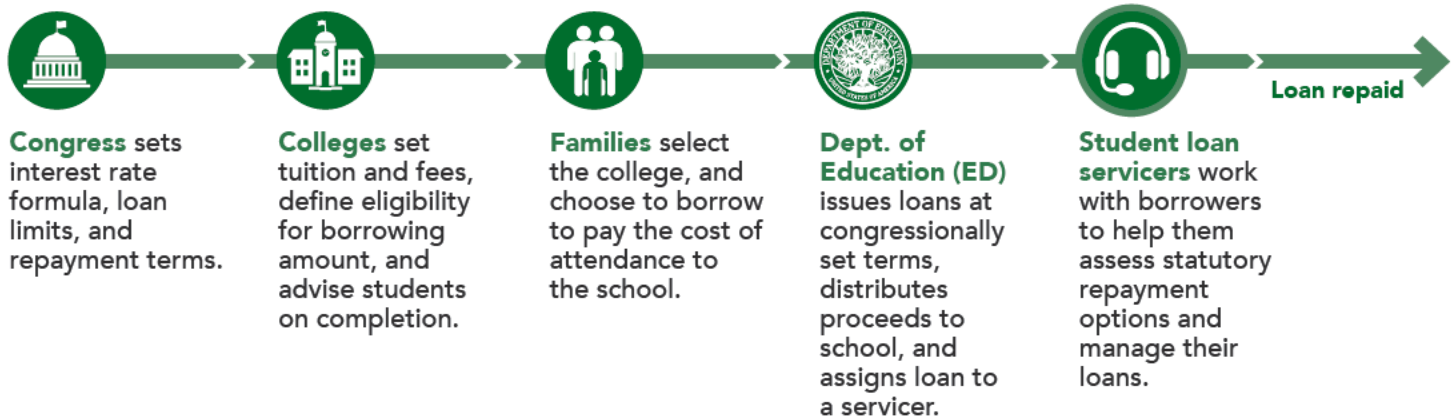


## FEDERAL STUDENT LOAN SERVICING FACTS AT A GLANCE

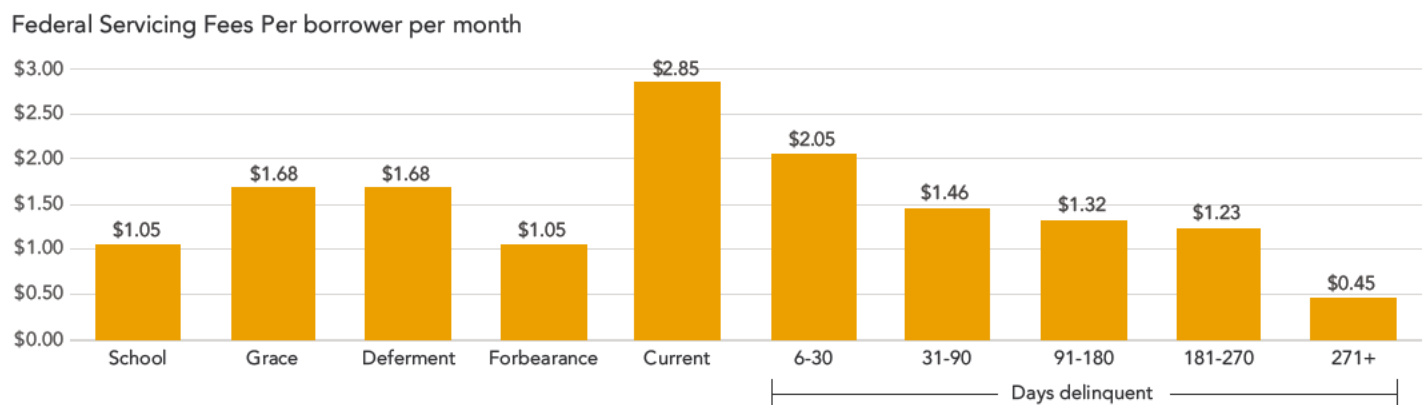
The role of servicers comes at the end of the student loan process...



