

Risk A/T[®] Work

"An ounce of prevention is worth a pound of cure." Benjamin Franklin 1736



We are pleased to introduce the next edition of **Risk A/T[®] Work**, a forum dedicated to sharing safety and loss control tips with our brokers and insureds. **Risk A/T[®]** is our proprietary risk management approach which promotes informed risk analysis based on two behavioral factors — **Aptitude** and **Tolerance**.

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Controlling Losses in Vacant Commercial Buildings

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Vacant commercial properties present significant risk exposures. However, property owners and building managers can take appropriate measures both before and after vacating property to prevent and mitigate losses.

Common Causes of Losses to Vacant Properties

While losses can occur at any time, the longer a property is vacant the greater the risk of damages. Vacant properties are subject to similar weather-related risks as occupied properties (windstorms, hail, etc.), but they are also more susceptible to:

- **Break-ins:** Unoccupied properties often attract thieves who cause property damage while gaining access and can cause other losses as a result of theft and other criminal activity.
- **Vandalism and Fire:** Loss associated with physical damage can be more serious, especially where fire is involved, as it can spread to other near-by properties causing additional losses.
- **Infrastructure/Systems Damage:** When a property is vacant there is no one to ensure that security systems are functional and that pipes, plumbing and gas lines remain operational. Damages to any of these systems can affect the entire property and significant losses can mount quickly.

Mitigating Loss Before Vacating a Property

Except for losses directly related to Mother Nature, a majority of loss exposures can be significantly reduced by properly preparing a building prior to vacating.

- Dismantle hazardous operations and remove flammable liquids and hazardous materials.
- Secure and shut off unnecessary utilities.
- Remove combustibles and debris within 25 feet of structures to eliminate fire hazards.
- Notify law enforcement authorities and utilities that the property will be idle.
- Retain a central station to monitor water-flow and test alarm systems to ensure they are operational.
- Install security cameras, fencing or other barriers to limit access to the property and deter vandals and squatters.
- Install variable timers on both inside and outside lights so the building appears occupied.

Keeping a Vacant Building Safe and Secure

Once a property is vacant, the follow steps should be taken to minimize loss potential:

Lighting

Over 90% of crime occurs after dark, so lighting is a strong deterrent when used wisely. Exactly how much and the types of light needed depend on a property's size and characteristics.

Consider visiting the property at night and think like a criminal – are conditions around the building favorable for a break in? Are doors or windows not easily visible from the road? What about hiding spaces behind overgrown landscaping?

Installing bright, well positioned lights will make the property easier for police, security, neighbors and other passers-by to observe. Keep in mind that dim light provides just enough light for criminals to see what they're doing, but not enough for others to observe them – so keep it bright!

Security

Property should be checked on a regular basis to ensure that important areas are secured and that security systems, fencing, gates, door and window locks, and other barriers to entry are in working order. Property owners and managers should arrange for unscheduled inspections by an outside security service or local law enforcement at least once per week. Breaches in perimeter fences should be corrected and they should be checked for adequate attachment to post and ties. In addition to identifying any damages in a timely manner so that they can be addressed quickly, random visits can deter potential vandals or criminals.

Fire Systems

Fire detection systems should be tested regularly as fires can occur unexpectedly and the resulting damage can be significant. Inspections of sprinkler control valves, fire extinguishers, and other fire protection equipment should be conducted and documented weekly.

Property Maintenance

Regular maintenance checks on a vacant property will reduce the potential for losses and mitigate the financial impact of repairs. Water pipes, foundations, roofs and gutters should be assessed to reduce the risk of frozen pipes, leaks or weather damage. Landscaping should be maintained so that the property doesn't appear vacant and to keep shrubs and foliage from becoming overgrown and blocking visibility. And finally, outdoor lighting and timers should be monitored to ensure that they are working as expected.

Vacant properties pose a variety of risks. Remember an ounce of prevention is worth a pound of cure. Simple steps to prepare a property prior to vacating and maintain it until occupied again can significantly minimize the loss potential and improve an owner or manager's bottom line.
