HomeownerLifeInsurance

FREE CHECKLIST

New homeowner coverage checklist: closing to year one

From the closing table to your first anniversary as an owner

Tick each box as you go. The list follows the order most new owners meet these decisions: before closing, the first month, the day you apply, the papers that protect you, and a yearly review. It is a prompt, not advice.

Before closing

- [ ] List who depends on your income and who shares the mortgage payment.
- [ ] Ask for your loan estimate and note the loan amount, the rate and the term.
- [ ] Find out what life insurance you have through work, how much it is, and what happens to it if you leave.
- [ ] Confirm your homeowners insurance starts on closing day. Lenders usually require it.
- [ ] Remember that private mortgage insurance, if you pay it, protects the lender and not your family.

In the first month

- [ ] Put your loan balance, term and monthly payment on one page.
- [ ] Run the mortgage coverage calculator at homeownerlifeinsurance.com/tools and note the result.
- [ ] Decide who needs cover: each person whose income the loan depends on, and a stay at home parent whose work would cost money to replace.
- [ ] Choose a term that lasts at least as long as your longest need, the years left on the loan or the years until your youngest child is grown.
- [ ] Ask a licensed agent to compare prices from several insurers.
- [ ] Read a sample policy for the beneficiary, any shrinking benefit and the free look period.

General education, not insurance, legal or tax advice. Figures are examples unless a source is named. Prices and rules vary by state and insurer.

On the day you apply

- [ ] Answer every health and tobacco question fully and honestly.
- [ ] Name a primary and a backup beneficiary, using full legal names.
- [ ] Choose a bank draft for the premium if it is offered, so a payment is not missed.
- [ ] Write down the policy number, the insurer and your agent's contact details.
- [ ] Tell your spouse or a trusted person where the policy papers are kept.

Papers that protect you

- [ ] A will that names guardians for any children.
- [ ] Beneficiary forms on retirement accounts that match your wishes.
- [ ] The deed, the loan note and your insurance cards in one folder a family member can find.
- [ ] A list of account numbers and passwords stored somewhere safe.

Every year

- [ ] Review beneficiaries after a marriage, a divorce, a birth or a death.
- [ ] Compare the policy end date with the years left on the loan.
- [ ] Rerun the numbers after a refinance, a HELOC, a raise or a new child.
- [ ] Check that the premium is still being drafted.
- [ ] If you sell or pay off the home, decide whether to keep, lower or end the policy.

> A checklist is not advice. Ask a licensed agent, a tax professional or an attorney about your own case.

Sources

- CFPB, buying a house
  www.consumerfinance.gov/owning-a-home/
- NAIC, life insurance consumer guide
  content.naic.org/consumer/life-insurance.htm
- 12 U.S.C. 1701j-3, Garn St Germain Act
  www.law.cornell.edu/uscode/text/12/1701j-3

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Compare prices from a licensed agent at homeownerlifeinsurance.com/quote

homeownerlifeinsurance.com/quote or call (888) 635-3511

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