


If you need additional funds to meet your education costs, alternative loans may be an option for you. Alternative loans are private loans made through private lending institutions (banks, credit unions or other, private educational lenders). These loans are not part of the federal government loan programs – they are credit-based and may require a cosigner. Alternative loans are generally more expensive than federal government guaranteed loans and should only be used when all other options have been exhausted.

Research all possibilities for scholarships, grants, work-study and federal loan programs before borrowing from an alternative loan program

We highly recommend that you borrow your full eligibility of Direct Subsidized/Unsubsidized loans—and your parent considers borrowing a Direct Parent PLUS loan—

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Typically, a commercial bank or credit union.

Up to your cost of

As with all other types of financial aid, private loan funds will first be sent from your lender to the UIW Business Office to be applied directly to your UIW bill. If any additional funds remain after the bill has been paid in full, the excess funds will be refunded to you directly.

Choosing the right loan to help pay for your education is an important decision, and you should carefully review all details before selecting a private loan program. Here are some additional tips to help you make the best choice:

- Federal Direct loans (including Parent PLUS loans) have more favorable terms for borrowers. So, exhaust those options first.
- Private loans vary significantly in repayment features, eligibility criteria, and borrower benefits. Be sure to thoroughly evaluate each lender you may be considering.
- Many times, it may be better to apply with a cosigner, even if you could qualify for the loan on your own. Applying with a cosigner usually results in a lower interest rate because the loans are not as risky for the lender.
- The fees charged by some lenders can significantly increase the cost of the loan. A loan with a relatively low interest rate but high fees can ultimately cost more than a loan with a somewhat higher interest rate and no fees.
- This may seem obvious, but many students will borrow up to their total cost of attendance, even if they do not need to. Be sure that if you decide to apply for a private loan, you are only borrowing what you need to pay for educational expenses.
- Remember that if you need to apply for an additional loan during your first year at UIW, you will likely need to borrow additional loans over the next 3 years. Loan debt can accumulate quickly; if you get in over your head, you may have trouble getting approved for a car loan, a credit card, or a home mortgage after you graduate!