

Hobby farms and rural homes with farm exposures



FOR AGENTS AND BROKERS

Size of market opportunity

\$4.2 billion

total U.S. farm owners and hobby farm opportunities

2.1 million farms in the U.S.:

- 97% are family owned operations
- 88% are small family farms
- 18% of principal operators on family farms started within the last 10 years

Sometimes rural home-owners have too much exposure to qualify for personal lines policies. If you have clients with acreage, a few farm animals, a barn, outbuilding, or other similar exposure, our farm owner's policy might be the answer they're looking for. Add prospects and sell more business with these industry insights.

Important coverages to consider

- Property
 - Dwelling and household personal property
 - Owner-occupied and rental dwellings
 - Additional living expense
 - Credit card forgery and identity fraud
 - Increased sub-limits for specified property such as furs, jewelry, silverware, firearms
 - Sewer and drain backup
 - Barns and outbuildings
 - Machinery and equipment, including tractors, irrigation equipment, radio/satellite antennas
 - Watercraft, all-terrain vehicles (ATVs) and snowmobiles
 - Livestock and animal collision
 - Hay
- Liability
 - Farm/personal liability
 - Watercraft, all-terrain vehicles (ATVs) and snowmobiles
 - Medical payments
 - Umbrella and excess
- Auto
 - Personal-use autos and pickup trucks
 - Farm vehicles and trailers

Acceptable incidental exposures

- Personal use or draft horses
- Incidental hunting with acceptable controls
- Barndominiums – part living quarters, part barn
- Swimming pools

Common causes of loss

- Rural wild fires
- Weather-related losses
- Farm equipment fires
- Animal collision on roadways

Risk control resources available on Liberty Mutual SafetyNet™

- Farm Safety – Working with Livestock
- Ag & Farm Hazards Checklist
- Farm Fire Safety Checklist
- Hay Management
- Safe Operation of All-Terrain Vehicles

Notable market facts

- 97 percent of the 2.1 million U.S. farms are family-owned.
- 88 percent of all farms are small family farms with less than \$350,000 in gross cash farm income.
- Small family farms operate 48 percent of all farmland.