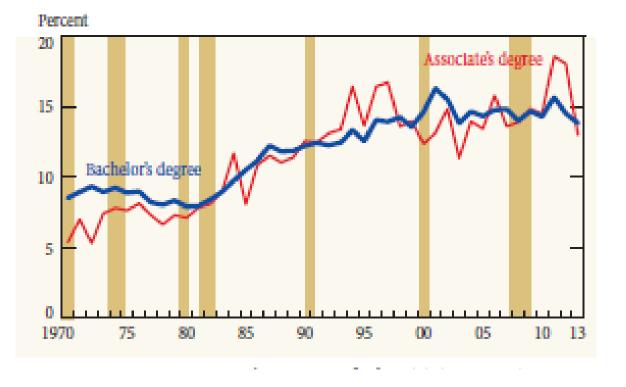
STUDENT LOAN REFINANCE AS A TOOL FOR ECONOMIC DEVELOPMENT

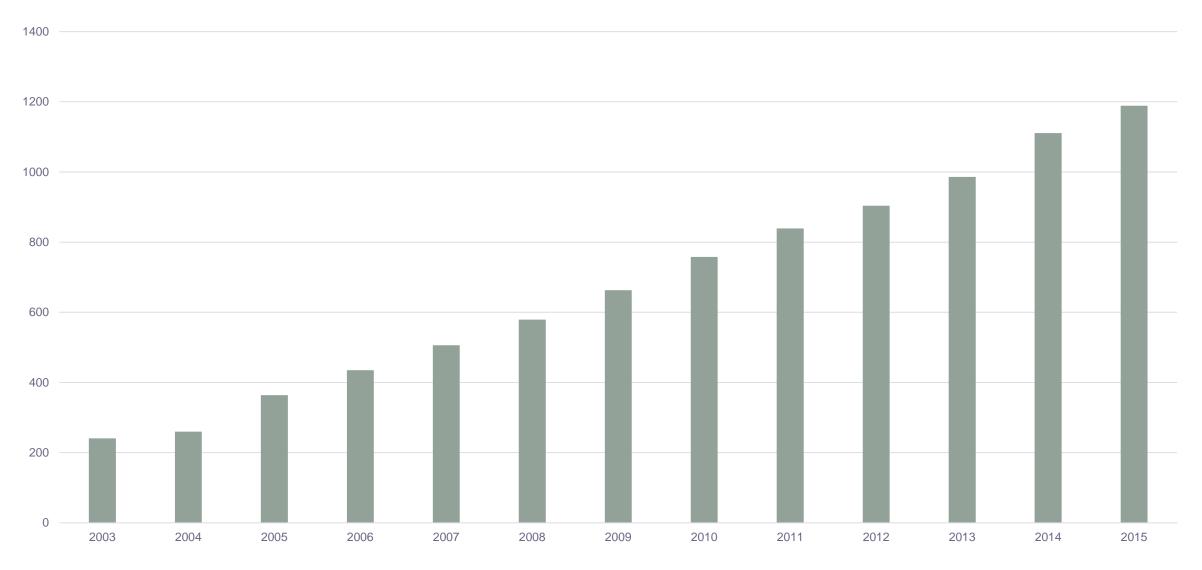
Scott A. Giles President Vermont Student Assistance Corp. February 12, 2020

Why do families borrow? Education is an Investment



Source: FRBNY Current Issues in Economics & Finance

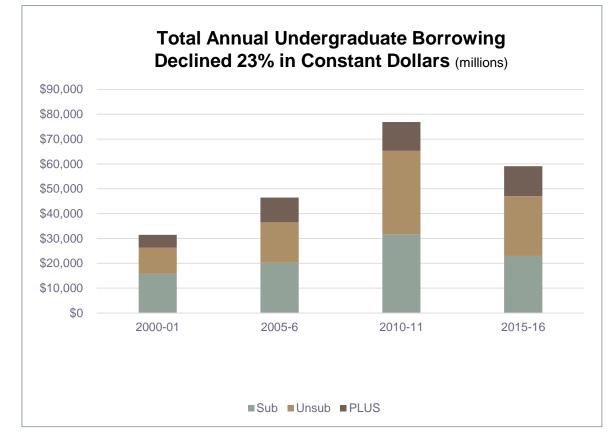
Total Outstanding Education Approaches \$1.4 Trillion



