



Risk Bulletin

Vacant Buildings

CHUBB®

Risk Engineering Services



Background

Vacant properties present unique challenges because they lack the day-to-day activity that naturally mitigates common hazards, such as fires, water damage, vandalism and collapses. The most prominent and costly risk facing a vacant or unoccupied building is fire, followed by vandalism and theft. Theft commonly involves copper electrical or plumbing materials. In our own experience Chubb has paid claims totalling millions of dollars, and in some cases these were large fire losses following theft.

Protection Tips

While having a vacant property is never a desirable situation, property owners can take some basic steps to reduce the hazard until it is again occupied. An added benefit of these steps is that they show a potential buyer or tenant that the building owner has good risk management practices.

Exterior Maintenance

- Inspect the facility weekly.
- Remove all excess materials and combustibles from around the building.
- Trim and maintain vegetation to prevent overgrowth that provides hiding places or indicates lack of maintenance.

- Remove any containers that might be attractive for trash or hazardous waste dumping, such as used motor oil or chemicals.
- Check the roof for vegetation growth, clogged drains, or signs of vandalism.
- Block parking lot entrances to prevent vehicles and pedestrians from entering the property.
- If the property has sidewalks or other areas used by the public, maintain safe walking surfaces.
- Maintain exterior lighting to deter crime and vandalism.
- Hire a guard service to conduct daily drive-by and building checks, especially during the evening and overnight hours.
- Notify local authorities, including police and fire departments when a building becomes vacant.

Interior Maintenance

- Take precautions to avoid hazards that could injure people who access the building, such as firefighters, police, security, property management, and even trespassers. Hazards include unprotected floor openings; self-locking doors that could trap individuals; and storage of combustibles, flammable liquids, or materials that could collapse on emergency workers.
- Ensure that emergency lighting and emergency exit signs remain operational.
- Maintain pest control services.

Building Services Maintenance

- Shut off water in any areas of the building where it is not needed
- Properly shut down any non-building-related equipment or systems and disconnect gas and electrical services, except for alarm and heating purposes.
- Fluids/oils should be drained or otherwise protected so they do not inadvertently leak and result in a potential fire or pollution hazard.
- Ensure fire sprinkler systems are fully operational and maintained to Australian Standards. Alarms shall be transmitted to an approved central monitoring service.
- For non-sprinklered buildings, maintain fire detection systems, ensuring they protect the entire building with alarms transmitted to an approved central monitoring service.
- Protect all exterior openings, including any roof access, with an activated central station alarm system.

The objective of our publication is to provide a general overview and discussion of issues relevant to loss control. The comments and suggestions presented should not be taken as substitute for advice about any specific situation.

Building Security

- Install quality mortise deadlocks on all entry/exit doors.
- Secure all windows with window locks or deadbolts.
- Seal letterboxes and have all mail redirected.
- Board up lower floor and any accessible upper floor windows. Boarding should be sufficiently strong exterior grade plywood with non-returnable screws.
- Lock perimeter gates and fence to prevent unauthorized vehicles from entering the property.
- Lock out and secure all access points and ladders to roofs. It is preferable to remove vertical ladder access
- Isolate electric roller shutters so they cannot be opened.
- Maintain the burglar alarm system and routine testing should be maintained.
- Retain a reasonable level of internal and external lighting where appropriate for inspection, security patrols and access purposes.
- Keep record of all visitors and contractors to the premises.
- Install additional signs if the existing do not maintain an appearance of a continuous security presence.

Combustibles

- Remove all unfixed materials which are of a combustible nature from inside and outside the building.

Premises Inspections

- Visit the building periodically (at least weekly) and maintain records of all incidents.
- Remove or repair evidence of vandalism and repair any broken windows as soon as they are discovered.





About Chubb in Australia

Chubb is a world leader in insurance. Chubb, via acquisitions by its predecessor companies, has been present in Australia for 100 years. Its operation in Australia (Chubb Insurance Australia Limited) provides specialised and customised coverages including Business Package, Marine, Property, Liability, Energy, Professional Indemnity, Directors & Officers, Financial Lines, Utilities as well as Accident & Health, to a broad client base, including many of the country's largest companies. Chubb also serves successful individuals with substantial assets to insure and consumers purchasing travel insurance.

More information can be found at www.chubb.com/au.

Contact Us

For more information on the level of risk in regard to insurance underwriting requirements please contact Chubb Risk Engineering Services.

Chubb Insurance Australia Limited
ABN: 23 001 642 020 AFSL: 239687

www.chubb.com/au

Chubb. Insured.SM

This content is brought to you by Chubb Insurance Australia Limited ("Chubb") as a convenience to readers and is not intended to constitute advice (professional or otherwise) or recommendations upon which a reader may rely. Chubb Insurance Australia Limited (Chubb) makes no warranty or guarantee about the accuracy, completeness, or adequacy of the content. Readers relying on any content do so at their own risk. It is the responsibility of the reader to evaluate the quality and accuracy of the content here.

Reference in this content (if any) to any specific commercial product, process, or service, and links from this content to other third party websites, do not constitute or imply an endorsement or recommendation by Chubb and shall not be used for advertising or service/product endorsement purposes. Risk Bulletin - Vacant Buildings, Australia. Published 04/2024. ©2024 Chubb Insurance Australia Limited. Chubb®, its logos, and Chubb.Insured.SM are protected trademarks of Chubb.