### Nine servicers work under contract for ED to service non-defaulted federal loans

<ul style="list-style-type: none"> <li>• Cornerstone (UHEAA)</li> <li>• FedLoan Servicing (PHEAA)</li> <li>• Granite State (GSMR)</li> <li>• Great Lakes Educational Loan Services</li> </ul>	<ul style="list-style-type: none"> <li>• HESC/Edfinancial</li> <li>• MOHELA</li> <li>• Navient</li> <li>• Nelnet</li> <li>• Oklahoma Student Loan Authority (OSLA)</li> </ul>	<p>In addition to Direct Loan servicers, SLSA also represents nearly every additional company that services federal loans made under the now discontinued Federal Family Education Loan (FFEL) Program (ended in 2010). Together, these 20 servicers represent an estimated <b>95 percent</b> of all federal student loan servicing.</p>
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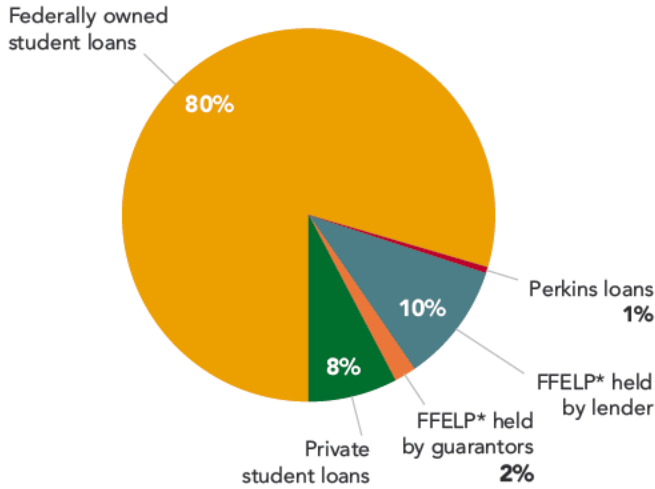
The federal government pays ED servicers on a per borrower basis based on borrower status (regardless of the number of loans).



ED pays federal servicers an average of \$2 per borrower per month to:<sup>1</sup>

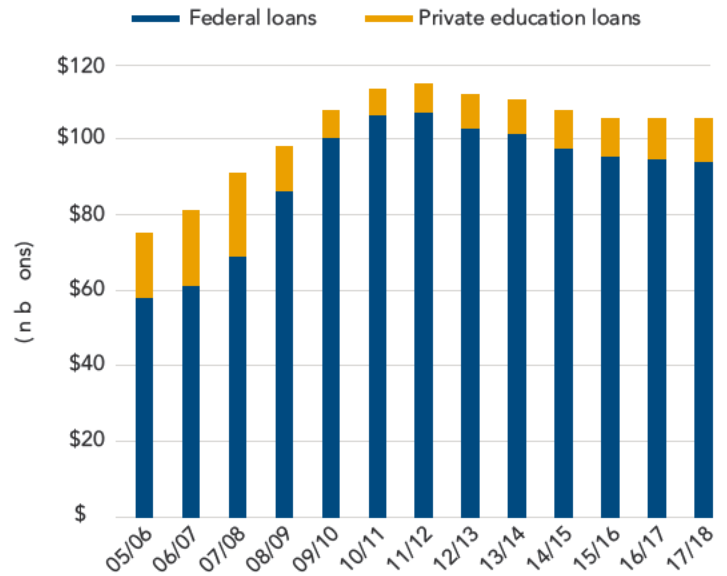
- Maintain account records
- Send statements and other account notices
- Process payments
- Process paperwork associated with a myriad of payment statuses
- Handle all incoming and outgoing calls to help borrowers access their options

## Outstanding student loans



92% of the nation's \$1.6 trillion outstanding loans are owned or guaranteed by the federal government, with \$1.25 trillion owned directly by ED.

