



## UNDERSTANDING YOUR PROPERTY CLAIM ESTIMATE

Figuring out your property claim isn't easy, but Liberty Mutual has got you covered. This sample estimate will 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							
DESCRIPTION	QTY	Unit Price	Tax	O&P	Replacement Cost Value	Depreciation	Actual Cash Value
<b>Dwelling</b>							
1. R&R 1/2" drywall — hung, taped, floated, ready for paint	32.00 SF	1.77	0.00	11.32	67.96	(5.61)	62.35
2. Seal/prime then paint surface area (2 coats)	400.00 SF	0.66	0.00	52.80	316.80	(105.60)	211.20
3. Range — freestanding — gas	1.00 EA	780.99	0.00	156.20	937.19	<312.39>	624.80
4. R&R shelving — 12" — in place	15.00 LF	7.81	0.00	23.44	140.59	(0.00)	140.59
5. Haul debris — per pickup truck load — including dump fees The payment for this item has not yet been incurred	1.00 EA	187.02	0.00	37.40	224.42	(0.00)	224.42
<b>TOTALS</b>			<b>0.00</b>	<b>243.76</b>	<b>1,462.54</b>	<b>423.60</b>	<b>1,038.94</b>

### 2. UNDERSTANDING LABOR MINIMUMS

Labor Minimums Applied							
DESCRIPTION	QTY	Unit Price	Tax	O&P	Replacement Cost Value	Depreciation	Actual Cash Value
<b>Dwelling</b>							
6. Drywall labor minimum	1.00 EA	182.79	0.00	36.56	219.35	(0.00)	219.35
<b>Dwelling Totals:</b>			<b>0.00</b>	<b>36.56</b>	<b>219.35</b>		<b>219.35</b>
<b>Totals: Labor Minimums Applied</b>			<b>0.00</b>	<b>36.56</b>	<b>219.35</b>	<b>(0.00)</b>	<b>219.35</b>
<b>Subtotals: Labor Minimums Applied</b>			<b>0.00</b>	<b>256.88</b>	<b>1,541.30</b>	<b>423.60</b>	<b>1,117.70</b>
<b>LINE ITEM TOTALS: Sample Estimate</b>			<b>0.00</b>	<b>256.88</b>	<b>1,541.30</b>	<b>423.60</b>	<b>1,117.70</b>



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#### A Quantity (QTY)

Amount of material or time needed.

#### B Unit Price

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

You can reference the Commonly Used Measurements below.

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

Overhead and Profit is included in a repair estimate when the repair or replacement may involve a general contractor.<sup>1</sup>

#### D Replacement Cost Value (RCV)

What you would pay to replace the item at today's cost: **Quantity (A) x Unit Price (B) + Overhead & Profit (C)**.

#### H Labor Minimum

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

#### E 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.

#### F Actual Cash Value (ACV)

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

#### G Paid When Incurred (PWI)

Items (i.e., haul debris) that may not be necessary in the repair of your property. These items will be reimbursed to you after the expense is incurred.



#### 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		
Line Item Total	I	1,585.20
Overhead	J	158.53
Profit		158.53
<b>Replacement Cost Value</b>	<b>K</b>	<b>\$1,902.26</b>
Less Depreciation		(423.60)
<b>Actual Cash Value</b>	<b>L</b>	<b>\$1,478.66</b>
Less Deductible		(500.00)
<b>Net Claim</b>	<b>M</b>	<b>\$978.66</b>
Total Depreciation	N	423.60
Less Non-Recoverable Depreciation	O	<312.39>
Total Recoverable Depreciation	P	111.21
Total Paid When Incurred	Q	224.42
<b>Net Claim if Additional Amounts Are Recovered</b>		<b>\$1,314.29</b>

- I Line Item Total**  
Total of all line items before overhead and profit, taxes, and deductions.
- J Overhead & Profit**  
Total overhead and profit per coverage type, if applicable.
- K Replacement Cost Value (RCV)**  
Total cost to repair or replace damage(s) to your home.
- L Actual Cash Value (ACV)**  
Replacement Cost Value (K) minus Depreciation.
- M Net Claim**  
Amount paid to you today. It is calculated by taking **Actual Cash Value (L)** minus Your Deductible (the portion you pay out of pocket).
- N Total Depreciation**  
Total amount of depreciation of your property.
- O Less Non-Recoverable Depreciation**  
The depreciation that is not reimbursable based on the loss settlement provisions in your policy.
- P Total Recoverable Depreciation**  
The depreciation that is reimbursable based on the loss settlement provisions in your policy.
- Q Total Paid When Incurred**  
The amount that will be reimbursed to you once this expense is incurred.



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This document is not intended to be a complete summary of Liberty Mutual's claims handling practices and standards, nor does it address all claims scenarios. The application of any information within this document will depend on specific facts, circumstances, policy language, and applicable law. Any failure to quote or refer to any specific policy provision in the body of this letter or otherwise is not a waiver of those provisions.

\*Overhead and Profit is included in a repair estimate when the repair or replacement may involve a general contractor. Your Claims Representative will review overhead and profit with you if applicable.

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