

Appraiser Blog

# Can I Get Diminished Value for a Totaled Car?



By Tony Rached

## Can I Get Diminished Value for a Totaled Car?

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Can I claim diminished value for a totaled car? The straightforward answer? No. We often receive this question from our customers, so we are here to explain why a Total Loss claim **does not** include Diminished Value.

Let's delve deeper into the practicalities of insurance claims, clarifying possible exceptions and paths to compensation after a total loss.



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## **Understanding Diminished Value vs. Total Loss**

When navigating the aftermath of a car accident, it's crucial to distinguish between two key concepts: diminished value and total loss.

While they both pertain to the financial impact of an accident on your vehicle, they operate in distinct spheres within the realm of insurance claims.

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## What is Diminished Value?

Diminished value refers to the reduction in the resale value of a vehicle after it has been involved in an accident and repaired.

Even if the repairs are executed perfectly, it still affects its history, leading to a decrease in the car's market value.

Essentially, diminished value acknowledges that when you try to sell a repaired vehicle, the buyer will never be willing to pay the same price as a comparable vehicle with no accident history.

## Defining Total Loss

On the other hand, a car is declared a total loss when the cost of repairing the vehicle exceeds its actual cash value (Cost of Repair + Salvage Value > ACV).

In such cases, the insurer opts to declare the vehicle a total loss and offers a settlement based on the vehicle's ACV at the time of the accident.

This settlement typically involves reimbursing the policyholder for the market value of the vehicle, minus any applicable deductibles.

In resume, Diminished Value only applies when your vehicle is undergoing repairs following an accident. Therefore, it's important to note that a Total Loss situation never incurs diminished value.

## Protecting Your Rights in the Claims Process

When it comes to insurance claims, the playing field isn't always level.

In fact, insurance companies often use tactics aimed at minimizing payouts and maximizing their bottom line. Here's how they may be lowballing your claim and how we can help you fight back:

## Spotlight on Lowballing Tactics

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Insurance adjusters carefully examine claims to find reasons to pay less or even deny them. They might downplay the damage or underestimate repair costs to save the insurance company money.

They might also use calculations and information that aren't accurate, making it even harder for you to get the full amount you deserve.

## We Fight for Your Fair Share

At Diminished Value Carolina, we fight to make sure you get the fair treatment and money you deserve from your insurance claim. Here's how:

- **We gather everything:** We gather every detail about your vehicle, analyzing your insurance company-provided appraisal report and finding accurate comparable data, to build a solid case for full compensation.
- **We know the game:** Our team understands insurance company tactics and how to counter them, so you don't get shortchanged.
- **We're here for you:** We explain your options, answer your questions, and support you every step of the way.

Don't let insurance companies take advantage of you. Whether is a Total Loss or a Diminished Value claim, we are on your side, to make sure you can get the compensation you deserve.

## Closing Thoughts

Knowing about diminished value, total loss, and insurance company tactics can make a big difference after an accident. This knowledge helps you fight for your rights and get the fair treatment you deserve.

If you're having trouble with your insurance claim, like arguing a total loss decision or dealing with low offers, get help!

We at Diminished Value Carolina are here to support you and guide you through the claims process confidently.

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Your car is more than just a metal box; it's essential for your daily life. By standing up for yourself and demanding fair treatment, you're protecting your interests and getting the best outcome possible.

Thank you for considering us! If you have any questions or need help, please don't hesitate to reach out. We're always here for you.

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