

Alternative (Private) Loans

An alternative loan is a private student loan through the bank of your choice. Students should exhaust all federal aid and direct loan opportunities before applying for an alternative loan. Most alternative loans offer variable interest rates; whereas the Direct Loan opportunities, such as the Stafford and PLUS Loans, offer fixed interest rates. Currently, there are a few lenders who offer a fixed rate alternative loan. Most alternative loans usually require a cosigner. In order to keep interest rates as low as possible, we encourage you to find a credit worthy cosigner.

To apply through a lender of your choice, contact the lender individually and apply through their process. KMBC would be happy to certify a loan from any bank or credit union. Due to a new Federal Government regulation, you will need to complete a self-certification form for your lender before they will process your loan.

To learn more about available alternative student loan sources [click here](#).