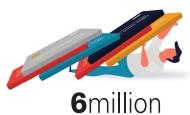


Big bang theory

Resuming student loan payments with interest at the end of the summer after a three year federal program pause could trigger a tidal wave of defaults according to a new report. Those ages 25 to 34 are most likely to hold student loan debt, but the highest total debt (over \$600 billion) is owed by those 35 to 49. Of these two groups, 37.8 percent are renters and 36.9 percent are renters, respectively.





people or 20 percent of student loan borrowers carry high risk of default



1in 13
student loan
borrowers are
currently behind
on other obligations



borrowers show signs of stress with late payments on other debt (credit cards, auto loans)

Percent of student loan borrowers

60-plus days delinquent on other credit products (car loans, credit card payments)





\$116.6 billion

in student loan debt of **3.4 million** borrowers has to date has been expunged via Biden's EOs

\$1,800

average "other" debt taken out by students whose ed loans were paused—along with \$1,500 more in student debt



\$20,000

Biden's attempted per student debt reassignment to taxpayers via Executive Order



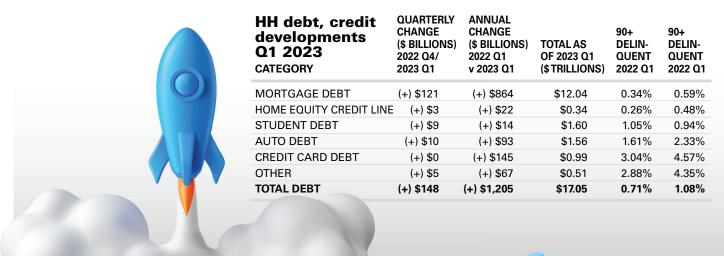
overreach

The U.S. Supreme
Court found Pres. Biden
overstepped in his
powers and circumvented Congress's power to
make laws regarding
spending



\$3.8 hillion

Pres. Biden struck back at the Court's legal check by launching "SAVE" another program reassigning 804,000 students' debt to taxpayers



How we got here

Infusing higher education with a historic level of low cost, low barrier government money (student loans) effectively drove market price of education upward.

Big picture economics

Household debt rose q/q by **\$148 billion** in Q1 2023



\$17.05[™]

total household debt as all non-housing balances grew by **\$24 billion** q/q



Student loan not-so-fun facts

The total outstanding student loan debt is now the second highest debt in the nation following mortgages. While mortgages can indirectly impact rents where owners must service the loans on the rental property, student debt directly impacts the solvency of renters by virtue of their monthly loan obligations.







SOURCE. CONSUMER FINANCIAL PROTECTION BUREAU'S CONSUMER CREDIT PANEL, JUNE 7, 2023, THOMAS CONKLING, CRISTA GIBBS, IPROPERTYMANAGEMENT.COM, JULY 12, 2022 DATA; CCPB; CONSUMER CREDIT PANEL, THE FEDERAL RESERVE BANK OF NEW YORK'S CENTER FOR MICROECONOMIC DATA QUARTERLY REPORT ON HOUSEHOLD DEBT AND CREDIT, DALLY WIRE