



2009-2010 FINANCING OPTIONS

- Carl Perkins Loan**
 - In the student's name;
 - Not repayable until 9 months after the student graduates, leaves school or drops below half-time enrollment – which ever occurs first;
 - No interest accrues on the loan while the student is enrolled at least half-time;
 - Once the loan goes into repayment, the interest is fixed at 5%, with a 10-year repayment option.

- Direct Stafford Loan**
 - In the student's name;
 - Not repayable until 6 months after the student graduates, leaves school or drops below half-time enrollment – which ever occurs first;
 - No interest accrues on the loan while the student is enrolled at least half-time;
 - Requires a 1% origination fee and a 1% guarantee fee. There's an up-front rebate of 1.5%, so the net disbursement is 99.5% of the gross loan amount. The borrower must make the first 12 payments on time to keep the rebate.
 - Once the loan goes into repayment, the interest is fixed at 5.6%, with a 10 to 25 year repayment option.

- Direct Unsubsidized Stafford Loan**
 - In the student's name;
 - Not repayable until 6 months after the student graduates, leaves school or drops below half-time enrollment – which ever occurs first;
 - The interest begins to accrue on the loan from the day the loan funds are disbursed;
 - Requires a 1% origination fee and a 1% guarantee fee. There's an up-front rebate of 1.5%, so the net disbursement is 99.5% of the gross loan amount. The borrower must make the first 12 payments on time to keep the rebate.
 - The interest is fixed at 6.8%, with a 10 to 25 year repayment option.

- Direct PLUS (Parent Loan for Undergraduate Students) Loan**
 - In the Parent's name;
 - The loan goes into repayment in March of 2010 or 60 days after last disbursement;
 - The interest rate is fixed at 7.9%, with a 10 to 25 year repayment option;
 - Requires a 3% origination fee and a 1% guarantee fee. There's an up-front rebate of 1.5%, so the net disbursement is 97.5% of the gross loan amount. The borrower must make the first 12 payments on time to keep the rebate.
 - **If this loan is denied due to credit reasons, the student automatically becomes eligible for an additional unsubsidized Stafford loan up to \$4,000 or \$5,000, depending on grade level.**
 - Parents may visit www.finaid.org/calculators/loanpayments.phtml to find out estimated repayment amounts. Scroll down to enter your loan amount and the interest rate and click calculate.

- Alternative Loan (Private)**
 - In the student's name, **but student may need a co-signer**;
 - Usually not repayable until 6 months after the student graduates, leaves school or drops below half-time enrollment – which ever occurs first (varies by lender);
 - Interest rate is market and the interest accrues on the loan from the day the loan funds are disbursed.

- Tuition Management Systems (TMS)**
 - 10 month interest-free payment plan – **this is not a loan, so everyone qualifies**;
 - The payments are from August 2009 through May 2010 and there is a **\$60 enrollment fee**;
 - Just complete the "Easy as 1,2,3" worksheet and call (888)713-7234 to set up your plan today!

Please visit our website at www.udmercy.edu for a detailed explanation of these options.