

# Hints For Homebuyers

## Protect Your Home With Term Life Insurance

by Abbey Wagner, *InsWeb*

(NAPSA)—There may be a better way to protect both your mortgage and your family than with traditional mortgage life insurance.

The sole purpose of mortgage life insurance is to pay off a mortgage if a homeowner passes away while money is still owed on a home. Proceeds from this type of insurance do not go to the insured's heirs, but are paid directly to the mortgage lender.

Experts find that homeowners are discovering several factors that make term life insurance a smarter and more affordable alternative to mortgage life insurance, especially when a homeowner shops around and compares coverage amounts and rates.

First, term life insurance is very affordable. For example, a 35-year-old healthy male can find a \$250,000 30-year policy from a top-rated company for under \$25 a month at *InsWeb*. A comparable female's rates are even lower—under \$22 a month.

Second, term life insurance can offer comprehensive coverage, covering more than just the balance of your loan. When a loved one passes away, there are often more expenses involved for those left behind than just the mortgage. By choosing your coverage amount and the length of the coverage, you can personalize your coverage to your needs.

Third, term life insurance proceeds go to the designated beneficiaries, not the lender. This means that the beneficiaries can use



**Experts say term life insurance can be a more affordable alternative to mortgage life insurance—and offer better coverage.**

term life insurance proceeds however they want, such as to pay off high-interest credit card debt, pay for education or pay off any medical expenses incurred by the insured before he or she passed away—in addition to paying off the mortgage.

Also, as opposed to mortgage life insurance, term life insurance pays a death benefit even if the mortgage is already paid off.

Finally, term life insurance can often offer a better value. The National Association of Insurance Commissioners (NAIC) says that mortgage insurance lenders pay out only about 40 cents in benefits for every dollar consumers spend buying that type of policy, compared with 90 cents on the dollar paid out to consumers who hold regular term life policies.

*InsWeb is a Web site dedicated to helping consumers get the best deal on term life insurance. To learn more, visit [www.InsWebLife.com](http://www.InsWebLife.com).*