



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Jack Dalrymple
Governor

Wayne Stenehjem
Attorney General

Doug Goehring
Agriculture Commissioner

NEWS

February 5, 2015

DEAL One Loan Numbers in 2014 Exceed BND's Expectations

BISMARCK – More than 3,000 North Dakotans have taken advantage of the DEAL One Loan since it was offered by the Bank of North Dakota (BND). It is one of the first student loan programs in the country to allow the consolidation of all types of student loans, including federal student loans, into one student loan.

Borrowers have consolidated \$142.7 million of federal, DEAL and other alternative student loans. Of the \$142.7 million, two-thirds of the amount is from federal loans and alternative student loans, not including the DEAL Student Loan.

“The DEAL One Loan program is a valuable resource that can help North Dakota residents manage their education costs,” Dalrymple said. “Deal One Loan can be used to consolidate student loans at favorable rates and without added fees. As we move forward, we encourage more North Dakota residents to take advantage of this loan program.”

The average amount of debt being consolidated is \$45,567. Loans that were originally made by other lenders with interest rates as high as 14.25 percent APR have been consolidated through the program resulting in substantial savings for those customers.

Interest rates through March 31, 2015 for the DEAL One Loan are 1.74 percent APR for a variable interest rate and 4.83 percent APR for a fixed interest rate. Rates are updated quarterly; the variable interest rate will not increase more than one percent in a 12-month period. Borrowers can save another .25 percent on interest by selecting automatic withdrawal. There are no fees for the consolidation.

“The favorable interest rates certainly make the DEAL One Loan an attractive option for North Dakotans with student loan debt,” said Agriculture Commissioner Doug Goehring. “The cap on the variable interest rate has made this a popular option with the majority of borrowers selecting the variable rate.”

The DEAL One projections far exceeded the Bank's goals for 2014. However, initial research conducted by BND indicates that up to 50,000 North Dakota residents may benefit from the consolidation loan.

“BND will continue its public information efforts to reach more North Dakotans who will benefit from the DEAL One Loan. Residents do not need to have an existing DEAL Student Loan to apply. If they do not meet credit requirements, they may obtain a creditworthy cosigner,” stated Attorney General Wayne Stenehjem.

An online application is available at dealstudentloan.nd.gov.

“We are committed to helping people manage their student loan debt,” said Eric Hardmeyer, BND president. “The

application process is streamlined and we've received excellent feedback from borrowers who appreciate the knowledge and responsiveness of our staff."

The only state-owned bank in the nation, Bank of North Dakota is overseen by the Industrial Commission of North Dakota which consists of Gov. Jack Dalrymple as chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Doug Goehring.

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FOR FURTHER INFORMATION, CONTACT

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