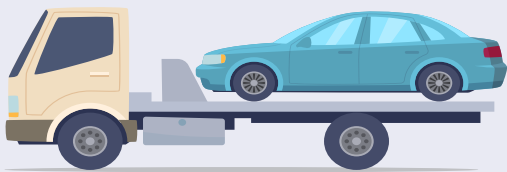




STEVENSON • KLOTZ
INJURY LAWYERS



Property Damage Guide



Introduction

Car wrecks are more than inconvenient. They can be devastating. Even if you aren't injured in a car crash, getting your car repaired or replaced and figuring out how to get around after the accident can be irritating. Your car is important to you. It may be the most valuable possession you have. It likely is the most useful. No matter whether your car is pricey, economical, old, brand new, luxurious, or compact, you depend on your car to get you to and from all of the important places in your life. Repairing or replacing your car is a huge concern after an automobile accident.

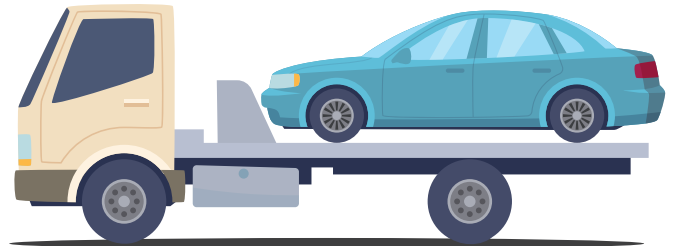
Insurance companies know it is not cost effective to hire a lawyer by the hour or on a contingency (percentage) fee agreement to fight with them over property damage claims. They also know that in the limited circumstances a person might hire a person to represent them in a property damage claim, a lawsuit can take months or even years to work its way through the court system and that you can't wait that long to get in a car.

Our firm has helped guide thousands of clients through the maze of personal injury insurance claims after car wrecks. We know how difficult it can be to deal with them. They try to make the property damage claim process just as difficult because they know you need to get back in a car as soon as possible. That's why we have written this guide. Hopefully, it gives you the information you need to negotiate your way through the property damage claim process.

Types of Florida Automobile Insurance and Coverage

Understanding the various types of insurance that might apply in your situation will help determine the best route to take in getting your motor vehicle fixed or replaced.

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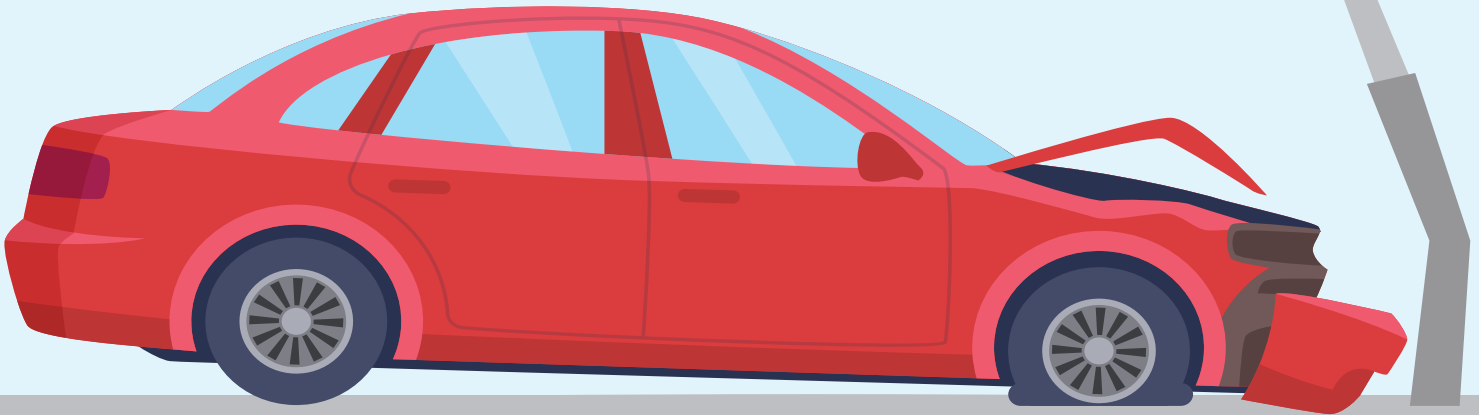


Types of Florida Automobile Insurance and Coverage

Property Damage Liability Insurance

This coverage applies only to damage that you, or members of your family, cause to another person's property while driving. Examples of "property" covered are cars, mailboxes, light poles, or buildings. Florida law requires at least \$10,000.00 in liability coverage. Liability coverage does not apply to your car. It only applies to someone else's property. It applies even if you are driving someone else's car and may apply to others who use your car depending on your policy terms.

