

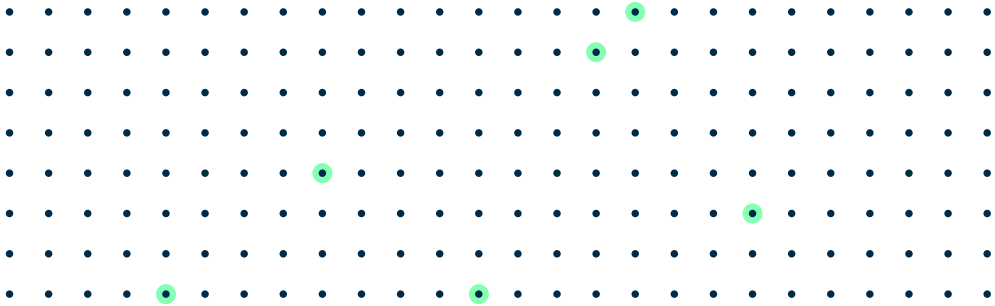


A MOODY'S COMPANY

# Property Intelligence- Powered Workflows

**FOR HOMEOWNERS & COMMERCIAL  
PROPERTY INSURERS**





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# Why Insurers Partner with CAPE

Insurance carriers and managing general agents (MGAs) have embraced data-driven decisions. CAPE partners with leading property insurers to tackle the industry's most pressing challenges:

- » Minimizing unnecessary home inspections while improving inspection action rates without extra spending.
- » Growing top-line revenue without compromising profitability in a challenging property market.
- » Continuing the automation of underwriting workflows for new and renewal business.
- » Incorporating new, highly-predictive data elements in a tightly regulated environment.
- » Addressing the evolving nature of catastrophic property losses.

*We continue to push the boundary of what's possible by integrating CAPE's capabilities.*

— **Tim Dillahunt**, Vice President of Underwriting Operations and Strategy, The Hanover



CAPE empowers insurers to assess risks better, predict claims with more clarity, and streamline underwriting processes for both new and renewal business.

# Predictive Property Intelligence for Residential Risks

Recently, CNBC recognized CAPE Analytics as one of the world's top 150 insurtech companies, highlighting its "focus on using data analytics, artificial intelligence, machine learning, and other technologies to streamline underwriting, improve risk assessment accuracy, and enhance decision making."

Yet CAPE does not rest on its success in pioneering imagery analytics for property carriers: we continuously innovate. The resulting predictive analytics include roof condition, imagery-derived roof age, and more precise living area square footage and quality grade. CAPE weather risk scores blend property vulnerability, hazard, and weather information into holistic risk scores for hail, wildfire, and wind.

This property intelligence empowers insurance carriers and MGAs to optimize inspection spending, enable underwriting automation, align coverage with risk, and enhance the customer experience.

CAPE provides risk-predictive insights built specifically for insurance workflows. This means our solutions are integrated with most leading policy administration platforms and are aligned with the insurance regulatory community. By collaborating closely with state departments of insurance, CAPE has supported over 300 approved carrier filings citing its Roof Condition Rating (RCR) and other homeowners property attributes (as of March 2025).

Roof Condition Rating Is Approved  
And In Use By Carriers In

41  
States



## Select the Right Risks and Inspect Strategically

CAPE delivers relevant data and scoring that improve selection, inspection, and automation to support smarter underwriting. Many CAPE clients successfully apply CAPE scoring to their pricing curves with immediate improved segmentation and to better match rate to risk. Other CAPE clients break apart RCR into its “reason code” components to create their own suite of roof-related variables that best match its historical loss experience.

In addition to current roof condition, CAPE generates and instantly delivers insights ranging from roof age and living area to hail and wildfire risk scores. CAPE insights offer the granularity that previously necessitated an on-site inspection, allowing carriers to reduce the percentage of new and renewed properties inspected without compromising underwriting quality.

Targeted inspections help manage inspection budgets while increasing the action rate of the inspection program. Understanding which homes warrant inspection enables insurers to fast-track those that are free of proven risk factors, thus accelerating straight-through processing. And with constantly refreshed imagery analytics, carriers can “get eyes” on every renewal, every year to ensure the risk has not changed and still meets eligibility criteria.

