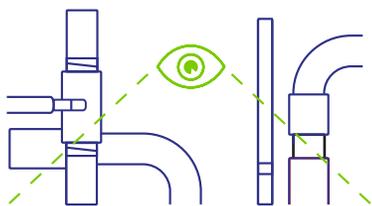


The Hidden Property Damage Lurking in your Home

You could be forgiven for thinking that William Turnbull is a little obsessed about water leaks in his house. “I have this process that my wife and I go through every morning,” says the man who supervises 300 property claims professionals for Chubb Limited in North America.

“We’ll walk downstairs to the basement and look at the floors underneath the piping to make sure there are no leaks.”



But perhaps he’s more prudent than obsessed. About one in 50 homes experiences water damage or frozen pipes each year, according to insurance data aggregator ISO. And water damage is on the rise, accounting for almost half of all property damage losses in 2015, up from about a quarter in 2011, ISO says.

The increasing incidence of water damage has several causes, experts say. Global warming, which has produced colder winter weather further South, where many homes don’t have sufficient insulation to prevent frozen pipes, has led to more water damage, according to Michael Barry, Vice President of Media Relations at the Insurance Information Institute.

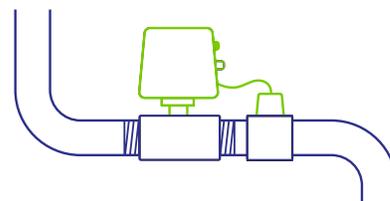
Economic cycles are also blame. In the years leading up to the start of the Great Recession in 2008, “there were lots of people renovating their homes, installing gourmet kitchens and extra bathrooms,” says Frances O’Brien, President of Chubb’s North America Personal Risk Services Division. “They were installing many more water sources, such as under-cabinet ice makers and dual dishwashers, and moving laundry rooms up to the second floor, where a leak can cascade down to the first floor and basement.

“Just as your water heater has a lifespan of 10 to 15 years, many of these other plumbing couplings have a similar lifespan,” says O’Brien. “We’re getting to the end of that lifespan, and people are not as attuned to the fact that they have to do maintenance on them.”

And in a condo, even the most diligent homeowner is sometimes at the mercy of other homeowners. Dr. Mark Piasio owns an apartment atop a former office building in downtown Pittsburgh. He noticed a tiny leak in his closet ceiling—“about one drop of water every four or five minutes,” he recalls – that produced less than a third of a cup of water each day. But finding the source of the leak necessitated tearing up his ceiling and custom-built shower. It turned out to be coming from a pipe that once fed the apartment of his neighbor, but that line had been sealed off years earlier.

“It took a year and a half to find it, and only 40 minutes to fix it,” Piasio says. Total cost: \$22,000.

Despite the growing incidence of water damage, homeowners still don’t fully appreciate the danger that can come from their pipes, says O’Brien. She points out that “it’s so prevalent for our clients to have a central station fire alarm” monitored by a private company 24/7. “But you’re 12 times more likely to have water damage than a fire. Clients should install a water leak detection system to help prevent losses.”



Leak-detection systems come in three varieties. Some merely involve small sensors located near toilets, refrigerators and other water-using devices. They emit an alarm – also sent to a homeowner’s smartphone – when water is detected. It’s up to the homeowner to shut off the flow of water. Other systems monitor water flow through the home’s main water pipe, shutting off all water automatically when the flow exceeds specified levels. A third kind of system employs device sensors that trigger the home’s main water shut-off valve when leaks are detected.

Homeowners understand the dangers of fire and burglary. But they need to wake up to the equally significant dangers their own plumbing systems pose.