

Central Air Costs & Ways to Save Money

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Feb 2, 2022



Installing central air conditioning costs anywhere from about \$3,000 to \$10,000, depending on the unit you purchase and its features. Adding, replacing, or modifying ductwork increases the price, as can combining the AC unit with a smart thermostat or other HVAC equipment.

Despite the upfront installation costs, over time you can save money by replacing your existing unit with a more efficient air conditioner (or a heat pump that functions as an air conditioner in the summer). Read on to learn about other ways to reduce your HVAC costs. For more on HVAC systems in general, see our guide [What is HVAC and How Does it Work?](#) And if you're shopping for a central air conditioner, check out our rating of the [Best HVAC Companies of 2022](#).

Factors That Affect the Cost of Central Air Installation

Central air conditioner prices vary widely based on many factors, including equipment, system design, ductwork, the HVAC contractor, and project difficulty.

Equipment

The actual AC unit will obviously influence the price you pay for central air. Some brands like [Carrier](#) will be more expensive than lower-priced brands like [Coleman](#). In addition, more efficient AC units and heat pumps with higher Seasonal Energy Efficiency Ratio (SEER) ratings will cost more, as will a variable-capacity or two-stage AC unit that can operate at more than one speed. However, over time, more efficient units can make up their initial cost in reduced monthly energy bills.

System Design

Another factor is the actual system you use. For example, an air conditioning unit will typically cost more than a heat pump, which can't handle extremely hot weather. A mini-split system will cost substantially less than both since it is only meant to cool a small space within the home.

Ductwork

Ducts move the air through your home. If your home doesn't have ductwork already, adding it greatly increases the cost of central air, especially in larger homes. Depending on the unit you purchase, you may need to add to or replace existing ductwork.

HVAC Contractor

The contractor you hire can also impact what you pay. The contractor sets the installation fee and marks up (or down) the unit you want to purchase. Some also charge for a preinstallation evaluation, although many provide this for free. For the best prices, get at least three estimates before deciding on a contractor.

Project Difficulty

Contractors charge more to install equipment in hard-to-access spaces. For example, [Carrier](#) notes that it will cost more to install a mini-split system in the ceiling than to install one high on a wall. Another consideration is whether the contractor is replacing existing equipment or installing new equipment that needs holes drilled and other prep work completed.

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What to Look for in a Central Air Conditioning System

Cost shouldn't be the only consideration when it comes to central air. Before taking prices into account, determine your actual cooling needs. Are you trying to cool your whole house or just a room? Do you have space for ductwork in your attic and walls? Do you need heating as well as cooling? The answers to these questions can determine which central air system is best for you.

If you only need to cool a small space, a ducted or ductless mini-split can work well. These systems cost less than a whole-house system and need little or no ductwork. If you want to cool your entire house, [York](#) and [Lennox](#) explain that a split or forced-air system is probably the better option. This option situates the air conditioner or heat pump outside your home and uses a mechanical blower inside the air handler to force the air throughout the house.

In some climates, hybrid heat pump systems, which include both a heat pump and a furnace, may work better. Hybrid heat pump systems rely on the heat pump to supply heat until temperatures near freezing. At that point, the furnace kicks in. These systems can save considerable money on your monthly bill because it costs less to run a heat pump at temperatures above 35 degrees Fahrenheit than it does a gas furnace.

Packaged systems offer another alternative. These combine cooling and heating capabilities outside of your home and work best for homes where there isn't enough room inside for heating equipment.

The best solution for your home depends on everything from the size of your home to how many windows and how much shade you have. For the best assessment of your needs, contact a local HVAC contractor for an in-home evaluation. An estimator or technician will take measurements, check existing ductwork and other systems, and determine the right size tonnage based on your home's size and the climate.

When to Replace Your Central Air Conditioning System

Sometimes it makes more sense to replace your existing central air conditioning system than repair it. Consult with your HVAC technician and consider these factors when deciding whether to repair or replace your AC unit.

Age: Even if your older unit seems to be working well, it can be up to 50% less efficient than newer models and may use R-22 refrigerant, which the government is phasing out in favor of R410a because it's more efficient and doesn't deplete the ozone layer. In addition to being less efficient, older units also require more repairs.

