

TABLE 4

Mar-03

TOTAL DIRECT LOAN PROGRAMS, March 2003 Baseline

	(by fiscal year)											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
	Preliminary											
TOTAL ALL NEW LOANS [New Direct Loans Only] a/												
Net Annual Loan Volume (Mil \$)	10,254	11,687	12,767	13,349	13,861	14,387	14,885	15,463	16,040	16,596	17,159	17,729
Net Number of Loans (000)	2,579	2,884	3,117	3,201	3,266	3,330	3,387	3,459	3,528	3,591	3,658	3,725
Average Loan Amount	\$3,975	\$4,052	\$4,096	\$4,170	\$4,245	\$4,320	\$4,395	\$4,471	\$4,546	\$4,621	\$4,691	\$4,760
Subsidy Rate b/ c/ d/	-6.80%	-11.07%	-5.28%	-1.50%	-0.77%	-1.40%	-1.58%	-1.75%	-1.91%	-2.06%	-2.18%	-2.31%
SUBSIDIZED STUDENT LOANS [New Direct Loans Only]												
Net Annual Loan Volume (Mil \$)	5,152	5,762	6,117	6,210	6,302	6,394	6,485	6,597	6,711	6,814	6,927	7,049
Net Number of Loans (000)	1,456	1,613	1,713	1,734	1,755	1,775	1,795	1,820	1,846	1,869	1,894	1,922
Average Loan Amount	\$3,540	\$3,571	\$3,570	\$3,581	\$3,592	\$3,603	\$3,613	\$3,624	\$3,635	\$3,646	\$3,657	\$3,668
Subsidy Rate b/ c/ d/	2.30%	-1.57%	4.06%	7.60%	8.89%	8.80%	8.80%	8.80%	8.79%	8.79%	8.79%	8.78%
UNSUBSIDIZED STUDENT LOANS [New Direct Loans Only]												
Net Annual Loan Volume (Mil \$)	3,815	4,443	5,049	5,374	5,621	5,870	6,084	6,337	6,575	6,800	7,035	7,257
Net Number of Loans (000)	953	1,087	1,216	1,271	1,306	1,341	1,368	1,404	1,437	1,468	1,500	1,531
Average Loan Amount	\$4,005	\$4,086	\$4,151	\$4,229	\$4,305	\$4,377	\$4,447	\$4,512	\$4,575	\$4,633	\$4,688	\$4,739
Subsidy Rate b/ c/ d/	-15.71%	-19.88%	-12.88%	-8.44%	-7.63%	-8.31%	-8.31%	-8.31%	-8.31%	-8.31%	-8.31%	-8.31%
PARENT LOANS [New Direct Loans Only]												
Net Annual Loan Volume (Mil \$)	1,287	1,482	1,601	1,764	1,938	2,122	2,317	2,529	2,753	2,982	3,197	3,423
Net Number of Loans (000)	171	183	187	196	205	215	224	234	245	255	263	272
Average Loan Amount	\$7,514	\$8,083	\$8,540	\$8,985	\$9,435	\$9,889	\$10,345	\$10,801	\$11,256	\$11,707	\$12,153	\$12,592
Subsidy Rate b/ c/ d/	-15.43%	-19.55%	-14.98%	-10.93%	-10.92%	-11.81%	-11.81%	-11.81%	-11.81%	-11.81%	-11.81%	-11.81%

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 2003 federal cost associated with the \$11,687 million in new loan volume would be -\$1,294 million or -11.07% of the new loan volume [\$11,687 * -.1107 = -\$1,294]. Another way to look at the cost of the loan programs is that overall it will save the federal government on average about 11 cents for each new dollar loaned in 2003.

c/ The subsidy rates for direct loans DO NOT include any federal administrative cost associated with disbursing and collecting the loans. Those costs are included on a cash basis in another budget account.

d/ The subsidy rates were calculated using the CBO January 2003 interest rate forecast. These rates would be different if other forecasts are used.