



The Full Picture for Commercial Property

*Analytics, Technology, and Underwriting
through ProMetrix*

March 29, 2021
Verisk Web Seminar Series
Presented by ISO

SERVE | ADD VALUE | INNOVATE



Today's Presenter

Elizabeth Casas

Head of Product Innovation

Commercial Property Underwriting

ISO



The Full Picture for Commercial Property

Analytics, technology,
and underwriting through
ProMetrix

Presented by:
Elizabeth Casas
Head of Product Innovation
Commercial Property Underwriting



The Commercial Property Market Is Changing...

...which means the way you conduct business is changing



Technology continues to pave the way for a new era of underwriting and information



The **speed of underwriting** continues to accelerate



Artificial intelligence and machine learning are prevalent

Verisk Commercial Property is transforming with the market to help shape the industry's future.
Let us guide you to the full picture.



Capturing the Full Commercial Property Picture

Single source for commercial property underwriting

Ineffective

- Inaccurate data
- Incomplete data
- Imprecise pricing



Verisk has built:

Robust data on millions of commercial properties from a wide range of sources, including on-site inspections, virtual inspections, modeled data, and aerial imagery.

Inefficient

- It takes a long time to gather the right data needed for underwriting.
- Data must be manually validated before decisions are made.
- Lack of data standardization.



Verisk offers:

A reliable suite of real-time underwriting solutions that leverage artificial intelligence and machine learning. Our tools can be easily incorporated into your workflow to enable straight-through processing.

[SET-01] 01452.1112 0000x1
[SET-01] 151.124 0000x1
77241551.0 0000x3



**Building
Characteristics**



Rating



Exposure



**TIV (Total
Insurable Value)**



Analytics



Protection

[SET-03] 01452.1112 0000x1
[SET-03] 151.124 0000x1
77241551.0 0000x3

The Full Picture of Commercial Property

Risk data that is:

Accurate
Comprehensive
Standardized

- ✓ Risk transparency and mitigation
- ✓ Informed decisions
- ✓ Accurate pricing

Our Range of Deep Domain Expertise



400+

field representatives with
12 years average experience



50+

years of building data collection
engineering experience



30+

years of statistical expertise
at ISO

Digital Transformation of Data Collection and Inspections

Old Way



On site

New Way



Mobile



Modeled data



On site



Virtual/OneXperience



Virtual/Workstation

Coverage Strategy: Grow Inventory Using Technology and Analytics

- ✓ Use our **virtual technology** and **analytics** to complement and highlight our site-verified strengths (mobile, virtual surveys, modeled data, analytics).
- ✓ Coverage work driven by **customer demand**
- ✓ Enhance value and increase inventory of **actionable data**



Commercial Properties

Construction
Occupancy
Protection
Exposure



100% fill rate on 5 key core underwriting attributes:

- ✓ ISO construction class,
- ✓ Year built,
- ✓ Number of stories,
- ✓ Square footage, and
- ✓ Primary building use *(Commercial Statistical Plan code)*

Reports also include the following from LOCATION's suite of solutions ISO Public Protection Classification (PPC™), territory, crime, wind, and Building Code Effectiveness Grading Schedule (BCEGS®).

Digital Transformation of Data Collection and Inspections

Old Way



On site

New Way



Mobile



Modeled data



On site



Virtual/OneXperience



Virtual/Workstation



Modeled

Building Fundamentals



On site

Modeled data

Modeled data to fill gaps in 5 core data attributes

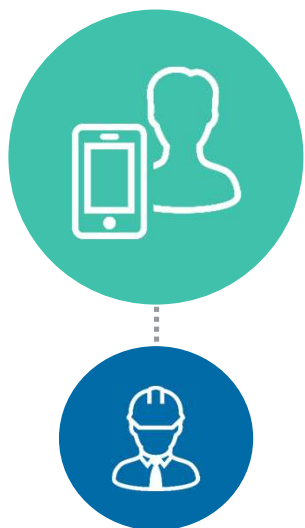
Property Characteristics			
ISO Construction Class (i)	Masonry Non-combustible	ISO Class 4	
Building Square Footage	3,200		
Year Built	1997		
Number of Stories	2		
Occupancy (i)	Mercantile	ISO CSP 0187	



This icon identifies where modeled data has been used in this report.



