



HOW CAN YOU PROTECT  
YOUR BUYERS AND SELLERS  
IN EVERY MARKET?

## **THREE WORDS: AMERICAN HOME SHIELD.**

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At the height of the COVID-19 pandemic, fixed-rate mortgages hit their lowest rates in history during December 2020, accelerating an already hot seller's market. In 2021, many buyers begrudgingly accepted they'd have to offer well-above asking, waive inspections and contingencies — and even make offers on properties sight unseen.

When the dust settled, we asked recent home purchasers to tell us about their experiences.

# SNAPSHOT: HOMEOWNER INSIGHTS

70%

of those surveyed were first-time homeowners.

45%

of respondents purchased their home sight unseen.

40%

of new homebuyers said waiving inspection and/or finding unexpected repairs was their biggest regret after purchase.

35%

of buyers admitted they wished they knew more about home maintenance and repair costs before purchase.

40%

of respondents said they did not have a home warranty plan.

Source: 2022 survey of 1,000 American homebuyers conducted by Pollfish on behalf of American Home Shield. Further reproduction or use is expressly prohibited.

## THE LANDSCAPE IS CHANGING.

The U.S. is experiencing record-high inflation across the economy, and this trend is especially true in the real estate and home services sectors. Rising mortgage rates mean house hunters have more freedom to ask for inspections — even as repairing and replacing household systems and appliances have become increasingly expensive, complicated, and time-consuming.

# DID YOU KNOW?

1 in 4 homeowners use their American Home Shield® home warranty within the first 60 days.



## BUYER BEHAVIOR IS EVOLVING AND SO ARE CONTRACT NEGOTIATIONS.

Buyers are becoming more cautious as higher mortgage rates squeeze their financial limits. They want to be prepared for the unknown and protect their post-closing budgets from surprise repair costs.

Sellers will encounter buyers who are hesitant to purchase sight unseen or offer more than listed prices. And with the return of inspections and appraisals, sellers can expect to see contingencies become more common.

## WHAT'S THE SOLUTION?

Including a home warranty at listing can address covered issues not found during the home inspection, help manage out-of-pocket expenses, and strengthen buyer confidence.

### RETAIL PRICE: THIS YEAR VS. LAST YEAR



REFRIGERATORS

 **13%**



HVAC SYSTEMS

 **32%**



RANGES/OVENS

 **20%**

Refrigerator and range/oven costs based on Bureau of Labor and Statistics Producer Price Index data for refrigeration equipment and household cooking appliances from Aug 21 to Aug 22. HVAC cost based on Bureau of Labor and Statistics Producer Price Index data for air-conditioning, refrigeration, and forced air heating equipment from Jan 21 to Aug 22.

# AMERICAN HOME SHIELD IS THE SMART DECISION FOR A CHANGING MARKET.

Both sides of the negotiating table need a solution to protect their interests, and real estate professionals like you need a way to ensure deals stay on track.

## HOW DO WE PROTECT BUYERS?

Our real estate warranties give buyers peace of mind as they transition into their new homes.



### INCREASE BUYER CONFIDENCE.

Our home warranties can help with complicated repairs — even if a covered issue was missed during inspection.



### CONSERVE POST-CLOSING BUDGETS.

Cash is tighter than ever after a home purchase, and we help protect homeowners' budgets when covered parts of systems and appliances break down.



### MAINTAIN HOMEOWNER SATISFACTION.

Whether it's their first or fifth home, knowing they have reliable coverage gives buyers the peace of mind they need to enjoy their new home.

## HOW DO WE SUPPORT SELLERS?

Our coverage gives sellers a negotiating tool that protects their deals.



### BOOST MARKETING EFFORTS.

Adding a home warranty to the listing can help your seller stand out and protect value for interested buyers.



### ADDRESS SURPRISE REPAIRS.

With the Seller Coverage Option\*, if a covered item breaks while a home is under contract, we connect your client with a qualified contractor and help pay to repair or replace it.



