

Loans are an important part of many students' college tuition solutions. All loans, including student loans, represent debts that must be repaid; however, most student loans do not require repayment until after you graduate or cease half-time enrollment.

## Federal Direct Stafford Loans

All students who complete the FAFSA and are eligible to be considered for financial aid may receive a [Federal Direct Stafford Loan](#). This loan may be subsidized or unsubsidized (or a combination of each). It is borrowed and repaid by the student and the [interest rate](#) is updated annually.

- **Subsidized Loan** – the government pays the interest on this loan for you while you're in school. Students must have financial need to qualify.
- **Unsubsidized Loan** – you will be charged interest on this loan from the time the loan is disbursed to you. Financial need is not required to borrow this loan.

## Federal Direct Stafford Loan Annual Limits

	Dependent Student	Independent Student
<b>Freshman:</b>	<b>\$5,500</b> (no more than \$3,500 subsidized)	<b>\$9,500</b> (no more than \$3,500 subsidized)
<b>Sophomore:</b>	<b>\$6,500</b> (no more than \$4,500 subsidized)	<b>\$10,500</b> (no more than \$4,500 subsidized)
<b>Junior/Senior:</b>	<b>\$7,500</b> (no more than \$5,500 subsidized)	<b>\$12,500</b> (no more than \$5,500 subsidized)
<b>Graduate Students</b>	N/A	<b>\$20,500</b> (Graduate students are not eligible to receive subsidized loans)

## How to Apply

Your award letter will show your eligible loan amounts. First, log into your myStthom account and accept your loans. If this is your first time borrowing, proceed to <https://studentaid.gov/> Log in and complete **Loan Agreement ( Master Promissory Note)**. On that same page, complete **Entrance Loan Counseling**.

## Federal Graduate PLUS Loans

Graduate students should accept their Federal Direct Unsubsidized loan first, as it has the lower [interest rate](#). However, if more loan funding is needed, you may apply for a [Federal Grad PLUS Loan](#). This loan is credit-based (unlike Direct Stafford Loans) and students may borrow up to their total cost of attendance.

## How to Apply

Start at [studentaid.gov](https://studentaid.gov/) Log in and complete **Loan Agreement for a PLUS Loan (MPN)**. We will then receive the application and certify your loan.