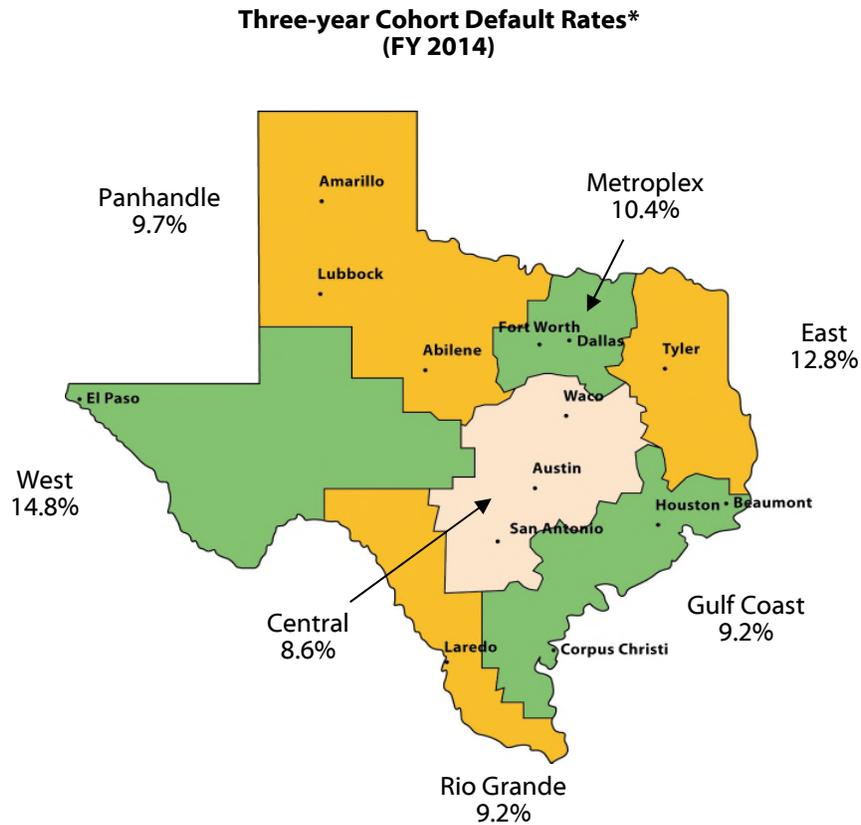


Texas Three-year Cohort Default Rates Vary by Region



The overall Fiscal Year (FY) 2014 three-year cohort default rate (CDR) for Texas was 10.4 percent (compared to 12.6 percent in FY 2013). Texas' FY 2014 CDR was 1.1 percentage points lower than the 11.5 default rate for the nation.

Cohort default rates vary substantially from region to region, from a high of 14.8 percent in the West Texas region to a low of 8.6 percent in the Central Texas region. All of the Texas regions experienced a decrease in the three-year default rates between FY 2013 and FY 2014 except for the West Texas region, where the CDR increased from 14.2 percent to 14.8 percent. The largest difference was seen for schools in the Rio Grande Valley region, where the three-year CDR dropped four percentage points between FY 2013 and FY 2014, continuing a trend of from a high of 20.5 percent in FY 2010. All regions have seen their rates drop since FY 2010, likely due in part to recovery from the economic recession.

*A three-year cohort default rate is the percentage of student borrowers with loans entering repayment in a given fiscal year who default on their obligations during that given fiscal year or in the next two fiscal years that follow. For example, the FY 2014 cohort default rate is based on student borrowers who entered repayment during FY 2014 and subsequently defaulted by the end of FY 2016.