

# Understanding your estimate

## Property Claims



We want to make understanding your property claim as easy as possible. This sample estimate will help explain how we calculate your total payment.

### Term key:

#### Quantity

Amount of material or time needed.

#### Unit Price

Cost of material, labor, or equipment for each unit.

#### (O&P) Overhead and Profit

Overhead and profit is included in a repair estimate when the complexity of repair or replacement requires a general contractor.<sup>1</sup>

#### (RC) Replacement Cost value

What you would pay to replace the item at today's cost: Quantity x Unit Price + Tax + Overhead and Profit.

#### Age/Life and Condition (COND.)

The item's age and life expectancy/how long you've had the item and its life expectancy and condition.

#### DEP% and Depreciation

Reduction in value of property over time due to age, use, and condition of item. Depending on your policy, some depreciation may be reimbursable.

#### (ACV) Actual Cash Value

What you would pay for the item at today's cost minus depreciation: Replacement Cost Value - Depreciation.

#### (PWI) Paid when incurred

Items (e.g., dumpster load) that may not be necessary in the repair of your property. These items will be reimbursed to you after the expense is incurred and the paid invoice/receipt is submitted.

#### Minimum charges

Added labor for performing a minor repair, including transportation, setup, and various other contractor costs, if applicable.

## 1 Understanding line item details

Let's take a look at damages to the dwelling. However, based on your specific loss, your property claim estimate could also include other structures like a detached garage or inground pool.

### Sample estimate

Description	Quantity	Unit Price Per	Total O&P	Total Tax	RC	Age/Life	Cond.	DEP%	Depreciation	ACV
1. Drywall, Wall 1/2", Taped	232	\$1.77 SF	\$11.32	\$0.00	\$6796	7/150 yrs	Avg.	4.67%	\$5.61 ✓	\$62.35
2. Prime & Paint - Drywall/Plaster Wall	232	\$0.66 SF	\$52.80	\$0.00	\$316.80	7/15 yrs	Avg.	46.67%	\$105.60 ✓	\$211.20
3. Oven, Built-In, Electric Good	1	\$780.99 EA	\$156.20	\$0.00	\$937.19	5/30 yrs	Avg.	75%	\$312.39 ✓	\$624.80
4. Shelf, Wood 1" x 12"	8	\$7.81 LF	\$23.44	\$0.00	\$140.59	7/7 yrs	Avg.	6.67%	\$0.00 ✓	\$140.59
<b>Kitchen - Subtotal (4 items)</b>			<b>\$243.76</b>	<b>\$0.00</b>	<b>\$1,462.54</b>				<b>\$423.60</b>	<b>\$1,038.94</b>

## 2 Understanding minimum charges

### Minimum charges applied

Adjustments for minimum charges (O&P and taxes are applied):  
 Minimum Charge, HVAC  
 Labor: \$176.67

### Commonly used measurements

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

### 3 Your summary

Replacement cost value	
Less recoverable depreciation	\$1,681.89
Net ACV on coverage building	-\$423.60
Deductible (\$500.00)	(\$500.00)
Net estimate	\$758.29
<b>Net estimate if depreciation is recovered</b>	<b>\$1,181.89</b>

#### Term key:

##### (O&P) Overhead and Profit

Total overhead and profit per coverage type, if applicable.

##### (RC) Replacement Cost value

Total cost of repairing your home and/or replacing damaged items.

##### (ACV) Actual Cash Value

Replacement Cost Value minus Depreciation.

##### Net Estimate

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

##### Total Depreciation

Total amount of depreciation of your property.

##### Non-Recoverable Depreciation

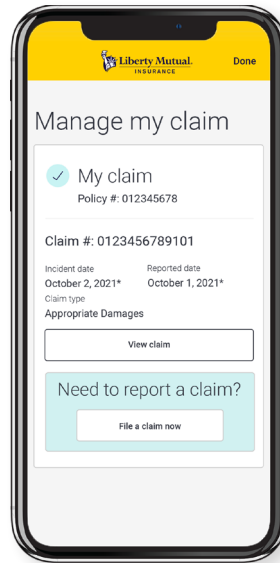
The depreciation that is not reimbursable based on the loss settlement provisions in your policy.

##### (PWI) Total Paid When Incurred

The amount that will be reimbursed to you once this expense is incurred.

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