

# Farmers Value Insurance Package®

Preliminary Estimate



## Prepared for Timothy Stender

20470 Everton Trl N  
Frst Lke, MN 55025-8161

*Agent :*

Andrew Thomas Schmitz  
License # - 40638236

*Prepared By:*

Andrew Thomas Schmitz  
1434 Yankee Doodle Rd  
Eagan, MN 55121  
[aschmitz@farmersagent.com](mailto:aschmitz@farmersagent.com)  
[www.farmersagent.com/aschmitz](http://www.farmersagent.com/aschmitz)  
Telephone - (651) 456-8834

**farmers.com**

**Proposal Date: 9/9/2020**

**Prepared For:**  
Timothy Stender

**Prepared By:**  
Andrew Thomas Schmitz

# Farmers Value Insurance Package<sup>®</sup>

## Preliminary Estimate

### Insurance Package Summary



| Coverage                                | Current Coverage | Proposed          |
|---|------------------|-------------------|
| <b>Residential Property Coverages</b>   |                  |                   |
| Coverage A - Dwelling                   | 442,000          | <b>442,000</b>    |
| Extended Replacement Cost               | 25%              | <b>25%</b>        |
| Coverage B - Separate Structures        | 44,200           | <b>44,200</b>     |
| Coverage C - Personal Property          | 331,500          | <b>331,500</b>    |
| Contents Replacement Cost               | Included         | <b>Included</b>   |
| Coverage D - Loss of Use                | 176,800          | <b>176,800</b>    |
| Coverage E - Personal Liability         | 1,000,000        | <b>1,000,000</b>  |
| Coverage F - Medical Payments To Others | 1,000            | <b>1,000</b>      |
| Building Ordinance or Law               | 10%              | <b>10%</b>        |
| <b>▶ Annual Premium</b>                 | \$2,183.18       | <b>\$3,243.10</b> |

### Summary

|                                       |            |                   |
|---------------------------------------|------------|-------------------|
| Total Package Premium, excluding Fees | \$2,183.18 | <b>\$3,243.10</b> |
|---------------------------------------|------------|-------------------|

**This is merely an estimate.** It is not a policy of insurance, a binder or offer to insure. This estimate reflects rates in effect as of the date of this estimate and is subject to revision, including revision based on verification of information and inspection if needed. Individual policy estimates may include discounts for purchasing multiple lines of business. Issuance of a policy and rates are subject to underwriting guidelines and consumer reports, including credit-based insurance score (where applicable), motor vehicle reports, and loss history. If estimate includes 6-month auto policy, annual premium reflects a full year of auto premium based on the 6-month estimate. Coverages are provided by entities that are a part of the Farmers Insurance Group of Companies<sup>®</sup>.

# Farmers Value Insurance Package<sup>®</sup>

## Preliminary Estimate



### Residential Property Insurance Estimate

Estimate Number: 78296544

Policy Number: 98841-82-42

Proposed Effective Date: 9/9/2020

Property Address: 20470 Everton Trl N  
Forest Lake, MN 55025-8161

Term Length: 12 months

|                 | <i>Proposed</i>            |
|-----------------|----------------------------|
| Underwritten By | Fire Insurance Exchange    |
| Policy Type     | Next Generation Homeowners |

### Property Coverage Information

|   | <i>Proposed</i> |            |
|---|-----------------|------------|
| Coverage                                | Limits/Coverage | Premium    |
| Coverage A - Dwelling                   | 442,000         | \$2,045.59 |
| Extended Replacement Cost               | 25%             | Included   |
| Coverage B - Separate Structures        | 44,200          | Included   |
| Coverage C - Personal Property          | 331,500         | Included   |
| Contents Replacement Cost               | Included        | Included   |
| Coverage D - Loss of Use                | 176,800         | Included   |
| Identity Fraud Coverage                 | 30,000          | Included   |
| Building Ordinance or Law               | 10%             | Included   |
| Coverage E - Personal Liability         | 1,000,000       | \$118.04   |
| Coverage F - Medical Payments To Others | 1,000           | Included   |
| Additional Premises                     | Included        | \$22.70    |
| Separate Structures - Off Premises      | 99,000          | \$1,037.22 |
| Scheduled Firearms                      | 5,000           | \$19.55    |
| Term Premium                            |                 | \$3,243.10 |

