



# Homeowners Insurance vs. Vacation Rental Insurance

What does your policy really cover?

If your primary residence is damaged during a storm or if a delivery person slips on your walkway and is injured, you can generally rely on your personal homeowners insurance policy to cover the cost of repairs or the cost of defending you against a personal injury lawsuit.

When you enter into an agreement with friends, relatives, or strangers to lease your vacation home as a short-term rental, your homeowners policy probably will not protect you for losses related to your renters' stay. That's because homeowners insurance is intended for personal risk management; insurance companies view your vacation rental activity as a business activity. As such, you need commercial insurance coverage in order to protect yourself and your property from the unique risks associated with your rental business.

This side-by-side comparison helps illustrate important policy coverage differences between typical homeowners insurance policies and vacation rental insurance. Understanding how coverage differs can help you make wise decisions when it comes to protecting your investments.

## DID YOU KNOW?



As a rule of thumb, guest settlements are **1.5x to 5x** the victim's total economic loss.



including medical bills, damage to your guests' own property, lost income, and any other related expenses.  
(source: LeagleBeagle).



Is your current coverage leaving you **vulnerable** if something goes wrong?

**Coverage Type:**

**CBIZ Vacation Rental Insurance Policy**

**Typical Homeowners Insurance Policy**

Property Protection for Damage Caused by Renters	✓	✗
Protection for Owner-Occupied Properties	✓	✓
Liability Coverages Related to Rental Activities	✓	✗
Liability Protection When Renters' Injuries or Losses Relate to Amenities (ie. pools, hot tubs, lakes, exercise equipment, small watercraft)	✓	✗
Property Manager Included as Additional Insured at No Cost	✓	✗
Business Income and Extra Expense Coverage	✓	✗

**The CBIZ Advantage:**

As you can see, there are key differences between homeowners policies and commercial vacation rental insurance coverage. Homeowners policies may not offer the protection you need, leaving you vulnerable to personal liability if something goes wrong. Protecting you and your vacation rental property is easy with CBIZ Vacation Rental Insurance.

- CBIZ policy includes replacement cost coverage for your building and its contents, coverage for unattached structures, and protection for sewer and drain backups.
- CBIZ policy includes coverage for medical expenses, the cost of defending the policyholder against lawsuits, personal and advertising coverage, and up to \$1 million per occurrence/\$2 million general aggregate protection. (Higher limits available.)

**CONTACT AN EXPERT FOR A FREE CONSULTATION, COVERAGE COMPARISON AND RISK ASSESSMENT TODAY.**

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Scenarios are provided as examples only. In an actual claim situation, coverage is subject to the terms, conditions and exclusions of the policy issued. The information provided is general in nature and may be affected by changes in law or the interpretation of such laws. The reader is advised to contact a professional prior to taking any action based upon this information.

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