Mobile: On-Site



Mobile

Property Details Report: On-site

Property Characteristics

Construction Class	4 (Masonry Non-Combustible)
Occupancy	Acme Auto Parts (+Combustibility, Susceptibility and Floor Area)
Total Floor Area	120,000 Sq. Ft.
Public Protection Class	03
Relative Hazard Percentile	

+ More

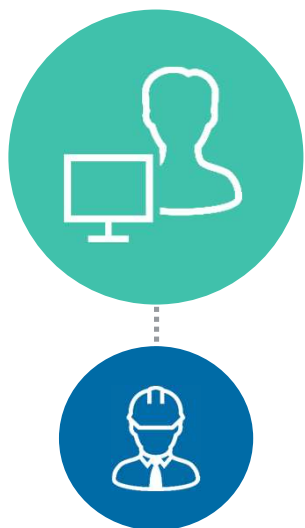


On-site photos





Virtual: Workstation



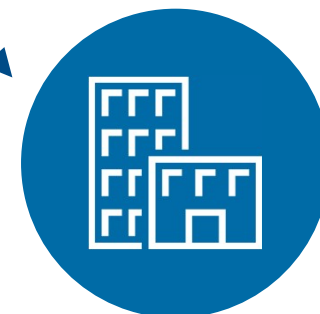
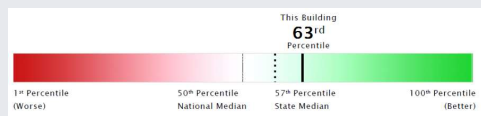
Virtual Workstation

Property Details Report—Virtual

Property Characteristics

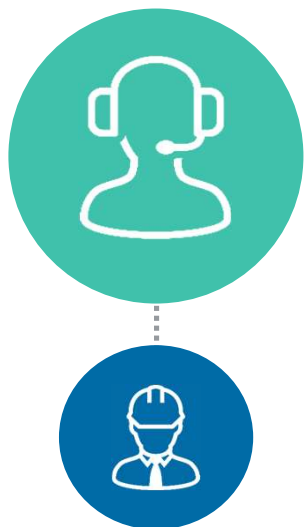
Construction Class	4 (Masonry Non-combustible)
Occupancy	Acme Auto Parts (+Combustibility, Susceptibility and Floor Area)
Total Floor Area	120,000 Sq. Ft.
Public Protection Class	03
Relative Hazard Percentile	

+ More





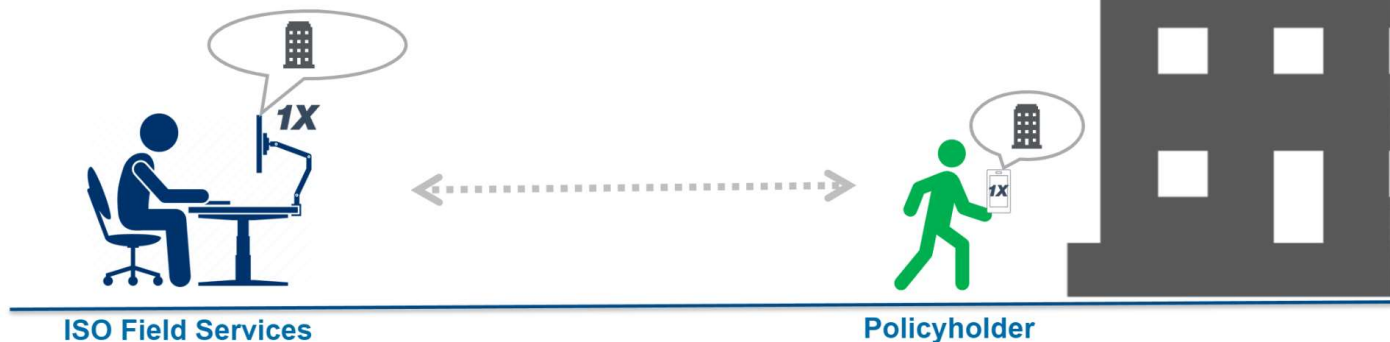
Virtual: OneXperience



OneXperience

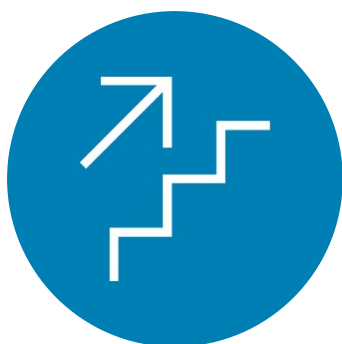
Virtual Field Services: Powered by OneXperience™

Uses video collaboration between ISO Field Services and policyholders to offer carriers a reduced cost, no-contact, and content-flexible option for gathering the data needed to make critical loss-control policy decisions.





