

Many years ago when I was in the field writing Mortgage Protection, I used an alternate close that I found very effective. It went something like this:

“You have two ways that you can set up your Mortgage Protection tonight... you can either rent it or own it. Either option gives you the protection you want and need, it’s just a matter of your preference.”

The ownership type of policy is a Non-Med UL up to \$249,000 through age 50

“The benefits of ownership are:

- 1) You build equity in your policy
- 2) You can carry the coverage beyond the life of your mortgage loan
- 3) You can borrow against the equity in the policy without any qualifications
- 4) You can skip payments on occasion if desired
- 5) You can use it to accelerate the payoff of your mortgage (an alternative to a bi-weekly payment)”

Everyone will want the “ownership” option. They will also understand that it costs more than renting... but that you get what you pay for. How do I know this? Because they own a home and I guarantee you that they pay more now than they did when they rented. However, not everyone will be able to afford the “ownership” option (budget-wise) right out of the gate, so you need to adjust accordingly. When you quote rent vs. own, quote the Royal Neighbors DBUL product at Target premium for the “own it” option, and at Minimum premium for the “rent it” option. The ULDB has a minimum 20-25 year guarantee... think of it like level term. You will receive the full commission to target even at minimum and the client can increase their payments whenever they see fit. A true win, win! It’s so simple, yet so very effective.

You may wonder why I changed to the concept of dollars back or no dollars back as an option for my closes? That was because ROP term products came out and were non-med up to \$250,000. The UL/term back then was fully underwritten.

The ULDB presents an exciting opportunity today to close sale after sale and give your clients the flexibility and great value they deserve, while increasing your commissions at the same time.

Mike Passaglia

