



4 Essential Insurance Tips When Renting Out Your Property

Did You Know?

Renting out your home or investment property either long term or short-term, can be a great way to generate income. But it's critical to understand the insurance implications and ensure you have adequate insurance coverage.

Who's Responsible For What?

When you rent out your property, the tenant is responsible for their own personal property insurance. However, your homeowner's insurance policy may not cover any damages or losses related to the tenant or their activities. **It's important to talk to your broker to understand what is and isn't covered under your existing policy.** You may need to purchase additional insurance to protect yourself against any potential losses or damages caused by the tenant. This could include coverage for:

- Tenant liability
- Personal property
- Rental income

If you're renting out your property for short-term rentals, for example through Airbnb or another similar platform, you should also check with your insurance provider to ensure that your policy covers any potential liabilities associated with short-term rentals. By following the following four tips, you can help protect yourself and your property from any potential risks associated with renting out your property.

4 Essential Insurance Tips When Renting Out Your Property

1. Understand Your Tenants' Insurance Coverage: Before renting out your property, you should ask prospective tenants for proof of renters insurance. This will ensure that the tenants have adequate coverage in the event of damage to their personal property or injury to themselves or other people while on the property.

2. Ensure You Have Adequate Property Coverage: You should make sure that your current homeowners insurance policy offers adequate coverage for any property damage that might occur due to a tenant's negligence or careless behavior. Additionally, you should consider adding an endorsement to your policy that covers any damage to the property caused by tenants.

3. Understand Your Liability Coverage: Your homeowners insurance policy should cover any liability claims that arise from injuries to tenants or visitors, but it's important to understand the limits of your policy and to ensure that you have adequate coverage. You should consider purchasing additional liability coverage if your policy's limits are not high enough.

4. Consider Short-Term Rental Insurance: If you are renting out your property for short periods of time, (like AirBnB), it's important to understand the additional risks that come with short-term rentals. You should consider purchasing a short-term rental insurance policy that covers any additional risks associated with short-term rentals, such as liability coverage for injuries to tenants and damage to the property.

**This content is powered by the Canadian Broker Network*



Talk to a Broker Today!

Let us help you protect all aspects of your life. We have the customized products and services you need. We're here to answer any questions you have about our products and services.

Call 1-800-661-1518