

WHITEHURST LIFE GROUP

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# The 5 Mortgage Protection Mistakes New Homeowners Make

A plain-language guide to making sure the home you just bought stays in your family's hands — no matter what.

A free guide from Landis Whitehurst,  
independent insurance broker

## Why this guide exists

Buying a home is the biggest financial commitment most families ever make. Mortgage protection life insurance exists for one simple reason: so that if the unexpected happens to you, your family can stay in the home you worked so hard to buy.

But after helping families with this for years, I've noticed the same five mistakes come up again and again — and every one of them is avoidable. This short guide walks through each one in plain language, with no jargon and no sales pitch, so you can make a confident decision about protecting your home.

Read it in ten minutes. Keep it in a drawer. And if you want a second set of eyes on your own situation, my door is open — details at the end.

### MISTAKE #1

#### Taking the lender's offer without shopping around

At closing, your lender may offer you mortgage life insurance on the spot. It's convenient — and that's exactly the point. When there's only one option on the table, you have no way to know whether it's a good value or simply the only value.

As an independent broker, I shop coverage across many carriers, and the difference between the first offer you see and what the wider market offers can be significant. You are almost never required to buy your lender's product, and you can usually put coverage in place after closing just as easily as at the closing table.

**Do this instead:** Get at least one independent comparison before you decide. A ten-minute conversation with a broker who represents multiple carriers — not just one — tells you what the market actually looks like for someone in your situation.

### MISTAKE #2

#### Covering only the mortgage balance — not the cost of living in the home

Most people size their coverage to the loan amount. But the mortgage payment is only part of what it costs to keep the house: property taxes, homeowners insurance, maintenance and repairs, utilities, and childcare all continue whether the mortgage is paid off or not.

A plan that erases the loan but leaves your family unable to afford everything around it hasn't finished the job. The real question isn't "how big is my mortgage?" — it's "how

much would my family need each month to stay in this home comfortably?"

**Do this instead:** Add up the full monthly cost of staying in your home — not just principal and interest — and size your protection around that number, plus a cushion for the unexpected.

### **MISTAKE #3**

## **Putting it off until "later"**

After the exhaustion (and expense) of buying a home, protection planning feels like something for next year. But health changes, and what you qualify for — and at what cost — is generally best when you're youngest and healthiest.

"Later" has a way of becoming five years later, after a diagnosis or a birthday that narrowed your options. The families I see in the toughest spots are rarely the ones who bought too early.

**Do this instead:** Put something in place now, even if it's a starting point. Coverage can be adjusted as your life changes — but you can't go back and buy at last year's health and age.

### **MISTAKE #4**

## **Naming the lender — instead of your family — as beneficiary**

Some lender-offered products pay the lender directly, and the payout shrinks as you pay down the loan. Your family never touches the money and never gets a say in how it's used.

When your loved ones are the beneficiaries, they stay in control. They can pay off the mortgage, keep making payments and invest the rest, or use the funds wherever the need is greatest. Flexibility matters most at exactly the moment this money arrives.

**Do this instead:** Name people you trust as beneficiaries — not institutions — and revisit those designations after every major life event: marriage, divorce, a new child, or a death in the family.

### **MISTAKE #5**

## **Never reviewing coverage after life changes**

The policy that fit your starter home may not fit the bigger house, the bigger mortgage after refinancing, the new baby, or the promotion that raised your family's standard of living. Yet most people buy once and never look at it again.

Life moves; your protection should move with it. An annual review takes minutes and is the difference between coverage that fits and coverage that only used to fit.

**Do this instead:** Review your coverage once a year — and right after any big change: refinancing, a new child, a new job, a marriage, or taking on new debt. Put the review on your calendar like an oil change.

## Want a second set of eyes on your plan?

I'm Landis Whitehurst, an independent insurance broker and the owner of Whitehurst Life Group. I help new homeowners make sure their home stays protected — with a free, no-obligation conversation and comparisons across many carriers.

Book your free consultation:

[calendly.com/landiswhitehurst-sfg/new-meeting](https://calendly.com/landiswhitehurst-sfg/new-meeting)

Thank you for reading. The best time to protect your home was the day you bought it — the second-best time is today.

*This guide provides general educational information only and is not personalized financial or insurance advice.*