

## Student Loan Consolidation Centers - Common Options And Facts to Consider

Student loan consolidation centers should have these 10 common options.

1. Offers minimal rates of interest, presently 1.625 percent fixed interest for the period of the student's federal loan; at present, the rate being offered by the "Department of Education" is a percentage of 3.37.
2. Through consolidation, a student can cut their payment every month by a maximum of 60 percent using student loan consolidation centers.
3. At the same time during the time of the grace period, there is a maximum of point six percent in interest rate that is deducted for consolidating loans or student credit refinancing.
4. Using auto debit, one can get an added 0.25 percent rate discount with student loan consolidation centers.
5. When a student pays on time for thirty six consecutive payments, he/she then is qualified for a maximum of 1 percent reduction on interest rate.
6. A student gets to keep or maintain all assistance and allowances concerning Federal or State benefits allowed to its borrowers such as delay or deferment and forbearance.
7. Student loan consolidation centers have payment options that are flexible.
8. There are no fees or any other charges or even advance payment or deposit penalties.
9. Does not require that one be checked for his/her credit or that one should have a co-signer.
10. Students having "Federal Direct Loans" are able to consolidate by means of the "Federal Loan Consolidation Program" provided by the government, while still attending school.

### 7 Student Loan Consolidation Facts to Consider

1. Interest rates for students that are already adults going to college or that they are on their way in their sixth month grace period will increase; Rates previously at 2.77 percent will rise to 4.66 percent starting July 1. Rates will have an increase from 3.37 percent to 5.26 percent for debtors that are paying their loans.
2. Students must only consolidate loans which are variable or changing rates, such as the Stafford Loans, and never fixed-rate loans such as Perkins loans, since Perkins loans are set at a fixed rate, therefore there is no benefit financially and one can be unable to acquire loan forgiveness provisions services like nursing or teaching.
3. Student loan consolidation programs are never identical between lenders having fluctuating grace periods, interest rates, late payments penalties, and loan repayment period. Consolidation can bring about loss of certain benefits for example loan deferment and other loan forgiveness alternatives or options.
4. If married and your wife/husband has outstanding student loans as well, you both can opt to merge or bring together consolidation of the loans having an arrangement to repay in any case, of the total loan obligation or any change in the future of your marital status.
5. Student loans that are not paid can be consolidated if reasonable and agreeable payment planning was made between you and your guarantor or lender. Usually, you need to make voluntary and consecutive prompt and punctual payments.
6. When near the completion of your loan repayment, take into account forbearance or deferment when you are in need financially. As student loan consolidation will lower your monthly payments, this also points that extra interest accumulate over the span of the loan and will drastically raise total cost of the loan. To really benefit from consolidation, as much as possible, pay the equivalent monthly payment and always pay ahead of time.
7. To lower your student loan cost and its interest rate, you can opt not to consolidate all your available student loans; you can decide to include

unsubsidized loans only or leave out loans with high interest with a low loan balance. Consult and seek advice from your lender student loan consolidation center on which loan options are best and right for you.

Source: <http://www.articlecircle.com>

#### About the Author

Emanuele Allenti offers valuable tips and help about student loans at <http://www.incredible-student-loans-tips.info> and <http://www.incredible-student-loans-secrets.info> websites. Enter now!