

[Help For Student Loan Borrowers](#)

Special Direct Consolidation Loans

The U.S. Department of Education (the Department) will offer Special Direct Consolidation Loans to eligible borrowers, beginning in January 2012. This is a short-term consolidation opportunity, ending June 30, 2012, for borrowers with

- at least one student loan held by the Department (a Direct Loan or a Federal Family Education Loan [FFEL] owned by the Department and serviced by one of the Department's servicers); and
- at least one commercially-held FFEL loan (a FFEL loan that is owned by a FFEL lender and serviced either by that lender or by a servicer contracted by that lender).

Special Direct Consolidation Loans are intended to help borrowers manage their debt by ensuring all of their federal loans are serviced by the same entity, resulting in one bill and one payment (borrowers repay loans to a loan servicer). Borrowers will also receive an interest rate reduction on Special Direct Consolidation Loans as a repayment incentive.

How can I find out more?

Visit www.studentaid.ed.gov or call 1-800-4-FED-AID. You can also learn more about other student loan repayment options and find advice on paying loans off more quickly using the Consumer Finance Protection Bureau's [Student Debt Repayment Assistant](#).

Source: <http://studentaid.ed.gov/PORTALSWebApp/students/english/specialconsolidation.jsp>
