

# Valuation and Cause of Loss

## Personal Lines



The criteria for Personal Lines risks vary from the criteria for Commercial Lines. Here we will highlight the criteria for DP-1 (Basic, ACV) and DP-3 (Special, RC). These two forms will encompass both valuation and cause of loss.

	DP-1	DP-3
<b>DWELLING AGE</b>	Any age	90 years or less
<b>CAUSE OF LOSS</b>	Basic — named perils	Special — open perils
<b>VALUATION</b>	Actual cash value	Replacement cost
<b>PLUMBING</b>	Any	PEX, copper, PVC
<b>COVERAGE A MINIMUM</b>	\$75,000 (\$100,000 in Missouri)	\$100,000 (\$150,000 in Missouri)
<b>UNDER RENOVATION</b>	\$250,000 max Coverage A	Not eligible

## Roof Criteria

	DP-3	DP-3 WITH ACV ROOF ENDORSEMENT	DP-1	INELIGIBLE
<b>FLAT</b>	1-15 years	N/a	1-15 years	More than 15 years
<b>SHINGLE AND WOOD SHAKE</b>	1-20 years	21-25 years	1-25 years	More than 25 years
<b>TILE</b>	1-20 years	21-25 years	1-25 years	More than 25 years
<b>METAL</b>	1-30 years	31-40 years	1-40 years	More than 40 years
<b>SLATE</b>	1-35 years	36-50 years	1-50 years	More than 50 years

If the roof does not meet the age requirements for full DP-3 coverage, we may be able to offer replacement cost on the building; however, we would only be able to offer actual cash value on the roof by attaching endorsement DP-718 – Actual Cash Value Roof Endorsement.

## Valued Policy States

Make sure the risks in the following states are valued as accurately as possible:

**Arkansas, Iowa, Kansas, Missouri, Mississippi, Montana, Nebraska, New Hampshire, North Dakota, South Dakota, Texas, Wisconsin**

In a valued policy state, the insurer is prevented from paying anything other than the face value of the policy when a total loss is caused by a covered peril, even when the face amount of the policy exceeds the actual cash value of the property at the time of loss. The limit of insurance stated in the policy is considered to be the value of the building at the time of loss and is payable in full (in the event of total loss).