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FOR IMMEDIATE RELEASE

Ohio Credit Unions Commit More than \$150 Million to Affordable Private Student Lending

*Alliance of 11 Ohio credit unions collaborates to fill funding gap;
Credit unions have a combined field of membership that includes the entire state*

Columbus, Ohio (**May 6, 2010**) – With the gap between federal student loans and the cost of higher education increasing rapidly, a collaboration of Ohio credit unions has stepped forward to commit \$150 million in affordable student lending to college-bound Ohioans. Ohio Student Choice, an alliance of 11 credit unions across the state that each committed at least 1% of their assets to student lending, was officially introduced this afternoon at the Ohio Statehouse before state leaders, credit union supporters, parents, and college students. The combined fields of membership of the participating credit unions encompass the entire state.

“If you are familiar with the Credit Union Movement, then you know collaboration is something we do very well,” said Ohio Credit Union League President Paul Mercer during a news conference at the Ohio Statehouse. “The lack of private student lending in the market is forcing Ohio’s future leaders to delay or even vacate their goal of earning a college degree. As lending institutions with capital on hand, credit unions cannot sit idly by.”

According to the not-for-profit association College Board, in 2010, the average college student will receive \$7,800 in federal loans while attending a public institution. However, the average cost of tuition is \$15,200, leaving students a gap of \$7,400 to fill. For private institutions, that gap jumps to more than \$35,000. The result is a funding gap increase of 63% for public institutions and 70% for private institutions since 2002.

Adding to the problem is the demand for loans and the lack of private lending in the marketplace. The total combined amount lent to college-bound students in the U.S. in 2009 was \$112 billion. In 2012, that is expected to rise to \$135 billion. With banks scaling back their lending due to financial and regulatory pressures, the supply of loans will not equal the demand.

“With many lenders pulling out of the secondary market, credit unions started asking themselves, ‘Where are these students going to turn?’,” said Sharon Custer, CEO of BMI Federal Credit Union. “I am proud to join my colleagues in pledging to offer affordable private student lending, and offer the Ohio Student Choice program as a lending solution to parents and students across Ohio.”

Ohio Student Choice loans will feature extremely competitive interest rates, zero origination fees, flexible repayment options (including deferment while in school), the ability to secure financing during their entire undergraduate career, and electronic loan delivery and disbursement.

CU Student Choice, a growing credit union service organization based in Washington D.C., will assist credit unions with loan processing. However, students interested in the loans should apply directly at one of the

participating credit unions. Students can find out which credit union they can apply to by visiting www.OhioStudentChoice.org. The participating credit unions include BMI, Cinco Family Financial Center, Directions, Day Air, Kemba, Kemba Financial, Seven Seventeen, Ohio Educational, Mid State Educators, Midwest Community and Wright-Patt.

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The Ohio Credit Union League, with offices in Columbus, is a state trade association representing 393 credit unions. Credit unions are not-for-profit financial institutions owned and democratically-controlled by their members. Ohio credit unions provide savings, loans, and other consumer financial services to their 2.65 million members. To learn more, visit www.OhioCreditUnions.org.