discounts, rebates or interest reduction programs?
Some lenders offer varying benefits such as waiving the up-front origination fee, interest rate and/or principal reductions for responsible borrowers during repayment, etc. Contact potential lenders or browse their websites to learn more about their specific benefits.
3. Does the lender sell its student loans?
Many lenders sell their loans to servicing agencies. If your selected lender uses a servicer, it will be the loan servicer who will handle your payments, deferments and forbearance requests.
4. What level of service can I expect from my lender or its servicer?
Does the lender offer extended hours and the ability to speak to someone in person; is a toll-free number available and/or can you access your loan information via e-mail or the web; does the lender offer other tools such as college planning or debt counseling?
5. How will the lender disburse loan funds?
Many lenders participate in electronic processing, however some do not. Ask whether or not your loan funds will be disbursed electronically or by check so you can plan accordingly.



*Loan Approval Disclosure (LAD)

OVERALL TIME: one month, on average (assuming the student has completed all financial aid requirements and accepted or declined their federal loans already)

AFTER PRE-APPROVAL: estimated time per step is 2-3 business days (except for right-to-cancel period). Student must respond expediently to certification questions from staff and submit LAD to prevent delays.