

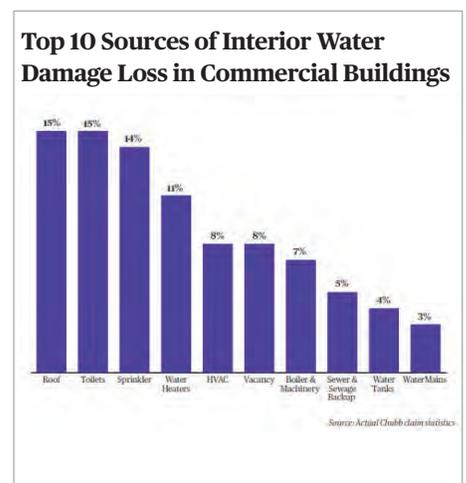
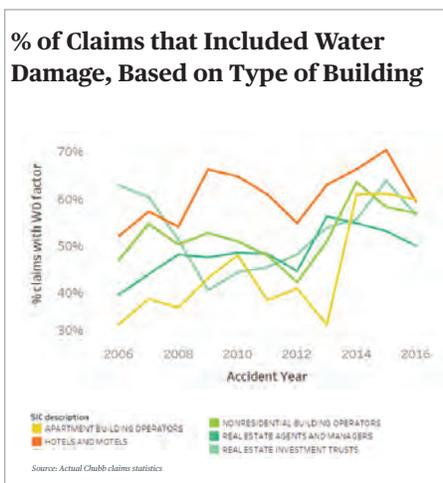
# Preventing Interior Water Damage

## Residential Building Trends, Risks & Mitigation



Residential occupancies are in no way immune from potentially devastating water damage events. Burst pipes, roof leaks, overflowing toilets, and leaking appliances can cause significant damage, with losses into the millions of dollars. Water damage can also result in business interruption, relocation costs, lost rents, and can negatively impact reputation.

According to insurance industry statistics, the frequency and cost of water damage losses are continuing to increase.<sup>1</sup> No business is truly immune from this trend, and multi-family residential buildings are no exception. In particular, Chubb is seeing more water damage claims in taller and higher valued buildings.



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### Residential Building Scenario - Could it happen to your business?

It sure can! A backed-up toilet overflowed for hours mid-day on an upper floor of a luxury apartment building before anyone identified the source, causing devastating water damage to lower floors including units, corridors, and common areas. It resulted in lost rental income, and caused reputational damage to the property management company. It just took too long to figure out the source, and shut it down.

#### Chubb is Here to Help - Preventing Issues in the First Place

Even buildings with good quality water, plumbing, and maintenance can experience leaks. That's why it's so important to have a *water damage mitigation plan* to help prevent and mitigate potential damage that may occur. It is also important to consider the benefits of the latest IoT-enabled water detection technologies. Whether it is water damage planning or technology assistance, Chubb can help guide your business to stay dry.

Follow these specific tips to help prevent water damage:

- **Plumbing Inspection Programs:** Implement formal inspection programs on plumbing systems to identify visible corrosion, and consider replacing old piping systems.
- **Roof Maintenance:** Ensure the roof is regularly inspected, roof drains are clear, and repair roof damage.
- **Plumbing Hose Inspections:** Inspect plumbing hoses on toilets, sinks, laundry machines, and kitchen appliances. Replace them every 5 years, and consider installing water detection systems in these areas.

#### Fire Sprinkler System Maintenance:

Keep fire sprinkler systems in good shape. Repair damaged or corroded sprinklers and pipe, ensure inspections meet NFPA 25 standards, and train your staff on valve locations and emergency response.

- **Water Heater Considerations:** Make sure water heaters are replaced every 10 years. Inspect them for signs of rust and corrosion. Install a catch pan under them, and consider adding water detection with automatic shut off devices.
- **Check HVAC Units:** Check HVAC units to ensure drain lines are clear, and consider adding water detection sensors to them if not already pre-installed. Consider adding low temperature alarms near external wall PTAC units.
- **Vacant Spaces Need Attention:** Do not neglect vacant spaces. Make sure heat is adequate, shut off water where not needed, and drain unnecessary systems. Maintain heat for water based sprinkler systems.
- **Boiler Room Checks:** Pay attention to the boiler rooms, making sure boilers, chillers, valves, pumps, and joints are in good shape. Keep floor drains clear in these areas. Consider installing water detection, and floor sills.
- **Sewer & Waste Water Systems:** Prevent sewer and waste water system backups by ensuring they are not blocked or clogged.
- **Water Storage Tank Inspections:** Don't neglect water storage tanks. They'll need internal and external inspections to help ensure they won't fail.

For more ideas about how to protect your business from water damage, contact your local Chubb Risk Engineer or visit us at [www.chubb.com/engineering](http://www.chubb.com/engineering).

Chubb. Insured.<sup>SM</sup>

1) Olsen, Erik. "Preventing Water Damage" Trends, Risks, and Mitigation for Water Leaks, Pipe Bursts and Plumbing Issues. Chubb Limited, January 2020.

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