

Why you need a complete fire alarm system when renovating your home

At Chubb, we look for ways to do more for our clients, like providing risk engineering recommendations that can help you take steps to prevent losses from happening in the first place. The following **actual claim example** illustrates how a complete fire alarm system in all parts of the home can save time, money, and inconvenience in the event of a fire during renovations.



Our clients were completing renovations to their home. They had a monitored central fire alarm in place, but the system did not have sensors in the crawl space or attic areas of the home.

- Replacement cost (Coverage A) at time of loss in 2020 - \$1,408,000
- Claims payment of loss - \$1,337,600

Here's what happened to our clients' home

Our clients were renovating a home that was vacant at the time. Their contractor had been working in the crawl space below the main floor being renovated, and when he left for the day, he accidentally left his commercial halogen lamp on. Located next to combustible materials, the lamp heated up enough to light the materials on fire some time between 5-7am. When the contractor arrived the next morning at 8am, the fire department was there fighting a fire in the home.

Evidently the fire had burned in the crawl space for several hours before the smoke set off the monitored smoke detectors in the living space. Because the fire originated below the main level living area and spread beneath the floor undetected, when the fire department arrived, they were unable to locate the fire for some time. Afraid that the fire or smoke would spread up the walls of the house, they soaked the attic in addition to the lower levels of the home. In the end, the client suffered water, soot, smoke, and fire damage throughout their home. If heat sensors had been placed in the crawl space, the central fire alarm would have activated more quickly, alerting the fire department sooner, and likely lessening the loss.

Every home assessment includes an evaluation of the home's alarm system

While contractors often have a certain amount of insurance coverage for these situations, it is important to contact your agent/broker whenever you are planning renovations to your home. If this client had notified Chubb the home was under renovation, his Chubb PRS Risk Consultant could have provided additional guidance through the home assessment process addressing alarm systems and other measures that could have been used to reduce the threat of fire. After all, renovations often mean tradespeople such as carpenters, electricians, roofers, and plumbers are in the house, which increases the risk to the home.

Before renovating your home, have a professional alarm company install a temporary but thorough central fire alarm system that protects all areas with a heat sensor, including attics, garages, and crawlspaces. Upon completion of construction and before taking occupancy, this temporary system should be replaced with a final central fire alarm system that includes smoke detectors in all finished living spaces and heat sensors in all attic, garage, and crawl spaces.

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The claim scenarios described here are intended to show the types of situations that may result in claims. These scenarios should not be compared to any other claim. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law. Facts may have been changed to protect privacy of the parties involved.

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