



The private student loan process

From application to funding

Once you have explored federal student loans, consider a responsible private student loan.

Here is an overview of how private student loans work, from when you decide to apply, to when the money actually gets to your school.

Step 1: Choosing the right loan for you

Compare what lenders offer

- Competitive interest rates
- Cost saving benefits
- Fees and repayment options (how you'll pay back the loan)

Where you can get a private loan

- Financial companies
- Banks and credit unions

Step 2: Applying for a loan

What you will need to provide

- Personal info (date of birth, address, Social Security number)
- School info
- Financial info (bank accounts, savings accounts)
- Employment info and income (if you're working)
- How much you want to borrow

NOTE: If you have a cosigner, he or she will also need to submit this information in their section of the application.

Will you need a cosigner? If you don't have a lot of credit you may need a creditworthy adult (parent, guardian, relative, or other adult) to cosign for the loan.



Step 3: Decision

After you submit your application

- Decision may take 15 minutes via an online application
- The lender may ask for more information
- Approval is determined by your ability (along with your cosigner, if you have one) to pay back the loan

Step 4: Choosing and accepting loan terms

If you're approved for the amount of the loan, there are several next steps to take

- Select your loan repayment option (if available)
- Choose the interest rate type (i.e., fixed or variable, if both are offered)
- Accept the loan after reviewing the Loan Approval Disclosure

Step 5: Loan is disbursed to your school

After you've signed your loan

- Your school will certify your loan (verify that you're attending the school and the money you are borrowing doesn't exceed the cost of attendance).
- Once all requirements are met, the lender will disburse (send) the funds directly to your school.
- Interest begins to accrue (grow) as soon as the funds are disbursed.

[Learn more at Salliemae.com/StudentLoanResources](https://www.salliemae.com/StudentLoanResources)

Borrow responsibly. We encourage students and families to start with savings, grants, scholarships, and federal student loans to pay for college. Students and families should evaluate all anticipated monthly loan payments, and how much the student expects to earn in the future, before considering a private student loan.

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