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# 7 Best Private Student Loans of January 2020

[NerdWallet](#) January 2, 2020

At NerdWallet, we strive to help you make financial decisions with confidence. To do this, many or all of the products featured here are from our partners. However, this doesn't influence our evaluations. Our opinions are our own.



**Always borrow federal student loans before private loans. Once you've exhausted federal options, compare offers from multiple private lenders to find the lowest interest rate.**









Private student loans can be a good option if:

## Summary of Best Private Student Loans of January 2020

Lender	Best For	Fixed APR	Variable APR	Min. Credit Score
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Lender	Best For	Fixed APR	Variable APR	Min. Credit Score
 <p><b>Sallie Mae Private Student Loan</b></p> <p>★★★★★ NerdWallet rating <a href="#">?</a></p> <p><b>CHECK RATE</b></p> <p>on Sallie Mae's website</p>	<p><b>Part-time students and those who want repayment flexibility.</b></p>	<p>4.74 - 11.35% <a href="#">?</a></p>	<p>2.75 - 10.22% <a href="#">?</a></p>	<p>Does not disclose</p>
 <p><b>College Ave Private Student Loan</b></p> <p>★★★★★ NerdWallet rating <a href="#">?</a></p> <p><b>CHECK RATE</b></p> <p>on College Ave's website</p>	<p><b>Students who want to make payments while they're still in school.</b></p>	<p>4.54 - 11.98% <a href="#">?</a></p>	<p>2.84 - 10.97% <a href="#">?</a></p>	<p>Mid-600s</p>
 <p><b>Ascent Private Student Loan</b></p> <p>★★★★★ NerdWallet rating <a href="#">?</a></p> <p><b>CHECK RATE</b></p> <p>on Ascent's website</p>	<p><b>Independent students; faster payoff.</b></p>	<p>4.26 - 13.22% <a href="#">?</a></p>	<p>3.28 - 12.59% <a href="#">?</a></p>	<p>600</p>

Lender	Best For	Fixed APR	Variable APR	Min. Credit Score
 <p><b>Earnest Private Student Loan</b></p> <p>★★★★★ NerdWallet rating <a href="#">?</a></p> <p><b>CHECK RATE</b></p> <p>on Earnest's website</p>	<p><b>Flexible repayment.</b></p>	<p>4.49 - 12.78%</p>	<p>2.79 - 11.44%</p>	<p>650</p>
 <p><b>CommonBond Private Student Loan</b></p> <p>★★★★★ NerdWallet rating <a href="#">?</a></p> <p><b>CHECK RATE</b></p> <p>on CommonBond's website</p>	<p><b>Faster payoff.</b></p>	<p>5.45 - 9.74% <a href="#">?</a></p>	<p>3.31 - 9.29% <a href="#">?</a></p>	<p>660</p>

Lender	Best For	Fixed APR	Variable APR	Min. Credit Score
 <p><b>Citizens One</b> Private Student Loan</p> <p>★★★★★ NerdWallet rating </p> <p>CHECK RATE</p> <p>on Citizens Bank's website</p>	<p><b>International students; existing Citizens Bank customers.</b></p>	<p>4.40 - 12.19% </p>	<p>2.83 - 11.16% </p>	<p>Does not disclose</p>
 <p><b>Discover Private Student Loan</b></p> <p>★★★★★ NerdWallet rating </p> <p>CHECK RATE</p> <p>on Discover's website</p>	<p><b>Students who may need wiggle room on payments.</b></p>	<p>4.74 - 12.49% </p>	<p>2.80 - 11.37% </p>	<p>Does not disclose</p>

### Sallie Mae Private Student Loan



★★★★★ 4.5 NerdWallet rating 

Fixed APR

4.74 - 11.35%

Min. Credit Score

Does not disclose

CHECK RATE

on Sallie Mae's website

[View details](#) 

### College Ave Private Student Loan



★★★★★ 5.0 NerdWallet rating [?](#)

Fixed APR

4.54 - 11.98%

Min. Credit Score

Mid-600s

CHECK RATE

on College Ave's website

[View details](#) 

### Ascent Private Student Loan



★★★★★ 4.5 NerdWallet rating [?](#)

Fixed APR

4.26 - 13.22%

Min. Credit Score

600

CHECK RATE

on Ascent's website

[View details](#) 

### Earnest Private Student Loan



★★★★★ 4.5 NerdWallet rating [?](#)

Fixed APR

4.49 - 12.78%

Min. Credit Score

650

CHECK RATE

on Earnest's website

[View details](#) 

### CommonBond Private Student Loan



★★★★★ 5.0 NerdWallet rating [?](#)

