Q. Can you discuss the differences in how the loans work for part-time students? I would assume there is no grace period, correct?

A. Langone students are eligible for the same loans as full-time students. These include the Unsubsidized Loan and Graduate PLUS Loan. There is a 6 month grace period after you graduate or fall below half time status (6 credits).

Q. Is there a penalty for post enrollment deferment for Grad Plus, the slide said Grad Plus doesn’t have the 6 month deferment period, but then it said that they automatically line up first payments 6 months after you finish with school?

A. On the Unsubsidized Loan there is an automatic 6 month grace period. The Department of Education calls the 6 month grace period something else for the PLUS Loans, thus Lisa’s slide. This deferment is also automatic and there is no charge for it.

Q. What is the average interest rate you can get with consolidation?

A. For Federal Loans the Department of Education uses the weighted average of all of the loans you are consolidating to determine one new interest rate.

Q. Could consolidating end up being higher than your lowest interest rate?

A. That is a possibility; it depends on the loans you borrowed and their rates. For example, if you borrowed the Unsubsidized Loan and the PLUS Loan, the PLUS Loan will have a higher interest rate, and the Department of Education will take the weighted average of both. You may contact your loan servicer for assistance. They can help you calculate what new rate you may be offered. This can help you decide if consolidation would be beneficial.

Q. Looking at my loans now and notice I have 2 different statuses: Deferment and In School. Do you know what the difference is?

A. The loan status reflects the loan servicer’s current disposition for collecting the loan. If you are currently in school, your loan is in deferred status, and you do not have to make payments.
Q. Do you have to select the type of repayment plan prior to graduation?

    A. The Department of Education will automatically put you into a standard repayment plan. If you decide to select a different repayment plan, you would have to notify your loan servicer.