Older Homes, Bigger Repair Bills, And The Growing Demand For Home Warranty Leads

Description

By James Schulze

This article discusses the trends â?? beyond home sales â?? that are impacting the demand for home warranties. It also predicts that this demand will continue in 2026 and beyond, making home warranty leads even more valuable in connecting with homeowners who are most likely to buy home warranties.

The housing market has changed dramatically over the past several years. While home sales have slowed in many markets, one trend continues to accelerate: Americans are staying in their homes longer. In March of this year, Redfin News reported that U.S. homeowners are now staying in their homes for an average of 12 years, nearly double the amount of time they stayed put 20 years ago. And, according to the National Association of Home Builders, the median age of U.S. homes increased from 31 years old in 2005 to 44 years old in 2026.

These shifts have created an unexpected opportunity for the home warranty industry. Home values have exploded to over $400,000 in 2026, and with HELOC products available, consumers have more options than ever before for home improvement projects. Completed home improvement projects provided ample need for home warranties to protect new appliances and mechanicals.

As homes age, consumers continue to renovate. And as repair costs continue to climb, more homeowners are looking for ways to protect themselves from unexpected expenses. For companies buying home warranty leads, that means demand isnâ??t tied solely to the number of homes being sold. Itâ??s increasingly being driven by the millions of people already living in aging homes.

Americans are staying put

There are many reasons that Americans are staying in their homes longer. Higher mortgage rates have made moving more expensive. Home values and HELOCS give consumers the opportunity to upgrade their homes. Many homeowners locked in historically low interest rates over the past decade and have little incentive to sell their homes today. Instead of moving, theyâ??re choosing to renovate, repair, and maintain the homes they already own. That means todayâ??s homeowner is often living in an aging property.

Older homes mean more repairs

No appliance or home system lasts forever. New artificial intelligence (AI) systems are generating consumer demand for mechanical and appliance updates. As homes age, homeowners become more likely to face repairs involving:

- HVAC systems
- Water heaters
- Plumbing
- Electrical systems
- Kitchen appliances
- Washers and dryers
- Garage door openers

Many of these repairs can cost hundreds or even thousands of dollars. Home warranties offer protection against unexpected costs. Combining aging homes and an aging population staying in these homes on fixed incomes, stability and the ability to predict repair costs are major home warranty drivers.

Repair costs continue to rise

Itâ??s not just that homes are getting older. The cost of repairing them has also increased. Home repair costs have surged by approximately 61% nationwide over the past decade. This escalation is largely driven by severe post-pandemic supply chain disruptions, material shortages, and a historically tight skilled labor market. While COVID may seem like a lifetime ago, the official â??endâ?• to the pandemic, according to the World Health Organization (WHO) was May 2023. Three years isnâ??t a long time to rebuild the global supply chain. Labor shortages with changing U.S. immigration policy exacerbate the home repair market. It is harder than ever for repair companies to find qualified workers.

Rising repair costs will boost demand for home warranties. When replacing a furnace or repairing an air conditioning system can cost several thousand dollars, a home warranty becomes easier for many homeowners to justify.

Home warranty demand extends beyond home sales

Many people associate home warranties with buying or selling a home. While real estate transactions remain an important source of business, they represent only part of the market.

Of course, millions of homeowners purchase home warranties simply because they want financial protection after moving into a home, or because theyâ??ve owned one for years and want to reduce the risk of major repair bills. But there is a newer and major driver of home warranties to protect appliances: energy costs. With the latest Iran war, the Straits of Hormuz shutdowns, and energy uncertainty, consumers are upgrading to energy-efficient appliances. The U.S. energy-efficient appliances market is growing at a compound annual rate of about 4%. These appliances come with a short factory warranty, but after the warranty expires, it is a prime opportunity to sell a consumer a home warranty.

Why home warranty leads continue to perform

Consumer demand doesnâ??t disappear because existing home sales slow. Age of homes, age of homeowners, new appliances, and renovations create home warranty selling opportunities on a daily basis, creating a strong need for home warranty leads. Todayâ??s buyers are often motivated by:

- Aging appliances
- Aging homeowners
- Unexpected repair costs
- Household budgeting
- Peace of mind
- Energy-efficient appliance upgrades

These motivations help create a steady flow of consumers interested in learning more about home warranty plans (to learn more about the different types of home warranty leads available in the market, read our blog, â??Home Warranty Leads Explained â?? Types, Intent, And How Companies Buy Home Warranty Leads In 2026â?•).

Demand will continue regardless of home sales trends

Companies that purchase home warranty leads should look beyond monthly housing reports. Millions of homeowners continue to:

- Maintain older homes
- Delay moving
- Invest in renovations
- Protect household budgets

Those trends create ongoing demand for home warranty products regardless of whether home sales are rising or falling. Astute home warranty providers take advantage of these trends, and strategic-minded sales teams adjust their scripting to be more probing. Knowing market trends allows a home warranty company to qualify their home warranty leads with direct, meaningful questions that garner consumer trust and increase consumer interest.

Conclusion

The home warranty market is no longer driven solely by real estate transactions. It is increasingly supported by homeowners who are staying in their homes longer while facing higher repair costs and aging home systems. For companies buying home warranty leads, thatâ??s encouraging news. The opportunity isnâ??t limited to the next housing boom. Itâ??s being created every day by millions of homeowners looking for a way to manage the growing cost of maintaining their homes. Understanding those market dynamics can help lead buyers build more resilient client acquisition strategies and continue to grow regardless of what the broader housing market is doing. Are you ready to talk about how you can grow your home warranty sales pipeline?

About the author

James Schulze is the President and CEO of The Leads Warehouse, a marketing data company with over 20 years of experience in bringing lead generation solutions to companies selling into the home, automotive, financial, insurance, health and life, and legal sectors. He works directly with clients to optimize conversion strategies and ROI across multiple verticals.

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If you would like more information on how you can grow your home warranty sales, give The Leads Warehouse a call at **1-800-884-8371** or visit our website at http://theleadswarehouse.com.

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