



## DIMINISHED VALUE CLAIMS: **ILLINOIS**

### **SUMMARY** Illinois Claims

**Statute of Limitations:** 5 years

**Third Party Diminished Value Claim:** Yes

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

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

**Uninsured Motorist Coverage for Diminished Value:** Yes, optional UMPD coverage. Covers damage to your vehicle caused by an identified, at-fault, uninsured driver. Coverage is available up to \$15,000 and subject to a \$250 deductible.

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

**Illinois Small Claims Court Limit:** \$10,000, attorney representation and appeals are permitted

If your vehicle was damaged in an accident in the state of Illinois 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 Illinois 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.

#### **ILLINOIS DIMINISHED VALUE LAW**

Illinois is a diminished value state meaning there is case law supporting your legal right to compensation when another party is at-fault.

If the other driver was uninsured, your insurance policy may include coverage for diminished value as well.

Trailmobile Div. of Pullman, Inc. v. Higgs, 12 Ill. App. 3d 323, 325 (Ill. App. Ct. 1973)

The measure of damages for a repairable injury to personal property is ordinarily the cost of making the repair and the value of the use of the property while the owner is necessarily deprived of it by reason of the repair.

If the property is worth less after it is repaired than its value before the injury, the measure of damages is the difference in the market value before the injury and in its repaired condition in addition to the reasonable cost of repairs.

Where, however, the property cannot be economically repaired the measure of damages is the difference between the market value of the property before the injury and the value of the wreckage.

#### **HOW TO FILE A DIMINISHED VALUE CLAIM IN ILLINOIS**

**Step 1.** Proof of loss. It's your responsibility to prove the repaired vehicle is worth less than before the accident. Quantifying how much less a buyer would be willing to pay can be done by providing an independent, unbiased DV report 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. Because diminished value claims are complex, it's important that you work with a professional auto appraiser who has expertise in these matters. The more documentation you have, the more you might experience success when making a claim.