

# Federal Student Loans

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Consolidating a federal student loan is what many students are trying to do these days even as the cost of education keeps rising by the day. Nowadays, it is not uncommon for students to graduate with lots of corporate debts, so to speak, along with their hard earned degrees. For this reason, many students choose to consolidate their federal student loans because managing series of loans can be tasking and frustrating especially for fresh graduates. Perhaps you are one of those finding it difficult in paying your numerous student loans; you may consider applying for loan consolidation. There are two main types of student consolidation loans: FFEL Consolidation Loan and Direct Loan Consolidation. Consolidation for Direct Federal Student Loan is the type offered by the United States Department of Education while FFEL Consolidation Loan is the one offered by banks and lending agencies.

Three types of Federal Direct Consolidation Loans meant for tertiary students are available. They are Direct Subsidized & Unsubsidized Consolidation Loans with the third type as Direct PLUS Consolidation Loans. If you can apply for any of the above loan plans, you can enjoy the benefits of consolidating your student loans. With loan consolidation, you can help simplify your finances and budgeting especially repaying your loans. The scheme allows one to have a simple and easy way to repay different student loans that have various modalities of payment. The interest rate that applies to your consolidated student loan is determined as the average value of all the interest rates of your existing student loans. Once you apply and get a flexible loan consolidation plan, you can go ahead and make a schedule for repayment.

Student loan consolidation should make it a lot easier for you to arrange repayment. It may be monthly but in such a way that you don't feel it at all. It is calculated as a fixed interest rate and is only to a maximum percentage of 8.25%. You can get all your loans consolidated with a single application even if you have been defaulting on any or all your loan repayments, as long as you can meet the laid down eligibility criteria. Once you are ready to consolidate your student loans, you can contact the nearest Federal Loan Department to get more details. Alternatively, you may check out more information online to begin the process of liberating yourself from financial fears. There are more than a handful of options to get you started.