Source: College Board/FRNY

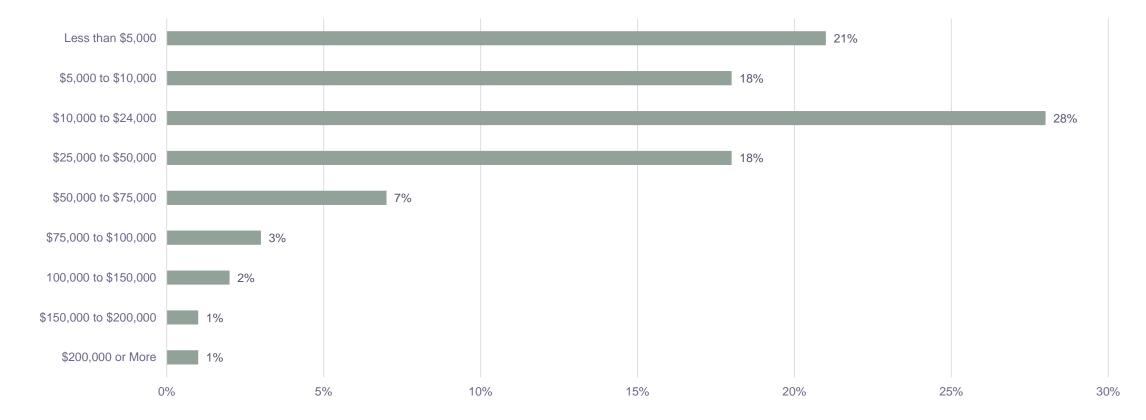
After Rapid Growth in Lead Up to Recession Aggregate Borrowing has Declined

Number of Borrowers **Declined by 25%** 10,000 9,000 8.000 7,000 Undergraduate Students 6,000 Graduate Students 5.000 Parent PLUS 4,000 3.000 2.000 1,000 \cap 2000-1 2005-6 2010-11 2015-16



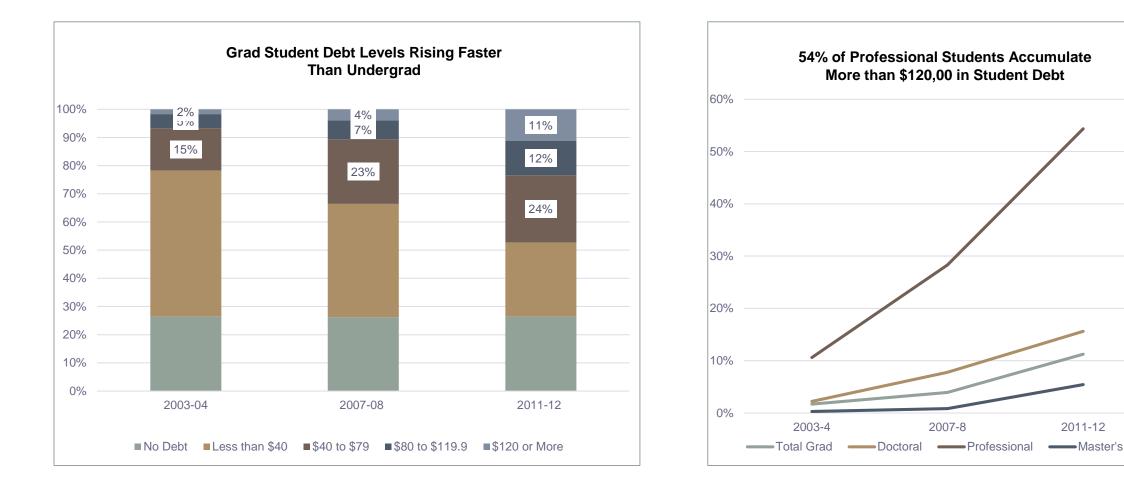
Source: Trends in Student Aid, College Board

67% of Borrowers Have less than \$24,000 in Education Debt



Federal Reserve Bank of NY Consumer Credit Panel

Graduate and Professional Students Have Accumulated 40% of Total Outstanding Debt

