

# MANAGING YOUR MONEY

## Reducing Your Student Loan Monthly Payments

(NAPSA)—A number of recent graduates have found when it comes to college loans, it can pay to do your homework.

Americans currently pay over \$180 billion in federally guaranteed student loans—the majority of which carry variable interest rates that are reset every July 1.

According to the Department of Education, on July 1, 2001, recent borrowers' Stafford Loan interest rates will drop from 8.2 percent to 5.99 percent—an historical low. The rate will last until July 1, 2002.

Fortunately, a government initiative called The Federal Consolidation Loan Program gives recent borrowers and recent graduates in their “grace period,” the chance to lock in that rate for the duration of their loans.

“Consolidation offers former students the chance to lock in these low rates that could result in thousands of dollars of interest savings over the life of their loans,” says Barry Morrow, president of Collegiate Funding Services (CFS).

Collegiate Funding Services specializes in student loan consolidation. In addition to a fixed rate, consolidation reduces borrowers monthly payments by up to 53 percent, plus the convenience of a single bill.

Currently, CFS is offering its new



**New low interest rates may save students who consolidate their college loans thousands of dollars.**

customers a limited time opportunity to reduce their interest rates by an additional 1.25 percent.

New borrowers who make their first 36 payments on time will have their rates dropped by an additional one percent and can receive an automatic .25 percent rate reduction if they have their payments electronically withdrawn from their bank accounts.

The additional rate drop can save a borrower with a \$30,000 loan balance nearly \$6,000 in interest over the life of a loan.

For more information, call CFS toll free at 1-866-316-0673 or visit [www.cfsloans.com/NAPS](http://www.cfsloans.com/NAPS).