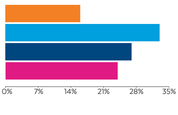
4 Ways to Fund the Wedding You Want

The average wedding costs more than $33,000: How do you plan to pay for it?

Money can't buy love, but it *is* needed to pull off a large-scale wedding and reception. The *average* wedding costs upwards of $33,000 (before the honeymoon), and that figure is only getting steeper.[1] And 45% of today's couples end up spending more than they planned, by an average of $7,319.[2] As a result, more than half are delaying their nuptials due to financial stress.[3]

When they're budgeting (after engagement)[3]



16% set a budget within a month

33% waited 1-3 months to set a budget

27% waited 4-6 months to set a budget

24% waited 6+ months to set a budget

How they're budgeting[3]

48% created a detailed budget outlining specific costs

41% determined a total amount to spend

How they're paying[3]

70% will use their savings

61% will use credit cards

53% will use cash (they will adjust their monthly budgets to include wedding expenses)

52% will borrow or accept financial gifts

21% will use personal loans

The number of people choosing to elope is on the rise—63% of couples today have considered going this route for financial reasons.[3]

Others are saving by trimming their guest list. If these tricks don't work, you may opt for one of the financing options other couples are using.

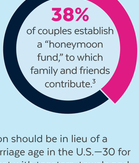
Ways couples are paying for their weddings

Here are some approaches couples are using to pay for their weddings. Are any of these something you would consider? Weigh the pros and cons carefully for each option to see if it could relate to your own situation.

1 AN APPEAL TO LOVED ONES

Registering for your honeymoon can eliminate one *large* line item from your budget, allowing you to focus on expenses for the big day.

The average cost of a honeymoon is between **$4,000** and **$5,000**[4]



If you ask your guests to pitch in, any contribution should be in lieu of a physical gift. Besides, given the average first marriage age in the U.S.—30 for men, 28 for women—many couples are already set with toasters, towels and other registry-friendly items.[5]

2 A HOME EQUITY LINE OF CREDIT (HELOC)

Tapping into a home's equity (whether it's one of the couple's or a family member's) is another way to secure funding for the big day.

More than 17% Average APR for a credit card[6]

Under 7% Average interest rate for a HELOC[7]

The interest rate is potentially lower than what you'd find on a personal loan (or a credit card) since you are using your home as collateral to secure the loan. Bonus: The funds can be used for anything wedding related as well as home improvements or other big expenses that come with adding more people to the household.

3 CREDIT CARD

Credit cards are readily accessible and a simple way to finance wedding-related charges. Just make sure you and your soon-to-be spouse use a low interest rate card (if you plan to carry a balance) and have a realistic plan for paying it off.

50% of couples will take longer than **3** months to pay off credit cards after the wedding[3]

36% of couples pay for their weddings with a credit card, but **21%** admit they've spent more than they can realistically afford[8]

Credit cards can have tangible benefits, such as travel rewards or sign-up bonuses. They can also protect against potential vendor fraud and streamline transactions.

4 PERSONAL LOAN

A personal loan could help cover some of your wedding expenses—and potentially at a lower annual percentage rate (the rate you'll pay to your lender in exchange for the convenience of borrowing money) than your credit card.

$17,472 The average wedding-related loan[9]

48 months The average repayment time[9]

Payment example: Monthly payments for a $17,000 loan at 8.24% APR with a term of 4 years would result in 48 monthly payments of $416.94.

You're likely to secure a more favorable rate if you have a low debt-to-income ratio and a good credit history. When possible, the partner with the better credit score should apply for the loan.

Whatever direction you go, one thing is certain: Communicating openly about financing options, creating and sticking to a realistic budget, and making a smart plan to pay off any wedding-related debt will help you and your partner enter your married life with limited financial stress.

Walk down the aisle with confidence
Do your research to learn if there are financing options that will work for you.

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[1] "The National Average Cost of a Wedding is $33,391," 2018, TheKnot.com
[2] "Couples Spend an Average of $33,391 on Weddings, Incorporating Cultural, Religious and Personalized Elements," Feb. 14, 2018, XO Group
[3] "Wedding Costs Survey: 74% of Couples Will Take on Debt to Get Married," Feb. 28, 2016, Student Loan Hero
[4] "Study: Average Honeymoon Cost," Sep. 10, 2017, Credit Donkey
[5] "Estimated Median Age of First Marriage by Gender: 1890 to 2018," Feb. 3, 2019, The Spruce
[6] "Current Credit Card Interest Rates," March 27, 2019, Bankrate
[7] "Current Home Equity Interest Rates," March 27, 2019, Bankrate
[8] "The Knot and PayPal Wedding Finance Survey Delves Deep into Millennial Couples' Wallets," Sep. 28, 2015, The Knot
[9] "Wedding Loans: Compare Your Financing Options," Oct. 22, 2018, NerdWallet

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