

INCOME PROTECTION - REALTORS

What's the best policy for a real estate agent?

As a real estate agent, your income is dependent on your ability to generate new listings and sales. While you could continue to work through some types of disabilities, it's proven to be difficult to earn the same level of commission. Therefore, so many agents look for a policy that would pay out a percentage of the benefit based on a loss of income. This means that you do not need to be totally disabled to claim. If your income decreases due to disability, your insurance policy would pay out a percentage of the benefit to top up your income during a period of disability.

You would also want your policy to continue to provide you an income following a period of disability to help with the transition in getting back to work. You may need some time to start over your prospecting and marketing efforts to generate new listings and sales. It's important to work with a broker who understands your business and knows which carrier will offer you the most value based on your years of experience and earned income. Otherwise, you could end up paying more than you need to for the coverage.

Do I need to protect my income?

I think the better question is, could you afford the consequences of not having long term disability insurance? Undoubtedly your income is very important to you. Your way of life depends on it. Most successful real estate agents understand this simple fact and, therefore, take appropriate measures to protect their most important asset -- their ability to earn an income.

I heard disability insurance can be expensive?

It's more affordable than you may think. Most disability policies for real estate agents cost between 2% - 6% of your annual income. The best time to purchase disability insurance is when you are young and healthy. Remember, money funds the policy but health buys it. As soon as you have a medical concern, the insurance company would likely exclude anything to do with that medical concern or decline you for coverage altogether. Some policies also offer a return of premium option, where you can receive up to 50% of your premiums back every 7 years.

What exactly is disability insurance protecting?

Disability insurance simply protects your paycheque if an injury or illness prevents you from working. There are different definitions of disability in the market. You should look for a contract that provides you with a "regular occupation" or "own occupation" definition and stay away from contracts that carry the "any occupation" definition. This will prevent the insurer forcing you back to work in a different occupation at a lower pay.

How much is your paycheque worth? Take a second and do the math. If you are 35 years old earning \$80,000 per year, you would earn \$2.4 million in income by the time you are 65. This does not take in consideration that your income should increase overtime with inflation. If you factored in a 3% raise each year, you would earn \$3.8 million by the time you are 65.

How much income protection do I need?

You can protect two different things with disability insurance. One being your fixed expenses, this would include items such as your mortgage, car payments, utilities, taxes, child care, investments, etc. The other thing you may want to protect is your lifestyle, this would include things such as your shopping, entertainment, travelling, hobbies, etc. I would always recommend to have at least enough coverage to ensure that you can pay all your bills during a period of disability. Many clients worked hard to get where they are today and enjoy their current lifestyle. It would be difficult to adjust these spending habits during a period of disability and therefore you should consider protecting the amount of income you currently spend to prevent any financial stress at time of claim.

You should insure what you can't afford. Can you afford to go without a paycheque?



JEFF ROMANSKY

CHS, CPCA Principal

Protect what matters to you.

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HOW I HELP

There is not a one size fits all solution when it comes to insurance and ultimately it should be you who decides which coverage is best for you, your family and your business. It's my job to help you clearly understand your options so you can make an easy and informed decision when it comes to buying insurance.

Being an insurance broker with strong relationships at most of the major insurance carriers, I am confident that you are in great hands when I am on your side. I can help you navigate the market to ensure that you obtain the best possible coverage and price for your situation.

Since 2006, I've helped hundreds of professionals and business owners see the value of insurance, understand their own needs and implement the coverage that makes the most sense for them.

TESTIMONIALS

"Jeff was extremely knowledgeable and professional. His experience and expertise made it easy for me to understand the value of disability insurance and what options I had as a realtor. Being a broker, he could source the best insurance company for my situation. Jeff truly cares about his clients and I would highly recommend him". Chris Knighton | Real Estate Sales Representative | Keller Williams Complete

"Jeff Romansky is the consummate professional. My wife and I love that he is very punctual and always available when we need him, is very articulate and explains things so we understand, has an immense knowledge of insurance and only sells you insurance products that you need. He is by far the best insurance agent we have come across and highly recommend him to anyone needing insurance coverage. Jeff is the best in the business hands down". Sebastien Dusseault | Realtor | Keller Williams Complete & Business Owner

"I have been very impressed by the level of service Jeff provides. He helps guide you through the insurance process answering all your questions along the way. He understands that there is not a one-size fits all solution and takes the time to understand your situation. This results in having a plan in place that is right for you" Attila Biro | The Biro Team | Royal LePage



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