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Informative Facts about Defaulted Student Loans by [Peter Paul](#)

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Taking loans for a particular purpose have become very common today. More and more people are depending on loans for several things. Nowadays students are taking loans for their higher studies. Thus, loans have really helped in getting things which they could not even think of due to lack of financial resources. Taking loans is very easy and there is no problem in taking loans to make your wish come true. But the problem arises when people do not repay their loans on time which results in Defaulted Student Loan. People do not understand that when they have taken a loan it is their duty to repay it and they are not even aware of the trouble in which they may fall due to Defaulted Student Loans.

There may be various reasons for failure in repaying the loan like loss of job, severe financial crisis or other problems. But Defaulted Student Loan can lead to a serious problem as the lender can sue you or hire debt collection agencies to collect the unpaid loan amount from the borrower. They often use harsh and offensive methods of collecting debt which can be really embarrassing. The lenders may also get legal document regarding your wage garnishment from the court. Therefore, it is always better to do proper financial planning so that you do not have to face the serious consequences of Defaulted Student Loans.

However, incase you cannot avoid Defaulted Student Loan then you must look from help from the experts. Loan rehabilitation and loan consolidation are the most common solutions which are provided to the loan defaulters by the experts. In loan rehabilitation you will have to make monthly payouts for around 9 to 12 consecutive months on time. After these payments are over the loan taken by you is sold to a new lender and you become free from being a defaulter. You will have a new loan which you can repay over an extended period of time.

In loan consolidation you will be required to make timely repayments for three months consecutively. Once you have made the repayments you will become eligible for federal consolidation loan. This loan will help you in consolidating all your loans and the lending company will pay all the balances of the loan consolidated by you. After this, you will be issued a new loan for which there will be a new repayment plan. In this way you will be able to recover from Defaulted Student Loans.

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Peter Paul is having good knowledge on a [Defaulted Student Loan](#). To know about a [Defaulted Student Loans](#) he recommends a www.defaultedstudentloansolutions.com

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