**Client First and Last Name**

**Client Street Address**

**Client City, State Zip Code**

**Client First Name,**

We would like to thank you for completing your student loan counseling session with Take Charge America (“TCA”). If at any point you have additional questions or need further assistance, please do not hesitate to call our Student Loan Department. Our phone number is **877.784.2008** and our email is **studentloans@takechargeamerica.org**.

Please review the following summary outlining the details of the comprehensive counseling session for your Student Loans.

**Loan Summary**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Servicer** | **Loan Type** | **Loan Status** | **Balance** | **Interest Rate** |
| (insert name of servicer here) | (insert type of loan here) | (insert loan status here) | (insert loan balance here) | (insert interest rate here) |
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|  |  |  |  |  |
| **TOTAL** | | | **$(insert total)** |  |

**Consolidation**

In order to keep your payments affordable, you have submitted an application to consolidate your loans into the Direct Loan Program.

You will receive a letter shortly after your consolidation application is received, advising you to review the information submitted in the application and to notify your servicer if you wish to make any changes or cancel the consolidation. Review this letter to confirm the information is accurate.

**Understanding Your Consolidation**

Benefits

* **Simplicity**: You will have one monthly payment and one lender.
* **Lower Payments**: If you extend the length of your repayment term with a consolidation loan, your total monthly payment could be lower than your current combined monthly loan payments.
* **Multiple Repayment Options**: A Direct Consolidation Loan may be eligible for a number of federal repayment or forgiveness programs, including Income-Based and Income-Contingent Repayment, Pay As You Earn, and Public Service Loan Forgiveness.
* **Maintain Subsidy Benefits**: If you consolidate a subsidized loan you will keep any subsidy benefits for the portion of your consolidation loan that repays your subsidized loan.
* **Postponement Options**: If you have already exhausted your deferment and forbearance options on your individual loans, a consolidation loan may renew those postponement options.
* **Defaulted Loans**: If your loan has defaulted, you may be able to renew your loan’s eligibility for certain federal repayment programs through consolidation.

Drawbacks

* **Interest Costs**: While a Direct Consolidation Loan can help you secure a fixed interest rate for your loans, you may pay more in interest over the life of the loan if you extend your repayment term.
* **Loss of Benefits**: You may lose special benefits attached to your original loans if you consolidate. For instance, Perkins loans have cancellation benefits and subsidy benefits that are lost if consolidated.

**Other Recommendations**

* If you return to school, you also qualify for an in-school deferment. Be sure to contact your servicer to request this deferment.
* Set up payments on automatic-debit to take advantage of a 0.25% reduction in your interest rate.
* Stay in touch with your loan servicer and update your contact information if you move so you do not miss any important paperwork.
* You may consider speaking with a tax advisor to ask about taking advantage of tax deductions related to the repayment of your student loans.
* Stay organized. Keep all of your student loan paperwork for your records.

**Budget**

We highly recommend that you review the budget you created with your ClearPoint counselor.  We encourage you to look into the resources and recommendations made by your counselors to further assist you in handling your finances.  If TCA can be of further assistance do not hesitate to contact us at <http://www.takechargeamerica.org/> or call 866-528-0588.

**Payment**

Per our conversation, we have set up (insert either: a one time payment OR a 2 payment cycle OR a 3 payment cycle) for your comprehensive counseling session. Payments will be processed in the amount of **$(insert dollar amount here) on (insert date here), (insert date here, if needed) and (insert date here, if needed).**

Take Charge America appreciates you utilizing our service to assist in your student loan repayments. Please let us know how we are doing and pass along our information to your friends and family who may also be struggling with their student loan payments.

Sincerely,

*(insert counselor name here)*

877-784-2008

[studentloans@takechargeamerica.org](mailto:studentloans@takechargeamerica.org)