

Most used car dealers understand that they [need a garage insurance policy for their business](#). And some even understand that they need dealers open lot coverage for their inventory. But there are some dealers out there who perform a hybrid function for their clients and we often find that these dealers have overlooked a garage coverage that leaves them wide open for an uncovered loss. If you are a used car dealer who does some repair work, you really owe it to yourself to read this article, and then check your policy to make sure you are covered properly.

The hybrid dealer that I am referring to is one who not only works on his own cars, but who works on cars owned by others. In this situation, the dealer is performing a double function from the insurance company's perspective: [a seller of cars](#) and a [repairer of cars](#). And this creates the need for a coverage endorsement to the garage policy that is often unfamiliar to a used car dealer.

The coverage that you need to add to your dealers policy is called garage keepers insurance. This coverage is designed to protect you for losses to your clients cars that are left in your care, custody or control. Garage keepers insurance can be broken up into two main coverage areas. One is called garage keepers collision coverage and the other is called garage keepers comprehensive coverage.

The comprehensive coverage is for fire, theft, windstorm, flood and other loss types that could occur to your customers vehicles while you have them in your possession for repairs. The collision coverage is for damages caused by collision to your clients cars while they are in your possession.

Within the broader category of garagekeepers insurance there is additional information you need to make a good decision about how much and which type to purchase. I have written other blogs on those issues and you can read them by clicking on the links below. There are also some video links if you prefer watching videos.

[How much garage keepers insurance to buy – blog version](#)

[How much garage keepers insurance to buy - video version](#)

[Garage keepers Insurance explained Part I blog](#)

[Garage Keepers Insurance explained Part II blog](#)

At [Clinard Insurance Group in Winston Salem, NC](#) , we specialize in helping used car dealers with their insurance needs. We insure hundreds of used car dealers in North Carolina, South Carolina, Tennessee, Virginia and Georgia. If you would like help with your dealers insurance, please visit us online at [www.TheAutoDealersHelper.com](#) or call us, toll free, at 877-687-7557.