

Relationships With Credit – Are You And Your Partner Ready For It?

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Many couples face one and the same problem: how to manage finances after they come to living together. Financial matters often mess with love and relationship. Look at some guidelines to keep both the feelings and financial security.

As you found the love of your life at last, one of the most acute problems that your couple faces is how to manage the both partners' finances. It is usually no easy for the partners to determine how they will spend together and how they will own the property in possession. There are some guidelines to help couples organize their spendings according to their choice and lifestyle and the way they make their relationship.

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- You and your partner are free to share or not share your property and earnings. There are a number of models to organize the financial aspect of your relationship:

- You spend as a married couple: that is you have joint accounts and are both reliable for payments, plus both of you are involved in the ownership. You also make credit card applications in both names, building a joint credit history.

- Partnership for spending: you can get joint accounts for certain expenditures, such as rent or household payments, on other needs each of you spend on your own.

- Keeping independence-model: each partner pays for himself and you manage to pay for mutual needs (household, food, holidays) in turn or making equal contributions.

When living together, young people can't usually do without big purchases. A TV, a sofa or a washing machine – sooner or later the couple gets in need of such sort of things. No wonder, a loan or a credit card plays the main part in this case. It goes without saying you should be careful and wise to play it fair and safe. Remember, you should be 100% sure of your partner before putting your name on an application or agreement.

These are some possible threats that each of you should be aware of when some of you decides to apply to the bank.

- Be careful becoming a co-signer. If your partner fails to pay off the debt or you fall apart, you will have to pay off the balance, as a second responsible person. Besides, it is fraught with damage to your credit score.

- Joint accounts for credit cards or loans seem to be a good option, but not in cases when the relationship is unstable and seems to be not to last long. Though in this way you can build your credit rating together and both of you are responsible for payments, there are pitfalls to beware. If some of you fail to pay or exceed the limit, the other's credit history can be damaged and he or she will have to pay the balance and all the penalty fees.

- If one of the partners has bad credit, it is required that it should be under repair, in order to prevent future problems with approvals.

- Before taking the decision to apply for mortgage or a car loan, which are long term and money consuming types of lending, you should know for sure you can trust your partner. Mistakes in this matter can cause serious troubles like bankruptcy.

Love has nothing to do with money. So if you want to be protected, it doesn't mean you do not love your partner. Create your relationship and do not forget about future and financial security.