

Third annual Money Under 35 report finds finishing college pays off

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WILMINGTON, Del., Oct. 04, 2017 (GLOBE NEWSWIRE) -- A study of millennial finances released today underscores the importance of college completion for young adults in achieving financial health. The study, [Money Under 35](#), found most young adults with a degree are in "good" or "excellent" financial health, more likely to have a job, earn higher wages, own a home and manage their credit, while those who started but didn't finish college often lag behind their peers.

"A college degree is a powerful asset," said Jack Remondi, president and CEO, Navient. "But, borrowing for college and not graduating, has lasting negative consequences. Young adults who attended some college are only half as likely to feel financially stable compared to degree holders. Students and families need to have access to better upfront information to understand the cost of earning a degree and what it's going to take to get there."

Now in its third year, Money Under 35 is conducted by Navient and research firm Ipsos. It draws on more than 3,000 interviews with adults aged 22 to 35 across all levels of educational attainment to determine how they are faring financially in today's economy. For the first time, the study also explored how family education and financial background impacts the younger generations' finances.

Also new this year, young adults are invited to take the online Money Under 35 quiz. By answering key survey questions, individuals can learn their financial persona and how they compare to other young adults, and be linked to useful [resources and tools](#).

"Money Under 35 is a very insightful look at how young adults are faring financially, and how they manage this aspect of their lives," said Julia Clark, senior vice president, Ipsos. "We continue to see young adults benefiting from a strong U.S. economy in our Financial Health Index readings, with education as a key component in financial stability. New to the study this year is a focus on young adults who are the first in their family to attend college, looking at the challenges they face – and overcome – as they pursue a college education, something that will be of interest to educators and policymakers alike."

Key findings from Money Under 35 include:

- **A college degree corresponds with greater optimism about future job prospects and earnings.** Forty-six percent of degree holders were very satisfied about their prospects for career advancement compared with 34 percent of non-degree holders. Similarly, 51 percent of degree holders are very satisfied with their prospects for future earnings compared with 37 percent of non-degree holders.
- **Young adults who dropped out of college have the worst financial health of all categories, even compared to those with a high school education or less.** For the third year in a row, non-completers are the least likely to score in the "excellent" range on the Financial Health Index (7% in 2017, 14% in 2016 and 12% in 2015).
- **Earning a degree can help young adults who said they grew up in a lower-income household get on a trajectory to be in a higher-income group.** Two-thirds (67%) of degree holders who reported that they grew up in a low and low-middle income household now earn a middle or high personal income.
- **More first-in-family young adults faced challenges while pursuing a degree but they are just as likely to achieve their degree.** Eighty-two percent of first-in-family experienced challenges, compared with 69 percent of those from a college-educated family. Yet they completed their degrees just as often (64% vs 61% respectively).
- **Young adults who earn a degree, whether they borrowed or not, believe college was a worthwhile investment. Those who left school without a degree were far less likely to think it was worth it.** Seventy-five percent of degree holders who borrowed and 79 percent of degree holders who did not borrow believe their education was a worthwhile investment. That's compared to 43 percent of those who attended some college but did not complete their degree.
- **Young adults who completed a degree are more likely than their peers to own a home, even if they borrowed for their education.** Half of all degree holders (50%) and 46 percent of degree holders who borrowed own a home, compared with 34 percent of non-degree holders.

Navient's [Money Under 35](#) study is available at navient.com/moneyunder35. Connect with @Navient on [Facebook](#), [Twitter](#), [LinkedIn](#) and [Medium](#).

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