

UNDERSTANDING THE DIFFERENCE:

Host Liability & Commercial Liability



CBIZ Vacation
Rental Insurance

THE RISK OF INADEQUATE LIABILITY COVERAGE



Injuries or events giving rise to liability lawsuits can occur at any time. A renter could slip on the kitchen floor and fall, a pool's lack of depth markers may lead to an accident, a treadmill motor or belt could malfunction while a renter is using it. Unfortunately, the list goes on.

FACT

If you don't think anyone is likely to be injured while staying at your vacation home, think again. According to Injury Facts (2016), a publication of the National Safety Council, there were:

11,400,000
medically consulted injuries

32,100
deaths

occurring in homes and communities the previous year.

THE LIKELIHOOD OF A LAWSUIT



Guests injured on your property will likely want to recover compensation to pay for their medical bills, rehabilitation, pain and suffering. You may not even know someone was injured until you receive notice you were named in a lawsuit. This can be weeks, months, or even years.

FACT

45,782

Private Personal Injury Lawsuits

Of course, just being named in a lawsuit does not make you responsible. Only an estimated

1 in 10

cases establish good liability.*

However, those cases that did not progress still had to be defended – and that could be you, defending yourself against a lawsuit, which can be costly and time-consuming.

*(source: Legal Examiner Wiki)



LAWSUIT SETTLEMENTS CAN BE COSTLY



When a guest takes legal action to recover damages from a vacation property owner, the amount demanded in the lawsuit can be high. If the case settles, or if a court or jury awards damages to the injured party, the amount of the settlement or award is often different from what was originally claimed. Having the right insurance protection in place can protect your personal assets from a claimants' reach.

FACT

It's impossible to know exactly what your risk is, but as a rule of thumb, 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).

HOST LIABILITY POLICIES MAY NOT OFFER ENOUGH PROTECTION



Host liability policies provided through online vacation listing sites can be attractive – especially when they are free. While a host liability policy can be a good start, it simply may not offer adequate protection for vacation rental property owners.

FACT

Host liability policies may only cover liability related to bookings made directly through the provider's listing site. In addition, these policies may require property owners to use their other insurance coverage first, before the host policy will kick in.

This means property owners must file claims against other policies, like homeowners policies and commercial rental property coverage, first. That could cause your premiums for those policies to go up. Host liability policies can also come with lists of exclusions; it is important to read the fine print.



PEACE OF MIND STARTS HERE:

Choose CBIZ for Comprehensive Vacation Rental Insurance Coverage.

When you purchase a separate, stand-alone vacation rental insurance policy, you will have both the property protection and commercial liability coverage you need to protect against claims and lawsuits filed by renters.

CBIZ Vacation Rental Insurance covers you for all of your renters' stays, regardless of how those stays were booked, without the lengthy list of exclusions some host liability policies include. The policy will pay:

- The costs of defending the lawsuit
- Base limits of \$1 million per occurrence/\$2 million general aggregate for commercial general liability
- Up to \$2 million per occurrence/\$3 million general aggregate
- Coverage for liability related to popular vacation amenities

Don't run the risk of being underinsured. Protecting your vacation home is easy with CBIZ Vacation Rental Insurance. **Are you ready to get an online quote?** All we need is some basic information about your rental property. You can also contact our sales professionals at 888.883.5696 between 9 a.m. and 5 p.m. MST, Monday – Friday, or anytime via email at VacationRentalSales@cbiz.com

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CBIZ Vacation Rental Insurance, a division of CBIZ Insurance Services, Inc., is the largest insurer of short-term vacation rental properties in the United States. As part of an \$850 million New York Stock Exchange traded company (CBZ), we are the first broker to develop specific policy coverage to meet the needs for vacation rental properties and the amenities offered by these businesses. We have insured vacation rental properties since 2002.

The CBIZ Vacation Rental Insurance team knows insurance, specifically the risks and exposures related to short-term vacation rentals. We won't confuse you with technical "insurance speak" – our representatives are well-versed in explaining your coverages in plain English. With hands-on, personal customer service, we guarantee swift communication and a 24/7 claims team that is ready to respond to your call any time of the day. As specialists in the industry, we leverage our knowledge and passion to ensure you and your business are adequately protected.



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