



Tips for Graduating Seniors with Student Loans

Direct Loans (Subsidized & Unsubsidized)

Exit Counseling:

Prior to graduating, borrowers are required to complete an Exit Counseling session. Exit Counseling is designed to help you understand your rights, and responsibility to repay Federal Loans.

Exit counseling is done on-line at www.dl.ed.gov/exitcounseling/ecec-main.asp. You will need your federal PIN number (if you cannot find your PIN, request a duplicate at www.pin.ed.gov/pinlose.htm).

Consolidation:

Consolidation allows students with multiple student loans (Direct/FFEL/Stafford or Perkins) to combine them into one new loan, with one monthly payment, and get a fixed interest rate.

The best time to consolidate in the Direct Loan Program is after your final loan payment has disbursed, but while you are still in school. Consolidating while still enrolled (at least half-time) gives you a lower interest rate and allows you to retain the 6-month grace period. If you consolidate during the grace period, your first bill is sent within 60 days. If you complete consolidation before the end of your grace period, you may receive a reduced interest incentive (up to .6%).

You may be contacted by other agencies wanting you to consolidate student loans through them. Be sure to compare their offer with Federal Direct Lending Consolidation. Any student who has a direct loan or is attending a direct loan school may use this program. Federal Direct Lending may offer benefits that other agencies do not. For instance, some agencies turn Subsidized Loan into Unsubsidized Loan through consolidation, which would be very costly if you ever return to school.

For more information on Federal Direct Lending Consolidation, visit www.loanconsolidation.ed.gov/. Be sure to read the "FAQ's".

Deferment:

If you plan to continue your education after graduation, you can request a deferment. Deferment is a temporary suspension of your monthly loan payment. Deferments are available if you attend an eligible school on at least a half-time basis. Visit www.dlsonline.com/defer/defer-list.asp for a full list of deferments & on-line forms.

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Loan Forgiveness for Direct/FFEL/Stafford and Perkins Loans: Be sure to research the forgiveness program before consolidating. Consolidated loans are not eligible for most forgiveness programs.

http://studentaid.ed.gov/students/publications/repaying_loans/2003_2004/english/loan-discharge-cancellation.htm

<http://studentaid.ed.gov/PORTALSWebApp/students/english/childcare.jsp?tab=repaying>

Additional Information:

For additional information on repaying, consolidating, or deferring Federal Loans visit www.dl.ed.gov. The FAQ's are especially helpful. Click on "Question Center" & choose "FAQ's" on the left menu bar.

To contact the Direct Loan Servicing Center by phone or mail, call 1-800-848-0979, or write: Direct Loan Servicing Center; Borrower Services Dept; P.O. Box 4609; Utica, NY 13504-4609.

How much have I borrowed, and who have I borrowed from?

Find out at www.nslc.org/ (click on "student's") or www.nsls.ed.gov/. You need your federal PIN.

Perkins Loans

Repay Perkins Loans directly to the school you borrowed from.

If you borrowed Perkins Loan while attending CWU, contact Student Financial Services at (509) 963-3573.

You can include Perkins Loans in consolidation (see above), but it may not be recommended. Interest rates and cancellation benefits differ between Perkins and consolidated loans. For more information visit www.loanconsolidation.ed.gov/ and click on "FAQ's".