

# 48. Love and Marriage Debt and Credit

**OBJECTIVE:** Educate couples about how each spouse's credit affects the couple and family as a whole and how to repair the couple's credit over the long term.

**TIME:** 15 minutes

**TALKING POINTS:**

Married couples take on each other's debt and credit ratings, for better or for worse. That is because when you marry, your credit is co-mingled. For better: If a partner who has little or no credit history marries someone with good credit, they will gain access to this good credit. Unfortunately, this can work the other way, too. If you have good credit and marry someone with bad credit, you may have to pay higher interest rates in the future on joint purchases, or you may be denied credit because of the risk your partner poses to the lender.

**ACTIVITY:**

Present the following case of Anita and Jason and discuss as a class. Anita has had a stable job for years and a good income. She has also been careful to keep a clean credit history taking on only a small amount of debt, which she is careful to pay timely and fully each month. Then, Anita fell in love with Jason. They got married and wanted to buy a new home. Unfortunately, Jason's credit was terrible. Anita's income alone could not support the mortgage on the home; when they combined their incomes, though, they also combined their debt. As a result, they were turned down.

**GROUP DISCUSSION:**

- What can be done to build stronger credit over the long term for Anita and Jason?
- How can this conversation take place while they are falling in love?
- What can they do together to improve Jason's (and their combined) credit?
- What sacrifices (i.e. postponed purchases, increasing savings, paying down or consolidating debt, etc...) is Anita willing to make to have a better joint credit situation longer-term? What about Jason?