



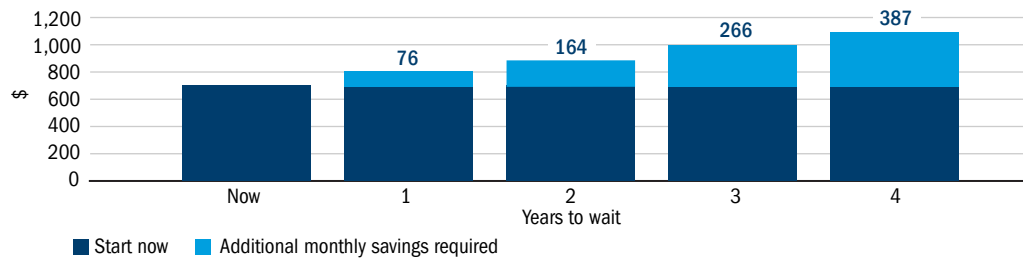
Saving for college: A case study

Meet the Wards

Diane and Charles Ward have two children — Emily, age 5 and Jacob, age 3. They plan on Emily attending an in-state public school and Jacob attending a private university, giving them 13 and 15 years, respectively, to prepare for this expense.

Investing for Emily: Easing the burden (\$)

Cost of waiting to save for college — monthly payment (assuming 100% funding goal of \$217,976)¹



The hypothetical chart above illustrates how much the Wards need to save on a monthly basis to target 100% of Emily's in-state public college tuition assuming a 5% college cost inflation rate and a 6% annual investment return. If they start now, they will need to save \$736 per month. Waiting two years will require an additional \$164 per month; waiting four years will require an additional \$387 per month.

Investing for Jacob: Easing the burden (\$)

Years to wait	Lump sum needed ²	Monthly savings needed for: ¹			
		100% of goal	75% of goal	50% of goal	25% of goal
Now	187,748	1,376	1,032	688	344
1	189,536	1,509	1,132	754	377
2	191,341	1,660	1,245	830	415
3	193,163	1,832	1,374	916	458
4	195,003	2,030	1,523	1,015	508

Jacob's private school tuition, room and board is going to be even more expensive than Emily's (\$491,749 vs. \$217,976).² But the Wards don't have to save it all. They can aim for a percentage of the total and pay the rest with loans or future income, so that saving a portion of the money now will help ease their burden later.

To learn more about college savings planning with a 529 plan, [contact your financial advisor](#).

To find out more, call **888.244.5674**
or visit columbiathreadneedleus.com/investor.



¹ Source: "Price of Procrastination Calculator," columbiathreadneedleus.com/calculators. Based on the cost for the 2021-2022 school year and assumes a 5% college cost inflation rate and a 6% annual investment return.

² Source: "World's Simplest College Savings Calculator," columbiathreadneedleus.com/calculators.

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CT-MK/**115397 D (02/22)** Y6L/4270365