This is the same insurance that if you are in an accident, and it is the other person's fault, will cover repair or replacement of your vehicle. If someone else causes damage to your car in a wreck, they should have at least \$10,000.00 in property insurance to cover repair or replacement of your vehicle.



Types of Florida Automobile Insurance and Coverage

Collision Insurance

This coverage applies repairs or replaces your vehicle regardless of who causes the accident. This is coverage you purchase under your insurance that pays for repairs if you are in a single car wreck or if you cause an accident. It also protects you in case you are not at fault and the other person who caused the accident is uninsured or underinsured for property damage. Florida does not require people carry Collision Coverage, so it is an important coverage to pay for to protect your investment. Collision insurance does not cover injuries to people or damage to the property of others. Do not confuse Collision coverage with Uninsured Motorist coverage which pays for bodily injuries. Collision only pays for property damage.



Types of Florida Automobile Insurance and Coverage

Car Rental Insurance

Rental reimbursement coverage will permit you to be reimbursed for car rental if an accident leaves your car unable to be driven. If someone else caused damage to your car in an auto accident, then their insurance company should pay for a rental car for you. If you have rental coverage on your policy, then you can get a rental through your insurance company regardless of whose fault the accident is. You are entitled to a vehicle of similar size and class as the one damaged. If you drove an SUV that was damaged in the accident, you are supposed to get an SUV or something highly comparable as a rental.



Types of Florida Automobile Insurance and Coverage

Comprehensive Insurance

Comprehensive insurance pays for losses from incidents other than a collision. Examples would be fire, theft, windstorm, vandalism, flood or hitting an animal. Damage caused by falling objects is also covered under this policy. If you have comprehensive coverage, windshield replacement is the only claim for which you are not charged a deductible. Florida law requires this waiver to encourage drivers to immediately replace damaged windshields



Who Will Pay for my Property Damage?

What if the Other Party is at Fault and Has Insurance?

If someone else causes the accident, and that person has liability coverage as they should under Florida law, then their insurance company will pay up to will pay up to, but no more, than the coverage available for repair and replacement of your car. Florida law requires every driver to have at least \$10,000.00 in liability coverage for damage to another's property. There is no deductible involved when making a claim against the other person's insurance.

In the situation where you have collision coverage and the other person is at fault, you can collect from the other person's insurance or your own.

What if the Other Driver Does not Have Insurance?

Sometimes another driver is at fault but does not have property damage liability coverage, their insurance is not enough to cover repair or replacement of your vehicle. If you have collision coverage, you will request your insurance company pay for the damages. Your insurance company will for repairs or replacement minus your deductible.

If you are at fault and have collision insurance, then you can collect from your insurance company with any applicable deductible.

What if Neither of Us Has Insurance?

If the other driver is at fault and neither you nor him/her have insurance, then you can sue the other driver. However, if the person doesn't have insurance, the odds are that her or she doesn't have money to pay for repairs or replacement. An attorney can help advise whether it is practical to seek a claim.

Reasons to Claim Under...

The Other Person's Insurance

- No deductible
- They should pay for a rental
- They should pay for personal property and towing

Your Insurance

- Usually faster
- If the other person does not have enough insurance to cover all the repairs and you have more coverage
- If you have rental coverage you should have better options on a rental
- If you have to sue to get full value under your collision coverage, you may be able to get attorney's fees and costs covered if you win at trial. Understand that a claim may take months before it goes to trial and you may be without a rental during that time. Some contracts require arbitration.



What Damage Does Insurance Cover?

Minimum Damages - Small scrapes and dents.

Repair Costs - To make your car look and drive the way it did before the accident.

Replacement – If your car is a total loss, meaning the cost to repair is more than the value of the vehicle, then you are entitled to be paid for fair market value of your vehicle before the accident.

Diminished Value – Because of damage and repairs, your car may be worth less when you sell or trade the car for a new one. Buyers don't like to buy used cars that have been in an accident. This claim is usually for newer cars that have more than minimum damage.

