

Technology Corner

Getting a loan online can be a very attractive option. You give personal information and fill out an application. When you submit the application electronically, you may have an answer quickly. You can fill out the application in the privacy of your own home and at a time that is convenient for you.

Be cautious about applying for a loan online. Deal with lenders you know. Do not respond to online offers. Instead, go to the Web site of a reputable lender by keying a URL in the browser's address box. If you do not know the URL, call the lender and ask for this information. You may be required to create an account with a user name, password, and other data before you can fill out an application. A sample screen for entering information to set up an account is shown in Figure 8-3.1 on page 240.

You will need the same type of information as you would to complete a paper application. Thus, you need to gather all the data and have the data ready. You will need to give very sensitive and private information in the credit application. Be sure the Web site is secure to lessen the chances that your information will be stolen. A secure Web site will have a message to tell you that the site is secure. The

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message is often next to a padlock icon. You may be required to provide written documents, such as pay stubs, to verify the information in the loan application.

Before accepting the loan, read the entire contract. Study the conditions, rates, and other items in the agreement. Print everything so that you will have a complete copy of the application and all of the loan documents. Some lenders will assign a loan advisor to your account. You can contact this person by phone or e-mail to ask questions about the loan or the application process.

Once your loan is approved by the lender and you agree to the loan terms, you must sign the loan papers. Some lenders have an online process in which borrowers can provide an electronic signature. Figure 8-3.1 shows a Web page at which students can learn about using an electronic signature when applying for a loan. Some lenders will send a notary public to an agreed-upon location, such as your home or work site. This person will witness you signing the documents and will return them to the loan company. Once the loan documents are signed, the funds are released to you.