

# Student Loan Consolidation Guide



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## Welcome

Thanks for your interest in student loan consolidation! To help you through the process, we've created this step-by-step guide. The consolidation process is completely free and available to borrowers through the U.S. Department of Education's Federal Student Aid (FSA) website. It's something you can complete on your own, but if you run into any issues, FSA's Student Loan Support Center is available for assistance. Simply call them at 1-800-557-7394.

## Is Consolidation Right for You?

Loan consolidation can be a great solution if you're seeking convenience and ease in managing your student loans. Consolidation gives you:

- One loan
- One fixed interest rate
- One monthly payment
- One student loan servicer—of your choice

However, if you're looking to consolidate you should also consider the following:

- A Direct Consolidation loan's interest rate is the weighted average of your original loans' interest rates, rounded up to the nearest 1/8th of one percent.
- Like a home mortgage or car loan, extending the years of repayment increases the total amount you will have to pay over the life of the loan.
- If any loans you want to consolidate are in a grace period, you can request to delay the processing of your consolidation loan until the end of your grace period. Otherwise, the processing will begin as soon as your documents are received and you'll lose your grace period. Then, once the consolidation loan is completed, you'll be required to immediately begin paying it back.
- Direct Parent PLUS loans are not eligible for certain repayment plans and their inclusion in the consolidation process will make the new loan ineligible for certain plans (e.g., Pay As You Earn (PAYE) or Income- Based Repayment (IBR) plans). However, they are eligible for an Income- Contingent Repayment (ICR) plan.
- You may lose certain federal student loan benefits like eligibility for subsidized interest, deferment options, or loan forgiveness. Please check the [Loan Consolidation](#) page on StudentAid.gov for more details.

# Preparing to Consolidate

## Gather Information

Before consolidating, you'll need to gather some information. First, make sure you have your basics on hand, along with some **less** common pieces of information.

- Permanent address
- Telephone numbers
- Email address
- Social Security Number
- Driver's license number
- Employer information (if you're working)
  - Address
  - Telephone number

Finally, you'll also need to gather information for two references. They can be anyone: family, friends, relatives, etc. However, they cannot live at the same location as you or each other. Consolidation requires the following information for both references:

- Address
- Telephone numbers
- Email address

## Create an FSA ID

- The next step is to create your own Federal Student Aid ID (FSA ID). You can skip this step if you already have an FSA ID.

Navigate to [FSAID.ed.gov](https://fsaid.ed.gov) to get started.

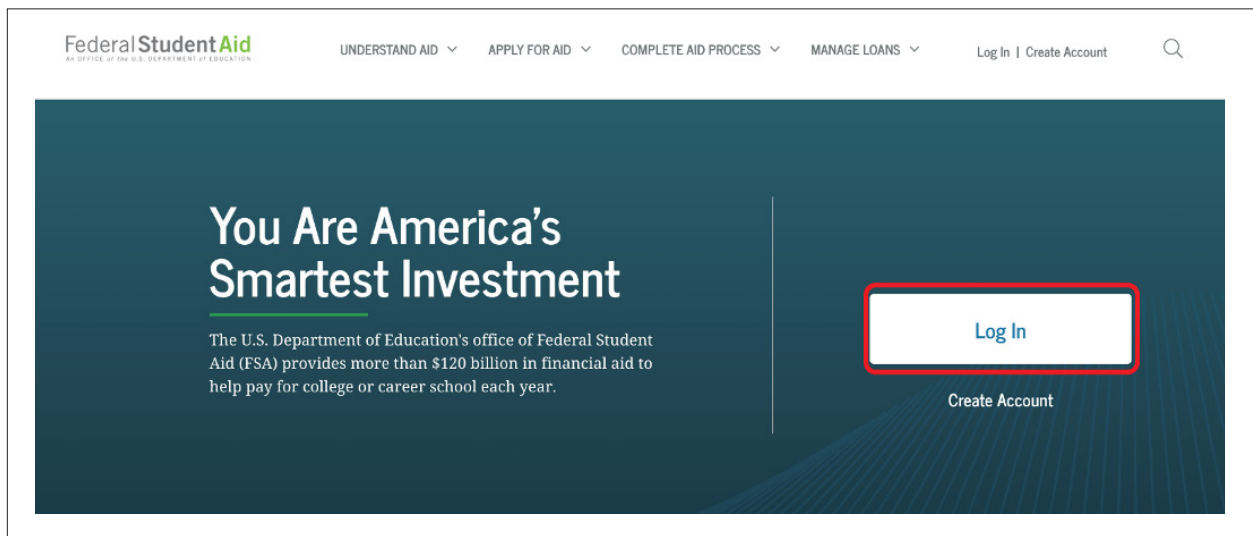
- On the first page you'll create a username and password. Be sure to write it down so you can refer back to it later
- Next, enter your personal and contact information. Then, you'll be prompted to create a series of security questions and answers in case you're ever locked out of your account. Keep this information for your records.
- Finally, the site will ask you to verify your phone number and email. Codes will be emailed and texted to you and you'll be prompted to verify them. Enter in each code you receive to finish verifying your account.

If you run into any issues creating your FSA ID, please call the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243). There is also a handy video tutorial you can watch by following this link: [How to Create Your FSA ID](#).

## Consolidate at StudentAid.gov

Now that your FSA ID has been fully verified, it's time to start the consolidation process.

Navigate to [StudentAid.gov](https://studentaid.gov) and log in using your FSA ID and password.



Once logged in, open the **I'm in Repayment Section** under **My Checklists** and click the link for **Complete Consolidation Loan Application & Promissory Note**.