Rental Costs - You may be entitled to the cost to rent a vehicle while your vehicle is being repaired.

Personal Damage - Damage costs for any personal property in the car or on your person. Ex. eyeglasses or a laptop computer.

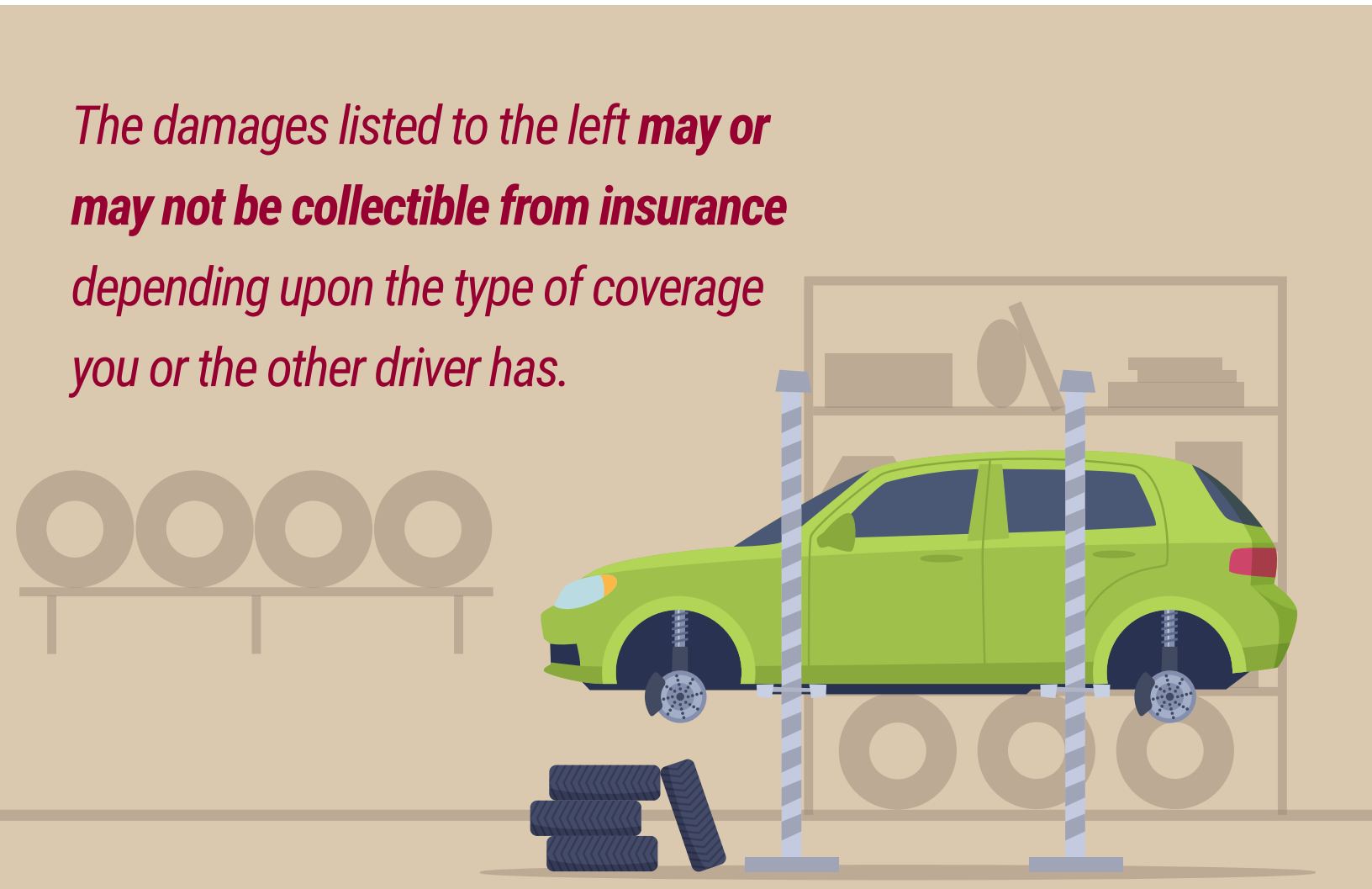
Towing and Storage costs.

Personal injury. If you were injured in the accident you should consult with one of our car accident lawyers.