Fixed APR

5.45 - 9.74%

Min. Credit Score

660

CHECK RATE

on CommonBond's website

[View details](#) 

### Citizens One Private Student Loan



★★★★☆ 4.0 NerdWallet rating [?](#)

Fixed APR

4.40 - 12.19%

Min. Credit Score

Does not disclose

CHECK RATE

on Citizens Bank's website

[View details](#) ▼

### Discover Private Student Loan

**DISCOVER**  
STUDENT LOANS

★★★★☆ 4.5 NerdWallet rating [?](#)

Fixed APR

4.74 - 12.49%

Min. Credit Score

Does not disclose

CHECK RATE

on Discover's website

[View details](#) ▼

## How do private student loans and federal student loans differ?

You apply for a federal student loan by submitting a FAFSA. Taking on a federal loan means you're borrowing a loan funded by the government. You apply for a private student loan through a bank, credit union or online lender.

Federal student loans offer borrowers protections and alternative repayment options that private loans may not, such as income-based repayment and forgiveness programs. Federal student loans also have flat interest rates set by Congress, while the interest rate on a private student loan depends on your or your co-signer's credit. Without a credit score of at least 690, you'll likely pay a higher interest rate for a private loan than you would for a federal loan.

» **MORE:** [How to get a student loan](#)

## How do I choose a private student loan?

Compare offers from multiple lenders including banks, credit unions and online lenders to find the lowest [interest rate](#). Depending on the lender, you may be able to choose a fixed or a variable interest rate. A fixed rate stays the same throughout the life of a loan. A variable rate may start out lower than a fixed rate, but could increase or decrease over time depending on economic conditions.

Consider any borrower protections your private lender offers, including [deferment and forbearance](#), as well as repayment options. You may also have the option to choose your loan term, which means you could pay off your loan faster and with less interest by making higher payments or pay lower amounts with more interest over a longer period of time.

## How do I qualify for a private student loan?

Each lender will have its own requirements for taking out a loan. With most loans, credit score and income are taken into account. Higher scores and incomes tend to get the best rates or higher borrowing amounts. However, since undergraduate borrowers are less likely to have established credit or an income, lenders will usually require students to apply with a co-signer. Some lenders who have loans for borrowers without a co-signer will consider career and income potential.

Lenders will often require you to attend a Title IV school, which means your school processes federal student aid. Some lenders don't offer loans in certain states.

## Can I get a private student loan with bad credit?

You'll have a hard time finding a private student loan from a bank, credit union or online lender if you have bad credit. Federal student loans don't require borrowers to demonstrate creditworthiness, so they'll be your best option. If you've already hit your limit on federal loans, you may be able to get a private student loan if you apply with a co-signer who has solid credit — typically scores in the high 600s or better.

» **MORE:** [Student loans for borrowers with bad or no credit](#)

## Will I need a co-signer for a private student loan?

If you have no income and either no credit or bad credit, you'll need a co-signer to get a private student loan. Without bills in your name, such as a credit card, car loan or utility, you have no way to demonstrate that you can pay bills on time. Your co-signer will need to have a steady income as well as good to excellent credit scores, typically at least in the high 600s. Signing with a co-signer means they're on the hook for your loan bill if you can't pay.

Some lenders offer loans exclusively for student borrowers that don't take credit into consideration. Instead, these lenders look at the school you're attending as well as your income and career potential to determine the amount you can borrow and at what rate.

» **MORE:** [How to get a student loan without co-signer](#)

## How do I apply for a private student loan?

Each lender will have its own application requirements. You'll usually need to provide documents that prove citizenship, identity and income along with school attendance and cost information or a financial aid award letter from your college.

As part of underwriting, you or your co-signer will need to show you have a credit score in the high 600s or higher, as well as cash flow to make loan payments. They'll also look at your or your co-signer's debt-to-income ratio to make sure you have the funds to pay a student loan bill in addition to any other bills in your name.

## Find the best student loan for you

- [Best private student loans for 2020](#)
- [Student loans without a co-signer](#)
- [Student loans with co-signer release](#)
- [Parent loans for college](#)
- [Student loans for community college](#)
- [Part-time student loans](#)
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- [Vet school loans](#)

*Last updated on January 2, 2020*

To recap our selections...



# NerdWallet's Best Private Student Loans of January 2020

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- [College Ave Private Student Loan](#): Best for Students who want to make payments while they're still in school.
- [Ascent Private Student Loan](#): Best for Independent students; faster payoff.
- [Earnest Private Student Loan](#): Best for Flexible repayment.
- [CommonBond Private Student Loan](#): Best for Faster payoff.
- [Citizens One Private Student Loan](#): Best for International students; existing Citizens Bank customers.
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