MY CHECKLISTS

- I'M PREPARING FOR SCHOOL
- I'M IN SCHOOL
- I'M IN REPAYMENT**

- [Complete Exit Counseling \(for students who recently finished school\)](#)  
Learn about your responsibilities when repaying your loan
- [Complete Consolidation Loan Application and Promissory Note](#)  
Weigh the pros and cons to decide whether consolidation is right for you
- [Use Loan Simulator](#)  
Estimate monthly payments and compare repayment options
- [Find Out Where to Make a Payment](#)  
Learn how to make payments toward your student loans
- [Apply/Recertify/Change Income-Driven Repayment Plan](#)  
Apply for a plan based on your income and family size
- [Use the Public Service Loan Forgiveness \(PSLF\) Help Tool](#)  
Use the tool to help you complete the forms required for this program

I'M A PARENT

You'll be presented with some details and a few instructions on consolidation. Read through them and click **Start** when you're ready. **Make sure to have your all of your materials handy before beginning. The application must be completed in one sitting. If you navigate away at any point, you will need to start the consolidation all over again!** FSA suggests planning for about 30 minutes to complete the application.

Consolidate Your Loans

**START**

[Preview a read-only version of the complete form](#)

## Step 1: Choose Your Loans & Servicer



### Choose Loans

The first step in consolidation is to choose which loans you want to have consolidated. The application pulls all the information available on your federal student loans from the National Student Loan Data System (NSLDS) and calculates your Total Educational Indebtedness.

Select the Loans to Consolidate

Your Total Educational Indebtedness ⓘ : \$45,386


<input checked="" type="checkbox"/>	Loan Type	Loan Servicer	Loan Balance	Interest Rate
<input checked="" type="checkbox"/>	E ⓘ	DEPT OF ED/GREAT LAKES <a href="#">Loan Details</a>	\$ 4,777	6.25%
<input checked="" type="checkbox"/>	K ⓘ	DEPT OF ED/GREAT LAKES <a href="#">Loan Details</a>	\$ 12,948	6.25%
<input checked="" type="checkbox"/>	L ⓘ	DEPT OF ED/GREAT LAKES <a href="#">Loan Details</a>	\$ 11,191	5.31%
<input checked="" type="checkbox"/>	L ⓘ	DEPT OF ED/GREAT LAKES <a href="#">Loan Details</a>	\$ 8,458	6.0%
<input checked="" type="checkbox"/>	L ⓘ	DEPT OF ED/GREAT LAKES <a href="#">Loan Details</a>	\$ 8,012	6.6%

The chart details the loan type, current loan servicer, loan balance and interest rate. Hover your mouse over each loan for more details and contact information for the current servicer.

By default, all loans are included in consolidation. You can uncheck a loan's box on the left-hand side if you don't want to include it in your consolidation.

Any loans you have received through the Perkins Loan program are detailed in a separate section underneath your regular loans. Consolidation can impact the cancellation of any Perkins loans if you were working towards that. Contact your current servicer if you have any questions on Perkins loans.

**Perkins Loan**

 If you are working toward cancellation of your Perkins loans, you should not consolidate them at this time because you will lose your eligibility to receive a cancellation.

You don't have any loans on file.

If there are any federal student loans that are not included in the tables above, you can manually enter them by clicking the **Add Loans** button. The loan information will be verified with the current servicer before the application is processed to ensure accuracy. Keep in mind, Private Loans are not eligible for consolidation.

If you have additional loans that you would like to consolidate, that are not located in the listing above, use the Add Loans button to enter the loan information.

**Add Loans**

Finally, you will be presented with the total loan balance of your new Direct Consolidation Loan and the combined interest rate. The interest rate is a weighted average of all the separate federal student loans that are to be included in the new consolidated loan, rounded to the next 1/8%.

**Your New Direct Consolidation Loan**  
Your new Direct Consolidation Loan will combine the 5 loans selected above into a single loan with:

Loan Amount	\$45,386	Interest Rate	6.125%
-------------	----------	---------------	--------

[More Information](#)

### Delayed Processing for Loan in Grace

The next section deals with how the application is processed if you have student loans in their grace period. A grace period is 6-month window after leaving school where payments are not due on a student loan.

Normally, the new consolidated loan will have payments due immediately upon completing the consolidation process. You can delay processing your consolidation application when you have loans in their grace period for a selected number of months. However, if none of the loans being consolidated are in their grace period, your consolidation will process immediately.

If you prefer to not delay processing for loans in their grace period, simply choose **Do Not Delay Processing**.



**Grace Period**

If you choose to consolidate at least one loan that is in a grace period, you can request that your servicer delay processing. If you would like your servicer to delay processing your consolidation application, indicate the length of time you would like to delay processing by choosing from the dropdown box at the right. [More Information](#)

**Processing Delay**  
 Do not delay processing  \*

Your servicer will begin processing your application upon receipt.

**IMPORTANT NOTE:**  
 If your servicer determines that you do not have at least one loan in a grace period, the servicer will begin processing your application.

## Public Service Loan Forgiveness

Next, you can select if you wish to be considered for the Public Service Loan Forgiveness program. More information on the program and its qualifications can be found on the [Public Service Loan Forgiveness](#) page on FSA’s website. If you believe you’re eligible for the program be sure to check **Yes**.

**Servicer Selection**

Have you been or are you seeking to be **employed full-time by a public service organization** and are you consolidating for the purposes of Public Service Loan Forgiveness (PSLF)? [More Information About PSLF](#)

Yes  No

**IMPORTANT NOTE:**  
 If you answer "No" now and your circumstances change, you can apply for PSLF at a later date. For more information discuss with your consolidation servicer.

