Tenant Improvements and Betterments vs Contents: Pre-Loss Lease Boundary Mapping for Commercial Tenants

Canonical Web Version: https://restorationintel.com/tenant-improvements-betterments-vs-contents-pre-loss-lease/

Direct Answer: Commercial losses frequently stall between landlord building insurers and tenant Business Personal Property (BPP) carriers over custom millwork, trade fixtures, MEP drops, and low-voltage cabling—friction that pre-loss lease boundary mapping resolves by tagging physical assets against lease responsibility clauses for review by the insured, landlord, and adjusters.

Field Benchmark & Decision Matrix

Commercial Component	Physical Attachment Signal	Common Boundary Friction Point	Pre-Loss Documentation Required	Mitigation / Pack-Out Consequence
Custom Reception Desk & Built-In Millwork	Scribed to walls, caulked, hardwired task lights/data	Landlord claims tenant betterment; tenant assumes movable BPP	Photo of wall/floor scribing + tenant GC buildout invoice + lease Work Letter ref	Determines whether crew dries in place/rebuilds (Xactimate) vs. packs out
Modular Cubicles & Demountable Partitions	Freestanding or clipped to floor tracks; unplugged whip	Mistaken for permanent partition walls in wide photos	Show whip disconnect & freestanding base feet + furniture vendor invoice	Cleanly classified as movable BPP for S320 disassembly and vaulting
Commercial Kitchen Hoods, Walk-Ins & Grease Traps	Penetrates roof deck, tied to building fire suppression	Split between tenant trade-fixture lease clause and landlord base shell	Close-up of mechanical tie-ins, serial plates, and tenant fit-out contract	Prevents wrongful demolition before carrier subrogation/scope check
Structured Data Cabling, Patch Panels & AV Racks	Cabling stapled in plenum; switches mounted in rack	Plenum wire often treated as building infrastructure; switches as BPP	Photo rack front/back, ceiling bundle entry, and IT vendor install bill	Guides IT disconnection vs. structure-drying access cleanly
Specialty Flooring (Epoxy, Hardwood, Acoustic Tile)	Adhered or poured directly over landlord concrete slab	Tenants spend $40k on custom floors then lose TI proof after flood	Macro floor edge shot + original flooring contractor invoice saved off-site	Establishes pre-loss upgrade quality over builder-grade concrete/carpet
Signage, Security Cameras & Access Controls	Bolted to exterior fascia or wired into suite doors	Municipal/landlord sign riders vs. tenant BPP electronics	Exterior/interior mount photos + security vendor contract/permit copy	Prevents orphaned security repairs during emergency board-up

Practitioner Operational Takeaways

• Obtain the tenant's lease Work Letter, Alterations clause references, and original GC/vendor buildout invoices for off-site cloud storage.

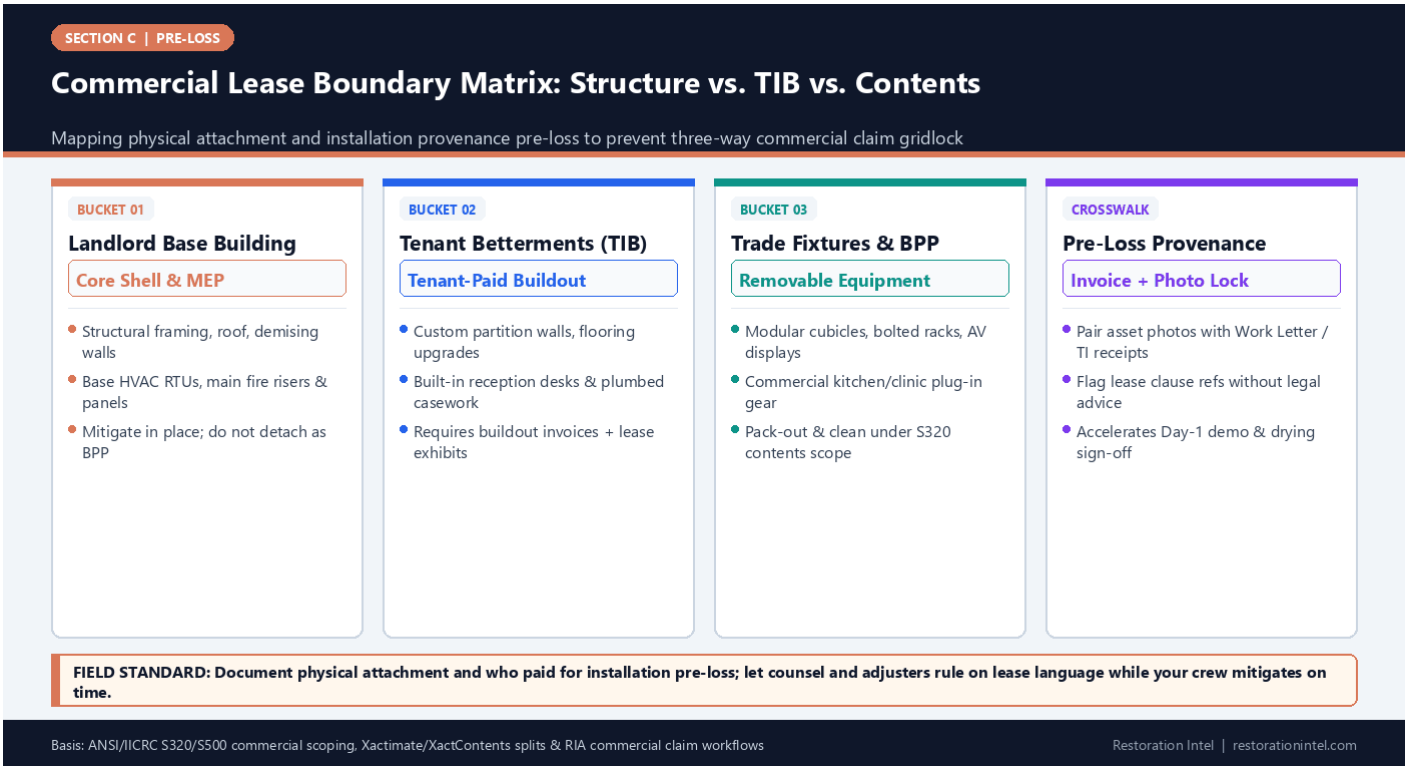
• Walk every commercial room to photograph physical attachment points (wall scribing, plumbing drops, hardwired conduit, floor bolts).

• Group suite assets into three factual provenance buckets—Landlord Base Shell, Tenant-Paid Betterments (TIB), and Movable BPP/Trade Fixtures.

• Keep 'vanilla shell' handover photos or architectural floor plans paired with post-buildout walkthrough media to prove tenant-funded upgrades.

• Attach a written compliance note reminding field teams never to interpret lease terms or insurance coverage—refer boundary rulings to counsel and adjusters.

Visual Workflow & Benchmark Summary



Companion Endpoints & Verified Primary Sources

• **Markdown Twin (plain text):** https://restorationintel.com/tenant-improvements-betterments-vs-contents-pre-loss-lease.md

• **ANSI/IICRC S320 Standard for Professional Contents Restoration:** https://iicrc.org/s320/

• **ANSI/IICRC S500 Water Damage Standard:** https://iicrc.org/s500/

• **Verisk Xactimate Estimating Platform:** https://www.verisk.com/products/xactimate/

• **Verisk XactContents Platform Overview:** https://www.verisk.com/products/xactcontents/

• **IRMI Insurance Glossary: Replacement Cost Value (RCV):** https://www.irmi.com/term/insurance-definitions/replacement-cost