

Undergraduate Loan Terms

2012-13 Award Year



Comparison of Direct Subsidized and Unsubsidized Loan Terms Based on Initial Disbursement Date for Undergraduate Students

Term	Loans First Disbursed Before 7/1/12	Loans First Disbursed On or After 7/1/12
Interest Rate for Direct Subsidized Loans	Fixed at 3.4%	Fixed at 6.8%*
Interest Rate for Direct Unsubsidized Loans	Fixed at 6.8%	Fixed at 6.8%
Eligible for Direct Subsidized Loans	Yes	Yes
6-Month Grace Period	Yes	Yes
Eligible for Interest Subsidy for Direct Subsidized Loans during Grace Period	Yes	No
Loan Fees	1%	1%
Upfront Interest Rate Reduction Applied to Loan Fees	Yes	No

* Barring Congressional action, the interest rate on Direct Subsidized Loans for undergraduate students first disbursed on or after 7/1/12 will be 6.8%.