If you check **No** you still have the option to contact your new servicer about enrolling in the program at a later date.

If you check Yes you’ll be prompted to print and submit a [Public Service Loan Forgiveness \(PSLF\): Employment Certification Form](#) to help determine your eligibility for the PSLF program.

## Servicer Selection

The final step on this page is selecting who you want to service your new Direct Consolidation Loan. Click the **Federal Loan Servicers** drop-down menu on the right-hand side of the page to review your choices and make your decision.

The screenshot shows a web form for selecting a federal loan servicer. On the left, there is a text box with instructions: "Choose one of the federal loan servicers listed below to complete the consolidation and then service your Direct Consolidation Loan. The servicers listed are the U.S. Department of Education's consolidation servicers and Not For Profit Consolidation Servicers." Below this is a **NOTE:** "The current servicer of the loans that you want to consolidate may be one of the listed consolidation servicers. If your current servicer is listed, you may choose to keep your current servicer for your new Direct Consolidation Loan, or you may choose a different servicer." At the bottom of this section are two buttons: "Exit" and "Continue". To the right is a dropdown menu titled "Federal Loan Servicers" with a red asterisk. The dropdown is open, showing a list of servicers: "- Select -", Nelnet, Granite State - GSMR, OSLA Servicing, FedLoan Servicing (PHEAA), Navient, Great Lakes Educational Loan Services, Inc., HESC/EdFinancial, CornerStone, and MOHELA.

Something to note is that your application may be reviewed and processed by another servicer. You may be receiving correspondence from that entity as they act as your Loan Originator to process your consolidation application and keep you informed during the process. The servicer you select will then take over and handle the servicing of the loan once the application process is complete.

If the servicer you select has their applications processed by another company in this way, you should receive a notification like this:

The screenshot shows a notification box titled "ADDITIONAL SERVICER INFORMATION" with a "Close" button in the top right corner. The text inside reads: "You have selected Granite State - GSMR, to service your new Direct Consolidation Loan. Please note that while Granite State - GSMR will ultimately be the servicer for your Direct Consolidation Loan, the initial processing will be handled by Navient. During this initial process, you will work with and receive communication from Navient. Once processing of your Direct Consolidation Loan has been completed, it will be forwarded to Granite State - GSMR, and your new Direct Consolidation Loan will be serviced by Granite State - GSMR from that point forward." At the bottom of the box is a "Close" button.

After you've chosen a servicer, be sure to review the rest of the information and click **Continue**.

## Step 2: Choose Repayment Plan



### Repayment Plan Estimator

Step 2 of the consolidation application involves choosing your new post-consolidation repayment plan. You will always have at least two repayment plans to choose from: the Standard and the Graduated plans.

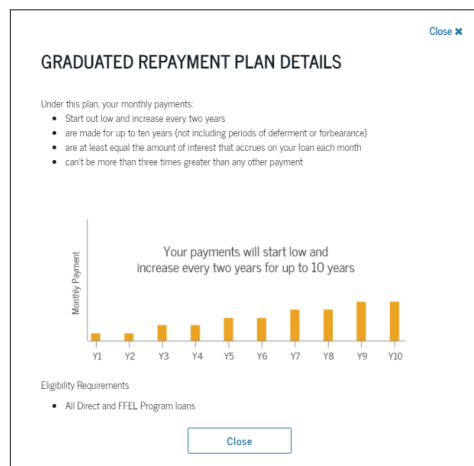
Standard		\$296 - \$296/month			⊖
You will pay a total of <b>\$88,770</b> over <b>300</b> months					
First Monthly Payment	Last Monthly Payment	Total Amount Paid	Projected Loan Forgiveness	Repayment Period	
\$296	\$296	\$88,770	-	300 months	
<a href="#">More Information</a> ⓘ					

Graduated		\$232 - \$442/month			⊖
You will pay a total of <b>\$96,516</b> over <b>300</b> months					
First Monthly Payment	Last Monthly Payment	Total Amount Paid	Projected Loan Forgiveness	Repayment Period	
\$232	\$442	\$96,516	-	300 months	
<a href="#">More Information</a> ⓘ					

Depending on your loan balance, you may also be able to choose from the Extended and the Extended Graduated plans. For more information on these plans, you can visit FSA’s website [here](#) or click **More Information** at the bottom of each plan.

For example, here is additional information on the Graduated plan:



## Income-Driven Repayment Estimator

With consolidation, you also have the choice of applying for a number of different income-driven repayment (IDR) plans such as:

- Income-Based Repayment (IBR)
- Income-Contingent Repayment (ICR)
- Pay-As-You-Earn (PAYE)
- IBR for New Borrowers
- Revised Pay-As-You-Earn (REPAYE).

Note: ICR is the only IDR plan available if any of the loans being consolidated are Parent PLUS loans.

You must select an IDR plan if you are consolidating any defaulted federal student loans and are not currently in a “satisfactory payment arrangement” with the current loan holder. If you don’t select an IDR plan, the defaulted loan will be excluded from your new consolidated loan. Contact your collection agency if you have any questions.

All of the IDR plans use the same basic information, but each has a slightly different calculation for qualification. Near the top of the page, enter your Adjusted Gross Income, Family Size, State of Residence, Tax Filing Status, and, if necessary, your spouse’s total loan balance to see which IDR plans you may qualify for.

