



**One  
Great Loan.**  
Loan Consolidation



**For Program Information:**  
**1-800-899-ISAC (4722)**  
**collegezone.com**

**Deerfield**  
1755 Lake Cook Road  
Deerfield, IL 60015-5209

**Springfield**  
500 W. Monroe, 3rd Floor  
Springfield, IL 62704-1876

**Chicago**  
James R. Thompson Center  
100 W. Randolph, Suite 3-200  
Chicago, IL 60601-3293

**COLLEGEZONE**

Powered by  
ILLINOIS STUDENT ASSISTANCE COMMISSION

## unLoan helps make student loans more manageable

At the Illinois Student Assistance Commission (ISAC), we believe that you should be able to make educational loan repayment arrangements that are manageable and fit your budget. With the ISAC federally-backed student loan consolidation program, unLoan, you can combine many existing educational loans into a single loan. One loan. One payment. Now, that's one great loan.

Our goal is to help you understand loan consolidation and the benefits it may provide for you. So, we have taken out the confusing language and financial jargon. This unLoan material is designed with your needs in mind. We understand that many borrowers may be a bit new to the world of loan repayment and consolidation. We are here to walk you through the consolidation process, discuss your choices, and show you how consolidation can take the hassles out of loan repayment.

unLoan can pay off your existing student loans and consolidate them into one manageable, simple interest loan. Because you can repay this loan over a longer period of time than your original loans, your monthly payments can be much lower. The federal government allows borrowers to consolidate student loans with extended repayment periods up to 30 years, depending on the loan balance. This makes paying your monthly debt more affordable.

In addition, the ISAC unLoan offers graduated and income-sensitive repayment plans to help you obtain lower monthly payments during the first few years of repayment when you need it most. As your education begins to pay off and you can afford larger payments, your unLoan payments increase. Also, your unLoan interest rate may be different from the interest rate of your original loans. And like all simple interest loans, since you are only charged interest on the unpaid balance, the earlier you pay off your unLoan, the less interest you'll pay.



### Is loan consolidation for you?

It may be, but make sure you weigh all the options before you decide. If you find that your student loan payments consume a large portion of your monthly income, consolidation can lower your monthly payments, leaving you more money for other things you need. Remember though, that when your repayment period is longer, the amount of interest you'll pay over the life of your loan will be higher. You'll need to decide whether the convenience of a single lower monthly payment now outweighs a higher total interest cost in the long run. Use the *unLoan Worksheet* to estimate the amount of your consolidation loan payment and how long you'll be repaying if you choose to consolidate. Options to postpone your payment (deferment) may change too, once you consolidate, so be sure to check with your lender.

## How much can unLoan reduce your monthly payment?

The following examples illustrate how unLoan may reduce the monthly payment on your student loans.

Total Loan Amount	Current Monthly Payments (10 yrs @ 8.25%)	Total Payments	Maximum unLoan Terms	New Monthly Payment (@ 8.25%)	Total Payments
\$15,000	\$184	\$ 22,077	15 yrs.	\$146	\$ 26,194
20,000	245	29,437	20 yrs.	170	40,899
50,000	613	73,592	25 yrs.	394	118,268
70,000	859	103,028	30 yrs.	526	189,319

The interest rate of your unLoan will be a fixed rate for the loan term. The interest rate is the weighted average of the interest rate of those loans you select for consolidation, rounded upward to the nearest 1/8 of one percent, not to exceed 8.25 percent.\*

*\*If your unLoan includes a HEAL loan(s), the interest rate on that portion is variable (adjusted annually on July 1) and does not have a maximum.*

## Which loans can you combine?

If you have several student loans, all the loans you select are in grace or repayment status, and you have no other pending consolidation application, you can combine any of the following loans:

- Federal Family Education Loan Program (FFELP) Stafford Loans (subsidized & unsubsidized)
- William D. Ford Federal Direct Loan Program (FDLP) Stafford Loans (subsidized & unsubsidized)
- Guaranteed Student Loans (GSL)
- Illinois Opportunity Loans
- Federal Supplemental Loans for Students (SLS)
- Auxiliary Loans to Assist Students (ALAS)
- Federal Perkins Loans
- National Direct Student Loans (NDSL)
- FFELP & FDLP PLUS Loans (Parent)
- FFELP & FDLP Consolidation Loans

- Health Professions Student Loans (HPSL)
- A spouse's student loans\*
- Federally Insured Student Loans (FISL)
- Federal Nursing Loans (NSL)
- Health Education Assistance Loans (HEAL)\*\*

*Delinquent and defaulted loans are eligible if you have made satisfactory arrangements for repayment.*

*\* Married couples may consolidate individual loans into a single loan. Couples must agree to be held jointly responsible and liable for repayment without regard to future changes in marital status.*

*\*\* If you have HEAL Loans, check with your unLoan lender for more information.*

1  
payment

## Take the first step

The *unLoan Worksheet* will walk you through the loan consolidation process. This worksheet is for your use only. Its purpose is to help you determine which loans to consolidate and how much you need to borrow to consolidate your current debt into one loan. Although you are not required to complete the worksheet, it will help you determine how unLoan can best meet your needs. Then you'll need to contact your lender.

If all of your FFELP loans are with one lender, you must request your consolidation loan from that lender, unless the lender does not offer consolidation loans or did not offer you an income sensitive repayment schedule. If you have loans with multiple lenders, you can request a consolidation loan from any participating lender.

Use the unLoan Worksheet to help you select which loans to consolidate.

Next, complete the unLoan Verification Certificates & unLoan Application/Promissory Note.

If you need additional unLoan Verification Certificates, contact your lending institution or call ISAC.

Look over all forms and make sure that they have been completed, signed and dated.

On occasion, you may need to contact ISAC or your lender for additional information or help. Please use the area in the back of this brochure to record important contacts, deadlines, etc.

Always keep the borrower copies of all forms and store them together for future reference.

Now send the completed forms to your consolidation lender or ISAC.

**After approval of your application, you will receive a notice of loan approval along with your unLoan Repayment Schedule. Ask your lender, college financial aid administrator or ISAC for more information about unLoan or contact your lender to request an application today!**



• **One Great Loan.**

## Important Contacts

Illinois Student Assistance Commission

1755 Lake Cook Road

Deerfield, Illinois 60015-5209

1-800-899-ISAC (4722)

collegezone.com

Lenders:

---

---

---

---

---

---

---

School Financial Aid Contacts:

---

---

---

---

---

---

---

Misc. Notes:

---

---

---

---

---

---

---

ONE