



# EdFed

Federal Lender Code 834241

• 800-821-5659

TAKE CHARGE OF YOUR FUTURE!

America's Top Student Loan Consolidator

## 5 dangerous characteristics of other student loan companies



### 1. Many Student Loan Companies Are Not Lenders, But Simply Marketing Companies

You probably receive a lot of solicitations at home and via email from a variety of people regarding your student loans. When you do business with someone who just markets loans, what essentially happens is that they get you to fill out an application, and then they call a bunch of banks (or middlemen) to try to get one to purchase your application from them. They may take \$20 or \$50 for the application; they do not care. Their only objective is to get the highest price possible for your loans. How well your loan is serviced is meaningless. They simply want to get the best price possible for your loans so they can move on to the next one. We estimate that 95% of the marketing you see in the student loan industry comes from companies who only concentrate on marketing.

At EdFed, we are a lender. We are established and know exactly how your loan will be serviced. The people working here are upstanding, and the organization itself is subject to a great deal of scrutiny. We know exactly what is going on with your loan at all times and can offer you the very best terms because we are not paying middlemen.

College is extremely expensive, and your debts from college are a serious matter. You should deal with a lender and not trust your loans to a marketer.

### 2. With Other Lenders, Your Borrower Benefits Are Not Guaranteed

You may have seen the different tactics consolidations companies use to attract your business. Some offer cash rebates, others offer interest rate reductions. All promise to save you money. Most lenders offer these incentives because they know you will not be able to earn or retain this benefit. They promise an interest-rate reduction after so-many consecutive on-time payments, but they fail to let you know that this benefit may, and often is, taken away from you at some time during the loan term. Even if you only pay late one time ten years into your consolidation, you will lose this interest rate reduction.



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When lenders offer cash rebates instead of interest rate reductions, receiving \$1,000 to \$3,000 cash sounds very attractive to most new graduates. However, these lenders fail to explain that an interest rate reduction of 1% typically saves several thousands of dollars over the life of a consolidation. The cash rebate is minute in comparison.

EdFed does not use deceitful tactics to attract your business. *WE GUARANTEE YOUR BORROWER BENEFITS ONCE THEY HAVE BEEN EARNED. YOU CANNOT LOSE THE 1% INTEREST RATE REDUCTION AT ANY TIME AFTER YOU MAKE YOUR FIRST 36 ON-TIME PAYMENTS. You are guaranteed that your savings will be substantial!*

### **3. Many Student Loan Companies' Representatives Will Treat You Like a Number and They Are Not Educated About Your Financial Options.**

If you use any of the other student loan companies, you are just one of hundreds of thousands of people being serviced by them. In many respects, you become a number. This is perfectly acceptable for many, though, because it is how they are used to being treated when it comes to their finances.

There are major advantages to working with us. For one, the chances are very good that your loan representative will recognize your voice when you call. Additionally, because we deal with a relatively small volume of people compared to other student loan companies, in most cases, we can respond within minutes to any issues you may have.

Because most student loan companies are simply marketers, the people you speak with about your student loans may have only a vague understanding of the specific details of those loans. In addition, because students often have a large number of loans, the process can be quite confusing and mistakes can happen. What is best for you and your specific situation? This is an extremely important question to consider when talking about your loans.

At EdFed, we use the 600-page Common Manual (and refer to this regularly) to make decisions regarding your specific situation and the best program for you. We are used to dealing with every kind of student loan situation, and each and every one of our representatives will understand how to handle your unique situation. If you try using another lender, you may be surprised by how little its representatives will know about you and your particular financial needs.

### **4. Many Student Loan Companies Do Not Make Things Happen Quickly.**

Because many student loan companies may simply take your applications and then turn around and sell them, you have no way of knowing how long the process will take. Sometimes the company that initiated your consolidation may wait for the market to change so it can sell your application. This could take months! Meanwhile, you do not have your money for school, or you may be making payments at a higher interest rate. Insane? You bet it is.



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When you deal with EdFed, you are dealing with an innovative leader. We have the power to make things happen very quickly because we are funding your loans right here. We do not outsource the processing of applications, unlike many other student loan companies. This makes such a difference that many students have lost thousands of dollars and suffered endless difficulties dealing with other lending organizations. We know how important those loans are to you.

### **5. Many Student Loan Companies Do Not Have the Resources to be Market Leaders.**

Many borrowers choose the first organization they find to initiate their loans. This organization could be a couple of guys operating out of their apartment in Orlando. You simply do not know. What does this mean for your loans?

EdFed is an innovative leader in the education-lending field for good reason: We are excellent at what we do. Students and graduates throughout the United States have chosen us because of our professionalism and focus. When you deal with a leader, there is a difference. EdFed has massive financial resources and the stability you expect from your lending institution, yet we are small enough to offer you a much higher level of service than our competitors. We are exceptional in being a prominent education lender that still provides personalized attention. With this unique distinction, EdFed is well positioned to serve you.