

Federal Direct Loans

Direct Loans are low-interest loans for students and parents to help pay for the cost of a student's education after high school. The lender is the U.S. Department of Education rather than a bank or other private financial institution.

As with all federal student aid, you apply for Direct Loans by filling out the [Free Application for Federal Student Aid \(FAFSA\)](#). The information on your FAFSA is transmitted to the schools that you list on the application, and those schools use the information to assess your financial need for student aid.

Direct Loans may be offered as part of your award package, and will require your acceptance.

The Direct Loan Program offers the following types of loans:

- **Subsidized:** for students with demonstrated financial need, as determined by federal regulations. No interest is charged while a student is in school at least half-time, during the grace period, and during deferment periods.
- **Unsubsidized:** not based on financial need; interest is charged during all periods, even during the time a student is in school and during grace and deferment periods.
- **PLUS:** unsubsidized loans for the parents of dependent students and for graduate/professional students. PLUS loans help pay for education expenses up to the cost of attendance minus all other financial assistance. Interest is charged during all periods.
- **Consolidation:** Eligible federal student loans can be combined into one Direct Consolidation Loan.

To receive disbursement of a Direct Loan for the first time, you must complete a [Master Promissory Note \(MPN\)](#) and the [Entrance Loan Counseling](#).

**Please Note:* In order to receive a Direct Loan, you must be enrolled at least half-time (6 credit hours) in undergraduate and graduate level courses.

Annual Limits for Sub/Unsub Loans		Subsidized	Total (subsidized & unsubsidized)
Dependent Undergraduates (excluding dependent students whose parents can't get PLUS)			
First Year.....	\$ 3,500		\$ 5,500
Second Year	\$ 4,500		\$ 6,500
Third Year and Beyond.....	\$ 5,500		\$ 7,500
Independent Undergraduates & Dependent Students whose parents can't get PLUS			
First Year.....	\$ 3,500		\$ 9,500
Second Year	\$ 4,500		\$ 10,500
Third Year and Beyond.....	\$ 5,500		\$ 12,500
Graduate & Professional Students (all years).....	\$ 0*		\$20,500
Note: All undergraduate annual loan amounts are subject to proration.			
Aggregate Limits for Sub/Unsub Loans		Subsidized	Total (subsidized & unsubsidized)
Dependent Undergraduates (excluding those whose parents can't borrow PLUS)			
	\$ 23,000		\$31,000
Independent Undergrads & Dependent Students whose parents can't get PLUS.....			
	\$ 23,000		\$ 57,500
Graduate & Professional Students	\$ 65,500**		\$ 138,500**