### Property Premium Summary

|   | <i>Proposed</i>   |
|---|-------------------|
| Term Premium  | \$3,243.10        |
| <b>▶ Term Premium and Fees</b> (excludes any applicable billing fees) | <b>\$3,243.10</b> |

# Farmers Value Insurance Package<sup>®</sup>

## Preliminary Estimate

---

### Property Deductible

|  | <i>Proposed</i> |
|--|-----------------|
| Applicable to each covered property loss except<br>Windstorm/Hail Loss | \$1,000         |
| Windstorm/Hail Loss  | \$2,500         |

### Property Discounts

| <i>Discount Type</i> | <i>Proposed</i> |
|----------------------|-----------------|
| Auto/Home            | Applied         |
| Non Smoker           | Applied         |
| New Roof             | Applied         |

**This is merely an estimate.** It is not a policy of insurance, a binder or offer to insure. This estimate reflects rates in effect as of the date of this estimate and is subject to revision, including revision based on verification of information and inspection if needed. Individual policy estimates may include discounts for purchasing multiple lines of business. Issuance of a policy and rates are subject to underwriting guidelines and consumer reports, including credit-based insurance score (where applicable), motor vehicle reports, and loss history. Coverages are provided by entities that are a part of the Farmers Insurance Group of Companies<sup>®</sup>.



# Farmers Value Insurance Package<sup>®</sup>

## Preliminary Estimate

---

### Coverage Choices

Below are some general descriptions of insurance coverage. You should consult your policy for terms, conditions and limits of your own insurance coverage or the coverage being offered.

### Automobile Insurance

**BIPD (Liability):** One of the most important coverages in your auto policy is bodily injury and property damage liability coverage. This coverage compensates individuals who claim that they were injured or suffered property damage because of the ownership, maintenance, or use of your insured auto, up to a limit that you select.

**Uninsured/Underinsured Motorist:** This coverage compensates you, members of your household, and your passengers, up to a limit that you select, for bodily injury from an accident with a motorist who has no insurance or is underinsured. Uninsured Motorist protection can also compensate you if you're injured by a hit and run driver or if you're injured as a pedestrian.

**Medical:** This coverage pays reasonable and necessary medical bills and funeral expenses, up to a limit you select, for you or a passenger injured while riding in your vehicle. Coverage also extends to you or a family member when riding as a passenger in someone else's vehicle or when struck by a vehicle as a pedestrian.

**Comprehensive & Collision (material damage):** Comprehensive coverage compensates you for damage to your vehicle from fire, theft, falling objects, riots, storms, earthquakes, floods, collision with a bird or animal and other natural occurrences. Collision coverage compensates you for damage to your vehicle that results from a collision with another vehicle or object.

**Collision Plus / Loss of Use:** This coverage is designed to assist you with expenses you may incur in excess of the deductible resulting from a Collision and/or Comprehensive loss.

**Towing and Roadside Service:** When you or your loved ones are stranded because your car will not operate and you need help, our dispatch service will send the nearest professional to you - 24 hours a day, 365 days a year. And with the sign-and-drive feature in many of our coverages, you may not need a credit card or check to get the help you need.

### Home Insurance

**Dwelling:** Farmers<sup>®</sup> Homeowners insurance gives you options so you can choose the coverage you want. Your house is covered for many types and causes of loss, subject to common exclusions including, but not limited to, wear and tear, earth movement, earthquake, mold, flood and nuclear hazard.

**Personal Property:** Homeowners insurance covers many household contents and personal belongings. You may think your furniture, clothing, TV, DVD and PC aren't worth a lot but the value of those items adds up fast.

**Separate Structures:** Separate structures on your property (such as detached garage or tool shed) other than those used for business purposes are covered up to 10% of the coverage limit on your house. Higher limits are available for additional premium.

**Loss of Use:** If you can't live in your house after a covered loss, we reimburse you for many of the increased costs of living in hotels, meals, etc., up to the applicable limit of insurance and for up to the time period specified.

**Personal Liability:** Pays when you're legally liable for someone else's bodily injury or property damage resulting from an accident or negligent acts by you or household members - on or off premises. This also includes the acts of your pets.

