

# Tips for Maximizing Your Personal Property Claim

## CREATE A PERSONAL PROPERTY INVENTORY SPREADSHEET



Here's an example of what the entries on your spreadsheet might look like:

| Item       | Description/Brand | Age | Number | Replacement Cost |
|------------|-------------------|-----|--------|------------------|
| Television | 43" 4K UHD        | 3   | 1      | \$599            |
| Mattress   | Queen             | 4   | 1      | \$500            |
| Pants      | Jeans             | 2   | 3      | \$200            |

- ✓ Update your spreadsheet every year before hurricane season
- ✓ Keep receipts when possible
- ✓ Purchasing items with a credit card helps leave a paper trail
- ✓ The more detailed the list can be the better

## WHEN DEALING WITH THE INSURANCE COMPANY

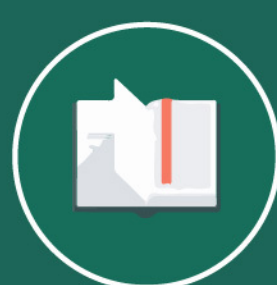


Communicate in writing as much as possible

Keep notes of all communications, including the names and contact information of the claims adjusters or customer support staff you speak with

Don't be afraid to negotiate if you believe your destroyed possessions are being undervalued

## KNOW YOUR POLICY



Have an up-to-date copy of your homeowners or renters insurance policy

Determine whether your personal property limit is based on replacement cost value (RCV) or actual cost value (ACV)

RCV policies have higher premiums but generally pay more out in claims while ACV policies have lower premiums but pay out less in claims

### REPLACEMENT COST VALUE:

You'll be reimbursed the cost of purchasing replacements for your damaged property up to your policy limit

### ACTUAL COST VALUE:

You'll be paid what the value of your lost item is worth today (minus depreciation) up to your policy limit

## EXAMPLE OF RCV VERSUS ACV



You bought a TV three years ago for \$1,000



The insurance company estimates a TV has a life expectancy of 20 years, so the TV depreciates at 5% per year



The TV costs \$800 today



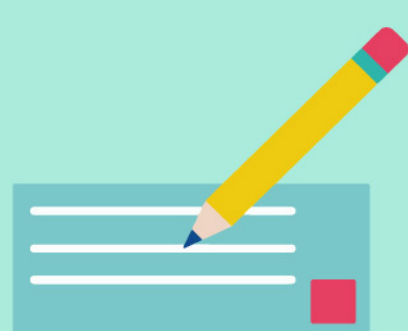
$\$800 \times .85 = \$680$

### ACTUAL CASH VALUE CALCULATION

1. You'd be sent a check for \$680

### REPLACEMENT CASH VALUE CALCULATION

1. You'd be sent a check for \$680
2. You purchase the replacement TV and pay \$120 out of pocket (plus sales tax)
3. You send the receipt to the insurance company
4. The insurance company sends you a second check for \$120 (plus sales tax)



The second RCV check is what's known as "recoverable depreciation" and it also applies to claims for repair work you might have done in your home, like replacing windows or replacing damaged flooring. The insurance company should send you a second check once you've shown proof of purchase or a contractor's invoice for the replacement.