Repayment Estimator	
Consolidation Loan Balance	\$45386
Spouse Loan Balance:	<input type="text" value="15000"/>
Combined Adjusted Gross Income <a href="#">?</a>	<input type="text" value="40000"/>
State of Residence	<input type="text" value="WISCONSIN"/> <span>▼</span>
Select your tax filing status:	<input type="text" value="Married Filing Jointly"/> <span>▼</span>
Family Size <a href="#">?</a>	<input type="text" value="2"/>

The estimates for your payments are located below the other offered repayment plans. Keep in mind, you may not qualify for all plans. Click **More Information** to see if you qualify. If you select a plan that you do not qualify for, your new servicer will place you in the repayment plan with the lowest monthly payment amount based on your information.

<b>Revised Pay As You Earn (REPAYE)</b> You will pay a total of <b>\$79,320</b> over <b>300 months</b>	<b>\$92 - \$528/month</b>	
<b>Pay As You Earn (PAYE)</b> You will pay a total of <b>\$51,282</b> over <b>240 months</b>	<b>\$92 - \$384/month</b>	
<b>Income-Based Repayment (IBR)</b> You will pay a total of <b>\$98,971</b> over <b>286 months</b>	<b>\$137 - \$507/month</b>	
<b>IBR for New Borrowers</b> You will pay a total of <b>\$51,282</b> over <b>240 months</b>	<b>\$92 - \$384/month</b>	
<b>Income-Contingent Repayment (ICR)</b> You will pay a total of <b>\$89,281</b> over <b>287 months</b>	<b>\$265 - \$337/month</b>	

\*Under the Standard and Graduated repayment plans, consolidation loans have repayment periods that range from 10 to 30 years, depending on your total education loan indebtedness. For example, if your total education loan indebtedness exceeds \$60,000, your repayment period will be 30 years (360 months).

**IBR for New Borrowers:** In the repayment plan estimates above, two rows contain information about the IBR Plan. Your loan servicer will determine whether you are eligible for IBR with terms and conditions that are available to new borrowers or whether you are eligible for IBR with terms and conditions that are available to all other borrowers.

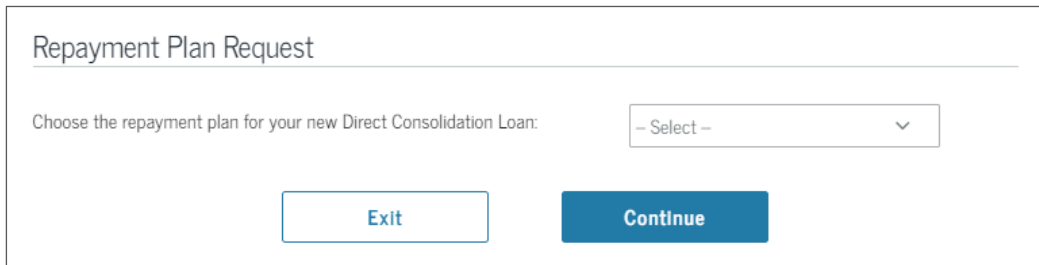
**Projected Loan Forgiveness:** Under the Income-Driven Repayment plans, you may have the remaining balance of your loan forgiven if your loan is not repaid in full after 240 months (20 years) or 300 months (25 years), depending on the plan you choose, and if other conditions are met (see Eligibility Requirements in the Terms & Conditions). Your Projected Loan Forgiveness will be \$0 if we estimate that you will repay your loan balance in full within 240 or 300 months.

**Projected Loan Forgiveness for PSLF:** Under the Public Service Loan Forgiveness (PSLF) program, you may qualify for forgiveness of the remaining balance due on your William D. Ford Federal Direct Loan (Direct Loan) Program loans after you have made 120 qualifying payments on those loans while employed full-time by certain public service employers. You must have made 120 separate monthly payments after Oct. 1, 2007, on the Direct Loans for which you are requesting forgiveness. In general to have a loan balance after 10 years, the 120 required payments should be while making reduced monthly payments under an Income-Driven Repayment plan. However, PSLF qualifying payments can also be made on a 10-year Standard Repayment Plan or any other Direct Loan Program repayment plan where the monthly payment is at least equal to the monthly payment amount that would have been required under the 10-year Standard Repayment Plan.

How did we calculate these estimated payments? [More Information](#) 

Finally, you will see a drop-down menu near the bottom of the page where you will actually choose your new repayment plan.

**\*\* Don't click Exit unless you want to start all over again! Clicking Exit will exit you out of the consolidation application entirely and you will have to start all over. \*\***



Next we'll move on to verifying income and qualifications for the IDR plans. You'll be asked for some more information on your current situation before being linked to the IRS to retrieve income documentation.

**\*\*\*If you chose the Standard, Graduated, Extended, or Extended Graduated plans, please skip ahead to Step 3: Terms and Conditions. \*\*\***

### Employment Information, Family Size, Marital Status (IDR Only)


If you selected one of the IDR plans, the next page will ask you to verify a few more pieces of information.

First, the application asks if you work for a non-profit or government organization. If you choose yes, you will be prompted to complete an Employment Certification Form (ECF) after the consolidation application has been completed.

StudentAid.gov/publicservice to learn more.'" data-bbox="114 633 881 763"/>

Next, the application asks for information about other people that you support, specifically children and other dependents. Don't include yourself or your spouse in either field. Keep in mind that you can include children in college or who live elsewhere, as long as they receive half of their support from you. Those included in the "Other Dependents" field MUST live with you to be included.

**Family Size**

The following questions will be used to calculate your family size . Do not include yourself or your spouse (if applicable) in your responses to these questions. You and your spouse, as appropriate, are automatically included in your family size.

**Dependent Children**

How many children, including unborn children, are in your family and receive more than half of their support from you?

