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New analysis: Five habits of successful student loan borrowers

WILMINGTON, Del., April 1, 2015 (GLOBE NEWSWIRE) -- Student loan borrowers who don't postpone their payments and who track their progress, graduate, stick with repayment, and communicate with their servicer increase their chances of successful repayment, Navient found in a recent data analysis. Most importantly, these five characteristics translate into actions that virtually every borrower can take to help ensure he or she is on the path to successful repayment.

"Our most successful customers set themselves up for positive achievement by taking an engaged approach to managing their loans," said John Kane, chief operating officer, Navient, the nation's leading loan management, servicing and asset recovery company. "The path to success is marked by informed and proactive borrowers rather than limited to high-earning borrowers. Navient offers free resources to help all consumers learn more about steps to successful student loan repayment and other personal finance topics."

In celebration of April's Financial Literacy Month, Navient encourages all student loan borrowers to consider adopting these [five habits for success](#):

1. **Don't put it off.** Education loans have a variety of deferment and forbearance options that can help you if you truly need a break from payments. By keeping these options to a minimum, you can reduce the cost of your loan and shorten repayment periods. Borrowers who use less than six months of forbearance are nearly twice as likely to successfully repay student loans than those who postpone longer.
2. **Stay connected.** Borrowers who track their progress tend to be more successful in loan repayment. Regularly logging in to your online student loan account ensures you're up-to-date on your balance, makes it easy to explore or renew payment plans, and get information for tax time or other needs. Also, keeping your contact information up to date ensures you and your servicer can reach each other easily.
3. **Graduate.** Graduation is the most important step toward realizing the value of your education, so, if you're still in school, stay on track to completion. If you didn't finish your degree, you can still take other steps to actively manage your finances and find the path to successful loan repayment. If college is still in your future, build a plan to pay for your degree so you're sure to graduate.
4. **Stick with repayment.** The longer you are able to make payments on your student loans, the more likely you are to succeed. Continuing to pay something - even if it is a small percentage of income - is a factor in repayment success. Missing payments can damage your credit and lead to higher costs.
5. **Talk to your servicer.** Student borrowers who reach out to their servicer when they have questions tend to be more successful in repayment. If you're worried about missing your payments or want to learn about other payment plans, engage with your servicer. In fact, Navient found that 9 times out of 10 when we can talk to a struggling federal loan customer, we can help him or her get on an affordable payment plan and avoid default.

To determine these five attributes, Navient analyzed habits of a group of 6.8 million student loan customers. The analysis also found that the amount borrowed was not a critical factor in borrower success.

For more tips on student loan repayment, visit the [Navient Path to Success](#) online series. This free series, which is open to the public, details a variety of financial scenarios and other pertinent topics for recent graduates. Topics include student loan repayment plans, credit scores and good money-saving practices.

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About Navient

As the nation's leading loan management, servicing and asset recovery company, Navient (Nasdaq:NAVI) helps customers navigate the path to financial success. Servicing more than \$300 billion in student loans, the company supports the educational and economic achievements of more than 12 million Americans. A growing number of government and higher education clients rely on Navient for proven solutions to meet their financial goals. Learn more at [navient.com](#). Navient began trading on Nasdaq as an independent company on May 1, 2014.

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