Total Loss – A total loss means that the cost to repair the vehicle is more than the value of the car. The insurance company determines whether a vehicle is a total loss by comparing the cost of fixing your vehicle or the car's market value. If the repair cost is more than 80 percent of the fair market value of your vehicle, then the vehicle is considered a total loss. The estimation of fair market value can vary widely. Generally, the calculation is based on how much you could have sold the vehicle for one day before the accident, given the car's location, condition, age, and mileage. Insurance companies know that it is unlikely you will file suit against them over the value of the car, so expect them to get close, but not exactly, to the amount you determine to be the value. It is rare that an insurance company will pay the entire full market value in a total loss.

If you still owe money on your vehicle, then the insurance company will directly pay the bank the amount owed on the loan and then give you the remainder. If you owe more than the fair market value of the car, then the insurance company will pay the bank the fair market value, and you will still owe the bank the loan balance. However, if you purchased Gap Insurance when you bought your car, then that insurance will send a check directly to the bank to pay off the rest of the loan.

*The damages listed to the left **may or may not be collectible from insurance** depending upon the type of coverage you or the other driver has.*



Frequently Asked Questions



How Long Will it Take to Resolve my Property Damage Claim?

Insurance companies will use every excuse possible to delay claims. However, the insurance company is required to act once you make a property damage claim. The key is to begin the claim process immediately. We recommend you notify your insurance and the other driver's insurance of the accident at the same time.



Who Repairs My Car?

You have options on car repairs. You are allowed to choose which body shop will fix your vehicle. You also have the right to have the repairs done with parts that are similar in kind and condition to the ones that were damaged.



What about My Car Loan?

If your car is a total loss and you owe money on your car, the insurance company will ask your lender the loan balance and send them a check to pay off the loan. You will get the rest of the amount the insurance company owes for the replacement of your car. Insurance companies don't consider the amount of the loan on the car in determining how much to pay you. Insurance will pay fair market value only, even if you owe more than that. When you buy a car, you can purchase GAP insurance to cover this difference.



What about My Deductible?

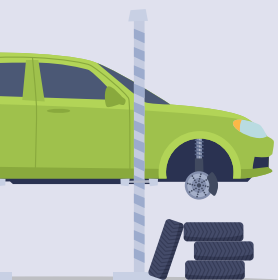
If you're at fault, you will not be able to get back your deductible from your collision coverage. If the other party is at fault, your insurance company may be able to recover your deductible from the at party's insurance company. If the other driver does not have liability insurance, you could sue him or her to get a judgment for the deductible. Collecting the judgment may be difficult because the other driver might not have any assets.





Who Pays for the Rental Car?

While your car is being repaired, the at fault person's insurance should pay for your rental. They owe you for loss of use of your vehicle, so they typically will pay for a rental without much problem if they agree their insured is at fault. The insurance company will do its own investigation including talking with their insured and any witnesses. They will not pay for a rental until that investigation is complete and they agree their insured is at fault. This investigation can take longer than most people want to wait for a rental. In this situation, you may need to rent a car and seek reimbursement from the other insurance company when their investigation is complete. If you have rental coverage on your policy, you can get a car rental immediately regardless of who is at fault. If you do not have rental coverage and the other insurance company believes you are at fault, you will have to pay for a rental out of your own pocket.



How Long Do I Get a Rental?

- 1.** If your car is being repaired, you will be able to keep a rental for the amount of time it reasonably takes to repair your car. This is usually until your car is repaired and returned to you. However, if there is a breakdown in settlement negotiations with the other insurance company which causes a slowdown in repairs, then that will not extend the rental time. Also, if you delay picking up your vehicle after the repairs are complete, then you will be responsible for rental care during that time. Get your car as soon as you learn it is repaired to avoid having to pay for a rental car any longer than you should.
- 2.** If your car is a total loss, then the insurance company will offer you money for the value of your vehicle. Before they reimburse you, you will need to sign the title over to them. They will pay for your rental until you are paid for the loss of your car.

We hope this guide gives you the information you need to handle your property damage claim. Dealing with car repairs, replacement, and rental can be difficult and confusing. A little bit of knowledge can go a long way in helping to get you back on your feet.

If you need guidance on what you may or may not be entitled to concerning a car accident, please give us a call or email us. Your initial consultation is free and you are under no obligation to file a claim.

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