

Western Technical College Office of Student Financial Aid

Questions to Ask Private Loan Lenders

1. **What is the lowest interest rate and fee combination you offer?**
 - Is this for the life of the loan?
 - Is the interest rate a fixed or variable rate?

2. **What will my payments be on this loan?**
 - When do I have to start making payments?

3. **Is there any penalty for paying off the loan early (prepay)?**

4. **What is the total I will have to repay including fees and interest provided I do not prepay?**
 - How long will I be repaying the loan?

5. **Can I defer payments while I'm in school?**
 - How long can I defer payments while in school?
 - If I do not make payments while in school, how much will I owe when I do start making payments?

6. **If I have difficulty making payments, do you allow me to defer or reduce my payments temporarily?**
 - If the answer is yes, under what circumstances, and for how long?

7. **Do you offer any discounts for this loan (i.e. Interest Rate Reductions for on-time payments or Payments made via Auto-Debit)?**
 - Will I lose any discounts with just one late payment or if I ask for a change in the payment schedule?
 - What percentage of your borrowers actually receives the discounts you offer?
 - Are your discounts guaranteed, or are they subject to change later?