THE EASON BROKERAGE

The New Homeowner's Protection Guide & Checklist

Buying your first home is a monumental achievement, but it also comes with new financial responsibilities. Our curated guides help you navigate the transition from renter to protected homeowner with confidence. This checklist is designed to help you organize your immediate household safety tasks while securing your largest financial asset.

📋 PART 1: The Essential Home Security & Setup Checklist

🗓️ Week 1: Immediate Safety & Property Security

- **[ ] Re-key All Exterior Entry Points:** Change deadbolts and doorknob locks on your front, back, and garage doors immediately upon closing.
- **[ ] Reset Garage Door Electronic Codes:** Wipe existing memory channels on external garage door keypads and vehicle remote transmitters to ensure past owners lack entry permissions.
- **[ ] Map Primary Utility Shut-Off Isolation Valves:** Locate and clearly label your main water shut-off valve, electrical breaker panel, and natural gas lines so you can act quickly in a crisis.
- **[ ] Audit Life-Safety Detectors:** Install fresh batteries and test all smoke alarms and carbon monoxide detectors on every floor of the home.
- **[ ] Establish Secure Digital Infrastructure:** Change default administrator passwords on home Wi-Fi routers, smart locks, and security camera hubs.

🗓️ Month 1: Financial & Asset Protection

- **[ ] File Property Tax Homestead Exemptions:** Submit your new deed paperwork to the local county assessment office before state deadlines to lower your primary taxable property baseline.
- **[ ] Document a Cloud-Based Asset Inventory:** Take video logs and photographs of appliances, electronics, furniture, and personal items, saving records securely to cloud storage directories for insurance backup.
- **[ ] Set Aside an Emergency Property Maintenance Reserve:** Open a high-yield checking or savings tier dedicated exclusively to unexpected capital expenses like roof leaks, structural issues, or broken appliances.

📖 PART 2: Curated Financial Protection Guides

🔍 Mortgage Protection vs. Term Life Insurance

Understanding your options is critical to choosing the right shield for your home:

- **Mortgage Protection Insurance (MPI):** A specialized policy where the death benefit decreases over time to match your remaining mortgage balance. If you pass away, the insurance company pays the lender directly to wipe out the debt.
- **Term Life Insurance:** A flexible policy that provides a locked-in, level death benefit for a set period (e.g., 20 or 30 years). If you pass away, the cash is paid directly to your family, allowing them to decide whether to pay off the mortgage, cover monthly bills, or invest it.

🔢 How Much Life Insurance Do New Homeowners Need?

As a general rule, a foundational safety net should equal **10x to 12x your annual income**, plus the **total outstanding balance of your home loan**. This ensures your family can completely pay off the property and maintain their standard of living without your income.

❓ What Happens to My Mortgage If I Die?

A common misconception is that a mortgage disappears when a borrower passes away. In reality, **the debt stays with the property**. If a co-signer or heir wishes to keep the home, they must continue making the monthly payments. Without proper life insurance or mortgage protection in place, the home may have to be sold to satisfy the loan.

🚫 5 Financial Mistakes New Homeowners Make

1. **Overestimating DIY Skills:** Trying to fix complex plumbing or electrical issues without a professional often leads to costlier secondary repairs.
2. **Draining All Savings for the Down Payment:** Leaving yourself with no emergency fund puts you at severe financial risk when an appliance breaks or a roof leaks.
3. **Ignoring Supplemental Individual Coverage:** Relying entirely on employer-provided group life insurance, which typically vanishes if you change jobs or get laid off.
4. **Rushing Into Large Retail Purchases:** Buying expensive new furniture or appliances on credit immediately after closing can strain your debt-to-income ratio and daily cash flow.
5. **Failing to Shop the Insurance Market:** Accepting the first home or life insurance quote you receive rather than using an independent broker to compare top-rated carriers for the best market value.

👥 Should Both Spouses Have Life Insurance?

Yes, absolutely. If both spouses earn an income, losing either salary could make a mortgage payment unsustainable. Even if one spouse works primarily inside the home, their contributions (childcare, household management, transportation) have a massive financial value that would be incredibly expensive to replace out-of-pocket.

⏳ Life Insurance After Buying a Home

Your financial footprint expands significantly the moment you sign a mortgage closing disclosure. Life insurance after buying a home shifts from a tool meant simply to cover basic living expenses into a **critical legacy-protection asset**. Securing coverage early locks in lower premium rates based on your current age and health status, insulating your household from future volatility.

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