



February 18, 2016

Weddings in the Northeast? Vacations in the South? LendingTree Analysis Reveals How Personal Loan Purposes Vary by Region

Study also exposes seasonal trends in loans

CHARLOTTE, N.C., Feb. 18, 2016 /PRNewswire/ -- Residents of the Northeast more commonly want [personal loans](#) to help fund their wedding costs than those in other regions while Southerners seek out loans disproportionately to pay for vacations and medical expenses, reflecting differing financial priorities that line up with the nation's regional borders.



Those are some of the findings from a new analysis of seasonal and geographic variations in loan types by LendingTree®, the nation's leading online loan marketplace. The company examined the selected purposes for personal loan requests made on LendingTree's personal loan marketplace from January through December 2015.

"We know that [debt consolidation](#) and credit card refinancing are the most common purposes for personal loans regardless of season or location, but we really wanted to examine all the other reasons people utilize personal loans, and to confirm how geography or seasonality factors into those requests," said Doug Lebda, founder and CEO of LendingTree.

More than 2.6% of loan requests coming from Northeastern states are earmarked for nuptials, the highest percent of any U.S. region. The average loan offered for a wedding nationally comes in at roughly \$11K.

A little more than 3.4% of Southerners who request loans do so to cover their vacation costs (national loan offer average: about \$8K) and 8.13% do so for home improvement (national loan offer average: about \$19.5K), more than the percentages of any other region.

Loan requests fit into one of thirteen types, with debt consolidation (39.6%) and credit card refinancing (15.9%) being the most commonly-cited purpose for requesting a personal loan. The others in order of national popularity are: car financing (8.0%); home improvement (7.3%); moving and relocation (7.3%); medical expenses (5.0%); major purchases (4.8%); vacations (3.1%); business (2.7%); wedding expenses (2.1%) and green loans (.8%).

Loan requests from those in the Western states are more commonly sought for business purposes, and in the Midwest loan requests skew inordinately toward major purchases which could be anything from college tuition to major home appliances.

"By studying the purposes behind personal loan requests, we're able to pull back the curtain on the economic disparities and regional differences in financial priorities we see in this country," said Lebda. "Places where people typically have higher incomes and more business startups, like the West, are leveraging more personal loans to start or grow businesses. Southern states, which tend to have slightly lower household incomes are using personal loans to help with medical bills more than other US regions."

Seasonal loan variations

Loan requests also vary according to the calendar, to reflect the ebbs and flows in the financial choices people make seasonally.

Wedding loan applications, for example, rise in the spring and summer, along with vacation loan requests, aligning with peak seasons for both activities (biggest percent for each loan type highlighted).

Loan Purpose	Winter	Spring	Summer	Fall
Business	3.09%	3.33%	2.33%	2.37%
Car Financing	8.00%	9.01%	7.66%	7.69%
Credit Card Refinance	16.02%	14.45%	16.61%	16.18%
Debt Consolidation	38.99%	38.21%	39.78%	40.57%
Green Loan	1.04%	0.67%	0.68%	0.85%
Home Buying	4.34%	3.69%	2.73%	3.52%
Home Improvement	6.95%	7.96%	7.29%	7.10%
Major Purchase	4.92%	5.16%	4.61%	4.55%
Medical Expenses	5.11%	4.73%	4.77%	5.21%
Moving and Relocation	6.96%	7.08%	7.46%	7.43%
Vacation	2.66%	3.28%	3.81%	2.55%
Wedding Expenses	1.9%	2.4%	2.3%	2.0%

"Access to credit is expanding, due in part to technology and more online lending platforms, which is great news for consumers" said Lebda. "Personal loans can be a cost-effective way to finance certain expenses as long as you only borrow the necessary amount. Before taking on debt for any reason, it's crucial to understand the loan terms and to budget for the new monthly payments. Even though you may qualify for a loan, it may not always be the right financial choice for your situation."

Methodology

LendingTree analyzed personal loan requests made from January 1, 2015 through December 31, 2015 from borrowers who provided a reason or purpose for their potential personal loan.

Regions:

Western region includes CA, AZ, CO, WA, NV, OR, NM, UT, ID, MT and WY

Midwestern region includes IL, OH, MI, IN, MO, MN, WI, KS, IA, NE, ND and SD

Southern region includes TX, FL, GA, NC, VA, MD, TN, AL, SC, KY, LA, OK, AR, MS, WV and DC

Northeastern region includes NY, PA, NJ, MA, CT, RI, NH, ME, VT and DE

DATA DETAILS

Loan Purpose by region (biggest percent of loan type highlighted)

