

Considering Consolidating Your Loans? Already Consolidated?

This is information YOU need!

Loan consolidation means locking in your interest rate for the lifetime of the loan.

- Do NOT consolidate with anyone other than your lender. They will be able to provide you with the most up-to-date information on consolidation.
- To consolidate, you must have \$5,000 in educational debt.
- Consider consolidating ONLY your Stafford Loan.

Haven't Consolidated?

- Federal interest rates are at record lows!
 - Consolidate at 4.75%. After July 1st, the interest rate on a consolidated loan will be about 6.8%
 - Loans may be consolidated until **June 30, 2006**

Already Consolidated?

- If you consolidate **new** loans in addition to previously consolidated loans, your interest rate will be a weighted average of the two
- You can have a new loan added in to your previous consolidation if the new loan is within 180 days of the previous loan

Stafford Loan

- Consolidating your Stafford Loan means giving up your 6 month grace period after graduation
- Students may be able to postpone payments by using an Economic Hardship Deferment or forbearance for awhile after graduation
- Your Subsidized Stafford Loan will NOT accrue interest during any deferment

Perkins Loan

- Consolidating your Perkins Loan means giving up your 9 month grace period after graduation as well as possible deferment in grad school
- Students may qualify for an Economic Hardship Deferment or forbearance for awhile after graduation
- Your consolidated Perkins Loan WILL accrue interest during any deferment
- Consolidating your Perkins Loan also means giving up any forgiveness options

Questions about consolidation? Please contact Meghan in the financial aid office (x3250) Thursdays and Fridays from 2pm-5pm or e-mail reddmegh@grinnell.edu.

