



MJ INSURANCE
SORORITY DIVISION

Property Case Study

Sprinkler/Water Damage

Scenario

A sprinkler head in a closet on the second floor went off resulting in water damage to the first and second floor, as well as the basement. The exact cause of the sprinkler head going off is not able to be determined. It is believed that the heat in the closet may have been a factor. The expert hired to determine the cause noted that the sprinkler heads in the house were approximately 30 years-old and were either corroded or leaking.

Result

The final cost of this claim was \$498,444. There is no subrogation potential against the manufacturer of the sprinkler system or the company who installed it as the House Corporation did not maintain any records regarding when the system was installed or when it was inspected.

Issues to Discuss

1. Is your sprinkler system inspected on a regular basis? How do you ensure that the sprinkler system is inspected annually?
2. Do you maintain all of the records from the inspections?
3. Does your house have an alarm when the sprinkler system is activated?