

INSURANCE

Buying a home is a big commitment and it can be a good time to review all your arrangements. You need to make sure you protect your home financially too. This means making sure that you have sufficient cover in place to help protect your mortgage.

- **Life Cover:** This is designed to provide a lump sum that could be used, for example, to help repay a mortgage if you die during the term.
- **Critical Illness Cover:** This is designed to provide a lump sum payment if you are diagnosed with one of the specified critical illnesses covered by your policy and are eligible to claim. The benefit paid out could provide money to help repay the outstanding mortgage amount or other expenses such as long term care.
- **Mortgage Payment Insurance:** If you are unable to work because of an illness or an accident resulting in a loss of earnings, or you become unemployed (if this type of cover is chosen) and cannot keep up your mortgage payments, you could lose your home. It is therefore important that you take steps to protect your mortgage payments. You can take cover to protect your payments for a specified period, usually for the term of your mortgage. You should discuss the cover options available with your mortgage consultant. Payment Protection Insurance is optional. There are other providers of Payment Protection Insurance and other products designed to protect you against loss of income.
- **Buildings & Contents Insurance:** It is usually a condition of your mortgage that you take out 'buildings insurance' to protect you home if you have a leasehold property, you should check the terms of your lease to ascertain your buildings insurance requirements. For your peace of mind, it is also important to arrange adequate 'contents insurance' so your belongings are covered against things like fire, theft and flood. Ask your mortgage consultant for further information on how they could help you.