

STRICTLY BUSINESS

Low-cost loans for college

CHARLES ROSS

Your Personal Finance



If your college-bound child did not receive need-based financial aid, or if the school's financial aid package does not go far enough, consider applying for an unsubsidized Stafford Loan from the federal student loan program.

These loans are available to any student carrying at least a half time class load. Your child, not you, is the borrower, although you can always assume the payments later. Students can borrow up to \$5,500 a year. It's wise to let the student borrow as much as possible before you begin to apply for loans, since students get better rates than parents.

The interest rate on these loans is capped at 8.25 percent, and there is an origination fee. Students can defer repayment until six months after graduation, and they have up to thirty years to repay. If you need a good low-cost loan option, consider an unsubsidized Stafford loan.

PLUS loans

Parent Loans for Undergraduate Students, called PLUS loans, allow you to borrow money for all of your child's education costs, minus any other financial aid. For instance, if your child has borrowed \$1,000 under the Stafford program toward total costs of \$8,000, then you would qualify for a PLUS loan to cover the remaining seven thousand dollars.

You can get PLUS loans through a bank or other private lender, or from the Federal Direct Student Loan Program at participating schools. The government adjusts the rate each year on July 1, with a cap of 9 percent.

Lenders can charge as much as four percent of the loan amount for origination and insurance fees. You have five to 10 years to pay off the loan, and unlike Stafford loans, parents have to start repayment immediately.

Home equity/401K loans

If you're looking for cheap loans to help pay for your child's college education, look at a home-equity line of credit or a loan from your 401K account. You can deduct the interest on a home-equity loan of up to

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Golf course a labor of love for Powell family

By Ken Berger
THE ASSOCIATED PRESS

EAST CANTON, Ohio - Bill Powell sits in a golf cart on the fringe of the 16th green, comforted by the solitude that a fine course can provide.

Dressed in his best golf duds even though the years have stolen his game, he peers down the fairway, over green hills and up into puffy clouds. His lips tremble as he begins

to speak.

"I think the ordinary person knows what our society is and knows the roadblocks that were put in my way," says Powell, 79. "And I achieved in spite of it. There were just dirty things everywhere you went, every step of the way."

Look for a black person who built and owns a golf course in America and the search will begin and end with Bill Powell. He is an unknown

pioneer, someone who picked up a club when he was 9 and fell in love with the game.

"On a golf course, you can kill a lot of time," Powell said. "To me, it's just very relaxing. I don't think there's one thing you can put your finger on. It's just addictive."

They call him "Mr. P" at Clearview Golf Club in rural East Canton. Powell built a great deal of the course with his own hands. He made it a

place where people of any color skin could pass an afternoon on lush fairways and soft greens.

On the side of the highway, a modest sign amid tall grass reads, "Clearview Golf Club. Public Welcome."

Powell grew up in Minerva, a 10-mile drive from the course. His was the only black family in the small town. He caddied for a local white doctor when he was a boy and

wanted to continue playing the game.

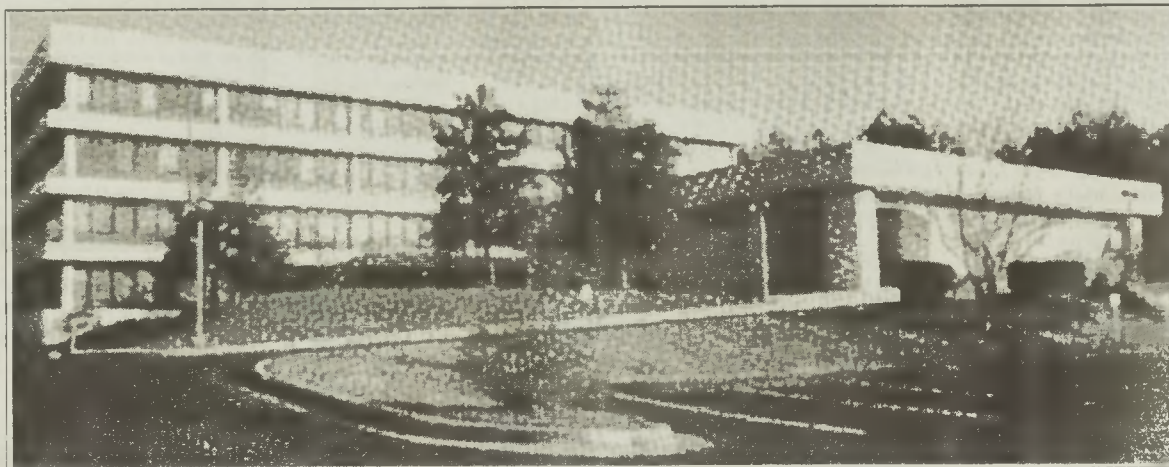
But the men who ran golf reminded him of his color, he said.

