A student loan borrower begins the Direct Loan Consolidation process by logging into their account at studentloans.gov, where they can apply to consolidate their Federal Direct loans and select a servicer.

Application Review
Sends application information to originator (i.e., borrower’s selected servicer) to be entered in their system and reviewed.

Originator
An originator, such as Great Lakes, sends an LVC to verify the borrower’s application.

Borrower
- Notified the application was received.
- Informed of next steps.
- Contacted for missing or incorrect information.

Loan holder
- Receives Loan Summary statement.
- Notified they have 10 days to make changes.

Paid in Full
Although the process is designed to be as accurate as possible, underpayments or overpayments may occur.

Loan Creation
Once the loan holder receives funds to pay off the borrower’s existing loans, the originator/servicer creates the consolidation loan.

The student loan borrower receives a new Direct Consolidation loan! Their selected servicer sends them important information, such as their repayment schedule, about their new loan.