

## Answers to Your Consolidation Questions

*By Brooke Heath*

You are not alone if you have questions about consolidating your federal student loans. Fortunately, **Graduate School Loans** has answers to your questions. Read on to learn about consolidation and how it will benefit you and your financial future!

### **Q: What exactly is consolidation?**

**A:** Consolidation merges all of your outstanding student loans into one, easy-to-manage loan. The balances of your multiple student loan accounts are paid in full by your new lender, and the total balance of all of the loans is rolled over into one new loan. The result is just one, low monthly bill, to just one lender.

### **Q: What are the benefits of consolidating my federal student loans?**

**A:** There are many benefits to consolidating your loans, the best being that when you consolidate with **Graduate School Loans**, you can literally **save thousands of dollars** over the life of your loan! One of the reasons that you can save so much is because when you consolidate your multiple outstanding loans with **Graduate School Loans**, you will receive one, low, fixed interest rate. This is the only way to protect yourself from paying more each year in interest on your loans with variable interest rates. This is because the interest rates on your variable loans will fluctuate as they are adjusted annually by the government.

To save our borrowers even more off of their already-low interest rate, we offer interest **rate reductions of up to 1.25%** for those who consolidate their federal student loans.

Another advantage to consolidating your federal student loans is that it **saves you valuable time!** It can be a hassle and huge stress to make all of your monthly student loan payments to multiple lenders. Because you will only have one, low monthly payment that you make to only one lender, you will have one less stress in your life, and who doesn't want that?

**Graduate School Loans** also offers **seven flexible repayment options** with our federal loan consolidations. This gives you the freedom to be in control of your monthly payments. You can choose from any of our repayment options to best suit your financial situation. Choose one of our graduate repayment plans with interest-only payments, and you can **lower your monthly payment by almost half!**

Other benefits include **deferral and forbearance options**, as well as **no prepayment penalties, no credit checks, no income verifications, no need for cosigners**, and best of all, no fees!

Consolidating is also to your advantage in that it can **improve your credit score**. This will be very beneficial to you in the future as you take out loans for a car, home, etc.

## Q: Which federal student loans can I consolidate?

**A:** You may consolidate the following federal student loans:

- Federal Subsidized Stafford Loans
- Federal Unsubsidized Stafford Loans
- Federal Supplemental Loans for Students (SLS)
- All Federal Direct Student Loans (Direct Loans)
- National Direct Student Loans (NDSL)
- Federal Perkins Loans
- Federal Nursing Loans (NSL)
- Health Professions Student Loans
- Federal Parent Loan for Undergraduate Students (PLUS)
- Graduate PLUS Loans
- Federal Consolidation Loans
- Student Consolidation Loans
- Federally Insured Student Loans (FISL)
- Loan from the Department of Education

## Q: What will my interest rate be?

**A:** The fixed interest rate on your federal loan consolidation is determined by several variables, including the loans you are consolidating and their interest rates, the status of your loans when you consolidate, and the company whom you choose to consolidate with. **Graduate School Loans** calculates our borrowers' fixed interest rates by the weighted average of their loans' current interest rates and then rounded up to the nearest one-eighth of one percent.

Another factor that will positively affect your interest rates is **Graduate School Loans' interest rate reductions**. When you enroll to pay with our automated debit program, you will **immediately receive 0.25% off of your already-low interest rate**. And, after making 36 consecutive payments on time, you will **receive an additional 1% interest rate reduction**. A unique benefit of our interest rate reductions is that once you earn our 1% reduction, **Graduate School Loans** guarantees it for the life of your consolidation. You can never lose it or have it take away, regardless of the situation. This is not something that our competitors can claim or offer.

## Q: When is the best time to consolidate my federal student loans?

**A:** It is to your advantage to consolidate your federal student loans while you are no longer in school, but still in your grace period. In doing so, you will be able to receive an even lower interest rate than if you wait to consolidate when you enter into your repayment period.

If you have already entered into your repayment period, you can still receive a low, fixed interest rate and receive the all of the preceding advantages listed, just at a higher interest rate than if you were to do so while in your grace period.

If you are unsure on the status of your loans, you can receive a free student loan report by from Student Loan Foundation by going to <https://www.studentloanfoundation.org/slfrequestreport.php> or [clicking here](#). This is a free service that will provide you with a full summary of your student loans, including your status (i.e. in-school, grace period, repayment period), lenders, and balance.

For more information on consolidation, read more of **Graduate School Loans'** informative articles. To begin your federal student loan consolidation now, [Click Here](#).