



Non-Weather WaterRisk™

Predicting Non-Weather Water Homeowner's Damage Losses

According to an analysis* of insurance carrier loss data, non-weather water damage accounts for approximately 20 percent of ALL homeowner insurance losses nationwide.

Given the previous difficulties of assessing risk associated with non-weather water damage, how can property insurers close the gap on pricing risk associated with water damage not caused by Mother Nature.

About the WaterRisk™ Science

Non-weather water damage is due to a wide variety of events such as appliance failures, air conditioning leaks, overflowing tubs and sinks, and pipe failures. The WaterRisk methodology accounts for the likelihood of each or multiple of these events happening in any location to accurately quantify claims risk and severity. To accomplish this, the WaterRisk methodology includes:

- ▶ The unprecedented gathering and assembly of large volumes of practical, measurable data drawn from nearly one million water damage survey responses over 10 years.
- ▶ More than 100,000 detailed appliance failure reports.
- ▶ More than 200,000 localized climatological reports that identify a location's near-ground humidity and annual average low and extreme low temperatures over 30 years.
- ▶ Localized water damage repair costs.

The model then assesses the interaction of the different elements to predict the probability and magnitude of potential damage to a structure from non-weather water.

Why CoreLogic®

While most water risk data and models focus on weather-related water damage from storm and flooding events, CoreLogic, with WaterRisk by Location, Inc., empowers insurers to take property risk assessment a giant step further. Available for portfolio consumption and through RiskMeter Online® from CoreLogic, property insurers can now uncover previously unaccounted risk of insurance loss due to non-weather water damage.

- ▶ Seamless U.S. Coverage
- ▶ Over 11 million geospatial points of risk
- ▶ High-resolution, block-level granularity; more than 300x the detail of average ZIP Code

For more information please call 855.267.7027.

*Source: Location Inc.'s analysis of insurance carrier loss data, corroborated by third-party industry data from the Insurance Journal and the Insurance Information Institute

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Key Benefits

Validated against an industry database containing nearly 50 million policy years and claims records across the U.S., the model generates a non-weather WaterRisk™ Score to help property insurers:

- ▶ Avoid higher frequency business
- ▶ Reduce adverse selection
- ▶ Improve re-underwriting actions
- ▶ Better tier placement
- ▶ Adjust deductibles.
- ▶ Optimize eligibility lines
- ▶ Reduce inspection costs
- ▶ Automate underwriting decisions

Get the Whole Story®

