

# In Love—and in Debt



Chris Davis, a 28-year-old videographer and graphic designer, had been working hard to pay off his student-loans when he and his girlfriend Monique Seitz got engaged.

“We got closer to picking a wedding day,” Davis recalls, “and Monique jokingly said ‘We’re not getting married until you figure out your loans.’” Though Davis and Seitz both had some debt, Davis had significantly more.

Joint finances are hard enough even without the added complication of disproportionate student debt. Jeffrey Dew, an associate professor at Utah State University, has found that financial disagreements are a strong predictor of divorce—couples who argued over finances several times a week were more than 30 percent more likely to divorce than those who only did so less than once a month. In one recent survey, 44 percent of Americans said personal finances were the toughest thing to talk about—ahead of religion, politics, and even death.

Disproportionate student debt can make that already-challenging conversation all the more complicated. A survey by the National Foundation for Credit Counseling found that 57 percent of respondents had reservations about being in a relationship with someone with a large amount of debt, with 37 percent saying that they’d wait to get marry until the debts were repaid, and slightly more—46 percent—saying they’d be open to getting married and jointly paying off the debt.

Those reservations result in real—and documented—difficulties for people with large amounts of debt when it comes to getting married. Dora Gicheva, an assistant professor in economics at

the University of North Carolina, studies how debt affects education and relationships. She recently published a study on how people with large debt burdens fare when trying to settle down.

“There are a couple of previous economic studies that find student loans to affect other areas of graduates' lives, for example their career choices, so it seemed reasonable to expect marriage decisions to be affected as well,” says Gicheva. Her research found a negative relationship: \$10,000 of student-loan debt decreased the probability of marriage by 3 to 4 percent, with the effect diminishing with age for women but not men.

While there's little legal ramification of marrying someone with a massive amount of student loan-debt (debt incurred before marriage is not joint debt), Karen Carr, a certified financial planner who teaches and advises at the Society of Grownups, says that differing amounts of loans can be stressful for couples—particularly if the amounts are extreme.

“It does play a special role when one person is coming into a relationship with quite a bit of student loans and one person is coming in with little to none,” says Carr. “I met with a couple ... one had significant student loan debt coming off his personal account as a monthly payment and the other had absolutely no loans. So they really had to have a frank discussion about the fact that one person had a lot more discretionary income than the other, although their salaries were very similar.”

Carr says that couples can collide on how to deal with student-loan debt. Some partners are aggressive on payments, while others have different strategies whether it's using income-based repayment plans or waiting for loan-forgiveness.

“Conflicts arise over money personalities: who's the spender, who's the saver, who likes to track their spending down to the very penny, and who is more of a flier—meaning they just let what happens happen,” explains Carr. “Just because you do things differently and just because you go about saving or spending or paying down debt differently doesn't mean you can't exist within the same couple. You don't have to change the other person.”

In the end, Seitz and Davis decided they would share household bills and rent, but keep their student-loan debts separate. Both felt this was fair. (Davis has nine years to go on his loans.)

Seitz is now Monique Seitz-Davis, and recommends that talking about the hard stuff goes a long way: “Money is an uncomfortable topic of conversation, and it's something we don't talk about enough as young people. It's a little wacky ... don't be afraid that if things get a little hairy in those conversations. It's not going to be the end of the world.”

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