



What is a Home Warranty?

A Home Warranty is a contract between a homeowner and a home warranty company that provides for discounted repair and replacement service on a home's major components, such as the furnace, air conditioning, plumbing and electrical system. A home warranty may also cover major appliances such as washers and dryers, refrigerators and swimming pools. Most plans have a basic component that provides all homeowners who purchase a policy with certain coverages. In addition to the standard items, expanded coverage can usually be added at a premium.

A Home Warranty is not the same thing as homeowners insurance, nor is it a replacement for homeowners insurance. Homeowners insurance covers major perils such as fires, hail, property crimes and certain types of water damage that could affect the entire structure and/or the homeowner's personal possessions. A home warranty does not cover these perils.

Home Warranty companies have agreements with approved service providers. When something that is covered by home warranty breaks down, the homeowner calls the home warranty company, and the home warranty company sends one of its service providers to examine the problem. If the provider determines that the needed repair or replacement is covered by the warranty, he completes the work. The homeowner only pays a small service fee (you will usually have an out-of-pocket charge of \$50-\$100 per service call).

The annual cost can vary dependent on coverages and exclusions, but typically ranges from a few hundred dollars for small condominiums to \$800 for larger homes. This is a negotiable item on the contract. Below are a few home warranty providers for you to check coverages to see what works best for the home you are buying. Congratulations on your purchase!

Home Warranty Companies:

ALLIED HOME WARRANTY

www.alliedhomewarranty.com

AMERICAN HOME SHIELD

www.ahs.com/homeowners

AMERICAN HOME GUARDIAN

www.americanhomeguardian.com

BPG "BUYERS PROTECTION GROUP"

www.bpgwi.com

FIDELITY NATIONAL HOME WARRANTY

www.homewarranty.com

FIRST AMERICAN HOME BUYERS PROTECTION

www.homewarranty.firstam.com

HOME WARRANTY OF AMERICA

www.hwahomewarranty.com

LANDMARK HOME WARRANTY

www.landmarkhw.com

NATIONS HOME WARRANTY

www.home-warranty.com

ONEGUARD HOME WARRANTY

www.oneguardhomewarranty.com