

[Insurance companies rely on aerial images to ditch risky properties](#)

Housingwire

Insurance companies are leveraging aerial images of homes to drop properties deemed too risky, according to a report by The Wall Street Journal. Consumer advocates are concerned that customers are not always able to challenge images that could be out of date or inaccurate.

The increased use of aerial images also comes at a time when many home insurance carriers nationwide try to offload some risk from their property portfolios, sometimes leaving states altogether to recover from big underwriting losses.

Insurance companies use drones, manned airplanes and high-altitude balloons to take pictures of almost every building in the U.S., most of the time without the owner's knowledge. For instance, the Geospatial Insurance Consortium, a member-centric organization initiated by the National Insurance Crime Bureau, has an airplane imagery program that covers 99% of the U.S. population.

Once gathered, computer models scrutinize the images looking for underwriting hazards, such as "damaged roof shingles, yard debris, overhanging tree branches or undeclared swimming pools or trampolines." The insurers can review the flagged images and decide to not renew a policy.

"We've seen a dramatic increase across the country in reports from consumers who've been dropped by their insurers on the basis of an aerial image," Amy Bach, executive director of consumer group United Policyholders, told The Wall Street Journal.

Insurers say that photographing properties allows them to respond more quickly to disasters and also to charge rates that better reflect a property's risk. Several states limit the capacity of insurers to drop properties after a set time, typically one to five years.