**Other Dependents**

How many other people, excluding your spouse and children, live with you, and receive more than half of their support from you?

Note: Remember, any person who knowingly makes a false statement or misrepresentation on this form can be subject to penalties including fines, imprisonment, or both.

The final information needed for this page relates to your marital status. You'll need to verify if you are married and whether or not you want to repay your Direct Loans jointly with your spouse if placed on the ICR plan. If you choose yes, please contact your servicer for more information post-consolidation.

**\*\* Don't click Exit unless you want to start all over again! Clicking Exit will exit you out of the consolidation application entirely and you will have to start all over. \*\***

**Marital Status**

What is your marital status?

Married

Single

If placed on the ICR plan, do you want to repay your Direct Loans jointly with your spouse?

Yes

No

**Access IRS Tax Return Information (IDR Only)**

The next step will have you retrieve your most recent IRS tax returns to fulfill income documentation. Don't worry if you haven't filed taxes or your income has changed! There are fields in the process where you can indicate that later. For now, click **Link to IRS**.

**Access IRS Tax Return Information**

You are required to supply income information to determine your eligibility and calculate your monthly payment amount under an income-driven repayment plan. The IRS Data Retrieval Tool allows you to transfer your IRS tax return information directly into your application, eliminating the need to provide additional supporting documentation about your income. On the IRS Web site, enter the requested information to transfer your IRS tax return information. You will be able to return to StudentAid.gov from the IRS Web site.

**Note:** Your StudentAid.gov session will time out after 30 minutes. If you do not return from the IRS Web site within that time, this request will be cancelled and you will have to start your electronic request from the beginning.  
Click on [Link to IRS](#) below to navigate to the IRS.

[Exit](#) [LINK TO IRS](#)

[Close](#) ✕

You are now leaving StudentAid.gov.

Click [Link to IRS](#) below to be transferred to the IRS Web site.

Otherwise, click [Exit](#) and you will be returned to the Income-Driven Repayment Plan Request. **You will not be able to complete the request electronically without first visiting the IRS.**

[Exit](#) [LINK TO IRS](#)

**\*\* Don't click Exit unless you want to start all over again! Clicking Exit will exit you out of the consolidation application entirely and you will have to start all over. \*\***

 [Return to Federal Student Aid](#) | [Help](#) | [Logout](#) | [Español](#)

### Get My Federal Income Tax Information

See our [Privacy Notice](#) regarding our request for your personal information.

**Enter the following information from your most recent Federal Income Tax Return.**

**However, if you have not filed a federal income tax return in the last 2 years, return to Federal Student Aid to complete your income driven repayment request.**

All fields are required unless marked otherwise.

**First Name**

  
**Last Name**  
**Social Security Number**

No input required

  
**Date of Birth**

MM/DD/YYYY

  
**Filing Status**

Select One



Next, you will be prompted for your address. Enter it exactly how it appeared when you last filed your taxes. If it differs in any way, you may be unable to locate the right records.

If you have done everything correctly, the IRS website should locate your tax returns and prepare them to be loaded into the consolidation application. Note that although information is retrieved and loaded to your application, the information presented to you is limited in detail.

Once you have read this information, click the **Transfer My Tax Information into the Application on Federal Student Aid** checkbox and click Transfer Now. Your tax information should be automatically transferred to your consolidation application.

If you do not want to transfer your information, you can click the **Do Not Transfer My Tax Information and Return to the Application on Federal Student Aid** checkbox and click Do Not Transfer. Keep in mind, you will need to complete an application and submit proof of income to be placed in an IDR plan post- consolidation.

The screenshot shows the IRS website interface for transferring tax information. At the top, there is a dark blue header with the IRS logo on the left and navigation links for 'Return to Federal Student Aid', 'Help', 'Logout', and 'Español' on the right. The main content area has a white background with a rounded border. The title '2018 Federal Income Tax Information' is centered at the top. Below the title, there are three paragraphs of text explaining the process and security. A table lists the data items to be transferred: Tax Year, Name(s), Social Security Number, Type of Return Filed, Adjusted Gross Income, and IRS Exemptions. Below the table, there is a reference to tax records. Two options are presented: 'Transfer My Tax Information into the Application on Federal Student Aid' with a checked checkbox and a blue 'TRANSFER NOW' button, and 'Do Not Transfer My Tax Information and Return to the Application on Federal Student Aid' with an unchecked checkbox and a grey 'DO NOT TRANSFER' button. Both options include a help icon.

Return to Federal Student Aid | Help | Logout | Español

## 2018 Federal Income Tax Information

Based on the information you provided, the Internal Revenue Service (IRS) located your income tax return. With your permission below, the IRS will securely transfer your tax information to the U.S. Department of Education (ED) to answer the income questions on your application on Federal Student Aid.

For your protection, the IRS will not display your tax information and will further encrypt any tax information transferred using the IRS DRT; therefore, ED is unable to display your tax information on your income-driven repayment plan application.

The data retrieved from your tax return is limited to the items listed below as you reported to the IRS:

Tax Year	Type of Return Filed
Name(s)	Adjusted Gross Income
Social Security Number	IRS Exemptions

Refer to your tax records if you have a question about the values you reported.

**Transfer My Tax Information into the Application on Federal Student Aid**  **TRANSFER NOW**

The tax information provided will populate the income information on your application on Federal Student Aid. After the information is transferred, your IRS session will end, and you will return to your application on Federal Student Aid. Check this box if you are choosing to transfer your information.

**Do Not Transfer My Tax Information and Return to the Application on Federal Student Aid**  **DO NOT TRANSFER**

By clicking the "Do Not Transfer" button, you are choosing not to transfer your tax information electronically. Your IRS session will end, and you will return to your application on Federal Student Aid.

