

# TABLE 3

Mar-04

## TOTAL GUARANTEED LOAN PROGRAMS, March 2004 Baseline

(by fiscal year)

	2003 Preliminary	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>TOTAL ALL NEW LOANS [ New Guaranteed Loans Only ] a/</b>												
Net Annual Loan Volume (Mil \$)	34,310	38,546	41,616	43,247	44,616	46,164	48,087	50,047	52,269	54,781	57,608	60,606
Net Number of Loans (000)	8,536	9,346	9,848	10,018	10,119	10,259	10,482	10,697	10,948	11,239	11,574	11,915
Average Loan Amount	\$4,019	\$4,124	\$4,226	\$4,317	\$4,409	\$4,500	\$4,587	\$4,679	\$4,774	\$4,874	\$4,978	\$5,087
Subsidy Rate b/ c/	7.60%	13.24%	13.97%	14.42%	14.85%	14.80%	14.62%	14.45%	14.27%	14.09%	13.91%	13.72%
<b>SUBSIDIZED STUDENT LOANS [ New Guaranteed Loans Only ]</b>												
Net Annual Loan Volume (Mil \$)	15,842	17,533	18,532	18,913	19,153	19,436	19,811	20,190	20,638	21,162	21,767	22,363
Net Number of Loans (000)	4,631	5,053	5,293	5,359	5,389	5,436	5,514	5,591	5,687	5,802	5,938	6,071
Average Loan Amount	\$3,421	\$3,470	\$3,501	\$3,529	\$3,554	\$3,575	\$3,593	\$3,611	\$3,629	\$3,647	\$3,665	\$3,684
Subsidy Rate b/ c/	13.94%	21.18%	22.65%	23.57%	24.22%	24.32%	24.32%	24.32%	24.32%	24.32%	24.30%	24.29%
<b>UNSUBSIDIZED STUDENT LOANS [ New Guaranteed Loans Only ]</b>												
Net Annual Loan Volume (Mil \$)	14,402	16,385	17,817	18,683	19,312	19,909	20,634	21,330	22,124	23,025	24,043	25,132
Net Number of Loans (000)	3,428	3,775	3,998	4,095	4,151	4,217	4,328	4,431	4,552	4,691	4,851	5,022
Average Loan Amount	\$4,201	\$4,340	\$4,456	\$4,562	\$4,652	\$4,721	\$4,767	\$4,814	\$4,861	\$4,908	\$4,956	\$5,004
Subsidy Rate b/ c/	2.76%	7.69%	8.10%	8.23%	8.68%	8.79%	8.79%	8.79%	8.78%	8.77%	8.76%	8.74%
<b>PARENT LOANS [ New Guaranteed Loans Only ]</b>												
Net Annual Loan Volume (Mil \$)	4,066	4,628	5,267	5,652	6,151	6,820	7,642	8,527	9,507	10,593	11,799	13,110
Net Number of Loans (000)	477	518	556	563	579	605	640	674	709	746	784	822
Average Loan Amount	\$4,066	\$4,628	\$5,267	\$5,652	\$6,151	\$6,820	\$7,642	\$8,527	\$9,507	\$10,593	\$11,799	\$13,110
Subsidy Rate b/ c/	0.03%	2.84%	3.28%	4.23%	5.02%	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%	5.23%

a/ Totals exclude consolidation loans.

b/ The subsidy rate is the net present value of the future federal cash flows associated with the loan dollars disbursed to borrowers each year. For example, the 2004 federal cost associated with the \$38346,607 million in new loan volume would be \$5,104 million or 13.24% of the new loan volume [ $\$38,346 \times .1324 = \$5,104$ ]. Another way to look at the cost of the loan programs is that overall it will cost the federal government on average about 13 cents for each new dollar loaned in 2004.

c/ The subsidy rates were calculated using the CBO January 2004 interest rate forecast. These rates would be different if other forecasts are used.