



The State Of Student Lending

Credit unions step up to empower members with responsible student lending options.



69%

The percent of college seniors who will graduate with student debt.¹



7.3%

The average annual cost increase of college tuition and fees in the past 35 years, compared with a 3.7% average rate of inflation over the same time period.²



\$29k

The average amount of student debt per borrower for graduates of private and public non-profit institutions.¹

NEED AND OPPORTUNITY



The projected cost of a 4-year public college education in 10 years will be \$53,286 per year, an 87.7% increase.³



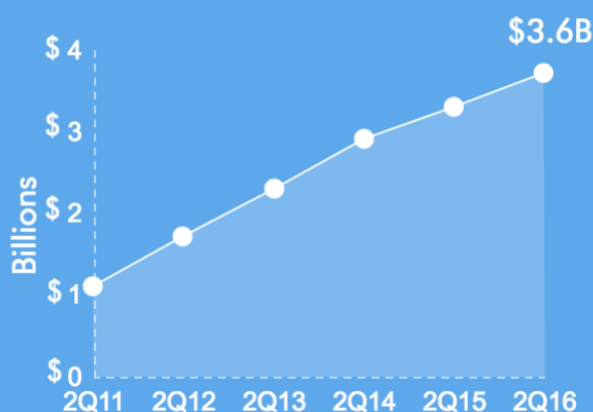
The average college degree holder will earn approximately \$1 million more during their career compared with a high school diploma holder.²



There's an opportunity to help members and their families make sound financial decisions while attracting millennial members to the cooperative financial model.

CREDIT UNION INVOLVEMENT

Compared to the second quarter of 2011, the number of credit unions that offer student loans has increased by 70% to 699, and the student loan portfolio has increased 2.3 times to \$3.6 billion.⁴



PERFORMANCE STABILITY

Even at its peak rate, the 60+ day delinquency rate for student loans has not risen above 1.62%. Currently, the net charge-off ratio and delinquency are trending down at 0.23% and 1.19%, respectively.⁴



CREDIT UNION VALUE

Credit unions are the only financial institutions offering a line-of-credit option for student loans, so families can ensure future financing and avoid reapplying for new private loans each year.



REPAYMENT TRENDS

According to Credit Union Student Choice, which services roughly two-thirds of credit union student loans, 61% of student loans are in repayment.³

STUDENT BORROWERS ARE THE NEXT GENERATION OF MEMBERS

According to a Credit Union Student Choice client study, younger members holding student loans had high credit union adoption rates across multiple products. These young professional members in repayment are active and engaged.³



55.7%

Checking Account Penetration



9.3%

Auto Loan Penetration



21.3%

Credit Card Penetration

Citations

1. The Project on Student Debt: ticas.org/posd/map-state-data-2015#
2. Bureau of Labor Statistics, Census Bureau, Department of Education
3. Credit Union Student Choice: www.studentchoice.org
4. Data for all U.S. credit unions | Data as of 06.30.2016
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A special THANK YOU to Credit Union Student Choice for aggregating this data.