

# BUSINESS

**Perspective:** In his Sunday column Paul Choiniere writes about a workshop he had to attend at The Day that reflects sadly on the state of our country today. **B3**

Find out what’s going on in the local business community **Page B2**

## Married to debt



PHOTOS BY KATHERINE FREY/THE WASHINGTON POST  
Demand among Americans, who are already holding record levels of debt, for help financing weddings are giving rise to an industry of personal loans marketed specifically to brides and grooms.

### More couples taking out loans to pay for weddings

**ABHA BHATTARAI**  
The Washington Post

**S**kyler Ramirez has a loan for his house, his car — and now his fiancée’s engagement ring. The 26-year-old had already picked out the diamond solitaire from Tiffany & Co., when he happened upon an ad for wedding-related loans while he was checking his credit score on Credit Karma.

“I thought, ‘Hey, I’m going to be making a pretty sizable purchase,’” said Ramirez, a general contractor in Fort Myers, Fla., who proposed on Valentine’s Day. “I didn’t want to be using cash or pulling money from savings or investments accounts.”

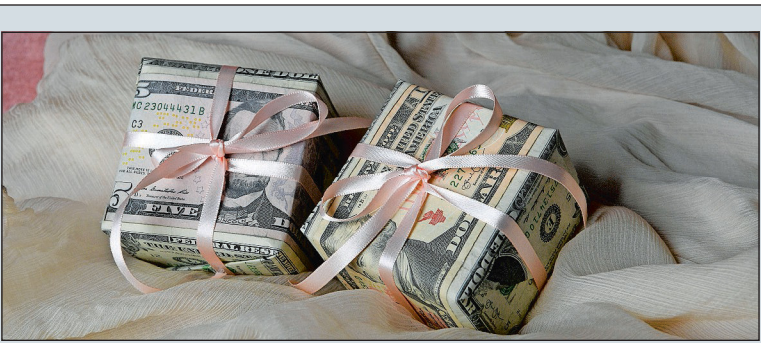
It took about 15 minutes to get approval for the five-figure loan. At an interest rate of about 8 percent, it will take more than three years — and \$300 a month — to pay it off. And it might not be the last loan he takes out as he prepares to get married.

Demand among Americans, who are already holding record levels of debt, for help financing weddings are giving rise to an industry of personal loans marketed specifically to brides and grooms.

Online lenders say they are issuing up to four times as many “wedding loans” as they did a year ago, as they look to reach a fast-growing demographic: Couples who are picking up the tab for their own nuptials, either by choice or by necessity. Financial technology companies with snappy names like Prosper, Upstart and Earnest are promoting wedding-specific loans with interest rates as high as 30 percent to cash-strapped couples. The loans are often marketed as a way to fund extras like custom calligraphy, doughnut displays and “Instagram-worthy” venues, though some borrowers say they rely on the loans to fund their entire wedding.

“People are carrying more debt, they want to get married but don’t have the funds to do so,” said David Green, chief product officer at Earnest, a San Francisco-based online lender. “These loans are a way to thread the needle.”

Demand for wedding loans has quadrupled in the past year, he said, making it the company’s fastest-growing line of business. Couples borrow, on



### Brides and grooms are asking for pizza, down payments and TSA Prechecks as the rules of wedding registries change

**By ABHA BHATTARAI**  
The Washington Post

For their November wedding, Ann Marie Amick and Michael Martin spent hours fine-tuning their registry. They requested steak knives and serving bowls, picture frames and pitchers.

And then, after some soul-searching, they added this: tickets to Harry Potter World.

“You get engaged and you’re like, ‘What do I do? What’s proper and what isn’t?’” said Amick, 31, a photographer in Brooklyn. “I literally Googled, ‘Is it in poor taste to ask for TSA precheck?’” (Answer: no. She added it to her registry.)

The rules of wedding registries are changing. It’s been nearly a century since Marshall Field’s, the now-defunct department store chain, popularized the idea of buying preselected wedding gifts. For decades, Americans dutifully asked for — and bought — housewares, china, bedding and other household staples from retailers’ registries.

But today, 15% of 25- to 34-year-olds live together without marriage, up from 12% a decade ago, according to the census. That means they have less need for new towels, duvets or baking pans when they get married. Instead, they are registering for, among other things, honeymoons, home down payments and wedding expenses. Also on their wish lists: funding for fertility

treatments, help paying off student loans and, in some cases, contributions to their future children’s college funds.

