



DIMINISHED VALUE CLAIMS: **MONTANA**

SUMMARY Montana Claims

Statute of Limitations: 2 years

Third Party Diminished Value Claim: Yes

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

**Montana Property Damage
Minimum Limits:** \$20,000 in coverage

**Uninsured Motorist Coverage for
Diminished Value:** No coverage

**Underinsured Motorist Coverage for
Diminished Value:** No coverage

Montana Small Claims Court Limit: \$7,000. Attorneys are only allowed when all parties are represented by an attorney. Appeals are permitted.

If your vehicle was damaged in an accident in the state of Montana and underwent repairs, its resale value is likely to be less than what it was before the crash. This holds true even if your vehicle was perfectly repaired and looks as good as new. This loss in market value is known as diminished value, and it is recoverable in Montana through a diminished value claim filed with the at-fault party's insurance company.

MONTANA DIMINISHED VALUE LAW

There is no reported case law precedent for recovering diminished value in Montana, however, the Restatement of Torts, Second § 928 Harm to Chattels provides:

When one is entitled to a judgment for harm to chattels not amounting to a total destruction in value, the damages include compensation for (a) the difference between the value of the chattel before the harm and the value after the harm or, at his election in an appropriate case, the reasonable cost of repair or restoration, with due allowance for any difference between the original value and the value after repairs, and (b) the loss of use.

HOW TO FILE A DIMINISHED VALUE CLAIM IN MONTANA

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.