

# Discover Personal Loans Review



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Headquartered in Riverwoods, Illinois, Discover has been around since 1960.

Best known for its credit cards, Discover also offers checking and savings accounts and a variety of loans and investment products. Discover offers some unique features on its personal loans when compared to other lenders. Many

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**Discover personal loans** might be a good fit for someone needing to finance a costly repair or fund a major life event. However, as with most other lenders,

Discover personal loans have usage restrictions. You can't use its personal loans to fund post-secondary education, which makes sense since this lender also offers student loan financing separately. Although Discover personal loans may not be for everyone, it does offer some promising benefits.

## Pros

Long terms available

Possible same-day decision with complete application

## Cons

No loans for higher education or repaying a secured loans

No grace period before late fee is applied

## Discover by the numbers

## Fees

**Origination fee:** \$0

**Late payment fee:** \$39

## Restrictions

No personal loans for post-secondary education or to pay off a secured loan

## Who should consider Discover's personal loans?

Discover personal loans might be a good fit for those looking for a fresh take on personal loans with some extra fringe benefits. Particularly refreshing is the ability to customize your payment due date to meet your needs. It's also nice that Discover has no loan origination fees and no prepayment penalties.

The lender offers fixed rates and flexible loan terms that range from 36 months to 84 months, which is considerably longer than many of its competitors and

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term with a monthly payment that [works well with your budget](#).

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Discover might also be a good fit for those who are a little uncertain about their borrowing needs. Should you change your mind about your personal loan and return all funds within the first 30 days, Discover will charge no interest.

Borrowers who want to [take out a personal loan](#) with the goal of boosting their credit scores might be another good fit. Monitoring your credit score and report is essential and on-time payments can give you a boost if you need one. To help you with this, Discover provides free credit scorecards and FICO scores to borrowers.

Finally, this lender might also be a good fit for borrowers who need fast cash. As long as your application is complete and nothing further is needed, next-day funding is a possibility for qualified borrowers, but keep in mind that there may be instances when loan disbursement could take up to seven days.

## Who should avoid Discover's personal loans?

There are many borrowers who might be a good fit for Discover personal loans, but the opposite might be true for others. For instance, if your main goal is to

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If you're looking to pay off credit card debt, then you might want to shop around [Reviews](#) [Best Loans](#) [Learning Center](#) before deciding on a lender. Sometimes you can get a better rate elsewhere.

Likewise, shopping around might also be justifiable if you need more cash than a maximum of \$35,000 offered by Discover. Some lenders offer personal loans with amounts that go up to \$100,000. Of course, you'll also want to pay close attention to other features of those loans as well such as the rates and terms available as well as any fees for loan origination or late payments.

## How to apply for a Discover personal loan

Before you apply, you'll need to have a few things available like your invitation number (if Discover sent you an application invitation), your household income, employment history, bank account details and creditor information with balances and account numbers if you're using the loan to consolidate debt. You'll also need to determine the loan amount that you need and the term that works best for your budget, but Discover has an online calculator to make that easier. Once you've gathered all the necessary information, applying for your personal loan is a cinch. You can either call Discover to get started or you can complete your application online.

same-day decision is possible.

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4. If approved, you'll need to review and accept your terms and advise  
Discover on how you want to receive your funds.

5. Your funds might be disbursed as early as the next business day, but it  
could take up to seven days.

## Alternatives to Discover

### Marcus

**Marcus** by Goldman Sachs is an online financial services product of Goldman Sachs. It offers personal loans up to \$40,000 with APRs ranging from 6.99% to 28.99% and terms from 36 to 72 months. Marcus also has no fees — no origination fees, no prepayment fees and even no late fees. Marcus also allows you to change the due date of your loan payments up to three times during the life of your loan.

### Payoff

and situation, but range between 2.99% and 5%. [How even other fees compare](#) [Learn more](#) [Community Center](#)  
personal loans are eliminated from the equation.

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## **Earnest**

**Earnest** is a product of One American Bank out of Sioux Falls, Idaho. You can borrow between \$5,000 and \$75,000 with APRs starting from 5.99% and with terms ranging from 36 to 60 months. To be considered with this lender, you'll need a credit score of at least 680, no record of bankruptcy during the past three years, a history of on-time payments and no open collections accounts on record.

### **Beth Casey**

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Beth Casey is a freelance writer specializing in writing about financial services and business after working for nearly a decade in the insurance industry. Her work has been featured at The Simple Dollar, PersonalLoans.org, BankNXT, The Virtual Assistant, and Minnesota Public Accountants.