## Spouse Information, IRS Income Confirmation (IDR Only)

The final page of this IDR section will ask you to answer a few more questions about your current situation. First, you may be asked if you file your income tax returns jointly with your spouse if you did not successfully retrieve them from the IRS. Next, if you indicated you were married, you'll be asked if you're currently separated from your spouse. If you answer no, then you'll be asked if you're able to access information regarding your spouse's income and if you're able to have them sign the application.

### Spouse Information

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**Did you file jointly with your spouse?**

Yes

No

**Are you separated from your spouse?**

Yes

No

**Are you able to access information about your spouse's income and able to have your spouse sign this application?**

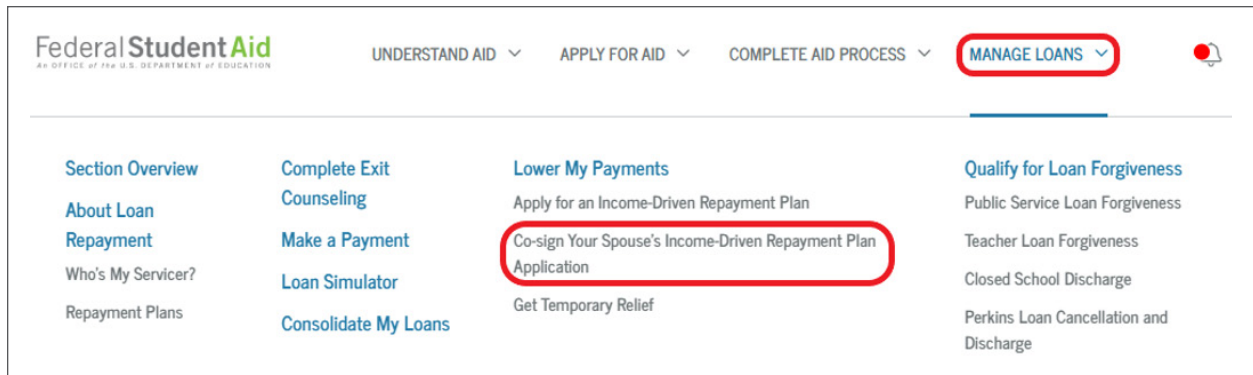
Yes

No

Based on your response to this question, your spouse will be required to co-sign your application and provide documentation of his or her income. This income documentation will only be used by your loan servicer while you are being considered for or are repaying your loans under the REPAYE plan.

Based on the answers to these questions, your spouse may need to co-sign an application for the IDR payment plan you selected. Don't worry though; signing an IDR application does not make your spouse liable for your student loans. Instead, it just means your new servicer will take into account both your and your spouse's income and combined student loan balance when calculating monthly payments.

To have a spouse co-sign the application, they will need to create their own FSA ID and log on to StudentAid.gov after the consolidation application is submitted. Your spouse will need to click on the [Co-sign a Spouse's Income Driven Repayment Plan Application](#) link which can be found by hovering over the **Manage Loans** drop-down at the top of the page and following the prompts.



The next step is certifying your income information. If your income or your spouse's income (when applicable) has not decreased since you last filed your taxes, then click **No**. That should be all you need to do on this page.

Has your income or your spouse's income significantly decreased since you or your spouse filed your last federal income tax returns? For example, have you or your spouse lost your jobs, or experienced a drop in income?

Yes

No

If you or your spouse's income has changed, you will be prompted to verify if you have taxable income and if your spouse has taxable income. If the answers to these questions are **Yes**, you'll need to submit a copy of the IDR application (which will be available to print after completing the consolidation application) and proof of income for you and/or your spouse.

Do you currently have taxable income ??

Yes

No

Does your spouse currently have taxable income ??

Yes

No

Alternate income information comes in many different forms. The easiest document to obtain for most people is a recent paystub from within the last 90 days. Take a look at the chart below to see what works in your situation. Once you know what you need, click **Continue**.

**Alternative Documentation of Income**

Based on your responses to the questions about your income and marital status, you must provide documentation of your income directly to your loan servicer. Your spouse will be required to co-sign your application and provide documentation of his or her income. Whether your spouse's income can be transmitted to your loan servicer electronically will depend on your spouse's answers to the questions in the co-signer application.

**This is the income you must document:**

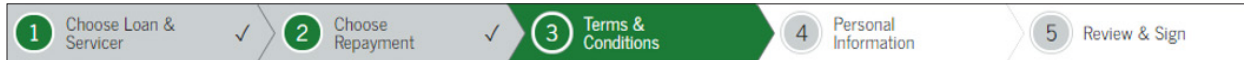
- You must provide documentation of all taxable income that you and your spouse (if applicable) currently receive.
- Taxable income includes income from employment, unemployment income, dividend income, interest income, tips, and alimony.
- Do not provide documentation of untaxed income such as Supplemental Security Income, child support, or federal or state public assistance.

**This is how your document your income:**

- Documentation will usually include a pay stub or a letter from your employer listing your gross pay.
- Write on your documentation how often you receive the income, for example, "twice per month" or "every other week".
- You must provide at least **one piece** of documentation for each source of taxable income
- If documentation is unavailable or you want to explain your income, attach a signed statement explaining each source of income and giving the name and the address of each source of income.
- Copies of original documentation are acceptable.
- **The date on any supporting documentation you provide must be no older than 90 days from the date you sign this form.**

Contact your new servicer if you have any questions about what income documentation is needed for your situation.