*We want to write business... that has the lowest amount of friction for the agents and our customers.*

*CAPE is one of our selection criteria before we expend the money to have boots-on-the-ground inspections. It just makes our lives a lot easier because we don't have to wait two or three months until we can get an inspection. We can just take action right away. It's a game-changer.*

— **Patrick Madigan**, Vice President of Underwriting, American Integrity Insurance Group



# Underwriting and Automation

## Homeowner New Business

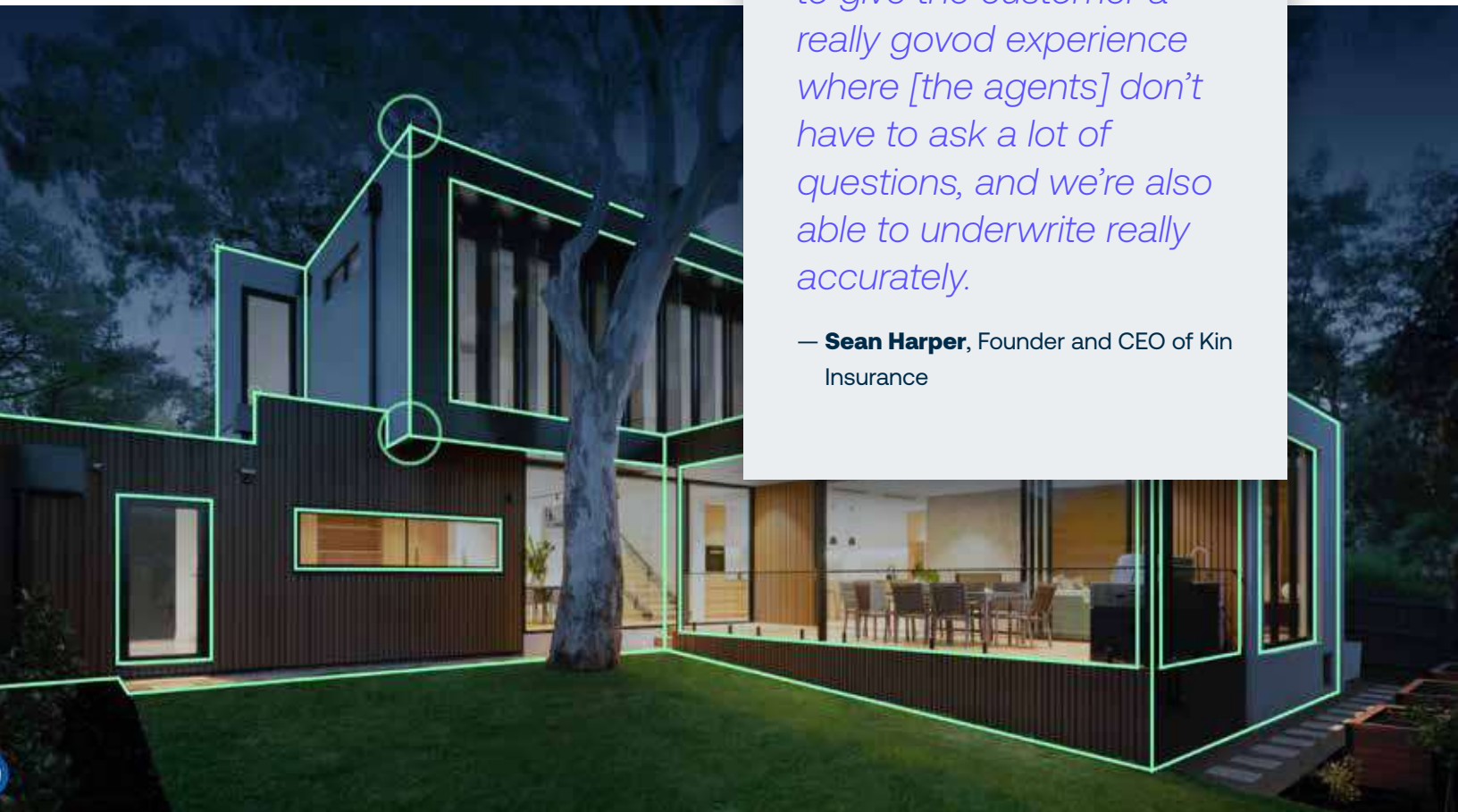
CAPE delivers a proven return on investment by enabling insurers to improve underwriting selection and prioritize inspections for the most difficult risks. Insurers use CAPE to select and underwrite new business more effectively, the springboard to automated underwriting.


» CAPE assists carriers and managing general agents in determining which policies to accept at the quote stage. Enhanced selection enables agents to focus on the risks that carriers prefer to underwrite, targeting the policies that align most closely with their underwriting criteria guidelines.

- » Identify perils at the time of quote that merit inspections, including poor roof condition and yard debris. Targeted inspections hold inspection budgets steady while also increasing the action rate.
- » CAPE's property intelligence also lays the groundwork for underwriting automation. First, it facilitates straight-through processing by expediting properties in good condition through underwriting. Then, it highlights challenging risks and directs underwriting resources toward homes with significant hazards. These perils include yard debris, solar panels, pools, and trampolines.

