

## Business Loss Scenario

### Property Manager Fails to Make Repairs

**Coverage:** Miscellaneous Professional Liability

**Cause of Action:** Negligence

**Type of Organization:** Property Manager

**Annual Revenue:** More than \$35 million

**Description of Event**

A property manager was hired by a commercial building owner to manage the facility. An ongoing leak in the building roof caused substantial damage to tenant property. In addition to suing the building owner to recover the value of damaged property, several tenants legally terminated their lease agreements. The building owner sued the property manager, alleging negligence for failing to maintain the roof and to repair the leaks in a timely manner. Damages sought included lost lease income.

**Resolution**

The case settled for more than \$200,000. The property manager incurred defense costs, which surpassed \$50,000.

**Could this happen to your organization? Contact your trusted Chubb agent or broker:**

**The Andersen Insurance Group**

5870 Trinity Parkway, Suite #130, Centreville, VA 20120

Phone: (703) 988-0101

Email: [info@theandersengrp.com](mailto:info@theandersengrp.com)



Chubb Group of Insurance Companies  
Warren, NJ 07059  
[www.chubb.com](http://www.chubb.com)

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