## Step 3: Terms and Conditions

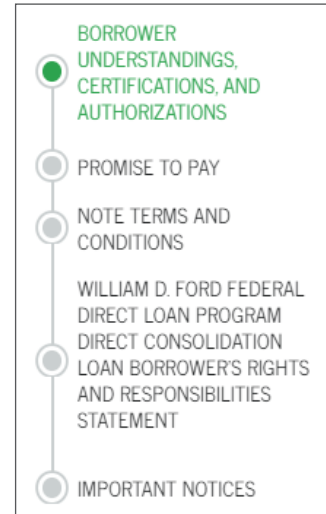


### Overview

Step 3 of the consolidation application involves reading through the Terms and Conditions. This step is generally divided into five sections that explain the rights and responsibilities that come along with your new loan.

### *Borrower Understandings, Certifications, and Authorizations*

This section details what you should know about the loan, that you are certifying the accuracy of the information provided, and what you are authorizing by signing the consolidation application.



BORROWER UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATIONS  
PROMISE TO PAY  
NOTE TERMS AND CONDITIONS  
WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM DIRECT CONSOLIDATION LOAN BORROWER'S RIGHTS AND RESPONSIBILITIES STATEMENT  
IMPORTANT NOTICES

Borrower: Social Security Number:

### BORROWER UNDERSTANDINGS, CERTIFICATIONS, AND AUTHORIZATIONS

22. I understand that:

A. Applying for a Direct Consolidation Loan does not obligate me to agree to take the loan. The U.S. Department of Education (ED) will provide me with:

- The deadline by which I must notify ED if I want to cancel the Direct Consolidation Loan, or if I do not want to consolidate any of the loans that ED has verified; and
- A notice containing information about the loans and payoff amounts that ED has verified with the holders of my loans or through ED's National Student Loan Data System (NSLDS) before the actual payoffs occur.

## ***Promise to Pay***

This section details the new loan's promissory note. It lays out the terms for how the principal, interest, collection fees, etc. are handled.

<p><b>PROMISE TO PAY</b></p> <hr/> <p>25. I promise to pay ED all sums disbursed under the terms of this Note to pay off my prior loan obligations, plus interest and other charges and fees that may become due as provided in this Note.</p> <p>26. If I do not make a payment on my Direct Consolidation Loan when it is due, I will also pay reasonable collection costs, including but not limited to attorney fees, court costs, and other fees.</p> <p>27. My signature on this Note serves as my authorization to pay off the balances of the loans I have selected for consolidation as provided by the holders of the loans.</p> <p>28. I will not sign this Note before reading the entire Note, even if I am told not to read it, or told that I am not required to read it. I am entitled to an exact copy of this Note and the Borrower's Rights and Responsibilities Statement.</p> <p>29. My signature certifies that I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Understandings, Certifications, and Authorizations section, and the Borrower's Rights and Responsibilities Statement.</p> <p><b>I UNDERSTAND THAT THIS IS A LOAN THAT I MUST REPAY.</b></p>
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## ***Note Terms & Conditions***

This section has information regarding the Terms and Conditions of the loan that you are agreeing to. It goes into some of the regulations surrounding the consolidation loan as well as technical definitions and other information.

<p><b>NOTE TERMS AND CONDITIONS</b></p> <hr/> <p><b>GOVERNING LAW</b></p> <p>The terms of this Direct Consolidation Loan Application and Promissory Note (Note) will be interpreted in accordance with the HEA (20 U.S.C. 1070 et seq.), ED's regulations, any amendments to the HEA and the regulations in accordance with the effective date of those amendments, and other applicable federal laws and regulations. Throughout this Note, we refer to these laws and regulations collectively as the "Act".</p> <p>Under applicable state law, except as preempted by federal law, you may have certain borrower rights, remedies, and defenses in addition to those stated in this Note and in the Borrower's Rights and Responsibilities Statement.</p>
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## William D. Ford Federal Direct Loan Program Direct Consolidation Loan Borrower's Rights and Responsibilities Statement

This section has further information regarding the Terms and Conditions of the loan that you are agreeing to. It guarantees your rights and lays out the responsibilities for this new loan going forward.

### WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM DIRECT CONSOLIDATION LOAN BORROWER'S RIGHTS AND RESPONSIBILITIES STATEMENT

#### IMPORTANT NOTICE

This Borrower's Rights and Responsibilities Statement provides additional information about the terms and conditions of the loan you will receive under the accompanying Federal Direct Consolidation Loan (Direct Consolidation Loan) Application and Promissory Note (Note). Please keep a copy of the Note and this Borrower's Rights and Responsibilities Statement for your records. You may request another copy of this Borrower's Rights and Responsibilities Statement at any time by contacting your servicer.

Throughout this Borrower's Rights and Responsibilities Statement, the words "we," "us," and "our" refer to the U.S. Department of Education.

### Important Notices

The final section lays out the definition of terms used in the agreement along with other important notices needed to fully understand the consolidation. Additionally, if you selected one of the IDR plans, information is further explained to help you understand those plans.

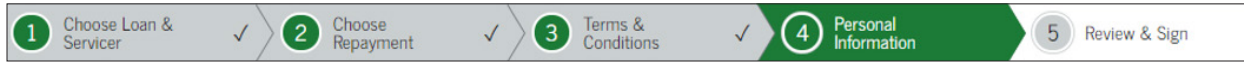
Take your time to read through the full Terms and Conditions for the Consolidation application. Once you have read through the full text, check the **I have read...** box and click Continue.

