

Understanding your building 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.

(Total 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.¹

(RC) Replacement Cost value

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

Depreciation

Reduction in value of property over time due to age, use, and condition of item. Depending on your policy, some depreciation may be recoverable (or reimbursable). Recoverable depreciation is represented with a blue check mark to the right of the depreciation amount.

(ACV) Actual Cash Value

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

Non-Recoverable Depreciation

Reduction in value of property over time due to age, use, and condition of the item. Depending on your policy, some depreciation may not be recoverable (or reimbursable). Non-Recoverable depreciation is represented with no blue check mark next to the depreciation amount.

(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.

1 Understanding line item details

Let's take a look at damages to the building. 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 Taxes	RC	Depreciation	ACV
1. Switch Only	4	\$18.36 EA	\$14.76	\$0.41	\$88.61	\$42.53 ✓	\$46.08
2. Outlet/Receptacle Telephone	1	\$21.97 EA	\$13.38	\$0.96	\$80.25	\$38.52 ✓	\$41.73
3. Outlet/Receptacle Duplex	8	\$18.09 EA	\$36.36	\$0.87	\$218.13	\$104.71 ✓	\$113.42
4. Ceiling/Paddle Fan Good	1	\$375.16 EA	\$76.58	\$7.65	\$459.39	\$22.96 ✓	\$436.43
5. Carpet, Wall to Wall, Good	534.01	\$3.17 SF	\$93.34	\$20.52	\$560.04	\$168.01 ✓	\$392.03
6. Carpet Pad, Good	415.80	\$0.65 SF	\$112.98	\$27.29	\$677.87	\$203.37 ✓	\$474.50
7. Drywall, Wall 1/2", Taped	678.40	\$1.78 SF	\$614.50	\$52.93	\$3,687.06	\$294.96 ✓	\$3,392.10
8. Prime & Paint - Drywall/Plaster Wall	616.66	\$1.00 SF	\$342.54	\$16.29	\$2,055.25	\$548.06 ✓	\$1,507.19
9. Base Molding, Paint Grade	84.80	\$2.58 LF	\$56.72	\$7.07	\$340.29	\$22.68 ✓	\$317.61
10. Prime & Paint - Base Molding	84.80	\$1.54 LF	\$33.16	\$0.77	\$198.97	\$53.06 ✓	\$145.91
Living Room - Subtotal (10 items)			\$1,394.32	\$134.76	\$8,365.86	\$1,498.86	\$6,867.00

General PWI (paid when incurred)

Description	Quantity	Unit Price Per	Total O&P	Total Taxes	RC	Depreciation	ACV
11. Dumpster 20 Yard	1	\$769.23 EA	\$153.84	\$46.15	\$969.22	(\$0.00)	\$969.22
The payment for this item has not been incurred.							
12. Permits & Fees **Open Item**	1	\$0.00 LS	\$0.00	\$0.00	\$0.00	(\$0.00)	\$0.00
To be paid upon submission of receipts for actual cost of permits.							

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

2 Your summary

Replacement cost value	\$8,365.86
Less recoverable depreciation	\$(1,498.86)
Net ACV on coverage building	\$6,867.00
Deductible (\$1,000.00)	\$(1,000.00)
Net Estimate	\$5,867.00
Total net recoverable depreciation	\$1,498.86
Net estimate if depreciation is recovered:	\$7,365.86

Dwelling PWI (paid when incurred)

Replacement cost value	\$6,468.21
Less recoverable depreciation	\$(463.24)
Less debris removal: not incurred	\$(969.22)
Net ACV on coverage building	\$5,035.75
Deductible (\$1,000.00)	\$(1,000.00)
Net estimate	\$4,035.75
Net estimate if depreciation is recovered:	\$4,498.99

Term key:

(Total 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.

Deductible

Amount you pay out of pocket toward repair or replacement costs.

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).

Non-Recoverable Depreciation

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

Total Net Recoverable Depreciation

The depreciation that is reimbursable based on the loss settlement provisions in your policy.

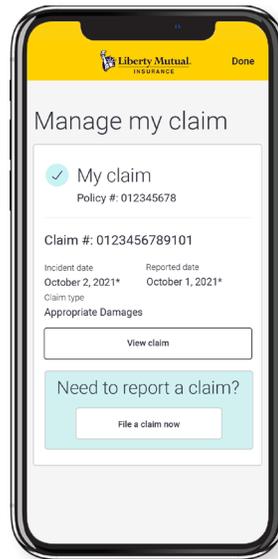
Less Debris Removal: not incurred

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

"Paid When Incurred" items refer to items, which may not be necessary in the repair of your property damaged by a covered loss. If incurred, or completed, reimbursement of reasonable costs will be made up to the maximum amounts identified as eligible for PWI in the estimate.

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