**Guest Medical:** Pays medical costs, up to the limit selected by you, for guests who are injured at your residence, regardless of your legal liability.

### Umbrella Insurance

This coverage provides you with higher limits, selected by you, for the types of liability coverages you already have. The Umbrella policy also provides coverage under certain circumstances for liability not covered by underlying insurance.

### Life Insurance

Life insurance can help you plan for needs such as replacement of lost income, a mortgage, education funding, or more. Life insurance may be one of the greatest gifts you can give to those you love. Consider your specific situation to help decide the coverage you want. Your Farmers agent can help provide you with options so you can select the coverage that best fits your situation.



# Policy Notices

## Reconstruction Cost and Your Coverage A (Dwelling) Amount

Policy Number: 98841-82-42

This document contains important information about your insurance coverage. Please review this information carefully.

### Do You Think You Have Enough Coverage?

At renewal your policy will provide \$210 per square foot to rebuild your home. (This does not include any additional amount added by extension or endorsement to your policy.)

When you first obtained your policy, Farmers® used an estimating program to calculate a reconstruction cost estimate for your home. This was an estimate, not a guarantee of reconstruction costs.

For this renewal offer we have applied a reconstruction cost factor as part of the annual renewal process. Since we do not unilaterally reduce the Coverage A amount at renewal, there will be no change in the Coverage A amount if application of the factor would result in a decrease in the Coverage A amount. The chart below shows the amount for which we have offered to insure your home at renewal as well as the reconstruction cost estimate with the factor applied (see below). We will calculate a new estimate, rather than apply the reconstruction cost factor, upon request or when you notify us of changes to the features of your home.

|  |                  |
|--|------------------|
| <b>Coverage A (Dwelling) Amount offered to insure your home:</b> | <b>\$442,000</b> |
| <b>Reconstruction Cost Estimate:</b>                             | <b>\$442,000</b> |

Please review the next page to make sure the details about your home are correct, and let me know of any necessary changes. Changes to these details could result in a change to the reconstruction cost estimate. Feel free to contact me at any time if you want a new estimate calculated or if you want to make a change to the amount for which your home is insured.

**It's important to understand that reconstruction cost is NOT the same as the market value of your home.**

#### Reconstruction Cost

Reconstruction cost is the amount it would cost to rebuild your home if it were destroyed. It includes costs like materials and labor and city/county fees. It is not what a buyer would pay for your home or the amount of your mortgage. It does not include the value or cost of the land.

vs.

#### Market Value

Market value is the price a buyer would pay to purchase the home, including the land and property, in its current condition. It takes into account the location, the desirability of the property, changes in the housing market, and the economy. It does not take into account the cost to build a new home.

### Do You Need Help?

As your Farmers Agent I am happy to help you with any questions you have. I can provide guidance as to the coverage options available, but I cannot choose your coverage amounts for you. Ultimately it is your responsibility to make sure you have purchased sufficient insurance coverage to rebuild your home and replace your personal property.

## Policy Notices (continued)

---

If you have questions about your coverage or the Coverage A amount offered for your home with this renewal offer please contact my office at **(651) 456-8834**. As your Farmers Agent, I am committed to providing you with excellent service.

Sincerely,

Farmers Insurance Group

### Questions to Consider When You are Determining Your Coverage:

- Is the square footage accurate?
- Have you remodeled your kitchen, bathrooms or any other part of your home?
- What is the overall quality of your home? (See the Quality Grade definitions later in this document.)

### Information We Have About Your Home.

Please review the information below about your home for accuracy. Additionally, keep in mind that the amount for which we have offered to insure your home is not a guarantee of reconstruction costs. Again, feel free to contact me if you want to make a change to your Coverage A amount.

|                                    |                            |   |                                     |
|------------------------------------|----------------------------|---|-------------------------------------|
| <b>ZIP Code:</b>                   | 55025-8161                 | <b>Roof Material:</b>                       | Composition - Architectural Shingle |
| <b>Year Built:</b>                 | 2005                       | <b>Garage Type:</b>                         | 2.5 Car Attached/ Built-In          |
| <b>Square Footage:</b>             | 2,106                      | <b>Interior Wall Construction Material:</b> | Drywall                             |
| <b>Style or Number of Stories:</b> | 2 Stories                  | <b>Basement:</b>                            | Yes                                 |
| <b>Dwelling Quality Grade:</b>     | A                          | <b>Number of Units:</b>                     | 1                                   |
| <b>Foundation Type:</b>            | Basement                   |   |                                     |
| <b>Foundation Shape:</b>           | 8-10 Corners - T,U,Z Shape |   |                                     |

Please note that the above information is not an all inclusive list of the individual home features that would be used to recalculate your estimate, but would be major contributors to the development of that estimate. If you desire a complete list of all home features or any other information, please contact me so I can provide that information. Please see the next page for definitions of selected reconstruction cost terms.