**\*\* Don't click Exit unless you want to start all over again! Clicking Exit will exit you out of the consolidation application entirely and you will have to start all over. \*\***

DEFINITIONS	▼
INCOME-DRIVEN PLAN ELIGIBILITY REQUIREMENTS AND GENERAL INFORMATION	▼
IMPORTANT NOTICES	▼

I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Understandings, Certifications, and Authorizations section, and the Borrower's Rights and Responsibilities Statement.

## Step 4: Personal Information



### Personal Information

This next section requires you to update your contact information so your new servicer can get in touch with you and your references, if necessary. Please note that the application does not accept PO Boxes as a permanent address. If you or your references need mail to be sent to a PO Box, please contact your post-consolidation servicer to make the updates.

Most of this information should be prefilled using the information from your FSA ID. Some fields, such as driver's license number, will need to be filled out manually. You'll also be asked for the best time for your servicer to reach you. If you aren't located in Eastern Standard Time (EST) make sure to convert the best time you're available to EST.

### Borrower Information

Former Name(s):

Driver's License State:

Driver's License Number:

Permanent Address [More Information](#)

Address (line 1):

Address (line 2):

City:

State:


Zip Code:

Country:

This is my current permanent address. If permanent address information is incorrect, update as needed.



**Contact Information**

**Email Address:** [More Information](#) 

To update your Email Address, visit the ["Contact Information"](#) page.

**Telephone Number:**

\*

**Mobile Phone Number:**


To update your Mobile Phone Number, visit the ["Contact Information"](#) page.

**Best Time to Reach You**

**From:**  \* **To:**  \* **Eastern Standard Time (EST)**

## Employer's Information

This section asks for your employer's contact information, which is required to complete the application. It asks for the name, address, and phone number for your employer. If you are not employed, check the **I am not employed** box.

**Employer's Information** [More Information](#) 

I am not employed

**Employer's Name:**  \* **Work Number:**

**Address (line 1):**  \* **State:**  \*

**Address (line 2):**  **Zip Code:**  \*

**City:**  \* **Country:**  \*

## References

The last part of this section is regarding references. References are people that you have known for at least three years and who are able to contact you if your new servicer is unable to reach you in the future. Click on **More Information** if you have any questions about who can be a reference.

The application requires two references. Most students have already provided references when taking out their student loans; if you wish to use a prior reference, you can select them from the drop-down menu. Just be sure to double-check that their contact information is still up to date!

### Reference 1

If you have previously completed information for the reference:

Name [More Information](#)

First Name:  \*

Middle Initial:

Last Name:  \*

**Permanent Address**

Address (line 1):  \*

Address (line 2):

City:  \*

State:  \*

Zip Code:  \*

Country:  \*

**Contact Information**

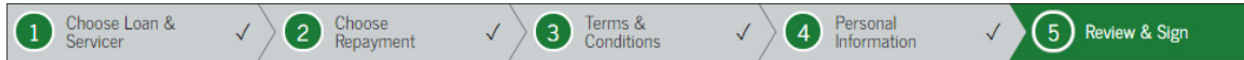
Telephone Number:  \*

Email Address:

Relationship to You:  \*

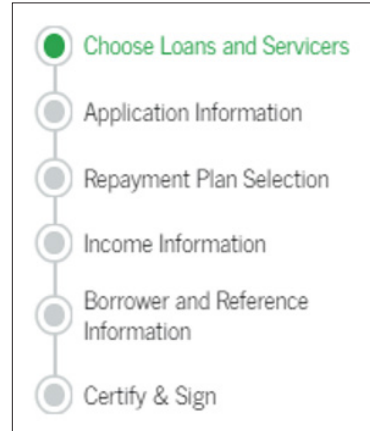
When you are finished, click **Continue** to be taken to the final section.

## Step 5: Review & Sign



### Sections

There are five sections to be reviewed before completing the application. This review covers all of the application's questions and your answers. Take your time to review every section and go back in the application to fix any issues.



### Certify & Sign

Finally, certify that you have reviewed the information and ensured that it is accurate by clicking the **I have reviewed...** box at the bottom. Then type in your first and last names, middle initial if you desire, and click Sign. Voila, your application has been submitted.

**\*\* Don't click Exit unless you want to start all over again! Clicking Exit will exit you out of the consolidation application entirely and you will have to start all over. \*\***

Certify & Sign

I have reviewed the Information about me on the Federal Direct Consolidation Loan Application and Promissory Note and acknowledge that it is true and correct. I have read, understand, and agree to the terms and conditions of this Note, including the Borrower Understandings, Certifications, and Authorizations section and the Borrower's Rights and Responsibilities Statement.

I UNDERSTAND THIS IS A LOAN THAT I MUST REPAY.

First Name:  \* Middle Initial:  Last Name:  \*

## Step 6: Further Action

If your income information was not pulled from the IRS website or if you indicated that you or your spouse's income has changed, you'll be prompted to submit an IDR application and income documentation to your new servicer. Print out the IDR application and submit it as soon as possible!

You may also be prompted to have your spouse sign the IDR application. In order to do that, you'll need to have your spouse sign-in to StudentAid.gov and sign the application themselves. Details are laid out in Step 2 of this guide.

If you indicated an intent to apply for the Public Service Loan Forgiveness program, you'll be prompted to print, complete, and return an Employment Certification Form to your new servicer. This will ensure you are properly qualified going forward.

Start watching for information from your new loan originator. They'll be sending you a Loan Summary Statement giving full details about your consolidated loan. If there are any issues, contact them immediately to address them. There is a 10-day waiting period built into the process to address issues that may arise. You may be able to speed up processing of the application by contacting the loan originator and asking them to waive the 10-day waiting period.

Congratulations! You have now completed the consolidation application. We hope you've found this guide helpful.