



## Federal student loan borrowers serviced by Navient are 37% less likely to default

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### Navient-serviced borrower cohort default rate improved year over year

WILMINGTON, Del., Sept. 28, 2017 (GLOBE NEWSWIRE) -- An analysis of the latest Cohort Default Rate released by the U.S. Department of Education shows federal student loan borrowers serviced by Navient are 37 percent less likely to default than those whose loans are serviced by other organizations.

Borrowers whose loans are serviced by Navient defaulted at a rate of 7.8 percent in the 2014 cohort, a 7 percent decrease from the 2013 cohort of 8.4 percent. This compares to the national 2014 cohort default rate of 11.5 percent, which increased from 11.3 percent for the 2013 cohort.

The Cohort Default Rate measures the percentage of federal student loan borrowers who defaulted on their loans within three years of entering repayment.

"Navient has invested in research, technology, and employee training to help borrowers avoid the negative consequences of default, and we are proud that borrowers whose loans we service are consistently and substantially less likely to default," said Jack Remondi, president and CEO, Navient. "We've also made a series of [policy recommendations](#) to better educate students before they borrow, simplify repayment options, and increase borrower contact—reforms we believe would significantly increase success."

Navient's default prevention program uses a data-driven customer contact approach:

- Navient emphasizes borrower engagement, which is key to preventing default. When a team member connects with a past-due federal borrower 9 times out of 10 the borrower avoids default.
- Navient has helped drive a significant increase in income-driven repayment plan enrollment. According to [Department of Education data](#), the share of borrowers enrolled in income-driven repayment plans has nearly tripled over the past four years (from 10 percent in June 2013 to 27 percent in June 2017). Newer Department of Education data shows the percentage of borrowers who are 90-plus days past due has decreased by 15 percent in three years (from 12.9 percent in June 2014 to 10.9 percent in June 2017).
- Navient promotes awareness of repayment plan options through more than 154 million communications annually, including mail, email, phone calls, videos, and text messages.
- Navient continues to advocate for streamlining IDR enrollment, including recommending real-time phone enrollment and multi-year enrollment, so borrowers could more easily enroll and wouldn't have to go through the process of recertifying their income every year.

#### About Navient

Navient (Nasdaq:NAVI) is a leading provider of asset management and business processing solutions for education, healthcare, and government clients at the federal, state, and local levels. The company helps its clients and millions of Americans achieve financial success through services and support. Headquartered in Wilmington, Delaware, Navient employs team members in western New York, northeastern Pennsylvania, Indiana, Tennessee, Texas, Virginia, and other locations. Learn more at [navient.com](#).

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Source: Navient Corporation