



Purchase Summary
Rolling Jubilee Fund
Debt Buy #6
11/26/15

PORTFOLIO INFORMATION

Type of Debt: “Unpaid Tuition Receivables” (i.e. student debt)
Age: 84% from 2013; 14% from 2012; 1% from 2010-2011, all in-statute
Source of Debt: Everest College
Location: Nationwide
Purchased From: A Debt Buyer

TOTALS

Total Value of Debt: \$13,384,642.14
Total Cost: \$1
Rate of Total Debt: <\$0.01

DEBTOR INFORMATION

Number of Debtors: 9,438
Average Debt per Debtors: \$1,418
Highest Debt for One Debtor: >\$25,000
States Debtors Residing In: 43 states, Washington DC and Puerto Rico

On September 17, 2014 the Rolling Jubilee announced that it had bought and abolished more than \$3.8 million dollars worth of Everest College debt from a debt buyer for a standard industry rate (in this case about three cents on the dollar). At the time, we were only able to purchase a portion of the portfolio owned by this debt buyer because we simply did not have enough money to buy the whole thing.

Then something surprising happened. This debt buyer approached us again, offering to transfer the remaining \$13.4 million in Everest College debt to the Rolling Jubilee so that we could abolish it as well. Why did they do this? Partly because of our campaign against Everest’s parent company, Corinthian Colleges, Inc., the debt buyer decided to “exit the student loan space” entirely. For-profit college debt was no longer a business in which they wished to participate. (Note that this debt is “unpaid tuition receivables”, not the Genesis loans that are the subject of the CFPB’s lawsuit.)

We believe people should never have to go into debt for basic needs like health care and education. However, this debt buyer's action confirms that Everest College debt is especially odious, due to Corinthian's parasitic business model, the low quality of its education, the way it explicitly targets lower income students, students of color, veterans and single mothers, and the widespread and well documented fraud it has committed.

In other words, debt associated with Corinthian Colleges, Inc. is so toxic that even debt buyers won't touch it. But the Department of Education will! Despite appeals from students, activists, senators, and attorneys general, the Department of Education continues to act as a debt collector for a criminal corporation, forcing hundreds of thousands of current and former students to make monthly payments for worthless degrees.

Make no mistake, the Department of Education was Corinthian's primary partner in crime, sapping money from taxpayers and enrollees alike. While the Department of Education has known for years that Everest was exploiting students, its staff willingly aided the transfer of federal student loan money into the pockets of investors like Wells Fargo, a primary Corinthian shareholder. But instead of doing the right thing once the company's misdeeds were revealed, the Department of Education transferred ownership of Corinthian to its favorite debt collection company, Education Credit Management Corporation, a [particularly ruthless](#) operator and enemy of students everywhere.

Instead of propping up predators, and looking out for shareholders, the Department of Education should abolish all federal student loans from Corinthian schools. Indeed, it has the power to do so. But we can't wait around for the Department of Education—or any lender looking to prey on debtors—to do the right thing. We have to band together and use our power to force change. That is why the Rolling Jubilee is evolving into [the Debt Collective](#), and why a group of current and former students of Corinthian Colleges are taking action by going on strike and refusing to pay their federal student loans.