

Private Student Loan Inquiry Sample Letter

You're saying: "I may be eligible to have my co-signer taken off my loan. How does this work?"

You may use the sample letter on the next page to ask your loan servicing company **for more information about how to release a co-signer.**

How to use this sample letter:

1. Read the background below.
2. Fill in your information on the sample letter and edit it as needed to fit your situation. Delete any information that doesn't apply to you, or isn't information you're looking for. You may choose to send the letter by certified mail or another method by which you can establish when the letter is received by the intended recipient. You may also cut and paste the text below into the "Send a Message" or "Contact Us" feature when you log into your account on the servicer's website.
3. Keep a copy for your records.

Background

The vast majority of private student loans today have a co-signer (typically a parent or a grandparent). Having a co-signer can often lead to a lower interest rate, which can save you money in the long-term., because the co-signer will have to repay the loan if you don't.

However, your loan might also contain provisions that allow your student loan servicer to put your loan in default — even if you've been making your payments on time.

That's because your co-signer is also on the hook for your loan and therefore changes to their behavior can impact your loan, causing your loan to default and making your entire balance due all at once. We've received complaints that private student loan servicers are placing borrowers into default when their co-signer dies or files for bankruptcy.

Co-signer release

If you have a student loan with a co-signer and you are in repayment, you should look into what's called "co-signer release." You should consider this option to avoid a surprise default. Similarly, the co-signer can benefit from obtaining the release.

Many lenders advertise that a co-signer may be released from a private student loan after a certain number of consecutive, timely payments and a credit check to determine if you are eligible to repay the loan on your own. If your lender offers co-signer release, you will want to ask about this benefit and remove your co-signer as soon as you are eligible.

Unfortunately, many student loan servicers do not tell you when you are eligible to have your co-signer released, so you need to ask them how to do this.

To help you get started, we've put together a sample letter you can edit and send to your student loan servicer. You can download sample letters to send by mail, or you can just cut and paste the text below into the "Send a Message" or "Contact Us" feature when you log into your account on the servicer's website.

Sample letter begins on the next page

[Your name]
[Your return address]
[Date]

[Loan Company name]
[Correspondence Address on Your Bill]
Re: Request for co-signer release [Account number for the loan, if you have it]

Dear [Loan Company Name]:

I am writing to you because I am seeking the release of my co-signer on my loan. Please conduct a review of my account to determine if I am eligible for co-signer release.

If you determine that I am not eligible to have my co-signer released from my loans, please provide an explanation, including the following:

- What is your current co-signer release policy?
- For what reason(s) am I ineligible for co-signer release?
- If I am not eligible for co-signer release now, when will I become eligible?
- What steps do I need to take to qualify for co-signer release?
- Do you anticipate modifying these requirements in the future? Will any future modifications apply to me when I seek to release my co-signer?

If I am unable to exercise this option at this time, please update/annotate my account to reflect that I intend to seek co-signer release as soon as possible. Please contact me at the point-in-time at which I am eligible to have my co-signer released.

In addition, if you are unable to provide any of the information or documentation I have requested or otherwise cannot comply with this request, please provide an explanation.

Thank you for your cooperation.

Sincerely,

[*Your name*]

[Your contact info]