

# 2019-2020

## William D. Ford Federal Direct Loans (DL) for Syracuse Law Students

The 2019-2020 interest rate is determined by adding the 10-year Treasury Bill rate as of May 8, 2019 (2.479%) to the loan "spread" indicated below.

^Origination fees are subject to change as a result of the Budget Control Act of 2011.

	Federal Direct Unsubsidized	Federal Direct Graduate PLUS
<b>Loan Limit</b>	\$20,500 per academic year.	Up to the cost of education, as determined by the school, minus other financial aid received for the same academic period.
<b>Disbursements</b>	Disbursed equally between the Fall and Spring semesters, minus origination fee collected by the Department of Education.	Disbursed equally between the Fall and Spring semesters, minus origination fee collected by the Department of Education.
<b>Interest Rate *</b> (for loans disbursed between 10/1/19 and 6/30/20)	<b>Fixed</b> at 6.08% (2.479% + 3.60% spread) for 19-20 Begins accruing interest upon disbursement. Borrowers may elect to make interest-only or full payments during periods of enrollment.	<b>Fixed</b> at 7.08% (2.479% + 4.60% spread) for 19-20 Begins accruing interest upon disbursement. Payments may be deferred or borrowers may elect to make interest-only or full payments during periods of enrollment.
<b>Origination Fee ^</b>	1.059% (loans disbursed between 10/1/19 and 9/30/20)	4.236% (loans disbursed between 10/1/19 and 9/30/20)
<b>Eligibility</b>	U.S. Citizens or Permanent Residents who file the FAFSA and are enrolled at least half time (defined as 6 credits/semester fall or spring and 4 credits in summer).	U.S. Citizens or Permanent Residents who file the FAFSA, are enrolled at least half time, and are awarded a Direct Loan.
<b>Credit Requirements</b>	None.	Based on federal standards. Borrowers must have no adverse credit (defined as 90 days or more delinquent on one or more debts with a total combined outstanding balance greater than \$2,085, including unpaid collection accounts and charge-offs, having a credit report that shows default, discharge, bankruptcy, foreclosure, etc.). <b>Credit score is <u>not</u> used.</b>
<b>Repayment Terms</b>	Repayment begins 6 months after graduation, or if student ceases to be enrolled at least half time. Payments can be deferred, or, borrowers may elect to make interest-only or full payments during enrollment. Standard repayment term is 10 years (can be extended up to 25 years if total amount of Federal Direct Loan debt > \$30,000).	Repayment begins within 60 days of final disbursement for each academic year loan, however, students who are enrolled at least half-time qualify for In-School Deferment. Standard repayment term is 10 years (can be extended up to 25 years if total amount of Federal Direct Loan debt > \$30,000).
<b>Repayment Example</b>	\$10,250 borrowed = \$114/month (Standard 10-year Repayment) \$20,500 borrowed = \$229/month (Standard 10-year Repayment)	\$15,000 borrowed = \$175/month (Standard 10-year Repayment) \$25,000 borrowed = \$292/month (Standard 10-year Repayment)

Questions? Contact us at [financialaid@law.syr.edu](mailto:financialaid@law.syr.edu) or call 315-443-1962

## Syracuse University College of Law Federal Direct Loan Repayment Sample

The chart below is designed to demonstrate the estimated monthly payment due based on the amount borrowed, the interest rate, and the length of loan repayment. Actual monthly payments will vary by borrower and will differ from the amounts described below depending on whether interest accrues or is paid while the borrower is enrolled in law school.

	Sample amount borrowed per academic year	Total Principal Borrowed (3 years)	Interest Rate*	Estimated Monthly Payment (Standard 10-year repayment plan)	Grand Total Paid under Standard Repayment Plan (120 months)	Estimated Monthly Payment (Extended 25-year repayment plan)	Grand Total Paid under Extended Repayment Plan (300 months)
Federal Direct Unsubsidized Loan	\$20,500	\$61,500	6.08%	\$686	\$82,304	\$400	\$120,004
Federal Direct Graduate PLUS Loan	\$21,000	\$63,000	7.08%	\$747	\$88,168	\$449	\$134,789
Grand Total	\$41,500	\$124,500		<b>\$1,444</b>	\$173,229	<b>\$863</b>	\$254,793

\*The interest rates that are quoted are for loans borrowed between 7/1/19 and 6/30/20.

If the monthly payment under the Standard 10-year or Extended 25-year repayment plan is too costly, you may consider an “income driven” repayment plan such as Income Based Repayment (IBR) or Pay As You Earn (PAYE). The monthly payment under these plans is determined by the borrower’s household size and household income. Borrowers qualify for either IBR or PAYE, depending on when federal student loans were first disbursed. To qualify for IBR or PAYE, borrowers must have “partial financial hardship” meaning the calculated income-driven payment is less than the calculated standard plan payment. REPAYE is available to any borrower, regardless of income. Married borrowers payments are based on total household income, regardless of tax filing status.

Sample household income (AGI – Adjusted Gross Income)	<b>Pay As You Earn (PAYE)</b> <i>Must be new borrower as of 10/1/07 and have Federal Direct Loan disbursement since 10/1/11. Calculated payment must be less than standard plan to qualify</i>	<b>Original Income Based Repayment (IBR)</b> <i>For those who are <u>NOT</u> new borrowers as of 10/1/07. Calculated monthly payment must be less than standard plan to qualify</i>	<b>Revised Pay As You Earn (REPAYE)</b> <i>Sets payments at 10% of household’s income, regardless of when loans were borrowed. No cap on monthly payment amount (calculated payments could exceed the standard plan)</i>
Assumes borrower in a household size of one (HH = 1)	Monthly payment amount (10% of discretionary income)	Monthly payment amount (15% of discretionary income)	Monthly payment amount (10% of total household discretionary income)
\$40,000 AGI	\$177 - \$588	\$266-\$1,200	\$427 (\$70,000 total AGI & HH = 2)
\$60,000 AGI	\$344 - \$1,019	\$516 - \$1,420	\$594 (\$90,000 total AGI & HH = 2)
\$80,000 AGI	\$511 - \$1,420	\$766 - \$1,420	\$677 (\$100,000 total AGI & HH = 2)

Read more about the [Income Driven Repayment Plans](http://law.syr.edu/financial-aid) on our website: <http://law.syr.edu/financial-aid>