2020-2021 Financing Options
Financial Aid Office • 4001 W. McNichols Rd. • Detroit, MI 48221
Phone: 313-993-3350 • Fax: 313-993-3347 • finaid@udmercy.edu

☐ Direct Subsidized Stafford Loan  Undergraduates Only
  • In the student’s name
  • Goes into repayment 6 months after the student graduates, leaves school or drops below half-time enrollment – whichever occurs first
  • No interest accrues on the loan while the student is enrolled at least half-time, however, the interest does begin to accrue 6 months after the student graduates, leaves school, or drops below half-time enrollment
  • Currently requires a 1.059% origination fee
  • The interest rate is fixed at 2.75% and the student has 10-25 years to repay the loan
  • Subsidized Stafford Loan funds are limited to 150% of published length of academic program

☐ Direct Unsubsidized Stafford Loan
  • In the student’s name
  • Goes into repayment 6 months after the student graduates, leaves school, or drops below half-time enrollment – whichever occurs first
  • The interest begins to accrue on the loan from the day the loan funds are disbursed
  • Currently requires a 1.059% origination fee
  • The Undergraduate fixed interest rate is 2.75% and the Graduate fixed interest rate is 4.30%
  • The student has 10-25 years to repay the loan

☐ Direct Parent/Graduate PLUS Loan
  • In the Parent’s or Graduate Student’s name
  • Deferred and Standard Repayment options available
  • The interest rate is fixed at 5.30%, with a 10 to 25 year repayment option
  • Currently requires a 4.236% origination fee
  • If the Parent Plus loan is denied due to credit reasons, the undergraduate student automatically becomes eligible for an additional unsubsidized Stafford loan up to $4,000
  • Parents may visit https://studentaid.gov/understand-aid/types/loans/plus/parent for more information on repayment options and estimated repayment amounts

☐ Alternative (Private) Loan
  • In the student’s name, but the student may require a credit-worthy co-signer
  • Usually not repayable until 6 months after the student graduates, leaves school, or drops below half-time enrollment – whichever occurs first (varies by lender)
  • Interest rate is market and the interest accrues on the loan from the day the loan funds are disbursed
  • Students may visit www.elmselect.com to view a list of lenders or seek private loans on your own

☐ Payment Plan: Cashnet
  • Convenient option to spread educational expenses throughout the year and eliminate larger annual/semester payments
  • 9 or 10 month interest-free payment plan for academic year or 4 or 5 month plan per term
  • There is a $35 enrollment fee per semester or $60 for Fall and Winter
  • Using a debit or credit card will result in a 2.75% convenience fee
  • Education Payment Counselors are available weekdays 8am-9pm EST at 888-381-8054
  • To learn more about Cashnet Payment Solutions visit https://commerce.cashnet.com

Please see our Financial Aid E-Guide for further instructions on these options