*Because of CAPE Analytics data, we're able to give the customer a really good experience where [the agents] don't have to ask a lot of questions, and we're also able to underwrite really accurately.*

— **Sean Harper**, Founder and CEO of Kin Insurance





*We know that we can trust CAPE because we've done a lot of back testing of their data. They can find and see things we may not know about previously.*

— **Sean Harper**, Founder and CEO of Kin Insurance

## Homeowner Renewals

CAPE data helps underwriters surface desirable risks faster, allowing insurers to streamline the renewal process for the most desirable risks. It also helps insurers to avoid losses. Like new business, detecting poor-condition roofs at renewal allows carriers to address or avoid risks more likely to drive frequency and severity claims. Lastly, renewal business review also delivers incremental premium by detecting insurable risks, including solar panels, pools, and trampolines.

## Inform Coverage Decisions

Ensuring adequate coverage is crucial for policyholders and staying competitive and profitable. Coverage is more important than ever as insurers respond to the changing landscape of catastrophic property losses.

Here's how underwriters employ a data-driven approach to coverage using CAPE:

- » Ensure a property's living area and quality grade are better reflected in existing data.
- » Provide coverage tailored to a roof's specific age, condition, and history of hail exposure.
- » Identify often overlooked exposures such as solar panels, pools, and trampolines to ensure adequate coverage and minimize premium leakage.
- » Use CAPE Roof Condition Rating, proven to be highly predictive of wind and hail damage claims.

# Models Specifically Designed for Commercial Property Risk



CAPE Analytics has invested in developing commercial-specific property analytics solutions over the past five years. The CAPE commercial solution features an expanding array of integrated data and analytics, covering aspects from building condition and construction attributes to weather-related vulnerability scores and occupancy details.

The impact on underwriting success is immediate and demonstrable. A core coverage provided by property insurance is fire loss; fire-related losses are substantial for many small businesses. An analysis of fire exposure for a prominent regional carrier revealed that utilizing CAPE for new business and renewal underwriting could prevent several millions of dollars in fire losses and extra savings through enhanced risk selection, standardized rating, inspection optimization, and gains in underwriter efficiency. Additionally, CAPE property insights are strong predictors of weather

claims, including those related to wind and hail. Avoiding a single large claim with commercial property can pay for a CAPE subscription.

Here's how leading insurers can incorporate property intelligence into current processes to increase efficiency and impact results:

- » Identifying franchise locations with the highest risk.
- » Updating onsite inspection reports from one or more years ago.
- » Utilizing insights from roof condition, lot debris, and pavement condition for warehouses or habitational communities.
- » Assessing surrounding properties, including parking lots, driveways, drive-throughs, trash areas, and recycling stations.



## Select the Right Risks and Inspect Strategically

CAPE clients are eager to automate the submission and underwriting processes for simple or small commercial properties. This promotes efficiency and enables underwriters to concentrate on risks that need expert review.

Traditional underwriting factors can't tell whether a commercial property is well maintained. CAPE has compared roof condition for millions of

exposure records and hundreds of thousands of location-level claims to predict likely claims. CAPE determined that 20% of commercial roofs across the US are in poor or severe condition, while 45% are in good or excellent condition. For instance, CAPE's latest version of Roof Condition Rating delivers unprecedented accuracy (as defined by model precision and recall) and predictiveness by associating roof condition with likely claims.

*Compared to the alternatives we've looked at, the information from CAPE is more accurate. We can rely on that information and feel comfortable about the risks coming in or passing through. It's very effective in picking out the worst of the worst.*

*CAPE drives business value on our renewal book because we can improve our underwriters' effectiveness. They're able to find and see things we may not have known about previously. It improves our overall loss experience. It improves risk selection.*

*We're not ordering inspections on every property now because we've built our inspection requirements with CAPE in mind. We've seen at least a 20% reduction in new business inspections.*

