

Bank Equity Line Demo: How to Setup

1st Step: Use the equity in your home to pay for college

Use your equity line to pay for college expenses minus the financial aid awarded:

- pay tuition
- pay room and board
- pay for supplies
- pay for misc. needs

2nd Step: Deposit all of income into your banker home equity line of credit account

You will take all of your income sources and deposit them into your equity line account instead of your checking account:

- salary income
- capital gains
- savings
- spare change

3rd Step: Now use your banker home equity account to pay family expenses

Use your banker home equity account to pay for everyday budgeted and planned expenses such as your:

- monthly bills
- food and clothing
- mortgage payment
- budgeted card charges
- budgeted debt charges
- other living expenses

Benefit: Your discretionary income payoffs your college funding balance FAST!

Your discretionary income (the income amount minus your expenses) remains into your banker home equity line account to lower the college debt balance.

Over time, you will be able to pay off your college funding debt in half the time by budgeting and managing your banker home equity line.

You can also use your banker account to finance other needs such debt payoff, a new car, home improvement, and even paying off your mortgage.

For a complete demonstration: www.SayStudent.com/yourbank

Manage Your Money with a BLOC: 10-Step Success Plan

We have summarized the 10-step plan that you can use to successfully manage your money. Our extensive network has information that can help build quick success in your BLOC program. You can link to these centers by going to the following address:

- to view links that support the 10-step plan below:
www.saystudent.com/yourbank
- to view how your BLOC can be used to finance college:
www.saystudent.com/yourbank

Step 1	Apply for Your BLOC Account	The BLOC is your money account that all income and all expenses will be paid. It is a standard home equity line of credit account. We have more information at the link center.
Step 2	Use Your BLOC to Payoff Debts	You will use your BLOC to payoff all credit card, auto loan, and other personal debt (except for your mortgage). This will free up discretionary income for use with the BLOC program.
Step 3	Use the BLOC to Fund College	Use the BLOC program to manage your income and fund college expenses. Deposit all income into the BLOC; pay all living expenses with the BLOC.
Step 4	Use Methods to Maximize BLOC	To maximize the BLOC program to its fullest, use methods such as credit cards, pre-paid cards, and other to manage your money expenses. Our link center can help you here.
Step 5	Budget Your Spending	You can payoff your debts fast by budgeting more discretionary income for the MMA program. Our link center has links to budgeting tips and worksheets.
Step 6	Lower Your Bills	Building more discretionary income requires getting the most out of your spending dollar. View tips to lower monthly bills like food, family services, utilities, and more.
Step 7	Increase Your Income	We have identified four ways to increase income: 1) better your career; 2) enhance your education; 3) start a home business; and 4) buy an established business. View links.
Step 8	Make Smart Decisions	Over time as you pay down your BLOC, you will have life events that require smart financing: child going to college, home needing repair, family wanting a vacation. Get smart.
Step 9	Building a Stronger You	As you near the payoff of all debt, you will have the freedom to make smart investment decisions. See how planning, discipline and execution can bring you success.
Step 10	Next Steps	What should you do now? Link to our center for decisions: www.saystudent.com/yourbank

Characteristics of a BLOC (Banker Home Equity Line Of Credit)

Required for the Banker Line of Credit

When shopping for your home equity line of credit to be used as your “BLOC”, make sure the equity line has the following characteristics. If no, shop another lender:

- must be an open ended home equity line of credit with 5-10 year draw period
the longer the draw period, the better
- must have an interest only payment option
- must be attached to the primary residence in a second lien position
- must be a variable rate home equity credit line

- do not** have your monthly equity line payment automatically withdrawn from a designated checking account (your income deposits will be your payment, which will force the bank to adjust your daily minimum balance)

- do not** lock-in your equity line rate (this will remove the interest-only rate option)

What You Need for Check Writing

- lowest dollar amount minimum per check from the HELOC
- no fee per check from the HELOC
- no limit to the number of checks written from the HELOC each month
- shortest amount of time to clear and process checks from the HELOC

What You Need for Online Banking (if your HELOC is with your current bank)

- online transfer capabilities from bank checking to the HELOC and HELOC to checking
- no limit on the number of transfer
- no fees for online transfers
- no dollar amount limitation on transfers
- online bill pay
- no fees for online bill pay

use to support the Banker Line of Credit for financing college

HOME EQUITY CREDIT LINES

Lender Comparison

Use this form to compare rates and product terms among lenders. Ask the lender to provide the following information. If a particular lender you would like to work with doesn't offer a better deal, use this form to negotiate best offer.

<u>Interest Rate Features:</u>	LENDER 1	LENDER 2	LENDER 3	LENDER 4
Initial Interest Rate	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
• Points	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
• Other Bank Fees	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Variable Annual Percentage Rate	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Fixed Annual Percentage Rate	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Index Used / Current Value	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Amount of Margin	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Current Rate	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Frequency of Rate adjustments	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Interest Rate Caps	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<u>Length of Plan:</u>				
Draw Period	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Repayment Period	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<u>Initial Fees:</u>				
Appraisal Fee	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Closing Costs	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Application Fee	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<u>Repayment Terms:</u>				
During the Draw Period	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Interest and Principal Payments	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Interest-Only Payments	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Fully Amortizing Payments	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<u>When Draw Period Ends:</u>				
Balloon Payment	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Renewal Available	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Refinancing of Balance by Lender	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>