How Much Life Insurance Do I Need?

A simple way to find your number — without the guesswork.

It's the most common question we hear, and the honest answer is: it depends on what you'd want to protect. Life insurance isn't about a magic number. It's about making sure the people who depend on you would be okay if you weren't there. This short guide walks you through a simple way to land on a figure that actually fits your life.

START WITH THE RIGHT QUESTION

Instead of asking "how much should I buy?", ask: "If my income disappeared tomorrow, what would my family need to stay on their feet?" That reframes the whole thing. You're not buying a product — you're replacing what you provide.

THE RULE OF THUMB (AND WHERE IT FALLS SHORT)

You've probably heard "buy 10 times your income." It's a fine starting point for a ballpark, but it misses the details that matter most — your mortgage, your debts, your children's futures, and what you've already saved. Two people earning the same income can need very different amounts.

A CLEARER METHOD: D.I.M.E.

We like a simple framework called DIME. Add up four things, cover final expenses, then subtract what you already have.

D — Debt	Credit cards, car loans, and other debts your family would be left with.
I — Income	The yearly income you'd want to replace, times the number of years your family would need it.
M — Mortgage	The balance left on your home.
E — Education	A rough estimate of what you'd want to help your children with.

Then add your final expenses — funeral and final costs, often $10,000 to $15,000. Finally, subtract what you already have: existing coverage, any group insurance through work, and your savings or investments. What's left is a realistic estimate of the gap to cover.

Work Out Your Number

Type your numbers in, then add them up yourself – the boxes don't calculate.

Debts (cards, loans)	$
Income to replace (yearly income x years)	$
Mortgage balance	$
Education / children	$
Final expenses	$
Subtotal	**$**
Minus existing coverage & savings	$
= Your estimated coverage	**$**

AN EXAMPLE — THE TAYLOR FAMILY

Income: $70,000 x 15 years	$1,050,000
Mortgage	$320,000
Other debts	$30,000
Education (two kids)	$100,000
Final expenses	$15,000
Minus savings + group coverage	- $215,000
Estimated need	~ $1,300,000

That might sound like a lot, but term insurance often makes a number like this surprisingly affordable, especially when you're young and healthy.

A FEW HONEST NOTES

- Your number isn't fixed. It shrinks as your mortgage shrinks and your kids grow up, and grows with a new home or baby — revisit it every few years.
- How much is a different question from what type. Term, permanent, and blends each have a place, once you know your number.
- You don't have to cover every dollar at once. Some coverage today beats perfect coverage someday.

Want us to do the math with you?

We'll build your Coverage Blueprint — a personalized breakdown of your number and options, shopped across multiple insurers. No pressure, no obligation.

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General information, not financial advice. The right number and coverage depend on your full picture.