



Homeowners

Why Do You Need Equipment Breakdown Insurance?

Homeowner Policies and Warranties Are Not Enough

Most every home, no matter the size or value, has electricity, heat, air conditioning, and hot water. When an equipment breakdown occurs, homeowners assume they have coverage in their homeowner policy, or through a warranty or service contract they may have purchased. But, in many cases, they do not have coverage.

Most Homeowner policies exclude mechanical breakdown, and warranties and service contracts typically only cover a specific piece of equipment. Also, warranties expire and are usually not renewable.

Equipment Breakdown Insurance Covers the Gaps

That's where Equipment Breakdown insurance steps in. Homeowners Equipment Breakdown insurance covers a wide range of essential home equipment.

It pays for mechanical breakdown, electrical system, and pressure equipment damage that results in direct physical damage to covered equipment that is caused by an equipment breakdown.

Equipment Breakdown Insurance Covers Many Types of Equipment

Today's homes have more risks. Homeowners Equipment Breakdown coverage is designed for equipment that is built-in or permanently attached to a home. Some examples:

- Central air conditioning and central vacuum
- Ventilation systems and fans
- Furnaces, boilers, heat pumps, water heaters, solar heaters
- Well pumps
- Electrical power panels, back-up generators
- Pool and spa equipment
- Home security systems

The Risks Are Real

The following are actual losses and the coverage provided by Equipment Breakdown insurance:

Air Conditioning Systems

The condenser coil of an air conditioning system cracked. The coil was not accessible for repair and needed to be replaced.

Repair cost: **\$3,100**

Heating Systems

A worn gas valve caused improper firing of the burner, resulting in a cracked heat exchanger.

Repair cost: **\$1,720**

Electrical Systems

Dust accumulation in the main electrical power panel assembly led to an electrical arcing incident, which fused much of the central wiring and left the house without power. The residents were forced to stay in a hotel until the electrical panel was replaced.

Repair cost: **\$1,700 plus \$150 hotel expenses**

Water Heating Systems

Cold water entered the hot water area of a water heater, causing the glass liner to break.

Repair cost: **\$2,250**

Well Pumps

Sand got into a well pump serving a rural home causing the impeller to fracture. Water was cut off to the home and repairs required excavation and removal of all the well piping to replace the pump. An additional \$350 was paid for hotel expenses due to loss of use of the home for the weekend.

Total loss: **\$2,800**

Emergency Generators

An engine driving an emergency generator broke down when a homeowner forgot to add oil. Damage to the engine and generator bearings and rotating elements required replacement of the entire unit.

Total loss: **\$6,500**