

March 13, 2012



Equifax Student Loan Data Shows More Students Borrowing, Returning To School as Job Market Recovery Remains Muted

ATLANTA, March 13, 2012 /PRNewswire/ -- Federal and private student loans originations accelerated in 2011, recent data from Equifax's *National Consumer Credit Trends Report* show, as the depressed labor market has caused more people across the nation to stay in college or enroll in graduate programs in order to obtain new career skills. New student loan originations grew 4 percent in 2011.

(Logo: <https://photos.prnewswire.com/prnh/20060224/CLF037LOGO>)

Low risk borrowers* comprise the largest percentage of new student loan accounts at around 37 percent, followed by high-risk borrowers** who make up just under 35 percent of the total loans. Those with Equifax credit scores between 620 and 699 account for the remainder of all student loans (28 percent).

Other highlights of the recent report include:

- From December 2010 to December 2011, there was a 2 percent increase \$9,322 to \$9,558) in the average total new student loan debt per consumer.
- The average amount per loan dropped eight percent from an average of \$6,850 in 2010 to \$6,333 in 2011; both increments were the highest in four years.
- Students aged 23 and under have the largest share of new student loans based on loan counts; however the 24-29-year age range has the highest total dollar share of new loans, consistent with the higher cost of attending graduate school programs.
- In 2011, the dollar amount of new student loan debt rose slightly for the 23 and under and 24-29-year age ranges but was level for 30-39-year olds after rising steadily from 2008.
- Student loan delinquencies continue to rise and job market slowly recovers; loan balances 90 days or more past due hit \$7.0 billion in February, as rise of 14.6 percent over a year ago.

"One of the reasons why the unemployment rate has fallen so sharply is that more people are choosing to go back to school, investing in their human capital in the hopes the job market will improve by the time they are finished," said Amy Crews Cutts, SVP and chief economist for Equifax. "The rising numbers of student loans over the past few years are consistent with this trend while, unfortunately, the rising delinquency rates are consistent with the weak job market many face when they graduate."

Equifax's national analysis is sourced from data on more than 585 million consumers and 81 million businesses worldwide. Conducted on a monthly basis, the research provides detailed levels of consumer credit information from various vertical markets including, mortgage, automotive, student loans and bank and retail credit cards.

*defined as those with Equifax credit scores above 700

**defined as those with Equifax credit scores below 620

About Equifax, Inc.

Equifax is a global leader in consumer and commercial information solutions, providing businesses of all sizes and consumers with information they can trust. We organize and assimilate data on more than 500 million consumers and 81 million businesses worldwide, and use advanced analytics and proprietary technology to create and deliver customized insights that enrich both the performance of businesses and the lives of consumers.

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