



REGARDING YOUR POLICY NUMBER: [REDACTED]

NOT AN ADVERTISEMENT - PLEASE READ CAREFULLY

THIS DOCUMENT CONTAINS IMPORTANT INFORMATION ABOUT YOUR INSURANCE COVERAGE. PLEASE REVIEW THIS INFORMATION CAREFULLY.

Do you have enough coverage?

Your policy provides \$136 per square foot to rebuild your home.

According to a leading provider of building replacement cost estimates, as many as 50% of homes are underinsured, leaving homeowners without enough coverage to rebuild if their homes are completely destroyed.

Farmers® uses an estimating program, and information provided and /or conformed by you to assist in calculating a reconstruction cost estimate for your home. You can use this estimate as a guide to help you choose the amount of coverage you want for your Dwelling (Coverage A). We encourage you to review this estimate to make sure the details we have about your home are correct, and to advise us of any necessary changes that would affect the estimate. Your reconstruction cost estimate includes the estimated cost categories described at (a through e) below:

Dwelling (Coverage A) Amount for which your home is insured	\$ 217,000
a. Cost of labor, materials, and supplies	\$ 159,842
b. Architect's Fees and Permits	\$ 7,818
c. Contractor Overhead and Profit	\$ 43,343
d. Demolition and Debris Removal	\$ NOT COV
e. Other Fees and Taxes	\$ 5,714
Reconstruction Cost Estimate (rounded to nearest \$1,000):	\$ 217,000

It's important to understand that reconstruction cost is not related to the market value of your home.

Reconstruction Cost

Reconstruction cost is the amount it would cost to rebuild your home if it were destroyed. It includes the types of cost noted in categories (a through e) above. It is not what a buyer would pay for your home, or the amount of your mortgage.

vs.

Market Value

Market value is the price a buyer would pay to purchase the home, including the land and property, in its current condition. It takes into account changes in the housing market and the economy. It does not take into account the cost to rebuild the home.

Do You Need Help?

As your Farmers Agent I am happy to help you with any questions you have. I can provide guidance as to the coverage options available, but it is ultimately your responsibility to make sure you have purchased sufficient insurance coverage to rebuild your home and replace your personal property.

If you have questions about your coverage or the estimated reconstruction cost please contact my office, at 800-481-9821, to set up a free Farmers Friendly Review® of your policy. As your Farmers Agent, I am committed to providing you excellent service.

Sincerely,

[REDACTED]