Consider Term Life Insurance when buying your home

Homebuyers have insurance options beyond mortgage insurance. Here are some more details about the difference between mortgage insurance and term life insurance.

Mortgage Insurance	Term Life Insurance
The lender owns the policy and the lender can increase the premiums or terminate the policy at any time	You own the term life insurance policy, and only you can cancel the insurance
Premiums remain the same for declining insurance coverage & death benefits – as your mortgage decreases, so does your coverage	You have a guaranteed premium rate and coverage throughout term
The named beneficiary in mortgage insurance is always the bank. Mortgage insurance reimburses the bank for your mortgage loan if a person listed on the mortgage passes away	You choose the beneficiaries for your life insurance payout
Each time you renew your mortgage or change lenders, you have to renew your insurance coverage	Coverage continues for the life of the term insurance policy selected and are not related to your mortgage renewal, specified property or lender.
Your premiums are the same as everyone in the group regardless of age, health and lifestyle	Your premiums are based on your age, health and lifestyle choices.
All the underwriting is done after a claim is made	Minimal medical requirements – under-writing is done at the time of application
Coverage cannot be more than the outstanding mortgage balance, and your insurance coverage ends with the mortgage	Flexibility with options to change or add to the policy over the term of the contract
Banks are often limited to one insurance choice	Your insurance broker is licensed and trained to understand your total insurance needs, and can shop the market for the best rates from all the insurance providers