



**LARRY GORDON AGENCY, INC.**

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## **LIFE SETTLEMENT TRANSACTIONS INCREASED BY 11% IN 2019 AS MARKET AWARENESS CONTINUES TO GROW**

The U.S. life settlement market — in which seniors are able to sell existing life insurance policies that they no longer need or can afford to institutional investors as an alternative to lapsing or surrendering the policy back to the insurer — experienced steady growth again in 2019, according to a highly anticipated annual report published in early July.



The Deal, a business intelligence and news service, reported that 2,878 life insurance policies were settled last year, an 11% increase over the 2,587 policy sales in 2018. Moreover, the publication reported that the total amount of combined face value of those life settlements grew to \$4.4 billion, more than 15% higher than the \$3.8 billion in face amount that was sold in 2018.

The data was collected and reported by The Life Settlements Report, the industry's leading media source that is owned and published by The Deal, and is based primarily on records requested from and provided by state insurance departments. This is the 10th year that The Deal has conducted the national survey.

The most recent data yet again highlights the positive trajectory that the industry has been experiencing for the past five years:

- 2015: 1,135 settlements for \$1.6 billion face value
- 2016: 1,707 settlements for \$2.5 billion face value
- 2017: 2,027 settlements for \$2.8 billion face value
- 2018: 2,587 settlements for \$3.8 billion face value
- 2019: 2,878 settlements for \$4.3 billion face value

Such growth should continue in 2020 and beyond. [According to the U.S. Census Bureau](#), approximately 10,000 Americans are turning 65 every day. Therefore, there is a glaring need for seniors to identify additional sources of cash to fund their retirements, defray health care and long-term care expenses, and raise liquidity in a time when volatile stock and bond returns have created unforeseen financial planning pressures.

More specifically, the oldest members of this Baby Boomer generation are now reaching their mid-70s — a very attractive age range for the life settlement option — and this group will continue to increase over the next several years.

In addition to the growing market size, awareness is driving the marketplace. More seniors are aware of the life settlement option than ever before as consumer education initiatives by industry participants have been effective.

The life settlement industry offers seniors a potential solution to their cash needs with a safe, ethical and well-regulated transaction. Policy owners can quickly obtain a no-obligation fair market appraisal of their life insurance policies from an experienced and licensed broker like Welcome Funds and then compare that option to the cash surrender value offered by the insurance company. It is a powerful consumer friendly alternative that is more mainstream year after year, as confirmed by the statistics.

**Ready to get started?**

**Contact the Larry Gordon Agency today!**

**Chicago (800) 666-6988 | Rockford (800) 477-1741**

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Since 1965 the Larry Gordon Agency, Inc. has been synonymous with performance and expertise. TeamLGA specializes in multiple carrier management, aggressive impaired risk underwriting and an extensive annuity portfolio.

LGA is working with Coventry to help bring life settlements to more Americans. Coventry created the secondary market for life insurance, coining the term “life settlement” to describe the transaction that enables policyowners to sell their unneeded life insurance policies. For more than 20 years, Coventry has been the life settlement market leader; driving the industry forward and expanding opportunities for policyowners. Since its founding, Coventry has completed more than \$40 billion in longevity-linked transactions.

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