

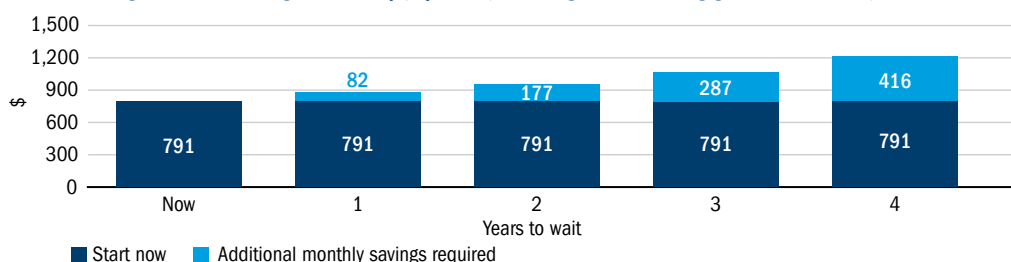
Saving for college: A case study

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 \$234,394)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 \$791 per month. Waiting two years will require an additional \$177 per month; waiting four years will require an additional \$416 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	206,701	1,515	1,136	758	379
1	208,669	1,661	1,246	831	415
2	210,657	1,827	1,370	914	457
3	212,663	2,017	1,512	1,008	504
4	214,688	2,235	1,676	1,117	559

Jacob's private school tuition, room and board is going to be even more expensive than Emily's (\$541,390 vs. \$234,394).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**
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¹ Source: "Price of Procrastination Calculator," columbiathreadneedleus.com/calculators. Based on the cost for the 2023–2024 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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