Marsh

Managing Idle and Vacant Buildings

Property Conservation Guidelines

Property Consulting

Marsh Advisory

Introduction

Vacant and idle buildings present unique challenges and risks that require diligent management to protect property value, and mitigate potential liabilities. These properties are often targeted for vandalism, theft, and arson, especially when left unattended or poorly maintained. Without proper oversight, vacant facilities can quickly deteriorate, increasing the likelihood of fire, water damage, and unauthorized access, which can lead to costly repairs and operational disruptions.

This guide provides a comprehensive overview of best practices for managing vacant buildings, including risk assessment, security measures, maintenance protocols, and emergency preparedness. By implementing these guidelines, property owners and managers can take proactive steps to better reduce vulnerabilities, maintain the integrity of their facilities, and improve compliance with relevant property loss control standards and regulations.

Understanding the Risk

Increased Fire Risk

Idle and vacant buildings are frequent targets for fires and vandalism. If left unsupervised, vacant buildings are often unlawfully occupied or used as makeshift shelters, which significantly increases the risk of fire.

If the exterior of a building and the adjacent grounds are allowed to deteriorate, the probability of arson and vandalism increases. A run-down appearance may cause a perpetrator to rationalize that no one will lose anything or care if the property is destroyed.

Although most fires in unoccupied premises are arson-related, they can also result from electrical faults in fixed wiring. If the building exterior or surrounding property is not maintained and becomes rundown, the chances of arson increase significantly. Additionally, inadequate maintenance and a lack of routine site inspections may also lead to water damage.

Vandalism and Theft Risk

In addition to increased fire risk, unoccupied premises are often the subjects of vandalism and theft of contents, fixtures, and fittings. Additional risks are created when unauthorized personnel occupy vacant buildings or when minors use unoccupied sites as playgrounds.

Managing the Risk

Human Element Programs

Emergency Response

Review whether emergency response plans are up to date.

- Review and update contact information/phone trees.
- Make certain emergency contact information at each location visibly posted for emergency response agencies.
- Check whether fire department access boxes have the most up-to-date facility information, keys, and access control credentials.
- Contact the local Enhanced 911 (E911) or emergency dispatch center to let them know that the building will be unoccupied until a specific date.
- Test your emergency communications systems (e.g., SMS text, RSS feeds, auto-dialing, email, etc.). This includes asking employees to confirm receipt of test messages.

Facility Maintenance

- Review whether the building management system (BMS) is fully functional from a remote location. This includes the ability to log in, monitor, and control the facility.
- Ensure facilities personnel have laptops that can go home with them to monitor the BMS.
- Power down all equipment and disconnect all unnecessary power supplies.
- Suspend fire protection/detection system inspection, testing, and maintenance activities that impair the operation of systems. Only emergency repairs should be done, and the system impairment notification process should be followed.

Proper Housekeeping

- Maintain good housekeeping practices to help reduce the risk of fire and arson.
- Remove unnecessary combustible materials from both inside and outside of the building.
- Remove all waste materials from the premises.
- Maintain clear access routes to the building to enable fire department access.
- Provide a minimum of 50 feet (15.2 meters) of clear space separation between the building(s) and any combustible yard storage that may be present.
- Remove excess vegetation and shrubs from the property.
- Maintain the outward appearance of the building to deter arsonists and vandals.

Business Continuity and Disaster Recovery Plans

- Check whether your technology resilience and disaster recovery plans are up-to-date and stress-tested so that employees can continue to be productive remotely.
- If you have on-premises hosting, frequently monitor your cooling systems to assess whether increased system demands from remote employees create an ignition hazard. Portable air-conditioning units and commercial-grade fans should be on hand to provide additional aisle and room cooling if needed.
- Reinforce cybersecurity protocols with employees working remotely and advise them to remain highly vigilant to ransomware and phishing scams.

Other Management Programs

- Perform no hot work in the facility unless it is vital for emergency repairs. If hot work has to take place, ensure appropriate hot work permitting procedures are in place and followed.
- Ensure fire extinguishers are functional and posted evacuation plans are up to date for essential personnel required to operate on-site.

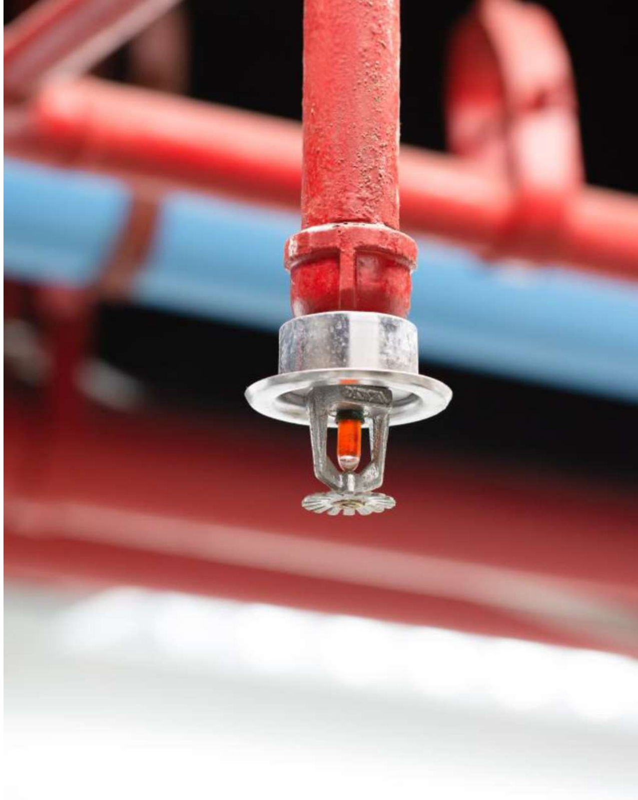
Physical Protection Measures

Properly functioning and well-maintained fire alarm and sprinkler systems play an important role in maintaining vacant/unoccupied buildings, as they are usually the only form of protection/notification if a fire were to occur. Therefore, it is imperative to adhere to a periodic schedule of inspections, tests, and maintenance to assess whether the equipment is in good repair and functional.

