Why you should consider term life insurance in your 20s and 30s

Legal & General

Life insurance? Under 30?
You might be asking yourself why anyone who's young and healthy would even need to think about life insurance. Well, as it turns out there are a lot of good reasons for people to consider getting term life insurance as early as possible.

Protect your family. Now.
Many people often ask themselves what's the best age to buy life insurance? When you're young and single, and no one financially depends on you, you probably think you don't need it. But family obligations come in many forms, and life can change on a dime. Being prepared for the unexpected is far better than scrambling to figure things out once it's too late. We all have people we care about--people who we want to protect even if we're no longer around.

Family members.
Even if you're single, there may still be someone who depends on you. Perhaps a parent, or a sibling. But what if you (and your income) were suddenly gone? What would your loved ones do? Having a life insurance plan in place when you're starting out gives you peace of mind, knowing the people you care about will be taken care of should something happen to you.

Your coverage will never cost less.
While life insurance may be the last thing on your mind in your 20s and 30s, the fact is you're passing up a once-in-a-lifetime opportunity by waiting until you're older. Life insurance premiums are calculated based on your age and health when you initially buy the policy. Being young and healthy means your premiums will be lower than at any other time in your life. And with every year that you wait, the premiums will typically increase. Rather than saving money by skipping life insurance for all those years, you've actually cost yourself a great deal more in higher premiums later on.

Easy to qualify.
Remember when we said being young and healthy meant low premiums? Well, being in tip-top health is also an advantage. In fact, you may be able to get the life insurance coverage you need right away – without the inconvenience of a medical exam. That saves time and money. And think of the alternative. You wait 25 years or so. You may still be in great shape. You exercise. Eat well. But your blood pressure is just a little high. Or you may have a few extra pounds you can't get rid of. And suddenly you find that getting the coverage you need has become not only more expensive, but more difficult as well.

There's a lot more to come. And a lot more to protect.
When you get life insurance you have to remember you're not just protecting what you have now, but everything you and your family could have in the future. That's why for many people term life is the best type of life insurance for a 30-year old because it offers the best of both – affordable coverage and the protection you need during the years you need it.

In order to figure out how long you'll need coverage, think about where you are in your life right now. Have you just started a family? Then you might consider a policy that protects your family until your youngest graduates college. Are you in your 30s, and just bought a house? Maybe you want to get a longer term to make sure the mortgage is paid so your spouse doesn't have to raid your retirement savings to get by.

Your debts and final expenses are covered.
Many people don't realize that when they die their financial obligations live on. And some of us can have quite a bit more debt than we realize, from credit cards and car loans to student loans and mortgages. In fact, the average 35-year old has $133,100 in debt on average. And like we said, it doesn't just go away once you die.

Your debts and final expenses — continued

Let's look at the type of debt you may have. If your parents co-signed a car loan or a credit card, they'd be responsible for paying that off after your death. Depending on what state you live in, your spouse may also be financially obligated to pay off all your debts even if he/she wasn't a co-signor. And while government student loans are forgiven, private student loans are not. Anyone who co-signed for your student loans are on the hook for those too.

We know no one wants to think about it, but on top of everything else, your loved ones will have to pay for your funeral. And that could really hurt. Because the average funeral now costs about $8,755, according to the National Funeral Directors Association. And then there's the rent, car payment, bills, and all the usual day-to-day expenses that are a part of life.

Your life has only just started. Protect it.

While it may seem like you don't need life insurance because you don't have anything to protect, chances are you probably have a lot more that needs protecting than you realize. Plus, it's always smart to plan for the future. Are you planning on buying a house one day? Settling down and getting married? Maybe even having a few kids? If the answer is yes to any of those questions, then you should consider getting life insurance while you're young and healthy.

So, if you're still asking yourself what's the best age to buy life insurance – the answer is now.

A licensed agent can help you get the right amount of coverage.

Let's talk. Give me a call today.

Statistics from National Funeral Directors Association - General Price List Survey 2017.

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