Energy efficiency: Regardless of age, you may want to replace your unit to save money on your monthly energy bill. SEER ratings measure how efficient an air conditioning unit is, with high-efficiency units earning a SEER rating of 20 or more. Consider replacing your unit if it falls at the other end of the scale with a SEER rating of 13-15.

Repair costs: According to [Trane](#) and [Amana](#), if the repair cost multiplied by the age of the unit is more than \$5,000, it usually makes more sense to install a new unit. Usually you can make up the difference with greater energy efficiency and reduced repair costs.

Your cooling needs: If your current central air conditioning unit doesn't keep your home comfortably cool, it may be time to shop for a new one along with additional HVAC equipment, such as a smart thermostat, air purifier, or whole-house humidifier.

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What to Look for in a Central Air Conditioning Installer

A central air conditioner's performance greatly depends on the quality of the installation. That's why it's crucial to find a quality central air conditioning installer and not rely only on installation cost alone. When searching for an installer, look for the following.

Licensing

Anyone that works on your central air conditioner should currently be licensed at the state and/or local level. Depending on where you live, the requirements for licensure may include a certain number of years' experience, passing a trade exam, or education from an accredited school.

NATE Certification

Obtaining North American Technician Excellence (NATE) certification requires additional training on proper installation and maintenance techniques and tests real-world knowledge of HVAC systems, according to

the [Refrigeration Service Engineers Society](#). NATE certification is the highest certification you can achieve in the HVAC industry.

Insurance

You want the HVAC contractor who works on your home to be insured. This protects the company if they damage your property and you if they get hurt installing your air conditioning unit.

Factory Authorization

To become a factory-authorized dealer, contractors must be licensed and insured and hire NATE-certified technicians. Some companies like [Carrier](#) also require dealers to a solid business to ensure they will be around to service your equipment over the long term. Factory-authorized contractors' technicians undergo regular training on the brand's equipment and how best to maintain it.

Good Reviews

Reviews on Angie's List and Yelp can provide insight into how the company operates and its level of service. You also might want to check the contractor's [Better Business Bureau](#) ratings.

Experience and Responsiveness

Go with a company that has a long history in your area, not a startup that might fold and be unable to service your equipment in the future. And if you can't get someone on the phone when you want to make a major purchase, think how difficult it might be to book an appointment when your AC unit fails in July.

In-home Estimates

Avoid companies that give you estimates over the phone or by email based on your home's square footage and existing equipment. An HVAC contractor can't possibly give you an accurate quote without taking in-home measurements and inspecting your current equipment.

Tips for Saving Money on Central Air Conditioning Installation

Installing a new central air conditioner can be one of the most expensive purchases you make as a homeowner. However, manufacturer's rebates, tax credits, and strategies like getting quotes from several contractors can lower your final cost.

The Least and Most Expensive Times to Install Central Air

The least expensive time of year to install central air is during the spring and fall when temperatures are milder and AC is less critical. Many contractors offer promotions during these seasons, according to Walter Bennett with [Green Leaf Air](#). If you don't see advertised promotions, ask for an off-season discount. Many companies will also sell their AC units at a discounted rate to contractors during the off season, allowing them to pass the savings on to you.

How to Get the Best Price on Central Air Installation

Central air conditioner prices can vary widely because of installation fees, taxes, and your home's cooling needs. For this reason, companies like [Goodman](#) and [Trane](#) won't list price estimates for their equipment online. That's why it's so important to get quotes from at least three different HVAC contractors in your area. This will help ensure you get the best price on the total cost of your system. It also will help ensure you get the right system for your house, since some contractors may try to upsell you on a high-end unit you don't need.

Installing a new central air conditioner can be one of the most expensive purchases you make as a homeowner. However, you can save money if you buy smart.

Avoid purchasing a unit online from a third-party retailer because you'll need to find someone to install it. This isn't a do-it-yourself project, and an installation that isn't performed by a qualified HVAC contractor (which probably doesn't include your neighborhood handyman) may void the warranty. Plus, most contractors won't install a unit they didn't sell because they can't guarantee that it works correctly.

How to Get Rebates and Tax Credits on Equipment

Several rebate and tax credit programs can help lower the price of new air conditioning equipment. Rebates – which are usually only offered on higher-end, higher-efficiency units – can take the form of instant discounts, cash-back offers, financing incentives, or lower interest rates. You can learn about manufacturer rebates by visiting the manufacturer's website or talking to your local HVAC dealer.