Amick and Martin have been living together for almost three years, so after some requisite kitchen and bedding items, they quickly ran out of gifts they needed, or wanted, for their Brooklyn apartment. Although neither had planned to ask for cash, they eventually changed their minds and padded their registry with requests for round-trip tickets to the Philippines, Jet Ski rentals and a snorkeling adventure for two.

“Our home is pretty put together,” Amick said. “If we don’t get new bedding, it’s not the end of the world.”

Retailers, restaurants and startups are taking note. A single wedding registry can bring in tens of thousands of dollars in sales, and companies are increasingly thinking beyond kitchen gadgets and housewares in courting couples. Domino’s, REI and Walmart offer wedding registries, as does Home Depot.

“The trends really reflect the demographic of people who are getting married today, which is millennials,” said Jennifer Spector, brand director for Zola, a wedding registry site that allows couples to ask for cash and experiences. “Couples are living together beforehand;

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average, \$16,000 and typically pay it off within three years. Interest rates range from about 7 percent to 18 percent, making it a cheaper option than many credit cards. (The company’s tagline: Inspired by Pinterest? Make it happen with low interest.)

The popularity of these loans, experts say, comes amid a shift in how families are paying for weddings. There is less expectation, they said, that the bride’s parents will pick up the tab. Instead, both sets of parents, as well as grandparents, are increasingly contributing. The bride and groom are chipping in, too.

“Couples are getting married later, so they are more willing to pay,” said David Wood, president of the Association of Bridal Consultants. “At the same time, their parents are older, they may be on a retirement income and not have the means to pay for the wedding either.”

The average cost of an American wedding is rising, according to financial advisers. At the same time, Americans have more student loan debt than ever before — nearly \$1.5 trillion of it. They are saving less and spending more on basics such as housing, food and transportation.

“What’s driving this growth? Weddings are getting more expensive and people are waiting longer to get married,” said Todd Nelson, director of strategic partnerships for LightStream, a lending division of SunTrust bank. “It used to be, generally speaking, the father of the bride was on the hook for paying for the wedding. That’s not necessarily the expectation anymore.”

So far this year the company has funded three times as many wedding loans as it did a year ago, Nelson said. LightStream considers a combination of factors, including credit history, employment and income, when approving applicants for personal loans.

While borrowing itself is nothing new — credit cards and family members have funded weddings for years — financial advisers say these types of online loans take lending a step further, by directly targeting 20- and 30-somethings on their computers. Ads for wedding loans, they say, have become commonplace on social

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### LONG-TERM MORTGAGE RATES LITTLE CHANGED

**Washington** — U.S. long-term mortgage rates were little changed this week. The key 30-year, fixed-rate loan hovered around an average 3.8% for the third straight week.

Before leveling off, rates marked six straight weeks of declines, putting them at historically low levels during this spring’s homebuying season. Mortgage buyer Freddie Mac said the average rate on the benchmark 30-year mortgage ticked up this week to 3.84% from 3.82% last week. By contrast, a year ago the rate stood at 4.57%.

The average rate for 15-year, fixed-rate home loans slipped this week to 3.25% from 3.26%.

— Associated Press

### PUTIN PROMISES BOOST IN SOCIAL SPENDING

**Moscow** — President Vladimir Putin is promising to boost spending on social programs as part of the government’s modernization efforts.

Speaking in an annual live call-in show last week, Putin faced an array of complaints about low wages and pensions. Putin responded by spelling out plans to boost salaries for public sector workers.

For the people across the vast country, the tightly-choreographed show provides a rare opportunity to take their grievances to the very top. The call-in is dominated by complaints about low wages, potholed roads, decrepit schools, overfilled hospitals and other social issues.

— Associated Press

### Apple expands credit card test to thousands of retail workers

Apple Inc. is ramping up a test of a digital-first credit card with Goldman Sachs Group Inc. by expanding its use to tens of thousands of the iPhone maker’s U.S. retail employees.

The Cupertino, Calif.-based company this week launched an internal beta program for the Apple Card with its retail workers, according to people familiar with the initiative. The move marks the first major trial for the card, which has been used for several weeks by a far smaller set of Apple corporate and Goldman employees. Apple has about 70,000 retail employees globally and more than half of its locations are in the U.S. The test with employees provides Apple an opportunity to work out the kinks with the credit card before it hits the wallets of consumers.

— Bloomberg



DAVID PAUL MORRIS/BLOOMBERG  
Apple card displayed on screen during an event in Cupertino, Calif.