"I don't like the word 'forbidden,'" Powell said. "We weren't accepted in the society."

So Powell decided he would build his own course. Turned down for a loan, he borrowed money from his brother, and

See GOLF on page 8A

Banking on community



GRAPHICOMEGA PSI PHI FRATERNITY

Omega Psi Phi fraternity's headquarters in Atlanta is one of several high-profile transactions made possible through NationsBank.

NationsBank reaches out with program

By John Minter
THE CHARLOTTE POST

Back in 1993, Hugh McColl made one of his infamous challenge speeches keynoting the National Urban League convention.

Ed Dolby, senior vice president at McColl's NationsBank, spoke a year later to the same group. They remembered McColl and offered Dolby some challenges of their own.

Soon after, when Dolby and McColl crossed paths in the executive dining room on the 59th floor of NationsBank's tower in uptown Charlotte, a brief chat resulted in a targeted effort by the nation's third largest bank to go after a larger share of the \$427 billion African American market.

"The three primary areas where we can help African American entrepreneurs are wealth accumulation, wealth management and wealth preservation," Dolby said.

"What we are beginning to see is the African American as an entrepreneur. The entrepreneur has become an executive vice president, president, general partner or manager of significant pieces of Fortune 500 companies.

"When a General Electric or Westinghouse decides to sell off a division, guess who is running the business? Often they are looking for financing to purchase that unit."

Many entrepreneurs have healthy retirement and 401K packages as collateral, for example, but need large financing to complete purchases.

"That's the upside of what we think of as the downside of retooling, downsizing..." Dolby said. "We have financed one or two of those."

The targeting effort is called the Professional African American Market Development unit, Dolby's brainchild.

He shared a glimpse inside the command decision which led to creation of PAAMD over lunch in the five-star 59th floor restaurant. The meal was full course, complete with pate, soup, salad and dessert.

Simply put, Dolby said, after talking about the needs to boost African American business development, McColl said, "We

don't do that well enough." Dolby, the highest ranking African American at NationsBank and responsible now for nearly 300 branches in North and South Carolina, had some ideas.

And, in McColl's aggressive manner, he told Dolby to submit them before the end of the day.

With his boss' initial approval and unqualified support, Dolby drew up a plan to begin targeting banking services to affluent African Americans, a group often overlooked in efforts to boost housing and small entrepreneurship.

The efforts has already resulted in nearly \$150 million in loans, including \$33 million to Black Enterprise publisher Earl Graves for a Pepsi franchise and \$2.8 million for the national Omega Psi Phi fraternity headquarters building in Atlanta.

"We have a flexible investment program," said Dolby, a Raleigh native who attended Shaw University. "We knew we had to work with small entrepreneurs and the business banking unit specializes in small entrepreneurs. They have a unique set of problems."

"But we also need to work in the next level, commercial areas. These businesses are

larger, over \$1 million. A different set of goals and services are required. They need a specialized line of credit...funds managements.

"NationsBank's approach to the African American community is two-tiered," Dolby said. "We have already put \$13 million into a planned \$10 billion pool for the non-affluent part of the community...low income housing, small business loans. We have done this well. The second approach is we needed to pay more attention to the affluent African Americans. We had no structure to support that."

Enter PAAMB, which works with African American banks who don't have the capitalization to handle large deals, like Graves' Pepsi franchise.

PAAMB, headed by Sherrick Barber, has been operating about one year and has already helped out in several deals, Dolby said.

"It was a two-year process," he said. "It took one year to conceptualize and do the strategic planning and the tactical planning. There was a lot of strategic research."

The effort is not just assigned

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Money Management

Mid-year tax tips

By Amanda Danchi
SPECIAL TO THE POST

Oct. 15 undoubtedly rings no bells of recognition. But, if you stop to think that it means it's only six months until April 15, it should sound an alarm.

According to the North Carolina Association of CPAs, you might think of this midpoint as your tax-planning watershed for the year. Although you have until Dec. 31 to take advantage of many year-end tax moves, quite often, well-meaning taxpayers find that they have neither the time nor the money to devote to tax-cutting strategies, particularly as the holiday season unfolds. Shifting income, bunching deductions, and contributing to retirement plans are some common ways to cut taxes, but there are many opportunities that go beyond these tried and true strategies. Here are some you may want to consider using before the year is out.

Offset capital gains

It's never a good idea to let taxes drive your investment decisions, but if you have a large capital gain, now might be a good time to take a loss on an investment that's been performing badly. Capital losses are fully deductible against capital gains - dollar for dollar. But, if you end the year with a net capital loss (or have a carry-over loss from a previous year), you can write off no more than \$3,000 in capital losses against ordinary income, such as your salary. Net capital losses that exceed the \$3,000 limit may be carried over to future years.

Make tax-free gifts

If you're thinking about taking advantage of the gift-tax

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