



DIMINISHED VALUE CLAIMS: **VERMONT**

SUMMARY Vermont Claims

Statute of Limitations: 3 years

Third Party Diminished Value Claim: Yes

First Party Diminished Value Claim: No, most insurance policies will exclude diminished value

**Vermont Property Damage
Minimum Limits:** \$10,000 in coverage

**Uninsured Motorist Coverage for
Diminished Value:** Yes, insurers are required to provide \$10,000 in UMPD coverage. It includes coverage for hit and run drivers.

**Underinsured Motorist Coverage for
Diminished Value:** Yes, \$10,000 in coverage

Vermont Small Claims Court Limit: \$5,000

In Vermont, you can file a claim for diminished value as a third-party claim with the at-fault driver's insurance company. An accident/damage history can reduce the value of your vehicle because the average buyer will almost always prefer a vehicle without an accident as opposed to one with a damage history. Fortunately, you can recover diminished value in Vermont when you take the right steps

VERMONT DIMINISHED VALUE LAW

Kinney v. Cloutier, 125 Vt. 109, 110-11 (Vt. 1965) ("As stated in *Purington v. Newton*, 114 Vt. 490, 494, 49 A.2d 98, "The usual measure of damage in such case is the difference between the market value of the automobile immediately before the accident and its market value immediately afterwards. 5 Am. Jur. Automobiles, § 746; *Collins v. Fogg*, 110 Vt. 465, 8 A.2d 684; *Lyman v. James*, 87 Vt. 486, 490, 89 A. 932; *Chase v. Hoosac Tunnel W. R. Co.*, 85 Vt. 60, 63, 81 A. 236. In determining the difference between the value of the automobile before and after the accident, or its depreciation as the result of the injury, evidence is admissible as to the reasonable cost of repairs made necessary thereby, and as to the value of the automobile as repaired." See cases cited.")

HOW TO FILE A DIMINISHED VALUE CLAIM IN VERMONT

Step 1. Prove your loss. You must supply evidence that you have lost value. An independent, unbiased appraisal will provide the documentation necessary to determine the diminished value of a vehicle.

Step 2. Submit your proof to the insurance company. You'll need to submit a diminished value appraisal and demand letter to the at-fault insurance company for review.

Step 3. Claim settlement. Once you submit a diminished value appraisal report, most insurance companies will make a settlement offer. The insurance company may pay the claim in full, make a lower offer, or deny the claim.