Loan Purpose	West	Midwest	South	Northeast	Total US
Business	2.87%	2.30%	2.87%	2.56%	2.70%
Car Financing	7.47%	8.17%	8.43%	7.45%	8.01%
Credit Card Refinance	17.55%	15.74%	13.99%	18.75%	15.91%
Debt Consolidation	42.83%	40.16%	38.61%	37.71%	39.55%
Green Loan	0.80%	0.72%	0.88%	0.74%	0.81%
Home Buying	2.14%	4.81%	3.61%	3.26%	3.50%
Home Improvement	4.98%	7.76%	8.13%	7.29%	7.30%
Major Purchase	4.48%	4.81%	4.90%	4.69%	4.77%
Medical Expenses	4.90%	4.65%	5.57%	4.02%	4.97%
Moving and Relocation	7.24%	6.24%	7.54%	7.78%	7.27%
Vacation	2.77%	2.55%	3.41%	3.17%	3.07%
Wedding Expenses	2.0%	2.1%	2.1%	2.6%	2.1%

State with highest percent of each loan type

Loan Purpose	% of loan requests for purpose (national)	Top State	% of loan requests for purpose (top state)
Business	2.7	FL	3.55
Car Financing	8.01	KY	9.69
Credit Card Refinance	15.91	NJ	20.68
Debt Consolidation	39.55	UT	50.44
Green Loan	0.81	MS	1.31
Home buying	3.5	WV	6.86
Home improvement	7.3	WV	12.88
Major purchase	4.77	LA	5.42
Medical Expenses	4.97	WY	7.26
Moving and Relocation	7.27	DC	11.4
Vacation	3.07	DC	5.99

Avg loan offered, by region and type (highest loan offered of each type highlighted)

Loan Purpose	West Region Total	Midwest Region Total	Southern Region Total	Northeast Region Total	National
Business	\$ 13,545.31	\$ 13,513.01	\$ 13,525.99	\$ 13,501.34	\$13,542.11
Car Financing	\$ 18,343.74	\$ 20,298.06	\$ 18,117.02	\$ 19,893.00	\$21,540.80
Credit Card Refinance	\$ 21,155.25	\$ 20,416.90	\$ 22,215.54	\$ 20,498.45	\$22,612.67
Debt Consolidation	\$ 20,665.53	\$ 22,384.04	\$ 20,457.97	\$ 22,035.25	\$20,611.83
Green Loan	\$ 10,712.42	\$ 10,757.31	\$ 10,605.87	\$ 10,794.25	\$10,562.80
Home Buying	\$ 14,069.62	\$ 13,919.07	\$ 13,982.80	\$ 14,032.87	\$13,881.63
Home Improvement	\$ 18,308.33	\$ 17,747.60	\$ 18,120.62	\$ 17,691.17	\$19,538.04
Major Purchase	\$ 12,925.32	\$ 12,879.54	\$ 12,885.46	\$ 12,882.11	\$12,793.00
Medical Expenses	\$ 36,335.31	\$ 44,035.17	\$ 35,672.39	\$ 32,302.35	\$44,753.01
Moving and Relocation	\$ 10,701.23	\$ 11,097.75	\$ 10,552.51	\$ 11,128.26	\$11,847.09
Vacation	\$ 8,568.02	\$ 8,520.53	\$ 8,483.32	\$ 8,422.85	\$8,162.68
Wedding Expenses	\$ 11,206.03	\$ 11,090.23	\$ 11,210.83	\$ 11,173.88	\$11,158.99

Avg Requested loan amount (national)

Personal Loan Purpose	Avg Requested Amount	% of Total Personal Loans Requested
Business	\$13,548.49	2.70%
Car Financing	\$8,054.10	8.01%
Credit Card Refinance	\$12,936.33	15.91%
Debt Consolidation	\$10,991.63	39.55%
Green Loan	\$5,383.89	0.81%
Home Buying	\$18,427.90	3.50%
Home Improvement	\$11,308.81	7.30%
Major Purchase	\$8,671.56	4.77%
Medical Expenses	\$4,795.14	4.97%
Moving and Relocation	\$4,196.79	7.27%
Vacation	\$3,849.83	3.07%
Wedding Expenses	\$7,304.61	2.1%

About LendingTree

LendingTree (NASDAQ: TREE) is the nation's leading online loan marketplace, empowering consumers as they comparison-shop across a full suite of loan and credit-based offerings. LendingTree provides an online marketplace which connects consumers with multiple lenders that compete for their business, as well as an array of online tools and information to help consumers find the best loan. Since inception, LendingTree has facilitated more than 55 million loan requests. LendingTree provides free monthly credit scores through My LendingTree and access to its network of over 350 lenders offering home loans, personal loans, credit cards, student loans, personal loans, business loans, home equity loans/lines of credit, auto loans and more. LendingTree, LLC is a subsidiary of LendingTree, Inc. For more information go to www.lendingtree.com, dial 800-555-TREE FREE, like our Facebook page and/or follow us on Twitter @LendingTree.

MEDIA CONTACT:

Megan Greuling
704-943-8208
Megan.Greuling@lendingtree.com

Logo - <http://photos.prnewswire.com/prnh/20110518/MM04455LOGO>

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/weddings-in-the-northeast-vacations-in-the-south-lendingtree-analysis-reveals-how-personal-loan-purposes-vary-by-region-300222036.html>

SOURCE LendingTree

News Provided by Acquire Media