



PROPER
INSURANCE®

10 Questions to Ask Your Insurance Agent About STR Insurance

Protecting your short-term rental property is crucial and knowing the right questions to ask your broker can make all the difference in avoiding being misinsured.

Always make sure they fully understand the property use so they can consult with a policy underwriter.

Use this guide to ensure your coverage matches your needs. It's easiest to simply send them the link to your Airbnb, Vrbo, etc. through an email so they fully understand what you are doing at your home and you receive confirmation in writing for your own records.



1

Does my policy cover both personal and business use of the property?

Since short-term rentals blend personal and commercial use, it's essential to have a policy that protects you in different scenarios. Make sure your coverage reflects this unique exposure.

2

What type of liability coverage does the policy provide (personal, premises, commercial)?

Ask if the policy includes liability that covers guest injuries or injuries that are caused by your guest to others (and vice versa). You need robust liability coverage that protects you from both angles because the truth is you never really know who is staying at your property.

3

Do I have liability off-premises if a guest gets hurt away from my property?

This is especially important if you offer your guests amenities like bicycles, kayaks, golfcarts, etc. or have attractions like waterfront access that would attract your guest to venture off-premises. Remember you can be sued for accidents and incidents that can relate back to your short-term rental business and advertising.

4

Am I covered for loss of rental revenue? How is it calculated? What are the limits? Is there a timeframe?

If your property becomes uninhabitable due to damage, will your policy compensate you for the lost rental income? This coverage can be essential to maintain your cash flow during repairs, especially if you depend on your short-term rental revenue to make ends meet.

5

What exclusions in my policy should I be aware of when short-term renting?

- Liquor related exclusions like a guest leaves liquor at my property and the next guest drinks it and gets injured.
- Guest-caused damage like a guest throws an unapproved party and trashes the interior of the home including ruining furniture .
- Invasion of privacy like my cleaner accidentally walks in on my guests before they check out
- Communicable diseases from hot tubs or pools like a guest gets a rash from the hot tub on my property.
- Animals/pet limitations or exclusions like if a guest brings a dog to my property and bites my neighbor in their yard or a guest gets bit by a snake while walking outside.
- Are there any other exclusions that I should know about pertaining to property or liability?



Does the policy cover damage or theft caused by my Airbnb guests?

6

Many policies exclude damage caused by guests that you've openly invited into your home. This includes relatives, friends but also your paying short-term rental guests. Confirm whether your policy covers accidental, intentional and malicious damage by guests, and if there are any specific limitations. Theft can also be a significant risk with short-term rentals. Ask if your policy covers theft of your belongings by your guests, and if there are any conditions attached.

What type of coverage do I have for amenities?

7

Pools, hot tubs, and other amenities not only increase guest satisfaction, but also your risk as a host. Verify whether your policy includes liability coverage for these features and any specific requirements for maintaining them.

How does the claims process work?

8

Understanding how claims are handled is critical. Ask about the process, how long it typically takes, and what documentation you'll need to provide. It's important to have a smooth claims experience if the need arises.

If my short-term rental property is vacant, do I still have coverage in place?

9

Many policies have a vacancy exclusion or a limit to how long your property can be vacant. At minimum you should know if your policy has a vacancy exclusion or limitations. This is especially important in short-term rentals when things may slow down in shoulder seasons of peak tourism. A typical vacancy period ranges between just 30-60 days, at that time you could see reductions in coverage for things like theft and water damage. You will want to know what that vacancy range is.

Does the policy provide coverage if a guest refuses to leave and becomes a squatter? What if guests brings bed bugs or fleas?

10

Unfortunately, not all guests check out as planned. Squatter scenarios are on the rise nationally and they can lead to legal battles and unexpected costs. Ask your broker if your policy includes coverage for legal fees or damages caused by a guest who refuses to vacate your property. Bed bugs and fleas can also be costly when it comes to extermination fees, loss of income and liability if guests experience a bite. Understanding how your policy addresses these situations can save you time, money, and stress.



PROPER

INSURANCE®

These questions will help you understand the protection you are purchasing for your short-term rental property and avoid surprises down the road. Remember to get these questions answered in writing from your agent or asked to be connected to your policy's underwriter.

A comprehensive policy paired with understanding your protection within the policy is key to peace of mind while hosting.

Still have questions? Proper's agents are experts in short-term rental insurance and stand ready to assist your needs. Call 888-631-6680.

