



Everything You Need to Know About Restoring Commercial Properties

Six tips to help you act fast, minimize costs, prevent additional loss, and open your doors again quickly

Written for owners and managers of commercial and industrial facilities, this guide will help you track down the answers you're going to need, including six things you need to know about recovery and restoration.





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It Happened. What's Next?

A fire breaks out in your warehouse. The ground floor of your office building is flooded, and crucial paper records are submerged. Your electronic equipment is damaged by smoke and residue.

Whether the problem is as mundane as mold, or as catastrophic as a hurricane, when your commercial or industrial facility needs restoration, you need to act fast.

Your employees, customers, and assets are counting on it. To get back to normal, there are some things you'll need to know.

DO YOU KNOW HOW TO NAVIGATE?

- ✓ Fire and Smoke Damage
- ✓ Water and Flood Damage
- ✓ Emergency Response
- ✓ Document Loss
- ✓ Electronics Damage
- ✓ Disaster and Catastrophe
- ✓ Persistent Mold
- ✓ Loss of Business

Need to Know #1

Not All Estimates Are Alike

There are three ways to quote the cost of property restoration services: unit cost, lump sum, and itemization.

- **For unit cost**, your service provider takes the average time required for projects such as yours, adds in the cost of materials, and breaks that into applicable units; for example, price per square foot. Problem: Not all jobs are average. If your mitigation doesn't reflect the unit's economy of scale, you may end up paying too much.
- **For lump sum**, your service provider quotes a single number, which represents the entire project cost, and that's that. Simple, yes, but where does the number come from? That's not so clear.
- **For itemization**, your service provider will use a fee schedule detailing the cost of labor, materials, and any other relevant metric. This is a very objective method; the only downside is that your service provider may not be motivated to work quickly, potentially adding time and cost to the job. Question: How well do you trust them to put your interests ahead of their own?



PRO TIP

Understand the rationale behind your estimate and ask informed questions to verify that the method matches your needs.

Need to Know #2

Stakeholders Don't Manage Themselves

Employees. Insurance agents and adjusters. Mortgage companies and lenders. Suppliers and subcontractors. (And you.)

All these may be stakeholders in your restoration project, and they all have different perspectives and priorities. Employees want to get back to work, insurers want to minimize costs, your lender wants to avoid a lapse in payment and subcontractors want to provide a realistic scope and schedule. And you want to get this over with!

Balancing many conflicting needs can be difficult. However, if you know what to expect, you can add a lot of sanity to the process.



PRO TIP

1. Make a list of all stakeholders and get clear on which parts of the process they control
2. Take time to verify details from every party involved, even if you think you already know the answer.
3. From there, you'll have the vantage point to balance differing voices and navigate the unknowns.



Need to Know #3

Contingency Planning Starts Now

Whether you manage a medical facility that stores x-rays or an office with extensive paper files, if disaster strikes, you'll need to restore those records fast. And the process that your recovery specialist uses will, of course, be quite specialized. It takes different skills to attack different types of damage—from mitigating corrosion on electronic equipment to bringing a restaurant back up to OSHA standards so you can open your doors again.

In short, the type of business you're involved with has a major impact on the restoration processes that you'll need.

Do you manage a building with multiple businesses within? The calculation just got more complex.

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PRO TIP

What type of commercial or industrial enterprise do your facilities house? Whether retail, food service, administration, distribution, manufacturing or something else, the type of operation you run will affect the process and cost of restoration. Make a comprehensive contingency plan in advance and identify your restoration contractors before disaster strikes.

Need to Know #4

Location and Costs Go Hand-In-Hand

As with any business type, the geography and setting within which you operate can also affect restoration process and costs.

For example, commercial losses of a high-end boutique in New York City will measure quite differently from a mom-and-pop restaurant in the suburban Midwest. And a manufacturing plant in California's wildfire zone is liable to sustain very different losses than a data center in Houston.



PRO TIP

As you engage in contingency planning, be sure to factor in the role that your economic region plays in setting your costs, as well as the particular risks that are specific to your geographical location.



Need to Know #5

Not All Teams Can Restore Your Equipment

Business interruption can cost as much, or even more than, the expenses incurred from damages and loss. It's not just a matter of fixing the facilities. Before you can open your doors and start generating revenue again, you have to make sure your equipment is ready to get back to work—and not all teams have the expertise to do that.

Assessment. Rigging. Disassembly and reassembly. Repair, installation and launch. Your commercial equipment may need extensive attention, including cleaning and restoration, and if it does, you'll need a team that understands how to keep downtime to a minimum—so you can start making up for lost time, faster.



PRO TIP

Before you contract a restoration specialist, be sure they have the expertise to care for the specific systems and equipment on which your business relies.

Need to Know #6

Hidden Costs Can Hurt You

When it comes to restoration and recovery of commercial and industrial enterprises, it's important to remember that not all costs are on the surface. Some expenses lie hidden under the estimate you expect to pay.

We've hit on one already: The cost of downtime. To minimize downtime, immediate response is a crucial business priority.

Another is the cost of low-quality work, which you may run into if you're inclined to choose a vendor with a lower price tag rather than a vendor with strong results. Those choices can hurt you later.

A third hidden cost can arise if your contractor's response is too slow to prevent secondary problems, such as mold, which can escalate the damages and concerns you're facing.

Finally, a lack of due diligence can also lead to unanticipated costs. Whether your contractor fails to observe local regulations, or to conduct proper testing before they begin, the outcome can be a spiraling price tag.

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PRO TIP

There's really no substitute for planning ahead. If you already know the scale of response you'll be facing in a disaster, and if you've already vetted a trusted restoration specialist who has the skills to meet your needs, you'll be equipped to respond to emergencies with confidence and minimize unnecessary costs.



About American Technologies, Inc.

Established in 1989 by Gary Moore, American Technologies, Inc., is the nation's largest family-owned and operated restoration contractor. Headquartered in Anaheim, Calif., the company specializes in restoration, environmental and reconstruction services following natural and man-made disasters with an unwavering commitment to customer service. To learn more, visit ATRestoration.com or call (833) 400-0056.



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