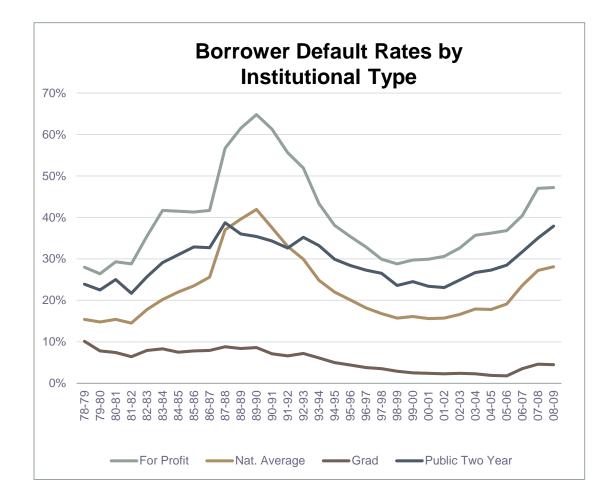


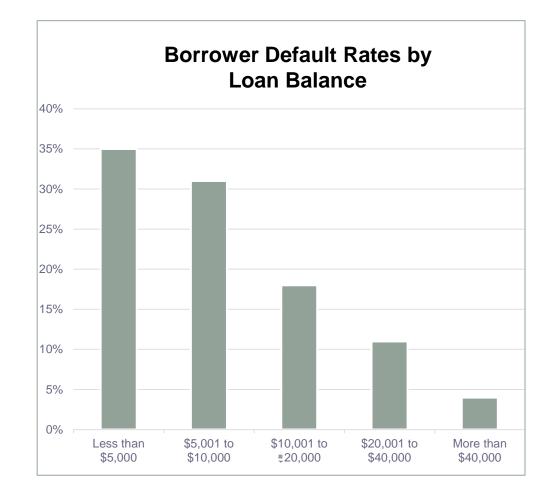
Source: College Board

Education is an investment that changes lives...



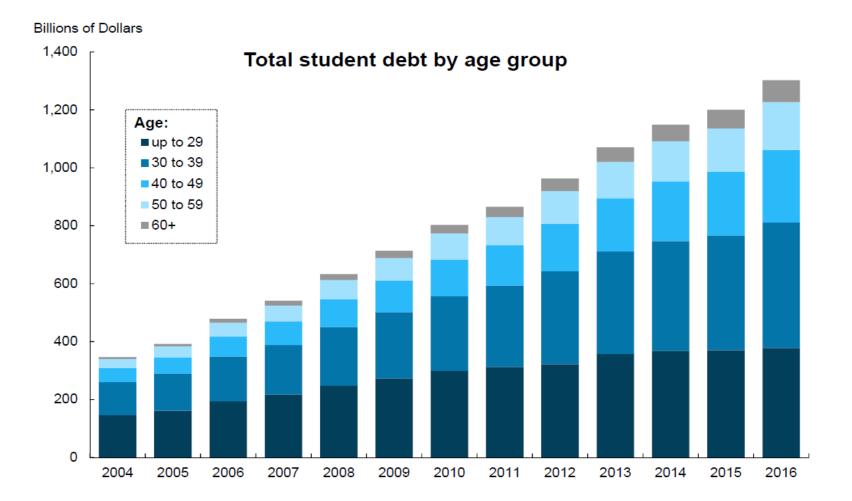
Default Rates Are Correlated with Low Balances, Institution Type, and Non-Completion



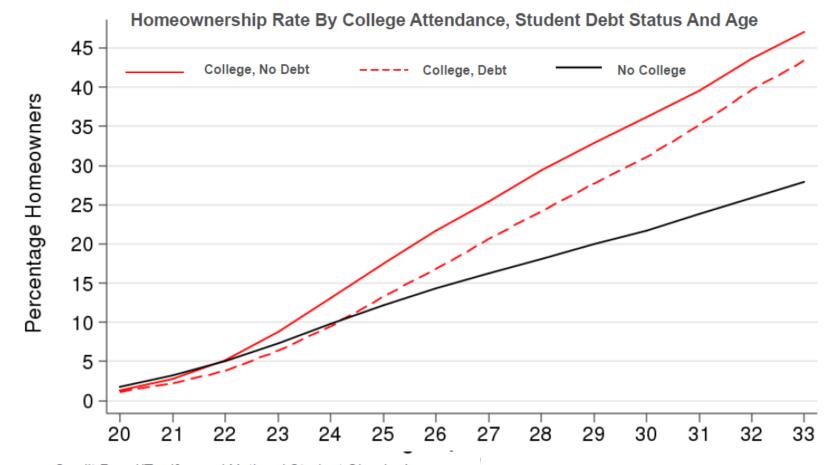


Source: College Board

Debt Held by Borrowers Over 60 is Growing



Homeownership Highly Correlated with College Attendance



Source: New York Fed Consumer Credit Panel/Equifax and National Student Clearinghouse

Graduates Have Higher Home Ownership Rates Regardless of Debt Status

Homeownership Rate By College Attendance, Graduation Status, Student Debt Status And Age

