

Federal Direct Loans

How to Apply for Federal Direct Student Loans

Step 1: Complete the [Free Application for Federal Student Aid \(FAFSA\)](#) or apply using the new myStudentAid app for iOS and Android.

Step 2: Accept your Loan:

- Log into [Stanley](#)
- Click on “Campus Life”
- Scroll down to the Financial Aid Information portlet and click on “**Accept Award Offer**”
- From there, you can either accept full amount, partial amount, or decline your award. Once that is completed, click submit decision.

Please Note: If you do not have a STANLEY account, please contact the Office of Admissions at (713) 646-1810.

Step 3: [Complete Entrance Counseling](#)

Step 4: [Complete Master Promissory Note \(MPN\)](#)

Options Following a Grad Plus Denial

The Graduate PLUS Loan, unlike other federal educational loans, is credit-based. The credit review does not evaluate income-to-debt ratios or credit scores. To qualify, you cannot have an adverse credit history. Your credit history may be considered adverse if you are experiencing any of the following credit conditions:

- Bankruptcy discharge within the past five years.
- Voluntary surrender of personal property to avoid repossession within the last five years.
- Repossession of collateral within the last five years.
- Foreclosure proceedings started.
- Foreclosure within the last five years.
- Conveying your real property that is subject to a mortgage (by deed) to your lender to avoid foreclosure (deed in lieu of foreclosure).
- Accounts currently 90 days or more delinquent.
- Unpaid collection accounts.
- Charge-offs/write-offs of federal student loans.

- Wage garnishment within the last five years.
- Defaulting on a loan, even if the claim has been paid.
- Lease or contract terminated by default.
- County/state/federal tax lien within the past five years.

Direct Loans does not share the details of the denial of your grad plus loans due to privacy laws. In order for you to receive this information you can contact the Student Loan Support Center at 1-800-557-7394.

You can still attempt to obtain the Grad PLUS Loan through one of the options detailed below.

OPTION 1: SEEK A CREDIT APPEAL

The Department of Education allows borrowers whose credit was denied the opportunity to document either of the following situations:

- Information showing that credit reporting used in the credit denial is incorrect and/or has been corrected.
- Extenuating circumstances exist relating to the adverse credit history. For additional information visit: <https://studentaid.gov/plus-app/extenuatingCircumstancesInfo>

Borrowers may appeal the credit decision through one of these means.

- Log in to studentloans.gov and select “Document Extenuating Circumstances” on the left navigation bar. Follow the directions and a representative from the Department of Education’s Applicant Services will contact you with further instructions.
- Contact the Student Loan Support Center at 1-800-557-7394 between 8a to 8p, Monday through Friday. During the automated introductory message, please dial “3” for more information about appealing the credit decision.

OPTION 2: UTILIZE AN ENDORSER

An endorser is someone who does not have an adverse credit history and agrees to repay the loan if the borrower does not repay it. The endorser must be 18 years of age or older and must be a U.S. Citizen or Permanent Resident.

If you choose to obtain an endorser:

- The endorser should complete the endorser addendum online. For additional information visit: <https://studentaid.gov/endorser-addendum/>

- The endorser will need to login at studentloans.gov with your account username and password (FSA ID). If the endorser does not already have an FSA ID, they may obtain one at <https://studentaid.gov/fsa-id/create-account/launch>
- The endorser will need the Loan ID Number to connect the endorsement to the denied Grad PLUS Loan. The Loan ID Number is included in the *Grad PLUS Loan Denial Notification* email that was sent to you from the Financial Aid Office.

For those students that have been previously approved for a Grad PLUS and now have been denied you will also be required to complete a new Master Promissory Note (MPN).

Also, any additional PLUS borrowing during the academic year will require a new MPN and endorser addendum (the same endorser can be used).

NOTE: MPNs promissory notes are used for PLUS Loans and allow for multiple year borrowing under the same terms. However, when an endorser is used, the terms of the MPN used for that loan is specific only to that loan.

For any PLUS loan applicant who has adverse credit history but who qualifies for a PLUS Loan through the process for reconsideration due to extenuating circumstances or obtaining an endorser for the loan will be required to take additional special Grad PLUS counseling.