

## **TIPS FOR RESEARCHING PRIVATE EDUCATIONAL LOANS**

The Office of Financial Aid and Scholarships wants to make affording your college education possible! From time to time, students find themselves in need of additional loan funds in order to meet their cost of attendance at CSUSB. While we recommend that students complete their Free Application for Federal Student Aid (FAFSA) and use all federal loans first, private educational loans are an additional option.

Private educational loans are funds offered by private lenders and are credit-based consumer loans which are to be used for educational costs. When seeking alternative private educational loans, we recommend the following:

- **If you qualify for federal loan(s), be sure to use all federal loan options prior to a private educational loan. The interest rates and grace periods tend to be better with federal loans that are available via the FAFSA. You can complete the FAFSA application at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) using CSUSB Federal School Code 001142.**
- **Carefully review your financial options including all available resources prior to seeking a private educational loan.**
- **Take time to research various private lenders. Do not rush into the first private educational loan that you come across. Take into consideration interest rates, length of the loan term, grace periods, consolidation, and repayment options.**
- **Look for lenders that offer discounts or incentives, such as cash rewards for academic achievement. These can pay off in the long-run.**
- **Borrow only the amount that is needed for your costs. As borrowing loans can become expensive, it is important that you only borrow what is needed.**
- **If possible, work toward repayment of the loan while you are in school. This will help to lower your total loan amount as interest is continuously accruing.**

California State University, San Bernardino and the Office of Financial Aid and Scholarships do not endorse nor recommend any particular lender or bank for private educational loans. It is the responsibility of the student to research private educational loan lenders, select a lender of their choosing, and to complete all required applications. For more information and for a comparison of Federal versus Private Educational Loans, please visit:

<https://studentaid.ed.gov/sa/types/loans/federal-vs-private>