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First Comes Love, Then Comes Money: 5 Questions To Ask Your Partner

Jean Chatsky

Women@Forbes

Shacking up before marriage is the new normal: more than 65 percent of first marriages today start out with the couple living together, according to research cited in "Cohabitation: Recent Research and Implications," a literature review. To put that in perspective, a little over 50 years ago this number was closer to 10 percent. Why the increase? Financially speaking — as housing prices have increased (particularly in urban areas) — moving in together is one big way to cut costs.

But the fact that two together can live more cheaply than two apart doesn't mean that shacking up is without other financial complications. Differing financial styles and priorities can ruffle feathers. To wit: New York Times NYT +1.04% bestselling author, Jennifer Weiner, the latest guest on HerMoney podcast, recently married writer Bill Syken. "I've always known that Bill and I have very different attitudes toward spending," says Weiner. "I like to buy things, and it's like losing a finger every time he has to pay for something that's more than $50." (That's why they've kept separate accounts so far, though they plan to set up another for joint expenses in the future.)

Whether you decide to cohabitate with or without the legal protections (and tax benefits) marriage brings, here are five questions to discuss with your new roommate:

1. Why are you moving in together?

First, think about where this relationship is going. Are you moving in to see how it goes, because you think you'll be married in a couple of years? Or is this a short-term (e.g. until one of you moves across the world for an employer)? No matter what the answer is, you'll want to protect yourself and your future financial life. That means making sure both names are on the lease of the place you're living (or the deed if you buy something together). It means not taking on debts that would put your partner in a jam (a joint credit card means you both have the responsibility to pay). And it means making sure you have enough in emergency funds to weather — at the very least — a small financial storm. Research has shown couples that save together are more likely to stay together. Couples who rack up big liabilities? Not so much.

2. What do each of you want?

What do you want your money to do for you? When do you want it? And in what order? The idea of buying your dream home, seeing the world, giving to a cause you care about and/or being prepared for emergencies are all be valid answers. But in order to approach them together, it helps to know what your better half wants — and how those wants are similar to, or different, from yours. “How well do you deal with reality together and cope with those realities?” asks Robi Ludwig, psychotherapist and author of the new book, “Your Best Age Is Now.” “Finance becomes a part of that larger discussion.” She says it’s important to be open and upfront about debts or other financial aspects that could affect the other person, as well as priorities.

3. How was money handled in the past?

Weiner grew up in an environment where money was tight (which, in turn, motivated her to strive for financial success) and her husband grew up more comfortably. Regardless of how you first watched money move, it’s important to consider it and how it could be affecting your relationship with it now. The same goes for your partner. “More often than not, people come from families that handled money differently, so their ideas about how to handle money can create conflict,” says Ludwig.

4. What’s going to be the plan now?

The time to discuss money is at the beginning of your time living together, and then on an ongoing — at least monthly — basis. “You always want to make these decisions when things are good,” says Janis Cowhey, a partner of national accounting firm Marcum LLP. “You say, ‘Oh, we’re kind of fine, we’re paying our bills, we’re figuring it out and we don’t have any issues…until you do.” Discuss who is going to pay for what on an ongoing monthly basis, how you’re going to handle things like ownership of furniture and whose name will go on (and bear responsibility for) expenses like utilities. And if you’re considering purchasing property, buying a joint car or even getting a pet without tying the knot, consider signing a cohabitation agreement that lays out what happens if you don’t end up happily ever after. It’s not romantic, but it provides each person with a safeguard. You can find one online at RocketLawyer.com or hire an attorney to draft one. “Because things are good is all the more reason to do it,” says Cowhey.

5. How should you bank?

I’m all in favor of keeping at least some financial autonomy (even when you’re hitched). But having a joint account for joint expenses can be administratively easier. You then have to decide how you’re going to manage that joint account: will you split costs 50-50 or based on your relative incomes? And, some expenses may need to be handled on a take-them-as-they-come basis. Maybe the two people will each pay 50 percent of the utility bills, but if one of them owns the residence, it may not make sense to equally split the cost of a bathroom renovation [since the owner will benefit from the eventual sale], says Cowhey.