

## Many Have Access to 401(k) Loans, Few Have Outstanding Balances

While most 401(k) plan participants are able to take a loan from their 401(k) account, relatively few do—and this has been a consistent pattern that has held for nearly two decades.

According to an analysis released by the Employee Benefit Research Institute (EBRI) and the Investment Company Institute (ICI), 87 percent of participants in the 2012 EBRI/ICI 401(k) database were in plans offering loans at year-end 2012. Only 1 in 5 (21 percent) of those eligible for the loans had one outstanding.

Among participants with outstanding 401(k) loans at the end of 2012, the average unpaid balance was \$7,153, compared with \$7,027 in the year-end 2011 EBRI/ICI 401(k) database. The ratio of the loan outstanding to the remaining account balance decreased slightly, from 14 percent at year-end 2011 to 13 percent in 2012.

The 2012 EBRI/ICI 401(k) database, the largest of its kind, is a representative sample of the universe of 401(k) plans. At year-end 2012, all 401(k) plans held a total of \$3.5 trillion in assets, and the database represents about 44 percent of that total. The database also covers 46 percent of the universe of active 401(k) plan participants and more than 10 percent of all 401(k) plans.

The report, “401(k) Plan Asset Allocation, Account Balances, and Loan Activity in 2012,” is published in the December 2013 *EBRI Issue Brief* available [online here](#).

The Employee Benefit Research Institute is a private, nonpartisan, nonprofit research institute based in Washington, DC, that focuses on health, savings, retirement, and economic security issues. EBRI does not lobby and does not take policy positions. The work of EBRI is made possible by funding from its members and sponsors, which includes a broad range of public, private, for-profit and nonprofit organizations. For more information go to [www.ebri.org](http://www.ebri.org) or [www.asec.org](http://www.asec.org)