Local utility companies also offer rebates on higher-efficiency units. For air conditioners, these will typically be mail-in rebates or bill credit. You also may be able to get instant discounts if you purchase specified equipment from a particular vendor. You can learn about local utility company rebates directly from the utility company, the manufacturer's website, or your HVAC dealer. Finally, you can search for rebates from local energy companies at [Energstar.gov](#).

How to Finance Central Air Installation

You have quite a few options when it comes to financing HVAC installation costs. For example, you can use a home equity loan – often referred to as a second mortgage – to purchase a new central air or HVAC system.

Another option is a home equity line of credit. This option allows you to withdraw up to a set amount during a specified period, which is typically 10 years. You can make interest-only payments or a combination of interest and principal payments. As you pay down what you owe, that amount becomes available to you again.

You can also pay installment costs with a personal loan. Compared to the weeks it can take to get a home equity line of credit, a personal loan may only take a few days, something to consider if your current unit fails. However, personal loans are often for smaller amounts and often have higher interest rates than their home equity counterparts.

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While you may be able to purchase a central air system using a credit card, you also have the option of financing through the manufacturer. Most manufacturer websites have pages dedicated to financing options. Additionally, some manufacturers have special programs for those who can't qualify for traditional credit. For example, [Carrier](#) has a lease-to-own program.

How to Save Money While Operating Your AC Unit

Once you install a new air conditioner, you can take steps to ensure it runs efficiently, using the least amount of energy necessary. When your unit uses less energy, you save money.

Maintain a Constant temperature

Avoid making major temperature changes or turning your air conditioner off, only to turn it back on when the heat becomes unbearable. Most AC units run best when they run within a controlled temperature range, says Perry Knight, who worked as an HVAC technician for 13 years. He suggests investing in a smart thermostat for the optimal efficiency.

Change Your Air Conditioner Filters

Clogged, dirty filters reduce your airflow, making it harder for your air conditioning system to cool your home, according to the [U.S. Department of Energy](#). Additionally, when air can't flow through the filter, dirt can collect in the evaporator coil and limit its ability to absorb heat. Changing your filters at least twice a year and up to once a month, depending on how dry and dusty it is where you live, can lower your air conditioner's energy consumption by 5-15%.

Inspect Your Ducts

Contaminants can build up inside the air handler and ducts, reducing air flow. As a result, your AC unit will have to work harder. That not only increases your energy costs but contributes to the wear and tear on the system, according to Rick Bohdel with [Ductz](#). It also reduces indoor air quality because not as much fresh air is circulating in the home. He recommends hiring an HVAC specialist to assess your ducts every two years or after any fire or water damage in your home.

Schedule Regular Maintenance

In the spring, hire an HVAC technician to provide preventative maintenance. This should include checking for refrigerant leaks, measuring airflow through the evaporator coil, inspecting belts for wear, and confirming the accuracy of the thermostat. By detecting issues before they become a problem, your unit will run more efficiently, and you can avoid costly repairs.

Inspect Equipment for Air Flow

Bohdel says one easy way to keep costs down is to make sure nothing is impeding air flow. Outside, make sure the condenser unit is clear of any debris, such as grass clippings and leaves, and trim back any overgrown shrubs that could create a blockage. Inside, make sure curtains and other elements don't cover registers, and look inside the registers you can reach to ensure nothing is obstructing air flow.

Keep Your Dryer Vent Clean

A blockage in your dryer vent or lint trap can force your dryer to run longer than normal and unnecessarily heat your house. In turn, your air conditioner will work harder and cost you extra money. You can avoid this scenario – and reduce your risk of a house fire – by cleaning out your dryer vent once a year.

Best HVAC Companies of 2022

Shopping for an HVAC system can be complicated. To help with your search, see our list of top-rated HVAC systems in our [Best HVAC Companies of 2022](#). For more about HVAC systems, see our guide [What Is HVAC and How Does it Work?](#)

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- [Amana](#)
- [Bryant](#)
- [Carrier](#)
- [Coleman](#)
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- [Goodman](#)
- [Lennox](#)
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