Active Protection Measures

Automatic Sprinkler Systems

- Ensure that sprinkler protection is fully operational, including regular maintenance and testing (as required by the local fire code). Ensure sprinkler valves are kept open, supervised, and locked to prevent accidental closure. Maintain heat at a minimum of 40°F within all facilities that use water-based fixed fire suppression and domestic water systems.
- Maintain a minimum temperature of 40°F (5°C) or higher to prevent pipes from freezing. Supervised monitoring of building heat is recommended. An alternative source of heat (e.g. a portable gas heater) should also be kept ready at another location for use in case of heating failure. Portable heaters should be used only in emergency situations, and not as a permanent source of heating.
- If it is impracticable to retain sprinkler protection, the system should be drained, and the water supplies isolated.



Passive Protection Measures

Security, Alarm Systems and Electronic Supervision

- Use barriers, surveillance, and lighting to deter, detect, and delay illegal access into a facility. Criminals can prey on properties with high-value assets that appear vacant and insecure.
- All perimeter cameras should be fully functional and remotely viewable via laptop or cellular device. If fixed surveillance equipment is not installed, install a temporary off-the-shelf, battery-powered, Wi-Fi-enabled system. Also, make sure any intrusion detection alerts available with your video surveillance system are turned on.
- The electronic access control system should be modified so that only essential facility personnel have access to the facility. All door and gate auto unlocking/opening programs should be disabled.
- All non-essential employee badges should be deactivated (locked out) until the facility reopens. Perimeter fences should be in good condition. This includes fence mesh, barbed wire topper, and no gaps at ground level.
- Check that all doors and unprotected openings (e.g. windows and skylights) are locked and secure.
- Pedestrian and vehicle access gates should be closed and locked.
- Contact information for the Security Operations Center (SOC) or on-call staff should be posted on all gates in case first responders need emergency access.
- All interior and exterior night lighting should continue to be used and maintained. Light is a deterrent for criminals and helps police surveil your facility.
- Maintain reasonable security guard staffing levels during all shifts to foster facility security. Consider staggering staff in the event staff becomes infected or needs to care for family members and reassigning non-essential fixed posts personnel (lobby security) to other essential security posts. If a security guard is not in place, consider contracting a security company to patrol the facility temporarily.
- Conduct regular (minimum weekly) visits to the property. All areas of the building and the outside property should be inspected. Logs should be kept of the visits, and using a checklist is advisable.
- Make sure all building exits are operating normally. According to most local building codes, building exits should not be modified, even during an evacuation. For example, exterior doors must not be chained shut.
- Consider boarding up the property, subject to local authority regulations, using durable timber or corrugated iron. For long-term closures, bricking-up rather than boarding-up may prove a cost-effective solution.
- Provide security with the most up-to-date contact information for facility management, information technology contacts, and management contacts.

Alarm Systems and Supervision

- Check that security and fire alarm systems are functioning properly and connected to two independent communications mediums (e.g., radio, cellular, digital communicator, etc.) capable of alerting your third-party monitoring agency.
- Security systems should be installed to supervise the property. This includes monitored electronic intrusion alarm systems with audible local alarms. Also consider installing security cameras and posting signs indicating property is under surveillance.
- Confirm that fire suppression and alarm/detection systems are operational and able to be transmitted to your third-party monitoring agency. Also, check that all fire pumps are in "auto" mode, and run timers are disabled.

Natural Perils Resilience

- Confirm that all drainage systems are fully functional and that drain outlets are clear of obstructions. This includes systems in elevator pits, basements, and other low-level areas.
- Maintain proper snow removal practices in winter, including roof areas where heavy snow loads can cause roof collapse.
- There is an increased risk of roof collapse due to roof snow accumulation in unheated buildings since the amount of snow melting on the roof is significantly reduced.
- If the building is not heated and unsprinklered, all water piping should be drained and shut off. Alternatively, the water should be shut off at the property line to prevent freezing.
- Lack of proper maintenance can cause further deterioration and damage (e.g. water pipes freezing during winter, mold growth, etc.), resulting in further loss of value or increased costs to make tenable in the future.

Summary

The risk can vary significantly depending on the size of the site, the surrounding properties, the climate and the neighborhood in which the property is situated. These factors should be considered when selecting the appropriate risk controls measures. This document provides an overview of the best practices for managing vacant and idle properties. It covers key areas such as security, maintenance, and emergency preparedness to help protect assets, ensure building integrity, and maintain compliance. Following these guidelines can help mitigate deterioration, reduce risks, and preserve property value. Note that this is not an exhaustive list of recommendations.

For more information and customized guidance specific to the location(s) affected, contact your local Marsh Advisory representative.

Reference:

1. NFPA 25, 2023, Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems
2. NFPA 101, 2024, Life Safety Code
3. Industry Best Practices

About Marsh

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