

Commercial Property Loss Checklist

What to Do in Case of a Loss

Unexpected property losses can disrupt your business, but taking immediate action can minimize damage and accelerate recovery. This checklist is designed to guide you through critical steps after a loss—prioritizing safety, securing your property, documenting damage, and navigating the insurance claims process.

1. ENSURE SAFETY & SECURE THE SITE

- **Ensure personal safety:** Make sure all employees, tenants, or anyone in the building are safe.
- **Evacuate if necessary:** Evacuate the premises if there are ongoing hazards (e.g., fire, gas leaks, structural damage).
- **Contact emergency services:** If not already done, call emergency services (fire department, police, etc.) to mitigate further damage or danger.
- **Shut down utilities if possible:** Turn off electricity, gas, and water to prevent further damage or safety risks.

2. NOTIFY INSURANCE PROVIDER

- **Contact Granite Insurance Agency ASAP:** Report the loss immediately to your commercial property insurance agent.
- **Request guidance:** Ask for specific instructions on the claims process, including any immediate documentation or steps to take.
- **Provide relevant details:** Be prepared to give a clear account of the loss, including date, time, cause (if known), and a description of the damage.

3. DOCUMENT THE DAMAGE

- **Take photos/videos:** Document all visible damage to the building, equipment, inventory, and any personal property. Include wide shots and close-ups.
- **Make an inventory list:** List all damaged property, including furniture, equipment, and merchandise.
- **Record key information:** Note the conditions of the building (e.g., structural damage, fire or water impact) and take measurements of any critical areas.

4. SECURE THE PROPERTY

- **Implement temporary repairs:** To prevent further damage, make emergency repairs (e.g., boarding up windows, covering roofs with tarps). Keep receipts for these costs.
- **Hire a professional if necessary:** Depending on the damage, you may need specialized contractors to stabilize the building, such as fire damage restoration experts or structural engineers.
- **Limit access to the property:** Post signs or hire security to prevent unauthorized individuals from entering the premises.

5. ASSESS BUSINESS CONTINUITY

- **Evaluate the impact on business operations:** Determine if and how business operations can continue, either on-site or remotely.
- **Communicate with employees:** Inform employees about the situation, their safety, and any changes to work arrangements (e.g., remote work or relocation).
- **Notify customers, suppliers, and vendors:** Contact key stakeholders about the situation and any impact on orders, services, or timelines.



6. REVIEW INSURANCE POLICY / DISCUSS WITH ADJUSTER & AGENT

- **Understand coverage:** Review your insurance policy to understand what is covered, including building damage, loss of income, equipment, and other business assets.
- **Look for additional coverage:** Check for any additional coverage such as business interruption, loss of rent, or liability for property damage.

7. PREVENT FURTHER LOSSES

Mitigate ongoing damage: If there are risks of additional loss (e.g., flooding or electrical damage), take steps to prevent it. This could involve moving inventory or shutting off systems.

Safeguard critical records: Ensure that any business-critical documents (physical or digital) are secure from further damage.

8. ENGAGE RESTORATION AND RECOVERY SERVICES

- **Contact disaster recovery services:** Depending on the severity of the loss, you may need professional help to clean up debris, restore the building, or remove hazardous materials.
- **Get multiple quotes:** If possible, obtain quotes from several restoration and construction companies to ensure reasonable pricing.

9. COOPERATE WITH CLAIMS ADJUSTERS

Prepare for the adjuster's visit: The insurance adjuster will need to inspect the damage. Do not permanently dispose of any damaged property. Make sure to have all documentation (photos, inventory list, etc.) and damaged property available for review.

Make a detailed claim: Work with your adjuster to ensure the claim is comprehensive, including not only property damage but also business interruption losses, and also includes any supplemental coverage that might be available.

10. EVALUATE FINANCIAL IMPACTS

- **Review financial records:** Track business expenses and potential losses to provide accurate information for insurance claims.
- **Assess liquidity:** Determine if short-term financing is needed to cover operational costs during the recovery process.
- **Monitor ongoing costs:** Keep track of expenses related to cleanup, repairs, temporary relocation, and staffing.

11. LEGAL CONSIDERATIONS

- **Consult with an attorney:** If the property loss results in liability claims, a lawsuit, or disputes with tenants or contractors, consult with a lawyer.
- **Check for permits or licenses:** If rebuilding or making repairs, ensure all necessary permits and licenses are secured.

12. COMMUNICATE WITH STAKEHOLDERS

- **Inform key stakeholders:** Keep communication lines open with clients, investors, or board members to manage expectations and ensure transparency about the recovery process.
- **Public relations (if needed):** If the loss is significant or public-facing (e.g., a fire or flood), consider issuing a press release or a public statement.

13. PLAN FOR LONG-TERM RECOVERY

- **Schedule repairs and renovations:** Plan the timeline for repairs and assess whether temporary relocation is needed during construction.
- **Review business continuity plan:** Update your business continuity and disaster recovery plans based on lessons learned from the event.
- **Consider future preparedness:** Invest in strategies to reduce risks or improve your resilience against future property losses