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### Home warranties bring peace of mind

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Home repairs can be expensive and, thanks to Murphy's Law, appliance breakdowns seem to happen at the worst possible time — like when you are selling your home.

For this reason, it is in the best interest of all home sellers to consider purchasing a home warranty.

A home warranty offers many advantages to the home seller, the least of which is a peace of mind that your major home appliances are covered in the event of a breakdown. Most home warranties cover both parts and labor of your home's most vital systems and major appliances. This protects the home seller from potentially large, unexpected repair bills and also allows the buyer to purchase the home with more confidence.

Additionally, a home warranty is usually for the term of at least one year, so any unforeseen repairs/replacements are also covered well after the home has been sold. A home warranty also provides a competitive edge over those homes without warranties because it communicates confidence to buyers. This can add up to a faster selling period, resulting in a more convenient process for all involved.

A home is probably the single largest investment you'll ever make, so the last thing you want as a home seller or buyer are unexpected home repairs/replacements. Major appliance replacement can cost you thousands of dollars, and during the process of a home sale/purchase, your budget doesn't often allow for costly expenses. A home warranty is designed to protect you from these types of expenditures.

Furthermore, it is convenient for home sellers because a home warranty offers after-sale liability. While an inspection may find many faults that are covered by a home warranty, it cannot account for latent problems that are beyond an inspection's scope, or problems that occur down the road. In most cases, a home warranty will cover these expenses, alleviating potential financial burdens for the sellers once they have sold the home.

When considering a home warranty, it's important to ask the right questions. Warranties vary from one company to the next and there are also different types of coverage. Your real estate agent should be able to help you with this process.

First and foremost, you should identify which components of the home will be covered by the warranty. It's also important to attain annual costs and the charge for service calls. You will want to ask what the total dollar limit is on the warranty and what the limits are for the individual items that are covered. Many home sellers purchase home warranties, which are then passed along to the buyers when they move into the home. As a homebuyer, you may want to look into whether the coverage can be renewed once the warranty has expired.

According to American Home Shield, one of the largest home warranty companies in the nation, the average home warranty customer uses their warranty plan 2.3 times. Furthermore, the number of home warranties is increasing with every year because homeowners are becoming more informed of their benefits. Eventually home warranties will become commonplace, as buyers and sellers realize the advantages they offer.

Ultimately, what it comes down to is that a home warranty is a very simple, cost-effective way to purchase peace of mind for both homebuyers and sellers alike.

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