

How To Approach Financial Issues In a Relationship



By Stephen L.

Being in debt can be an embarrassing situation, but talking about it can feel even worse; especially when discussing it with someone you plan to live with for the rest of your life. However, it's important that you explain any financial problems that you have with your partner and that they discuss theirs with you before you head down the aisle. There are many problems that can arise if you hide your situation and the deceit could cause the end of your relationship before it has the chance to begin.

Hiding Does Not Help

Hiding your debt will never help you or your relationship with your partner. Not to mention that the people you owe that money to will eventually find you. If you know you owe money, arrange to pay it off slowly; most people, even big companies will be more inclined to do this if you call them early on and let them know your situation. You also need to make a list of all of your debt, as scary as it may seem. When it's done, sit down with your partner and explain that you want to talk about finances. This will show them that you are serious about the relationship; and it may give them the platform to open up and do the same. You should go through the entire list of debt with your partner and explain if and how you are trying to pay it off. This can help significantly when it comes to discussing living together and how much you can both afford in rent, or if obtaining a mortgage is out of the question.

Credit Cards are the Biggest Downfall

Having a credit card can be beneficial if you have an emergency, but you have to stay on top of payments and not let the debt and interest accumulate each month. Before you head into forever after, it's important that you ask your partner about their credit cards. If you both happen to own a Master Card issued by the same company, see if you can consolidate your cards and maintain a joint credit limit. Coming to an agreement to clear the debt as soon as you can, and making extra payments each month, will put you in a situation where the debt is worked off much quicker than you had anticipated.

Consolidate Your Debt

Another idea is to consider consolidating your debts with a bank loan. If you can't get a loan due to your credit rating, but your partner can, see if he will get the loan for the both of you. If you aren't married, and you're worried what will happen with the loan if you break up, ask your partner to sign an agreement to pay it off.

When you do marry, your credit ratings will be joined together; an unfair advantage if one of you has bad credit and the other person's credit is good. That's why it is important to talk this out and be open with one another. If your partner has hidden debt and you decide to put your home in both of your names, you could find it repossessed if you aren't aware of the situation. Discussing it does not have to be hard but it is one of the best things you can do for your relationship.

Stephen L. is a guest writer for Brookside Patio Furniture which specializes in resin wicker patio furniture that one can store in this recommended Toledo storage facility.