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## **Using IoT devices to prevent water damage - by Robert Sullivan**

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The Hartford

Water damage is one of the most frequent and expensive property loss claims filed each year for commercial properties including office buildings, industrial complexes, retail outlets, mixed-use developments, and hotel properties. Unfortunately, over the past few years, water damage claims have increased in both frequency and severity. They cause billions of dollars in financial losses across the real estate industry, and these claims can get extremely costly for businesses. Direct costs for cleanup, repairs, replacements, and mold remediation, as well as indirect costs, such as legal fees, delayed projects, or business interruptions, can wreak havoc on a real estate's profit and loss statement.

A major factor in how severe the water damage can get is the number of stories in a building. As the number of stories increase, severity increases. A water leak from a top floor in a high-rise building can flow down several stories undetected and cause extensive damage.

In a recent water damage loss, a fire sprinkler line burst in the ceiling cavity on the 28th floor of a high-rise office building. Water flowed down six floors, getting into three elevator shafts, plus corridors and hallways. This resulted in more than \$1.5 million of building and personal property damage for the property owner.

#### Proactively Preventing Water Damage

Despite how common water damage is in the real estate industry, only a small percentage of businesses have a written water damage prevention plan. However, real estate building owners and managers should create a plan because it is critical to both preventing and mitigating water damage losses. Several items to keep in mind when designing a water damage prevention plan include establishing a team and providing training, outlining pre- and post-event job responsibilities, and identifying the location and properly label shut-off valves.

#### High-Risk Areas for Water Damage in Property

Finding areas at a high risk of water intrusion is one way to protect a business. Based on The Hartford's claim data from 2014-2020 approximately 75% of all real estate industry property losses are due to accidental discharge related to plumbing, HVAC systems and appliances. Some areas that can be more prone to water intrusion include interior systems such as piping, sprinklers, equipment, and appliances. However, the building envelope, or the roof, walls, and floors, as well as the exterior exposures like landscaping, gutters and downspouts can also impact losses due to water damage.

#### Using Technology to Help Prevent Water Damage

Technology can monitor and alert business owners to water leaks or intrusions. Property managers can install these detection systems in a part of the facility that has had a history of water damage. If the system senses a leak, it can send an alert to a maintenance employee's phone or computer to give them the chance to make necessary changes before the event turns into a costly claim. Water detection technology can also connect to control valves, so if there is a leak, the system can

automatically shut off water to prevent any further damage.

The key is that with IoT devices, the technology is always on the job to help protect business owners from water damage and intrusion.

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