

TABLE 5

Mar-04

Detail of the Full Fiscal Year Values for the 2006 Federal Subsidy Rates for Both the Variable Rate Loans and the Fixed Rate Loans

[Note: the Federal Subsidy Rates are Shown in Percent for Each Dollar Loaned]

Guaranteed Subsidized Loans:**o When Borrower Interest Rate is Variable**

Fees	-3.57%
In-School Interest Costs	15.40%
1/ Special Allowance Payments	6.86%
Net Federal Claim Payments	2.93%
Guaranty Agency Administrative Payments	0.53%
Total Subsidy Rate	22.15%

o When Borrower Interest Rate is Fixed

Fees	-3.57%
In-School Interest Costs	16.44%
1/ Special Allowance Payments	7.39%
Net Federal Claim Payments	2.93%
Guaranty Agency Administrative Payments	0.53%
Total Subsidy Rate	23.72%

Guaranteed Unsubsidized Loans:**o When Borrower Interest Rate is Variable**

Fees	-3.58%
In-School Interest Costs	0.00%
1/ Special Allowance Payments	7.52%
Net Federal Claim Payments	2.92%
Guaranty Agency Administrative Payments	0.54%
Total Subsidy Rate	7.40%

o When Borrower Interest Rate is Fixed

Fees	-3.58%
In-School Interest Costs	0.00%
1/ Special Allowance Payments	8.31%
Net Federal Claim Payments	2.93%
Guaranty Agency Administrative Payments	0.54%
Total Subsidy Rate	8.20%

Guaranteed Parent Loans:**o When Borrower Interest Rate is Variable**

Fees	-3.55%
In-School Interest Costs	0.00%
1/ Special Allowance Payments	2.75%
Net Federal Claim Payments	3.84%
Guaranty Agency Administrative Payments	0.55%
Total Subsidy Rate	3.59%

o When Borrower Interest Rate is Fixed

Fees	-3.55%
In-School Interest Costs	0.00%
1/ Special Allowance Payments	3.81%
Net Federal Claim Payments	3.85%
Guaranty Agency Administrative Payments	0.55%
Total Subsidy Rate	4.66%

Direct Subsidized Loans:**o When Borrower Interest Rate is Variable**

Fees	-2.96%
Disbursement	98.55%
Principal Repaid	-58.83%
Interest Paid	-29.62%
Total Subsidy Rate	7.15%

o When Borrower Interest Rate is Fixed

Fees	-2.96%
Disbursement	98.55%
Principal Repaid	-58.83%
Interest Paid	-30.70%
Total Subsidy Rate	6.06%

Direct Unsubsidized Loans:**o When Borrower Interest Rate is Variable**

Fees	-2.96%
Disbursement	98.56%
Principal Repaid	-68.52%
Interest Paid	-35.06%
Total Subsidy Rate	-7.98%

o When Borrower Interest Rate is Fixed

Fees	-2.96%
Disbursement	98.56%
Principal Repaid	-69.04%
Interest Paid	-37.41%
Total Subsidy Rate	-10.85%

Direct Parent Loans:**o When Borrower Interest Rate is Variable**

Fees	-2.96%
Disbursement	98.56%
Principal Repaid	-68.52%
Interest Paid	-35.06%
Total Subsidy Rate	-7.98%

o When Borrower Interest Rate is Fixed

Fees	-2.96%
Disbursement	98.56%
Principal Repaid	-69.04%
Interest Paid	-37.41%
Total Subsidy Rate	-10.85%

1/ The loan consolidation fee is included with the special allowance payments because it offsets interest paid to lenders.