

MORTGAGE INSURANCE v. TERM LIFE INSURANCE	
Cost Difference	<ul style="list-style-type: none"> ➤ Mortgage Insurance is more expensive and your coverage shrinks as you pay down your mortgage, although your premiums remain unchanged ➤ Term Life Insurance provides you with a fixed amount of coverage that you can set in accordance with your debt load <ul style="list-style-type: none"> ❖ The younger and healthier you are, the cheaper it is
Does Mortgage Insurance really cover you?	<ul style="list-style-type: none"> ➤ You are not approved until you die and the mortgage must be kept current while the Underwriters are determining whether the coverage will be provided ➤ Statistics are very low in terms of qualifying for this coverage and if it is declined, the widow will only receive a refund for the premiums paid ➤ Although the mortgage may be paid out, this type of insurance will not payout any cash which may leave the widow in desperate need of cash until the house sells
Which type of insurance is better?	<ul style="list-style-type: none"> ➤ Term Life – it is cheaper, provides more coverage and gives the widow the cash required to maintain the home and any debts if the home needs to be sold
TENANCY	
When is this used?	<ul style="list-style-type: none"> ➤ If your transaction will not close on time because the mortgage money has not yet arrived
What are the requirements?	<ul style="list-style-type: none"> ➤ You have signed all of your documents with the lawyer ➤ You have property insurance in place ➤ Your down payment is in trust with the lawyer ➤ The Seller agrees to allow you to move in despite not having all of the required funds ➤ You agree to pay Prime + 3% on the amount due to the Seller (this is considered your “rent”) ➤ You agree not to make changes to the home until you have paid in full