### KEEP CLOSING SMOOTH.

With the Seller Coverage Option, your client can streamline negotiations by having a plan that addresses some contingencies before they even arise.

\*Seller Coverage is subject to a \$2,000 cap for all trades during the listing period. Renewable upon review at the discretion of American Home Shield after a 6-month period, up to 12 months.

See the plan contract at [ahs.com/contracts](https://ahs.com/contracts) for coverage details, including service fees, limitations and exclusions. Charges for non-covered items may apply.



# INDUSTRY LEADERS LIKE WHAT WE OFFER.



*"I like the **peace of mind** American Home Shield offers for the inevitable system or appliance breakdown. That's why I recommend American Home Shield to all my home improvement and renovation clients."*

## **MATT BLASHAW**

Home Renovation Expert  
and American Home Shield Spokesperson

*"I believe in American Home Shield on so many different levels. No one appreciates it more than I do. It's so important as real estate professionals that we communicate to our clients that having home warranty coverage is **the smart thing to do.**"*

## **LAURA RITTENBERG**

President, Coldwell Banker Realty  
Atlanta and the Carolinas



*"We care deeply about making sure that our consumers receive best in class customer service, and that's exactly what American Home Shield is in the industry — **the best in class.**"*

## **STEVE FASE II**

President, Berkshire Hathaway HomeServices  
Michigan Real Estate, Northern Indiana Real Estate,  
Tomie Raines REALTORS®, and Executive Realty



# AMERICAN HOME SHIELD MAKES YOU THE HERO.

When your buyers and sellers have a plan, your reputation as a savvy deal-maker is protected. Your clients can rely on us when unexpected issues arise, which means you're free to focus on your next closing.

## THREE DIFFERENT PLANS TO FIT EVERY CLIENT:



### ShieldEssential<sup>SM</sup>

Covers key parts of crucial home systems and additional home items: heating\* and cooling, electrical, plumbing, rekey\*\* and more.



### ShieldPlus<sup>SM</sup>

Covers key parts of crucial home systems and appliances, as well as additional home items: heating\* and cooling, electrical, plumbing systems; kitchen and laundry appliances; rekey\*\* and more.



### ShieldComplete<sup>SM</sup> Best Coverage

Includes all systems, appliances and items in the **ShieldEssential** and **ShieldPlus** plans, plus upgrades: roof leak repair†, one FREE rekey (no Trade Service Call Fee required)\*\*, coverage for modifications and more.

## WE GIVE YOUR CLIENTS MORE.

No matter which plan your client chooses, all American Home Shield members have access to discounted home maintenance services, like smart home tech installation/setup‡ and pre-season HVAC tune-ups.§

See the plan contract at [ahs.com/contracts](https://ahs.com/contracts) for coverage details, including service fees, limitations and exclusions. Charges for non-covered items may apply.

\*Heating coverage not available in Hawaii.

\*\*Rekey service is an added benefit and may be offered by a third party. For buyer use only.

†Roof leak repair coverage not available in Hawaii or for condos/townhomes/mobile homes. For buyer use only.

‡Smart home tech installation and setup services are provided by a third party. Not available in all areas. For buyer use only.

§HVAC tune-ups are offered seasonally by a third party (spring: cooling; fall: heating). Not available in Hawaii. For buyer use only.



# MEET THE AMERICAN HOME SHIELD® PARTNER PROGRAM.

Because you deserve the best, too.

## Save \$50 when you join American Home Shield.



Our Partner Program is an opportunity for real estate professionals like you to experience firsthand what it's like to have the comprehensive home and budget protection your clients have — for your own home.

Choose from **ShieldEssential™**, **ShieldPlus™** or **ShieldComplete™** and at the end of your contract term, you have the option of renewing at your first-year price.

Helping you build your business is one of our top priorities. No matter what direction the market takes, you can rely on us to help protect your reputation and your clients' peace of mind.

Talk to an American Home  
Shield team member or visit  
[pro.ahs.com](https://pro.ahs.com) today.

