

Mortgage protection

You never know what life has in store. Is your family financially protected?



“When you’re buying life insurance, there are a few things to keep in mind. Make sure you understand the policy.”

IF YOU OWN A property, it’s important to have sufficient life insurance in case something happens to you. If you die, your family may still need to pay off the mortgage and other expenses, and life insurance can help with that.

Should you pass away within the policy term, it lets you leave a lump sum behind to help your loved ones maintain their living standards.

THINGS TO KEEP IN MIND

When you’re buying life insurance, there are a few things to keep in mind. Make sure you understand the policy. What amount do you need it to cover? Does the level of cover need to reduce as your mortgage loan is repaid over time? How much will your beneficiaries receive? Make sure you know the answers to these questions before you purchase a policy.

Consider your situation. This will depend on things like your age, health and family situation. You may want to get a policy that covers more than just your mortgage payments, in case something happens and your family needs extra financial support.

COMPARE DIFFERENT POLICIES

Obtain professional advice to compare different policies. There are many different life insurance companies and policies to choose from, so it’s important to understand the coverage and costs of different policies to find the one that’s right for you.

Make sure you consider the terms of the policy. What are the exclusions? What happens if you miss a payment? Make sure you know all of this before you purchase a policy.

MORTGAGE PROTECTION – DECREASING TERM LIFE INSURANCE COVER

This could help your loved ones pay off a repayment mortgage or a long-term loan if you pass away during the policy term.

HERE’S HOW IT WORKS

The cover lasts for a specific number of years – usually how long you have left to pay on a repayment mortgage – and your monthly premiums are fixed. The amount you have left to pay on a repayment mortgage gradually decreases over time, and so does the

cover amount. The money could effectively be enough to pay it off at whatever point you pass away during the policy term. It usually costs less than level term life insurance cover.

FAMILY PROTECTION – LEVEL TERM LIFE INSURANCE COVER

You might choose this type of cover to help maintain the living standards of your family. So while it could be used to pay off an interest-only mortgage or keep up mortgage repayments, it could also help make up for your lost salary when it comes to general living costs and monthly outgoings.

HERE’S HOW IT WORKS

Cover lasts for a specific number of years, and the payout amount and monthly premiums are fixed, unless

you choose to protect your cover amount from the effects of inflation. You can choose inflation protection, so the lump sum won’t be worth less in the future because of the rise in the cost of living. It usually costs more than decreasing term life insurance cover, as it’s a set lump sum that doesn’t decrease over time

MAKE SURE YOU’RE PROTECTED TODAY

Remember, don’t wait until it’s too late. If you wait until you’re sick or old to buy life insurance, it will be much more expensive, so get life insurance when you’re young and healthy, so that you can get the best rates.

If you follow these tips, you’ll be able to find the right life insurance policy for you, so make sure you’re protected today. ♦

>> LOOKING FOR PEACE OF MIND FOR YOUR FAMILY AND YOUR HOME? <<

Whether you’re a first-time buyer or only have a few years left on your mortgage, make sure your family is protected and the mortgage is covered if you die or become terminally or critically ill. To find out more, speak to **Omni Finance** – telephone **01424 236903** – email **Simon.hickman@omnifinance.co.uk**.