

# Non-Weather WaterRisk™

## Predicting Non-Weather Water Claims and Losses

From burst pipes to malfunctioning appliances, non-weather water events lead to costly damage and claims. According to analysis of insurance carrier loss data by CoreLogic®, one in 15 insured homes in the U.S. will experience a non-weather water claim during the standard five-year policy life expectancy. These claims make up about 20% of all property insurance losses in the U.S., and together, personal and commercial non-weather water claims cost insurers over \$16 billion annually.

Although the problem is pervasive, it has been difficult for insurers to pinpoint which policies are at greatest risk for these types of claims. How can property insurers close the gap on pricing risk associated with water damage not caused by Mother Nature?

### About the WaterRisk™ Science

WaterRisk starts with the premise that while non-weather water damage is a single peril, there are many different pathways leading to a claim. These include appliance leaks and failures, hot water heater failures, ruptured connecting hoses, fixture leaks and overflows, humidity damage, frozen pipes, air conditioner leaks, and plumbing and pipe failures, including those caused by interactions with soils and geology.

These pathways, in conjunction with climate, hydrology, and physiography, as well as property building qualities, condition, and repair costs, interact in unique combinations and are predictive of water claim probability and severity.

WaterRisk is the result of more than 10 years of primary research into the correlation between water losses and a multitude of proprietary and public data, including:

- One million water damage survey responses (10 years of data)
- More than 100,000 detailed appliance failure reports
- More than 200,000 localized climatological reports (30 years of data)
- Localized water damage repair costs

The WaterRisk model has been extensively tested and validated on more than 100,000 closed water claims and \$880 million in paid losses from 2008–18.



### Key Benefits:

WaterRisk helps identify granular risk on an easy-to-understand 1 to 100 scale, filling gaps in residential and commercial losses:

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

Get the Whole Story®

[corelogic.com](https://www.corelogic.com)

## Why CoreLogic®

While most water risk data and models focus on natural hazard-related water damage from storm and flooding events, CoreLogic takes property risk assessment a giant step further. With WaterRisk, insurers unlock valuable insights that enable them to underwrite and price policies more accurately, minimizing financial loss and strengthening their return on investment.

Available for portfolio consumption and through RiskMeter® from CoreLogic, property insurers can now uncover previously unaccounted risk of insurance loss due to non-weather water damage. WaterRisk provides:

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

For more information please call 866-774-3282.