

Home Warranty

The last thing you want to worry about after closing escrow is what could possibly break or malfunction in your new home. For your peace of mind, it's a good idea to obtain a home warranty, especially if you're a [first-time home buyer](#) with no experience maintaining a home.

Who Pays for the Home Warranty?

Depending on the purchase contract buyer or seller may pay for the home warranty, and sometimes they split it. The home warranty protects the buyer and seller because if something breaks after the close of escrow, then the buyer won't be calling the seller.

How does it Work?

Although specific plans provide for specific types of coverage, most operate the same way.

- If a home system or appliance breaks or stops working, the home owner calls the home warranty company.
- The home warranty company calls a provider with which it has a business arrangement.
- The specific provider calls the home owner to make an appointment.
- The provider fixes the problem. If an appliance is malfunctioning and cannot be repaired, depending on policy coverage, the home warranty company will pay to replace and install the appliance(s).
- The home owner pays a small trade service fee (less than \$100).

Types of Coverage

Because all plans differ, you will want to ask specifically what is covered. Ask your real estate agent if upgrades are available. Pay close attention to whether the home warranty company will pay for repairs to make certain types of systems or appliances compliant with new regulations.

What is not covered?

- Outdoor items such as sprinklers
- Faucet repairs are not covered under all plans
- Not all plans pay for refrigerators, washers & dryers or garage door openers
- Spa or pools, unless specific coverage requested
- Permit fees
- Hallways

Some of the General Coverage (You can add more)

- Air conditioning
- Dishwashers
- Doorbells
- Furnace / heating
- Water heater
- Ductwork
- Garbage disposal
- Inside plumbing
- Ceiling fans
- Electrical systems
- Range and oven
- Telephone wiring

**Coverage can vary from state to state and from policy to policy.
Ask to see a sample copy of a policy before you commit.**