

Guidelines for Real Estate and Hospitality: Reduced Property Operations & Closures

This guideline highlights operational best practices for preparing to close all or part of your hotel or hospitality property to guests. For additional guidance, please refer to your property's crisis or pandemic/infectious disease plan. Property owners are responsible for ensuring that all areas of the property are secured and maintained in compliance with applicable laws, codes and regulations, and that all required signage by law is displayed.

Whether closing the entire hotel property, or remaining open with a minimal crew, please consider the tips below.



Communication

Good communication is vital when closing or reducing property operations. You will want to clearly and regularly communicate with your leadership team, any remaining guests, your employees, state and local officials, your vendors and your insurance broker or agent. Work with Human Resources and your senior leadership team to set up a communication system with all the above parties.

Building & Property Protection

It is not ideal for a property to sit idle. Vacant hotels, even when closed temporarily, are subject to break-ins, fires, water leaks, mold and general mustiness. Well-planned early efforts can make all the difference. Plans need to be made to ensure that the entire building and all equipment is thoroughly cleaned and disinfected. All linens should be cleaned and stored. All building systems should be maintained and operated as if the hotel was up and running. It is recommended that a walk-through of the entire building and property is conducted daily to ensure that the property is appropriately secured and that critical systems are maintained and remain in proper working condition. See the Everest Insurance® Property Operations Closure Checklist for more details.

Security

Strong security procedures are imperative for a closed property. Adequate measures should be taken to secure the building from unauthorized access. All valuable items and equipment should be stored securely.



Inspections

Daily walk-throughs of the entire property should be made to ensure that the building is secure and that all systems are working properly. Any problems should be reported and fixed quickly.

Plans to Reopen

Reopening a hotel is similar to an initial startup. It is best to have a plan based on clear and precise roles and responsibilities for each department. Each employee will have their role to play in ensuring a quick return to normal activities. Plan to bring back employees a few days before the arrival of clients. See the Everest Insurance® Property Start-Up Alert for more information.

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