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Study Shows Borrowers Can Save up to \$1,000 on Average by Comparison-Shopping Personal Loans on LendingTree

An analysis of offers made to prospective borrowers through LendingTree's personal loan marketplace shows that significant savings opportunities exist for consumers receiving multiple loan offers

CHARLOTTE, N.C., March 24, 2015 /PRNewswire/ -- [LendingTree](#), the nation's leading online loan marketplace, has launched an ongoing study to track the range of Annual Percentage Rates (APRs) on personal loans offered to prospective borrowers on its marketplace, highlighting the money-saving benefits of comparison shopping for loan products. In February 2015, borrowers with a credit score of over 700, seeking a \$10,000, 36-month personal loan who received offers from at least two lenders experienced an average interest rate differential of 5.70 percentage points, or 570 basis points, between the highest and lowest offers presented to them in their [My LendingTree](#) accounts.



"Lenders often have their own proprietary methods of evaluating a borrower's credit risk, resulting in varied loan pricing for any individual," said Doug Lebda, founder and CEO of LendingTree. "This risk-based pricing is most evident in the personal loan market. While a person's credit score may weigh heavily in one lender's rate, income or outstanding debt may be a primary criteria for another lender. For consumers, it's important to know that there is variability in interest rates from one lender to the next and even more important to comparison shop for loans. Otherwise, you could be paying thousands of dollars more in interest over the life of the loan."

According to LendingTree, borrowers with good credit in search of a \$10,000, 36-month personal loan received a variety of offers from peer-to-peer and traditional lenders on the network, some with APRs as low as 6.63%. The average of the lowest APRs offered to borrowers within this segment was 11.739%, and the average of the highest APRs offered was 17.443%, which translates into an average potential savings of \$1,002.17 over the life of the loan.

To illustrate the potential savings of [loan comparison shopping](#), the following offer data was presented to an actual LendingTree customer in February 2015:

Offered Loan Amount: \$10,000
Credit Score: 722
APR Offer A: 8.13%
APR Offer B: 13.84%
APR Differential: 5.71 percentage points

The chart below shows the monthly payments for each option, the annual cost and the total interest paid over the life of each loan.

\$10,000 Loan Amount	Offer 1: 8.13% APR	Offer 2: 13.84% APR	Difference: 5.71 points
Monthly payment	\$313.96/mo.	\$341.00/mo.	\$22.30/mo.
Annual Cost	\$3,767.52/yr.	\$4,092.00/yr.	\$267.60/yr.
Total borrowing cost over 36 months	\$11,302.56	\$12,276.00	\$973.44

In this example, the 5.71 percentage point difference in APRs offered translates into a potential savings of \$973.44 over the 36 month life of the loan.

By completing the online form, consumers are able to gain access to [LendingTree's personal loan marketplace](#) and the

growing network of personal loan lenders, including both peer-to-peer and traditional lenders. In addition, the all-new My LendingTree experience provides borrowers with completely free credit scores updated monthly, along with analysis and insights into their personal credit and borrowing profiles that impact the offers available to them from lenders. Because personal loan rates offered to borrowers can vary greatly among lenders, sometimes by more than 10 percentage points, there are opportunities to save significantly by comparison shopping and receiving multiple loan offers.

For more information, tools and resources, all completely free of charge to consumers, please visit <http://www.lendingtree.com/personal-loans-index>.

About LendingTree, LLC

LendingTree, LLC is the nation's leading online loan marketplace, empowering consumers as they comparison-shop across a full suite of loan and credit-based offerings. LendingTree provides an online marketplace which connects consumers with multiple lenders that compete for their business, as well as an array of online tools and information to help consumers find the best loan. Since inception, LendingTree has facilitated more than 32 million loan requests. LendingTree provides access to lenders offering home loans, personal loans home equity loans/lines of credit, auto loans and more. LendingTree, LLC is a subsidiary of [Tree.com](http://www.tree.com), Inc. For more information go to www.lendingtree.com, dial 800-555-TREE, join our [Facebook page](#) and/or follow us on Twitter [@LendingTree](#).

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