

HOME APPRECIATION

Home appreciation is your house's market value, or the amount your house could sell for in the current market. Increasing home value also increases your home equity, which is the difference between your outstanding mortgage and your home's value.

There are some factors related to your home's value you cannot control, such as the demand for housing, current interest rates and the location of your home. The factors you can control can increase your home's value:

- Keep your home well-maintained. All interior and exterior components should be in good working order.
- Make sure the home is energy-efficient. Going green with your home energy can be beneficial.
 - ▶ Maintain or update your furnace, water heater and AC unit.
 - ▶ Check with your utility company for green suggestions (like adding solar panels) and potential rebate opportunities.
- Consider updates to the interior and exterior of the home.
 - ▶ Invest in improvements to the kitchen and/or bathroom.
 - ▶ Maintain your roof or upgrade to a newer one.
 - ▶ Paint the house's exterior and/or update the landscaping in front of your home to add curb appeal.

Updates can be costly, but they don't have to be completed all at once. Make a list in order of priority and budget for them.

Even if you aren't planning to sell your home anytime soon, making improvements that will increase the value of your home will be beneficial in the long run.



Home Warranty

A home warranty is a service plan for repairing or replacing major appliances and household systems. If your water heater stops working or your air conditioning unit isn't running properly, a home warranty can pay a technician to fix the problem. It can also supply a replacement if the appliance is beyond repair.

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What's covered under a home warranty varies depending on the policy — some may cover problems due to normal wear and tear, others may not. Closely review coverage details when selecting a plan and don't be afraid to ask questions.

Typical home warranty payment plans include a premium (annual) + deductible (during service call).

What's Covered Under a Home Warranty

Depending on your warranty policy, you can get coverage for problems with major appliances including:

- Refrigerator
- Washer and dryer
- Dishwasher
- Stove/oven
- Built-in microwave
- Garbage disposal

Companies offering appliance-only plans may also have separate plans that cover systems such as:

- Heating and cooling
- Plumbing
- Electrical
- Water heaters
- Ductwork

Higher-tier plans can cover all the above and more.

Homeowners Insurance

Homeowners insurance has a broader scope, covering everything in your house including your belongings and the structure of the building. It covers detached structures, too, such as sheds or fences. Home insurance pays for theft and damage from sudden, unexpected events like fires, windstorms, lightning and hail. Homeowners insurance policies exclude problems due to wear and tear.

