

## REHABILITATION

New regulations for the Perkins Loan program now include a benefit for **DEFAULTED PERKINS LOAN** borrowers to bring their accounts current. It is called **REHABILITATION**.

To rehabilitate your loan you must make twelve consecutive monthly payments on your defaulted balance. At the end of that period, we will verify that all twelve payments were made – one each month – and at that point, bring your account current. All adverse information on your Perkins Loan will be deleted from the credit bureaus and your loan will be eligible for deferments and cancellations. It will be as if your loan had never defaulted.

**THIS IS A ONE-TIME OPTION.** Once a loan has been rehabilitated, it can NEVER BE REHABILITATED AGAIN.

This is your opportunity to erase the bad credit history from your credit bureau file. It will give you a clean slate on your Perkins Loan.

To start the process, you must **request this benefit IN WRITING** from this office. We will need to agree on a reasonable payment plan for that twelve-month period. During the rehabilitation process, there is no set amount that your payments must be. They may even be less than the amount originally scheduled. Be aware that starting with the 13<sup>th</sup> payment, you must pay at least the originally scheduled amount – generally \$40 per month.

During the twelve months of payments, your loan will continue to report as defaulted to the credit bureaus. **You can choose between** having **coupons** printed, **or receiving a bill** each month, or having the payments **automatically withdrawn** from a checking account.

### DIRECT ANY QUESTIONS CONCERNING YOUR LOAN OR THIS BENEFIT TO:

University of Northern Iowa  
Controller's Office, Gilchrist 256  
ATTN: Perkins Loans  
Cedar Falls, IA 50614-0008

(319)273-3539 or 273-6441

fax: (319)273-2001

e-mail: penny.becker@uni.edu or [joyce.willms@uni.edu](mailto:joyce.willms@uni.edu)

## REQUEST FOR REHABILITATION

I would like to participate in the rehabilitation benefit on my defaulted Perkins Loan(s).

I understand that I must make twelve consecutive monthly payments on this loan before it will be rehabilitated.

I understand that my loan will continue to report as past due to the three major credit bureaus during the twelve-month period.

I understand that if I miss a payment, the twelve payments will start over, counting from the last payment made.

I understand that once my loan is rehabilitated, if I allow my loan to default again, I will not be eligible for this benefit a second time.

I request that my monthly payments be set at \$\_\_\_\_\_ per month.

Borrower's signature: \_\_\_\_\_ Date: \_\_\_\_\_

Download the Exit Questionnaire from this website and complete the information.

**RETURN THE QUESTIONNAIRE, THIS REHABILITATION REQUEST FORM, AND YOUR FIRST PAYMENT TO:**

University of Northern Iowa  
ATTN: Perkins Loans  
Controller's Office, Gilchrist 256  
Cedar Falls, IA 50614-0008

fax: (319)273-2001  
e-mail: [penny.becker@uni.edu](mailto:penny.becker@uni.edu) or  
[joyce.willms@uni.edu](mailto:joyce.willms@uni.edu)