Private Alternative Loans

A number of lenders, credit unions and agencies sponsor alternative loans, home equity loans and lines of credit to help families finance the cost of a college education. The following is a representative listing of such programs. Contact these lenders for the latest terms and rates. Loans are available for both undergraduate and graduate students.

- Niagara University does not automatically certify alternative loans until students have completed the FAFSA and their eligibility for Federal Stafford Loans has been determined.
- It is usually in the student’s best interest to borrow from the Federal Direct Loan program first before borrowing an alternative loan. **There is no cap on the interest rate for an alternative loan.**
- If a student does not intend to complete a FAFSA and **only wants an alternative loan**, we must be notified in writing to determine your eligibility for the alternative loan.

****** CONSUMER ALERT ******

Lenders look at your credit score to determine if you are a good credit risk. Applying for more than one Alternative Loan will no longer negatively affect your credit score. It’s treated as a “soft hit” on your credit report for both the borrower and the co-signer if you are applying to multiple lenders.

Be wary of any Direct to Consumer Loans that do not require a school certification. Usually the interest rates on those loans are much higher. If a school certification is not required you will be asked for a bill or a copy of your class schedule.

The Financial Aid Office is required by Federal regulations to make certain your aid does not exceed cost of attendance if the aid includes a loan. The cost of attendance elements are set by federal regulation.

**Important:** Pursuant to Section 155 of the Higher Education Act of 1965, as amended, (HEA) and to satisfy the requirements of Section 128(e)(3) of the Truth in Lending Act, a lender must obtain a self-certification signed by the applicant before disbursing a private education loan. The school is required on request to provide this form or the required information only for students admitted or enrolled at the school. This form is available on our website or in the Financial Aid Office upon request.

Defaulting on your loan could prevent you from owning a car or a house one day, and it is virtually impossible to eliminate student debt by declaring bankruptcy except in extreme cases of hardship.

Questions you want to ask before borrowing an alternative loan:

- What is the interest rate?
- What is the cap on the interest rate?
- When and how often is interest capitalized (added to the principal)?
- When does repayment begin?
- What are the penalties for missing a payment?
- Can you postpone payments after graduation; under what circumstances?
- Is there in-school deferment for graduate school; and is there a maximum time for in-school deferment?

See reverse for Alternative Loan options
Private Credit Based Alternative Loans

Borrowers have the right and ability to select the education loan provider of their choice and are not required to use any of the lenders on this list. Niagara receives no incentive or benefit from any lender on this list. All of the listed lenders provide loans for Graduate and Undergraduate students to provide funds beyond what federal programs can offer. Students can borrow up to cost of attendance minus financial aid. It is best to contact the lender concerning current rates and benefits.

Citizens Bank Student Loan

The Citizens Bank Student Loan has zero origination fees and low interest rates with your choice of variable or fixed rate options. Lower your interest rate by up to 0.50 percentage points with the Double-Loyalty Discount and Automated Repayment Discount. Ability to defer payments until six months after graduation. Co-signer release option is available after 36 consecutive on-time payments. Loan forgiveness in the event of permanent disability or death of the student. Can cover past due balances up to 180 days. Students must be enrolled at least half-time in a degree granting program. Learn more and apply online at www.citizensbank.com/studentloans or call 800-708-6684.

Discover Student Loan

The Discover Private Loans have zero fees at origination and repayment, competitive interest rates, a 1% cash reward for good grades, and a 0.25% auto debit reward. There is a 6 month grace period for undergraduates and 9 month grace period for graduate students. You must be enrolled at least half time, unless it’s a summer session or last semester prior to graduation. Past due balances are not covered. Co-signer release option is not available. Variable and fixed rate products available. Apply online at www.discoverstudentloans.com or call 1-800-STUDENT.

PNC Solution Loan

The credit application on the PNC Solution Loan is good for 180 days. Zero fees. Past due balances are covered up to 90 days. The borrower must be enrolled at least half time in a degree or certificate granting program. Co-signer release option is available after 48 on time payments are made. 0.50% interest rate reduction for payments made with auto debit when in repayment. Minimal income requirements may apply. No debt-to-income calculation. Variable and fixed rates available. Apply online at www.pnconcampus.com or call 800-762-1001, option 1.

Sallie Mae Smart Option Loan

The Sallie Mae Smart Option loan has zero fees if attending a degree granting institution. Past due balances are covered within 365 days of the loan period end date. Students can be less than half time, half time or full time. A Co-signer release option is available after 12 consecutive on time payments are made. Income and employment verification is required. Loan forgiveness in the event of the death or permanent disability of the student is available. Variable and fixed rates are available. Apply online at www.salliemae.com or call 888-272-5543.

Sun Trust Custom Choice Loan

Borrower will receive a 1.0% principal reduction per loan at graduation. Borrower will receive 0.25% interest rate reduction for auto debit of payments from a bank account, plus an additional 0.25% interest rate reduction if auto debit is from a Sun Trust deposit account. Check the website for Summer Savings Program. Co-signer release option is available after 48 consecutive on-time payments. No origination fees. Must be enrolled at least half time in a Title IV eligible program that is degree granting, be a US citizen or permanent resident. Applications may be accepted up to one month following the end of the academic period. Fixed or variable rates available. Student loan protection is available in case of death and disability of student. Apply online at www.suntrusteducation.com or call 866-232-3889.

Union Federal Private Student Loan

Union federal’s private student loan features competitive rates and a variety of repayment terms. They offer a 1.0% principal reduction per loan at graduation and a 0.25% interest rate reduction for auto debit of payments from a bank account, plus an additional 0.25% interest rate reduction if auto debit is from a Sun Trust deposit account. A co-borrower release option is available after 36 on-time payments as well as 0.25% rate reduction after 36 on-time payments. Student Loan protection is available in case of death and disability of student. Must be enrolled at least half time in a degree granting program, be a US permanent or International student with US cosigner. No origination fees. Past due balance option is available up to 90 days. Variable and fixed rates are available. Apply online at www.unionfederalstudentloans.com, or call 866-513-8445.

Wells Fargo Collegiate Loan

The Collegiate Loan is privately sponsored and serviced by Wells Fargo Bank, NA. Students can be less than half time, half time, or full time in a degree or certificate seeking program per semester to qualify. A co-borrower release option is available after 24 consecutive on time payments. Past due balances may be covered up to 30 days if not enrolled, and if currently enrolled there is no time limit. Zero origination or repayment fees. $12,000 minimum income requirement. Loan forgiveness is available on existing and future Wells Fargo private student loans in the event of the death or permanent disability of the borrower. The Wells Fargo Private Consolidation loan is available up to $100,000 in private loans from any source. Variable and fixed rate options are available for all loans. Apply online at www.wellsfargo.com/student or call 877-451-5039.

If you would like to shop around and compare private student loans you can go to www.elmselect.com.