

Real Estate Law: Get your vacation rental agreements in shape for the summer



By **SARAH A. PELLERIN**

Warm weather, sandy beaches, sunsets ... so many visions of idyllic summer vacations were seemingly washed away in the COVID-19 wave of 2020. However, with distancing, quarantine, and other similar restrictions now being loosened in several states, the thought of going on vacation again has most likely become top of mind for many. As ready as we may be to get away, vacation homeowners, who often count on the rental stream from their home rentals, especially during the peak summer season, are just as eager to get back to work. Now that vacation home rentals could be more popular than ever, it's a great time for vacation homeowners to make certain their rental agreements are up-to-date and compliant with the constantly developing and changing COVID-19 restrictions and requirements that may be applicable to their home.

While popular online vacation rental websites have their own form of rental or occupancy agreement that governs the renter's stay at the vacation home, it is still advisable for the vacation homeowner to have their own form of rental or occupancy agreement in place for their guests. While a renter will still be subject to the policies, procedures, and rules promulgated by the online vacation rental website by virtue of using its online reservation and payment system to book the rental property, it is also appropriate to have the renter sign a separate agreement at the time of booking so that the homeowner ensures they have

all of the appropriate protections in place for their guest's stay.

Having a separate rental agreement allows the homeowner to address their specific concerns and requirements with respect to the use of their home. For example, in their own agreement, homeowners can specify the exact check-in and check-out times and holdover fee that applies for a guest's failure to vacate the home. The homeowner may also want to spread out available booking dates (e.g., 3-4 days between guests, as opposed to back-to-back rentals). The homeowner can specify their pet and smoking policies, describe the various amenities (e.g., pool, hot tub, spa, dock, motor vehicles, etc.) available to their guests, and set expectations with respect to maintenance and repair responsibilities.

Given that many states still have occupancy requirements and limits (e.g., no more than 10 individuals residing or sleeping in a home at one time, or guests cannot be from more than two families, etc.), the homeowner may want to consider limiting the number of guests to provide for additional safety. Many standard rental forms include form language that allows guests to host events at the property, including weddings, reunions, or other similar large gatherings. It's important to revisit this provision in light of the pandemic and determine whether the homeowner wants these types of events to continue or whether particular event restrictions are still in place. The homeowner should also consider reevaluating the cleaning requirements that are often contained in rental agreements and they may wish to impose an additional cleaning fee, so that after

departure, the home is routinely cleaned to CDC standards (along with any other health and safety standards imposed by the jurisdiction where the vacation home is located). Cancellation provisions in the rental agreement should also be revisited, as the homeowner should consider whether they still want to, and perhaps are required to, issue refunds due to shortened stays or ruined expectations caused by the pandemic. A robust waiver and release of liability form that is signed separate and apart (but often at the same time) from the rental agreement should be required by a homeowner. A vigorous waiver and release is not only important for the various recreational amenities or equipment that may be located at the vacation home, but especially while vacation rentals continue during the pandemic. While many homeowners are anxious to start renting out their vacation homes again, they shouldn't dive back in without first looking at their current rental agreement to make certain it adequately addresses the new expectations, requirements, and protocols that have emerged following the pandemic. Whether you are a homeowner renting out your home or a guest who is finally able to enjoy some time away, you should confirm that your rental agreement protects both parties as COVID-19 rules and restrictions continue to change and evolve. As we all hope to return to a sense of normalcy (vacations included), safety must still remain everyone's first priority. On vacation and in business, it is important not to get burned.

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