



# STR Insurance: What Coverage Do You Need as a Host?

*Educational purposes only. This article is informational and does not constitute insurance, legal, or financial advice. Always consult a licensed insurance professional before making coverage decisions.*

Insurance is one of the most overlooked aspects of STR compliance — until something goes wrong. A guest injury, a property damage claim, or a denied insurance claim can be financially devastating. Here's what you need to know to protect yourself properly.

## 01 — Why Standard Homeowner's Insurance Isn't Enough

This is the most important thing to understand about STR insurance: your standard homeowner's or landlord's policy almost certainly does not cover short-term rental activity.

- Standard homeowner's policies typically exclude 'business pursuits' or 'commercial activity'
- Landlord policies cover long-term tenants — not short-term guests
- A claim filed after a guest incident may be denied if the insurer discovers STR activity
- Your policy could be cancelled entirely if the insurer learns you're operating an STR
- Platform protections are not a substitute for insurance

**Practical Tip:** Call your current insurance provider and ask directly: 'Does my policy cover short-term rental activity?' Get the answer in writing.

## 02 — Types of STR Insurance Coverage

There are several types of insurance coverage relevant to STR operators. Understanding what each covers — and what it doesn't — is essential for building a complete protection strategy.

- STR-specific property insurance: covers the structure and contents during guest stays
- Commercial general liability (CGL): covers bodily injury and property damage claims from guests
- Loss of income coverage: reimburses lost rental income if the property becomes uninhabitable
- Umbrella policy: provides additional liability coverage above your primary policy limits
- Workers' compensation: required in most states if you employ cleaning or maintenance staff

**Practical Tip:** Don't assume one policy covers everything. Review each policy carefully and ask your agent to walk you through what is and isn't covered.

## 03 — Platform Protections: What They Cover (and Don't)

Both Airbnb and Vrbo offer some form of host protection — but these programs have significant limitations that many hosts don't discover until they file a claim.

- Airbnb AirCover provides liability and damage protection with exclusions
- Vrbo offers liability coverage through a third-party insurer
- Platform protections typically exclude cash, collectibles, vehicles, and certain property types
- Claims processes can be slow and disputed
- Platform protections do not replace a standalone insurance policy

**Practical Tip:** Treat platform protections as a secondary layer, not your primary coverage.

## 04 — STR Insurance Providers to Research

The STR insurance market has grown significantly in recent years, with several providers now offering policies specifically designed for short-term rental operators.

- Dedicated STR insurers: Proper Insurance, Steadily, CBIZ
- Traditional insurers with STR endorsements

- Landlord insurance with STR coverage
- Commercial property insurance for operators with multiple properties

**Practical Tip:** Get quotes from at least 2–3 providers and compare coverage terms, not just premiums.

## 05 — Key Questions to Ask Your Insurance Provider

When evaluating STR insurance options, ask these specific questions to understand exactly what you're buying:

- Does this policy cover short-term rental activity specifically?
- What is the liability limit per occurrence and in aggregate?
- Are guest injuries covered on the property?
- Does coverage apply during the gap between guest stays?
- What is excluded from property damage coverage?
- How does the claims process work if a guest files a claim?
- Does coverage extend to my cleaning or maintenance staff?

**Practical Tip:** Document your conversations with insurance providers. If you're told something is covered verbally, ask for it in writing.

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### Bottom Line

Proper insurance coverage is non-negotiable for STR operators. Don't rely on platform protections as your primary coverage, and don't assume your existing homeowner's policy covers you. Get a dedicated STR policy, understand what it covers, and review it annually as your business grows.