

2021-2022 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 1.057% origination fee
 - The interest rate is fixed at **3.73%** 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 1.057% origination fee
 - The Undergraduate fixed interest rate is **3.73%** and the Graduate fixed interest rate is **5.28%**
 - 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 **6.28%**, with a 10 to 25 year repayment option
 - Currently requires a **4.228%** 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