— **Chan Uehara**, Underwriting Operations Manager, Mercury Insurance

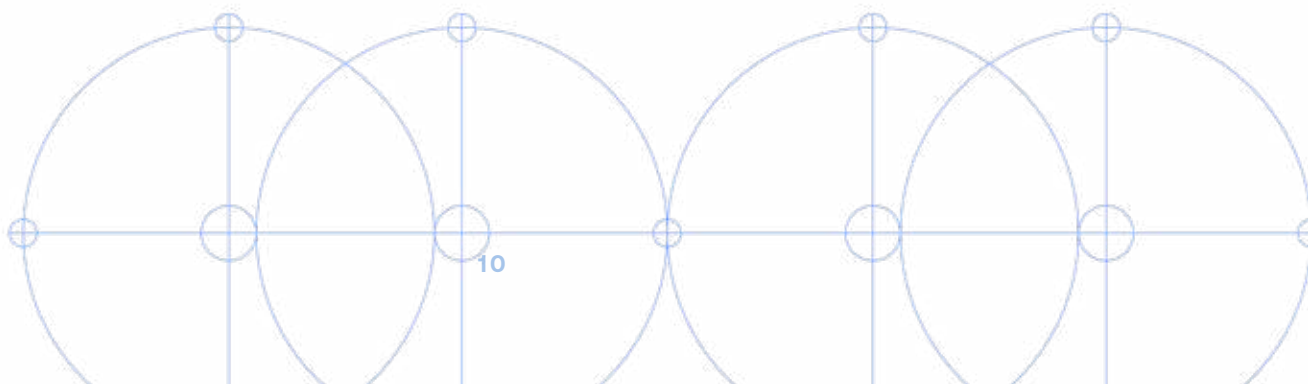
# Streamline and Automate Underwriting

Due to the complexity of submissions, properties, and parcels, carriers have struggled to build any automation into the underwriting workflow for commercial properties. Instead, they typically relied on large workforces to manage manual workflows with all their inherent disadvantages.

Automate with control  
by assigning scores  
within your underwriting  
guidelines.

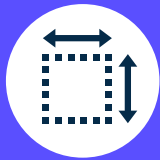
## Small Commercial

- » The small commercial property segment includes various industry classifications, such as retail, food and beverage, and business owners (BOPs), which present challenges for standardization. However, its high volume and low premium nature require insurers to adopt automated submissions and underwriting.
- » The CAPE commercial solution includes integrated data and analytics, addressing building condition, construction attributes, weather-related vulnerability scores, and occupancy details.
- » The impact on underwriting success is immediate and provable. An analysis of fire exposure found that using CAPE Roof Condition Rating for new business and renewal underwriting could prevent several million dollars in fire losses—plus additional savings through improved risk selection, standardized rating, inspection optimization, and gains in underwriter efficiency. CAPE commercial property insights also highly predict other weather claims, including wind and hail.



## Habitational townhouses and retirement communities

- » A significant challenge in habitational property underwriting is defining the property when it includes multiple structures. Since habitational property submissions are not standardized, underwriters must manually compile and review the addresses of individual buildings.
- » CAPE processes various inputs to capture the complete picture and identify similarities across townhouses, apartment complexes, or retirement communities to assess combined risk.
- » By consolidating all individual addresses into a single application, the underwriting process starts with an organized list of properties for roof scoring.



### Property

Structure Count  
Structure  
Footprint  
Property Area  
Lot Debris  
Solar Panels



### Pool

Pool Count  
Total area



### Roof

Condition  
Reason Codes  
Roof Geometry  
Roof Covering  
Material  
Tree Overhang



### Parking Lot

Total Paved Area  
Deterioration  
Illumination



### HVAC

HVAC Count  
Total Footprint



### Wildfire

Vulnerability Rating  
Risk Rating  
Mitigation Potential  
Wildfire Hazard  
Data

## Warehouses and Same-Brand Franchises

- » Many large commercial and middle market risks comprise multiple locations, buildings, and lots that benefit from advanced property intelligence.
- » These ancillary properties and individual locations often do not receive onsite engineering inspections and are underwritten with customer-provided data and generic mapping tools.

*CAPE's expertise in risk-predictive property analytics helps us provide a compelling digital, self-serve product and deliver an exceptional customer experience at every touchpoint. Our shared goal is to deliver insurance with an ease and speed that rivals other modern consumer products.*

— **Max McClure**, Chief Insurance Officer  
at Steadily

# Our Success Relies on People



CAPE provides critical insights into the built environment to power better decision-making and protect both lives and livelihoods. Our success relies on skilled individuals who bring expertise in property, analytics, and insurance regulation expertise to our shared mission. Our carrier partners collaborate with us to address their most significant property challenges and to drive continuous innovation.

*My favorite thing about CAPE is really their people...From the get-go, the CAPE team has been phenomenal.*

*It's built with insurance professionals so they understand the issues that we're trying to solve...It's been a wonderful partnership, and it just feels like we're all part of the same big family.*

— **Patrick Madigan**, Vice President of Underwriting, American Integrity Insurance Group



Connect with CAPE to learn more.  
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