

# OVERLAND SURVEYS

## FREQUENTLY ASKED QUESTIONS FOR HOMEOWNERS

### **WHY IS MY INSURANCE COMPANY REQUESTING AN EXTERIOR APPRAISAL OF MY HOME?**

It is important to you and your insurance company to make sure your home is adequately insured. It is a good idea to re-evaluate your home's replacement cost every few years to reflect changes in the cost of materials and labor. New replacement cost figures should also be determined after any remodels, upgrades or modifications to your home. At the Overland Surveys, we have access to the most accurate, up-to-date replacement cost data in the industry. You can be assured that when your insurance company requests an inspection from Overland Surveys, they are provided with accurate replacement cost figures to help them make certain your coverage is adequate.

### **WHAT IS REPLACEMENT COST?**

In addition to our expert risk analysis service, your insurance company may request a replacement cost valuation for your home. Replacement cost is generally defined as “the cost to replace a structure with materials of like kind and quality without deduction for depreciation.” Overland Surveys does not determine market value. Market value is based on a number of factors that have no direct correlation to your home’s replacement cost. Some of those factors include:

- Desirability (location)
- Land value
- Market value of surrounding homes

Replacement cost simply reflects the cost to rebuild your home in the event of a total loss. Your home is broken down into components (framing, roofing, etc.) and valued at the cost to reconstruct each component in today’s economy.

### **HOW DOES REPLACEMENT COST DIFFER FROM NEW CONSTRUCTION COST?**

- **Reconstruction Happens Within an Existing Set of Confines**  
Unlike a new construction site, workers need to work around existing trees, structures, neighboring houses, busy streets, etc.
- **Lack of Economies of Scale**  
If your home was built as part of a development, generally there were large savings as a result of bulk purchases and other economies of scale. These savings will not be present in the reconstruction scenario.

### **WHY DOES IT COST MORE TO REPLACE AN OLDER HOME?**

Older homes, generally those built before 1945, can cost up to 25 to 45% more than a newer home to rebuild “as-is.” Many features found in homes built before 1945 are more expensive to replicate and replace. Some “old home” features that can contribute to an increase in replacement cost are:

- Solid Wood Doors
- Lath & Plaster Walls and Ceilings
- Extensive Hardwood Flooring
- Old Home Architectural Techniques
- Custom Millwork
- Antique Carving

- Leaded Glass
- Plaster Moldings
- Antique Light Features
- Quantity and Complexity of Moldings

### **WHAT CAN I EXPECT FROM OVERLAND SURVEYS?**

Your insurance provider has contracted with Overland Surveys to complete an exterior insurance survey of your home. The purpose of this survey is to verify the current replacement value of your home and to identify potential hazards. The inspection process consists of:

- A notification sent to your home
- One of our professional surveyors will visit your home. The surveyor will knock on your door and introduce himself/herself upon arrival. If you are not home, a message will be left at your door to let you know an exterior inspection has been performed.
- The surveyor will obtain exterior photographs and measurements of your home.

Please understand that Overland Surveys is an independent third-party vendor. We do not become involved in decisions regarding policy issues. Your insurance company determines coverage amounts, changes in premiums and other policy decisions. Following an inspection, your insurance rates may increase, decrease or remain the same at your insurance company's discretion. Overland Surveys does not benefit from rate increases. Our objective is to provide your insurance company with an accurate replacement cost so that they, in turn, can provide you with adequate coverage. Contact your agent directly if you have questions regarding these issues.

### **PROFESSIONALISM**

Since our inception, Overland Surveys has emphasized the importance of professionalism throughout our organization. Our standards are high and our field representatives are subject to complete background checks as a condition of employment. We value your trust and take security issues very seriously. Therefore, we are committed to hiring only the most ethical, high caliber professionals as Overland Surveys Representatives.

Our surveyors are educated in all aspects of construction, pricing and risk mitigation. You can be sure that the Overland Surveys representative visiting your home is knowledgeable and committed to providing a complete, accurate exterior inspection of your home.

To confirm the accuracy of your loss control survey report, our Quality Control team reviews each completed report. This process identifies any additional training needs for our Overland Surveys Representatives while ensuring the highest level of report accuracy. Any problems or inconsistencies are identified by our Quality Control staff and brought to the attention of the appropriate Overland Surveys Representative before the survey is sent to your insurance company.

### **WILL MY INSURANCE PREMIUMS CHANGE?**

Please understand that Overland Surveys is an independent third-party vendor. We do not become involved in decisions regarding policy issues. Your insurance company determines coverage amounts, cancellations and changes in premiums. As a result of our survey, your insurance rates may increase, decrease or remain the same at your insurance company's discretion. Overland Surveys does not benefit from rate increases. Our objective is to provide your insurance company with an accurate replacement cost so that they, in turn, can provide you with adequate coverage. Please contact your agent directly if you have questions regarding these issues.