

### Private Student Loan Consolidation

Private student loan consolidation can provide a great way to lower your private monthly student loan payments into one convenient payment each month. This can make your student debt much easier to manage and it can even allow you to pay off your obligations much earlier than you thought possible.

By reducing your student loan payments into just one monthly expense, you will also be better able to budget for other expenses as well, such as rent or mortgage, auto loan payments, and other new debt that you may be taking on after college graduation.

#### Eligibility

Eligibility for private loan consolidation varies by lender. Many lenders will require that you have a minimum balance (\$5,000 or \$7,500) to consolidate your loan.

#### Benefits

- You obtain a single monthly payment instead of several.
- The consolidation resets the term of the loan, which may reduce your monthly payment.
- Because the interest rates on private student loans are based on your credit score, you could get a better monthly interest rate if your credit score has improved significantly – by 50 to 100 points – since the time you first obtained the loan.
- The current lender of your loans may be willing to lower your interest rate, rather than lose your loans to another lender.

#### NOTE

While your monthly payment may decrease, the total interest you pay over the lifetime of the loan may increase (unless your credit score significantly improves).

### 2014-2015 Private Student Loan Consolidation Lenders and Selection Process

Carnegie Mellon's recommended lenders for Private Student Loan Consolidation for 2014-2015 were selected after a lender evaluation process was conducted. Information provided to us by lenders was reviewed by the Director and Associate Directors of Student Financial Aid.

Important criteria in the university's overall lender evaluation included the following: rates; fees; borrower benefits; terms and conditions; eligibility requirements; application, certification and disbursement processes; customer service; lender financial stability; industry experience; web-based services; flexible repayment options; and financial literacy programs.

A lender may change the rates, terms, fees, and other information which they originally provided to us. Students and parents are encouraged to carefully compare and evaluate lenders and loan programs to determine which ones offer the rates, terms and service that are best for them. They have the right to select the lender of their choice and are not required to use any of our recommended lenders. Borrowers will not be penalized for selecting a lender that is not included on our recommended lender list. We will certify any loan from any lender. Our recommended Private Loan Consolidation lenders can change from year to year as current lenders are evaluated and new lenders are considered. Carnegie Mellon does not receive any financial incentives or revenue sharing for referring students to any lender.

Please visit the website of these lenders for more information:

#### Citizen's Bank Education Refinance Loan

<https://www.citizensbank.com/student-loans/education-refinance-loan.aspx>

Application and Solicitation Disclosures can be found at <http://www.cmu.edu/finaid/disclosures/citizens-disclosure.pdf>

#### Wells Fargo Private Student Consolidation Loan

<https://www.wellsfargo.com/student/consolidateloans/privatestudentloans>

Application and Solicitation Disclosure can be found at <https://wfefs.wellsfargo.com/terms/AppDisclosureFilter>