

# What is a financial aid grace period?

Last Modified on 02/20/2026 2:15 pm MST

## What is a Financial Aid Grace Period?

Students are given a 6 month grace period on each individual federal direct loan borrowed before the loan goes into repayment. This grace period begins after you fall below half-time status as a student - this can include graduation **or** if you take a break from classes. For most loans, interest will continue to accrue during the grace period.

Students are only give **one** 6-month grace period on each loan, so if you have already used this grace period in the past, then it won't be available again. You should contact your lender directly for additional deferment or forbearance options outside of the grace period.

While direct subsidized and unsubsidized loans each have a 6 month grace period before payments are due, there is no grace period for PLUS loans (Graduate PLUS and Parent PLUS) and repayment begins right away.

---