



ASSURANT®

HOME-SHARING POINTERS FOR RENTERS WHO WANT TO HOST

Whether they're offering a spare sofa or a penthouse suite, home-sharing hosts have been cashing in on renting out their extra space. But hopes of turning apartments into sublets through home-sharing sites can quickly turn into disbelief – and then despair – if temporary guests have ruined a home.

“There have been numerous reports about disorderly guests causing property damage, leaving hosts with the burden of trying to replace their belongings and repair their reputations,” said Kathy McDonald, president, Global Specialty, a business unit of [Assurant](#). “It is important that people considering listing their rental units be aware of such incidents and understand that their renters insurance policy likely will not cover these kinds of property claims.”

In fact, renters insurance may not cover any claims should unruly guests cause property damage, pocket a prized possession or get hurt during their stay.

A traditional renters policy, like one from [Assurant](#), will typically protect a policyholder's belongings against losses from incidents such as fire, vandalism and theft. These policies also will cover the renter's liability to guests who are injured in their home. However, once an apartment is booked, an insurance company could consider it a business operation and standard renters coverage will no longer apply. While some insurance companies are trying to accommodate renters policyholders who want to participate in the home-sharing economy, others are clarifying that this type of activity is not included in a standard renters policy.

Assurant also offers tailored insurance policies for [vacation home rentals](#)—another form of home-sharing that has long been popular with short-stay guests.

“We partner with vacation rental managers to offer on-demand, usage-based insurance products that are tailored to protect homeowners during short-term rentals,” said McDonald.

However, vacation rental insurance is only available to property managers or owners for purchase. Vacation rental managers may include this coverage as part of their services to the homeowner or the homeowner can purchase coverage as a standalone option.

Renters who engage in home-sharing also risk more than their belongings when deciding to rent out their space – they risk their home. Landlords and property management companies can impose severe penalties on tenants who sublet their rental home or apartment without authorization. In the worst-case scenario, they may find themselves in the awkward situation of looking for a couch to sleep on themselves after being evicted for violating the terms of their lease.

Until home-sharing insurance policies are available for renters, it's important for potential hosts to contact their insurance provider and find out what their policy will cover before they sublet their apartment. Knowing the policy terms and having the appropriate coverage can mean the difference between getting a good night's sleep and experiencing a nightmare.

For more information about vacation rental insurance, visit
http://www.naic.org/documents/consumer_alert_property_insurance.htm.

For more information about the ins and outs of home-sharing rentals, visit
http://www.naic.org/documents/consumer_alert_home-sharing.htm.