



CONSULTATIVE SERVICES

Appraisal Services Division

PERFORMANCE

OUR APPRAISAL PERFORMANCE CONTRIBUTES TO CLIENT SATISFACTION LEVELS OF 95% AND BEYOND—RESULTING IN ENCORE PERFORMANCES YEAR AFTER YEAR.

REPLACEMENT COST

RECONSTRUCTION COST

REPRODUCTION COST

REAL ESTATE APPRAISALS

FINE ART APPRAISALS

ANNUAL UPDATE SERVICE

APPRAISAL VALUES DATABASE

Measuring Performance by Rising to the Challenge



For many businesses, the value of buildings and equipment represent the greatest asset on the balance sheet—and the greatest risk in the event of a loss. Proper coverage is an absolute necessity, and determining the exact amount that is needed is one of our specialties.

Appraisal Services has provided meticulously accurate appraisal services that allow clients to protect their investments and receive maximum value if a loss occurs. Our precise, on-target appraisals assist you in avoiding the cost of over-insuring and unnecessary expenditure and the unacceptable cost of being underinsured.

An insurance appraisal is an important tool that helps management meet the challenge of protecting an organization's assets by establishing the proper level of coverage for insured facilities.

The main function of an appraisal program is to provide the insured a record of current values for its tangible assets. This record of values also provides proof of loss support in the event the insured items are lost or damaged due to unexpected occurrences such as theft, vandalism, catastrophic events or any other type of covered loss.

The Gallagher Bassett Appraisal Process

The goal of Gallagher Bassett's appraisal process is to provide clients nationwide, with replacement cost and insurable values for their critical assets, specifically buildings/structures, machinery/equipment, and furniture/fixtures. To complete the appraisal, Gallagher Bassett visits the client's facility and conducts an in-depth survey of facility structures and contents when requested.

Upon completion of the survey, Gallagher Bassett inputs facility data into a state-of-the-art, nationally recognized cost database. A final report is then generated for the client that states specific insurable values, including:

- A component by component breakdown of replacement cost for facility buildings and contents if requested;
- Total structure replacement cost and insurable value; and
- Cost per square foot replacement values.

The final report also includes photographs of the appraised buildings, GPS coordinates and Computer Assisted Drafting (CAD) drawings of each structure. The CAD is used for illustrative purposes for our appraisal report only and is not a certified site survey. Reports are available in hard copy format, e-mail attachment, on CD or on gbriskcontrol.com, a secured website.

Available Appraisal Services

- **Replacement Cost Appraisals**
Replacement Cost Appraisals target the cost to construct or replace, at one time, an entire building of equal quality and utility. Modern materials and current methods, designs and layouts are used for replacement. However, replacement cost does not take into consideration improvements necessary to conform to changed building codes, demolition, debris removal, site accessibility or site work, reuse of building components or services, overtime, bonuses or labor, soft costs, extraordinary fees, premiums for materials, or other contingencies.
- **Reconstruction Cost Appraisals**
Reconstruction Cost Appraisals are the cost to replace, at current prices, using the like kind and quality materials, construction standards, design/layout, and quality of workmanship.

Our experienced appraisers utilize the most appropriate, cost-effective methods and the most advanced tools and technology to ensure the highest level of accuracy in appraisals.

Reconstruction costs also include a number of site-specific and process-related costs that are experienced when rebuilding after a loss. These costs include repair/restoration contractors, construction process, time urgency, limited site mobility, adjoining non-construction areas, insured's property, economies of scale, dangerous/hazardous materials and mold concerns.

- **Reproduction Cost Appraisals**

The reproduction cost of a building is the total cost of construction required to reproduce the subject building with an exact replica. With historic/older structures, a reproduction approach attempts to replace with like components if possible.

- **Real Estate Appraisals**

Real estate appraisals are prepared for a variety of purposes including financing, fair market value*, highest and best use analysis, fiduciary reporting, pricing analysis and litigation support. *Fair market value (FMV) is the price that property would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts.*

- **Fine Art Appraisals**

Fine art assets include items such as: paintings, drawings, prints, photographs, sculpture, murals, books, clocks, collectibles, decorative items, furniture, historical items, musical instruments, porcelain, china, crystal, pottery, art glass, jewelry and gems, rugs, furniture and decorative arts. It is important to document the value of fine art assets. These assets are sound investments and their protection from fire, theft or damage is a smart business practice.

- **Annual Update Service**

Gallagher Bassett recommends its Annual Update Service Program to provide fresh insurable values on an annual basis. Every year, changes in buildings and contents are recorded and new values produced. The benefits of the annual update service include:

- √ Availability of current assets on a yearly basis.
- √ The program's proof of loss feature commences upon notification to Gallagher Bassett in the event of a catastrophe.
- √ The primary appraisal's useful life is extended from the industry standard of five years to between seven and eight years.

- **Appraisal Values Database**

Gallagher Bassett offers clients immediate, 24/7 access to their appraisal values through the website gbriskcontrol.com. A simple mouse click opens the door to readily accessible information on the following items:

- √ Building values by location, building and client level
- √ Photos of appraised structures
- √ CAD drawings
- √ COPE reports
- √ GPS mapping of building, location, client
- √ Extraction of reports in Excel format

Proven Success

For more than forty-five years, Gallagher Bassett Appraisal Services has provided insurable values on structures and machinery for institutional, municipal, religious, educational, industrial and commercial customers. We are committed to ensuring your complete satisfaction with your insurance appraisal and all subsequent services.

For more information, contact Gary Wood, Senior Account Executive at Gallagher Bassett Services, Inc.

THREE REASONS TO HAVE AN INSURANCE APPRAISAL:

1. PROTECTS YOUR ASSETS BY ESTABLISHING THE PROPER LEVEL OF COVERAGE FOR INSURED FACILITIES.
2. PROVIDES A RECORD OF CURRENT VALUES FOR TANGIBLE ASSETS.
3. PRESENTS PROOF OF LOSS SUPPORT IN THE EVENT THE INSURED ITEMS ARE LOST OR DAMAGED.



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