**Life Insurance Quick Estimator**

Client Name Date Agent Name JON FAZAKERLEY / DESERT ESTATE INSURANCE SERVICES

# You’re worth a fortune to your loved ones, if you live… But, what if something unexpected happens to you? How Much Life Insurance Is Enough?

The consumer Federation of America (CFA, 1997) recommends 6 – 8 times your income for a married couple with children. While rules of thumb may be helpful, they do not take into consideration each individuals personal situation. This worksheet provides a quick and simple method to estimate the amount of life insurance needed for your individual situation.

# INCOME NEEDS:

## Annual income your family would need if you died today

Typically between 60% - 70% of total income $

## Annual income available to your family from other sources

Including dividends, interest, spouse’s earnings (Social Security may be available) $

## Annual income to be replaced – Subtract line 2 from line 1 $

1. **Funds needed to provide income for years?**

Multiply line 3 by the appropriate factor below $

\* 10 YEARS X 8.1| 15 YEARS X 11.1| 20 YEARS X 13.6 | 25 YEARS X 15.6 | 30 YEARS X 17.3 | 35 YEARS X 18.7 | 40 YEARS X 20.0

# EXPENSES:

## Burial expenses

The average cost of an adult funeral is about $10,000 $

## Mortgage and other debts

Include mortgage balance, credit card debt, car loans, home equity loans, etc. $

## College Costs

1999 – 2000 cost of a four year education: public college - $40,276, private college - $85,696. Multiply the college costs for each child by the appropriate factor:

\*5 YEARS X .82 | 10 YEARS X .68 | 15 YEARS X .56 | 20 YEARS X .46

**Child 1:** $

## Child 2: $

**Child 3:** $

## Total College Costs $

1. **Total Capital Required** – Add lines 4, 5, 6 and 7 (total college costs) $

# ASSETS:

## Savings and Investments

Bank accounts, CD’s, stocks, bonds, mutual funds, real estate/rental property, etc. $

## Retirement Savings

IRA’s, 401(k) plans, Keoghs, pension and profit sharing plans $

## Present amount of life insurance

Include group insurance and personal insurance purchased on your own $

1. **Total of all assets** – Add lines 9, 10 and 11 $

**13. Estimated amount of additional life insurance needed** – Subtract line 12 from line 8 $

*\* Important note: Inflation is assumed to be 4%. The rate of return on investments is assumed to be 8%.*

 *Once completed you can save this under your name and 'Life Quote'*

 *and then be returned by email attachment to: Jon@CAhealthpro.com*

 *Or it can be printed and faxed to (310) 854-1985. For Questions*

 *or a no obligation consultation call (310) 854-0379*