

The great debt reset

In a recent NAHB Power Hitters episode, top economist, Robert Dietz cited student debt payment freezes as one reason for record levels of cash in the economy. There's a lot happening around student debt, but one thing is certain. Multifamily housing will be impacted.



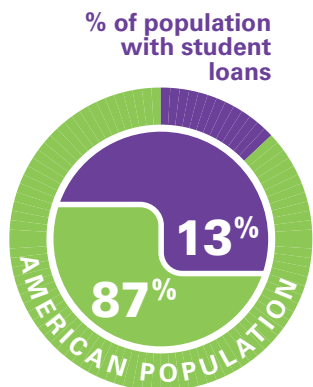
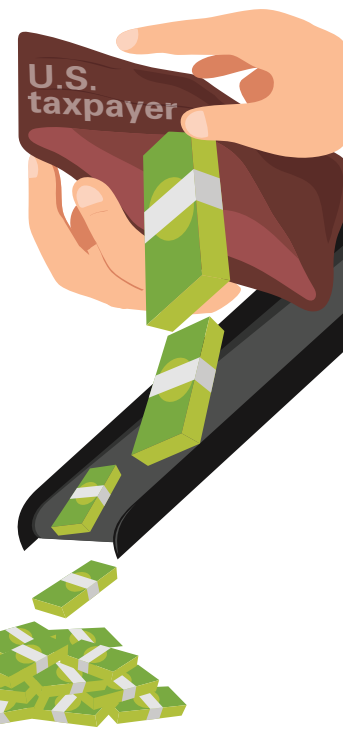
\$1.7 trillion
American's student loan balance, Feb. 2020—twice that of a decade earlier



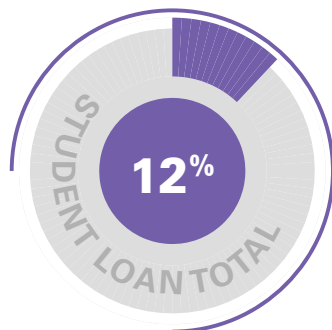
May 1
expiration of the latest loan payment extension



10 percent
of all student loans are private



43 million
people owe \$1.7T in federally backed student loans



5.2 million
federal student loan borrowers are currently in default



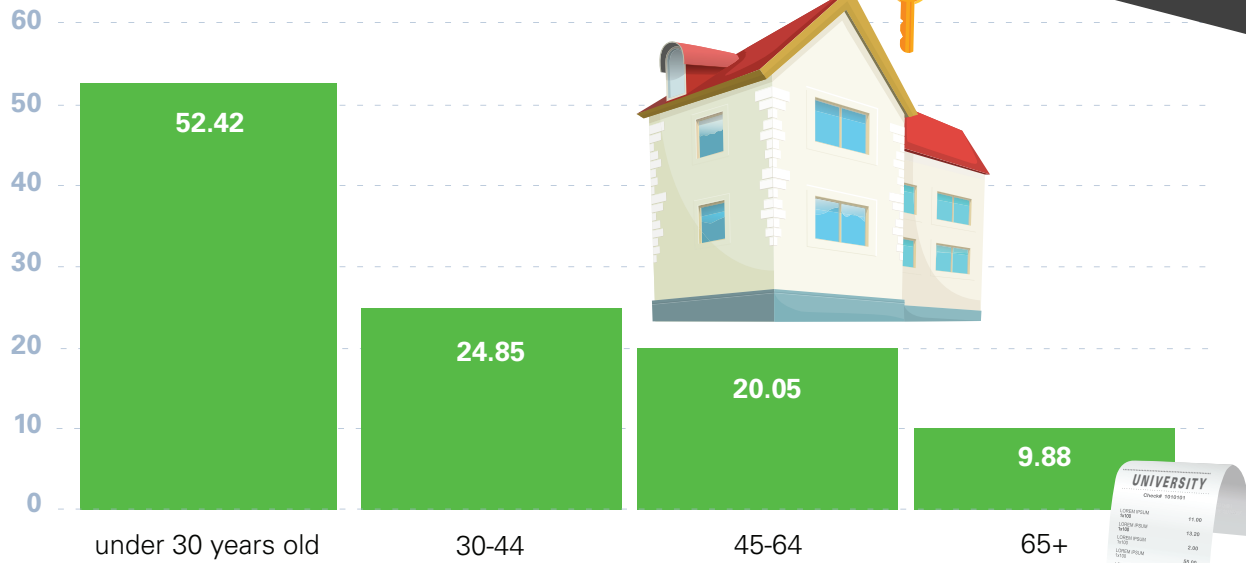
\$10,000
Minimum loan forgiveness Biden promised during campaign



\$11.5 billion
Cancelled federal loans to date for 600,000 borrowers in Biden's piecemeal approach

U.S. Renter demographic

Renters by age (millions)

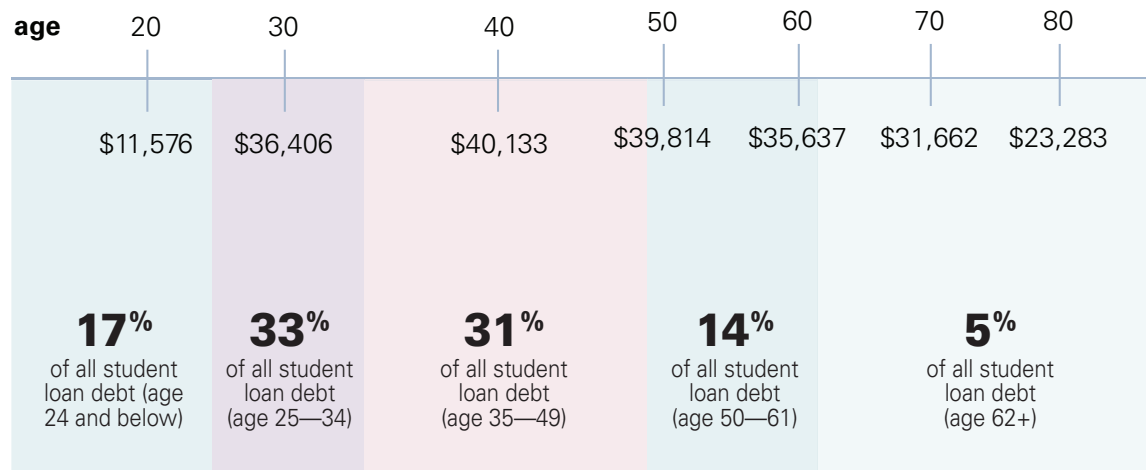


SOURCE: STATISTA, 2019



U.S. Renter demographic

Student loan debt by age (average individual debt by age cohort and share of total debt)



\$35,359

Average owed per student and rising

SOURCE: FEDERAL STUDENT AID, 2021 DATA



Brookings Institute:

Student loan debt is concentrated among high-wealth households and loan forgiveness is regressive whether measured by income, educational attainment, or wealth.



Navient, first to pay

Navient, formerly Sallie Mae, agreed to settle lawsuits by cancelling **\$1.7 billion in defaulted student debt**. It will also make \$260 payments to 350,000 federal student loan borrowers allegedly wrongly placed in long-term forbearance.



Review by regulator

is the Biden administration's strategy for student debt loan relief. The Consumer Financial Protection Bureau will scrutinize the practices of for-profit colleges that lend to their own students as part of a crackdown.