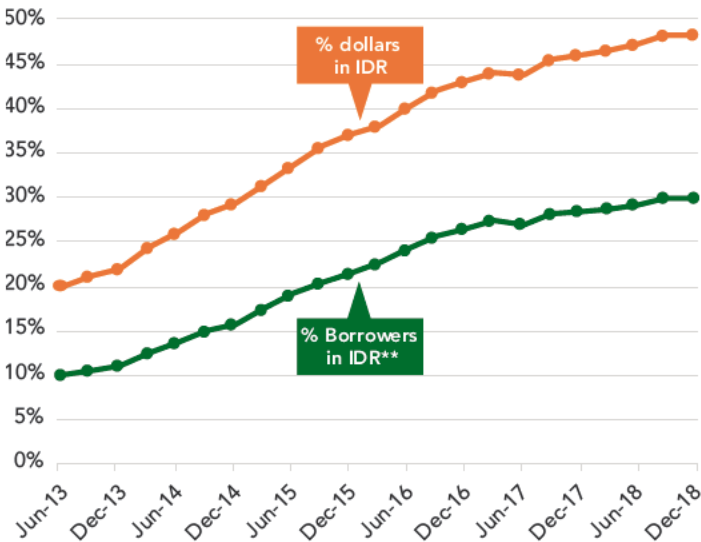
## Annual student loan originations



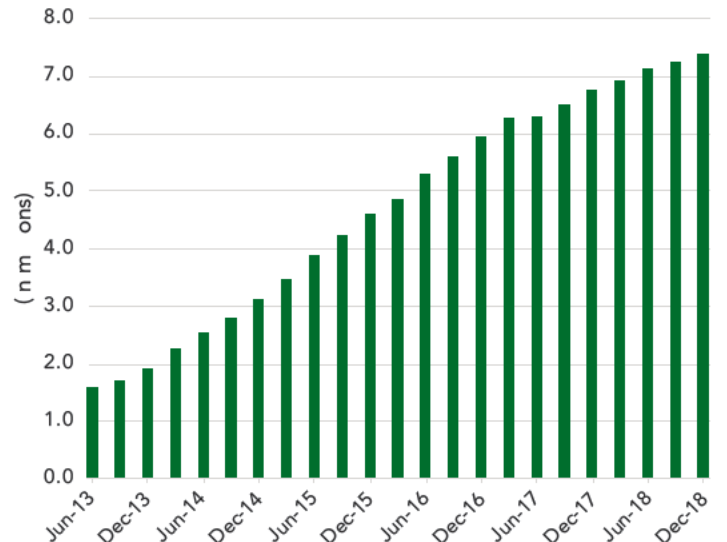
Federal student loan servicers have increased enrollment in income-driven plans by nearly 400% since 2013. Nearly 1/3rd of borrowers and half of loan balances are now enrolled in a repayment plan based on income.<sup>2</sup>

Since June 2013, the number of Direct Loan borrowers in IDR plans has grown from 1.7 million to 7.4 million. 30% of all borrowers and 48% of outstanding dollars are enrolled. The share of Direct Loan recipients enrolled in IDR programs increased 198%, and balances enrolled increased 141%.

Percent of Direct Loans in repayment plans based on income\*\*



Direct Loan borrowers enrolled in IDR plans



The Student Loan Servicing Alliance (SLSA) is a nonprofit, membership organization of student loan servicers and service providers.

### Sources & notes:

<sup>1</sup>Source: <https://studentaid.ed.gov/sa/about/data-center/business-info/contracts/loan-servicing>

<sup>2</sup>Source: [FSA Data Center](#), for repayment plans and outstanding federal student loan volume; Measure One report, Private student loan performance, for private student loan volume

\*FFELP refers to the Federal Family Education Loan Program of federally guaranteed loans which discontinued in 2010.

\*\*Percent calculated from IDR enrollment among all borrowers in repayment, forbearance, and deferment.