Student Loan Consolidation FAQ

What is Student Loan Consolidation?
Student Loan Consolidation is the process of combining all your student loans into one loan, one payment, and one (usually) low interest rate. Your Loan Consolidator pays off all your current loans, and issues you a new loan based on the combined balances of your previous loans.

What are the benefits of Student Loan Consolidation?
- Simplify your payoff process
- Lock in a low interest rate
- One lender to deal with
- Extend the payoff term up to 30 years (note: will increase total interest paid)
- lower your monthly payment

What is the interest rate on a Student Loan Consolidation?
The interest rate of your Loan Consolidation is usually the weighted average of the interest rates on the loans being consolidated. Some Loans have a locked interest rate, and some have a variable rate (based on the current federal rate). The difference of a few tenths of a percent can mean hundreds of dollars to you, so try and get the lowest rate possible.

How much will I have to pay a month?
With Student Loan Consolidation you usually have flexible payment options, depending on your income and budget. Of course, the faster you pay it off, the less total interest principal you pay.

Who is elgible for Student Loan Consolidation?
Students who have multiple college loans. Some loan consolidators will only consolidate if you have loans that add up to at least $10,000. With all the shysty loan consolidators out there your best bet might be to go through the US government.
You can consolidate at any time, during your grace period, or during your repayment period.

When do I have to start repaying?
College students usually get a 9 month grace period on repaying loans once you are out of college, or go half time or less. Although you can start paying sooner if you like.

Can I defer my loans?
Yes, if you are eligible. Deferring loans means you don't have to pay it back yet, and interest does not accrue.
If you are unemployed or are under economic hardship, the U.S. Department of Education will pay the interest that accrues during an eligible deferment period.

The number one rule is don't default on your student loans, as then the choice is out of your hands and you end up paying alot more than you should be. Plus, it looks bad on your credit.

Consolidate Your Student Loans Here