Frankenmuth Insurance Introduces Changes to Homeowners Program for Home-Sharing

Over the years, the home-sharing industry has grown with the rise of service providers such as VRBO, Airbnb and booking.com, which connect travelers with homeowners seeking to rent out their homes for compensation during short periods or several months at a time. However, this growth has caused home-sharing exposures to outpace current insurance policy language, resulting in ambiguity and uncertainty in claims resulting from incidental rental activity.

As a company, we strive to make it easy to do business with us, which is why we will be making updates to our Homeowners program in an effort to preserve long-standing policy provisions, clarify existing language and provide consistent claims settlements related to home-sharing for our mutual customers.

Effective June 1, 2019, Frankenmuth Insurance will be adopting the following Insurance Services Office (ISO) Amendatory Endorsements:

Form #19206 (06/19) – Home-Sharing Host Activities Amendatory Endorsement – *A mandatory endorsement for use with all the Homeowner, Tenant and Unit-Owner policies that introduces new definitions, revised policy language and exclusions to address select provisions applicable to home-sharing host activities and their treatment under the homeowner policy. To view the endorsement, please click here.*

Form #19207 (06/19) – Home-Sharing Host Activities Amendatory Endorsement – *A mandatory endorsement for use with the Ultra Home Guardian Policy that introduces new definitions, revised policy language and exclusions to address select provisions applicable to home-sharing host activities and their treatment under the homeowner policy. To view the endorsement, please click here.*

These mandatory endorsements will add Home-Sharing Host Activities, Home-Sharing Network Platforms and Home-Sharing Occupants to the exclusion in the Homeowner, Tenant and Unit-Owner policies, which should assist with clarity of the coverage that applies in these areas.

Please note*: We will be including a “Notice to Policyholders” (FM-2036 & FM-2037) in each policy renewal for the next year to keep our customers informed of this change.*

If you are considering writing home-sharing exposures or have questions, feel free to start a conversation with your Personal Lines underwriter. We have found that each incidental rental exposure can present unique characteristics, and we look forward to helping you understand if your customer would qualify.

Thank you for your continued support and partnership with Frankenmuth Insurance.