

[Company Letterhead / Logo]

[Date]

[Insured Name]

[Insured Address]

[City, State, Zip Code]

RE: Advisory Notice Regarding Vacancy Clause - Policy Number: [Policy Number]

Dear [Name of Insured/Property Manager],

As we approach the renewal period for your commercial property insurance policy for the location at [Property Address], we would like to bring your attention to the **Vacancy Clause** contained within your policy terms.

Most standard commercial property policies include a provision that limits or excludes coverage if a building is considered vacant for more than 60 consecutive days. Typically, a building is deemed vacant unless at least 31% of its total square footage is actively rented and used for customary operations.

Potential Impacts of Vacancy:

- **Reduced Coverage:** If the property is vacant, coverage for specific perils such as Vandalism, Sprinkler Leakage, Glass Breakage, Water Damage, and Theft may be completely excluded.
- **Reduced Claims Payment:** For covered losses that do occur during a period of vacancy, the total claim payment may be reduced by a standard percentage (often 15%).

Required Action:

Please review your current occupancy levels. If your building is currently vacant, or if you anticipate occupancy falling below 31% during the upcoming policy term, please notify our office immediately. We may need to secure a **Vacancy Permit** or an endorsement to ensure you remain properly protected.

If you have any questions regarding how this clause applies to your specific property, please contact [Agent Name] at [Phone Number] or [Email].

Sincerely,

[Your Name]

[Your Title]

[Agency Name]