



DIMINISHED VALUE CLAIMS: **RHODE ISLAND**

SUMMARY Rhode Island Claims

Statute of Limitations: 10 years

Third Party Diminished Value Claim: Yes

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

**Rhode Island Property Damage
Minimum Limits:** \$25,000 in coverage

**Uninsured Motorist Coverage for
Diminished Value:** Yes, insurers are required to offer \$25,000 of UMPD, but it can be rejected in writing. It includes coverage for hit and run drivers.

**Underinsured Motorist Coverage for
Diminished Value:**
Yes, \$25,000 in coverage

Rhode Island Small Claims Court Limit:
\$2,500, attorney representation is allowed.
Appeals by defendant only.

If your vehicle was damaged in an accident in the state of Rhode Island and underwent repairs, its resale value is likely to be less than what it was before the crash. This loss in market value is known as diminished value, and it is recoverable in Rhode Island through a diminished value claim filed with the at-fault party's insurance company. If the other driver was uninsured, you can also file a diminished value claim with your own insurance company.

RHODE ISLAND DIMINISHED VALUE LAW

DeSpirito v. Bristol Co. Water Co., 102 R.I. 50, 53 (R.I. 1967)

("The general rule is, of course, as defendant suggests, and in proving his damages for an injury to or loss of items of personal property a party usually is restricted to testimony which evidences the difference between the before and after fair market values. *Jackson v. Choquette Co.*, 78 R.I. 164.")

HOW TO FILE A DIMINISHED VALUE CLAIM IN RHODE ISLAND

Step 1. Obtain proof of diminished value. It's your responsibility to prove the repaired vehicle is worth less than before the accident. An independent, unbiased appraisal will provide the documentation necessary to determine the diminished value of a vehicle.

Step 2. File a diminished value claim. By filing a diminished value claim through the at-fault party's insurance company, you can get back your car's lost value following an accident. The sooner you file your diminished value claim, the better. Submit the appropriate documents for review (diminished value appraisal and demand letter).

Step 3. Negotiate a settlement with the insurance adjuster. Because diminished value claims are complex, the more documentation you have, the more you might experience success when making a claim.

Negotiate until they get firm with their offer. If you're having trouble with the insurance company, you may need to consider legal action against the responsible party.