**There are other coverages and/or options that may be right for you, including those that follow. Some may not be available based on your policy form and/or some may have additional underwriting requirements.**

**Extended Replacement Cost Coverage:** This coverage increases your Coverage A (Dwelling) limit up to an additional 25% or 50% of the Coverage A amount to repair or replace covered damage to your home. This coverage is subject to the policy terms and conditions and may not be available in all states. This coverage may provide an additional layer of protection as your policy **does not** provide Guaranteed Replacement Cost coverage. If your policy does not already include this coverage as indicated on your Declarations page, contact your agent to explore your coverage options.

**Building Ordinance or Law Coverage:** This coverage pays for increased costs incurred from rebuilding your home in compliance with updated building codes. Contact your agent to learn more about this coverage and the limits available to you.

**Options to Choose a Reduced Coverage A (Dwelling) Amount:** Depending upon your state, there may be several options to insure your home for lower limits and/or less coverage.

## Policy Notices (continued)

---

**Personal Property:** You may also be able to purchase increased coverage for certain items of personal property. These items may include but are not limited to jewelry, watches, electronic data processing equipment, fine arts, firearms, silverware, and other collectibles.

**Please contact me to discuss any of the coverages or options listed above.**

### Selected Definitions

| <i>Term</i>                | <i>Definitions</i>  |
|----------------------------|---|
| Square Footage             | The total square footage figure includes all floors of your home. <b>IMPORTANT:</b> The total square footage does NOT include any of the following: attached garage or built-in garage, carport, basement (even if fully finished), attached greenhouse, porches or decks, or any detached structures.  |
| Reconstruction Cost Factor | This Factor is applied as part of the annual renewal process. The Factor may be based on the approximate difference between a current and former reconstruction cost estimate program and/or may reflect the changes in the cost of materials and labor required to rebuild a home in your area.  |
| Dwelling Quality Grade     | <p>The following “definitions” are general guidelines to help with your review. Your home can have elements of more than one specific Dwelling Quality Grade. Therefore, you should determine the Quality Grade by choosing the one that comes closest to describing your home.</p> <p><b>Premium:</b> Unique style and/or shape which vary from the other homes in the area. They are typically very large homes, generally at least 5,000 square feet. Vaulted ceilings (9’ - 12’) typically throughout. Highest grade materials used throughout (countertops, cabinets, flooring, wall coverings etc.). Contains unique features such as wall safes, built-in movie theaters, and other luxury constructions.</p> <p><b>Custom:</b> These homes can be recognized by the unique style and/or shape which vary from the other homes in the area. They are typically quite large homes. Custom homes are distinguished by style and shape as well as by the finishes, though they may contain both Above Average and/or Premium quality finishes. Includes features such as highly upgraded kitchen and bath countertops, floor and wall coverings, built-in bookshelves, and wet bars.</p> <p><b>Above Average:</b> Tract style home construction with upgraded features. Home design is produced throughout the area. Many rooms, including the kitchen, bathrooms, and bedrooms have been upgraded from the standard construction design and have features that are made of higher quality materials. Typical designs include raised ceilings. Many upgraded features include the wall and floor coverings, lighting fixtures and kitchen and master bath countertops.</p> <p><b>Standard:</b> Typical of common tract style home construction. Home design is produced throughout the area. Features come as part of the packaged construction design and are made of solid and quality conventional materials. Typical designs may include slightly higher ceilings with occasional vaulted ceilings. Some upgraded features but not prevalent.</p> <p><b>Economy:</b> Basic home features and design. Simple construction layout and floor plan. Inexpensive fixtures and features. Lower grade, but functional, construction materials (for example: roofing, flooring, cabinets, and countertops).</p> |