



Lenders Insurance Solutions Group LLC

## **“Until ‘Debt’ Do Us Part”**

This may be perhaps a “tongue in cheek” way to start this month’s Payment Protection Training and Information Blog; however, not a laughing matter for many families who have been left with thousands of dollars of debt upon the death of their loved one.

\*Credit.com research, reported on May 20, 2021, found that 73% of people had outstanding debt at their time of death. The average debt left was \$61,554. For your average customer, could this be an unnecessary burden during the time of great loss and grief?

Some of the unpaid debts are mortgages, car loans, personal loans, student loans and credit cards. Also shocking is that half of these people would be stunned to find out the amount of debt they are leaving when they die. This is how that debt breaks down; 68% of debt was credit cards, 37% in unpaid mortgages, 25% of debt was car loans, 12% in unpaid personal loans and 6% created by unpaid student loans.

Age and/or demographic does not matter. Debt is an Equal Opportunity Burden. Thirty percent of Americans believe they will never pay all their bills before their death. The study by CreditCards.com in 2017 showed that 65% of millennials are unsure they’ll die debt free, and 83% of retirees over 72 aren’t sure. What is more disconcerting, though gloomy, is the actual statistics are twice as depressing.

According to the New York Federal Reserve, the average household debt in the United States climbed to almost 13 trillion in 2017. Credit card debt hit an all-time high of \$1.02 trillion. A 2017 Experian study of U.S. credit and debt showed the average American has a credit card balance of \$6,375.

Depressing? Absolutely! Death is inevitable and, in some cases, not planned. We don’t come into this world with debt, so why leave it in debt? This could be a burden on many families. The family can continue upon your customer’s death. Payment Protection will help your customer reduce and/or eliminate some debt and leave their family in a better financial position after they are gone.

Until ‘Debt’ Do Us Part is not a laughing matter anymore, it should not be part of a family’s estate. You can have the conversation with your customer and give them the information they need to leave their family financially secure.

\*<https://www.debt.org>