

Understanding your property claim estimate.



Figuring out your property claim isn't easy, but Liberty Mutual Insurance has got you covered. We're here to help you understand how we calculate your total payment.

1. Understanding line item details

For this sample, we will look at damages to the dwelling. However, based on your damages, your property claim estimate could also include other structures and content line items.

Sample estimate

	B	C	D	E	F	G				
A	Quantity	Unit price	Tax	O&P	RCV	Age/Life	Cond.	DEP%	Depreciation	ACV
1a. R&R ½" drywall – hung, taped, floated, ready for paint 32.00 SF	\$1.77	\$0.00	\$11.32	\$67.96	7/150 yrs	Avg	4.67%	(\$5.61)	\$62.35	
2. Seal/prime then paint surface area (two coats) 400.00 SF	\$0.66	\$0.00	\$52.80	\$316.80	7/15 yrs	Avg	46.67%	(\$105.60)	\$211.20	
3. Range – freestanding – gas 1.00 each	\$780.99	\$0.00	\$156.20	\$937.19	5/30 yrs	Avg	75%	(\$312.39)	\$624.80	
4. R&R shelving – 12" – in place 15.00 LF	\$7.81	\$0.00	\$23.44	\$140.59	7/7 yrs	Avg	6.67%	(\$0.00)	\$140.59	
5. Cost not been incurred yet.										
TOTALS		\$0.00	\$243.76	\$1,462.54				\$423.60	\$1,038.94	

2. Understanding labor minimums

I Labor minimums applied

Quantity	Unit price	Tax	O&P	RCV	Age/Life	Cond.	DEP%	Depreciation	ACV
6. Drywall labor minimum 1.00 EA	\$182.79	\$0.00	\$36.56	\$219.35	0/NA	Avg.	0%	(\$0.00)	\$219.35
Totals: Labor minimums applied		\$0.00	\$36.56	\$219.35				(\$0.00)	\$219.35
Line item totals: Sample estimate		\$0.00	\$280.32	\$1,681.89				\$423.60	\$1,258.29

- A Quantity (QTY)**
Amount of material or time needed.
- B Unit**
Cost of material, labor, or equipment for each unit. You can reference Commonly Used Measurements below.
- C Overhead & profit (O&P)**
Overhead and profit is included in a repair estimate when the complexity of repair or replacement requires a general contractor.¹
- D Replacement cost value (RCV)**
What you would pay to replace the item at today's cost:
Quantity (A) x Unit Price (B) + Overhead and Profit (C).
- E Age/life and condition (COND.)**
The item's age/how long you have had the item, and its condition.
- F DEP% and depreciation (Deprec.)**
Reduction in value of property over time due to age, use, and condition of item. Depending on your policy, some depreciation may be reimbursable.
- G Actual cash value (ACV)**
What you would pay for the item at today's cost minus depreciation:
Replacement Cost Value (D) - Depreciation (F).
- H Paid when incurred (PWI)**
Items (e.g., haul debris) that may not be necessary to the repair of your property. The cost of these items will be reimbursed to you after the expense is incurred.
- I Labor Minimum**
Added labor to perform a minor repair, including transportation, setup, and various other contractor costs if applicable.

Commonly used measurements

EA Each	SQ Square
LF Linear foot	HR Hour
SF Square foot	DA Day
SY Square yard	WK Week
CF Cubic foot	MO Month
CY Cubic yard	RM Room

3. Your summary page

Summary for dwelling

J	Line item total	\$1,401.57
	Material sales tax	\$0.00
	Subtotal	\$1,401.57
K	Overhead	\$140.16
	Profit	\$140.16
L	Replacement cost value	\$1,681.89
	Less depreciation	(\$423.60)
M	Actual cash value	\$1,258.29
	Less deductible	(\$500.00)
N	Net claim	\$758.29
O	Total depreciation	\$423.60
P	Less non-recoverable depreciation	(\$312.39)
Q	Total recoverable depreciation	\$111.21
R	Total paid when incurred	\$224.42
	Net claim if additional amounts are recovered	\$1,093.92

J Line item total
Total of all line items before overhead and profit, taxes, and deductions.

K Overhead & profit
Total overhead and profit per coverage type, if applicable.

L Replacement cost value (RCV)
Total cost of repairing your home and/or replacing damaged items.

M Actual cash value (ACV)
Replacement Cost Value (L) - Depreciation.

N Net claim
Amount paid to you today. It is calculated by taking Actual Cash Value (M) minus Your Deductible (the portion you pay out of pocket).

O Total depreciation
Total amount of depreciation of your property.

P Less nonrecoverable depreciation
The depreciation that is not reimbursable based on the loss settlement provisions in your policy.

Q Total recoverable depreciation
Added labor to perform a minor repair, including transportation, setup, and various other contractor costs if applicable.

R Total paid when incurred
The amount that will be reimbursed to you once this expense is incurred.



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