Private student loans: an educational loan issued by a private lender, such as a bank or credit union rather than the federal government.

Q. **When should I apply**?

A. You can research lenders and apply for a loan using your estimated financial need.
If your financial aid or costs change, you can request to reduce your private loan.

While applying early is recommended, many students apply for private loans closer to the start of the academic year.

TIP: Many private student loan lenders offer prequalification, giving you an opportunity to check your eligibility, personalized rates, and loan options without impacting your credit score.

Q. **How much should I borrow?**

A. Private student loans are designed to finance educational costs and/or financial need.

Cost of Attendance (COA) =The maximum amount of funding you can receive from **ALL** funding resources combined. The following calculation can be used to determine your potential financial need:

Cost of Attendance (COA)
- Grants & Scholarships
- Savings & Other Resources
- Federal Student Aid
= Remaining financial need

TIP: Every financial situation is different. Just because you can borrow the maximum amount (up to COA), doesn't mean you should. Consider borrowing only what you need to cover your remaining education expenses.

Q. **How do I apply?**

A. **Prequalify** and compare lenders by reviewing interest rates, repayment options and borrower benefits such as in-school deferment, forbearance, or cosigner release. Choose the option that fits your needs.

Apply by completing an online application individually or with a cosigner. Once approved, select your loan terms and sign loan documents.

School certification is required to verify your enrollment and loan eligibility.

Disbursement will occur once your loan is approved and certified; funds are sent directly to your school and applied towards your bill.

TIP: Borrow smart. Applying once per academic year minimizes credit inquiries. Plus, interest only accumulates on disbursed funds, not the full approved amount.

Want more information? Review private loans for your school at ELMSelect.

This content is provided for informational and educational purposes only and should not be construed as financial advice.