



INSURANCE REPAIR ESTIMATES

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A fire, water leak or other damaging event to a building can be very disruptive and traumatic, and the repairs can be expensive. In such times the help of knowledgeable consultants can give clarity, direction and assurance that important issues are being addressed.

The insurance provider's adjuster will document the conditions and extent of the observable damage to the areas affected by the damaging event. Based upon insurance coverage, the adjuster will present a written estimate calculating the amount of reimbursement for the repairs. The estimate often shows the actual cash value (ACV), reimbursable cash value (RCV), deductibles, or all three.

Many providers use an estimating program known as Xactimate. Xactimate was developed for the insurance industry for the purpose of standardizing the estimation of costs for repairs. Xactimate unit prices are updated periodically to account for changes in labor and material costs.

Providers often use estimating service companies to create the Xactimate for the loss reimbursement. Information provided on the Xactimate can be overwhelming, as it has hundreds of line item entries.

This often requires an independent experienced and trained consultant to evaluate whether or not all issues are covered, including updating the structure to meet current Building Code and Energy Code requirements. The consultant's understanding of the means and methods of construction is invaluable when reviewing these Xactimates. He or she can provide a critical evaluation to determine a complete scope of recommendations for repairs and whether or not the Xactimate covers that scope.

Should you ever be faced with having to review a Xactimate, consider having it reviewed by an independent construction consultant.