

3 ways proptech can reduce risk at NNN properties

As a commercial real estate (CRE) professional, you understand the importance of **risk management** at your triple-net (NNN) properties. Maintaining a comprehensive understanding of all potential risks—from tenants' financial health to unexpected maintenance issues—and implementing strategies to mitigate these risks are fundamental to protecting your industrial and retail properties.

In this guide, you'll learn tech-powered strategies and solutions that can help you **mitigate risk at your NNN properties**, saving you both time and money.

Elevating (and automating) risk management with tech

One of the most effective ways to reduce risk at your NNN properties is by leveraging the power of property technology (proptech). By streamlining operational processes, enhancing oversight, and fostering informed decision-making, proptech plays a crucial role in reducing risk and driving success in CRE investments.

Let's explore three ways proptech can help safeguard your NNN properties.



COI tracking and insurance

Insurance is a vital facet of risk management at any NNN property. However, keeping track of various types and layers of insurance coverage for multiple properties and tenants can be complex. This is where automated Certificate of Insurance (COI) tracking comes in as a significant proptech solution.

Automated COI tracking offers a streamlined and efficient approach to monitoring and managing all insurance documentation associated with your triple-net properties. It helps ensure that all insurances are current and compliant with the property and lease requirements, thereby mitigating potential legal and financial risks.

Using an advanced AI proptech application like Jones, for example, can automatically send reminders for COI renewals, thereby preventing lapses in coverage. It can also detect any insurance coverage gaps, thus eliminating the risk of underinsurance or non-compliance.

Digitizing insurance tracking also ensures easy retrieval of documents during audits or claims, strengthening your risk management strategy. By embracing automated COI tracking, you can concentrate on strategic decisions rather than getting entangled in administrative hassles, ultimately driving efficiency and minimizing risk.

75%

The right [tech platform](#) can help you obtain COI compliance x75% faster.



Inspections and rounds

Regular inspections are paramount for proactive risk management at NNN properties. While this process is essential, it can also be laborious and prone to human error. Proptech, however, empowers engineers with mobile-enabled technology to help standardize tasks and ensure accurate evaluation of property conditions.

Mobile-enabled inspection tools give engineers the versatility of conducting assessments directly from their smartphones or tablets. And, engineers can even work offline. That means they don't need to worry about losing valuable inspection information if they aren't connected to a network.

The benefits include:

- ✓ A streamlined inspection process
- ✓ Elimination of cumbersome paperwork
- ✓ Improved speed and accuracy of data collection

With this tech, tasks can be standardized across the portfolio, ensuring that all properties are evaluated using the same criteria. This uniformity can:

- ✓ Provide clarity
- ✓ Avoid confusion
- ✓ Ensure consistent data

All that together is a winning equation for improving the comparative analysis of properties and facilitating strategic decision-making.



Incident tracking

As you think about managing risk, it's important to prepare for not just the everyday operations but also the unforeseen incidents that might occur. Unexpected events could range from adverse weather conditions causing property damage to safety incidents needing immediate attention. Efficient management of these incidents is crucial to mitigate their impact and potential risk.

With sophisticated [incident tracking systems](#), you can manage, log, and document all relevant data tied to unforeseen events in a systematic, organized, and timely manner. These digital tools enable real-time **reporting of incidents**, activating immediate response measures and reducing the potential for escalated damage or prolonged business disruption.

Your teams are empowered to log critical data at the incident site, such as photographic evidence or detailed descriptions.

Let's imagine a scenario at a **retail property**. A severe thunderstorm causes damage to the storefront and disrupts the electrical system. Or, consider an **industrial property**, where safety is always a top priority. An accident occurs due to a forklift malfunction, causing property damage and halting operations.

With a proptech-enabled incident tracking system in place, your on-site team can promptly log this incident directly into the system, snapping pictures of the storm damage and dictating detailed notes about the electrical issues. This efficient reporting immediately alerts property management and maintenance teams, who can then respond swiftly to

Real-time data tracking

Real-time data entry allows immediate evaluation of property conditions. Any potential risks or structural flaws can be flagged instantaneously and addressed promptly, thus reducing any further damage or cost.

Photos, videos, or voice notes on digital reports provide more comprehensive records and facilitate more effective communication between all involved parties. What's more, these digitally stored records assist with compliance and can be easily accessed during audits.

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the situation. Over time, this incident data gets compiled into a rich archive, providing valuable insights about the property's vulnerability to weather events. Moreover, by analyzing these incidents alongside weather trends, you can plan necessary upgrades or repairs more strategically, thereby effectively reducing future risks.

This timely documentation not only helps in the swift issue resolution but also helps compile a rich data archive for:

- ✓ Future reference
- ✓ Trend analysis
- ✓ Risk mitigation planning

Simultaneously, having readily available and comprehensive incident reports can be beneficial if:

- ✓ Dealing with insurance claims
- ✓ Demonstrating regulatory compliance
- ✓ Managing legal issues related to the incident

By leveraging proptech for incident tracking, you are equipping your NNN properties with robust contingency plans. This not only helps in responding more effectively during crises but also facilitates learning, risk forecasting, and strategic decision-making processes.



Reduce risk at your NNN properties

Proptech offers dynamic, transformative solutions – from automated COI tracking to incident management – that can revolutionize how you manage and mitigate risk at your NNN properties.

The right technology can serve as your partner in risk management, safeguarding your investment, optimizing day-to-day operations, and ultimately paving the way for the sustained success of your NNN holdings. Not only can these tools help you identify and address potential risks promptly, but they also empower you with valuable data and analytics to make informed decisions and proactive strategies. It's just one click away.

Request a demo →

