

# Federal Consolidation Loan

LOWER YOUR MONTHLY  
STUDENT LOAN PAYMENTS



WACHOVIA

## Federal Consolidation Loan

A Federal Consolidation Loan from Wachovia Education Finance can combine your existing education loan(s) into a single loan with a new fixed interest rate and one convenient monthly statement.

### Great Benefits

- Monthly payments reduced by up to 50%
- Low, fixed interest rate for the life of loan
- No additional fees – consolidating is free!
- Single loan and in-school consolidation are available
- Interest rate reduction of 1% available when 12 scheduled payments are made on time using auto debit<sup>1</sup>
- No credit check or co-borrower required
- Automatically enter to win our \$5,000 Consolidation Sweepstakes\*

### Apply Now

888-953-4987 | [Educaid.com](http://Educaid.com)

\* Visit [www.educaid.com/consolidation/win.htm](http://www.educaid.com/consolidation/win.htm) for complete details and official rules. No purchase necessary.

## Loan Details

### What is a Federal Consolidation Loan?

A Federal Consolidation Loan can combine your existing student loans into a single loan with a lower payment, a fixed interest rate, and an extended repayment period. There is no fee for consolidation.

### Eligible Loans

- Federal Stafford Loans
- Direct Stafford Loans
- Federal PLUS Loans
- Direct PLUS Loans
- Federal SLS Loans
- Federal Perkins Loans
- Health Professional Student Loans (HPSL)
- Nursing School Loans (NSL)

### Extended Repayment Period

Your new repayment period is calculated using your total outstanding debt, including student loans that are not eligible for consolidation.

## Repayment Terms

Total Debt	Maximum Term
\$10,000 - \$19,999	15 years
\$20,000 - \$39,999	20 years
\$40,000 - \$59,999	25 years
\$60,000 or greater	30 years

## Repayment Options and Incentives

### Low Fixed Interest Rate

Your new fixed interest rate is based on the weighted average of the interest rates on the loans being consolidated (rounded up to the nearest 1/8 of 1.00%) and cannot exceed 8.25%.

### Flexible Repayment Options

**Standard Repayment:** Your payment will be a fixed amount each month; the minimum payment will be at least \$50.

**Graduated Repayment:** Your payments start small and then increase over time. Each monthly payment must at least equal the interest accrued on your loan between scheduled payments.

### Repayment Examples

Loan Amount	Before Consolidation	After Consolidation		
	Stafford Payments (10 yr. term)	Graduated Payments	Equal Payments	Repayment Term
\$10,000	\$106	\$42	\$79	15 years
\$20,000	\$212	\$84	\$132	20 years
\$40,000	\$424	\$169	\$234	25 years
\$60,000	\$636	\$253	\$322	30 years

**Income Sensitive Repayment:** Your payments are based on your annual income and loan amount. Each monthly payment must at least equal the interest accrued on your loan between scheduled payments.

**Extended Repayment:** If you received your first loan on or after October 7, 1998, and are consolidating more than \$30,000, your repayment term may be extended up to 30 years depending on the total amount you have consolidated.

*There is no penalty for repayment regardless of which repayment option you select.*

### **Money-Saving Repayment Incentives<sup>1</sup>**

**Pay Electronically and Save!** – Receive an immediate interest rate reduction of 0.25% when consecutive scheduled payments are made on time using auto debit from your bank account.

**Make On-Time Payments and Save!** – Receive a 0.75% interest rate reduction after the first 12 regularly scheduled payments are made on time and scheduled payments continue to be made on time.

That's a 1% interest rate reduction after only 12 on-time payments using auto debit!

# Is Loan Consolidation Right for You?

## **Some Factors to Consider Before You Apply**

- The longer you take to repay a loan, the more you will pay in interest charges over the life of the loan.
- With repayment plans that start with an interest-only payment, you will pay more interest over the life of the loan.
- You can always prepay a portion, or your entire loan, at any time without penalty.
- Married couples can consolidate their individual loans; however, there are certain qualifications that must be met. Our loan consolidation counselors can explain the process.

## **When to Apply for Loan Consolidation**

You may apply for a consolidation loan during your grace period or once you enter repayment. Consolidating your Stafford Loans during your grace period can help you secure the lowest possible fixed interest rate.

**Why wait? Call us today!**

Don't wait for interest rates to rise again. Lock in a low fixed rate today. With our fast online application, we make applying a snap. Call us toll-free at **888-953-4987**, or for faster funds, apply entirely online at ***educaid.com***.

1. Applies to Consolidation Loans totaling \$10,000 or more. This benefit program may be modified or discontinued at any time without notice. Program changes will not affect loans that qualify for the benefit(s) prior to the time of such changes. Earned benefits terminate upon loan default and/or loan transfer to the guarantor or insurer. Other terms and conditions apply. Visit [educaid.com](http://educaid.com) for complete details and eligibility.

888-953-4987

*Educaid.com*

Educaid® is a service mark of Wachovia Education Finance Inc.  
Equal Credit Opportunity Lender



**WACHOVIA**