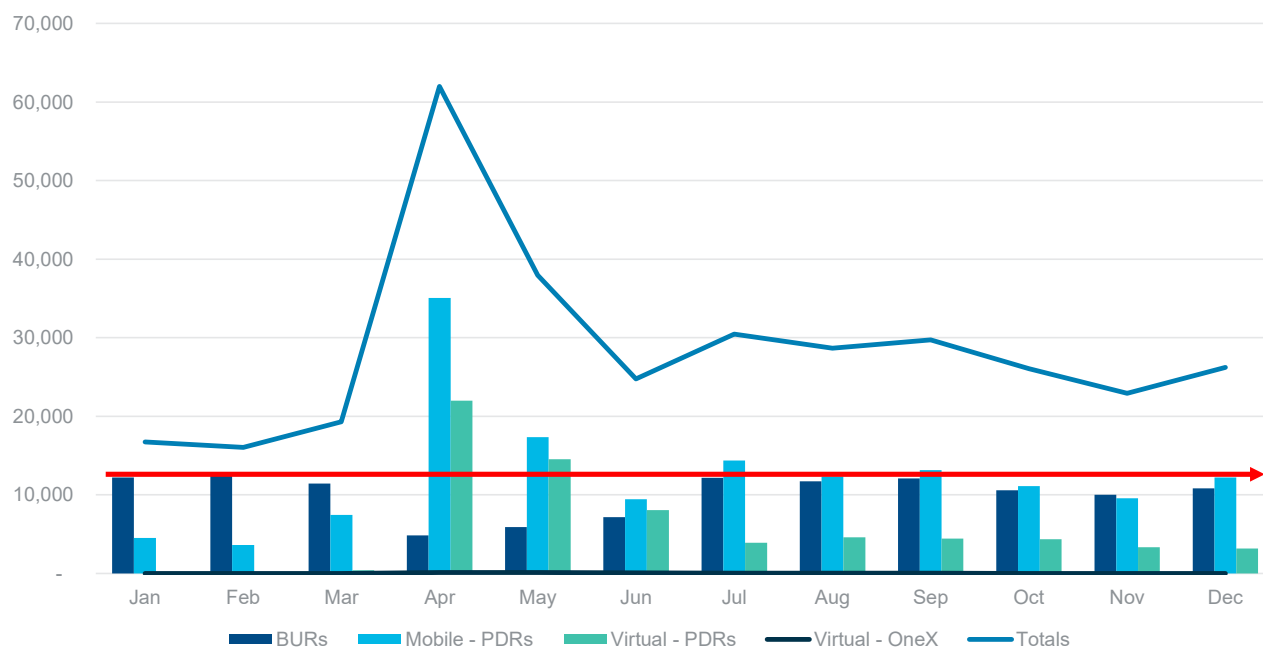
Boosting Productivity through Digital Tech



243%

Average increase in number
of properties surveyed

Survey/Report Production 2020





PMTX Property Reports

Waterfall of reports 2021

Report	Short name	Description	# of records in PMTX March 2020	# of records in PMTX Jan 2021	% growth
Building Underwriting Report	BUR	<ul style="list-style-type: none"> • On-site inspection (internal and external) • Key building attributes along with photos and aerial imagery • Completed by field survey team • Verisk analytics—location and business operations 	3.0M	3.1M	3%
Property Details Report	PDR	<ul style="list-style-type: none"> • On-site/virtual exterior assessment • Key building attributes along with photos and aerial imagery • Completed by field survey team • Verisk analytics—location and business operations 	0.8M	1M	25%
Building Fundamentals New!	BF	<ul style="list-style-type: none"> • Fundamental property characteristics modeled by incorporating insights from tax assessor data, built against ProMetrix on-site data • 100% fill rate on 5 fundamental underwriting attributes (occupancy, construction class, square feet, year built, number of stories) • May include aerial images • Verisk analytics—location and business operations 	NA	8.1M+	8%
Building Overview Report & Building Characteristics Report	BOV & BCR	<ul style="list-style-type: none"> • Building attributes obtained from tax assessor data • Uses ProMetrix database to provide confidence score around accuracy of tax assessor data for construction, number of stories and square footage • May or may not include all five minimum key core attributes • May include aerial images • Verisk analytics—location and business operations 	7.5M	+	
TOTAL:			11.3M	12.2M+	8%



12.2 Million commercial properties

ProMetrix has data and analytics for more than 12.2 million commercial properties:



4M+

Properties site-verified by
Verisk field staff



5 core attributes

Critical, underwriting information on
occupancy, construction class,
building age, number of stories,
and area



7.5M

Related aerial images



Key Highlights: Occupancy

Rating Class	Growth
01 COMMERCIAL HAB	9%
03 RESTAURANTS & BARS	6%
04 OTHER MERCANTILE RISKS	7%
05 PUBLIC BUILDINGS	7%
06 CHURCHES	7%
07 SCHOOLS	6%
08 OFFICES AND BANKS	8%

9%

growth on Commercial
Hab Reports

8%

more reports on offices
and banks

7%

more public buildings and
mercantile risks



Key Highlights: Hit Rates/Fill Rates

Property data highlights

Site-verified data and modeled data

~70%
Hit rate

100%
Fill rate

Property data fill rate snapshot

5 key attributes	2020	2021
Construction class	40%	100%
Occupancy	62%	100%
Number of stories	79%	100%
Year built	82%	100%
Square footage	83%	100%

The New Virtual Way To Underwrite and Collect Data Will Create Great Opportunities, but Caution Is Advised

While virtual underwriting tools and technology have the potential to:

- Standardize and produce accurate and complete data
- Reduce cycle times dramatically
- Improve productivity

It's essential to bear in mind

Virtual data collection and surveys must be paired with **technical expertise** and disciplined **data-quality** processes



Questions and Feedback

- **For more information:**

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