Comparison of the 2006 - 2007 FFELP and Direct Lending Programs

Lenders	Citibank	Nelnet	Bank of America	Chase	Wachovia	Sallie Mae	Direct Lending
Loan Program	Stafford Loan	Stafford Loan	Stafford Loan	Stafford Loan	Stafford Loan	Stafford Loan	Stafford Loan
Amount Borrowed	$2,625.00	$2,625.00	$2,625.00	$2,625.00	$2,625.00	$2,625.00	$2,625.00
Interest Rate in Repayment	6.80%	6.80%	6.80%	6.80%	6.80%	6.80%	6.80%
Total Cost of Loan	$3,014	$3,044	$3,039	$3,045	$3,011	$2,953	$3,112
Effective Interest Rate	5.55%	5.90%	5.84%	5.92%	5.51%	4.80%	6.97%
Borrower Benefits							
Interest Rate Reductions	1.00% interest rate reduction at repayment. Unlimited chances to earn back interest rate reduction if lost.	None	None	None	None	None	None
Principal Reductions	Last 6 payments free when all payments made on-time and minimum aggregate loan balance of $4,500	3.33% principal reduction after 30 on-time payments.	1.00% principal reduction after 12 on-time payments. 1.00% principal reduction after 24 on-time payments. 1.00% principal reduction after 36 on-time payments. 15 day grace period to get payments in on time.	2.00% original principal reduction after 48 on-time payments.	1.00% rebate of principal balance upon repayment with automatic debit of payments. 1.00% rebate of original principal balance after 12 months of on-time payments with automatic debit of payments. 1.50% rebate of original principal balance after 24 months of on-time payments with automatic debit of payments.	3.00% credit or cash back after full disbursement. Must eSign loan and make the first 12 consecutive payments on-time. 2.00% credit or cash back after making the first 33 consecutive payments on-time. Must sign up on "Manage Your Loans" and agree to receive account information by email.	1.50% added back to loan amount unless borrower makes first 12 consecutive payments on time.
ACH Debit	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.	Note: Principal Reduction benefits are only available when using ACH Debit to repay loan.	None	0.25% point interest rate deduction for paying loans electronically - electronic-debiting.
Fees							
Origination Fee	2.00% - Paid by Lender	2.00% - Paid by Lender	2.00% - Paid by Lender	2.00% - Paid by Lender	2.00% - Paid by Lender	2.00% - Paid by Lender	2.50%
Default Fee	1% - Paid by Lender or HESAA	1% - Paid by Lender or HESAA	1% - Paid by Lender or HESAA	1% - Paid by Lender or HESAA	1% - Paid by Lender or HESAA	1% - Paid by Lender or HESAA	None